
India needs imports of stainless steel for infrastructure creation - Mr YPS Suri

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Mr Yatinder Pal Singh Suri Country Head of Outokumpu India during an interviews has outlines the importance of stainless steel in building infrastructure in India, the current supply demand scenario and Outokumpu plans for India

Q - How big is the stainless steel market in India and what are the emerging opportunities you see in India?

A – Currently the overall demand level for cold rolled stainless steel products is over 1.3 million tonnes. While utensils and kitchen wares add up to nearly 0.9 million tonnes, the balance demand is from the industrial segment around 400,000 tonnes. The demand for Industrial grades is set to grow 4 times in the next 8 to 10 years.

In the absence of domestic capability to manufacture high end products for hostile Industrial applications, imports will continue to play a big role.

Therefore enhancing domestic capabilities to offer high end products for the high end application segments in domestic markets is the biggest challenge.

Domestic demand for the low end applications currently generates a demand for nearly 1 million tonnes which will double in next 8 years.

Domestic players have a limited range of product grades available in smaller width only as compared to the wide coils and a big range of grades being offered by global mills which helps the domestic end users to gain big competitive edge in export markets.

THEREFORE INDIA NEEDS TO IMPORT STAINLESS STEEL FLAT PRODUCTS WHICH CANNOT BE MADE IN INDIA.

Q - How Outokumpu has positioned itself in Indian market and how is your company planning to contribute to the growth in steel sector?

A – In contrast to developed world, Indian stainless steel industry is extremely fragmented. Over hundreds of small units using Induction furnaces account for a production volume exceeding the production volume of the largest stainless steel player in the country. These small units cannot compare with the global standards in areas of environment protection, social security issues as well as product quality.

Indian producers can supply commodity vanilla grades for low end applications mostly.

Therefore, the capital goods manufacturing segment has heavy dependence on imports of value added stainless steels. Even the SMEs who export wares to the discerning buyers in global markets have no option but to buy products from globally reputed mills.....

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