

{RFRP}

**M/S MULTI ARC COATING AND STRAPS LIMITED  
(IN CIRP)**

**REQUEST FOR RESOLUTION PLAN  
DATED 16.11.2021**

---

**CA BHAVI SHREYANS SHAH  
RESOLUTION PROFESSIONAL OF  
M/S MULTI ARC COATING AND STRAPS LIMITED  
(IN CIRP)**

{RFRP}

## **REQUEST FOR RESOLUTION PLAN**

Pursuant to our Newspaper Advertisement in Form G dated 18.10.2021 inviting EOIs from prospective Resolution Applicants in accordance with the “Detailed Invitation for EOIs”, this Request for Resolution Plan (RFRP) document is made available to all the eligible Resolution Applicants. It is expected that this RFRP document facilitates the prospective resolution applicants to submit resolution plans in accordance with all the relevant documents and as per Statute.

This RFRP has been issued by the RP, in consultation with the CoC and pursuant to the approval of the CoC vide 1st meeting of COC held on 12.10.2021 to the Resolution Applicant(s) inviting them to participate in the Resolution Plan Process

The information provided herewith is categorized into the following headings:

- A. DETAILS OF CORPORATE DEBTOR**
- B. THE RESOLUTION PLAN PROCESS**
- C. FORM G & MINIMUM CRITERIA**
- D. DETAILED INVITATION TO EOI & EVALUATION MATRIX**
- E. EARNEST MONEY DEPOSIT**
- F. RESOLUTION PLANS**
- G. MANDATORY PROVISIONS OF RESOLUTION PLANS**
- H. INELIGIBILITY CRITERIA OF PROSPECTIVE RESOLUTION APPLICANTS UNDER SECTION 29 A TO THE EXTENT APPLICABLE**
- I. INDICATIVE LIST OF DOCUMENTS WITH THE RESOLUTION PLAN**

{RFRP}

**ENCLOSURES TO THE RFP**

<b>ENCLOSURE – 1</b>	<b>FORM G</b>
<b>ENCLOSURE – 2</b>	<b>MINIMUM CRITERIA</b>
<b>ENCLOSURE – 3</b>	<b>DETAILED INVITATION FOR EOI</b>
<b>ENCLOSURE – 4</b>	<b>EVALUATION MATRIX</b>
<b>ENCLOSURE – 5</b>	<b>MANDATORY CONTENTS OF RESOLUTION PLANS</b>

**A. DETAILS OF THE CORPORATE DEBTOR**

Some details of the corporate debtor were provided in the Detailed Invitation for EOI. For more details on the Corporate Debtor, the prospective resolution applicant may refer to the Information Memorandum of the Corporate Debtor, which shall be provided through separate mail after obtaining confidentiality undertaking as required under section 29 (2) of Insolvency and Bankruptcy Code, 2016.

**B. THE BID PROCESS**

The Bid Process is briefly stated herein below. **In case of Inconsistencies, if any, of the contents in this document with the Insolvency and Bankruptcy Code, 2016 (the Code) and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (the CIRP Regulations) as amended up to date, the provisions contained in the Code and Regulations shall prevail.**

**C-1. INTERACTION BETWEEN THE RESOLUTION PROFESSIONAL & PROSPECTIVE RESOLUTION APPLICANTS:**

The communication address of the Resolution Professional is provided herein below:

Name of RP:	CA Bhavi Shreyans Shah
IP Reg. No:	IBBI/IPA-001/IP-P00915/2017-18/11521
Comm Address:	9 B, Vardan Tower, Near Vimal House, Lakhudi Circle, Navrangpura, Ahmedabad – 380 014.
Email Id:	<a href="mailto:ipbhavishah@gmail.com">ipbhavishah@gmail.com</a>

{RFRP}

Office Land Line: (079) 26566577

Mobile: +91 90999 23833

The Resolution Professional may be contacted for any query related to the above corporate insolvency resolution process at the above address / contact email id.

### C-2 IMPORTANT DATES - RESOLUTION PLAN PROCESS:

The important dates in the Resolution Plan process are as under:

Date of an Event	Particulars
18.10.2021	Newspaper advertisement in Form G
18.10.2021	Detailed Invitation for EOI will be made on request to Resolution Professional through email and will be available at: <a href="http://sunresolution.in/">http://sunresolution.in/</a>
02.11.2021	Last date of receiving EOI at the office of the Resolution Professional i.e. before 05:00 PM of 02.11.2021
11.11.2021	Preparation of Provisional list of Eligible Prospective Resolution Applicants
16.11.2021	Last date of receipt of Objection, if any, to the Provisional list of Eligible Prospective Resolution Applicants
19.11.2021	Preparation of Final list of Eligible Prospective Resolution Applicants
16.11.2021	Issuance of RFRP (Request for Resolution Plans)
16.11.2021	Issue of Information Memorandum, Evaluation Matrix
16.12.2021	Last date of receipt of Resolution Plans
12.03.2022	End of CIRP – 180 Days

### C-3 ISSUE OF INFORMATION MEMORANDUM, EVALUATION MATRIX:

The Resolution Professional will be issuing the Information Memorandum, Evaluation Matrix along with the Request for Resolution Plan (RFRP) on the same day of the issue of provisional list as stated in C-2 above. The RFRP will be issued to every prospective resolution applicant in the provisional list; and to every prospective resolution applicant who has contested the decision of the Resolution Professional against its non-inclusion in the provisional list.

The Information Memorandum will be provided to the email id provided by the prospective resolution applicants only after execution of Confidentiality Undertaking.

{RFRP}

C-4 MANNER & PURPOSE OF INTERACTION BETWEEN THE RESOLUTION PROFESSIONAL AND PROSPECTIVE RESOLUTION APPLICANTS:

- a. Communication to the Resolution Professional may be made by email or by post to the communication address provided in Form G and in this document. The communicator shall however ensure the communication is actually delivered to the Resolution Professional.
- b. The prospective resolution applicants will be informed to their email ids, material changes, if any, affecting the Information Memorandum of the corporate debtor and the process of CIRP. If necessitated, the Resolution Professional may, with the approval of the Committee of Creditors, extend the timeline for submission of the Resolution Plans and the revised timeline will be communicated to the email ids of the prospective resolution applicants.
- c. Pre-bid Session / Briefing Session – A pre-bid briefing session will be arranged if necessitated in order that the queries of the prospective resolution applicants are answered and clarifications on matters requiring clarifications by prospective resolution applicants are provided. The exact date and timing shall be informed to the email id provided by the prospective resolution applicants. All the prospective resolution applicants are requested to present themselves to seek clarification during the briefing session. Points for clarifications, if any, if sent in advance of the Pre-Bid Session, the Resolution Professional will be able to provide the information on the subject to the maximum extent. Besides the briefing session, if the prospective resolution applicants' desires, a visit to the units of the corporate debtor can also be arranged on request to be made to the Resolution Professional in advance.
- d. Communication on Approval / Rejection of Resolution Plans: All Resolution Applicants will be informed by the Resolution Professional on the decision of the Committee of Creditors. The communication will be made to the email id of the Resolution Applicants provided to the Resolution Professional.

C-5 MANNER OF SUBMISSION OF RESOLUTION PLANS:

A Prospective Resolution Applicant in the final list may submit the resolution plan prepared in accordance with the Code and Regulations thereto, to the Resolution Professional in electronic form and / or by speed post or by hand delivery in sealed cover within the time given in the request for resolution plan, that is, on or before 5:00 PM on 16.12.2021.

The Resolution Plan shall be accompanied, among other documents, the mandatory documents as stated in the ENCLOSURE – 5 of this RFRP. The Resolution Plan shall also contain the Mandatory Particulars / Provisioning as specified in the Code and Regulations; ENCLOSURE – 5 provides only the indicative provisions contained in Code and Regulations.

{RFRP}

A resolution plan which does not contain the above provisions / contents / documents shall be rejected.

The Resolution Plans received after the last date and time for receiving the Resolution Plans will not be accepted for any reason. However, if the last day happens to be a holiday for the office of the Resolution Professional, the next working day shall be considered as the last date of receiving the Resolution Plan. The office of the Resolution Professional follows the bank holidays followed in Gujarat State (except the second and fourth Saturday holidays of banks) as its holiday.

The Resolution Plan completed in all respects with all documents attached thereto shall be send in electronic form and / or by speed post or by hand delivery in sealed cover. The original documents and the demand draft / pay order that are required to be provided along with the resolution plan shall have to be submitted in physical form to the Resolution Professional. The envelope containing the Resolution Plan along with all the documents shall be securely sealed and shall be addressed to the Resolution Professional with complete address written thereon and highlighting at the top of the envelope in capital letters, "RESOLUTION PLAN FOR M/S MULTI ARC COATING AND DTRAPS LIMITED (IN CIRP).

#### C-6 COMPARISON & APPROVAL / REJECTION OF RESOLUTION PLANS:

1. The Resolution Plans received from all the eligible Resolution Applicants will be subjected to evaluation as per the Evaluation Matrix approved by the Committee of Creditors. The Committee of Creditors reserves its' right to reject the highest bid or all bids received, if the bids do not meet the viability and other criteria as per the opinion of the Committee. The Committee of Creditors also reserves the right to re-fix the Minimum Criteria and Evaluation Matrix at their meeting without assigning any reasons thereof and the decision of the Committee of Creditors shall be final.
2. A Comparative Statement of bids received will be made as per the Evaluation Matrix approved by the Committee of Creditors. The Comparative Statements shall be for financial and other criteria, evaluated in accordance with the Evaluation Matrix. The Committee of Creditors may call one or more or all the Resolution Plans who meet all the criteria as to resolution plan, for a presentation of the resolution plan submitted by them.
3. The resolution professional may, if asked to do by the committee, re-issue RFRP (request for resolution plans), if the resolution plans received in response to an earlier request are not satisfactory; in such an event, the request will be made to all the prospective resolution applicants in the final list. In case of re-issue a time period of minimum 5 days will be provided to the prospective resolution applicants to respond to such re-issued RFRP. The re-issued RFRP will be communicated to the email ids provided by the prospective resolution applicants.
4. Notwithstanding what has been stated above or elsewhere, the Committee of Creditors, reserves its' rights to reject a Resolution Plan, without assigning any

{RFRP}

reasons thereof, even if the same meets the Minimum Criteria and that the Bid Price Points of an Applicant is the highest among all the Resolution Applicants.

#### C-7 OTHER TERMS AND CONDITIONS OF EOI / RESOLUTION PLANS:

1. Lodgment of an EOI and Resolution Plan is evidence of a Resolution Applicant's consent to comply with the terms and conditions of RFRP. If the Applicant fails to comply with any of the terms, the Resolution Plan may be summarily rejected.
2. All Prospective Resolution Applicants shall be deemed to have:
  - a. examined the EOI / RFRP document and its subsequent changes, if any for the purpose of responding to it;
  - b. examined all circumstances and contingencies, having an effect on their EOI / Resolution Plans and which is obtainable by the making of reasonable enquiries;
  - c. satisfied themselves as to the correctness and sufficiency of their EOI / Resolution Plan applications and if any discrepancy, error or omission is noticed in the EOI / Resolution Plans the applicants shall notify the Resolution Professional immediately and in any case before the meeting of the Committee of Creditors convened to discuss the EOI / Resolution Plans.
3. The Prospective Resolution Applicant(s) may be asked to enter into an agreement with the Resolution Professional in order to give formal shape to all decisions, during the course of negotiations / discussions, on the resolution plans mutually agreed between the prospective resolution applicant and the committee of creditors.

#### D. FORM G & MINIMUM CRITERIA

A copy of the Form G is annexed as **ENCLOSURE – 1** and the MINIMUM CRITERIA approved by the Committee of Creditors is annexed herewith as **ENCLOSURE – 2** to this RFRP. The Minimum Criteria is mandatory and the Resolution Applicant(s) shall ensure that the Criteria stated therein are met.

#### E. DETAILED INVITATION TO EOI & EVALUATION MATRIX

The Detailed Invitation to Expression of Interest is annexure herewith as **ENCLOSURE – 3**. The EVALUATION MATRIX approved by the Committee of Creditors is annexed herewith as **ENCLOSURE – 4** to this RFRP.

#### F. EARNEST MONEY DEPOSITS:

If a Resolution Plan of a prospective resolution applicant is approved by the Committee of Creditors the Earnest Money Deposits submitted along with the Resolution Plan of the Resolution Applicant will be retained till such time the Adjudicating Authority passes orders in this connection. When the Resolution Plan is approved by the Adjudicating Authority the Earnest Money Deposits of the

{RFRP}

Resolution Applicant will be adjusted towards the implementation of the Resolution Plan. On the other hand, if a Resolution Plan approved by the Committee of Creditors, for any reason, is rejected by the Adjudicating Authority, the Earnest Money Deposits received from the Resolution Applicant will be returned within 15 working days of the order of the Adjudicating Authority.

If one or more of the Resolution Plan(s) is / are not approved by the Committee of Creditors the Earnest Money Deposits submitted by the Resolution Applicant will be refunded within 15 days of the decision of the Committee of Creditors to the bank account of the resolution applicant. The Earnest Money Deposit will not earn any interest and the prospective resolution applicant shall not be eligible for any interest, whatsoever, on the Earnest Money Deposits.

#### G. RESOLUTION PLANS:

##### G-1 FORM AND CONTENTS OF RESOLUTION PLANS:

The Resolution Plan shall be specific and clear as to the offer amount, source of funds, timing and mode of payment etc. If a Resolution Plan is ambiguous with respect to the amount of offer and / or the terms of implementation / other aspects, the Committee of Creditors may, at its' discretion, reject such Plans without any further processing. It is therefore expected that the Resolution Plans are expressed in definite and unambiguous terms.

The Resolution Plan shall contain the mandatory provisioning of priorities of stakeholders of the corporate debtor. Besides, the Resolution Plan shall be sufficiently detailed as to show the generation, sources and uses of funds during the entire period of implementation of the Resolution Plan.

##### G-2 PROJECTION FOR SOURCES OF CASH:

The projections on the sources of funds shall not be confined to the catering of the immediate requirements. It shall span over an estimated comfortable period when the proposed plan leads to the revival of the corporate debtor. The Resolution Plan shall demonstrate with sufficient workings the projections of cash flow from different sources, including but not limited to the following:

- Internal business operations – cash generations from continuing business of resolved entity;
- Upfront cash infusion proposed by the prospective Resolution Applicant;
- Future / periodic cash infusion proposed by the prospective Resolution Applicant;
- Asset Sale / Business divestment of the resolved entity envisaged as part of the resolution plan and amount of cash generated;
- Other sources of funds.



{RFRP}

### G-3 PROJECTED PAYOUT PLANS:

The Resolution Plan shall be specific as to the nature of payout, present and future payments, among others; the following shall be distinguished / disclosed:

- Distinguish upfront and deferred cash payments.
- Present Value of deferred cash payment with discount factor specified in evaluation matrix.
- Present value of payouts as % of admitted claims across categories at specified discounted rate specified in evaluation matrix.

### G-4 CREDENTIALS OF PROJECTIONS FOR BUSINESS OPERATIONS OF THE RESOLVED ENTITY:

The following are illustrative list of aspects that are relevant for the Resolution Plan being considered:

- Drivers of Revenue and Cost for number of years of Plan;
- Projected Cash Flows and Balance Sheet for such number of relevant years;
- Planned sources and usage of cash for number of relevant years.

### G-5 PROVISIONING OF PERFORMANCE SECURITY

If the Resolution Plan of a prospective Resolution Applicant is approved by the Committee of Creditors as per the provisions contained in section 30 (4) of the Code, the Resolution Applicant will be called upon to provide 5% of Resolution Plan amount as Performance Security in accordance with the provisions contained in Regulation 36B (4A) within 7 days of the said approval by the Committee of Creditors. The Performance Security shall stand forfeited if the resolution applicant of such plan, after its approval by the Adjudicating Authority, fails to implement or contributes to the failure of implementation of the plan in accordance with the terms of the plan and its implementation schedule.

The Performance Security shall be in the form of a bank guarantee / Demand draft / Cheque / Fixed Deposit, unconditional and irrevocable, guaranteeing to pay the commitments within the time specified therein and such performance security shall stand forfeited if the resolution applicant of such plan, after its approval by the Adjudicating Authority, fails to implement or contributes to the failure of implementation of that plan in accordance with the terms of the plan and its implementation schedule.

In case if the Performance Security is given by the Resolution Applicant in the form of bank guarantee, then the said bank guarantee should remain valid till the last installment of the amount of the Resolution Plan is paid by the Resolution Applicant.

{RFRP}

## H. MANDATORY CONTENTS OF RESOLUTION PLANS

As **ENCLOSURE – 5** to this RFRP, the mandatory contents of resolution plans contained in few sections of the Code are stated. All Resolution Plans shall contain the Mandatory Contents as stated in the Code and Regulations. It should, however, be noted that the mandatory contents stated in the enclosure are only indicative and not be interpreted as all inclusive. The Resolution Professional or the Committee of Creditors will not be responsible for any non-inclusion of any of the provisions of the Law.

## I. INELIGIBILITY CRITERIA OF PROSPECTIVE RESOLUTION APPLICANTS UNDER SECTION 29 A TO THE EXTENT APPLICABLE

The mandatory ineligibility criteria of resolution applicants as contained in Section 29A of the Insolvency and Bankruptcy Code, 2016 is provided in **CHAPTER – E of ENCLOSURE – 3** “Detailed Invitation to EOI” of this RFRP. As the said enclosure too form part of this Request for Resolution Plan, the same is not again stated here. The prospective Resolution Applicant shall while submitting the resolution plan under Section 30 (1) of the Code shall, along with that, provide the required Affidavit as per the provisions contained therein.

## J. INDICATIVE LIST OF DOCUMENTS WITH THE RESOLUTION PLAN

An indicative list of documents that shall form part of the Resolution Plan is given below, which shall not be considered as to include all the documents that form part of the Resolution Plan:

1. A covering letter signed by the Resolution Applicant(s) or by the person authorized to submit the Resolution Plan on behalf of the Resolution Applicant(s);
2. The binding Resolution Plan;
3. Notarized Affidavit(s) by the prospective Resolution Applicant(s) stating that they are not ineligible under Section 29A of the Insolvency and Bankruptcy Code, 2016;
4. Undertaking(s) by the prospective Resolution Applicant(s) that every information and records provided in connection with or in the resolution plan is true and correct and that discovery of false information and record at any time will render the applicant ineligible to continue in the corporate insolvency resolution process, forfeit any refundable deposit, and attract penal action under the Code;
5. The resolution plans shall include a statement as to how it has dealt with the interests of all stakeholders, including financial creditors and operational creditors, of the corporate debtor;
6. A resolution plan shall include a statement giving details if the resolution applicant or any of its related parties has failed to implement or contributed to the failure of

{RFRP}

implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past;

7. The prospective Resolution Applicants shall provide an undertaking that in case their Resolution Plan is approved by the Committee of Creditors under sub-section (4) of section 30, they will provide a performance security of 5% of the Total Resolution plan amount within 7 days of the said approval by the CoC and that they undertake to agree the forfeiture of such performance security if the resolution applicant of such plan, after its approval by the Adjudicating Authority, fails to implement or contributes to the failure of implementation of that plan in accordance with the terms of the plan and its implementation schedule.

8. Power of Attorney / Board Resolution, as applicable, to submit binding Resolution Plan in the format specified in appendices;

9. Earnest Money Deposit to be submitted along with the Resolution Plan;

10. The Resolution Applicant(s) to provide a brief overview about itself / themselves.

11. Corporate structure of the Resolution Applicant(s), and Group Companies, affiliates, Parent Company and the Ultimate Parent Company of the Resolution Applicant(s);

12. Creditworthiness and financial capability of the Resolution Applicant(s) - Resolution Applicant(s) to provide the credit rating, documents from credit rating agencies (CIBIL, CARE, CRISIL, Others) and other documents evidencing the creditworthiness of the Resolution Applicant(s) or other obligors under the Resolution Plan to infuse funds in the Corporate Debtor.

13. Previous Experience of prospective Resolution Applicant(s) - to provide the details of investments in such industry;

14. Documents evidencing the qualitative factors specified in the Evaluation Matrix to enable the evaluation of the resolution plans;

15. The financial projections for the corporate debtor during the number of years during which the resolution plan implementation is being projected;

16. Details as to how it proposes to supervise the implementation of the Resolution Plan;

17. Evidence with respect to the source of funding of the Resolution Plans;

18. Alternative plans / arrangements in case deviations happen to the projections which have a material impact on the resolution plan being considered;

{RFRP}

19. If any of the documents (KYC, Undertakings, Declarations) specified in the Detailed Invitation to EOI were not submitted with the Expression of Interest, those documents shall form part of the Resolution Plan;

20. A copy of the RFRP and all ENCLOSURES signed and stamped by the Resolution Applicants as a token of acceptance of the provisions contained therein; and

21. Any other documents evidencing other credentials relevant to the resolution plan being considered.

{RFRP}

DISCLAIMERS TO THE REQUEST FOR RESOLUTION PLAN

This document named “Request for Resolution Plan” (RFRP) and the Enclosures thereto are formulated by the Resolution Professional. The purpose of these documents is to assist the recipient in deciding whether they wish to proceed with participating in the EOI process, having regard to the nature and size of the business and other considerations. Then there are eligibility criteria and evaluation matrix fixed by the Committee of Creditors of the Corporate Debtor and there are also ineligibility and other criteria as per the provisions of the Code and the CIRP Regulations. These provisions are provided in order to assist the recipient to examine the meeting of eligibility criteria before taking a decision on the participation in the EOI process and subsequently in the Resolution Plan process.

The information contained herein is not intended to form the sole basis of any investment decision by a prospective Resolution Applicant. Interested parties should carry out their own investigations and analysis of the Corporate Debtor and of the data referred to in this RFRP and supporting enclosures. Neither this document, nor anything contained herein, should form the basis of, or be relied upon in connection with any contract, agreement, undertaking, understanding or any commitment or investment decision whatsoever.

The information contained/disclosed in the RFRP and supporting documents are as provided by the Corporate Debtor and the stake-holders of the Corporate Debtor. No representation or warranty, express or implied, is given by the Corporate Debtor or the stake-holders, any of its officers, employees or its agents to the Resolution Professional as to the accuracy, authenticity or completeness of the contents of this RFRP and supporting documents or information supplied, nor is any such party under any obligation to update the information or correct any inaccuracies or omissions in it which may exist or become apparent. This document should not be considered as a recommendation by the Corporate Debtor or any stake-holders, any of its officers, employees or its agents, or the Resolution Professional to invest in the Corporate Debtor and each prospective applicant must make its own independent assessment of the merits or otherwise of investing in the corporate debtor.

No responsibility or liability is accepted for any loss or damage arising whatsoever that you may suffer as a result of the information contained herein and responsibility and liability is expressly disclaimed by the Resolution Professional and its officers and employees.

Date: 16.11.2021

Place: Ahmedabad

CA Bhavi Shreyans Shah

Resolution Professional

IP Reg. No: IBBI/IPA-001/IP-P00915/2017-18/11521