



PRESS RELEASE

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Budget reaction from Mr. Sajjan Jindal

Mumbai, July 6,2009: According to Mr. Sajjan Jindal Vice Chairman And Managing Director JSW Steel 'The Budget proposed by the Union Minister Shri Pranab Mukherjee for the year 2009-10 can be referred as the `vision document' as it is like a macro document focusing on Rural, Agrarian and Social sector, which will create huge demand for goods and services for Indian Inc.

The Finance Minister has proposed to develop the roadmap towards achieving the 9% GDP. The enhanced emphasis on infrastructure projects to the tune of 9% of GDP by 2014 shows the determination of Government to boost the domestic demand. This will further incentivize other SME's .

The government is clearly expecting increased Public Private Partnership (PPP). The availability of Rs. 100,000 crores of refinances from IIFCL and banks will ensure greater degree of sustainability to infrastructure projects in the coming years. The increase in the allocation in NHAI, Railways, Jawaharlal Nehru National Urban Renewal Mission and Accelerated Power Development Programme and Reform Programme are positive moves.

At the time when the government is under severe pressures to reduce the fiscal deficit, the attempts in holding the tax regime in noteworthy. The abolition of FBT and the surcharge on personal income tax, Commodity Transaction Tax are especially welcome features. These measures would leave lot of money in the hands of common man, which is a good sign for the economy.

The Finance Minister gave sufficient indications for disinvestment to contain fiscal deficit and generate resources for infrastructure development. India Inc. has been widely anticipating a road map for disinvestment and eagerly waiting announcements for abolition of FBT and CTT.

In its second term, the UPA government has rightly set the tone for enhancing the macro-outlook for the economy. Given the situation, the focus on inclusive growth, infrastructure spending, more disposable income to the people. By no change in excise and custom duty structure Demand would be sustained.

The major challenge with the Government would be to work out the roadmap to achieve 9% GDP. The key issues in this budget will emerge once the detailing of

the proposed roadmap is worked out. Overall I must Congratulate the Finance Minister for a 'People Friendly' budget.

About JSW Steel Ltd.:

JSW Steel Ltd., belonging to JSW group, part of the US \$ 8 billion 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 and port facilities. JSW Steel Limited is engaged primarily in manufacture of flat products viz. H R Coils, C R Coils, Galvanised products, auto grade / white goods grade CRCA Steel, Power & Cement. Incorporated in 1994, the JSW Group has grown to US \$ 3.7 billion in little over a decade. JSW Steel Limited has the largest galvanizing production capacity in the country and is the largest exporter of galvanized products with presence in over 100 countries across five continents.

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