

OCL IRON AND STEEL LIMITED

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Fax: +916624 222 564, Email: oslrgp@oclsteel.in, ho.finance@oclsteel.in
CIN: L27102OR2006PLC008594, **website-** www.oclsteel.com

Ref.No.: OISL/BSE/NSE/2021-22**Date: 22nd September, 2021**

To,

BSE Limited Phiroze Jeejeebhoy, Towers Limited Dalal Street, Mumbai - 4000 01 Scrip Code: 533008	National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 Symbol: OISL
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Sub: Intimation under Regulation 30 of the SEBI (Listing Obligation Disclosure Requirements) Regulation, 2015

Dear Sir/Madam,

With reference to our E-mail dated September 20, 2021, in which we have informed you about the initiation of Corporate Insolvency Resolution Process (CIRP) under Section 7 of Insolvency and Bankruptcy Code (IBC), 2016, an application **(CP (IB) No.111/CTB/2020)** for initiation of Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code (IBC), 2016 was filed by the **Indian Bank (the erstwhile Allahabad Bank)**, in its capacity as a **Financial Creditor** before the Hon'ble National Company Law Tribunal (NCLT), Cuttack Bench against the Company ('Corporate Debtor').

The Hon'ble National Company Law Tribunal (NCLT), Cuttack Bench has admitted the said application vide its order dated September 20, 2021. A copy of Hon'ble NCLT order dated 20th September, 2021 and intimation sent via Gmail to stock Exchanges are annexed hereto.

As per Section 17 of the IBC, the powers of the Board of Directors of the Corporate Debtor stand suspended and such powers shall be vested with **Mr. Shiv Nandan Sharma (Registration No. IBBI/IPA001/IP-P00384/2017-18/10641)**, appointed as an Interim Resolution Professional ('IRP') by the NCLT vide its aforesaid order. It may be further noted that in consonance with the stipulations contained in Section 14 of the Code, a moratorium has been declared vide the Order dated September 20, 2021 passed by the Hon'ble NCLT, inter alia, prohibiting the following:

- the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgement, decree or other in any court of law, tribunal, arbitration panel or other authority;
- transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
- any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor. The above is for your information and record.

This is for your information and record.

Thanking You,
Yours faithfully,

For OCL Iron and Steel Limited

SHIV NANDAN SHARMA
Digitally signed by SHIV NANDAN SHARMA
Date: 2021.09.22 16:51:48 +05'30'

Shiv Nandan Sharma
(IBBI/IPA001/IP-P00384/2017-18/10641)
Interim Resolution Professional (IRP)

Coal Mine Address : Ardhagram Coal Mine, P.O.-Ardhagram,P.S.-Mejla,Distt-Bankura,West Bengal-722143,Mob-+919434128262 email-oslrgp@oclsteel.in
Corporate Office : 3,LSC, Pamposh Enclave, Greater Kailash part-1, New Delhi-110048, India, ph:+91-11 42344422, email- ocliron@gmail.com



Initiation of Corporate Insolvency Resolution Process against OCL Iron and Steel Limited

OCL Iron & Steel Ltd. OCL <ocliron@gmail.com>

Mon, Sep 20, 2021 at 11:15 PM

To: bse.regulation30@bseindia.com, Harshad Naik <Harshad.Naik@bseindia.com>, Chandani.Thakkar@bseindia.com, Manish Raval <Manish.Raval@bseindia.com>, "Suresh Nair (REG-ENF)" <nairs@nse.co.in>, "Dushyant Patadiya (REG-ENF)" <dpatadiya@nse.co.in>, "Hitesh Surati (LISCO)" <hsurati@nse.co.in>, "Divya Poojari (LISCO)" <dpoojari@nse.co.in>, Mita Kothari <mita.kothari@bseindia.com>


Dear Sir/Madam

We wish to inform you that the application filed by Financial Creditor before Hon'ble National Company Law Tribunal (NCLT), Cuttack Bench in the matter of admission of application for initiation of Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency and Bankruptcy Code (IBC), 2016.

Please be informed that Hon'ble National Company Law Tribunal (NCLT), Cuttack Bench has admitted the matter on 20th September, 2021. Formal announcement under Regulation 30 of SEBI (LODR) 2015 will be submitted tomorrow.

Please find enclosed herewith a copy of NCLT order dated 20th September 2021 and the same is also available on the website of NCLT.

Regards
OCL Iron and Steel Limited
BSE Scrip Code: 533008
NSE Symbol: OISL

 **CP (IB) No 111-CTB-2020.pdf**
4216K

**IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH
CUTTACK**

CP (IB) No.111/CTB/2020

In the matter of:

An application under section 7 of the Insolvency & Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016;

And

In the matter of:

Indian Bank (erstwhile Allahabad Bank), a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 having its Head Office at Netaji Subash Road, Kolkata-1 West Bengal, and a duly constituted Banking Company having one of its Branch Offices at SAM-LB Branch, 1st Floor, Allahabad Branch Building, Sansad Marg, New Delhi-110 001;

...Financial Creditor

Versus

OCL Iron and Steel Limited [CIN: L27102OR2006PLC008594], a company incorporated under the provisions of Companies Act, 1956, having its Registered Office at Lamloi, Rajgangpur, Sundergarh, Odisha-770 017.

...Corporate Debtor

Coram:

Shri Rajasekhar V.K. : Member (Judicial)

Shri Satya Ranjan Prasad : Member (Technical)

Appearances (through video conferencing)

Order reserved on: 23.08.2021

Order pronounced on: 20.09.2021

ORDER

Per: Satya Ranjan Prasad, Member (Technical)

1. The Court convened via video conference on 23.08.2021.

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2. This application under section 7 of Insolvency and Bankruptcy Code, 2016 read with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, has been filed by **Indian Bank** (erstwhile Allahabad Bank) [*Financial Creditor*], through its Authorised Officer and Constituted Attorney vide Power of Attorney dated 14/03/2015, thereby seeking initiation of Corporate Insolvency Resolution Process (*CIRP*) in respect of **OCL Iron and Steel Limited** [CIN: L27102OR2006PLC008594], a listed public company having its Registered Office at Lamloi, Rajgangpur, Sundergarh, Odisha-770017 (*hereinafter referred as the Corporate Debtor*).
3. It is submitted in the Petition that the Corporate Debtor approached the Financial Creditor for availing loan of ₹200 Crore for business of manufacturing of Steel items and generation of power for expanding by installing the facilities such as Coal Washery, Sponge Iron, SMS Division, Rolling Mill, Captive Power Plant which was sanctioned *vide* sanction letter dated 20.08.2010 issued by Financial Creditor.
4. It is stated in the petition that as per sanction letter dated 20.08.2010, the Corporate Debtor agreed for creation of securities of equitable mortgage of immovable properties on the factory land and proposed construction thereon, hypothecation of movable assets and other securities as mentioned therein. Corporate Debtor also executed a Promissory Note dated 20.09.2010 of ₹200 crore as security for term loan of ₹200 Crores and the Term Loan Agreement dated 20.09.2010 was also executed by the Corporate Debtor (Copy of the Sanction letter dated 20.08.2010; Promissory Note of ₹200 Crore dated 20.09.2010 and Term Loan Agreement dated 20.09.2010 are annexed as **Annexure-2**, **Annexure-3** and **Annexure-4** respectively to the petition).

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5. It is stated in the petition that the Corporate Debtor *vide* letter dated 21.06.2011 with Memorandum of Entry dated 20.06.2011 provided extension of Mortgage in favour of Financial Creditor with the consent of Axis Bank Limited which has been holding the title deeds in respect of Sponge Iron Unit of land admeasuring 83.40 acres at village Lamloi, Tehsil-Rajgangpur, Sundergarh, Odisha (Letter dated 21.06.2011 annexed as **Annexure-5** to the petition).
6. It is stated in the petition that the Financial Creditor reviewed the term loan of ₹200 Crore *vide* sanction letter dated 12.03.2012 and further reviewed the same *vide* sanction letter dated 22.06.2013 and sanctioned the same in favour of the Corporate Debtor. The Corporate Debtor agreed for creation of the securities as per the said sanction letters as mentioned therein. Copies of the sanction letter dated 12.03.2012 and 22.06.2013 annexed as **Annexure-6** and **Annexure-7** respectively to the petition.
7. It is stated in the petition that the Financial Creditor including other lenders agreed to consortium of lenders for financing the term loan of ₹800 Crore wherein share of the Financial Creditor was ₹200 Crore. The Corporate Debtor in order to secure the Consortium advances wherein the Financial Creditor had a share of ₹200 Crore through its authorised signatory had executed demand promissory note dated 23.09.2014 for ₹800 Crore and executed common loan agreement dated 23.09.2014 and various other documents annexed as **Annexure-8** to the petition.
8. It is stated in the petition that the account of the Corporate Debtor was renewed at the outstanding level of ₹157.47 Crore *vide* sanction letter dated 17.12.2015 annexed as **Annexure-9** to the petition.
9. It is further stated in the petition that in line with JLF decision dated 29.09.2016 of the account of the Corporate Debtor for continuation of

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the Term Loan at the outstanding of ₹ 139.74 Crores sanctioned vide sanction letter dated 23.03.2017, the Financial Creditor approved for invocation of the SDR. Sanction letter dated 23.03.2017 annexed as **Annexure-10** to the petition.

10. It is stated in the petition that the Corporate Debtor defaulted in repayment of the Term Loan, due to which the account of the Corporate Debtor was classified as NPA on 18.08.2017. It is further stated that Financial Creditor also issued a notice dated 21.08.2019 under section 13(2) of the SARFAESI Act, 2002. The Corporate Debtor is in default with regards to financial debt owed by it to the Financial Creditor amounting to ₹190,05,58,508/- including principal and interest amount as on 06.03.2020. The statement of accounts along with certificate under the Banker's Book Evidence Act relating the debt amount defaulted has been placed on record *vide* **Annexure-15** along with various relevant documents starting from **Annexure-11** up to **Annexure-14**. The Corporate Debtor is unable to pay its debt and thereby forced the Financial Creditor to file this Application.
11. The Corporate Debtor was duly served with notice and was afforded opportunity to file reply.
12. The Corporate Debtor has filed its reply affidavit in the matter.
13. In its reply affidavit, the Corporate Debtor has objected and submitted that the Application filed by Financial Creditor is premature and has been filed with the sole intention for recovery of the alleged amount which is clearly not the purpose for which the proceedings under the IBC can be initiated. It has been further submitted that the application of the financial creditor is liable to be dismissed on this ground alone.
14. However, in paragraph 7 of the reply affidavit, the Corporate Debtor has stated that *"The Corporate Debtor is facing financial distress and is making*

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genuine efforts to meet its liabilities, it is most likely that shortly the Corporate Debtor shall be in a position to pay off the Financial Creditor..."

15. We have carefully gone through the pleadings filed by the parties. The reply submitted by the Corporate Debtor does not give any valid or plausible ground or reason for not making the payment. On the other hand, in paragraph 7 of the reply affidavit, the Corporate Debtor has admitted default in payment of the dues of the petitioner (Financial Creditor).
16. We have also gone through the contents of the Petition the pleadings filed by the Financial Creditor along with Annexures, and the reply of the Corporate Debtor. We are convinced that the loan amount was duly disbursed to the Corporate Debtor. The requisites of an application under section 7 of IBC are available on record and duly proved.
17. The Financial Creditor has taken consent from **Mr. Shiva Nandan Sharma** an Insolvency Professional to become Interim Resolution Professional (IRP) of the Corporate Debtor in Form-2 and that no disciplinary proceedings are pending against him with the Board or IIPICAI (**Annexure-A/7**).
18. We, therefore, consider it a fit case for admitting the petition, and for initiation of Corporate Insolvency Resolution Process in respect of the Corporate Debtor.
19. In view of the aforesaid observations, we hereby admit the petition and pass the following Orders: -

ORDERS

- a. The Petition bearing CP (IB) No.111/CTB/2020 filed by Indian Bank (*the erstwhile Allahabad Bank*), the Financial Creditor, under section 7 of the Code read with rule 4(1) of the Insolvency & Bankruptcy (Petition

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to Adjudicating Authority) Rules, 2016 for initiating CIRP against OCL Iron and Steel Limited [CIN: L27102OR2006PLC008594], the Corporate Debtor, is **admitted**.

- b. There shall be a moratorium under section 14 of the Code.
- c. The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 of the IBC or passes an order for liquidation of Corporate Debtor under section 33 of the Code, as the case may be.
- d. Public announcement of the CIRP shall be made immediately as specified under section 13 of the Code read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- e. **Mr. Shiv Nandan Sharma (Reg. No. IBBI/IPA001/IP-P00384/2017-18/10641)** having address at 129 Navjeevan Vihar, Ground Floor, New Delhi, National Capital Territory of Delhi 110017 [email id: sharmasn@gmail.com] is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the Code, subject to his possessing a valid Authorisation for Assignment (AFA) in terms of 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016. The fee payable to IRP or, as the case may be, the RP shall be compliant with such Regulations, Circulars and Directions as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the Code.
- f. During the CIRP period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of section 17 of the IBC. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within one week from the date of receipt of this Order, in default of which coercive steps will follow.

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IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH

CP (IB) No.111/CB/2020

In re: Indian Bank (erstwhile Allahabad Bank) Vs. OCL Iron and Steel Limited

- g. The IRP/RP shall submit to this Adjudicating Authority periodical reports concerning the progress of the CIRP in respect of the Corporate Debtor.
- h. The Financial Creditor shall deposit a sum of ₹3,00,000 (Rupees three lakh only) with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to approval by the Committee of Creditors (CoC).
- i. In terms of section 7(5)(a) of the Code, the Registry is hereby directed to communicate a copy of this Order to the Financial Creditor, the Corporate Debtor and the IRP by Speed Post, e-mail or WhatsApp immediately, and in any case, not later than two days from the date of this Order.
- j. Additionally, the Financial Creditor shall serve a copy of this Order on the IRP and on the Registrar of Companies, Odisha, Cuttack by all available means for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court within seven days from the date of receipt of a copy of this order.
20. **CP (IB) No.111/CB/2020** to come up on 26.10.2021 for progress report.
21. Certified copy of the order may be issued to all the concerned parties, if applied for, upon compliance with all requisite formalities.

Sd

Satya Kanjan Prasad
Member (Technical)

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Rajasekhar V.K.
Member (Judicial)

Signed this 20th day of September, 2021.

Ravijeet _P.S.