

MINUTES OF THE FIFTEENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF JSW STEEL LIMITED HELD ON MONDAY, 06TH JULY 2009 AT 11.00 A.M AT BIRLA MATUSHRI SABHAGAR, 19, NEW MARINE LINES, MUMBAI – 400 020:

DIRECTORS PRESENT:

MR. SAJJAN JINDAL	VICE CHAIRMAN & MANAGING DIRECTOR
MR. SESHAGIRI RAO MVS	JT. MANAGING DIRECTOR & GROUP CFO
DR. VINOD NOWAL	DIRECTOR & CEO (VIJAYANAGAR WORKS)
MR. JAYANT ACHARYA	DIRECTOR (SALES & MARKETING)
DR. S.K.GUPTA	DIRECTOR
MR. ANTHONY PAUL PEDDAR	DIRECTOR
MR.UDAY CHITALE	DIRECTOR & CHAIRMAN OF AUDIT COMMITTEE.
MR. SUDIPTO SARKAR	DIRECTOR
MR. K. VIJAYARAGHAVAN	DIRECTOR
MR. N.C.MUNIYAPPA, IAS	NOMINEE DIRECTOR (KSIIDC)

IN ATTENDANCE:

MR. RAJEEV PAI	CHIEF FINANCIAL OFFICER
MR. M.A.VENKATESHAN	SR. VP (FINANCE & ACCOUNTS)
MR. SANTOSH MAHESHWARI	VP (FINANCE)
MR. LANCY VARGHESE	COMPANY SECRETARY

SHAREHOLDERS PRESENT:

483 Shareholders present in person and 164 shareholders represented by Proxy.

1. APPOINTMENT OF CHAIRMAN:

In the absence of Mrs. Savitri Devi Jindal, Chairperson of the Company, Mr. Sajjan Jindal, Vice Chairman & Managing Director of the Company took the chair pursuant to the provisions of Article 93 of Articles of Association.

2. WELCOME ADDRESS AND INTRODUCTION OF BOARD OF DIRECTORS:

Mr. Lancy Varghese, Company Secretary, on behalf of the Company, extended a warm welcome to the Shareholders, Members of the Board, Employees, Representatives of Bodies Corporate, Institutional Investors, Analysts & Members of the Press.

He also briefly introduced the Directors present on the dais.

3. CONFIRMATION OF QUORUM:

Mr. Sajjan Jindal, Chairman of the meeting announced that the quorum for the meeting was present and called the meeting to order. He informed that the representatives of 43 Bodies Corporate holding 42.11% in the Company's paid-up equity share capital, aggregating to Rs. 78.76 Crores were present and that the Company has received 183 proxies, of which 181 are valid and 2 are invalid. He further informed that all the Statutory

Registers required to be placed before the meeting, were available for inspection by the members.

4. NOTICE CONVENING THE MEETING:

With the permission of the members, the notice convening the meeting was taken as read.

5. CHAIRMAN'S ADDRESS:

Mr. Sajjan Jindal, then read out the Chairman's Speech which was circulated to the shareholders present in the meeting.

6. CORPORATE FILM:

Following the Chairman's Address, a Short Corporate film was shown to the Shareholders.

The Chairman then proceeded with the formal business of the meeting.

ORDINARY BUSINESS:

7. ADOPTION OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2009 ALONG WITH THE AUDITORS' REPORT AND DIRECTORS' REPORT:

The Chairman requested the shareholders to receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009, the Profit and Loss Account for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon.

He then moved the following resolution:

"RESOLVED THAT the Audited Balance Sheet as at 31st March, 2009, the Profit and Loss Account for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon, be and are hereby considered and adopted".

The Chairman then requested Mr. Lancy Varghese, Company Secretary to read out the Auditors' Report.

The Chairman invited the shareholders to raise their queries, if any, on the accounts and the working of the Company, with a request to the members to be brief in their queries and comments that they may have and to limit their time to 5 minutes and to avoid repetition of questions so as to provide an opportunity to all the members who desire to speak.

The following observations/queries were made/raised by the members:

1. Mrs. Sobhana Mehta stated that she received the Annual Report on time and congratulated the Secretarial Team for making a simple, transparent and good Annual Report. She articulated that Mr. Jindal looks very confident & positive in his smiling photograph given on page No. 2 and hoped that in the coming years along with the Company's performance, he would enhance the shareholders' value. She expressed her happiness to know that after the commissioning of the

expansion project in February 2009, JSW Steel has become a leading player in the Indian Steel Industry with an installed capacity of 7.8 mtpa.

She gave her insight of the Balance Sheet as follows:

Gross & Net turnover has increased by 23%, the interest burden has also gone up resulting in lower PBT & PAT, which has impacted the dividend. She felt that the promoters with a holding of 46% are impacted more than the other shareholders due to lower dividend of 10% declared as compared to 140% for the last year. She hoped that things would turn around in the coming year.

She also congratulated the Board Members and the entire team of JSW Foundation for having received the Golden Peacock Award for its CSR initiatives.

She raised the following Queries:

- i. Company's total investment in the expansion plan?
- ii. What is the capital expenditure in various projects of the Company?
- iii. Total expected & targeted turn over & profitability for the year?
- iv. What is the employee strength presently and after completion of various projects?
- v. What will be the over all market share of the Company after the expansions?
- vi. What is the average rate of interest since the borrowing cost has gone up substantially?
- vii. What is the expectation of the Steel Industry from the Union Budget which is going to be presented today? Is its favourable to the Company's policies?

She concluded by saying that she strongly supported all the resolutions put up, especially those for the appointment of Mr. Vijayaraghavan, Mr. Jayant Acharya and Dr. S.K.Gupta, as they are all highly qualified & experienced personnel.

2. Mr. Arvind J Vyas , informed that the Company should benefit on the floating interest rate Foreign Exchange loans as the Libor rates are falling. India & China are better positioned showing growth inspite of global meltdown. Besides, JSW Steel will be benefited due to lower conversion cost/labour cost and timely completion of expansion projects.

He raised the following Queries:

- i. What will be the volume of production by 2012 after the completion of capacity expansions?
- ii. How much JSW Steel will be benefited due to reduction in commodity prices?
- iii. How much loss has the Company incurred by the acquisition and subsequent sale of US Subsidiary and within how many years the Company will recover this loss?

- iv. How much JSW Steel will be benefited if the Government imposes anti dumping duty on steel imports to save domestic steel manufacturers on the pretext of China allowing 9% rebate on exports?
- v. Looking at India's crude steel production growth to 54.4 mn tonnes in 2009, what will be the total production of the Company by 2015, saleable volume and the new product-mix?
- vi. When will the Company start getting benefits from the Company's UK, USA & Chile facilities?
- vii. Who are the major competitors other than TATA and SAIL in terms of competitiveness?

He concluded by congratulating the Management for undertaking various CSR activities in the area of Education, Women empowerment, Vocational Training & Agricultural programs.

3. Mrs. Homa Pouredehi, expressed happiness over the background of the Board members and thanked the Company Secretary & his team for timely receipt of Balance Sheet. She also enquired over the absence of Mr. Y. Siva Sagar Rao and wanted to know whether he has retired. She also thanked the Company for the short corporate film shown which gives shareholders an idea of the Company's projects. She also expressed that it was the strong determination and will power of a few people like Mr. Jindal that has helped India turnaround from the global meltdown faster. She also informed that there are positive reports in the press about JSW Steel's share price.

She raised the following query:

- Whether any workers in JSW Steel Limited or its subsidiaries in US have been retrenched due to the current recession?
4. Mr. H.V.S Sanghvi, complimented the Chairman and the entire team for the excellent performance of the Company and hoped that it will be even better in the coming years. He also appreciated the Company Secretary for the timely despatch of Balance Sheet and for having personally enquired whether he has received it or not. He thanked the Chairman for the dividend and articulated that the small investors are affected in this meltdown so it is the duty of the Chairman to take care of the small investors. He pointed out that Financial Institutions are charging interest on the loans they have extended to the Company but the small shareholders investments are not yielding much return. He asked to examine the proposal to merge all the Companies under OP Jindal Group. He sought a clarification whether the raising of additional resources through the proposed US\$ 1 Billion issue is expected to take place in the near future or will it take time even though it is an enabling resolution. At the end, he expressed his desire to make a plant visit.
 5. Advocate Joseph Martins, appreciated the Company Secretary for introducing the Directors on dais. He stated that akin to the Company's ideal "*The Josh of a Billion Dreams*", an ideal which the Company should give its employees is "*Love your work and do your work with Love*". He also stated that the focus on employees should be to enhance human values. He also appreciated the highlights given at the

end of the Balance Sheet, however, he pointed out that the face value of the shares has not been mentioned. He also informed that before he read the Director's Report & MDA, he always looks at the book value and EPS of the companies and as per him the 5% EPS of the Company is very low. He concluded his speech by asking God's blessings to be upon the Company, its Chairman, Board Members, Employees and their families.

6. Mr. Michael Martins stated that the cover page & the back drop carrying, the punch line "*The Challengers*" is very motivating. He stated that the proposed reduction in the Company's exports is a good move in view of the global meltdown. He thanked the Company for the dividend even though it is only Re.1 per equity share. He drew the attention of the Chairman to Pg. 19 of the Annual Report where lower fuel & power efficiency has been reported for all except for LPG used for HR Coils.

He appreciated the Company for:

- Setting up simulation facilities to optimise processes *that will reduce* cost & improve performance.
- Effective Water management and Water Conservation Initiatives.
- Zero affluent discharge.
- CSR activities especially the initiative to set up mobile libraries at villages.

He recommended that at least one dictionary in English and a vernacular to English Dictionary along with an encyclopaedia may be kept in these mobile libraries to help the local people to pick up English well and also help English speaking people to pick up the local/vernacular languages well.

7. Mr. H.L.Savani, thanked the Company Secretary and his team for taking care to find out whether the regular speakers have received the Annual Report or not. He pointed out the following shortfalls in the Annual Report :

- The Font is too small and is difficult to read.
- The Financial Highlights given on the last page is not included in the index & therefore the information may go waste.
- The last page of the cover has been wasted by keeping it blank.

He also emphasised on declaring an interim dividend to sustain the current share prices as the low dividend payout may pull the share prices down. He stated that the market is a barometer of economy but nowadays it is in the hands of FIIs. He expressed concern over the increase in remuneration of Whole-time Directors. He further stated that even though the number of complaints reduced year-by-year substantially, the reported number of Complaints of 2701 in F.Y 2008-09 is high and needs to be reduced.

He raised the following queries:

- a) Whether the Company has a policy to hedge Rupee against dollar since during the last fiscal 2008-09, the Company incurred huge losses in forex?

- b) What is the dividend policy of the Company?
 - c) How are the Company's results for the first Quarter 2009?
 - d) Whether India imports Steel?
 - e) Which are the 5 patents that have been filed by the Company?
 - f) On page 35, inventories shown have gone up from Rs. 1549 crores to Rs. 2051 crores, up by Rs.502 crores which is approximately 32% and on the same page sundry debtors shown has also gone up from Rs. 337 crores to Rs.398 crores, up by Rs.61 crores, which is an 18% increase - what steps have been taken by the Company to control these increases as the Interest cost has gone up very much?
 - g) What is the current book value of the Company? Is it Rs. 148/- as shown on page 50 or Rs. 410/- as shown on the second last page of the Annual Report?
 - h) Why is the Company's cash balance as high as Rs.420 crores (page. 50)? Interest cost has gone up from Rs.440 crores to Rs. 797 crores up by 81% - this need to be controlled.
 - i) What is the impact on the Company's profitability due to rupee appreciation?
 - j) How much loss the Company has incurred due to disposal of the investments in mutual funds?
8. Mrs. C.E. Mascarenhas, appreciated the good & informative balance sheet and receipt of the same in time. She also appreciated the Secretarial Team for its kind gestures to find out about her having received the Balance Sheet and for reminding her to attend the AGM. She informed that looking at all the parameters like the global meltdown, the slow growth of the Steel Industry and the low profits of the Company, the dividend payout of Re. 1/- per equity share is definitely a good move. She also appreciated the Chairman for foregoing the remuneration payable to him.

She raised the following queries:

- a) Whether the demand for steel is likely to increase in the coming years since the UPA Government has again come to power? What is the Company's perception on the increase of steel demand?
- b) What is the Company's market share (Domestic & International) on the increased demand?
- c) Any plan to restructure the Company's debts to ease the interest burden?

She concluded by expressing her desire to visit the Company's Salem Unit and wished the Company all the best. She said that she supports all the resolutions.

9. Mr. Zahur Maniar, to encourage and boost the moral of the Chairman & other Board members, recited several famous quotes and concluded that he also supported all the resolutions put up for approval.
10. Mr. Aspi Bhesania welcomed the two new directors i.e. Mr. Jayant Acharya & Mr.K. Vijayaraghavan. He congratulated Mr. Seshagiri Rao MVS, for his elevation to the level of "Jt. Managing Director & Group CFO" and stated that Mr. Rao deserves the same for the way he controlled the networth and capital.

He raised/made the following queries/suggestions:

Suggestions:

- a) In the top 10 shareholders list, the promoters should be excluded to enable the shareholders to know who the other big investors are.
- b) Earnings Per Share (EPS) should be shown without the exceptional items/non-recurring items.
- c) The highlights given in the last page is only that of the standalone company and it should include the consolidated highlights along with operational ratios, sales ratio and net profit ratio.
- d) The conversion rate of future FCCBs if raised by the Company should be on much higher rates than the market and the current FCCB's conversion rate.

Queries:

- a) Why promoters have sold thirty seven lakh shares during the year?
 - b) What measures have been taken by the Company to reduce the physical shareholding?
 - c) The Company's subsidiaries except JSW Panama Holdings are making losses, when can the Subsidiaries be expected to make profits?
11. Mr.M.V. Zhaveri, stated that the last year was a disastrous year for the Steel Industry, which is evident in the drop of EPS from Rs. 94.00 to Rs. 23.00 and dividend from Rs. 14.00 to Re.1.00. He hoped that Mr. Jindal & Mr. Seshagiri Rao would continue to appear on TV from time to time to keep the shareholders enlightened.

He wanted to know:

1. What are the prices of primary products of the Company, before the boom period, at present & expected price in the coming quarters?
2. Will the current prices of the Company products and the current workings enable it to report better profits & better dividend in the coming year?
3. Expected demand of the Company's products in India & abroad?
4. What is the conversion rate of FCCBs?
5. Whether the West Bengal and Jharkhand projects are on hold or postponed?
6. In the coming years, the raw material positions will be scarce in India and abroad. What are the steps taken to ensure the raw material supply and what are the prices?

The Chairman thanked the Shareholders for their good words about the Secretarial Department. He then proceeded to respond to their queries as follows:

- After the Economic Slow down in September 2008 globally, the profit of the entire Steel Industry & most other industries got impacted. JSW Steel has recovered quickly by taking measures to cut costs, reduce inventories by following various marketing strategies. Now the position of the Company is much better. He

assured the shareholders that during the next year the Company is expected to improve further.

- The expected increase in the turnover for the fiscal 2009-10 will be around 20-25%.
- Expected capacity by 2012 will be 11mtpa by which JSW Steel will be the second largest steel company in India. The Company will produce 6.4 mtpa this year and will produce 11 mtpa by 2012.
- The Company is focussing more on cost reductions and raw material integrations. If the steel prices remain low the demand for steel products will expand.
- The Company has not sold its US facility but is operating at lower capacity due to the slow down in US but now the situation is improving and orders have started coming in.
- The Steel Industry has been seeking for hike in import duty on steel products which is expected in today's the Union Budget. However, imposing antidumping duty on imports is difficult considering the current level of imports. India imports about 7 million tonnes of Steel and exports about 5 million tonnes. Therefore Exports & Imports are more or less the same levels.
- In India no employees have been retrenched, infact JSW Steel has added 662 more employees taking its total employee strength to 7669 in India, but in US, due to the lower capacity utilization, the employees' strength has been brought down.
- Regarding the merger of all OP Jindal Group Companies, it is better to remain as it is, for better management and to remain focused. Merging all Companies will only create confusion especially among the promoters.
- The Dividend payout is low due to the lower profits and for reinvesting in the ongoing projects next year. The dividend policy of the Company is upto 20% of the distributable profits.
- The proposal to raise resources upto USD 1 billion is basically to de-leverage the balance sheet and the timing is yet to be decided
- Regarding the plant visit, the Company Secretary will organise it. Shareholders should make use of this opportunity.
- Exports are declining mainly due to global meltdown and expansion of the domestic market. India is on a growth trajectory and there is great demand for steel domestically. The developed markets are showing signs of weakness. The Steel Companies in US & Europe are running close to 50% capacity whereas JSW Steel has given guidance of 72% growth in production. This is a very positive thing and India is one of the few countries in the world which is really growing.
- The quotes given by Mr. Joseph Martins are very good and the one **"Love your work and do your work with love"** will be conveyed to the Company's employees.
- JSW Steel takes pride in its innovations and believes that it is only through innovation that it can go forward and expand its business and can become a renowned organisation. The Company's R & D Department is fully engaged on these innovations and that is why the Company has got some patents and is working towards getting more.
- Mr. Michael Martin has also given a good insight by pointing out that the fuel consumption is very high. This is due to addition of new capacities where fuel consumption will be high initially.

- Forex losses are mostly translation losses due to steep Rupee depreciation in the last year by around 27.5%. The Company has a natural hedge due to large exports. However, the net exposures on yearly basis are lower from time to time based on dynamic hedging policy approved by the Board.
- JSW Steel takes pride in not only water conservation but also in controlling air pollution & waste management. "Wealth from Waste" is the Company's main Moto. It believes that the Company which can create wealth from waste can never lose in the long term.
- If the size of the fonts used in the Annual Report is increased, the Annual Report becomes very bulky and would result in higher cost of printing, posting etc.. Nevertheless, the Corporate Communications Department will look into this.
- The current year is expected to be better as the domestic steel demand is looking more robust.
- Inventories or debtors have gone up due to the capacity expansions and the high cost of raw materials and higher steel product price in the last year. The highest cash balance is reasonable considering the size of the business
- Increase in remuneration to Executive Directors is to be in line with the remuneration in the other corporate in the market. JSW Steel is now a very large company and it is required to pay good remuneration to its people. The cost of remuneration is only about 2% of the Company's turnover which is low. The Company is however focusing on critical areas of operational efficiency and reduction in raw material cost which benefits the company the most.
- The book value of the Company's Equity Share is Rs. 410/-
- In the last year the interest has gone up because of capacity expansions and also large investments in overseas acquisitions made during the last two years. For the next two years also Interest will go up due to further capacity expansions but the weighted average interest rate is 8.22% which is quite good.
- India is one of the very few countries where the demand of steel is very positive. Demand growth is about 6 to 7% and if the Union Government gives a good budget, the rate might touch 10%. Therefore JSW Steel is in a good position by expanding its capacity at the right time.
- The total demand for steel in India is around 60 Million Tonnes and the Company will produce around 6.4mtpa in 2009-10, its market share is therefore close to 10%.
- The quotes given by Mr. Maniar are very good. It will be nice if it could be emailed.
- There is a physical share purchase scheme already in place, which may be made use of, the details of the same are provided on pg. 46 of the Annual Report.
- The HR Coil price before the crisis was close to Rs. 50,000/- per tonne, which has come down to Rs. 25,000/- after the crisis and currently it is at about Rs. 26,000/- per tonne. The cost of production at that time was around Rs. 31,000 to Rs. 32,000 per tonne which was brought down by the Company due to various cost reduction and austerity measures.. The costs of raw materials have since come down and the costs have accordingly come down. If the steel prices remain low it is better for India as the country can be built at low cost.

- Steel Industry is facing a demand contraction therefore the industry is operating at 25% less capacity. Except China & India, the global Steel Industry is operating at 50% capacity.
- FCCB was issued at a conversion price of Rs. 953.40/- and by 2012, if the conversion does not taken place, JSW Steel will have to redeem the FCCB.
- Regarding West Bengal & Jharkhand Projects, the Company had taken all steps to implement the projects but right now the focus is on consolidating the balance sheet and making it stronger and also on increasing the capacity at the Vijayanagar Plant to 10mtpa. Jharkhand and West Bengal projects will come up at a later date.
- Mr. Kamlesh Shah's query will be replied within 7 days.
- There were no losses incurred by the Company on disposal of investments in Mutual funds.
- The total capex to be incurred is around Rs. 1000 crores over 2 years to complete the capacity expansion upto 11 mtpa.
- The suggestions given by various shareholders will be implemented wherever practicable/feasible.

After replying to the queries, the Chairman then requested any member present to propose and any member to second the resolution.

Mr. Maniar proposed and Mrs. C.E. Mascarenhas seconded the resolution.

The Chairman then put the above motion to vote and on a show of hands the resolution was declared as passed unanimously.

8. TO DECLARE DIVIDEND ON 10% CUMULATIVE REDEEMABLE PREFERENCE SHARES:

The Chairman moved the following resolution as an **Ordinary Resolution**, relating to Item No. 2 of the Notice that is, to declare dividend on the 10% cumulative redeemable preference shares of the Company:

"RESOLVED THAT as recommended by the Board of Directors in its meeting held on 07.05.2009, dividend at the stipulated rate of Re. 1 per 10% Cumulative Redeemable Preference Share (10% CRPS) of Rs.10 each of the Company be and is hereby declared for the Financial Year 2008-09 and that the said dividend be paid out of the profits of the Company to all the CRPS holders whose names appear in the Register of 10% CRPS holders on 3.07.2009".

Mr. M.V.Jhaveri proposed and Mrs. Sobhana Mehta seconded the resolution.

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

9. TO DECLARE DIVIDEND ON 11% CUMULATIVE REDEEMABLE PREFERENCE SHARES:

The Chairman moved the following resolution as an **Ordinary Resolution**, relating to Item No. 3 of the Notice, that is, to declare dividend on the 11% Cumulative Redeemable Preference Shares of the Company:

"RESOLVED THAT as recommended by the Board of Directors, in its meeting held on 07.05.2009, dividend at the stipulated rate of Rs. 1.10 per 11% Cumulative Redeemable Preference Share (11% CRPS) of Rs.10 each of the Company be and is hereby declared for the Financial Year 2008-09 and that the said dividend be paid out of the profits of the Company to all the 11% CRPS holders whose names appear in the Register of 11% CRPS holders on 03.07.2009".

Mr. A. Vyas proposed and Mr. Apsi Behsania seconded the resolution.

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

10. TO DECLARE DIVIDEND ON EQUITY SHARES:

The Chairman moved the following resolution as an **Ordinary Resolution**, relating to Item No. 4 of the Notice, that is, to declare dividend on Equity Shares of the Company:

"RESOLVED THAT as recommended by the Board of Directors, in its meeting held on 07.05.2009, dividend at the rate of Re. 1/- per equity share of Rs.10 each on the paid-up equity share capital of the Company, be and is hereby declared and paid out of the profits of the Company and that the same be paid to those shareholders whose names appear in the Register of Members on 03.07.2009."

Mr. M.V.Jhaveri proposed and Mrs. Sobhana Mehta seconded the resolution.

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

11. RE-APPOINTMENT OF MR. SAJJAN JINDAL, AS DIRECTOR:

As this item related to the re-appointment of Mr. Sajjan Jindal, as Director, Dr. S.K.Gupta, Director took the chair and conducted the proceedings.

Dr. S.K.Gupta, moved the following resolution as an **Ordinary Resolution**, relating to Item No. 5 of the Notice, that is, the re-appointment of Mr. Sajjan Jindal as a Director of the Company:

"RESOLVED THAT Mr. Sajjan Jindal, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation".

Mrs. C.E. Mascarenhas proposed and Mrs. Sobhana Mehta seconded the resolution.

On being put to vote by Dr. S.K.Gupta on a show of hands, the resolution was passed unanimously.

Dr. S.K.Gupta vacated the chair and Mr. Sajjan Jindal conducted further proceedings after resuming the chair.

12. RE-APPOINTMENT OF DR. S.K.GUPTA, AS DIRECTOR:

The Chairman moved the following resolution as an **Ordinary Resolution**, relating to Item No. 6 of the Notice, that is, the re-appointment of Dr. S.K.Gupta as a Director of the Company:

"RESOLVED THAT Dr. S.K.Gupta, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation".

Mr. Martin Joseph proposed and Mr. H.L.Savani seconded the resolution.

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

13. RE-APPOINTMENT OF DR. VINOD NOWAL, AS DIRECTOR:

The Chairman moved the following resolution as an **Ordinary Resolution**, relating to Item No. 7 of the Notice, that is, the re-appointment of Dr. Vinod Nowal, as a Director of the Company:

"RESOLVED THAT Dr. Vinod Nowal, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation".

Mrs. Homa Pouredehi proposed and Mr.H.L.Savani seconded the resolution.

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

14. APPOINTMENT OF STATUTORY AUDITORS AND FIXING OF THEIR REMUNERATION:

The Chairman moved the following resolution as an **Ordinary Resolution**, relating to Item No. 8 of the Notice, that is, the appointment of Statutory Auditors:

"RESOLVED THAT M/s. Deloitte Haskins & Sells, Chartered Accountants, Mumbai, the retiring auditors of the Company be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on a remuneration as may be decided by the Board of Directors of the Company".

Mr. M.V.Jhaveri proposed and Mrs. Sobhana Mehta seconded the resolution.

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

SPECIAL BUSINESS:

15. APPOINTMENT OF MR. KANNAN VIJAYARAGHAVAN AS DIRECTOR:

Mr. Desai proposed and Mrs. C.E. Mascarenhas seconded that the following resolution be adopted as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Kannan Vijayaraghavan, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 16.06.2008, and who holds office upto the date of this Annual General Meeting of the Company, under Section 260 of the Companies Act, 1956, and in respect of whom a notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Kannan Vijayaraghavan as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

16. APPOINTMENT OF MR. JAYANT ACHARYA AS DIRECTOR:

Mr. Aspi Behsania proposed and Mrs. C.E. Mascarenhas seconded that the following resolution be adopted as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Jayant Acharya, who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 07.05.2009, and who holds office upto the date of this Annual General Meeting of the Company, under Section 260 of the Companies Act, 1956, and in respect of whom a notice under Section 257 of the Companies Act, 1956 has been received from a member signifying his intention to propose Mr. Jayant Acharya as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation."

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

17. APPOINTMENT OF MR. JAYANT ACHARYA AS DIRECTOR (SALES & MARKETING) OF THE COMPANY:

Mr. Parekh proposed and Mrs. Sobhana Mehta seconded that the following resolution be adopted as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company hereby approves the appointment of Mr. Jayant Acharya as a Whole-time Director of the Company, designated as 'Director (Sales & Marketing)', for a period of five years, with effect from 07.05.2009, upon such terms and conditions as are set out in the Draft Agreement to be executed with Mr. Jayant Acharya (a copy of which is initialled by the Chairman of the meeting for the purpose of identification and placed before this meeting), with specific authority to

the Board of Directors to alter or vary the terms and conditions of the said appointment and/ or agreement including the remuneration which shall not exceed an overall ceiling of Rs.18,00,000/- per month, as may be agreed to between the Board of Directors and Mr. Jayant Acharya.”

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

18. REVISION IN THE TERMS OF REMUNERATION OF MR. SAJJAN JINDAL:

As this item related to the remuneration of Mr. Sajjan Jindal, Dr. S.K.Gupta, Director took the chair and conducted the proceedings.

Mr.Apsi Behsania proposed and Mrs. C.E. Mascarenhas seconded that the following resolution be adopted as an **Ordinary Resolution**:

“RESOLVED THAT in partial modification of the resolution passed at the Thirteenth Annual General Meeting of the Company held on 13.06.2007 and subject to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the revision in the terms of remuneration of Mr. Sajjan Jindal w.e.f. 01.01.2009 for the remainder of his tenure as the Vice Chairman & Managing Director of the Company, i.e. upto 07.07.2012, as set out below, be and is hereby approved:

Remuneration/ Perquisites	Nil, subject however to review by the Board of Directors at an appropriate time.
Commission	Not exceeding 0.5% of the Net Profit as determined under Section 349 of the Companies Act, 1956.

On being put to vote by Dr.S.K.Gupta, on a show of hands, the resolution was passed unanimously.

Dr. S.K.Gupta vacated the chair and Mr.Sajjan Jindal conducted further proceedings after resuming the chair.

19. RE-DESIGNATION OF DR. VINOD NOWAL AS “DIRECTOR & CEO (VIJAYANAGAR WORKS)”:

Mr. Parekh proposed and Mr.Apsi Behsania seconded that the following resolution be adopted as an **Ordinary Resolution**:

“RESOLVED THAT in partial modification of the resolution passed at the Thirteenth Annual General Meeting of the Company held on 13.06.2007 and subject to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the re-designation of Dr. Vinod Nowal as “Director & CEO (Vijayanagar Works)” w.e.f. 01.04.2009 & the increase in the ceiling on Remuneration payable to him w.e.f. 01.04.2008 for the remainder of his tenure i.e. upto 29.04.2012 from Rs.9,00,000/- per month to Rs.18,00,000/- per month, as set out in the draft Supplemental Agreement to be entered into between the

Company and Dr. Vinod Nowal, (a copy of which is initialled by the Chairman of the meeting for the purpose of identification and placed before this meeting) with specific authority to the Board of Directors of the Company to fix, alter or vary the remuneration within the said ceiling of Rs. 18,00,000/- per month, as may be agreed to between the Board of Directors and Dr. Vinod Nowal.”

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

20. INCREASE IN CEILING LIMIT OF REMUNERATION PAYABLE TO MR. SESHAGIRI RAO M.V.S W.E.F 01.04.2008 FOR THE REMAINDER OF HIS TENURE I.E. UPTO 05.04.2009 FROM RS.9,00,000/- P.M. TO RS.18,00,000/- P.M.:

Mr.Apsi Behsania proposed and Mrs. C.E. Mascarenhas seconded that the following resolution be adopted as an **Ordinary Resolution**:

“RESOLVED THAT in partial modification of the resolution passed at the Twelfth Annual General Meeting of the Company held on 25.07.2006 and subject to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the increase in the ceiling on Remuneration payable to Mr. Seshagiri Rao M.V.S. w.e.f. 01.04.2008, for the remainder of his tenure as a whole-time Director of the Company designated as ‘Director (Finance)’ i.e. upto 05.04.2009, from Rs.9,00,000/-per month to Rs. 18,00,000/- per month, with specific authority to the Board of Directors of the Company to fix, alter or vary the remuneration within the said ceiling of Rs. 18,00,000/- per month, as may be agreed to between the Board of Directors and Mr. Seshagiri Rao M.V.S.”

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

21. RE-APPOINTMENT OF MR. SESHAGIRI RAO MVS, AS A WHOLETIME DIRECTOR RE-DESIGNATED AS “JT. MANAGING DIRECTOR & GROUP CFO”:

Mr. Sobhana Mehta proposed and Mr. Maniar seconded that the following resolution be adopted as an **Ordinary Resolution**:

“RESOLVED THAT subject to the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and other applicable provisions of the Companies Act, 1956, the Company hereby approves the reappointment of Mr. Seshagiri Rao M.V.S., as a Whole-time Director of the Company and his re-designation as ‘Jt. Managing Director & Group CFO’, for a period of five years with effect from 06.04.2009, upon such terms and conditions as are set out in the draft Agreement to be executed with Mr. Seshagiri Rao M.V.S. (a copy of which is initialled by the Chairman for the purpose of identification and placed before this meeting), with specific authority to the Board of Directors to alter or vary the terms and conditions of the said reappointment and/or Agreement including the remuneration which shall not exceed an overall ceiling of Rs.28,00,000/-

per month, as may be agreed to between the Board of Directors and Mr. Seshagiri Rao M.V.S.

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

22. ISSUE OF EQUITY SHARES AND/OR SECURITIES CONVERTIBLE INTO EQUITY SHARES TO QUALIFIED INSTITUTIONAL BUYERS (QIB) THROUGH A QUALIFIED INSTITUTIONAL PLACEMENT:

Mr. Parekh proposed and Mrs. C.E. Mascarenhas seconded that the following resolution be adopted as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the provisions of Chapter XIII-A of the SEBI (Disclosure & Investor Protection) Guidelines, 2000, as amended (hereinafter referred to as the "SEBI Guidelines"), the provisions of the Foreign Exchange Management Act, 2000 (FEMA), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as also of any other applicable Laws, Rules, Regulations, and Guidelines (including any amendment thereto or re-enactment thereof) and the enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed, and subject to all such approvals, consents, permissions and/or sanctions from all appropriate authorities, including the Securities and Exchange Board of India (SEBI), Government of India, Reserve Bank of India, Financial Institutions, Banks, Agents & Trustees and Stock Exchanges (hereinafter singly or collectively referred to as "the Appropriate Authorities") and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting any such consents, permissions, approvals and/or sanctions (hereinafter singly or collectively referred to as "the requisite approvals") which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee(s), which the Board may have constituted or hereafter constitute in this behalf to exercise the powers conferred on the Board by this resolution), the Board be and is hereby authorised in its absolute discretion, to create, offer, issue, and allot in one or more tranches, Equity Shares or Fully Convertible Debentures (FCDs)/ Partly Convertible Debentures (PCDs)/ Optionally Convertible Debentures (OCDs) / Non-Convertible Debentures (NCDs) with warrants or any other Securities (other than warrants) or a combination thereof, which are convertible into or exchangeable with Equity Shares of the Company at a later date (hereinafter collectively referred to as the "Specified Securities"), to Qualified Institutional Buyers (QIB) (as defined in the "SEBI Guidelines") by way of Qualified Institutions Placement, as provided under Chapter XIII-A of the "SEBI Guidelines" for an aggregate amount not exceeding US\$ 1 Billion (United States Dollar One Billion only) or its Indian Rupee Equivalent, inclusive of such premium as may be decided by the Board, at a price which shall not be less than the price determined in accordance with the pricing formula stipulated under Chapter XIII-A of the "SEBI Guidelines."

RESOLVED FURTHER THAT the relevant date for the purpose of arriving at the aforesaid minimum issue price of the Specified Securities shall be the date of the meeting in which the Board (or any Committee thereof constituted/to be constituted), decides to open the issue of the Specified

Securities, subsequent to the receipt of Shareholders' approval in terms of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 as also of other applicable laws, regulations and guidelines in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT:

- i. the Specified Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company.
- ii. the Equity Shares proposed to be issued through the Qualified Institutional Placement or the Equity Shares that may be issued and allotted on conversion of Securities issued through Qualified Institutional Placement as aforesaid shall rank *pari passu* with the then existing Equity Shares of the Company in all respects including dividend; and
- iii. The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of Securities that may be issued through Qualified Institutional Placement shall be appropriately adjusted in accordance with the SEBI Guidelines for corporate actions such as bonus issue, rights issue, split and consolidation of share Capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Specified Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevailing practices in the capital markets and the Board subject to applicable laws, regulations and guidelines, be and is hereby authorised to dispose off such Specified Securities that are not subscribed in such manner as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things including but not limited to finalisation and approval of the preliminary as well as final offer document(s), determining the form, manner and timing of the issue, including the investors to whom the Specified Securities are to be issued and allotted, the number of specified securities to be allotted, issue price, face value, premium amount on issue/conversion of Securities, if any, rate of interest, execution of various Agreements/ Deeds/ Documents/ Undertakings, creation of mortgage/charge in accordance with section 293(1)(a) of the Companies Act, 1956, in respect of any of the Securities issued through the Qualified Institutional Placement, either on *pari passu* basis or otherwise, and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of the Specified Securities and utilisation of the issue proceeds, as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members to the end and intent that the Members shall be deemed to have given their approval thereto expressly by virtue of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such Consultants, Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Solicitors, Lawyers, Merchant Bankers and any such Agencies and Intermediaries as may be involved or concerned in such offerings of Specified Securities and to

remunerate all such agencies by way of commission, brokerage, fees or the like, and to enter into or execute Agreements/ Arrangements/ MOUs with any such Agency or Intermediary and also to seek the listing of any or all of such Specified Securities or Securities representing the same in one or more Stock Exchanges.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors or Officers of the Company."

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

23. TO ISSUE AND ALLOT FOREIGN CURRENCY CONVERTIBLE BONDS/GLOBAL DEPOSITORY RECEIPTS/AMERICAN DEPOSITORY RECEIPTS/WARRANTS AND/OR OTHER INSTRUMENTS CONVERTIBLE INTO EQUITY SHARES :

Mr.Apsi Behsania proposed and Mr. Maniar seconded that the following resolution be adopted as a **Special Resolution**:

"RESOLVED THAT in supersession of the resolution passed at the thirteenth Annual General Meeting of the Company held on 13.06.2007 and in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, Foreign Exchange Management Act, 1999, Foreign Exchange Management (Transfer or Issue of Security by a person resident outside India) Regulations, 2000, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, as also of any other applicable Laws, Rules, Regulations, and Guidelines (including any amendment thereto or re-enactment thereof) and the enabling provisions in the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and in accordance with the Regulations and Guidelines issued by and subject to all such approvals, consents, permissions and sanctions of the Government of India, Reserve Bank of India, Securities and Exchange Board of India (SEBI) and all other appropriate and/or concerned authorities and subject to such conditions and modifications, as may be prescribed by any of them while granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee(s), which the Board may have constituted or hereafter constitute in this behalf to exercise the powers conferred on the Board by this resolution), which the Board be and is hereby authorised to accept, if it thinks fit in the interest of the Company, the consent of the Company be and is hereby accorded to the Board to create, offer, issue, and allot such number of Foreign Currency Convertible Bonds (FCCBs)/Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/ Warrants and/or other Instruments convertible into Equity shares optionally or otherwise (hereinafter referred to as "Securities") or any combination of such Securities, whether rupee denominated or denominated in foreign currency, for an aggregate sum of upto US\$ 1 Billion (United States Dollar One Billion only) or its equivalent in any other currency(ies), inclusive of such premium as may be determined by the Board, in the course of an international offering, in one or more foreign market(s), to all eligible investors including foreign/ resident/ Non-resident investors (whether Institutions/Incorporated Bodies /Mutual Funds/ Trusts/

Foreign Institutional Investors/ Banks and/or otherwise, whether or not such investors are Members of the Company), by way of a public issue through circulation of an offering circular or prospectus or by way of private placement or a combination thereof, at such time or times, in such tranche or tranches, at such price or prices, at a discount or a premium to market price or prices in such manner and on such terms and conditions as may be deemed appropriate by the Board at the time of such issue or allotment considering the prevailing market conditions and other relevant factors, wherever necessary in consultation with the Lead Managers, Underwriters and Advisors.

RESOLVED FURTHER THAT:

- i. the Securities to be created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- ii. the underlying Equity Shares shall rank *pari passu* with the existing Equity Shares of the Company in all respects including such rights as to dividend.

RESOLVED FURTHER THAT the issue of Equity Shares underlying the Securities, to the holders of the Securities shall, *inter alia*, be subject to the following terms and conditions:

- a) The number and/or conversion price in relation to Equity Shares that may be issued and allotted on conversion of Securities that may be issued shall be appropriately adjusted in accordance with applicable Laws/ Regulations/ Guidelines for corporate actions such as bonus issue, split and consolidation of share capital, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.
- b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares upon conversion, the entitlement to the Equity Shares shall stand increased in the same proportion as that of the rights offer and such additional Equity Shares shall be offered to the holders of the Securities at the same price at which the same are offered to the existing shareholders, and
- c) in the event of any merger, amalgamation, takeover or any other reorganisation, the number of shares, the price and the time period shall be suitably adjusted.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of securities in international offering may have all or any term or combination of terms or conditions in accordance with applicable regulations, prevalent market practices, including but not limited to the terms and conditions relating to payment of interest, premium on redemption at the option of the Company and/or holders of any securities, terms for issue of equity shares upon conversion of the Securities or variation of the conversion price or period of conversion of the Securities into Equity Shares or issue of additional Equity Shares during the period of the Securities.

RESOLVED FURTHER THAT the Board may enter into any arrangement with any Agency or Body for the issue of the Securities, in Registered or Bearer Form with such features and attributes as are prevalent in International Markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the prevailing practices and regulations in international capital markets.

RESOLVED FURTHER THAT the Securities issued in international offering shall be deemed to have been made abroad and/or in the international markets and/or at the place of issue of the Securities and shall be governed by applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorised to dispose of such Securities as are to be issued and are not subscribed on such terms and conditions as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint such Consultants, Lead Managers, Underwriters, Guarantors, Depositories, Custodians, Registrars, Trustees, Bankers, Solicitors, Lawyers, Merchant Bankers and any such Agencies and Intermediaries as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commission, brokerage, fees or the like, and to enter into or execute Agreements/ Arrangements/ MOUs with any such Agency or Intermediary and also to seek the listing of any or all of such Securities in one or more Stock Exchanges within or outside India.

RESOLVED FURTHER THAT the Board be and is hereby authorised to finalise the mode, terms and timing of the issue(s) including the class of investors to whom the securities are to be offered, issued and allotted, to the exclusion of all other categories of Investors, the number of securities to be allotted in each tranche, issue price, face value, premium amounts on issue/conversion of securities/exercise of warrants/redemptions of securities, rates of interest, redemption, period, listings on one or more Stock Exchanges in India and/or abroad, as the Board may in its absolute upon conversion of any of the Securities referred to in the paragraph(s) above in accordance with the terms of offering and also to seek the listing/ admission of any or all of such equity shares on the Stock Exchanges/ Depositories in India where the existing equity shares of the Company are listed/admitted.

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Securities or securities representing the same or Equity Shares, as described herein above, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose, including without limitation the utilisation of issue proceeds, entering into of underwriting and marketing arrangements, to settle any questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of securities, as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board be and is hereby is authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

On being put to vote by the Chairman on a show of hands, the resolution was passed unanimously.

24. VOTE OF THANKS:

The Chairman thanked the Shareholders present and then declared the meeting as closed.

Place: Mumbai
Date : 04.08.2009

SAJJAN JINDAL
CHAIRMAN OF THE 15th ANNUAL
GENERAL MEETING