

Esfahan Steel Co.



Esfahan Steel Company Managing Director, Dr. Ardeshir Sa'd Mohammadi, in a press conference commented on the present position and the future activities of this company.

Would you please tell us about the performance of Esfahan Steel Co. over the past decade? Have you accomplished any of your goals?

Esfahan Steel Co. better known as ESCO is the only steel producer in Iran which produces steel products in blast furnace-oxygen converter method. In the past decade and through implementation of Tavazon Project including establishment of blast furnace No. 3 with a capacity of 1.4 million tons per year, coke making plant No. 3 with the capacity of 900,000 tons per year, sinter machine No. 4 with a capacity of 2.4 million tons per year and two power plants with the capacity of 110 MW, the production capacity of the company has increased from 2.2 million tons to 3.6 million tons per year.

The implementation of the plan has "Directly" created job opportunities for 890 people and "Indirectly" for over 22 thousand people. During the past Iranian year, 1393 (March 2014 - March 2015), over 2.7 million tons of crude steel was produced by the company which in



comparison with the previous year shows a growth of 20%. This is considered a new annual production record since the beginning of its operation. Currently the share of the company in the production of crude steel in the country is 20% and its market share for

iron bar production is 95% and for rebar production is 30%.

Awards received by the company in recent years are as follow:

- CE Certificate for export of products to European countries.

- Crystal plaque of National Award for Organizational Promotion.
- Receiving the highest badge of top exporter of the country for the first time amongst steel producers in Iran.
- Exemplary standard and quality unit.
- Plaque of appreciation and special statue of clean air.
- Certificate for observing consumer rights.
- HSE world energy statue and plaque of honor

Would you please elaborate on the development plans of Esfahan Steel Co.?

Implementation of understream development project for the absorption of cast iron, including 17 projects; such as casting station No. 5 with the capacity of 1,000,000 tons per year and with physical progress of 91%, desulphurization unit with the progress of 79% and oxygen workshop with the capacity of 25,000 Normal cubic meters per hour with the progress of 34%.

Out of the total projects,

increased production of its different units, as a result of which the increase in productivity of the entire production factory has occurred. In this regard, with the formation of productivity committees and through definition of the targets, indicators and improvement measures in all domains, productivity increase is being pursued systematically.

How would you assess the capability of



the lime producing unit with the capacity of 200,000 tons became operational in the Iranian year 1392 (ended March 20, 2014).

Amongst the other projects under implementation, we can mention here is the expansion of the rolling mill 650 for the manufacturing of railway tracks with a capacity of 400,000 tons per year and the physical progress of 40%.

Does Esfahan Steel Co. have any plans to increase its production?

The company by following policies for reducing energy consumption and iron materials in recent years has

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Esfahan Steel Company for its presence in regional markets particularly in Iraq & Afghanistan?

During the Iranian year 1393 (ended March 20, 2015) over 350,000 tons of this company products exported to the target markets such as; Iraq & Afghanistan which indicates 60% increase as compared to the previous year. With regard to the high quality and brand of our products and satisfaction of our clients, the com-

● Lack of development of rail and road transportation infrastructures in transferring raw materials and products.

● High costs of financial maintenance.

Does Esfahan Steel Co. have any plans for absorption of foreign investments or overseas investment?

Investment plans of the company which are under study are as follow:

- Establishment of a new 2,000,000 tons line.
- Implementation of Tavazon No. 2 Project for gaining balanced access to the capacity of 4.2 million tons of crude steel per year, including a pelletizing unit, oxygen converter, beam blank casting unit & oxygen workshop.
- Renovation of coke making No. 2 battery unit, with the capacity of 550,000 tons per year.
- Project for coal powder injection into the blast furnace.
- Increasing the capacity of Qaem Sponge Iron plant.
- Treatment and reuse of industrial wastewater of the factory.
- Establishment of service centers in some regional countries. ■

pany has the capability to increase its exports to the regional and other countries.

What is the biggest challenge of Iranian steel producers?

- Prevalent market recession and drop in sales.
- Importation of low quality or cheap steel products into the country.
- Lack of proportion amongst energy costs in steel production units in direct reduction and blast furnace methods.
- Lack of development of mines' capacity in proportion with increase in capacity of steel units.



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