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KRO/PASE/NINL-DIPAM/329

February 01, 2022

Assistant General Manager,  
Indian Bank,  
Head Office, Legal Department,  
No. 66 Rajaji Salai,  
Chennai - 600 001

Dear Sir,

**Sub: Strategic Disinvestment of Neelachal Ispat Nigam Limited (NINL) - response to outstanding claims of bondholders and request for update on Strategic Disinvestment.**

**Ref: Your letter no. LEGL:HO:DT:REF:101:2021-22 dated 01.02.2022**

This is with reference to your letter dated 1<sup>st</sup> Feb 2022 regarding overdues of debenture holders, debenture trustee fees and the way forward for the process.

As you are aware, GoI has approved winning bid of M/s Tata Steel Long Products Limited (TSLP) for Neelachal Ispat Nigam Limited. As part of the way ahead, GoI would be issuing Letter of Award to TSLP in next 5-7 days post which the process of documentation and closure would commence.

Based on the Bid Value of Rs 12,100 Crore quoted by TSLP, once the transaction is completed, the dues to debenture holders including outstanding debenture trustee fees would be paid in full. We estimate that the process of disinvestment would be closed by Q4FY22 with distribution of funds to financial creditors including bond holders as per their dues on date of completion of transaction.

As part of the process, NINL would be approaching debenture trustee separately to obtain No Objection Certificate for the change of management and release of all securities subject to payment of full dues of debenture holders and debenture trustee. Additionally, debenture trustee would be required to provide the following certificates pertaining to bond holder dues as per the Share Purchase Agreement to be executed for the transaction:

- i. **Estimated Financial Creditor Dues Certificates from Financial Creditors and Debenture Trustee - At least 20 (twenty) days prior to Completion NINL to provide a certificate from each of the Financial Creditors (in case of Bondholders by their respective Debenture Trustees) certifying the amount of their respective Estimated Financial Creditor Dues.**

- ii. **Final Financial Creditor Dues Certificate from Financial Creditors and Debenture Trustee** - At least 3 days prior to Completion, NINL and/or the Sellers shall have provided the Buyer with certified Final Financial Creditor Dues.
- iii. **No Dues Certificates** - On closing date, NINL to procure No Dues certificate from each of the Sellers and Financial Creditors (in case of Bondholders 1 and Bondholders 2, from their respective Debenture Trustees).

NINL would be approaching you for the said certificates at appropriate time.

Thanking You,  
Yours Sincerely



**(Chitrlekha Choudhury)**  
Asst. Vice President (PASF)

CC:

**Group Head Debenture & Company Secretary,**  
**SBICAP Trustee Limited,**  
4<sup>th</sup> Floor, Mistry Bhavan  
122, Dinshaw Vachha Road  
Churchgate, Mumbai - 400020