
Mr Mittal sees pre recession demand to return in 3 years

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Mr LN Mittal, in an exclusive interview with CNBC-TV18, said that it got a sense of the recession hitting the world in October 2008. He further said that pre recession demand will come back in 2 to 3 years.

With regard to India, Mr Mittal said that he is very optimistic about it. He added that "I am, in fact, bullish about India since the election results have strengthened the confidence which we have in our country. We are talking in the midst of what is probably one of the worst recessions the world has ever seen since the great depression. I know it has affected the steel industry; it has affected virtually everybody that I can think of. Did you see it coming? We got some sense, fortunately. Recently we were in Delhi for our management conference where more than 700 of the top executives assembled for four days. During the conference we realized that recession is coming."

He added that "It is the experience and knowledge from all over the world and people gathered here from 60 countries. They could feel that something was not going right and that made us think real deep and take another view of the situation. We had one of the highest profit margins and highest business in the quarter that ended in September. I am talking about September 2008 and that was amazing and listening from people made us think differently. When we really looked deeper, we also felt that things were not right and recession or some weakness was coming into the market. Incidentally, we were the first steel company to announce a major production cut, the company that announced that things are not looking good."

(Sourced from CNBC-TV18)

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