



Ref: JSWSL: SECT: MUM: 2011-12
February 20, 2012

JSW Steel Limited

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

Phone : 022-2492 7000
Fax : 022-2491 7999
Website : www.jsw.in

To,

<p>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 Email: cmlist@nse.co.in</p> <p>Kind Attn.: Mr. Hari K, Vice President (Listing)</p>	<p>2. BSE Limited Corporate Relationship Dept. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001 Fax No. 2272 2037/2039/ 2041/ 20 61 Email: corp.relations@bseindia.com Ref: Company Code No.500228.</p> <p>Kind Attn: The General Manager (CRD)</p>
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Sub: External Commercial Borrowing of US\$ 275 million (including a green shoe option of US\$75 Million) with a convertibility option.

Dear Sir,

The Finance Committee, a duly authorised sub-committee of the Board of Directors of the Company, has at its meeting held on February 20, 2012, decided to avail an external commercial borrowing (**ECB**) of US \$ 275 million which includes a green shoe option of US \$ 75 million at an interest rate of US\$ Libor + 4 % per annum. The Company has entered into an indicative, non-binding term sheet with an arranger for the ECB. The term of the ECB is 5 years plus 1 day from the date of drawdown.

Financial closure is subject to each party receiving all necessary approvals and compliance by the Company with certain conditions, including (without limitation) the execution of satisfactory documentation.

The ECB will be utilised for one or more of the following: (a) Buyback of outstanding Foreign Currency Convertible Bonds, (b) Redemption of outstanding Foreign Currency Convertible Bonds and (c) Capital expenditure.

The lenders of the ECB facility shall have an option to convert in whole or in part the outstanding ECB into fully paid equity shares of face value of ₹10 each, with full voting rights ("**Equity Shares**") or GDRs with underlying Equity Shares.

In accordance with the notification dated November 27, 2008, issued by the Ministry of Finance in relation to issuance of ADRs/ GDRs/ FCCBs, the floor price for the conversion of the ECB into Equity Shares is ₹811.81. The initial conversion price is ₹892.99, which is 10% above the floor price. The Fixed Exchange Rate is 1 US\$ = ₹49.2128.

This is for the information of your members and all concerned and in accordance with the applicable provisions of the Listing agreement.

Thanking you,

Yours faithfully,

For **JSW STEEL LIMITED**


Lancy Varghese
Company Secretary



Part of O. P. Jindal Group

Regd. Office : Jindal Mansion,
5 A, Dr. G. Deshmukh Marg,
Mumbai - 400 026
Phone : 022-2351 3000
Fax : 022-2352 6400