

Dear All,

Please note, the last date of submission of Resolution Plan for Uttam Value Steels Limited has been extended from March 01, 2019 to March 11, 2019

INVITATION FOR EXPRESSION OF INTEREST FOR UTTAM VALUE STEELS LIMITED

1. BACKGROUND

Uttam Value Steels Limited (“UVSL” or the “Company”), the erstwhile Lloyds Steel Industries Limited (“LSIL”), incorporated on April 27, 1970, was promoted by Mr. Mukesh Gupta and family as Gupta Tubes and Pipes Pvt. Ltd. In March 2012, Uttam Group made a strategic investment of INR 189.90 crore in LSIL by acquiring 24.53% equity stake. Considering the substantial business synergies, Uttam group raised its shareholding to 51.99% to gain controlling stake in LSIL. The name of the company has been subsequently changed from Lloyds Steel Industries Ltd. to Uttam Value Steels Ltd. as on March 18, 2013.

Uttam Group derives substantial business synergies from the combined operations of its iron making (hot metal) facility in Uttam Galva Metallics Limited (“UGML”) with the steel plant of UVSL. UGML’s facility is adjacent to UVSL steel plant and is the key raw material supplier to UVSL.

A brief overview UVSL is set out below:

Company name	Uttam Value Steels Limited
Listing status	Listed
Constitution	Public Limited Company
Corporate Identification number	L27100MH1970PLC014621
Incorporation date	April 27, 1970
Registered office	Uttam House, 69, P. D’ Mello Road, Mumbai – 400009.
Location of plants	Wardha (Maharashtra)
Business operations	Manufacturer of flat steel products

Business Segments (Assembly Lines and Different Products)

UVSL's steel plant was commissioned in 1995 in Wardha, Maharashtra. While the plant occupies an area of 275 acres, the total area of the plant measures 529 acres. The products and their applications are set out below:

Products	Application
Hot Rolled Steel Sheets/Coil	Primary raw material for downstream products like: <ul style="list-style-type: none">• CR Coils pipes• Boiler Quality Steel,• Various auto grade steel,• Precision tubes
Cold Rolled Steel Sheets/Coil	Primary raw material for: <ul style="list-style-type: none">• Galvanized and Galvalume products.• Consumer durables,• Bicycles parts,• Office equipment and furniture.• Heavy Machinery
Galvanized Steel Sheets/Coil	Primary raw material for: <ul style="list-style-type: none">• Coated products• Roofing & Cladding,• Conduits & Ducting,• Door panels• Kitchen cabinets• engineering applications

The production capacity at Wardha Steel Complex is as under:

Production Unit (Operational)	Capacity
Electric Arc Furnace	1.08 MTPA
Hot Rolling Mill	1.00 MTPA
Cold Rolling Mill	0.38 MTPA
Galvanizing Line	0.25 MTPA

Source: Management of the Company

The brief particulars of the invitation for Expression of Interest, pursuant to regulation 36B (7) of the Insolvency Resolution Process For Corporate Persons) Regulations, 2016, published in newspaper on February 08, 2019 in relation to the timelines for submission of Expression of Interest are set out below. :

S. No.	Particulars	Date
1	Insolvency Commencement Date for UVSL	26 June 2018
2	Date of publication of invitation for expression of interest	08 February, 2019
3	Date of issue of information memorandum, evaluation matrix and request for resolution plans to prospective resolution applicants	Earliest by 10 February, 2019 (within two days of receipt of documents confirming RA's eligibility and confidentiality undertaking)
4	Last date of submission of Resolution Plans	01 March, 2019

Note: The timelines set out hereinabove is indicative in nature.

2. TRANSACTION PROCESS

The transaction process has been outlined below:

1. Invitation for Expression of Interest (“EoI”);
2. Confidentiality undertaking by the Resolution Applicants (RAs) along with the supporting documents annexed to the EoI;
3. On confirmation of eligibility of the RA and receipt of the executed confidentiality undertaking, the RA will be provided with-
 - i The Information Memorandum prepared as per provisions of the Insolvency and Bankruptcy Code, 2016.
 - ii Access to the data-room to be provided for limited due diligence.
 - iii Request for Resolution Plan (“RFRP”) outlining the next steps along with the evaluation criteria.

3. INVITATION FOR RESOLUTION PLAN :

- a. Expression of Interest are invited in a **plain sealed envelope** superscripted as “**Expression of Interest of UVSL**”, in the format set out in Annexure ‘A’.
- b. Applicants should meet the Eligibility Criteria set out as Annexure ‘B’.
- c. Applicants should submit the EoI along with the supporting documents set out as Annexure ‘C’.
- d. The details to be provided by the applicant are set out in Annexure ‘D’.
- e. The undertaking set out in ‘Annexure E’ to be submitted in case of consortium.
- f. Applicant shall submit the sealed plain envelope containing a complete set of the documents for the EoI in hard copy stated above, to the below mentioned address by speed post/ registered post or by hand delivery.

Compliance with Section 29A of the Insolvency and Bankruptcy Code, 2016 by the RA shall be checked post the submission of the Resolution Plan.

RAJIV CHAKRABORTY

Resolution Professional for Uttam Value Steels Limited
252, Veer Savarkar Marg, Shivaji Park,
Dadar (W), Mumbai - 400 028.

- g. A soft copy of EoI along with annexures stated above should also be mailed to **ip.uvsl@in.pwc.com**.
- h. EoIs not fulfilling the above conditions are liable to be disqualified without any further communication.

NOTE

- 1) The Committee of Creditors “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. Applicants should regularly visit the website of the Company, www.uttamvalue.com to keep themselves updated on clarifications/ amendments/ time-extensions, if any.
- 2) The CoC reserve the right to withdraw the invitation for 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 RP, advisor to the RP or any official, agent or employee of the RP, the Company or any member of the CoC shall affect or modify any terms of this invitation for EoI.
- 4) Neither the RAs nor any of representatives of the RAs 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 invitation for EoI.

- 5) By submitting a proposal, each RA shall be deemed to acknowledge that (i) it has carefully read the entire invitation for EoI Plan and has fully informed itself as to all existing conditions and limitations; (ii) compliance with Section 29A of the Insolvency and Bankruptcy Code, 2016 by the RA shall be verified by the RP post receipt of Resolution Plan; and (iii) disqualification of the RA due to non-compliance with Section 29A of the Insolvency and Bankruptcy Code, 2016 will not attract any litigation from RA.

Sd/-

Rajiv Chakraborty

Regn. No.: IBBI/ IPA-001/ IP-P00602/2017-2018/11053

Resolution Professional for Uttam Value Steels Limited

12 Sukhdev Vihar, 1st Floor, New Delhi-110025

chakrabortyrajiv72@gmail.com

ANNEXURE A

Format of Expression of Interest

[On the letter head of the company/ in case of consortium- the leader submitting interest in submission of Resolution Plan]

Date: _____

RAJIV CHAKRABORTY

Resolution Professional for Uttam Value Steels Limited
252, Veer Savarkar Marg, Shivaji Park,
Dadar (W), Mumbai - 400 028.

E-mail ID: ip.uvsl@in.pwc.com

Subject: Expression of Interest (“EoI”) for submitting Resolution Plan for Uttam Value Steels Limited (“Corporate Debtor”) undergoing Corporate Insolvency Resolution Process (“CIRP”).

Dear Sir,

In response to the public advertisement in [Insert name of newspaper], dated [] and/or [Insert name of newspaper.], dated [] (“**Advertisement**”) inviting EoI for submission of resolution plans for the Corporate Debtor undergoing corporate insolvency resolution process as per the provisions of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”), we confirm that we have understood the eligibility criteria mentioned in Annexure A to the EoI and meet the necessary threshold and criteria mentioned therein and submit our interest in EoI for submission of a Resolution Plan for the Corporate Debtor.

Along with our interest in EoI, we have also provided information as required in the prescribed format in Annexure C and Annexure D.

We further undertake that the information furnished by us in this EoI and Annexures is true, correct, complete, and accurate. Based on this information we understand you would be able to evaluate our preliminary proposal in order to qualify for the above-mentioned proposal. Further, we agree and acknowledge that:

- (a) the EoI will be evaluated by the Resolution Professional (“RP”) (on behalf of the Committee of Creditors (“CoC”) of Uttam Value Steels Limited based on the information provided in the Annexures and attached documents to determine whether we qualify to submit a proposal for the proposed transaction;
- (b) the RP/ 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/without any liability whatsoever;
- (c) the RP/ CoC reserve the right to request for additional information or clarification(s) 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) Meeting the qualification criteria set out in EoI alone does not automatically entitle us to participate in the process;
- (e) We will continue to meet the eligibility criteria throughout the bid process, and any material adverse change affecting the consortium members ability to perform in consortium shall be intimated immediately;
- (f) In case of consortium, we would comply with the eligibility criteria pertaining to equity holding i.e. the lead member must hold at least 26% total equity participation in the consortium who shall be designated as the lead member. All other members would need to have a minimum stake of 10% each in the consortium ;
- (g) We are not an ineligible 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*]^{1&2}

Signature:

Name of Signatory:

Designation:

Company Seal/Stamp

- *In case of Consortium Applicant, the EoI shall be signed by each member.*
- *The person signing the EoI and other supporting documents should be an authorised signatory supported by necessary board resolutions/authorization letter.*

ANNEXURE B

Eligibility Criteria

EoI would be subject to evaluation on the financial capacity of the RA

FINANCIAL CAPACITY

- 1) Category A-Private/ Public Limited Company, LLP, Body Corporate, Nonbanking financial company ('NBFC') whether incorporated in India or outside India
 - Minimum Tangible Net worth (TNW) OF **INR 150 crore** (as per Companies Act, 2013 or in case of NBFCs, applicable RBI regulations) at the end of the immediately preceding completed financial year, but not earlier than March 31, 2017.

- 2) Category B- Financial Institution (FI)/ Fund / Private Equity(PE) Investor/ Any other applicant

Higher of

 - Minimum Asset Under Management (AUM) of **INR 300 crores** in the immediately preceding completed financial year, OR
 - Committed funds available for investment/deployment in Indian Companies or Indian assets of **INR 300 crore** or more in the immediately preceding completed financial year.

- 3) Category C- Individual investor/ Consortium of individual Investors:
 - Minimum net worth of **INR 35 crores** at individual sole level.
 - Minimum consolidated net worth of **INR 50 crores** at the individual consortium level.
 - Individual investor to include HUFs and family trusts.

- 4) Category D- Consortium
 - At least one of the member must hold at least 26% total equity participation in the consortium who shall be designated as the lead member. All other members would need to have a minimum stake of 10% each in the consortium.

 - All the members of the consortium shall be jointly and severally responsible for compliance with the terms of the invitation for EoI, the request for resolution plan and the resolution plan submitted by the consortium.

Consortium of Body Corporates/ NBFCs

TNW of consortium shall be calculated as weighted average of individual member's TNW (value of negative TNW members shall be considered as Nil) basis their proposed equity participation in the consortium. **Refer illustration 1 below**

Illustration 1: Computation of weighted average tangible net worth of consortium for determining eligibility

Potential RA is a consortium of body corporates with tangible net worth and proposed shareholding in the consortium as follows:

(INR in Crores)

Potential RAs	Nature	TNW	Proposed shareholding in consortium
Investor 1	Body Corporate	300	50%
Investor 2	Body Corporate	100	30%
Investor 3	Body Corporate	-ve 50	20%

The effective aggregate tangible net worth (TNW) of the consortium shall be computed as follows:

(INR in Crores)

Potential RAs	TNW (A)	Proposed shareholding in consortium (B)	Weighted average TNW (A*B)
Investor 1	300	50%	150
Investor 2	100	30%	30
Investor 3	-ve 50*	20%	Nil
Total			180

* Value of negative TNW members shall be considered as Nil.

The aggregated weighted average TNW is greater than INR 150 crores. Hence, the above consortium is eligible.

Consortium of FIs/ Funds/ PE Investors/ 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 (whichever is higher) basis their proposed equity participation in the consortium. **Refer illustration 2 below.**

Illustration 2: Computation of weighted average AUM or Committed funds of consortium for determining eligibility

Potential RA is a consortium of FIs and PE Investors/ any other applicants with AUM and Committed funds available for investment/deployment in Indian companies (Committed Funds) and proposed shareholding in the consortium as follows:

(INR in Crores)

Potential RAs	Nature	AUM	Committed funds	Proposed shareholding in consortium
Investor 1	FI	250	150	50%
Investor 2	PE Investor	200	400	30%
Investor 3	PE Investor	150	150	20%

The weighted average AUM or Committed funds of the consortium shall be computed as follows:

(INR in crores)

Potential RAs	AUM or Committed funds (whichever is higher) (A)	Proposed shareholding in consortium (B)	Weighted average AUM or Committed Funds (A*B)
Investor 1	250	50%	125
Investor 2	400	30%	120
Investor 3	150	20%	30
Total			275

The aggregated weighted average AUM or committed funds is less than INR 300 crores. Hence, the above consortium is not eligible.

Consortium of Body Corporates/NBFC with FIs/Funds/PE Investors/ any other applicants

The effective aggregated TNW of the consortium shall be calculated as weighted average of individual member's TNW/ AUM/ Committed funds basis their proposed equity participation in the consortium. Note that while aggregating TNW of body corporates with AUM/ Committed funds of FIs/ Funds/ PE Investors/ any other applicants, a weight of 100% shall be assigned to TNW and a weight of 50% shall be assigned to the AUM/ Committed funds (whichever is higher). Refer illustration 3 below.

Illustration 3 Computation of effective aggregate tangible net worth of consortium for determining eligibility

Potential RA is a consortium of body corporates/ NBFC with FIs/ Funds/ PE Investors/ any other applicants with TNW, AUM and Committed funds available for investment/ deployment in Indian companies (Committed Funds) and proposed shareholding in the consortium as follows:

(INR in Crores)

Potential RAs	Nature of investor	TNW	AUM	Committed funds	Proposed shareholding in consortium
Investor 1	Body Corporate	400	NA	NA	50%
Investor 2	PE Investor	NA	200	300	30%
Investor 3	FIs	NA	100	100	20%

The weighted average AUM or Committed funds of the consortium shall be computed as follows:

(INR in Crores)

Potential RAs	TNW/ AUM/ Committed funds (whichever is higher) (A)	Proposed shareholding in consortium (B)	Weighted average TNW/ AUM/ Committed Funds (C=A*B)	Weights (D)	Effective weighted average TNW (C*D)
Investor 1	400	50%	200	100%	200
Investor 2	300	30%	90	50%	45
Investor 3	100	20%	20	50%	10
Total					255.0

The effective weighted average TNW of consortium is greater than INR 150 crores. Hence, the above consortium is eligible.

Consortium is of sole individual investor(s) with body Corporates/ NBFCs/ FIs/ Funds/ PE Investor/ any other applicants

The qualification criteria shall be based on effective aggregated TNW of the consortium. Effective aggregated TNW of the consortium shall be calculated basis Net worth/ TNW/ AUM/ Committed Funds in proportion to the respective shareholding of sole individual investor(s)/ Body Corporates/ FIs/ Funds/ PE.

Investors/ any other applicants in the consortium. Note that while aggregating Net worth of sole individual, TNW of body corporates with AUM/ Committed funds of FIs/ Funds/ PE Investors/ any other applicants, a weight of 100% shall be assigned to TNW and a weight of 50% shall be assigned to the AUM / Committed funds (whichever is higher). **Refer illustration 4 below**

Illustration 4 Computation of effective aggregate tangible net worth of consortium for determining eligibility

Potential RA is a consortium of sole individuals with body corporates/ FIs/ Funds/ PE Investors/ Any other applicants with Net worth, TNW, AUM and Committed funds available for investment/ deployment in Indian companies (Committed Funds) and proposed shareholding in the consortium as follows: (INR in Crores)

Potential RAs	Nature of investor	TNW/ Net worth	AUM	Committed funds	Proposed shareholding in consortium
Investor 1	Body Corporate	300	NA	NA	25%
Investor 2	PE Investor	NA	200	400	30%
Investor 3	Sole individual	50	100	NA	20%
Investor 4	Consortium of Individual	100	250	NA	25%

The weighted average AUM or Committed funds of the consortium shall be computed as follows: (INR in Crores)

Potential RAs	Net worth/ TNW/ AUM or Committed funds (whichever is higher) (A)	Proposed shareholding in consortium (B)	Weighted average worth/ TNW/ AUM or Committed Funds (C=A*B)	Weights (D)	Effective weighted average TNW (C*D)
Investor 1	300	25%	75	100%	75
Investor 2	400	30%	120	50%	60
Investor 3	50	20%	10	100%	10
Investor 4	100	25%	25	100%	25
Total			340		170

The effective weighted average net worth of Consortium is greater than INR 150 crores. Hence, the above consortium is eligible.

No change in lead member and no change in the members of the consortium shall be permitted after the RA submits the Expression of Interest.

ANNEXURE C

Documents to be submitted along with EoI

S. No.	Private/Public Limited Company, LLP, Body Corporate, NBFC whether incorporated in India or outside India [Category A]	Financial Institutions (FI)/ Funds / Private Equity (PE) Investors/ Any other applicant [Category B]	Sole Individual investor [Category C]
1	Profile of the RA (As per Annexure D)	Profile of the RA(As per Annexure D)	Profile of the RA (As per Annexure D)
2	Copies of Certificate of Incorporation/ Registration and Constitutional Documents (MoA, AoA)	Copies of Certificate of Incorporation/ Registration and Constitutional Documents (MoA, AoA)	Government ID proofs
3	Audited financial statement at the end of the immediately preceding completed financial year, but not earlier than March 31, 2017	Audited financial statement at the end of the immediately preceding completed financial year, but not earlier than March 31, 2017	Income tax returns for preceding 3 (three) years.
4		Relevant statement of funds availability of the RA and/ or promoter/ promoter group or any other group company, as per the eligibility criteria.	
5	Certificate from Statutory Auditor or Chartered Accountant or Company Secretary or equivalent in the jurisdiction of incorporation of the Company certifying TNW as at end of last 3 financial years	Certificate from Statutory Auditor or Chartered Accountant or Company Secretary or equivalent in the jurisdiction of incorporation of the Company certifying AUM as at end of last 3 financial years and Committed funds not earlier than as at 31 st December 2017.	Certificate from Chartered Accountant certifying net worth as at end of last 3 financial years
6	Confidentiality Undertaking duly executed on stamp paper of Rs. ____ (As per Annexure F)	Confidentiality Undertaking duly executed on stamp paper of Rs. ____ As per Annexure F)	Confidentiality Undertaking duly executed on stamp paper of Rs. ____ (As per Annexure F)

In case of a consortium:

- *The above documents including certificates are required for each of the consortium members.*
- *The relevant documents of the consortium agreement shall also be attached.*

ANNEXURE D

Details of Potential Resolution Applicant

[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/ Organisation/ sole individual:
- b. Address:
- c. Telephone No:
- d. Fax:
- e. Email:

2. Name and Address(with proof) of the firm/company/organization/sole individual

3. Date of Establishment/ Date of Birth (for sole individual):

4. Core Area of Expertise:

5. Contact Person:

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

6. Company/FI Profile:

Company Financial Profile (consolidated / standalone as applicable):

(INR in Crores)

Company profile	Private/ Public Limited Company, LLP, Body Corporate, NBFC whether incorporated in India or outside India	Financial Institutions (FI)/ Funds / Private Equity (PE) Investors/ Any other applicant	Sole Individual Investor
As at 31 Mar 16	TNW	AUM	Net Worth
As at 31 Mar 17	TNW	AUM	Net Worth
As at 31 Mar 18	TNW	AUM and Committed Funds	Net Worth

In case of consortium, the above details are to be shared for each of the consortium members. Further, the fulfilment of qualification criteria must be clearly identified/ certified herein.

7. Experience of the Company in the relevant sector.

ANNEXURE E
UNDERTAKING

(To be executed on stamp paper)

To,

Dear Sir,

SUBJECT: UNDERTAKING FOR EQUITY PARTICIPATION

This is in relation to the corporate insolvency resolution process of Uttam Value Steels Limited. In response to the public advertisement in [Insert name of newspaper], dated [] and/or [Insert name of newspaper.], dated [] (“**Advertisement**”) for invitation for Expression of Interest for the Corporate Debtor undergoing corporate insolvency resolution process as per the provisions of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”), we have submitted an EoI as a consortium. The members of the consortium are as follows:

[Insert names of the members of the consortium and indicate the lead member]

As required in terms of the EoI, we agree and undertake that we will hold at least [26% / 10% (*lead member to choose 26% and other to choose 10%*)] equity participation in the consortium. We further agree and undertake that all the members of the consortium shall be jointly and severally responsible for compliance with the terms of the EoI, the request for resolution plan and the resolution plan submitted by the consortium.

SIGNED AND DELIVERED by [insert]

ANNEXURE F

UNDERTAKING BY RESOLUTION APPLICANT

[On the letter head of the Resolution Applicant]

Resolution Applicant's Undertaking

To,

Rajiv Chakraborty
1st Floor 12 Sukhdev Vihar,
New Delhi – 110 025

(the “**Resolution Professional**”)

Dear Sir,

Sub: Resolution Applicant's undertaking in relation to the invitation for expression of interest (“**Invitation for EoI**”) by the Resolution Professional published on 08, February, 2019 (“”) pursuant to the Insolvency and Bankruptcy Code of 2016 (“**Code**”) and the process prescribed thereunder (“**Resolution Process**”)

1. We, [Insert name of the Resolution Applicant] (“**Resolution Applicant**”), refer to the Invitation for EoI and our expression of interest pursuant to the same dated February 08, 2019 (“**EoI**”) and provide our unconditional acceptance of the terms and conditions set out in Invitation for EoI as amended from time to time in accordance with the procedure set out under the Code. Further and in relation to the said invitation for EoI and the requirements as set out in the Code, the Resolution Applicant undertakes, agrees and acknowledges that the Resolution Applicant (collectively, the “**Undertaking**”):
 - (a) meets the criteria specified by the committee of creditors under clause (h) of sub-section (2) of Section 25 of the Code;
 - (b) does not contravene the provisions of Section 29A of the Code to the extent applicable by way of submission of the EoI and participating in the Resolution Process;
 - (c) shall upon any potential or actual contravention of any of the provisions of the Code or the IBC IRP Regulations, including any ineligibility or disqualification under the Resolution Process, immediately intimate the Resolution Professional of the same;
 - (d) has submitted interest in the EoI and other requisite information strictly as per the format prescribed in the Invitation for EoI , without any deviations or conditions and without setting out any assumptions or notes qualifying the invitation for EoI;
 - (e) has provided all information and data during this Resolution Process, in a manner that is true, correct, accurate and complete and no such information, data or statement provided by the Resolution Applicant is inaccurate or misleading in any

manner; and

- (f) it shall maintain confidentiality of the information received as a part of the Resolution Process and shall not use such information to cause any undue gain or undue loss to itself or any other person and shall comply with the requirements under sub-section (2) of Section 29 of the Code.
2. In addition to the undertaking set out under clause 1 (e) above, the Resolution Applicant confirms that all the confirmations, declarations and representations made in the EoI are valid as on the date of this Undertaking and acknowledge that the discovery of any false information or record at any time will render the Resolution Applicant ineligible under the Resolution Process and liable to forfeit any refundable deposit and attract penal action under the Code.

Thank you.

Yours sincerely,

.....

Rubber stamp/seal of the Resolution Applicant