

EXPRESSION OF INTEREST
VENUS ROLLING MILLS PRIVATE LIMITED
(Undergoing Corporate Insolvency Resolution Process)

1. BACKGROUND

The application was filed under Section 10 of Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by Venus Rolling Mills Private Limited before the Hon'ble NCLT Mumbai with a prayer to commence the Corporate Insolvency Resolution Process (CIRP) in respect of itself.

The application for initiation of Corporate Insolvency Resolution Process (CIRP) as C.P (IB)-350 /MB/2019 was admitted by Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, Mumbai vide its order dated 22.04.2019. That pursuant to the admission of application for commencement of Corporate Insolvency Resolution Process (CIRP) by the Hon'ble NCLT, vide its order dated 22.04.2019, has appointed Devendra Singh as Interim Resolution Professional (IRP) for conducting the CIRP in the matter of the Corporate Debtor.

The Copy of the order was available and downloaded from the website of the Hon'ble NCLT on 30.04.2019, therefore the date of appointment of Interim Resolution Professional is 30.04.2019 on which date copy of order of Hon'ble NCLT, Mumbai was available on website. In the first meeting of Committee of Creditors held on 28.05.2019, the members approved the appointment of Devendra Singh to act as Resolution Professional in the matter.

That in terms of the provisions of 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, a Public Announcement in respect of the commencement of Corporate Insolvency Resolution Process (CIRP) of Venus Rolling Mills Private Limited and for inviting the claim from its Creditors was published in newspapers "Times of India (Nagpur editions in English), Sakal (Nagpur editions in Marathi) on 03.05.2019

2. BRIEF BACKGROUND & COMPANY AT A GLANCE

Venus Rolling Mills Private Limited VRMPL is a Private Limited Company incorporated on 03.06.2005, engaged in manufacturing of Rolling MS/HT Angles, Channels, Flats and Rounds, its plant is situated at E-8, MIDC, Butibori, Nagpur, Maharashtra. The plant of the CD is on Industrial plot admeasuring 30081.58 sq. mtr.

Registered Office	E-8, MIDC, Butibori, Nagpur – 441122, Maharashtra
Factory & Works	E-8, MIDC, Butibori, Nagpur – 441122, Maharashtra
Activity/Products	Manufacturing of Rolling MS/HT Angles, Channels, Flats and Rounds
Industry	Steel
Name of Directors	i. Mr. Yatendra Singh Panwar ii. Mr. Shivam Panwar
Banking Arrangement	Credit facilities from The Federal Bank Ltd.

The Company was engaged in manufacturing of high quality angles, channels, flats and rounds of small section. The Company achieved the BIS (Bureau of Indian Standard), ISO18001, 14001 & 9001 certification. The Company is having automatic five drives with six stands of 12” and 16” having a cooling bed of 200 ft. The company is heaving approval of MS Power Grid Corporation of India to roll MS/HT angles.

Some of the customers of company’s product:

1. Tata Projects Ltd.
2. Bajaj Electricals Limited
3. Gammon India Ltd.
4. IVRCL Ltd.
5. Unitech Power Transmission Ltd.
6. Amitasha Enterprises Pvt. Ltd.
7. Kec International Ltd.
8. Steel Authority of India Ltd.
9. Jindal Steel & Power Ltd.

Note: Plant is not in operation since October, 2018

COMPARATIVE BALANCE SHEET						
Particulars	Provisional	Audited	Audited	Audited	Audited	
	22.04.2019	31.03.2019	31.03.2018	31.03.2017	31.03.2016	
	Amount in Rs.					
A	EQUITY AND LIABILITY					
1	Shareholder's Funds					
	a) Share Capital	2,54,57,500	2,54,57,500	2,54,57,500	2,54,57,500	
	b) Reserves & Surplus	(14,41,53,171)	(13,99,64,723)	5,04,77,539	13,54,10,656	
2	Non Current Liabilities					
	a) Long Term Borrowing	1,45,45,157	1,48,86,886	1,83,97,269	2,75,05,183	
	b) Deferred Tax Liabilities	68,19,491	68,74,304	1,21,71,892	1,06,52,184	
	b) Other Loan Term Liabilities	68,61,578	68,61,578	26,56,995	9,41,167	
3	Current Liabilities					
	a) Short Term Borrowings	33,04,28,230	32,76,73,914	25,10,92,368	24,52,50,847	
	b) Trade Payables	3,03,56,729	3,05,56,729	5,01,26,561	6,69,24,559	
	c) Other Current Liabilities	5,22,98,377	5,23,23,067	6,75,01,604	6,32,14,618	
	c) Short Term Provisions	-	-	-	9,80,309	
	Total	32,26,13,893	32,46,69,256	47,78,81,728	57,63,37,023	
B	ASSETS					
1	Non-Current Assets					
	a) Fixed Assets					
	i. Tangible Assets	10,17,54,837	10,35,03,189	13,79,18,705	13,93,40,592	
	ii. Intangible Assets	-	-	-	-	
	iii. Capital Work-In Progress	-	-	-	-	
	b) Non-Current Investment	99,00,000	99,00,000	1,05,12,065	1,05,12,065	
	c) Long Term Loans & Advances	8,64,54,533	8,64,54,533	6,12,42,128	10,06,90,115	
	d) Other Non Current	28,81,991	28,81,991	3,08,97,104	30,81,333	
2	Current Assets					
	a) Inventories	3,58,78,423	3,58,78,423	13,70,94,191	3,56,80,102	
	b) Trade Receivable	6,55,38,094	6,55,38,094	1,32,87,616	2,59,93,400	
	c) Short Term Loan & Advances	1,28,31,894	1,31,31,894	5,70,66,870	90,82,806	
	d) Cash & Cash Equivalents:	8,86,319	8,93,329	2,69,51,981	2,59,93,400	
	e) Other Current Assets	64,87,803	64,87,802	29,11,068	3,56,80,102	
	Total	32,26,13,893	32,46,69,256	47,78,81,728	57,63,37,023	

COMPARATIVE STATEMENT OF PROFIT & LOSS

Particulars	Provisional	Audited	Audited	Audited	Audited	
	22.04.2019	31.03.2019	31.03.2018	31.03.2017	31.03.2016	
Amount (in INR)						
	Income					
I.	Revenue From Operation	-	13,91,76,700	56,21,69,580	85,09,67,639	99,23,09,432
II.	Other Income	-	1,86,148	25,60,561	47,18,989	14,72,888
III.	Total		13,93,62,848	56,47,30,141	85,56,86,628	99,37,82,320
IV.	Expenses					
	Cost of raw material consumed and purchase of stock in trade	-	13,35,57,724	41,02,96,012	61,41,67,435	74,66,73,004
	Changes in inventories of finished goods	-	6,24,75,895	4,46,06,406	1,03,32,524	(2,44,45,720)
	Employees Benefit Expenses	8,50,000	2,18,46,648	3,14,44,313	4,20,19,378	5,02,07,225
	Finance Cost	27,62,587	4,29,18,060	4,34,56,688	5,54,86,372	5,48,60,806
	Other Expenses	2,31,215	6,68,14,352	11,33,12,408	12,09,48,553	14,73,50,352
	Depreciation	3,99,458	74,90,020	50,27,724	75,87,737	80,78,211
	Total	42,43,262	33,51,02,700	64,81,43,551	85,05,41,999	98,27,23,878
V.	Profit Before exceptional and extraordinary items and tax	(42,43,262)	(19,57,39,851)	(8,34,13,409)	51,44,629	1,10,58,442
Vii.	Profit before extraordinary items and tax	(42,43,262)	(19,57,39,851)	(8,34,13,409)	51,44,629	1,10,58,442
IX.	Profit Before Tax	(42,43,262)	(19,57,39,851)	(8,34,13,409)	51,44,629	1,10,58,442
X.	Less: - Tax expense					
	Current Tax	-	-	-	9,80,309	26,00,025
	Deferred Tax	(54,813)	(52,97,588)	15,19,708	9,34,294	(82,21,097)
	Profit (Loss) After Tax From continuing Operations	(41,88,447)	(19,04,42,263)	(8,49,33,117)	32,30,026	1,66,79,514
	Less: Donation	-	-	-	8,500	4,501
	Profit (Loss) After tax for the period carried forward to the balance sheet	(41,88,447)	(19,04,42,263)	(8,49,33,117)	32,21,526	1,66,75,013

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 VENUS ROLLING MILLS PRIVATE LIMITED

The Corporate Debtor (VRMPL) is currently undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC), pursuant to an order dated 22.04.2019 of the Hon'ble NCLT, Mumbai.

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 6.12.2019. 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 VRMPL held on 25.06.2019 the following eligibility criterion was decided and approved by the members of CoC for the Prospective Resolution Applicant(s) to participate in the CIRP of VRMPL, for submission of Resolution Plan.

- **For individual(s), private/ public limited company, LLP, body corporate whether incorporated in India or outside India (including Joint /Consortium Applicants)**

Minimum tangible net worth of Rs. 5 crore (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**

the Eligibility Criteria shall be total assets under Management (AUM) / Loan Portfolio / Committed funds available for investment/ deployment in Indian companies or Indian assets of 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).

6. SUBMISSION OF EOI:

- a. Expression of Interest (EOI) is invited in sealed envelope superscripted as “Expression of Interest for participating in CIRP of Venus Rolling Mills 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 VENUS ROLLING MILLS PRIVATE LIMITED
(UNDERGOING CORPORATE INSOLVENCY RESOLUTION PROCESS)
REGN. NO. IBBI/IPA-002/IP-N00001/2016-17/10001
COMMUNICATION ADD.: ATS GREENS PARADISO, FLAT NO: 02054, TOWER - 2, PLOT NO: GH-03, SECTOR – CHI - 04, GREATER NOIDA, UP- 201308**

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

7. LAST DATE FOR SUBMISSION OF EOI:

The last date for submission of EOI is 06.12.2019 up to 6:00 P.M., which may be extended as may be decided by the Committee of Creditors of VRMPL.

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 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 VENUS ROLLING MILLS 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; cirp.venus@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 Venus Rolling Mills Private Limited (VRMPL) ("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 VRMPL 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, 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’.