

Ref: JSWSL: MUM: SECT: 2010-11
26th October 2010

Victoria House, Pandurang Budhkar Marg,
Lower Parel, Mumbai - 400 013

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To,

1. National Stock Exchange of India Ltd. Exchange Plaza, Plot No. C/1, G Block Bandra - Kurla Complex Bandra (E), Mumbai - 400 051 Fax No.: 2659 8237-38 Ref: NSE Symbol - JSWSTEEL Kind Attn.: Mr. Hari K, Vice President (Listing)	2. Bombay Stock Exchange Limited Corporate Relationship Dept. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001. Fax No. 2272 2037/2039/ 2041/ 20 61 Ref: Company Code No.500228. Kind Attn: Mr. Gopalkrishnan Iyer, General Manager (Corporate Services).
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Dear Sirs,

Sub: Outcome of Board Meeting held on 26.10.2010.

Dear Sir,

Pursuant to applicable provisions of the Listing Agreement, we hereby inform you of the outcome of the Board meeting held today:

A. Un-audited Standalone and Consolidated Financial Results for the Quarter & Half Year ended on 30th September, 2010:

The Un-audited Standalone and Consolidated Financial Results of the Company for the quarter & half year ended on 30th September, 2010, were taken on record at the meeting.

A copy of the same is enclosed. A copy of the press release issued in this connection is also enclosed.

B. Issue of Equity Shares and GDR to JFE Steel Corporation, Japan:

As per the terms of the Subscription Agreement entered into by the Company with JFE Steel Corporation ("JFE") on 27.07.2010 ("**Subscription Agreement**"), within a period of 90 (Ninety) days from the date of the FCD Conversion Notice (specified in the Subscription Agreement), JFE is required to subscribe to and the Company is required to issue and allot to JFE additional equity shares of the Company, having of face value of ₹10 each ("**Equity Shares**"), and a certain number of non-voting global depository receipts.

Accordingly, the Board has, subject to the approval of the shareholders of the Company, approved the following:

- a) Issue of upto 9,77,906 Equity Shares ("**Investor Shares**") to JFE on a preferential basis, without offering the same to any other person, at a price per Investor Share equal to the higher of;
 - a price being a 10% (Ten percent) premium to the minimum price at which the Investor Shares are permitted to be issued, as per the provisions of Chapter VII of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009, ("**SEBI Regulations**"); and
 - ₹1,500 (Rupees One Thousand and Five Hundred only).
- b) Issue of upto 3,085,814 non-voting, non-transferable Global Depository Receipts ("**Investor GDRs**") to JFE on a preferential basis and issued by the depository against 3,085,814 (Three Million Eighty Five Thousand Eight Hundred and Fourteen) underlying Equity Shares issued by the Company in the name of the custodian, at a price, which assuming 1 (One) Investor GDR represents 1 (One) Equity Share, means a price per Investor GDR at which the GDRs are permitted to be issued as per the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, being the higher of the Indian rupee equivalent of:



- a 10% (Ten percent) premium to the minimum price payable under Applicable Law; and
- ₹1,500 (Rupees One Thousand Five Hundred only).

The aforesaid issue of Investor Shares and Investor GDRs (together with the underlying Equity Shares) on a preferential basis would be subject to receipt of the approval of the shareholders of the Company, SEBI Regulations as also of any other applicable laws, rules, regulations, and guidelines, and such other consents and approvals as may be required.

The Board of Directors has also approved to obtain the consent of shareholders for the proposed issue of the Investor Shares and the Investor GDRs by way of a postal ballot.

C. Implementation of 4.5 MTPA Steel Plant in West Bengal:

Following the execution of Development Agreement on January 11, 2007 with the Government of West Bengal ("GOWB") to set up an integrated iron and steel plant with a capacity of 10 MTPA in phases in the State of West Bengal, a Special Purpose Vehicle (SPV) namely JSW Bengal Steel Limited ("JSWBSL") was incorporated on April 20, 2007 as a subsidiary of the Company to set up this project. In the past three years, substantial progress has been achieved on the project. Having achieved significant progress in the last 3 years, the Board of Directors have decided that it is an opportune time to take up this project for implementation.

The Board has therefore approved the Implementation of a 4.5 MTPA Steel plant in West Bengal using BF-BOF-CCP route at an estimated cost of ₹16,000 crores including equity investment in the SPV for Mines development and SPV for Captive Power Plant. The project is proposed to be funded with debt equity ratio of 2:1, requiring approx ₹5,333 crores as equity infusion of which West Bengal Industrial Development Corporation limited ("WBIDC")/West Bengal Mineral Development and Trading Corporation Limited ("WBMDTC") shall invest upto ₹6 crores, and the Company shall invest the balance amount of ₹5,327 crores over a period of 3 years starting from 01.04.2011.

D. Relocation of UK Service Centre facilities to India:

While the European economy is still struggling to come out of recessionary condition, there is growth of Auto and Consumer Durables Industry in India and there is a logical growth of 'Steel Stockholding and Service Centre Industry' in growth regions in India. Keeping in view the above factors, the Board has approved the suspension of Operations of the Company's wholly owned subsidiary, JSW Steel Service Centre (UK) Limited, re-location of its Plant & Machineries consisting of 3 Slitting Lines and 1 Multi Strand Blanking lines to India and making them operational in India. The Board has also approved the purchase of the aforesaid Plant and Machineries of the UK subsidiary by the Company or its wholly owned subsidiary JSW Steel Processing Centres Limited, India.

This is for the information of your members and all concerned.

Thanking you,

Yours faithfully,
for **JSW STEEL LIMITED**


Lancy Varghese
Company Secretary

cc:

1. Central Depository Services (India) Ltd. Phiroze Jeejeebhoy Tower, Dalal Street, 28 th Floor, Mumbai.- 400 023. Fax No.: 2272 3199	2. National Securities Depository Ltd. Trade World, 4 th Floor Kamala Mill Compound, Senapati Bapat Marg, Lower Parel Mumbai - 400 013. Fax No.: 24972993/24976351
3. The Calcutta Stock Exchange Association Ltd., 7 Lyons, Range, Kolkata - 700 001. FaxNo.033-22102210	

