

Brief Overview of the BPSL with emphasis on BPSL's Sambalpur Works

1. Bhushan Power & Steel Limited.

1.1. Bhushan Power and Steel Limited (BPSL) is a company incorporated under the Companies Act, 1956, and validly existing company under Companies Act 2013 with CIN U27100DL1999PLC108350 having its registered office at 4th Floor, A-2, NTH Complex, Shaheed Jeet Singh Marg, USO Road, Qutab Institutional Area, New Delhi-110067, India, and Steel works in Odisha, West Bengal, and Chandigarh Refer Table – A below for detail. BPSL is in the business of Manufacturing / Processing and sale of HR Coils & Sheets, CR Coils & Sheets, GL Coil & Sheet, GC, CRCA, CRFH, Cable Tape, Pipes, Round Bars, Color Coated Sheets & Coils, Wire rods in coil & Straight form etc and the steel products cater to the premier segment of end users with footprints in India and outside India.

1.2. Table A - Major Facility details of BPSL

Location	Facility
Odisha (Sambalpur)	Pellet Plant - 3.5 MTPA Sinter Plant – 1 x 105m ² Coke Oven Plant 1 & 2 – 0.45 & 0.5 MTPA CSP HRM – 1.8 MTPA WRM – 0.45 MTPA Pipe & Tube Mill – 0.2 MTPA Coal Washeries(2) – 1x1.0 MTPA & 1x3.5MTPA Various Downstream Facilities including Galvanised Sheets, Colour Coating, Black Pipe, GI Pipe, Precision Tube, Cable Tape, Pickling Line, Heavy bar mill.
Kolkata (Serampore)	4,20,000 MTPA of steel processing. Products manufactured at Serampore Facility are Galvanized sheet, CRCA sheet, CRFH sheet, Pipes & Tubes & Color Coated sheet profiling.
Chandigarh	Cold Rolled Steel Strips – 1.2 lakh MTPA Precision Tubes – 78000 MTPA Facilities has pickling line, rolling mills, annealing, skinpass mill, CR Slitter, Cut to Length lines, precision tube mills. Major

	products are CRCA Strips & Sheets and Precision Tubes
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- 1.3. BPSL operates an integrated steel plant of capacity 2.8 MTPA which is situated at Village- Thelkoloji, P.O.- Lapanga, Tehsil :- Rengali, District -Sambalpur Odisha-768212 (“BPSL’s Sambalpur Works”) and is spread over an area of Acre 1297.47 as shown in **Table – B below.**

Table B – Land details of BPSL’s Sambalpur Works & Township

Village	Total Area in Acres	Remarks
Thelkoloji	859.74	Plant
Dhubenchappal	345.98	Plant
Khadiapali	60.44	Plant
Tumbekela	25.73	Township
Sdripura	5.58	Township
Total	1297.47	Ac

- 1.4. Factories License of BPSL’s Sambalpur Works is valid till 31.12.2022. Occupier of BPSL Rengali Steel Plant is Mr. Anil Kumar Singh, Executive Vice President and Whole Time Director of BPSL. BPSL’s Consent to Operate from Odisha Pollution Control Board is valid till 31.03.2022.

1.5. BPSL’s Sambalpur Works Expansion Projects

- 1.5.1. The Company is in process to increase the capacity of existing integrated steel plant from 2.8 MTPA to 5.0 MTPA during Phase – I by revamping and augmenting the existing facilities of steel plant within the existing Rengali Steel Plant area which would be commissioned by 2023 which will go a long way in meeting the hopes and aspirations of people of Odisha.
- 1.5.2. BPSL’s proposal for expansion from 5.0 MTPA to 15.0 MTPA with total capital investment of around Rs. 55,000 crores was placed for consideration before the High Level Clearance Authority (**Authority**) under the Chairmanship of the Hon’ble Chief Minister, Odisha on 06.07.2021 and was approved by the Authority. The proposed additional 10 MTPA expansion of steel plant would be set-up in the adjacent area of existing steel plant, along with Captive Power Plant (CPP) of 600 MW capacity and Cement Grinding and Mixing Unit of 6 MTPA, in phases.

1.6. BPSL’s Sambalpur Works Power Scenario

- 1.6.1. BPSL’s Sambalpur Works has 506 MW installed Power Generation capacity. There are Environment Clearance dated 17.10.2012 bearing letter no. F. No. J-11011/ 40 / 2009-IA-II (I), GOI, Ministry of Environment and Forests (I.A. Division) for 560MW CPP (refer Sl. No. 19 of the Table in para no.3), Consent to Operate No.4955 / IND-

I-CON-4650 / dated 25.03.2021 for 406 MW (130 x 3 + 8 x 2) and Consent to Operate No.11721 / IND-I-CON-4650 / dated 09.08.2021 for 100 MW (40 + 60). Current Power requirement of BPSL's Sambalpur Works is 400 ~ 410 MW/Hour and BPSL is able to produce upto 355 ~ 365 MW/Hour. Average Power Import is 35 ~55 MW/Hr and Average Export to grid is 5~15 MW/Hour.

1.7. BPSL's recent profit

- 1.7.1. BPSL booked net profit of Rs.97336 lakhs (Rs.973.36 crores) for the FY 2020 – '21. BPSL booked net profit of Rs. 3205 crores in the last three quarters of FY 2021 – 22.

1.8. Mines

- 1.8.1. BSPL was allotted an Iron Ore Mine at Netrabandha through an e-auction in March 2017. The mine is located 210 kms from the Odisha manufacturing site and has geological reserves of 82 Million tonnes. We are working on required statutory clearances for execution of Lease in favour of BPSL.

1.9. BPSL's Sambalpur Works Certifications:-

- 1.9.1. BPSL has been certified for the following Management System Standards by DNV:-
- 1.9.1.1. ISO 9001:2015 (Quality Management Systems)
 - 1.9.1.2. ISO 14001:2015 (Environment Management Systems),
 - 1.9.1.3. ISO 45001:2018 (Occupational Health & Safety Management Systems)
 - 1.9.1.4. IATF 16949:2016 (Automotive Quality Management System)
- 1.9.2. BPSL has 28 BIS Licences, with two more in the application process. This is the highest number of Product Licences in India for any Steel Industry in a single Complex.
- 1.9.3. BPSL's two Labs are NABL Accredited i.e. Coal Testing & Steel Testing Lab
- 1.9.4. BPSL is certified for CE marking for HR Coils (Hot rolled Products of Structural Steel) as per DIN EN 10025-1:2004 for export to the European countries; certified by TUV-NORD.
- 1.9.5. Indian Railways' Research Design and Standards Organization (RDSO) has approved BPSL as an authorized vendor for Spring Steel Round Shape (Black Bar & Bright Bar), and BPSL is on the Vendor List of RDSO's website.
- 1.9.6. We are planning to implement Energy Management Systems as per ISO 50001:2018 in FY 2022-23.
- 1.9.7. We have initiated the process to get the Accreditation of TPG (Transportation and Power Generation) from PRI (Performance Review Institute) for the Heat Treatment & Steel Manufacturing.

2. Resolution of BPSL under IBC, 2016

- 2.1. It is important to understand the character of a company from a corporate debtor to a successfully resolved one.

- 2.2.** Due to the financial mismanagement in BPSL by its erstwhile directors and promoters, in July, 2017, application was filed under Section 7 of IBC, 2016 by the Punjab National Bank {CA 254 of 2019 (Punjab National Bank v. Bhushan Power and Steel Ltd.)} before the National Company Law Tribunal, Principal Bench, New Delhi (“Adjudicating Authority / NCLT”) for initiating Corporate Insolvency Resolution Process (CIRP) against the BPSL. NCLT, after due process, vide its order dated 05.09.2019 (“NCLT Order”), approved the Resolution Plan (“Approved Resolution Plan”) submitted by JSW Steel Limited¹ under Section 31 (1) of the IBC, 2016. That subsequently the Hon’ble National Company Law Appellant Tribunal (“NCLAT”), vide its order dated 17.02.2020 (“NCLAT Order”) passed in CA 957 of 2019 (JSW Steel Ltd. v. Mahendar Kumar Khandelwal), approved the resolution plan submitted by JSW Steel Ltd. for the acquisition of BPSL under the provisions of the IBC Code, 2016.
- 2.3.** That after taking over of BPSL from the Effective Date (26.03.2021), the Board of Directors of BPSL was reconstituted and the newly constituted Board of Directors of BPSL has come into place with new management team.

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¹ It may be noted that JSW Steel is a part of the diversified US\$ 13 billion JSW Group, which has a presence in Steel, Energy, Infrastructure, Cement, Ventures, and Sports. JSW Steel is the leading integrated steel company with an installed steel-making capacity of 18 MTPA in India. JSW Steel’s plant at Vijayanagar in Karnataka is the largest single location steel producing facility in the country with a capacity of 12 MTPA.