Court File No.: CV-15-000011169-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ESSAR STEEL ALGOMA INC., ESSAR TECH ALGOMA INC., ALGOMA HOLDINGS B.V., ESSAR STEEL ALGOMA (ALBERTA) ULC, CANNELTON IRON ORE COMPANY, AND ESSAR STEEL ALGOMA INC. USA

RESPONDING MOTION RECORD
(Motion for the Appointment of a Restructuring Committee)
(Returnable May 23, 2017)

May 19, 2017

NORTON ROSE FULBRIGHT CANADA LLP
Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street, P.O. Box 84
Toronto, Ontario M5J 2Z4 CANADA

Tony Reyes LSUC #28218V
Tel: 416.216.4825
Tony.Reyes@nortonrosefulbright.com

Jennifer Teskey LSUC#: 48181I
Tel: 416.216.2303
Jennifer.Teskey@nortonrosefulbright.com

Fax: 416.216.3930

Lawyers for the Board of Directors of Essar Steel Algoma Inc.

CAN_DMS: \107206539\1

Court File No.: CV-15-000011169-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ESSAR STEEL ALGOMA INC., ESSAR TECH ALGOMA INC., ALGOMA HOLDINGS B.V., ESSAR STEEL ALGOMA (ALBERTA) ULC, CANNELTON IRON ORE COMPANY, AND ESSAR STEEL ALGOMA INC. USA

AFFIDAVIT OF KISHORE MIRCHANDANI

1 I am a director of Essar Steel Algoma Inc. (**Algoma**, the **Company**) and therefore have knowledge of the matters to which I hereinafter depose, except where otherwise stated. I have also reviewed the public filings of the Company in respect of its application under the Companies' Creditors Arrangement Act (the **CCAA**) and have spoken with certain of the directors of the Company, and where I have relied upon such information do verily believe such information to be true.

2 This affidavit is sworn in response to a motion by the Company appointing a Restructuring Committee (the **Restructuring Committee**), as described in the Affidavit of John Strek sworn May 17, 2017 (the **Strek Affidavit**).

3 Although the Company's board of directors (the **Board**) does not oppose the appointment of the Restructuring Committee in concept, this appointment is (as the Applicants acknowledge) intended to supplant the Special Committee previously appointed by the Board (the **Special Committee**). As such, this appointment has a direct impact on the normal governance of the Company, and in particular on the Board and the Special Committee. I have

noted that, among other things, the Applicants seek to give the Restructuring Committee the benefit of the Directors' and Officers' Charge created by the Initial Order of the Court herein on November 9, 2015.

4 The relief sought by the Applicants does not deal with many outstanding issues that affect the Board and the Special Committee, and it is the Board's view that these issues should also be addressed at this time. Without these issues also being addressed, the Board and the Special Committee are left in an untenable situation, for the reasons set out below.

The Composition of the Board of Directors and the Special Committee

5 Kalyan Ghosh, Naresh Kothari, Jatinder Mehra and I are the directors of the Company (the **Directors**) and collectively comprise the Board.

6 Mr. Ghosh is the Chief Executive Officer of the Company, and is clearly in support of the formation of the Restructuring Committee. The Applicants' motion materials suggest that Mr. Ghosh is in fact proposing that he should be one of the three members of that Restructuring Committee.

7 In October, 2015, prior to the Company's filing under the CCAA, the Board approved the formation of the Special Committee, which was empowered to, amongst other things, review, consider and evaluate any business or financial alternatives that might be available to the Company, including a potential CCAA filing, and to provide advice, guidance and approval with respect to the course of action ultimately determined by the Company.

8 In forming the Special Committee, Company counsel (Stikeman Elliott LLP) assisted the Company and the Board in preparing a conflict of interest policy, and also in preparing questionnaires to be completed by each Board member, to determine which members of the Board were in an actual or potential conflict. As a result of this policy and process, it was

determined that Mr. Mehra (as an appointee of the parent company) and that Mr. Ghosh (as management of the Company) each had a conflict or potential conflict, and were not sufficiently independent to serve on the Special Committee.

9 As a result of this policy and this process, it was determined that Mr. Kothari and myself were independent, and the Special Committee is therefore composed of Mr. Kothari and myself. To my knowledge, no other process has since been conducted by the Company or its counsel to identify conflicts or potential conflicts.

10 A copy of the Conflict of Interest Policy adopted by the Company in October of 2015 is attached hereto as **Exhibit A**.

11 As the Company's Conflict of Interest Policy clearly indicates, management was not considered to be an appropriate part of the Special Committee. The reasons for that seem obvious, inasmuch as management will bring their own self-interest to any discussions involving a sale of the Company. That is, management (assuming that it will or may continue with the Company or any new entity formed to buy the assets of the Company) logically will have an interest in selecting both a buyer and a transaction that will maximize the benefits (including remuneration and possibly equity participation) for management personally.

12 In his affidavit, Mr. Strek states that "the responsibilities and duties of the Restructuring Committee are proposed to include those responsibilities typically assigned to a special committee of a board of directors within CCAA Proceedings".

13 I have discussed these issues with other members of the Board (being Mr. Mehra and Mr. Kothari). We understand that a Restructuring Committee will fill a governance vacuum that has been created as a result of the "disengagement" of the Special Committee, and we believe that the Restructuring Committee, if appointed, should be independent of the Company in the

same way that a special committee should be. We also believe that Mr. Ghosh's appointment to the Restructuring Committee would compromise the integrity and independence of that Restructuring Committee.

14 If the Restructuring Committee needs a third member (other than the two independent professionals put forward), the view of Messrs. Mehra, Kothari and myself are that that third member would more appropriately be me, since I have a great deal of knowledge about the Company and I have, according to the Company's own Conflict of Interest Policy, been qualified as independent. I have attached my biography as **Exhibit B**.

15 I am aware of suggestions that the current Board and Special Committee are not independent, expressed as a "perceived lack of independence" in paragraph 25 of Mr. Strek's affidavit. With respect to the Board, I understand that comment – Mr. Mehra and Mr. Ghosh are in positions of conflict or potential conflict. However, I do not understand or agree with that comment as it pertains to me, and if any such "perceived lack of independence" extends to me, then it is no more than conjecture – unfair conjecture in my view - on the part of unidentified individuals.

The Current Roles of the Board and the Special Committee

16 In his affidavit, Mr. Strek accurately notes that "the Board has been effectively disengaged from its role", and that this is the basis for requesting the appointment of the Restructuring Committee. I think it is important to note that the disengagement has not been requested or implemented by the Board or the Special Committee, but rather has been implemented by the Company without the consent of the Board or Special Committee.

17 Among other things, the Company decided to cease holding Board and Special Committee meetings, for any purpose. I am aware that the Court issued an endorsement last

year (on July 19, 2016, as identified in the Strek Affidavit) indicating that certain confidential information should not be provided to the Special Committee. I nevertheless expected that the Company would continue to provide other information to its Board and Special Committee and hold otherwise normal Board or Special Committee meetings. However, the Company elected to stop providing all normal Board information to the Board and the Special Committee, and elected to discontinue all Board and Special Committee meetings.

18 In addition, the Company decided to cease paying the normal fees due to the independent members of the Board, being Mr. Kothari and myself. It ceased paying Special Committee fees to Mr. Kothari in July of last year, and to me in December of last year, and ceased paying Board fees to Mr. Kothari in July of last year and to me in January of this year.

19 Although Mr. Kothari and I have made inquiries regarding the payment of Board and Special Committee fees, the holding of regular meetings, and the resumption of the Board and Special Committee's obligations subject to the terms of the Court's July 19, 2016 endorsement, these issues remain unresolved to date. In addition, no explanation has been provided to us as to why Mr. Kothari's payments stopped at the earlier date of July of 2016, whereas my fees continued to be paid until in or around the end of 2016.

20 Prior to the disengagement of the Board, the Company looked to the Board and the Special Committee for direction and advice, including independent advice, with respect to such matters as approval of the Key Employee Retention Program in these CCAA proceedings, the approval of the appointment of Mr. Strek's firm as Chief Restructuring Advisor, and matters relating to the Company's pension plans.

Directors' Potential Liabilities

21 The Directors face potential liabilities in connection with our status as directors of the Company, including potential environmental liabilities in excess of $220 million.

22 On November 9, 2015, the same day as the Initial Order, an order was issued by the Director of the Ministry of the Environment and Climate Change (the **MOECC Director**) against the Company, certain officers of the Company, and the Directors (the **MOECC Director's Order**).

23 The MOECC Director's Order relates to environmental remediation and decommissioning liabilities that are alleged to arise against the Company and the Directors in the event of the closure of its steel mill operations (the **Environmental Claims**). The Environmental Claims are alleged to arise out of the Company's steel operations. The MOECC Director's Order and the Company's Directors' appeal thereof are currently stayed and have not yet been resolved.

24 It is my understanding that the Company's Directors and Officers Liability insurance policy does not cover the Environmental Claims.

25 The MOECC has also filed a proof of claim in these CCAA proceedings dated February 25, 2016 in respect of very similar environmental claims (the **MOECC Proof of Claim**). The MOECC Proof of Claim names, *inter alia*, the Company and the Directors. The MOECC Proof of Claim asserts an amount of $228,635,436. A copy of the MOECC Proof of Claim, without schedules, is attached as **Exhibit C**.

26 While the Strek Affidavit (in paragraph 17) states that "The Consenting Creditors have made considerable progress with the Province of Ontario and the federal government on capital expenditure and environmental matters", neither the Board nor its counsel has been included in

those discussions or advised of the progress of those discussions, despite the enormous claims that have been made against Board members in respect to environmental matters.

27 In addition to the Environmental Claims and the MOECC Proof of Claim, others proofs of claim, for sums in the millions or hundreds of millions of dollars, have also been filed against members of the Board, including:

(a) A claim for $425,000,000 brought against the Company's Directors and officers by the holders of the Company's 9.50% Senior Secured Notes due 2019;

(b) A claim for USD $392,218,750 brought by Wilmington Trust, National Association, as Trustee and Collateral Agent for the holders of the Company's 9.50% Senior Secured Notes due 2019;

(c) A claim for USD $6,966,203.22 brought by one of the Company's suppliers against the Company, but also naming Kalyan Ghosh;

(d) A claim for $97,000 against, amongst other persons, the Directors in respect of pension shortfalls; and

(e) A claim for $2,000,000 against the Company, but also naming Kalyan Ghosh, in respect of an employment dispute;

28 I am advised by Mr. Reyes of Norton Rose Fulbright Canada LLP that, to the best of his knowledge, these additional claims remain unresolved.

29 Finally, I am advised by Mr. Reyes that directors have certain statutory liabilities relating to source deductions, wage arrears, vacation pay and sales taxes. The amounts of these potential liabilities are significant. By way of example, the Company's accrued and unpaid vacation pay liability is, at almost any time of the year, between $26 million and $30 million.

Untenable Position of the Board

30 The Strek Affidavit states that the Company "explored the possibility of appointing new directors to the Board", but cites difficulties in doing so. Among those difficulties are "liability concerns during the CCAA Proceedings".

31 The Company has chosen not to provide information to the Board and Special Committee, not to have regular meetings, and not to pay normal fees to the independent members of the Board. Having taken each of these steps, the Company now seeks to appoint a Restructuring Committee to assume essentially all of the normal duties and functions of the Special Committee. In addition, the Company wishes to take away the exclusive benefit of the Directors' and Officers' Charge and share the benefit of that charge with the Restructuring Committee, to the direct potential detriment of the Board.

32 As noted above, the Board does not oppose the appointment of the Restructuring Committee in concept, if the Company and its various stakeholders believe that such an appointment would assist in moving these proceedings forward. However, it is the Board's view that the Company must also address outstanding issues relating to the Board. It is simply not reasonable or fair to leave the Board stranded and exposed to numerous liabilities, when it remains ready and willing to serve, but unable to do so.

Conclusions of the Current Board

33 The majority of the current Board believes that, if the Restructuring Committee is appointed, then issues relating to the Board and the Special Committee (which thereby becomes duplicative) should be addressed, including:

(a) the Special Committee should be dissolved, to clarify that it is no longer operative and in fact has been replaced by the Restructuring Committee;

(b) fees outstanding to the current independent members of the Board and the Special Committee should be paid up to date; fees with respect to the Special Committee will cease after May of this year, but normal Board fees should be paid;

(c) counsel to the Board should remain in place in order to provide the Board with advice relating to liabilities or potential liabilities of directors in their capacities as directors, and the Company should continue to pay the reasonable fees and expenses of such counsel;

(d) the Company should be directed to include counsel for the Board in any discussions relating to environmental or other matters where liability issues have arisen or may arise; and

(e) the members of the Restructuring Committee should be truly independent of the Company.

SWORN BEFORE ME in the City of New York, New York, U.S.A. on March 19, 2017. Commissioner for Taking Affidavits	Kishore Mirchandani

ALINA C FRINCULESCU
Notary Public - State of New York
NO. 01FR6130987
Qualified in Queens County
My Commission Expires Jul 25, 2017

EXHIBIT A

State of New York
New York County
Sworn To and Subscribed Before Me
This 19 Day of May, 2017
Notary Public
Alina C Frinculescu

ALINA C FRINCULESCU
Notary Public - State of New York
NO. 01FR6130987
Qualified in Queens County
My Commission Expires Jul 25, 2017

ESSAR STEEL

This is Exhibit A referred to in the affidavit of Kishore Mirchandani sworn before me, this 19th day of May, 2017

A COMMISSIONER FOR TAKING AFFIDAVITS

Essar Steel Algoma Inc.
Conflict of Interest Policy
October, 2015

5/19/2017

I. Statement of Policy

An actual (or perceived) conflict of interest may exist when a director:

1. Is not independent of management of Essar Steel Algoma Inc. (the "**Company**") or of Essar Global Fund Limited or any entity directly or indirectly controlled by it (collectively, the "**Parent**");
2. Has any direct or indirect material business or other relationship or interest with the Company or the Parent that could reasonably interfere (or be perceived to interfere) with the exercise of that director's objective, unfettered, or independent judgment or his/her ability to act in the Company's best interests; or
3. Has any direct or indirect material business or other relationship or interest with any other person or entity with which the Company deals, including as part of an actual or proposed transaction involving the Company.

When a possible conflict of interest exists, the director should disclose that conflict at the earliest possible opportunity, so that appropriate steps can be taken to manage such conflict of interest. These steps might include the director recusing themselves from any meetings of the Board where the matter is being discussed, and from voting on the matter. Where appropriate in the context of specific matters or transactions, a Special Committee that is comprised entirely of qualified and independent directors may also be formed to review such matters or transactions and make recommendations to the Board.

All directors will be required to attest at least annually to their familiarity with this policy and to provide information concerning any possible conflict of interest.

II. Meaning of Material Relationship or Interest

A "material relationship or interest" means a business or other relationship or interest which could reasonably be expected to interfere (or be perceived to interfere) with the exercise of a director's objective, unfettered and independent judgment or a director's ability to act in the Company's best interest.

Material relationships or interests can include commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationships or interests, among others. A material business or other relationship or interest would generally include (among other things):

1. An ownership or investment interest in, or role or compensation arrangement with, any entity or organization with which the Company has (or is negotiating) a transaction or arrangement;
2. An ownership or investment interest in, or role or compensation arrangement with, any entity or organization with which such entity or organization has a transaction or arrangement; or
3. An ownership or investment interest in, or role or compensation arrangement with, any other entity or organization (which may include the Parent or other stakeholder of the Company) in circumstances where the interests of such entity or organization may be different (or perceived to be different) from those of the Company or any other stakeholder of the Company.

For such purposes, compensation includes direct and indirect remuneration as well as gifts, favors, and non-financial benefits that are not insubstantial.

III. Procedures

Immediately upon becoming aware of any material relationship or interest which may give rise to an actual (or perceived) conflict of interest, directors shall disclose the relevant details to the General Counsel & Corporate Secretary of the Company, in writing.

To assist in implementing this Policy, each director shall file a Potential Conflict Report in the form of Exhibit A hereto upon the implementation of this Policy and at least once a year on or before December 31 thereafter, commencing in the year after the year in which this Policy is adopted. These Potential Conflict Reports shall be delivered to the General Counsel & Corporate Secretary of the Company, whose responsibility it will be to oversee the annual distribution of such forms to existing Board members.

EXHIBIT A

Potential Conflict Report

Please answer all questions. If the answer is "yes," please explain. An affirmative response does not imply that the relationship is improper or that it should be terminated.

1. Are you, or have you been during the past three calendar years, an executive officer[1] or director (independent or non-independent) of the Company or the Parent or any other stakeholder of the Company or party with whom the Company has a material relationship, or held any other position with such parties? **If so, please provide relevant details below.**

____

____

____

2. Do you, or any related party,[2] or any entity for which you or any related party works, have any relationship with the Company (other than as a director), or the Parent, or other stakeholder of the Company or party with whom the Company has a material relationship, pursuant to which you, or such related party, or any entity for which you or any related party works, accepts, directly or indirectly, any consulting, advisory or other compensatory fee? **If so, please provide relevant details below.**

____

____

____

1. An "executive officer" includes a chairperson; vice-chairperson; president; vice-president in charge of a principal business unit, division or function; or any other person who performs a policy-making function, whether or not he or she is an officer.

2. For this purpose, a "related party" is defined as members of your immediate family, which includes your spouse, children, siblings, and parents; estates, trusts, partnerships, limited liability companies, corporations and other entities in which you or any member of your immediate family has a present or vested future beneficial interest or serves as an officer, director, or trustee, other than entities in which you and your immediate family members in the aggregate own less than five percent in value of all traded securities.

3. Do you or any related party own any debt or equity securities of the Company or the Parent or any other stakeholder of the Company or party with whom the Company has a material relationship, or have any interest in an entity that does? **If so, please provide relevant details below.**

4. Are you or any related party indebted to, or have you or any related party been indebted since January 1, 2013, to the Company, the Parent, any other stakeholder of the Company or party with whom the Company has a material relationship, or to any other entity where the indebtedness was guaranteed or otherwise supported by any such parties? **If so, please provide details below.**

5. During the past twelve months, have you or any related party had any interest, direct or indirect, in any contract or transaction with the Company or the Parent or any other stakeholder of the Company, or party with whom the Company has a material relationship? **If so, please provide details below.**

6. Do you or any related party have any interest, direct or indirect, in any pending or proposed contract or transaction with the Company or the Parent or any other stakeholder of the Company, or party with whom the Company has a material relationship? **If so, please provide details below.**

____

____

____

7. Except as otherwise disclosed above, do you or any related party have any interest in or relationship with the Company, the Parent, any other stakeholder of the Company, or party with whom the Company has a material interest or relationship, which could reasonably be expected to interfere (or be perceived to interfere) with the exercise of your objective, unfettered and independent judgment or your ability to act in the Company's best interest? **If so, please provide relevant details below.**

____

____

____

* * * * *

I hereby certify that the answers to the foregoing are accurate to the best of my knowledge and belief, and I will promptly notify the General Counsel & Corporate Secretary of the Company of any change which would make any of the answers no longer accurate.

Date:________________________ Signature:____________________________

6471899 v1

JURAT WITH AFFIANT STATEMENT

State of NEW YORK
County of NEW YORK } ss.

☑ See Attached Document (Notary to cross out lines 1–7 below)
☐ See Statement Below (Lines 1–7 to be completed only by document signer[s], *not* Notary)

1
2
3
4
5
6
7

Signature of Document Signer No. 1

Signature of Document Signer No. 2 (if any)

Subscribed and sworn to (or affirmed) before me this 19th day of MAY, 2017, by
Date *Month* *Year*

KISHORE H. MIRCHANDANI
Name of Signer No. 1

N/A
Name of Signer No. 2 (if any)

Signature of Notary Public

ALINA C FRINCULESCU
Notary Public - State of New York
NO. 01FR6130987
Qualified in Queens County
My Commission Expires Jul 25, 2017

Place Notary Seal/Stamp Above

Any Other Required Information (Residence, Expiration Date, etc.)

OPTIONAL

This section is required for notarizations performed in Arizona but is optional in other states. Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: ____________________

Document Date: ____________________ Number of Pages: __________

Signer(s) Other Than Named Above: ____________________

EXHIBIT B

KISHORE MIRCHANDANI, CPA

A seasoned forward-thinking hands-on executive with a stellar record of success in building businesses while having extensive international experience and a successful track record in building large and medium sized enterprises. Proven specialties include:

- Cross Border M&A transactions
- Board leadership
- Restructuring
- Capital markets
- Finance, accounting & tax
- Cloud and technology solutions
- Managing large teams globally
- Sales & marketing of professional services
- C-suite consulting
- Compliance & risk management
- Analytics
- International business

This is Exhibit B referred to in the affidavit of Kishore Mirchandani sworn before me, this 19th day of May, 2017

A COMMISSIONER FOR TAKING AFFIDAVITS

Kishore Mirchandani 5/19/17

Career Highlights

CURRENT BOARD POSITIONS:

DODLA DAIRY LTD
Board Member
January-2015 to Current

Dodla Dairy Limited is a Public Limited Company with its Head Quarters in Hyderabad, India. The company is the largest dairy producing company in the South India founded by entrepreneurs in 1998. The company procures, process and sells milk and milk products across 66 locations in India. The Company is funded by US based PE firm.

ESSAR STEEL ALGOMA
Board Member, Audit and Special Committee Member
September 2013 to Current
Essar Steel Algoma is one of the largest integrated steel producers in Canada. Mr. Mirchandani has served on its Board, the Special Committee constituted in late 2015 to guide Essar Steel Algoma during its current restructuring, and as a member of its Audit Committee.

COMPLYGLOBAL LTD, SINGAPORE
Chairman and Board Member
Jan 2013 to Current

ComplyGlobal Ltd is a leading provider of Software-as-a-Service ("SaaS") technology solutions for the global C-Level executive. The solutions can work across multiple geographies, industries and organization types that is supported by an experienced and technical professional services team in US, UK, India and Singapore

PAST POSITIONS:

FAREPORTAL INC.
Board Member and Advisor
August-2015 to September-2016

Fareportal has a unique hybrid business model that bridges the gap between an online travel agency and a traditional travel agency by leveraging ecommerce online booking platform along with personalized trip booking experience arranged by hundreds of trained and certified travel agents in multiple countries and in multiple languages.by leveraging company owned and operated contact centers located worldwide,

CAN_DMS: \107205138\2

KISHORE MIRCHANDANI, CPA

SMARTSHIFT TECHNOLOGIES INC. MA, USA
Chairman of the Board
August 2013 to August 2014

SmartShift Technologies is the leading provider of solutions for automated optimization of complex IT systems, cloud enablement and management services. SmartShift assists clients strategically plan for transition to the Cloud as well as effectively migrate, monitor and manage their technical environment and applications in the Cloud. SmartShift also offers automated technology tools, for the transformation of the legacy applications and IT systems such as SAP and Oracle. SmartShift 's licenses Cloud based products to support ERP systems like SAP HANA.

Appointed as Chairman of the Board by the Investor Group to:

- Review the Capital Structure and the Operations of the Company
- Assist in financial restructuring of Indian and Mauritius entities and create efficient Capital Structure
- Revamp financial reporting and implement budgeting process
- Execute Management changes to bring company to profitability by closing inefficient business units.
- Develop the plan for strategic initiatives for the Company

OUTSOURCE PARTNERS INTERNATIONAL, INC.
Founder, Board Member & CEO
January 2001 to May 2012

Over this twelve-year period, OPI grew from startup to nearly 4,000 employees and $100 million in revenues – the largest company dedicated to outsourcing finance, accounting, tax and data analytics. OPI serves 80+ clients, mainly US mid-cap companies, through operations in the US, UK, India, Malaysia and Bulgaria. OPI has been recognized for its outstanding growth and performance by Gartner, Inc 500, Forbes and the International Association of Outsourcing Professionals, among others.

OPI was sold to EXL Service Holdings (NYSE:EXLS) in June 2011, for over $100 million – a 20% compound annual return on invested capital. Mr. Mirchandani remained to assist with the integration until May 2012.

- Started the business at a time when finance & accounting outsourcing was largely unheard of and six other companies had tried but failed to successfully enter the space
- Conceived and implemented service delivery mechanisms, value propositions, target markets and differentiators
- Successfully negotiated and closed three rounds of private equity financing
- Established offshore delivery centers in Bangalore, Kochi, Delhi, Malaysia and Bulgaria
- Built offshore methodologies, security and disaster recovery
- Led the acquisition of new clients in North America and Europe and managed the front-end sales and marketing effort
- Successfully negotiated and closed the sale of the business to EXL

KISHORE MIRCHANDANI, CPA

MLZ PARTNERS LLP

Founder and Managing Partner
January 1988 to December 2000

During this twelve-year period, MLZ grew from startup to 90 employees – the firm was dedicated to Accounting and Advisory practice focused in the SME market. The services provided ranged from Audit, International tax compliance and planning, advisory and outsourcing of finance, accounting, and tax for Venture Capital firms' portfolio companies. MLZ served over 100 clients; mainly start ups and SME segment. MLZ had offices in New York City and New Jersey and also built an International network through active membership with Russell Bedford International.

Also, founded a payroll company **Automated Payroll Inc** in 1996 to provide traditional payroll processing and compliance. API served over 100 clients mainly startups and SME market in NYC and New Jersey area. API was sold to Paychex in December 1998.

MLZ was sold to Russell Bedford Stefano Mirchandani LLP (RBSM LLP) in June 2002 as a part of the deal to structure the launch of OPI (formerly known as itAccounts)

DELOITTE AND TOUCHE

LONDON, UK

During his 4 years with Deloitte, Completed the training as Chartered Accountant and held a number of positions in the UK practice including Senior Accountant

General Information

Following is a summary of non-profit Board of Trustee experience:

- American India Foundation, Member Audit Committee
- Children's Hope, Advisory Board Member

Education

The City University
London, UK
B.S. Industrial Chemistry – 1973

Professional Affiliations / Licenses

- American Institute of CPAs
- NY State Society of CPAs
- Fellow Member of Institute of Chartered Accountants in England and Wales
- Indian Institute of Chartered Accountants
- TIE Angels Network
- Indian Angel Network

EXHIBIT C

Ministry of the Attorney General
Crown Law Office
Civil Law
720 Bay Street
8th Floor
Toronto ON M7A 2S9

Ministère de la Procureure générale
Bureau des avocats de la Couronne Droit civil
720 rue Bay
8e étage
Toronto ON M7A 2S9

Tel/Tél: (416) xxx-xxxx
Fax/Téléc.: (416) 326-4181
Email: ronald.carr@ontario.ca

Ontario

RECEIVED
FEB 2 6 2016

February 25, 2016

By Courier

ERNST & YOUNG INC.
EY Tower
222 Bay Street, P.O. Box 143
Toronto, Ontario
M5K 1H1

Attention: Essar Steel Algoma Inc. Claims

Sirs;

Attached please find Proof of Claim of Her Majesty the Queen in Right of Ontario as represented by the Ministry of the Environment and Climate Change together with attached Schedules "A" through "E". This Proof of Claim and supporting documentation are delivered pursuant to order of the Honourable Justice Newbould dated January 14, 2016. The within claim is delivered out of an abundance of caution and to avoid the expiry of any claims of the Crown by reason of the claims bar order. It is anticipated that the claim would be effective only in the event that the restructuring of Essar Steel Algoma Inc. fails and the company is placed into liquidation or ceases to carry on business for any other reason. The Crown is wholly supportive of the restructuring of this company and is hopeful that such effort will be successful.

The claim is filed without prejudice to such claims as may be asserted by the Crown under the *Environmental Protection Act* or other legislation.

Yours truly,

Ronald Carr

Ronald Carr.

ALINA C FRINCULESCU
Notary Public - State of New York
NO. 01FR6130987
Qualified in Queens County
My Commission Expires Jul 25, 2017

C
Kishore Mirchandani
19th
May, 2017

State of New York
New York County
Sworn To and Subscribed Before Me
This 19th Day MAY, 2017
Notary Public

Alina C Frinculescu

5/19/17

CANADIAN CCAA Proof of Claim re: Essar Steel Algoma Inc. and others

1 Name of the Debtor (the "Debtor")
Debtor: Essar Steel Algoma Inc.

2 Original Creditor Identification (the "Creditor")

Legal Name of Creditor Her Majesty the Queen in right of Ontario			Name of Contact Ronald Carr
Address 135 St. Clair Ave West, 10th Floor			Phone # 416-326-2704 Fax # 416-574-4421
City Toronto	Prov / State ON	Postal/Zip code M4V 1P5	e-mail Ronald.Carr@ontario.ca

3 Assignee, if claim has been assigned

Full Legal Name of Assignee			Name of Contact
Address			Phone # Fax #
City	Prov / State	Postal/Zip code	e-mail

4 Amount of Claim

The Debtor / Officer(s) / Director(s) was/were and still is/are indebted to the Creditor as follows:

Claims will be recorded as "Unsecured" unless the "Secured" box is checked

Currency (e.g. CAD,USD)	Original Currency Amount	Secured	S. 136 Priority (Check only if applicable)	Restructuring	If you are making a claim against an Officer or Director, check the box below & list the Officer(s) & Director(s) against whom you assert your claim	
CAD (Canadian Dollar)	228,635,436.00	☐	☐	☐	☒	
		☐	☐	☐	☐	Kalyan Ghosh Jatinder Mehra Naresh Kothari Kishore Mirchandani Rajat Marwah Pramod Kumar Shukla David James Rennie J. Robert Sandoval
		☐	☐	☐	☐	
		☐	☐	☐	☐	
		☐	☐	☐	☐	
		☐	☐	☐	☐	

5 Documentation

Provide all particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor which has guaranteed the Claim and amount of invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the affected Debtor to the Creditor and estimated value of such security, and particulars of any restructuring claim.

6 Certification

I hereby certify that:
- I am the Creditor, or authorized Representative of the Creditor.
- I have knowledge of all the circumstances connected with this Claim.
- The Creditor asserts this claim against the Debtor; and the Officer(s) and Director(s) as indicated above
- Complete documentation in support of this claim is attached.

This space reserved for use by the Monitor

FEB 26 2016

Signature Ronald Carr	Name Ronald Carr Title Counsel
Dated February 26, 2016	Signed at Toronto, Ontario

7 Filing of Claim

This Proof of Claim must be received by the Monitor by no later than 5:00 p.m. (prevailing Eastern Time) on February 26, 2016, by prepaid ordinary mail, registered mail, courier, personal delivery or electronic or digital transmission at the following address:

Ernst & Young Inc.,
222 Bay St., P.O.Box 251
Toronto-Dominion Centre
Toronto, ON M5K 1J7
CANADA
Attention: Essar Steel Algoma Inc. Claims

Fax: 1-416-943-2865
Tel: 1-855-941-1820 or
1-416-941-1820
e-mail: EssarAlgoma@ca.ey.com

An electronic version of this form is available at www.ey.com/ca/EssarAlgoma

ATTACHMENT - PROOF OF CLAIM

The submission of this proof of claim by Her Majesty the Queen in right of Ontario as represented by the Ministry of the Environment and Climate Change ("HMQ") is in the amount of $228,635,436 and is comprised of the costs to address the environmental conditions at the steel mill owned by Essar Steel Algoma Inc. in Sault Ste. Marie (the "Mill").

The submission of this proof of claim is:

(1) contingent on the cessation of operations at the Mill, whether as a result of Essar Steel Algoma Inc. being placed into liquidation or for any other reason;

(2) without prejudice to any proceedings that HMQ may initiate, or has initiated, against Essar Steel Algoma Inc. or its current or former directors and officers; and

(3) without prejudice to the HMQ's position that the Director's Order issued on November 9, 2015, as amended on November 15, 2015, or any other regulatory order issued pursuant to the *Environmental Protection Act* or other environmental legislation are orders for the "enforcement of a payment" by HMQ within the meaning of sections 11.1(2) and 11.1(4) of the *Companies' Creditors Arrangement Act.*

HMQ relies on the following documents as proof of its claim:

1) Schedule "A" of Proof of Claim, "Update Summary of Decommissioning Environmental Liability Estimate", dated February 24, 2016;

2) Schedule "B" to the Proof of Claim, "Decommissioning Environmental Liability Estimate", dated May 17, 2004;

3) Schedule "C" to the Proof of Claim, Inflation Calculation;

4) Schedule "D" to the Proof of Claim, 2016 Environmental Decommissioning Estimates; and

5) Schedule "E" to the Proof of Claim, Figure – Essar GIS Labels

HMQ submits that any accurate estimate of the cost of remediation related to the Debtor's properties is premature because the nature and extent of contamination has not yet been established. Given the limited information upon which the estimates were based, HMQ submits that the costs of remediation may greatly exceed the estimates and HMQ's claim is subject to adjustment if, and when, the nature and extent of contamination is established.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.: CV-15-000011169-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ESSAR STEEL ALGOMA INC., ESSAR TECH ALGOMA INC., ALGOMA HOLDINGS B.V., ESSAR STEEL ALGOMA (ALBERTA) ULC, CANNELTON IRON ORE COMPANY, AND ESSAR STEEL ALGOMA INC. USA

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AFFIDAVIT OF KISHORE MIRCHANDANI

Norton Rose Fulbright Canada LLP
Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street, P.O. Box 84
Toronto, Ontario M5J 2Z4 CANADA

Tony Reyes LSUC#: 28218V
Tel: 416.216.4825
Tony.Reyes@nortonrosefulbright.com

Jennifer Teskey LSUC#: 48181I
Tel: 416.216.2303
Jennifer.Teskey@nortonrosefulbright.com
Fax: 416.216.3930

Lawyers for The Board of Directors of Essar Steel Algoma Inc.

22

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.: CV-15-000011169-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ESSAR STEEL ALGOMA INC., ESSAR TECH ALGOMA INC., ALGOMA HOLDINGS B.V., ESSAR STEEL ALGOMA (ALBERTA) ULC, CANNELTON IRON ORE COMPANY, AND ESSAR STEEL ALGOMA INC. USA

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

RESPONDING MOTION RECORD
(Motion for the Appointment of a Restructuring Committee)
(Returnable May 23, 2017)

NORTON ROSE FULBRIGHT CANADA LLP
Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street, P.O. Box 84
Toronto, Ontario M5J 2Z4 CANADA

Tony Reyes LSUC #28218V
Tel: 416.216.4825
Tony.Reyes@nortonrosefulbright.com

Jennifer Teskey LSUC#: 48181I
Tel: 416.216.2303
Jennifer.Teskey@nortonrosefulbright.com

Lawyers for the Board of Directors of
Essar Steel Algoma Inc.