

PRESS RELEASE

MSL TO RAISE FUNDS FOR BACKWARD INTEGRATION STEEL PROJECT IN ORISSA

MSL, the flagship company of RS.1400 CRORE D.P.JINDAL GROUP is setting up Billet making facilities as a measure of backward integration at Duburi, Orissa. The total project cost has been estimated at Rs.550 crores. The MOU for the project has been signed with the State Government of Orissa, the requisite land for the project has been identified and allocated and the cost for the same has been paid to the Government and the other various project formalities are in progress.

Apart from long term borrowings from Financial Institutions / Banks, the company plans to finance the project through issue of Equity shares, Foreign Currency Convertible Bonds (FCCBs), Fully Convertible Debentures (FCDs), Partly Convertible Debentures (PCDs), Optionally Convertible Debentures (OCDs), Bonds, Debentures attached with Warrants, Global Depository Receipts (GDRs), American Depository Receipts (ADRs) or such other securities.

The company proposes to hold its Extraordinary General Meeting on 22nd March 2005 to obtain the necessary shareholders' approval for the above.

This backward integration project would bring substantial value by way of reduction in the Raw Material cost to the company after its completion.