

JSPL/NSE/2010-11

August 20, 2010

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot no.C/1, G Block
Bandra-Kurla Complex, Bandra(E),
Mumbai-400051
cm1ist@nse.co.in

FAX NO.022 - 2659 8237
2659 8238
2659 8348
6641 8124
6641 8126

Security Code No. : JINDALSTEL

Dear Sir,

Jindal Steel Bolivia (JSB), a subsidiary of the Company, has informed that Government of Republic of Bolivia has provided additional about 3000 acres of land to it to start work on its US\$ 2.1 billion steel and power plant in Bolivia. JSB has resumed activities to develop iron ore deposits in El-Mutun iron ore mine and steel plant in Bolivia.

A press release is enclosed in this regard.

Please inform the same to your members and host it on your website.

Thanking you

Yours faithfully,
For JINDAL STEEL & POWER LIMITED


COMPANY SECRETARY

**JSPL resumes implementation of Steel and Iron Ore Mine Project in Bolivia
Bolivian President signs Law to give additional land for the project.**

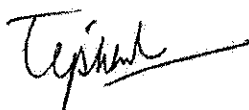
New Delhi, 20th August, 2010: Jindal Steel, Bolivia, a subsidiary of Jindal Steel & Power Limited has secured the land to start its US\$ 2.1 billion steel and power plant in Bolivia. The company has resumed activities to develop the El Mutun iron ore deposit and steel plant project in Bolivia's Santa Cruz area .

Mr. Evo Morales, President of Bolivia has signed a law ceding land that Jindal Steel, Bolivia required to develop a Steel Plant, DRI plant and Iron Ore Pelletisation Plant. The addendum was signed in the eastern city of Santa Cruz alongside executives from the company. The investments in El Mutun have been on hold because of non-availability of land since the Company signed a contract in 2007 to mine iron ore deposit and implement the Steel Project.

Land was one of the key enablers for starting work on the steel project in the Bolivia even as it got access to iron ore mines in the Latin American country. The Bolivian government has now provided an additional about 3000 acres of land for the project in addition to around 1,000 acres provided earlier. A total of about 5,000 acres of land is required for the project and the company needs the remaining land for putting a power generation unit close to the steel plant.

With majority of the land tied up, the company is starting construction work on the DRI , Pelletisation, and Steel project. These are expected to become operational in the next 3-4 years.

Jindal Steel & Power Limited had secured the development rights of El Mutun mines, one of the world's single biggest iron-ore deposits with reserves of more than 40 billion tonne, in 2007. The 40-year contract that gave the company the right to mine about half of the reserves of iron ore also includes setting up an integrated 1.7 MTPA Steel Plant, a 6 MTPA Sponge Iron and 10 MTPA Iron Ore Pellet plant in Bolivia. This will be the largest investment by an Indian company in South America and also the largest investment by a foreign company on a single project in Bolivia.



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El Mutun is located in a 65 sq km area of German Busch province's Puerto Suarez and has 40 Billion MT in reserves. As per the original contract, Jindal Steel is to invest \$2.1 billion over an eight-year period to develop the iron-ore mine along with a steel and power plant. The investment plan remains unchanged in the revised agreement that was signed in mid-August.

About Jindal Steel & Power Limited (JSPL)

Jindal Steel and Power Limited (JSPL) today is one of India's major steel producers with a significant presence in sectors like Mining, Power Generation and Infrastructure. With an annual turnover of over US \$2.3 billion, JSPL is a part of the over US \$ 15 billion diversified O. P. Jindal Group. In the recent past, JSPL has expanded its steel, power and mining businesses to various parts of the world particularly in Asia, Africa and South America.

The company produces economical and efficient steel and power through backward integration from its captive coal and iron-ore mines. From the widest flat products to a whole range of long products, JSPL sports a product portfolio that caters to each and every need in the steel market. It also has the distinction of producing the world's longest 121 metre rails and large size parallel flange beams. It also produces the widest plate in coil form up to 3.5 metre wide.

The organisation is equally concerned about the environment and is committed towards restoring nature's balance by maintaining a clean and green environment. JSPL's Corporate Social Responsibility policy aims at bringing about a radical transformation in the quality of people in and around the operation areas of the company through positive intervention in social upliftment programs.

A handwritten signature in black ink, appearing to read 'Ruphil', with a long horizontal line extending to the right.