



VIJAY SHARMA

VP, (Head - Marketing & Sales), Jindal Stainless Ltd

Jindal Stainless Ltd, (JSL) a part of the \$18 billion OP Jindal Group was established in 1970. It is India's largest integrated stainless steel manufacturer and among the top 10 in the world. JSL boasts of an installed capacity of 1.8 million tons with plants at Jajpur, Odisha (1 MTPA) and 0.8 (MTPA) at Hisar. JSL is a globally recognized producer of stainless steel flat products in Austenitic, Ferritic, Martensitic and Duplex grades. The product range includes Ferro Alloys, Stainless Steel Slabs & Blooms, Hot Rolled Coils, Plates, Cold Rolled Coils and specialty products such as razor blade steel, precision strips and coin blanks. With a mission to be a leading global player in stainless steel space, JSL acquired PT. Maspion, Indonesia in 2004 and established its group entity in the name of PT Jindal Stainless to gain a foothold in the South East Asian market. Besides, it also aims to establish commercial presence in Europe and has already opened a service centre in Spain as a stepping stone.

High Duties, Poor Infrastructure, Major Hurdle for Growth of Stainless Steel : Vijay Sharma



Apart from signing MoU with POSCO, JSL is also in the process of tying up with leading automobile companies for supplying high quality stainless steel for varied applications in the auto sector. Jindal Stainless Limited, currently is supplying stainless steel plates/sheets/coils to many prestiges research organisation

Vijay Sharma, an engineering graduate from PEC, Chandigarh & Management Graduate, FMS (Delhi) is currently working as Vice President (Head – Marketing & Sales), he has more than 28 years of work experience in marketing, sales and distribution function. He has worked with organizations like Escorts Ltd and Yamaha motors. He has been associated with Jindal Stainless since Nov 2000.

“Global growth of stainless steel demand is between 5-6%, whereas in India we are making serious efforts to have this growth in the range of 8-9%, but for this to be achieved; government needs to bring the focus back on the infrastructure development”, says Vijay Sharma: VP (Head – Marketing & Sales) Jindal Stainless Ltd in an exclusive interview with Steelworld. Excerpts:



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What is the present status of the stainless steel industry? How is the impact of present slow down on the industry?

- For the past few years, the Global economy has slowed down considerably; as a result growth in India has also been affected. While overall the global production grew by 5.2% in 2012-13 to reach a record high of 35.4 million metric tons (MT) vis-à-vis 2011-12. Most of this was accounted for by China, while the rest of the world showed a negative growth, mainly due to de-stocking. India However, showed a marginal growth vis-a-vis 2011-12

The Indian stainless steel industry is under huge strain on account of cheap imports and unfavorable duty structure, as a result the capacity utilization of the domestic industry has come down to around 40%. However, India definitely has potential for stainless steel to grow at around 6-7% but for that, certain corrective steps need to be taken by the government on war footing.

What are the other issues that impacted the industry?

- Regulatory framework coupled with lack of input raw materials is impacting the profitability / operations of domestic stainless steel industry severely. Recently announced increase in basic custom duty on import of steel scrap has placed domestic stainless steel players at a huge competitive disadvantage vis-à-vis other countries like China, where import duties on all

key inputs for manufacturing of stainless steel is almost nil.

Also high inflation, hardening of interest rates, high fiscal deficits, extreme volatility and the free fall of Indian Rupee have created an environment of uncertainty, as a result of which major business decisions are being deferred and the very viability of manufacturing sector is in question.

How do you see the future of the stainless steel Industry across the globe and as well in India?

- We estimate global growth of stainless steel demand between 5-6% whereas in India, we are making serious efforts to have this growth in the range of 8-9%, but for this to be achieved; government needs to bring the focus back on the infrastructure development. Current per capita usage of stainless steel in India is little over 2 kg which is one of the lowest among the other developing economies and all the efforts are being made for growth of stainless steel industry in sectors like Automotive, Railway & Transport, Architecture, Building & Construction, capital goods for the process industry and new areas like stainless steel plumbing and over head water tanks.

What are the growth plans of Jindal stainless?

- The focus of Jindal Stainless is to cater to the growing demand of stainless steel in the domestic market and to become the first choice for our customers. Exports shall continue to key strategic markets with committed volumes.