

Jai Balaji gets 1,100 acres for Purulia plant

II SNS & PTI

KOLKATA, 26 OCT: Jai Balaji Industries today said it had received 1,100 acres of land from the West Bengal government for its proposed five-million-ton steel plant in Purulia and added that it would start work on the project following regulatory clearance.

"The state government has acquired 1,100 acres of land against a requirement of 3,600 acres for the project. We are keen to start the work. We are waiting for environmental clearance," JBIL chairman and managing director Mr Aditya Jajodia told reporters here.

In the first phase of the project, the company would develop a capacity of two million tons. It would produce meta-lisks, including pig iron, he said. The complete project would entail an investment of Rs 2,700 crore.

Mr Jajodia said the state government was in the process of acquiring the remaining land for the project. "We are

not purchasing land directly, but the state government is acquiring it. I don't think land acquisition will pose any problem in Purulia as the local people are cooperating," he added.

Mr Jajodia informed that the first phase of the project would be completed in two years.

JBIL, he said, would go for Rs 1,300-crore debt for the first phase of the project and the rest of the amount would be from internal accruals.

The company today also announced that it had raised Rs 198.50 crore through private placement (QIP) of shares, which would be invested for the completion of its ductile iron pipe plant and coke oven plant in Durgapur.

This is the second time JBIL has raised funds for its projects - the first round was in February 2008 when JBIL raised close to Rs 273 crore from Citi Venture Capital International and India Equity Partners through private placement of shares.