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## Recovery plan for Kremikovtzi submitted

*Tuesday, 30 Jun, 2009*

Bulgarian media reported that a recovery plan for the now defunct Kremikovtzi steel plant has been submitted in the Sofia City Court by the assignee in bankruptcy Mr Tsvetan Bankov.

Monday was the deadline for submitting a "Kremikovtzi Health Plan", which appears to be the absolutely final chance to save the insolvent factory.

The recovery plan involves capitalization of the company's debt, making the claims of creditors which the law allows it, part of the capital. Only the debt to public institutions will not be capitalized.

If Mr Bankov's plan is not approved, the most likely outcome would be to begin a procedure to finally shut down the steel mill.

Kremikovtzi has over EUR 500 million of mounting debt. The failure to pay the gas bills was the reason to halt gas supply to the mill from state owned gas supplier Bulgargaz triggering the closure of the coke processing plant and the blast furnaces. The National Electric Company has also threatens to cut the electric power supply to the mill.

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