

26th June, 2020

BSE Limited

Listing Department,
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai – 400 001
Email: corp.relations@bseindia.com
Security Code No.: 532508

National Stock Exchange of India Ltd.

Listing Department,
Exchange Plaza, 5th Floor,
Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Email: cmlist@nse.co.in
Security Code No.: JSL

Subject: Disclosure of reasons for encumbrance of shares of Jindal Stainless Limited

Dear Sirs,

With reference to SEBI Circular number SEBI/HO/CFD/DCR1/CIR/P/2019/90 dated August 7, 2019, prescribing to submit an additional disclosure by the promoter of listed companies under Regulation 31(1) read with Regulation 28(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, with the stock exchanges and the listed company.

In this regard, please find enclosed herewith disclosure of reasons for encumbrance of shares of Jindal Stainless Limited ("the Company") in prescribed format – Annexure II, by the Promoter Group entities, as per their shareholding in the Company, as on date.

You are requested to take the above information on record.

Thanking you,

Yours faithfully,

**For Jindal Stainless (Hisar) Limited
(Acting on behalf of Promoter/Promoter Group entities of Jindal Stainless Ltd.)**


**(Bhartendu Harit)
Company Secretary**



CC:

Company Secretary
Jindal Stainless Limited
Jindal centre, 12, Bhikaji Cama Place
New Delhi – 110066

Enclosed as above

Annexure 1

Sl. No.	Name of the Promoter Group Company	No. of Equity shares held in JSL	No. of Equity Shares Pledged to secure NCDs	Pledged shares as % of total Shareholding of JSL	Pledged shares as % of total Promoters Shareholding of JSL
1	Abhinandan Tradex Ltd. (formerly Abhinandan Investment Ltd.)	811,350	811,350	0.17	0.24
2	Colorado Trading Company Ltd.	2,074,930	2,023,165	0.42	0.61
3	Everplus Securities & Finance Limited	1,157,835	1,157,835	0.24	0.35
4	Gagan Trading Company Ltd.	2,454,295	2,449,070	0.50	0.74
5	Goswamis Credits & Investment Limited	877,795	643,500	0.13	0.19
6	Hexa Securities & Finance Co. Ltd.	4,931,175	4,927,470	1.01	1.48
7	Jindal Equipment Leasing & Consultancy Services Ltd.	5,735,555	5,735,555	1.18	1.73
8	JSW Holdings Limited	460,720	460,720	0.09	0.14
9	Manjula Finances Limited	1,012,080	1,011,000	0.21	0.30
10	Mansarover Tradex Ltd. (formerly Mansarover Investments Ltd.)	3,797,210	3,797,210	0.78	1.14
11	Meredith Traders Pvt. Ltd.	422,210	420,595	0.09	0.13
12	Nalwa Engineering Co Ltd.	747,290	747,290	0.15	0.23
13	Nalwa Investment Ltd.	1,707,110	1,707,110	0.35	0.51
14	Nalwa Sons Investments Ltd.	347,945	347,945	0.07	0.10
15	Renuka Financial Services Limited	886,620	885,260	0.18	0.27
16	Rohit Towers Building Ltd	31,200	31,200	0.01	0.01
17	Stainless Investments Ltd.	1,442,895	1,442,895	0.30	0.43
18	Sun Investments Pvt. Ltd.	9,296,780	9,295,270	1.91	2.80
19	Vrindavan Services Private Limited	4,946,705	4,946,705	1.02	1.49
20	Jindal Stainless (Hisar) Limited	168,284,309	78,415,662	16.09	23.63
21	Jindal Strips Ltd.	5,314,090	5,314,090	1.09	1.60
22	Siddheshwari Tradex Pvt. Ltd.	2,755,890	2,755,890	0.57	0.83
23	Jindal Rex Exploration Pvt. Ltd.	929,730	929,730	0.19	0.28
24	Jindal Overseas Holding Limited*	70,995,424	53,576,210	11.00	16.15
	Total	291,421,143	183,832,727	37.73	55.40

** 7,09,95,424 shares includes 1,67,34,984 GDS with 1 GDS equivalent to 2 equity shares


For Jindal Stainless (Hisar) Limited


Company Secretary

Format for disclosure of reasons for encumbrance

(In addition to Annexure-I prescribed by way of circular dated August 5, 2015)

Name of Listed Company	Jindal Stainless Limited ("JSL")
Name of the recognised stock exchanges where the shares of the Company are listed	i. The National Stock Exchange of India Limited ii. BSE Limited
Name of the promoters / PACs whose shares have been encumbered	As per enclosed Annexure 1 mentioning entities of Promoter Group of JSL whose shares have been encumbered
Total promoter shareholding in the listed company	The total promoter equity shareholding comprises of 33,18,41,059 shares constituting 68.10% of the total shareholding of JSL
Encumbered shares as a % of promoter shareholding	As mentioned in Annexure 1
Whether encumbered share is 50% or more of promoter shareholding	Yes
Whether encumbered share is 20% or more of total share capital	Yes
This disclosure is further to disclosure submitted with the Exchange on 4 October, 2019, wherein reason of encumbrance created earlier on equity shares of Jindal Stainless Limited held by Promoter Group was mentioned in detail.	
Details of all the existing events/ agreements pertaining to encumbrance	
	Encumbrance 1 Date of creation of encumbrance Unattested Pledge Agreements(s) dated 24 June, 2020 and 26 June, 2020
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)	Pledge
No. and % of shares encumbered	As per enclosed Annexure 1
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X) SBICAP Trustee Company Limited, acting as Security Agent of Vistra ITCL (India) Limited (acting as Debenture Trustee for the purpose of securing Non-convertible Debentures aggregating to Rs. 400 crore) issued by Jindal Stainless Limited to Kotak Special Situations Fund (Debenture Holder)
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity. SBICAP Trustee Company Limited, acting as Security Agent is registered with SEBI. Jindal Stainless Limited issued Non-convertible Debentures aggregating to Rs. 400 crore to Kotak Special Situations Fund, an alternative investment fund, registered under the SEBI (Alternative Investments Fund) Regulations, 2012. Vistra ITCL (India) Limited is appointed as Debenture Trustee.
	Names of all other entities in the agreement In terms of Debenture Trust Deed dated 15th November, 2019, JSL, on 26th February, 2020, allotted 4,000 (four thousand) senior, secured, unlisted, redeemable, rated and non-convertible debentures of a nominal value of INR 10,00,000/- (Rupees Ten Lakhs Only) each aggregating to INR 400,00,00,000/- (Rupees Four Hundred Crores Only) ("NCDs") to Kotak Special Situations Fund ("Debenture Holder"), an alternative investment fund, registered under the SEBI (Alternative Investments Fund) Regulations, 2012. The aforesaid NCDs are primarily secured by JSL's assets on pari-passu basis with existing lenders of JSL. In addition the said NCDs are also secured by collateral securities viz guarantee(s) by promoter/certain entities of promoter group of JSL & pledge of equity shares held by them in JSL on pari-passu basis with existing lenders of JSL. Accordingly, Unattested Share Pledge Agreement(s) were executed on 24 June, 2020 and 26 June, 2020 amongst the promoter group companies of JSL (mentioned in Annexure 1), Vistra ITCL (India) Limited (acting as Debenture Trustee for the purpose of securing NCDs), SBICAP Trustee Company Limited (acting as the Security Agent of the Debenture Trustee for the benefit of the Debenture Holder).

	<p>Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating</p>	<p>Yes, the pledge is in connection with NCDs issued by JSL.</p> <p>The details of the debentures issued are mentioned below:</p> <ol style="list-style-type: none"> 1. Name of the issuer- Jindal Stainless Limited ("JSL") 2. Details of the debt instrument- JSL has issued 4,000 senior, secured, unlisted, redeemable and Non- convertible Debentures of F.V. Rs. 10 Lakh each aggregating to Rs. 400 Crore. (ISIN : INE220G07093) 3. Whether the debt instrument is listed on stock exchanges?- No 4. Credit Rating of the debt instrument - Rating of NCDs is in process; however JSL's long term debt is rated Ind BBB by India Ratings & Research, a Fitch Group Company and CARE BBB- by CARE Ratings Ltd.
<p>Security Cover / Asset Cover</p>	<p>Value of shares on the date of event / agreement (A)</p> <hr/> <p>Amount involved (against which shares have been encumbered) (B)</p> <hr/> <p>Ratio of A / B</p>	<p>There is no stipulation of any minimum security cover/ asset cover linked to value of shares.</p> <p>As explained above, security by way of pledge of equity shares is not a primary security. The said pledged shares are only in the nature of additional/collateral security without any possibility of marginal calls that the Debenture Holder can make in the event of decline in the trading price of the shares so pledged, on the stock exchanges. The primary security continues to remain over the assets of JSL, which continues to maintain comfortable Fixed Asset Coverage Ratio.</p>
<p>End use of money</p>	<p>Borrowed amount to be utilized for what purpose –</p> <ol style="list-style-type: none"> a. Personal use by promoters and PACs b. For the benefit of listed company <p>Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc.</p> <ol style="list-style-type: none"> a. Any other reason (please specify) 	<p>The equity shares as referred to in Annexure 1 have been pledged as collateral security by Promoters to secure NCDs issued by JSL for refinancing and/or redemption of debt facilities and augmenting cash flows of JSL. Tenor is 7 years with quarterly principal repayment starting from end of 30th month from date of allotment of NCDs.</p> <p>The borrowed amount was not meant for any personal use by promoters and PACs.</p>
<p>Signature of Authorised Signatory:</p>	<p style="text-align: center;">For Jindal Stainless (Hisar) Limited</p>  <p style="text-align: center;">Company Secretary</p>	
<p>Place:</p>	<p>Hisar</p>	
<p>Date:</p>	<p>26 June, 2020</p>	