



Indian Fastener Market

(Part 1: Market Observation)

印度紧固件市场（第一部分：市场观察）

Introduction

According to the "World Economic Outlook" report published by the IMF on July 16, 2024, the economic growth forecast for India in the fiscal year 2024-25 was raised from 6.8% to 7%. This adjustment is primarily attributed to sustained increases in private consumption, particularly in rural areas, which have driven India's economic growth beyond expectations.

The Asian Development Bank (ADB), in its recently released "Asian Development Outlook" report, stated that strong demand in manufacturing and construction sectors is expected to drive robust growth in India's industrial sector. Investments led by public infrastructure projects remain strong, maintaining the economic growth forecast at 7% for the fiscal year 2024-25 and projecting a growth rate of 7.2% for FY2025-26.

Globally, the IMF forecasts a growth rate of 3.3% for 2025. The Economic Counselling and Research Department of IMF noted that emerging economies in Asia remain the primary engines of global economic growth, with India's contribution representing a significant percentage of global growth. Over the next five years, global economic prospects are expected to weaken. "By 2029, China's economic growth is projected to slow to 3.3%, far below current levels," said IMF. China's economic momentum is weakening and shows a sign of cooling. With a narrowing demand-supply gap, India's economic growth potential is worth continuous attention.

As India strives to realize its economic development potential, it accounts for over 15% of the MSCI Emerging Markets Index, up from 6.7% in 2009, ranking second only to China in index weight. Consequently, India is rapidly becoming an indispensable large market. Significant progress has also been observed in addressing supply-demand gaps within its fastener market.

Demand in the Indian Fastener Market

India is a developing economy with the world's largest population of approximately 1.4 billion people. In 2021, its GDP totaled around USD 3.1 trillion, ranking sixth globally. Although per capita income remains relatively low at about USD 2,200, India's domestic market is vast and highly promising, making it one of the most important emerging markets globally. India's future development will primarily rely on several key factors, including demographic dividends, digital economy advancements, promotion of localized manufacturing, and enhanced connectivity with other countries. Promoting manufacturing localization is also a critical component of India's future development strategy under the "Make in India" initiative.

India's economic development includes transforming into a global manufacturing hub and creating more job opportunities while enhancing competitiveness in its manufacturing sector. On January 30, 2024, India's Department for Promotion of Industry and Internal Trade (DPIIT) announced mandatory inclusion of various fastener products under "Quality Control Orders" (QCOs) to strengthen quality standards for fasteners. Government notifications S.O. 3267(E), dated

July 21, 2023, and S.O. 2771(E), dated July 12, 2024, listed fastener products under ISI mark certification frameworks (refer to Fastener World Magazine No. 210). These measures aim to prevent circulation of substandard fasteners in the Indian market and avoid accidents or loss of life while attracting investments and promoting upgrades in fastener products.

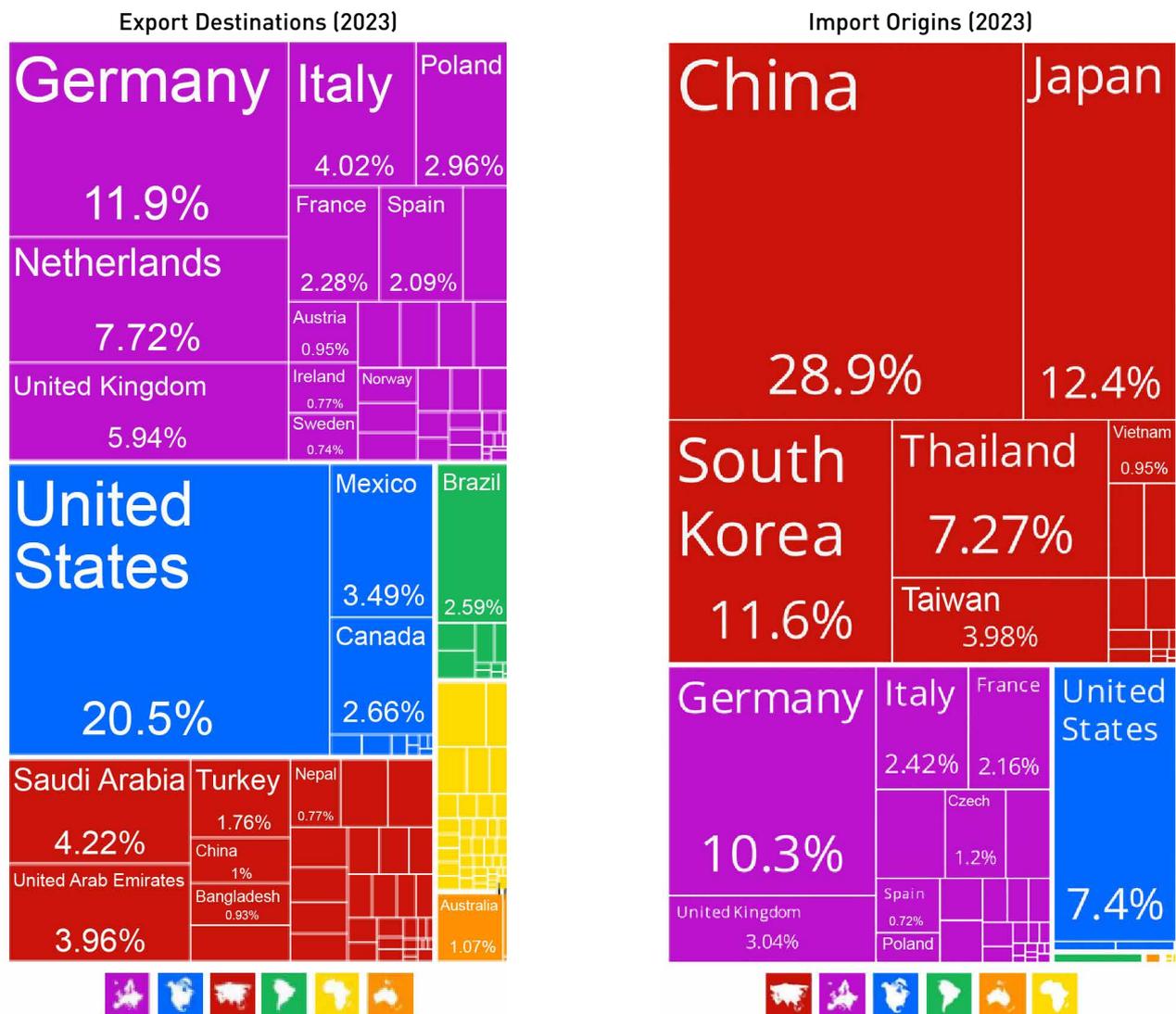
From 2022 to 2024, export statistics by Taiwan's Bureau of Foreign Trade indicate challenges faced by Taiwan's fastener export market after the world walked out of COVID-19 (refer to Fastener World Magazine No. 209). **India is actively developing its automotive industry, leading to a significant increase in demand for automotive fasteners. Additionally, as India undergoes urbanization and industrialization with plans to construct 100 smart cities, industrial fasteners are in demand due to significant rise in infrastructure and construction needs.** It is predicted that India's vigorous promotion of the automotive industry and other industrial sectors, along with increased use of construction fasteners, presents a considerable opportunity for high-quality and high-value fasteners. It is worth observing whether the Indian fastener market will become a new blue ocean for the high-quality and high-value fastener industry.



Indian Fastener Trade

According to trade statistics on steel fasteners, India exported USD1.06 billion worth of steel fasteners in 2023, ranking as the world's 9th largest exporter of such products. Steel fasteners were the 74th most exported item in India that year. The primary export destinations included the United States (USD 217 million), Germany (USD 126 million), the Netherlands (USD 81.5 million), the UK (USD 62.8 million), and Saudi Arabia (USD 44.6 million). Between 2022 and 2023, the fastest-growing export markets for Indian steel fasteners were the UAE (USD 7.74 million), Saudi Arabia (USD 6.9 million), and Italy (USD 6.71 million). In 2023, again India imported USD 1.06 billion worth of steel fasteners, ranking as the world's 12th largest importer of such products. Steel fasteners were ranked as the 94th most imported product in India. The main import sources were China (USD 306 million), Japan (USD 131 million), South Korea (USD 123 million), Germany (USD 109 million), and the United States (USD 78.4 million). Thailand (USD 29.7 million) was India's fastest-growing import origin for steel fasteners between 2022 and 2023. (Figure 1)

▼ Fig. 1. Proportion of India's Fastener Export Destinations and Import Origins in 2023 (in Percentage by Trading Value)



Source: <https://oec.world/en/profile/bilateral-product/iron-fasteners/reporter/ind?yearExportSelector=exportYear1&tradeValueExport=tradeScale0#historical-data>

Based on India's 2023 fastener statistics, the export and import of various fastener products are categorized using the international goods classification system (HS code), as shown in Table 1. Table 2 compares export and import data from 2021 to 2024. Following the end of COVID-19, India's fastener exports declined due to reduced global demand, showing negative growth, while imports increased, reflecting positive growth.

According to trade statistics compiled by India's Ministry of Commerce and Industry based on H.S. codes, Table 3 compares the total weight and price of steel fasteners exported in 2023 and 2024, while Table 4 compares the total weight and price of steel fasteners imported during the same period. The result of calculations of average unit prices and overall average unit prices is listed in Table 5 in terms of export and in Table 6 in terms of import.



Trade statistics indicate that in 2024, both individual unit prices and average unit prices of imported fasteners in India significantly exceeded those of exported fasteners. From 2022 to 2024, products classified under H.S. code 73181500 accounted for the largest weight percentage in India's market (95,713.19 metric tons in 2022, 1,841,891.59 metric tons in 2023, and 94,502 metric tons in 2024). The average import unit price for this category was USD 4.45/kg in 2022, USD 0.26/kg in 2023, and USD 5.01/kg in 2024. India's overall average import price for fasteners during this period was USD 4.4758/kg in 2022, USD 0.55/kg in 2023, and USD 3.45/kg in 2024. This suggests that the quantity of imported fasteners in India in 2024 returned to levels close to the market demand observed in 2022, with unit price variations depending on product type. Therefore, from a supply-demand perspective, except

for products under H.S. codes 73181190, 73181200, 73181400, and 73182400, other categories of fasteners remain essential for India's market among reduced global demand for fasteners. Observing growth trends for products priced above the overall average unit price can help assess future demand for specific types of fasteners in India.

Comparing export unit prices with countries such as Vietnam and Thailand (refer to Fastener World Magazine No. 204 and No. 201), the average unit price of India's steel fastener export is lower or similar to Vietnam's prices, offering competitive advantages over countries such as Vietnam and Thailand in international trade due to lower costs. However, compared to ASEAN countries, India exhibits a stronger demand for high-value imported fasteners. A statistical analysis suggests that India primarily exports lower-value fasteners produced domestically or resold internationally, while importing higher-value fasteners to meet domestic market shortages or high demand.

Table 1. Indian Fastener Export and Import Statistics by Category in 2023

HS Code	Export Value (Million USD)	Proportion	HS Code	Import Value (Million USD)	Proportion
731815	406	50%	731815	488	44%
731819	168	20%	731816	163	14.9%
731816	90	11.2%	731819	114	10.4%
731822	53	6.65%	731829	108	9.92%
731829	48	6.04%	731814	71	6.51%
731811	11.5	1.44%	731822	50	4.63%
731821	10.2	1.27%	731823	34	3.1%
731824	4.14	0.517%	731811	28	2.63%
731814	3.23	0.403%	731824	14.1	1.29%
731823	3.15	0.393%	731821	14	1.27%

Source: <https://trendeconomy.com/data/h2/India/7318>

Table 2. Indian Fastener Trade Statistics by Category in 2021-2024

	Year	2021	2022	2023	2024
Export	Value (USD)	719.697	833.368	801.484	865.16
	YOY(%)	53.54	15.79	-3.82	7.94
Import	Value (USD)	869.883	961.290	1,095.238	1116.79
	YOY(%)	43.02	10.50	13.93	1.96

Source: <https://trendeconomy.com/data/h2/India/7318> and <https://tradestat.commerce.gov.in/>

Table 3. Comparison of the Total Export Weight and Value of Indian Fasteners in 2023 and 2024

HS Code	Export Weight in Tons			HS Code	Export Value in Million USD		
	2023	2024	Growth(%)		2023	2024	Growth(%)
73181110	1,596.80	1,823.04	14.17	73181110	5.90	7.41	25.46
73181190	1,385.22	1,183.98	-14.53	73181190	5.68	5.13	-9.71
73181200	361.90	617.99	70.76	73181200	1.16	1.70	46.75
73181300	152.92	606.40	296.55	73181300	1.21	5.78	377.22
73181400	701.33	848.89	21.04	73181400	3.23	3.10	-4.00
73181500	160,180.28	150,303.66	-6.17	73181500	406.76	450.49	10.75
73181600	26,290.46	25,787.21	-1.91	73181600	90.20	94.09	4.32
73181900	77,714.82	82,153.66	5.71	73181900	168.17	179.44	6.70
73182100	1,335.39	1,307.48	-2.09	73182100	10.23	10.34	1.04
73182200	20,169.18	23,298.42	15.51	73182200	53.36	56.69	6.25
73182300	606.04	474.64	-21.68	73182300	3.16	3.63	15.00
73182400	639.20	628.52	-1.67	73182400	4.15	4.35	4.89
73182910	578.93	546.63	-5.58	73182910	6.06	6.07	0.04
73182990	7,327.66	6,331.49	-13.59	73182990	42.36	36.94	-12.79
Total	299,040.13	295,912.01	-1.04605	Total	801.63	865.16	7.925103

Source: <https://tradestat.commerce.gov.in/>



Table 4. Comparison of the Total Import Weight and Value of Indian Fasteners in 2023 and 2024

Import Weight in Tons				Import Value in Million USD			
HS Code	2023	2024	Growth(%)	HS Code	2023	2024	Growth(%)
73181110	2,253.29	1,016.12	-54.90	73181110	4.67	5.05	8.22
73181190	9,390.65	14,174.90	50.95	73181190	24.20	23.89	-1.27
73181200	5,788.58	4,097.51	-29.21	73181200	5.83	7.19	23.19
73181300	431.97	386.30	-10.57	73181300	1.60	1.54	-3.78
73181400	39,128.72	41,535.93	6.15	73181400	71.26	87.29	22.49
73181500	1,841,891.59	94,502.08	-94.87	73181500	487.94	473.28	-3.00
73181600	38,769.19	27,802.36	-28.29	73181600	163.46	161.95	-0.93
73181900	30,941.31	28,571.22	-7.66	73181900	114.38	148.77	30.06
73182100	1,481.60	2,314.02	56.18	73182100	14.00	14.36	2.61
73182200	5,136.08	7,712.17	50.16	73182200	50.74	52.11	2.70
73182300	4,255.18	5,316.49	24.94	73182300	33.99	28.51	-16.13
73182400	2,351.75	76,097.61	3,135.79	73182400	14.13	16.21	14.76
73182910	554.29	696.64	25.68	73182910	6.38	8.17	27.92
73182990	11,654.12	19,812.43	70.00	73182990	102.35	88.47	-13.57
Total	1,994,028.32	324,035.78	-83.7497	Total	1,094.93	1,116.79	1.996475

Source: <https://tradestat.commerce.gov.in/>

Table 5. Changes in Average Unit Price and Overall Average Unit Price of Various Steel Fasteners Exported from India in 2024 Compared to 2023

HS Code	Average Unit Price of Stainless Steel Fastener Export (USD/KG)		Change
	2023	2024	Growth(%)
73181110	3.69	4.06	10.00
73181190	4.10	4.33	5.66
73181200	3.21	2.75	-14.17
73181300	7.91	9.53	20.46
73181400	4.61	3.65	-20.70
73181500	2.54	3.00	18.02
73181600	3.43	3.65	6.34
73181900	2.16	2.18	0.93
73182100	7.66	7.91	3.23
73182200	2.65	2.43	-8.02
73182300	5.21	7.65	46.67
73182400	6.49	6.92	6.60
73182910	10.47	11.10	6.08
73182990	5.78	5.83	0.92
Overall Export Unit Price	2.68	2.92	9.06

Table 6. Changes in Average Unit Price and Overall Average Unit Price of Various Steel Fasteners Imported to India in 2024 Compared to 2023

HS Code	Average Unit Price of Stainless Steel Fastener Import (USD/KG)		Change
	2023	2024	Growth(%)
73181110	2.07	4.97	139.79
73181190	2.58	1.69	-34.60
73181200	1.01	1.75	74.22
73181300	3.70	3.99	7.62
73181400	1.82	2.10	15.39
73181500	0.26	5.01	1790.49
73181600	4.22	5.83	38.15
73181900	3.70	5.21	40.85
73182100	9.45	6.21	-34.32
73182200	9.88	6.76	-31.60
73182300	7.99	5.36	-32.86
73182400	6.01	0.21	-96.45
73182910	11.51	11.73	1.88
73182990	8.78	4.47	-49.15
Overall Import Unit Price	0.55	3.45	527.65

