

# INDIAN NEWS



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## Bulten AB Expands Presence in India's Market

In a strategic move, Bulten AB is venturing into manufacturing operations in India, marking the start of a joint venture with two partners: Radium Fasteners Pvt Ltd and ZJK Precision Parts HK. However, through its subsidiary Bulten Radium Industries Pvt Ltd, it is pushed by rapidly growing domestic demand from global customers in the electronics market, particularly towards Indian manufacturing of micro screws.



Anders Nyström, President & CEO, Bulten, gave a brief overview of the company's ambitious plan, stating that its main objective is growth, especially in the micro screw segment, driven by the booming electronics market in India. The company plans to begin production during the first half of 2024.

This new production plant, which is under construction now in Jamnagar, Gujarat, will be the operational epicenter, with the desired operational capacity to be attained by the second quarter of 2024 with around 50 skilled professionals as the workforce. Bulten holds 51 percent of the control stake in the newly formed company. ZJK contributes their previous expertise as a former partner with Bulten in the field of micro screw manufacturing in China.

However, Radium commences as a newly formed company with experienced dealers in the Indian fastener's industry. Furthermore, by acquiring the distribution company Exim Mfr & Enterprise, Bulten has expanded its presence in India and gained a foothold in the country's burgeoning market.

## India Probes Chinese Fasteners

The Indian authorities are delving into the alleged dumping of fastener originating from China. Clear evidence of damage suffered to the domestic industry by these dumped imports exists, assert local producers.

Representations have been made by the association in the sector to the Directorate General of Trade Remedies (DGTR), which is a part of the Commerce Ministry, and hence, DGTR has commenced an anti-dumping investigation.

Indian producers have provided relevant evidence to the authority. Following a rigorous assessment of valid representations, DGTR confirmed the reliability and adequacy of the submitted information. Hence, the authority has set about conducting an anti-dumping investigation, as evidenced by the Indian producers.

The DGTR, in its statement, has explained that the anti-dumping investigation on the specified products coming from or exported by China is initiated independently to determine dumping, its intensities, and effects. An investigation of unfair competitive practices led to a recommendation for an appropriate amount of anti-dumping duty that will remedy the injury to the domestic manufacturer.

This implies that the overall subject country presents a positive and significant price undercut. Furthermore, the domestic industry in this sector has undergone some forms of trade injury, including low capacity utilization, decreased sales volumes, financial loss, and market share shrinkage.



## Sterling Tools Surges 3.7 Percent in H1FY24

Sterling Tools Ltd, a leading automotive fastener manufacturer in India, and its fully owned subsidiary Sterling Gtake E-Mobility Ltd, a major MCU supplier to the Indian EV markets, have declared their unaudited standalone and consolidated results for the quarter and half-year concluded on September 30, 2023.

As per standalone financial highlights, as the automobile industry marginally grew about 1 percent YoY for April–September, Sterling Tools demonstrated good performance and managed to register a significant 3.7 percent YoY growth in H1FY24. The growth was however faced with challenges such as stagnant sales that failed to absorb the manufacturing expenses, thus forcing up the employee's cost.

Commenting in Q1FY24, Atul Aggarwal, Whole Time Director, Sterling Tools Ltd, stated that the consolidated revenues increased by a great extent to INR 434.4 crore recorded during H1FY24 as compared to INR 353.8 crore in H1FY23. The company's reported EBITDA was up 12.6 percent to INR 54.4 crore in the period. Notably, Sterling Gtake E-Mobility, one of the key contributors to consolidated revenue in H1 FY24, accounted for 30 percent—double the number recorded in H1 FY23, which was 17 percent—highlighting the performance.

The topline grew by 3.2 percent, standing at INR 304 crore on a standalone basis. The company achieved either better or similar results compared to the auto industry's 1.0 percent YoY growth during the same period within the end-user product subsegments. ■



STERLING TOOLS LIMITED

