

INTERIM RESOLUTION PROFESSIONAL
CA AMIT C. PODDAR
IP REGN. NO. IBBI/IPA-001/IP-P00449/2017-18/10792

CASE NO. C.P. (IB) 3171/(MB)/2018

MINUTES OF THE FIRST MEETING OF
COMMITTEE OF CREDITORS OF

TULSI EXTRUSIONS LIMITED

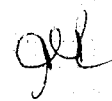
DATE: JANUARY 29, 2019

VENUE:

CIRCLE OFFICE OF PUNJAB NATIONAL BANK, 1ST FLOOR, PNB HOUSE,
KINGSWAY, NAGPUR – 440001

CORPORATE DEBTOR:

TULSI EXTRUSIONS LIMITED
PLOT NO. N-99, MIDC, AREA, JALGAON MH - 425003



MINUTES OF THE FIRST MEETING OF THE COMMITTEE OF CREDITORS OF TULSI EXTRUSIONS LIMITED HELD ON TUESDAY, JANUARY 29, 2019 AT CIRCLE OFFICE OF PUNJAB NATIONAL BANK, 1ST FLOOR, PNB HOUSE, KINGSWAY, NAGPUR – 440001 AT 12:00 PM.

MEMBERS PRESENT:

The following members and invitees were present in person to attend the meeting:

| SN | Particulars | Present/ Absent |
|----|---|--------------------|
| 1 | Punjab National Bank, through their representatives: | |
| | (a) Mr. V.K. Gupta – Dy. Circle Head | Present |
| | (b) Mr. M. K. Ray – Asst. General Manager, BH, ARMB, Nagpur | Present |
| | (c) Mr. N.K. Gupta – Chief Manager, ARMB, Nagpur | Present |
| | (d) Mr. Sanjay Nikhare, SM, Circle Office, Nagpur | Present |
| 2 | Allahabad Bank, through their representatives: | |
| | (a) Mr. Jitendra Kaswan - Physically present at meeting | Present |
| 3 | L&T Finance Limited, through its representative: | |
| | Mr. Yogesh Meshram - Manager | Present |
| | (b) Mr. Ashwini Sharma - Through audio conferencing | Present |
| | (c) Mr. Chirag Lokhande - Through audio conferencing | Present |
| 4 | Mr. Sanjay Taparia (Promoter/Director of Tulsi Extrusions Limited) | Present |
| 5 | (a) Mr. Amit C. Poddar (Interim Resolution Professional (IRP) of TEL) | Present |
| | (b) Mr. Ashish Saoji (Officer of IRP) | Present |
| | (c) Mr. Swagat Agrawal (Officer of IRP) | Present |
| | (d) Ms. Mona Chhabda (Officer of IRP) | Present |

Leave of absence was not granted to anyone as all the members were present in person/ through their authorized representatives to attend the meeting.

1 ELECTION OF CHAIRMAN:

Mr. Amit C. Poddar, Interim Resolution Professional, occupied the Chair and called the meeting to order at 12:20 PM. Thereafter, the notice convening the meeting was, with the consent of all the Members present, taken as read. The Chairman then expressed that members desirous of seeking clarifications, if any, may do so.

"Resolved that Mr. Amit C. Poddar, Interim Resolution Professional duly appointed by Hon'ble National Company Law Tribunal, Mumbai Bench, be and is hereby appointed as Chairman of the Committee of Creditors of Tulsi Extrusions Limited."

The items on the agenda were then taken up *ad seriatim*.

2. TO ASCERTAIN THE QUORUM FOR THE MEETING:

As per Regulation 22 (1) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, a meeting of Committee of Creditors shall be quorate if the members of the committee representing at least 33% of the voting rights are present either in person or through video conferencing or other audio and visual means. Since, all the members of the committee of creditors were present in person/ through their authorized representatives having 100% voting rights, the Chair after ascertaining the required quorum, commenced the meeting at 12:20 P.M.

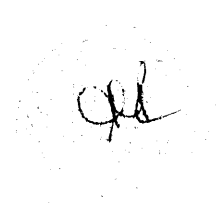
"Resolved that the Quorum is present at the meeting of the CoC of Tulsi Extrusions Limited in its meeting held on 29/01/2019 by presence of all the members of CoC having 100 % voting rights."

The Members discussed and took note of the same.

3. TO TAKE NOTE OF THE PROCEEDINGS AND DEVELOPMENTS IN THE MATTER OF CORPORATE INSOLVENCY RESOLUTION PROCESS OF THE CORPORATE DEBTOR:

The Chairman briefed the Members about the developments made by IRP in the CIRP matter since taking over the charge, namely:

- a) Form A of Public Announcement (inviting claims from creditors) was published in two newspapers namely The Times of India (English) and Maharashtra Times (Marathi), both being Jalgaon editions on 02/01/2019.
- b) The IRP then informed all the financial creditors that one more bank namely Balwant Nagari Sahakari Bank Ltd. was informed as their charge was reflected in the ROC records, but they didn't revert back. Later on it was confirmed by the Director of the company Mr. Sanjay Taparia that the loans of Balwant Nagari Sahakari Bank Ltd. were cleared long back.
- c) After taking charge IRP visited Jalgaon and took over the physical possession of Factory Land and Building and Plant and Machinery of the Corporate Debtor on 07/01/2019 and 08/01/2019.
- d) Thereafter the security agency "Modern V.R. Security Force (India) Pvt. Ltd. was appointed as security agency for all the three (3) units.
- e) The Flex/ Hoarding were placed at all three (3) factory Units and the open boundaries were sealed by putting tin fence/ bars.
- f) The IRP received more than 60 claims out of which only 7 claims (3 financial creditors, 3 operational creditors and 1 employee) were finalized and included in the list of creditors as on 19/01/2019. The other claims are still under verification and will be finalized as and when supporting documents will be received from them.
- g) The Committee of Creditors was formed on 19/01/2019 and the same along with List of Creditors was filed with the Hon'ble NCLT, Mumbai Bench on 21/01/2019.

A handwritten signature in black ink is located in the bottom right corner of the page. Below the signature is a circular stamp, which appears to be a company or official seal, though the details within it are not clearly legible.

h) The IRP again visited the office of Corporate Debtor on 24/01/2019 and 25/01/2019 for collection and further verification of information/documents.

"Resolved that the Interim Resolution Professional updated all the members of CoC about the developments made by him in the matter of CIRP of the Corporate Debtor, since taking over the charge."

The Members discussed and took note of the same.

4. TO TAKE NOTE OF THE LIST OF CREDITORS:

The Chairman further informed that Committee of Creditors was formed on 19/01/2019 and the same along with List of Creditors was filed with the Hon'ble NCLT, Mumbai Bench on 21/01/2019.

"Resolved that the Interim Resolution Professional updated all the members of CoC that the formation of Committee of Creditors was done on 19/01/2019 and the same along with the List of Creditors was filed with Hon'ble NCLT, Mumbai Bench, on 21/01/2019."

The Members discussed and took note of the same.

5. TO DISCUSS AND DELIBERATE ON THE STATEMENT OF CLAIMS RECEIVED BY THE INTERIM RESOLUTION PROFESSIONAL AND TO TAKE NOTE THAT THE CLAIMS ARE STILL UNDER VERIFICATION PROCESS:

The Chairman informed the Committee of Creditors that more than 60 claims were received from various creditors and out of which only 7 claims (3 financial creditors, 3 operational creditors and 1 employee) were finalized and included in



the list of creditors as on 19/01/2019. The other claims are still under verification process and will be finalized as and when supporting documents will be received from them.

"Resolved that the Interim Resolution Professional updated all the members of CoC about the statement of claims received by him and that the claims are still under verification process."

The Members discussed and took note of the same.

6. TO DISCUSS AND DELIBERATE ON LIABILITIES AND ASSETS (IMMOVABLE AND MOVABLE ASSETS) AND THE FINANCIAL POSITION OF THE CORPORATE DEBTOR AS ON INSOLVENCY COMMENCEMENT DATE AS PER BOOKS OF ACCOUNTS:

The Chairman updated the Committee of Creditors about the liabilities and assets (immovable and movable assets) and discussed the financial position of the Corporate Debtor as on insolvency commencement date as per books of accounts, namely -

A. ASSETS:

- Fixed Assets: The fixed assets are majorly comprised of Capital WIP, Land, Building Shed, Plant & Machinery, Furniture, Vehicles, Mobile Handsets etc.
- i. Capital WIP (Rs.19.42 Crores approx.) – This item comprises of advances given and classified under the head Capital Work in Progress. IRP updated that he had scrutinized the advances under this head for the past 5 years. The advances listed under this head were paid during the period from FY 2007-08 to FY 2012-13. On detailed scrutiny IRP figured out that the total amount advanced under this head was over Rs.50.00 Crores as on 31/03/2014, out of which only Rs.3.56 Crores was capitalized under the

- vi. Cash at Bank (Rs.62000/- approx) – IRP informed the CoC that actual amount in the accounts was not more than Rs.15000/- and according the CD all accounts are freezed by the Banks.

B. LIABILITIES:

The IRP informed that the Loans comprise of PNB Working Capital, Allahabad Bank and PNB Term Loans, LC defaults, and Loan from L & T Finance. Further IRP informed that there were Unsecured Corporate Loans from 2 Pvt. Ltd. companies of Mumbai to the tune of Rs.6.90 Crores approx.

- Current Liabilities : The IRP informed the CoC that Current Liabilities comprise of:

- i. Duties and Taxes, Sales Tax liabilities.
- ii. Provision for Salaries, Wages, Bonus, Gratuity, Profession Tax, Provident Fund, Municipal Taxes, LBT, ESIC, Electricity, etc. payable to the tune of Rs.4.00 Crores approx. The same needs to be checked in detail.
- iii. The Creditors for various categories such as trading, raw material, capital goods, expenses, labour, legal expenses, etc. stands at Rs.16.19 Crores approx. The IRP mentioned that same will be determined on the basis of claims received and admitted.

“Resolved that the Interim Resolution Professional updated all the members of CoC about the financial position of the Corporate Debtor as on the insolvency commencement date as per the books of accounts..”

The Members discussed and took note of the same.

7. TO RATIFY THE EXPENSES INCURRED BY THE INTERIM RESOLUTION PROFESSIONAL:

The Committee of Creditors ratified the expenses incurred by the interim resolution professional. The IRP had tabled the copies of bills, also provided copies to all the CoC members for their records. The IRP also mentioned that the IRP fees was charged on time basis and was fixed by the applicant Financial Creditor – Punjab National Bank, which was subject to approval of the Committee of Creditors.

The details of costs incurred by the IRP are given below:

| <u>Particulars</u> | <u>Total</u> |
|---|-----------------|
| IRP Fees for the period 28/12/2018 – 27/01/2019 | 2,95,000 |
| Public Announcement Exps | 11,151 |
| Security Guards at Factory Site From 07/01/2019 – 31/01/2019 | 1,34,992 |
| Travelling Expenses | 20,265 |
| Hotel Stay | 20,515 |
| Food etc. | 3,000 |
| Factory Repairs + Locks | 9,600 |
| COC Meetings (E-voting facility) | 5,900 |
| Miscellaneous Expenses (Couriers + Xerox) | 3,825 |
| TOTAL | 5,04,248 |

“Resolved that the costs of Rs. 5,04,248/- incurred by the Interim Resolution Professional were ratified, which is inclusive of IRP fees.”

The Members discussed and ratified the same.

8. TO DISCUSS AND RATIFY THE APPOINTMENT OF SECURITY AGENCY:

The IRP informed that in order to secure the assets of CD, IRP had appointed “Modern V.R. Security Force (India) Pvt. Ltd.” who had deployed 11 guards (2+3 at unit 1; 2+2 at unit 2; and 1+1 at unit 3) to have 24 hours security and guard the assets of the company on a monthly remuneration of Rs. 13000/- per guard for a duty of 12 hours. The monthly fees, including taxes comes to Rs.168,740/- for the same.

The same requires approval and the IRP had provided the facility of voting by e-voting (through Right2vote Infotech Private Limited) so as to enable the Committee of Creditors, to consider and ratify the appointment of “Modern V.R. Security Force (India) Pvt. Ltd.”

9. TO APPOINT CA. AMIT C. PODDAR AS THE RESOLUTION PROFESSIONAL AND TO DECIDE HIS REMUNERATION:

The IRP requested the CoC for the revision in the RP fees of Rs.5,00,000/- per month for being appointed as Resolution Professional. The Committee of Creditors discussed and negotiated to Rs. 3,00,000/- per month (plus GST) and was still in the process of finalization, by the Committee of Creditors in their 1st meeting of COC.

The same requires approval and the IRP had provided the facility of voting by e-voting (through Right2vote Infotech Private Limited) so as to enable the Committee of Creditors, to consider and approve the appointment of CA. Amit C. Poddar as Resolution Professional with fees.

10. TO APPOINT FORENSIC AUDITORS:

The IRP mentioned the requirement of the appointment of Forensic Auditors to study the movement of funds and IRP emphasized that a detailed scrutiny of the accounts of the Corporate Debtor was required to form an opinion as to the exact circulation of funds over a period of last 8-10 years.

The same requires approval and the IRP had provided the facility of voting by e-voting (through Right2vote Infotech Private Limited) so as to enable the Committee of Creditors, to consider and approve the appointment of Forensic Auditors.

11. TO DISCUSS AND APPROVE THE APPOINTMENT OF A COUNSEL:

The IRP mentioned the requirement of the appointment of a counsel for appearing the hearing at Hon'ble NCLT, Mumbai Bench, Mumbai, on IRP's behalf in situations when IRP is not able to attend or for filing the relevant papers with Hon'ble NCLT, Mumbai Bench, Mumbai, and appearing for the hearing thereafter as and when required, and providing a certified true copy of the order as and when required, to be issued by Hon'ble NCLT, in the case of each matter of hearing, e.g. (a) The filing of Resolution Plan, for approval, with the Hon'ble NCLT; (b) Progress Reports, and the like matters etc.

However, the CoC members unanimously decided to leave this matter to be decided in the next CoC meeting.

12. ANY OTHER MATTER:

The following matters with the permission of majority of members of the Committee of Creditors were discussed and decided upon:



1. TO APPOINT EXTERNAL AGENCY FOR RECOVERY OF DEBTOR/ RECEIVABLES AND ADVANCES:

The IRP mentioned the requirement of the appointment of External Agency for recovery of debtor/ receivables and advances, as IRP had mentioned that there are amounts which have high recovery chances and with the help of such external agencies and rigorous follow up these amounts were recoverable.

The same requires approval and the IRP had provided the facility of voting by e-voting (through Right2vote Infotech Private Limited) so as to enable the Committee of Creditors, to consider and approve the appointment of External Agencies.

2. TO APPROVE THE EXPENSES OF ELECTRICITY AND INTERNET AT THE UNIT OF CORPORATE DEBTOR:

The IRP mentioned the requirement of the basic essentials like electricity and internet facility at the units of Corporate Debtor which would amount to Rs.10,000/- per month approx. for the smooth functioning of CIRP of the Corporate Debtor.

The same requires approval and the IRP had provided the facility of voting by e-voting (through Right2vote Infotech Private Limited) so as to enable the Committee of Creditors, to consider and approve the above mentioned expenses.

3. TO APPROVE THE APPOINTMENT OF A STAFF AND THEIR SALARY:

The IRP mentioned the requirement of the staff who had earlier worked with the Corporate Debtor for smooth functioning of the CIRP process, as they know in and out of the data/ records of the Corporate Debtor. The IRP had



proposed appointment of 5 people who would be called upon as and when required and with the payment based on per day charges of Rs. 2,500/-, for the smooth functioning of CIRP of the Corporate Debtor.

The same requires approval and the IRP had provided the facility of voting by e-voting (through Right2vote Infotech Private Limited) so as to enable the Committee of Creditors, to consider and approve the above mentioned appointment of staff with salary.

4. TO OPEN A BANK ACCOUNT IN THE NAME OF CORPORATE DEBTOR:

The IRP mentioned the requirement of the bank account for making various payments of the Corporate Debtor and the same was approved by CoC.

5. TO APPROVE THE INSURANCE OF THE ASSETS OF THE CORPORATE DEBTOR:

The IRP mentioned the requirement to do the insurance of the assets of the Corporate Debtor to safe guard the same.

There being no further business to transact, the meeting concluded at 3:20 pm with a vote of thanks to the members for attending the meeting.


CHAIRMAN



CA. AMIT C. PODDAR

Interim Resolution Professional (RP)

In the matter of CIRP of 'Tulsi Extrusions Limited'

Date: January 30, 2019

Place: Nagpur