



**Vikram Amin**  
Executive Director (Sales & marketing),  
Essar Steel



## Demand is steady and steel producers are able to ramp up production : **Vikram Amin**

Vikram Amin, Executive Director, oversees the sales and marketing function of Essar Steel Business Group operating companies in India, Canada and Indonesia. He joined the Essar Group in 1987 and has held various assignments in the steel business area in India, Indonesia and the Middle East with great success and élan.

Under his leadership, Essar Steel has emerged as one of the largest and finest steel producers in India. Essar was the first steel major to introduce branded steel in India under the '24 Carat Steel' brand. The company also continues to be India's leading flat product exporter.

Amin has also played a defining role in establishing three world class steel service centers in the north, west and south of India and in the opening up of a first of its kind, 80 retail distribution centers to cater to the growing Indian demand story.

Recently, Essar Steel has entered into an agreement with Shree Precoated Steels to acquire the fixed assets and steel business of the Ajmera Group firm for Rs 600-crore. The company would also acquire Rs 175 crore long-term debt of Shree Precoated Steels and the net current assets and liabilities of the company, the valuation of which is underway.

With the acquisition, Essar Steel's topline would increase by at least Rs 2,600 crore and bottomline by around Rs 200 crore a year and catapult the Ruias-owned steel firm to be the largest cold rolled and colour coated steel maker in the country.

**Here Vikram Amin talks about the current market scenario, the company's future plans and acquisition of Shree Precoated Steel.**

**Q)** Now, many industry experts have started talking about revival in the Indian steel industry. Do you agree on it? If yes, then how do you look at rest of the year for the industry?

**V Amin :** While there are signs of revival in steel industry,

it is a cautious optimism now. International steel market is still volatile. The volumes have started picking up. In India, the demand is steady and steel producers are able to ramp up production. We expect that this trend may continue till the end of the year. However, the drought in many parts of the country is a matter of concern.

**Q) The latest Union Budget has emphasised on infrastructure activities. How do you see this step in such tough times?**

**V Amin :** The government's emphasis on infrastructure spending is in the right direction. The Indian economy is back on growth path with GDP now growing at over 5-6 percent.

**Q) What has led Essar Steel to acquire Shree Precoated Steel?**

**V Amin :** The steel assets of Shree Precoated Steel is a best fit for our existing business. This not only gives us leadership position in cold rolled segment and colour coated segment, it also widens our customer reach. This acquisition will make Essar Steel the country's only steel plant with integrated facilities to manufacture heavy plates, hot rolled, cold rolled, galvanized and colour coated products, with a full distribution business with Service Centre and Steel Hypermarts.

**Q) Could you tell about Essar's domestic and overseas expansion activities?**

**V Amin :** We are expanding steel making capacity at Hazira from the existing 4.6 MTPA to 10 MTPA. In addition, we are also setting up 1.5 MTPA extra-wide plate mill, 0.6 MTPA pipe mill. This means, we will be processing approximately 50 percent of steel production in down stream facilities at Hazira.

**Q) How do Essar Steel sees rural and semi-urban pockets in India for the company's future growth?**

**V Amin :** Essar Steel has pioneered the concept of steel retailing in the country targeted at semi-urban and rural areas. Today, the company has a net work of over 230 retail outlets across the country. Our efforts in reaching the steel at the consuming points have really helped the SMEs to get access to quality steel at the transparent prices on a timely basis. We expect that the steel consumption would approve with the availability of steel.

**Q) Could you tell us about the company's future plans?**

**V Amin :** Essar Steel plan is to focus on producing more value added grades of steel to substitute imports. Today, we produce over 75 percent or production in value added segments.

