

KRO/PASE/NINL-DIPAM/ 283

December 07, 2021

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

Respected 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:85:2021-22 dated 7th Dec 2021

This is with reference to your letter dated 7th Dec 2021 on claim and outstanding amount towards debenture holders of NINL and request for update on Strategic Disinvestment process of NINL.


We have noted the outstanding due to bondholders and would inform shortlisted bidders regarding the same. As informed earlier, the amount that will be paid to bondholders as part of the executed waterfall agreement between divesting promoters will be the outstanding as of date of payment. The financial creditor dues as per the agreed waterfall mechanism is payable after employee dues and operational creditors of approx. Rs 700 Cr and hence it is anticipated that financial creditors would be able to recover their dues as part of the disinvestment process.

As requested by you, an update on the actions of disinvestment is provided below:

- Shortlisted Bidders are undertaking Due Diligence process
- Site Visit has been completed by all the Bidders
- Request for Proposal has been issued and financial bids have been sought by 4th Week of December 2021. After opening of the Bids, Bidder quoting the highest price will be declared as the qualified bidder subject to Government guidelines.

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.

Thanking You,
Yours Sincerely



(Arun Jain)
Vice President (PASF)