JSW

Approval Note: 03 April 2007

Subject: Setting up Top Gas Recovery Turbine (TRT) for Blast Furnace unit # 4 to utilize the waste pressure to generate power considering the carbon credit revenue.

As depicted in MECON DPR – TEFR for Expansion to 10.0 Mt/yr, it was noted that while producing hot metal, blast furnace # 4 would generate blast furnace gas at 2.5bar.In order to utilize the gas pressure in the steel process, the pressure has to be brought down to 800-1000mm WC. There is a potential to install pressure recovery turbine by utilizing this high pressure.

Based on previous experience of TRT at blast furnace # 3, it was noted that TRT is not financially viable project. In view of above, it was decided to appoint DESCON LIMITED to assess feasibility of TRT at blast furnace # 4. Descon has prepared the DPR and estimated that 12-13 MW power can be generated by installing pressure recovery turbine. It estimated the project cost of Rs. 58 Crores with an IRR of 10.74%. Working out the IRR, project is not financially attractive. However, it has also suggested that the project can be developed as a CDM Project. In that case, it has a potential to generate around 50,000-60,000 certified emission reductions (CERs) per annum. The additional carbon revenue generated would yield a higher IRR making the project viable to invest.

The proposed TRT project investment saves fuel to be used in coal based power plant. The project reduces GHG and other emissions and thus improves the local environment. Additionally it will generate employment opportunities for local people.

Thus, approval is requested to procure Top Pressure Recovery Turbine (TRT) unit at Blast furnace # 4, under 10MTPA expansion project based on CDM benefits.

For favour of approval.

Approval granted for TRT as CDM project. Kindly discuss with CDM consultant. Pls mark it as a part of 10 MTPA Expansion while putting the matter to the board in the next meeting.

P.Rajashekhar
(AVP BF#4 Project)

JSW Steel Limited

ED Operation

D.L.Saralayya
Sr VP (Iron)

JMD & CEO

D Ravichandran
Sr. VP (Projects)

	UOM		2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018											
Rate - Captive power																									
Unit I				114	118	123	128	133	138	144	149	155	162	168	175	182	189	197	205	213	221	230	239	249	259
Unit II				148	154	160	166	173	180	187	194	202	210	219	227	238	246	256	266	277	288	299	311	323	336
300 MW JSWEVL					177	369	383	399	415	431	448	466	485	504	524	545	567	590	614	638	664	690	718	747	776
Unit III							192	399	415	431	448	466	485	504	524	545	567	590	614	638	664	690	718	747	776
O & M charges to JEL				0.20	0.18	0.19	0.19	0.20	0.21	0.22	0.23	0.24	0.25	0.26	0.27	0.28	0.29	0.30	0.31	0.32	0.34	0.35	0.36	0.38	0.39
O&M charges for Unit III							0.10	0.20	0.21	0.22	0.23	0.24	0.25	0.26	0.27	0.28	0.29	0.30	0.31	0.32	0.34	0.35	0.36	0.38	0.39
Total (Variable +O&M charges)					0.00	1.63	1.63	1.73	1.74	1.75	1.76	1.76	1.77	1.78	1.79	1.80	1.82	1.83	1.84	1.85	1.86	1.88	1.89	1.91	1.92
Variable	2400			0.000	0.865	1.105	1.105	1.105	1.105	1.105	1.105	1.105	1.105	1.105											
Cost per Unit				0.20	1.04	1.29	1.30	1.31	1.31	1.32	1.33	1.34	1.35	1.36											
Value of Gas				0	2,168	3,857	4,849	6,041	6,041	6,041	6,041	6,041	6,041	6,041											
Rate - JEL																									
Fixed				1.3	1.3	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0											
Variable	2400			1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3											
Cost per Unit				2.6	2.6	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3											
Average Rate per unit of power				0.21	1.16	1.40	1.40	1.42	1.42	1.43	1.44	1.45	1.46	1.47											
Power Cost				268	1,719	3,685	4,915	5,914	6,074	6,113	6,153	6,195	6,238	6,284											
Kcal for Coal				6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400	6,400											
Kcal for Coal - for 300 MW CPP (JSWEVL) & CPP III					5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300
Corex Gas	Units																								
Corex Gas Generation	mnm3			2,495	2,772	2,772	2,772	2,772	2,772	2,772	2,772	2,772	2,772	2,772											
BOF Gas Generation	mnm3			176	204	320	405	485	499	499	499	499	499	499											
Kcal for Corex Gas & BOF Gas	kcal			1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850											
Kcal for BOF Gas (LD Gas)	kcal			1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850	1,850											
Corex Gas Flaring				5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%											
Corex Gas utilisation																									
Pellets				325	325	325	325	325	325	325	325	325	325	325											
Sinter				10	12	25	44	57	59	59	59	59	59	59											
Coke																									
Corex				45	50	50	50	50	50	50	50	50	50	50											
Blast Furnace				218	242	492	661	830	861	861	861	861	861	861											
Lime Plant				117	134	210	268	318	327	327	327	327	327	327											
BOF				38	41	64	81	97	100	100	100	100	100	100											
CCP				18	20	26	33	41	43	43	43	43	43	43											
Billet Caster						6	6	6	6	6	6	6	6	6											
Bar Mill						95	107	107	107	107	107	107	107	107											
Wire Rod Mill						72	81	81	81	81	81	81	81	81											
HSM				315	399	355	854	1,071	1,113	1,113	1,113	1,113	1,113	1,113											
HR Plates				13	13	13	13	13	13	13	13	13	13	13											
CRM				17	74	79	79	79	79	79	79	79	79	79											
Corex Gas flaring				125	139	139	139	139	139	139	139	139	139	139											

TRT tariff

Extract of 10 MTPA Model for TRT-IV tariff.

JSW Steel Limited

BOARD NOTE NO. 1072

REVIEW OF ONGOING PROJECTS UNDER IMPLEMENTATION, FUTURE PLANS ON FURTHER CAPACITY EXPANSION TO 10 MTPA AND FINALIZING THE FUNDING PATTERN TO RAISE LONG TERM RESOURCES:

The project to expand the crude steel capacity from 3.8 MTPA to 6.8 MTPA by 31.3.2009 at an estimated cost of Rs.5300 crores is progressing at brisk pace. This project also has long product facility of 1.5 MTPA. At 6.8 MTPA capacity stage, since the company is expected to have a 2 MTPA of surplus slabs, it was proposed to set up a new Hot Strip mill at an estimated cost of Rs.2000 crores with an initial capacity of 2 MTPA expandable to 5 MTPA The Company has made significant progress in implementation of both these projects. In fact the crude steel capacity expansion project is estimated to be commissioned ahead of schedule (scheduled completion date March 2009). The Company has the mission to achieve 10 MTPA capacity by 2010 in view of growing demand in India and the ability of the Company to do brown field expansion at the existing location at a faster phase. Since all green field steel projects are getting delayed, it is in the interest of the company to expand capacity at a faster pace at the existing location to improve the competitive edge to increase the market share in domestic market. The financial closure for the crude steel capacity expansion project has already been achieved and the financial closure for Hot Strip mill will be achieved by 31st May 2007 (US $ 125 million syndicated foreign currency loan fully under written by SBI, ABN Amro, Citibank and Standard Chartered Bank with all inclusive cost of libor + 145 bps has received good response and this issue will be closed by 30.4.2007. The rupee loan of Rs.650 crores will be tied up in the domestic market and SBI has already sanctioned Rs.300 crores and SBI is being mandated to tie up the balance with other banks). Considering the growth in demand, cash accruals of the Company and favourable capital market conditions to raise resources, it may be appropriate time to take up implementation of capacity expansion project from 6.8 mtpa to 10 mtpa immediately.

a) Rationale

- The demand for steel in India is growing at more than 10%. The total demand by year 2011 even at a growth rate of 10% is estimated to be 70 MTPA . As no big green field capacity is expected to be operational by this time, the Company will have a distinct advantage in growing its market share and in consolidating its position in the domestic market.

- The Company's New Hot Strip mill being set up with 2 MTPA capacity can be expanded to 5 MTPA at marginal investment. Therefore the incremental slabs coming out of this project can be processed into HR coil at the new Hot Strip mill thereby the company will have an ideal product mix at 10 MTPA stage comprising of 8.5 MTPA of flat products (HR 6.3 MTPA, CR / Galvanised / Colour coated 1.8 MTPA) and 1.5 MTPA of long products. This will improve the realizations and EBIDTA margins substantially.

- The specific investment cost is working out to Rs.21875 /- per tonne due to faster implementation, lower pre-operative expenses and interest during construction.

b) **Capacity** : 3.2 MTPA
c) **Cost of project** : Rs.7000 crores. (estimated)

Break up of Project Cost

Unit	**Rs. Crores**
Sinter Plant	500.00
Coke Oven	550.00
Blast Furnace	1050.00
BOF	580.00
CCP	370.00
LCP	60.00
RMHS	250.00
Utility	240.00
Logistics	180.00
Common	240.00
Boiler	80.00
Almatty Water Project	400.00
Dedicated Rail Corridor for Ore	200.00
Power Plant 300 MW	750.00
Taxes, Duties, Transport	545.00
Contingency	300.00
Interest during construction	450.00
Margin money	250.00
TOTAL	**6995.00**

Say Rs.7000 Crores.

d) Project Configuration :

- 1.5 MTPA capacity Coke oven recovery plant.
- 5.7 MTPA Sinter plant
- 3.2 MTPA Blast furnace
- 2 Nos. 175 MT each Basic Oxygen furnace.
- 2 Nos. 175 MT Ladle Furnace
- 1 No. 175 MT RH-OB degasser
- 2 Nos. Slab casters.
- 2 Nos. Lime kiln
- 1 No. Dolomite kiln
- Raw material handling system
- 300 MW coal based power plant as a captive unit
- Dedicated railway corridor to move iron ore from mine to plant
- Water pipe line from Almaty dam in Andhra Pradesh to the plant as an alternative source of water for the steel plant.

e) Implementation period : 3 years from 1.10.2007

f) Financing Plan:

The project is proposed to be financed as under:

(Rs. Crores)

a)	Internal accruals	2000
b)	FCCB / EURO Bond / Rupee loan / Foreign Currency loan / Structured Trade Finance	5000
	Grand Total	**7000**

The capital expenditure committed / to be committed for various projects until 2011 is as under :

		Rs. Crores
a)	Balance expenditure to be incurred on completed projects (HSM modernization-I, Pellet Plant expansion, 1.3 mtpa expansion project)	171
b)	Other ongoing projects approved by the Board (CRM complex, 2.8 mtpa expansion project, HSM modernization-II, Blast Furnace up gradation, New HR Mill, 30MW Power Plant, Galvalume facility, New Office Premises)	7651
c)	Projects proposed	
i)	3.2 mtpa expansion of crude steel production to 10 mtpa stage	7,000
d)	Normal capex – 4 years	1,745
e)	Equity investment in JSW Energy Vijayanagar Ltd.	45
f)	Equity investment in JSW UK Ltd.	70
g)	Equity investment in JSW Natural Resources Ltd.	122
h)	Equity investment in JSW Steel Processing Centre.	45
i)	Investment in South West Infrastructure Ltd.	60
	Total capital expenditure required	**16,909**
	Less:	
	Balance term loans yet to be drawn	3,718
	Term loans yet to be tied up for Galvalume & 30MW CPP	125
	Term loans yet to be tied up for HR mill	650*
	Term loans yet to be tied up for 3.2 mtpa expansion to 10mtpa stage	5,000
	To be incurred out of Term Loans	**9493**
	To be incurred out of internal accruals	**7,416**

* - SBI has sanctioned the Rupee Term Loan of Rs. 300 crores.

While company is expected to post an EBIDTA of Rs.21,700 crores, the committed repayment (Rs.3384 crores) and interest (Rs.2228 crores), estimated dividend (Rs.963 crores) and taxes (Rs. 3587 crores) aggregate to Rs.10,162 crores . Therefore the net cash accruals of the Company works out to Rs.11,538 crores. The Company is expected to receive Rs.313 crores on sale of JSW Energy shares and Rs.29 crores on sale of Power plant to SISCOL during FY 07-08. The outstanding warrants issued to promoters on conversion will give additional cash inflow of Rs.195 crores. Therefore the total cash resources available with the company will be

Rs.12,075 crores to meet the capital expenditure requirement.

Financial feasibility:

Capacity	3.2 MTPA
Capacity utilization	90%
Net Sales Realisation	Rs.23,000/-
Cost of Production	Rs.12,700/-
Contribution per ton	Rs. 10,300/-
Total contribution	Rs.2966 crores
Return on Capital employed	30%

As the project is showing very attractive return, it is proposed to take up implementation of this project and achieve the financial closure on or before 30.9.2007. The company may be permitted to launch international offerings either through FCCB / EURO bonds / ADR / GDR depending upon capital market conditions. The debt gearing of the Company even after the additional debt continues to be below 1.

Submitted to Board for approval for taking up implementation of 3.2 MTPA crude steel capacity expansion project at an estimated cost of Rs.7000 crores and to fund the project as mentioned above.

JSW Steel Limited
Victoria House, Pandurang Budhkar Marg,
Lower Parel, Mumbai - 400 013
Phone : 022-2492 7000
Fax : 022-2491 7999
Website : www.jsw.in

CERTFIED TRUE RELEVANT EXTRACTS FROM THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF JSW STEEL LIMITED HELD ON MONDAY THE 30TH APRIL 2007 AT 10.00 AM AT JINDAL MANSION, 5A, Dr. G DESHMUKH MARG, MUMBAI – 26

It was further explained that the estimated cost for the implementation of the 3.2 MTPA crude steel capacity expansion project is Rs.7000 crores which is proposed to be financed as under:

Rs. Crores

a)	Internal accruals	2000
b)	FCCBs / EURO Bond / Rupee loan / Foreign Currency loan / Structured Trade Finance/QIP	5000
	Grand Total	**7000**

The Board noted that the debt gearing of the Company even after the additional debt continues to be below 1.

It was also explained that as the project is showing a very attractive return, it is proposed to take up implementation of this project and achieve the financial closure on or before 30.9.2007.

Mr.Seshagiri Rao M.V.S, Director (Finance), made a power point presentation covering the following:

a. Rationale for the expansion of capacity by 3.2 MTPA.
b. Cost of the project & Means of finance.
c. Capital expenditure to be incurred in the next four years towards projects & normal capex.

The Board approved the project cost and the means of finance thereof.

For JSW STEEL LIMITED

Place : Mumbai
Date : 18.04.2011

Lancy Varghese
Company Secretary

30.04.2007

EXTRACT OF MINUTES

NO. 27. REVIEW OF ONGOING PROJECTS UNDER IMPLEMENTATION, FUTURE PLANS ON FURTHER CAPACITY EXPANSION TO 10 MTPA AND FINALISING THE FUNDING PATTERN TO RAISE LONG TERM RESOURCES:

The Various ongoing projects under implementation, its status and future plans on further capacity expansion to 10 MTPA, was explained to the Board in detail vide Board note No.1072. The Board was apprised that the Company has the mission to achieve 10 MTPA capacity by 2010 in view of the growing demand in India and the ability of the Company to do brown field expansion at the existing location at a faster pace. Since all green field steel projects are getting delayed, it is in the interest of the company to expand capacity at a faster pace at the existing location to improve the competitive edge to increase the market share in domestic market. The financial closure for the crude steel capacity expansion project to 6.8 MTPA has already been achieved and the financial closure for Hot Strip mill will be achieved by 31st May 2007. Considering the growth in demand, cash accruals of the Company and favourable capital market conditions to raise resources, the Board was apprised that it may be an appropriate time to take up implementation of capacity expansion project from 6.8 mtpa to 10 mtpa immediately.

It was further explained that the estimated cost for the implementation of the 3.2 MTPA crude steel capacity expansion project is Rs.7000 crores which is proposed to be financed as under:

Rs. Crores

a)	Internal accruals	2000
b)	FCCBs / EURO Bond / Rupee loan / Foreign Currency loan / Structured Trade Finance/QIP	5000
	Grand Total	**7000**

The Board noted that the debt gearing of the Company even after the additional debt continues to be below 1.

It was also explained that as the project is showing a very attractive return, it is proposed to take up implementation of this project and achieve the financial closure on or before 30.9.2007.

Mr.Seshagiri Rao M.V.S, Director (Finance), made a power point presentation covering the following:

a. Rationale for the expansion of capacity by 3.2 MTPA.
b. Cost of the project & Means of finance.
c. Capital expenditure to be incurred in the next four years towards projects & normal capex.

The Board approved the project cost and the means of finance thereof.

The Board also accorded its consent to launch international offerings either through FCCBs / ADR / GDR /QIP upto US$ 500 million depending upon capital market conditions by passing the following resolutions:

A. "**RESOLVED THAT** 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 and regulations (including any amendment thereto or re-enactment thereof for the time being in force) 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 the approval of Members in the ensuing Annual General Meeting of the Company 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, the consent of the Board be and is hereby accorded 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 upto US$ 500 million (United States Dollar Five Hundred million only) or equivalent in Indian and/or any other currency(ies), inclusive of such premium as may be determined by this Board (or its Sub-committee, hereinafter collectively referred to as the Board"), in the course of an International offering, in one or more foreign markets, 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) In the event of the Company making a bonus issue by way of capitalisation of its profits or reserves prior to the allotment of the Equity Shares, the number of shares to be allotted shall stand augmented in the same proportion in which the equity share capital increases as a consequence of such bonus issue and the premium, if any, shall stand reduced pro tanto;

(b) in the event of the Company making a rights offer by issue of Equity Shares prior to the allotment of the Equity Shares, 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 re-organisation, the number of shares, the price and the time period as aforesaid 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 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 Finance Committee of Directors be and is hereby authorised to:

1. Accept any modifications in the proposal as may be required by the authorities involved in such issues and also agree to any conditions imposed by such authorities at the time of granting their approval.

2. Appoint and to enter into and execute arrangements / agreements with lead managers, managers, underwriters, solicitors, lawyers, advisors, bankers, depositories, custodians, principal paying/ transfer/conversion agent, listing agent, intermediaries and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate all such agencies by way of commissions, brokerage, fees or the like, and also to seek the listing of any or all of such securities or securities representing the same in one or more stock exchanges within or outside India.

3. 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.

4. 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 Committee may in its absolute

discretion deem fit.

5. Do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable 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, including without limitation the utilisation of issue proceeds, entering into of underwriting and marketing arrangements, and 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

6. Authorise the affixation of Common seal on all such documents as may be required.

RESOLVED FURTHER THAT Mr. Sajjan Jindal, Vice Chairman & Managing Director, Mr. Seshagiri Rao M.V.S Director (Finance), Mr.Santosh Maheshwari, Vice President(Finance), Mr.Rajeev Pai, Associate Vice President(Finance & Accounts), Mr. Sushil Modi, General Manager(Finance) and Mr.Lancy Varghese, Company Secretary, not withstanding any change in their designations at the time of making the issue, be and are hereby jointly & severally authorised to make requisite applications seeking necessary consents, permissions etc. and to deal with all Statutory/Regulatory/other Authorities including the Reserve Bank of India, Securities and Exchange Board of India(SEBI), Depositories & Stock Exchanges (Both Overseas & Indian).

RESOLVED FURTHER THAT the Share Allotment Committee of Directors be and is hereby authorised subject to necessary approvals to allot the aforesaid Securities to eligible investors in one or more tranches and that the said Committee be and is hereby further authorised to settle any question, difficulty or doubt that may arise in connection with the issue and allotment of securities aforesaid and to do all such acts, deeds and things as the Committee may in its absolute discretion consider necessary, proper, desirable or appropriate for making the said issue and allotment of securities including the power to allot oversubscribed/under-subscribed portion, if any, in such manner and to such person(s) as the committee may deem fit and proper in its absolute discretion to be most beneficial to the Company.

RESOLVED FURTHER THAT the raising of capital and issue of securities pursuant to this resolution shall be in addition to the earlier resolution approved by the Board on 18.04.2005 & members on 13th June, 2005 according consent for the issue of FCCBs/ADR/GDR etc., upto US$ 500 million, which resolution shall remain unaffected.

RESOLVED FURTHER THAT the total amount to be raised by the proposed issue of Securities and by Qualified Institutional Placement shall not in the aggregate exceed a sum of US $ 500 Million inclusive of such premium as may be fixed.

RESOLVED FURTHER THAT the Director (Finance) or the Company Secretary be and is hereby authorised to sign any copy of this resolution as a certified true copy thereof and furnish the same to whomsoever concerned".

B. "**RESOLVED THAT** pursuant to the provisions of Section 81(1A) and all other applicable provisions if any, of the Companies Act, 1956, Chapter XIIIA of SEBI

(Disclosure & Investor Protection) Guidelines, 2000 ("SEBI Guidelines"), 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 Agreement entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the approval of Members in the ensuing Annual General Meeting of the Company 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"), the consent of the Board be and is hereby accorded to issue, offer and allot Equity Shares and/or Securities other than Warrants, which are convertible into Equity Shares to Qualified Institutional Buyers (QIB) as permitted under the SEBI guidelines for an aggregate amount not exceeding Rs. 1000 crores, however the total amount to be raised by the proposed issue of Securities and the Securities to be issued in international offering (FCCBs/ADR/GDR) shall not in the aggregate exceed a sum of US $ 500 Million inclusive of such premium as may be fixed.

RESOLVED FURTHER THAT such allotment of equity shares shall be made in accordance with and at a price not less than the price computed in accordance with the provisions of Chapter XIIIA of SEBI Disclosure & Investor Protection) Guidelines, 2000, with the relevant date for the purpose of arriving at the minimum price as aforesaid being the date thirty (30) days prior to the ensuing Annual General Meeting to be convened.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Vice Chairman & Managing Director, Jt. Managing Director & CEO, Director (Finance) and Company Secretary be and are hereby severally authorized to finalise the mode, size and the terms of issue, including the price depending on the market conditions prevalent at the time of issue and to do all such acts, deeds, matters and things and to execute all deeds, documents and agreements and issue offer documents/ placement document/ prospectus etc. as they may, in their absolute discretion deem necessary or desirable, and to settle any question, difficulty or doubts that may arise with regard to the offer, issue and allotment of Warrants and Equity shares.

RESOLVED FURTHER THAT the existing Share Allotment Committee of the Board be and is hereby authorized to issue and allot the Equity shares issued pursuant to this resolution in accordance with the terms of offering and all such Equity shares shall rank pari passu with the then existing Equity shares of the Company in all respects.

RESOLVED FURTHER THAT the aforesaid Equity shares be listed on the Bombay and National Stock Exchanges and pending approval for delisting of existing securities be also listed on the Bangalore Stock Exchange and that the following persons viz., Mr. Seshagiri Rao M.V.S, Director (Finance), and Mr.Lancy Varghese, Company Secretary be and are hereby severally authorised to make the necessary applications and to take all other steps as may be necessary for the listing of the Securities and for their admission into the Depositories.

RESOLVED FURTHER THAT the Common Seal of the Company be affixed on all such documents as may be required, in the presence of any two Directors of the Company or any One Director of the Company and the Company Secretary or Mr.Santosh Maheshwari, Vice President(Finance) or Mr.Rajeev Pai, Associate Vice President(Finance & Accounts) or Mr. Sushil Modi, General Manager(Finance)".

The Board also accorded its approval for the raising of finances through EURO Bond / Rupee loan / Foreign Currency loan / Structured Trade Finance and authorised the Finance Committee of Directors to:

a) approve financial arrangements as may be necessary including finalisation and approval of the terms and conditions for the availment of the said finances, which together with the proposed issue of FCCBs/ ADRs /GDRs/QIP etc shall not exceed Rs.5000 crores in the aggregate.

b) authorise the execution of Documents & the affixation of Common Seal, if required to be affixed, on all such Documents as may be required to be executed under the common seal of the Company in connection with the aforesaid borrowing.

c) authorise the taking of common seal outside the city, state and country limits of the Registered Office, for execution, if need be.

The powers delegated are to be treated as a one time special approval/authorisation in addition to normal borrowing powers delegated to the Committee.