JINDAL STAINLESS

November 17, 2015

BSE Limited
P J Towers, Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Limited
Exchange Plaza, Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

Sub.: Summary on Composite Scheme of Arrangement

Dear Sir / Madam,

Please find enclosed a brief note on the Composite Scheme of Arrangement (the "Scheme") and the summary of the re-casted financial statements of Jindal Stainless Limited (existing listed company) and Jindal Stainless (Hisar) Limited (proposed to be listed on stock exchanges under Rule 19(2)(b) of Securities Contract (Regulation) Rules, 1957).

This communication is for ease of understanding the Scheme for the investors and its impact on the financial statements of Jindal Stainless Limited (before giving effect to Section III & IV of the Scheme) and Jindal Stainless (Hisar) Limited (after giving effect to Section I & II of the Scheme).

For any further clarifications, investors are advised refer to the Scheme or to consult their stock broker or investment consultant.

Thanking you,

Yours sincerely,
For **Jindal Stainless Limited**

Jindal Stainless Limited

Raajesh Kumar Gupta
Company Secretary

Encl.: a.a.

Highlights of the Composite Scheme of Arrangement

The Composite Scheme of Arrangement (the "Scheme") between Jindal Stainless Limited ("JSL"), Jindal Stainless (Hisar) Limited ("JSHL"), Jindal United Steel Limited ("JUSL") and Jindal Coke Limited ("JCL") and their respective shareholders and creditors has been approved by the Hon'ble High Court of Punjab and Haryana at Chandigarh ("High Court") vide their order dated September 21, 2015 (as modified on October 12, 2015). The certified true copy of the order of the High Court was filed with the Registrar of Companies, NCT of Delhi and Haryana on November 01, 2015. The Scheme comprises of four Sections as under:

Section	Demerger / Slump sale	Consideration	Status	Record Date
Section I	Demerger of the Ferro Alloys division and the Mining Division ("Demerged Undertakings") of JSL and vesting of the same in JSHL.	The boards of directors of JSHL and JSL, respectively have determined the share entitlement ratio as: For every 1 (One) equity share having face value of Rs. 2 (Rupees Two) each held in JSL as on the Record Date, the equity shareholders of JSL shall be issued 1 (One) equity share having face value of Rs. 2 (Rupees Two) each, credited as fully paid-up, in JSHL.	The effective date of Section I of the Scheme is November 01, 2015. Section I of the Scheme have become effective from the Appointed Date 1 i.e. Close of business hours before midnight of March 31, 2014 as per the terms of the Scheme.	November 21, 2015
Section II	Transfer of business undertaking relating to the Hisar Unit[1] of JSL (Business Undertaking 1") and vesting of the same in JSHL by way of slump sale	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 as under: (a) An amount of Rs. 2600,00,00,000 (Rupees Two Thousand Six Hundred Crore) shall be paid in cash to JSL; and (b) The balance amount of Rs. 209,79,51,880 (Rupees Two Hundred Nine Crore Seventy Nine Lakh Fifty One Thousand Eight Hundred and Eighty) shall be set off against an equivalent amount out of Rs. 575,98,18,450 (Rupees Five Hundred Seventy Five Crore Ninety Eight Lakh Eighteen Thousand Four Hundred	The effective date of Section II of the Scheme is November 01, 2015. Section II of the Scheme have become effective from the Appointed Date 1 i.e. Close of business hours before midnight of 31st March, 2014 as per the terms of the Scheme.	November 21, 2015

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Section	Demerger / Slump sale	Consideration	Status	Record Date
		and Fifty) being the amount due and payable by JSL to JSHL as receivables due to JSHL from JSL as of Appointed Date 1 as a result of the implementation of Section I of the Scheme. An amount of Rs. 575,98,18,450 (Rupees Five Hundred and Seventy Five Crores Ninety Eight Lakhs Eighteen Thousand Four Hundred and Fifty) will be due and payable by JSL to JSHL as receivables due as a result of the implementation of Section I of the Scheme. The same shall stand discharged by JSL to the extent of Rs. 209,79,51,880 (Rupees Two Hundred Nine Crore Seventy Nine Lakh Fifty One Thousand Eight Hundred and Eighty) pursuant to clause (b) as aforesaid, and the balance outstanding amount of Rs. 366,18,66,570 (Rupees Three Hundred and Sixty Six Crore Eighteen Lakh Sixty Six Thousand Five Hundred and Seventy) shall stand discharged by JSL by way of issue and allotment of equity shares having face value of Rs. 2 (Rupees two) each of JSL to JSHL, on the record date jointly decided by the boards of directors of JSL and JSHL.		
Section III	Transfer of business undertaking related to HSM Plant[2] (Business Undertaking 2") and vesting of the same in JUSL by way of slump sale	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 as under: (a) An amount of Rs. 2150,00,00,000 (Rupees Two Thousand One Hundred and Fifty Crore) shall be paid in cash to JSL; and (b) JUSL shall, without any further act or deed, issue and allot, to JSL 17,50,00,000 (Seventeen Crore Fifty Lakh) non-cumulative compulsorily convertible preference shares having face value of Rs. 10 (Rupees Ten) each having a coupon rate of 0.01% (Zero point zero one percent.) per annum and having such others terms as may be agreed between the boards of directors of JSL and JUSL, respectively, and set out in the terms of issue of such	Sections III of the Scheme will become effective upon receipt of approval from Orissa Industrial Infrastructure Development Corporation.	N.A.

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Section	Demerger / Slump sale	Consideration	Status	Record Date
		non-cumulative compulsorily convertible preference shares; and (ii) 8,76,73,311 (Eight Crore Seventy Six Lakh Seventy Three Thousand Three Hundred and Eleven) non-cumulative non-convertible redeemable preference shares having face value of Rs. 10 (Rupees Ten) each and coupon rate of 10% (Ten percent.) per annum and having such others terms as may be agreed between the boards of directors of JSL and JUSL, respectively, and set out in the terms of issue of such non-cumulative non-convertible redeemable preference shares, by way of discharge of the remainder of the lump-sum consideration payable by JUSL to JSL after adjustment of the amount paid to JSL in accordance with (a) above.		
Section IV	Transfer of business undertaking relating to the Coke Plant[3] (Business Undertaking 3") and vesting of the same in JCL by way of slump sale	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 as under: (a) An amount of Rs. 375,00,00,000 (Rupees Three Hundred and Seventy Five Crore) shall be paid in cash to JSL; and (b) JCL shall, without any further act or deed, issue and allot, to JSL, 2,60,00,000 (Two Crore and Sixty Lakhs) non-cumulative compulsorily convertible preference shares having face value of Rs. 10 (Rupees Ten) each having a coupon rate of 0.01% (Zero point zero one percent.) per annum and having such others terms as may be agreed between the boards of directors of JSL and JCL, respectively, and set out in the terms of issue of such non-cumulative compulsorily convertible preference shares; and (ii) 9,16,47,073 (Nine Crore Sixteen Lakh Forty Seven Thousand and Seventy Three) non-cumulative non-convertible redeemable preference shares having face value of Rs. 10 (Rupees Ten) each and coupon rate of 10% (Ten percent.) and having such others terms as may be agreed between the boards	Sections IV of the Scheme will become effective upon receipt of approval from Orissa Industrial Infrastructure Development Corporation.	N.A.

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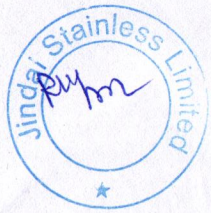
Section	Demerger / Slump sale	Consideration	Status	Record Date
		of directors of JSL and JCL, respectively, and set out in the terms of issue of such non-cumulative non-convertible redeemable preference shares, by way of discharge of the remainder of the lump-sum consideration payable by JCL to JSL after adjustment of the amount paid to JSL in accordance with (a) above.		

[1] *"Hisar Unit" means (i) all the manufacturing facilities of JSL located at O.P. Jindal Marg, Hisar 125 005, Haryana, India, including, without limitation, the stainless steel manufacturing facility, the special steel facility and the coin blank facility of JSL and the operations thereat; and (ii) the investments of JSL in the domestic subsidiaries listed in Part B of Schedule 2 hereto, and inter-corporate loans and advances made by JSL to the companies referred to Part B of Schedule 2 hereto. All references to Schedules mentioned herein refer to the respective Schedules of the Scheme.*

[2] *"HSM Plant" means the hot strip mill, plate finishing facility, bell annealing facility and other allied facilities of JSL located at Kalinga Nagar Industrial Complex, Duburi 755 026, District Jajpur, Odisha, India, and the operations thereat.*

[3] *"Coke Plant" means the coke oven plant and other allied facilities of JSL located at Kalinga Nagar Industrial Complex, Duburi 755 026, District Jajpur, Odisha, India, and the operations thereat.*

Capitalized terms not defined herein shall have the same meaning as ascribed to them in the Composite Scheme of Arrangement. For complete details of the Scheme, shareholders are advised to refer to the Composite Scheme of Arrangement available on the website of the Company (http://www.jindalstainless.com/compositescheme.php).

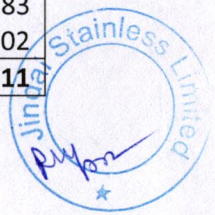


Summary of the financial statements of JSL pre & post implementation of Section I & Section II of the Scheme

A. Statement of Assets and Liabilities (Standalone)

(Rs. in Crores)

Particulars	Six months ended September 30, 2015	Financial year ended March 31, 2105	
	(Unaudited) (Post Scheme)	(Audited) (Post Scheme)	(Audited) (Pre Scheme)
EQUITY & LIABILITIES			
Shareholders' funds			
- Share capital	46.24	46.24	46.24
- Share capital suspense account	366.19	366.19	-
- Reserves and Surplus	(607.00)	(218.21)	(588.87)
Shareholders' funds (A)	**(194.57)**	**194.21**	**(542.63)**
Non-current liabilities			
- Long term borrowings	8,275.05	8,070.23	8,070.23
- Deferred tax liabilities (net)	-	-	-
- Other long term liabilities	137.66	209.07	209.07
- Long term provisions	4.53	5.21	10.77
Non-current liabilities (B)	**8,417.24**	**8,284.51**	**8,290.07**
Current liabilities			
- Short term borrowings	1,823.85	2,333,14	3,186.86
- Trade payables	1,519.71	1,315.73	2,634.10
- Other current liabilities	1,937.20	1,399.77	1,570.59
- Short term provisions	4.34	2.30	6.70
Current liabilities (C)	**5,285.10**	**5,050.94**	**7,398.25**
Equity & Liabilities (A + B + C)	**13,507.77**	**13,529.66**	**15,145.69**
ASSETS			
Non-current Assets			
- Fixed Assets	7,487.57	7,531.52	9,176.50
- Non-current investments	102.73	103.13	153.76
- Long term loans and advances	161.81	161.82	234.83
- Other non-current assets	0.23	0.20	9.02
Non-current Assets (D)	**7,752.34**	**7,796.67**	**9,574.11**



Particulars	Six months ended September 30, 2015	Financial year ended March 31, 2105	
	(Unaudited) (Post Scheme)	(Audited) (Post Scheme)	(Audited) (Pre Scheme)
Current Assets			
- Current Investments	0.30	0.31	0.31
- Inventories	1,754.43	1,720.57	3,016.77
- Trade receivables	991.12	956.78	1,880.20
- Cash and cash equivalents	33.84	41.14	43.22
- Short term loans and advances	2,973.65	3,012.86	626.66
- Other current assets	2.08	1.33	4.42
Current Assets (E)	**5,755.43**	**5,732.99**	**5,571.58**
Assets (D + E)	**13,507.77**	**13,529.66**	**15,145.69**

B. Summary of statement of profit and loss(Standalone)

(Rs. in Crores)

Particulars	Six months ended September 30, 2015	Financial year ended March 31, 2105	
	(Unaudited) (Post Scheme)	(Audited) (Post Scheme)	(Audited) (Pre Scheme)
Total income from operations	3,262.13	6,010.94	12,802.47
Total expenses	3,140.94	6,099.48	12,267.00
Profit from operations before other income, finance cost and exceptional items	**121.19**	**(88.54)**	**535.47**
Add: Other Income	13.92	52.79	72.40
Profit from operations before finance cost and exceptional items	**135.11**	**(35.75)**	**607.87**
Less: Finance Cost	498.22	915.81	1,363.06
Less: Exceptional items	(25.48)	1,173.19	28.99
Profit / (loss) from Ordinary activities before tax	**(388.59)**	**221.63**	**(726.20)**
Provision for tax	-	(1.45)	(1.45)
Net Profit / (loss) from Ordinary activities after tax	**(388.59)**	**223.08**	**(724.75)**
Extra ordinary items	-	-	-
Net Profit / (loss) for the period	**(388.59)**	**223.08**	**(724.75)**

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Summary of the financial statements of JSHL pre & post implementation of Section I & Section II of the Scheme

A. Statement of Assets and Liabilities

(Rs. in crores)

Particulars	Six months ended September 30, 2015	Financial year ended March 31, 2105	
	(Unaudited) (Post Scheme)	(Audited) (Post Scheme)	(Audited) (Pre Scheme)
EQUITY & LIABILITIES			
Shareholders' funds			
- Share capital / Share capital suspense account	46.24	46.24	0.05
- Reserves and Surplus	555.16	551.12	(0.01)
Shareholders' funds (A)	**601.39**	**597.36**	**0.04**
Non-current liabilities			
- Long term borrowings	-	-	-
- Deferred tax liabilities (net)	-	-	-
- Other long term liabilities	-	-	-
- Long term provisions	6.36	5.57	-
Non-current liabilities (B)	**6.36**	**5.57**	**-**
Current liabilities			
- Short term borrowings	1,153.24	853.72	-
- Trade payables	1,105.92	1,318.37	-
- Other current liabilities	2,973.23	2,997.57	0.02
- Short term provisions	7.81	5.61	-
Current liabilities (C)	**5,240.20**	**5,175.27**	**0.02**
Equity & Liabilities (A + B + C)	**5,847.95**	**5,778.20**	**0.06**
ASSETS			
Non-current Assets			
- Fixed Assets	2,486.31	2,613.00	-
- Non-current investments	416.77	416.77	-
- Long term loans and advances	73.16	73.01	-
- Other non-current assets	11.98	8.83	-
Non-current Assets (D)	**2,988.22**	**3,111.61**	**-**

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Particulars	Six months ended September 30, 2015	Financial year ended March 31, 2105	
	(Unaudited) (Post Scheme)	(Audited) (Post Scheme)	(Audited) (Pre Scheme)
Current Assets			
- Current Investments	-	-	-
- Inventories	1,277.04	1,296.21	-
- Trade receivables	833.29	923.41	-
- Cash and cash equivalents	0.22	2.14	0.06
- Short term loans and advances	746.08	441.73	-
- Other current assets	3.10	3.10	-
Current Assets (E)	**2,859.73**	**2,666.59**	**0.06**
Assets (D + E)	**5,847.95**	**5,778.20**	**0.06**

B. Summary of statement of profit and loss

(Rs. in Crores)

Particulars	Six months ended September 30, 2015	Financial year ended March 31, 2105	
	(Unaudited) (Post Scheme)	(Audited) (Post Scheme)	(Audited) (Pre Scheme)
Total income from operations	3,445.82	7,401.44	-
Total expenses	3,176.75	6,980.47	0.01
Profit from operations before other income, finance cost and exceptional items	**269.07**	**420.97**	**(0.01)**
Add: Other Income	13.56	22.62	-
Profit from operations before finance cost and exceptional items	**282.63**	**443.59**	**(0.01)**
Less: Finance Cost	255.83	447.24	-
Less: Exceptional items	(22.76)	15.97	-
Profit / (loss) from Ordinary activities before tax	**4.04**	**12.32**	**(0.01)**
Provision for tax	-	-	-
Net Profit / (loss) from Ordinary activities after tax	**4.04**	**12.32**	**(0.01)**
Extra ordinary items	-	-	-
Net Profit / (loss) for the period	**4.04**	**12.32**	**(0.01)**

