



स्टील अथॉरिटी ऑफ इण्डिया लिमिटेड
STEEL AUTHORITY OF INDIA LIMITED

No.CA-17(44)/15

May 22, 2015

The General Manager (MO)
Bombay Stock Exchange
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P.P. Tower,
Dalal Street, Fort,
Mumbai-400001
Fax No.022-22723121/3719

The Asstt. Vice President
National Stock Exchange of India Ltd.
Plot No.C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai-400 051.
Fax No.022-26598237/38

Sub:- MoU signed with M/s. ArcelorMittal for Auto Body Steel Production under Joint Venture.

Dear Sir,

In terms of the Listing Agreement, it is informed that the Company has signed a Memorandum of Understanding ('MoU') with M/s. ArcelorMittal, the world's leading steel and mining company to set up an automotive steel manufacturing facility under a Joint Venture ('JV') arrangement in India. The MoU is the first step of a process to establish a JV between the two companies. The proposed JV will construct a state-of-the-art cold rolling mill and other downstream finishing facilities in India that will offer technologically advanced steel products to India's rapidly growing automotive sector. In the coming months, a working group with representatives from both companies will work on evaluating a structure for the proposed JV and carry out feasibility studies as part of a comprehensive due diligence process.

SAIL is on the verge of completing a comprehensive modernisation and expansion program to increase its hot metal capacity from 14 million tons per annum (MTPA) to 23.5 MTPA, with a quantum jump in production of value added steels. Furthermore, SAIL has drawn up a Vision 2025 plan to further increase capacity to 50 MTPA. Product enrichment is an integral part of this plan and the MoU with ArcelorMittal will pave the way for a new chapter in the indigenous production of high-quality automotive steel in India. It will also aid a broader effort by SAIL to help fulfil the high-quality steel requirements of the rapidly growing infrastructure and manufacturing sectors in India.

Thanking you,

Yours faithfully,

(M.C. Jain)

Company Secretary

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PAN No. AAACS7062F

Corporate Identity No. L27109DL1973 GOI006454

हर किसी की ज़िन्दगी से जुड़ा हुआ है सेल

There's a little bit of SAIL in everybody's life