

Land issue, not the usual one

The Jindals are discussing an uncommon question with the Bengal government: what to do with nearly 2,800 acres of "unconsumed" land in Salboni? The land is part of the 4,268 acres the Jindals have been holding since 2008. The original plan, conceived during the reindustrialisation drive of former chief minister Buddhadeb Bhattacharjee, was to build a steel plant and other allied projects there.

Then, Bengal - and most of the rest of the world - changed. Land became the burial ground of the Left in Bengal, a global downturn robbed steel of its shine and competitive development ensured states are no longer willing to supply precious ore if the plants are located elsewhere.

The Jindals, too, reworked their plans. The \$12-billion group has put up a 2.4-million-tonne cement grinding plant that began commercial production earlier this week.

The group intends to double the capacity and build a decorative paint plant. It is in talks with a global major to set up a solar park and wants to build a small steel mill on its own in the future. The total investment may top Rs 3,500 crore.

Yet, all these projects are not expected to use up more than 1,500 acres.

"We still don't have plans to consume all the land. We are discussing with them (the Bengal government) on what should be done," said Parth Jindal, the managing director of JSW Cement.

"We are not married to the land there (Salboni). We want development to happen. We want industry to come," Parth Jindal, son of group chairman Sajjan Jindal, added.

Not many Indian industrialists are known to speak like the young Jindal. More often than not, industrialists have been accused of sitting on unused land. If Parth can persuade other leading lights of the group to part with the land in case they do not wish to pursue avowed plans to scale up steel production, it will be a rare step.

Sources in the state government welcomed Parth Jindal's exploratory gesture.

"This opens up an opportunity to build an industrial park there. The state can leverage this to attract new industry. But let them first come up with the proposal," an official said.

Jindal said the group was willing to provide infrastructure support, water and power if an investor came up with a viable proposal for an industrial park.

The Jindals had originally proposed investments totalling Rs 35,000 crore to set up a 10-million-tonne steel plant and a 1600MW power project. The effort was put on hold after many false starts and shortage of raw material.

However, the latest annual report of JSW Steel says: "In the light of the new policy on the allocation of coal blocks and coal linkages from Coal India Ltd, and auction of iron ore mines... the company is hopeful of establishing raw material linkage."

Biswadip Gupta, who played an active role in bringing the Jindals to Bengal, said the present state government was keen on more investments from the group.

"Chief minister Mamata Banerjee is likely to visit the cement plant later this year," said Gupta, who heads corporate affairs in JSW Steel.