

Jindal Saw all set to diversify, to invest Rs 10,000 crore To Set Up Wagon Manufacturing Facility In Gujarat

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STEELMAKER Jindal Saw plans a major push to its infrastructure business. The company is setting up a modern wagon manufacturing facility in Gujarat that will roll out 2,000 special wagons in the first year starting from 2009. The company would subsequently manufacture 7,000 wagons in five years. The project is part of JSL's major diversification plan in the infrastructure sector.

The company proposes to invest over Rs 10,000 crore in next five years through its infrastructure focused holding company Jindal Infrastructure, Transportation, Fabrication (JITF) to expand its business interest from steel to development of water, urban, shipping and rail infrastructure. The wagon operation would be undertaken by a subsidiary Jindal Rail Infrastructure Ltd (JRIL) "Wagon manu-



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facturing is part of our strategy to have physical possession of assets for delivery of services rather than being a stand-alone service provider. The detailed project report for the wagon manufacturing unit has already been completed and we hope to commission the project by September 2009," JSL managing director Indresh Batra told **ET**.

He added that the company would invest Rs

200 crore initially in the project that would be scaled up in phases. The wagon manufacturing unit would be set up near Jindal Shipyards owned 700 hectare India Maritime Technology Park (IMTP) at Dahej where it is investing around Rs 8,000 crore. The facility would be located at a recently acquired 120 acre site near Bharuch within 30 km of IMTP. The wagons would be produced for deployment both domestically and abroad. One unique feature of JRIL's wagons would be that it could carry 10% more load than conventional wagons without increasing the load on railway tracks.

Apart from manufacturing high capacity rail wagons, the company would also develop ancillary units near the location for production of various wagon components. The IMTP would also house modern container rails that would be procured by other players already in the container business. JSL also intends to run its own container trains at a later stage.