## Mobarakeh Steel Co. The Gem of Iranian Industry



Dr. Sobhani, Managing Director of Isfahan Mobarakeh Steel Co.

sfahan Mobarakeh Steel Company is one of the Leading Iranian companies active in the field of producing steel sheets. The company, with an aim of playing a pivotal role in industrial. economic and social developments of the country and improvement of the level of technology of steel industry, as a global company produces over 50% of Iran's steel consumption for use in automotive industry, spare parts, heavy and light metal industries, pipes for conduit of fluids, packing, household and electrical appliances and pipe and profile industries.

Mobarakeh Steel Company owns several industrial complexes around the country and more than twenty thousand people are working in various parts of the company. Mobarakeh Steel Complex, Sangan Steel Complex, Amir Kabir Steel Complex of Kashan, Hormuzgan Steel Complex, Saba Steel Complex and Chaharmahal and Bakhtiari Automotive Sheet Complex are among the most important sections of Mobarakeh Steel Company.

Isfahan Mobarakeh Steel Company which is now one of the largest industrial units of the Islamic Republic of Iran is located in an area of 35 square kilometers close to the city of Mobarakeh, 75 km southwest of Isfahan.

Construction operations for the complex started in the calendar year 1360 (1981-82). Building and technical activities carried out during construction of this complex are unique in the Middle East. As an example, 18.7 million cubic meters of grading and over 1.845 thousand cubic meters of concrete work, 1 800 thousand course meters

bic meters of concrete work, 1.800 thousand square meters of formwork, and 80 thousand tons of reinforcement, about 150 thousand tons of steel structure, cover installation in 1 million square meters and over 500 thousand tons of equipment and machinery have been installed in the complex.

The first electric arc furnace of the steel production unit of the complex became operational in the month of Mehr 1370 (September – October 1991) and the production line of the grand plant was inaugurated by the then president on 13 January 1994. With the addition of steel products of this company to the market and gradual increase of production up to the nominal capacity of 2.4 million tons, a major part of the country's demand for this strategic product was addressed. Then, with the

rise in demand, the nominal capacity increased to 5.4 million tons per year.

Iran's outlook for steel production by the year 2025 stands at 55 million tons and plans of the company is to preserve a share of 50% in Iran's production. Therefore, on the basis of planning, production capacity will reach at least 25

million tons. Products of the company include hot and cold plates and coil, acid washing coils, narrow strip and slab coil which will be produced in accordance with international steel standards. Products of Mobarakeh Steel Complex meet demands of different industries including automotive industry, household ap-



pliances, pipe manufacturing, pressure tanks, metal light and heavy equipment and so on. Products of the company are exported to many world countries in Europe, North America, Far East, Africa and the Persian Gulf countries.

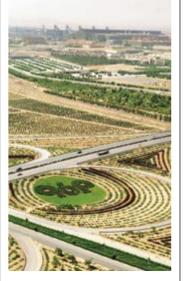
Supply and sale of products of the company in overseas markets, presentation of



the company at global markets, development of new technologies and knowledge of steel industry through production of special export products, enhancing the company's reputation and promoting its trademark, possibility to attract foreign financial resources and obtaining hard currency are among achievements of the export department.

Selling products of Mobarakeh Steel Company is based on the order of the consumer due to the high diversity of products and extensive scope of technical specifications. For this reason, after reaching the required agreements concerning the price and product details, the order will be registered in the system for the delivery on a specific date. With regard to geographical expansion and diversity of customers and in line with better market management, exports have been divided into the two sections: 1. the US. the Far East and Europe, and 2. the Middle East.

Sale of the export products takes place within the framework of announcement of demand from different ar-



eas and offering prices by the active consumers. Consumers will be informed of verified prices on the basis of FOB and basic quality and in case of approval of the proposed prices products will be exported for the consumers.

Products will be sold in export markets only to legal foreign companies which have been registered outside the country. On this basis, companies which are interested in buying from Mobarakeh Steel Company should send the required documents to the export management after sending their initial request based on commercial cooperation.

With regard to the approach of Mobarakeh Steel Company which aims at further satisfaction of consumers and timely delivery of products and protection of commodities bought by the purchasers especially export purchasers, a special site has been designed and built in Special Economic Zone of Bandar Abbas which is the largest and most important port in the country for the stockpile and shipment of products through this port city to the remotest areas of the world. The importance of this warehouse is known from the fact that Isfahan Mobarakeh Steel Company has exported major part of its products to America and Europe through this warehouse and via international waters on FOB basis Meanwhile, due to the targets of Mobarakeh Steel Company for the delivery of its products to its export customers through CFR method, the importance of this issue becomes more clear.

Considering the distance of 800 km between the central plant and Bandar Abbas and in order to minimize the time for berthing and loading of the ships, steel products upon being produced will be transported to this warehouse through railways and by road in an effort to gradually complete the order of the consumer After completing the consumer's order and according to the scheduled plan for loading, products will be transferred to the dock immediately and will be loaded All these operations take place under the supervision of Mobarakeh Steel Company and the observer based in the city in order to provide maximum assurance on the health and safety of product for the consumer

Mobarakeh Steel Company which is rightly called 'the gem of Iranian industry,' is ready to invite creditable foreign investors for the development of steel chain in Iran, especially high-tech products in order to meet the needs of domestic market as well as regional and international demands.

Meanwhile, we are prepared to form an international consortium in Iran or other world countries for the establishment of steel industry factories and its chain. Today the need for the presence of large multinational companies in Iran's steel industry and also presence Iran's large companies beside other multinational companies in line with future developments is tangible for the two sides.



Isfahan Mobarakeh Steel Co.

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