



JSW Steel applauds Supreme Court order

- *will safeguard direct and indirect employment in the steel industry of the region*
- *JSW Steel plans to operate its plants at around 80% capacity though ruling is not expected to ease the situation for the steel makers to operate at full capacity*
- *requirement of iron ore to operate these units in JSW Steel plants at full capacity will be 18 million tonnes*
- *proposed 12 million tonnes from NMDC in Bellary district against the industry requirement of 33 million tonnes thus meeting only 60 percent*
- *expects further relief to operate these plants beyond 80% in the availability of ore from the Supreme Court*

Mumbai, August 08, 2011: It is heartening to note that the Honourable Supreme Court of India in its order dated 5th August, 2011 permitted NMDC to mine one million tonnes of iron ore per month from its two mines commencing from 6th August, 2011.

It was further clarified in the said order that no part of this production shall be exported. It shall be sold to the domestic industry in consultation with Ministry of Steel, Government of India. Further directions to submit macro level EIA study by Indian Council of Forestry Research and Education (ICFRE) and reclamation and rehabilitation plan in Bellary district by State of Karnataka in a time bound manner (3 months) are quite encouraging for achieving sustainable economic development.

JSW Steel applauds this timely relief ordered by the Honourable Supreme Court of India when the steel industry in the region was at the brink of closure of steel plants due to non availability of iron ore caused due to suspension order dated 29th July,2011. This relief not only provides breather to the steel industry in the region but also assists in continuation of employment and livelihood for people employed in this sector.

Even though the ruling is not expected to ease the situation for the steel companies in the region to operate the plants at full capacity since the requirement of iron ore is much higher than what is currently allowed, the company understands and appreciates the balancing act of the Honorable court between the environmental concerns and economic development.

The current production of iron ore in the rest of Karnataka is 7 to 8 million tonnes per annum. The total availability of iron ore in the State of Karnataka will be only 19 to 20 million tonnes including the proposed 12 million tonnes from NMDC in Bellary district against the industry requirement of 33million tonnes thus meeting only 60 percent of requirement.

JSW Steel is the leading integrated steel producer in India with steel making capacities of 10 million and 1 million tonnes (total 11 million tonnes) located at Vijayanagar in Karnataka and Salem in Tamilnadu respectively. The requirement of iron ore to operate both these units at full capacity will be 18 million tonnes of ore with fe content of 63%.

In view of the partial relief granted by the Honorable court, JSW Steel plans to operate its plants at present at around 80% capacity with an expectation of further relief in the availability of ore from the Honorable Supreme Court of India to enhance the capacity utilization beyond 80%.

About JSW Steel Limited:

JSW Steel Ltd., belonging to JSW group, part of the O P Jindal Group, is one of the lowest cost steel producers in the world. The group has diversified interest in mining, carbon steel, power, industrial gases, port facilities, Aluminium, Cement

and Information Technology. JSW Steel Limited is engaged in manufacture of flat and long products viz. H R Coils, C R Coils, Galvanised products, Galvalume products, auto grade / white goods grade CRCA Steel, Bars and Rods. Incorporated in 1994, it has grown to US \$ 7 billion in little over fifteen years. JSW Steel Limited has the largest galvanizing and colour coating production capacity in the country and is the largest exporter of galvanized products with presence in over 100 countries across five continents.

For Further information, please contact:

<p>Ms. Sharmila Banerjee.</p> <p>(Group-Head, Corporate Communications)</p>	<p>Mithun Roy</p> <p>Corp Comm, JSW Group</p> <p>Tel (D): +91 22 43437980</p> <p>Mobile: +91 9819000967</p>
---	--