

GLOBAL STEEL 2012

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The Future of Steel is in India

A CONSUMER CONNECT INITIATIVE



new mining projects have been announced. Australia is keen for development in India's own resource sector. We are exploring opportunities to set up mining colleges in India. We will continue to meet critical future challenges such as energy security. Increasing our bilateral engagement over the coming decade will be complementary to trade and investment in both the countries. I look forward to hearing the outcome of Global Steel 2012."

The last speaker for the session, Jindal too shared the latest figures which ranks India fourth in the production of crude steel. Driven by domestic demand, India has a huge potential to grow its production and consumption, he said. He also spoke at length about land acquisition issues, the MMDR Bill, our efforts to decrease green house emission and last but not the least, inclusive growth.

Once speakers finished sharing their views, the inaugural lamp was lit by Jindal and all those present on the dais. This was followed by the release of an Ernst &

The 7th international conference on steel and steel making raw materials, Global Steel 2012 commenced in the capital amidst much fanfare. Presented by Gujarat NRE and *The Economic Times*, the venue for the summit this year is Hotel Taj Palace, New Delhi. Spread over two days, January 27-28, the event has been organised to chart the course of India's future as well as its positioning in the global order. Hence the theme, 'Scripting A New Renaissance'.

Having earned a significant place as one of the most important steel conferences round the globe, this event brings together the who's who of the steel industry, both from India and abroad to discuss, deliberate and decide the path that is destined to build an economy with muscles of iron and nerves of steel.

Present at the inaugural function were Arun Kumar Jagatramka, CMD, Gujarat NRE Coke Ltd and conference co-chairman, Global Steel 2012; Neil J Bristow, chief consultant, H & W Worldwide Consulting Ltd, Australia and conference co-chairman, Global Steel 2012; CS Verma, chairman, Steel Authority of India Ltd (SAIL); Barry Buffier, representing Barry O' Farrell, premier of New South Wales, Australia; Peter N Varghese, AO, Australian High Commissioner to India; D R Kaarthikeyan, president FGG & former director CBI, and Arunabh Das Sharma, executive president, Bennett Coleman & Company Ltd. Naveen Jindal, member of parliament and CMD, Jindal Steel & Power Ltd was the chief guest for the occasion.

Setting the note for Global Steel 2012, Jagatramka said, "The idea of the conference has been to bring together the wide breath of knowledge and expertise of steel industry experts and industry captains to chart a growth path for the Indian steel industry in the face of the ever evolving and challenging global economic and industrial landscape. The year 2010 has seen a steady recovery for steel demand that began from the second half

STEELING THE GLOBAL SHOW

CONFERENCE DELIBERATES ON COURSE OF INDIAN STEEL INDUSTRY'S FUTURE AND POSITION IN THE WORLD ORDER

of 2009. Strong economic headwinds in many parts of the world, high raw materials costs and trade uncertainty all present major challenges for the global steel industry in 2012. India's strong domestic economy coupled with huge infrastructure needs makes India the major steel hot spot. This is very heartening since the country is gripped with issues that are deferring the setting up of major steel mills.

"It is expected that with commissioning of new plants, India may return to become a net exporter of steel in the near future." Next to grace the podium was Bristow who dwelt on the challenges ahead and the need to explore for opportunities in them. He said, "Growth in 2012 will be significantly better than most people forecast. An Indian steel renaissance is definitely needed. The opportunities and the need for steel in India is growing. In the raw material sector, we've seen a pretty roller coaster ride. The costs are still high. What we need to have is an alignment of purpose, we need to have people who are willing to take responsibility and of course, financial support."

Verma reiterated what speakers before him had to say. Sharing many facts and figures, he said, "The steel industry directly contributes around 2 per cent to

India's Gross Domestic Product (GDP) and its weight in the Index of Industrial Production (IIP) is 6.2 per cent." He went on to talk of the future of steel plants and added that beneficiated iron ore would replace crude iron to increase productivity and reduce the consumption of fuel. Use of latest technology, innovations driven by energy and environment concerns will be key issues. "The proverbial holy grail for the steelmakers, steel plants of the future will play an important role in achieving this," he added.

Buffier dwelt on the vibrant and strong mining sector of New South Wales. Citing government support, good mining related-technology, excellent geological positioning, rich diversity of mineral resources like coal, iron ore, copper, zinc etc, he said, "NSW has a strong trade, investment relationship with India and we have the resources in mining that ideally suit the Indian mining industry"

Varghese said at the very outset that it is a conference that he welcomes and looks forward to. "I can locate the Australia-India steel connection to the broader context of Australia-India relationship. We now have a track record of some three decades of being an energy supplier to the world, particularly Asia. Despite concerns in certain quarters, several

Young report on the Indian steel industry, titled 'Scripting A New Renaissance'.

Extending the vote of thanks on behalf of BCCL, Das Sharma thanked the speakers, delegates, sponsors, knowledge partners as well as supporting associations. "We are proud to be associated with this annual conference of the global steel fraternity that brings together the who's who from the world of steel and steel making raw materials.

"The steel industry, regarded as one of the indices in ascertaining the economic health of a nation, needs to think and strategise the future development plan and pave the way for an aligned future. Thus, like in the last two years, this year too, the conference has emerged to be a meeting place of experts and industry captains," he said. The inaugural session was followed by panel

discussions on 'Global Steel Industry' with a keynote address by Peter Marcus, founder-partner, World Steel Dynamics, USA, India's raw material requirement and Australia's response 'Sourcing from Down Under', and a discussion on Indian Steel Industry.

—Rajani Yadav



Gujarat NRE to sponsor Australian Trade Commission (Austrade) Seminar Series in India on "Doing Business and Investing with Australia"

Gujarat NRE, the largest producer of met coke in India with mining facilities in Australia, is the sponsorship partner for the seminar series titled "Doing Business and Investing with Australia" organised by Austrade with sponsorship partner Gujarat NRE.

The objective of the seminar is to highlight the opportunities that Australia presents as both an investment destination and as a trading and business partner, across multiple sectors. Austrade works with both Australian and Indian companies to accelerate and grow the commercial and business linkages between Australia and India.

As the sponsorship partner, the Gujarat NRE success story would be presented by the group Chairman, Mr Arun Kumar Jagatramka for

the benefit of the participants at the following centres

Monday, January 30	New Delhi
Wednesday, February 1	Ahmedabad
Friday, February 3	Mumbai
Monday, February 6	Kolkata
Tuesday, February 7	Chennai
Wednesday, February 8	Hyderabad
Friday, February 10	Bangalore

In addition to the above cities, the Seminar series would also be held at the following cities. The Seminar series would be held across various cities of India as per the schedule below-

Tuesday, January 31	Chandigarh
Saturday, February 4	Jaipur
Thursday, February 9	Pune

There is no registration fee for the seminar series but prior registration is compulsory. Investors in Gujarat NRE group may send email to investor@gujaratnre.com for help with their registration.

GUJARAT NRE MINERAL RESOURCES: Going Great

Gujarat NRE Mineral Resources Company Ltd (GNMRL) is a core investment company and the fountainhead of the Gujarat NRE group. It has benefitted immensely from the phenomenal growth in value of investments held in Gujarat NRE Coke Limited and other Gujarat NRE group companies during last decade when GNCL was identified as the 4th best performing stock of the decade having delivered returns to investors in excess of 100% compounded annually. During the current decade of 2011-2020, GNMRL is poised for even much better returns given the stake in hard coking coal mines in Australia and the rising demand supply gap with growth of Steel Industry in India.

Coking coal is in short supply globally. The price of coking coal had peaked to over \$300 per tonne in early 2011 due to floods in Queensland, Australia, with availability being scarce, putting the entire metallurgical industry in the thaws of great uncertainty. Gujarat NRE has taken assured comfort from the secured supply of coking coal from its own mines which insulates it from the extreme volatility. Even today, with slowdown knocking at the door of global economy led by the downturn in Europe, the coking coal price is still higher than what it was twelve months back.

For last one year, work has been in progress towards getting GNMRL listed on the bourses but the same could not be done, in view of the past year's regressive market conditions which have proven to be unfavourable for investor interest.



GNMRL has recently announced a Rights Issue of Optional Fully Convertible Bonds (OFCB) to its existing shareholders only. OFCBs are 'hybrid instruments' comprising the features and benefits of both shares and bonds with an attractive and assured return. OFCBs, as the name suggests, are convertible bonds with a right / option to the bondholders that allow them to either redeem the bonds at the end of maturity period or exchange the bonds for equity shares of the company. Upon such exchange, the debt obligations inherent in such bonds are discharged by the entity by issuing equity share. The issue offers assured lucrative redemption premium and is a secured form of investment against any future downturn in the market.

GNMRL has also announced a trip to Sydney and an optional visit to its coal mines in Wollongong, Australia for a couple, to two best entries of a quiz contest that has been organised among the shareholders of Gujarat NRE Mineral Resources Ltd and also extended it to the shareholders of Gujarat NRE Coke Ltd. To ensure transparency, employees of the Company (both existing and past) and their relatives are strictly not eligible to participate in the Quiz Contest. This unique quiz contest is being organised to promote and encourage investor awareness among the shareholders about the company and its operations.

For further details please visit the website of the company www.gnmrl.com.

NATIONAL CONFERENCE ON GOVERNANCE

January 29, 2012
NCUI Auditorium, New Delhi

Foundation for Peace, Harmony and Good Governance in association with Global Steel is organizing a day-long 'National Conference on Governance' on January 29th.

The conference would focus on the following key areas in governance:

Governance by The Government

- H.S. Brahma, Election commissioner
- Dr J N Chaubey, formerly senior adviser, UNICEF
- Dr V.K. Agnihotri, secretary general, Rajya Sabha
- Dr N. Bhaskara Rao, chairman, Centre for Media Studies

Trust-Based Compliance or Enforced Compliance

- T.S.R. Subramanian, former cabinet secretary
- Dr. Jayaprakash Narayan, president, Lok Satta
- Sudhir Chandra, former chairman, Central Board of Direct Taxes
- Shri Arun Kumar Jagatramka, CMD, Gujarat NRE Coke Ltd

Electoral Reforms

- Dr S Y Quraishi, chief election commissioner
- Prof P.V. Indiresan, former director, IIT Chennai
- Prof Jagdeep S Chhokar, founder member, Association of Democratic Reform
- D R Kaarthikeyan, former director CBI
- P P Rao, senior advocate, Supreme Court of India

Corporate Governance

- M. Damodaran, former chairman, SEBI
- K T S Tulsi, senior advocate, Supreme Court of India
- Nilesh Shah, president, Axis Bank
- Ravi Chaudhry, author of the best-seller "Quest For Exceptional Leadership-Mirage to Reality"
- Kunal Saraogi, senior technical analyst, Equity rush

Valedictory Address

- TV Rajeswar, former governor of UP, West Bengal, Sikkim

- Prior registration is compulsory to attend the Conference and is purely on a first-come-first-served basis
- For registration please email at iggdelhi@gmail.com
- Please bring along confirmation email from iggdelhi@gmail.com for entry at venue

Panel discussions moderated by ET NOW which would be telecast as separate capsules