

INVITATION FOR EXPRESSION OF INTEREST TO SUBMIT RESOLUTION PLAN FOR SHREE BHAWANI PAPER MILLS LIMITED

Shree Bhawani Paper Mills Limited (the “Company” / “Corporate Debtor”) was incorporated on 6th July, 1979, is a public listed entity listed on Bombay Stock Exchange having its registered office at 33 Dayanand Marg, Allahabad, Uttar Pradesh – 211002. The company has an integrated pulp and paper mill on a plot of land measuring 40 acres at Rae Bareli. The plant is located within a radius of 125 km from Kanpur, Lucknow and Allahabad, three major cities in Uttar Pradesh. The central location of the project facilitates the procurement of raw materials and also helps in marketing paper throughout Uttar Pradesh.

Details regarding the Company can be found on its website www.shbhawani.com At present, the Company is undergoing a Corporate Insolvency Resolution Process (“CIRP”) in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 (“IBC”). The CIRP of the Company was initiated, by an Order dated 13th February 2018 of Hon’able National Company Law Tribunal (“NCLT”), Allahabad Bench. NCLT appointed Ms. Anju Agarwal as Interim Resolution Professional (“IRP”) for supervising the CIRP of the Company and her appointment as Resolution Professional (“RP”) was confirmed by the Committee of Creditors (“CoC”) subsequently. Ms. Anju Agarwal (“RP”) has constituted the CoC in accordance with the provisions of IBC. As per decision in COC Meeting dated 9th May, 2018, invitation for Expression of Interest to submit resolution plan was issued once earlier and G form was published in Business Standard edition dated 29th May, 2018. In response to said advertisement one EOI was received from a Resolution Applicant. However, inspite of allowing extension of time for submission of Resolution Plan, such resolution applicant could not submit the plan on time. In the meanwhile, Hon’able NCLT, Allahabad has allowed extension of CIRP Period for 90 days (upto 10.11.2018) as per recommendation of COC. The second round of invitation of EOI is being initiated as approved by CoC in its meeting dated 28th August, 2018.

Compliance of Regulation 36 A (1,2,3) - Form G as required under this regulation has been published in Financial Express (English) and Jansatta (Hindi) in all editions dated 29th August, 2018. The Form G has also been uploaded on the website of IBBI.

- Compliance of Regulation 36 A (4)** – a. Eligibility criteria is prescribed as per Annexure 1
b. The prospective resolution applicants should not be ineligible as per ineligibility terms as per Section 29A of IBC, 2016.
c. Basic information of the Corporate Debtor is given in the earlier paragraphs and detailed information is available at the website of the Corporate Debtor at www.shbhawani.com.
d. The prospective resolution applicant are not required to pay any non refundable deposits

Compliance of Regulation 36 A (5) - A prospective resolution applicant, who meet the requirements of the invitation for expression of interest, may submit expression of interest within the time specified in the invitation under clause (b) of sub-regulation (3).

Compliance of Regulation 36 A (6), - The expression of interest received after the time specified in the invitation under clause (b) of sub-regulation (3) shall be rejected.

Compliance of Regulation 36 A (7) –

An expression of interest shall be unconditional and be accompanied by-

- (a) an undertaking by the prospective resolution applicant that it meets the criteria specified by the committee under clause (h) of sub-section (2) of section 25;
- (b) relevant records in evidence of meeting the criteria under clause (a);
- (c) an undertaking by the prospective resolution applicant that it does not suffer from any ineligibility under section 29A to the extent applicable;

- (d) relevant information and records to enable an assessment of ineligibility under clause (c);
- (e) an undertaking by the prospective resolution applicant that it shall intimate the resolution professional forthwith if it becomes ineligible at any time during the corporate insolvency resolution process;
- (f) an undertaking by the prospective resolution applicant that 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 Code; and
- (g) an undertaking by the prospective resolution applicant to the effect that 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.

Complete process of EOI is mentioned below as:

1. Annexure One – Eligibility Criteria For Resolution Applicant as per Section 25(2)(h)
2. Annexure Two – Process to be followed for Request for Resolution Plan
3. Annexure Three – Request letter for Expression of Interest (EOI)
4. Annexure Four – Supporting Documents to be attached with EOI
5. Annexure Five – Details/Profile of Resolution Applicant
6. Annexure Six – Compliance of Section 36 (A) (7) (AFFIDAVIT)

Anju Agarwal
Resolution Professional
For Shree Bhawani Paper Mills Limited
IBBI Reg No. IBBI/IPA-001/IP-P00106/2017-2018/10213

SHREE BHAWANI PAPER MILLS LIMITED
Under CIRP

ELIGIBILITY CRITERIA FOR RESOLUTION APPLICANT

A. Categories of prospective Resolution Applicants:

1. **Category I** - In case of a private/ public limited company, Partnership Firm, LLP, Body Corporate whether incorporated in India or outside India and Individual whether in India or Outside India:

- i) Minimum Tangible Net worth (TNW) of **INR 10 Crores (Rupees Ten Crores only)** and above as on 31st March 2018 based on audited financial statements of the entity and as certified by a Chartered Accountant. If audited financial statements of the entity as on 31st March 2018 are not available, then it shall be as on 31st March 2017 based on audited financial statements of the entity **and**
- ii) Minimum availability of Surplus Funds in the form of Cash and Cash Equivalents of **INR 2 Crores (Rupees Two Crores only)** as on 31st March 2018 based on audited financial statements of the entity and as certified by a Chartered Accountant. If audited financial statements of the entity as on 31st March 2018 are not available, then it shall be as on 31st March 2017 based on audited financial statements of the entity

Note: In case of a consortium, all the members of the consortium, should together meet the eligibility criteria.

2. **Category II** - In case of Financial Institutional Investors (FIIs) / Financial Institutions (FIs)/ Mutual Funds / Private Equity Funds/ Venture Capital Funds, Domestic/ Foreign Investment Institutions, Non-Banking Financial Companies (NBFCs), Asset Reconstruction Companies (ARCs), Banks and similar entities:

- i) Assets Under Management (AUM) of at least **INR 100 Crores (Rupees Hundred Crores only)** as on 31st March 2018 based on audited financial statements of the entity and as certified by a Chartered Accountant. If audited financial statements of the entity as on 31st March 2018 are not available, then it shall be as on 31st March 2017 based on audited financial statement of the entity
- ii) Committed funds available for investment / deployment of at least **INR 10 Crores (Rupees Ten Crores only)** as on 31st March 2018 as certified by a Chartered Accountant.

In case of a consortium, all the members of the consortium, should together meet the eligibility criteria.

Notes:

- a. In case the prospective Resolution Applicant is a SPV/ LLP, the Eligibility Criteria of the parent entity/ promoters would be considered in proportion to their share in SPV/ LLP and necessary documents of the parent entity/ promoters needs to be provided.
- b. In case of a consortium, the eligibility criteria shall be required to be fulfilled in proportion to the share in the consortium and the threshold limits shall be accordingly considered.

B. Payment of Process Participation Fees:

Along with the EOI application, each prospective Resolution Applicant shall pay the process participation fees of INR 25,000 (Rupees Twenty Five Thousand only) through Demand Draft/Pay Order only drawn in favour of “**SHREE BHAWANI PAPER MILLS LIMITED (under CIRP)**”, Payable at Allahabad.

The above fees is refundable in nature.

SHREE BHAWANI PAPER MILLS LIMITED
Under CIRP

Process to be followed for Request for Resolution Plan:

The transaction process for the request for resolution plan will be as follows:

Compliance of Regulation 36 (B) -

(1) The resolution professional shall issue the information memorandum, evaluation matrix and a request for resolution plans, within five days of the date of issue of the provisional list i.e. **24th September, 2018** under sub-regulation (10) of regulation 36A to

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- (a) every prospective resolution applicant in the provisional list; and
 - (b) every prospective resolution applicant who has contested the decision of the resolution professional against its non-inclusion in the provisional list.
- (2) The request for resolution plans shall detail each step in the process, and the manner and purposes of interaction between the resolution professional and the prospective resolution applicant, along with corresponding timelines.
- (3) The request for resolution plans shall allow prospective resolution applicants a minimum of thirty days to submit the resolution plan(s) i.e. **24th October, 2018**.
- (4) The request for resolution plans shall not require any non-refundable deposit for submission of or along with resolution plan.
- (5) Any modification in the request for resolution plan or the evaluation matrix issued under sub-regulation (1), shall be deemed to be a fresh issue and shall be subject to timeline under sub-regulation (3).
- (6) The resolution professional may, with the approval of the committee, extend the timeline for submission of resolution plans.
- (7) The resolution professional may, with the approval of the committee, re-issue request for resolution plans, if the resolution plans received in response to an earlier request are not satisfactory, subject to the condition that the request is made to all prospective resolution applicants in the final list: Provided that provisions of sub-regulation (3) shall not apply for submission of resolution plans under this sub-regulation.]

ANNEXURE 'THREE'

Shree Bhawani Paper Mills Limited
Under CIRP

[On the Letterhead of the Prospective Resolution Applicant Submitting the EOI]

EXPRESSION OF INTEREST

Date:[.....]

To

Ms. Anju Agarwal
(IP Registration No.: IBBI/IPA-001/IP-
P00106/2017-18/10213
Address: 166 SFS Apartment, Hauz Khas, New
Delhi, Delhi, 110016
Email: anju@ascgroup.in, sbpml@ascgroup.in

Subject: Expression of Interest ("EOI") for submitting Resolution Plan for Shree Bhawani Paper Mills Limited ("Corporate Debtor") undergoing Corporate Insolvency Resolution Process ("CIRP") under Insolvency and Bankruptcy Code, 2016 (IBC).

Madam,

In response to the publishing Form G at IBBI Website and public advertisement in Financial Express (English) and Jansatta (Hindi) in all editions dated 29th August, 2018 for inviting EOI for submission of resolution plans ("Resolution Plan") as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC"), we confirm that we have understood the eligibility criteria and meet the necessary threshold and criteria mentioned in „Annexure One“ to the EOI and accordingly submit our EOI for submission of a Resolution Plan for the Corporate Debtor.

Along with our EOI, we have also provided information as required in the prescribed format in "Annexure Four", Annexure Five" and "Annexure Six".

We further undertake that the information furnished by us in this EOI and Annexures is true, correct, complete and accurate to the best of our knowledge. Based on this information, we understand you would be able to evaluate our preliminary proposal in order to pre-qualify for the abovementioned proposal. Further, we agree and acknowledge that:

- (A) the EOI will be evaluated by the Resolution Professional (RP) of Corporate Debtor based on the information provided in the Annexures and attached documents to determine whether we qualify to submit the proposal pursuant to EOI ;
- (B) the RP/ the Committee of Creditors (CoC) reserve the right to determine at their sole discretion, whether or not we qualify for the submission of the proposal and may reject the EOI submitted by us without assigning any reason/ without any liability whatsoever ;
- (C) the RP/ the CoC reserve the right to request for additional information or clarification from us for the purposes of the EOI and /or for any compliance under IBC and we shall comply with the same immediately without any delay. Failure to satisfy the queries of RP/ CoC may lead to rejection of our submission pursuant to EOI ;
- (D) Meeting the qualification criteria as set out in EOI / Annexure – One alone does not automatically entitle us to participate in the next stage of the bid process ;
- (E) We are not an ineligible person in terms of provisions of Section 29A of the IBC, 2016 read with its amendment as on the date of signing of this EOI. We are a „fit and proper“ person and not under any legal disability to be a promoter entity of the Corporate Debtor under the applicable laws including listing agreements, stock exchange requirements and SEBI regulations and guidelines.

Yours Sincerely,

On behalf of [Insert the name of the entity submitting the EOI]

Signature:

Name of Signatory:

Designation:

Company Seal /Stamp

Notes : The person signing the EOI and other supporting documents should be an authorized signatory supported by necessary board resolutions/ authorization letter.

Shree Bhawani Paper Mills Limited

SUPPORTING DOCUMENTS TO BE ATTACHED WITH EOI

- 1) For all **prospective Resolution Applicants (RAs)** - Profile of RA including subsidiary (wholly owned subsidiary and partly owned subsidiary, if any), promoter and promoters group, Key Managerial Personnel and Rationale for bidding for the Corporate Debtor.
- 2) For all prospective RAs - Copies of Certificate of Incorporation/ Registration and Constitutional Documents (MoA, AoA). Copy of PAN card or equivalent documents.
- 3) For all prospective RAs - Audited financial statements for the year ending 31ST March 2016, 31st March 2017 and 31st March 2018 of the prospective RA and/or its parent entity/ promoter so as to establish the eligibility criteria. If audited financial statements for the year ending 31st March 2018 are not available then the provisional may be provided alongwith the audited financial statements for the year ending 31st March 2016 and 31st March 2017.
- 4) For Category I prospective RA:
 - (a) A Chartered Accountant's certificate for the Tangible Net Worth of the prospective RA as on 31st March 2018 based on the audited financial statement of the entity. If audited financial statements of the entity as on 31st March 2018 are not available, then it shall be as on 31st March 2017 based on audited financial statements of the entity and
 - (b) A Chartered Accountant's certificate for the amount of availability of Surplus Funds with the prospective RA in the form of Cash and Cash Equivalents as on 31st March 2018 based on audited financial statements of the entity. If audited financial statement of the entity as on 31st March 2018 are not available, then it shall be as on 31st March 2017 based on audited financial statements of the entity.
- 5) For Category II prospective RA:
 - (a) A Chartered Accountant's certificate for the Assets Under Management (AUM) as on 31st March 2108 based on audited financial statements of the entity. If audited financial statements of the entity as on 31st March 2018 are not available, then it shall be as on 31st March 2017 based on audited financial statements of the entity
 - (b) A Chartered Accountant's certificate for amount of committed funds available for investment / deployment as on 31st March 2018.

6) For all prospective RAs

A notarized declaration from the prospective RA in order to demonstrate that the promoter/ promoter group or any other group company are part of the same group, in case the interested party is using such entities for meeting the eligibility criteria. Please note that the prospective RA shall provide all relevant documents for its promoter/ promoter group or any other group company, if required to meet the eligibility criteria.

Shree Bhawani Paper Mills Limited

[Note: The details set out below are to be provided for each of the members]

1. Name and Address:
 - a. Name of the Firm/Company/Organization:
 - b. Address:
 - c. Telephone No:
 - d. Fax :
 - e. Email:
2. Date of Establishment :
3. Core Area of Expertise :
4. Contact Person :
 - a. Name :
 - b. Designation:
 - c. Telephone No:
 - d. Fax :
 - e. Email :
5. Prospective Resolution Applicant Profile :
 - a. Prospective Resolution Applicant Financial Profile (consolidated / standalone as applicable) :

[Note: The Company profile should necessarily include tangible net worth and revenue numbers for FY 2018, FY 2017 and FY 2016 (if audited of FY 2018 are not available, then provisional for FY 2018 and audited for FY 2017 and FY 2016). Where the entity submitting the EOI is a financial investor /fund/ NBFC/ ARC entity, please provide details pertaining to "assets under management" for FY 2018, FY 2017 and FY 2016 (if audited of FY 2018 are not available, then provisional for FY 2018 and audited for FY 2017 and FY 2016) or the committed funds available as on March 31, 2018, for investment. Further the fulfillment of qualification criteria must be clearly identified/ certified herein.]

- b. Experience of the Company in the relevant sector and the rationale for bidding.
- c. History, if any, of the prospective RA or affiliates of the prospective RA. Whether RAs have been declared a „willful defaulter“, „non-cooperative borrower“, or „non-performing asset“ in the past?

(To be duly stamped and notarised)

**Compliance under Regulation 36A(7) Insolvency and Bankruptcy Board of India
(Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP
Regulations")**

In the matter of Corporate Insolvency Resolution Process of Shree Bhawani Paper Mills Limited under the provisions of the Insolvency and Bankruptcy Code, 2016 and CIRP Regulations.

AFFIDAVIT

I, [*Name of Deponent*], son of / daughter of [*Name of Deponent's father*] aged [*Age of Deponent*] resident of [*Address of Deponent*], the Deponent, do hereby solemnly affirm, state and declare as under:

1. That I am fully conversant with the facts and circumstances of the subject matter and am also duly empowered and competent to swear and affirm this affidavit;
2. That I, confirm that the criteria as specified by the Committee of Creditor under clause (h) of sub-section (2) of section 25 of IBC 2016, are fulfilled/meet;
3. That I, hereby annexed the relevant records in evidence of meeting the criteria as specified in para 2 above;
4. That I, have understood the provisions of section 29A of the Insolvency and Bankruptcy Code, 2016 read with the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018 (collectively referred to as the "IBC"). I confirm that neither [*name of the resolution applicant*] nor any person acting jointly or in concert with [*name of the resolution applicant*] is ineligible under Section 29A of IBC to submit resolution plan (s) in the Corporate Insolvency Resolution Process of Shree Bhawani Paper Mill Limited under the provisions of IBC.
5. That I, hereby annexed the relevant information and records to enable an assessment of ineligibility under para 4 above.
6. That I, gives an undertaking that [*Resolution Applicant*] shall intimate the resolution professional forthwith if it becomes ineligible at any time during the corporate insolvency resolution process.
7. That I, gives an undertaking that 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 [*Resolution Applicant*] ineligible to submit resolution plan, forfeit any refundable deposit, and attract penal action under the Code; and

8. That I give an undertaking that the *[Resolution Applicant]* 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;
9. That I confirm that the said declaration and disclosure is true and correct; and
10. That I am duly authorised to submit this declaration by virtue of *[state where the authority is drawn from]*

Deponent

Verification

Verified at *[Place]* at this *[Date]* day of *[Month]* 2018, that the content of the above affidavit is true and correct to my personal knowledge, nothing is false in it and no material facts have been concealed therefrom.

Deponent