

Mechel Unloads Ukrainian Plant For 2,000 Euros

By [The Moscow Times](#)

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Vadim Varshavsky, founder of the steel holding company Estar, is trying to regain the assets he sold to the now debt-laden Russian steel and coal producer Mechel.

The first business returned will be the Donetsk Electrometallurgical Plant, a steel plant in Ukraine sold by Varshavsky for \$537 million in 2011 due to debts estimated at \$1 billion to \$1.5 billion, Kommersant reported.

Mechel is selling the plant back to Varshavsky for nominal sum of 2,000 euros (\$2,700), though he will also take on debt to Mechel of up to \$81 million.

The plant, which has a capacity of more than 1 million tons of steel per year, lost \$50 million last year and stopped production in November due to the high price of scrap metal.

The deal is due to be closed in late 2013.

(MT)

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