
CAPEX cuts - IUD postpones steel plant in Armavir to 2012

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According to reports, the Ukrainian steel producer Industrial Union of Donbass has delayed until 2012 the restart of construction of its new steel rolling plant in Armavir, located in Krasnodar, Russia, while the commissioning of the plant has been postponed until 2016. However, design work for the new plant will not be halted.

As SteelOrbis previous reported, in May this year IUD temporarily froze the construction of its plant in Armavir stating that it was looking to secure funds from European banks in order to continue the project.

IUD started the construction of its new steel rolling plant in Armavir in September 2006 and was planning to invest about USD 200 million to USD 250 million in the project. The plant will include a steel melting shop of 1.5 million tonnes annual capacity, a bar and section mill of 600,000 tonnes t 700,000 tonnes annual capacity and a wire rod mill with an annual capacity of 400,000 tonnes to 500,000 tonne.

(Sourced from SteelOrbis)

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