



**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH (COURT NO. II)**

**IA No./763/ (AHM)/ 2022
In
CP (IB)/ 342/ (AHM)/ 2020**

(Application under Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 for approval of the Resolution plan)

In the Matter of:

**CA Nirav Anupam Tarkas
(Resolution Professional of M/s. Steelco
Gujarat Limited)**

...Applicant

Versus

Mr. Ajay Pratapray Shanghavi and Others

...Respondents

Order Pronounced On: 31 .07.2023

Coram:

**SHAMMI KHAN,
HON'BLE MEMBER (JUDICIAL)**

**AJAI DAS MEHROTRA,
HON'BLE MEMBER (TECHNICAL)**



MEMO OF PARTIES

CA Nirav Anupam Tarkas

Resolution Professional of
M/s. Steelco Gujarat Limited
Plot No.2, G.I.D.C. Estate, Palej,
Dist.: Bharuch, Gujarat- 392220.
Address for correspondence:
209, B.N. Chambers,
R.C. Dutt Road, Vadodara- 390007

...Applicant

Versus

1. Mr. Ajay Pratapray Shanghavi

Having an address at 7/192 Pushpa Kunj
Station Road, Wadala (West)
Mumbai 400031

2. Mr. Praful Chandaria

Having an address at :
Comcraft Asia Pacific Pte Ltd
312A Tanglin Road
#01-01 Phoenix Park Office Campus
Singapore 247982

3. Ms. Ameeta Trehan

Having an address at :
c/o M/s Astrea Alternate Asset Pvt. Ltd.
4003 Misha Mansion, H-No-3-9-105, Krishnapuri Cly West
Marredpally, Secunderabad
Hyderabad Tg 500026

4. Committee of Creditors of M/s. Steelco Gujarat Limited

Represented through lead stakeholder
Omkaara Assets Reconstruction Private Limited
Having its registered office at No.9,
M.P. Nagar First Street, Kongu Nagar,



Extension, Tirupur, Coimbatore,
Tamil Nadu- 641 607

5. M/s. Next Orbit Growth Fund III

Having an address at 707, Omkar- The
Summit Business Bay, Off Andheri-
Kurla Road, Opp. WEH Metro Station,
Andheri East, Mumbai – 400 069
Maharashtra, India.

...Respondents

Appearance:

| | |
|-------------------------|--|
| For the RP | : Mr. Jaimin Dave, Adv.a/w. Ms. Hirva Dave & Mr. Priyank Dave Adv. |
| For the Respondent No.5 | : Mr. Virendra Ganda, Sr. Adv., Mr. Vikas Mishra Adv. Mr. Kartik Nagarkatti Adv., Mr. Varun Ahuja Adv., Ms. Akanksha Mathur Adv. |
| For the Omkara Assets | : Mr. Tanuj Sud Adv., Mr. Ajay Kumar Adv. & Ms. Stuti Vatsa Adv. |

ORDER

1. The present application is filed by Mr. Nirav Anupam Tarkas - Resolution Professional (“RP”) of M/s. Steelco Gujarat Limited - the Corporate Debtor under Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 (“IBC, 2016”) for approval of the resolution plan.
2. It is submitted by the applicant that the Committee of Creditors (**CoC**) of M/s. Steelco Gujarat Limited have duly approved the resolution plan submitted by one, M/s. Next Orbit Growth Fund III (**SRA**) on 30.07.2022. The said resolution plan submitted by M/s. Next Orbit Growth Fund III is approved by 100% voting share of the CoC. M/s. Next Orbit Growth Fund III is a private equity growth expansion fund managed by Next Orbit



Ventures. Further, M/s. Next Orbit Growth Fund III is an alternative investment fund of category III registered with the SEBI.

3. The facts, in brief, of the present application are summarised as under:-

i. The Corporate Debtor was admitted in Corporate Insolvency Resolution Process (“CIRP”) on 31.12.2020 in an application filed by the State Bank of India, being a Financial Creditor under Section 7 of the IBC, 2016. Mr. Nirav Anupam Tarkas was appointed as Interim Resolution Professional (“IRP”). Thereafter, IRP made the paper publication in Form – A and collated claims and constituted the Committee of Creditors (“CoC”). However, during the pendency of CIRP, one of the members of the initially constituted CoC, assigned its debt to M/s. Omkara Assets Reconstruction Private Limited. As on date, the CoC consists of the following members:

(i) Omkara Assets Reconstruction Private Limited, having a voting share of 66.28%

(ii) Canara Bank, having a voting share of 15.63%

(iii) Bank of India, having a voting share of 12.33%

(iv) Federal Bank, having a voting share of 5.76%

ii. On 10.02.2021, the first CoC meeting was held wherein the appointment of the Applicant/IRP was confirmed as Resolution Professional (RP).

iii. The details of the CIRP as per the revised Compliance Certificate in Form – H dated 24.01.2023 filed by the RP as under:-



16

FORM H
COMPLIANCE CERTIFICATE

ANNEXURE-R4

(Under Regulation 39(4) of the Insolvency and Bankruptcy Board of India
(Insolvency Resolution Process for Corporate Persons) Regulations, 2016

1. **CANirav Anupam Tarkas**, an insolvency professional enrolled with The ICSI Institute of Insolvency Professionals and registered with the Board with registration number **IBBI / IP-002 / IP-N00776 / 2018-19 / 12375**, am the resolution professional for the corporate insolvency resolution process (CIRP) of **STEELCO GUJARAT LIMITED**.

2. The details of the CIRP are as under:

| Sl. No. | Particulars | Description |
|---------|--|---|
| | | CIRP From 31.12.2020 to 25.06.2022 CIRP from 26.06.2022 to 14.08.2022 |
| 1 | Name of the CD | Steelco Gujarat Limited |
| 2 | Date of Initiation of CIRP | 31.12.2020 |
| 3 | Date of Appointment of IRP | 31.12.2020 |
| 4 | Date of Publication of Public Announcement | 08.01.2021 28.02.2022 |
| 5 | Date of Constitution of COC | 11.02.2021 |
| 6 | Date of First Meeting of COC | 10.02.2021 |
| 7 | Date of Appointment of RP | 10.02.2021 |
| 8 | Date of Appointment of Registered Valuers | 01.05.2021 & 27.03.2021 during CIRP I |
| 9 | Date of Issue of Invitation for EOI | 17.04.21 26.06.22 |

Page 1 of 30

FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INSOLVENCY RESOLUTION PROFESSIONAL

2023/7/27 16:04



17

| | | | |
|----|--|---|---------------|
| 10 | Date of Final List of Eligible Prospective Resolution Applicants | Fresh resolution was passed to re-issue Form G | 04.07.2022 |
| 11 | Date of Invitation of Resolution Plan | 01.05.2021 | 01.07.2022 |
| 12 | Last Date of Submission of Resolution Plan | 14.06.2021 | 13.07.2022 |
| 13 | Date of Approval of Resolution Plan by COC | | 08.08.2022 |
| 14 | Date of Filing of Resolution Plan with Adjudicating Authority | | 25.08.2022 |
| 15 | Date of Expiry of 180 days of CIRP | 29.06.2021 | |
| 16 | Date of Order extending the period of CIRP | Please see Annexure : A delineating NCLT extension order details. | |
| 17 | Date of Expiry of Extended Period of CIRP | 14.08.2022 | |
| 18 | Fair Value [Rs]Avg of 2 valuers for each asset class | | 106,70,81,707 |
| 19 | Liquidation value [Rs]Avg of 2 valuers for each asset class | | 82,60,39,995 |
| 20 | Number of Meetings of COC held | | 22 |

3. I have examined the Resolution Plan received from Resolution Applicant "Next Orbit Growth Fund III" and approved by Committee of Creditors (COC) of STEELCO GUJARAT LIMITED at its COC meeting dated : 08.08.2022

FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL

2023/7/27 16:05



- iv. Pursuant to the first invitation for EoI on 17.04.2021, the following 5 (five) Resolution Applicants submitted their EOIs:
1. Aneco Group, Mumbai (Abhay Ispat Pvt. Ltd.)
 2. Haq Steel (Hag Group Ahmedabad)
 3. GSEC Ltd. (Adani Group Company, Ahmedabad)
 4. RKG/ ICICI Prudential ARC Mumbai
 5. Neel Metals Limited (JBM Group New Delhi)
- v. Thereafter, resolution plans were evaluated from time to time. In the 10th CoC meeting held on 14.02.2022, it was decided that all the plans be put for voting. The voting on the resolution plan was to conclude on 23.02.2022.
- vi. However, in the meantime, one of the Resolution Applicants filed an application before this Authority for considering their offer of an increase in the resolution plan amount. The said Resolution Applicant proposed to revise its resolution plan by Rs. 25,00,00,000/- (Rupees Twenty-Five Crores Only). Therefore, with a view of maximising the value of assets of the Corporate Debtor, the CoC unanimously decided that all the resolution applicants shall be provided with a fair and equal opportunity to revise their offer. Accordingly, a fresh date for inviting revised resolution plans from existing Resolution Applicants was to be provided and the existing voting on resolution plan was to be terminated.
- vii. In view of the same, in the 11th CoC meeting held on 21.02.2022, the CoC unanimously resolved to grant the last opportunity to all resolution



applicants to submit their revised resolution plans on or before 11.03.2022.

- viii. In the meantime, out of 5 (five) prospective Resolution Applicants, 2 (two) prospective Resolution Applicants had filed an application inter alia challenging the resolution of the CoC granting opportunity to all the prospective Resolution Applicants to submit their revised resolution plans on or before 11.03.2022.
- ix. In view of filing of the said applications, the said prospective Resolution Applicants had not submitted their revised Resolution Plans in accordance with the resolution so passed by the CoC. However, both the aforementioned applications came to be finally disposed of by way of an order dated 18.08.2022 passed by this Authority.
- x. Nevertheless, on account of non-submission of the revised Resolution Plans by some of the prospective Resolution Applicants vis-à-vis on account of pendency of the aforementioned applications at the given point of time, the CoC was not in a fair position to decide and vote on the resolution plans submitted by the prospective Resolution Applicants.
- xi. In the meantime, one of the erstwhile members of the CoC i.e., State Bank of India, assigned its debt to M/S. Omkara Assets Reconstruction Private Limited. Pursuant to such assignment, M/s. Omkara Assets Reconstruction Private Limited has acquired 66.28% stake in the CoC. Thereafter, considering the interest evinced by the Prospective Resolution Applicants (existing and new ones) and with a view to ensuring the highest degree of transparency by providing a fresh and level playing field for all bidders geared towards value maximization for all stakeholders, the CoC in its meeting held on 17.05.2022 had



considered the order dated 06.05.2022 passed by this Authority directing the CoC to take a call on the pending resolution applications within two weeks.

xii. That after considering the order passed by this Authority, the CoC was of the opinion that:

- (a) *on account of non-submission of revised Resolution Plans by some of the prospective Resolution Applicants vis-à-vis on account of pendency of the applications filed by them, the CoC is not in a position to decide and vote on the resolution plans submitted by the prospective Resolution Applicants;*
- (b) *calling for fresh resolution plans would take care of pending applications filed by the prospective Resolution Applicants;*
- (c) *since the CIRP is at the stage of closure, it would not be suitable to send the Corporate Debtor to liquidation, which in any case should be the last resort. The CoC in its commercial wisdom is of the view that the present case of the Corporate Debtor is not fit for liquidation at this stage and can be resolved if necessary and expeditious actions are taken to eliminate the roadblocks (i.e., the pending applications and disputes by the prospective Resolution Applicants);*
- (d) *in any case, two weeks is too short a time for CoC to approve/reject the resolution plan more particularly when Omkara Assets Reconstruction Private Limited (which is holding 66.28% voting share) has recently joined CoC;*
- (e) *furthermore, there are bright chances of revival of the Corporate Debtor in as much as few other resolution applicants might show*



their interest and there would be further maximization of the value of assets of the Corporate Debtor.

- xiii. In view of the above, on 26.06.2022, the Applicant/RP published a fresh Form - G inviting fresh bids and Eol's under Regulation 36A(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 with the last date of submission of the Resolution Plan on 13.07.2022.
- xiv. In response to the said Form - G, it is submitted that only one prospective Resolution Applicant i.e., M/s. Next Orbit Growth Fund III, had managed to adhere to the timelines enshrined under Form - G dated 26.06.2022. Therefore, in the given scenario, there was a Resolution Plan of a sole Resolution Applicant left for consideration by the CoC.
- xv. In the meantime, one of the prospective Resolution Applicants i.e., M/s. Haq Steels & Metaliks Limited, whose plan was rejected on the ground that the Eol was submitted belatedly by 6 (six) days, though whose resolution plan was submitted within the timeline prescribed under Form - G dated 26.06.2022 had filed an application before this Authority inter alia seeking directions against the Applicant herein and the CoC to accept M/s. Haq Steels & Metaliks Limited in the final list of Resolution Applicants in the process initiated vide issuance of fresh Form - G dated 26.06.2022.
- xvi. Vide an order dated 25.07.2022 passed by this Authority in IA 622 of 2022 the CoC was directed to consider the resolution plans received from M/s. Haq Steels & Metaliks Limited and M/s. Purva Metal Sections Private Limited, since both the prospective Resolution



Applicants had filed their resolution plans within time, though EoI was filed late. However, it was duly observed that the highest bidder, subject to financial and legal viability and subject to voting which is to be considered by the CoC be declared as the Successful Resolution Applicant and the process be completed as early as possible.

- xvii. Thereafter, in view of the foregoing directions of this Authority, it is submitted that the Applicant herein had received 3 (three) Resolution Plans by 13.07.2022 ensuring the revival of the Corporate Debtor. That the following Resolution Plans were received and put forth before the CoC members:

| Sr. No. | Name of the Resolution Applicant |
|---------|--------------------------------------|
| 1. | Next Orbit Growth Fund III |
| 2. | Haq Steels & Materials Limited |
| 3. | Purva Metal Sections Private Limited |

- xviii. It is submitted that the Applicant herein immediately evaluated the three Resolution Plans, ensuring the compliance of the Resolution Plans with the provisions of the Insolvency and Bankruptcy Code, 2016 and informed the same to the members of the CoC. Immediately thereafter, on 29.07.2022, in the 20th meeting of the CoC, the bids of M/s. Haq Steels & Metaliks Limited and M/s. Purva Metal Sections Private Limited were opened for discussion and consideration of the CoC. However, after considering the said Resolution Plans, all the members of the CoC deliberated and decided to provide an opportunity to the highest bidder to revise its Resolution Plan and the



voting on the Resolution Plans was agreed to be done after such revision.

- xix. Subsequently, on 30.07.2022, in accordance with the aforementioned decision of the CoC, the highest bidder submitted its Resolution Plan to the Applicant herein after revising/increasing its offer and the same was duly communicated by the Applicant herein to the members of the CoC.
- xx. Thereafter, in the 21st meeting of the CoC held on 08.08.2022, the result of the Evaluation Matrix, the percentage distributed by each Resolution Applicant to various stakeholders and the legal compliance chart were put forward before the CoC by the Applicant herein and the CoC deliberated on the feasibility and viability of all the Resolution Plan(s). Accordingly, the CoC advised the Applicant herein to put all the plans for voting.
- xxi. Accordingly, the Resolution Plans were put through voting on 08.08.2022. In the said voting, the Resolution Plan submitted by M/s. Next Orbit Growth Fund III is approved by the 100% majority of the members of the CoC.
- xxii. Pursuant to the deliberations that took place in the 22nd meeting of the CoC held on 19.08.2022, the Successful Resolution Applicant was issued a "Letter of Intent" on 19.08.2022 with a request to submit the Performance Bank Guarantee in terms of Regulation 36B (4A) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The copies of the accepted Letter of Intent and the Performance Guarantee as received



from the Successful Resolution Applicant were annexed with the application herein.

- xxiii. The Applicant further submitted that the approved Resolution Plan meets with the requirements of Regulation 38 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 as well as Section 30 of the Insolvency and Bankruptcy Code, 2016. It is further submitted that the Resolution Plan provides for payment of Financial Creditors and payment to Operational Creditors. A copy of the approved Resolution Plan submitted by Ms. Next Orbit Growth Fund III was annexed with the application.
- xxiv. As per revised Form H dated 24.01.2023 filed by the RP through an additional affidavit, wherein the tabular summary of the payments to the creditors contemplated to be made under the approved Resolution Plan is as follows: (Amount in **Rs. lakh**)

7. The amounts provided for the stakeholders under the Resolution Plan is as under: (Amount in **Rs. lakh**)

| Sl. No. | Category of Stakeholder* | Amt Claimed [Rs] | Amt Admitted [Rs] | Amt Provided under the Plan# [Rs] | Amt Provided to the Amt Claimed (%) |
|---------|--|--|-------------------|-----------------------------------|-------------------------------------|
| 1 | Dissenting Secured Financial Creditors | There were no dissenting financial creditors | | | |



| | | | | | |
|--------------|--|------------------|------------------|------------------|------------------|
| 2 | Other Secured Financial Creditors | 21,282 | 21,282 | 8,000 | <u>37.59</u> ✓ |
| 3 | Dissenting Unsecured Financial Creditors | None. Hence N.A. | None. Hence N.A. | None. Hence N.A. | None. Hence N.A. |
| 4 | Other Unsecured Financial Creditors | NIL | NIL | NIL | NIL |
| 5 | Operational Creditors | 16,897.07 | 666.21 | 10.00 | 0.0005 |
| | Government | NIL | NIL | NIL | NIL |
| | Workmen & Employees[Note 2 & 3] | 1,468.53 | 743.00 | 430.00 | <u>57.87</u> |
| | CIRP Costs | At Actuals | At Actuals | 175.00 | 100% |
| | | | | | |
| 6 | Other Debts and Dues | NIL | NIL | NA | NA |
| Total | | | | 8,615 | |

*If there are sub-categories in a category, please add rows for each sub-category.

Amount provided over time under the Resolution Plan and includes estimated value of non-cash components. It is not NPV.



1. As on the date of Approval of Resolution Plan, the **CIRP** cost aggregates to **Rs. 1.75 Crores** which will keep increasing by **Rs10.00 lacs** per month till the date of approval of resolution Plan.
2. The Resolution Applicant has proposed **INR 4,30,00,000** for payment towards workmen and employees dues as against the admitted dues in its Resolution Plan as approved by **COC**. All payment towards workmen and employees will be made as per **Section 30(2)** read with **Section 53 Of the Insolvency and Bankruptcy Code, 2016 (IBC)**. The Resolution Applicant clarifies that, in the event **INR 4,30,00,000** is insufficient or any additional dues are admitted (by way of court order in the proceedings as pending as on date) with respect to the workmen/employees for the pre-CIRP period, the Resolution Applicant shall make the payment towards such dues or additional dues in accordance with **Section 30(2) read with Section 53 of IBC from its own sources without any recourse to the amount allocated towards Secured Financial Creditors and no deductions shall be made from INR 4,30,00,000 allocated towards dues of workmen/employees.**
3. **CIRP** Period Dues towards Workmen/Employees: All payment towards any dues (as may be admitted by way of court order subsequently) of Workmen / employee for CIRP period (Insolvency Resolution Period) will be paid as per **Clause 1.2.5(e) (Page 131 of IA No. 763/2022)** of our Resolution Plan as approved by Committee of Creditors. The Resolution Applicant states that by way of the aforesaid clarifications there is no adverse variation in the commercial proposals towards the Financial Creditors in the Resolution Plan as approved by the Committee of Creditors.

- xv. The Approved Resolution Plan of M/s. Next Orbit Growth Fund III provides for the term of the plan and its implementation schedule. It is submitted that the implementation schedule proposed by the Resolution Applicant is as under:



| Sr. No. | Action | Time |
|---------|--|--------------|
| 1. | <p>NCLT Approval Date</p> <ul style="list-style-type: none">- Reconstitution of the Board of the Company- Appointment of the Monitoring Committee | T |
| 2. | <p>Intimation to Stock Exchange for the following:</p> <ul style="list-style-type: none">- Resolution Plan and delisting of Equity Shares as of Effective Date (if applicable)- Suspension of trading of Equity Shares on account of delisting on Effective Date (if applicable) | T+1 |
| 3. | <p>Effective Date</p> <ul style="list-style-type: none">- Handling over of peaceful and unencumbered possession and title of the Assets of the Company to the Resolution Applicant.- The Company shall stand delisted (if chosen by the Resolution Applicant)- The Capital Reduction shall become effective- Other actions specified in Paragraph IV of Schedule 2 of the Resolution Plan shall take effect | T+3 (1+2) |



| | | |
|----|---|----------------|
| 4. | - The Resolution Applicant (either by itself of the SPV) shall infuse the Equity Commitment in the manner specified in Schedule 2 of the Resolution Plan and such Equity Commitment shall be deposited in the designated bank account of the Corporate Debtor | T+24 (3+21) |
| 5. | Upfront Payment: <ul style="list-style-type: none">- Payment of the CIRP Costs- Payment of Dues towards Workmen- Payment of the Upfront Operational Creditor Payment | T+27 (24+3) |
| 6. | Payment to Creditors: <ul style="list-style-type: none">- Payment towards Dissenting Financial Creditors- Payment to Financial Creditors | T+30 (27+3) |

It is submitted that the Resolution Plan shall be deemed to be implemented on payment of the Loan Assignment Consideration to the Approving Financial Creditors (who are last in line to receive from the resolution amount).

- xvi. The Applicant further submitted that the Resolution Plan also provides for performance security as per sub-regulation (4A) of Regulation 36B of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.



- xvii. The Applicant further submitted that the present application is filed before this Authority to seek approval of the Resolution Plan submitted by M/s. Next Orbit Growth Fund III for the revival of the Corporate Debtor.
4. It is submitted that in accordance with Section 31(1) of the Insolvency and Bankruptcy Code, 2016 the approved Resolution Plan shall be binding on the Corporate Debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the Resolution Plan. It is submitted that neither the Corporate Debtor nor the Resolution Applicant shall be required to make any payments over and above the amount provided for under the said Resolution Plan on and from the date of approval of the Resolution Plan.
5. It is submitted that since the Resolution Plan results in change in management and control of the Corporate Debtor, according to Section 32A of the Insolvency and Bankruptcy Code, 2016 ("Code"), the liability of a Corporate Debtor for an offence committed prior to the commencement of CIRP shall cease, and the Corporate Debtor shall not be prosecuted for such an offence from the date the Resolution Plan has been approved by the Adjudicating Authority under Section 31 of the Insolvency and Bankruptcy Code, 2016 and any instrument executed by the Corporate Debtor under the Negotiable Instrument Act, 1881 including but not limited to post-dated cheques, demand promissory notes, etc. prior to the approval order passed by the Adjudicating Authority shall in no manner be the liability of the



Resolution Applicant and all such instruments to be treated as null and void ab-initio.

6. Furthermore, it was submitted that with the subscription of the Equity Shares by the Resolution Applicant and its Affiliates/ Nominees, the entire Equity Shares held by the Existing Shareholders shall stand fully extinguished as a part of this Resolution Plan.
7. It is further submitted that nothing contained in this Resolution Plan shall affect the rights of the Corporate Debtor to recover any amounts due to the Corporate Debtor from any third party including any Related Parties of the Corporate Debtor, under proceedings initiated by the Corporate Debtor and there shall be no set-off of any such amounts recoverable by the Corporate Debtor against any amount paid/ payable by the Corporate Debtor or any liability discharged, satisfied or extinguished pursuant to this Resolution Plan.
8. The Applicant herein submitted that he has not filed any other application concerning the subject matter of this application before any other Court including the Hon'ble Supreme Court of India.
9. We have heard learned counsel for the applicant and perused the material available on record. It is noted that Form H has been filed by Resolution Professional wherein all information/details as regards to the conduct of CIRP as well as the process adopted for the Resolution Plan have been given. The liquidation value of the Corporate Debtor is **Rs. 82,60,39,995/-**. The value of the Resolution Plan is **Rs. 86,15,00,000/-** as mentioned in revised Form H. The value of the resolution Plan is more than the liquidation value.



10. It is further noted that an affidavit as regards the eligibility of the resolution applicant under Section 29A along with the undertaking of the resolution applicant to this effect has been filed. We have also perused the contents of the resolution plan and we are of the view that Regulations 36 to 39 of CIRP Regulations, 2016 have been complied with. We further noted that the resolution plan complies with all requirements under Section 30(2)(b) of the IB Code. We also find that the resolution plan addresses the cause for failure and also contains measures to run the Corporate Debtor in future and that the resolution plan is both feasible and viable as held by CoC and it also contains provisions for its effective implementation. Accordingly, we being satisfied, approve the Resolution Plan and pass the following order:-

- I. The resolution plan of Ms. Next Orbit Growth Fund III for Corporate Debtor i.e., M/s. Steelco Gujarat Limited is allowed as per Section 30(6) of the IBC, 2016.
- II. The approved 'Resolution Plan' is annexed with this order at **Annexure - A** and shall become effective from the date of passing of this order.
- III. The order of moratorium dated 31.12.2020 passed by this Adjudicating Authority under Section 14 of the IB Code shall cease to have effect from the date of this order.
- IV. The Resolution Plan so approved shall be binding on the Corporate Debtor and its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.



- V.** The monitoring committee as proposed in Part II of the resolution plan shall be constituted for supervising the effective implementation of the Resolution Plan.
- VI.** Any applications filed and pending for preferential, undervalued, fraudulent, extortionate transactions shall be pursued by the monitoring Committee and later by SRA and the net amount recouped, if any, shall be distributed to the creditors on a pro-rata basis.
- VII.** The Resolution Professional, Mr. Nirav Anupam Tarkas Vikash, shall be released from the duties of the resolution professional of the Corporate Debtor as per the provisions of the IB Code and rules/regulations made thereunder.
- VIII.** The Resolution Professional shall forthwith send a copy of this Order to the participants and the resolution applicant(s).
- IX.** The Resolution Professional shall forward all records relating to the conduct of the corporate insolvency resolution process and Resolution Plan to the Insolvency and Bankruptcy Board of India to be recorded in its database.
- X.** As regards various reliefs and concessions which are being sought, we hereby grant the following reliefs and concessions only as against reliefs and concessions claimed by the resolution applicant:-
- i. After the payment of the dues to the creditors, as per the resolution plan, all the liabilities of the said stakeholders shall stand permanently extinguished and other claims including Government/Statutory Authority, whether lodged during CIRP or not, shall stand extinguished after the approval of the resolution



plan. We further hold that contingent/unconfirmed dues shall also stand extinguished;

- ii. From the date of this order, all claims except those provided in the plan of the Corporate Debtor stand extinguished.
- iii. From the date of this order, all encumbrances on the assets of the Corporate Debtor before the plan shall stand permanently extinguished.
- iv. The reliefs granted in (i) (ii) & (iii) supra are subject to the outcome of interlocutory applications regarding claims presently pending before the Adjudicating Authority and as per the undertaking given by the Resolution Professional in para iii, iv and v of the affidavit filed on 10.01.2023 and subsequent confirmation affidavit filed on 06.02.2023, such creditors will be entitled to pro rata amount as per their respective category in accordance with the Resolution Plan, for this purpose, as per said undertaking.
- v. For reliefs and concessions sought from the Government/Statutory Authorities including environmental clearance as well as stamp duty, we direct the resolution applicant to approach the concerned Authorities. The concerned Authorities may decide the matter as per applicable provisions of law for effective implementation of the Resolution Plan.
- vi. As regards reliefs prayed under various provisions of the Income Tax Act, 1961, the corporate Debtor/ resolution applicant may approach the Income Tax Authorities who shall take a decision



on relief and concessions sought by the resolution applicant in accordance with the provisions of the Income Tax Act, 1961.

- vii. The resolution applicant shall be entitled to review, revise or terminate any appointments/agreements entered into by or on behalf of the Corporate Debtor in accordance with the terms and conditions of such agreements/MoUs/contracts;
- viii. The management of the Corporate Debtor shall be handed over to the Board of Directors as may be nominated by the resolution applicant for proper running operations of the business of the Corporate Debtor;
- ix. The Board of Directors of the Corporate Debtor shall also be reconstituted and procedural compliances shall be done to give effect to such reconstitution;
- x. The resolution applicant shall, pursuant to the resolution plan approved under Section 31(1) of the Code, obtain necessary approvals required under any law for the time being in force within a period of one year from the date of approval of the resolution plan by the Adjudicating Authority under Section 31 or within such period as provided for in such law, whichever is later, as the case may be;
- xi. All the approvals of shareholders/members of the Corporate Debtor shall be deemed to have been obtained and the provisions made in the resolution plan as regards the restructuring of capital shall be binding on them. For concession of stamp duty as prayed in the resolution plan, the resolution applicant may approach the concerned Government Authority.



- xii. With respect to the grant of license/ Government approval if the license or approval is terminated, suspended and revoked, the resolution applicant may approach the concerned Department/ Authorities for such approval/ renewal and Government Authorities may consider the request of the resolution applicant as per applicable provisions of law for the effective implementation of the resolution plan.
11. Accordingly, IA 763 of 2022 is allowed with the above-said observations and directions, and stands disposed of.
12. An urgent certified copy of this order, if applied for, is to be issued to all concerned parties upon compliance with all requisite formalities.

S/d-
AJAI DAS MEHROTRA
MEMBER (TECHNICAL)

S/d-
SHAMMI KHAN
MEMBER (JUDICIAL)

Rahul Singh/LRA

Annexure "A"

ANNEXURE - P

110

RESOLUTION PLAN - CONFIDENTIAL

Resolution Plan for resolution of Steelco Gujarat Limited


Submitted by

Next Orbit Growth Fund III
(Resolution Applicant)

Submitted to

Mr. Nirav Anupam Tarkas
Regn. No. IBB/IRPA-002/IP-N00776/2018-2019-12375
(Resolution Professional)
209, B N Chambers, Opposite Welcom Hotel,
R C Dutt Road, Vadodara, Gujarat - 390007
Email: steelcocirpa@gmail.com

July 30, 2022

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(ICA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IRPA-002/
IP-N00776/2018-19/12375



For Steelco Gujarat Limited, the Resolution Professional

1



Strictly Private and Confidential

TABLE OF CONTENTS

| | |
|---|----|
| DISCLAIMER | 4 |
| "RESOLUTION PLAN" | 5 |
| STATEMENT OF COMPLIANCE | 5 |
| ELIGIBILITY AND STATEMENT OF INTENT | 6 |
| INFORMATION CONDITIONS | 6 |
| PART A: BUSINESS PLAN | 8 |
| 1. Overview/Profile of the Resolution Applicant | 8 |
| 2. Management Team | 9 |
| 3. Business Plan and Financial Projections | 10 |
| <i>Estimated reasons for the present position of the Company and proposed turnaround plan</i> | 10 |
| (a) Operation and Maintenance Contractor/Job Works | 10 |
| (b) Working Capital | 11 |
| (c) Management | 11 |
| (d) Equity Infusion | 11 |
| (e) Capital Reduction | 11 |
| 4. Supervision and Implementation of the Resolution Plan | 12 |
| 5. Approvals | 13 |
| PART B: FINANCIAL PROPOSAL | 14 |
| 1. MANDATORY CONTENTS OF THE RESOLUTION PLAN | 14 |
| 1.1 Distribution of Liquidation Value | 15 |
| 1.2 Treatment of Claims | 15 |
| 1.2.1 CIRP Cost | 16 |
| 1.2.2 Treatment of Secured Financial Creditors | 16 |
| 1.2.3 Payment to Dissenting Financial Creditors | 19 |
| 1.2.4 Payment to Operational Creditors (excluding Workmen/Employees) | 19 |
| 1.2.5 Payment towards Workmen/Employees | 22 |
| 1.2.6 Proposal for Other Stakeholders (Including Other Creditors) | 22 |
| 1.2.7 Payment Towards Statutory Dues | 23 |
| 1.2.8 Proposal for Existing Shareholders | 24 |
| 1.2.9 Miscellaneous Claim | 25 |
| 1.2.10 Benefits to Related Parties | 25 |
| 1.2.11 Payments to Creditors submitting Claims after Approval of the Resolution Plan | 25 |
| 1.3 Statement in relation to dealing with all Stakeholders | 25 |
| 1.4 SOURCE OF FUNDS | 25 |
| 1.5 Avoidance Applications and Other Proceedings | 26 |
| 1.6 Mandatory Disclosure | 26 |
| 2. SUPERVISION AND IMPLEMENTATION OF THE RESOLUTION PLAN | 27 |
| 3. STEPS TO BE TAKEN DURING PENDENCY OF RESOLUTION PLAN BEFORE NCLT | 28 |
| 4. ANY OTHER CONDITIONS FOR IMPLEMENTATION OF RESOLUTION PLAN | 29 |
| 4.1 Right to Receivables | 29 |
| 4.2 Carry Forward Losses | 29 |
| 4.3 Term of the Resolution Plan and Implementation Schedule | 29 |

ATTESTED

FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)

INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IIP-002/
IP-N00776/2018 19/12/75

| | |
|---|-----------|
| 4.4. Filing of Approved Plan with Relevant Authorities and Forums | 29 |
| 4.5. Severability and Compliance with Law | 29 |
| 4.6. Amendment to the Resolution Plan | 30 |
| 4.7. Strategic Joint Ventures | 30 |
| 4.8. Means for supervising Implementation of the Resolution Plan | 30 |
| 4.9. Declaration | 30 |
| 4.10. Invocation of EMD Bank Guarantee | 30 |
| 4.11. Performance Guarantee | 30 |
| 4.12. Unavailability of key data | 31 |
| 4.13. Validity of Resolution Plan | 31 |
| 4.14. No recourse to COC or Resolution Professional | 31 |
| 4.15. Rights of the COC | 31 |
| 5. FEASIBILITY AND VIABILITY OF THE RESOLUTION PLAN | 31 |
| 6. UNDERTAKING REGARDING THE VERACITY OF THE INFORMATION PROVIDED IN THE RESOLUTION PLAN | 32 |
| 7. KEY RELIEF AND CONCESSIONS | 32 |
| 8. TERMS AND CONDITIONS OF PARTICIPATION | 34 |
| SCHEDULE 1 | 35 |
| DEFINITIONS, ABBREVIATIONS AND INTERPRETATION | 35 |
| SCHEDULE 2 | 39 |
| IMPLEMENTATION SCHEDULE | 39 |
| I. NCLT APPROVAL DATE ACTIONS | 39 |
| II. POSSESSION OF UNITS AND ASSETS | 39 |
| III. DELISTING | 39 |
| IV. CONTRACTS MADE PRIOR TO NCLT APPROVAL DATE | 40 |
| V. NEGOTIABLE INSTRUMENTS | 40 |
| VI. INFUSION OF FUNDS TOWARDS RESOLUTION AMOUNT | 40 |
| VII. CAPITAL REDUCTION | 41 |
| VIII. CAPITAL ISSUANCE | 41 |
| IX. EFFECTIVE DATE ACTIONS | 42 |
| X. PRAYERS IN THE APPLICATION FOR APPROVAL OF RESOLUTION PLAN | 43 |
| XI. TIMELINE FOR IMPLEMENTATION OF THE RESOLUTION PLAN | 43 |
| XII. ASSIGNMENT/NOVATION OF LOANS | 44 |
| ANNEXURE 1 | 45 |
| ANNEXURE 2 | 48 |

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 1BB1/IP-002/
IP-N00776/2018-19/12375



TRUE COPY
JD

Strictly Private and Confidential

DISCLAIMER

The responsibility of Next Orbit Growth Fund III ("Resolution Applicant") to invest in relation to Steelco Gujarat Limited ("Corporate Debtor" or "Company") or implement the Resolution Plan proposed by it hereinafter shall only arise on the Effective Date. Till such time the Resolution Plan is made effective, no past, present or future action, course of conduct or failure to act in relation to the proposed investment will give rise to or serve as the basis for any obligation or other liability on the part of the Resolution Applicant.

This Resolution Plan has been prepared and submitted by the Resolution Applicant on the basis of the information shared by the Resolution Professional of the Company in the Request for Resolution Plan or otherwise as made available to the Resolution Applicant. The proposed Resolution Plan is subject to any additional information provided to the Resolution Applicant thereafter, which may have a bearing on the Resolution Plan and the Resolution Applicant reserves the right to modify and renegotiate the Resolution Plan with the Committee of Creditors in the event it discovers or is provided with any material information pertaining to the Company post such date. Notwithstanding anything contained hereunder the Resolution Plan proposed hereinafter is unconditional and will be binding on the Resolution Applicant upon its approval in terms of the provisions of the Code.

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)


(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 18B1/IP-0027
IP-N00776/2018-19/12/25



TRUE COPY



Date: July 12, 2022

To:
Mr. Nirav Anupam Tarkas
Regn No. IBBI/IPA-002/IP-N00776/2018-2019/12375
Resolution Professional of Steelco Gujarat Limited
209, B.N. Chambers, Opposite Welcom Hotel,
R.C. Dutt Road, Vadodara, Gujarat - 390007
Email: steelcocirp@gmail.com

"RESOLUTION PLAN"

Submitted by:

Next Orbit Growth Fund III
(An Alternative Investment Fund of Category III registered with Securities and Exchange Board of India
under Regulation 6 of the Securities and Exchange Board of India (Alternative Investment Funds)
Regulations, 2012)

Registered Number:
IN/AIF3/19-20/0680

Registration Date:
April 6, 2019

Registered Address:
707, Omkar - The Summit Business Bay,
Off Andheri Kurla Road
Opp. WEH Metro Station, Andheri East,
Mumbai - 400069

Correspondence Address:
707- Omkar, the Summit Business Bay,
Off Andheri - Kurla Road
Opp. WEH Metro Station, Andheri East,
Mumbai - 400069
Tel: +91 22 49242767/+91 22 49242830
Email: jupiterp0786@gmail.com; ajay@nextorbitventures.com

STATEMENT OF COMPLIANCE

This Resolution Plan is being submitted by the Resolution Applicant - Next Orbit Growth Fund III is an Alternative Investment Fund registered under the provisions of the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, having its registered office at 707, Omkar - The Summit Business Bay, Off Andheri - Kurla Road, Opp. WEH Metro Station, Andheri East, Mumbai - 400069, acting through its Trustee, NOV Trusteeship Services Private Limited, a company registered with the Registrar of Companies, Bangalore under Companies Act, 2013 and having its registered office at No. 6A 12, Cedar Tata Sherwood, Vibhuthipura Village, Basava Naga, Marath Halli, Bengaluru - 560037, which has further, vide Indenture of Trust dated June 25, 2018 under Clause 5.1.1 thereof, granted all its powers exclusively to its Investment Manager Next Orbit LLP, a limited liability partnership incorporated under the provisions of the Limited Liability Partnership Act, 2008, with its registered office at 707, Omkar - The Summit Business Bay, Off Andheri - Kurla Road, Opp. WEH Metro Station, Andheri East, Mumbai - 400069.

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

Resolution Plan for Steelco Gujarat Limited

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBI/IP-002/
IP-N00776/2018-19/12375



5

TRUE COPY

Strictly Private and Confidential



This Resolution Plan is being submitted by the Resolution Applicant pursuant to the 'Request for Resolution Plan for selection of a Resolution Plan for Steelco Gujarat Limited' dated June 26, 2022 ("RFRP") issued by Mr. Nirav Anupam Tarkas, Resolution Professional of the Corporate Debtor in terms of the provisions of the Code, together with the order dated June 21, 2022 of the Hon'ble National Company Law Tribunal (Ahmedabad Bench Court II) in IA No. 467/2022 extending the CIRP Period of the Corporate Debtor by 60 (sixty) days with effect from May 24, 2022, and in reliance of the Information Memorandum, other information/documents provided to the Resolution Applicant by the Resolution Professional, COC and on basis of due diligence and assessment of the Corporate Debtor by the Resolution Applicant. This Resolution Plan complies with the provisions of Sections 30 and 31 of the Code read with Regulation 36A, 37, 38, 39 and other relevant regulations of the CIRP Regulations.

The Resolution Applicant acknowledges and confirms that all the compliances under the RFRP have been made and all the relevant disclosures, undertakings, confirmation and information as required under the RFRP have been provided along with this Resolution Plan. The Resolution Plan has dealt with the interests of all the stakeholders in the Company, including the Financial Creditors (whether secured or unsecured, assenting or dissenting), Operational Creditors and all other stakeholders of the Company.

All capitalized terms used in this Resolution Plan shall have the meaning given to them in *Schedule I (Definitions, Abbreviations and Interpretation)* hereof or as otherwise defined in this Proposal and if not so defined shall have the meaning ascribed to the term in the Code. For the purposes of this Resolution Plan the "Resolution Applicant" shall mean and refer to Next Orbit Growth Fund III and/or the Implementing SPV, as the context may require.

ELIGIBILITY AND STATEMENT OF INTENT

The Resolution Applicant declares and clarifies that it is eligible under Section 29A of the Code to submit a Resolution Plan with respect to the Company and further clarifies and confirms that it has fulfilled the criteria laid down in the RFRP. The Resolution Applicant hereby unconditionally states, submits and confirms that the Resolution Applicant is not disqualified from submitting a Resolution Plan in respect of the Corporate Debtor, pursuant to the provisions of the Code.

INFORMATION CONDITIONS

1. The Resolution Applicant is a private equity growth expansion fund managed by Next Orbit Ventures. The fund is based in Mumbai. Founded in 2012, Next Orbit Ventures has pioneered as partnership based approach to private equity investing and over time has expanded and built one of the strongest alternative asset platforms. Any information set out in this Resolution Plan with respect to the Next Orbit Ventures may constitute confidential and (price) sensitive information and thus, are required to be kept confidential in accordance with the Applicable Laws.
2. The Resolution Plan is a confidential document and contains confidential information about the Resolution Applicant. The COC and the Resolution Professional shall maintain the confidentiality of all information and material provided by us in this Resolution Plan or in relation thereto, and the same shall not be disclosed in whole or in part to any person without our prior written consent, provided that it may be disclosed to the COC and their respective employees, consultants or professional advisers on a strictly need to know basis, subject to equivalent obligations of confidentiality.

We will not be held liable for any actions, inquiries, proceedings initiated or threatened against the COC, the Resolution Professional or any of their respective advisors in relation to any matter in connection with the CIRP that has been commenced against the Corporate Debtor, save for liability arising out of any breach by us of any covenant or term contained in the Resolution Plan.

The Resolution Plan may constitute confidential information and the recipient of this Resolution Plan agree(s) to maintain the information confidential and not to disclose to any party unless consented by the Resolution Applicant or required under the Applicable Laws.

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 1BB1/IP-002/
IPN000776/2018-19/12375



TRUE COPY

JD

5. The Resolution Plan is a complete plan and may be accepted as a whole. Any part acceptance, negotiation or modification of the Resolution Plan will be valid only if accepted by the Resolution Applicant in writing.
6. The approval of the Resolution Plan by the COC and the Adjudicating Authority will create a binding obligation on the Resolution Applicant and on all the stakeholders of the Company, including all creditors (whether admitted or not, and any assignees or successors of such creditors) of the Company, in accordance with the provisions of the Code and the terms of the Resolution Plan.



ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IIP-002/
IP-N00776/2018-19/12375



Strictly Private and Confidential

PART A: BUSINESS PLAN

1. Overview/Profile of the Resolution Applicant

Next Orbit Growth Fund III/Resolution Applicant is a private equity growth expansion fund managed by Next Orbit Ventures. The fund is based in Mumbai, India and invests in the United States, Canada, Europe, Americas, Asia, Africa, Middle East and Oceania. The fund targets investments in the material, resource, information technology, healthcare, business product and service sectors. Next Orbit Ventures is a multi-asset fund manager investing in the debt and equity of growing companies to create long term sustainable value for them and to generate superior returns for our investors. Next Orbit Ventures is growing leading private multi-asset alternative investment firms with approximately USD 3 billion fund under management that will create lasting impact for Next Orbit's investors, teams, businesses and the communities in which we live. Founded in 2012, Next Orbit has pioneered a partnership-based approach to private equity investing, partnering closely with management teams to offer the insights that challenge conventional thinking, build great businesses and improve operations. Over time, Next Orbit has organically expanded this approach across asset classes to build one of the strongest alternative asset platforms.

Today, Next Orbit teams strive to create value through venture capital, private equity, public equity, debt investment across multiple sectors, industries, and geographies. With this horizon and reach in multiple sector across the globe the Resolution Applicant a fund of Next Orbit Ventures believes that it has potential to provide the requisite base and financial support that will result in uptide of the Corporate Debtor. A brief snapshot of the selected successful investment that Next Orbit Ventures has procured is as under:

(a) Next Orbit Ventures Fund:

| Name | Registration | Corpus of the Fund | Commitment of Fund | Funds Invested/Committed | Assets Under Management (AUM) Value |
|--------------------------|----------------------------|--------------------|--------------------|--------------------------|-------------------------------------|
| Next Orbit Ventures Fund | Reg. No. IN/VCF/11-12/0232 | INR 700 crore | INR 698 crore | INR 698 crore | INR 2800 crore |

(b) Next Orbit Ventures Fund II:

| Name | Registration | Corpus of the Fund | Commitment of Fund | Funds Invested/Committed | Assets Under Management (AUM) Value |
|-----------------------------|-----------------------------|--------------------|--------------------|--------------------------|-------------------------------------|
| Next Orbit Ventures Fund II | Reg. No. IN/AIF1/16-17/0234 | USD 2 billion | USD 1 billion | USD 900 million | - |

(c) Next Orbit Growth Fund III:

| Name | Registration | Corpus of the Fund | Commitment of Fund | Funds Invested/Committed | Assets Under Management (AUM) Value |
|------|--------------|--------------------|--------------------|--------------------------|-------------------------------------|
| | | | | | |

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 18B11P-002/
IP-N0077E 20 4 13 5 2575

TRUE COPY



| | | | | | |
|----------------------------|-----------------------------|----------------|---------------|-----------------|-----------------|
| Next Orbit Growth Fund III | Reg. No. IN/AIF3/19-20/0680 | INR 1000 crore | INR 995 crore | INR 108.9 crore | INR 108.9 crore |
|----------------------------|-----------------------------|----------------|---------------|-----------------|-----------------|

The profile, track record, experience and other details of the Resolution Applicant and its group fund manager Next Orbit Ventures are at *Annexure I* hereto. We believe with the expertise that the Resolution Applicant has, the Resolution Applicant is well placed to create a sustainable capital structure that will enable the Corporate Debtor to create value for all the stakeholders while continuing as a going concern. The proven track record of the Resolution Applicant and its manager is a testimony to their ability to deliver the same for the Corporate Debtor. While the Resolution Applicant has ability to procure the required capital for the revival of the Corporate Debtor, with the help of the specially built team (from the steel sector) the Resolution Applicant is confident that it will bring synergy in terms of required capital and operations, procurement, marketing and sales and would run the Company in a manner beneficial to all stakeholders who are linked to the Corporate Debtor in its revival post implementation of the resolution plan.

2. Management Team

- (a) On and from the Effective Date, the Reconstituted Board of the Corporate Debtor shall be replaced by the new Board of Directors to be constituted by the Resolution Applicant. Such new Board of Directors will be appointed in accordance with the Applicable Laws.
- (b) On and from the Effective Date, the Resolution Applicant shall have the right to appoint suitably qualified and experienced persons as the key managerial personnel such as Chief Executive Officer, Chief Operating Officer and Chief Financial Officer and other key personnel in the functions of sales and marketing finance, human resources and operations, as well as in the post of 'Key Managerial Personnel' of the Corporate Debtor. In the alternative, the Resolution Applicant also reserves the right to appoint any operation and maintenance contractor, having expertise in the filed, for the Corporate Debtor's plants and units in order to see a quick turnaround.
- (c) Further, the Resolution Applicant will ensure that the Implementing SPV (if no operation and maintenance contractor is engaged) has the in-house technical expertise, with adequate expertise, equipment, and project management skills to take up and efficiently operate the units/plants of the Corporate Debtor.
- (d) All other persons such as auditors, independent directors etc., shall be appointed by the Resolution Applicant in accordance with the Applicable Law on and from the Effective Date.
- (e) The Resolution Applicant proposes that the existing employees of the Company will continue to be employed by the Company subject to the terms above. The Resolution Applicant also reserves the right to rationalize the manpower of the Company by replacing or removing the existing managerial persons and/or other existing members of the senior management of the Company. Each of the such managerial persons or members of the senior management of the Company whose employment is terminated pursuant to the provisions of the Resolution Plan shall have no claim against the Company and/or the Resolution Applicant. Each of the directors and/or managerial persons whose offices are being vacated pursuant to the provisions of the Resolution Plan shall have no claim against the Company either in law or tort including on account of any loss of office, profit or repute.

Details of managerial competence and technical abilities with a snapshot of the key persons of the Resolution Applicant is at *Annexure I* hereto.

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IIP-002/
IP-N00776/2018-19/12375



9

TRUE COPY
JD

Strictly Private and Confidential

3. Business Plan and Financial Projections

Set out below is the business plan for the Company that the Resolution Applicant intends to pursue upon acquisition of control over the Company pursuant to this Resolution Plan. This business plan (and financial projections of the Company as set out herein and/ or delivered in connection with this Resolution Plan) is based on: (i) the information made available to the Resolution Applicant by the Resolution Professional in relation to the Company; and (ii) the assumption that the fixed assets of the Company as demonstrated during the site visits and details provided by Resolution Professional to the Resolution Applicant in relation thereto, have not been alienated, disposed or transferred in any manner and nor has any security interest or encumbrance been created over such assets after the commencement of CIRP in respect of the Company. This business plan is indicative and subject to change and refinement depending on further information becoming available to the Resolution Applicant, changes in global investment scenarios and market conditions, among other relevant factors:

Estimated reasons for the present position of the Company and proposed turnaround plan

While it is only upon taking over control of the Company a complete picture can be understood as to what lead to stress on the Company, to the best belief of the Resolution Applicant basis the information provided to it and market review that it has undertaken, it has been observed that the following factors led to stress of the Company and the dismal production levels:

- (a) The manufacturing unit of the Company has performed below its capacity due to inadequate working capital, cash crunch due to inappropriate planning of operations and influx of cheap imports hurting the business of the Company, resulting in a default in the interest payments and getting stuck into ever growing debt burden.
- (b) Deflation of commodity prices globally bringing down the steel prices leading to severe pressure on the operating margins of the steel plant in 2015.
- (c) Exports which were constituting around 50% of the sales, were down from 2015 onwards due to slow-down in Middle East. The problem was further exacerbated by US imposing Anti-dumping duty on Galvanized steel imports from India.

Proposal for execution of the Sale Arrangements

The Resolution Applicant will be implementing the Resolution Plan through the Implementing SPV or on its own. In any case, the Resolution Applicant may, as it deem fit after gaining operational control of the Company, engage any operation and maintenance contractor to ensure quick turnaround in the operations at the manufacturing units of the Company. Any sale arrangements or strategy in that regard as may be required in particular circumstances, as it may pan out at that stage of implementing or reviving the operations of the Company, will be decided at such relevant time by the Reconstituted Board or the new Board of Directors with help of other key managerial personnel. However, the company will like to keep sales largely domestic and reduce dependency on export markets. Also, the Resolution Applicant reserves the right to revisit the current contracts and sale arrangements of the Company and negotiate with such counter parties favourable arrangements. Provided that this does not impede on the Resolution Applicant's right to terminate any such arrangement with any liability or consequences.

Action Plan for building the capability required (technical, financial, manpower etc.) to ramp up the scale of operations

- (a) Operation and Maintenance Contractor/Job Works

In order to bring up the production scales of the Company and ensure that the Company operates at full capacity and as may deem fit by the Resolution Applicant in the circumstances at a particular time, necessary arrangements will be made including by way of engaging any

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBI/IP-002/
IP-N00776-2018-19/12375

Strictly Private and Confidential

operation and maintenance contractor and other advisors to ensure quick turnaround in the operations at the manufacturing units of the Company.

(b) Working Capital

The Resolution Applicant understands that the Company does not have adequate working capital and as a result, the plants are running at sub-optimal utilization levels. In fact, the manufacturing units of the Company are currently shut and no operations are being carried out. The Resolution Applicant will facilitate the Company in raising working capital facility as per operational requirements of the Company, which will help in reviving the operations of the manufacturing unit of the Company and ensuring that it runs at optimal utilization levels. We expect to be in a position to restart the operations of the Company within a period of 90 (Ninety) days from the Effective Date. Infusion of Working Capital shall be done within 180 (one hundred eighty) days from the Effective Date. The Resolution Applicant may infuse such working capital from its own sources or through debts from any lender/third party either directly into the Company or by way of equity infusion by Resolution Applicant into the Company.

The Resolution Applicant shall infuse Working Capital of Rs 20.00 Crores in the company in the form of Debt through its own means/trader/creditor or through Bank/FI/NBFC Lending.

(c) Management

The Resolution Applicant also reserves the right to rationalize the senior management of the Company by replacing or removing Key Managerial Personnel and/or other members of the senior management of the Company.

(d) Equity Infusion

The Resolution Applicant (either by itself or through an Implementing SPV) shall infuse an amount aggregating to INR 5 Crores (Indian Rupees Five Crores) (the "Equity Commitment") in the Corporate Debtor by way of subscription of Equity Shares at face value and/or by way of infusion of debt. The amount proposed to be infused will be for the purpose of revival of the Corporate Debtor and utilised in infusion. The terms and conditions for such Equity Commitment will be decided by the Resolution Applicant at the time of such infusion in accordance with the Applicable Laws. Provided that post implementation of the Resolution Plan and issuance/transfer in favour of the Resolution Applicant, the Resolution Applicant shall hold at least 51% of share capital in the Company and shall have Control and management over the Company. Any change in shareholding of the Resolution Applicant in the Company or any change in the Control of the Company beyond the same shall require prior approval of the Committee of Creditors.

(e) Capital Reduction

The Capital Reduction shall become effective and the issued and paid up equity shares of the existing shareholders shall be cancelled and reduced to nil in accordance with the Resolution Plan.

Action plan to bid for future sale arrangements and raw material sourcing arrangements

The Corporate Debtor is a listed company, limited by shares, which was incorporated on January 9, 1989 having its registered office at Plot No. 2 GIDC Estate, Palej, Dist. Bharuch, Gujarat-392220, India. The Corporate Debtor is engaged in the business of manufacturing CR Coils/ sheets and Galvanised and pre-painted coils/ sheets. The Company's commercial production of Cold Rolled Steel products started in Financial Year 1994 with cold rolling of Steel with a capacity of 180,000 MT per annum. The Company did forward integration by installing Continuous Hot Dip Galvanizing

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBI/IP-002/
IP-N00776/2018-19/12375



11

TRUE COPY

JD

Strictly Private and Confidential



Line and Hot Dip Continuous Galvanizing line with capacity of 60,000 MT per annum. The Company further did another forward integration by installing Colour Coating Line with capacity of 60,000 MT per annum. The Company is accredited with ISO 9001:2000 and ISO14001:2004 certification on quality management standards for manufacturing and supply of CR steel sheet/coils/strips and CR galvanized plain/corrugated sheet/coil/strips. The Company operated in domestic and export market. The export consisted of approx. 50% of the total turnover of the Company. The Company had developed a wide distribution network for export directly with customers as well as thorough agents and internationally renowned trading houses. Further, the Company is equipped with latest Cold Rolling Technology from Hitachi, Japan to enable rolling of superior grade finished sheets and coils.

Products offered by Corporate Debtor: Hot Rolled – HRPO Coil, Strips, Sheets and Circles, HR GC Coils, Strips, Sheets and Circles; Cold Rolled – Mild Steel (D, DD, EDD, IF & Full Hard), Medium Carbon (C40, C55 & C62), High Carbon (C75 & C80); Galvanized Plain and Corrugated Sheets and Coils; Hardened & Tempered Steel Strips; and Pre-Painted Galvanized Sheets and Coils.

Key Customers of the Corporate Debtor: Domestic market: Bundy India, Thermax, Transpex Silox Industries, Akshar Precision Tubes, Alstom Projects, Banco Products, Jainex, Bombay Steel, KBC Steel, ITW Signode, etc.; and Export market: Aluzinc Group, GJB Trading, Qubis Bava, Peter Cremer, Texvista, Deepak Commercial, Qubico, PLB General, etc.

Keeping in mind the above long terms customer bases, the Resolution Applicant will first understand the reasons that led to steep decrease in revenue generations in year 2018-19 and find out the root cause for the same. As far as sales is concerned, considering that the Company has customer base within and outside India, the endeavour would be to scale up the productions and ensure large exports/supply to the existing customers. While doing so the Resolution Applicant believes that with the expert managerial personnel on board having large experience, the Company will also increase its supply to new customers, the idea is to increase the margins and reduce the credit cycle. Further, given the access to nearby sea ports, the Company can effortlessly eye on increase in exports as well to scale up its revenues.

Detailed financial projections and assumptions for the debt proposed in the Resolution Plan including revenue projections based on the production plan, p-ofit and loss, balance sheet, and cash flow statements, key ratios and assumptions

A summary of the key operational projections for the Company made by the Resolution Applicant on the basis of this Resolution Plan is set out in **Annexure 2** hereto.

Detailed plan for operation and maintenance of the manufacturing units.

On the Effective Date, the Reconstituted Board will be replaced by a new Board of Directors constituted by the Resolution Applicant in compliance with applicable laws. The day to day operation and maintenance of the Company is proposed to be handled by a dedicated project procurement and implementation team identified by the Resolution Applicant and appointed by and under the supervision of the new Board of Directors of the Company. As mentioned above, the Resolution Applicant may also, as it deem fit, engage operation and maintenance contractor for the purposes of the manufacturing units of the Company. The Resolution Applicant may also, as it deem fit, appoint and engage contractual/full-time employees for operations and maintenance of the Company.

4. Supervision and Implementation of the Resolution Plan

Detailed steps of implementation of the Resolution Plan is provided at **Schedule 2 (Implementation Schedule)** hereto.

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

TRUE COPY

Resolution Plan for Steelco Gujarat Limited

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/1P-0027
IP-N00776/2018-19-12775



5. Approvals

All approvals as required to run the Company and successful implementation of this Resolution Plan shall be obtained by the Resolution Applicant within 1 (one) year from the NCLT Approval Date in accordance with the Applicable Laws. Provided that no penalty shall be levied for such time period on account of non-renewal or non-obtainment of necessary permissions and approvals. The Company shall be permitted to continue its operations during such period.



ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)


(CA NIRAV TARKATS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 1BB1/IP-002/
IP-N00776/2018-19/12375



TRUE COPY


Strictly Private and Confidential

PART B: FINANCIAL PROPOSAL

1. MANDATORY CONTENTS OF THE RESOLUTION PLAN

The Financial proposal has been prepared on the basis of the information provided by the Resolution Professional and the Admitted Debts as per the List of Creditors published on July 15, 2021 and prepared in terms of Regulation 13(2)(ca) of the CIRP Regulations. Notwithstanding anything to the contrary contained herein, all the payments towards the Operational Creditors, Financial Creditors and CIRP Costs shall be made in compliance with the provisions of Section 30(2)(b) of the Code.

This Resolution Plan outlines the payment to be made to different classes of creditors and stakeholders of the Company in the following manner:

| S. No. | Category of Claims | Amount Claimed (INR Cr) | Amount Admitted (INR Cr) | Resolution Amount as part of the Resolution Plan (INR) | Amount provided/Admitted Claim | Timeline for Payment |
|--------|--|-------------------------|-------------------------------------|--|--------------------------------|---|
| 1. | CIRP Costs | 1,70,00,000 | 1,70,00,000 (as approved by COC) | 1,70,00,000 [#] | 100% | Within 7 days from Effective Date and prior to payment to Operational Creditors and Financial Creditors |
| 2. | Workmen and Employees Dues | 8,59,02,122 | 7,42,63,098 | 4,30,00,000 [#] | - | Within 15 days from Effective Date |
| 3. | Financial Creditors | 212,82,70,634 | 212,82,70,634 | Loan Assignment Payment of 80,05,00,000 | 45.728% | Within 15 days from Effective Date |
| 4. | Unsecured Financial Creditors | 0 | 0 | Nil | 0 | Since there are no unsecured financial creditors, no payment is proposed. |
| 5. | Operational Creditors (other than Workmen and Employees) | 168,92,98,163 | 6,13,83,713 | 10,00,000 | 1.6% | Within 15 days from Effective Date and prior to payment to the Financial Creditors. |
| 6. | Operational Creditors (Government Dues) | 0 | 0 | Nil | 0 | Since there are no Government Dues, no payment is proposed. |
| 7. | Other Creditors (other than Financial Creditors and Operational Creditors) | 5,85,31,123 | 1,86,20,440 | 0 | 0 | No payment is proposed as claims of all employees and workmen admitted has been dealt with the |

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IIP-002/
IP-N00776/2018-19/12375

Resolution Plan for Steelco Gujarat Limited



TRUE COPY

| | | | | | |
|-------------------------|--|--|--|--------------|----------------------|
| | | | | | respective category. |
| Total Resolution Amount | | | | 86,15,00,000 | |

This is an amount parked for payment considering that the claims are still under verification. In any case CIRP Costs will be paid as per terms of the Resolution Plan. It is assumed that the CIRP Cost will be first paid from the internal accruals of the Company and only the remaining/balance portion shall be paid from the aforesaid parked amount. In case the earmarked amount is not sufficient to meet the entire unpaid CIRP Cost, the balance amounts will be paid first from the amounts earmarked for workmen/employees without derogating any provision of law that offers minimum protection/assured payment to workmen/employees. Any additional excess amount towards CIRP Cost will be paid by the Resolution Applicant from the amount proposed in the resolution plan.

For the purposes of this Proposal, the amounts relating to Admitted Financial Debt is as per List of Creditors.

Other than as expressly provided in the Resolution Plan, no other payment or settlement (of any nature or in kind) shall be made to any other Person in respect of any other claim, whether filed or not, admitted or not and any related suit, proceedings or other action shall stand irrevocably abated, settled and extinguished in perpetuity. Provided that all the payments towards any category of Operational Creditors, Financial Creditors and CIRP Costs will be made by the Resolution Applicant in compliance with the provisions of Section 30(2)(b) of the Code and to that extent, the Resolution Applicant reserves the right to modify the aforesaid proposed amounts in case any new claim is admitted *qua* the Corporate Debtor.

1.1 Distribution of Liquidation Value

The 'liquidation value' of the Company as determined by the Resolution Professional in accordance with the IBC (the "Liquidation Value") is not known to the Resolution Applicant. Accordingly, based on the List of Creditors with respect to the Corporate Debtor:

- It is presumed that the Liquidation Value will not be sufficient to cover the amounts owed to Secured Financial Creditors of the Company in full;
- It is presumed that the Liquidation Value of the Operational Creditors or the other creditors or stakeholders of the Company (including claims of employees, government dues, taxes, etc. and other creditors and stakeholders) is nil and accordingly they will not be entitled to receive any payment if the Company were to be liquidated on the Insolvency Commencement Date; and
- Liquidation Value owing to the Financial Creditors who do not vote (or abstain from voting) in favour of the Resolution Plan (collectively, the "Dissenting Financial Creditors") is nil and accordingly they will not be entitled to receive any payment in case the Company were to be liquidated.

Notwithstanding anything contained herein, the Resolution Applicant undertakes to pay to the Operational Creditors and the Dissenting Financial Creditors sum not less than what they are entitled to receive in case Company were to be liquidated. This in compliance with the provisions of Section 30(2)(b) of the Code.

1.2 Treatment of Claims

The Resolution Applicant proposes a total resolution amount of **INR 86,15,00,000 (Indian Rupees Eighty Six Crore Fifteen Lakh only)** (the "Total Resolution Amount") to be paid and distributed amongst all the entitled persons including the Financial Creditors and Operational Creditors of the Corporate Debtor and towards CIRP Cost in manner more particularly described hereinafter. The details of the proposed treatment to each stakeholder under the Resolution Plan are discussed below:

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 18B/1P-002/
IP-N00776/2018 18/12375



15

TRUE COPY

1.2.1. CIRP Cost

The Resolution Applicant proposes to pay the unpaid CIRP cost as per actuals. The CIRP Cost will be paid in full and in priority to any other creditor of the Company. Any CIRP Cost which are unpaid as of the NCLT Approval Date will be paid within 24 (twenty four) days from the Effective Date by Resolution Applicant from the amount proposed in the resolution plan as per terms hereof.

However, in case if the CIRP cost exceeds the threshold, in such a case, the additional amount will be paid from the amounts earmarked for workmen/employees without derogating any provision of law that offers minimum protection/assured payment to workmen/employees.

Once the CIRP cost has been paid in full, it is clarified that no claims, liabilities, fines, costs, expenses or any other payment of such nature or otherwise that are or claim to constitute CIRP Cost shall be payable by the Resolution Applicant or the Corporate Debtor.

The Resolution Applicant shall, in addition to the payments to the Creditors contemplated in the Resolution Plan, reimburse all costs incurred by the COC (including the fees of COC Advisor and any other advisor appointed by the COC for assisting in the corporate insolvency resolution process) and paid as part of the CIRP Costs proposed hereinabove in this Resolution Plan and in the manner provided above.

1.2.2. Treatment of Secured Financial Creditors

- (a) According to List of Creditors of the Company, total claims filed by the 'secured financial creditors' of the Company (the "Financial Creditors") amount to INR 212,82,70,634 out of which claims aggregating to INR 212,82,70,634 have been verified and admitted for the purposes of CIRP by the Resolution Professional ("Admitted Financial Debt") of the Admitted Financial Debt. Since there are no unsecured financial creditors of the Company, no payment is proposed towards the unsecured financial creditors of the Company.
- (b) All other claims relating to bank guarantees or letters of credit as may have been issued by the Financial Creditors, whether or not such bank guarantees or letters of credit form part of the Admitted Financial Debt, including all liabilities or claims arising therefrom whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future (and whether or not the originals of such bank guarantees or letters of credit are returned to the Financial Creditor which had issued it), in relation to any period prior to the NCLT Approval Date or arising on account of the acquisition of the Company contemplated in the Resolution Plan or on account of the measures contemplated under the Resolution Plan, shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be permanently cancelled and extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan, and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto. It is clarified that if any of the aforementioned guarantees or letters of credit are invoked or get devolved there will be no liability on the Company to make payments/reimburse the relevant Financial Creditor in relation to such invocation or devolvement. Further, the Company shall not be required to pay any fees or commissions in relation to such guarantees or letters of credit.
- (c) Post the payment of CIRP Cost and the Liquidation Value due to Dissenting Financial Creditors, the Admitted Financial Debt owing to the Approving Financial Creditors (the "Approving Financial Creditor Debt") will be dealt with in the following manner:

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 18B1/IP-002/
IP-NDA7



TRUE COPY

An upfront payment of INR 80,05,00,000 (India Rupees Eighty Crore Five Lacs only) towards the Approving Financial Creditors who have directly advanced to the Corporate Debtor will be made in form of consideration for assignment towards the assignment of the Approving Financial Creditor Debt "Loan Assignment Consideration", within 27 (twenty seven) days from the Effective Date.

- (d) On or prior to the scheduled date of payment of amounts towards the Total Resolution Amount, Resolution Applicant shall, either directly or through the Implementing SPV or through debt from any lender directly disbursed to the Company, infuse in the Company an amount equivalent to the Total Resolution Amount, which shall be subsequently used by the Company for payments towards, and linear discharge of, the CIRP Costs (if any left unpaid from internal accruals), Operational Creditors, Dissenting Financial Creditors, Approving Financial Creditors and other stakeholders of the Company.
- (e) Upon payment of the Loan Assignment Consideration to the Approving Financial Creditors, the Approving Financial Creditors Debt along with all encumbrances, security, mortgages and guarantees shall stand assigned/novated in favour of the Resolution Applicant and/or its nominee and/or the Implementing SPV. Upon such assignment, the Resolution Applicant will be entitled to exercise all rights as a creditor, in respect of the debt, including the right to enforce any security, guarantee or mortgage granted in respect of such debt. Transfer of such Loan Assignment Consideration shall amount to complete discharge of the Approving Financial Creditors Debt. Notwithstanding anything contained herein, Resolution Applicant may (at its discretion) require (as a result of payment towards the secured Financial Creditors) extinguishment of financial debts of the Company instead of the proposed assignment of debt in favour of the Resolution Applicant.
- (f) Upon NCLT Approval Date, all encumbrances, Assets, security, mortgages and guarantees furnished by the Company shall become available free from all encumbrances and charges. It is clarified that upon approval of resolution plan by Adjudicating Authority, the Company and/or Resolution Applicant shall be entitled to create charge/encumbrance on the Assets of the Company in favour of any lender/bank extending finance for fund capital expenditure or acquisition of the Company. Provided that Resolution Applicant may (at its discretion) require (as a result of payment towards the Financial Creditors) any other treatment with respect to the Financial Debt of the Corporate Debtor. Provided, however, that should it be required by Resolution Applicant/Company, during the interregnum period or thereafter till discharge/release of such Assets, encumbrances, security and mortgages, the Financial Creditors shall transfer or make available (either through escrow mechanism or directly) the said Assets, encumbrances, security and mortgages for such lender/bank extending finance for fund capital expenditure or acquisition of the Company.
- (g) Other than as specified hereinabove, any and all other dues including claims or demands made by or liabilities or obligations owed or payable to (including any demand for any losses or damages, principal, interest, compound interest, penal interest, liquidated damages, notional or crystallised mark to market losses on derivatives and other charges already accrued/accruing or in connection with any third party claims) any Financial Creditors of the Company or any other person in favour of whom the Company has granted any guarantee or security or in connection with any debt of the Company (including those arising out of any counter guarantees, other corporate guarantees or indemnities issued by the Company, and any transactions in derivatives), whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Claims, in relation to any period prior to the NCLT Approval Date or arising on account of the measures contemplated under the Resolution Plan, shall be deemed to be permanently extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan, and the Company and the



Strictly Private and Confidential

Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

- (h) Any and all claims, rights and entitlements of any Financial Creditors of the Company, including any contracts entered into by the Company with such creditors, not addressed hereunder, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period to the NCLT Approval Date or arising on account of the measures contemplated under the Resolution Plan shall be deemed to be permanently extinguished, and all the contracts entered into by the Company with such creditors will be deemed to be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts, by virtue of the order of the Adjudicating Authority approving the Resolution Plan, the Company and the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.
- (i) Save and except to the security assigned to the Resolution Applicant as provided above and subject to Clause 4.15 of this Part, any security, guarantee, indemnity, pledge, charge, encumbrance, or any other form of collateral (whether over immovable, movable assets, fixed deposits, margin money, cash collateral or any other rights (including subrogation rights arising out of invocation of guarantees) or privileges and including without limitation, any guarantee, indemnity, security, letter of credit or pledge provided by the promoters of the Company) that was created/granted/arranged in connection with any Financial Debt or Operational Debt or any other debt or obligation of the Company (including in relation to its subsidiaries, joint ventures or associates) or to any other Person in favour of whom the Company has granted any guarantee or security, at any time prior to NCLT Approval Date (whether in favour of or for the benefit of a person appearing in the List of Claims or not) shall automatically stand discharged and be available free from all encumbrance/charge. Post approval of the Resolution Plan by Adjudicating Authority, no person shall be able to assert any claim *qua* the Company or its Assets basis or on account of subrogation. All title deeds and other documents held by the Financial Creditors and such stakeholders that have security or on their behalf relating to any security, guarantee, indemnity, pledge, charge, encumbrance, or any other form of collateral (whether over immovable, movable assets, fixed deposits, margin money, cash collateral or any other rights (including subrogation rights arising out of invocation of guarantees) shall be immediately be cancelled and handed over to the Resolution Applicant or to any other persons in accordance with the instructions of Resolution Applicant.
- (j) If any person has issued any guarantee, indemnity, letters of comfort, letters of support, credit comforts, sponsor supports or undertaken similar obligations in respect of any debt or other obligation of Company, the right of such person relating to subrogation and/ or to claim any amounts in respect of such obligations against the Company, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the NCLT Approval Date or arising on account of the measures contemplated under the Resolution Plan shall be deemed to be permanently extinguished, and all the contracts entered into by the Company with such creditors will be deemed to be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts, by virtue of the order of the Adjudicating Authority approving the Resolution Plan, the Company and the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.
- (k) If any person has furnished any mortgage or security on movable or immovable assets or undertaken similar obligations in respect of any debt or other obligation of Company, the right of such person relating to subrogation and/ or to claim any amounts in respect of such obligations against the Company, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 18BI/IP-002/
IP-N0077672018-19/12375

or future, in relation to any period prior to the NCLT Approval Date or arising on account of the measures contemplated under the Resolution Plan shall be deemed to be permanently extinguished, and all the contracts entered into by the Company with such creditors will be deemed to be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts, by virtue of the order of the Adjudicating Authority approving the Resolution Plan, the Company and Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto. Post approval of the Resolution Plan by Adjudicating Authority, no person shall be able to assert any claim *qua* the Company or its Assets basis or on account of subrogation.

- (l) Any invocation or appropriation or other enforcement action already undertaken in respect of any security, guarantee, pledge, charge, encumbrance or collateral granted or created by the Company or in respect of any Assets of the Company in connection with any Financial Debt or Operational Debt or any other debt or obligation of the Company, at any time prior to the NCLT Approval Date, shall abate and stand automatically revoked and cancelled and deemed null and void and all liabilities and obligations in relation to such security, guarantee, pledge, charge, encumbrance or collateral granted or created by the Company shall be deemed to have been permanently extinguished on the approval of the Resolution Plan by the Adjudicating Authority.
- (m) If any person has any call option, put option or any right of pre-emption against the Company including right of first refusal, right of first offer, all such options and rights shall, in accordance with Regulation 37 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, be deemed to be permanently extinguished, and all such rights against the Company will be deemed to be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts, by virtue of the order of the Adjudicating Authority approving the Resolution Plan, the Company and the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.
- (n) In consideration of the transactions contemplated under the Resolution Plan, each financial creditor agrees and undertakes to issue a no-objection letter which shall be effective on payment as per terms above.

1.2.3. Payment to Dissenting Financial Creditors

Following the payment of the CIRP Costs (in accordance with the Resolution Plan) and the Liquidation Value owing to Operational Creditors (which is nil), the Dissenting Financial Creditors will be paid the Liquidation Value owing to them, within 27 (twenty seven) days from the Effective Date. Post payment of such Liquidation Value to the Dissenting Financial Creditors the debts of such Dissenting Financial Creditor shall stand assigned in favour of the Resolution Applicant or as may be applicable (in case assignment is not opted by the Resolution Applicant) extinguished completely. The Liquidation Value payable to the dissenting Secured Financial Creditors will be paid before payment to any other Approving Financial Creditor.

1.2.4. Payment to Operational Creditors (excluding Workmen/Employees)

- (a) Total claims filed by Operational Creditors (excluding workmen and employees) aggregated to INR 168,92,98,163 out of which claims aggregating to INR 6,13,83,713 have been verified and admitted for the purposes of CIRP by the Resolution Professional ("Admitted Operational Creditor Debt").
- (b) The Liquidation Value is insufficient for payment to the Operational Creditors of the Company as the Liquidation Value is insufficient to satisfy the claims of even the Secured Financial Creditors in full. Therefore, no payments are required to be made to Operational Creditors under the Resolution Plan within 30 days of the NCLT Approval Date. However, the

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IR-002/
IP-N00776/2018-19/12375



19

TRUE COPY
JD

Strictly Private and Confidential

Resolution Applicant proposes that INR 10,00,000 (Indian Rupees Ten Lacs only) ("**Upfront Operational Creditor Payment**") shall be paid to the Operational Creditor whose claims have been verified and admitted by the Resolution Professional and form part of the Admitted Operational Creditor Debt (pro rata its share in the Admitted Operational Creditor Debt) within a period of 24 (twenty four) business days from the Effective Date but prior to the payment to any Financial Creditors. Other than the Upfront Operational Creditor Payment, nil payment has been proposed under the Resolution Plan towards claims of Operational Creditors whether filed or not, whether admitted or not, whether asserted or not and whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors and no source has been identified for such payment under the Resolution Plan.

- (c) Any and all other claims or demands, or liabilities or obligations owed or payable to (including but not limited to any Operational Debt, any demand for any losses or damages, indemnification, principal, interest, compound interest, penal interest, liquidated damages, and other charges already accrued/ accruing or in connection with any third party claims) any actual or potential creditor, vendor, contracting counterparty, government authority, claimant or any other person whatsoever (including, for the avoidance of doubt, but not limited to the Operational Creditors of the Company and its promoters, directors and other related parties), whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, in relation to any period prior to the NCLT Approval Date or pursuant to the Resolution Plan or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to the Resolution Plan, or on account of the measures contemplated under the Resolution Plan will be written off in full and shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be permanently extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan and the Company, the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
- (d) Any and all rights and entitlements of any actual or potential person, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the NCLT Approval Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to the Resolution Plan or on account of the measures contemplated under the Resolution Plan, shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be permanently extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan, and the Company and the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.
- (e) Save and except the Operational Contracts, the consents and approvals obtained from Governmental Authorities for conduct of the business of the Company ("**Clearances**") and the contracts as deemed necessary and specified by the Resolution Applicant, all the Contracts and all other contracts entered into by the Company with any counterparty shall be deemed to be terminated, and all liabilities, damages or claims arising therefrom, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the NCLT Approval Date, or on account of the measures contemplate under the Resolution Plan including termination of these contracts shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be permanently extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan, and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IP-002/
IP-N00776/2018-19/1275

TRUE COPY



- (f) Until the NCLT Approval Date, Resolution Professional, and from the NCLT Approval Date till the Effective Date, the Monitoring Committee is required to take all such steps as may be necessary to prevent the modification or termination of the Operational Contracts and to renew or extend or roll over the term of such Operational Contracts to maintain the Company as a going concern. The Resolution Applicant proposes to cause the Company to bear all costs, charges and expenses in relation to such continuation, extension or roll over of the Operational Contracts. The Resolution Applicant retains the right to terminate the Operational Contracts if any additional - terms in relation to such contracts are disclosed or discovered, which on examination by the Resolution Applicant are determined to be onerous and which may affect the 'going concern'. All expired contracts that form part of the Operational Contracts shall be renewed and on terms acceptable to the Resolution Applicant.
- (g) All liabilities, damages or claims arising therefrom, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, or on account of the measures contemplated under this Resolution Plan shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan, and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
- (h) In case of any right to payment, legal, equitable, secured or unsecured claim, or any right to remedy for breach of contract under any Applicable Law arising out of termination of any contract, which claim or right is reduced to judgment notwithstanding express provisions to the contrary in this Resolution Plan, the same shall be settled by the Corporate Debtor in accordance with the corresponding Liquidation Value for the respective category of such creditor under this Resolution Plan on or before the Effective Date. Further, any claim arising from any contractual arrangements, whether set out herein or not, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Information Memorandum, the balance sheets of the Corporate Debtor or the profit and loss account statements of the Corporate Debtor, in relation to any period prior to the Insolvency Commencement Date or arising on account of this Resolution Plan, will be written off in full and shall be, and be deemed to be, permanently extinguished, as the case may be, by virtue of the order of the NCLT approving this Resolution Plan. The Corporate Debtor or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
- (i) The Resolution Professional is required to run the Company as a going concern and it is assumed that there are no contracts which have been entered into by the Company other than the Company Contracts which are essential for the Company to be run on a 'going concern' basis. The Resolution Professional shall disclose to the Resolution Applicant any contract of value entered into by the Company, between the date of submission of the Resolution Plan and the NCLT Approval Date.
- (j) With regard to the insurance policies availed by the Company which are existing as on the date of submission of this Resolution Plan (the "Existing Insurance Policies"), the Resolution Professional shall (as part of his duty to manage the Company on a 'going concern' basis) during the CIRP period and the Monitoring Committee shall, from the NCLT Approval Date till the Effective Date, take all steps as may be required to ensure that the Existing Insurance Policies do not lapse (and where the term of such policies would result in them expiring prior to the Effective Date, ensure that such policies are renewed) including payment of the necessary premium and other related compliances, which amounts may be paid from the cash flows of the Company. On and from the Effective Date, the insurance companies and the creditors shall substitute the loss payee(s) of the Existing Insurance Policies with such names as the Resolution Applicant may direct..



Strictly Private and Confidential

1.2.5. Payment towards Workmen/Employees

- (a) An amount of INR 4,30,00,000 (India Rupees Four Crore Thirty Lacs only) has been parked for payment within 24 (twenty four) days from Effective Date towards full payment of the Workmen/Employees prior to payment towards any Financial Creditors or Operational Creditor of the company. Notwithstanding anything, dues towards workmen and employees who are employed by the Corporate Debtor shall be paid in full and after statutory deductions as required under law. The amount as required to be paid will be disbursed within 24 (twenty four) days from the Effective Date and in accordance with the provisions of the Code.
- (b) Any and all claims or demands made by, or liabilities or obligations owed or payable to, (including any demand for any losses or damages, or interest, back wages, compensation, penal interest, liquidated damages already accrued/ accruing or in connection with any claims) any present or past, direct or indirect, permanent or temporary employee and/or workman of the Company, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, in relation to any period to the NCLT Approval Date or arising on account of the acquisition of control of the Company pursuant to the Resolution Plan or on account of the measures contemplate under the Resolution Plan, other than the unpaid gratuity dues mentioned in the Information Memorandum, will be written off in full and shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be permanently extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan, and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
- (c) Upon approval of the Resolution Plan by Adjudicating Authority and implementation of the Resolution Plan in accordance with the provisions of the Resolution Plan, the employee and workmen policies of the Resolution Applicant shall be applicable to the employees and workmen of the Company and to the extent there is any inconsistency between the employee and workmen policies of the Resolution Applicant and the Company, the terms of the employee and workmen policies of the Resolution Applicant shall be applicable. Such change in the terms and conditions of the employee and workmen policies shall not be considered as terms less than favorable to the and no retrenchment compensation shall be payable under the Industrial Disputes Act, 1947 or any other law or contract.
- (d) Upon the approval of the Resolution Plan by NCLT, the erstwhile Agreement entered between the employees and the Corporate Debtor shall be terminated. The employees will enter into fresh agreement with the Corporate Debtor and will be accordingly governed by the policies of the Resolution Applicant.
- (e) It is assumed that there is no additional liability has accrued towards payment of dues to the workmen from the Insolvency Commencement Date until the NCLT Approval Date and all such liabilities that have arisen during this period have been settled by the Resolution Professional in managing the affairs of the Company on a going concern basis. If any amounts have not been paid to the workmen during the Insolvency Resolution Period, such amounts shall be paid by the Resolution Applicant and the payment proposed in the Resolution Plan to the other creditors shall be adjusted.

1.2.6. Proposal for Other Stakeholders (Including Other Creditors)

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

TRUE COPY

JD

Resolution Plan for Steelco Gujarat Limited

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 1813/1P/GO2/
IP-N0077-2018-1912375



- (a) In relation to any other person (including creditors and/or stakeholders (who is entitled to receive any amounts under Section 53 of the IBC)) whose claims have not been covered hereinabove or who makes any claims in the future, there will be no funds available for payment to them as the Liquidation Value is insufficient. Therefore, nil payment has been proposed under the Resolution Plan towards payment to such creditors and/or stakeholders and no source has been identified for such payment under this Proposal.
- (b) Any and all claims or demands in connection with or against the Company and all liabilities or obligations of the Company (including any demand for any losses or damages or in connection with any third party claims or any investigations by any governmental bodies or authorities) both present and future by or to any other stakeholder (who is entitled to receive any amounts under Section 53 of the IBC) including those under Section 53(1)(b) of the IBC or any other actual or potential creditor, any counter-party, any subsidiary, joint venture or associate company of the Company or a shareholder of the Company or the holder of any other securities of the Company prior to the NCLT Approval Date) whether under law, equity or contract, whether admitted or not, due or contingent, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, and all inquiries, investigations or proceedings in relation to the foregoing, whether civil or criminal, in relation to any period prior to the NCLT Approval Date or arising on account of the acquisition of control by Resolution Applicant over the Company pursuant to this Proposal or on account of the measures contemplated under this Proposal, will be extinguished and cease to exist and wherever applicable written off in full and shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be permanently extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan and all the investigations, inquiries or show-cause, whether civil or criminal in relation to the foregoing shall be disposed of, and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
- (c) All liabilities, claims, obligations or rights in relation to any letters of credit, letters of undertaking, guarantees, counter guarantees, corporate guarantees, bank guarantees, performance guarantees or other contingent or future claims, liabilities and/or commitments of any nature whatsoever, including without limitation, issued by, or on behalf of, or at the behest of, the Company, or incurred or undertaken by the Company (as the case may be), in relation to any period prior to the NCLT Approval Date or arising on account of the acquisition of control by Resolution Applicant over the Company pursuant to the Resolution Plan, whether asserted or unasserted, whether admitted or not, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or List of Creditors, will be written off in full and shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be permanently extinguished, by virtue of the order of the Adjudicating Authority approving the Resolution Plan, and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

1.2.7. Payment Towards Statutory Dues

- (a) As per the List of Creditors, there are no statutory dues *qua* the Corporate Debtor. However, if any dues arise of any such statutory creditor (whether claim filed/admitted), nil payment has been proposed under the Resolution Plan towards such claims, whether filed or not, whether admitted or not, whether asserted or not and no source has been identified for such payment under the Resolution Plan.
- (b) All other Government Dues shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan, and the Company and the Resolution

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/I/P-002/
IP-N00776/2018-19/12375



23

TRUE COPY

JD





- (a) Pursuant to the effect of the Capital Reduction as of the Effective Date and in accordance with provisions of this Proposal/Resolution Plan, existing issued equity share capital shall stand cancelled for nil consideration.
- (b) All present and future, claims, dues, liabilities, amounts, arrears, dividends or obligations owed or payable by the Company to any person who holds securities of the Company prior to the NCLT Approval Date, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be written off in full and be permanently extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan, and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
- (c) Upon approval of the Resolution Plan by Adjudicating Authority, the rights of any Person (whether exercisable now or in the future), either directly or indirectly, and whether contingent or not, to call for the allotment, issue, sale or transfer of shares of the Company or whether through any exchange or otherwise, shall stand unconditionally and irrevocably extinguished. All employee stock options and sweat equity shares, whether granted, vested or otherwise, shall stand irrevocably and unconditionally cancelled and extinguished without further deed or action and for no consideration.
- (d) No person who holds any shares (whether equity, preference or any instrument convertible into equity shares) of the Company (including the Existing Preference Shareholders) till (and including) the NCLT Approval Date shall have any rights relating to such shares (including voting rights in relation to the affairs of the Company or any pre-emption rights) which rights shall be deemed to be suspended by virtue of approval of the Resolution Plan by the Adjudicating Authority. On and from the NCLT Approval Date, the rights relating to all shares (where equity, preference or any instrument convertible into equity shares) of the Company shall come into effect without any further deed, action or thing to be done, which rights shall be exercisable in accordance with the terms of such shares (where equity, preference or any instrument convertible into equity shares) and applicable law.
- (e) Upon approval the Resolution Plan by Adjudicating Authority, any agreement executed between the Company and its shareholders shall stand terminated without any further action or deed and all liabilities and obligations of the Company under such agreements executed between the Company and its shareholders and their respective successors assigns, transferees shall stand extinguished and cancelled for no consideration.

(CA NIRAV TARKAS
INTERIM RESOLUTION PROFESS
REGN. NO. IBBI/IP-00
IP-N00776/2018-19/12

All present and future, claims, dues, liabilities, amounts, arrears, dividends or obligations owed or payable by the Company to the Existing Promoters or any subsidiary, associate company, related party, joint ventures, affiliate of the Company or any such entity or person controlled by the Existing Promoters (or any lenders or financial creditors of such persons) or any holder of any securities (whether convertible into equity shares or not) of the Company prior to the NCLT Approval Date whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be written off.

TRUE COPY

Resolution Plan for Steelco Gujarat Limited



in full and be permanently extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan, and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

1.2.9. Miscellaneous Claim

Any claims that are admitted or any debt which arises over and above the amounts set out in the List of Creditors and/or mentioned on the website of the Company, and if such amounts are determined to be settled and/or paid by the Resolution Applicant, then such amounts shall be paid at the sole discretion of the Resolution Applicant in a manner and proportion determined by the Resolution Applicant out of the proceeds of Total Settlement Amount without any further obligation on the Resolution Applicant. It is clarified that Resolution Applicant will not be required to fund any amount greater than the Total Resolution Amount for the settlement of outstanding dues of the Corporate Debtor.

1.2.10. Benefits to Related Parties

All contracts of employment or consultancy with, and any benefits, fees, commissions, perquisites or profits in lieu of or in addition to any salary or wages or any policy of providing such benefits, fees, commissions, perquisites or profits extended by the Corporate Debtor to the Related Parties shall be deemed to be terminated and extinguished on and from the NCLT Approval Date, and the Corporate Debtor will have no further obligation to provide the same. Unless expressly agreed to by the Corporate Debtor by way of a written consent after the NCLT Approval Date, all properties of the Corporate Debtor in the possession of the Related Parties shall be immediately vacated, released and transferred in fit and proper condition to the Corporate Debtor, as the case may be. All rights and interests of the Related Parties whether accrued or outstanding or otherwise, if any, shall be and stand extinguished in terms of this Resolution Plan

1.2.11. Payments to Creditors submitting Claims after Approval of the Resolution Plan

In the event any creditor of the Corporate Debtor or any person whatsoever does not submit its claims to the Resolution Professional as required under the CIRP Regulations, or fails to get the same admitted by making an application to the NCLT and in case the Resolution Professional or the COC refuses to accept the claims of such Creditor, then in such case, the said Creditor will not be entitled to receive any payments under the Resolution Plan. The unclaimed amounts which are not admitted or accepted shall stand extinguished, restructured, restated, converted, assigned, written-down or written-off, as the case may be, and become nil by virtue of the order of the NCLT approving this Resolution Plan

1.3 Statement in relation to dealing with all Stakeholders

As set out above in this Resolution Plan, this Resolution Plan for the Company has dealt with the interests of all the stakeholders in the Company, including the Financial Creditors (whether secured or unsecured, assenting or dissenting), Operational Creditors and all other stakeholders of the Company.

1.4 SOURCE OF FUNDS

Other than for the Equity Commitment, that the Resolution Applicant will infuse as per the requirements from its own sources i.e. Commitment from its Investors/funds from scheme launched by Principle Fund i.e. NOVIF. Resolution Applicant may also raise Debt/Equity through any of the Asset Reconstruction Company, Alternate Investment Fund, NBFCs, Banks, Financial Institutions, or similar creditors in order to meet the proposed payments.

The funds to be infused by the Resolution Applicant will be in the following manner:



Following the Effective Date, the Resolution Applicant will be in control of the management of the Company. No person of such management is ineligible under Section 29A of the Code. Any details relating to the Resolution Applicant and each such connected Persons as may be required by the Resolution Professional and/or the Monitoring Committee to ensure that the same is not ineligible under Section 29A of the Code will be submitted upon such requests in a form and manner as may be specified.

2. SUPERVISION AND IMPLEMENTATION OF THE RESOLUTION PLAN

The detailed steps for the acquisition of the control of the Company and completion of implementation of the Resolution Plan following the NCLT Approval Date are set out in *Schedule 2 (Implementation Schedule)* hereto.

On and from the NCLT Approval Date, the Reconstituted Board shall constitute the Board of the Company and the Reconstituted Board and Monitoring Committee be responsible for the implementation of the Resolution Plan along with the Resolution Applicant until the Effective Date. On and from the Effective Date, the Resolution Applicant shall submit a report within 30 days from the Effective Date with the auditor of the Company confirming the status of implementation of the Resolution Plan.

On and from the NCLT Approval Date and until the Effective Date, it is proposed that the Company will continue to be managed and controlled by the Person or group of Persons nominated by, and under the guidance of, a monitoring committee (the "**Monitoring Committee**"), comprising of 1 representative of COC nominated by the lead lender (having majority stake) of the COC and 2 representative of the Resolution Applicant. During this period: (i) the existing suspended board of directors of the Company (the "**Existing Board**") shall stand vacated and be replaced by the members nominated by the Resolution Applicant ("**Reconstituted Board**"); and (iii) the Monitoring Committee shall, subject to the provisions of the Resolution Plan, be deemed to have the same rights, powers and privileges which the Resolution Professional has during the CIRP.

Notwithstanding the aforementioned powers conferred on the Monitoring Committee and Reconstituted Board, on and from the NCLT Approval Date until the Effective Date (both days inclusive), the Monitoring Committee and the Reconstituted Board shall, except with consent of the Resolution Applicant, not undertake any of the following actions:

- (a) entry by the Company into unrelated line of business;
- (b) any acquisition or disposition of assets by the Company;
- (c) any capital expenditure;
- (d) any merger, demerger, reorganisation or dissolution of the Company;
- (e) establishment of subsidiaries, joint ventures and/or partnerships by the Company;
- (f) any issuance or allotment of any securities in favour of any Person;
- (g) any change to the accounting or tax policies of the Company;
- (h) giving / incurring any indebtedness by the Company;
- (i) revision in the wages/salaries or any remuneration including perquisites payable to the workmen/employees of the Company;
- (j) execute any contract except short term contracts in ordinary course for purchase or sale of raw materials or finished goods; and
- (k) any agreement or commitment to do any of the above.

The responsibilities of the Monitoring Committee shall include:



Strictly Private and Confidential

- (a) to ensure supervision of the Resolution Plan as approved by NCLT;
- (b) make or cause to be made, on behalf of the Corporate Debtor, all applications for regulatory and third party approvals required for implementation of the transactions contemplated in the Resolution Plan in a form and manner agreed with the Resolution Applicant;
- (c) to provide updates to the relevant authorities as and when required;
- (d) at all times, be empowered to do all such acts, deeds or things and exercise all rights and privileges and perform all duties, which now or hereafter, may appertain to the Monitoring Committee in order to accomplish the purpose of the Resolution Plan;
- (e) Monitoring Committee, shall be deemed to be fully authorized to act on behalf of the Corporate Debtor to sign all applications that are proposed to be made to any regulatory authority in order to obtain the necessary approvals for implementation of this Resolution Plan including any secretarial filings, corporate actions and/or any other actions, filings, intimations, etc., within the timelines set out herein. Further, on and from the NCLT Approval Date till the Effective Date, all cash-flows of the Corporate Debtor shall be managed by the Company only; and
- (f) further, upon approval of the Resolution Plan by the NCLT, necessary steps will be taken to file the same as necessary with various governmental authorities, income tax authorities, various Courts, Tribunals and regulatory authorities where proceedings with respect to the Company are pending, for disposal, dismissal or withdrawal (as the case may be) of all such civil and criminal proceedings. To the extent possible and feasible under Applicable Law, necessary applications towards obtaining approvals that may be required to keep the Corporate Debtor as a going concern or implementation of the Resolution Plan, may be made after approval of Resolution Plan by COC in the interests of time.

If the Resolution Plan is approved by the COC, the Resolution Applicant shall (prior to the NCLT Approval Date) agree on the fees, costs and expenses which may be incurred by the resolution professional and the Monitoring Committee in discharging its duties as set out above from the NCLT Approval Date till the Effective Date (the "Interim Management Costs"). The Interim Management Costs shall be funded on a monthly basis from the cash flows of the Company.

The Resolution Applicant undertakes and confirms that, on and from the approval of the Resolution Plan by the COC, and subject only to (i) obtaining required approvals from the NCLT and the CCI or any other Authority (if required) in accordance with Applicable Law, and (ii) applicable directions of the Hon'ble NCLAT and/or Hon'ble Supreme Court, if any, all obligations and commitments, financial or otherwise, undertaken by it under the Resolution Plan towards the Approving Financial Creditors, and any other stakeholders, shall be binding on it, and shall subsist and be in full force and effect irrespective of whether any reliefs, waivers or concessions as may be sought by the Resolution Applicant are granted by the NCLT, the Hon'ble NCLAT, the Hon'ble Supreme Court, or any other judicial, quasi-judicial, regulatory or administrative entity, department or authority.

3. STEPS TO BE TAKEN DURING PENDENCY OF RESOLUTION PLAN BEFORE NCLT

- (a) The Corporate Debtor and Resolution Professional and any other stakeholder in the CIRP of the Corporate Debtor will extend all cooperation to the Resolution Applicant, and perform all such actions, as may be required to implement and consummate the transactions contemplated under the Resolution Plan and not take any actions or perform such acts and deeds which could adversely impact the abilities of any person to consummate any of the matters set out in this Resolution Plan or the transactions contemplated under this Resolution Plan. Without limitation to the generality of the foregoing, each of the Corporate Debtor, Resolution Professional and any other stakeholder in the CIRP of the Corporate Debtor shall on a reasonable efforts basis:
 - (i) pursue the Resolution Plan expeditiously and not seek any amendments to or withdrawal of the Resolution Plan;
 - (ii) cooperate and consult with the other parties;
 - (iii) promptly prepare and file all applications and documents relating to the transactions contemplated in the Resolution Plan.

TRUE COPY

ID

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. HB/1P-0021



- (iv) shall meet and liaise with the Governmental Authorities in relation to the applications for Approvals to expedite receipt of such approvals; and
- (v) do all such further things, execute and deliver all such additional documents including ensuring timely and full compliance with all Applicable Laws for effective and timely completion of the transactions contemplated in the Resolution Plan.

- (b) The Corporate Debtor and Resolution Professional shall maintain business continuity on a reasonable efforts basis and take steps within their control, including continuity of leases and/or supply arrangements which are material to the business of the Corporate Debtor. It is clarified that the Resolution Professional, as the case may be, shall not be held responsible for any expiry or discontinuation of leases and/or supply arrangements which are material to the business.

4. ANY OTHER CONDITIONS FOR IMPLEMENTATION OF RESOLUTION PLAN

4.1. Right to Receivables

Nothing in this Resolution Plan shall affect the rights of the Company to recover any amounts due to the Company from any third party including any Related Parties of the Company and there shall be no set-off of any such amounts recoverable by the Company against any amount paid by the Company or any liability extinguished pursuant to this Resolution Plan.

4.2. Carry Forward Losses

The Corporate Debtor would be considered as a widely held company for the purposes of Section 79 read with Section 2(18) of the Income tax Act, 1961. Having said that the change in the shareholding of the Corporate Debtor pursuant to this Resolution Plan approved by the NCLT shall not result to lapse of any brought forward losses of the Corporate Debtor, and NCLT would accord its approval to the Resolution Plan under the Code after affording a reasonable opportunity of being heard to the jurisdictional principal commissioner or commissioner of Income tax.

4.3. Term of the Resolution Plan and Implementation Schedule

The Resolution Applicant shall make all payments as contemplated under the Resolution Plan no later than 30 (thirty) business days of the NCLT Approval Date. The implementation schedule for the Resolution Plan is set out in Section 2 (*Implementation Schedule*) to this Resolution Plan.

4.4. Filing of Approved Plan with Relevant Authorities and Forums

On and from the Effective Date, necessary steps will be taken by the Resolution Applicant to file the same with various governmental authorities, including tax authorities/departments, other government departments, and also before the various Courts, Tribunals and regulatory authorities where proceedings with respect to the Company are pending, for disposal of all such proceedings and the Resolution Applicant will ensure compliance with applicable laws in relation to the same.

4.5. Severability and Compliance with Law

In the event it is determined that any provisions of the Resolution Plan is unenforceable and/or in the event any provision of the Resolution Plan becomes invalid for reasons other than by breach by the Resolution Applicant of the terms of the Resolution Plan, the Resolution Applicant reserves the right to apply to the Adjudicating Authority for appropriate modification of such provisions of the Resolution Plan, with the prior approval of the COC, and such invalidity and/or unenforceability of the provision of the Resolution Plan shall not render the whole Resolution Plan ineffective, unless otherwise directed by an order of the Adjudicating Authority.

Resolution Plan for Steelco Gujarat Limited

TRUE COPY

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBI/IP-002/
IP-N00776/2018-19/12375



Strictly Private and Confidential

4.6. *Amendment to the Resolution Plan*

In case any such modification is required in the Resolution Plan after the receipt of Adjudicating Authority's approval, to comply with any applicable laws currently in force or to apply for certain approvals as required under the Resolution Plan or for any other requirements, without prejudicing to the economic interest of any person entitled to receive any payment as contemplated under this Resolution Plan, the Resolution Applicant can do so only after approval of the Adjudicating Authority and in accordance with the Applicable Laws.

4.7. *Strategic Joint Ventures*

The Resolution Applicant may, at its discretion, enter into strategic joint venture with any third party or its group companies that is eligible in terms of Section 29A of the Code, either by way of operation and management contractual arrangement or issuing shares/stake to such strategic partner in the Company. It is clarified that the control of the Company shall remain with the Resolution Applicant in compliance with the applicable law. It is clarified that entering into such strategic joint ventures with entities having expertise in the area is for the purposes of fast track revival of operations at the Company which will enable the Resolution Applicant to add more value-added products to its product portfolio, enhance its global footprint, secure raw materials and increase its technological know-how.

4.8. *Means for supervising Implementation of the Resolution Plan*

The implementation of the Resolution Plan will be supervised by Resolution Professional, who shall have the responsibility to certify that the Resolution Plan has been implemented once all payments are made by the Resolution Applicant, completion of the Capital Reduction, issuance of shares of the Company to the Resolution Applicant, in the manner contemplated under the Resolution Plan.

4.9. *Declaration*

The Resolution Applicant declares that this Resolution Plan is not in contravention of the provisions of any Applicable Laws and is in strict compliance with the Code and the CIRP Regulations.

4.10. *Invocation of EMD Bank Guarantee*

The liability of the Resolution Applicant shall be limited to the Earnest Money Deposit made in terms of the RFRP, which shall be invoked only in the manner and for the reasons set out in the RFRP. It is clarified that the Resolution Applicant shall not be liable for any failure that is not attributable to the Resolution Applicant.

The Earnest Money Deposit shall be returned in accordance with RFRP.

4.11. *Performance Guarantee*

Upon provision of the Performance Guarantee by the Resolution Applicant, the Earnest Money Deposit will be returned to the Resolution Applicant. On and from such date, the liability of the Resolution Applicant in respect of the CIRP of the Company and in respect of the Resolution Plan shall be limited to the Performance Guarantee. The Performance Guarantee shall be invoked only in the manner and for the reasons set out in the RFRP. It is clarified that the Resolution Applicant shall not be liable and the Performance Guarantee shall not be invoked for any failure that is not attributable to the Resolution Applicant. The Performance Guarantee shall be returned in accordance with terms of the RFRP.

4.12. *Unavailability of key data*

The Resolution Plan has been prepared basis the information available with the Resolution Applicant, key information/ documents that are unavailable at the time of preparation of the Resolution Plan shall not form or become premise for this Resolution Plan.

4.13. *Validity of Resolution Plan*

This Resolution Plan shall remain valid for a period of 6 (six) months from the date the same has been submitted by the Resolution Applicant to the Resolution Professional of the Company.

4.14. *No recourse to COC or Resolution Professional*

The Resolution Applicant confirms and undertakes that to the maximum extent permitted under Applicable Law, upon handing over the Corporate Debtor to the Resolution Applicant, the Resolution Applicant or the Corporate Debtor or any Person acting through them pursuant thereto will have no claims of any nature against the Resolution Professional, the COC, and/or their advisors, delegates, representatives for any reason whatsoever and for any actions undertaken during the CIRP Period.

4.15. *Rights of the COC*

Notwithstanding anything contained herein, this Resolution Plan shall in no way affect the validity and enforceability of (a) the personal guarantees executed by persons in the promoter group; (b) the corporate guarantees executed by third parties; and (c) any other security created by a third party, as of the Insolvency Commencement Date, for securing the debt of the Corporate Debtor and the Financial Creditors shall be entitled to take all steps and remedies and recourse available to them in Applicable Law for the recovery of the unrecovered financial debt (i.e. the total dues of the Financial Creditors less the aggregate of payments made from Total Resolution Amount to the Financial Creditors) from such guarantors and / or third party security providers, under their respective security documents. Provided that no such action shall have a bearing on the assets of the Corporate Debtor or provide any right to such security providers.

5. **FEASIBILITY AND VIABILITY OF THE RESOLUTION PLAN**

The Resolution Plan proposed by Resolution Applicant is in compliance with Code and regulations made thereunder. Under this Resolution Plan, the Resolution Applicant has proposed to infuse Equity Commitment towards enhancement of working capital, growth capital expenditure and improving financial leverage. Further the Resolution Plan also provides for the settlement of dues towards all the Creditors/Stakeholders in a manner which has been elaborated in detail in the Financial Proposal (forming part of this Resolution Plan) and the same is in compliance with the provisions of the Code.

The Resolution Applicant, basis its wide experience and technical and management capability to handle significantly large projects, has definitive plans to revive and turnaround the Corporate Debtor in the best interest of all the stakeholders. The Resolution Plan also states the process of its implementation and management to make it feasible and viable. Resolution Applicant has also proposed for appointment of experienced Key Managerial Personnel and engagement of operation and maintenance contractors who would have expertise in revival of the companies such as the Company and ensure quick turnaround.

Further, Regulation 38(3) of CIRP Regulations also requires future business model and estimated future projections and the provisions for approvals with estimated timelines. The estimated future projections including for the financials are enclosed as *Annexure 2* hereto.

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/I/P-002/
IP-N00775/2018-19/12375



31

TRUE COPY

Strictly Private and Confidential

6. UNDERTAKING REGARDING THE VERACITY OF THE INFORMATION PROVIDED IN THE RESOLUTION PLAN

The Resolution Applicant undertakes that every information and records provided in connection with or in this Resolution Plan (except the information provided by Resolution Professional) is true and correct and discovery of false information and record at any time will render the Applicant ineligible to continue in the CIRP, forfeit any refundable deposit, and attract actions under the Code.

7. KEY RELIEF AND CONCESSIONS

The Resolution Professional shall, in its application for seeking approval of this Resolution Plan (in the event of approval of the same by the COC), also seek the following specific orders from the Adjudicating Authority:

(a) Access to assets of the Company

Upon approval of this Resolution Plan by Adjudicating Authority, each of the lessors/owners of the assets where the Company conducts its business shall provide unrestricted access to the Resolution Applicant, the Company, and each of their respective representatives, employees, officers and agents to such locations without holding any asset of the Company located at such premises for ransom.

(b) Essential Services

Upon approval of this Resolution Plan by the Adjudicating Authority, all necessary and ancillary services such electricity connection, water connection, fuel/gas supply etc., that are relevant for the operations at the Company shall be restored by the concerned authorities without any additional/penal cost and charges.

Upon approval of the Resolution Applicant by the Adjudicating Authority, the Lease with respect to the land underneath the project/plant of the Company shall be restored/renewed and/or converted to freehold in favour of the Company. Provided that the Company shall enter into relevant documentation/contract as may be required under the Applicable Laws and agree to such rates/rentals as may be applicable which shall not be more than prevalent market rate.

(c) Licenses, Consents And Permits

Upon approval of this Resolution Plan by Adjudicating Authority, The Resolution Applicant shall obtain the necessary approval required under any law for the time being in force within a period of one year from the date of approval of the resolution plan by the Adjudicating Authority.

Renewal of licenses, consents and approvals of the Corporate Debtor including all fees, penalties and cost due to delay shall be waived off. Provided further that no penalty shall be levied for such time period on account of non-renewal or non-obtainment of necessary permissions and approvals. The Company shall be permitted to continue its operations during such period.

(d) Treatment of Ongoing Litigation and Violations

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 1681/PP-002/
12-11-2022-0048-13712375



It is proposed that following the NCLT Approval Date, the Company will investigate as to veracity of any allegations in relation to the non-compliance with the terms of any contract or Clearances obtained by the Company and if so, take or cause to be taken remedial actions in this regard within a reasonable period of time. Notwithstanding the aforesaid, all litigation and claims against the Company shall, on and from the NCLT Approval Date, be deemed to abate, whether or not affirmative action for withdrawal or disposal is taken. However, as a function of approval of this Resolution Plan, any litigants against the Company will be required to pursue necessary action for withdrawal and/or disposal with no further involvement of, or exposure to, the Company in connection with such litigations or related claims.



(e) Companies Act, 2013

The Resolution Applicant has proposed to reduce the shares of the existing shareholders to nil and hereby requests the Adjudicating Authority that:

- all liabilities of the Company appearing as current borrowings in respect of such equity shares that have been reduced will be completely reduced to nil without any liabilities, claims or obligations by virtue of the order of the Adjudicating Authority approving the Resolution Plan and the Company and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto;
- the Adjudicating Authority shall exempt the Corporate Debtor from the compliance laid down in section 66 of the Companies Act, 2013;
- the Capital Reduction shall not require the Consents of any of the creditors of the Company or approval of any of the shareholders of the Company, or any other person having any security interest over such shares and the approval of the Adjudicating Authority to the reduction of share capital and shall be binding on the Company and its stakeholders (including its creditors and shareholders);
- the share certificates held by the shareholders of the Corporate Debtor shall stand cancelled without any further act, instrument or deed and the shares of the Corporate Debtor held by any of the shareholders in dematerialised form shall stand cancelled by appropriate corporate action.

(f) SEBI Regulations

The SEBI and other stock exchange shall waive off all the liabilities, penalties, fines, charges, expenses etc., in relation to non-compliance by the Corporate Debtor with respect to non-payment of any fees etc., or with regard to requisite filings, disclosures and compliances for the ensuing 3 years from the NCLT Approval Date.

(g) Income Tax Act, 1961

Corporate Debtor and the Resolution Applicant shall be granted exemption from all taxes pursuant to or as a consequence of the transaction contemplated in this Resolution Plan i.e. writing off of the book value of the debt of creditors in the books of Corporate Debtor and the Corporate Debtor should be exempt from the tax liability under the Income Tax Act, 1961. No income tax will be payable on account of capital gains arising out of transfer of shares/ assets as envisaged in the Resolution Plan. Upon approval of the Resolution Plan by NCLT, all taxes, cess, levies and interest/ penalties thereon; which are due or payable for the period upto the Effective Date shall be deemed to be waived off.

- (h) All domain names, servers, being currently used by the Company to the extent not owned shall continue to be available for use by the Company for a period of 3 months from the NCLT Approval Date.



Strictly Private and Confidential

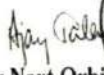

- (i) There shall be no adverse effect on the rights of the Company over its immoveable properties.
- (j) The Corporate Debtor shall not be liable for any non-compliances in relation to any contractual arrangement of the Corporate Debtor with the third parties. Any right of subrogation, reimbursement, recompense, under any corporate guarantee, letters of comfort or similar instruments of debt or any obligation provided by any promoter, affiliate or Related Party of the Company shall stand extinguished and become null and void as of the NCLT Approval Date.
- (k) Any stamp duty liabilities or Tax liability arising pursuant to the transactions contemplated under this Resolution Plan shall be exempted or waived off.

8. TERMS AND CONDITIONS OF PARTICIPATION

The Resolution Applicant acknowledges, confirms and agrees the terms and conditions of participation as provided in Paragraph 1.10 of the RFRP.

We understand that the members of the CoC have further right to renegotiate the terms of this Resolution Plan and the decision of the CoC in selection of the Successful Resolution Applicant shall be final and binding on us. The Resolution Applicant and the stakeholders shall mutually agree and enter into such definitive documents as may be required to give effect to the Resolution Plan.

Yours faithfully,

For Next Orbit Growth Fund III

(Signature and stamp (on each page) of Representative of the Resolution Applicant)

Name: Ajay Jalan

Designation: Managing Partner

Date: 12 July, 2022

Place: Mumbai

We understand that the Resolution Professional shall examine our Resolution Plan as received by him to confirm its compliance with the IBC, and in specific, Section 30(2) of the IBC read with Regulation 38 of the CIRP Regulations. We also understand that the Resolution Professional may not present our Resolution Plan to the CoC in case it is found not in conformity with the mandatory requirements of the IBC and the CIRP Regulations, and seek the views of the CoC on the same. We understand that the CoC have further right to renegotiate the contents of this Resolution Plan and the decision of the CoC in the selection of the Successful Resolution Applicant shall be final and binding on us.

Yours faithfully,

For Next Orbit Growth Fund III

(Signature and stamp (on each page) of Representative of the Resolution Applicant)

Name: Ajay Jalan

Designation: Managing Partner

TRUE COPY



ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)


(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 18134/P-0021
IP-N00776/2019-19

Date: 12 July, 2022

Place: Mumbai

SCHEDULE 1

DEFINITIONS, ABBREVIATIONS AND INTERPRETATION

Unless the context otherwise indicates or requires, the following terms in this Resolution Plan shall have the respective meanings given below. Unless otherwise specified, references to all statutes, ordinances, rules and regulations are to such statutes, ordinances, rules and regulations as amended and applicable on the date of this Resolution Plan.

| Abbreviation/Capitalised Terms | Description |
|--------------------------------|--|
| Assets | all assets (tangible and intangible), properties, goods, rights, benefits and privileges of the Company |
| Adjudicating Authority or NCLT | the adjudicating authority required to approve the Resolution Plan in accordance with the provisions of Section 31 of the IBC |
| Applicable Law | shall mean all applicable laws, regulations, rules, guidelines, circulars, other delegated legislations, re-enactments, revisions, applications and adaptations thereto made from time to time and in force and effect, judgements, decrees, injunctions, writs and orders of any court, arbitrator or governmental agency. |
| Approving Financial Creditor | shall mean the Financial Creditors who have voted in favour of the Resolution Plan submitted by the Resolution Applicant with respect to the Corporate Debtor |
| Authorisation | means: (a) an organization, consent, approval, resolution, licence, exemption, filing, lodgement or registration; and (b) in relation to anything which will be fully or partly prohibited or restricted by law or regulation if a Governmental Agency intervenes or acts in any way within a specified period after lodgement, filing, registration or notification, the expiry of that period without intervention or action |
| Board/ Board of Directors | Board of directors of the Company |
| CA 2013 or Companies Act | Companies Act, 2013 |
| CIRP | Corporate Insolvency Resolution Process |
| CIRP Costs | The costs arising on account of the CIRP determined in accordance with Regulation 31 of the CIRP Regulations |
| CIRP Regulations | The Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (as amended from time to time) |

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/1P-002/
IP-N00776/2018-19/12375



35

TRUE COPY

Strictly Private and Confidential



| Abbreviation/Capitalised Terms | Description |
|--------------------------------|---|
| Clearances | all Authorisations issued by a Governmental Agency to enable the Company to fulfil its obligations under and in connection with its business, facilities and obligations under contracts entered into by the Company |
| COC or Committee of Creditors | Shall mean the committee of creditors constituted in respect of the Company under the provisions of IBC |
| Company or Corporate Debtor | Steelco Gujarat Limited |
| Control | shall have same meaning as ascribed to it under the provisions of the CA 2013 |
| Day or day | means any day other than a Saturday, Sunday, or a day on which all banking institutions operating in New Delhi, India, are authorized or obligated by law to close |
| Delisting Regulations | Securities And Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 |
| Effective Date | shall mean the date on which Steps I and II as set out in <i>Schedule 2 (Implementation Schedule)</i> are completed, which date shall in any event not exceed 3 (three) business days from the NCLT Approval Date or such extended period which may be permitted by the COC |
| Existing Shareholders | The existing shareholders of the Company as of the NCLT Approval Date |
| Financial Creditors | 'Financial Creditors' shall have the meaning ascribed to such term under IBC and for the purposes hereof shall mean the Financial Creditors of the Company |
| Financial Debt | shall have the meaning ascribed to such term under the IBC |
| IBC or Code | Insolvency and Bankruptcy Code, 2016 (as amended from time to time) |
| Implementing SPV | shall mean the Special Purpose Vehicle or any other incorporated entity nominated by the Next Orbit Growth Fund III (Resolution Applicant) through which the Resolution Applicant will implement the Resolution Plan with respect to the Corporate Debtor. |
| Insolvency Commencement Date | December 31, 2020 |
| Information Memorandum | The information memorandum shared by the Resolution Professional in accordance with the IBC |
| Liability | Any liability or obligation (whether direct or indirect, absolute or contingent, accrued or unaccrued, known or unknown, liquidated or unliquidated, or due or to become due) |
| List of Creditors | List of Creditors (version 3) published by the Resolution Professional on July 15, 2021 in accordance with clause (ca) of sub-regulation (2) of |

TRUE COPY

[Signature]

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL



Strictly Private and Confidential

| Abbreviation/Capitalised Terms | Description |
|--------------------------------|-------------|
|--------------------------------|-------------|

| | |
|--|--|
| | Regulation 13 the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 |
|--|--|

| | |
|----------------------|--|
| Monitoring Committee | A committee constituting one representative of the Resolution Applicant, the committee of creditors and the Resolution Professional each |
|----------------------|--|

| | |
|--------------------|---|
| NCLT Approval Date | Date of receipt by Resolution Applicant of the certified copy of order approving the Resolution Plan by the Adjudicating Authority in accordance with Section 31 of the IBC |
|--------------------|---|

| | |
|-----------------------|--|
| Operational Contracts | Contracts entered into by the Company with various counterparties identified by the Resolution Applicant prior to the NCLT Approval Date and shared with the Resolution Professional which are required for the Company to continue as a going concern |
|-----------------------|--|

| | |
|-----------------------|---|
| Operational Creditors | 'Operational Creditors' shall have the meaning ascribed to such term under IBC and for the purposes hereof shall mean the Operational Creditor of the Company |
|-----------------------|---|

| | |
|------------------|---|
| Operational Debt | 'Operational Debt' shall have the meaning ascribed to such term under the IBC |
|------------------|---|

| | |
|-------------------|--|
| Provisional Sheet | Balance Provisional Balance Sheet of the Company |
|-------------------|--|

| | |
|-----------------|---|
| Resolution Plan | means this insolvency resolution plan in relation to the Company to be submitted by the Resolution Applicant in line with this Proposal including on commercial terms |
|-----------------|---|

| | |
|-----------------|--|
| Related Parties | shall mean with respect to a particular parties, the related parties as described under the provisions of the Companies Act and the Code |
|-----------------|--|

| | |
|-------------------------------------|--|
| Request for Resolution Plan or RFRP | shall mean Request for Resolution Plan for selection of a Resolution Plan for Steelco Gujarat Limited issued on June 26, 2022 by the Resolution Professional |
|-------------------------------------|--|

| | |
|----------------------|--|
| Resolution Applicant | shall mean and refer to Next Orbit Growth Fund III and/or the Implementing SPV |
|----------------------|--|

| | |
|------|--|
| SEBI | The Securities and Exchange Board of India |
|------|--|

| | |
|-----------------------|---|
| SEBI SAST Regulations | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time) |
|-----------------------|---|

| | |
|-----------------|---|
| Stock Exchanges | National Stock Exchange of India Limited and BSE India Limited, being the stock exchanges where the Company's Equity Shares are currently listed. |
|-----------------|---|

Interpretation

- (a) The index, headings, sub headings, titles and bold typeface are only for convenience and shall be ignored for the purpose of interpretation.

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)



37

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBI/IP-002/
IP-N00776/2018-19/12375

TRUE COPY
JD

Strictly Private and Confidential

(b) Unless the context of this Resolution Plan otherwise requires:

- words using the singular or plural number also include the plural or singular number, respectively;
- words of any gender are deemed to include the other gender;
- the terms 'hereof', 'herein', 'hereby', 'hereto' and derivative or similar words refer to this entire Resolution Plan or specified sections of this Resolution Plan, as the case may be;
- the term 'Part', 'Section' and 'Schedule/' refers to the specified Part, Section or Schedule of this Resolution Plan;
- the words 'include', 'including', 'for example' or 'such as' shall be construed without limitation and are not used as, nor are to be interpreted as, a word of limitation;
- the Schedules hereto shall constitute an integral part of this Resolution Plan;
- any reference to 'approval', 'consent', 'waiver', 'mutually agreed' or 'mutual agreement' shall mean approval, consent or waiver in writing or a mutual agreement in writing, as the case may be;
- any word or phrase defined in the body of this Resolution Plan as opposed to being defined in the definitions section above shall have the meaning assigned to it in such definition throughout this Resolution Plan, unless the contrary is expressly stated or the contrary clearly appears from the context; and
- in the absence of a definition being provided for a term, word or phrase used in this Resolution Plan, no meaning shall be assigned to such term, word or phrase which derogates or detracts in any way from the intent of this Resolution Plan.

(c) In case of any ambiguity in relation to manner, form or substance of distribution of Total Settlement Amount amongst the various the stakeholders under this Resolution Plan, the Resolution Applicant may, at their sole discretion, prescribe additional terms or clarifications as may be necessary to achieve the same commercial effect including without change in the quantum of financial commitment and the specified timelines set out in this Resolution Plan.



ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(Signature)
(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB1/IP-002/
IP-N00776/2018-19/12375

TRUE COPY

(Signature)

SCHEDULE 2

IMPLEMENTATION SCHEDULE

The detailed steps for the acquisition of the control of the Company (and completion of implementation of the Resolution Plan) are set forth in this Schedule. The Resolution Plan shall be implemented in accordance with the sequence set out in the steps below.

I. NCLT APPROVAL DATE ACTIONS

The following actions shall have been deemed to have taken simultaneously and without any further action, deed by any Person on the NCLT Approval Date:

1. The Reconstituted Board shall be constituted in the manner set out in this Resolution Plan and the existing board of directors of the Company shall be deemed to have resigned. If the erstwhile Board members do not resign voluntarily, the Resolution Applicant shall have the power to remove them without any notice to the erstwhile directors. From the effective date new management shall be managing the affairs of Corporate Debtor.
2. Monitoring Committee shall be managing the affairs of the Corporate debtor, post approval of the plan by Hon'ble NCLT up to Effective Date and will be responsible for the implementation of this Resolution Plan until the final payments are made under this plan to the financial creditors.
3. The Powers of Attorney (POA) and/or other authorizations or mandates (including the sub-delegations of POA, if any, by the Attorneys), in whatsoever form, issued by the Company prior to the NCLT Approval Date to any person to enable such person to carry out various functions of the Company shall stand revoked and rescinded.

II. POSSESSION OF UNITS AND ASSETS

The Resolution Professional shall immediately upon occurrence of NCLT Approval Date deliver the peaceful and unfettered possession of all the assets of the Corporate Debtor to control of new management of the Corporate Debtor or such other person as may be nominated by the Reconstituted Board of the Corporate Debtor. The Resolution Applicant understands and assumes that this step would, in any case, be completed within 3 (three) days of the NCLT Approval Date. It is basis this assumption the payment dates have been prescribed in this Resolution Plan.

III. DELISTING

1. In the event Company deems fit and is desirous of getting itself delisted (in order to ensure implementation of the Resolution Plan in an effective manner) with effect from the Effective Date, they shall make an application pursuant to the provisions of the Delisting Regulations to the relevant recognised stock exchange for delisting its equity shares or exit opportunity should be provided to the existing public shareholders at a price determined by the Resolution Applicant in accordance with Applicable Law.
2. Further, an application for listing of delisted equity shares may be made in respect of the Corporate Debtor whose equity shares may be delisted pursuant to the resolution plan under IBC.

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBI/IP-002/
IP-N00776/2018-19/12375



39

TRUE COPY
JD

Strictly Private and Confidential

IV. CONTRACTS MADE PRIOR TO NCLT APPROVAL DATE

On the approval of the plan by NCLT all contracts / agreements made by the Corporate Debtor subsisting before the Approval Date save as given in saving and exception clause shall be duly extinguished and be ineffective at the sole discretion of the Resolution Applicant.

V. NEGOTIABLE INSTRUMENTS

On the approval of the plan by NCLT and subject to effective date, all outstanding negotiable instruments issued by Corporate Debtor or any other person on behalf of Corporate Debtor shall stand cancelled and no liability shall arise due to the same.

VI. INFUSION OF FUNDS TOWARDS RESOLUTION AMOUNT

Upon occurrence of Effective Date:

1. The Resolution Applicant will *inter alia* raise the Equity Commitment from the identified sources and avail debt financing (for an amount equal to the Total Resolution Amount or such other amount as may be required) from the new lenders to discharge liabilities of the Financial Creditors, the Operational Creditors and other stakeholders (in the manner contemplated under this Resolution Plan).
2. The Resolution Applicant shall ensure that debt financing equivalent to the Total Resolution Amount is made to the Implementing SPV or the Corporate Debtor, either from its funds or from the new lenders as per the source of funds set out herein. The Resolution Applicant retains the right to arrange this funding from alternate sources including but not limited to other banks, non-banking financial companies and financial institutions.
3. As an integral part of the Resolution Plan and simultaneous with the Capital Reduction, the Resolution Applicant shall infuse the Equity Commitment in the manner provided in this Step ("Capital Infusion").
4. On the Effective Date, the Resolution Applicant (either by itself or through an SPV) shall relying upon funds that it is raising/has raised through a scheme launched by NOVFI infuse an amount aggregating to INR 5 Crore (the "Equity Commitment") in the Corporate Debtor by way of subscription of Equity Shares at face value and/or by way of infusion of debt.
5. The Board of the Corporate Debtor shall pass the following resolutions unanimously on the Effective Date:
 - (a) issue and allot the Equity Shares at face value and without premium to the Resolution Applicant and its nominees, respectively in dematerialised form, free of all Encumbrances against the Equity Commitment (or such part thereof as determined by the Resolution Applicant) in deemed compliance of relevant provisions of the CA 2013. The nominees will hold one Equity Share each in their name jointly with the Resolution Applicant;
 - (b) avail any debt (as infused by or arranged by the Resolution Applicant); and
 - (c) authorise the directors, company secretary and any other authorised person of the Corporate Debtor for making of entries in, and updating, the register of shareholders/directors of the Corporate Debtor to reflect the aforesaid changes and file requisite forms and returns on behalf of the Corporate Debtor with the jurisdictional Registrar of companies.
6. Simultaneously with the Capital Reduction, the Equity Shares shall be issued to the Resolution Applicant, as the case may be in the manner specified hereunder.

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBI/IP-002/



TRUE COPY
JD

VII. CAPITAL REDUCTION

1. The Liquidation Value payable to the Existing Shareholders of the Company is presumed to nil. Consequently if the Company is liquidated as of the Insolvency Commencement Date then the Existing Shareholders would not receive any payments. Therefore, as of the Effective Date and simultaneous to the Capital Issuance in favour of the Resolution Applicant, the existing issued equity share capital shall be dealt with following manner:
 - (a) Equity Shares held by Spica Investments Limited shall be reduced by 100% (One Hundred Percent) and the share capital representing 75% (that is 3,19,21,366 Equity Shares) of share capital of the Company shall be reduced to nil; and
 - (b) Equity Shares held in Public Shareholding shall be reduced by 100% (One Hundred Percent) and the share capital representing 25% (that is 1,06,14,094 Equity Shares) of share capital of the Company shall be reduced to nil.
 (hereinafter collectively referred to as the "**Capital Reduction**")

Provided that the Resolution Applicant undertakes to comply with all the requirements prescribed under Applicable Laws and SEBI Regulations including with respect to maintenance of Minimum Public Shareholding.

2. There shall be no requirement to add "and reduced" in the name of the Company and all liabilities of the Company appearing as current borrowings in respect of such equity shares that have been reduced will be completely reduced to nil without any liabilities, claims or obligations by virtue of the order of the Adjudicating Authority approving the Resolution Plan and the Company, the SPV and the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
3. The Capital Reduction shall not require the Consents of any of the creditors of the Company or approval of any of the shareholders of the Company, or any other person having any security interest over such shares and the approval of the Adjudicating Authority to the reduction of share capital and shall be binding on the Company and its stakeholders (including its creditors and shareholders).
4. The share certificates held by the shareholders of the Corporate Debtor shall stand cancelled without any further act, instrument or deed and the shares of the Corporate Debtor held by any of the shareholders in dematerialised form shall stand cancelled by appropriate corporate action.

VIII. CAPITAL ISSUANCE

1. As part of the Resolution Plan, the authorized share capital of the Company shall stand altered to INR 5 Crores comprising of 50,00,000 equity shares of INR 10/- each.
2. Any stamp duties or registration fees shall be payable by the Company out of its cash flows and if such cash flows are not sufficient, the Resolution Applicant shall procure funds for the same by way of debt granted to the Company.
3. Accordingly, the capital clause of the Memorandum of Association of the Company shall and without any further act, deed, instrument, resolution or writing be replaced by the following clause:

"the authorised share capital of the Company shall automatically, stand altered to INR 5 Crores comprising of 50,00,000 equity shares of INR 10/- each."
4. As part of the Resolution Plan and simultaneously with the Capital Reduction, the 50,00,000 Equity Shares for INR 10/- each shall be issued to the Resolution Applicant. Also, the

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 1331/JP-002/
IP-N00775/2016-17-1775



41

TRUE COPY
JD

Strictly Private and Confidential

Resolution Applicant undertakes to comply with the Minimum Public Shareholding thresholds prescribed pursuant to SEBI Regulations and under Applicable Laws.

IX. EFFECTIVE DATE ACTIONS

On the Effective Date, the following actions shall have been deemed to have taken simultaneously and without any further action, deed by any Person:

- (a) The Capital Reduction shall become effective and the issued and paid up equity shares of the Existing Shareholders shall be cancelled and reduced to nil in accordance with the Resolution Plan.
- (b) The Capital Infusion in the manner stated in Paragraph VI shall be undertaken. The Equity Commitment shall be deposited in a designated bank account of the Corporate Debtor.
- (c) The existing board of directors of the Company shall be reconstituted with the existing board of directors deemed to have resigned on the Effective Date without any further action and the nominees of the Resolution Applicant nominated to the Board of the Company;
- (d) All powers of management, control and operation of the Company granted to the erstwhile Promoters and Promoter Group of the Company, and/or their nominees shall be withdrawn, revoked, terminated and rescinded.
- (e) The Memorandum of Association and the Articles of Association of the Company shall be automatically, without any further act or deed, be substituted and replaced with the form of memorandum of association and articles of association as provided by the Resolution Applicant.
- (f) It is clarified that the approval of the Adjudicating Authority pursuant to Section 31 of the IBC shall constitute adequate approval for the adoption of the New Charter Documents, in accordance with all provisions of Applicable Law. Accordingly, no further approval or consent shall be necessary from any other Person/ Governmental Authority in relation to either of these actions under any agreement, the existing constitution documents of the Company or under any applicable law.
- (g) The CIRP Costs shall be paid in priority to payments to other Creditors contemplated in this Proposal.
- (h) The dues of Financial Creditors shall be acquired by the Resolution Applicant by way of final settlement of their dues by the Company in accordance with this Proposal.
- (i) The dues of Operational Creditors shall be paid in accordance with this Proposal.
- (j) All shareholder resolutions and approvals from creditors required for the implementation of the Resolution Plan including under Companies Act, 2013 for the transactions contemplated in this Schedule following the Effective Date would be deemed to have been granted.
- (k) The Monitoring Committee shall handover all passwords, bank account, cheques, documents/ERP system access etc to the Resolution Applicant on the Effective Date.
- (l) All authorisations/powers of attorney provided by the Company shall cease to have any effect.

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IIP-002/
IP-N00776/2018-19/12375

TRUE COPY



X. PRAYERS IN THE APPLICATION FOR APPROVAL OF RESOLUTION PLAN

The Resolution Professional shall, in its application for seeking approval of the Resolution Plan (in the event of approval of the same by the COC), also seek the following specific orders from the Adjudicating Authority:

- approving the Capital Reduction of the Company in the manner as contemplated under the Resolution Plan;
- allow to file the Income Tax returns which are yet to be filed related to years prior to effective date if any, and losses computed under the said return also to be allowed to carry forward;
- the existing Board shall stand vacated and be replaced by the Reconstituted Board with effect from the NCLT Approval Date; and
- the key reliefs, concessions and entitlements as may be sought by Resolution Applicant be granted.

XI. TIMELINE FOR IMPLEMENTATION OF THE RESOLUTION PLAN

The Resolution Applicant proposes to use all efforts as may be commercially reasonable to implement the Resolution Plan within a period of 30 Business Days from the NCLT Approval Date in accordance with the Implementation Schedule and other terms contained in the Resolution Plan.

The Resolution Applicant proposes to implement of the Resolution Plan in the following manner:

| ACTION | TIME |
|---|---------------|
| NCLT Approval Date - Reconstitution of the Board of the Company - Appointment of the Monitoring Committee | T |
| Intimation to Stock Exchange for the following: - Resolution Plan and delisting of Equity Shares as of Effective Date (if applicable) - Suspension of trading of Equity Shares on account of delisting on Effective Date (if applicable) | T+1 |
| Effective Date - Handing over of peaceful and unencumbered possession and title of the Assets of the Company to the Resolution Applicant - The Company shall stand delisted (if chosen by the Resolution Applicant) - The Capital Reduction shall become effective - Other actions specified in Paragraph IV of this Schedule shall take effect | T+3 (1+2) |
| - The Resolution Applicant (either by itself or the SPV) shall infuse the Equity Commitment in the manner specified in this Schedule and such Equity Commitment shall be deposited in a designated bank account of the Corporate Debtor | T+24 (3 + 21) |
| Upfront Payment: - Payment of the CIRP Costs - Payment of Dues towards Workmen - Payment of the Upfront Operational Creditor Payment | T+27 (24 + 3) |
| Payment to Creditors: - Payment towards Dissenting Financial Creditors - Payment to Financial Creditors | T+30 (27 + 3) |

The Resolution Plan shall be deemed implemented on payment of the Loan Assignment Consideration to the Approving Financial Creditors (who are last in line to receive from the resolution amount).

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. 18310/P/002/
IP-000774 Date: 10.01.2025



43


TRUE COPY
JP

Strictly Private and Confidential

XII. ASSIGNMENT/NOVATION OF LOANS

If chosen as a modality for treatment of claims by the Resolution Applicant, pursuant to the approval of the Resolution Plan on the NCLT Approval Date, the Admitted Financial Debt will be deemed to be assigned/ novated (by way of operation of this Resolution Plan) by the Financial Creditors to the Resolution Applicant, in lieu of consideration which shall be the Loan Assignment Consideration. Without prejudice to the above, if required by the Resolution Applicant may require the Financial Creditors to enter into an assignment/novation agreement. It is proposed that the such Financial Creditor shall execute an assignment deed in favour of the Resolution Applicant or its nominee for the purpose of assignment of the Admitted Financial Debt. If the relevant financing documents/loan agreement/security trustee agreement provides for a deed of accession for such transfer, the transferring lender and the Purchaser shall execute such deed of accession. If required by the Resolution Applicant, the Financial Creditors shall take such steps as may be reasonably required to give effect to the above assignment.

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)


(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IIP-002/
IP-N00776/2018-19/12375

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)



TRUE COPY



ANNEXURE I

Profile of the Resolution Applicant

Next Orbit Growth Fund III/Resolution Applicant is a private equity growth expansion fund managed by Next Orbit Ventures. The fund is based in Mumbai, India and invests in the United States, Canada, Europe, Americas, Asia, Africa, Middle East and Oceania. The fund targets investments in the material, resource, information technology, healthcare, business product and service sectors. Next Orbit Ventures is a multi-asset fund manager investing in the debt and equity of growing companies to create long term sustainable value for them and to generate superior returns for our investors. Next Orbit Ventures is growing leading private multi-asset alternative investment firms with approximately USD 3 billion fund under management that will create lasting impact for Next Orbit's investors, teams, businesses and the communities in which we live. Founded in 2012, Next Orbit has pioneered a partnership-based approach to private equity investing, partnering closely with management teams to offer the insights that challenge conventional thinking, build great businesses and improve operations. Over time, Next Orbit has organically expanded this approach across asset classes to build one of the strongest alternative asset platforms.

Today, Next Orbit teams strive to create value through venture capital, private equity, public equity, debt investment across multiple sectors, industries, and geographies. With this horizon and reach in multiple sector across the globe the Resolution Applicant a fund of Next Orbit Ventures believes that it has potential to provide the requisite base and financial support that will result in uptide of the Corporate Debtor.

Next Orbit invests in residential, commercial, infrastructure, hotels, industrial parks and EPC companies. Some of our investments are Bharat Wire Ropes Limited, Nachiketa Agrotech Limited, Jigyasa Infrastructure Limited, Madhuban Constructions etc.

Next Orbit invests in innovative and scalable companies in consumer and technology sector with a strategic mix of early stage, growth and turnaround (MBO and special situation) cases. Next Orbit has a "Partnership Focus" theme and its key success factors include the timely infusion of capital into high impact and scalable ventures that are backed by customized 360 degrees mentoring and listing at Stock exchange for price transparency and tax benefits to our investors. Few of the Investments are RBL Bank Limited, Thyrocare, PNB Housing Finance Ltd, Infibeam, Kirloskar Electric Company Ltd etc.

A brief snapshot of the selected successful investment that Next Orbit Ventures has procured is as under:

(d) Next Orbit Ventures Fund:

| Name | Registration | Corpus of the Fund | Commitment of Fund | Funds Invested/Committed | Assets Under Management (AUM) Value |
|--------------------------|----------------------------|--------------------|--------------------|--------------------------|-------------------------------------|
| Next Orbit Ventures Fund | Reg. No. IN/VCF/11-12/0232 | INR 700 crore | INR 698 crore | INR 698 crore | INR 2800 crore |

(e) Next orbit Ventures Fund II:

Resolution Plan for Steelco Gujarat Limited

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)



(CA NIRAV TARKAS)
INFORMAL RESOLUTION PROFESSIONAL
REGN. NO. IBB/IR-002

TRUE COPY
JD

Strictly Private and Confidential

| Name | Registration | Corpus of the Fund | Commitment of Fund | Funds Invested/Committed | Assets Under Management (AUM) Value |
|-----------------------------|-----------------------------|--------------------|--------------------|--------------------------|-------------------------------------|
| Next Orbit Ventures Fund II | Reg. No. IN/AIF1/16-17/0234 | USD 2 billion | USD 1 billion | USD 900 million | - |

(f) Next Orbit Growth Fund III:

| Name | Registration | Corpus of the Fund | Commitment of Fund | Funds Invested/Committed | Assets Under Management (AUM) Value |
|----------------------------|-----------------------------|--------------------|--------------------|--------------------------|-------------------------------------|
| Next Orbit Growth Fund III | Reg. No. IN/AIF3/19-20/0680 | INR 1000 crore | INR 995 crore | INR 108.9 crore | INR 108.9 crore |

The fund is managed by:

1. Mr. Ajay Jalan – Founder & Managing Partner, has 25 years of professional experience in Finance, Operations, and Investment Management. He has served in senior executive positions in various Fortune 500 and SME companies like IFCI, i2 Technologies, Tata's, ACS, and Semindia in India and Silicon Valley. He is a MBA, FCA, FCS (Gold medallist). Harvard, ISB & IIM Trained. IOD-UK Certified Director
2. Mr. Umesh Kumar – Strategic Partnerships, has 27 years' industry experience in Investment Banking, Management consulting etc. He has held senior level positions in ISRO, ICICI Group, MITSUI with Global Experience. He has successfully executed ICICI Technology Park APIIC GOAP Biotech Parks Kfw Germany in Genome valley Hyderabad and exited to Alexandria fund of USA. He is a Chemical Engineer, M.B.A Finance -NMIMS & Trained from IIM Ahmedabad & Brunel Management School London
3. Mr. Sanjeev Taneja (Artificial Intelligence), is Experienced professional in the electronics industry with stints at leading companies such as AT&T Bell Labs, Cadence, Alcatel-Lucent. He is an accomplished entrepreneur and founded Abreezio & sold to Qualcomm earning the investors 35x return. He is a B. Tech, Electrical Engg., IIT New Delhi; MS Computer Science, Ohio State University; MBA, New York University.

Management Team for SteelCo Gujarat Ltd:

The fund shall appoint senior professionals from Steel Industry with experience in Technical and Management.

The Fund shall appoint:

1. **Grey Engineering** as Technical Consultants/advisor to re-start the installed facilities situated at Palej, Bharuch. The Grey Engineering Consultants reputed engineering consultancy firm providing technical advisory services to companies desirous to set up Steel Making and Processing Plants.

Resolution Plan for Steelco Gujarat Limited

TRUE COPY

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)



(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/MIP-002F
IP-N00776/2018-19/10005

The firm provides complete advisory services for both Hot & Cold Rolling Mill complex starting from preparation of plant layout, line arrangement drawings of all lines, design of detailed construction drawings for machine foundations, preparation of specifications for all the major utilities & auxiliaries like cranes, water complex, transformers, cabling, air, water, gas, steam & acid piping, fuel gas complex, chimneys, acid yards, 220 kV switchyard, power receiving station and other similar services.

The firm had handled the projects of various steel companies, including setting-up and technical consultancy. The brief description of some major projects is as under:

1. BRG Group

Advisory services for a Stainless Steel Rolling Mill Complex consisting of Hot Strip Mill, Pickling Line, Cold Rolling Mill and Skin Pass Mill etc.

2. Asian Colour Coated Ispat Limited

Advisory services for Expansion project for Four Lakh Tons per year Continuous Galvanizing Line. The total covered area of the expansion project is 15000 m²

3. Orion Alloys & Strips Private Limited

The advisory service and preparation of project report includes 1400 mm wide Cold Rolling Mill, HR Slitting Line, Push Pull Pickling Line, Reversible Six Hi Mill, Galvanizing process and other associated equipment.

4. ACCIL FZC, Ras Al Khaimah

Preparation of Project Report for a Galvanizing cum Color Coating Line Complex at Ras Al Khaimah, UAE.

5. Steelco Limited, Ludhiana

Inspection and preparation of technical feasibility report for 2 nos. Reversible Cold Rolling Mill for stainless steel.

6. JNB Steel Industries Private Limited, Hissar

Complete turnkey consultancy for installation including, foundation & utility engineering for a 650 mm wide Reversible Twenty Hi Mill for Stainless Steel Rolling Mill.

7. African Commodities

Complete technical project report for setting up a Cold Rolling Mill Complex.

Mr. Ankit Jain as Director in the Board to run the unit effectively. Mr. Ankit Jain is IIT (Kharagpur) Graduate with over 16 years of business experience as entrepreneur and in various management positions across Strategy, Operations, Project, and Corporate Finance. He is working in ACCIL for last 5 years and is currently heading the Company as Chief Executive Officer.

Before ACCIL, he bootstrapped a start-up and scaled it to a 3000+ employee organization in Consumer and technology space. He also possess Investment Banking experience of having worked in SBI Capital Markets where he was sector specialist of Steel, Mining and Power. He has effectively turn-around ACCIL Auto Steels Private Limited in a short-span of 3 years by increasing EBITDA to 3 times.



Strictly Private and Confidential

ANNEXURE 2

Projected Balance Sheet

(Rs. in Crs.)

| Particulars | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|--|----------------|----------------|---------------|---------------|---------------|
| Equity and Liabilities | | | | | |
| Share Capital | - | - | - | - | - |
| Additional Capital | 5.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Reserves and Surplus | (45.42) | (28.08) | (2.70) | 31.40 | 66.83 |
| - P&L Balance | (45.42) | (28.08) | (2.70) | 31.40 | 66.83 |
| Net Worth | (40.42) | (18.08) | 7.30 | 41.40 | 76.83 |
| Non Current Liabilities | | | | | |
| Long Term Borrowings | 131.64 | 118.52 | 105.40 | 92.28 | 79.16 |
| Long Term Provisions | - | - | - | - | - |
| Total Non Current Liabilities | 131.64 | 118.52 | 105.40 | 92.28 | 79.16 |
| Current Liabilities | | | | | |
| Short Term Borrowings | 20.00 | 15.00 | 12.00 | - | - |
| Trade Payables | 12.99 | 30.33 | 35.66 | 42.02 | 42.02 |
| Other Current Liabilities | 5.00 | 6.66 | 6.66 | 6.66 | 6.66 |
| Short Term Provisions | - | - | - | - | - |
| Total Current Liabilities | 37.99 | 51.98 | 54.32 | 48.67 | 48.67 |
| Total Liabilities | 129.21 | 152.42 | 167.01 | 182.35 | 204.66 |
| Assets | | | | | |
| Non Current Assets | | | | | |
| Gross Block | 91.67 | 91.67 | 91.67 | 91.67 | 91.67 |
| Less Dep | 24.74 | 28.39 | 31.87 | 35.17 | 38.30 |
| - CWIP | 0.01 | 0.01 | - | - | - |
| Net Block | 66.93 | 63.28 | 59.80 | 56.50 | 53.37 |
| Non Current Investments | | | | | |
| Investments and other financial assets | 0.63 | 0.63 | 0.63 | 0.63 | 0.63 |
| Long Term Loans and Advances | 0.53 | 0.53 | 0.53 | 0.53 | 0.53 |
| Other Non Current Assets | 3.61 | 3.61 | 3.61 | 3.61 | 3.61 |
| Trade receivables > 6 months | - | - | - | - | - |
| Total Non Current Assets | 71.71 | 68.05 | 64.57 | 61.27 | 58.14 |
| Current Assets | | | | | |
| Inventories | 27.42 | 37.88 | 44.45 | 52.24 | 52.29 |
| Trade Receivables < 6 months | 16.62 | 35.90 | 42.17 | 49.51 | 49.51 |
| Cash and Bank Balances | 11.35 | 8.46 | 13.70 | 17.22 | 42.62 |
| Deferred Tax Assets | - | - | - | - | - |
| Loans and Advances | 2.02 | 2.02 | 2.02 | 2.02 | 2.02 |
| Other Current assets | - | - | - | - | - |
| Total Current Assets | 57.41 | 84.27 | 102.35 | 120.98 | 146.43 |
| Total Assets | 129.12 | 152.32 | 166.92 | 182.26 | 204.57 |

TRUE COPY

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBI/IP-002/
IP-N00776/2018-19/12375

ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

Projected P&L Statement

| Particulars | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|------------------------------------|---------------|---------------|-----------------|-----------------|-----------------|
| Sales | | | | | |
| -Domestic | 495.95 | 660.27 | 775.61 | 910.46 | 910.46 |
| -Export | 212.55 | 165.07 | 193.90 | 227.62 | 227.62 |
| Total Sales (net of excise) | 708.50 | 825.34 | 969.52 | 1,138.08 | 1,138.08 |
| GST | 89.27 | 118.85 | 139.61 | 163.88 | 163.88 |
| Sales (inclusive of excise) | 797.77 | 944.18 | 1,109.13 | 1,301.96 | 1,301.96 |
| (Inc)/Dec in stock WIP | 2.66 | (1.96) | (2.41) | (2.86) | - |
| (Inc)/Dec in stock FG | (11.89) | (1.84) | (2.35) | (2.79) | (0.05) |
| Net Income | 699.27 | 821.53 | 964.75 | 1,132.44 | 1,138.03 |
| Other Operating Income | - | - | - | - | - |
| Other Income / GST Refund | - | - | - | - | - |
| Total Revenue | 699.27 | 821.53 | 964.75 | 1,132.44 | 1,138.03 |
| Expenditure | | 88.19% | 88.28% | 88.60% | 88.60% |
| Raw Material Consumed | 623.74 | 727.82 | 855.91 | 1,008.37 | 1,008.37 |
| Power, Fuel and Consumables | 27.34 | 31.38 | 36.52 | 41.67 | 41.67 |
| Repairs and Maintenance | 1.83 | 1.83 | 1.83 | 1.83 | 1.83 |
| Employee benefit Expenses | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 |
| Cost of Production | 662.91 | 771.03 | 904.26 | 1,061.87 | 1,061.87 |
| Administrative Expenses | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Change in WIP Inventory | 2.45 | (1.80) | (2.22) | (2.63) | - |
| Cost of Goods Sold | 670.36 | 774.23 | 907.04 | 1,064.25 | 1,066.87 |
| Change in Finished goods inventory | (11.17) | (1.73) | (2.21) | (2.62) | (0.04) |
| Selling and Distribution Expenses | 3.54 | 4.13 | 4.85 | 5.69 | 5.69 |
| Cost of Sales | 662.73 | 776.62 | 909.68 | 1,067.32 | 1,072.52 |
| EBITDA | 36.54 | 44.91 | 55.07 | 65.12 | 65.51 |
| EBITDA % | 5.2% | 5.5% | 5.7% | 5.8% | 5.8% |
| Depreciation | 3.85 | 3.65 | 3.47 | 3.30 | 3.13 |
| EBIT | 32.69 | 41.26 | 51.60 | 61.82 | 62.38 |
| Finance Cost | | | | | |
| - Short Tern Borrowing | 2.60 | 1.95 | 1.56 | - | - |
| - Existing debt | 14.48 | 13.04 | 11.59 | 10.15 | 8.71 |
| Sub-Total | 17.08 | 14.99 | 13.15 | 10.15 | 8.71 |
| PBT before exceptional item | 15.61 | 26.27 | 38.45 | 51.67 | 53.67 |
| Exceptional expense | 68.48 | - | - | - | - |
| Exceptional income | 386.65 | - | - | - | - |
| PBT | 333.78 | 26.27 | 38.45 | 51.67 | 53.67 |
| Tax | | | | | |
| - Current Tax | 4.35 | 8.93 | 13.07 | 17.56 | 18.24 |
| - Deferred Tax | - | - | - | - | - |
| Sub-Total | 4.35 | 8.93 | 13.07 | 17.56 | 18.24 |
| Other Comprehensive Income | | | | | |
| PAT | 329.44 | 17.34 | 25.38 | 34.11 | 35.43 |



ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBB/IIP-002/
IP-N00776/2018-19/12375

Resolution Plan for Steelco Gujarat Limited

49

TRUE COPY

Strictly Private and Confidential

Projected Cash Flow Statement

| Particulars | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---|-----------------|----------------|----------------|----------------|----------------|
| Cash Flow From operating Activities | | | | | |
| Profit before Taxes (continued operations) | 333.78 | 26.27 | 38.45 | 51.67 | 53.67 |
| Net Profit before tax (discontinued operations) | - | - | - | - | - |
| Adjustments for: | | | | | |
| -Provision employee benefits | (16.81) | - | - | - | - |
| -Depreciation | 3.85 | 3.65 | 3.47 | 3.30 | 3.13 |
| -Interest Paid | 17.08 | 14.99 | 13.15 | 10.15 | 8.71 |
| - Interest Income | - | - | - | - | - |
| Loss on FA | | | | | |
| Operating profit before changes in working capital | 337.90 | 44.91 | 55.07 | 65.12 | 65.51 |
| Working capital adjustments | (270.47) | (10.76) | (7.50) | (8.77) | (0.04) |
| Decrease/ (Increase) in inventories | (13.92) | (10.47) | (6.57) | (7.79) | (0.04) |
| Decrease/ (Increase) in trade and other receivables | 52.73 | (19.28) | (6.27) | (7.33) | (0.00) |
| Movement in trade and other payables | (309.28) | 18.99 | 5.34 | 6.35 | - |
| Cashflow from operations | 67.43 | 34.15 | 47.57 | 56.35 | 65.47 |
| Direct Taxes Refunded/ (Paid) | (4.35) | (8.93) | (13.07) | (17.56) | (18.24) |
| Net Cash flow from Operating Activity | 63.08 | 25.22 | 34.50 | 38.79 | 47.22 |
| Cash Flow from Investing Activities | | | | | |
| Changes in fixed assets | (20.00) | - | 0.01 | - | - |
| Changes in investments | - | - | - | - | - |
| - Interest Income | - | - | - | - | - |
| Cashflow from investing | (20.00) | - | 0.01 | - | - |
| Cash Flow from Financing Activities | | | | | |
| Interest paid | (13.25) | (14.99) | (13.15) | (10.15) | (8.71) |
| Changes in borrowing | 20.00 | (18.12) | (16.12) | (25.12) | (13.12) |
| Increase in Capital | (37.56) | 5.00 | - | - | - |
| Cash flow from financing | (30.81) | (28.11) | (29.27) | (35.27) | (21.83) |
| Net increase in cash | 12.27 | (2.89) | 5.24 | 3.52 | 25.40 |
| Opening balance | 0.08 | 12.35 | 9.46 | 14.70 | 18.22 |
| Closing cash balance | 12.35 | 9.46 | 14.70 | 18.22 | 43.62 |



ATTESTED
FOR STEELCO GUJARAT LIMITED
(UNDER INSOLVENCY)

(CA NIRAV TARKAS)
INTERIM RESOLUTION PROFESSIONAL
REGN. NO. IBBV/IP-002/
IP-N00776/2018-19/12375