



## Steel firm builds new Thai plant

India's Usha Martin Co, Asia's leading manufacturer of Steel wire rope & other products, has joined hands with a Japanese partner to set up its second manufacturing plant in Thailand at a cost of 500 million baht.

Its Thai wholly owned subsidiary Usha Siam Steel Industries Co and Tesac Wire rope Co, Japan's leading wire ropes producer, have formed Tesac Usha Wire rope with 50-50 ownership.

The joint venture has begun to develop the plant on 9.5 rai of land in the Pathum Thani's Nava Nakorn Industrial Estate.

The facility is next to Usha Siam's existing plant and will be operational in 2014 with monthly output of 1,000 tonnes, over a time span of 5 years.

Amogh Sharma, the Managing director of Usha Siam's Thai operation, said the two parties discussed the partnership three years ago, but the development was delayed due to last year's floods, when production was suspended for about five months.

He said Usha selected Tesac as a partner due to its technology and customer base for special steels in the elevator, marine and infrastructure sectors.

"We match our long experience with a partner with high technology and end-users of Steel wire rope products," said Mr Sharma.

Mr Sharma said its production of Steel wire & Wire ropes in Thailand has not been affected by Chinese-made products dumped on the Thai market at a 14% lower price, as Usha has focused on special-grade steels and high-end users.

The two parties see the potential for Thailand to become a production base for Southeast Asia after the Asean Economic Community is established in 2016.

Usha Siam founded its Thai operation in 1980.

It has clients in the sectors of fishery and marine products, construction, infrastructure and power.