

29th December, 2020

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Security Code No. : JSL

Sub.: Press Release

Dear Sir(s),

We are enclosing herewith copy of Press Release being issued by the Company today.

Kindly host the same on your website.

Thanking You.

Yours Faithfully,
For **Jindal Stainless Limited**


Navneet Raghuvanshi
Company Secretary

Enclosed as above

Jindal Stainless Limited

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Mega stainless steel entity to take shape with merger of Jindal Stainless (Hisar) Limited into Jindal Stainless Limited

Merged entity will enter the league of top 10 stainless steel companies in the world

Key Highlights:

- ***Transaction between Jindal Stainless (Hisar) Limited and Jindal Stainless Limited is an all-equity merger; Appointed date: April 1, 2020***
- ***Shareholders of Jindal Stainless (Hisar) Limited shall be issued equity shares of Jindal Stainless Limited in the ratio of 1: 1.95***
- ***Merged entity to have stainless steel melt production capacity of 1.9 Million Tonnes Per Annum (MTPA)***
- ***Merged entity to have an extensive network of 8 service centres spread across India and overseas to bolster 'Just-in-Time' approach***
- ***Merged entity will be a single listed Company with strong balance sheet and simplified capital structure, unlocking value for all stakeholders***
- ***Merger to create an integrated entity with enhanced downstream capabilities***
- ***Merger to rationalise operational and management efficiency***
- ***Merged entity to have a diversified end-to-end product portfolio including 120+ stainless steel grades and a 360-degree approach to cater customers from all segments***

New Delhi, December 29, 2020: The Board of Directors of Jindal Stainless Limited (JSL) and Jindal Stainless (Hisar) Limited (JSHL) today accepted the recommendations of the respective Board Committees and approved the merger of JSHL into JSL. As per the approved share swap ratio, 195 equity shares of JSL will be issued for every 100 equity shares of JSHL.

Managing Director, JSL & JSHL, Mr Abhyuday Jindal said, ***"I am confident that the proposed merger of JSHL into JSL will enhance value to shareholders of both the Companies. The consolidation will enable harnessing of the complementing strengths of the individual Companies. Seamless integration of infrastructure, processes and operational synergies, along with a strengthened balance sheet, would improve financial flexibility. The merger of JSL and JSHL will also induce a simplified capital structure, expanding the turnover of the merged business to ~Rs 20,000 crore. With 1.9 MTPA melt capacity, the merged entity will be the only Indian Company in the league of top 10 stainless steel companies in the world. This transition will also bolster the government 'Atmanirbhar Bharat' mission."***

Rationale: Consolidation of complementing strengths

Merger of JSHL into JSL will create a mega stainless steel entity that will be among the top 10 stainless steel companies in the world and the largest stainless steel company in India. The merger will not only enhance the Company's product portfolio, along with a 360-degree reach to better serve its customers,

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but will also offer a seamless, single-window, pan-India, as well as global network access to customers and further boost the 'Just-in-Time' approach. The consolidation of businesses will recast the merged entity as an integrated, modern and 'state-of-the-art' manufacturing facility, bringing the diversified technology, talent and R&D under one roof. The merger will lead to the realisation of enhanced operational synergy, with JSL's proximity to port and raw materials, along with world-class finishing lines, and JSHL's strategic location around key domestic consumption centres. Furthermore, the merged entity will present reinvestment opportunities for growth by leveraging ready infrastructure at Jajpur for cost-efficient Brownfield expansions.

Structure and timelines:

Post the merger, JSL will be the single listed entity on the stock exchanges and the promoter holding will be ~57%, while the remaining 43% will be held by the public. As per the proposed structure, the mobility business of JSL Lifestyle Limited, a domestic subsidiary of JSHL, would be merged into JSL. Non-mobility businesses would be carved out as a separate new entity, named Jindal Lifestyle Limited. Post restructuring, Jindal Stainless Steelway Limited (JSSL) and Jindal Lifestyle Limited will operate as Indian subsidiaries, while overseas operational subsidiaries of JSL in Spain and Indonesia will continue to operate as business units of merged JSL. With the appointed date of April 1, 2020, the merger process is expected to be completed in H2 FY22. The merger is subject to approvals from statutory authorities, shareholders, creditors, and NCLT.

About Jindal Stainless Limited:

Jindal Stainless Limited is the largest manufacturer of stainless steel in India with a capacity of 1.1 MTPA. The state-of-the-art unit of Jindal Stainless Limited is located in the eastern part of India, in the state of Odisha. The plant comprises ferro-alloy facilities with world-class technology and equipment. The manufacturing complex, equipped with a captive power generation facility, is eventually scalable up to 3.2 MTPA of stainless steel production.

About Jindal Stainless (Hisar) Limited:

Jindal Stainless (Hisar) Limited (JSHL) is an integrated stainless steel manufacturer with facilities starting from melting, casting, and hot rolling to cold rolling and other value additions. JSHL has a melt capacity of 0.8 MTPA. It is also the world's largest producer of stainless steel strips for razor blades and India's largest producer of coin blanks, serving the needs of Indian and international mints. JSHL's Specialty Product Division (SPD) caters to the high-end precision and specialty stainless steel requirements of reputed Indian and international customers.