



It is expected that the **GST** would boost the **GDP** thereby **business will flow**

In your opinion, why do you think the GST rollout is a watershed moment for Indian industry and India's economy.

GST is a landmark reform in the Indian indirect tax system; it is combining various taxes like excise, VAT & CST, service tax and other state and local taxes into one taxation system. To comply with GST, businesses will have to change their methods of transaction processing completely. But by complying with GST, they will be part of a seamless tax system and will get the benefits of all input taxes paid. Also with GST being fully on a digital platform, we expect speed and ease of assessment in the long term. There are initial pain areas where all businesses and the government will have to work really hard. But it is also expected that the GST would boost the GDP thereby business will flow, and also the tax collection and tax base would expand significantly.



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It is believed that the implementation of the GST (deemed as one of the most complex reforms in the world) is a breakthrough reform for Indian manufacturing. Please share with us your views on the impact on the Indian manufacturing sector as also on your industry.

The GST is a very complex tax reform as it is based on combining the receipt of state and central taxes and also the immediate distribution of taxes collected between the centre and the states. Some of the impacts that the GST will have are:

Supply chain and inventory management: To align with the GST law, businesses will be required to realign their supply chains. However, this is a blessing in disguise. Till date, most supply chain structuring has been designed around managing state taxes and finding most tax efficient channel. Now it will be more commercial decision based on the overall fundamentals of the vendor or supplier as buying from anywhere in India will not affect the taxes paid.-

Logistic and transportation: The transportation costs and time will reduce due the elimination of check points at state borders and local tax check points like Octroi.

Cascading impact of taxes: As there is one tax, the cascading effect of taxes (excise and sales tax) will be eliminated on manufactured goods.

Working capital: Increase in working capital requirement as branch transfer would also attract GST. There will initially also be some delays in claiming input tax credit due to lack of clarity.

It is assumed that the 'Ease of Doing Business' in India is set to improve with the GST rollout, and FDI is expected to grow substantially. Please share your views on this.

GST will improve indirect taxes management over its implementation period and is a factor in 'Ease of Doing Business' no doubt. But 'Ease of Doing Business' depends not only on the efficient implementation of GST, but also on the overall infrastructure, and also on the rationalisation of

various other procedures, acts and powers vested with government officers. There is a lot to be done in all these areas as well.

Please elaborate on company's operations in the country, your investments, plants, manpower, quality control, and the products you manufacture.

A.T.E.'s operations in India encompass manufacturing, industrial sales, distribution, service and turnkey projects in the areas of textile engineering, cooling, wastewater treatment, flow technology, print and packaging, industrial IoT (Internet of Things), and energy efficiency. A.T.E. is spread across 14 locations, employs around 600 employees, and serves more than 5000 customers across industry verticals.

For the textile industry, A.T.E. provides complete solutions across the textile value chain, mostly through representations. A.T.E. also manufactures precision accessories and components for spinning machinery. A.T.E. provides a number of solutions to the print and packaging industry, including solutions for register control, web video and defect detection, anti-static, ink temperature control, and heat recovery.

A.T.E. also produces and supplies industrial and commercial cooling systems (based on indirect evaporative cooling technology) and concentrated solar thermal (CST) systems. We have proven high-tech solutions for industrial wastewater treatment as well. We provide a wide range of highly efficient pumps of well-known brands. Finally, across industries, A.T.E. also provides end-to-end industrial IoT solutions.

We pay particular attention to our products' quality and our customers' satisfaction. Our manufacturing standards are top notch and are at par with global standards. We have deployed a series of quality initiatives, and we are certified under ISO 9001, ISO 14001 and OHSAS 18001. These initiatives help ensure our products' quality at every stage of the production process. We are a company that continuously develops technology – we are proud to say many of our products are 'invented in India'.



The government is making all efforts and addressing issues to improve the business environment, and to boost manufacturing. Though the long-term outlook looks promising, the Indian Manufacturing Sector is yet to achieve the expected sustainable growth. Please highlight the challenges you face and outline your vision and plans to leapfrog your business to the next level

There are certainly a number of challenges that we have to grapple with in our businesses. The prevailing economic situation is one factor overall at any time. For our sustainability driven businesses like wastewater treatment and recycling, energy efficient cooling solutions, and industrial IoT solutions – we have seen that investments in these technologies were not considered a priority by many industries. The situation, however, is changing for the better for sure, thanks to the increasing awareness and social consciousness of the industries. We are confident that the various initiatives being promoted by the government, such as Swachh Bharat, Digitalisation, Sustainability, etc., will certainly help our businesses going forward.

As for our plans, we will continue to focus on consolidating our business in textile engineering. In cooling, we have recently launched new products for the residential and commercial sectors. In wastewater treatment solutions, we are working with our partner, Huber, who is a global leader in the field, to expand Huber's footprint in India. We are also narrowing our focus in the IoT business to the textile, plastics, and print and packaging sectors, where our domain knowledge and synergies with allied businesses give us an edge over our competitors. We have also got our foot in the door in the solar segment, where we have landed landmark orders for our newly launched Compound Parabolic Concentrators. In addition to our existing register control systems, we have also introduced a new line of products for the print and packaging industry that is rapidly gaining acceptance as well.

On the whole, the business situation looks promising to us, and we are geared to take advantage of the emerging situation with both well established and newly developed products and solutions.