Chapter - III

ORGANIZATION PROFILE

3.a TATA STEEL:

Tata steel, they strive to ensure holistic and equitable distribution of benefits for all members of society. And, like taking into account everything in the ambit of development, they also ensure that no area of socio-economic actor that touches the lives of the beneficiaries is left out. That is, and around every operational area of Tata Steel the emphasis is on the development which includes Income generation, education, healthcare, electricity and other services.

At Tata Steel join hands with Government and Other agencies to enable the people of Odisha to achieve economic independence through all-round growth & development.

Tata Steel believes that the primary purpose of business is to improve the quality of life of people. Tata Steel will volunteer its resources, to the extent it can reasonably afford, to sustain and improve the quality of the people in the areas in which it operates.

Since its earliest days, Tata Steel has been sensitive to the community and locations in which it operates, acting as a responsible corporate citizen within the community, The Company aims to take a proactive role local and national development.
3.a-1 Tata Group Overview:

The Tata Group operates a wide range of business activities including IT and communications, engineering, materials, services, hospitality, energy, consumer products and chemicals. The holding company, Tata Sons distributes 66 percent of its profits to philanthropy through various Tata Trusts.

3.a-2 Tata Code of Conduct:

All Tata Companies operate according to the Tata Code of Conduct, which sets out quite clearly the expectations of the company from its employees. The code provides strict ethical and behavioral guidelines to ensure that everyone within the Company adheres to the same high standards.

3.a-3 Tata Steel Overview:

Tata Steel Group is among the top 10 steelmakers of the world with operations and sales across the globe. Major steelmaking operations are located in India, United Kingdom, The Netherlands, Singapore and Thailand. The company was established in 1907 with a Steel Works in Jamshedpur, now in the state of Jharkhand. In recent years, it has expanded its activities and significantly increased its steel production with investments in Nat Steel Holdings. From its Tata Steel has always considered the needs of stakeholders, including local
communities, and balanced those alongside its business development needs. Building on this tradition, the Tata Steel Group has adopted a vision for the future.

3.a-4 Tata Steel in Odisha:

Tata Steel's interest with Odisha began in the last part of the 19th Century and resulted in the setting up of the Asia's first integrated steel plant in the undivided Odisha-Bihar-Bengal in 1907. Standing the test of the time, it has blossomed for over a century. The initial relation between Odisha and Tata Steel has culminated in a happy bonding. The saga of the Tata Steel's involvement in the overall development of Odisha continues. The State of Mayurbhanj, having iron ore deposits, was linked with a railway line to Tata nagar (Jamshedpur's railway station located on the main line between Howrah and Mumbai).

The first iron ore lease to Tata Steel was given by His Excellency, The Maharaja of Mayurbhanj Sri Ramchandra Bhanjadeo after it was discovered by the legendary geologist P N Bose in the first decade of the 20th Century.

Some of the major pioneering activities of Tata steel in Odisha include the discovery of minerals like iron ore (1904) and chromite are (1949), setting up of industries like Ferro Alloys Plant (Joda), Tata Refractories (Belpahar) and Chrome Ore Beneficiation
Plant (1990) and turning around industries, apart from improving the periphery through community development initiatives.

Tata Steel already has several established operations in Odisha and is now setting up a new Steel Works at Kalinga Nagar Industrial Complex in Duburi, Jajpur. The Steel Works will be established in two modules of three million tons of steel each and, when fully operational, will produce six million tonnes of steels per annum. It will generate direct and indirect employment opportunities for an estimated Twenty thousand people to contribute.

The Ferro Alloys Plant at Joda established in 1958, is another landmark of progress and growth. It is the first plant in Asia to have SA-8000 Certification.

The Ferro Alloys Plant, Bamnipal the first successful disinvestment of the Government of Odisha. Currently, production at the plant is above the rated capacity of 50,000 tonnes per annum. A modernization-cum-expansion plant for this unit is on the anvil.

Iron Ore and Manganese Mining, Joda - a source of livelihood and prosperity for thousands. The modernization programme of this unit is underway at the mining operations at Joda. This includes the setting up of a pelletisation plant.
Chromite Mine, Sukinda-the first Chrome Ore Beneficiation Plant of Asia. The plant produces chrome concentrate utilizing zero-value, low-grade chrome ore as raw material. Capacity of this plant has expanded from 0.36 mtpa to 0.65 mtpa, a major step towards conservation of minerals. It utilizes Herbal Processing Technology and Ferro Sulphate dosing for conversion of cancerous Hexavalent Chromium to Trivalent Chromium.

Tata Refractories Ltd, Belpahar-India's leading refractory manufacturer the plant was established. In 1958 and has diversified into advanced ceramics.

Tata sponge Iron Ltd, Joda- the indigenous sponge iron technology. TSIL established in the tribal district of Keonjhar 1986, in partnership with IPICOL. The Company among the greenest sponge iron companies Quality and ISO 14001 Environment.

Tata Martrade Int Logistics Ltd. – World class port and logistics services. Company handles over 3.5 million ton cargo at Paradip Port.

T S Alloys Ltd. – a 55,000 tonnes per a capacity plant that was acquired by Tata 100 percent subsidiary.

Tata Steel Sales Unit - Majority of steel sales of Steel in Odisha are routed through Orissa Industries Corporation, a Government of
Orissa Undertaking that facilitates the Government to earn revenue and also employment in the state. Other ongoing projects are:

- 6 million tonne per annum integrated steel plant at Kalinganagar Industrial Complex in Duburi.
- Trial commissioning of the Deep draft, all-weather port at Dhamra in Joint Venture with l & T.
- Industrial Park at Gopalpur with initial anchor investment a 50,000 TPA Ferro Chrome Plant and 400,000 TPA Rebar Steel Mill.
- Power plant at Naraj, Marthapur, by Tata Power.
- Ferro-Silicon project at Nayagarh in Keonjhar district.
- E-com Services across the state Tata Tele Services.
- Global Software Development Centre at Bhubaneswar.

3.b  HINDALCO:

3.b-1 Introduction:

An industry leader in aluminum and copper, Hindalco Industries Limited, the metals Flagship Company of the Aditya Birla Group is the world's largest aluminum rolling company and one of the biggest producers of primary aluminum in Asia. Its copper smelter is amongst the largest single location custom smelter globally.
Established in 1958, we commissioned our aluminum facility at Renukoot in eastern Uttar Pradesh, India in 1962. Later acquisitions and mergers, with Indal, Birla Copper and the Nifty and Mt. Gordon copper mines in Australia, strengthened our position in value-added alumina, aluminum and copper products.

A business model defines how a business will operate and in large part dictates the level of success it can hope to achieve. Hindalco’s objective is to play optimally in the aluminum value chain, balancing between the more volatile high margin upstream products and the steadier low margin downstream portfolio. Hindalco’s vertical expansion in the copper business, its efficient handling of logistics and thrust on research and development has resulted in advances in the company's operations and commercial strategy as well as an increased focus on foreign trade.

3.b-2 Creating History in the Indian Aluminum Industry:

In the late 1950s, when India was giving shape to its economic vision, one visionary leader, G. D. Birla took the bold step to set up the country's first integrated aluminum facility at Renukoot, Uttar Pradesh. That vision gained strength as Hindalco grew in size and scale under the dynamic leadership of the late Aditya Vikram Birla.

In 2007, Hindalco created history in the Indian aluminum industry by
acquiring Novelis Inc., a global leader in aluminum rolling and can recycling.

Hindalco, combined with Novelis, now ranks among global aluminum majors. As an integrated producer with low-cost alumina and aluminium facilities combined with high-end rolling capabilities, it is the world’s largest aluminium rolling company. It stands among Asia's leading primary aluminium producers and is at the forefront of India's non-ferrous metals sector.

The Hindalco story dates back to the young Indian democracy of the 1950s. Ready to take a giant leap, India was geared to make it big, especially in terms of innovation and industrialization.

Hindalco embarked on its journey in 1958. Its first real contribution to the vision of an industrial India occurred four years later, when the visionary late Mr. GD Birla set up India's first integrated aluminium facility at Renukoot, in the eastern fringe of Uttar Pradesh, India. It was backed by a captive thermal power plant at Renusagar in 1967. Hindalco attained its leadership position in the aluminum industry under the dynamic leadership of the late Mr. Aditya Vikram Birla a formidable force in the Indian industry.

And it was through the vision and guidance of Mr. Kumar Mangalam Birla, the Group Chairman that the business segments of aluminum
and copper are consolidated to make Hindalco the non-ferrous metals powerhouse it is today. This was achieved in part by expansion through mergers and acquisitions with companies such as Indal and Birla Copper. Hindalco also secured copper reserves and amplified its operating base by acquiring the Australian Nifty and Mt. Gordon copper mines.

Over the years, Hindalco has grown into the largest vertically integrated aluminum company in the country and among the largest primary producers of aluminum in Asia. Its copper smelter is today the world's largest custom smelter at a single location.

3.b-3 Achievements:

In 2007, the landmark acquisition of Novelist Inc., the world's largest aluminum rolling company, placed Hindalco's footprint across the globe, securing it a rank amongst the top five global aluminum majors and also placing it in the Fortune 500 league.

Aditya Aluminium is a smelter-power plant complex at Lapanga in Sambalpur district of Orissa with 360,000 tonnes smelter supported by a 6 x 150 MW coal based captive power. Like Mahan this also employs AP 36 technology supplied by Aluminium Pechiney.
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