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## **AP inks MoU with Bramhani Industries for steel plant in Kadapa**

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Andhra Pradesh government has signed a MoU with Bramhani Industries Limited, a company promoted by Obulapuram Mining Company in Bellary, to set up an INR 4,500 crore integrated steel plant in Kadapa district of Andhra Pradesh after Andhra Pradeshs State Investment Promotion Board cleared the project. As per reports, the plant will produce 2 million tonnes of steel in the first phase and may later expand it to 10 million tonne at an investment of INR 20,000 crore by the year 2017.

Dr YS Rajasekhara Reddy chief minister of AP while speaking on the occasion said that it was an important day in the history of the states industrial progress as a steel project of this scale was coming to the state after Vizag Steel. Mr Reddy said that the steel project will be given necessary incentives and subsidies under the state's industrial policy

According to Mr G Janardhana Reddy chairman of Obulapuram Mining Company Private Limited, the foundation stone laying ceremony for the project is scheduled to be held on June 10th 2007. He said that "The first phase will be operational in the next 16 months to 18 months and by 2009 it will be 4 million tonne capacity plant.

AP government has already identified 8000 acres to 10,000 acres government barren land besides allocating 2 thousand million cubic feet of water which is considered to be sufficient for a 4 million tonne capacity in Jammalamadugu mandal for the proposed project. AP government is currently exploring various options for securing the remaining 3 thousand million cubic feet water required for the entire 10 million tonne capacity.

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