

Issue No. 09/2014 (479)

ISSN 1478 - 1824

Stainless Steel Focus

Published by: Stainless Steel Focus Ltd, PO Box 238, BOSTON, PE21 1EP, England, Tel: +44 (0)1205 352273, Email: info@stainless-steel-focus.com

Cover story:
Saritas Celik Sanayi ve Ticaret A.S.
The service centre with the power
of stainless steel p.36



www.Stainless-Steel-Focus.com

THE journal for the
stainless steel specialist

New section mill now commissioned

Viraj Profiles: one of the largest Indian exporters of stainless long products

At the very beginning of its business activity, Viraj was a workplace for less than 150 employees, and in 1991 started its first melting shop in the industrial area of Tarapur near Mumbai. Initially the company manufactured utensil grade steel for the domestic market, but it always kept its eye on the international market which was growing significantly.

To make international expansion a possibility, in 1995 Viraj started increas-

Within the space of just a few years, Viraj Profiles Ltd has grown into one of the global leaders in the area of stainless steel long products. The company recently explained to *Stainless Steel Focus* how this came to pass, and where it sees the opportunities for the future.

world's second largest stainless steel producer

products exported to more than 1,300 customers in over 90 countries worldwide spread across 6 continents.

One of the largest Indian exporters

Viraj is also one of the largest exporters of stainless steel long products in India. The organization's highest quality products are well known among entrepreneurs working in steel, defence, construction and structural buildings, power, and the petrochemical and marine industries.

Mr Neeraj R Kochhar CMD Viraj Profiles

Asked by *Stainless Steel Focus* about the reasons behind this phenomenal growth of the company, Neeraj R Kochhar, CMD, Viraj Profiles answered: "I attribute this success to our organizational values, and the commitment to-

wards quality and our zest for technological upgradation. Though Viraj is an Indian company, we have always looked at the global scenario in order to keep ourselves at par with the global market standards. Today our products enjoy leadership position in several product categories across the globe. More than 90% of our total products are already being exported to more than 90 countries. One of our biggest achievements came our way in the year 2008 when Viraj was ranked third largest producer of stainless steel long products in the world. And from then on there was no looking back."

He further added, "Our ability to react quickly to market changes and customer requirements has always helped us to stay ahead of our competitors. Also our integrated manufacturing system, having all the processes in-house, makes us less dependent on external factors. Finally, quality is what characterises all our products and today I can



ing its production capacity, diversifying its product grades and product range, and enhancing its production processes. With what started as a small induction furnace, Viraj Profiles Ltd has now transformed itself into the

with a capacity of 528,000 tpy, a human resource strength of more than 9,000 employees, and an annual turnover of over US\$1.5 billion. Today the company marks its strong presence amongst global competitors, with its

proudly say that Viraj has carved a niche for itself based solely on quality.”

Investing to become a global leader

Viraj has always kept its eyes set on the aim of

also heads the sales & marketing department commented: “The decision was taken in order to widen our product basket and to utilize the existing manufacturing capabilities to the fullest possible. Today, Viraj is one of the lar-



becoming a leading global producer of stainless steel long products. It is part of this vision that the company has been consistently tapping new opportunities by increasing production capacity, diversifying investments, and leveraging its core capabilities to venture into new businesses. The decision to set up its own wire rod mill was a part of the company’s forward integration plan. Renu Kochhar, managing director, Viraj Profiles, who

gest providers of the widest range of stainless steel products under one roof.

“Our wire rod division is well equipped with a fully automatic wire rod mill from Siemens Italy, and solution annealing, soft annealing and pickling plants with high end automation facilities and proven quality standards. Our manufacturing facility is capable of producing wire rod in extensive size ran-

ges of 5.5mm to 39.5mm. Our wire rod mill has a production capacity of 300,000 tpy”.

Main growth markets for bar products

As per the recent industry report published by the Indian Stainless Steel Development Assn, Viraj said, around 26% of total long products production is accounted for by bright bars. Mostly the bars are used in the automotive sector, pump manufacturing, railways, the defence sector, shaft manufacturing, the agricultural equipment manufacturing industry, the food processing industry, the oil and petroleum sector, and mining etc. Even under a conservative scenario, most of these industries are set to see good growth rates in the near future. Growth in these industries will ultimately lead to growth in demand for bars and flan-

Mrs Renu Kochhar MD Viraj Profiles

ges, as well as other stainless steel products.

China: a significant competitor?

The world over, Viraj says, the stainless steel growth rate has surpassed all other major materials like aluminium, copper, carbon steel, lead, zinc etc. The current global production of stainless steel as per the report published by ISSF in 2012 is estimated to be around 34m tonnes.

China dominates the world production of stainless steel accounting for around a 40% share. Its stainless steel production has grown four times over the last 6-7 years. However, in line with global production, the Indian market has also witnessed a healthy increase in its share of the total pie. In the current scenario, India is ranked as the 4th largest producer of stainless steel after China, Europe and Japan. In fact, the growth rate of Indian stainless steel production has been healthier than global production of the same.

Developments on the Indian domestic market

“No doubt the Indian market has grown at a very good rate in the past couple of years. However, at the same time”, Viraj said, “we do realize that the potential for growth is huge and there is still a long way to go for India. If we look at the trend of stainless steel consumption in India in the past couple of years we notice that the consumption of stainless steel has actually increased multifold. According to recent industry reports, the consumption of stainless steel in India has grown almost 10 times in the last 20 years. Some of the main sectors which have led to this trend are infrastructural and architectural applications like the modernization of airports, metro railways, modernized bus shelters, stainless steel wall claddings, household applications like stainless steel modular kitchens, furniture etc.

However, we do understand that India still has a long way to go when compared with the global consumption of stainless steel.

“The potential growth of stainless steel in India is huge, considering the fact that the per capita consumption at 1.9 kg is much lower than the global average of 4.85 kg. But we are sure that in coming years, India will be consuming a bigger chunk of the whole pie. Stainless steel is unmatched compared to other materials and can play a very important role in the sustainable development of Indian infrastructure.”

More encouraging, Viraj says, is the fact that Government institutions have also started realizing the importance of using this wonder material and its benefits in the long run. A recent example would be the application of stainless steel in bus shelters, railways, and building construction where the use of the material not only provides sturdiness but also saves on maintenance and at the same time looks aesthetically sound.

“On a broader scale, as the stress on maintaining the environment is growing day by day and companies are becoming more aware about their responsibilities towards creating a greener earth, what better option do we have than stainless steel which is a 100% recyclable material and long lasting and turns out to be very cost effective considering its low maintenance

and longevity. Even developing countries are becoming aware of this fact and have started adopting this wonder material called stainless steel in a big way.

“However, in order to fully expand its production capacity, the country needs to take care of certain issues like resistance to the use of stainless steel due to high initial cost, endemic power shortages, high price volatility of nickel, an unrecognised sector producing cheap quality products, not enough availability of scrap in the country etc.”

New fully automatic section mill

Viraj has, the company told us, recently commissioned its fully automatic section rolling mill in India. Equipped with completely automated processes, the plant is the first of its kind in the country on an industrial scale.

The plant, the company says, is quite unique in terms of facilities and has an integrated automatic pickling line, and an automatic labelling and packaging line. This new facility, with an annual capacity of 180,000 tpy will be able to manufacture more than 700 different shapes and designs of angles, flats and bars.

Commissioning of this new plant is a bright example, the company says, of the Group’s commitment to its strategy of modernization of the facilities and increasing the production vol-

umes. This is the first time that an automation process of this magnitude has been carried out in the stainless steel long products sector.

The plant complies with the high environmental standards of modern stainless steel manufacturing and has Level 2 automation processes.

As far as launching new products, or investing in new ventures is concerned, as of now we do not have any plans to launch new products, the company says. “However in the future we would surely explore other options considering the market trend and demand pattern.”

Focus on the environment

In its view, Viraj says, green technology encompasses all products and processes that make the use of energy more efficient and easier on resources, thereby reducing emissions and pollution of the environment. “In fact caring for the environment has been a part of our corporate growth strategy. Some of the focus areas as part of our environment friendly approach are recycling management, energy management, sustainable water treatment facility etc.

“Without compromising on quality, we use waste exchange extensively where the waste product of one process becomes the raw material for another process. The main area where we contribute with re-

cycled material is in our melt shop, for which we import industrial and domestic recycled scrap from various countries in order to produce quality stainless steel material.

- “In line with the latest emission norms and to ensure zero discharge of fumes, we have imported and installed new induction furnaces in our melt shop. These furnaces have ash collectors to collect the dust and conveyor belts for the charging process.

- “For processes such as induction melting, AOD refining and continuous casting, we ensure that our induction furnaces are utilized on a rotational basis. This also ensures that they are maintained to perform at optimum levels to provide a better output of material quality and minimize the consumption of energy, offering overall efficiency through reduced wastage and high utilization of resources.

- “Our automatic temperature control system prevents overheating which directly saves energy requirement per cycle.

- “In our shot blasting process, in the profiles division, we collect all the particles of dust generated during the

process fitted to the vessel. The heavy particles with heavy iron content remain at the bottom and are removed manually. These are then charged again into the induction furnace to save cost and reduce wastage.

■ “We conserve the

water used in our annealing and pickling process as well. We recycle water by installing a scrubber and absorber system and treating it with acid or base as required for neutralisation. After filtration we remove the solid impurities. Thus we

use the same water again and save the cost and natural resource at the same time.

“With our in-house logistics company”, Viraj says, “we are able to contribute directly to the control of pollution by using environment friendly fuel. Stringent management of

fleet schedules and continuous maintenance of vehicles further leads to optimum fuel consumption.”

Plans for the future

Commenting on possible plans for the future, Neeraj R Kochhar told Stainless Steel Focus: “As far as our product portfolio is concerned, we are going to keep offering the same product categories, but yes, we are working on developing new sizes and specifications for some of our products. These developments are being done keeping in mind the requirement of our customers and they are being developed in constant consultation with them. However, it is still too early to divulge any details about that and we would surely share the same once we have achieved the end result.”