ELECTROSTEEL STEELS LIMITED

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West Bengal, India
Board Number: + 91-33-7103 4400
Fax No: + 91-33-2290 2882
CIN: L27310JH2006PLC012663

NOTICE TO OPERATIONAL CREDITORS (PRE-CIRP)

1. As you may be aware that Corporate Insolvency Resolution Process ("CIRP") under the Insolvency and Bankruptcy Code, 2016 ("IBC") was initiated by State Bank of India, a financial creditor, against Electrosteel Steels Limited ("ESL") and pursuant thereto the Hon'ble National Company Law Tribunal, Kolkata Bench ("NCLT") by its order dated 17.04.2018 in CP (IB) No 361/KB/2017 approved the Resolution Plan of Vedanta Ltd. The Resolution Plan, as approved by NCLT provided for NIL payment to 'operational creditors' as the liquidation value of ESL was not sufficient to cover the debt of financial creditors of ESL in full and consequently, the liquidation value of operational creditors and stakeholders other than financial creditors was Nil. In terms of section 31 of the IBC the approved Resolution Plan is binding on the Company as well as its stakeholders. Under section 238, IBC has overriding effect over all other laws and instruments having effect by virtue of such laws.

2. The 'effective date' under the Resolution Plan is 04.06.2018. The National Company Law Appellate Tribunal ("NCLAT") has, vide order dated 10.08.2018 also approved the Resolution Plan submitted by Vedanta Ltd. By another order dated 20.08.2018, the NCLAT has, in various applications filed by operational creditors, dismissed the claims of such operational creditors and upheld the decision of NCLT approving the resolution plan submitted by Vedanta Limited.

3. As such, any claim of the operational creditors for the period prior to initiation of CIRP i.e. 21.07.2017, in law, stands settled at Nil. If there are any claims for goods or services supplied for the period after 21.07.2017, you are advised to contact the concerned ordering departments of ESL.

4. We solicit your cooperation to operationalise and implement the resolution plan for ESL as approved by judicial dictate under IBC.

For Electrosteel Steels Ltd.

Place: Bokaro
Date: 26th September, 2018

Sd/-
Binaya Kumar Dash
Company Secretary