

# **LANCO THERMAL POWER LIMITED**

## **I. ELIGIBILITY CRITERIA**

Pursuant to Sub-Regulation (4) of Regulation 36A of the CIRP Regulations, the PRA must fulfill the following criteria as approved by the CoC at its meeting held on 18.07.2019

1. The PRA being an individual/firm/body Corporate/Joint Venture/Consortium/SPV should have minimum net worth (at individual or group level) of INR 25 crores (Rupees Twenty-Five Crores only) or more as per latest audited Financial Statement.
2. The PRA being PE funds/Financial Institution/NBFC's/Other Financial Investors/Alternate Investment Funds should have minimum asset under management (at individual or group level) of INR 500 crores (Rupees Five hundred Crores only) or more as per latest audited Financial Statement.
3. In case of a joint venture or consortium or an SPV representing or including any of the participants from Category 1 or 2 above, then either of the participants need to qualify any one of the criteria i.e. either the minimum net-worth or minimum Assets under Management.
4. A refundable process participation deposit of INR 20 lacs (Rupees Twenty lacs Only) shall be paid along with the application for EOI by way of Demand Draft/Bankers cheque/Financial Bank Guarantee in the name of Lanco Thermal Power Limited payable at par, which will be refundable to all the PRAs within 1 month from the date of approval of Resolution plan or rejection of Resolution Plan(s) by the Adjudicating Authority.
5. A refundable process participation deposit of INR 2 Crores (Rupees Two Crore Only) shall be paid along with the submission of the Resolution Plan by way of Demand Draft/Bankers cheque/Financial Bank Guarantee in the name of Lanco Thermal Power Limited payable at par, which will be refundable to all the PRAs within 1 month from the date of approval of Resolution plan or rejection of Resolution Plan(s) by the Adjudicating Authority.

***Exception:*** Where the Resolution plan of the resolution applicant is approved by CoC, the process participation deposit provided by the said “Successful Resolution Applicant” shall be adjusted towards payment due as per the approved Resolution Plan.

6. The refundable process participation deposit shall not bear any interest.
7. The Interested parties shall submit the EOI as per the prescribed format attached along with certified true copies of their Audited Financial Statements and Income tax return for last 3 years or since inception if, incorporated in the immediately preceding three years.
8. The interested parties shall also submit the following documents along with EOI
  - KYC details applicable as the case may be (Individual/Corporate/Financial Institution/Funds/PE Funds),
  - ownership details of the resolution applicant and its group entities (if any),
  - indication on sources of fund,
  - Net-worth certificate, AUM certificate, as the case may be
  - Memorandum of Association, Articles of Association or any other applicable Corporate Documents and any other relevant documents in a sealed envelope

## II. TERMS & CONDITIONS

### A. Preliminary terms & conditions for submission of EOI:

1. Unconditional Expression of Interest (“EOI”) shall be submitted in accordance with Regulation 36A of CIRP Regulations in the format provided herein this Invitation along with the required Annexures.
2. PRA shall along with Expression of Interest submit (a) certified true copies of their Audited Financial Statements of last 3 years, i.e. FY 2016-17, FY 2017-18 & FY 2018-19 or since inception if incorporated in the immediately preceding three years along with Income tax return and computation of total income (b) Proof of address, (c) copy of PAN card (d) certified true copies of Constitutional documents and (e) certified true copy of Board resolution in case of Corporate Person. PRA shall also submit relevant KYC details applicable as the case may be (Individual/Corporate/Financial Institution/Funds/PE Funds).
3. **Refundable Process Participation Deposit:** The PRA shall pay a refundable process participation deposit of INR 20 lacs (Rupees Twenty lacs Only) along with the application for EOI by way of Demand Draft/Bankers cheque/Financial Bank Guarantee in the name of **Lanco Thermal Power Limited**, payable at par, which will be refundable to all the PRAs within 1 month from the date of approval of Resolution Plan or rejection of Resolution Plan(s) where no plan is approved by CoC at its meeting held for that purpose.

*Exception: Where the Resolution plan of the resolution applicant is*

*approved by CoC, the process participation deposit provided by the said “Successful Resolution Applicant” shall be adjusted towards payment due as per the approved Resolution Plan.*

4. Further the said process participation deposit shall not bear any interest.
5. The PRA is not required to pay any fee or any non-refundable deposit for submission of Expression of Interest.
6. PRA shall along with the EOI submit an undertaking that it meets the criteria specified by the committee under clause (h) of sub-section (2) of section 25 of IBC i.e. the Eligibility Criteria provided in this Invitation as Point No. I on page no. 4; and relevant records in evidence of meeting the eligibility criteria;
7. PRA shall also submit an undertaking that it does not suffer from any ineligibility under section 29A of IBC. In line with the same the PRA shall submit the relevant information and records to enable an assessment of ineligibility as per Section 29A of IBC. A copy of the undertaking is marked as **Annexure-F**.
8. Ineligibility norms under section 29A of the IBC:-

The extract of Section 29A of the IBC is reproduced herein below:

**“Section 29A of IBC: Persons not eligible to be resolution applicant**

*A person shall not be eligible to submit a resolution plan, 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 (10 of 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 (10 of 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 nothing in this clause shall apply to a resolution applicant where such applicant is a financial entity and is not a related party to the corporate debtor.*

*Explanation I- 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.*

*Explanation II.— 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 this Code, 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 this Code.*

*(d) has been convicted for any offence punishable with imprisonment –*

*(i) for two years or more under any Act specified under the Twelfth Schedule; or*

*(ii) for seven years or more under any law for the time being in force:*

*Provided that this clause 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 this clause shall not apply in relation to a connected person referred to in clause(iii) of Explanation I;*

*(e) is disqualified to act as a director under the Companies Act, 2013 (18 of 2013):*

*Provided that this clause shall not apply in relation to a connected person referred to in clause (iii) of Explanation I;*

*is prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;*

*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 this Code:*

*Provided that this clause 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 this Code or pursuant to a scheme or plan approved by a financial sector regulator or a court, and such resolution applicant has not otherwise contributed to the preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction;*

*(f) 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 this Code and such guarantee has been invoked by the creditor and remains unpaid in full or part;*

*(g) is subject to any disability, corresponding to clauses (a) to (h), under any law in a jurisdiction outside India; or*

*(h) has a connected person not eligible under clauses (a) to (i).*

*Explanation[I]. — For the purposes of this clause, 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, 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.”*