DEVENDRA SINGH
INSOLVENCY PROFESSIONAL
IBBI/IPA-002/IP-N00001/2016-17/10001
Cirp.atil@gmail.com *dev_singh2006@yahoo.com*

20.03.2021

"FROM THE DESK OF RESOLUTION PROFESSIONAL"

Dear All,

As already informed to you through my various letters and communications, Alchemist Township India Limited (Corporate Debtor) is undergoing Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 and the was appointed as the Resolution Professional in the instant matter by the Hon'ble NCLT principal Bench, New Delhi, vide it's order dated 24.11.2020.

UPDATES

A. Creation of new website

The undersigned after establishment of last website namely "https://atil.cirpsolutions.com/" got various responses from the stakeholders regarding lag and delays being encountered by the website and further, the website was unable to cater the large number of stakeholders at a time. It is believed that in the instant matter, keeping in view the interest of all the stakeholders who belongs to lower middle class and are not well equipped with technology advancement and communication tools, the website is the only reliable/ user friendly and affordable medium to bridge the gap between the Resolution Professional and Stakeholders a new website namely **https://www.atilinsolvency.com/** has been created. All stakeholders are requested to take note of the same.

B. CoC to be conducted

As you are already aware that the Resolution Professional through Authorized Representative has already circulated the notice along with agenda for conducting third meeting of CoC for 22.03.2021, the third meeting of CoC will be conducted through video conferencing as per the notice for agenda already circulated to the members of the CoC. After conducting the third CoC, the minute of the CoC shall be circulated to the stakeholders through the Authorized Representative.

Thereafter, e-voting shall be conducted through the stakeholders. In order to understand the e-voting process, necessary demonstrations will be made by us and shall be intimated accordingly. You are requested to kindly visit our website **https://www.atilinsolvency.com/** on regular basis.

THE UNDERSIGNED HAS RECEIVED MAJORLY TWO CONCERNS FROM STAKEHOLDERS AND IN ORDER TO ADDRESS THE SAME, THE FOLLOWING SUBMISSIONS ARE MADE BY THE RESOLUTION PROFESSIONAL

Requirement / Importance of conducting and attending the CoC meeting

Apart from transacting for the various issues involved during the CIR Process of Alchemist Township India Limited, several major issues scheduled to be discussed are elaborated below:

Meaning and Importance of Committee of Creditors (CoC)
First of all, it is important to make you understand regarding the concept of CoC wherein, after collation and verification of claims, the CoC will be reconstituted by the Resolution

Professional where the Financial Creditors and the Financial Creditors in a Class (Through their Authorised Representative) will hold their respective voting rights in proportion to their admitted debts. Such voting **rights shall enable you stakeholders** to **decide and vote upon the crucial decisions to be taken during CIR Process** including the consideration of Resolution Plans. The verification and reconstitution process is a dynamic process and the same shall be updated time to time and will be made available on website.

Role and Importance: The Committee of Creditors plays a vital role in the CIR Process of the Corporate Debtor as they have voting powers for various actions to be taken under the provisions of IBC in order to successfully complete the CIRP. Furthermore, the CoC exercise the voting right and directs Resolution Professional on the voting agenda proposed by the Resolution Professional in the meeting of Committee of Creditors.

Voting can be done in the meeting itself or through electronic means via e-voting portal set up by the Resolution Professional.

Once the financial creditors in a class cast their votes within the stipulated time, result of the same to be shared with the Authorized Representative, who according to the results received, cast the vote on behalf of the Financial Creditors in a class.

1. **Transaction/Forensic Audit**
   A transaction/forensic auditor has already been appointed by the Resolution Professional who will determine the transactions in terms of section 43, 45, 50 and 66 of the Insolvency and Bankruptcy Code, 2016 and the avoidance application, if any required to be filed, shall be filed before the Hon'ble NCLT for necessary directions.

2. **Ascertaining Fair & Liquidation Value of the Assets of the Corporate Debtor**
   Registered Valuers have been appointed in order to ascertain the fair value and liquidation value of the assets of the corporate Debtor (Asset Class: Land and Building; Securities and Financial Assets), the Resolution Professional is regularly following up with these registered valuers for conducting valuation process.

3. **Expression of Interest (EOI) for inviting Resolution Plan**
   The Resolution Professional invites Expression of Interests from the prospective Resolution Applicants (PRAs) through publishing Form G in newspapers, pursuant to the same the PRAs who submit their Expression of Interests and are eligible as per the criteria set by the CoC, would then submit the Resolution Plan.

   In the instant matter the Resolution Professional has published Form G twice so far. In pursuance to Form-G published on 25th December 2020, only one Expression of Interest was received, thereby after the permission granted by the Committee of Creditors, Form G was published again on 16.01.2021. Now the last date for submission of EOI in the instant matter was 31.01.2021

4. **Tenure of CIRP Period**

   In terms of section 12 of Insolvency and Bankruptcy Code,2016 the CIRP period of the corporate debtor is 180 days which may be extended to 90 more days. Further as per the provisions provided under Section 12 of IBC, 2016 "that the Corporate Insolvency Resolution Process shall mandatorily be completed with a period of 330 days from the Insolvency Commencement Date, including any extension of the period of CIRP granted under this

section and the time taken in legal proceedings in relation to such resolution process of Corporate Debtor".

Accordingly, the 330 days of the CIRP of Alchemist Township India Limited since the revival of Insolvency Commencement date i.e 01.10.2020 is till 25th August 2021

5. Status of Form-G Published

The Resolution Professional on 16.01.2021, published the Form-G, as per which the last date for submission of Form-G was scheduled for 31.01.2021, the RP will apprise the status of published Form-G to the members of CoC and will decide way forward in the same.

6. Legal Proceedings

As per the data available with the Resolution Professional, approximately 400 legal cases are pending against the Corporate Debtor on various forums/tribunals and courts and Resolution Professional has already issued demand notices for recovery of outstanding debt from various parties.

Time taken for processing claims submitted by you, would like to draw your attention towards the process of claim submission and verification

1. After the General Public Announcement which was published on 10.12.2020, gradually the number of mails started increasing which at certain point of time crossed over 10,000 on per day basis. As of now, still the undersigned is in receipt of over 4000 mails per day. In order to expedite the process of collation and verification of claims.

2. Gradually the RP realised that the stakeholders involved in the matter belongs to various states of the country such as Bihar, Eastern UP, Orissa, West Bengal, Andhra Pradesh, Maharashtra, Assam etc. on perusal of documents of claim it was also found that the financial creditors in a class (stakeholders) have only one document i.e. the receipt for the money paid by them to the company in which certain fields for captured such as Name of the Applicant, number of years, Application Number, Customer ID, Maturity Amount and Maturity Date etc. Alongwith the Form CA, financial creditors in a class (stakeholders) attach the receipt as mentioned above and their KYC documents. The undersigned neither had any knowledge about the number of stakeholders in the matter nor the corporate debtor provided any information about the stakeholders so far claiming that the entire record pertaining to stakeholders were seized by the Enforcement Directorate in their search which was conducted on 19.09.2019. The undersigned were in receipt of over 250-300 phone calls on daily basis which were extremely difficult to attend. That it is pertinent to note that the financial creditors in a class as observed by the RP belongs to very poor class such as labourers, farmers, vegetable vendors, shopkeepers and they are not educated fraternity of the society. They are filing their claims through intermediaries such as agents etc. and huge number of claims is being sent through common email ID's.

3. Keeping in view the large number of stakeholders involved in the matter, an EOI was circulated on 29.12.2020 for the establishment and appointment of Stakeholders Data Management Cell which can facilitate the process of collation of claims data, after receipt of various EOIs, the undersigned established and created **"Stakeholders Data Management**

Cell" on 07.01.2021 wherein the scope of work was elaborately defined which consists starting of helpline numbers and data collation team. So far over 3,68,930 emails received from the stakeholders.

4. After the establishment of **"Stakeholders Data Management Cell"** the undersigned further published the general public announcement on 16.01.2021 wherein the stakeholder for intimated about the website and help line numbers.

Steps taken by Stakeholders' Data Management Cell

A. **Help Line Centre :-** Five dedicated help line number were issued and circulated among the stakeholders by way of general public announcement on 16.01.2021.

B. **Email distribution system and handling of claims:**

1. The basic gmail created was unable to take the immense workload and hence, after consultation with google support, it was decided to create a domain and migrate the mails to the new domain email.
2. A dedicated team of 3 members was deployed to work on the email round the clock in shifts of 8 hours each. The work of this team was to download the attachments therein (claim documents), reply to the claimant (on behalf of the resolution professional), save a pdf of the conversation and then create a folder containing all the above mentioned documents, hereinafter referred to as "**folder creation**"
3. One team member was able to create about 250 folders in the span of 8 hours thereby indicating a rough estimate of 750 folders in the 24 hour window, implying reply was being sent to 750 emails on a daily basis.
4. Then the said mail started getting blocked. After consultation with IT professionals and Google support, it was brought to light that there is a certain limit as to the downloading capacity from gmail as well as to that of sending replies in a day. The said download limit is 750MB in an hour and 1250MB in a day, exceeding which would lock the email for a timeframe which would range from an hour to 24 hours. Multiple such blocks could permanently block the email ID as well. At this point, emails were being received **upwards of 10,000 in a day**.
5. To resolve the above problem of email being blocked and to speed up the process, multiple sub-emails (hereinafter referred as "**users**") were created. This would now solve two problems (a) multiple teams could be deployed, (b) admin email would not get blocked and (c) a larger number of claimants could be addressed to in a single day. 20+ such users were created in a phased manner.
6. Two teams were created, namely, 'folder creation team' (whose scope of work was to send replies to the claimants and create folders of their documents) and 'data entry team' (whose scope of work was to enter the data from the claim documents in the pre-defined excel template).
7. From the domain mail, email forwarding was applied to multiple users in order to distribute the workload. It was observed that average attachment size was about 5MB. These forwarded emails (in the user ID) were then further sub-divided into folders of 300 mails each keeping in mind the daily download limit of 750MB in an hour and 1250MB in a day. Users were clearly instructed to not work on more than one folder in a window of 24 hours. To great extent, this resolved the issue of breaching the download limit.

8. An approximate of 20 users meant 6000 emails (300 emails each day) were being replied to and being created folders thereof. This meant approximate **240 man-hours** every day for folder creation team. This resolved the issue of *new emails* being backlogged.
9. The folders thus created by the team were then uploaded each day on to their respective google drives. A person was dedicated to ensure a smooth working and to keep a detailed record of folders created and uploaded.

C. Data Entry Workflow:

1. After thoroughly observing the claim documents and discussing with the resolution professional, an excel template containing 20 rows was created. Instructions were disseminated to the team to follow the template strictly without fail.
2. For sampling and understanding purposes, a team of data entry was given different number of folders to record their speed and accuracy. It was observed that on an average a team member was able to work on no more than 100 folders in a day (10-12 hours). It is to be kept in mind that the claim documents received are not all in good condition, some are received as PDFs, some are received as pictures and some are received half scanned or poorly scanned.
3. A team of about 30 people was made whose scope of work was to enter the data from the claim documents (Folder) in the excel template provided and submit on a daily basis with the utmost accuracy. This meant approximate **360 man-hours** every day for data entry team.
4. A person was dedicated to keep a record of folders distribution to the data entry team and to ensure timely submission thereof.
5. It is to be noted that more than 50% of the emails have more than one claim bond of a single claimant. Thereby increasing the time spent on one folder (read 'claimant'). Also note that time is invested in understanding the figures and details mentioned in the Form CA.

D. Quality control of Uploaded Data:

1. A separate team was set up to work on the data entered by the data entry team (hereinafter referred as 'quality check team').
2. On submission of excel by the data entry team, it is then passed on to quality control team where random sampling is done. Keeping in mind the volume of data, a random sampling of around 10% is done. The team member shortlists the data to be checked and then opens their individual folders to check the accuracy. If any deviation is found, the same is communicated to the data entry team and corrections are made instantly.
3. Claims with larger maturity amounts are especially checked to ensure no typing errors are made.
4. Remarks were streamlined to keep the entire data uniform and easy to review. Bonds of other companies are marked accordingly.
5. To review and apply checks for quality control on a day's work, approximately 3 hours are invested.
6. On observing the volume of data, it was decided to do closing after every 10 days. On the day of closing, entire data of that closing is merged, reviewed and finalized before submission to the resolution professional. Removal of duplicate entries, uniformity of remarks and other such actions are taken at this stage. This process takes somewhere between 36-48 hours depending on the volume of data worked on in that particular closing's timeframe.
7. The finalized file is then submitted to the resolution professional for further working which would enable him to verify the claims.

From folder creation to data entry, approximate **600 man-hours** are being spent on a daily basis (**not including** the man-hours spent on review process and information management process). It is to be

noted that a proactive strategy is being applied and changes are made as and when need arises. The above mentioned process should **not** be considered as an exhaustive list but merely a broad outline of the entire workflow. Many man-hours are spent on brainstorming, strategy creation and finding solutions thereof.

Verification of Claim by Resolution Professional

1. The RP after receipt of data in excel format verify the claims after at random checking and admit the claims accordingly. The admitted claim list regularly uploaded on the website. The verification and admission of claims are subject to the following disclaimers:
    a. That no access to the books of account and relevant financial data and record were made available to the Resolution Professional. Accordingly, the claims of creditors in a class in the quoted list have been admitted after verifying merely the calculations made on the basis of the documents provided by the Claimant.

    b. Since no historical and financial record of claimant which was maintained in software, the access to the software is not made available to the Resolution Professional for necessary examination and verification of the Claims. The accounting software and the alleged software (Digital Data) on which stakeholder's record was maintained is claimed to be seized by the Enforcement Directorate, Delhi Zonal Office – I during the search conducted on 19.09.2019 under Section 17(1) of the Prevention of Money Laundering Act, 2002.

    c. The Resolution Professional has already communicated to Enforcement Directorate on 11.12.2020 & 14.01.2021 requesting them to provide the relevant data. However the Enforcement Directorate has not acceded so far to the request of the Resolution Professional. Hence, the claim amounts are although admitted but the same is subject to change/ revision post receipt and reconciliation of the data from the concerned authority and Corporate Debtor.

    d. The offer cessation date of the stakeholders which falls on or prior to 25.01.2019, the simple interest @ 8% per annum has been taken into account in compliance with Regulation 16(A)(7) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation, 2016, which states that "the voting share of a creditor in a class shall be in proportion to the financial debt which includes an interest at the rate of eight per cent per annum unless a different rate has been agreed to between the parties."

    e. The offer cessation date of the stakeholders which falls after 25.01.2019, the present value of the amount as on 25.01.2019 has been calculated in proportion to the original terms entered between the stakeholders and the Corporate Debtor.

DEVENDRA SINGH
INSOLVENCY PROFESSIONAL
IBBI/IPA-002/IP-N00001/2016-17/10001
Cirp.atil@gmail.com *dev_singh2006@yahoo.com*

On the basis of various other queries dealt by us it is informed to the Stakeholders that:

1. **The entire Corporate Insolvency Resolution Process of the Corporate Debtor is estimated to be completed within stipulated time line.**
2. **Repayment to various stakeholders may be ascertained upon the approval of resolution plan by the Hon'ble Adjudicating Authority and any commitments made at this stage would be baseless.**
3. **It is given to understand that lot of misleading communications rumours are being circulated and spreading to mislead the stakeholders and creating hindrances in smooth CIR process of the Corporate Debtor. This is to assure to all stakeholders that undersigned appointed by Hon'ble NCLT to run the process, to maximize the value of the assets of the Corporate Debtor and safeguard the interest of all stakeholders with equity and justice.**
4. **All the subsequent development in this matter shall be intimated to you on real time basis by the Resolution Professional.**
5. **You all are requested to regularly visit our website https://www.atilinsolvency.com/ for having regular updates and submit your claims.**

It is further requested to all the stakeholders to provide their contact number, mail ID and correct Bank account Details.

Further, the stakeholders having any concern regarding their claim admitted are requested to mark their respective concerns at : helplineatil@gmail.com.

Thanks & Regards
Devendra Singh
Resolution Professional
Alchemist Township India Limited