

ALCHEMIST TOWNSHIP INDIA LIMITED

(Undergoing corporate insolvency resolution process)

ELIGIBILITY CRITERIA

(Updated on 16.12.2021)

ELIGIBILITY CRITERIA FOR QUALIFYING AS RESOLUTION APPLICANT

(a) Category A – In case of an individual

- Minimum tangible net-worth of INR 15 crores as per the last audited financial statement for FY 2020-21 and as certified by a practicing Chartered Accountant.

(b) Category B - In case of a private/public limited company, LLP, body corporate incorporated in India:

- Minimum tangible net worth (TNW) of INR 20 crores at the group level as per the audited balance sheet for the FY 2020-21;
- Tangible Net Worth shall be 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 revenue expenditures and miscellaneous expenditure not written-off. The reserves do not include capital reserves created out of revaluation of assets and write back of depreciation and amalgamation;
- The entities shown as part of Group must have either the controlling interest over or controlled by or under common control with the Prospective Resolution Applicant ("PRA"). Control means at least 26% ownership. The entities must have been part of the Group for at least 3 years.

(c) Category C - In case of Financial Investors (FI) / Mutual Funds / Private Equity / Venture Capital Funds / Domestic/ foreign Investment institutions, Non-Banking Finance Companies (NBFC), Asset Reconstruction Companies, Banks and similar entities:

- Total assets under Management (AUM) / Loan Portfolio shall be at least INR 150 crores at the end of the Financial Year 2020-21, or

- The committed funds available for investment /deployment in Indian companies or Indian assets of INR 50 Crore at the end of the Financial Year 2020-21;
- FI here means the FI as defined under Section 45 I (c) of RBI Act and NBFC here means the NBFC as defined under Section 45 I (f) of RBI Act.

(d) Category D - In case of bidding as a consortium:

- 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 in respect of the Corporate Debtor;
- Lead member must hold at least 51% equity in the consortium;
- All members of the Consortium shall have positive TNW at the end of FY 2020- 21. In case any member has negative net worth as at 31.03.2021, the Consortium shall not be eligible;
- **In case of consortium of individuals**, TNW shall be calculated based on weighted average of their respective net worth i.e. the aggregates of such portions of their TNW, as is proportionate to their shareholding in the consortium, will count towards the qualification criteria of TNW under this EoI. The Consortium per-se should satisfy condition of **category A**;
- **In case the consortium is of body corporates**, TNW of consortium shall be calculated based on their weighted average i.e. the aggregates of such portions of their TNW as is proportionate to their shareholding in the consortium, will count towards the qualification criteria of TNW and turnover under this EoI. The consortium per-se should satisfy condition of **Category B**;
- **In case the consortium is of FIs/Funds/PE Investors/NBFCs/Any other applicants**, AUM / Loan Portfolio of consortium shall be calculated based on their weighted average i.e. the aggregate of such portions of their AUM/Loan Portfolio as it proportionate to their shareholding in the consortium will count towards the qualification criteria of AUM/Loan Portfolio. Similarly, the committed funds available for investment/deployment in Indian companies or Indian assets shall be based on their weighted average i.e. the aggregate of such portion of their committed funds available for investment /deployments in Indian companies or Indian assets as is proportionate to their shareholding in the consortium will count towards the

qualification criteria of committed funds. The consortium per-se should satisfy condition of Category C;

- **If members are from Category A & B**, the criterion applicable to the individual members will be the criterion as applicable to the category it belongs as recalculated based on its share in the consortium i.e. each consortium member will satisfy the criterion applicable to its category as multiplied by its share in the consortium;
- **If members are from Category B & C**, the criterion applicable to the individual members will be the criterion as applicable to the category it belongs as recalculated based on its share in the consortium i.e. each consortium member will satisfy the criterion applicable to its category as multiplied by its share in the consortium;
- **If members are from Category A & C**, the criterion applicable to the individual members will be the criterion as applicable to the category it belongs as recalculated based on its share in the consortium i.e. each consortium member will satisfy the criterion applicable to its category as multiplied by its share in the consortium;
- **If members are from Category A, B & C**, the criteria for TNW / AUM would again be based on share of a particular member in the consortium i.e. it will be in proportion to their shareholding in the consortium. The consortium members belonging to Category A, Category B and Category C should independently satisfy the criteria for Category A, Category B and Category C as recalculated bases on their share in the consortium;
- No change in lead member or any member whose financials have been used to meet the criteria set out herein shall be permitted after the last date for submission of EoI.

Additional Notes

If a company is maintaining calendar year as financial year then Balance Sheet for 31.12.2020 shall be considered as the basis of eligibility criteria

In case, however, the audited balance sheet for FY 2020-21 is not yet prepared by the entity/company, the eligibility criteria shall be based on audited balance sheet for FY 2019-20.

None of the Prospective Resolution Applicant(s), should attract any of the in-eligibilities enlisted under provisions of Section 29 A of IBC.