

Jindal Stainless to invest ₹1,300 cr in Indonesian JV

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Jindal Stainless Ltd (JSL) will invest approximately ₹1,300 crore (\$157 million) towards setting up a nickel pig iron smelter (with two rotary klin electric furnace) in Indonesia.

The facility is aimed at securing supply of nickel, a key ingredient in the production of stainless steel; and will come up in partnership with Indonesia-based New Yaking Pte Ltd. JSL will have a 49 per cent stake in the JV.

Investments will be spread over a two-year period — ₹750 crore-odd in first year and ₹550 crore in the second year — and will be funded mostly through internal accruals of the company.

MEETING NEEDS

According to Abhyudyay Jindal, Managing Director, Jindal Stainless, the deal in-

cludes construction and operation of a nickel pig iron facility in Indonesia's Halmahera Islands. The plant will be commissioned within two years and will have an annual capacity of up to 200,000 tonnes of nickel pig iron and a nickel content of 14 per cent.

For the company's annual stainless steel production — which is being ramped up to 3 million tonnes (mt) April onwards from the existing 2 mt — the total requirement of nickel is 125,000 tonnes, of which 15-16 per cent is sourced through nickel pig iron.