



TATA RYERSON LIMITED

(100%)

Tata Ryerson eyes new clients in southern India

Overseas market also under study

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Kolkata, 8 May

Tata Ryerson, the 50:50 joint venture between Tata Steel and Ryerson Tull of USA, is exploring the possibility of setting up a plant in the south of India.

The main objective was to service its clients in the region like Caterpillar, Komatsu, Ford, Hyundai, Ashok Leyland.

The plant in the southern region was part of the company's Rs 200 crore investment plan to take its processing capacity to two million tonne.

At present, Tata Ryerson had a processing capacity of a shade more than one million tonne.

Sandipan Chakravorty, managing director, Tata Ryerson said, the proposal would be taken at the company's board meeting in July.

The meeting would also discuss the company's overseas plans.

Chakravorty said, Tata Ryerson was looking at setting up a plant outside India, in the neighbouring countries and it would come up at the board meeting.

Currently, Tata Ryerson has processing facilities at Jamshedpur and Pune, which can handle over one million tonne of flat steel products in a year.



Sandipan Chakravorty, managing director, Tata Ryerson

SUBRATA MAJUMDER

The company had added hot rolled coil processing facilities in Bara (Jamshedpur) and Ranjangaon (Pune), cold rolled coil processing units of both commercial and pre-

cision types in Jamshedpur along with high productivity roll forming lines for galvanised corrugated sheets.

Chakravorty said, the Faridabad unit for long products

would start in June.

Tata Ryerson's growth plans were intrinsically linked to the expansion programme of Tata Steel, which accounted for 75 per cent of the joint ven-

ture's business.

Tata Steel has signed memoranda of understanding (MoUs) for a 12 million tonne plant in Jharkhand, five million tonne for Chhattisgarh and six million tonne for Orissa.

Chakravorty said, for every five million tonne expansion of Tata Steel, Tata Ryerson would have to add processing capacity of one or two million tonne.

Typically the investment in adding another two million tonne capacity would be in the region of Rs 200 crore.

At present, the company was in the process of implementing a Rs 200 crore expansion programme, which included the Faridabad unit and the proposed new plant in the domestic market.

Chakravorty said, if the investments linked to Tata Steel's expansion materialised, then the company would explore the option of tapping the capital markets.

Tata Ryerson had so far, invested Rs 60 crore, out of the planned Rs 200 crore investment.

The company was hoping to register a turnover of Rs 1,000 crore in 2006-07 on a processing capacity of 1.25 million tonne.

Tata Ryerson closed the previous financial year with a turnover in excess of Rs 700 crore.