

Australian firm wins \$900 mn coal mine contracts in India

Australia's largest construction company, Leighton Holdings' subsidiary Thiess Pty Ltd, has won two contracts worth a total of Australian \$1 billion (\$900 million) over 20 years to develop and operate an open cut coal mine in India's Jharkhand state.

Leighton subsidiary Thiess will build the infrastructure, then operate the Chitarpur coal project in Jharkhand for 20 years, the company said in a statement to the Australian stock exchange Thursday.

'The long term contract between Thiess India and Abhijeet Group creates a solid foundation for the growth of our business in India,' Thiess Asia chief executive Bruce Munro said in the statement.

'A key factor in the success of the project, located north west of Calcutta and about 90km from the state capital of Ranchi, will be a strong safety culture and maximising local employment and training, an approach used in Thiess operations around the world', he added.

Munro said over 115 million tonnes of coal would be mined over the next two decades and development work was scheduled to begin end of April, with mining commencing in October 2009.

The mine would have a maximum capacity of 6.75 million tonnes a year and would supply coal to steel plants and to a nearby 1100 megawatt power station.

Chairman of Abhijeet, Manoj Jayaswal, said in a statement that his company chose Thiess because of its world-class capability and mining experience in complex open cut pits. Thiess has established offices in [New Delhi](#) and [Kolkata](#) to focus on mine logistics, planning and servicing projects in India.

The company, which has operations throughout Australia, New Zealand, Indonesia and India, has an annual turnover of A\$4.5 billion and work in hand of approximately A\$10 billion.

Earlier, Leighton International was awarded a \$720 million contract for the construction of offshore pipelines in India for the Oil and Natural Gas Corporation (ONGC).

The pipeline replacement project involves the engineering, procurement and installation of over 200 km of fixed and flexible pipelines in the [Mumbai](#) High field, 80 km off the coast of Mumbai. The work will begin in November 2008 and will be completed over three years.

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