

# **JSL LIMITED**

CIN: U29141DL2008PLC184451

Regd. Office: 28, Najafgarh Road, New Delhi – 110 015.

1<sup>st</sup> February, 2021

## **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 in prescribed format – Annexure II.

You are requested to take the above information on record.

Thanking you,

Yours faithfully,

**For JSL Limited**  
**(Acting on behalf of Promoter/Promoter Group of Jindal Stainless Limited)**

  
**(Navneet Raghuvanshi)**  
**Director**

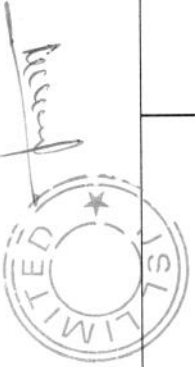
**CC:**  
The Company Secretary  
Jindal Stainless Limited  
O.P. Jindal Marg, Hisar – 125 005  
Email: navneet.raghuvanshi@jindalstainless.com

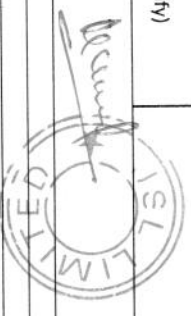

Enclosed as above

## Format for disclosure of reasons for encumbrance

(In addition to Annexure-1 prescribed by way of circular dated August 5, 2015)

Name of Listed Company	Jindal Stainless Limited ("JSL/the Company")
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 <b>Annexure 1</b> mentioning list of Promoter(s)/PAC's 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 <b>Annexure 1</b>
Whether encumbered share is 50% or more of promoter shareholding	Yes
Whether encumbered share is 20% or more of total share capital	Yes
<b>Details of all the existing events/ agreements pertaining to encumbrance</b>	
<b>Encumbrance 1</b>	
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 <b>Annexure 1</b>
Name of the entity in whose favour shares encumbered (X)	SBICAP Trustee Company Limited, acting on behalf of the lenders of JSL as mentioned in <b>Annexure 2</b>
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 is registered with SEBI. The details of the lenders are mentioned in <b>Annexure 2</b> .



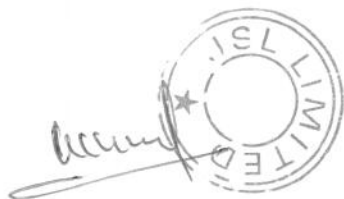
<p>Specific details about the encumbrance</p>	<p>Names of all other entities in the agreement</p> <p>As mentioned above JSL has outstanding credit facilities (Term Loan and Working Capital) from consortium of lenders for which the assets of JSL have been hypothecated as the primary security. Additionally certain Promoters of JSL had created pledge on shares of JSL to provide collateral / secondary security for the same. The said arrangement also provided to create security by way of pledge on shares of JSL on future allotments made to the Promoters of JSL in an agreed manner. In compliance of the terms of the facility agreement(s), on 29 January, 2021, JSL Limited and Virtuuous Tradecorp Private Limited, Promoter Group entities of JSL have created pledge on 40,86,600 and 97,82,609 equity shares respectively, held by them in JSL. Consequently the collective number of equity shares pledged by the Promoter/Promoter group entities of JSL in favour of SBICAP Trustee Company Limited to provide collateral security are 19,77,01,936.</p>
<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>Not Applicable.</p>
<p>Value of shares on the date of event / agreement (A)</p> <p>Amount involved (against which shares have been encumbered) (B)</p> <p>Security Cover / Asset Cover</p>	<p>The ratio of security cover to asset cover is not applicable as no loan raised against the above-mentioned shares (LAS) and therefore there is no linkage between the pledged shares and their market value. Accordingly there is no requirement of maintaining any margin, since the aforesaid shares are offered only as a collateral / secondary security and the aforesaid financial facilities are secured by the assets of JSL as the primary security. As explained above, the facilities were required to be additionally secured by way of pledge of promoter/promoter group shareholding in the Company as a collateral security. The said promoters/promoter group shareholding is pledged in favour of SBICAP Trustee Company Limited to secure the financial facilities availed by the JSL and not by the Promoters/promoter group for their private ventures.</p>
<p>Ratio of A / B</p> <p>Borrowed amount to be utilized for what purpose –</p> <p>a. Personal use by promoters and PACs</p> <p>b. For the benefit of listed company</p> <p>End use of money</p> <p>Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc.</p> <p>a. Any other reason (please specify)</p>	<p>The said pledged shares are only in the nature of additional/collateral security without any possibility of marginal calls that the lenders can make in the event of decline in the trading price of the shares so pledged, on the stock exchanges. The primary security in favour of the Lenders continues to remain over the assets of JSL, which continues to maintain comfortable Fixed Asset Coverage Ratio.</p> <p>There is no new disbursement/facility being availed by the Company against the pledge of shares of JSL (40,86,600 shares by JSL Limited and 97,82,609 shares by Virtuuous Tradecorp Private Limited, Promoter Group entities). The pledge of said shares is being done to comply with the existing terms of the facility.</p>
<p>Signature of Authorised Signatory:</p>	
<p>Place: <u>HISAR</u></p> <p>Date: <u>01-Feb-21</u></p>	

## Annexure 1

Sl. No.	Name of the Promoter Group Company	No. of Equity shares held in JSL	No. of Equity Shares Pledged	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
24	Jindal Overseas Holding Limited**	7,09,95,424	5,35,76,210	11.00	16.14
25	JSL Limited	80,80,440	40,86,600	0.84	1.23
26	Virtuous Tradecorp Private Limited	1,91,81,586	97,82,609	2.01	2.95
	<b>Total</b>	<b>31,86,83,169</b>	<b>19,77,01,936</b>	<b>40.58</b>	<b>59.57</b>

\*Jindal Stainless (Hisar) Limited ("JSHL") has also pledged 8,98,68,647 equity shares of JSL to secure financial facilities sanctioned to JSHL.

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



**NAME OF LENDER(S) UNDER AMENDED & RESTATED CORPORATE TERM LOAN AGREEMENT AND AMENDED & RESTATED WORKING CAPITAL CONSORTIUM AGREEMENT FOR FINANCIAL FACILITIES SANCTIONED TO JINDAL STAINLESS LIMITED**

<b>Sl. No</b>	<b>Name of Lender</b>	<b>Category</b>
1	State Bank of India	Scheduled Commercial Bank as per Schedule II of RBI Act, 1934
2	Punjab National Bank	
3	Canara Bank	
4	Bank of Baroda	
5	ICICI Bank Limited	
6	Axis Bank Limited	
7	Standard Chartered Bank	

A handwritten signature in blue ink is written over a circular stamp. The stamp contains the text "JSL LIMITED" around the perimeter and a star in the center.