JINDAL STAINLESS

February 22, 2017

BSE Limited
Corporate Relationship Department,
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, Mumbai – 400 001
Ph. 022 - 2272 3121, 2037, 2041,
3719, 2039, 2272 2061
Email: corp.relations@bseindia.com
Security Code No.: 539597

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot no. C/1, G Block
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Ph. 022 -2659 8237, 8238, 8347, 8348
Email: cmlist@nse.co.in
hsurati@nse.co.in
Security Code No. : JSLHISAR

Sub: Postal Ballot Notice and Postal Ballot Form

Dear Sir/Madam,

In compliance with the Regulation 30 read with Schedule III and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Postal Ballot Notice and Postal Ballot Form, pursuant to the provisions of Section 110 of the Companies Act, 2013 and rules made thereunder.

Kindly host the same on your website and acknowledge receipt of the same.

Thanking You.

Yours faithfully,
For **Jindal Stainless (Hisar) Limited**

Jindal Stainless (Hisar) Limited

(Bhartendu Harit)
Company Secretary

Encl: A/a

Jindal Stainless (Hisar) Limited

(CIN: L27205HR2013PLC049963)
Regd. Office: O.P. Jindal Marg, Hisar – 125 005 (Haryana), India
Phone No.: (01662) 222471-83, Fax No. (01662) 220499
Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi– 110066.
Phone No.: (011) 26188345-60, 41462000, Fax No. (011) 41659169, 26101562
Email Id.: investorcare.jshl@jindalstainless.com; Website: www.jshlstainless.com

NOTICE OF POSTAL BALLOT
PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013

Dear Members,
Jindal Stainless (Hisar) Limited

Pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with Rule 22 of The Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company is seeking consent of its members for passing the resolution by means of voting by postal ballot (including voting through electronic means). Accordingly, the said resolutions and the explanatory statements stating all material facts and the reasons for the proposal is appended below and a postal ballot form is enclosed for your consideration. The Company has appointed Mr. Sandeep Garg, Advocate as the Scrutinizer who is not in the employment of the Company, for conducting the postal ballot process, including e-voting, in a fair and transparent manner.

SPECIAL BUSINESS:

1. TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

APPROVAL OF RELATED PARTY TRANSACTION REGARDING PROVIDING SECURITY FOR JINDAL STAINLESS LIMITED (JSL) BY WAY OF PLEDGE OF SHARES OF JSL HELD BY THE COMPANY, IN FAVOUR OF SBICAP TRUSTEE COMPANY LIMITED.

"**RESOLVED THAT** pursuant to the provisions of Section 188, 186 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals, permissions and sanctions, as may be necessary, the consent of the Company be and is hereby accorded for pledge of upto 16,82,84,309 (Sixteen Crore Eighty Two Lakhs Eighty Four Thousand Three Hundred Nine) equity shares of Jindal Stainless Limited ("JSL") held by the Company, in favour of SBICAP Trustee Company Limited, a company incorporated under the Companies Act, 1956, having CIN U65991MH2005PLC158386 ("**Security Trustee**"), acting as a Security Trustee for and on behalf of the Lenders (being the lenders from whom Jindal Stainless Limited had availed financial facilities) to secure the obligations of Jindal Stainless Limited, a 'related party' of the Company under Section 2(76) of the Companies Act, 2013."

RESOLVED FURTHER THAT the Board of Directors, including any Committee thereof, ("Board") be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary and to delegate all or any of the powers herein conferred, to any Director(s) or Chief Financial Officer, Company Secretary or any other officer of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

2. TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

APPROVAL TO GIVE GUARANTEE IN FAVOUR OF AXIS BANK LIMITED, ACTING AS AGENT ON BEHALF OF LENDERS OF JINDAL STAINLESS LIMITED, FOR SECURING THE EXTERNAL COMMERCIAL BORROWINGS (ECBs) OF USD 50 MILLION OF JINDAL STAINLESS LIMITED.

"**RESOLVED THAT** pursuant to the provisions of Sections 188, 186 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such other approvals, permissions and sanctions, as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to

include any Committee(s), which the Board may have constituted or may constitute to exercise powers conferred on the Board by this resolution) for Corporate Guarantee in favour of Axis Bank Limited, Hong Kong Branch, acting as Agent of the Lenders (being the lenders from whom Jindal Stainless Limited had availed External Commercial Borrowings of USD 50 million) to secure the External Commercial Borrowings of USD 50 million availed by Jindal Stainless Limited, a 'related party' of the Company under Section 2(76) of the Companies Act, 2013."

"**RESOLVED FURTHER THAT**, subject to applicable law, the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary or desirable for the purpose of giving effect to the above resolution, delegate all or any of the powers conferred by the aforesaid resolution on it to any committee of directors or any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolution."

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

3. TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

APPROVAL TO GIVE CORPORATE GUARANTEE IN FAVOUR OF SBICAP TRUSTEE COMPANY LIMITED ACTING FOR AND ON BEHALF OF LENDERS OF JINDAL STAINLESS LIMITED.

"**RESOLVED THAT** pursuant to the provisions of Section 188, 186 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other approvals, permissions and sanctions, as may be necessary, consent of the company be and is hereby accorded for corporate guarantee ("Deed of Corporate Guarantee") in favour of SBICAP Trustee Company Limited, a company incorporated under the Companies Act, 1956, having CIN U65991MH2005PLC158386, acting as a Security Trustee for and on behalf of the Lenders (being the lenders from whom Jindal Stainless Limited had availed financial facilities) to secure the obligations of Jindal Stainless Limited, a 'related party' of the Company under Section 2(76) of the Companies Act, 2013."

RESOLVED FURTHER THAT the Board of Directors, including any Committee thereof, ("Board") be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary and to delegate all or any of the powers herein conferred, to any Director(s) or Officer(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

4. TO CONSIDER AND, IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION AS SPECIAL RESOLUTION:

ACCEPTANCE OF DEPOSITS FROM MEMBERS AND PUBLIC.

RESOLVED THAT pursuant to the provisions of Section 73 and 76 of Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 and other applicable provisions, if any, and subject to such conditions, approvals, permissions, as may be necessary, consent of the Shareholders of the Company be and is hereby accorded to the Board of Directors of the Company including any Committee thereof, to invite / accept / renew from time to time, unsecured / secured deposits from public including directors and members of the Company subject to the maximum aggregating to an amount representing 35% of the paid-up share capital and free reserves (maximum 10% from shareholders and 25% from public) as per the latest audited balance sheet whichever is less, in accordance with the provisions of Companies (Acceptance of Deposits) Rules, 2014, framed under section 73 and section 76 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors including a Committee thereof be and is hereby authorized to create a charge on its assets, obtain credit rating, taking insurance, appointing trustees and to do all such acts, deeds, matters and things and to take all other necessary steps as may be required for the above mentioned purpose."

By order of the Board
For **Jindal Stainless (Hisar) Limited**

Registered Office:
O.P. Jindal Marg,
Hisar – 125 005
February 18, 2017

(Bhartendu Harit)
Company Secretary

Encl.: Postal Ballot Form along with pre-paid postage self-addressed stamped envelope.

NOTES

1. An Explanatory Statement setting out the material facts concerning the Resolutions is annexed.
2. Pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 assent or dissent of the members in respect of the resolutions contained in the Notice dated 18th February, 2017 is being taken through Postal Ballot/e-voting.
3. The documents, if any, referred to in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company at O.P. Jindal Marg, Hisar – 125005 (Haryana) on all working days between 11:00 a.m. and 5:00 p.m. upto 26th March, 2017.
4. The Company has appointed Mr. Sandeep Garg, Advocate as Scrutinizer for conducting the postal ballot/e-voting process.
5. Notice is being sent to all Members/ beneficiaries, whose names appear on the Register of Members/ Record of Depositories as on 17th February, 2017. Voting rights shall be reckoned on the shares registered in the name of shareholders as on that date. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
6. Under the 'Green Initiative' of the Ministry of Corporate Affairs, Postal Ballot Notice is being sent to the members, who have registered email ids, through email and to all other members by post along with the Postal Ballot Form.
7. The Company is extending e-voting facility as an alternative for its members to enable them to cast their vote electronically instead of dispatching postal ballot form. E-voting is optional for members.
8. Please note that the members can opt for only one mode of voting, i.e. through postal ballot or e-voting. In case of voting by both the modes, voting done through e-voting will prevail and postal ballot of such member will be ignored.
9. In case the Members who have been sent this Notice electronically and who do not want to avail e-voting facility organised through Central Depository Services (India) Ltd., such Member may send a request to the Company / Registrar & Share Transfer Agent of the Company at their email id: investorcare.jshl@jindalstainless.com / delhi@linkintime.co.in, for obtaining the Notice and Postal Ballot Form in physical form. On receipt of such request, the Company will dispatch the same in physical form to enable the Member to send back the Postal Ballot Form by 5:00 p.m. on or before 26th March, 2017.
10. There will be one Postal Ballot Form/ e-voting for every Folio/ Client Id irrespective of the number of joint holders.
11. Voting rights in the postal ballot form cannot be exercised by a proxy.
12. The Scrutinizer will submit the scrutinizer's report of the total vote cast in favor or against, to the Chairman or a person authorized by him in writing, after last date of receipt of Postal Ballot/ e-voting i.e. 26th March, 2017, latest by 28th March, 2017.
13. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a postal ballot/ e-voting will be final and binding.
14. The result of the Postal Ballot/ e-voting shall be declared by placing it, along with Scrutinizer's report, on the website of the Company and of CDSL and shall be communicated to the Stock Exchange where the Company's equity shares are listed. Simultaneously, the Chairman and in his absence any person authorised by the Chairman will announce the result of the Postal Ballot/ e-voting at the Registered office of the Company at O.P. Jindal Marg, Hisar - 125 005 on 28th March, 2017 at 3:30 P.M.
15. The result of the postal ballot/ e-voting will be published in the newspapers within 48 hours of the declaration of the result and will be posted on the website of the Company at www.jshlstainless.com.
16. In terms of Clause 16.6.3 of Secretarial Standard- 2, the resolutions shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting i.e. 26th March, 2017, in the event draft resolutions are assented to by the requisite majority of shareholders.
17. The assent or dissent received after the last date of receipt of Postal Ballot/e-voting i.e. 26th March, 2017 shall be treated as if reply from the member has not been received.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 1

Jindal Stainless Limited (JSL), an Associate Company, had submitted its request for monetization of its assets and utilization of its proceeds ("**AMP**") to repay the CDR Lenders which was approved by the CDR Empowered Group ("**CDR-EG**").

Based on the approval of CDR Empowered Group ("**CDR-EG**") to the AMP, a composite scheme of arrangement with JSL, the Company, Jindal Coke Limited, Jindal United Steel Limited and their respective shareholders and creditors under Sections 391-394 of the Companies Act, 1956 and other relevant provisions of the Companies Act, 2013 ("**Scheme**"), was approved, *inter alia*, by the High Court of Punjab and Haryana on September 21, 2015 (as modified on October 12, 2015).

Pursuant to the terms of the Scheme, the receivables due and payable by JSL to the Company upon implementation of the Scheme was required to be discharged, *inter alia* by issue and allotment of equity shares of JSL to the Company. Accordingly, JSL made allotment of 16,82,84,309 (Sixteen Crore Eighty Two Lakhs Eighty

Four Thousand Three Hundred Nine) equity shares of Rs.2 each at a price of Rs.21.76 (including premium of Rs.19.76 per share) to the Company on 3rd July, 2016. Consequent upon the above said acquisition, the Company holds 42.13% shareholding of JSL.

On account of the aforesaid issue and allotment of shares, the total promoters shareholding in JSL, pledged with the Lenders, have been reduced below the stipulated levels as required under the terms of the agreement entered into by JSL with its Lenders.

Therefore, your Company proposes to enter into material related party transaction for pledge of upto 16,82,84,309 (Sixteen Crore Eighty Two Lakhs Eighty Four Thousand Three Hundred Nine) equity shares of Jindal Stainless Limited held by the Company, in favour of SBICAP Trustee Company Limited, a company incorporated under the Companies Act, 1956, having CIN: U65991MH2005PLC158386 ("Security Trustee"), acting as a Security Trustee for and on behalf of the Lenders of JSL, a Related Party of the Company, in terms of Amended and Restated Master Restructuring Agreement dated September 25, 2012 executed amongst Jindal Stainless Limited, State Bank of India as the monitoring institution and the banks and financial institutions set out therein (as amended by an amendment agreement dated July 8, 2015 executed amongst JSL, State Bank of India as the monitoring institution and the CDR Lenders) ("**Amended and Restated MRA**"), the Corporate Term Loan Agreement dated June 11, 2015, executed amongst JSL, State Bank of India as the lead bank and the banks and financial institutions set out therein and the direction of the Corporate Debt Restructuring Empowered Group dated December 28, 2015.

Details as required under the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 are given herein below:

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Information</th></tr>
<tr><td>1</td><td>Name of related party</td><td>Jindal Stainless Limited</td></tr>
<tr><td>2</td><td>Name of director or key managerial personnel who is related, if any</td><td>Mr. Ratan Jindal is Chairman and Managing Director of Jindal Stainless Limited</td></tr>
<tr><td>3</td><td>Nature of relationship</td><td>Jindal Stainless Limited is a public limited company in which a director of the Company, is a director and holds more than 2% of its paid up share capital, alongwith his relatives. Further, the Company holds more than 20% shareholding of Jindal Stainless Limited and therefore, it is an Associate Company of Jindal Stainless (Hisar) Limited.</td></tr>
<tr><td>4</td><td>Nature, material terms, monetary value and particulars of the contract or arrangement</td><td>Pledge of upto 16,82,84,309 (Sixteen Crore Eighty Two Lakhs Eighty Four Thousand Three Hundred Nine) equity shares of Jindal Stainless Limited ("JSL") held by the Company ("Pledgor"), in favour of SBICAP Trustee Company Limited, a company incorporated under the Companies Act, 1956, having CIN: U65991MH2005PLC158386 ("Security Trustee"), acting as a Security Trustee for and on behalf of the Lenders (as defined in the Amended and Restated MRA) of JSL, a Related Party of the Company and such other terms as specified in above mentioned paras.</td></tr>
<tr><td>5</td><td>Extent of Shareholding Interest of every Promoter/Director/Manager and every other Key Managerial Personnel not less than 2%</td><td>
<table>
<tr><th>Name of Director/ Promoter/ KMP</th><th>Percentage of shareholding</th></tr>
<tr><td>JSL Overseas Holding Ltd.</td><td>11.12*</td></tr>
<tr><td>JSL Overseas Ltd.</td><td>6.65</td></tr>
<tr><td>Sun Investments Pvt Ltd</td><td>2.33</td></tr>
<tr><td>Mr. Ratan Jindal</td><td>1.86</td></tr>
</table>
* Including GDS representing shares
</td></tr>
<tr><td>6</td><td>Any other information relevant or important for the members to take a decision on the proposed resolution</td><td>-</td></tr>
</table>

The explanation to Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), provides that a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Further, Regulation 23(4) provides that all material related party transactions shall require approval of the shareholders through a resolution.

Approval of the Shareholders is therefore being sought in terms of explanation to Regulation 23(1) of the LODR. The Board recommends the resolution set out at Item No. 1 as an Ordinary Resolution to the shareholders for their approval.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Ratan Jindal, who is also Chairman and Managing Director of Jindal Stainless Limited are in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 2

Jindal Stainless Limited (JSL) had availed External Commercial Borrowings (ECBs) of USD 50 million prior to the Composite Scheme of Arrangement (Scheme). By virtue of Scheme, the Ferro Alloys Division and manufacturing facilities at Hisar have been transferred and vested with Jindal Stainless (Hisar) Limited (JSHL). Consequently, the ECB lenders asked JSL to arrange a corporate guarantee from JSHL to secure the repayment of ECBs.

In view of the above, a guarantee in favour of Axis Bank Limited, for securing the aforesaid External Commercial Borrowings (ECBs) of USD 50 Million granted to JSL has been executed on 3rd January, 2017 with due approval of the Audit Committee and Board of Directors of the Company.

It is proposed to seek your approval to the Guarantee executed in favour of Axis Bank Limited.

Details as required under the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 are given herein below:

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Information</th></tr>
<tr><td>1</td><td>Name of related party</td><td>Jindal Stainless Limited</td></tr>
<tr><td>2</td><td>Name of director or key managerial personnel who is related, if any</td><td>Mr. Ratan Jindal is Chairman and Managing Director of Jindal Stainless Limited</td></tr>
<tr><td>3</td><td>Nature of relationship</td><td>Jindal Stainless Limited is a public limited company in which a director of the Company, is a director and holds more than 2% of its paid up share capital, alongwith his relatives. Further, the Company holds more than 20% shareholding of Jindal Stainless Limited and therefore, it is an Associate Company of Jindal Stainless (Hisar) Limited.</td></tr>
<tr><td>4</td><td>Nature, material terms, monetary value and particulars of the contract or arrangement.</td><td>As defined in the Guarantee Agreement.</td></tr>
<tr><td>5</td><td>Extent of Shareholding Interest of every Promoter/Director/Manager and every other Key Managerial Personnel not less than 2%</td><td><table><tr><th>Name of Director/ Promoter/ KMP</th><th>Percentage of shareholding</th></tr><tr><td>JSL Overseas Holding Ltd.</td><td>11.12*</td></tr><tr><td>JSL Overseas Ltd.</td><td>6.65</td></tr><tr><td>Sun Investments Pvt Ltd</td><td>2.33</td></tr><tr><td>Mr. Ratan Jindal</td><td>1.86</td></tr></table>
* Including GDS representing shares</td></tr>
<tr><td>6</td><td>Any other information relevant or important for the members to take a decision on the proposed resolution</td><td>-</td></tr>
</table>

The Rule 15(3)(a)(iv) of the Companies (Meetings of Board and its Powers) Rules, 2014, provides that a transaction with a related party regarding availing or rendering of any services exceeding 10% of the turnover of the company or Rs.50 crores, whichever is lower, shall require approval of the shareholders through a resolution.

Approval of the Shareholders is therefore being sought in terms of Section 188 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014. The Board recommends the resolution set out at Item No. 2 as an Ordinary Resolution to the shareholders for their approval.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Ratan Jindal, who is also Chairman and Managing Director of Jindal Stainless Limited are in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 3

Jindal Stainless Limited (JSL), an Associate Company, and the Existing Lenders entered into a Master Restructuring Agreement dated March 26, 2010 (which was subsequently amended by the agreement for amendment to the master restructuring agreement dated July 30, 2010) pursuant to the 2010 CDR Package ("**Existing MRA**"), in order to give effect to the 2010 CDR Package.

Subsequently, JSL and the Lenders had entered into the Amended and Restated MRA (as defined hereinafter) in order to give effect to the Reworked CDR Package and to amend and restate the Existing MRA. Further, JSL and the WC Lenders, inter alia, entered into an amended and revised working capital consortium agreement dated July 1, 2013, in order to give effect to, inter alia, the enhancement of the limits for the Working Capital Facilities granted to the Company ("**Amended and Restated WC Agreement**").

JSL presented its proposal for monetizing its assets and utilization of the proceeds to the Lenders at the first Joint Lenders' Forum convened on May 15, 2014. The draft "Asset Monetization and Business Reorganization Plan" ("**AMP**") submitted by JSL to the Lenders was approved by the CDR EG at their meeting held on November 27, 2014, and the CDR EG conveyed its approval to the AMP vide letter dated December 26, 2014, issued by the CDR EG to JSL.

Pursuant to the conditions of the Asset Monetization and Business Reorganization Plan" ("AMP"), as amended, of Jindal Stainless Limited (JSL) and as required by its Lenders, the Company is required to furnish a Corporate Guarantee in favour of the Security Trustee, acting for and on behalf of the Lenders of JSL to guarantee the due and punctual repayment/redemption of obligations of JSL under the Amended and Restated MRA and the Corporate Term Loan Agreement.

In view of the above, a Corporate Guarantee in favour of SBICAP Trustee Company Limited, Security Trustee of Lenders of Jindal Stainless Limited, guaranteeing the repayment / redemption of the New Facilities and other Secured Obligations by JSL has been executed on 25th November, 2016 with due approval of the Audit Committee and Board of Directors of the Company.

It is proposed to seek your approval to the execution of Corporate Guarantee in favour of SBICAP Trustee Company Limited.

The details as required under Rule 15(1) of the Companies (Meetings of Board and its Powers), Rules, 2014 are as under:

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Information</th></tr>
<tr><td>1</td><td>Name of related party</td><td>Jindal Stainless Limited</td></tr>
<tr><td>2</td><td>Name of director or key managerial personnel who is related, if any</td><td>Mr. Ratan Jindal is Chairman and Managing Director of Jindal Stainless Limited</td></tr>
<tr><td>3</td><td>Nature of relationship</td><td>Jindal Stainless Limited is a public limited company in which a director of the Company, is a director and holds more than 2% of its paid up share capital, alongwith his relatives. Further, the Company holds more than 20% shareholding of Jindal Stainless Limited and therefore, it is an Associate Company of Jindal Stainless (Hisar) Limited.</td></tr>
<tr><td>4</td><td>Nature, material terms, monetary value and particulars of the contract or arrangement</td><td>The Company is to give guarantee to SBICAP Trustee Company Limited, acting as Agent of the Lenders of Jindal Stainless Limited; and other terms and conditions as defined in the Guarantee Agreement.</td></tr>
<tr><td>5</td><td>Extent of Shareholding Interest of every Promoter/Director/Manager and every other Key Managerial Personnel not less than 2%</td><td>
<table>
<tr><th>Name of Director/ Promoter/ KMP</th><th>Percentage of shareholding</th></tr>
<tr><td>JSL Overseas Holding Ltd.</td><td>11.12*</td></tr>
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<tr><td>Mr. Ratan Jindal</td><td>1.86</td></tr>
</table>
* Including GDS representing shares
</td></tr>
<tr><td>6</td><td>Any other information relevant or important for the members to take a decision on the proposed resolution</td><td>-</td></tr>
</table>

The Board recommends the resolution set out at Item No. 3 as an Ordinary Resolution to the shareholders for their approval.

None of the Directors, Key Managerial Personnel or their relatives, except Mr. Ratan Jindal, who is also Chairman and Managing Director of Jindal Stainless Limited are in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 4

Keeping in view of fund requirements, the Company may accept deposits from public including its members and directors as per the provisions of Section 73 and Section 76 and as per the provisions of Companies (Acceptance of Deposits) Rules, 2014.

For the above mentioned purpose, it is proposed to seek approval of the Shareholders authorizing the Board of Directors to accept the deposits from public including shareholders and directors up to an amount representing 35% of the paid-up share capital and free reserves (maximum 10% from shareholders and 25% from public) as per the latest audited balance sheet and also for doing all necessary acts regarding the matter. Consequent upon obtaining approval of the Shareholders, requirements stipulated under Sections 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 will be complied with before inviting/ accepting/ renewing deposits.

The resolution set out at Item No. 4 is recommended for approval of the members as special resolution through postal ballot.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in this resolution.

By order of the Board
For **Jindal Stainless (Hisar) Limited**

Registered Office:
O.P. Jindal Marg,
Hisar – 125 005.
18th February, 2017

(Bhartendu Harit)
Company Secretary

INSTRUCTIONS FOR VOTING

Voting in physical form

1. A member desiring to exercise vote by postal ballot may complete this postal ballot form (no other form or photocopy thereof is permitted) and send it to the scrutinizer in the attached postage prepaid self-addressed envelope, so as to reach the scrutinizer on or before 5.00 P.M. on 26th March, 2017. However, envelopes containing postal ballots, if sent by courier at the expense of the registered shareholder will also be accepted.
2. The self addressed envelope bears the address of the Scrutinizer appointed by the Company.
3. This form should be completed and signed by the shareholder. In case of joint-holding, this form should be completed and signed by the first named shareholder and, in his absence, by the next named shareholder, as per the specimen signature registered with the Company.
4. The votes should be cast either in favour or against the resolutions by putting the tick (√) mark provided for assent or dissent. Postal Ballot Form bearing (√) mark in both the columns will render the form invalid.
5. Incomplete, unsigned or incorrectly filled postal ballot form will be rejected.
6. In case of shares held by companies, trusts, societies etc., the duly completed postal ballot form should be accompanied by a certified true copy of board resolution/ authority to vote on the postal ballot, together with attested specimen signature(s) of the authorised signatory(ies).
7. A shareholder may request for a duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified at item 1 above.
8. Shareholders are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope in as much as all such envelopes will be sent to the Scrutinizer and any extra paper found in such envelope would be destroyed by the Scrutinizer.

Instructions for E-voting:

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide E-Voting facility as an alternate for Shareholders of the Company to enable them to cast their votes electronically on the resolutions mentioned in the Postal Ballot Notice. For this purpose, necessary arrangements have been made with the Central Depository Services (India) Limited ("CDSL") to facilitate e-voting. E-Voting is optional to the shareholders. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remote -voting"). The Company has appointed Mr. Sandeep Garg, Advocate, as the scrutinizer who is not in the employment of the Company and is in the opinion of the Board, capable of conducting the e-voting process in a fair and transparent manner. The list of shareholders/ beneficial owners shall be reckoned on the equity shares as on 17th February, 2017.

Process and Manner for Shareholders opting for e-voting is as under:-

(i) The remote e- voting period begins on 25th February, 2017 at 9:00 a.m. and ends on 26th March, 2017 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 17th February, 2017, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company/Depository Participant are requested to use the Sequence number which is printed on Postal Ballot Form annexed with the Postal Ballot Notice in loose leaf.
Dividend Bank Details / Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) as recorded in your demat account or in the company records for the said demat account or folio.
	If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv)

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Jindal Stainless (Hisar) Limited> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non-Individual Shareholders & Custodians:

- Non-Individual Shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com as well as Company Secretary at O.P. Jindal Marg, Hisar or email at investorcare.jshl@jindalstainless.com.

Jindal Stainless (Hisar) Limited

(CIN: L27205HR2013PLC049963)
Regd. Office: O.P. Jindal Marg, Hisar – 125 005 (Haryana), India
Phone No.: (01662) 222471-83, Fax No. (01662) 220499
Corporate Office: Jindal Centre, 12, Bhikaiji Cama Place, New Delhi– 110066.
Phone No.: (011) 26188345-60, 41462000, Fax No. (011) 41659169, 26101562
Email Id.: investorcare.jshl@jindalstainless.com; Website: www.jshlstainless.com

POSTAL BALLOT FORM

Serial No. _____

1. Name and address of the Sole / First named Member as registered with the Company :

2. Name(s) of the joint Members, if any, registered with the Company :

3. Registered Folio No / DP ID* & Client ID No.* (*Applicable to Member(s) holding shares in electronic form) :

4. No. of Shares held :

5. I/We hereby exercise my/our vote in respect of the Resolutions to be passed through postal ballot for the business stated in the Notice dated February 18, 2017 of Jindal Stainless (Hisar) Limited ("the Company") by sending my/our assent or dissent to the said Resolutions by placing a tick (√) mark in the appropriate column below:

Item No.	Description	No. of Equity shares held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Approval of related party transaction regarding providing security for Jindal Stainless Limited (JSL) by way of pledge of shares of JSL held by the Company, in favour of SBICAP Trustee Company Limited.			
2	Approval to give guarantee in favour of Axis Bank Limited, acting as agent on behalf of lenders, for securing the External Commercial Borrowings (ECBs) of USD 50 million of Jindal Stainless Limited.			
3	Approval to give corporate guarantee, in favour of SBICAP Trustee Company Limited acting for and on behalf of lenders of Jindal Stainless Limited.			
4	Acceptance of deposits from members and public.			

Place :

Date :

_____
Signature of the Member

Note : Please read carefully the instructions printed overleaf before exercising the vote.
Last Date for Receipt of Postal Ballot Form by the Scrutinizer: 26th March, 2017 before 5:00 p.m.

Electronic Voting Particulars

(EVSN) E Voting Sequence Number	USER ID	*Sequence Number

*Applicable to those members who have not updated their PAN with the Company / Depository Participant

P.T.O.

INSTRUCTIONS

1. Pursuant to provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, assent or dissent of the members in respect of the Resolutions contained in the Postal Ballot Notice is being sought through Postal Ballot process.

2. Member(s) desiring to exercise vote by postal ballot may complete this Postal Ballot Form and send it to the Scrutinizer "Mr. Sandeep Garg, Advocate, Scrutinizer for Postal Ballot, C/o Jindal Stainless (Hisar) Limited, O.P. Jindal Marg, Hisar – 125005 (Haryana) India" in the attached postage pre-paid self-addressed envelope. Postage will be borne and paid by Jindal Stainless (Hisar) Limited (the "Company"). Envelope containing the Postal Ballot Form, if deposited in person or sent by courier at the expense of the Member(s) will also be accepted.

3. The postage pre-paid self-addressed envelope bears the name and postal address of the Scrutinizer appointed by the Company.

4. This Postal Ballot Form should be completed and signed by the Member, as per the specimen signature registered with the Company or the Depository Participant, as the case may be. In case of joint holding, this form should be completed and signed (as per the specimen signature registered with the Company or the Depository Participant) by the first named Member and in his/her absence, by the next named Member. In case Postal Ballot Form is signed through an attorney, a copy of the Power of Attorney attested by the Member shall be annexed to the Postal Ballot Form. There will only be one Postal Ballot Form for every Folio/Client ID irrespective of the number of joint holders.

5. In the case of shares held by companies, trusts, societies etc., the duly completed Postal Ballot Form should be accompanied by a certified true copy of Board Resolution/Authority together with the specimen signatures of the duly authorized signatory(ies).

6. The consent must be accorded by recording the assent in the column 'FOR' and dissent in the column 'AGAINST' by placing a tick mark (√) in the appropriate column in the postal ballot form. The assent or dissent received in any other form shall not be considered valid. Postal Ballot Form bearing (√) mark in both the columns will render the form invalid.

7. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten Postal Ballot Form will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot Form shall be final and binding.

8. Duly completed Postal Ballot Form should reach the Scrutinizer not later than 5:00 p.m. on or before 26th March, 2017. **Postal Ballot Form received after this date and time will be strictly treated as if the reply from such Member(s) has not been received.**

9. Members are requested to complete the Postal Ballot Form in indelible ink (avoid completing it by using erasable writing medium/s like pencil).

10. Voting rights shall be calculated based upon the paid-up value of the shares registered in the name(s) of the Member(s) on 17th February, 2017.

11. The Postal Ballot shall not be exercised by a Proxy.

12. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly completed duplicate Postal Ballot Form should reach the Scrutinizer not later than the date and time specified in Point No. 8 above.

13. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self addressed postage prepaid envelope. If any extraneous papers are found, the same will be destroyed by the Scrutinizer.

14. The resolutions, if assented by requisite majority, shall be deemed to have been passed on 26th March, 2017 i.e. the last date for receipt of duly completed postal ballot form or e-voting.

15. E-VOTING: The Company is pleased to provide E-Voting facility as an alternate for members of the Company to enable them to cast their votes electronically instead of through physical Postal Ballot. E-Voting is optional. In case a member has voted through E-Voting facility, he does not need to send the physical Postal Ballot Form. In case a member votes through E-voting facility as well as sends physical Postal Ballot Form, the vote casted through E-voting shall only be considered and the voting through physical postal ballot shall not be considered by the Scrutinizer. **Members are requested to refer to the Postal Ballot Notice and Notes thereto, for detailed instructions with respect to E-Voting.**