

VINAYAGA INFRA LIMITED

INVITATION FOR EXPRESSIONS OF INTEREST FOR SUBMISSION OF RESOLUTION PLAN IN VINAYAGA INFRA LIMITED

1. Introduction:

- I. **VINAYAGA INFRA LIMITED** (the “VIL”) is an unlisted public company incorporated on 17 June, 1996. The registered office of the company is at NEW NO 30, OLD NO 18, 6TH CROSS STREET, SHENOY NAGAR (WEST), CHENNAI, Tamil Nadu. The total paid-up capital is INR 223773000. The company also has secured loans for the amount of INR 1,652.13 cr. The last reported AGM (Annual General Meeting) of the company, per our records, was held on 30 September, 2017. Also, as per our/MCA records, its last balance sheet was prepared for the period ending on 31 March, 2017. Vinayaga Infra Ltd is Iron & Steel Manufacturers & Traders, Fly Ash Brick Manufacturers Chennai & Raichur (Branch).
- II. VINAYAGA INFRA LIMITED is currently undergoing a Corporate Insolvency Resolution Process (“CIRP”) that has been initiated as per the provisions of Insolvency and Bankruptcy Code (IBC) 2016 under the order of **National Company Law Tribunal (“NCLT) Chennai Special Bench** in respect of Company Petition **CP/430/(IB)/2018**, and the insolvency commencement date under the IBC is **October 05, 2018**.
- III. Committee of Creditors (“CoC”) through Resolution Professional (“RP”) is in process of identifying resolution applicant(s) for VIL. Hence, the RP, Mr.Chandramouli Ramasubramaniam, on behalf of the CoC invites Expression of Interest (“EoI”) from investors having adequate financial capability to submit resolution plan [*Refer Annexure-D*] for VIL under CIRP.

2. Transaction Process:

The transaction process shall be completed in the following stages, brief of which is discussed hereunder

- Submission of EOI by interested Resolution Applicants (RAs) in a sealed envelope.
- All the EOIs received will be reviewed by RP as well as CoC and the applicants will be shortlisted.
- Signing of Non-Disclosure Agreement.
- Access to data room for due diligence by Resolution Applicants who have signed the Non-Disclosure Agreement.
- Submission of Resolution Plan(s) by RAs in another separate sealed envelope.
- Shortlisting RAs by CoC

3. The qualification criterion for the proposed transaction is as under:

The applicant must be ‘fit and proper’ person not under any legal disability to be promoter under the applicable laws including listing agreement, stock exchange requirements and SEBI regulations and guidelines. The applicant having adequate financial capability would submit proof

of its effective net worth by means of Chartered Accountants Certificate in this regard.

4. Submission of EOI:

- a) Expression of Interest (EOI) is invited in a sealed envelope superscripted as **<Expression of Interest for Investment in VINAYAGA INFRA LIMITED>**, in the format as set out in Annexure 'A' hereto.
- b) Applicants shall submit the EOI with details set out as **Annexure 'B'** along with the supporting documents set out as **Annexure 'C'**.
- c) Applicant shall submit the sealed envelope containing a complete set of the EOI in hard copy along with the Annexures stated above, to the following address by post or deliver in person:

C. RAMASUBRAMANIAM
Resolution Professional in the matter of
VINAYAGA INFRA LIMITED
'RAJI' 3B1, 3rd Floor, Gaiety Palace,
No.1L, Blackers Road, Mount Road, Chennai-600 002.

A soft copy of EOI along with annexures stated above should be mailed to fcs.rms@gmail.com

5. Last Date of Submission of EOI:

The last date for submission of EOI is **03 January, 2019**. In case the designated day happens to be a holiday; the next working day will be deemed as the last date for submission of EOI.

All the EOIs received will be reviewed by RP as well as COC and shortlisted applicants will be shared the Information Memorandum, prepared as per provisions of the Code, after signing of Non-Disclosure Agreement.

Such shortlisted Applicants will be given 30 (Thirty) days' timelines to carry out due-diligence and submit Resolution Plan as per provisions of the Code.

Note

- 1) COC/RP has the right to cancel or modify the process without assigning any reason and without any liability. This is not an offer document and is issued with no commitment. Applicants should regularly visit website **www.cirpindia.com** to keep themselves updated regarding clarifications/ amendments/ time-extensions, if any.
- 2) COC/ RP reserve the right to withdraw EOI and change or vary any part thereof at any stage and also reserve the right to disqualify any prospective applicant, should it be so necessary at any stage.
- 3) No oral conversations or agreements with the RP or any official, agent or employee of

the RP, or any member of the COC shall affect or modify any terms of this EOI.

- 4) Neither the applicant nor any of the applicant's representatives shall have any claims whatsoever against the RP or any member of the COC or any of their directors, officials, agents or employees arising out of or relating to this EOI.
- 5) By submitting a proposal, each applicant shall be deemed to acknowledge that it has carefully read the entire EOI and has fully informed itself as to all existing conditions and limitations.

“ANNEXURE – A”

**FORMAT FOR EXPRESSION OF INTEREST FOR SUBMISSION OF
RESOLUTION PLAN IN VINAYAGA INFRA LIMITED UNDER CIRP**

Date: _____

To,
Mr. C. Ramasubramaniam, Resolution Professional
(Appointed by the Committee of Creditors of VINAYAGA INFRA LIMITED)

Subject: Expression of Interest (“**EOI**”) for submission of Resolution Plan in VINAYAGA INFRA LIMITED (“**VIL**”) under Corporate Insolvency Resolution Process (**CIRP**)

Dear Sir,

In response to your public advertisement in [*Insert the names of the newspaper and/or website*] on [*Insert date of the advertisement*] inviting EOIs for submission of Resolution Plan in VIL, we hereby submit our EOI.

We have attached necessary information requested in the format for EOI published on the website of **www.cirpindia.com**. The information furnished by us in this EOI is true, correct and accurate to the best of our knowledge. Based on this information we understand you would be able to evaluate our preliminary proposal in order to shortlist for the above-mentioned proposal.

We however, understand that C. Ramasubramaniam, Resolution Professional (“**RP**”) and the Committee of Creditors (“**COC**”) reserve their right to decide whether or not to pre-qualify our proposal without disclosing the reason whatsoever and that Resolution Plan submitted in VIL shall be subject to approval of the final resolution plan by the members of COC and the NCLT, in terms of the provisions of the Insolvency and Bankruptcy Code, 2016.

Sincerely yours,

On behalf of (Insert name of the entity submitting the EOI)

Signature:

Name of signatory:

Designation:

Company

Seal/Stamp

“ANNEXURE – ‘B’

DETAILS OF THE PROSPECTIVE INVESTOR / APPLICANT

Name and address

Name of the Investor/Applicant:

Address:

Telephone No:

Fax:

Email:

Date of establishment of Investor/Applicant:

Core area of expertise of the Investor/Applicant:

Contact Person:

Name:

Designation:

Telephone No:

Email:

PAN No. or equivalent details of Investor/Applicant

“ANNEXURE – C”

SUPPORTING DOCUMENTS TO BE ATTACHED WITH EOI

- (a) Profile of the Prospective Investor / Applicant
- (b) **Legal Documents:** Copies of Certificate of Registration and Constitutional Documents of the Prospective Investor/ Applicant
- (c) **For Turnover:** Immediately preceding 3 (three) years audited financial results of the Prospective Investor and/or its promoter/promoter group or any other group company.
- (d) **For Demonstration of funds availability:** Statement of funds availability of the Prospective Investor and/or promoter/promoter group or any other group company.
- (e) **For Net worth:** The applicant must submit documents indicating its effective net worth, supported by the certificate of Chartered Accountant.
- (f) A notarized declaration from the applicant in order to demonstrate that the promoter/promoter group or any other group company are part of the same group, in case the applicant is using such entities for submitting EOI. Please note that the applicant must be ‘fit and proper’ person not under any legal disability to be promoter under the applicable laws including listing agreement and SEBI regulations and guidelines and shall provide all relevant documents for its promoter/promoter group or any other group company. [Refer Annexure – D & E for Sec 29A of IBC, 2016]
- (g) Investor/RAs Profile:
 - i. Investor/RAs Financial Profile (consolidated/standalone as applicable):
 - ii. Experience of the Investor/RAs in the relevant sector.
 - iii. History if any, of the Investor/RAs or affiliates of the Investor/RAs being declared a “wilful defaulter”, non-cooperative borrower’, ‘non-impaired asset’ or ‘non-performing asset (Self Declaration)
- (h) A Demand draft for an amount of Rs.10,000/- to be drawn in favour of the Corporate Debtor (VINAYAGA INFRA LIMITED) by the prospective RA who is submitting the Resolution Plan.

ANNEXURE - D

ELIGIBILITY CRITERIA FOR QUALIFICATION

In the meeting of Committee of Creditors of VINAYAGA INFRA LIMITED held on 17/12/2018, the following eligibility criterion was decided by the members of COC for a Prospective Resolution Applicant to participate in the CIRP of VINAYAGA INFRA LIMITED, for submission of Resolution Plan:

- 1) **Category A - In case of a Individuals private/ public limited company, Partnership firm LLP, body corporate whether incorporated in India or outside India:**
 - Minimum tangible net worth (TNW) of Rs. 10 crores (as per Companies Act, 2013 or, in case of NBFCs, applicable RBI Regulations) at the end of the immediately preceding completed financial year, but not earlier than 31 March 2018
- 2) **Category B – In case of Individuals, Partnership Firm, Financial Investors (FI¹) / Mutual Funds / Private Equity / Venture Capital Funds, Domestic / Foreign Investment Institutions, Non-Banking Finance Companies (NBFC²), Asset Reconstruction Companies, Banks and similar entities:**
 - Total assets under Management (AUM) / Loan Portfolio shall be at least Rs. 20 crores at the end of the immediately preceding completed financial year, but not earlier than 31st March 2018; OR
 - ¹FI as defined under Section 45-1(c) of RBI Act
 - ²NBFC as defined under Section- 45-1(f) of RBI Act

Shortlisted applicants based on the eligibility criteria shall be provided access to Virtual Data Room on signing of Non-Disclosure Agreement, which shall be shared separately.

Please be informed that all the Prospective Resolution Applicants, must not attract any of the in-eligibilities as per the provisions of Section 29A of IBC, 2016. [Refer **Annexure ‘E’**]

“ANNEXURE E”

29A. **Persons not eligible to be resolution applicant.**

A person shall not be eligible to submit a resolution plan, if such person, or any other person acting jointly or in concert with such person—

- (a) is an undischarged insolvent;
- (b) is a willful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949);
- (c) at the time of submission of the resolution plan has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949) or the guidelines of a financial sector regulator issued under any other law for the time being in force, and at least a period of one year has lapsed from the date of such classification till the date of commencement of the corporate insolvency resolution process of the corporate debtor:

Provided that the person shall be eligible to submit a resolution plan if such person makes payment of all overdue amounts with interest thereon and charges relating to non-performing asset accounts before submission of resolution plan:

Provided further that nothing in this clause shall apply to a resolution applicant where such applicant is a financial entity and is not a related party to the corporate debtor.

Explanation I- For the purposes of this proviso, the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date.

Explanation II.— For the purposes of this clause, where a resolution applicant has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset and such account was acquired pursuant to a prior resolution plan approved under this Code, then, the provisions of this clause shall not apply to such resolution applicant for a period of three years from the date of approval of such resolution plan by the Adjudicating Authority under this Code;

- (d) Has been convicted for any offence punishable with imprisonment –
 - i. for two years or more under any Act specified under the Twelfth Schedule; or
 - ii. for seven years or more under any law for the time being in force:

Provided that this clause shall not apply to a person after the expiry of a period of two years from the date of his release from imprisonment:

Provided further that this clause shall not apply in relation to a connected person referred to in clause (iii) of Explanation I;

- (e) is disqualified to act as a director under the Companies Act, 2013 (18 of 2013): Provided that this clause shall not apply in relation to a connected person referred to in clause (iii) of *Explanation I*;
- (f) is prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;
- (g) has been a promoter or in the management or control of a corporate debtor in which a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place and in respect of which an order has been made by the Adjudicating Authority under this Code:

Provided that this clause shall not apply if a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place prior to the acquisition of the corporate debtor by the resolution applicant pursuant to a resolution plan approved under this Code or pursuant to a scheme or plan approved by a financial sector regulator or a court, and such resolution applicant has not otherwise contributed to the preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction;

- (h) has executed a guarantee in favor of a creditor in respect of a corporate debtor against which an application for insolvency resolution made by such creditor has been admitted under this Code and such guarantee has been invoked by the creditor and remains unpaid in full or part;
- (i) is subject to any disability, corresponding to clauses (a) to (h), under any law in a jurisdiction outside India; or
- (j) Has a connected person not eligible under clauses (a) to (i).

Explanation I. — for the purposes of this clause, the expression "connected person" means—

- i. any person who is the promoter or in the management or control of the resolution applicant; or
- ii. any person who shall be the promoter or in management or control of the business of the corporate debtor during the implementation of the resolution plan; or
- iii. the holding company, subsidiary company, associate company or related party of a person referred to in clauses (i) and (ii):

Provided that nothing in clause (iii) of *Explanation I* shall apply to a resolution applicant where such applicant is a financial entity and is not a related party of the corporate debtor.

Provided further that the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date;

Explanation II—For the purposes of this section, "financial entity" shall mean the following entities which meet such criteria or conditions as the Central Government may, in consultation with the financial sector regulator, notify in this behalf, namely:—

- (a) a scheduled bank;
- (b) any entity regulated by a foreign central bank or a securities market regulator or other financial sector regulator of a jurisdiction outside India which jurisdiction is compliant with the Financial Action Task Force Standards and is a signatory to the International

Organization of Securities Commissions Multilateral Memorandum of Understanding;

- (c) any investment vehicle, registered foreign institutional investor, registered foreign portfolio investor or a foreign venture capital investor, where the terms shall have the meaning assigned to them in regulation 2 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 made under the Foreign Exchange Management Act, 1999 (42 of 1999);
- (d) an asset reconstruction company register with the Reserve Bank of India under section 3 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
- (e) an Alternate Investment Fund registered with Securities and Exchange Board of India;
- (f) Such categories of persons as may be notified by the Central Government.