

INVITATION TO SUBMIT EXPRESSION OF INTEREST  
FOR SIMHAPURI ENERGY LIMITED  
(UNDERGOING CORPORATE INSOLVENCY RESOLUTION PROCESS,  
UNDER INSOLVENCY & BANKRUPTCY CODE, 2016)

Simhapuri Energy Limited ("**Corporate Debtor**" or "**SEL**") having CIN U40101TG2005PLC048264 was incorporated on December 02, 2005 with the Registrar of Companies, Hyderabad with the main objective to construct, operate and maintain thermal power plants. SEL has commissioned a thermal power plant of a 600MW capacity in 2 phases at Tamminapatnam and Mommidi Villages, Chillakur Mandal, SPSR Nellore District of Andhra Pradesh.

It has its registered office at 1-98/5/110, Plot no. 110, 2nd Floor, Kavuri Hills, Guttala Begumpet Village, Serilingampally Mandal, Hyderabad Rangareddi, Telangana 500033, India

The corporate insolvency resolution process ("**CIRP**") in respect of the Corporate Debtor was commenced under the provisions of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") by order of the Hon'ble National Company Law Tribunal, Hyderabad Special Bench ("**NCLT**") dated June 26, 2020 pursuant to an application by State Bank of India under Section 7 of the IBC ("**NCLT Order**"). Pursuant to the NCLT Order, the undersigned was appointed as interim resolution professional of the Corporate Debtor. In the meeting of the committee of creditors of the Corporate Debtor ("**CoC**") dated July 27, 2020, the CoC approved the appointment of the undersigned as the resolution professional of the Corporate Debtor ("**Resolution Professional**").

Pursuant to the provisions of the IBC and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("**CIRP Regulations**"), the Resolution Professional hereby invites Expression of Interest ("**EoI**") from interested and eligible prospective resolution applicants ("**PRA**") for the purposes of submission of resolution plan for the Corporate Debtor.

This is the detailed invitation for expression of interest referred in Regulation 36A (3) and (4) of the CIRP Regulations.

- A. Eligibility criteria for the prospective resolution applicants to submit resolution plans as approved by the CoC in terms of Section 25 (2)(h) of the IBC are mentioned below:

**For Body Corporates/ Individuals:-**

1. Minimum Net Worth of INR 100 Crores at individual level in case of individuals and at the Body Corporate's level in case of Body Corporates as per the Audited Financial Statement of immediately preceding financial year i.e. FY 2019-20 and in its absence, the latest available financial statement released during 12 months preceding date of submission of EoI.

Further, in case the body corporate does not meet the minimum net worth criteria as mentioned above, the body Corporate, for the purposes of demonstrating the satisfaction of the Eligibility Criteria, can use financial strength of entities either controlling or controlled by or under common control with the PRA. The term "Control" shall have the meaning as ascribed to it under the Companies Act, 2013.

Kindly note, in case the entities either controlling or controlled by or under common control with the potential Resolution Applicant is a financial Institution/ PE Funds/Asset

Reconstruction Companies/NBFCs/Other Financial Investors/AIF, then the eligibility shall be determined as per the eligibility criteria for Financial Institutions/PE Funds/Asset Reconstruction Companies/NBFCs/Other Financial Investors/AIF

Net Worth shall be computed as aggregate value of paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, and does not include capital reserves including reserves created out of revaluation of assets, write back of depreciation and amalgamation

**For Financial Institutions/ PE Funds/ Asset Reconstruction Companies/ NBFCs/ Other Financial Investors/ AIF:**

1. Assets Under Management (AUM) of at least INR 100 Crores as per the Audited Financial Statement of immediately preceding completed financial year i.e. FY 2019-20 and in its absence, the latest available financial statement released during 12 months preceding date of the EoI; or
2. Committed funds available for investment/deployment in Indian companies or Indian assets of at least INR 100 crores as on March 31, 2020 and in its absence, the latest available financial statement released during 12 months preceding date of the EoI.
3. The PRA shall be required to be compliant with Insolvency and Bankruptcy Code, 2016 including but not limited to eligibility criteria prescribed under section 29A of the Insolvency and Bankruptcy Code, 2016 and its related regulations that are in force or which may come into force subsequently for submission of resolution plan and all matters under/pursuant to/related to and/or in furtherance of this invitation.

**For Consortium Bidders:**

1. In case the consortium is of body corporates and/or individuals, minimum weighted average net worth of INR 100 Crores at consortium level.

The consortium's minimum weighted average net worth will be calculated for the relevant member's at individual level in case of individuals and at the Body Corporate's level in case of Body Corporates in the immediately preceding completed financial year (as per the Audited Financial Statement of immediately preceding completed financial year i.e. FY 2019-20 and in its absence, the latest available financial statement released during 12 months preceding date of the EoI, for Body Corporates).

Further, in case the body corporate does not meet the minimum net worth criteria as mentioned above, the body Corporate, for the purposes of demonstrating the satisfaction of the Eligibility Criteria, can use financial strength of entities either controlling or controlled by or under common control with the PRA. The term "Control" shall have the meaning as ascribed to it under the Companies Act, 2013.

Kindly note, in case the entities either controlling or controlled by or under common control with the potential Resolution Applicant is a financial Institution/ PE Funds/Asset Reconstruction Companies/NBFCs/Other Financial Investors/AIF, then the eligibility shall be determined as per the eligibility criteria for Financial Institutions/PE Funds/Asset Reconstruction Companies/NBFCs/Other Financial Investors/AIF

Net Worth shall be computed as aggregate value of paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, and does not include capital reserves including reserves created out of revaluation of assets, write back of depreciation and amalgamation

2. In case the consortium is of FIs/PE/NBFCs/ARC/AIF any other financial investor, the minimum weighted average AUM of at least INR 100 Crores in the immediately preceding completed financial year; or weighted average committed funds available for investment/deployment in Indian companies or Indian assets of at least INR 100 crores as on March 31, 2020 at the consortium level (as per the Audited Financial Statement of immediately preceding completed financial year i.e. FY 2019-20 and in its absence, the latest available financial statement released during 12 months preceding date of the EoI, as applicable)
3. In case the consortium is a combination of body corporates/individuals and FIs/PE/NBFCs, either;
  - a) The lead member of the consortium satisfies the eligibility criteria as mentioned above for body corporates/individuals or FIs/PE/NBFCs as applicable; or
  - b) Each of the individual members satisfies the weighted proportion of the eligibility criteria mentioned for body corporates/individuals and FI/PE/NBFCs as applicable

**Weighted Average:** [(% holding of member 1 x AUM/Net worth/Committed funds of member 1) + (% holding of member 2 x AUM/Net worth/Committed funds of member 2) + ..... member n]

**Weighted Proportion:** (% holding of member x Stipulated AUM/ Stipulated Net worth/ Stipulated Committed funds of member)

- B. The prospective resolution applicants PRAs or any person acting jointly or in concert with her/it must not be ineligible under Section 29A of the IBC (as amended from time to time, including extant law/regulations prevailing at the time of evaluation of eligibility criteria or amendments thereafter).

In case of a Consortium, each member of the Consortium should be eligible under Section 29A of IBC.

Following are the ineligibility norms as per Section 29A of the IBC, as applicable on the date of issuance of invitation to submit expression of interest for the Corporate Debtor:

A person shall not be eligible to submit the EoI, 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;
- 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 non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 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 non-performing asset accounts before submission of resolution plan:

Provided further that the ineligibility under para (c) herein, shall not apply to a resolution applicant where such applicant is a financial entity and is not a related party to the Corporate Debtor<sup>1</sup>.

- d. has been convicted for any offence punishable with imprisonment –
- (i) for two years or more under any Act specified under the Twelfth Schedule of the IBC;
  - (ii) for seven years or more under any law for the time being in force:

Provided that the aforementioned point (d) 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 aforementioned point (d) shall not apply in relation to a connected person referred to in clause (iii) of *Explanation I* of Section 29A(j) of the IBC.

- e. is disqualified to act as a director under the Companies Act, 2013;

Provided further that aforementioned point (e) shall not apply in relation to a connected person referred to in clause (iii) of *Explanation I* of Section 29A(j) of the IBC.

- 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 the IBC:

Provided that the aforesaid point (g) 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 the IBC or pursuant to a scheme or plan approved by a financial sector regulator or a court, and such resolution applicant has

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<sup>1</sup> 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 of the Corporate Debtor.

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 the IBC, 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 the Code.

not otherwise contributed to the preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction.

- h. has executed 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 the IBC and such guarantee has been invoked by the creditor and remains unpaid in full or part;
- i. is subject to any disability, corresponding to points (a) to (h), under any law in a jurisdiction outside India; or
- j. has a connected person (*as defined in Section 29A of the IBC*) not eligible under aforementioned points (a) to (i).

Explanation I. — For the purposes of the aforementioned clause (j), 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):

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 6 [or completion of such transactions as may be prescribed], prior to the insolvency commencement date;

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.

**Note:** The aforementioned ineligibility criteria is set out based on the Section 29A as applicable on the date of issuance of the invitation for expression of interest and are subject to changes pursuant to the amendments in the IBC from time to time. The prospective resolution applicants are required to stay updated on the amendments to the IBC from time to time and any modifications to the ineligibility norms set out under Section 29A of IBC shall also apply to this invitation, without the requirement of any further communication to be issued to the prospective resolution applicants.

C. Submission of EoI:

It would be mandatory for prospective resolution applicants to submit the following along with the expression of interest through email on or before October 05, 2020 at [insim@deloitte.com](mailto:insim@deloitte.com), or at such other later date that may be advertised or intimated on the website of the Corporate Debtor. Please visit the website to keep yourself updated. For any details contact at [insim@deloitte.com](mailto:insim@deloitte.com).

The EoI should be unconditional and should be submitted along with the following:

- (a) an undertaking in the format set out as Annexure I, by the prospective resolution applicants undertaking the following:
  - (i) it meets the criteria specified by the committee under clause (h) of sub-section (2) of section 25 of the IBC;
  - (ii) every information and records provided in expression of interest is true and correct and discovery of any false information or record at any time will render the applicant ineligible to submit resolution plan, forfeit any refundable deposit, and attract penal action under the IBC; and
  - (iii) it shall intimate the resolution professional forthwith if it becomes ineligible at any time during the corporate insolvency resolution process.
- (b) an undertaking in the format set out as Annexure II, by the prospective resolution applicants undertaking the following:
  - (i) it does not suffer from any ineligibility under section 29A of the IBC, to the extent applicable; and
  - (ii) it shall intimate the resolution professional forthwith if it becomes ineligible at any time during the corporate insolvency resolution process.
- (c) an undertaking in the format set out as Annexure III, by the prospective resolution applicants undertaking the following:
  - (i) it shall maintain confidentiality of the information and shall not use such information to cause an undue gain or undue loss to itself or any other person and comply with the requirements under sub-section (2) of section 29 of the IBC.
- (d) relevant records in evidence of meeting the criteria under the aforementioned point (a)(i);
- (e) Other evidences to establish the credentials of the prospective resolution applicants including but not limited to financial statements for last 3 financial years, proof of address, copy of PAN card, company profile and details of KMP/Promoters/Board of Directors and rationale for bidding for the Corporate Debtor;

(f) Any additional document/information asked by the Resolution Professional or CoC must be furnished by the PRA.

In case of a consortium, the relevant documents will need to be provided by each member of the Consortium.

The eligibility criteria may be amended or changed at any stage at the discretion of CoC. The Resolution Professional / CoC reserve the right to cancel or modify the process and/or reject/disqualify any interested party / bid / offer at any stage of the CIRP without assigning any reason and without any liability whatsoever.

Subject to the approval of the CoC, a PRA may submit a Resolution Plan either by itself or through an affiliate or a group entity or along with any financial strategic partner as it may deem fit. Notwithstanding the above, the PRA and such other entity/ affiliate/ partners as mentioned above should not be ineligible to submit a resolution plan as per the IBC and shall be jointly and severally liable for all their duties, liabilities and obligations.

Further detailed information about the process, access to the information memorandum, evaluation matrix, virtual data room & process document for resolution plan process, will be provided to the shortlisted prospective resolution applicants who are determined to be eligible as per the aforementioned eligibility criteria and upon the submission of the documents, as required to be submitted with the expression of interest.

Note: This is not an offer document. PRAs should regularly visit website <http://www.simhapurienergy.com> to keep themselves updated regarding clarifications, amendments or extensions of time, if any.

Sd/-

**Anish Niranjan Nanavaty**  
**Insolvency Professional – Regn. No.: IBBI/IPA-002/IP-N00272/2017-18/10830**  
**Resolution Professional for Simhapuri Energy Limited**

September 07, 2020  
Mumbai