



by Abhijat Sanghvi

It's been an unprecedented situation for the global economy since Covid-19 has hit the world since early 2020 and its catastrophic impact has ensured no individual's lives are the same anymore. Through some phenomenal efforts from the global medical fraternity and swift government policies and action, we have adapted our lives to the "new normal". Businesses worldwide including India were set back drastically in the second and third quarters of 2020. As the work from home culture and limited manufacturing activity commenced, economic activity began limping back. Massive vaccination drives especially from the Indian perspective have been instrumental in keeping excellent controls after the brutal second wave in May 2021 with the peak at approximately 410,000 cases a day to early December where we are almost down to 10,000 cases a day. For a population of over 1.3 billion, it augurs well for India assuming any new mutations don't play havoc again. With the onset of Omicron, numbers have been spiralling globally again and the good news is that though highly infectious, it's milder than Delta.

Despite the cruel second COVID-19 wave in India and the widespread disruptions that ensued, India's economy is set to be one of the fastest-growing major economies for 2021 and beyond. **Following a sharp contraction in GDP in 2020, India's latest outlook shows growth is expected to rebound to 9.5 percent in 2021 and 8.5 percent in FY2022-23.**

The International Monetary Fund (IMF) has predicted that India will have the fastest economic growth rate by 2022. The favourable factor is that in the list, except for India, this growth rate has not been estimated to go above 6 percent for any other country. The other big positive is that over 50% of India's population is under 25 years and 65% is under 35.

Fastener Exports & Imports Data for India received from the Engineering Export Promotion Council of India (EEPC) indicates that for FY2020-21, though Exports & Imports dropped 13% and 16% respectively over the previous year after being hit by COVID-19, the rebound has been very positive with a jump of approximately 25% and 27% for FY2021-22.



Fasteners Association of India President Abhijat Sanghvi on Indian Economy and Fastener Industry Prospect

From the Indian Fastener Industry perspective, many companies which would have deferred their capex plans will now go into action, considering a healthy jump back to industry growth. Though the impact of steel rises to an all time high currently have affected the industry margins with a steel price jump of almost 50% in a year and a half, the next couple of years are envisioned for consolidation and growth in the industry.

After a hiatus of almost 2 years, Fastener Fair India resumed in the last week of November 2021 at Mumbai. Industry members were delighted to reconnect as I was personally witness to large footfalls at the show. Most major Shows such as Fastener Fair Delhi 2022, the International Fastener Expo at Las Vegas USA 2022 & Fastener Fair Stuttgart 2023 should stay on course which is a positive sign.

We have to accept the fact that COVID-19 is here to stay and complete eradication seems a distant dream. As long as there are boosters developed in time to combat any new potentially dangerous mutations, we need to move on albeit with utmost precaution of safety measures.

There is a massive air of unpredictability but we need to maintain a positive attitude to weather the coronavirus storms which will be frequent. The next decade holds phenomenal growth opportunity potential for the Indian Fastener Industry. Fasteners Association of India will conduct in 2022 regular technical seminars and training for skilled labour as done in the pre-covid phase. Industry must also embrace automation in their business plans as the top tier of large fastener companies in India are already making a transition to Industry 4.0. An organised plan of excellence through continuous improvement, effective training program, upgrading technology and focus on customer service can be effective in building Brand India.

We look forward to a healthier, happier, and prosperous new year and wish all the readers the same. ■

