

# EXPRESSION OF INTEREST-RATHI GRAPHIC TECHNOLOGIES LIMITED

## Process Document

### 1. Introduction and about the company

Expressions of Interest (EOI) are invited from investors/consortium of investors having adequate financial and/or technical capabilities to submit Resolution Plan(s) for Rathi graphic Technologies Limited "the "Company" or the "Corporate Debtor") currently undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC).

M/s Rathi Graphic Technologies Limited a Public Limited Company, was incorporated on 2<sup>nd</sup> December, 1991 with main objective to carry on the business of manufacturing of toners of international repute to be used in photocopier machines and laser printers. RGTL is selling its quality products under its brand name "Rathi Toner" to cater to the needs of its distributors, dealers and end users. RGTL has reached every part of India through its highly committed sales team and widespread network of dealers and distributors across whole of the country.

Presently the factory is situated at SP-921, RIICO Industrial Area Phase III, Bhiwadi, PIN-301019 Rajasthan, India having manufacturing Capacity of 330 tons per annum.

This Form G published on 24<sup>th</sup> August 2020 and the resolution applicant(s) shall submit a resolution plan in terms of this Form G.

### 2. Transaction Process:

The transaction process for the Corporate Debtor as aforesaid shall be completed in three stages, brief of which is discussed hereunder

#### ➤ **Stage I - Submission of EOI and short listing RAs**

- Submission of EOI(s) along with all relevant documents (as per formats provided in this document) by Prospective Resolution Applicants ("PRAs") (September 8, 2020)
- Shortlisting of eligible PRAs ("Eligible PRAs") by the Resolution Professional ("RP")

#### ➤ **Stage II - Submission of Resolution Plan**

- Issue of provisional list of Eligible PRAs ("Provisional List") (September 18, 2020)

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- Objections to Provisional List to be submitted (September 23, 2020)
- Issuance of final list of Eligible PRAs ("Final List") to the CoC (October 03, 2020)
- Request For Resolution Plan(RFRP) will be provided by the Resolution Professional to the shortlisted RAs and an undertaking would be signed
- Circulation of Information Memorandum ("IM"), Evaluation Matrix ("EM") and Request for Resolution Plan ("RFP") (September 23, 2020).
- Access to VDR provided to Shortlisted RAs to conduct due diligence.
- Shortlisted RAs will be provided an opportunity to visit the Factory Premises and other conjoined premises of the corporate debtor on a date as deemed appropriate to the Resolution Professional and as communicated by him to the RAs by email.
- Submission of Resolution Plan by RA along with Earnest Money Deposit (EMD) of INR 10,00,000/- (Indian Rupees Ten Lakhs) in the form of Demand Draft and all relevant documents to be specified in the RFP document (to be released in due course).

### ➤ **Stage III – Evaluation and Approval of the Resolution Plan**

- Selection of Compliant Resolution Plans
- Presentation and Evaluation of Resolution Plans
- Negotiations with the Compliant Resolution Applicants
- Inter-se bidding, if required
- Declaration of Successful Resolution Applicant, approval by COC and issuance of letter of intent
- Submission of Resolution Plan to the Hon. NCLT for its approval
- Execution of necessary agreements with the resolution applicant

This document deals only with the submission of the EOI, i.e. Stage I of the above process. A brief of the subsequent processes is provided above and the detailed process note for submission of Resolution Plan shall be provided to the shortlisted resolution applicants subsequently.

EOI needs to be submitted in a format provided herein.

Interested RAs may submit the EOI on or **before 8<sup>th</sup>September 2020 (Tuesday), 6:00 p.m.** by emailing it at [rathigraphic.cirp@gmail.com](mailto:rathigraphic.cirp@gmail.com) or by hand delivering it in a sealed envelope to Anshul Gupta, Resolution Professional, Flat B-573,II Floor Pocket B, SaritaVihar, New Delhi 110076.

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**3. Qualification for being a potential Resolution Applicant:**

EOI would be subject to evaluation on various technical parameters e.g. Consolidated Group Revenues/Turnover and/or Assets under Management and various financial parameters e.g. Consolidated Group Net worth and/or Committed Funds available for deployment including the following:

**• In case of Individual/Firm/Body Corporate:**

Individual/Partnership Firm/Private/Public Limited Company, LLP, Body Corporate whether incorporated in India or outside India, with a Tangible Net Worth (TNW) of ₹ 1 crore or more and Average of the Net Turnover for the past 2 years is ₹ 5 crores or in the immediately preceding completed financial year.

Note: TNW to be certified by Auditor/ Chartered Accountant

**• In case of Financial Institutions (FI\*)/ Funds / Private Equity(PE) Investors/Nonbanking financial company (NBFC\*\*)/Asset Reconstruction Company/Any other applicant, Asset Under Management (AUM) in the immediately preceding completed financial year of ₹ 25 crores or more in the immediately preceding completed financial year.**

\* FI as defined under Section 45-I(c) of RBI Act

\*\* NBFC as defined under Section 45-I(f) of RBI Act

Note: Management shall also certify the same in addition to submission of supporting documents.

**• In case of bidding as a consortium:**

- In case the consortium is of Body Corporates, Tangible Net Worth (TNW) of consortium shall be calculated as weighted average of individual member's TNW (value of negative TNW members shall be considered as Nil).
- In case the consortium is of FIs/Funds/PE Investors/NBFCs/Any other applicants, the minimum AUM of consortium shall be calculated as weighted average of individual member's AUM OR
- Committed funds available for investment/deployment in Indian companies shall be calculated as weighted average of individual member's committed fund to investment/deployment in Indian companies.
- In case the consortium is of body Corporates/FIs/Funds/PE Investors/NBFCs/any other applicants, the qualification criteria for TNW/AUM/Committed Funds would be in proportion to their shareholding in the consortium. All the consortium members should satisfy the criteria independently.
- No change in lead member or any member whose financials have been used to meet the criteria set out herein shall be permitted after the last date for submission of EOIs

Further conditions/criteria including evaluation matrix, control, lock-in restrictions and other eligibility conditions at the sole discretion of RP/CoC may

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be stipulated. The interested applicant may choose to submit a resolution plan through any special purpose vehicle designated for the purpose.

The RFRP/other documents for the submission of a resolution plan would be issued to those resolution applicants which are shortlisted by the Committee of Creditors and will be required to submit the Resolution Plan within stipulated timelines along with a Refundable EMD of INR 10,00,000 (Rupees Ten Lakhs only) in the form of Demand Draft. Performance Bank Guarantee (PBG) of 10% value of the resolution plan has to be submitted by successful Resolution Applicant within 10 days from the issue of Letter of Intent,

The Prospective Resolution Applicant shall also provide along with the EoI an undertaking that the said applicant is not barred to submit a resolution plan under section 29A of the Code.

The CoC reserves the right to extend the last date of submission of EoI at its discretion. RP/CoC reserves the right to cancel / modify the process without assigning any reason and without any liability whatsoever.

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{On the Letterhead of the Entity Submitting the Eol}

EXPRESSIONS OF INTEREST

Date: \_\_\_\_\_

To,

Anshul Gupta

Resolution Professional, (Rathi Graphic Technologies Limited)

Flat B-573, II Floor Pocket B, Sarita Vihar, New Delhi 110076

E mail: rathigraphic.cirp@gmail.com,

contactanshulgupta@gmail.com

**Subject: Expressions of Interest (“Eol”) –for submission of Resolution Plan of “Rathi Graphic Technologies Limited” or “Company” under Corporate Insolvency Resolution Process (CIRP)**

Dear Sir,

In response to the advertisement in Financial Express/Jansatta dated 24.08.2020 inviting expressions of interest as captioned above (“Advertisement”), we hereby submit an EOI for the submission of resolution plan of Rathi Graphic Technologies Limited under CIRP.

We have set out the information required in the format prescribed as an Annexure to this Eol;

We undertake that the information furnished by us in this EOI and in the Annexures is true, correct, complete and accurate. Further, we agree and acknowledge that:

- a) the EOI will be evaluated based on the information provided in the Annexures to determine whether we qualify to submit a proposal for the proposed transaction;
- b) the RP/the CoC reserve the right to determine at their sole discretion, whether or not we qualify for the submission of the proposal and may reject the EOI submitted by us without assigning any reason whatsoever;
- c) the RP/the CoC reserve the right to request for additional information or clarification from us for the purposes of the Eol and we shall promptly comply with such requirements. Failure to satisfy the queries of RP/CoC within the given timelines may lead to rejection of our submission pursuant to EOI.
- d) Submission of this EOI alone does not automatically entitle us to participate in the next stage of the bid process.
- e) In case of consortium, we would comply with the eligibility criteria pertaining to equity holding and control i.e. we will hold equity in the Special Purpose Vehicle (SPV) that will also be incorporated in the Joint Bidding Agreement

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(undertaking to be signed by /on behalf of each member of consortium by authorized signatories.

- f) We are not an ineligible person in terms of the provisions of Section 29A of the IBC. Also, we are a 'fit and proper' person and not under any legal disability to be a promoter under the applicable laws.

Sincerely yours,

On behalf of

[Insert the name of the entity submitting the EOI]

Signature: \_\_\_\_\_

Name of Signatory:

Designation:

Company Seal/Stamp

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1 Note: The person signing the EOI and other supporting documents should be an authorised signatory supported by necessary board resolutions/authorization letter.

2 In case of Consortium Applicant, each applicant should submit this separately

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**Annexure A**

**1. Name and Address:**

Name	
Registered Office	
Website Address	
Corporate Identification Number, if any:	
PAN:	
GST Number:	
Country of Origin:	
Address for Correspondence:	
Year and Date of Incorporation	
Company's Business Activities:	
Name of the Representatives	
Telephone Number	
Email Address	
Fax No	

2. **Nature of Establishment:** [Individual/Firm//Body Corporate OR Financial Institutions / Funds / PE Investors] (Please choose one)

3. **Core Area of Expertise in brief:**

4. **Designated Contact Person:**

- a. Name:
- b. Designation:
- c. Telephone No:
- d. Mobile No:
- e. Email:

5. **Company/FI Profile:**

a. Company Financial Profile (consolidated / standalone as applicable):

[Note: The Company profile should necessarily include net worth of the preceding three years. 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 five years or the committed funds available as on March 31 2020, for investment.]

**For Individual/Firm/Body Corporate (if for group, give separately for each company)**

<b>INR Crores</b>	<b>FY20</b>	<b>FY19</b>	<b>FY18</b>
Net Worth			
Turnover			

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**For Financial Institutions / Funds / PE Investors (if for group, give separately for each entity)**

<b>INR Crores</b>	<b>FY20</b>	<b>FY19</b>	<b>FY18</b>	<b>FY17</b>	<b>FY16</b>
Assets under management					

b. Names & Details of Directors including Independent Directors:

<b>Name</b>	<b>Designation</b>	<b>Identification Nos.</b>			<b>Full Address</b>	<b>Other directorships</b>
		<b>PAN</b>	<b>DIN</b>	<b>Passport</b>		

c. Experience of the Company in the relevant sector:

d. Names of key lenders, if any, to the Company or its affiliates.

e. History, if any, of the Company or affiliates of the Company being declared a 'wilful defaulter', 'non-impaired asset' or 'nonperforming asset'.

f. Any other relevant details which would be useful for the RP to evaluate the bid and help to shortlist for the next stage in the process.

g. Ownership Details:

Details of Persons owning 5% or more of the total paid up capital

<b>Name of Equity Holder</b>	<b>Type and Number of Shares owned</b>	<b>% of Equity Holding</b>	<b>Extent of Voting Control (%)</b>
1.			
...			

h. Proof of Identity and Address:

Note: Applicant shall submit the following documentary proofs as a part of this Annexure A:

**1. Applicable to Individual/Firm/Body Corporate**

- Audited financial statements for last 3 financial years. In case of Individuals if the audited financial statements are not available, then the copies of the financial statements along with Income Tax Returns for last 3 financial years;
- Certificate from Statutory Auditor or Chartered Accountant or Company Secretary certifying the Net Worth of the prospective resolution applicant;
- Copy of Certificate of Registration/Incorporation and latest Constitutional Documents (Articles and Memorandum of Association, as amended) of the Applicant.
- Documentary evidence for Funds available for deployment

**2. Applicable to Financial Institutions / Funds / PE Investors**

- Audited financial statements for last 3 financial years;



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- b. Certificate from Statutory Auditor or Chartered Accountant or Company Secretary or equivalent in the jurisdiction of incorporation of the Company certifying Assets under management as at end of last 3 financial years;
- c. Copy of Certificate of Registration/Incorporation and latest Constitutional Documents (Articles and Memorandum of Association) of the Applicant;
- d. Certified Copy of the Board Resolution authorising the signatory to submit the EoI
- e. Documentary evidence for Funds available for deployment  
*[Note A: In case of Consortium Applicant, the details set out above are to be provided for each member of the Consortium separately]*

**Annexure B**

**1. Details of Consortium Members:**

<b>Name of the Member</b>	<b>% of share in the Consortium</b>	<b>Nominated as Lead (Y/N)</b>

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FOR INDIVIDUAL/FIRM/BODY CORPORATES

(On the Letterhead of the Statutory Auditor or Chartered Accountant or Company Secretary)

Date:

To,

Anshul Gupta

Resolution Professional, (Rathi Graphic Technologies Limited)

Flat B-573, II Floor Pocket B, Sarita Vihar, New Delhi 110076

E mail: [rathigraphic.cirp@gmail.com](mailto:rathigraphic.cirp@gmail.com), [contactanshulgupta@gmail.com](mailto:contactanshulgupta@gmail.com)

QUALIFICATION CERTIFICATE

We the [insert name of the issuer] do hereby certify that [insert name of the relevant entity] incorporated in [insert jurisdiction of incorporation of entity] having their registered office at [insert registered address of the entity] ("Resolution Applicant") has a Tangible Net worth and Turnover of the [insert name of the relevant entity] for the last three Financial Years as under:

	Year 1	Year 2	Year 3
Tangible Net worth			
Turnover			

For [Name of Issuer]

Qualification details:

Date:

Place:

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**FOR FINANCIAL INSTIUTIONS / FUNDS / NBFC / ARC**

**(On the Letterhead of the Statutory Auditor or Chartered Accountant or Company Secretary)**

**Private & Confidential**

**To,**

Anshul Gupta

Resolution Professional, (Rathi Graphic Technologies Limited)

Flat 116, Pocket D, SaritaVihar, New Delhi 110076

E mail: [rathigraphic.cirp@gmail.com](mailto:rathigraphic.cirp@gmail.com), [contactanshulgupta@gmail.com](mailto:contactanshulgupta@gmail.com)

**QUALIFICATION CERTIFICATE**

We the [insert name of the issuer] do hereby certify that [insert name of the relevant entity] incorporated in [insert jurisdiction of incorporation of entity] having their registered office at [insert registered address of the entity] ("Resolution Applicant") has the following Assets under Management of the [insert name of the relevant entity] for the last three Financial Years as under:

	Year 1	Year 2	Year 3
Assets under Management			

For [Name of Issuer]

Qualification details:

Date:

Place:

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**Persons not eligible to be resolution applicant**

“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 nonperforming asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949) 2[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: 3[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:

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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):

[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 3[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 4[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 6[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):

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[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;] 1[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.]"