

**EXPRESSION OF INTEREST**

**KDK ENTERPRISES PRIVATE LIMITED**  
**(Undergoing Corporate Insolvency Resolution Process)**

**1. BACKGROUND**

That the application was filed under Section 9 of Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by Ingram Micro India Private Limited (IMPL), Operational Creditor with a prayer to commence the Corporate Insolvency Resolution Process (CIRP) against the KDK Enterprises Private Limited (KDKEPL), Corporate Debtor.

That the said application numbered C.P NO. 2371/ND/2019 for initiation of Corporate Insolvency Resolution Process (CIRP) was admitted by Hon'ble National Company Law Tribunal (NCLT), New Delhi Bench vide its order dated 20.03.2020, wherein the CIRP of KDKEPL was commenced and Mr. Naveen Kumar Jain, was appointed as the Interim Resolution Professional (IRP). Copy of the Order was received by IRP on 14.05.2020.

That in terms of the provisions under Section 15 of the IBC, 2016 read with Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the Public Announcement in respect of the commencement of CIRP of KDKEPL has been published in Financial Express (English) and Jansatta (Hindi) on 15.05.2020.

That the Committee of Creditors in its third meeting held on 17.08.2020 approved the resolution for appointment of Mr. Devendra Singh having IBBI Registration No. IBBI/IPA-002/IP-N00001/2016-17/10001 to act as Resolution Professional in the matter. The Hon'ble NCLT, New Delhi vide its order dated 04.09.2020 appointed Mr. Devendra Singh as Resolution Professional of KDK Enterprises Private Limited, Corporate Debtor.

That the copy of the order dated 04.09.2020 passed by the Hon'ble NCLT, New Delhi Bench, Court No. V was received on 10.09.2020 by the undersigned from counsel of Committee of Creditors of KDK Enterprises Private Limited, Corporate Debtor

**2. BRIEF BACKGROUND & COMPANY AT A GLANCE**

KDK Enterprises Private Limited is a Private Limited Company incorporated on 16.02.1997, engaged in serving the IT products and services like Maintenance of Computers & Facility Management, Networking and Structured Cabling, Managed Services, IT Infrastructure Consultancy, IT Audit - Security, Compliance & Risk Management & Data Centre Management And Setup, its office is situated at Unit No.-4, LGF, Gallon Plaza, 3/31-34, Shivalik Road, Malviya Nagar New Delhi South Delhi DL 110017.

<b>Registered Office</b>	Unit No.-4, LGF, Gallon Plaza, 3/31-34, Shivalik Road, Malviya Nagar New Delhi South Delhi DL 110017
<b>Works</b>	Unit No.-4, LGF, Gallon Plaza, 3/31-34, Shivalik Road, Malviya Nagar New Delhi South Delhi DL 110017
<b>Activity/Products</b>	Serving the IT products and services like Maintenance of Computers & Facility Management, Networking and Structured Cabling, Managed Services, IT Infrastructure Consultancy, IT Audit - Security, Compliance & Risk Management & Data Centre Management And Setup.
<b>Industry</b>	Information Technologies (IT)
<b>Name of Directors</b>	1. Sh. Vikas Kumar Khairari 2. Smt. Reena Khairari
<b>Banking Arrangement</b>	Working Capital Credit facilities from Indian Bank

<b>COMPARATIVE BALANCE SHEET</b>			
<b>Particulars</b>		<b>Audited</b>	<b>Audited</b>
		<b>31.03.2018</b>	<b>31.03.2017</b>
		<b>Amount in INR</b>	
<b>A</b>	<b><u>EQUITY AND LIABILITY</u></b>		
1	<b>Shareholder's Funds</b>		
	a) Share Capital	25,90,300.00	25,90,300.00
	b) Reserves & Surplus	13,73,873.70	12,76,601.92
2	<b>Non Current Liabilities</b>		
	a) Long Term Borrowing	18,72,935.19	20,41,128.43
3	<b>Current Liabilities</b>		
	a) Short Term Borrowings	57,65,400.00	29,87,700.00
	b) Trade Payables	2,89,80,671.04	1,50,86,839.35
	c) Other Current Liabilities	1,79,51,454.51	1,50,91,500.56
	c) Short Term Provisions	23,99,531.00	17,39,433.00
	<b>Total</b>	<b>6,09,34,165.44</b>	<b>4,08,13,503.26</b>
<b>B</b>	<b>Assets</b>		
1	<b>Non-current assets</b>		
	a) Fixed Assets		
	Tangible Assets	7,21,189.00	9,26,722.00
	b) Non-Current Investment	88,590.00	29,570.00
	c) Long Term Loans & Advances	-	-
	d) Deferred tax assets	6,34,248.00	5,11,969.00
2	<b>Current Assets</b>		
	a) Inventories	1,73,32,319.87	1,00,19,449.58
	b) Trade Receivable	3,90,73,551.58	2,69,77,722.30
	c) Cash and Cash equivalents	8,24,303.68	8,32,747.30
	c) Short Term Loan & Advances	22,07,324.31	14,54,991.32
	e) Other Current Assets	52,639.00	60,331.76
	<b>Total</b>	<b>6,09,34,165.44</b>	<b>4,08,13,503.26</b>

**COMPARATIVE STATEMENT OF PROFIT & LOSS**

AMOUNT IN INR

	Income	Audited 2018	Audited 2017
<b>I.</b>	Revenue From Operation	10,79,52,360.87	9,08,99,939.50
<b>II.</b>	Other Income	7,61,780.48	12,31,191.12
<b>III.</b>	<b>Total</b>	<b>10,87,14,141.35</b>	<b>9,21,31,130.62</b>
<b>IV.</b>	<b>Expenses</b>		
	Purchase of Stock-in-Trade	10,18,25,817.96	8,56,41,229.75
	Changes in inventories of Stock-in-Trade	(73,12,870.29)	(43,84,285.57)
	Direct Expenses	10,72,142.05	572635.81
	Employee benefit expense	44,88,655.14	3214760.00
	Financial Costs	29,06,724.29	1625714.62
	Depreciation and amortization expense	2,05,533.00	312885.00
	Other Expenses	45,23,165.42	42,69,154.41
	<b>V. Total Expenses</b>	<b>10,77,09,167.57</b>	<b>9,12,52,094.02</b>
<b>V.</b>	Profit Before tax (III-V)	10,04,973.78	8,79,036.60
<b>Vii.</b>	Tax Expense:		
	(i) Current Tax exp for the year	(2,95,152.00)	(3,69,883.00)
	(ii) Deferred Tax	1,22,279.00	1,20,741.00
<b>VIII.</b>	Profit/ (Loss) for the year (VI-VII)	<b>8,32,100.78</b>	<b>6,29,894.60</b>
<b>IX.</b>	Earning per equity share:		
	(1) Basic	3.21	2.43
	(2) Diluted	3.21	2.43

**3. MSME STATUS**

Provisions pertaining corporate insolvency resolution process of micro, small and medium enterprises under the Insolvency & Bankruptcy Code, 2016 would be applicable in this matter since the Corporate Debtor falls under MSME.

**4. INVITATION FOR EXPRESSION OF INTEREST TO SUBMIT A RESOLUTION PLAN FOR KDK ENTERPRISES PRIVATE LIMITED**

The Corporate Debtor (KDKEPL) is currently undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC), pursuant to an order dated 20.03.2020 of the Hon'ble NCLT, New Delhi, Court No.V.

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 18.10.2020. The time line may be extended as may be decided and instructed by the CoC.

**5. ELIGIBILITY CRITERIA FOR QUALIFYING AS RESOLUTION APPLICANT**

In the meeting of Committee of Creditors of KDKEPL held on 17.08.2020 & 22.09.2020 the following eligibility criterion was decided by the members of CoC for the Prospective Resolution Applicant(s) to participate in the CIRP of KDKEPL, for submission of Resolution Plan.

**A. For Individuals / Private / Public Limited Company / Limited Liability Partnership ("LLP") / Body Corporate / any other Potential Resolution Applicant:**

- Minimum Tangible Net Worth ("NW") of Indian National Rupee ("INR") **1 Crore** as per the audited financial statements in case of Corporate and Income Tax Returns / Net worth Certificate from Chartered Accountants for Individual at the end of the immediately preceding completed financial year.

**B. For Financial Institution / Investment Company / Fund House / Private Equity ("PE") Investor / Non-Banking Financial Company ("NBFC") / Asset Reconstruction Company ("ARC"):**

- Minimum Assets Under Management ("AUM") of Indian National Rupee ("INR") **50 Crore** in the immediately preceding completed financial year; or

**C. For Consortium Potential Resolution Applicant:**

- Consortium Potential Resolution Applicant must also satisfy eligibility criteria pertaining to minimum NW / AUM as applicable in addition to other conditions stipulated herein.
- In case the consortium is of Private / Public Limited Companies / LLPs / Body Corporate / any other Potential Resolution Applicants, NW of the consortium shall be calculated as weighted average of individual member's NW. Provided that only such portion of their NW as is proportionate to their shareholding in the consortium will count towards the eligibility criteria of NW (without any double counting).
- In case the consortium is comprised of Financial Institutions / Investment Companies / Fund Houses / PE Investors / NBFCs / ARCs / any other prospective Resolution Applicants, the minimum AUM of consortium shall be calculated as weighted average of individual member's AUM. Provided that only such portion of their AUM as is proportionate to their shareholding in the consortium will count towards the eligibility criteria of AUM (without double counting).

**All the Prospective Resolution Applicants (PRAs), must not attract any of the in-eligibilities as per the provisions of Section 29A of IBC 2016, except clause 29A(c) and (h) of IBC in terms of provisions of Section 240A of IBC as applicable at the material time placed as Annexure -1 (as presently applicable).**

**6. SUBMISSION OF EOI:**

- a. Expression of Interest (EOI) is invited in sealed envelope superscripted as "Expression of Interest for participating in CIRP of KDK Enterprises Private 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 KDK ENTERPRISES PRIVATE LIMITED**  
**(UNDERGOING CORPORATE INSOLVENCY RESOLUTION PROCESS)**  
**REGN. NO. IBBI/IPA-002/IP-N00001/2016-17/10001**  
**COMMUNICATION ADD.: D-54, FIRST FLOOR, DEFENCE COLONY, NEW DELHI-110024**

- e. A soft copy of EOI along with annexures stated above should also be mailed to [rp.kdkenterprises@gmail.com](mailto:rp.kdkenterprises@gmail.com); [dev\\_singh2006@yahoo.com](mailto:dev_singh2006@yahoo.com)

**7. LAST DATE FOR SUBMISSION OF EOI:**

The last date for submission of EOI is 18.10.2020 up to 6:00 P.M., which may be extended as may be decided by the Committee of Creditors of KDKEPL.

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 read with Section 240A of IBC 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 KDK ENTERPRISES PRIVATE 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

**EMAIL ID:** [dev\\_singh2006@yahoo.com](mailto:dev_singh2006@yahoo.com); [rp.kdkenterprises@gmail.com](mailto:rp.kdkenterprises@gmail.com);

**MOB:** 9810331877, 9810339416

**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 1.*** — 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 KDK Enterprises Private Limited (KDKEPL) (“Corporate Debtor”) undergoing Corporate Insolvency Resolution Process (CIRP)**

Dear Sir,

In response to the public advertisement in Business Standard (English & Hindi), Delhi Region Dated 03.10.2020 (“**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 KDKEPL 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 alongwith KYC documents
- 2) For all RAs (other than individuals) - Copies of Certificate of Incorporation/ Registration along with Constitutional Documents (MOA, AOA or anything similar based on the nature of the applicant), PAN Card.  
  
For RAs who are individuals: Copies of Aadhar Card or Passport and PAN Card.
- 3) Copies of audited financial statements for the last two financial years alongwith copy of the Income Tax Return 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.
- 5) In case of consortiums, the above documents are required to be given in respect of all the consortiums members
- 6) A Certificate from the auditors of the entities or in case of individuals, from a practicing Chartered Accountant, certifying the revenue /Turnover/Tangible net worth/AUM/Size of the Loan Portfolio/funds available for investment/deployment in India, as the case may be, during the relevant period/periods

**“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, 2019, 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’.