

# Essar Group chalks out plans to focus on clean energy, infra, metals, IT solutions

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The Ruia family-promoted Essar Group, post the deleveraging exercise involving repayment of ₹2 lakh crore worth of loans over the last three years, has chalked out a strategy to focus on energy, metals and mining, infrastructure and IT solutions.

Speaking to *businessline* on the sidelines of the India Energy Week, Essar Capital Director Prashant Ruia said, "To ensure better governance and management, Essar has reorganised itself into four main verticals of business—energy, metals and mining, infrastructure and logistics, as well as technology and retail."

By monetising assets in a strategic manner over the last several years, Essar is now poised to reinvest in new assets with ESG-compliant technologies to last the next several decades, he added.

The main assets under energy include a 10 million tonnes per annum (mtpa) refinery in the UK, 15 trillion cubic feet of reserves (including some producing fields) of unconventional hydrocarbons in India and Vietnam, and a 1,200-MW power plant in India.

Infrastructure assets include a storage terminal in the UK of 3 million cubic metres capacity and a 20-mtpa port in India. The metals and mining assets include a major iron ore mine and pellet project in the US. Lastly, technology and retail assets include a global EPC business and IT solutions firm with centres in over 30 countries.

## ENERGY

Ruia said that Essar and ArcelorMittal Nippon Steel India are planning a 50:50 joint venture for setting up a 4 mtpa LNG import facility at Hazira and an announcement will be made once all approvals are in place.



Prashant Ruia, Director

"One part of the capacity is for Arcelor for their captive requirement and the rest is for us to distribute. We are looking at storage on a vessel and the rest will be on land. We are also exploring LNG fuelling stations," he added.

The company will also set up a green ammonia plant in India. The output will be exported to its refinery in the UK.

On coal bed methane plans, Essar Exploration & Production CEO Pankaj Kalra said, "In Raniganj, we are doing about 0.8 million standard cubic metres per day (mscmd). We have drilled 350 wells and plan to drill 200 more wells for which we are working with the Government. The total CBM potential is of 30 lakh cubic metres of gas."

## METALS AND MINING

"We continue to stay focussed on steel, metals and mining. We are looking at building one project in the US and other is in Odisha and Saudi Arabia," Ruia said.

The Essar Group plans to set up an integrated flat steelworks plant in Saudi Arabia in the next three years. The 4-mtpa integrated flat steelworks plant will have continuous casting and hot strip capacity, 1 million tonnes of cold rolled coil capacity, and a tin plate line in Ras Al-Khair Industrial City on Saudi Arabia's east coast.

The reporter is in Bengaluru covering India Energy Week at the invitation of Indian Oil Corporation.