

May 02, 2021

<b>BSE Limited</b> Corporate Relationship Department, 1 <sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai – 400 001 <a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a> <b>Scrip Code : 532286</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400051 <a href="mailto:cmlist@nse.co.in">cmlist@nse.co.in</a> <b>Symbol : JINDALSTEL</b>
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**Subject : NOTICE OF EXTRAORDINARY GENERAL MEETING OF THE COMPANY**

Dear Sir/ Madam,

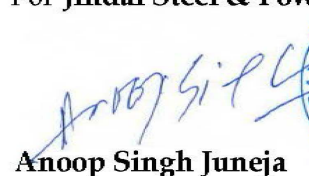
Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Notice of Extraordinary General Meeting (“EGM”) of the Company to be held on Monday, May 24, 2021 at 11.30 A.M. (IST) through Video Conferencing / Other Audio-Visual Means, together with Explanatory Statement thereto, for seeking approval of members for the resolutions mentioned therein.

The Notice of the EGM along with the Explanatory statement is also available on the website of the Company at [www.jindalsteelpower.com](http://www.jindalsteelpower.com).

Kindly take the above information on record.

Thanking you.

Yours faithfully,  
For **Jindal Steel & Power Limited**

  
**Anoop Singh Juneja**



**Company Secretary & Compliance Officer**

Encl.: As above

Jindal Steel & Power Limited

**Corporate Office:** Jindal Centre, 12 Bhikaiji Cama Place, New Delhi 110 066

**CIN:** L27105HR1979PLC009913

**T:** +91 11 4146 2000 **F:** +91 11 2616 1271 **W:** [www.jindalsteelpower.com](http://www.jindalsteelpower.com) **E:** [jsplinfo@jindalsteel.com](mailto:jsplinfo@jindalsteel.com)

**Registered Office:** O. P. Jindal Marg, Hisar, 125 005, Haryana



**Jindal Steel & Power Limited**

**Registered Office:** O. P. Jindal Marg, Hisar –125005 (Haryana)

**Corporate Secretariat Office:** Jindal Centre, Tower-A, 2<sup>nd</sup> Floor, Plot No.2,  
Sector-32, Gurgaon-122001 (Haryana)

**CIN:** L27105HR1979PLC009913 | **Website:** [www.jindalsteelpower.com](http://www.jindalsteelpower.com)

**Email:** [jsplinfo@jindalsteel.com](mailto:jsplinfo@jindalsteel.com) | **Tel.:** +91 124 6612000

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

To,

The Members,  
**Jindal Steel & Power Limited**

Notice is hereby given that an Extraordinary General Meeting (“EGM”) of the members of the Company will be held on Monday, the 24<sup>th</sup> day of May, 2021 at 11:30 a.m. through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility, to transact the following special business:

- 1. Approval, by way of special resolution under Section 180(1)(a) of the Companies Act, 2013 and Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for divestment of equity shareholding of the Company in Jindal Power Limited, a material subsidiary of the Company:**

To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution:**

**“RESOLVED BY WAY OF SPECIAL RESOLUTION THAT** pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) and rules made thereunder, Regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) and other applicable provisions thereof, as may be amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable notifications, clarifications, circulars, rules and regulations issued by the Government of India or other governmental or statutory authorities and pursuant to the approval of the Board of Directors of the Company (**“the Board”**, which term shall be deemed to mean and include any Committee constituted by the Board) and subject to the shareholders’ approval for related party transaction, as required under section 188 of the Act and rules made thereunder, regulation 23(4) of the Listing Regulations and such other requisite approvals, consents, permissions and sanctions as may be required and the Memorandum of Association and Articles of Association of the Company, consent of the shareholders of the Company be and is hereby accorded to the Board to effect divestment by way of sale, transfer or otherwise dispose of its entire equity shareholding in Jindal Power Limited (**“Target Company”**) (representing 96.42% (ninety six point four two percent) of the issued and paid up equity share capital of Target Company on a fully diluted basis), a material subsidiary of the Company, to Worldone Private Limited (**“Acquirer”**), a Promoter Group company and a related party, for a fixed consideration of INR 3015,00,00,000 (Indian Rupees Three Thousand and Fifteen crores),

on terms and conditions as set forth in the Share Purchase Agreement dated April 26, 2021 executed between the Company, the Target Company and the Acquirer.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolutions, with further powers to delegate all or any of the above authorities conferred to it to any officer(s)/authority(ies)/person(s) of the Company, including filing of necessary forms with the Registrar of Companies as may be required in relation to such amendments and to comply with all other requirements in this regard.”

**2. Approval, by way of ordinary resolution under Section 188 of the Companies Act, 2013 and Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for ‘material related party transaction’ for divestment of the equity shareholding of the Company in Jindal Power Limited to Worldone Private Limited:**

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”) read with the Rules made thereunder, as may be amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable notifications, clarifications, circulars, rules and regulations issued by the Government of India or other governmental or statutory authorities, and pursuant to the approval of the Board of Directors of the Company (“**the Board**”, which term shall be deemed to mean and include any Committee constituted by the Board) and subject to such other requisite approvals, consents, permissions and sanctions as may be required and the Memorandum of Association and Articles of Association of the Company, consent and ratification of the shareholders of the Company who are not a “related party” to the Company, in terms of the Act and the Listing Regulations, be and is hereby accorded to the Board to effect divestment by way of sale, transfer or otherwise dispose of its entire equity shareholding in Jindal Power Limited (“**Target Company**”) (representing 96.42% (ninety six point four two percent) of the issued and paid up equity share capital of Target Company on a fully diluted basis), to Worldone Private Limited (“**Acquirer**”), a Promoter Group company and a related party of the Company, for a consideration of INR 3015,00,00,000 (Indian Rupees Three Thousand and Fifteen crores), on terms and conditions as set forth in the Share Purchase Agreement dated April 26, 2021 executed between the Company, the Target Company and the Acquirer.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolutions, with further powers to delegate all or any of the above authorities conferred to it to any officer(s)/authority(ies)/person(s) of the Company, including filing of necessary forms with the Registrar of Companies as may be required in relation to such amendments and to comply with all other requirements in this regard.”

**3. Approval, by way of ordinary resolution under Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for 'material related party transaction' for conversion of capital advances and inter-corporate deposits availed from Jindal Power Limited to loan:**

To consider and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) and Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) read with the Rules made thereunder, as may be amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable notifications, clarifications, circulars, rules and regulations issued by the Government of India or other governmental or statutory authorities, and pursuant to the approval of the Board of Directors of the Company (**“the Board”**, which term shall be deemed to mean and include any Committee constituted by the Board) and subject to such other requisite approvals, consents, permissions and sanctions as may be required and the Memorandum of Association and Articles of Association of the Company, consent and ratification of the shareholders of the Company who are not a “related party” to the Company in terms of the Act and the Listing Regulations, be and is hereby accorded to the Board to effect conversion of (i) capital advances aggregating to INR 2854,00,00,000 (Indian Rupees Two Thousand Eight Hundred Fifty Four Crores) received from Jindal Power Limited (**“Target Company”**) for purchase of undertakings of the captive power plants of the Company located at Angul and Raigarh pursuant to letter agreements dated November 16, 2015; December 14, 2015; March 15, 2016; and April 2, 2016 and letter agreements dated November 16, 2015; December 18, 2015; March 15, 2016 and April 2, 2016 executed between the Company and the Target Company; and (ii) inter-corporate deposits aggregating to INR 1532,28,55,824 (Indian Rupees One Thousand Five Hundred Thirty Two Crore Twenty Eight Lakh Fifty Five Thousand Eight Hundred Twenty Four) by the Target Company pursuant to loan agreement dated April 2, 2013 and supplementary agreements dated April 2, 2018, December 26, 2019 and April 1, 2020, into a loan, as set forth in the loan agreement dated April 26, 2021 executed between the Company and the Target Company (**“Loan Agreement”**) which is to be effective upon the completion of transfer of the entire equity stake of the Company in the Target Company to Worldone Private Limited (**“Acquirer”**) pursuant to the terms of the Share Purchase Agreement dated April 26, 2021 executed between the Company, the Target Company and the Acquirer.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolutions, with further powers to delegate all or any of the above authorities conferred to it to any officer(s)/authority(ies)/person(s) of the Company, including filing of necessary forms with the Registrar of Companies as may be required in relation to such amendments and to comply with all other requirements in this regard.”

**Place:** New Delhi  
**Dated:** April 26, 2021

**By order of the Board**

**Registered Office**  
O.P. Jindal Marg,  
Hisar – 125005 (Haryana)  
**CIN:** L27105HR1979PLC009913

Anoop Singh Juneja  
Company Secretary & Compliance Officer  
Membership No. F6383

## Notes:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the General Circular no. 14/2020, 17/2020, 22/ 2020, 33/2020 and 39/2020 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31, 2020 respectively, issued by the Ministry of Corporate Affairs, physical attendance of the Members at the EGM is not required. Hence, Members have to attend and participate in the ensuing EGM through Video Conference/ Other Audio Visual means (“**VC/OAVM**”).
2. Pursuant to the General Circular no. 14/2020, 17/2020, 22/ 2020, 33/2020 and 39/2020 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31, 2020 respectively, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013 (“**the Act**”), representatives of the members such as the President of India or the Governor of a State or body corporate can attend the EGM through VC/OAVM and cast their votes through e-voting.
3. The Members can join the EGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, who are allowed to attend the EGM without restriction on account of first come first served basis.
4. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA General Circular no. 14/2020, 17/2020, 22/ 2020, 33/2020 and 39/2020 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31, 2020 respectively, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (“**CDSL**”) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM will be provided by CDSL.
5. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Explanatory Statement pursuant to Section 102 of the Act relating to the special businesses to be transacted at the meeting is annexed hereto.
7. All documents referred to in the accompanying Notice and the Explanatory Statement are available for inspection at the registered office of the Company at O.P. Jindal Marg, Hisar – 125 005, Haryana from May 4, 2021 to May 23, 2021 on office working days, from 10:30 a.m. to 1:30 p.m.

8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM has been uploaded on the website of the Company at [www.jindalsteelpower.com](http://www.jindalsteelpower.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM Notice is also available on the website of CDSL (agency for providing the Remote Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
9. EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA General Circular no. 14/2020, 17/2020, 22/ 2020, 33/2020 and 39/2020 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31, 2020 respectively.
10. Members who have not registered their e-mail address with Company can now register the same by sending a communication to the Company or to the RTA, Alankit Assignments Limited. Members holding Shares in demat form are requested to register their e-mail address with their Depository Participants only.

**THE PROCEDURE AND INTRUCTIONS FOR THE MEMBERS AVAILING REMOTE E-VOTING ARE AS UNDER:**

- (i) The voting period begins at 9:00 a.m. on Friday, May 21, 2021 and ends at 5:00 p.m. on Sunday, May 23, 2021. Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Monday, May 17, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" module.
- (v) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.OR  
Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from [Login - Myeasi](#) using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.  
If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-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:

	<b>For Shareholders holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>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 (v).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 shareholders 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 of Jindal Steel & Power Limited 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 a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login 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**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address at [investorcare@jindalsteel.com](mailto:investorcare@jindalsteel.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(xx) If 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/ 8738.

**PROCESS FOR THOSE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For shareholders holding shares in physical form - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email at [investorcare@jindalsteel.com](mailto:investorcare@jindalsteel.com).



2. For shareholders holding shares in demat form - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) at investorcare@jindalsteel.com.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE EGM (VENUE VOTING) ARE AS UNDER:**

1. The procedure for voting on the day of the EGM (venue voting) is same as the instructions mentioned above for remote e-voting.
2. Only those members/shareholders, who will be present in the EGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the EGM.
3. Members who have voted through Remote E-Voting will be eligible to attend the EGM and participate thereat. However, they will not be eligible to vote at the EGM. In case any Member who had voted through Remote E-voting, casts his vote again at the Venue Voting, then the Votes cast at the venue voting shall be considered as Invalid. Members are requested to follow the instructions, if any, provided during the currency of the EGM for Venue Voting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
5. The details of the persons who may be contacted for any grievances connected with the facility for e-voting (venue voting) shall be the same persons as mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS ATTENDING THE EGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investorcare@jindalsteel.com](mailto:investorcare@jindalsteel.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**OTHER INFORMATION:**

- (A). Only those shareholders of the Company who are holding shares either in physical form or in dematerialized form, as on the cut-off date (i.e. Monday, May 17, 2021), shall be entitled to cast their vote either through remote e-voting or through venue voting through VC/OAVM at the EGM, as the case may be. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- (B). The remote e-voting period begins on at 9:00 a.m. on Friday, May 21, 2021 and ends at 5:00 p.m. on Sunday, May 23, 2021. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (C). The Members who have cast their votes by remote-voting prior to the EGM may also attend and participate in the proceedings of the EGM through VC/OAVM but shall not be entitled to cast their votes again.
- (D). The members can opt for only one mode of voting i.e. remote e-voting or venue voting through VC/OAVM at the EGM. In case of voting by both the modes, vote cast through remote e-voting will be considered final and e-voting through VC/OAVM at EGM will not be considered.
- (E). The Board of Directors have appointed Mr. Navneet K. Arora, (COP No. 3005) of M/s Navneet K Arora & Co. LLP, Company Secretaries, as Scrutinizer to scrutinize the remote e-voting and e-voting at the EGM in a fair and transparent manner and to submit report thereon.
- (F). The results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.jindalsteelpower.com](http://www.jindalsteelpower.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) immediately and on the Notice Board of the Company at its Corporate Office after the result is declared.
- (G). The Members holding equity shares in physical form are requested to intimate to the Registrar and Transfer Agent, Alankit Assignments Limited, 1E/13, Jhandewalan Extension, New Delhi – 110 055, regarding change of address, if any, at the earliest, quoting their registered folio number. Change of address in respect of shares held in dematerialized form is required to be intimated to the concerned Depository Participant.
- (H). Members holding shares in more than one folio in identical order of names are requested to write to Registrar & Share Transfer Agent enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.
- (I). Pursuant to General Circular no. 14/2020, 17/2020, 22/ 2020, 33/2020 and 39/2020 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31, 2020 respectively, the Notice of the EGM has been sent through electronic mode to only those Members whose email IDs are registered with the Company/ Depository participant. Further, updates, if any, will be provided on the website of the Company at [www.jindalsteelpower.com](http://www.jindalsteelpower.com).

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

**ITEM NO.1**

**1. INTRODUCTION**

Pursuant to the sale process (details provided below) undertaken by the Company, the Board of Directors of the Company ("**Board**"), at its meeting held on April 26, 2021, approved the divestment, by way of sale of Company's entire equity shareholding in its material subsidiary, Jindal Power Limited ("**Target Company**") (representing 96.42% (ninety six point four two percent) of the issued and paid up equity share capital of Target Company on a fully diluted basis) to Worldone Private Limited ("**Acquirer**"), a Promoter Group company and a related party, for a total fixed consideration of INR 3015,00,00,000 (Indian Rupees Three Thousand and Fifteen crores), on terms and conditions as set forth in the Share Purchase Agreement dated April 26, 2021 ("**SPA**") executed between the Company, the Target Company and the Acquirer ("**Proposed Sale**"). In addition to this shareholders' approval required under regulation 24(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and Section 180(1)(a) of the Companies Act, 2013 ("**the Act**"), the Proposed Sale is subject to approval of shareholders of the Company under regulation 23(4) of Listing Regulations and section 188 of the Act , regulatory approvals, approvals from lenders of the Company and Target Company, contractual approvals and such other approvals, consents, permissions and sanctions as may be necessary. The long stop date for completion of the Proposed Sale is 12 (twelve) months which may be mutually extended by the parties thereto, failing which the Proposed Sale shall terminate.

**2. SALE PROCESS**

In order to maximise the value and run a transparent process, the Company initiated a sale process in the month of December, 2020 to invite interested buyers to share offers for the purchase of 96.42% (ninety six point four two percent) equity shareholding of the Target Company held by the Company. In this regard, the Company appointed Grant Thornton Advisory Private Limited ("Grant Thornton"), an independent third party transaction advisor, to run the entire sale process.

As a part of the sale process, teasers and marketing documents were circulated to various national and international entities including strategic and financial investors and companies having interest in power sectors, inviting them to execute confidentiality agreements and submit non-binding offers. A total of 33 (thirty three) entities were approached in this regard, including 14 (fourteen) Indian companies, 11 (eleven) foreign companies and 8 (eight) financial investors. This also included, other major shareholders of Target Company who were informed of the sale process that was being carried out by Grant Thornton. Grant Thornton started the process in December and engaged extensively with the potential investors till end February when the non-binding offers were received (after extensions as requested by the potential investors). However, the investor responses were muted as many investors were constrained by their prior obligations which restricted them from making additional investments in thermal power assets. After receipt of non-binding offers, these entities were granted access to virtual data room and they were allowed to conduct due diligence on the Target Company. Adequate time was provided to the interested entities to conduct the due diligence exercise and to submit a binding offer. Pursuant to completion of the due diligence exercise, the Company received offers from the interested entities. These offers were analysed by the Audit Committee and the Board. The Audit Committee and the Board deliberated on the proposals thoroughly and unanimously

approved the offer submitted by the Acquirer. The offer submitted by the Acquirer was of the highest value and on agreeable terms and conditions, thus, was selected as the winner in the sale process.

### **3. DETAILS OF THE ACQUIRER**

Worldone Private Limited is a private company limited by shares, incorporated in India in 1999, engaged presently in the business of investment holding. Worldone currently has investments in various listed and unlisted companies, having Jindal family as its primary shareholders, with Mr. Naveen Jindal holding majority shareholding. Worldone Private Limited proposes to fund the transaction through a mix of equity/debt.

### **4. RATIONALE**

The Company intends to undertake the Proposed Sale in line with its long-term strategic vision and ESG objectives:

a. To continuously deleverage its balance sheet by achieving its immediate goal of INR 15,000 crores (Indian Rupees fifteen thousand crores) net debt and eventual goal to become a net cash company. The Company has been working with a singular focus of sweating its assets, improving capacity utilisations and deleveraging over the last few years. The incessant focus on deleveraging has helped the Company continuously bring down its debt and also strengthen its Net Debt/EBITDA down from the peak of over 10x to 2.35x (on trailing 12 month EBITDA) as of the last reported quarter. This endeavour to make the Company a net-cash company will continue with this transaction accelerating that vision quite rapidly.

b. Given the profound challenge climate change poses to humanity, the Company is committed to reduce its carbon emissions and invest in greener technologies. The proposed divestment is one such step that will help substantially reduce CO2 emissions by about 50% (on full capacity utilization). In addition, world over there is a shift away from coal and coal fired assets towards more environment friendly technologies such as renewable sources of energy. In fact, the scrutiny with regards to Company's coal fired assets and their future has also increased manifold. Especially, with reputed financial investors who are becoming increasingly ESG conscious and have mandates that do not permit making investments in businesses that have a substantial coal presence. The transaction is therefore expected to significantly improve Company's ESG score and to provide the Company with a wider access to capital from ESG focussed investors - equity and debt - for both organic and inorganic growth of the Company's India Steel business.

c. The transaction helps further streamline Company's operations by becoming a pure play Steel company with all its steel operations within India - one of the fastest growing economies in the World. This divestment is expected to bring more management focus to the India Steel operations in achieving better operational efficiencies and aim for higher profitability. We believe this renewed focus coupled with improving return ratios could act as a strong trigger for re-rating of the Company.

d. This transaction will lead to an inflow of INR 3,015 crore (Indian Rupees three thousand and fifteen crores) into the Company. These cash proceeds from the transaction will be utilised to pare debt and expand Company's steel capacity in Angul from 6 MTPA to 12 MTPA and taking the Company's overall Steel capacity in excess of 15 MTPA.

e. The transaction helps the Company eliminate the need to continuously invest in future capex in the Target Company towards reducing emissions, including expenditure on implementation of Flue Gas Desulphurization technologies and other such technologies, which would have possibly diverted funds meant for the Steel business.

f. With the sharp rise in renewables capacity addition due to falling installation costs, easier access to green funding, lack of any long term PPAs in the thermal power sector, falling renewable power bids to less than INR 2 / kWh, and rising concerns around the impact of carbon emissions on global warming, the prospects for coal fired power plants have become increasingly challenging with each passing year. Further delay in the divestment of such coal fired power plants will not only negatively impact the valuations going forward but also continuously drag return ratios down and the ability of the Steel business to raise capital at an efficient cost relative to its peers.

## **5. REGULATORY REQUIREMENT UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Target Company is a material subsidiary of the Company in terms of regulation 16(1)(c) of the Listing Regulations and the disposal of shares of the Target Company as envisaged in the Proposed Sale will reduce the shareholding of the Company (together with its subsidiaries) in the Target Company to less than 50% (fifty percent) and cease the control of the Company over the Target Company.

Accordingly, disposal of shares of the Target Company as provided above will require the approval of the shareholders of the Company by way of **special resolution** in terms of Regulation 24(5) of Listing Regulations.

## **6. KEY TRANSACTION APPROVALS**

The Proposed Sale is subject to the approval of the shareholders of the Target Company, approvals and consents of the lenders of the Target Company as well as the Company, regulatory approvals such as approval of the Competition Commission of India required to be procured by the Acquirer, approval of the Central Government pursuant to the 'coal mine development and production agreement' entered into between the President of India (acting through the nominated authority) and the Company, approval of Kerala State Electricity Board pursuant to the 'power purchase agreements' entered into between the Company and Kerala State Electricity Board, and such other approvals, consents, permissions and sanctions as may be required under the SPA or as may be necessary.

## **7. RECOMMENDATION OF THE BOARD**

The Board is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the special resolution for approval of the members.

The shareholders are requested to note that Mr. Naveen Jindal (Chairman of the Board and a Promoter of the Company), along with the Jindal family, holds the entire equity share capital of the Acquirer. None of the other directors, except Mrs. Shallu Jindal (spouse of Mr. Naveen Jindal) or key managerial personnel of the Company, and any relatives of such director or key managerial personnel are in any way concerned or interested in this resolution, financially or otherwise except to the extent of equity shares held by them in the Company.

## **ITEM NO.2**

### **1. INTRODUCTION**

Pursuant to the sale process undertaken by the Company (as described in the explanatory statement for item no. 1 (paragraph 2)), the Audit Committee of the Company (“**Audit Committee**”) and the Board of Directors of the Company (“**Board**”), at their respective meetings held on April 26, 2021, approved the divestment by way of sale of Company’s entire equity shareholding in its material subsidiary, Jindal Power Limited (“**Target Company**”) (representing 96.42% of the issued and paid up equity share capital of Target Company on a fully diluted basis) to Worldone Private Limited (“**Acquirer**”), a Promoter Group company and a related party, for a total fixed consideration of INR 3015,00,00,000 (Indian Rupees Three Thousand and Fifteen crores), on terms and conditions as set forth in the Share Purchase Agreement dated April 26, 2021 (“**SPA**”) executed between the Company, the Target Company and the Acquirer (“**Proposed Sale**”).

### **2. REGULATORY REQUIREMENT UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Acquirer is a part of the Promoter group of the Company. Mr. Naveen Jindal (Chairman of the Board and a Promoter of the Company), holds, along with the Jindal family, the entire equity share capital of the Acquirer. The Acquirer is a related party of the Company in terms of Regulation 2(1)(zb) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“**Listing Regulations**”), read with Section 2(76) of the Companies Act, 2013 as amended from time to time (“**Act**”). Further, the Proposed Sale is material related party transaction.

Accordingly, the Proposed Sale including the SPA will require the approval of the shareholders of the Company who are not a “related party” with reference to the Company in terms of the Act and the Listing Regulations, pursuant to Regulation 23(4) of the Listing Regulations read with Section 188 of the Companies Act, 2013.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as follows:

- (i) name of the related party: Worldone Private Limited
- (ii) name of the director or key managerial personnel who is related, if any: Mr. Naveen Jindal and Mrs. Shallu Jindal;
- (iii) nature of relationship: Mr. Naveen Jindal (Chairman of the Board and a Promoter of the Company), holds, along with the Jindal family, the entire equity share capital of the Acquirer.
- (iv) nature, material terms, monetary value and particulars of the contract or arrangements: The Company has executed the SPA with the Acquirer and the Target Company in relation to the Proposed Sale. The SPA sets out certain conditions precedents to be fulfilled by the Company, Target Company and Acquirer within a period of 1 (one) year, failing with the Proposed Sale and the SPA can be

terminated by the Company or the Acquirer. The SPA further sets out the warranties and indemnities (customary in nature for such types of transactions) furnished by the Company. The SPA further provides that existing capital advances and inter-corporate deposits (elaborated in explanatory statement to Item 3 below) provided by the Target Company to the Company are to be converted into a loan upon consummation of the Proposed Sale.

Further, the SPA sets out that (i) 290,12,82,692 (Two Hundred Ninety Crore Twelve Lakh Eighty Two Thousand Six Hundred Ninety Two) 5% non-cumulative, non-convertible, redeemable preference shares of face value INR 10 (Indian Rupees Ten) each; and (ii) 390,17,25,000 (Three Hundred Ninety Crore Seventeen Lakh Twenty Five Thousand) 5% cumulative, non-convertible redeemable preference shares of face value INR 10 (Indian Rupees ten) each, (collectively, “RPS”) issued by the Target Company, which are held by the Company cannot be freely transferred by the Company to any third party other than its affiliates.

The material terms and conditions as set forth in the SPA are as follows:

- a. Sale: The Company to transfer 96.42% (ninety six point four two percent) of the equity share capital of the Target Company to the Acquirer for a fixed consideration of INR 3015,00,00,000 (Indian Rupees Three Thousand and Fifteen crores) (“**Sale Consideration**”).
- b. Key Conditions Precedent: The completion of the Proposed Sale is subject to satisfaction of the following key conditions to be fulfilled by the respective parties to the SPA:
  - i. Obtaining approval of the shareholders of the Company for sale of material subsidiary (Item 1 of this EGM notice) and material related party transaction (Item 2 of this EGM Notice);
  - ii. Obtaining release of pledge created by the Company over certain shares of the Target Company in favour of SBICAP Trustee Company Limited and State Bank of India;
  - iii. Obtaining approval of lenders of the Company and Target Company;
  - iv. Obtaining approval of Competition Commission of India;
  - v. Other contractual approvals such as approval of the Central Government pursuant to the ‘coal mine development and production agreement’ entered into between the President of India, acting through the nominated authority and the Company, and approval of Kerala State Electricity Board under the relevant power purchase agreement; and
  - vi. Other customary conditions such as no order or a permanent injunction having been issued by any competent court, arbitral tribunal or Governmental Authority prohibiting the consummating the Proposed Sale, the fundamental warranties provided by the Company being true and correct as on the closing date, no event shall have occurred and which is continuing which, constitutes a material adverse effect in relation to the Target Company etc.
- c. Interim Period Covenants: For the period between signing of the SPA and completion of transfer of shares by the Company in favour of Acquirer, the Target Company shall not undertake certain actions such as amendment to charter documents, create financial indebtedness, borrow funds, provide loans or settle

legal proceedings beyond a prescribed threshold etc., without the prior written approval of the Acquirer.

- d. Right of First Refusal: If the Company proposes to sell or transfer the RPS or any rights attached thereto to any third party other than its affiliates, then the Acquirer shall have the right to purchase the RPS on the same price and terms and conditions offered by the proposed transferee i.e. the third party transferee.
- e. Continuing Contracts: All existing contracts between the Company and the Target Company to continue on their existing terms and conditions without any modifications including (i) Water pipeline construction, operation and maintenance agreement dated September 4, 2013 and the amendment thereto for the construction and use of Kalma water pipeline; (ii) LOI for purchase of power for the period April 1, 2021 to March 31, 2022; and (iii) the Trademark License Agreement dated November 11, 2016 for usage of trademark “Jindal Power” (owned by the Company) by the Target Company for an aggregate period of 10 (ten) years.
- f. Warranties: Warranties which are customary to such kind of transactions have been provided by the Company including warranties in relation to authority, capacity and title of shares (held by the Company in the Target Company) of the Company, warranties in relation to business and operations of the Target Company such as financial statements, indebtedness, contractual matters, compliance with laws, environmental laws, etc. and warranties in relation to the tax matters of the Target Company.
- g. Indemnities: Company will indemnify the Target Company and the Acquirer for direct and actual losses suffered by them due to misrepresentation or breach of the warranties provided by the Company. Overall liability of the Company for breach of any warranties in relation to business and operations of the Target Company and tax related warranties in relation to the Target Company is capped at 5% (five percent) each of the Sale Consideration (aggregating to 10% (ten percent) of the Sale Consideration), and overall liability of the Company for breach of any fundamental warranties (title to shares, authority etc.) is capped at 50% (fifty percent) of the Sale Consideration.
- h. Loan: Prior to consummation of the Proposed Sale, the Company and the Target Company are required to execute a loan agreement for conversion of (i) capital advances aggregating to INR 2854,00,00,000 (Indian Rupees Two Thousand Eight Hundred Fifty Four Crores) received from the Target Company; and (ii) inter-corporate deposits aggregating to INR 1532,28,55,824 (Indian Rupees One Thousand Five Hundred Thirty Two Crore Twenty Eight Lakh Fifty Five Thousand Eight Hundred Twenty Four) by the Target Company, to a loan, as detailed in explanatory statement in item no. 3 below.
- i. Long Stop Date: The long stop date for completion of the Proposed Sale is 12 (twelve) months. In the event that the Proposed Sale is not completed within a period of 12 (twelve) months, including on account of failure to complete the conditions precedent as set out in sub-point (b) above, the Company or the Acquirer shall have the right to terminate the SPA. The 12 (twelve) month period maybe mutually extended by the parties thereto.



All the persons falling under the definition of “related party” as prescribed under the Act and the Listing Regulations, shall abstain from voting, irrespective of whether the person is party to the particular transaction or not. The Promoter shareholders of the Company are related parties, and hence will abstain from voting in respect of the said resolution.

### 3. RECOMMENDATION OF THE BOARD

The Board is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the ordinary resolution for approval of the members.

The shareholders are requested to note that Mr. Naveen Jindal (Chairman of the Board and a Promoter of the Company) along with the Jindal family, holds the entire equity share capital of the Acquirer. None of the other directors, except Mrs. Shallu Jindal (spouse of Mr. Naveen Jindal) or key managerial personnel of the Company, and any relatives of such director or key managerial personnel are in any way concerned or interested in this resolution, financially or otherwise except to the extent of equity shares held by them in the Company.

### ITEM NO.3

#### 1. INTRODUCTION

The Company has availed inter-corporate deposits aggregating to INR 1532,28,55,824 (Indian Rupees One Thousand Five Hundred Thirty Two Crore Twenty Eight Lakh Fifty Five Thousand Eight Hundred Twenty Four) (“**ICDs**”) from the Target Company pursuant to Loan Agreement dated April 2, 2013 and Supplementary Agreements dated April 28, 2018, December 26, 2019 and April 1, 2020 (collectively referred to as “**ICD Agreement**”). The ICDs carry a rate of interest of 9.7% (nine point seven percent) per annum and repayable on demand. Further, the Company has received capital advances aggregating to INR 2854,00,00,000 (Indian Rupees Two Thousand Eight Hundred Fifty Four Crores) (“**Capital Advances**”) from the Target Company for purchase of captive power plants of the Company located at Angul and Raigarh pursuant to letter agreements dated November 16, 2015; December 14, 2015; March 15, 2016; and April 2, 2016 and separate letter agreements dated November 16, 2015; December 18, 2015; March 15, 2016 and April 2, 2016 executed between the Company and the Target Company (“**Letter Agreements**”). The Capital Advances also carry a rate of interest of 9.7% (nine point seven percent) per annum pursuant to supplementary agreements dated February 4, 2019 and April 1, 2020.

Pursuant to the sale process undertaken by the Company (as described in the explanatory statement for item no. 1 (paragraph 2)), the Audit Committee of the Company (“**Audit Committee**”) and the Board of Directors of the Company (“**Board**”), at their respective meetings held on April 26, 2021, approved the divestment by way of sale of Company’s entire equity shareholding in its material subsidiary, Jindal Power Limited (“**Target Company**”) (representing 96.42% of the issued and paid up equity share capital of Target Company on a fully diluted basis) to Worldone Private Limited (“**Acquirer**”), a Promoter Group company and a related party, for a total fixed consideration of INR 3015,00,00,000 (Indian Rupees Three Thousand and Fifteen Crores), on terms and conditions as set forth in the share purchase agreement dated April 26, 2021 (“**SPA**”) executed between the Company, the Target Company and the Acquirer (“**Proposed Sale**”).

The Acquirer, as a part of its offer, stipulated that the ICDs and the Capital Advances be converted into a loan (“**Loan**”) and a separate loan agreement be executed for this purpose.

Accordingly, the Audit Committee and the Board, also approved the execution of the loan agreement between the Company and the Target Company. Accordingly, the loan agreement has been executed by the Company and the Target Company on April 26, 2021 (“**Loan Agreement**”).

## **2. HISTORICAL DETAILS OF THE CAPITAL ADVANCES**

The Company and the Target Company entered into the Letter Agreements for the purpose of purchase of captive power plants of the Company situated at Angul and Raigarh, and the Target Company paid advances to the Company, aggregating to INR 2854,00,00,000 (Indian Rupees Two Thousand Eight Hundred Fifty Four Crore), details of which are as follows:

- (i) The Company and the Target Company executed letter agreements dated November 16, 2015; December 14, 2015; March 15, 2016 and April 2, 2016 for purchase of its captive power plant situated at Angul, Odisha pursuant to which the companies were to execute a business transfer agreement. Pursuant to these letter agreements, the Target Company made an advance payment to the Company, aggregating to INR 2502,00,00,000 (Indian Rupees Two Thousand Five Hundred Two Crore). Further, the Company and the Target Company executed supplementary agreements dated February 4, 2019 and April 1, 2020 enabling the Target Company to charge an interest at the rate of 9.7% (nine point seven percent) per annum on the outstanding amounts.
- (ii) Additionally, the Company and the Target Company executed letter agreements dated November 16, 2015; December 18, 2015; March 15, 2016 and April 2, 2016 for purchase of its captive power plant situated at Raigarh pursuant to which the companies were proposing to execute a business transfer agreement. Pursuant to these letter agreements, the Target Company made an advance payment to the Company, aggregating to INR 352,00,00,000 (Indian Rupees Three Hundred Fifty Two Crore). Further, the Company and the Target Company executed supplementary agreements dated February 4, 2019 and April 1, 2020 enabling the Target Company to charge an interest at the rate of 9.7% (nine point seven percent) per annum on the outstanding amounts.

## **3. HISTORICAL DETAILS OF THE ICDs**

The Target Company provided inter-corporate deposits aggregating to INR 1532,28,55,824 (Indian Rupees One Thousand Five Hundred Thirty Two Crore Twenty Eight Lakh Fifty Five Thousand Eight Hundred Twenty Four) to the Company pursuant to the ICD Agreement. The ICDs carry an interest rate of 9.7% (nine point seven percent) per annum. The ICDs are repayable on demand upon request from the Target Company by giving 15 (fifteen) days’ notice and in the event the amount demanded is not repaid as per the schedule, additional interest at the rate of 1% (one percent) per annum will be payable by the Company.

## **4. REGULATORY REQUIREMENT UNDER SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

The Target Company is a related party of the Company in terms of Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“**Listing Regulations**”), read with Section

2(76) of the Companies Act, 2013 as amended from time to time (“Act”). Further, the Loan Agreement is material related party transaction.

Accordingly, the Loan Agreement will require the approval of the shareholders of the Company who are not a “related party” with reference to the Company in terms of the Act and the Listing Regulations, pursuant to Regulation 23(4) of the Listing Regulations read with Section 188 of the Act.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as follows:

- (i) name of the related party: Jindal Power Limited
- (ii) name of the director or key managerial personnel who is related, if any: N.A.
- (iii) nature of relationship: The Company holds 96.42% (ninety six point four two percent) of the issued and paid up equity share capital of the Target Company.
- (iv) nature, material terms, monetary value and particulars of the contract or arrangements: The Company and the Target Company executed the Loan Agreement for conversion of (i) Capital Advances and (ii) ICDs, into a Loan. The Loan Agreement shall be effective upon consummation of the Proposed Sale as per terms set out in the SPA and upon receipt of necessary approvals such as approvals from lenders of the Company and the Target Company, shareholders’ approval and such other approvals, consents, permissions, sanctions and other conditions precedent, as may be necessary.

The material terms and conditions of the Loan Agreement include tenure, rate of interest, repayment, prepayment and default interest, details of which are set out below:

- a. Tenure of Loan: 7 (seven) years;
  - b. Rate of interest: 9.7% (nine point seven percent) p.a. (being the current rate of interest being paid by the Company on the Capital Advances and ICDs);
  - c. Repayment: 3 (three) equal instalments to be paid annually during the last 3 (three) years of the tenure of the Loan;
  - d. Default Interest: Company to be liable to pay default interest at the rate of 2% (two percent) p.a. in the event there is default in payment of Loan;
  - e. Prepayment: Loan may be prepaid anytime without any prepayment penalty; and
  - f. The Loan Agreement is subject to receipt of necessary approvals such as approvals and consents from lenders of the Company and the Target Company, shareholders’ approval and such other approvals, consents, permissions, sanctions and other conditions precedent, as may be necessary.
- (v) any other information relevant or important for the members to take a decision on the proposed resolution: The Loan Agreement shall become effective only upon completion of the sale of shares of the Target Company by the Company in favour of the Acquirer pursuant to the terms of the SPA.

All the persons falling under the definition of “related party” as prescribed under the Act and the Listing Regulations, shall abstain from voting, irrespective of whether the person is party to the particular transaction or not. The Promoter shareholders of the Company are related parties, and hence will abstain from voting in respect of the said resolution.

## **5. RECOMMENDATION OF THE BOARD**

The Board is of the opinion that the aforesaid proposal is in the best interest of the Company and hence, the Board recommends passing of the ordinary resolution for approval of the members.

The shareholders are requested to note that Mr. Naveen Jindal (Chairman of the Board and a Promoter of the Company), along with the Jindal family, holds the entire equity share capital of the Acquirer. None of the other directors, except Mrs. Shallu Jindal (spouse of Mr. Naveen Jindal) or key managerial personnel of the Company, and any relatives of such director or key managerial personnel are in any way concerned or interested in this resolution, financially or otherwise except to the extent of equity shares held by them in the Company.

**Place:** New Delhi  
**Dated:** April 26, 2021

**By order of the Board**

**Registered Office**  
O.P. Jindal Marg,  
Hisar – 125005 (Haryana)  
CIN: L27105HR1979PLC009913

Anoop Singh Juneja  
Company Secretary & Compliance Officer  
Membership No. F6383

### **ROUTE MAP AND PROMINENT LANDMARK OF EGM VENUE**

In view of the extraordinary circumstances due to COVID-19 pandemic prevailing in the country, MCA vide its General Circular Nos. 14/2020 , 17/2020, 22/ 2020, 33/2020 and 39/2020 dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31, 2020 respectively, had clarified that social distancing is a pre-requisite in the current scenario and in reference to clarifications/ Guidance on applicability of Secretarial Standards on General Meetings (SS-2) dated April 15, 2020, the Company will hold the EGM through VC/OAVM, without the physical presence of the Members. In view of the directions from MCA, the Meeting is being convened through VC/OAVM and accordingly, the route map of the venue of the meeting is not required to be annexed hereto.