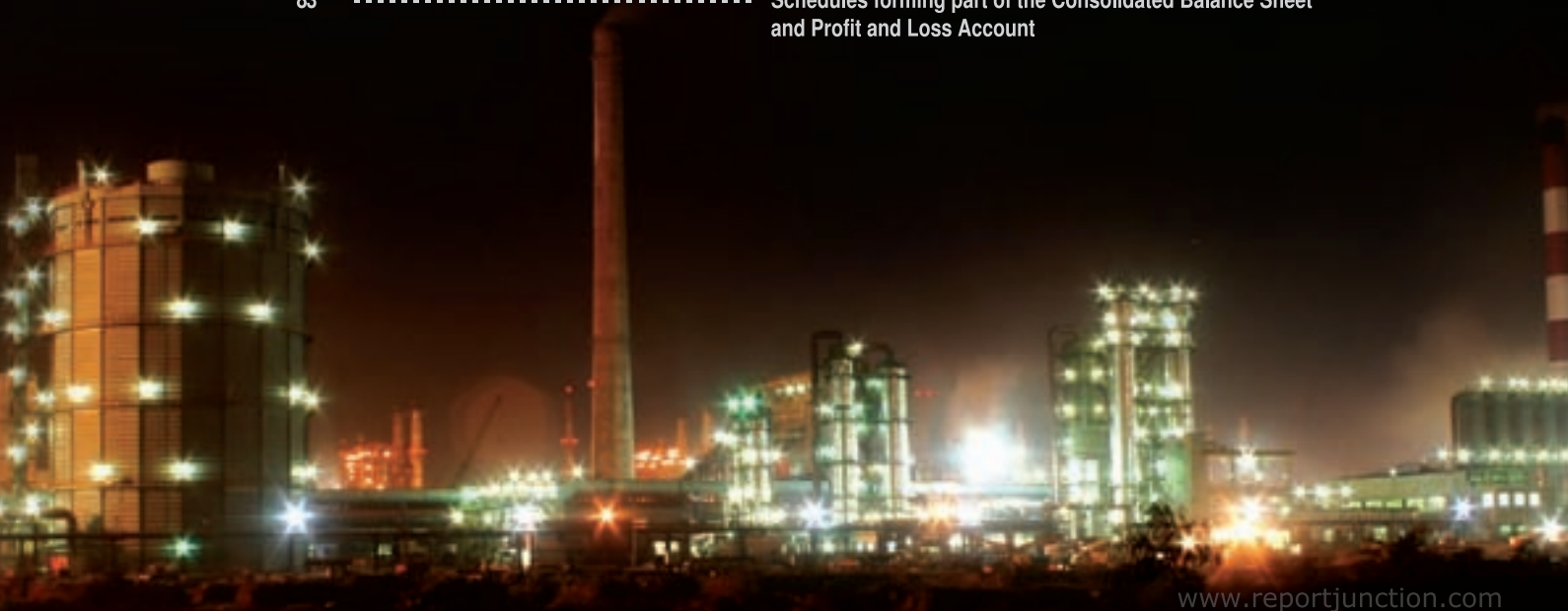


# the challengers

**JSW** Steel Limited  
STEEL IN YOUNG INDIA

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**The strength of a ship is not tested by the miles navigated in calm water  
... but by its resilience  
... to withstand the vagaries of the turbulent seas  
... that challenges its very existence.**

**The DNA of an organization is tested not by its growth potential in good times  
... but by its strength  
... to seamlessly sustain through the unprecedented downturns  
... that threatens its very survival.**

**Shri O. P. Jindal**

August 7, 1930 – March 31, 2005

O.P. Jindal Group – Founder and Visionary



# WITH A WILL OF STEEL

Report  junction.com

**Sajjan Jindal**

Vice Chairman and Managing Director  
highlights JSW Steel's competitive edge

Dear Shareholders,

2008-09 was an important year in your Company's evolution and growth as it comprehensively tested our will to survive, succeed and flourish in the midst of an economic meltdown. The financial crisis that brought back the painful memories of the Great Depression of the 1930's, affected the Indian economy as well. JSW Steel was no island in this crisis.

#### The dark clouds:

Although complete insulation from global tremors was not possible, what was possible was to construct a strategy that would allow your Company to bounce back as quickly as possible. This is precisely what we in JSW Steel set out to do.

The sudden collapse in steel prices followed by a buyers chill completely threw the steel industry out of gear. Here we had two options. The first was to cut back production and wait for the markets to recover. The other option was to convert threats into opportunities and look at obstacles as challenges. We chose the later.

#### The Silver lining:

We based our strategy on the unique trends that we discerned were emerging even in this gloom:

- Marginal cost producers of steel in India were drastically cutting production due to high cost and liquidity crunch.
- Rural and semi-urban demand for steel had not dipped in India.
- Indian fiscal systems and sound banking practices meant that compared to US and Europe we were on a much better footing.
- The pro-active policies of the Government with its fiscal stimulus packages meant that the revival would be sooner than later in the Indian economy.

#### Reducing Costs was the crux:

All this meant that a vacuum was being created in supply and demand of steel in the Indian context. We realized that we had to reduce our high cost inventory of input raw materials as quickly as possible. By rationalizing production during the third quarter and adopting an aggressive marketing strategy in the rural segment we quickly overcame the sluggish third quarter.

Cost reduction was very high on our agenda. With improved techno-economics in the operation and the fall in input raw materials we could bring down the cost of production of steel by around 43% as compared to our September, 2008 figures.

#### Diversifying the Product basket:

Apart from bringing down costs, your Company has very strategically entered the long product segment that will find a ready market with increased Government spending in the

infrastructure projects. In the flat product segment we have very judiciously concentrated more on the Value Added product basket where the demand had not been drastically affected.

#### Tapping the rural Indian market:

At the core of our strategy was an aggressive Marketing push in the domestic markets. We added 50 new dealers and distributors bringing total number in excess of three hundred. To make steel more customer friendly, 48 more Shoppe outlets were opened in 2008-09 across the country with the intention of making "Pan India" presence of JSW Steel.

#### Growth in the times of depression:

In the fourth quarter our strategy began yielding results. We not only wiped away our excess inventories but also restored normal production in all our production facilities and by February 2009 the new 2.8 MTPA project was also commissioned. Our total crude steel production capacity stands at 7.8 MTPA making us a leading player in the steel sector in the country.

Our ability to *'see beyond the present'* empowered us with the confidence to commence our new Blast Furnace which incidentally is India's biggest. This helped us to increase our capacity by about 60% and helped manufacture first-time steel varieties in India when others were curbing operations. *What is extremely commendable is the fact that your Company could achieve this at a time when steel plants across the world were actually scaling down their production. The growth of JSW Steel by 60% is a reflection not only of your Company's successful strategy but also of the inherent strength and resilience of the Indian economy.*

#### Carrying forward the confidence:

The result was that when confronted with a challenge, we operated at enhanced capacity and modified our business model to successfully address the new business reality.

JSW Steel shareholders should be assured and proud to own a stake in an organization that has delivered higher than expectations in such turbulent times. The year 2008-09 should be regarded a watershed year that has seen us evolve into a reliable, consistent and growing global steel manufacturer. I am confident that it is this foundation that will result in enhanced shareholder value over the coming years.

I look forward to your continued faith and support to JSW Steel in the coming years as well.

Yours Sincerely,



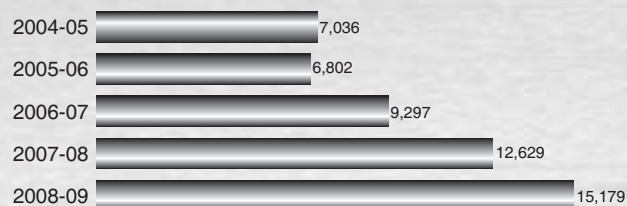
Sajjan Jindal



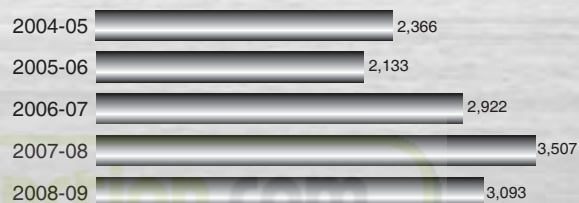
## Highlights 2008-09

- Crude Steel Output up by 3% to 3.724 million tonnes
- Saleable steel up by 1% to 3.428 millions tonnes
- Gross Turnover up by 20% to Rs. 15,179 crores
- Net Turnover up by 23% to Rs. 14,001 crores
- EBITDA Rs. 3,093 crores
- PBT Rs. 678 crores
- PAT Rs. 459 crores
- Weighted average cost of debt 8.22 %
- Debt Repayment Rs. 1,040 crores
- Adjusted Long Term Debt Equity Ratio 1.24
- Diluted EPS Rs. 22.70
- Equity Dividend: Re. 1 per share

Gross Sales (Rupees in crores)  
5 years CAGR 33.42%



EBIDTA (Rupees in crores)  
5 years CAGR 23.34%

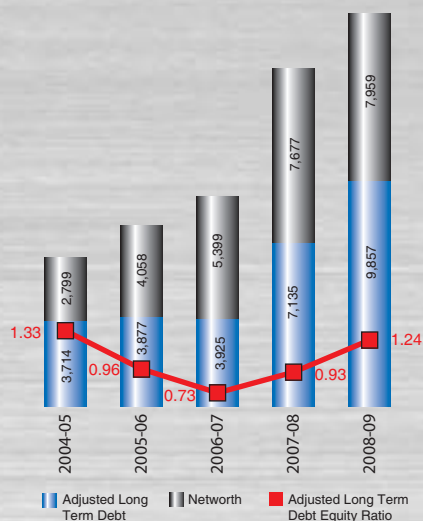


## Contribution to Government & Society

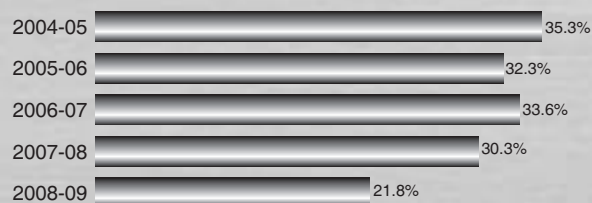
Rupees in crores

	2006-07	2007-08	2008-09
Direct Taxes	364	471	383
Indirect Taxes	538	884	992
CSR initiatives	7	24	15
<b>Total</b>	<b>909</b>	<b>1,379</b>	<b>1,389</b>

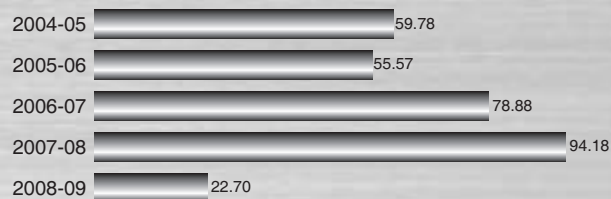
Adjusted Long Term Debt Equity Ratio



EBIDTA Margin (%)



Earnings Per Share - Diluted  
(In Rupees)



## BOARD OF DIRECTORS

**Mrs. SAVITRI DEVI JINDAL**  
Chairperson

**Mr. SAJJAN JINDAL**  
Vice Chairman & Managing Director

**Mr. Y. SIVA SAGAR RAO**  
Jt. Managing Director & CEO

**Mr. SESHAGIRI RAO M.V.S.**  
Jt. Managing Director & Group CFO

**Dr. VINOD NOWAL**  
Director & CEO (Vijayanagar Works)

**Mr. JAYANT ACHARYA**  
Director (Sales & Marketing)

**Mrs. ZARIN DARUWALA**  
Nominee Director of ICICI Bank Limited

**Mr. V. MADHU, IAS**  
Nominee Director of KSIIDC

**Mr. G. R. SUNDARAVADIVEL**  
Nominee Director of  
UTI Asset Management Company Limited

**Dr. S. K. GUPTA**  
Director

**Mr. ANTHONY PAUL PEDDER**  
Director

**Mr. UDAY M. CHITALE**  
Director

**Mr. SUDIPTO SARKAR**  
Director

**Mr. KANNAN VIJAYARAGHAVAN**  
Director

**COMPANY SECRETARY**  
Mr. Lancy Varghese

**STATUTORY AUDITORS**  
M/s. Deloitte Haskins & Sells  
Chartered Accountants

**BANKERS**  
Allahabad Bank  
Bank of Baroda  
Bank of India  
ICICI Bank Limited  
IDBI Bank Limited  
Indian Bank  
Indian Overseas Bank  
Punjab National Bank  
State Bank of India  
State Bank of Indore  
State Bank of Mysore  
State Bank of Patiala  
The South Indian Bank Limited  
Union Bank of India  
Vijaya Bank

**REGISTERED OFFICE**  
Jindal Mansion  
5A, Dr. G. Deshmukh Marg,  
Mumbai - 400 026  
Tel. No. (022) 23513000 Fax No. (022) 23526400  
Website: www.jsw.in

**WORKS**  
**Vijayanagar Works:**  
P.O. Vidyanagar, Toranagallu Village,  
Sandur Taluk, Bellary District, Karnataka - 583 275.  
Tel. No. (08395) 250120-30 Fax No. (08395) 250138/250665

**Vasind Works:**  
Shahapur Taluk,  
Thane District, Maharashtra - 421 604  
Tel. No. (02527) 220022-25 Fax No. (02527) 220020/ 220084

**Tarapur Works:**  
MIDC Boisar, Thane District,  
Maharashtra - 401 506  
Tel. No. (02525) 270147-149 Fax No. (02525) 270148

**Salem Works:**  
Pottaneri, M. Kalipatti Village,  
Mecheri Post, Mettur Taluk,  
Salem District, Tamil Nadu - 636 453  
Tel. No. (04298) 278400-403 Fax No. (04298) 278618

**REGISTRARS & SHARE TRANSFER AGENTS**  
Karvy Computershare Private Limited  
Plot No.17 to 24, Vittalrao Nagar,  
Madhapur, Hyderabad - 500 081  
Tel. No. (040) 23420815-824 (10 lines)  
Fax No. (040) 23420814  
E-mail: einward.ris@karvy.com  
Website: www.karvy.com

## NOTICE

**NOTICE** is hereby given that the **FIFTEENTH ANNUAL GENERAL MEETING** of the Shareholders of **JSW STEEL LIMITED** will be held on **Monday, the 6th day of July, 2009 at 11.00 a.m.** at Birla Matushri Sabhagar, 19, New Marine Lines, Mumbai - 400 020, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009, the Profit and Loss Account for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare Dividend on 10% Cumulative Redeemable Preference Shares.
3. To declare Dividend on 11% Cumulative Redeemable Preference Shares.
4. To declare Dividend on Equity Shares.
5. To appoint a Director in place of Mr. Sajjan Jindal, who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint a Director in place of Dr. S. K. Gupta, who retires by rotation and being eligible, offers himself for reappointment.
7. To appoint a Director in place of Dr. Vinod Nowal, who retires by rotation and being eligible, offers himself for reappointment.
8. To appoint M/s. Deloitte Haskins & Sells, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

**SPECIAL BUSINESS:**

9. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** Mr. Kannan Vijayaraghavan, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 16.06.2008, and who holds office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956, and in respect of whom a notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Kannan Vijayaraghavan as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."
10. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** Mr. Jayant Acharya, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 07.05.2009, and who holds office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act, 1956, and in respect of whom a notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Jayant Acharya as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."
11. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company hereby approves the appointment of Mr. Jayant Acharya as a Whole-time Director of the Company, designated as 'Director (Sales & Marketing)', for a period of five years, with effect from 07.05.2009, upon such terms and conditions as are set out in the Draft Agreement to be executed with Mr. Jayant Acharya (a copy of which is initiated by the Chairman of the meeting for the purpose of identification and placed before this meeting), with specific authority to the Board of Directors to alter or vary the terms and conditions of the said appointment and/ or agreement including the remuneration which shall not exceed an overall ceiling of Rs.18,00,000/- per month, as may be agreed to between the Board of Directors and Mr. Jayant Acharya."
12. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** in partial modification of the resolution passed at the Thirteenth Annual General Meeting of the Company held on 13.06.2007 and subject to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the revision in the terms of remuneration of Mr. Sajjan Jindal w.e.f. 01.01.2009 for the remainder of his tenure as the Vice Chairman & Managing Director of the Company, i.e. upto 07.07.2012, as set out below, be and is hereby approved:

Remuneration/ Perquisites	Nil, subject however to review by the Board of Directors at an appropriate time.
Commission	Not exceeding 0.5% of the Net Profit as determined under Section 349 of the Companies Act, 1956.

13. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** in partial modification of the resolution passed at the Thirteenth Annual General Meeting of the Company held on 13.06.2007 and subject to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-designation of Dr. Vinod Nowal as "Director & CEO (Vijayanagar Works)" w.e.f. 01.04.2009 & the

increase in the ceiling on Remuneration payable to him w.e.f. 01.04.2008 for the remainder of his tenure i.e. upto 29.04.2012 from Rs.9,00,000/- per month to Rs.18,00,000/- per month, as set out in the draft Supplemental Agreement to be entered into between the Company and Dr. Vinod Nowal, (a copy of which is initiated by the Chairman of the meeting for the purpose of identification and placed before this meeting) with specific authority to the Board of Directors of the Company to fix, alter or vary the remuneration within the said ceiling of Rs. 18,00,000/- per month, as may be agreed to between the Board of Directors and Dr. Vinod Nowal."

14. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** in partial modification of the resolution passed at the Twelfth Annual General Meeting of the Company held on 25.07.2006 and subject to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the increase in the ceiling on Remuneration payable to Mr. Seshagiri Rao M.V.S. w.e.f. 01.04.2008, for the remainder of his tenure as a whole-time Director of the Company designated as 'Director (Finance)' i.e. upto 05.04.2009, from Rs.9,00,000/- per month to Rs. 18,00,000/- per month, with specific authority to the Board of Directors of the Company to fix, alter or vary the remuneration within the said ceiling of Rs. 18,00,000/- per month, as may be agreed to between the Board of Directors and Mr. Seshagiri Rao M.V.S."
15. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** subject to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company hereby approves the reappointment of Mr. Seshagiri Rao M.V.S., as a Whole-time Director of the Company and his redesignation as 'Jt. Managing Director & Group CFO', for a period of five years with effect from 06.04.2009, upon such terms and conditions as are set out in the draft Agreement to be executed with Mr. Seshagiri Rao M.V.S. (a copy of which is initiated by the Chairman for the purpose of identification and placed before this meeting), with specific authority to the Board of Directors to alter or vary the terms and conditions of the said reappointment and/or Agreement including the remuneration which shall not exceed an overall ceiling of Rs.28,00,000/- per month, as may be agreed to between the Board of Directors and Mr. Seshagiri Rao M.V.S."
16. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the provisions of Chapter XIII-A of the SEBI (Disclosure & Investor Protection) Guidelines, 2000, as amended (hereinafter referred to as the "SEBI Guidelines"), the provisions of the Foreign Exchange Management Act, 2000 (FEMA), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as also of any other applicable Laws, Rules, Regulations, and Guidelines (including any amendment thereto or re-enactment thereof) and the enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed, and subject to all such approvals, consents, permissions and/or sanctions from all appropriate authorities, including the Securities and Exchange Board of India (SEBI), Government of India, Reserve Bank of India, Financial Institutions, Banks, Agents & Trustees and Stock Exchanges (hereinafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or sanctions (hereinafter singly or collectively referred to as "the requisite approvals") which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee(s), which the Board may have constituted or hereafter constitute in this behalf to exercise the powers conferred on the Board by this resolution), the Board be and is hereby authorised in its absolute discretion, to create, offer, issue, and allot in one or more tranches, Equity Shares or Fully Convertible Debentures (FCDs)/ Partly Convertible Debentures (PCDs)/ Optionally Convertible Debentures (OCDs) / Non-Convertible Debentures (NCDs) with warrants or any other Securities (other than warrants) or a combination thereof, which are convertible into or exchangeable with Equity Shares of the Company at a later date (hereinafter collectively referred to as the "Specified Securities"), to Qualified Institutional Buyers (QIB) (as defined in the "SEBI Guidelines") by way of Qualified Institutions Placement, as provided under Chapter XIII-A of the "SEBI Guidelines" for an aggregate amount not exceeding US\$ 1 Billion (United States Dollar One Billion only) or its Indian Rupee Equivalent, inclusive of such premium as may be decided by the Board, at a price which shall not be less than the price determined in accordance with the pricing formula stipulated under Chapter XIII-A of the "SEBI Guidelines."

**RESOLVED FURTHER THAT** the relevant date for the purpose of arriving at the aforesaid minimum issue price of the Specified Securities shall be the date of the meeting in which the Board (or any Committee thereof constituted/to be constituted), decides to open the issue of the Specified Securities, subsequent to the receipt of Shareholders' approval in terms of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 as also of other applicable laws, regulations and guidelines in relation to the proposed issue of the Specified Securities.



**RESOLVED FURTHER THAT:**

- i. the Specified Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- ii. the Equity Shares proposed to be issued through the Qualified Institutional Placement or the Equity Shares that may be issued and allotted on conversion of Securities issued through Qualified Institutional Placement as aforesaid shall rank *pari passu* with the then existing Equity Shares of the Company in all respects including dividend; and
- iii. The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of Securities that may be issued through Qualified Institutional Placement shall be appropriately adjusted in accordance with the SEBI Guidelines for corporate actions such as bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid Specified Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets and the Board subject to applicable laws, regulations and guidelines, be and is hereby authorised to dispose off such Specified Securities that are not subscribed in such manner as it may in its absolute discretion deem fit.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to finalisation and approval of the preliminary as well as final offer document(s), determining the form, manner and timing of the issue, including the investors to whom the Specified Securities are to be issued and allotted, the number of specified securities to be allotted, issue price, face value, premium amount on issue/conversion of Securities, if any, rate of interest, execution of various Agreements/ Deeds/ Documents/ Undertakings, creation of mortgage/charge in accordance with section 293(1)(a) of the Companies Act, 1956, in respect of any of the Securities issued through the Qualified Institutional Placement, either on *pari passu* basis or otherwise, and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of the Specified Securities and utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members to the end and intent that the Members shall be deemed to have given their approval thereto expressly by virtue of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint such Consultants, Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Solicitors, Lawyers, Merchant Bankers and any such Agencies and Intermediaries as may be involved or concerned in such offerings of Specified Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and to enter into or execute Agreements/ Arrangements/ MOUs with any such Agency or Intermediary and also to seek the listing of any or all of such Specified Securities or Securities representing the same in one or more Stock Exchanges.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors or Officers of the Company."

17. To consider, and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of the resolution passed at the thirteenth Annual General Meeting of the Company held on 13.06.2007 and in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a person resident outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as also of any other applicable Laws, Rules, Regulations, and Guidelines (including any amendment thereto or re-enactment thereof) and the enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the Regulations and Guidelines issued by and subject to all such approvals, consents, permissions and sanctions of the Government of India, Reserve Bank of India, Securities and Exchange Board of India (SEBI) and all other appropriate and/or concerned authorities and subject to such conditions and modifications, as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee(s), which the Board may have constituted or hereafter constitute in this behalf to exercise the powers conferred on the Board by this resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Company, the consent of the Company be and is hereby accorded to the Board to create, offer, issue, and allot such number of Foreign Currency Convertible Bonds (FCCBs)/Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Warrants and/or other Instruments

convertible into Equity shares optionally or otherwise (hereinafter referred to as "Securities") or any combination of such Securities, whether rupee denominated or denominated in foreign currency, for an aggregate sum of upto US\$ 1 Billion (United States Dollar One Billion only) or its equivalent in any other currency(ies), inclusive of such premium as may be determined by the Board, in the course of an international offering, in one or more foreign market(s), to all eligible investors including foreign/ resident/ Non-resident investors (whether Institutions/Incorporated Bodies /Mutual Funds/ Trusts/ Foreign Institutional Investors/ Banks and/or otherwise, whether or not such investors are Members of the Company), by way of a public issue through circulation of an offering circular or prospectus or by way of private placement or a combination thereof, at such time or times, in such tranche or tranches, at such price or prices, at a discount or a premium to market price or prices in such manner and on such terms and conditions as may be deemed appropriate by the Board at the time of such issue or allotment considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the Lead Managers, Underwriters and Advisors.

**RESOLVED FURTHER THAT:**

- i. the Securities to be created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- ii. the underlying Equity Shares shall rank *pari passu* with the existing Equity Shares of the Company in all respects including such rights as to dividend.

**RESOLVED FURTHER THAT** the issue of Equity Shares underlying the Securities, to the holders of the Securities shall, *inter alia*, be subject to the following terms and conditions:

- a) The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of Securities that may be issued shall be appropriately adjusted in accordance with applicable Laws/ Regulations/ Guidelines for corporate actions such as bonus issue, split and consolidation of share capital, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.
- b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares upon conversion, the entitlement to the Equity Shares shall stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders, and
- c) in the event of any merger, amalgamation, takeover or any other reorganisation, the number of shares, the price and the time period shall be suitably adjusted.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid issue of securities in international offering may have all or any term or combination of terms or conditions in accordance with applicable regulations, prevalent market practices, including but not limited to the terms and conditions relating to payment of interest, premium on redemption at the option of the Company and/or holders of any securities, terms for issue of equity shares upon conversion of the Securities or variation of the conversion price or period of conversion of the Securities into Equity Shares or issue of additional Equity Shares during the period of the Securities.

**RESOLVED FURTHER THAT** the Board may enter into any arrangement with any Agency or Body for the issue of the Securities, in Registered or Bearer Form with such features and attributes as are prevalent in International Markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in international capital markets.

**RESOLVED FURTHER THAT** the Securities issued in international offering shall be deemed to have been made abroad and/or in the international markets and/or at the place of issue of the Securities and shall be governed by applicable laws.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to dispose of such Securities as are to be issued and are not subscribed on such terms and conditions as it may in its absolute discretion deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to appoint such Consultants, Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Solicitors, Lawyers, Merchant Bankers and any such Agencies and Intermediaries as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and to enter into or execute Agreements/ Arrangements/ MOUs with any such Agency or Intermediary and also to seek the listing of any or all of such Securities in one or more Stock Exchanges within or outside India.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to finalise the mode, terms and timing of the issue(s) including the class of investors to whom the securities are to be offered, issued and allotted, to the exclusion of all other categories of Investors, the number of securities to be allotted in each tranche, issue price, face value, premium amounts on issue/conversion of securities/exercise of warrants/redemptions of securities, rates of interest, redemption, period, listings on one or more Stock Exchanges in India and/or abroad, as the Board may in its absolute

discretion deem fit and to issue and allot such number of Equity Shares upon conversion of any of the Securities referred to in the paragraph(s) above in accordance with the terms of offering and also to seek the listing/admission of any or all of such equity shares on the Stock Exchanges/Depositories in India where the existing equity shares of the Company are listed/admitted.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any issue or allotment of Securities or securities representing the same or Equity Shares, as described herein above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose, including without limitation the utilisation of issue proceeds, entering into of underwriting and marketing arrangements, to settle any questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of securities, as it may in its absolute discretion deem fit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company."

By Order of the Board  
For **JSW STEEL LIMITED**

**Lancy Varghese**  
Company Secretary

Place : Mumbai  
Date : 28 May 2009

#### NOTES:

1. The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the businesses under Item 9 to 17 set out above and the details under Clause 49 of the Listing Agreement with Stock Exchanges in respect of Directors proposed to be appointed/reappointed at the Annual General Meeting, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. The instrument(s) appointing the proxy, if any, shall be deposited at the Regd. Office of the Company, at Jindal Mansion, 5A, Dr. G. Deshmukh Marg, Mumbai - 400 026 not less than forty eight (48) hours before the commencement of the Meeting and in default, the instrument of proxy shall be treated as invalid. Proxies shall not have any right to speak at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 01.07.2009 to 03.07.2009 (both days inclusive).
5. In order to provide protection against fraudulent encashment of Dividend Warrants, shareholders holding shares in physical form are requested to intimate the Company under the signature of the Sole/First joint holder, the following information which will be used by the Company for Dividend payments:
  - i) Name of Sole/First joint holder and Folio No.
  - ii) Particulars of Bank Account viz.:
    - Name of the Bank
    - Name of Branch
    - Complete address of the Bank with Pin Code Number
    - Account type, whether Savings Bank (SB) or Current Account (CA)
    - Bank Account number allotted by the Bank.

In case of Shareholders holding shares in electronic form, Bank account details provided by the Depository Participants (DPs) will be used by the Company for printing on dividend warrants. Shareholders who wish to

change such bank accounts may advise their DPs about such change with complete details of Bank Account including MICR Code.

Shareholders residing at the centers where Electronic Clearance Service (ECS) facility is available are advised to avail of the option to collect Dividend by way of ECS.

Equity shareholders holding shares in physical form are requested to send their ECS Mandate Form in the format available for download on the Company's website (www.jsw.in), duly filled in, to the Registrar and Share Transfer Agents of the Company - Karvy Computershare Pvt. Ltd. In case of Equity Shareholders holding shares in electronic form, the ECS Mandate Form will have to be sent to the concerned Depository Participants (DPs) directly.

6. The amounts of the unclaimed dividend declared by the erstwhile Jindal Iron & Steel Company Limited (JISCO) upto the financial year ended 31.03.1995 have been transferred to the General Revenue Account of the Central Government in terms of Section 205A of the Companies Act, 1956. Shareholders who have not yet encashed their Dividend Warrants for the said period are requested to forward their claims in Form No. II prescribed under The Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978, to the Registrar of Companies, Maharashtra, Hakoba Compound, 2nd Floor, Fancy Corpn. Ltd. Estate, Dattaram Lad Marg, Kalachowkie, Mumbai - 400 033. Consequent upon amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund (IEPF) set up by the Government of India and no payments shall be made in respect of any such claims, by the Fund. Accordingly, all unclaimed/unpaid dividends of JISCO in respect of financial year ending 31.03.2001 has been transferred to IEPF. Members who have not encashed their dividend warrants for the year F.Y 2001-2002 or thereafter are requested to write to the Company's Registrar and Share Transfer Agents.
7. Members are requested to intimate the Registrar and Share Transfer Agents of the Company - Karvy Computershare Pvt. Ltd., Plot No.17 to 24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081, immediately of any change in their address in respect of equity shares held in physical mode and to their Depository Participants (DPs) in respect of equity shares held in dematerialised form.
8. Members desirous of having any information regarding Accounts are requested to address their queries to the Vice President (Finance & Accounts) at the Registered Office of the Company at least seven days before the date of the meeting, so that the requisite information is made available at the meeting.
9. All the Documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Company's Office at Victoria House, Pandurang Budhkar Marg, Lower Parel (W), Mumbai - 400 013 on all working days of the Company, between 10.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
10. Members holding Share certificates under different folio numbers but in the same order of name are requested to apply for consolidation of such folios and send relevant Share certificates to the Registrar and Share Transfer Agents of the Company.
11. Members/Proxies are requested to bring the attendance slip duly filled in.
12. As an austerity measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

## ANNEXURE TO NOTICE

#### EXPLANATORY STATEMENT:

The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 for item numbers 9 to 17 of the accompanying notice is as under:

##### Item No. 9:

Mr. Kannan Vijayaraghavan was appointed by the Board of Directors in its meeting held on 16.06.2008 as an Additional Director of your Company w.e.f. 16.06.2008 pursuant to Section 260 of the Companies Act, 1956 and in terms of Article 123 of the Articles of Association of your Company. He holds office upto the date of the ensuing Annual General Meeting.

Your Company has received a notice under Section 257 of the Companies Act, 1956 from a shareholder of your Company, signifying his intention to propose the name of Mr. Kannan Vijayaraghavan for appointment as a Director of your Company.

Mr. Vijayaraghavan, aged 50 years, is a Fellow Member of the Institute of Chartered Accountants of India, a Certified Management Consultant and a Fellow of the Institute of Management Consultants.

He is the Director and founder of Sathguru Management Consultants Pvt. Ltd, Hyderabad, a large consultancy & policy advisory firm, founded in the year 1985. He is also Partner, DFK International, a Worldwide firm of accountants and business advisors, a Visiting Fellow and Faculty, Executive Education, Cornell University, Ithaca, NY and a Regional Coordinator for Cornell University Research Programs in South Asian/South East Asian Region.

##### Professional Experience:-

- Over the last twenty four years, has handled over 300 assignments in the area of Strategic Planning, Mergers and Acquisitions and Organisational Growth in Emerging Market Related Environment.

- Wide exposure to overseas environment with consulting exposure to large Multinational and Emerging National Companies. Global Companies consulted include 20 Fortune 500 companies, about 100 Mid Cap Enterprises and NASDAQ listed companies.
- Responsible for creating the first Technology Management Consulting practice in India.

##### Consultancy to Government Bodies:-

- Retained by Government Bodies in the Area of Policy Planning and Program Monitoring. Past and present retentions relate to Industrial Policy Advisory, International Trade Barriers, Life Science Commercialisation Strategies, Information Technology Penetration in E-commerce, Agriculture and Rural Development Growth Planning and support to Planning Commission in development of Eleventh Five Year Plan perspective document.
- Member of some of the Key Committees constituted in the past by various Government Organisations.
- Member of the Consultative Group established to determine priorities for the 11th Five Year Plan by the Planning Commission.
- Member of the Research Advisory Group of Department of Science and Technology.
- Advisor to Government of Bangladesh, Thailand, Vietnam, Philippines and other South Asian and South East Asian countries on account of a mandate provided by Asian Development Bank.

##### Consultancy to Investment Institutional Sector:-

- Retained by International Finance Bodies such as Commonwealth Development Corporation, World Bank and IFC to conduct sectoral studies and review ventures financed by such bodies from time to time.