

New UK govt offering funds for fresh projects: Tata Steel

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The new government in the UK has offered Tata Steel additional support to set up fresh projects as the Labour Party attempts to save jobs that are at stake due to the large-scale operational restructuring at the company's Port Talbot unit.

TV Narendran, Managing Director, Tata Steel, told *businessline* that the noise raised over job losses, before the UK elections, has settled and the situation has turned positive now.

TO CREATE JOBS

"The UK government is now saying whatever has been agreed is fine, but can we give you more money to set up new facilities for creating

fresh jobs," he said. The government wants the company to explore downstream and upstream projects including setting up DRI, scrap processing units, galvanising and colour coating lines.

The company's liberal Voluntary Redundancy Aspiration programme has received 1,700 applications so far.

£3 BILLION FUND

Before the elections, the British government had announced a £3 billion fund to support the steel industry's energy transition.

Narendran said: "There is no concern that they want to derail the project. Now, they are saying come with your proposal and if there's something which works for you and us, we can give you more money," he said.



TV Narendran, MD, Tata Steel

On the redundancy programme, he said about 1,700 people have indicated that they would like to take the package but discussions are on to retain some of them having specialised talent. The final numbers accepted under the package will depend on granular level planning and job matching, he said.

The number of people to be retrenched may come down from 2,800 because

about 200 would have left due to natural attrition including superannuation.

"We will have to bring it down because it is also a bit unstable and there are a lot of protocols to follow when you shut down some of these facilities," said Narendran.

IMPORT LEVY

Tata Steel UK hopes to get the government to waive duty on import of slabs and coils to maintain its upstream facilities operations.

"The issue on import levy will be sorted out in this quarter. It was delayed due to a change in the government. However, the import levy has not stopped the company from shipping from India. There are no issues with import of slabs but more to do with hot rolled coils," he said.