

Essar Steel completes expansion to 4.6 million tonnes

Is now the largest producer of Flat Steel in India's Private Sector

Essar Steel announced that it had completed the expansion of steel manufacturing capacity at its Hazira Complex in Gujarat, India to 4.6 million tonnes. The expansion project was completed in 18 months with an investment of Rs. 1975 crore. The Company said that this is the culmination of Essar Steel's strategy to be a low cost, high quality and value added producer for the niche, high end markets in India and abroad.



The expansion makes Essar Steel India's largest producer of flat steel in the private sector, accounting for close to 23% of the country's flat steel capacity. The Company also installed two more modules for HBI/DRI production, increasing total capacity to 5.5 million tonnes per annum. This makes Essar Steel the largest, single location producer of HBI in the world.

It also increases the share of value added products in Essar Steel's portfolio to 75% from the existing 45% and will contribute significantly to reduction in imports of critical special grades of steel meant for sophisticated applications. The Company also said that it expects a quantum jump in exports of its products and this will consolidate its pre-eminent position as India's largest exporter of flat steel.



Mr. Prashant Ruia, Director, Essar Group said, "We are extremely pleased that this capacity expansion will make India an even more potent

force in international steel markets. This expansion and modernisation puts Essar Steel in the premium league of high end steel producers. We are privileged to be at the core of India's economic development at a time when the country is being recognized as one of the fastest growing economies in the world."

The expansion entailed adding a new electric arc furnace, a third caster, RH degasser and allied equipment. In order to meet the requirements of the expanded steel capacity, infrastructure facilities have also been enhanced. This includes a captive power plant of 500 MW capacity, increase in capacity of the port to 12 MTPA and allied machinery and equipment workshops.

The Company's R & D centre has also been modernized and expanded and houses state-of-the-art equipment and highly qualified and trained scientists and engineers.

About Essar Steel :

Essar Steel is the largest integrated producer of steel in Western India, with a capacity of 4.6 million tonnes per annum. Its seamless integration ensures total control at every stage of manufacture - from iron ore to finished products. It is also India's largest exporter of flat steel products. Essar Steel has manufacturing locations in Hazira, Visakhapatnam and Bailadilla in India.

About Essar :

The Essar Group is one of India's largest corporate houses, with interests spanning the core and infrastructure sectors of industry - steel, oil & gas, power, telecom & BPO, shipping & logistics and construction. It has an asset base in excess of US \$ 6 billion (Rs. 27,000 crore). It employs 15,000 people and has offices in over 50 locations world-wide.

