

FINANCIAL ELIGIBILITY CRITERION

In the matter of HIM STEEL PRIVATE LIMITED

Section 25(2) (h) was amended and provides that the resolution professional shall invite prospective resolution applicants, who fulfill such criteria as may be laid down by him with the approval of committee of creditors, having regard to the complexity and scale of operations of the business of the corporate debtor and such other conditions as may be approved by Committee of Creditors, to submit a resolution plan. The eligibility criterion as approved by the Committee of Creditors is as under: –

The minimum eligibility criteria is as under

A. For Private/ Public Limited Companies including Limited Liability Partnerships (LLPs), Partnership Firms and Individuals

- a) The Resolution Applicant should have a net worth of at least Rs. 2,42,00,000/- (Rupees Two crores forty two lacs only) as per last audited annual accounts. The applicant must submit documents indicating its effective net worth, supported by the certificate of Statutory Financial Auditor.
- b) Net Worth shall be computed as aggregate value of paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, and does not include reserves created out of revaluation of assets, write

back of depreciation and amalgamation. In case of Proprietorship firm Net Worth shall be computed as aggregate value of capital and unsecured loan. The Resolution Professional will verify the net worth of the applicant and may ask for relevant documents for such verification relating to net worth of the applicant as she deems necessary.

B. Financial Investors – Funds / NBFCs / ARC / Banks / others

Financial Investors include Mutual Funds, Private Equity / Venture Capital Funds, Domestic/Foreign Investment Institutions, Non-Banking Finance Companies, Asset Reconstruction Companies, Banks and similar entities. All need to be duly registered under applicable regulations in India and need to provide valid registration certificate copies along with the applicable constitutional documents, as a part of the response to this Request for Proposal.

Total Assets under Management (AUM) / Loan Portfolio shall be at least Rs. 10 Crores (Rupees Ten Crores Only) as evidenced by latest Audited Annual Accounts.

C. Proposals by Consortium of Investors

Proposals can also be made by / with the support of a consortium of investors. In all consortium cases, proposal needs to be made by a nominated lead applicant who should meet the Net Worth / Investible Funds Criteria of a minimum of 51% of the total requirement.

Each member of the consortium will need to fulfill the Net Worth / Investible Funds criteria up to a minimum of 10%.

The Net Worth criteria will continue to be applicable on aggregate basis for the consortium.

Other Conditions

- a) Along with the EoI, the prospective Resolution Applicant shall deposit (EMD-1), Rs. 10 Lacs (Rupees Ten Lacs Only) by way of demand draft in favour of M/s. HIM Steel Pvt Ltd, payable at par at Delhi along with the submission of the EoI. This EMD shall be interest free, refundable,
- b) Applicants are requested to provide the following documents along with the format of submission of EOI:
 - 1) Copy of PAN of the Resolution Applicant
 - 2) Copy of KYC of the Resolution Applicant & Authorised Representative.
 - 3) Copy of Address Proof of Resolution Applicant
 - 4) Copies of Last 3 Years Audited Financial Statements
 - 5) Copies of Last 3 Years Income Tax Returns (full set with complete details)
 - 6) Copy of Board Resolution authorizing to participate in the process of EoI and submission of Resolution Plan for the Corporate Debtor.

- c) The interested Resolution Applicant shall provide an undertaking along with the application for EoI as required under Regulation 36A (7). (Mentioned Below as Annexure 1)
- d) Also shall provide a duly stamped and signed confidentiality undertaking in accordance with the requirements under Regulation 36(4) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) as a condition for receiving the information memorandum and other relevant information in relation to the Corporate Debtor.
- e) The resolution applicant shall submit a Demand Draft in favour of "HIM Steel Private Limited" for Rs. 1,00,00,000/- (Rs. One Crores only) payable at par as interest free Earnest money Deposit (II) along with the submission of Resolution Plan. The Security deposit shall be adjusted against the amount of resolution plan of the successful resolution applicant and shall be refunded to the unsuccessful resolution applicant(s) after deducting minimum bank charges, if applicable. However, the security deposit of the successful Resolution Applicant, who does not comply the terms and conditions of resolution plan within the specified time schedule, shall be forfeited. Period during which Earnest money II shall remain deposited with CoC/RP shall be interest free period.

All Potential Resolution Applicants must read, understand and comply with all requirements under the IBC, 2016 & CIRP Regulations and any other applicable regulations under the IBC, 2016 that are in force now or that may come into force subsequently, for Resolution Plans and all matters there under, in pursuance to, in furtherance of or in relation to this invitation.

(On Stamp Paper & duly notarized)

UNDERTAKING

This undertaking has been signed by _____,
a Resolution Applicant, having _____ its _____ office
at

acting through Mr./Ms.

_____, the authorized signatory
/ authorized representative (which expression shall, unless repugnant to
the context, include its successors in business, administrators in business,
administrators, insolvency professional, liquidator and assigns or legal
representative) on

_____ day of _____, 2019 and submitted to Ms. Reshma Mittal, an
Insolvency Professional having registration no. IBBI/IPA-001/IP-
P00297/2017-2018/10541, who is acting as a Resolution Professional (RP) of
M/s. HIM Steel Private Limited , a company registered under Companies,
Act, 1956 (thereafter referred as (*Corporate Debtor*) under Corporate
Insolvency Resolution Process *pursuant to Hon'ble NCLT* (Principal
Bench) order dated 15th July 2019.

THEREFORE, in line with the Regulation 36A (7) of the Insolvency and
Bankruptcy Board of India (Insolvency Resolution Process for Corporate
Persons) Regulations, 2016, the Resolution Applicant hereby declares and
undertakes as follows:

WE HEREBY DECLARE AND UNDERTAKE that we meets the criteria specified by the committee under clause (h) of sub-section (2) of section 25 of the Insolvency and Bankruptcy Code, 2016 and we have submitted all relevant records in evidence of meeting the above mentioned criteria ;

WE FURTHER UNDERTAKE AND DECLARE that we do not suffer from any ineligibility under section 29A of the Insolvency and Bankruptcy Code, 2016 to the extent applicable;

WE FURTHER UNDERTAKE AND DECLARE that we shall intimate the Resolution Professional forthwith if it becomes ineligible at any time during the corporate insolvency resolution process;

WE FURTHER UNDERTAKE AND DECLARE that every information and records provided by us 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 Insolvency and Bankruptcy Code, 2016; and

WE FURTHER UNDERTAKE AND DECLARE that we 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 the Insolvency and Bankruptcy Code, 2016;

PROVIDED THAT nothing contained in this Confidentiality Undertaking shall apply to any disclosure: (i) required by us by the order of a court of competent jurisdiction or an appropriate regulatory, statutory or judicial authority; (ii) of any information which is in the public domain otherwise than as a result of a breach of this Confidentiality Undertaking, or (iii) by us to our legal and other professional advisors.

Signed on behalf of

M/s _____

by _____

(Name and Designation)

Authorised Signatory