
Severstal Cherepovets resumes HDG line project

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It is reported that Severstal Cherepovets has decided to resume the implementation of its investment project worth about RUB 3 billion for the reconstruction of its continuous hot dip galvanizing line.

The project, started in September 2008, was postponed at the beginning of the financial crisis.

The decision to resume the project is based on positive market forecasts and on the revival of demand for the company's galvanized steel products.

Initially the continuous HDG line reconstruction project was planned to be implemented in three stages, which included the gradual replacement of the line's equipment.

However, considering all factors, Severstal Cherepovets has now decided to carry out the reconstruction of the line in just one stage, with all necessary equipment to be supplied by Belgian company CMI Industry. The continuous HDG line is planned to be stopped for reconstruction on December 1st 2009 and is to start operating at full capacity in the Q4 of 2010.

Mr Anatoly Kruchinin Severstal Russian Steel's general director said "Thus, Severstal Cherepovets will upgrade its continuous HGD line during the period of the traditional inter-seasonal decrease of demand from the construction industry, and will commission new capacities close to the peak of demand for galvanized steel."

The project is in line with Severstal goal to double Severstal Cherepovets' continuous hot dip galvanizing workshop's capacity from the current 200,000 tonnes to 400,000 tonnes of galvanized steel products per year and to expand its product range.

(Sourced from SteelOrbis)

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