

Sterling Oil Resources Ltd (under CIRP)



Investment Teaser



Sterling Oil Resources Ltd

Sanjay Gupta

Resolution Professional

August, 2023

Reg. No: IBBI/IPA-002/IP-N00982-C01/2017-2018/10354

Corporate Insolvency Resolution Process

As per Order No CP (IB) No.596/MB-IV/2022 dated May 16, 2023 of Hon'ble Adjudicating Authority, i.e. National Company Law Tribunal, Mumbai Bench ordered Corporate Insolvency Resolution Process of M/s **STERLING OIL RESOURCES LTD (SORL)**

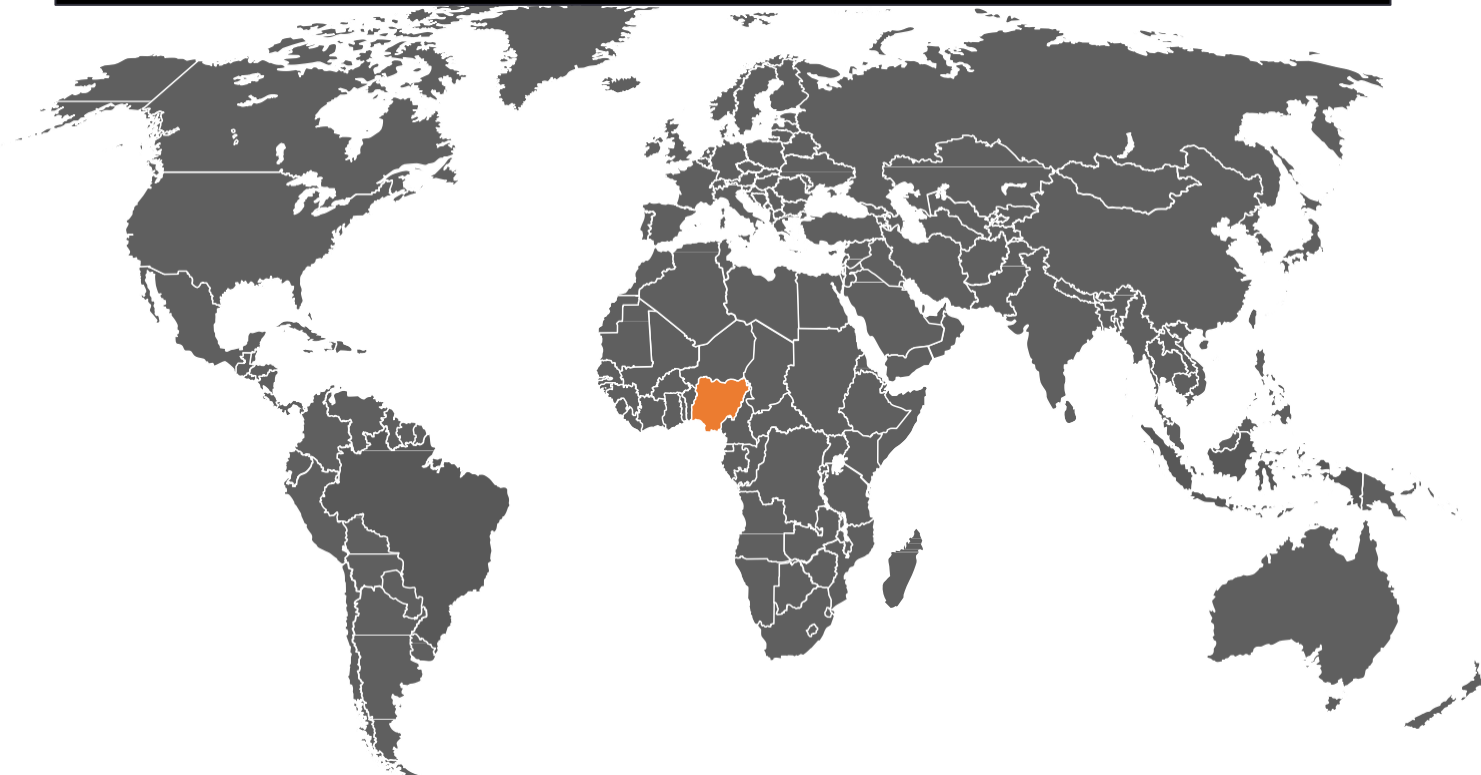
Name of Interim Resolution Professional	Mr. Purusottam Behera (IBBI Registration No- IBBI/IPA-002/IP-N00940/2019-2020/12993)
Date of Commencement of Moratorium	May 16th, 2023
Name of Resolution Professional	Mr. Sanjay Gupta (IBBI Registration No- IBBI/IPA-002/IP-N00982-C01/2017-2018/10354)
Date of Appointment of Resolution Professional	July 20th, 2023

Overview of SORL (Sterling Oil Resources Limited) 1 / 2

Company overview

- ▶ Sterling Oil Resources Limited (SORL), incorporated in India, is the holding Company of Sterling Global Oil Resources Pvt Ltd (SGORPL), Mauritius. SGORPL through its step down subsidiaries holds 90% stake in Sterling Oil Exploration & Energy Production Company Ltd. (SEEPCO), Nigeria which has been awarded an oil mining license by Nigeria which is valid up-to 2031. SEEPCO Nigeria (80%) is operating an onshore block OML-143 (comprise of Okwuibome-OKW, Anieze-ANZ fields and others) in Nigeria.

Location of Oil mining lease - Onshore Block OML-143



Key financials

Particulars (In crores)	As on 31.03.2014	As on 31.03.2015
Non Current Investments	608.79	608.79
Long Term loans	1506.45	604.29
Shareholder's Fund	586.62	612.61
Other Income	248.96	404.36
Finance Cost	244.89	398.08

Overview of SORL (Sterling Oil Resources Limited) 2 / 2

The SBLC facility was sanctioned to SGORPL by two sets of consortium lenders led by Bank of Baroda (OKW facility-10 lenders) in 2014 and State Bank of India (ANZ facility-7 lenders) in 2015.

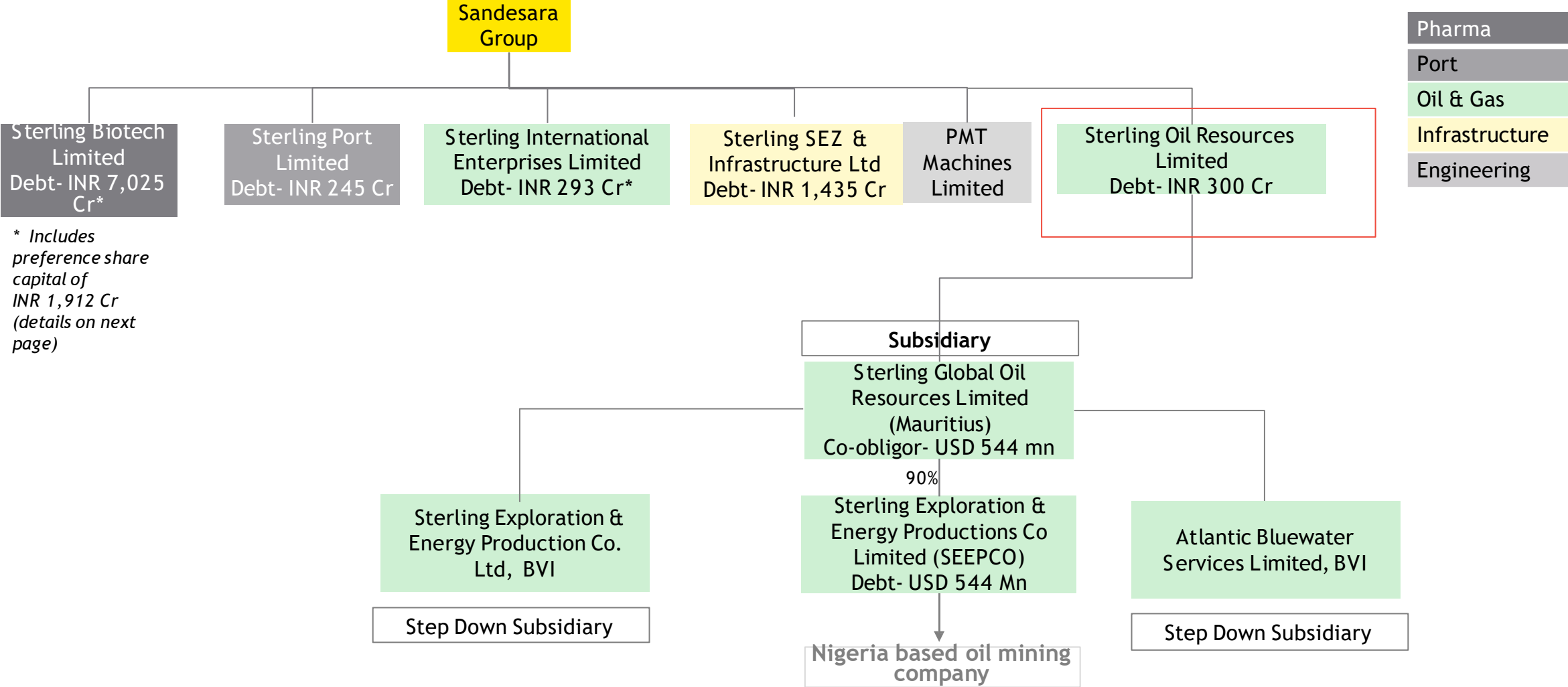
SBLCs were discounted and Foreign Currency Loans (FCL) were raised by SEEPCO, BVI (WOS of SGORPL) through overseas Branches of domestic banks. The SBLC facilities are secured by assets of SEEPCO Nigeria.

The SGORPL account became NPA due to adverse movement in crude oil prices and the FC lenders invoked the entire SBLCs and payment was made by SBLC lenders by crystallizing in INR loan.

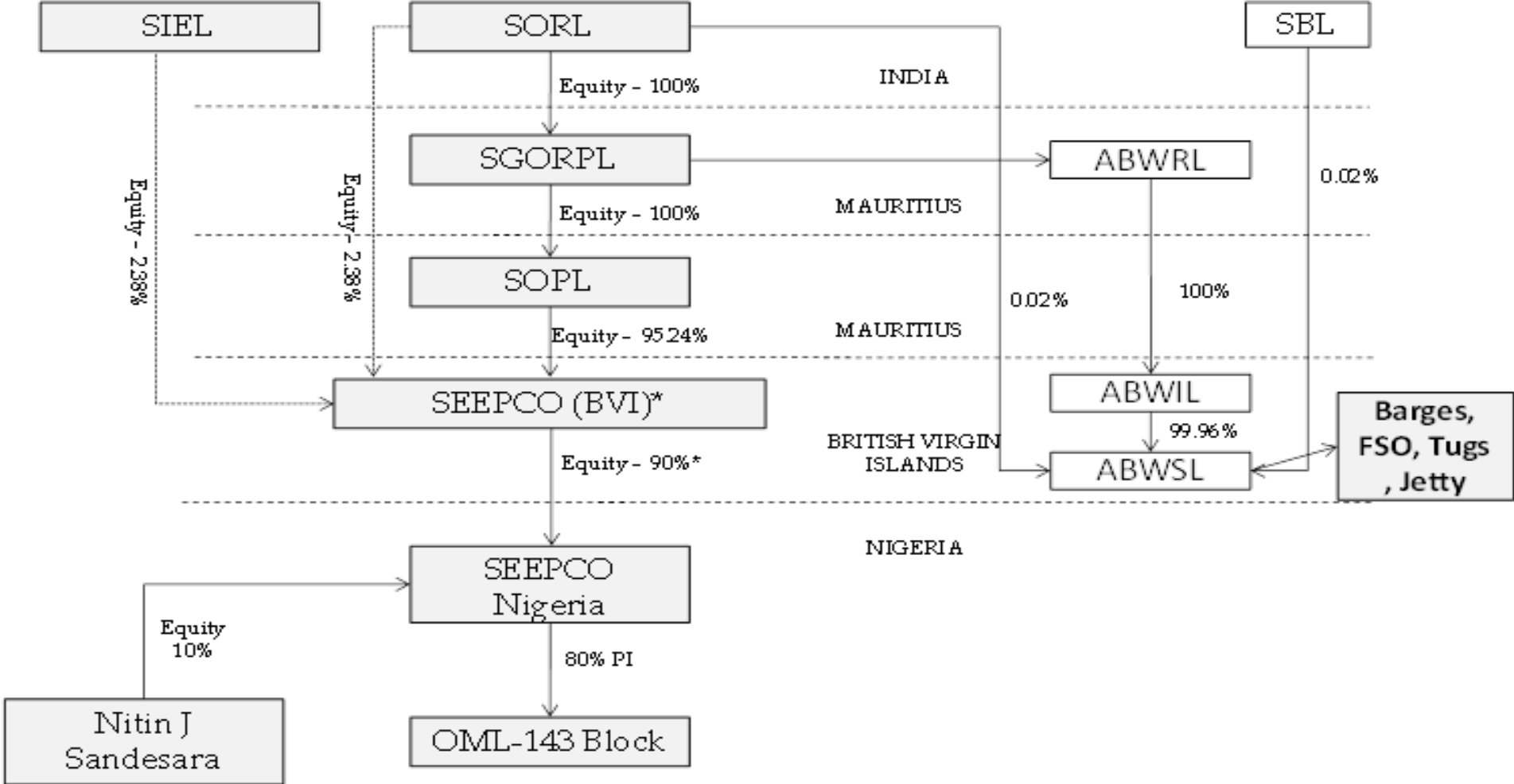
SORL, being the holding Company, the Section 7 application was filed before NCLT Mumbai for initiating insolvency process against SORL. The same was admitted on 16.05.2023.

CARE Ratings Ltd. had, vide its press release dated May 25, 2021, placed the rating(s) of Sterling Oil Resources Limited (SORL) under the 'issuer non-cooperating' category as SORL had failed to provide information for monitoring of the rating. **Rating is CARE-D**

Group's corporate structure



Group's Corporate Structure



* SEEPCO-BVI is registered as JV of SORL and SIEL

Group's Corporate Structure

Country	Company Name	Holding Structure	Details of Share Pledge
	OML-143 Block (OKW & ANZ Field)	NA	NA
Indian Company	SORL	NA	NA
Mauritius Company	SGORPL	Wholly owned Subsidiary of SORL	NA
	SOPL	Wholly owned Subsidiary of SGORPL	1 st Ranking pledge of 100% shareholding of SEEPCO-BVI by SOPL.
BVI company	SEEPCO BVI	95.24% by SOPL, 2.38% by SORL, 2.38% by SIEL (Indian Company)	1 st Ranking pledge of 95.24% shareholding of SEEPCO-BVI by SOPL.
Nigerian Company	SEEPCO Nigeria (Having 80% PI in OML-143 Block)	90% by SEEPCO BVI; 10% by Nitin J Sandesara	1 st Ranking pledge of 90% shareholding of SEEPCO-Nigeria by SEEPCO-BVI. 1 st Ranking pledge of 10% shareholding of SEEPCO-Nigeria by Mr. Nitin Sandesara.

Asset portfolio summary - Step Down Subsidiary in Nigeria

Ministry of Petroleum Resources, Nigeria awarded oil mining license to SEEPCO-Nigeria (80%) and Allene Energy Ltd (20%)	Valid Till 2031	Office Location : 205 Abiola Segun St, Off Muri Okunola St, Victoria Island, Lagos, Nigeria
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Current Operations	Operating an onshore block OML-143 (comprise of Okwuibome-OKW, Anieze-ANZ fields and others) <i>(Refer Below)</i>	Location : OML 143 block of Niger Delta, 125 kms from Port Harcourt, Nigeria
Current Production	Okwuibome Blend of crude oil which is of low sulphur and sweet crude quality.	It is popular amongst North America, France, Italy, United Kingdom, Australia, South Africa and parts of Asia.
Others	The company also holds a technical services agreement for OML 13 held by the Nigerian Petroleum Development Company (NPDC).	NPDC funds the operations, while Sterling does the work.

<p style="text-align: center;"><u>Okuibome Conventional Oil Field</u></p> <ul style="list-style-type: none"> • Production: Recovered 97.33% of its total recoverable reserves, with peak production in 2017 • Peak Production : 36.39 thousand bpd of crude oil • Economic Limit : Year 2025 • Remaining Recoverable Reserves : 2.11 Mmboe, comprised of 2.11 Mmbbl of crude oil & condensate.

<p style="text-align: center;"><u>Anieze Conventional Oil Field</u></p> <ul style="list-style-type: none"> • Production: Recovered 20.47% of its total recoverable reserves, with peak production in 2021 • Peak Production : 30.22 thousand bpd of crude oil and condensate and 96 Mmcfd of natural gas • Economic Limit : Year 2093 • Remaining Recoverable Reserves : 308.89 Mmboe, comprised of 210.51 Mmbbl of crude oil & condensate and 590.31 bcf of natural gas reserves.

Financial and Operational Claims

Particulars	No. of Claims received	Amount of Claim (INR crore)	No. of Claims admitted	Amount Admitted (INR crore)
Secured Financial Creditors	9	19285.70	9	15,247.33
Operational Claims – Creditors	1	31.89	0	-
Total	10	19317.59	9	15,247.33

- The analysis of claims contained in this report are based on the completeness and accuracy of the information provided by the Creditors as at July 1, 2023. Emails have been sent to all claimants asking for additional documentation (if necessary) to verify the claims.*
- The amounts are rounded off to the nearest rupee*

As per the regulation 14 of IBC read with: -

Determination of amount of claim.

- Where the amount claimed by a creditor is not precise due to any contingency or other reason, the interim resolution professional or the resolution professional, as the case may be, shall make the best estimate of the amount of the claim based on the information available with him.*
- The interim resolution professional or the resolution professional, as the case may be, shall revise the amounts of claims admitted, including the estimates of claims made under sub-regulation (1), as soon as may be practicable, when he comes across additional information warranting such revision.*

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THANK YOU