

Finnish stainless steel major Outokumpu plans to set up a green field service centre in India and has zeroed in on a couple of locations on the west coast of the country

Finnish Stainless Steel Giant Outokumpu to build green field steel service centre in Western India at total cost of Rs 165 Crore

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Finnish stainless steel major Outokumpu plans to set up a green field service centre in India and has zeroed in on a couple of locations on the west coast of the country .

'The Service Center is scheduled to be in operation in the first half of 2009, at an investment cost of some EUR 30 million (Rs 165 crore).The new Service Center, with an annual capacity to stock and process some 50 000 tons of stainless steel coil, will significantly complement the services that Outokumpu's Indian sales office has been providing to Indian customers.' Said Outokumpu CEO, Juha Rantanen.

"We already have two sales offices in India and now plan to set up a service centre here to cater to our customers. We are looking at sites close to ports such as JNPT near Mumbai and Taloja," Rantanen added .

'The Service Center will have cut-to-length, slitting, polishing and brushing lines to serve among others the metals goods, equipment fabrication, process industries, as well as welded pipe and tube manufacturers. The cold rolled stainless steel coil supply will come mainly from Outokumpu's integrated stainless steel mill in Tornio, Finland.' Ratanen further said

Outokumpu already has two sales offices in India one at Delhi and the other at Mumbai. Company's products are in high demand in segments such as architecture, process equipment manufacturing and fabrication firms. "We consider India as a high-potential market and have committed an investment of Euro 30 million in the country over a two-year period," Rantanen said.

Outokumpu would decide on the site of its service centre soon, he said, adding both JNPT and Taloja were close to ports with good road connectivity and in proximity to end-users. The service centre would operational in two years and would process materials locally for end-users, the CEO said.

"Mumbai, Pune and the western region comprise nearly 50 per cent of the stainless steel market in India," he said. The \$7-billion Finnish firm was also mulling the possibility of setting up a cold-rolled steel mill here in the medium-term "which will involve an outlay of several hundreds of million Euros," Rantanen said, without divulging details. He said, while the market opportunity was undisputed, "we still need to conduct technical and financial feasibility studies."

- **END** -For further information, please

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