

ELIGIBILITY CRITERIA

The PRAs must satisfy the following eligibility criteria, as approved by the Committee of Creditors (“COC”) in accordance with Section 25(2)(h) of the Code to be eligible for shortlisting for next stage of the process. The Eligibility Criteria is as follows:

Category A - For PRAs that are Corporates- Private/ Public Limited Company, LLP, body corporate whether incorporated in India or outside India

- Minimum standalone Net worth (NW) of Rs 100 crores in the immediately preceding completed financial year (not prior to 31 March 2022) based on audited financial statements **or** Minimum Tangible Net Worth (“TNW”) Rs 100 crores at the Group Level in the immediately preceding completed financial year (not prior to 31 March 2022) based on audited financial statements;
- 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.
- Group may comprise of entities either controlling or controlled by or under common control with the applicant. Control means at least 20% ownership by the common promoters or common controlling shareholders or the single majority shareholder along with their relatives and other entities majorly owned by them.

Category B - For PRAs that are Financial Investors – Banks, Non-Banking Finance Companies (NBFCs), Asset Reconstruction Companies, Mutual Funds, Private Equity Funds, Sovereign Funds, Venture Capital Funds, Alternate Investment Funds, Investment Companies and/or Entities (including domestic or foreign institutional / portfolio investors) and similar entities

- Minimum Assets Under Management (“AUM”) or funds deployed of INR 250 crores in the immediately preceding completed financial year (not prior to March 31, 2022) or on the date which is 30 days prior to the date of submission of the EOI, based on audited financial statements; or
- Committed funds (“Committed Funds”) available for investment/deployment in Indian companies or Indian assets of at least INR 250 crores on the date which is 30 days prior to the date of submission of the EOI.

Note

- ✓ AUM is defined as “total funds deployed + un-deployed committed capital”.
- ✓ For ARCs, AUM comprises of their “own loan book + total SRs managed”.
- ✓ PRAs may rely on their parent’s commitment to provide funds to be deployed in Indian companies and/ or assets for complying with the Minimum Committed Funds Criteria

Category C - Individual investor/ Consortium of individual Investors

Minimum consolidated net worth of **INR 100 crores** at Individual level in the immediately preceding completed financial year (not prior to 31 March 2022) based on audited financial statements statement or as certified by a Chartered Accountant.

- Individual Investor to include HUFs, family trusts and Partnership Firms.

Minimum consolidated net worth of **Rs 100 crores** at Individual Consortium level in the immediately preceding completed financial year (not prior to 31 March 2022) based on audited financial statements statement or as certified by a Chartered Accountant for each consortium member.

- Net Worth of consortium shall be calculated as weighted average of individual member's Net Worth (value of negative Net Worth members shall be considered as Nil) basis their proposed participation in the consortium
- In addition, Consortium should satisfy requirements set out in below

Note for PRAs under consortium:

1. PRA may be a "Consortium". "Consortium" shall mean any person acting together with another person as a consortium/joint bidder or joint venture (whether incorporated or not) for the purpose of submission of the EOI and Resolution Plan for the Company.
2. The EOI, along with all undertakings submitted pursuant to this Invitation to EOI shall be signed by each member of the Consortium.
3. In the event the consortium is comprised of entities or persons falling within different classes (A, B and C described above), then the relevant eligibility criteria for such Consortium would be the aggregate of the relevant eligibility criteria applicable to such Consortium member adjusted on a weighted average basis based on the relevant equity participation of such member and such member(s) would have to meet such eligibility criteria. Provided that only such portion of their net worth as is proportionate to their shareholding in the Consortium will be considered towards the eligibility criteria under the EOI. Provided further that if any Consortium member does not satisfy the relevant eligibility criteria applicable to such Consortium member adjusted on a weighted average basis based on the relevant equity participation of such member, then the Consortium would be eligible only if any one member of the Consortium meets the eligibility criteria applicable to such Consortium member without any adjustment for the relevant equity participation of such member.
4. At least one of the members must hold or propose to hold at least 20% total equity participation or economic interest in the consortium. All other members would need to have a minimum stake of 10% each in the consortium. Lead Partner must hold or propose to hold at least 20% total equity participation or economic interest in the consortium.

5. Each member of the consortium shall nominate and authorize a member as the 'Lead Partner' to represent and act on behalf of the members of the consortium. Such Lead Partner shall be the single point of contact on behalf of the consortium with the RP and the COC, their representative and advisors in connection with all matters pertaining to the consortium.
6. No change of Lead Partner or any member whose financials have been considered towards the eligibility criteria shall be permitted post submission of EOI (except with prior approval of the COC).
7. All the members of the consortium shall be jointly and severally responsible for compliance with the terms of the invitation for submission of EOI, the request for resolution plan and the resolution plan submitted by the Consortium.
8. The consortium shall submit the copy of duly notarized consortium agreement/MOU, if any, entered into between the consortium members, setting out the respective obligations of the consortium members.
9. If any 1 (one) member of the consortium is disqualified under Section 29A of the Code, then the entire consortium; i.e., all the members of such consortium shall stand disqualified.
10. The EOI must list the members of the consortium, the Lead Partner and the proposed equity participation/economic interest of each member.
11. An entity cannot be a part of more than one consortium which is submitting an EOI for the same target, and further an entity shall submit only 1 (one) EOI, either individually as a PRA or as a constituent of a Consortium.
12. No change in the composition of the Consortium shall be permitted after submission of the EOI, except with the prior approval of the CoC.