

# Jindal Steel charts ₹300-cr capacity expansion

The company will increase cold-rolled capacity at Haryana and Odisha units

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Jindal Stainless Steel is investing about ₹300 crore in expanding the capacity at its factories in Haryana and Odisha, in preparation for the demand in both flat and long product segments.

The company's melting capacity across the two States is about 1.6 million tonnes (mt) a year. In this, the cold-rolled mills' capacity is 0.9 mt.

"We are increasing cold-rolled capacity by 200,000 tonnes, at the Odisha factory complex, to take the total capacity to 1.1 mt. Investment will be about ₹250 crore. We have arranged for the funds and banks

are also supporting us," Vijay Sharma, Senior Vice President, Head - Sales and Distribution (Domestic & Exports), Jindal Stainless Steel Corporate Management Services told *BusinessLine* here.

This will go on stream during the the last quarter of this fiscal. The market size of Indian stainless steel flat products is estimated at 2.5 mt per annum, growing 9-10 per cent year-on-year.

The kitchenware segment enjoys a significant share in the market and accounts for about 1 mt per annum, almost half that of stainless steel flat products demand in India.

After '200 series' product range in kitchenware segment, the company is looking to introduce high quality chrome-manganese products via the coil route.

The company claims an average market share 60-65 per cent across stainless steel



Vijay Sharma, Senior Vice-President, Head - Sales and Distribution (Domestic & Exports)

product categories. It is also increasing the melting capacity at Odisha from 0.8 mt to 1.1 mt through process improvement and debottlenecking.

The \$3 billion company sees bright opportunities in the long-product segment and is

creating a capacity at its Haryana factory.

To start with, the Hisar factory will have a capacity of 50,000 tonnes a year for long products entailing an investment of ₹40-50 crore.

This project will commence

during the last quarter of this fiscal.

## Level playing field

Although India is a large exporter in the kitchenware segment, its competitiveness is marred by a glut of cheaper imports from China. Countervailing duty (CVD) imposed by the government on stainless steel imports from China is being circumvented by routing imports through Free-Trade Agreement (FTA) countries like Indonesia and Vietnam.

Nearly 50 per cent of the stainless steel used in the organised segment in the kitchenware industry in India is imported from China, directly or indirectly. "A level playing field is required for Indian companies and stronger measures by the government are necessary to safeguard the competitiveness of local manufacturers", Sharma said.