



SATHAVAHANA ISPAT LIMITED

Reg. Off : 505, Block 1, Divyashakti Complex, Ameerpet, Hyderabad – 500 016.
Phones : 237330812,3,4 E-mail : info@sathavahana.com web : www.sathavahana.com

Date: 01.04.2023

To

National Stock Exchange of India limited

"Exchange Plaza",

5th Floor Plot No. C/1,

G Block Bandra- Kurla Complex,

Sandra (East) Mumbai 400 051

BSE Limited,

Floor 25, P.J. Towers,

Dalal Street,

Mumbai 400 001

Sub: Approval of resolution plan for Sathavahana Ispat Limited (the "Corporate Debtor" or "SIL" or "Company") by the Hon'ble National Company Law Tribunal Hyderabad Bench (the "Hon'ble NCLT") pursuant to its order dated 31.03.2023 under Section 31 of the Insolvency and Bankruptcy Code, 2016 (the "IBC")

Ref.: Disclosure pursuant to Regulation 30(2) read with Clauses 16(I) to 16(p) of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended ("Listing Regulations") and Regulation 37(7) of the Listing Regulations.

Dear Sirs,

This is in furtherance to our earlier disclosures dated 31.03.2023, pursuant to which we had informed you that the Hon'ble NCLT has orally pronounced an order on 31.03.2023 approving the resolution plan submitted by Jindal Saw Limited (the "Resolution Applicant" or "**JSL**") with respect to the corporate insolvency resolution process of the Corporate Debtor (such plan, the "**Resolution Plan**") under Section 31 of the IBC ("**Order**").

Pursuant to Regulation 30(2) read with Clauses 16(1) to 16(p) of Part A of Schedule III of the Listing Regulations and Regulation 37(7) of the Listing Regulations, the specific features of the Resolution Plan as approved by the Hon'ble NCLT, not including commercial secrets, are provided below:



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Specific features and details of the Resolution Plan as approved by the Hon'ble NCLT:

I. Pre and Post Net worth of the Corporate Debtor

Pre-Net worth of the Company (In INR) (as on 31 st March, 2021)	Post Net worth of the Company (In INR) (As on 31.12.2022) ¹
(106442.13)	(122023.31)

II. Details of the Assets of the Corporate Debtor post-CIRP: There will be no change to the assets of the Corporate Debtor post-CIRP.

III. Details of Securities continuing to be imposed on the Companies' Assets: The securities created on the Assets of the Corporate Debtor's assets will be assigned by the existing secured financial creditor in favour of the SRA upon release of payment by the SRA to the secured financial creditors in accordance with the terms of the Resolution Plan.

IV. Other material liabilities imposed on the Corporate Debtor: There are no other material liabilities imposed on the Corporate Debtor. All the liabilities stands extinguished except the liabilities agreed by SRA to be as per the approved Resolution Plan.

V. Detailed pre and post-shareholding pattern of Corporate Debtor assuming 100% conversion of securities

• Pre-CIRP shareholding pattern (as on 30th June, 2021)

Category of Shareholder	No of fully paid up equity share capital	Shareholding as a % of total number of shares
Promoter & Promoter Group (Erstwhile Promoters)	2,01,45,336	39.58%
Others	3,07,54,664	69.42
Total	5,09,00,000	100

¹ The net worth of the Corporate Debtor as available on 31.12.2022 is provided. The SRA is still in the process of calculating the Net worth as on the date of approval of the Resolution plan.



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- **Post-CIRP shareholding pattern**

Category of Shareholder	No of fully paid-up equity share capital	Shareholding as a % of total number of shares
Promoter & Promoter Group (JSL)	10,00,000²	100%
Total	10,00,000	100%

VI. **Details of funds infused in the Corporate Debtor, creditors paid off:** The same will be infused and paid off in accordance with the approved Resolution Plan. SRA will infuse an amount equivalent to INR 693.60 Crore towards admitted claims and contingent claims. Further CIRP Cost shall be reimbursed on actuals as incurred till the date of approval of Resolution Plan (i.e., 31.03.2023) of approx. INR 396 Crore.

VII. **Additional Liability on the incoming investors due to the transaction, source of such funding etc.:** In accordance with the approved Resolution Plan, the liability of the SRA will only be limited to making the payments as agreed in the approved Resolution Plan.

VIII. **Impact on the investor-revised Price Earning (P/E), Return on Net Worth Ratio (RONW) etc.:**

No material impact is anticipated on the financials of SRA.

IX. **Names of the new promoters, key managerial person(s), if any and their past experiences in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control.**

Jindal Saw Limited (JSL/Resolution Applicant) a flagship company of the PR Jindal Group, who submitted the resolution plan is a public company incorporated in 1984 as SAW Pipes Ltd and got its present name in February 2005. The Company is engaged in manufacturing Submerged Arc Welded (SAW) pipes and Spiral pipes for various industrial Sectors.

² Pursuant to the approval of Resolution plan, the SRA will infuse an amount of INR 1 Crore (Indian Rupees One Crore Only) for the purpose of acquiring 10,00,000 (Ten Lakh) equity shares in the Corporate Debtor. All existing shares (i.e. issued and paid up shares as on the date of approval of Resolution Plan) of the company (Sathavahana Ispat) shall stand canceled, extinguished and annulled. After Capital Reduction, Corporate Debtor will become the wholly owned subsidiary of the JSL. Further, after the payment to Creditors the Corporate Debtor shall stand merge with the SRA (JSL).



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The shareholding of the Resolution Applicant as on 31.12.2022 is as below

Category of shareholders	No. of Shares	% Shareholding
Promoter & Promoter Group	20,15,16,001	63.02
Public	11,61,62,084	36.33
Non-Promoter Non-Public	20,76,032	0.65
Total	31,97,54,117	100

Details of Key Management of the organization Comprises of

Mr. P.R. Jindal, Chairman
Ms. Sminu Jindal, Managing Director
Mr. Neeraj kumar, Group CEO & Whole Time Director

X. **Brief description of business strategy:**

The SRA will effectively utilize the available capacities of the Corporate Debtor to increase production in order to benefit from the operating leverage. Due to the brand image and market goodwill of the SRA with its major customers who have running projects across the country, SRA is in a position to book substantial orders for the unit of the Corporate Debtor in a short span of time and thus making the plant carry out invoicing from the very first day of the start of commercial production. The approved Scheme of Merger of Corporate Debtor with SRA, by the Hon'ble Adjudicating Authority, would help to take advantage of business synergies of the SRA and the Corporate Debtor.

XI. **Any other material information not involving commercial secrets:** Vide the order dated 31.03.2023, the Hon'ble Adjudicating Authority took note of the proposal of merger of the Corporate Debtor (**Sathavahana Ispat Limited**) with the Successful Resolution Application (**Jindal Saw Limited**) proposed in terms of Regulation 37(1)(c) and (d) of the IBBI (Insolvency Resolution Process for Corporate Persons) regulations, 2016 and accordingly approved such Merger to be part of the implementation of the Resolution Plan.

XII. **Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS:** Not Applicable



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XIII. **Quarterly disclosure of the status of achieving the MPS:** Not Applicable

XIV. **The details as to the delisting plans, approved in the Resolution Plan:** With effect from the Effective Date of the Resolution Plan being 31.03.2023 (i.e., the date of the approval of the Resolution Plan by the Hon'ble Adjudicating Authority), the Equity Shares of the Corporate Debtor shall be deemed to be delisted from the Stock Exchanges (*with no consideration to be paid to the existing shareholders*) as same forms part of the implementation of Resolution Plan which was submitted by SRA and approved by Hon'ble Adjudicating Authority. Pursuant to sub-regulation (2) of Regulation 3 of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021 ("Delisting Regulations"), nothing, in the Delisting Regulations is applicable to the delisting of equity shares of the Corporate Debtor since the Resolution Plan lays down the specific procedure to complete the delisting of the shares of the Corporate Debtor. As a matter of procedural requirement, the SEBI and the stock exchanges shall take all necessary action to delist the Corporate Debtor in accordance with the approved Resolution Plan with effect from the Effective Date.

The Copy of the Order as uploaded on the Hon'ble NCLT website is enclosed herewith.

This is for your information and record.

Thanking you,

Yours truly,

For Sathavahana Ispat Limited

Name: Mr. Bhuvan Madan
Insolvency Resolution Professional³.

³ As on date the Corporate Debtor has no compliance Officer and CFO therefore the above disclosure is made by the Insolvency Professional who will be appointed as the Monitoring Agent pursuant to approved resolution plan.