
RVNL's SPV for Paradip – Haridaspur railway line gets 8 partners

Monday, 09 Oct, 2006

Mumbai: South Korean steel major Posco and eight other companies have confirmed their participation in the Rs590-crore special purpose vehicle (SPV) to develop the Paradip-Haridaspur railway line. The nine companies are expected to sign the shareholders' agreement shortly.

Indian Railways wholly owned subsidiary Rail Vikas Nigam Ltd's Rs 590 crore special purpose vehicle to develop the Paradip-Haridaspur railway line is likely to have 9 participants. The nine companies are expected to sign the shareholders' agreement shortly.

RVNL will have equity of 48% in the project. As per reports, the other parties are likely to include are Paradip Port Trust with 10%, Essel Mining Industries Limited with 10.91%, Rungta Mining and Industries Limited with 10.91%, MSPL Mining with 5.45%, Jindal Steel and Power Limited with 1.82%, SAIL with 1.82%, Infrastructure Development Corporation of Orissa with 0.66% and POSCO India with 10%.

The SPV was floated by RVNL along with five other players and the MoU was signed on May 25th 2005. Subsequently, POSCO, SAIL and MSPL joined the consortium.

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