

23rd September, 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:
The Company Secretary
Jindal Stainless Limited
O.P. Jindal Marg, Hisar – 125 005
Email: navneet.raghuvanshi@jindalstainless.com

Enclosed as above

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 33,19,08,559 shares constituting 68.12% 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

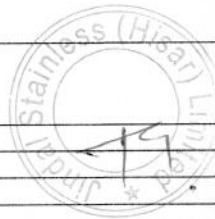
This disclosure is further to disclosures submitted with the Exchange on 4 October, 2019 and 26 June, 2020, wherein reasons of encumbrance created earlier on equity shares of Jindal Stainless Limited held by Promoter Group were mentioned in detail.

Details of all the existing events/ agreements pertaining to encumbrance

Encumbrance 1	
Date of creation of encumbrance	
Unattested Share Pledge Agreement(s) dated 24 August, 2020 ("the Agreement") was executed amongst SBICAP Trustee Company Limited, Security Trustee (acting on behalf of and for the benefit of IndusInd Bank Limited, the Lender), Jindal Stainless Limited ("JSL") and certain promoter group companies of JSL. Please note that multiple promoter group entities, spreading across different locations, were parties to the said Agreement and due to the challenges arising out of present pandemic situations, the last entity signed the Agreement on 21 September, 2020. Hence this disclosure is being made within 2 working days of the signing by the last party to the Agreement.	
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)	Creation of pari-passu 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)
	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.
	Names of all other entities in the agreement
	SBICAP Trustee Company Limited, Security Trustee, acting on behalf of and for the benefit of IndusInd Bank Limited, the lender of Rs. 400 Crore term loan being availed by Jindal Stainless Limited.
	SBICAP Trustee Company Limited, Security Trustee, acting on behalf of and for the benefit of IndusInd Bank Limited ("IBL") is registered with SEBI. Jindal Stainless Limited ("JSL") has availed a term loan of Rs. 400 Crore from IBL, a scheduled commercial bank.
	In terms of facility agreement dated 12 December 2019, executed between IBL and JSL, JSL has availed a term loan facility of INR 400,00,00,000/- (Rupees Four Hundred Crores Only) from IBL. The aforesaid term loan is primarily secured by JSL's assets on pari-passu basis with existing lenders of JSL. In addition the said term loan is also secured by collateral securities viz guarantee(s) by promoter/certain entities of promoter group of JSL & pledge of equity shares (as mentioned in attached Annexure 1) held by them in JSL on pari-passu basis with the existing lenders of JSL. Accordingly, the Agreement(s) were executed amongst the promoter group companies of JSL (as mentioned in attached Annexure 1), SBICAP Trustee Company Limited, Security Trustee (acting on behalf of and for the benefit of IndusInd Bank Limited) and JSL.



	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	No, the present pari-passu pledge created on equity shares of JSL is not related to any debt instrument.
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	There is no stipulation of any minimum security cover/ asset cover linked to value of shares. 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 IBL 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.
	Amount involved (against which shares have been encumbered) (B)	
	Ratio of A / B	
End use of money	Borrowed amount to be utilized for what purpose – a. Personal use by promoters and PACs b. For the benefit of listed company Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc. a. Any other reason (please specify)	The equity shares as referred to in attached Annexure 1 have been pledged on pari-passu basis with the existing lenders of Jindal Stainless Limited ("JSL") as collateral security by Promoter group entities of JSL to secure term loan of Rs. 400 Crore availed by JSL to fund the maintenance capex incurred/to be incurred by JSL for FY 20/FY21 and Long Term Working Capital requirements of JSL. The Tenor is 7 years with structured quarterly repayments after a moratorium of 18 months. The borrowed amount was not meant for any personal use by promoters and PACs.
Signature of Authorised Signatory:		
		
Place:	Hisar	
Date:	23 September, 2020	



Annexure 1

Sl. No.	Name of the Promoter Group Company of Jindal Stainless Limited ("JSL")	No. of Equity shares held in JSL	No. of Equity Shares Pledged on pari-passu basis to secure Term Loan	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.)	8,11,350	8,11,350	0.17	0.24
2	Colorado Trading Company Ltd.	20,74,930	20,23,165	0.42	0.61
3	Everplus Securities & Finance Limited	11,57,835	11,57,835	0.24	0.35
4	Gagan Trading Company Ltd.	24,54,295	24,49,070	0.50	0.74
5	Goswamis Credits & Investment Limited	8,77,795	6,43,500	0.13	0.19
6	Hexa Securities & Finance Co. Ltd.	49,31,175	49,27,470	1.01	1.48
7	Jindal Equipment Leasing & Consultancy Services Ltd.	57,35,555	57,35,555	1.18	1.73
8	JSW Holdings Limited	4,60,720	4,60,720	0.09	0.14
9	Manjula Finances Limited	10,12,080	10,11,000	0.21	0.30
10	Mansarover Tradex Ltd. (formerly Mansarover Investments Ltd.)	37,97,210	37,97,210	0.78	1.14
11	Meredith Traders Pvt. Ltd.	4,22,210	4,20,595	0.09	0.13
12	Nalwa Engineering Co Ltd.	7,47,290	7,47,290	0.15	0.23
13	Nalwa Investment Ltd.	17,07,110	17,07,110	0.35	0.51
14	Nalwa Sons Investments Ltd.	3,47,945	3,47,945	0.07	0.10
15	Renuka Financial Services Limited	8,86,620	8,85,260	0.18	0.27
16	Rohit Towers Building Ltd	31,200	31,200	0.01	0.01
17	Stainless Investments Ltd.	14,42,895	14,42,895	0.30	0.43
18	Sun Investments Pvt. Ltd.	92,96,780	92,95,270	1.91	2.80
19	Vrindavan Services Private Limited	49,46,705	49,46,705	1.02	1.49
20	Jindal Stainless (Hisar) Limited	16,82,84,309	7,84,15,662	16.09	23.63
21	Jindal Strips Ltd.	53,14,090	53,14,090	1.09	1.60
22	Siddheshwari Tradex Pvt. Ltd.	27,55,890	27,55,890	0.57	0.83
23	Jindal Rex Exploration Pvt. Ltd.	9,29,730	9,29,730	0.19	0.28
	Total	22,04,25,719	13,02,56,517	26.73	39.24

