

INVITATION FOR EXPRESSIONS OF INTEREST FOR SUBMISSION OF RESOLUTION PLAN IN GKC PROJECTS LIMITED

1. Introduction:

- I. GKC PROJECTS LIMITED (“GPL” / “Company”) is a company incorporated under the Companies Act, 1956 and has its head office in Hyderabad, Telangana. The Company is involved in Infrastructure Development Industry and emerged as a reputed Engineering, Procurement and Construction Company delivering several landmark projects across India encompassing in Building, Irrigation, Power & Industrial, Power Transmission & Distribution, Transportation- Roads, Water and Environment, etc.,
- II. GPL is currently undergoing a Corporate Insolvency Resolution Process (“CIRP”) that has been initiated as per the provisions of Insolvency and Bankruptcy Code, 2016 (“IBC”) under the order of National Company Law Tribunal, Hyderabad Bench (“NCLT”) in respect of Company Petition No. (IB) 461/7/HDB/2019, and the insolvency commencement date under the IBC is 21st Nov 2019.
- III. The Committee of Creditors (“CoC”) through the Resolution Professional (“RP”) is in process of identifying a suitable Resolution Applicant for re organization and insolvency resolution of the Company. Consequently, the RP, Mr. G. Madhusudhan Rao (IP Regn. No. IBBI/IPA-001/IP-P00181/2017-18/10360) on the behalf of CoC invites Expressions of Interest (“EOI”) from interested bidders who have adequate financial and operational capabilities to submit resolution plans under CIRP.

2. Transaction Process:

The transaction process shall be carried out in two stages, as tentatively discussed hereunder subject to further amendments in IBC.

Stage I

- Submission of EOIs by interested prospective Resolution Applicants (RAs)
- Screening and shortlisting of prospective RAs by the RP.

Stage II

- RP shall intimate only the shortlisted prospective RAs and shall forward the draft of the Non- Disclosure Agreement to be executed.
- After execution of the Non- Disclosure Agreement, the RP shall provide access to information memorandum, Virtual Data Room(“VDR”)/Google Drive, the evaluation matrix, Request for Resolution Plan (“RFRP”) and other due diligence material etc. to the shortlisted prospective RAs.
- The shortlisted prospective RAs shall submit Resolution Plan(s) prepared in compliance with IBC along with a Bid Bond / Bank Guarantee /EMD whose value, terms, format and other relevant details will be provided with the RFRP.
- The RAs who have submitted the resolution plans shall be examined by the RP for the compliance under Section 29A, Section 30(2) and other Regulations and provisions of the IBC and responsiveness to the conditions of RFRP. The RP shall submit all the compliant and responsive Resolution Plans to CoC for evaluation as per the evaluation matrix.
- The CoC may negotiate on the resolution plans, as per relevant guidelines, before the RP places the resolution plans for voting as per regulations and provisions under IBC Code (as amended from time to time) and as per the terms of the RFRP for approval and selection of the successful Resolution Plan.
- Based on CoC’s approval, the RP shall submit the Resolution Plan to Adjudicating Authority (NCLT) for their final approval.

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

ELIGIBILITY CRITERIA TO PARTICIPATE INTO THE EXPRESSION OF INTEREST BY THE PROSPECTIVE RESOLUTION APPLICANTS:

Category 1 - In case of a private/ public limited company, LLP, AOP, body corporate whether incorporated in India or outside India:

1. The prospective RA shall have a minimum tangible net worth of Rs.50 Crores as on 31st March, 2019 based on audited financial statements of the RA and as certified by Statutory Auditor.

2. Minimum availability of investible surplus funds of Rs. 30 Crores as on 31st March, 2019 based on audited financial statements of the RA and as certified by statutory Auditor.

Category 2 – In case of Financial Institutional Investors (FIIs) / Financial Institutions (FIs)/ Mutual Funds / Private Equity Funds/ Venture Capital Funds, Domestic/ Foreign Investment Institutions, Non-Banking Financial Companies (NBFCs), Asset Reconstruction Companies (ARCs), Banks and similar entities :

1. Assets Under Management (AUM) of at least Rs.750 crores as on 31st March, 2019 based on audited financial statements of the RA and as certified by a chartered accountant.
2. Committed funds available for investment / deployment of at least Rs.30 crores as on submission of the application for EOI date as certified by a chartered accountant.

Note:

- In case of a consortium, all the members of the consortium in aggregate, can meet the eligibility criteria.

4. Submission of EOI:

- a. EOI is invited in a sealed envelope superscripted as **<Expression of Interest for Investment in GKC PROJECTS LIMITED>**, in the format as set out in Annexure 'A' hereto.
- b. Applicants shall submit the EOI together 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:

Mr.G.Madhusudhan Rao
Resolution Professional
7-1-258, Flat No 103, Sri Sai SwapnaSampada
Apartments, Balkampet, Hyderabad -500 038

5. Last Date of Submission of EOI:

The last date for submission of EOI is 30th January 2020 (considering Form G issued on 15th January 2020) latest by 6 pm. In case the designated day happens to be a holiday in Hyderabad; the next working day will be deemed as the last date for submission of EOI.

Note

- 1) 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) COC/ Resolution Professional 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 Resolution Professional or any official, agent or employee of the Resolution Professional, the Company 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 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 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 GKC PROJECTS LIMITED UNDER CIRP

Date: _____

To,

Mr G.Madhusudhan Rao,
Resolution Professional
GKC Projects Limited

Subject: Expression of Interest (“**EOI**”) for submission of Resolution Plan in **M/s.GKC PROJECTS LIMITED** 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 GKC PROJECTS LIMITED, we hereby submit our EOI.

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.

Further, we agree and acknowledge that:

- A. the EOI will be evaluated by the Resolution Professional (RP) of Corporate Debtor based on the information provided in the Annexures and attached documents to determine whether we qualify to submit the resolution plan pursuant to EOI ;
- B. the RP/ the Committee of Creditors (COC) reserve the right to determine at their sole discretion, whether or not we qualify for the submission of the resolution plan 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 /or for any compliance under IBC and we shall comply with the same immediately without any delay. Failure to satisfy the queries of RP/ COC may lead to rejection of our submission pursuant to EOI ;
- D. Meeting the qualification criteria as set out in EOI alone does not automatically entitle us to participate in the next stage of the bid process;
- E. We are not an ineligible person in terms of provisions of Section 29A of the IBC, 2016 read with its amendment as on the date of signing of this EOI. We are a “fit and proper” person and not under any legal disability to be a promoter entity of the Corporate Debtor under the applicable laws including listing agreements, stock exchange requirements and SEBI regulations and guidelines.

We however, understand that Mr. G.Madhusudhan Rao,Resolution Professional and the COC reserve the right to decide whether or not to pre-qualify our proposal without disclosing any reasons whatsoever and that resolution plan submitted in GKC PROJECTS LIMITED shall be subject to approval of the final resolution plan by the COC and the NCLT, in terms of the provisions of the Insolvency and Bankruptcy Code, 2016.

Yours Sincerely,

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

Signature:

Name of signatory:

Designation:

Company Seal/Stamp

Notes: The person signing the EOI and other supporting documents should be an authorized signatory supported by necessary board resolutions (for corporate entities) / authorization letter (for LLPs).

“ANNEXURE – ‘B’

DETAILS OF THE PROSPECTIVE RESOLUTION APPLICANT

1.1. Name and address

Name of the Applicant:

Address:

Telephone No:

Fax:

Email:

1.2. Date of establishment of Applicant:

1.3. Core area of expertise of the Applicant:

1.4. Contact Person:

Name:

Designation:

Telephone No:

Email:

1.5. PAN No. or equivalent details of Applicant

“ANNEXURE – C”

SUPPORTING DOCUMENTS TO BE ATTACHED WITH EOI

- (a) Profile of the prospective Resolution Applicant including subsidiary (wholly owned subsidiary and partly owned subsidiary, if any), promoter and promoters group, Key Managerial Personnel and Rationale for bidding for the Corporate Debtor.
- (b) Legal Documents: Copies of Certificate of Incorporation/ Registration and Constitutional Documents (MoA, AoA). Copy of PAN card or equivalent documents and the KYC documents of the Promoters of the Prospective RA.
- (c) Immediately preceding 3 (three) years audited Annual Reports of the Prospective Resolution Applicant, its promoter/promoter group and any other group company.
- (d) For Demonstration of funds availability and credit rating, Statement of funds availability of the prospective Resolution Applicant, promoter/promoter group and any other group company.
- (e) For Category 1 RA:
 - i. The applicant must submit documents indicating its effective net worth as on 31st March 2019 based on audited financial statements of the entity, supported by the Statutory Auditor.
 - ii. Statutory Auditors’ certificate for the amount of availability of Surplus Funds with the prospective RA as on 31st March 2019 based on audited financial statements of the entity.
- (f) For Category 2 RA:
 - i. A chartered accountant’s certificate for the Assets under Management (AUM) as on 31st March 2019 based on audited financial statements of the entity.
 - ii. A chartered accountant’s certificate for amount of committed funds available for investment / deployment as on submission of the application for EOI date.
- (g) 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.
- (h) RAs Profile:
 - i. RAs Financial Profile for the past three years(consolidated/standalone as applicable)

- ii. All the available Credit Rating Letters as on March 31, 2019 provided by the analytical companies.
- iii. Experience of the RAs in the relevant sector.
- iv. History if any, of the RAs or affiliates of the RAs being declared a “wilful defaulter”, “non-cooperative borrower”, “non-impaired asset” or “non-performing asset” (Self Declaration)