


GUEST OF THE MONTH

“Both India and China have considerable amount of raw materials and skilled manpower for producing refractories”

Dr. Arup Kumar Chattopadhyay, Executive Director of TRL, Belapahar Orissa, since 2002, completed his Ph.D (Tech) Kinetics of Dehydration and Rehydration of Aluminium Silicate Systems after his M Tech (Chem specialisation in Ceramic Tech).

Closely associated with several Executive Committes and various professional bodies in the past like Works Manager of Behar Firebricks, Production Manager of Bharat Refractories Ltd, Work Manager of SNCCIL(Dalmia), where he turned around Khambalia plant (SNCCI Dalmia grp) from a troubled unit to a money spinner, in 1998; past Sr. Vice President and Chief Executive (Refractories Business) of Formerly ACC Refractories, where he gave new direction to the ACC Refractories, under his dynamic leadership, ACC Refractories has scaled new heights in terms of overall Business performace. He was conferred the Best “Refractory Technologist” Award in 1996 and was also honoured with Presidency of Rotary Club, Katni during 1995 and present Vice Chairman of IRMA in 2006.



Dr. A. K. Chattopadhyay

Here is an exclusive Interview with Steelworld :

1) What is the present status of Indian refractory industry?

After stagnancy and low capacity utilization experienced over past several years, now that the core sector industry are looking ahead for significant growth specially in steel industry, despite considerable competition refractory industry in India is growing very strongly for last three years and in fact it is growing at a rate of more than 12% in last two years. The capacity of the refractories production in the country is more than 16 lakh tones and last year the country almost produced more than 14 lakh tons that is nearly 90% capacity utilization. The factors behind the growth of refractory industry in India in recent years can be ascribed to:

- a) Growth in the investment in steel sector;
- b) Growth in the investment in infrastructure;
- c) Specific program for energy conservation, waste management and updating all other R&D facilities;

The active body like Indian Refractory Makers Association are also helping in several ways through their different activities for the growth of refractories industry in India.

2) Is the refractory industry ready to cope up with the rising levels of steel production in the country?

Yes, of course. Indian refractory industries today are capable of producing :

- Value added long lasting refractories;
- Refractories Industry augmented and advanced their facilities;

- More than that the refractory industry as a whole recognizes that the refractory is rather an engineering material than a commodity.

In many areas the industry has institutionalized relationship with the steel industries through different kinds of refractories management activities and also acting as a total solution provider to the steel industry.

3) In the last few years we saw a few overseas refractory manufacturers striking Indian market. How have these affected Indian companies?

Obviously, with the liberalization of economy and changes of the duty structure for the finished products, Indian refractories industry is facing competition from overseas refractory manufacturers. In the last union budget the duty on finished refractories has reduced further to 7.5% but as a whole, till now barring one or two areas, the industries have not faced much threat. It is also important to note that because of overseas refractory manufacturers started striking Indian market; Indian refractory industry also started improving their performances through

- a) Creation of new facilities;
- b) Using more quality raw materials
- c) Adopting latest R&D and state-of-art technology.

In the recent years Indian refractory industry really improved their capability.

4) What is the impact of recent union budget on refractory industry?

The recent union budget while reduced duty on finished product to 7.5% it has also reduced the duty on number of raw materials like micro silica, calcined alumina, brown fused alumina, fused zirconia, silicon carbide, reactive alumina etc. to 7.5%. Calcined bauxite is now having a customs duty of 2% and all the fused magnesite and dead burnt magnesite and andalusite, kynite are at 5% customs duty, which was earlier 15%. All those reduction of duties will definitely help refractory industry in India to perform better and to become more competitive in the days to come.

5) Apart from India, China and Middle East are two regions witnessing strong steel growth. What opportunities such a situation offers to refractory industry?

Both China and Middle East are showing signs of strong growth in steel in which the China will not be a correct market for India since Chinese industry produces huge

quantity of refractories, which is almost to the tune of 18 million tons, out of total world's production of 30 million tons of refractories. However, the steel growth in Middle East will be a good sign particularly for the Indian refractory industry to work from India. Sea Freight being less and entire Middle East there are no strong refractory manufacturer, mostly the Middle East imports refractories from Europe and compared to that Indian refractories will be more price competitive. Thus Indian refractory industry will be doing better business in the steel industry in Middle East.

6) How do you access the short term and long-term prospects for refractory industry in Asian region?

Whether it is short term or long term it is a fact that refractories will be produced in India and China. Both India and China have considerable amount of raw materials and skilled manpower for producing refractories. Both China and India are also having new facilities for refractories manufacture, which are comparable to the western world and thus in the long term, the prospects of refractories in Asia and particularly in China and India are very bright.

7) How Tata Refractories is responding to today's opportunities and challenges?

Tata Refractories through their visionary leadership have assessed the position much earlier and addressed different issues for its growth for both domestic and global market. Tata Refractories have modernized and expanded the capacity of their Belpahar Unit through an investment of Rs. 280 crores which includes green field plant for producing mag carbon bricks in China and bauxite based product in Gujarat. Apart from investment in machineries and plant, TRL have continuously taking initiative to improve the quality of their products and develop new products to meet the future challenges. For long-term stability and growth, Tata Refractories have undertaken a programme called IMS (Integrated Management System). TRL also recognized the need for development of professionals and thus strengthened their HR practices and also adopt Tata Business Excellence Model (in line with Malcolm Baldrige Excellence Model) for growth in their business. The plant facility, wide range of products and services and relentless efforts for customer satisfaction through Total Refractories Management and Total Refractories Solutions are the initiatives TRL have done in response to the opportunities and challenges.

