



## **Phase-I of 10 million Tonne Plant on track**

### **Capital Outlay of Rs 35,000 crores West Bengal's largest ever investment**

**Kolkata November 2, 2008:** The Chief Minister of West Bengal, Shri Buddhadeb Bhattacharjee inaugurated the ground breaking ceremony of JSW Bengal Steel's 10 million tonne Steel Plant on Sunday 2<sup>nd</sup> November, 2008, at Salboni, Paschim Medinipur in West Bengal. This landmark project will involve a capital outlay of Rs.35, 000 crores, and is the largest ever investment in a project in West Bengal.

Present at the function as guests of honour were Shri Ram Vilas Paswan, Union Minister of Steel and Chemicals & Fertilizers, Shri Praful Patel, Union Minister of State for Civil Aviation (Independent Charge), Shri Jitin Prasada, Union Minister of State for Steel and Shri Nirupam Sen, Minister in Charge of Commerce and Industries, Government of West Bengal.

JSW Bengal Steel is promoted by JSW Steel Ltd which holds 89% of the equity capital, while balance 11% is owned by the Government of West Bengal. The Development Agreement for the project was signed between the Government of West Bengal and JSW Steel Ltd in January 2007.

MOEF clearances have been obtained and the project has already been designated with SEZ status, JSW Bengal Steel has completed acquisition of approx 4,500 acres of land at Salboni, as required for the project in less than two years.

Speaking at the function, Sajjan Jindal, Chairman, JSW Bengal Steel said: "It is a proud moment for us as work on our 10 million tonne steel plant has commenced today. We acknowledge the unstinted support and co-operation received from the Government of West Bengal. We remain committed to the industrialization of the state and this plant will be a showcase for the state. We are also committed to making Salboni a thriving township of which all of us will be proud."

The plant site at Salboni is ideal to facilitate quick movement of both raw materials and finished products. The location of iron ore mines as well as coal mines are within a distance of 300 kms from the site. Access to the ports at

Haldia, Dhamra and Paradeep will allow easy import of raw materials. There will be a dedicated riverline jetty at Haldia port for quick movement of materials. Domestic sale is facilitated by good road network and railhead.

JSW Bengal Steel will source nearly half of its coal requirement from Kulti/Sitarampur mines, to be supplied by West Bengal Mineral Trading Corporation Limited. The Rupnarayan River will provide the water requirement.

### **Corporate Social Responsibility**

JSW Bengal Steel in tune with its corporate philosophy and its social responsibility is committed to make Salboni a thriving community.

Some of the CSR activities being undertaken are detailed below:

- \* Medical facilities provided for the past one year with free medicines to the people around project site which has made an effective impact on quality of life in the villages surrounding the plant site, especially to women and children.

- \* Ambulance provided round the clock.

- \* Development work on tribal villages being done by professional NGOs on behalf of company.

- \* Projects on cattle rearing, watershed management and providing potable water under implementation.

- \* Local youth employed in construction of 38 km of boundary wall with full technical and financial help. Around 500,000 man days of employment already created in the region.

- \* Exclusive non voice BPO for girls to be set up.

### **Compensation Package-the model of inclusive growth**

JSW Bengal Steel has designed and implemented a unique compensation package based on the principle of inclusive growth, through trust and dignity. Constant dialogue with local village leaders and all stake holders have ensured 100% compliance.

- \* Land value was determined after discussion with farmers directly, and was valued significantly higher than that recommended for this region. Cheques were issued to the farmers after helping them with all documentation. Positive counselling has resulted in over 85% of the money being invested in fixed deposits, with different nationalised banks.

\* One permanent employment in the steel plant project has been ensured for each unit from land seller. In order to determine skills available in the locality, a skill mapping exercise has been conducted by ICFAI, Kolkata, covering maximum area around project site. Relevant training modules are now being prepared.

\* Besides the cash compensation, equity shares equivalent to the cash component in JSW Bengal Steel, to be given free of cost to the recipients. The shares will be held in a trust, headed by eminent senior/retired persons, and will be available for transaction after commencement of commercial production.

Biswadip Gupta, Joint Managing Director & CEO, JSW Bengal Steel said: "This plant will incorporate the world's best technologies and systems, and will ensure a pollution free environment. The team in JSW Bengal Steel is committed to fulfill the promises made to the state government and people of Salboni.

JSW Steel

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