

## Sundram Fasteners to expand international operations

India's auto component manufacturer Sundram Fasteners Ltd, part of the city-based TVS Group, is expanding its production capacities in China, Germany and Britain, and also looking at aerospace and petrochemical sectors for accelerated growth.

The Rs.15.77 billion (\$397 million) revenue company operates plants in five countries - India, China, Britain, Germany and Malaysia - and makes auto components like fasteners, radiator caps, powder metal parts, cold extruded parts, hot forged parts, pumps and assemblies.

A high ranking official, pleading anonymity, told IANS that the company's wholly owned Chinese subsidiary, Sundram Fasteners (Zhejiang) Ltd (SFZL), located at Haiyan county, would increase its high-tensile fasteners (both specials and standards) and bearing housings production capacity.

While the investment outlay in the region is rumoured to be Rs.800 million, the official declined to confirm or deny that amount.

Ever since its launch in 2004, the Chinese plant has been on the expansion mode. Till last year, the total investments were around \$9 million and this is set to rise further.

The company had earlier said the investment in China may go up to \$12 million over a period of time.

'In addition to the automotive and engineering industries, the wind energy industry is another high-growth opportunity for quality fasteners,' he said.

SFZL is now supplying products to Chinese customers and as well as its overseas clients by leveraging its business relationships in other countries like Germany.

A pioneer in implementing total productive maintenance (TPM) in India and a winner of several international awards, Sundram will start implementing TPM in its Chinese plant shortly.

Sundram is also investing in additional production capacities at the Britain-based Cramlington Precision Forge and Germany's Peiner Umformtechnik - the two companies it acquired a couple of years ago.

In 2007, Sundram set up two greenfield units in India - one in Pantnagar, Uttarakhand, to manufacture high tensile fasteners, powder metal parts, water pumps and oil pumps with an investment of Rs.300 million, and the other in special economic zone (SEZ), Mahindra World City, near [Chennai](#) to make gears and shafts at an outlay of Rs.320 million.

The fastener major is also focusing on high growth areas like aerospace and petrochemical industries.

'The company is looking at the aerospace industry as a market opportunity for critical fasteners. The aerospace fastener industry worldwide is estimated at a value of \$3 billion, and growing fast,' the official said.

As a matter of fact, the global aerospace industry is now opening up for alternative vendors who are cost competitive and quality conscious.

'Sundram Fasteners is currently at the stage of evaluating the overall scope of the project. The needs of the aerospace industry, by very definition, are more stringent,' he added.

Speaking about the company's plans for making stainless steel fasteners for the petrochemical sector, he said: 'This product group is a natural extension of the current ferrous fastener range of the company. However, the project is at the planning stage.'

Sundram's new product development is focussed on value added critical components and assemblies and powder metal components offer good growth prospects.

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