

**PROCESS FOR “EXPRESSION OF INTEREST TO SUBMIT RESOLUTION PLAN” FOR
VALLABH TEXTILES COMPANY LIMITED**

1. DISCLAIMER

This is only a guidance document for the convenience of interested parties in submitting Expression of Interest – (EOI). This document does not cast any obligation on the Resolution Professional (RP) or the Committee of Creditors of Vallabh Textiles Company Limited (COC) or any other person connected with the instant Insolvency Resolution Process (CIRP)

2. SUBMISSION OF EOI

EOI shall be submitted as follows:

- The Resolution Applicant (RA) submitting the EOI MUST meet the Eligibility Criteria - **Annexure – I**.
- The RA MUST NOT be ineligible to submit a Resolution Plan in terms of the provisions of Section 29A of the IBC – **Annexure – II**
- Indicative format for submission of EOI - **Annexure – III**
- Affidavit - **Annexure – IV**
- Undertaking – **Annexure - V**.

The complete set of EOI along with annexures shall be sent to the RP by emailing at: cirp.vtcl@gmail.com and through speed post / registered post / courier or hand delivery on or before 08.08.2022 by 6 pm to following address:

Rajiv Khurana – Resolution Professional
1299, Sector 15-B, Chandigarh-160015

3. SUBMISSION OF REFUNDABLE DEPOSIT OF RS.25,000/- (INR TWENTY FIVE THOUSAND ONLY) ALONG WITH EOI.

A Refundable Deposit of Rs 25,000/- shall be made in the form of a Demand Draft favouring “Vallabh Textiles Company Limited” payable at Ludhiana. The amount can also be deposited into the current account of the company as detailed below:

Bank & Branch: Canara Bank, Bharat Nagar Chowk, Ludhiana

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Account Name: Vallabh Textiles Company Limited

Account No.: 2107 2011 04752

IFSC: CNRB0002107

PROCESS POST RECEIPT OF EOI:

EOIs received will be reviewed by RP and a Provisional List of Prospective Resolution Applicants will be issued by the RP.

The following timelines shall be followed for Post-EOI process:

#	Particulars	Date
1.	Last date for receipt of expression of interest	08.08.2022
2.	Date of issue of provisional list of prospective resolution applicants	10.08.2022
3.	Last date for submission of objections to provisional list	15.08.2022
4.	Date of issue of final list of prospective resolution applicants	20.08.2022
5.	Date of issue of information memorandum, evaluation matrix and request for resolution plans to prospective resolution applicants	16.08.2022
6.	Manner of obtaining request for resolution plan, evaluation matrix, information memorandum and further information	At the email address provided by the prospective resolution applicant.
7.	Last date for submission of resolution plans	15.09.2022

Clarification if any, may be obtained by writing to cirp.vtcl@gmail.com.

Rajiv Khurana-Resolution Professional

For Vallabh Textiles Company Limited

Regn No: IBBI/IPA-001/IP-P00126/2017-18/10268

Regd Address: # 1299, Sector 15-B, Chandigarh-160015

Attachments: Annexures as above

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ANNEXURE – I

**Eligibility Criteria
as defined under Section 25(2)(h) of IBC, 2016**

<u>S. NO.</u>	<u>PARAMETERS</u>	<u>ELIGIBILITY CRITERIA</u>
1.	Initial Refundable deposit of money to get Information Memorandum, Request for Resolution Plan (RFRP), evaluation matrix and further information.	Rs. 25000/- (Rupees Twenty Five Thousand Only) to be deposited in the current account of corporate debtor.
2.	Refundable Earnest Money Deposit (EMD) along with Resolution Plan.	Rs. 25,00,000/- (Rupees Twenty Five Lakh only) in the form of Demand Draft in the name of corporate debtor. The EMD of the successful Resolution Applicant will be adjusted as part of the upfront payment.
3.	Net Worth	Minimum Rs. 4,00,00,000/- (Rupees Four Crores only) in case of individual bidder. In case of consortium/group of bidders, Minimum Rs. 2,00,00,000/- (Rupees Two Crores Only) of individual member of consortium with Minimum Rs. 4,00,00,000/- (Rupees Four Crores Only) in total for the group/consortium.
4.	Minimum Upfront Payment as per Resolution Plan by the Resolution Applicant	15% of the total committed amount after adjustment of Initial earnest money deposited, will be paid in two parts: 1) 5% amount as “Performance Guarantee” in the form of FDR or BG as per prescribed Format, to be furnished within 7 days from the date of approval of resolution plan by COC and valid for the entire period of the Resolution Plan. 2) 10% amount will be paid within 7 days from the date of approval of resolution plan by Adjudicating Authority in the shape of “Demand Draft” in the favour of corporate debtor. 3) The balance 90% will be paid as per the Resolution Plan.
5.	Tenure of the Resolution Plan	Open

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Annexure – II

Section 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 nonperforming 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 or completion of such transactions as may be prescribed], 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;

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(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 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 or completion of such transactions as may be prescribed, 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:—

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- (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.

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Annexure-III

**Indicative Format Of Expression Of Interest (EOI)
(On the Letterhead of the Prospective Resolution Applicant Submitting EOI)**

To,

Rajiv Khurana-Resolution Professional

For Vallabh Textiles Company Limited

Regn No: IBBI/IPA-001/IP-P00126/2017-18/10268

Regd Address: # 1299, Sector 15-B, Chandigarh-160015

**Subject: Expression of Interest ("EOI") for submitting Resolution Plan
for Vallabh Textiles Company Limited ("Corporate Debtor").**

Dear Sir,

1. In response to the Form G published on 24.07.2022 inviting EOI for submission of Resolution Plans ("Resolution Plan") as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code"), we confirm that we have understood the eligibility/ineligibility criteria mentioned in the Invitation for Submission of Resolution Plan for Vallabh Textiles Company Limited and meet the necessary criteria mentioned therein and submit our EOI for submission of a Resolution Plan for the Corporate Debtor.
2. I, _____, [insert name of the signatory] confirm that I am duly authorized to submit this EOI on behalf of ___[insert the name of the entity submitting the EOI].
3. The information furnished by us in this EOI including documentary proofs, is true, correct, complete, accurate in all material respects. Further, we acknowledge or confirm (as applicable) that:
 - a. The Resolution Professional ("RP") may, on the approval of the Committee of Creditors (constituted under the Code) ("CoC"), have the right to cancel the process without any prior intimation to us or modify or vary the terms without assigning any reason, whatsoever and without any liability. Any clarifications, amendment or extensions of time, etc. in relation to the process would be updated by the RP. We are aware that the timelines for diligence and other processes will not be extended without prior approval of the RP, which approval may be provided by the RP at its sole discretion. No financial obligation shall accrue to the RP or the Corporate Debtor in such an event;
 - b. We have read and understood the terms and conditions stipulated in the advertisement and acknowledge that the RP reserves the right to accept or reject any EOI without assigning any reason whatsoever and without any liability to the applicant.

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- c. The RP reserves the right to request for additional information or clarification as it deems fit, from us for the purposes of the EOI;
- d. We will continue to meet the eligibility criteria throughout the process, and will intimate the RP of any change in the information provided by us along with our EOI, which may impact our ability to participate in this process, within 3 (three) business days of such change;
- e. We have read and understood the provisions of the Code and the rules and regulations issued there under.
- f. The RP and the Corporate Debtor shall, in no circumstances, be responsible to bear or reimburse any expenses or costs incurred by us in respect of submission of this EOI; and
- g. Information Memorandum will be provided to the candidates having names in the Provisional List of PRA's issued by the RP, as per the provisions of Code;
- h. We have attached the supporting documents required to be submitted with EOI.

Thanking You,
Yours truly,
On behalf of the Firm / Company / Organization:

Signature:
Name of Signatory:
Designation:
Company Seal /Stamp

Place:
Date:

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FORMAT OF EXPRESSION OF INTEREST

Sr. No	Particulars of Information Required	Answers by Resolution Applicants	Documents attached in support (Self- attested/digitized copies over email)
1.	Name of Resolution Applicant along with Profile (In case of Joint Applicants, similar information is required for all such persons, fill up Annexure 1 on next page)		Kindly Attach relevant documents & mark it as Annexure-A
2.	Type of Person (Individual /Company/ Partnership Firm/ Proprietorship, LLP, etc.) Documents of constitution, Registrations, PAN, Aadhaar may be attached as applicable.		Kindly Attach relevant documents & mark it as Annexure-B
3A	Identity detail of resolution applicant (In case of incorporated body)		Kindly Attach relevant documents & mark it as Annexure-C
i.	Corporate Identification or Registration Number		
ii.	Authority with which the resolution applicant is registered		
iii.	Registered Address		
iv.	Correspondence Address / other addresses		
v.	Name, Designation, Email Id, Mobile No. and other contact details of the Authorized representatives. (The Authorized Representative shall not be less than a director of the company)		Kindly attach the Board Resolution/Power of attorney for specifying such authorization & mark it as Annexure -D

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vi.	Details of Board of Directors / Promoters / key managerial personnel* of Resolution Applicant along with full name, age, designation, PAN, Aadhar for each director		Kindly Attach relevant documents & mark it as Annexure-E
vii.	Detail of latest shareholding pattern with complete details of shareholders holding more than 5% shares in the company		Kindly Attach relevant documents & mark it as Annexure-F
3B	Identity detail of resolution applicant (Individual) Name of Resolution Applicant, Father's name, Age, PAN, Aadhar, Nationality, Email Id and Mobile and Telephone No.		Kindly Attach relevant documents & mark it as Annexure-G
i	Address (Business and residence)		
4	Financial Information (Audited financial statements of the resolution applicants for preceding two financial years.		Kindly Attach relevant documents & mark it as Annexure-H
i.	Latest Net Worth of the Resolution Applicant		
ii.	Net Worth of the Group		
iii.	Average Revenue/Turnover of the applicant for the last 3 completed years (Basis audited Financials)		
iv.	Average EBIDTA of resolution applicant for last 3 years		
5	Details of Industry/ Segment in which resolution applicant is engaged No. of years of experience, Background of the Resolution Applicant.		Kindly Attach relevant documents & mark it as Annexure-I

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6	Details of experience of resolution applicant in the same business segment as of corporate debtor. Number of years of experience, Geographical expanse of operations, turnover in last 3 years, products, Key Customers constituting major share of its market		Kindly Attach relevant documents & mark it as Annexure-J
7	Details of Holding Company*** (if any) of Resolution Applicant [same as Sr. No. 3A]		Attach relevant document & mark it as Annexure-K
8	Details of Subsidiary Company*** (if any) of Resolution Applicant [same as Sr. No. 3A]		Attach relevant document & mark it as Annexure-L
9	Details of Associate Company*** (if any) of Resolution Applicant [same as Sr. No. 3A]		Attach relevant document & mark it as Annexure-M
10	Details of any other 'related party' 'Connected Parties' of the resolution applicant Disclosing- PAN, Aadhaar, DIN, Type of Relation)		Attach relevant document & mark it as Annexure-N

ANNEXURE 1

Details of Joint Applicant(s)

Name of the Applicant	%of share in the Consortium for the Transaction	Nominated as Lead (Y/N)

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* For definition of “Key Managerial Personnel” please refer to section 2(51) of Companies Act,2013

**For definition of Holding Company, Subsidiary company and Associate Company please refer to section 2(46), (87) and (6) of Companies Act, 2013 respectively.

For definition of "related party" refer section 5 (24 & 24 A) of IBC, 2016

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ANNEXURE IV

AFFIDAVIT (To be executed on stamp paper and duly notarized)

I, s/o having IT-PAN address. am a (director/designation) and authorized person of, duly authorized by a resolution passed by the Board of Directors of the said Company during the Board Meeting held on (date.....) to swear this affidavit, hereby declare and confirm that I am a prospective Resolution Applicant in the matter of Vallabh Textiles Company Limited, a company undergoing corporate insolvency resolution process. I further declare and confirm that I understand the importance of Section 29A of IBC and the meaning of the term ‘connected persons’ as set out therein and accordingly:

I, on behalf of myself, the directors and key managerial persons of (Name of the Company), do hereby solemnly affirm and declare -

- a) That I am not an undercharged insolvent;
- b) That I am not a Willful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulations Act, 1949.
- c) That I do not have an account classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 and at least a period of one year has lapsed from the date of such classification till the date of commencement of Corporate insolvency resolution process of the corporate debtor and who has failed to make the payment of all overdue amounts with interest thereon and charges relating to non-performing asset before submission of the resolution plan.
- d) That I am not convicted for any offence punishable with imprisonment for two years or more.
- e) That I am not disqualified to act as director under the Companies Act, 2013;
- f) That I am not prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;
- g) That I am not 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;
- h) That I have not executed an enforceable guarantee in favour of a creditor, in respect of

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a corporate debtor against which an application for insolvency resolution made by has
been admitted under this code;

- i) That I am not subject to any disability, corresponding to clauses (a) to (h), under any
law in a jurisdiction outside India.”
- j) That I do not have a connected person in respect of such person who meets anyof the
criteria specified in clauses (a) to (i).

DEPONENT

VERIFICATION

I the above named deponent do hereby verify that the statements made in paragraphs a to
j of the affidavit herein are true to my knowledge.

Verified at on this

DEPONENT

PROCESS MEMORANDUM FOR “EXPRESSION OF INTEREST TO SUBMIT RESOLUTION PLAN” FOR GPI TEXTILES LIMITED

ANNEXURE V

UNDERTAKING (On Letter Head)

(Under Regulation 36 A (7) of Corporate Insolvency Resolution Process Regulation, 2016)

We, _____, authorized person for [Name of the Resolution Applicant] (**“Resolution Applicant”**), undertake that the information furnished by the Resolution Applicant in the EOI for Resolution Plan for Vallabh Textiles Company Limited (**“Company under CIRP”**) and the Annexures are true, correct, complete, and accurate. Further, the Resolution Applicant undertakes, agrees and acknowledges that:

- (a) Resolution Applicant meets the criteria specified by the Committee of Creditors under clause (h) of sub-section (2) of section 25 of Insolvency and Bankruptcy Code, 2016.
- (b) All the relevant records in evidence to meet the eligibility criteria specified by the Committee of Creditors have been submitted as mentioned under clause (a).
- (c) That the Resolution Applicant does not suffer from any ineligibility under section 29A of the Insolvency and Bankruptcy Code, 2016 to the extent applicable. Relevant information and records to enable an assessment of ineligibility under this clause are attached herewith.
- (d) That Resolution Applicant shall intimate the resolution professional forthwith if it becomes ineligible at any time during the corporate insolvency resolution process.
- (e) That every information and records provided in expression of interest is true and correct and discovery of any false information or record at any time will render the applicant ineligible to submit resolution plan, forfeit any refundable deposit, and attract penal action under the Code.
- (f) That the Resolution Applicant shall maintain confidentiality of the information and shall not use such information to cause an undue gain or undue loss to itself or any other person and comply with the requirements under sub-section (2) of section 29 of Insolvency and Bankruptcy Code, 2016.

Date:

Place:

Signature: