

## Sanjeev Gupta Seeks Steel Rescue Plan

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Sanjeev Gupta, the metals tycoon behind Liberty Steel, is proposing a refinancing plan to save the company's Speciality Steels UK (SSUK) division from compulsory liquidation. The plan involves transferring SSUK, the UK's third-largest steel producer, into an independent trust-like structure for the benefit of his family. This follows a High Court hearing in London on 20 August 2025, where the Department for Business and Trade confirmed preparations for a potential government-led insolvency process if Gupta's plan fails. SSUK employs

nearly 1,500 people at sites in Rotherham, Stocksbridge, and Bolton, producing specialised steel for aerospace, automotive, and energy sectors.

The proposed pre-pack administration, facilitated by accountancy firm Begbies Traynor, would allow SSUK to shed hundreds of millions in liabilities, including tax and creditor debts, while maintaining operations. However, the plan faces opposition from creditors, notably Greensill Capital UK, which collapsed in 2021 after financing billions in loans to Gupta's GFG Alliance. UBS, a creditor linked to Greensill through its acquisition of Credit Suisse, also opposes the move. A court letter from the Department for Business and Trade noted that independent third parties have expressed interest in acquiring SSUK sites for steelmaking if liquidation proceeds, with the Official Receiver ready to appoint a special manager to oversee operations.

Gupta's plan includes a financing support letter from BlackRock, reportedly committing up to £75m in an asset-based loan. A source close to Gupta claimed the new ownership structure would be independent, with robust governance, though this has met scepticism given past financial troubles within GFG Alliance. Gupta referenced advanced equity funding talks with Fidera Group, a London-based firm specialising in distressed assets, though Fidera downplayed its involvement. A second court hearing on 21 August 2025 is expected to determine SSUK's fate, potentially allowing Gupta to bid for the business if it enters receivership.

Liberty Steel highlighted Gupta's investment of nearly £200m into UK steel operations, underscoring the industry's strategic importance. The company has faced challenges from high energy costs and reliance on imported steel, impacting profitability. Previous attempts to secure government support, including during the pandemic and via legislation used for British Steel's rescue, were rejected. The Department for Business and Trade continues to monitor developments, supporting the Official Receiver's preparations for a possible liquidation.

The outcome will significantly affect South Yorkshire's economy and the UK's steel sector, already under pressure from global competition and rising costs. As the court deliberates, stakeholders await clarity on whether Gupta's refinancing plan can preserve jobs and operations without taxpayer intervention.