

With Bhushan in limbo, JSW banks on Paradip unit as Plan B

ON THE FAST TRACK. To speed up its 13 mtpa greenfield project to hit 50 mtpa by 2030

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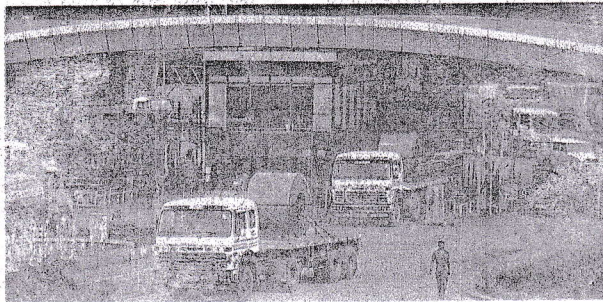
JSW Steel is looking to fast-track its proposed greenfield project at Paradip in Odisha that will help it achieve its 50 mtpa target by 2030 even if the Supreme Court verdict on Bhushan Power and Steel goes against it, a senior official told *businessline*.

It is ready to start on the first phase of 5 mtpa of the total proposed 13 mtpa, Jayanth Acharya, Joint Managing Director and CEO, JSW Steel, said when asked if the company had a Plan B in place.

PLEA IN APEX COURT

"So, first of all, from the point of view of the resolution application and the review petition, I think we feel we have strong grounds and, therefore, we will pursue the review petition (at the Supreme Court). The other thing is from a Plan B perspective, from a capacity creation perspective, we have our greenfield facility in Paradip."

In May, the Supreme



INVESTMENT FOCUS. JSW Steel has various expansion projects worth ₹66,463 crore and plans to invest ₹20,000 crore this fiscal

Court set aside the NCLT's approval of JSW Steel's ₹19,700 crore resolution plan for BPSL, deeming it non-compliant with the IBC provisions.

In June, the lenders and JSW Steel filed a review petition. The date for the hearing is yet to be fixed.

Work is on to set up a slurry pipeline from the company's iron ore mine to the ongoing Paradip pellet plant project. The first phase of the 5 mtpa steel plant will come up close to the pellet plant, Acharya said.

Currently, he said, a group company, JSW Infrastructure, is operating an iron ore terminal at Paradip Port with

a capacity of 18 mtpa.

Last February, the Sajjan Jindal-led JSW Group announced plans to invest ₹65,000 crore in setting up an integrated steel manufacturing complex, comprising a steel plant with 13.2 mtpa capacity, a cement factory, and a captive power and cargo handling facility at Paradip. JSW Steel laid the foundation stone for the steel plant on Friday after the Industrial Development Corporation of Odisha handed over 2,958 acres to it.

JSW Steel already owns two captive and merchant iron ore mines in Odisha and is in the process of setting up a pellet plant. The iron ore is

used in the company's steel plants at Dolvi in Maharashtra and Vijayanagar in Karnataka.

Incidentally, JSW Steel has acquired the entire equity of Saffron Resources, which owns 887 acres in Odisha. The deal, valued at ₹679 crore, will strengthen JSW's presence in Eastern India and secure long-term access to land and potential mineral resources in a mineral-rich region.

EXPANSION PROJECTS

The company currently has various expansion projects worth ₹66,463 crore and plans to invest ₹20,000 crore this fiscal. Of the ongoing capex, about 96 per cent will be spent in India and the remaining in overseas operations.

On the debt level rising to ₹79,850 crore in the June quarter from ₹76,563 crore in March, Acharya said despite the increase in debt levels, the net debt to EBITDA is still at 0.95 times, and this will always be under control as the EBITDA levels will increase with fresh capacity coming on stream.