

सं. 59/1999

भारत सरकार

औद्योगिक और वित्तीय पुनर्निर्माण बोर्ड

21 वीं मंजिल, जवाहर व्यापार भवन,  
1, टॉलस्टॉय मार्ग, नई दिल्ली - 110001  
दिनांक : 05-05- 2006

टैलेफोन - 031 66492  
फैक्स - 3701211

सोचा में,

(संलग्न सूची के अनुसार)

विषय :- **मै. जी. एस. ए. एल. (इंडिया) लि.**

के मामले /मामला संख्या 59/1999

प्रहोदय,

मुझे दिनांक 04/05/06 की ~~कार्यवाही/आदेशों/करण बताओ नोटिस~~ की प्रमाणित प्रति आपको सूचना तथा आवश्यक कार्रवाई के लिये भेजने का निर्देश हुआ है ।

Expedite D/S  
04/05/06



भवदीय

*(विजय कुमार)*  
बैंच अधिकारी, बैंच - 1

अनुलग्नक - यथा उपरोक्त

**BOARD FOR INDUSTRIAL & FINANCIAL RECONSTRUCTION**

**CASE NO. 59/1999 IN RE: M/S. G.S.A.L.(INDIA) LTD.**  
**BENCH - I**

**ORDER**

The reference filed by M/s G.S.A.L.(India) Ltd. (hereinafter referred to as the company) under Section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 (hereinafter referred to as the 'Act') was considered in the hearing held on 06.07.1999 when the company was declared a sick industrial company in terms of Section 3(1)(o) of the Act and Industrial Development Bank of India(IDBI) was appointed as the Operating Agency (OA) u/s 17(3) of the Act to formulate a rehabilitation scheme based on the company's proposal and keeping in view the provisions of Sec 18 of the Act and the guidelines given by the Bench.

2. The Bench having come to the conclusion that the Company was not likely to make its net worth exceed its accumulated losses within a reasonable time, confirmed its prima facie opinion that it would be just, equitable and in public interest that the company be wound up u/s 20(1) of the Act vide order dated 27.9.2002. Subsequently on an appeal filed by the Company against the above said BIFR order, Hon'ble AAIFR vide order dated 10.8.2005 observed in the light of certain positive developments that there is now a fair possibility of reviving the company. Hon'ble AAIFR, accordingly directed the company to formulate a draft rehabilitation scheme(DRS) based on one time settlement(OTS) of dues and submit the same to OA/BIFR for consideration.

3. In order to comply with the AAIFR orders, IDBI(OA) was directed vide fax dated 20.9.2005 & 8.3.2006 to expedite formulation of DRS. IDBI vide its letters 10.11.2005, 9.1.2006 & 23.3.2006 has submitted that a DRS base on restructuring/settlement of dues to the secured creditors was submitted to AAIFR in May 2005. The DRS was subsequently discussed in a joint meeting on 18.7.2005 when all the secured creditors had conveyed their consent to the reliefs and concessions envisaged in the scheme which included writing down of equity capital by 85%, allotment of equity shares on preferential basis and allotment of 0.1% optionally convertible cumulative redeemable preferential shares (OCCRPS) in lieu of simple interest, deferred interest and funded





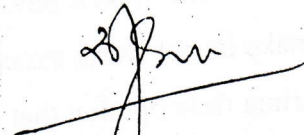
interest dues to FIs. In order to give effect to restructuring of the debt and equity, company has vide its letter dated 1.4.2006 stated that they have brought in Rs.10 crore as their contribution and has sought Bench approval to issue preferential equity shares worth Rs.1826 lakh and 0.1% OCCRPS worth Rs.9836 lakh to FIs in order to implement the restructuring package sanctioned by FIs and also prayed to exempt them from the compliance of the provisions of the Companies Act, 1956 and also SEBI guidelines or any other applicable provision/guidelines in the matter.

4. On consideration of the facts on record, the submissions made by IDBI and the company, the Bench considers it appropriate to grant its approval to the company to issue preferential equity shares worth Rs.1826 lakh and 0.1% OCCRPS worth Rs.9836 lakh in terms of section 32(1) of the Act and to exempt the company from the compliance of applicable provisions of the Companies Act, 1956 including the provisions as laid down u/s 81(1)(a), 205, 166 & 169 of the said Act and also the SEBI guidelines or any other applicable provision(s)/guidelines and also be exempted from payment of any fees in this regard to these authorities. The OA is directed to expedite the DRS immediately on completion of the above process.

6. Let a copy of this order be sent to all concerned.



(A.K.GOSWAMI)  
MEMBER

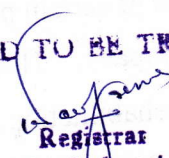


(RAVINDRA GUPTA)  
CHAIRMAN

New Delhi,  
Date : 04 May 2006.



DECLARED TO BE TRUE COPY

  
Registrar  
Board for Industrial and  
Financial Reconstruction

Case No. 59/99 – M/s. GSAL (India) Ltd.

1. Managing Director,  
M/s. GSAL (India) Ltd.,  
6-3-802, Ameerpet,  
Hyderabad 500 016  
(Fax No. 040-313183)
2. Secretary,  
Govt. of Andhra Pradesh,  
Industries Deptt.,  
Hyderabad
3. Chairman & M.D.,  
State Bank of India,  
Central Office,  
Madam Cama Road,  
Mumbai
4. State Bank of Hyderabad,  
Head Office, Gunfoundry,  
Hyderabad 500 177
5. Chairman & M.D.,  
Bank of Baroda,  
C-26, G-Block,  
Bandra Kurla Complex,  
Bandra East,  
Mumbai
6. Chairman & M.D.,  
IDBI,  
IDBI Tower, Cuffe Parade,  
Mumbai
7. The Director General,  
ESIC,  
ESIC Bhawan, Kotla Road,  
Behind Foreign Post Office,  
New Delhi
8. The Central Provident Fund  
Commissioner,  
HUDCO Vishala,  
14, Bhikaji Cama Place,  
New Delhi 110 066
9. Chairman & M.D.,  
IFCI,  
IFCI Tower,  
61, Nehru Place,  
New Delhi 110 019
10. Chairman & M.D.,  
ICICI Bank Ltd.  
ICICI Towers,  
North Tower (East Wing),  
Bandra-Kurla Complex,  
Mumbai 400 051

