



December 29, 2104

To,
National Stock Exchange of India Ltd.
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Plot No. C/1, G-Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051.
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Sub: Outcome of the Board Meeting held on December 29, 2014

Dear Sirs,

It may kindly be informed that the following matters have been *inter-alia* considered and approved by the Board of Directors of 'Jindal Stainless Limited' in their meeting held today i.e. December 29, 2014:

- (I) Based on the recommendation of the Audit Committee of the Company, the "Composite Scheme of Arrangement" (hereinafter referred to as "Scheme") amongst Jindal Stainless Limited ('the Company / Transferor Company') and its (3) three wholly owned subsidiaries namely 'Jindal Stainless (Hisar) Limited ('the Resultant Company / Transferee Company 1'), Jindal United Steel Limited ('Transferee Company 2') and Jindal Coke Limited ('Transferee Company 3'), under the provisions of sections 391 – 394 read with 100-103 and other applicable provisions of the Companies Act, 1956 and/or sections 230-233 (if applicable) and other relevant provisions of the Companies Act, 2013, as may be applicable, read with sections 2(19AA) or 2(42C) of the Income Tax, 1961, as may be applicable has been approved, subject to the approval of the shareholders and all other concerned persons or authorities..

Rationale & Objective of the Scheme

The rationale and objective of the Scheme *inter-alia* includes

- (i) Unlocking value for all the stakeholders of the Company, to increase its profitability;
- (ii) Reduction of the debt in the Company and improvement of serviceability of debt.
- (iii) Increase in capacity utilization.
- (iv) Enable the backward integration of the value chain of the Company's Odisha Plant.;
- (v) Ensure the long term stability of the Company.
- (vi) Focused management of different business verticals.



Jindal Stainless Limited

CIN: L26922HR1980PLC010901

Corporate Office: Jindal Centre, 12 Bhikaiji Cama Place, New Delhi - 110066 India

Registered Office: O P Jindal Marg, Hisar - 125005 (Haryana) India





Salient features of the Scheme

The salient features of the Scheme *inter-alia* are as under:

- (i) demerger of the Demerged Undertakings (*as defined in the Scheme*) of the Company, *inter-alia*, comprising of the ferro alloys division and the mining division of the Company and vesting of the same in Jindal Stainless (Hisar) Limited (a wholly owned subsidiary of the Company) in accordance with Section 2 (19AA) of the Income Tax Act, 1961 (“**Resulting Company**”) (“**Demerger**”). As part of the scheme, the shareholders of the Company would be issued shares by the Resulting Company as per the share entitlement ratio of 1:1.
- (ii) transfer of the Business Undertaking 1 (*as defined in the Scheme*) of the Company comprising, *inter-alia*, of the stainless steel manufacturing facilities of the Company located at Hisar, Haryana and vesting of the same with the Resulting Company on a going concern basis by way of a Slump Sale (*as defined in the Scheme*) for a lump sum consideration of Rs. 2809,79,51,880 (rounded off) (Rupees Two Thousand Eight Hundred Nine Crore Seventy Nine Lakh Fifty One Thousand Eight Hundred and Eighty) to be discharged in the manner provided in the Scheme in accordance with Section 2 (42C) of the Income Tax Act, 1961 (**Slump Sale 1**);
- (iii) transfer of the Business Undertaking 2 (*as defined in the Scheme*) of the Company comprising, *inter-alia*, of the hot strip plant of the Company located at Odisha and vesting of the same with Jindal United Steel Limited on a going concern basis by way of a Slump Sale (*as defined in the Scheme*) for a lump sum consideration of Rs. 2412,67,33,110 (rounded off) (Rupees Two Thousand Four Hundred and Twelve Crore Sixty Seven Lakh Thirty Three Thousand One Hundred and Ten) to be discharged in the manner provided in the Scheme in accordance with Section 2 (42C) of the Income Tax Act, 1961 (“**Slump Sale 2**”);
- (iv) transfer of the Business Undertaking 3 (*as defined in the Scheme*) of the Company comprising, *inter-alia*, of the coke oven plant of the Company located at Odisha and vesting of the same with Jindal Coke Limited on a going concern basis by way of a Slump Sale (*as defined in the Scheme*) for a lump sum consideration of Rs 492,64,70,730 (rounded off) (Rupees Four Hundred Ninety Two Crore Sixty Four Lakh Seventy Thousand Seven Hundred and Thirty) to be discharged in the manner provided in the Scheme in accordance with Section 2 (42C) of the Income Tax Act, 1961 (“**Slump Sale 3**”);
- (v) other matter incidental to the Scheme.



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The Scheme will become effective upon receipt of approval, *inter-alia*, from the BSE Limited and National Stock Exchange of India Limited, Securities Exchange Board of India, the shareholders and creditors of the Company, the High Court of Punjab and Haryana and filing of the Order of the High Court approving the Scheme with the concerned Registrar of Companies. The Scheme contemplates that different sections of the Scheme may become effective on different dates.

Upon the Scheme becoming effective, 'Jindal Stainless (Hisar) Limited, the Resulting Company will seek listing of its equity shares on the BSE Limited and National Stock Exchange of India Limited and seek listing at 'Luxembourg Stock Exchange of its Global Depository Shares.

- (II) The Board also took a note of the consent of domestic lenders to the "Asset Monetization cum Business Reorganization Plan" ('AMP') of the Company conveyed through the letter dated December 26, 2014 issued by 'Corporate Debt Restructuring Cell" ('CDR-EG').

You are requested to kindly take the above on record.

Thanking You

For **Jindal Stainless Limited**

(Jitendra Kumar)
Company Secretary



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