
CAPEX cuts - JSW to decide on WB project after 3 months

Monday, 16 Feb, 2009

PTI reported that Mr Sajjan Jindal vice CMD of JSW Steel would review the status of the delayed steel project in West Bengal after three months.

The report cited Mr Biswadip Gupta joint MD & CEO of JSW Bengal Steel as saying that "Mr Sajjan Jindal will take a call and make a review of the project after three months."

Mr Gupta said that the present situation is very bad and it is not possible to do the financial closure due to lack of credit availability.

Mr Gupta said that earlier, the debt equity ratio of the project was pegged at 2:1. But, the banks and institutions were now insisting on the debt-equity ratio of 1:1.

Initially, it planned to set up a 3 million tonne steel plant at an investment of INR 10,000 crore at Salboni in West Bengal in the first phase, labeled to be the largest single investment in the state in recent times.

(Sourced from Press Trust of India)

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