

Oil Country Tubular Ltd.

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CIN: L26932TG1985PLC005329, GSTIN: 36AAACO2290H1ZJ



OCTL/SEC/11281_/2022
September 17, 2022

The General Manager
Bombay Stock Exchange Ltd
BSE's Corporate Relationship Dept
1st Floor, New Trading Ring
Routunga Building, P J Towers
Dalal Street
MUMBAI — 400 001

The Manager
National Stock Exchange of India Ltd
Exchange Plaza
5th Floor, Plot No: C/1
G—Blook, Bandra Karla Complex
Bandra East
MUMBAI — 400 051

Dear Sir/Madam,

Sub: Post Facto Intimation/Outcome of Meeting of Committee of Creditors (“COC”).

**Ref: i. Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015
ii. BSE Scrip Code: 500313; NSE Scrip Code: OILCOUNTUB.**

We wish to inform that, Meeting of the Committee of Creditors of the Company (Corporate Debtor) was held on Saturday, the 17th Day of September 2022, virtually, at 4:30 P.M. and concluded at 6:30 P.M.

This is for your information and record.

Thanking you,

Yours faithfully
for Oil Country Tubular Limited

**J Ramamuni Reddy
Chief Financial Officer**

Encl. a/a

MINUTES OF THE SEVENTEENTH MEETING OF THE COMMITTEE OF CREDITORS OF M/s OIL COUNTRY TUBULAR LIMITED HELD ON SATURDAY, 17th SEPTEMBER 2022, VIRTUALLY THROUGH ZOOM PLATFORM.

MEMBERS OF "THE COMMITTEE OF CREDITORS" PRESENT:

VOTING MEMBERS PRESENT:

1. SBI represented by

Mr. Rama Kishore - Chief Manager

2. Indian Bank (formerly known as Allahabad Bank) represented by

Mr. Sudhakar - FGM

Mr. Dandapani - AGM

Mr. Anil - Chief Manager

3. IOB represented by

Mr. Koustuv Majumder - Chief Regional Manager,
Regional Office, Hyderabad

Mr. M Shankar - Chief Manager, ARMB, Hyd.

Mr. Kumar Satyam - Chief Manager, ARMB, Hyd.

4. Mertex India Private Ltd represented by

Mr. Harmeet Singh - Director

Mr. Aravind

7. Mertex UK Limited represented by

Mr. Harmeet Singh

8. Mertex Canada Limited represented by

Mr. Harmeet Singh

NON -VOTING MEMBERS PRESENT:

9. M/s United Steel Allied Industries Pvt Ltd Represented by

Mr. Venkatesh

10. M/s UASI Forge Pvt Ltd Represented by

Mr. Venkatesh

11. REPRESENTING THE SUSPENDED BOARD:

Dr. Shesidhar Kamineni

In attendance:

Mr. Sisir kumar Appikatla - Resolution Professional
Mr. Jagadees Kumar - RP team member

No Leave of absence was sought. All the members of the COC were present.

Mr. Sisir Kumar Appikatla, the Resolution Professional chaired the meeting and welcomed the participants to the meeting.

Agenda items discussed in the meeting**1. Item no 1: To Ascertain the quorum of the Meeting**

The attendance of the Members of the Committee of the creditors was recorded. The chairman took note of the participation of 100% of the members of the CoC. The chairman called the meeting to order having noted the requisite quorum for the commencement of the meeting.

Confirmation of the minutes of the previous meeting of the COC:

The RP informed the members that the draft minutes of the 16th meeting of the COC held on 22nd August 2022 were shared with the members of the COC by email on 23rd August 2022. All the members present in the current meeting, confirmed the same.

2. Item no 2: To Move an application for with drawl of the CD from CIRP u/s 12A of the IBC 2016

The RP reminded the members about the discussion that took place during the previous meetings of the COC as follows:

During the 16th meeting of the COC held on 22.08.2022, all the members other than SBI confirmed their earlier stand taken to support the OTS scheme submitted by the promoters and they are in favour of moving an application for the withdrawal of the case u/s12A of the IBC code 2016.

Mr. Rama Kishore, Representing SBI, informed members that they have recommended to their competent authority to consider the OTS proposal favorably and they shall convey their decision on OTS proposal to the RP in due course as it was under the examination of their competent authority.

SBI vide email dated 15th September 2022, informed the RP that their competent authority has approved the compromise proposal of Oil Country Tubular Limited.

In the above back drop, RP sought the views of the members

Mr. Rama Kishore, Representing SBI, informed members that the following factors weighed heavily while taking a decision in favour of the compromise proposal and consequently to vote in favour of the withdrawal of the CD u/s12A of the IBC.

- a) The objective of the IBC is to maximise the value of all the stakeholders including the FCs, OCs, Shareholders and other stakeholders. In view of the prolonged litigations so far and non-resolution of the CD, the factory remained in operative nearly for 4 years. This has in turn has caused a substantial value loss to all the stakeholders and hence an immediate resolution is required to be achieved. Since the promoters have offered a compromise backed by total deposit of the agreed compromise amount, immediate resolution of the CD can be achieved without any further loss time in litigation, if CD is withdrawn from the CIRP u/s 12A of the IBC, 2016.
- b) The major benefit for the operational creditors and other stakeholders in the event of the compromise settlement and withdrawal u/s 12A, is that they reserve their right to receive 100% of the amount due to them. Normally, it is observed that substantial hair cut in case of third-party take over through the submission of a resolution plan.
- c) Since the promoters have already deposited necessary compromise amount in the respective bank accounts of the Bankers, there is certainty in discharging the liability towards the financial creditors in toto.
- d) Since the employees were not removed by the RP during the CIRP, they stand to continue with their employment after the CD is resolved.
- e) Last but not the least, the CD being a listed entity, millions of small shareholders interest is protected, if the CD is withdrawn from the CIRP u/s 12A of the IBC 2016 as often, the new bidders tend to delist the existing shares.

Mr. Rama Kishore, further confirmed to the members that they have submitted the signed Form-FA along with the Demand Draft with the RP for filing of the necessary application with the Honorable NCLT for withdrawal of the CD from CIRP u/s 12A of the IBC 2016

Mr. Sheshidhar, representing the CD, informed the members that in compliance with the terms of the compromise proposal, they have already deposited an amount of Rs 2,13,75,800 (Rupees two crore thirteen lakhs seventy-five thousand eight hundred only) towards outstanding CIRP expenses till date and also an amount of Rs 2,29,98,002 (two crore twenty-nine lakhs ninety-eight thousand and two only), towards the Interim fund raised by the RP including the interest as committed into the respective bank accounts of the Lenders. He further informed that they have also submitted a Demand draft for an amount of Rs 15,00,000 (Rupees Fifteen lakhs only) towards estimated CIRP expenses.

He further confirmed that Internal arrangements have been made to repay interim fund raised by the RP from M/s United Steel Allied Industries Pvt Ltd and M/s UASI Forge Pvt Ltd along with the interest committed.

RP sought confirmation of the receipt of principal amount of interim funds raised along with the interest committed from the respective lenders.

Mr. Rama Kishore, representing SBI, confirmed the receipt of Rs 87,43,977 including the interest committed towards interim funds raised by the RP. He further confirmed that SBI has no further claim against the RP either for the principal or interest in respect of the interim funds contributed.

Mr. Dandapani, representing the Indian Bank, confirmed the receipt of Rs 72,92,533 including the interest committed towards interim funds raised by the RP. He further confirmed that Indian Bank has no further claim against the RP either for the principal or interest in respect of the interim funds contributed.

Mr. Shankar, representing the IOB, confirmed the receipt of Rs 69,61,492 including the interest committed towards interim funds raised by the RP. He further confirmed that IOB has no further claim against the RP either for the principal or interest in respect of the interim funds contributed.

Mr. Venkatesh, representing M/s United Steel Allied Industries Pvt Ltd and M/s UASI Forge Pvt Ltd, confirmed that satisfactory arrangements have been made by the promoters towards the principal and interest committed by the RP. He further confirmed that M/s United Steel Allied Industries Pvt Ltd and M/s UASI Forge Pvt Ltd have no further claim against the RP either for the principal or interest in respect of the interim funds contributed. He also informed that they have send letters to the RP to the above effect.

After due deliberations, following resolution was moved for voting:

“RESOLVED to file an application before the Hon’ble Adjudicating Authority to withdraw the corporate debtor from the CIRP u/s 12A of the IBC, 2016 and to follow the appropriate procedure to obtain suitable orders from the Hon’ble Adjudicating Authority for the withdrawal.”

RESOLVED FURTHER that the RP be and is hereby authorized to move an application under Section 12A and seek necessary direction from the Hon’ble Adjudicating Authority in the matter.”

The Summary of Voting for the above resolution is as below:

S. No	Financial Creditors	Voted in favour	Voted Against
1	State Bank of India	YES	-
2	Indian Bank	YES	-
3	Indian Oversea Bank	YES	-
4	Mertex India Pvt Ltd	YES	-
5	Mertex UK Limited	YES	-
6	Mertex Canada Ltd	YES	-

The Chairman announced the summary of the decision taken in the meeting after considering the voting from the voting members, that the resolution stands approved with 100% voting rights.

Item no 3: To Decide on further action on 3 Resolution Plans received by the RP

The RP reminded the members about the discussions that took place during the previous meetings of the COC as follows:

During the 12th meeting of the COC held on 30.06.2021, the RP had apprised the participants that as at the commencement of the meeting (i.e. 4.30 pm on 30.06.2021), he had not received any resolution plan from any of the short listed prospective resolution applicants, either in physical mode or in electronic mode. However, he brought to the notice of the members that as approved in the 11th meeting of the COC, the deadline for the submission of the resolution plan ends at 6 P.M on 30.06.2021.

At 6.05 P.M, all the members joined and once again the quorum was noted by the RP. Having Noted the presence of 100 % quorum, the RP recommenced the meeting.

The RP informed the members that he has received 3 three resolution plans in sealed covers, physically between 5.30P.M to 6 P.M, on 30.06.2021, under due acknowledgement with time and date stamp. The sealed covers have been received from the following resolution applicants

1. M/s Maharashtra Seamless Limited
2. M/s Vibhor Steel Tubes Private Ltd and
3. M/s One Developers Private Limited.

During the meeting, RP once again sought views of the members on the way forward on the matter. Mr. Koustuv Majumder, representing IOB, stated in absolute and in certain terms that IOB is in favour of the withdrawal u/s 12A of the IBC, irrespective of the number of plans received and Indian Bank does not wish to open and evaluate the resolution plans. Since they wish to vote in favour of the withdrawal u/s 12A of the IBC.

Mr. Santanu Bal, representing Indian Bank, supported the above views of the IOB.

Mr. Harmeet Singh, representing the Mertex group stated emphatically that their group is absolutely in favour of the withdrawal u/s 12A of the IBC. He continued saying that he respects the knowledge and views of the other members who are seasoned bankers. He further pointed out that, when the lenders negotiated with the lenders of the CD, even during the CIRP, there cannot be any objective and intension, other than considering the withdrawal u/s 12A of the IBC. He concluded by saying that, the promoters are the best suited people for running the CD, in view of their integrity, capability and decades of experience of running the business.

Mr. Rangadham, representing the SBI, expressed that, after discussing internally, State bank is of the firm view that they would reserve their decision on 12A till the opening of the bids in hand and their value proposition as compared to the OTS proposal. Mr. Rangadham also informed the other members of the COC including the RP by reading out the orders which said "***There shall be interim direction restraining the respondent 1 and 2 from exercising any right as creditor of the respondent No.3-company, for a period of four weeks.*** Hence, as on date, in view of the restrictive orders passed by the High court of Telangana vide order dated 27-05-2021 in W.P 12451 of 2021 (K. Suryanarayana, promoter of the OCTL V/s SBI), they are restrained from participating in any voting process in the COC.

The following resolution was passed during the 12th meeting of the COC held on 30.06.2021 with majority voting rights.

RESOLVED FURTHER that the three resolution plans received by the RP on 30.06.2021, shall not be opened and evaluated."

Meanwhile, SBI vide email dated 15th September 2022, informed the RP that their competent authority has approved the compromise proposal of Oil Country Tubular Limited.

After due deliberations, following resolution was moved for voting:

RESOLVED that the three resolution plans received by the RP on 30.06.2021, shall not be opened and evaluated in view of the 100 % voting in favour of moving an application for the withdrawal of the CD from the CIRP u/s 12A of the IBC 2016."

The Summary of Voting for the above resolution is as below:

S. No	Financial Creditors	Voted in favour	Voted Against
1	State Bank of India	YES	-
2	Indian Bank	YES	-
3	Indian Oversea Bank	YES	-
4	Mertex India Pvt Ltd	YES	-
5	Mertex UK Limited	YES	-
6	Mertex Canada Ltd	YES	-

The Chairman announced the summary of the decision taken in the meeting after considering the voting from the voting members, that the resolution stands approved with 100% voting rights.

Item no 4: To Take note and approve the CIRP cost till date.

The RP presented the provisional CIRP cost till 17.09.2022 as Rs. 11,79,95,799 (Rupees eleven crore seventy-nine lakhs ninety-five thousand seven hundred ninety-nine only) including an amount of Rs 2,13,75,800 (Rupees two crore thirteen lakhs seventy-five thousand eight hundred only) incurred but not paid (Described in the statement of CIRP cost appended to these minutes) and also including an amount of Rs 64,19,137, Interest on interim finance. He informed the members that the same has been circulated to all the members of the COC through a mail on 16th September 2022 along with the notes to agenda for their consideration and approval. The COC took note of the expenses and the CIRP cost incurred/payable till date and ratified the same and hence the CIRP costs till the date of the COC i.e 17th August 2022 stand approved.

After due deliberations, following resolution was moved for voting:

“RESOLVED THAT as per Section 31 of the IBC, 2016, and Regulation 34 of CIRP 2016, the CIRP cost till 17th meeting of the COC which amounts to Rs. 11,79,95,799 (Rupees eleven crore seventy-nine lakhs ninety-five thousand seven hundred ninety-nine only) is noted and approved”.

The Summary of Voting for the above resolution is as below:

S. No	Financial Creditors	Voted in favour	Voted Against
1	State Bank of India	YES	-
2	Indian Bank	YES	-
3	Indian Oversea Bank	YES	-
4	Mertex India Pvt Ltd	YES	-
5	Mertex UK Limited	YES	-
6	Mertex Canada Ltd	YES	-

The Chairman announced the summary of the decision taken in the meeting after considering the voting from the voting members, that the resolution stands approved with 100% voting rights.

Item no 5: To take note of the interim fund raised during the CIRP and Interest thereon.

The RP informed the members that, an amount of Rs 4,16,30,022 (Rupees four crore sixteen lakhs thirty thousand twenty-two only) has been raised as interim fund during the CIRP from the Financial creditors and interest on the above amount is Rs 64,19,137 (Rupees Sixty-four lakhs nineteen thousand one hundred thirty-seven).

He informed the members that following statement of Interim fund raised by the RP during the CIRP and interest committed has been circulated to all the members of the COC through a mail on 16th September 2022 along with the notes to agenda for their consideration and approval. The COC took note of the Interim Fund and Interest till 17th September 2022 and approved same.

Statement of Interim Fund and Interest till 17/09/2022					
M/s OIL COUNTRY TUBULOR LTD					
SBI					
Date	Principal	Date of COC	No day Days	Interest @10 % p.a	Princ + Intr
24-04-2021	76,70,155	17-09-2022	511	10,73,822	
	76,70,155			10,73,822	87,43,977
Indian Bank					
03-05-2021	64,10,825	17-09-2022	502	8,81,708	
	64,10,825	44,821	502	8,81,708	72,92,533
IOB					
10-06-2021	29,87,662	17-09-2022	464	3,79,801	
22-06-2021	31,98,002	17-09-2022	452	3,96,027	
Sub Total	61,85,664			7,75,828	69,61,492
Amount to Banks	2,02,66,644			27,31,358	2,29,98,002
United Steel Allied Industries Pvt Ltd					
23-12-2020	10,70,903	17-09-2022	633	1,85,721	
30-12-2020	1,05,000	17-09-2022	626	18,008	
22-01-2021	20,00,000	17-09-2022	603	3,30,411	
19-02-2021	8,40,000	17-09-2022	575	1,32,329	
02-08-2021	7,14,600	17-09-2022	411	80,466	
06-10-2021	30,00,000	17-09-2022	346	2,84,384	
18-05-2022	10,00,000	17-09-2022	122	33,425	
24-06-2022	15,00,000	17-09-2022	85	34,932	
	1,02,30,503			10,99,675	1,13,30,178
UASI Forge Pvt Ltd					
21-05-2020	1,00,00,000	17-09-2022	849	23,26,027.4	
23-05-2020	11,21,815	17-09-2022	847	2,60,322.5	
15-02-2021	11,060	17-09-2022	579	1,754.4	
	1,11,32,875			25,88,104	1,37,20,979
Amount to Unsecur FCs	2,13,63,378			36,87,779	2,50,51,157
TOTAL	4,16,30,022			64,19,137	4,80,49,159

Vote of Thanks to the Chair:

There being no other business to transact, the meeting ended with a vote of thanks to Chair.

Place: Visakhapatnam

Date: 17th September 2022

Sisir Kumar Appikatla

Chairman