

Phone –044 25279965,  
044 25279964  
E-mail: holegal@indianbank.co.in

HEAD OFFICE  
LEGAL DEPARTMENT  
No.66, Rajaji Salai  
CHENNAI – 600 001

LEGL: HO: DT-REF: 105:2020-21

09.04.2021

To,  
The Bond Holders

Dear Sir / Madam,

Ref: Neelachal Ispat Nigam Limited – 2000 Nos. 10.45% Secured, Redeemable, Non-Convertible, Rating Bonds aggregating to outstanding amount Rs. 50 Crores. (NINL 2021 Bonds, ISIN – INE514F07075)

Sub: Non-Payment of Principal & Interest thereon, on 10.45% NINL Bonds 2021 due on 19<sup>th</sup> February, 2021.

**Notice of the 01<sup>st</sup> Meeting of the Bondholders of Neelachal Ispat Nigam Limited (NINL 2021 Bonds, ISIN – INE514F07075)**

Indian Bank is acting as the Debenture Trustee through our New Delhi Main Branch for the bonds issued by M/s Neelachal Ispat Nigam Limited (hereinafter referred to as Company or M/s NINL) [NINL 2021 Bonds, ISIN INE514F07075].

As per the terms and conditions of the Debenture Trustee Deed dated 13<sup>th</sup> May, 2009, (hereinafter referred to as "DTD") between Company and Debenture Trustee, Clause: 3.2.2 Redemption reads as follows:

" 1/4<sup>th</sup> of the face value –12<sup>th</sup> year from the deemed date of allotment-19<sup>th</sup> February, 2021 "

In accordance with the above clause, the company had to pay 4<sup>th</sup> instalment of principal amount to Rs.50 Crores (1/4<sup>th</sup> of the face value) and interest thereon, to Bond holders on 19.02.2021. However, it is learnt that the Company has failed to make payment of the 4<sup>th</sup> and final instalment of principal and interest thereon to the Debenture holders. The Debenture Trustee has issued regular reminders and Notices to the Company under copy to MMTC (Corporate Guarantor for the said Bonds) to expedite the process of payment of principal amount Rs.50 Crores and interest thereon. Despite our reminders and Notice sent to M/s NINL under copy to M/s MMTC vide our Notices dated 05.02.2021, 22.02.2021 & 26.02.2021 (Annexure – A attached for reference), giving 30 days' notice period to M/s NINL to repay the final tranche of principal amount and interest thereon. The same was not complied with, by the





Company. However, we received several letters/emails from Bondholders (Annexure – B), informing us, non-payment of principal amount and interest thereon by M/s NINL.

On 24.03.2021, we received communications from M/s NINL and M/s MMTC (Corporate Guarantor of the said NINL bonds 2021) (Annexure – C attached for reference) vide their letters dated 24.03.2021 respectively, wherein M/S. NINL has stated that the Government of India has initiated strategic disinvestment of M/S. NINL and requested us to give some time for repayment of dues to the said Bondholders, till the disinvestment process completes and M/S. MMTC has requested not to invoke the guarantee as they themselves are not in a position to clear financial dues to their Banks and further, stated divestment process of M/s NINL is on fast track through DIPAM and PIM/EOI and NINL has undertaken commercial mining for iron ore with the assistance of NDMC, which is expected to commence production shortly and proceeds from the said activity expected to enable M/s NINL repay its statutory & pending dues including the bonds interest payments.

Due to the continuous requests from bondholders for early settlement of dues with regard to default committed by M/s NINL. Even after 30 days' notice period; M/s NINL failed to repay the dues and hence as per the terms of issuance and trust deed, the Corporate Guarantee of M/s MMTC was invoked vide our letter dated 26.03.2021(Annexure D), for immediate settlement of dues to the effect of principal amount Rs.50 Crores and interest as on 19.02.2021, plus applicable default penal interest till the date of repayment.

On 31.03.2021, we received letter from M/s MMTC (Annexure E), in response to invocation of said Corporate Guarantee; wherein M/s MMTC has again requested us to revoke the invocation of corporate guarantee as they themselves are not in a position to clear of their Bank's financial dues and asked us to take up the matter further with M/s NINL. Vide our email dated 01.04.2021 we informed M/s MMTC that their request is not considered and we have advised M/s MMTC that any further recovery action in this regard, will be taken up in consultation with the Bondholders.

Due to recent surge in COVID-19 situation prevailing in the country, and with regard to invocation of M/s MMTC corporate guarantee and to discuss further course of action, we propose to conduct a meeting of the Bondholders. As per the fourth Schedule of DTD clause - A meeting of the Debenture holders(s)/Beneficial Owner(s) may be called by giving not less than twenty-one days' notice in writing. Hence, it has been directed by Bank's competent authority to call for the meeting of the Bond Holders, which is hereby proposed to be conducted on 30<sup>th</sup> April, (Friday) at 4.p.m through video conferencing through **WebEx Application**. The link for attending the meeting will be shared shortly. *(#The Bondholders meet will be held in less than 21 days' notice period, i.e. before 30.04.2021; provided if we receive a consent from Bondholders by email/letter on or before 16.04.2021 for b/w (16<sup>th</sup> April – 30<sup>th</sup> April), representing not less than 90% of the Bonds outstanding amount)*

We hereby request all the bondholders to kindly make it convenient to attend the meeting to be scheduled on 30<sup>th</sup> April, 2021. In case of any technical support, kindly contact us on – [debenturetrustee@indianbank.co.in](mailto:debenturetrustee@indianbank.co.in) /8008763135 / 044 2527 9954.

*Handwritten signature*

*Handwritten signature*





**Notice of the 01<sup>st</sup> Meeting of the Bondholders of Neelachal Ispat Nigam Limited**  
 – 2000 Nos. 10.45% Secured, Redeemable, Non-Convertible, Rating Bonds aggregating to outstanding amount Rs. 50 Crores. (NINL 2021 Bonds, ISIN – INE514F07075) to be held on 30<sup>th</sup> April, 2021, Friday at 4.00 pm through Video conferencing to discuss the following agenda items:

SL.No.	Agenda Items
1.	<p>To recall from the Issuer, 4<sup>th</sup> instalment of principal amount of Rs.50 Crores (1/4<sup>th</sup> of the face value) and interest thereon along with penal interest on the defaulted amount till the date of payment. In this regard to take such steps, legal or otherwise as may be necessary, expedient, relevant, supplemental and / or concerned including but not limited to initiate necessary actions / proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (as permitted) or Insolvency and Bankruptcy Code, 2016 etc.,(as permitted) and Inter Creditors Agreement (ICA) (as permitted) or any other applicable laws, as may be advised by advocate / lawyer / solicitor and / or any other professional for the purpose of recovery of interest dues together with penal interest, additional amount, fee payable to Debenture Trustee, recovery of expenses &amp; costs etc. ("Dues") as may be deemed appropriate and to enforce securities which are encumbered / charged / available with Debenture Trustee, including.</p>
2.	<p><b>Details of the Security Available for Enforcement:</b></p> <p><b>A. Description of Immovable Properties</b></p> <p>All that piece or parcel of non-agricultural freehold land admeasuring 2019.62 Sq. Yds equivalent to 1688.66 Sq. Mtrs. Forming part of the said land made up of private plot land known as Private Plot No. 26 admeasuring 1750.09 Sq. Yds. Equivalent to 1463.30 Sq. Mtrs. forming part of amalgamated Survey No. 35 of Mouje Irana of Kadi Taluka in the Registration District Mehsana and Sub-District of Kadi to hold it free, absolutely and independently, and also together 1/44<sup>th</sup> (One-Fourth fourth) undivided impartible joint ownership right, share and interest and use in the internal Approach road land abutting on Nal Road on the Northern border of the said land which undivided impartible right, share and interest comes to 269.53 Sq. Yds equivalent to 225.36 Sq. Mtrs. Together with permanent easement of right of way and others rights on the internal approach road land connecting Kadi Kalol Road through Nal Road on the Northern Border and Village Irana Road, and further together with the rights in common with the other holder of Other Plots in or upon or under the said internal approach road in amalgamated survey No.35 with equal responsibility for the preservation and maintenance of the said internal approach road land and the said Private Plot No. 26.</p>





	<p><b>B. Details of subsisting / existing Charge by way of Mortgage:</b> Charge created by way of registered Mortgage on the aforesaid Immovable property on the 13<sup>th</sup> day of May, 2009 at the office of Sub-Registrar, Kadi Gujarat under documents Serial No.57929 &amp; 1478 in favour of Indian Bank under the capacity as Trustee to the NINL Bond-2021 series, to secure the issued and subscribed bonds having aggregate face value of Rs.200,00,00,000/-.</p> <p><b>C. Description of Assets under pari-passu arrangement</b> All that pieces and parcel of leasehold land measuring 2091.69 acres situate at village Nuagaon, Khurunti, Baragadia, Godigoth and Sarangpur, District Jaipur in the State of Orissa together with all buildings and structures thereon, all plant and machinery attached to earth or permanently fastened to anything attached to earth.</p> <p>First pari passu charge on entire immovable properties of the company situated at Kalinga Nagar Industrial Complex, Duburi, Dist – Jaipur in the state of Odisha</p> <p><b>D. Unconditional and irrevocable guarantee of MMTC Limited for timely payment of interest and repayment of principal under the bonds.</b></p>
3	To authorize the Debenture Trustee to undertake all the necessary actions / proceedings and to use rights available to the Debenture Trustee under the Debenture Trust Deed dated 13.05.2009, Transaction Documents and any other deeds/documents executed by the Company / Promoter / Parent Company / Corporate Guarantor in favour of the Debenture Trustee and the rights available to the Debenture Trustee in general and as per the applicable laws / rules and regulations a may be advised by its advocate / lawyer / solicitor and / or any other professional.
4.	<p>Cost involved</p> <p>A. To authorise Debenture Trustee to obtain 3 quotations from reputed law firm for enforcement of recovery action.</p> <p>B. To authorise Debenture Trustee to approve and finalise lowest quotation out of the three received quotation.</p> <p>C. To approve enforcement fees of Rs.10,00,000/- by Debenture Trustee for coordinating, liasioning with Lawyers/ Professional, reviewing Petition/ Application documents, attending Court Hearing &amp; valuation of mortgaged properties, securities.</p>
5.	<p>Strategic divestment of M/S. NINL and requests made by M/S. NINL and M/S MMTC to wait some time before proceeding with the recovery measures. In this regard we like to inform:</p> <p>There is no timeline or cut-off date given by M/s NINL for repayment Divestment may not be immediate and hence the repayment remains uncertain</p> <p>Recovery action must be insisted in stipulated time for claim of debt</p>





6.	To file suit and initiate legal action against the M/S. NINL & M/S. MMTC limited as both the companies defaulted their repayment commitment and failed to repay the amount due under NCD.
7.	Simultaneously, to take steps for Enforcement of Security interest and to take possession of the Mortgage premises and/ or assets of NINL charges to Trustee in consultation with the other charge holders / secured creditors or opting for ICA
8.	To recover Debenture Trustee - Annual Trustee fee and applicable default interest from the M/s NINL for the FY 2019-20 & 2020-21.

Please Treat This as "MOST URGENT"

Your faithfully

Deputy General Manager (R & L)



CC:

1. MMTC (Guarantor)
2. Neelanchal Ispat Nigam Limited,  
01<sup>st</sup> Floor, Annexe Building  
IPICOL House, Janpath,  
Bhubaneshwar – 751 022



Annexure - A



Phone -044 25279965,

044 25279964

E-mail: holegal@indianbank.co.in

LEGL: HO: DT-REF: 83 :2020-21

HEAD OFFICE  
LEGAL DEPARTMENT  
No.66, Rajaji Salai  
CHENNAI - 600 001

Date: 05.02.2021

To,  
M/s Neelachal Ispat Nigam Limited  
IPICOL House, 1<sup>st</sup> Floor  
Annexe Building, Bhubaneswar  
Odisha - 751022

Dear Sir,

**Sub : Our Bank acting as Debenture Trustee for M/s Neelachal Ispat Nigam Ltd (NINL) - Redemption of 1/4<sup>th</sup> face value of debenture (NINL Bonds - 2021 ISIN-INE514FO7075) - reg.**

The 4<sup>th</sup> Instalment of redemption amount of Rs. 50 Crs. (1/4<sup>th</sup> of the Face value of Rs.200 Crs) and the interest payment on the debenture NINL Bonds 2021(ISIN INE514FO7075) issued by NINL in the year 2009 for Rs. 200 Crs is due on 19.02.2021

S.no	ISIN No.	Rate of Interest	Amount raised (Rs in Crs)	Outstanding Amount as on 18.01.2020 (Rs in Crs)	4 <sup>th</sup> Instalment amount due on 19.02.2021 (Rs. in Crs)
1	INE514FO7075 (NINL Bonds 2021)	10.45 %	200.00	50	50

In this regard, you are advised to furnish/confirm us the status of payment of 4<sup>th</sup> instalment & interest amount in respect of the above bond on or before the due date to the debenture trustee holders.

We draw your attention to 30 days delayed payment towards the redemption of 3<sup>rd</sup> instalment amounting to Rs. 50 Crs. (1/4<sup>th</sup> value of Rs. 200 Crs), which was due on 19.02.2020. We further state that investors are requesting us to ensure timely redemption of remaining iv<sup>th</sup> instalment of Debenture (ISIN INE514FO7075).

Please note that non-furnishing of information regarding status of payment by due date or non-disclosure of information with respect to timely payment on stock exchanges website may be considered a suppression of material information and may attract provisions of Sections 12A of the Securities and Exchange Board of India Act, 1992 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations,2003.

This is for your information and timely compliance and to report accordingly.

Your faithfully

05/02/2021

Assistant General Manager(Law)

Copy to:

New Delhi Main Branch	Please ensure to obtain confirmation and report compliance
ZO Delhi Central, FGMO Delhi	
Credit Rating agencies : CRISIL, ICRA, CARE	
NSDL	
MMTC (Guarantor)	







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E-mail: holegal@indianbank.co.in

HEAD OFFICE  
LEGAL DEPARTMENT  
No.66, Rajaji Salai  
CHENNAI - 600 001

LEGL: HO: DT-REF: 90 :2020-21

22.02.2021

To,  
Neelachal Ispat Nigam Limited,  
1<sup>st</sup> Floor, Annexe Building,  
IPICOL House, Janpath,  
Bhubaneswar - 751 022

Dear Sirs,

Sub : Notice on the Default on payment of interest & principal of 10.45% NINL  
2021 Bonds (ISIN INE514F07075)

Ref: Our letter LEGL: HO: DT-REF: 83:2020-21

Ref: NPCIL letter NPCIL/PFG/PF/2020-21/158 dated 22.02.2021

We, Indian Bank is acting as debenture trustee for Secured Redeemable Non-Convertible Rated Bonds aggregating to Rs.200 Crores issued by Neelachal Ispat Nigam Limited (hereinafter referred to as "Issuer") on 19.02.2009 carrying interest rate of 10.45%. Out of the said Bonds 3 Instalments of 1/4<sup>th</sup> of the face value amounting to Rs.150 Cr. have been redeemed by you.

Presently, 4<sup>th</sup> instalment payment of Rs.50 Crs and interest accrued, was due on 19.02.2021, We have not received any confirmation from you in this regard, wherein we advised you for confirmation of payment due towards Bond Holders vide our letter Our letter LEGL: HO: DT-REF: 83:2020-21 dated 05.02.2021.

We like to draw your attention on the default committed by you as per Clause 7 of the Trust Deed dated 13.05.2009, between M/s Neelachal Ispat Nigam Limited and Indian Bank.

#### 7. Event of Default

- Default is committed in payment of the principal amount of the Bonds on the due date(s);
- Default is committed in payment of any interest on the Bonds on the due date(s);

Now, we have received communication from your debenture holders i.e. M/s Nuclear Power Corporation of India Limited, intimating non-receipt of the principal and interest on the NINL 2021 Bonds, (attached herewith).

Hence, you are hereby informed that Event of Default has occurred and you called upon to immediately repay redemption of principal amount of Rs.50 Crs and accrued interest to the Bond Holders of NINL 2021 Bonds. Any delay in this regard, the trustee in consultation with Debenture holders will be constrained to initiate remedial action in the interests of Debenture Holders of NINL 2021 Bonds (ISIN INE514F07075), which please note.

Assistant General Manager (Law)



CC: MMTC Limited, New Delhi - 110 003





Phone –044 25279965,  
044 25279964  
E-mail: holegal@indianbank.co.in

HEAD OFFICE  
LEGAL DEPARTMENT  
No.66, Rajaji Salai  
CHENNAI – 600 001

LEGL: HO: DT-REF: 91 :2020-21

Date: 26.02.2021

To,  
M/S. Neelachal Ispat Nigam Limited,  
1<sup>st</sup> Floor, Annexe Building,  
IPICOL House, Janpath,  
Bhubaneswar – 751 022

Dear Sirs,

Sub : Notice on the Default on payment of principal & Interest of 10.45% NINL 2021 Bonds (ISIN INE514F07075)

Ref: Our letters LEGL: HO: DT-REF: 83:2020-21 dated 05.02.2021 & LEGL:HO:DT:90:2020-21 dated 25.02.2021

We, Indian Bank is acting as debenture trustee for Secured Redeemable Non-Convertible Rated Bonds aggregating to Rs.200 Crores issued by M/S. Neelachal Ispat Nigam Limited (hereinafter referred to as "Issuer") on 19.02.2009 carrying interest rate of 10.45%. Out of the said Bonds 3 Instalments of 1/4<sup>th</sup> of the face value amounting to Rs.150 Cr. have been redeemed by you.

Presently, 4<sup>th</sup> instalment payment of Rs.50 Crs and interest accrued, which was due on 19.02.2021, but, we have not yet received any confirmation from your end in this regard. We have already requested you to confirm about repayment of dues towards redemption of aforesaid Bonds on due date, vide our letter our letter LEGL: HO: DT-REF: 83:2020-21 dated 05.02.2021.

We draw your attention to our earlier letter LEGL: HO: DT: 90:2020-21 dated 22.02.2021, wherein we have notified you about the default in repayment of principal amount of Rs 50 Crs (Rupees Fifty Crores only) along with interest accrued and due on 19.02.2021 by you and advised to make immediate payment of the same.

However, we have till date neither received any reply from your end in response to our communication nor have the Debenture Holders received the principal and interest due. As such the Debenture Holders are continuously following up with us for the status of payment of principal and interest due payable on 19.02.2021 and the copies of demands from Investors for ensuring the repayment of their dues are enclosed herewith.

- I. Copy of the letter dated 22.02.2021 received from M/S. Nuclear Power Corporation of India Limited,





- II. Copy of email dated 25.02.2021 received from M/S. BALCO EPF Trust annexed herewith.
- III. Copy of email dated 24.02.2021 received from Maharashtra State Electricity Board's Contributory Provident Fund Trust annexed herewith.

It is pertinent to draw your attention to the default Clause 7 of the Trust Deed dated 13.05.2009, between M/s Neelachal Ispat Nigam Limited and Indian Bank and as per the said terms of clause you have committed default.

Hence, you are hereby informed that Event of Default in terms of Trust Deed has occurred and you are hereby advised to rectify the default and called upon to repay the amount due with accrued Interest for redemption of Bonds within 30 days as per the trust deed issued by company. Any delay in this regard, the trustee in consultation with Debenture holders will be constrained to initiate remedial action in order to protect the interests of Investors/Debenture Holders of NINL 2021 Bonds (ISIN INE514F07075), which may please be noted.

This shall be without prejudice to the rights of the Debenture Trustee to exercise any other remedies available to it for the recovery of the said principal & interest payable along with the Default interest.

Yours faithfully,

 26/02/2021

Assistant General Manager (Law)

CC: MMTC Limited, New Delhi - 110 003

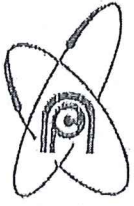
Enclosures: As stated above.



# Annexure - B

I

Speed post



एनपीसीआईएल  
NPCIL

न्यूक्लियर पावर कॉर्पोरेशन  
ऑफ इंडिया लिमिटेड  
(भारत सरकार का उद्यम)

NUCLEAR POWER CORPORATION  
OF INDIA LIMITED  
(A Govt. of India Enterprise)

विक्रम साराभाई भवन  
सेंट्रल एवेन्यू रोड, अणुशास्त्रनगर  
मुंबई - 400 094.

Vikram Sarabhai Bhavan,  
Central Avenue Road, Anushaktinagar,  
Mumbai - 400 094.

दूरभाष : 2599 3000  
2599 1000

Phone : 2599 3000  
2599 1000

फैक्स : 022-2556 3350

Fax : 022-2556 3350

वेब साईट : www.npcil.nic.in

Website : www.npcil.nic.in

CIN : U40104 MH 1987 GOI 149458

NPCIL/PFG/PF/2020-21/258

22nd Feb 2021

To,  
Indian Bank,  
Debenture Trustee Section  
254-260, Avvai Shanmugam Salai,  
Pudupet, Gopalapuram,  
Chennai, Tamil Nadu - 600 014

Subject:- Default in payment of interest & principal of 10.45% NINL 2021 Bonds (ISIN INE514F07075)

Sir/Madam,

Nuclear Power Corporation of India Limited (NPCIL) is a Public Sector Enterprise under the administrative control of the Department of Atomic Energy (DAE), Government of India. NPCIL Employees Provident Fund (NPCIL EPF) had invested principal of Rs. 20 crores (200 units of Face value Rs. 10,00,000/-) and NPCIL Non-Contributory Provident Fund (NPCIL ENCPF) had invested principal of Rs. 10 Lakhs (1 unit of Face Value of Rs. 10,00,000/-) in 10.45% Neelachal Ispat Nigam Ltd (NINL) 2021 Secured NCD (ISIN INE514F07075).

It is to bring to your kind notice that the semi-annual interest from 20<sup>th</sup> Aug 2020 to 19<sup>th</sup> Feb 2021 of Rs. 26.125 Lakhs and part redemption (25%) of principal of Rs. 5 crore due to NPCIL EPF and semi-annual interest from 20<sup>th</sup> Aug 2020 to 19<sup>th</sup> Feb 2021 of Rs. 0.130625 Lakhs and part redemption (25%) principal of Rs. 2.50 Lakhs due to NPCIL ENCPF on 19<sup>th</sup> Feb 2021 has not been received from Neelachal Ispat Nigam Limited till 22nd Feb 2021.

Default or Non-payment by NINL is a grave issue impacting the retirement corpus of our employees. You are kindly requested to intimate us the action initiated against NINL for ensuring payment to bondholders of above issue.

Thanking you.


Yours sincerely,

(Manoj K. Gautam)

Dy. General Manager (F&A)

पंजीकृत कार्यालय : सेक्टर-1, 16 वाँ तल, विश्व व्यापार केन्द्र, कफ परेड, कुलाबा, मुंबई - 400 005  
Regd. Office : Centre-1, 16<sup>th</sup> Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai - 400 005



  
debenturetrustee

From: Sangita Tiwari <Sangita.Tiwari@vedanta.co.in>  
Sent: Thursday, February 25, 2021 7:54 PM  
To: debenturetrustee; nlnlbbsrbs@gmail.com; svb.ninl@gmail.com; akdasninl19@gmail.com; sudhirkapur@mmtclimited.com; jprakash@mmtclimited.com; HO LEGAL;  
Cc: HO CREDIT  
Subject: Gaurav Garg  
RE: Notice on the Default on payment of interest & principal of 10.45% NINL 2021 Bonds (ISIN INE514F07075) -reg.

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Dear Sir,

BALCO EPF Trust (PAN: AAATB8872D) has invested a total of INR Rs. 57,50,000/- in INE514F07075 (10.45% Neelachal Ispat Nigam Ltd. 2021) issued by Neelachal Ispat Nigam Limited (NINL). Said bond was due for redemption and interest due on 19.02.2021 but till date we have not received the proceeds of the same.

Considering the fact, that any non-repayment or delay by the Issuer would impact cash flows of the retirement corpus of our employees whose financial security post retirement is heavily dependent on the retirement monies.

We would request you to settle our account at the earliest.

Best Regards

Sangita Tiwari  
Mobile: 9755000997  
Bharat Aluminium Company Limited Employee Provident Fund Trust.



## HO LEGAL

---

**From:** cpf mseb <cpfmseb.2011@gmail.com>  
**Sent:** Wednesday, February 24, 2021 5:06 PM  
**To:** Neelachal Ispat (ninlbbsrbs@gmail.com); svb.ninl@gmail.com; akdasninl19@gmail.com; sudhirkapur@mmtclimited.com; jprakash@mmtclimited.com; HO LEGAL; HO CREDIT  
**Cc:** MCPF.FCI@nic.in; Rajesh Pawar  
**Subject:** Default on payment of interest and principal of 10.45% NINL 2021 Bonds  
**Attachments:** CamScanner 02-24-2021 16.46.40.pdf

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Respected Sir,

With reference to the above subject, the MSEB CPF Trust has invested Rs.15.00 Cr. in 10.45% NINL 2021 (ISIN No.-INE514F07075). Out of the said Bonds 3 tranches of 10.45% NINL 2021 redemption amount have been received to the MSEB CPF Trust. However, 4<sup>th</sup> and last tranche of principal amount of Rs. 3.75 Cr. and interest accrued of Rs. 0.20 Cr. of the above mentioned bonds was due on dated 19.02.2021, the Trust has not received any confirmation of payment till the date.

Therefore, it is requested to look in to the matter and arrange to make the payment of interest and interest on delayed period at it Market rate immediately on below mentioned account details:

Name of Bank: HDFC Bank Ltd.

Name of Account: MSEB CPF

Account No.:00601110003350

IFSC Code. : HDFC0000060

Please treat this as MOST URGENT.

Yours Faithfully,

Secretary,



MAHARASHTRA STATE ELECTRICITY BOARD'S  
CONTRIBUTORY PROVIDENT FUND TRUST

Phone No. -  
022 - 24031498  
022 - 24092531

Email: [cpfmscb.2011@gmail.com](mailto:cpfmscb.2011@gmail.com)

Batrela Batteries Expansion Bldg.,  
Ground Floor, Dhanraj Road,  
Matunga, Mumbai 400 019.

AD/PF/INV (D) 42

Date: 22.02.2021

To,  
Neelachal Ispat Nigam Limited,  
1<sup>st</sup> Floor, Annexo Building,  
IPICOL House, Janpath,  
Bhubaneswar- 751 022

Sub: Default on payment of interest and principal of 10.45% NINL 2021  
Bonds

With reference to the above subject, the MSEB CPF Trust has invested Rs.15.00 Cr. in 10.45% NINL 2021 (ISIN No.-INE514F07075). Out of the said Bonds 3 tranches of 10.45% NINL 2021 redemption amount have been received to the MSEB CPF Trust. However, 4<sup>th</sup> and last tranche of principal amount of Rs. 3.75 Cr. and interest accrued of Rs. 0.20 Cr. of the above mention bonds was due on dated 19.02.2021, the Trust have not received any confirmation of payment till the date.

Therefore, it is requested to look in to the matter and arrange to make the payment of interest and interest on delayed period at 1% Market rate immediately on below mentioned account details:

Name of Bank: HDFC Bank Ltd.

Name of Account: MSEB CPF

Account No.: 00601110003350

IFSC Code: HDFC0000060

Please treat this as MOST URGENT.

Yours Faithfully,

*R. Pawar*  
Secretary, 22.2.21  
to the Board of Trustees,  
of MSEB CPF Trust, Mumbai

C.s.w.r.to:

1. Assistant General Manager (Law),  
Indian Bank,  
Head office, Legal Department,  
No. 66, Rajali Salai,  
Chennai 600 001

2. Manager/ Compliance Officer,  
Debenture Trustees, HO Legal Department,  
Indian Bank, Chennai-1

Annexure - C



## NEELACHAL ISPAT NIGAM LIMITED

IPICOL HOUSE (1<sup>ST</sup> FLOOR ANNEXEE), BHUBANESWAR – 751022, ORISSA, INDIA

TEL : (0674) 2543231, 2543354, 2543741, FAX : 2541763,

website : [www.ninl.in](http://www.ninl.in), CIN : U27109OR1982GOI001050

Ref. NINL/CS/09/012/

Date : March 24, 2021

### The Compliance Officer

Debenture Trustee

Head Office, Legal Dept.

Indian Bank,

Chennai – 600001

**Sub: Indian Bank Notice on the Default on payment of principal & interest of 10.45% on NINL 2021 Bonds (ISIN INE514F07075) - REG.**

Dear Sir/Madam,

With reference to the captioned subject, we wish to inform you that the operational activity of NINL plant has been stopped since March 2020 and employees are not being paid their salary since last 10 months. The Bank dues are unpaid since February 2020. The Central Government has taken the initiative for strategic disinvestment and Expression of Interest (EOI) has already been floated. The process is undergoing.

We assure you for overdue payment after disinvestment process completes, through water fall arrangements for disbursal of liability of NINL provision of same is kept. Request you to bear with us and give us some time.

Thanking you.

For Neelachal Ispat Nigam Limited

[ K. C. Mohanta ]

Company Secretary





No. MMTC/CO/STEEL/NINL/INDIAN BANK/2020-21

24<sup>th</sup> March, 2021

**The Assistant General Manager (Law)**

Indian Bank,  
Head Office, Legal Department,  
No.66, Rajaji Salai,  
**CHENNAI-600001**

Sub : Notice on the Default on payment of interest & principal of 10.45% NINL 2021 Bonds (ISIN INE514F07075).

Ref : Indian Bank letter LEGL: HO : DT-REF: 83:2020-21

Ref : NPCIL letter NPCIL/PFG/PF/2020-21/158 dt. 22.2.2021

**Dear Sir,**

This has reference to your letter No. LEGL: HO: DT-REF: 90: 2020-21 dt. 22<sup>nd</sup> February, 2021 on the subject cited above. It may be mentioned that MMTC is a CPSE under the aegis of Ministry of Commerce & Industry, Govt. of India. NINL is a joint venture company promoted by CPSE like MMTC, NMDC, BHEL, MECON and State PSUs of Government of Odisha.

As you are kindly aware that NINL had issued 10.45% Secured, Redeemable, Non-Convertible, Rated Bonds aggregating to Rs.200 Crores (hereinafter referred to as "Issuer") on 19.2.2019. Indian Bank is acting as the Debenture Trustee for the bondholders of NINL. Out of the said Bonds, 3 instalments of 1/4<sup>th</sup> of the face value (Rs. 50 Crore each) amounting to Rs. 150 Crores have been redeemed by NINL. 4<sup>th</sup> instalment payment of Rs. 50 Crores and interest accrued was due on 19.2.2021 which has not been confirmed by NINL. As Indian Bank have not received any confirmation from NINL, Indian bank have referred Clause 7 of the Trust Deed dt. 13.5.2009, between NINL and Indian Bank on the Event of Default.

Indian Bank is well aware that the divestment process of NINL is on fast track through DIPAM and PIM/EOI had already been floated inviting expression of Interest to participate in strategic divestment of NINL by 29.03.2021.

Department of Mines, Govt. of India has already given clearance for commercial mining for 50% of the annual iron ore production of NINL for a period of 2 years or till the completion of the divestment of NINL, whichever is earlier. The Iron ore mining is being undertaken by NINL with assistance of NMDC and the same is expected to commence production shortly and the proceeds are expected to be good enough enabling NINL to disburse the statutory dues, operational creditors and pending interest dues to its lenders including Bond interest payment.

"हिन्दी में लिखे पत्रों का स्वागत है"

Contd... 2/-

कोर-1, "स्कोप कॉम्प्लेक्स", 7 इंस्टीट्यूशनल एरिया, लोधी रोड, नई दिल्ली-110 003 भारत  
Core-1, "SCOPE COMPLEX", 7 Institutional Area, Lodhi Road, New Delhi-110 003 INDIA  
दूरभाष / Tel. : 011- 24362200

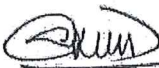
E-mail : mmtc@mmtclimited.com Website : www.mmtclimited.gov.in

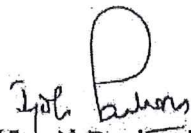
15

Since NINL is in the process of generating its own financial resources, we request you to kindly refrain from taking any action on invocation of Corporate Guarantee issued by MMTC as a promoter, which itself is in poor financial condition at the moment and is not able to service its own bank dues for which application has been made to lenders for restructuring of loan of MMTC.

In view of above, you are requested to kindly take up with NINL suitably in respect of the interest overdue payment of Indian Bank.

Yours faithfully,  
For MMTC Limited

  
(Abhay Kumar)  
General Manager (Mktg.)

  
(Jyoti Prakash)  
Addl. General Manager (F&A)

Copy to:

1. MD, NINL – for kind information please.
2. Director (Finance), NINL – for necessary action and follow up please.



Annexure - D



G-41, Connaught Circus  
NEW DELHI - 110001

Ph No : 011-23712156, 23712162,  
23712164

Fax No : 011-23718418

Email: newdelhimain@indianbank.co.in

IB/NDM/CRM/NINL/2020-21

March 26, 2021

To,

The Managing Director  
M/s MMTC Limited  
CORE- 1 Scope Complex  
7, Institutional Area  
Lodhi Road  
New Delhi-110003

Dear Sir,

**Sub:** Claim against the Corporate Guarantee issued by you in favour of Indian Bank Main Branch, New Delhi in respect to NINL Bonds 2021 ISIN INE514F07075 issued by M/s Neelachal Ispat Nigam Limited- reg.

**Ref:** MMTC unconditional and Irrevocable Corporate Guarantee letter dated 19.03.2009

We kindly draw your attention to the unconditional and irrevocable Corporate Guarantee letter dated 19.03.2009, issued by you, guarantying the repayment of the principal amount and interest thereon on due dates in respect of Bonds issued by M/s Neelachal Ispat Nigam Limited (NINL) aggregating to Rs.200 Crores on 19.02.2009 (10.45% NINL Bonds 2021, ISIN INE514F07075) and in favour of Indian Bank, Main Branch New Delhi, (Debenture Trustee).

Out of the said bonds issued by NINL, the last tranche of principal amount to Rs. 50 Crs and interest thereon has to be paid to Investors of the said bonds by NINL, which was due on 19.02.2021. In this regard, despite our regular reminders and notices issued vide letters dated 22.02.2021 & 26.02.2021, to M/S. NINL under copy to M/S. MMTC, on the repayment of dues, however we have not yet received repayment.

Due to the default committed by NINL in repayment of principal amount to Rs. 50.00 Crs plus interest to amount Rs. 2.6125 Crs, as on 19.02.2021, to the Bondholders of the said bonds. We hereby invoke above cited unconditional & irrevocable corporate guarantee executed by you and request you to make payment immediately. Kindly treat this as letter of invoking unconditional and irrevocable Corporate Guarantee and proceeds of the mentioned guarantee amounting to Rs. 52.6125 Crs (Principal and interest due as on 19.02.2021) plus extra applicable default penal interest amount applicable from the date of due date i.e. 19.02.2021 till the payment made by you is to be credited to our Bank account, on behalf of bondholders of said bond for distribution as mentioned below:

Routing Account No: 98741000077  
IFSC Code: IDIB000N022  
Indian Bank, New Delhi Main Branch

Hence, it is reiterated to treat this letter as the letter of Invocation, i.e, claim encashment on behalf of the bondholders of NINL 2021 bonds ISIN INE514F07075.

OK

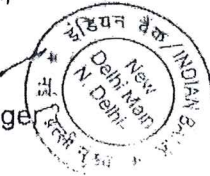


17

Kindly acknowledge the receipt of this letter & copy of the Corporate Guarantee enclosed

Thanking You,

Branch Manager



*ofc*



# Annexure - E



No. MMTC/CO/STEEL/NINL/IB/2020-21/12810

31<sup>st</sup> March, 2021

The Branch Manager  
Indian Bank  
Main Branch, G-41, Connaught Circus,  
New Delhi-110001

Sub :- Claim against the Corporate Guarantee issued by you in favor of Indian Bank Main Branch, New Delhi in respect to NINL Bonds 2021 ISIN INE514F07075 issued by M/s. Neelachal Ispat Nigam Limited (NINL) – reg.

Ref : (i) MMTC unconditional and irrevocable CG letter dated 19.03.2009.  
(ii) MMTC's letter dated 24<sup>th</sup> March 2021 addressed to AGM(Law), Indian Bank, Chennai.

Dear Sir,

This has reference to Indian Bank letter dated 26.03.2021 on the subject cited above. MMTC vide letter dated 24.03.2021 (copy enclosed) has already submitted its reply to Indian Bank Chennai with a request to take up with NINL suitably in respect of the interest overdue payment of Indian Bank. Besides this, Company Secretary, NINL vide letter dated 24.03.2021 (copy enclosed) had also replied to the compliance officer, debenture trustee, legal department Chennai and assured for overdue payment after disinvestment process gets completed through DIPAM.

As clarified earlier, due to MMTC's own precarious financial condition, MMTC has sought restructuring of loans with its lenders. However, the divestment process of NINL is on fast track through DIPAM and it is gathered that good response has been received against the EOI floated by DIPAM, which closed on 29.03.2021.

Further, as informed earlier, Department of Mines, Govt. of India has already given clearance for commercial mining for 50% of the annual iron ore production (2 million ton approx.) of NINL for a period of 2 years to till the completion of the divestment of NINL, whichever is earlier. The Iron Ore mining is being undertaken by NINL with assistance of NMDC and the same is expected to commence production shortly and the proceeds are expected to be good enough enabling NINL to disburse statutory dues, operational creditors and pending principal and interest dues to its lenders including Bond interest payment.

In view of above, MMTC would again request you to revoke the invocation of Corporate Guarantee (CG) given by MMTC and take up further with the borrower M/s. NINL.

This issues with the approval of Competent Authority.

Thanking you,

Yours faithfully  
MMTC Ltd.

Authorized Signatory

Authorized Signatory

Copy to :- 1. MD, NINL – for Information and necessary action please.  
2. Dir(Fin.), NINL – for information and necessary action please.

“हिन्दी में लिखे पत्रों का स्वागत है”

कोर-1, “स्कोप कॉम्प्लेक्स”, 7 इंस्टीट्यूशनल एरिया, लोधी रोड, नई दिल्ली-110 003 भारत  
Core-1, “SCOPE COMPLEX”, 7 Institutional Area, Lodhi Road, New Delhi-110 003 INDIA  
दूरभाष/Tel. : 011- 24362200

E-mail : [info@mmtc.co.in](mailto:info@mmtc.co.in)





No. MMTC/CO/STEEL/NINL/INDIAN BANK/2020-21

24<sup>th</sup> March, 2021

**The Assistant General Manager (Law)**  
Indian Bank,  
Head Office, Legal Department,  
No.66, Rajaji Salai,  
**CHENNAI-600001**

Sub : Notice on the Default on payment of interest & principal of  
10.45% NINL 2021 Bonds (ISIN INE514F07075).  
Ref : Indian Bank letter LEGL: HO : DT-REF: 83:2020-21  
Ref : NPCIL letter NPCIL/PFG/PF/2020-21/158 dt. 22.2.2021

Dear Sir,

This has reference to your letter No. LEGL: HO: DT-REF: 90: 2020-21 dt. 22<sup>nd</sup> February, 2021 on the subject cited above. It may be mentioned that MMTC is a CPSE under the aegis of Ministry of Commerce & Industry, Govt. of India. NINL is a joint venture company promoted by CPSE like MMTC, NMDC, BHEL, MECON and State PSUs of Government of Odisha.

As you are kindly aware that NINL had issued 10.45% Secured, Redeemable, Non-Convertible, Rated Bonds aggregating to Rs.200 Crores (hereinafter referred to as "Issuer") on 19.2.2019. Indian Bank is acting as the Debenture Trustee for the bondholders of NINL. Out of the said Bonds, 3 Instalments of 1/4<sup>th</sup> of the face value (Rs. 50 Crore each) amounting to Rs. 150 Crores have been redeemed by NINL. 4<sup>th</sup> Instalment payment of Rs. 50 Crores and interest accrued was due on 19.2.2021 which has not been confirmed by NINL. As Indian Bank have not received any confirmation from NINL, Indian bank have referred Clause 7 of the Trust Deed dt. 13.5.2009, between NINL and Indian Bank on the Event of Default.

Indian Bank is well aware that the divestment process of NINL is on fast track through DIPAM and PIM/EOI had already been floated inviting expression of Interest to participate in strategic divestment of NINL by 29.03.2021.

Department of Mines, Govt. of India has already given clearance for commercial mining for 50% of the annual iron ore production of NINL for a period of 2 years or till the completion of the divestment of NINL, whichever is earlier. The Iron ore mining is being undertaken by NINL with assistance of NMDC and the same is expected to commence production shortly and the proceeds are expected to be good enough enabling NINL to disburse the statutory dues, operational creditors and pending interest dues to its lenders including Bond interest payment.

"हिन्दी में लिखे पत्रों का स्वागत है"

*SKM*

Contd. 2/-

*J.P. Singh*

कोर-1, "स्कोप कॉम्प्लेक्स", 7 इंस्टीट्यूशनल एरिया, लोधी रोड, नई दिल्ली-110 003 भारत  
Core-1, "SCOPE COMPLEX", 7 Institutional Area, Lodhi Road, New Delhi-110 003 INDIA  
दूरभाष / Tel.: 011- 24362200

E-mail : mmcl@mmclimited.com Website : www.mmclimited.gov.in





## NEELACHAL ISPAT NIGAM LIMITED

IPICOL HOUSE (1<sup>ST</sup> FLOOR ANNEXEE), BHUBANESWAR - 751022, ORISSA, INDIA  
TEL : (0674) 2543231, 2543354, 2543741, FAX : 2541763,  
website : [www.ninl.in](http://www.ninl.in), CIN : U27109OR1982GOI001050

Ref. NINL/CS/09/012/

Date : March 24, 2021

The Compliance Officer  
Debenture Trustee  
Head Office, Legal Dept.  
Indian Bank,  
Chennai - 600001

**Sub: Indian Bank Notice on the Default on payment of principal & interest of 10.45% on NINL 2021 Bonds (ISIN INE514F07075) - REG.**

Dear Sir/Madam,

With reference to the captioned subject, we wish to inform you that the operational activity of NINL plant has been stopped since March 2020 and employees are not being paid their salary since last 10 months. The Bank dues are unpaid since February 2020. The Central Government has taken the initiative for strategic disinvestment and Expression of Interest (EOI) has already been floated. The process is undergoing.

We assure you for overdue payment after disinvestment process completes, through water fall arrangements for disbursement of liability of NINL provision of same is kept. Request you to bear with us and give us some time.

Thanking you,  
For Neelachal Ispat Nigam Limited

[K. C. Mohanta]  
Company Secretary

debenturetrustee

---

From: debenturetrustee  
Sent: Thursday, April 01, 2021 2:47 PM  
To: ABHAY KUMAR MMTC; rkjha1960; mdsecttninl NINL; SV Shahi Dir(F) NINL;

Subject: RE: Claim against the Corporate Guarantee issued by you in favour of Indian Bank Main Branch, New Delhi in respect to NINL Bonds 2021 ISIN INE514F07075 issued by M/s. Neelachal Ispat Nigam Limited (NINL) – reg.  
Attachments: INDIAN BANK LETTER DTD. 31.03.2021.PDF  
Importance: High

Dear Sirs,

Sub : Claim against the Corporate Guarantee issued by you in favour of Indian Bank Main Branch, New Delhi in respect to NINL Bonds 2021 ISIN INE514F04075 issued by M/s Neelachal Ispat Nigam Limited – reg.  
Ref: MMTC unconditional and Irrevocable Corporate Guarantee letter dated 19.03.2009  
Ref: MMTC letter No. MMTC/CO/STEEL/NINL/INDIAN BANK/2020-21 dated 24.03.2021  
Ref: NINL Letter No. NINL/CS/09/012 dated 24.03.2021  
Ref: MMTC letter No. MMTC/CO/STEEL/NINL/IB/2020-21/12810 dated 31.03.2021



This has reference to your trailing mail given below and our New Delhi Main Branch Letter No. IB/NDM/CRM/NINL/2020-21 dated 26.03.2021, on the captioned subject, wherein we through our New Delhi Main Branch, have invoked the corporate guarantee issued by MMTC with respect to default by M/s NINL in payment to bondholders of NINL 2021 Bonds (ISIN INE514F07075).

In this regard, we received your letter No. MMTC/CO/STEEL/NINL/IB/2020-21/12810 dated 31.03.2021(copy attached) addressed to Branch Manager, New Delhi Main Branch through email on 31.03.2021, wherein you requested us, to revoke the invocation of Corporate Guarantee (CG) and take up further with the borrower M/s NINL.

In view of the above, we reiterate that the Bondholders of the said bonds are continuously demanding for immediate payment of principal amount and along with accrued interest. We could not consider your request for revocation of the invocation of corporate guarantee made vide our New Delhi Main Branch letter dated 26.03.2021.

The bondholders are concerned about recovery of their invested money in NINL Bonds 2021(ISIN INE514F07075) and as such we request again for immediate deposit of the amount as mentioned in the said corporate guarantee invocation letter dated 26.03.2021.

If, the amount is not received immediately, further course of action will be initiated in consultation with the Bondholders of the NINL 2021 Bonds (ISIN INE514F07075).

With regards  
Anil Babu (Manager / Compliance Officer)  
Debenture Trustee, HO Legal Dept.  
Indian Bank, Chennai - 1  
Landline: 044 2527 9954  
Mobile: 8008763135