



Head Office:  
GK Tower, 2nd & 3rd floor,  
19, Camac Street, Kolkata – 700017  
West Bengal, India  
Board Number: + 91-33-7103 4400  
Fax No: + 91-33-2290 2882  
CIN: L27310JH2006PLC012663

**BY ONLINE FILING**

Ref no. : Sec/Shares/36/2018-19

**June 5, 2018**

**To:**

<b>NATIONAL STOCK EXCHANGE OF INDIA LTD.</b> EXCHANGE PLAZA, 5 <sup>TH</sup> FLOOR, PLOT NO. C/1, G BLOCK, BANDRA-KURLA COMPLEX, BANDRA (E), MUMBAI – 400 051 SCRIP CODE: ESL	<b>BSE LIMITED</b> PHIROZE JEEJEEBHOY TOWERS, 1ST FLOOR, DALAL STREET, FORT MUMBAI- 400001 SCRIP CODE: 533264
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Dear Sir/ Madam,

**Subject: Electrosteel Steels Limited (Company) – Disclosure under Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulation, 2015**

In our letter dated June 4, 2018, we have submitted to the Exchanges sequence of various actions to be undertaken pursuant to the Resolution Plan. As an integral part of the Resolution plan, the Company will undertake conversion of unsustainable debt of financial creditors into equity, capital reduction and consolidation of share capital, post which Company will issue shares to Vedanta Star Limited (together referred to as “**Transaction Steps**”). The Resolution Plan further provides that the Company would stand delisted on completion of the Transaction Steps. The Resolution Plan further provides an exit price to be offered to the public shareholders of the Company.

In this regard, we wish to bring to your kind attention that *vide* gazette notification dated May 31, 2018, (“**Notification**”) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (“**Delisting Regulations**”) has been amended. Pursuant to the Notification, SEBI has exempted applicability of Delisting Regulations to delisting of equity shares of a listed entity pursuant to a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”), subject to compliance of certain conditions. The Circular further states that exit to the shareholders should be at a price which shall not be less than the liquidation value as determined under regulation 35 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 after paying off dues in the order of priority as defined under section 53 of the IBC.

Since the liquidation value of the Company as determined by the Resolution Professional is not sufficient to cover the debt of the financial creditors of the Company in full, the liquidation value of the Company in the hands of equity shareholder of the Company is nil. However, as per the Resolution plan, the shareholder of the Company will be paid INR 0.19 per equity share they hold as on date (“**Pre-capital Reduction Price**”). On completion of Transaction Steps, Vedanta Star Limited will make the delisting offer to the then shareholders of the Company. The equivalent per

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[www.electrosteelsteels.com](http://www.electrosteelsteels.com)



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share exit price post completion of Transaction Steps is INR 9.54 per equity share (“**Post-capital Reduction Price**”).

Both, Pre-capital Reduction Price and Post-capital Reduction Price, are calculated in accordance with the Resolution Plan.

Request you to take the same on record.

**Thanking you,**

For ELECTROSTEEL STEELS LIMITED

Binaya Kumar Dash

Company Secretary

ICSI : ACS-17982