

MINUTES OF THE TWENTIE'H ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF JSW STEEL LIMITED HELD ON THURSDAY, 31ST JULY 2014 AT 11.00 A.M AT Y.B.CHAVAN AUDITORIUM, GENERAL JAGANNATHRAO BHONSLE MARG, NARIMAN POINT, MUMBAI 400 021:

DIRECTORS PRESENT:

MR. SAJJAN JINDAL	CHAIRMAN & MANAGING DIRECTOR
MR. SESHAGIRI RAO MVS	JT. MANAGING DIRECTOR & GROUP CFO
DR. VINOD NOWAL	DY. MANAGING DIRECTOR
MR. JAYANT ACHARYA	DIRECTOR (COMMERCIAL & MARKETING)
DR. S.K.GUPTA	DIRECTOR
MR. HIROMU OKA (ACCOMPANIED BY MR. M.NOGAMI)	NOMINEE DIRECTOR (JFE STEEL CORPN) -INTERPRETER)
MR.UDAY CHITALE	DIRECTOR & CHAIRMAN OF AUDIT COMMITTEE
DR. VIJAY KELKAR	DIRECTOR
MR. SUDIPTO SARKAR	DIRECTOR
MR. K. VIJAYARAGHAVAN	DIRECTOR & CHAIRMAN OF STAKEHOLDERS RELATIONSHIP COMMITTEE
MR. V.P. BALIGAR	NOMINEE DIRECTOR (KSIIDC)
MRS. PUNITA KUMAR SINHA	DIRECTOR

IN ATTENDANCE:

MR. RAJEEV PAI	CHIEF FINANCIAL OFFICER
MR. LANCY VARGHESE	COMPANY SECRETARY

SHAREHOLDERS PRESENT:

408 Shareholders were present in person and 40 shareholders were represented by Proxies.

1. 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, Foreign Collaborators, Joint Venture Partners, Analysts and Members of the Press.

He also briefly introduced the Directors present on the dais.

2. 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 26 Bodies Corporate holding 50.81% in the Company's paid-up equity share capital, aggregating to Rs.122.82 Crores were present and that the Company has received 40 proxies, all of which are valid.


CHAIRMAN'S INITIALS

The Chairman informed the members that the Register of Directors & Key Managerial Personnel and their shareholding, if any, and the Register of Contracts in which Directors are interested, that are required to be kept pursuant to sections 171 and 189 of the Companies Act, 2013, are available to Members for inspection throughout the meeting and the Statutory Auditors Certificate under the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, that the Company's ESOP scheme has been implemented in accordance with the guidelines and in accordance with the resolution of the Company passed in its general meeting, is also placed for the inspection of the Members.

3. NOTICE CONVENING THE MEETING:

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

4. CHAIRMAN'S ADDRESS:

Mr. Sajjan Jindal, then delivered the Chairman's Speech, a printed copy of which was earlier circulated to the shareholders present in the meeting.

Mr. Jindal in his speech covered the following:

- Economic Perspective
- Tapping into Knowhow
- Operational performance
- Forward focus
- Sustainability

He concluded his speech by thanking the stakeholders, regulatory authorities and various State & Central Governments for their support and contribution to the Company's performance.

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

5. AUDITOR'S REPORT:

The Chairman informed the shareholders present that there are no qualifications, observations or comments in the Auditor's Report on the financial transactions or matters which have any adverse effect on the functioning of the Company and therefore the reading of the same as required under section 145 of the Companies Act, 2013 is not applicable.

6. QUERIES OF SHAREHOLDERS:

The Chairman invited the shareholders to raise their queries, if any, relating to the accounts or any other item of business laid out in the Notice of Annual General Meeting, 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 members offered suggestions, comments and raised queries:

1. Mr. Tamal Kumar Majumder
2. Mr. Sharadkumar Jivraj Shah
3. Mrs. Asha Lata Maheshwari
4. Mrs. Smita Shah


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5. Mrs. Homa Pouredahi
6. Mr. Bharat Shah
7. Mr. Beruz Feramroz Pouredahi
8. Mr. P.S. Mopara
9. Mr. Gautam Tiwari
10. Mrs. Shobhana Mehta
11. Mr. Anil Parekh
12. Mr. Aspi Bhesania
13. Mr. Babulal Parekh
14. Mr. Shailesh Mahadevia
15. Mr. N.V. Jhaveri
16. Mr. Michael Martins
17. Mr. H. Kotwani
18. Ms. H.S. Patel
19. Mr. Kirti Shah
20. Mr. K.L. Makhija

The Shareholders:

- Appreciated the Company Secretary & the Secretarial Team for maintaining cordial relationship with the shareholders.
- Thanked the Chairman for making the e-voting meaningful and appreciated the effort of Company Secretary for sending reminders through SMS to shareholders to take part in the e-voting.
- Complimented the management for the good performance of the Company during the FY 2013-14 in spite of higher inflation, Rupee depreciation, sluggish demand, stringent market condition and raw material shortage.
- Thanked the Company for the good dividend and enhancing the value of shareholders by growth accretion.
- Reiterated that the Company remained alert to every opportunity and has taken on several challenges to drive value and remain as one of the top players in the field of iron and steel.
- Appreciated the reduction in the operating cost per unit.
- Congratulated the Company for the Prime Minister's Trophy won for excellence in performance in 2012-13 and for the Best Supplier award from Tata Motors for Salem Works.
- Appreciated the plant visit organised and for the wonderful arrangements.
- Expressed concern over the high percentage of holding of FIIs in the Company.
- Expressed concern over the reduction in PAT, EPS in comparison to the previous year, the increase in debt equity ratio, Foreign Exchange Losses, doubtful trade receivables etc.,
- Appreciated the management for its Corporate Social Responsibility (CSR) initiatives.
- Expressed concern on raw material availability especially iron ore.
- Expressed concern over the EPS impact due to payment of brand Licensing Fee to JSW Investments Pvt Ltd.
- Some shareholders complained about not receiving Annual Reports.

The following requests were made by the shareholders:

- *To consider a Bonus or Rights issue.*
- *To consider a spilt of shares.*
- *To build a Township for the employees at Company's Dolvi Works.*
- *To provide for poll at the Annual General Meeting.*
- *To arrange for a factory visit.*
- *Explore investment opportunities in Gujarat.*


CHAIRMAN'S INITIALS

The shareholders also raised the following queries:

- What is the growth expected during FY 2014-15?
- What is the reason for decrease in profit before tax by 22% in relation to the previous year, even though net revenue from operations increased by 34% in relation to the previous year?
- How much of the total amount of power fuel expenses of Rs.3117 crores shown in balance sheet is related to production? What is the reason for the abnormal increase in power & fuel cost by nearly 90% during the year FY 2013-14 in comparison to the previous year?
- What are the measures taken to hedge Foreign Exchange exposures in the current year?
- How JSW Steel (USA) is performing during the current year? When these units will start reducing their losses? With regard to the matter of emphasis reported by the Statutory Auditors, why is the management treating it as temporary in nature and no provision in this respect is being made?
- What are the plans of the Management to safeguard the interest of the Company in the light of the direction of the Hon'ble Supreme Court that the mines operated by VMPL should only be operated by MML?
- What is the solution for raw material problems?
- What was the cost involved in acquisition of Vallabh Tinplate Pvt. Ltd.? Whether the company started production? Whether Company nominees were appointed on the Board of Vallabh Tinplate Pvt. Ltd? Is there any possibility of increasing stake in it in the near future? How will it supplement the existing businesses of the Company?
- What is the present status of Writ Petition before the Delhi High Court relating to Gourangdih Coal Ltd?
- What is the status of operation of Amba River Coke Ltd ?
- What is the capital expenditure programme of the Company for the FY 2014-15?
- What is the stand of the Company with regard to the Bengal Project?
- What is the reason for increase in value of related party transactions with JSW Steel Coated Products Limited compared to last year?
- Whether JSW Investment Pvt Limited has got the JSW Brand valued by a professional valuer?
- What is the expected growth of capacity, turnover & profitability during the current year?
- How many women employees are working in the organisation?
- What is the amount spent on CSR during the FY 2013-14?
- What is forest development tax?
- Are there any Carbon Credits in stock, which are yet to be sold?
- What are the turnaround plans for the subsidiaries, especially JSW USA and JSW Severfield?

The Chairman thanked the Shareholders for their support and interest in the affairs of the Company. He then proceeded to respond to their queries as follows:

- In spite of a challenging atmosphere and difficult circumstances, the Company has been able to produce positive results. The Company's profitability for the year was affected due to steep depreciation of rupee during the first half of the year.
- The unexpected depreciation and fluctuation of the currency has resulted in foreign exchange losses. For the current year effective hedging policies are in place to avoid such losses.


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- The power and fuel cost has increased due to the merger of JSW Ispat Steel Limited besides pricing & availability of natural gas.
- The Company's investments in overseas subsidiaries are of a strategic nature. The situation of US Plate and Pipe Mill is gradually improving, however lower capacity utilisation due to lower demand is impacting profitability. Capacity utilization from Plates Mill is expected to improve as US Economy is showing signs of growth.
- The Joint Venture, Vallabh Tin Plate Pvt. Ltd., is fully operational and the unit is profitable.
- In respect of the de-allocation of Gourangdih ABC Coal Block, a writ petition has been filed against the same before the Hon'ble High Court of Himachal Pradesh. The matter is sub-judice.
- The coke oven and pellet plant set up by Amba River Coke Limited has started operations.
- The Company is expected to invest Rs. 7500 crores during the FY 2014-15 for various capital expenditure programmes.
- The growth plan of the Company is to set up installed steel capacity of 40 mtpa by 2025 and the Company is committed to its investment plans in Bengal & Jharkhand subject to commitment of long term linkages of Iron Ore supplies.
- There is no plan to allow increase in stake by JFE from the current level but the association with JFE has brought in lot of benefits in the field of technical knowhow.
- The Company is taking steps to provide township for employees at Dolvi.
- The total women work force in the Company is 450 which is approximately 5% of the total employees.
- The Company is making representation to the Government to provide raw material security so as to encourage domestic steel industries.
- Total CSR spend is Rs. 33 crores and the Company is committed to spend continuously towards social development in the regions where the Company operates.
- Forest Development Tax is a tax levied by the Karnataka Government on iron ore.
- There is low demand for Carbon Credit due to the slowdown in Europe.
- The target of the Company is to increase of proportion of value added products to 40% of total volume.
- The Company's investment in the JV Company, JSW Severfield is a strategic investment. In India most of the buildings are cement structured but in Europe & USA major buildings are made of steel. To promote steel structural buildings, the Company, in collaboration with Severfield Rowen, has formed this company.
- Outstanding debt of Rs. 185 crores is recoverable from one customer. The Company expects to recover the dues.


CHAIRMAN'S INITIALS

- Payment of royalty to JSW Investments Pvt Ltd., is for promoting the brand "JSW". Significant spent is required to enhance the brand value. The payment of Brand Licensing Fees is common not only in India but also overseas. A good brand value is always good for the Company to sell its products which benefits the Company in the long run.

After replying to the queries, the Chairman informed the Members that:

- Pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, all shareholders as on the cut-off date, i.e., June 13th 2014, were provided with the facility to cast their vote electronically through the e-voting services provided by KARVY on all resolutions set forth in the Notice of the Annual General Meeting.
- In terms of Clause 35B of the Listing Agreement, those shareholders who do not have access to e-voting facility were also provided the facility of voting through a physical Ballot Form.
- The e-voting portal remained open for voting from Friday, July 25th, 2014 (9.00 a.m. IST) to Sunday, July 27th, 2014 (6.00 p.m. IST). The last date for receipt of the physical ballot form was July 26th, 2014.
- The Board of Directors had appointed Mr. Nilesh Shah, Practicing Company Secretary, as the Scrutiniser to scrutinise the voting process in a fair and transparent manner as stipulated under the Companies (Management & Administration) Rules, 2014.
- Mr. Nilesh Shah, the Scrutinizer has submitted his report dated July 29th, 2014 to him. His report includes the result of voting through physical ballot form in addition to votes cast through the e-voting website of Karvy by the eligible shareholders.

On the basis of the Scrutinizers' Report, the Chairman informed that all the resolutions contained in the Notice of the Annual General Meeting has been approved by the requisite majority of the shareholders and accordingly all the resolutions are declared as passed on July 31st, 2014, which is the date of the Annual General Meeting.

The Chairman also informed that the item-wise results of the voting will be placed by the Company on its website: www.jsw.in and on the website of Karvy, within two days of the Annual General Meeting and will also be communicated to the stock exchanges, where the shares of the Company are listed.

7. VOTE OF THANKS:

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

Place: Mumbai
Date : 30.08.2014


SAJJAN JINDAL
CHAIRMAN OF THE 20th ANNUAL
GENERAL MEETING


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