

EXPRESSION OF INTEREST
STRIDE AUTOPARTS LIMITED
(UNDERGOING CORPORATE INSOLVENCY RESOLUTION PROCESS)

1. Background

The application was filed by B.D Construction, an Operational Creditor of Stride Autoparts Limited ("Corporate Debtor"), for initiating Corporate Insolvency Resolution Process ("CIRP") of the Corporate Debtor under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("IBC") read with Rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 before the Hon'ble National Company Law Tribunal (NCLT), New Delhi, Court No. IV. The matter was admitted in C.P. No. (IB) 1281 (ND) / 2018 by the Hon'ble NCLT, New Delhi, Court No. IV, vide its order dated 08.01.2019 and the Interim Resolution Professional (IRP) was directed to cause Public Announcement of CIRP immediately as provided in Section 15 of the Insolvency and Bankruptcy Code, 2016.

That the Copy of the order was available and downloaded from the website of NCLT on 14.01.2019, therefore the date of appointment of Interim Resolution Professional is 14.01.2019 on which date copy of order in C.P No.(IB)-1281/ND/2018 of Hon'ble NCLT, New Delhi (Court No. IV) was available on the website.

That accordingly Public Announcement in terms of Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 was made in Business Standard (English & Hindi) in Delhi NCR region on 16.01.2019 and Dainik Bhaskar (Hindi) newspapers in Rajasthan, Bhiwadi on 17.01.2019 inviting all the creditors of Stride Autoparts Limited (SAPL) to submit their claim to the IRP. Further the Financial Creditor and Operational Creditors filed their claims to the undersigned.

In the meeting of Committee of Creditors held on 11.03.2019, the members approved the appointment of IRP to act as RP in the Corporate Insolvency Resolution Process of Corporate Debtor.

BRIEF BACKGROUND & COMPANY AT A GLANCE

SAPL is a Limited Company incorporated on 26.11.2010, engaged in manufacturing of heavy weight critical casting components for auto motive and non-automotive segments including

tractors, earth –movers, off-road vehicles and material handling equipment. Its plant is situated at SP-255, RIICO Industrial Area, Kahrani, Disst. Alwar, Rajasthan. The plant of the CD is on Industrial plot admeasuring 59693.25 sq. mtr allotted to SAPL by RIICO

Registered Office	F-16, Treveni Commercial Complex, Sheikh Sarai-I, New Delhi - 110017
Factory & Works	SP-255, RIICO Industrial Area, Kahrani, Bhiwadi Extension, Bhiwadi – 301019, Disst. Alwar, Rajasthan.
Activity/Products	Manufacturing of heavy weight critical casting components for automotive and non auto-motive segments
Industry	Auto ancillary Industry
Name of Directors	i. Mr. Sanjay Garg ii. Mr. Atul Tandon iii. Mr. Mahesh Chand Agrawal
Installed Capacity	Casting :- 36000 MTPA, Machining :- 0.5 million, Components:- PA
Commencement of Production	July, 2014
Banking Arrangement	Credit facilities availed from SBI, Syndicate Bank and Central Bank of India.

PRODUCT AND ITS APPLICATION

SAPL product portfolio presently includes heavy weight critical casting components such as axle beams, kingposts, flywheel housing, swivel hub, end carriage, housing bodies, coupling, valves, tractor components, earth moving equipments and other heavy critical casting components.

PRODUCT	USES	APPLICATION
Axle Beams	Front Wheel	Tractors
Kingposts	Power Transmission	JCB
Flywheel Housing	Power Transmission	Earthmoving
Swivel Hub	Power Transmission	JCB
End Carriage	Power Transmission	JCB
Housing Bodies	Power Transmission	Tractors
Valves	Hydraulic Systems	Infrastructure
Crank Casing	Power Transmission	Power Generation Sector
Planet Carrier	Transmission & Holding System	Earthmoving
Sprocket Housing	Engine Transmission	Trucks
Differential Carrier	Engine Transmission	Trucks
Trunion Bases	Engine Transmission	Trucks
Front Hangers	Engine Transmission	Trucks

TECHNOLOGY

SAPL has a Modern Ferrous Casting and Machining unit SAPL manufactured heavy weight critical casting components for auto motive and non-automotive segments including tractors,

earth-movers, off-road vehicles and material handling equipments. The plant technology is based on **No Bake Furan Resin technology** ensuring good surface finish with more dimensional accuracy castings.

Plant technology is based on No Bake Furan Resin technology, which has the following inherent advantages:

- Single casting weighing over 1 tones can be produced
- High strength at a lower addition rate of resin thus improve reduction in binder costs up to 10~20%.
- Good surface finish with more dimensional accuracy castings.
- Due to faster curing facility, the production time reduced and productivity enhanced.
- Can be used for steel, large & small ductile iron, non-ferrous alloys foundries.
- Provide high compressive strength for moulds & cores
- No Bake Moulding line installed in the foundry has been sourced from IMF (Impianti Machine Fonderia) Italy, a world leader in foundry equipment.
- Capability to produce a wide range of ferrous casting components ranging from 50 kg to 1000 Kgs. with two different sizes of moulding line
- Other Machines includes Induction furnaces of 3 t/hr, 60 ton continuous sand mixers, Mechanical reclamation (25 ton/hr), No thermal reclamation (6ton/hr) etc.

PLANT LAYOUT

The plant has been built with modern amenities with well laid out sheds. There are 2 major sheds namely Casting Shed and Machining Shed.

- The company has designed the plant layout based on the European Design and Technology. Thus, every area would be served by extensive material handling facility, ensuring efficient and fast movement of material on shop floor leading to high productivity
- With No Bake Furan Resin technology the company can manufacture a wide range of ferrous casting components ranging from 50 kg to 1000 Kgs with good surface finish and dimensional accuracy for critical components
- The mould line installed in the plant is Modern No Bake Moulding line sourced from IMF (Impianti Machine Fonderia), a world leader in foundry equipment

- Modern infrastructure and latest technology in foundry and machining.
- Single casting weighing over 1 tonnes can be produced.
- High strength at a lower addition rate of resin thus improve reduction in binder costs up to 10~20%.
- Good surface finish with more dimensional accuracy castings.
- Gives rise to highly clean environment as no gas is burnt for heating & drying of moulds
- The machineries at the plant have been acquired from reputed and globally known manufacturers and are operational and in good working condition.

RAW MATERIAL

The major raw materials for company's products are as follows and the required major raw material is available indigenously:

PROCESS	MATERIAL	SOURCE
Melting	MS scrap Pig Iron CPC Ferro Alloys	Automotive & sheet metal waste Melting of iron ore By product of coal processing Melting of different ore
Moulding	Silica sand Bentonite Coal dust	River bed Mines Pulverized coal
Core making	Resin coated sand Silica Sand Core resin Tea	Mixing of silica sand with resin Mines Vegetable product Amine gas

POWER

The company is an EHT consumer sourcing power from Jaipur Vidyut Vitran Nigam Limited with a maximum contracted load of 6000 KVA through 132 KV line, which is sufficient to meet the power requirement of the plant at current operation levels. The company is having 750

KVA DG for backup power.

WATER

The water for the plant is only required for catering to water requirement of workers and staff and for process water. Water for process will be required primarily in Cooling Tower required for DG set. The Company is using bore well at present for requirement of water.

EFFLUENTS

SAPL has made separate storage area for Hazardous material, such as empty bins of paint, and has tied up with government approved source for safe disposal of effluents.

The information provided hereinabove is based on preliminary details/information available to us and may differ from the actual position, although not materially, as may be ascertained at the time of conducting detailed due diligence.

2. MSME Status

Provisions pertaining corporate insolvency resolution process of micro, small and medium enterprises under the Insolvency & Bankruptcy Code, 2016 would not be applicable in this matter since the Corporate Debtor does not fall under any of the three categories.

3. INVITATION FOR EXPRESSION OF INTEREST TO SUBMIT A RESOLUTION PLAN FOR STRIDE AUTOPARTS LIMITED

The Corporate Debtor (SAPL) is currently undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC), pursuant to an order dated 08.01.2019 of the Hon'ble NCLT, New Delhi.

Mr. Devendra Singh, acting in his capacity as the Resolution Professional (RP) for the Corporate Debtor, hereby invites Expression of Interest (EOI) from prospective Resolution Applicants, under Sections 25(2)(h) of IBC, for submission of Resolution Plans in respect of the Corporate Debtor, The EOI should reach latest by 6.00 PM on 31.01.2020. The time line may be extended as may be decided and instructed by the CoC.

4. ELIGIBILITY CRITERIA FOR QUALIFYING AS RESOLUTION APPLICANT

In the meeting of Committee of Creditors of SAPL held on 11.03.2019 the following eligibility criterion was decided by the members of CoC for the Prospective Resolution Applicant(s) to participate in the CIRP of SAPL, for submission of Resolution Plan.

Further, the CoC in its meeting held on 22.01.2020 decided the same eligibility Criteria for inviting the Expression of Interest in the Corporate Insolvency Resolution of Corporate Debtor for submission of Resolution Plan by the Prospective Resolution Applicants.

- **For individuals private/ public limited company, LLP, body corporate whether incorporated in India or outside India:** Minimum tangible net worth of Rs.50 crore. (as per the audited financial statements as at the end of the immediately preceding completed financial year).
- **For Financial Investor (FI) / Mutual Funds / Private Equity/ Venture Capital Funds, Domestic/ foreign Investment institutions, Non-Banking Finance Companies (NBFC), Asset Reconstruction Companies, Banks and similar entities.** Total assets under Management (AUM) / Loan Portfolio / Committed funds available for investment/ deployment in Indian companies or Indian assets of minimum Rs. 100 crores at the end of the immediately preceding completed financial year.

All the Prospective Resolution Applicants (PRAs), must not attract any of the ineligibilities as per the provisions of Section 29A of IBC as applicable at the material time placed as Annexure -1 (as presently applicable).

5. SUBMISSION OF EOI:

- a. Expression of Interest (EOI) is invited in sealed envelope superscripted as "Expression of Interest for participating in CIRP of Stride Autoparts Limited", in the format as set out in Annexure 'A'.
- b. Applicants shall submit the EOI along with the supporting documents set out in Annexure 'B'
- c. The details of the Applicant shall be as set out in Annexure 'C'.
- d. 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 by hand:

**DEVENDRA SINGH
RESOLUTION PROFESSIONAL
IN THE MATTER OF STRIDE AUTOPARTS LIMITED,
(UNDERGOING CORPORATE INSOLVENCY RESOLUTION PROCESS)
REGN. NO. IBBI/IPA-002/IP-N00001/2016-17/10001
ADD.: ATS Greens Paradiso, Flat No: 02054,
Tower - 2, Plot No : GH-03, Sector-CHI-04,
Greater Noida, Uttar Pradesh - 201308**

- e. A soft copy of EOI along with annexures stated above should also be mailed to cirp.sapl@gmail.com; dev_singh2006@yahoo.com

6. LAST DATE FOR SUBMISSION OF EOI:

The last date for submission of EOI is 31.01.2020 up to 6:00 P.M., which may be extended as may be decided by the Committee of Creditors of SAPL.

The prospective Resolution Applicants submitting the EOI must ensure that they do not suffer from any ineligibility in accordance with the provisions of section 29A or any other provision of IBC, 2016.

All the EOIs received shall be examined by the undersigned on the eligibility criterion specified and in accordance with the provisions of IBC 2016. The Information Memorandum and other relevant information including the details of the process and Evaluation Matrix and access to Virtual Data Room will be shared with the eligible PRAs upon their furnishing an undertaking of confidentiality in terms of the provisions of section 29(2) of the IBC, 2016 read with Regulation 36(4) of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

NOTES

- 1) RP/COC 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.
- 2) RP/COC reserve the right to withdraw EOI and change or vary any part thereof at any stage and also reserve the right to disqualify any potential bidder, should it be so necessary at any stage.
- 3) No oral conversations or agreements with the Resolution Professional or any official, agent or employee of the Resolution Professional, or any member of the COC shall affect or modify any terms of this EOI.
- 4) Neither the RA nor any of representatives of the RA shall have any claims whatsoever against the Resolution Professional 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 prospective Resolution Applicant/bidder shall be deemed to acknowledge that it has carefully read the entire EOI and all the relevant documents/information/process has fully informed itself as to all existing conditions and limitations.

Sd/-

DEVENDRA SINGH
RESOLUTION PROFESSIONAL
IN THE MATTER OF STRIDE AUTOPARTS LTD
(UNDERGOING CORPORATE INSOLVENCY RESOLUTION PROCESS)
REGN NO.: IBBI/IPA-002/IP-N00001/2016-17/10001
ADD: ATS Greens Paradiso, Flat No: 02054,
Tower - 2, Plot No : GH-03, Sector-CHI-04,
Greater Noida, Uttar Pradesh - 201308
EMAIL ID: dev_singh2006@yahoo.com; cirp.sapl@gmail.com;
MOB: 9810331877, 9810339416

Date: 23.01.2020

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 wilful 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):

3[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 favour 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 Organisation 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 Securitisation 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.

"ANNEXURE A

[On the Letterhead of the Entity Submitting the EOI]

EXPRESSION OF INTEREST

Date:

To

DEVENDRA SINGH

RESOLUTION PROFESSIONAL

Subject: Expression of Interest ("EOI") for submitting Resolution Plan for Stride Autoparts Limited (SAPL) ("Corporate Debtor") undergoing Corporate Insolvency Resolution Process (CIRP)

Dear Sir,

In response to the public advertisement in _____ Dated _____ ("Advertisement") inviting EOI for submission of resolution plans ("Resolution Plan") as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC"), we confirm that we fulfill the eligibility criteria and qualify for submission of the Resolution Plan, and have understood the requirements and the terms and conditions for filing of this EOI and make our EOI for submission of a Resolution Plan in respect of the Corporate Debtor.

Along with our EOI, we have also provided information as required in the prescribed format/specified in 'Annexure B' and 'Annexure C'.

We further undertake that the information furnished by us in this EOI and Annexures is true, correct, complete, and accurate to the best of our knowledge. Based on this information we understand you would be able to evaluate our eligibility in order to shortlist us for the above-mentioned proposal. Further, we agree and acknowledge that:

- (a) the EOI will be evaluated by the RP on behalf of the Committee of Creditors ("CoC") of SAPL based on the information provided in the Annexures and attached documents to determine whether or not we are not ineligible to submit a proposal for the proposed

transaction;

- (b) the RP/ the CoC reserve the right to determine at their sole discretion, whether we are eligible / not ineligible for the submission of the proposal and may reject the EOI submitted by us without assigning any reason/without any liability whatsoever;
- (c) the RP/ the CoC reserve the right to request for additional information or clarification from us for the purposes of the EOI and we shall promptly comply with such requirements. Failure to satisfy the queries of RP/ CoC may lead to rejection of our submission pursuant to EOI;
- (d) Any change in consortium other than lead / qualifying member or any material change affecting the consortium members' ability to perform in consortium shall be intimated within 3 (three) business days to the CoC / RP;
- (e) We are eligible person in terms of provisions of Section 29A of the IBC. We are a 'fit and proper' person and not under any legal disability to be a promoter entity of the Company under the applicable laws including listing agreements, stock exchange requirements and SEBI regulations and guidelines.

Yours Sincerely,

On behalf of [*Insert the name of the entity submitting the EOI*] Signature: _____

Name of Signatory:

Designation:

Company Seal/Stamp

1: In case of Consortium Applicant the Eoi shall be signed by each member.

2: The person signing the Eoi and other supporting documents should be an authorized signatory supported by necessary board resolutions/authorization letter.

SUPPORTING DOCUMENTS TO BE ATTACHED WITH EOI

- 1) For all RAs - Profile of RA
- 2) For all RAs - Copies of Certificate of Incorporation/ Registration and Constitutional Documents (MOA, AOA)
- 3) Copies of audited financial statements for the last two financial years and other relevant information and records in support of its/their meeting the eligibility criterion.
- 4) A self- attested declaration, stating that the Prospective Resolution Applicant(s) is/ are not disqualified as per section 29A or any other provision of IBC, 2016.

“ANNEXURE C”

[Note: In case of consortium, the details set out below are to be provided for each of the members]

1. Name and Address:

- a. Name of the Firm/Company/Organization:
- b. Address:
- c. Telephone No:
- d. Fax:
- e. Email:

2. Date of Incorporation / Establishment:

3. Core Area of Expertise:

4. Contact Person:

- a. Name:
- b. Designation:
- c. Telephone No:
- d. Email:

5. Company/FI Profile:

- a. Company Financial Profile (consolidated / standalone as applicable):

[Note: Where the entity submitting the EOI is a financial investor /fund entity, please provide details pertaining to “assets under management” and/or “committed funds” for the preceding three years or the committed funds available as on March 31, 2018, for investment].

- b. Experience of the Company in the relevant sector.
- c. History if any, of the Company or affiliates of the Company being declared a ‘willful defaulter’, ‘non-cooperative borrower’, ‘non-impaired asset’ or ‘non-performing asset’.