

M/s. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED

INVITATION FOR EXPRESSION OF INTEREST FOR VIZAG DIVISION

1. Introduction:

M/s. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED is (formerly Southern Online Services Limited) now called SBT, is an eco-friendly green field company. The company was the first private Internet Service Provider to offer internet connectivity across the length and breadth of Andhra Pradesh and Telangana.

- SBT's successful track record of over ten years includes providing broadband internet services to up-market corporate clients besides providing dial-up internet services to individual customers. Starting in 2003, SBT has moved into the Greenfield area of bio-diesel production, the ideal alternative to Conventional diesel. SBT's bio-diesel unit has many outstanding features some of which include wasteland development by cultivating Pongamia / Jatropha as basic renewable raw material, involving tribals, farmers and rural folk, generation of rural employment, conservation of precious foreign exchange and contributing to reducing the threat of pollution, to name a few of the features. Now there are three operational divisions in SBT
 1. ISP Division(Internet Service Provider),
 2. NALGONDA Division (Biodiesel),
 3. VIZAG Division (Biodiesel).
- M/S. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED is currently undergoing a Corporate Insolvency Resolution Process ("CIRP") that has been initiated as per the provisions of Insolvency and Bankruptcy Code (IBC) 2016 under the order of National Company Law Tribunal ("NCLT) Hyderabad Bench in respect of Company Petition CP(IB)No.343/7/HDB/2018, and the insolvency commencement date under the IBC is October 5, 2018.
- Committee of Creditors ("CoC") through Resolution Professional ("RP") is in process of identifying resolution applicant(s) for VIZAG Division of M/S. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED. Hence, RP Kalpana G invites Expression of Interest ("EoI") from investors having adequate financial capability to submit **resolution plan for VIZAG Division of M/S. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED under CIRP.**

2. **Transaction Process:**

The transaction process shall be completed in two stages, brief of which is discussed hereunder

Stage I

- Submission of EoI by interested Resolution Applicants (RAs)
- RP may seek supporting documents if required from the prospective resolution applicants further for conducting due diligence
- RP issue a provisional list of eligible prospective Resolution Applicants to CoC and to all prospective Resolution Applicants who submitted the expression of interest
- RP issue final list of prospective Resolution Applicants to CoC after consideration of objections raised if any

Stage II

- RP issue an Evaluation Matrix and Information Memorandum and request for Resolution Plan to the provisional list of RAs after receiving of Non-Disclosure Agreement
- Submission of Resolution Plan(s) by RAs

3. **The eligibility criteria for the proposed transaction is as under:**

The applicant must be 'fit and proper' person not under any legal disability to be promoter under the applicable laws including listing agreement, stock exchange requirements and SEBI regulations and guidelines and also should be eligible as per Sec 29A of the IBC code to become Resolution Applicant. The applicant having adequate financial capability would submit proof of its effective net worth by means of Chartered Accountants Certificate in this regard, find below eligibility criteria in detail:

1. The Net Worth of the Resolution Applicant/Group/Associate should be 3 Crores, should submit Net Worth certificate from Chartered Accountant in this regard.
2. Previous three years, Company should be in continuous profits and should submit 3 years audited Financial Statements while submitting Expression of Interest
3. The Expression of Interest should be unconditional and accompanied by the following undertaking by the prospective Resolution Applicants
a. meets the criteria specified by the CoC and to submit the relevant records of evidence
b. an undertaking by the prospective resolution applicant that it does not suffer from any ineligibility under Sec 29A to the extent applicable
c. 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
d. an undertaking by the prospective resolution applicant that every information and records provided I expression of interest in 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
e. 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

4. Submission of Non-Disclosure Agreement

4. Submission of EOI:

- a. Expression of Interest (EOI) is invited in a sealed envelope superscripted as
<Expression of Interest for Investment in VIZAG Division of M/S. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED >, in the format as set out in Annexure 'A' hereto.
- b. Applicants shall submit the EOI with details set out as **Annexure 'B'** along with the supporting documents set out as **Annexure 'C'**.
- c. Applicant shall submit the sealed envelope containing a complete set of the EOI in hard copy along with the Annexures stated above, to the following address by post or deliver in person:

Kalpana G
Resolution Professional
H.No.16-11-19/4, G-1,
Sri Laxmi Nilayam, Saleem Nagar
Colony, Malakpet, Hyderabad-500036.
Ph:9962568858

A soft copy of EOI along with annexures stated above should be mailed to kalpanagonugunta1@gmail.com

5. Last Date of Submission of EOI:

The last date for submission of EOI is 25-03-2019. In case the designated day happens to be a holiday; the next working day will be deemed as the last date for submission of EOI.

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

Note

- 1) COC/Resolution Professional has the right to cancel or modify the process without assigning any reason and without any liability. This is not an offer document and is issued with no commitment.
- 2) COC/ Resolution Professional reserve the right to withdraw EOI and change or vary any part thereof at any stage and also reserve the right to disqualify any prospective applicant, should it be so necessary at any stage.
- 3) No oral conversations or agreements with the Resolution Professional or any official, agent or employee of the Resolution Professional, the Company or any member of the COC shall affect or modify any terms of this EOI.
- 4) Neither the applicant nor any of the applicant's representatives shall have any claims whatsoever against the Resolution Professional or any member of the COC or any of their directors, officials, agents or employees arising out of or relating to this EOI.
- 5) By submitting a proposal, each applicant shall be deemed to acknowledge that it has carefully read the entire EOI and has fully informed itself as to all existing conditions and limitations.

“ANNEXURE - A”

**FORMAT FOR EXPRESSION OF INTEREST FOR SUBMISSION OF
RESOLUTION PLAN**

Date:

To,
Kalpana G
Resolution Professional
Southern Online Bio Technologies Limited
Hyderabad.

Subject: Expression of Interest (“EOI”) for submission of Resolution Plan for VIZAG Division of M/S. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED under Corporate Insolvency Resolution Process (CIRP)

Dear Madam,

In response to your public advertisement in [*Insert the names of the newspaper and/or website*] on [*Insert date of the advertisement*] inviting EOIs for submission of Resolution Plan for VIZAG Division of M/s. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED, we hereby submit our EOI.

We have attached necessary information requested in the format for EOI published in the newspaper. The information furnished by us in this EOI is true, correct 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 shortlist for the above-mentioned proposal.

We however, understand that Kalpana G, Resolution Professional and the Committee of Creditors (“COC”) reserve their right to decide whether or not to pre-qualify our proposal without disclosing the reason whatsoever and that Resolution Plan submitted for VIZAG Division of M/s. SOUTHERN ONLINE BIO TECHNOLOGIES LIMITED shall be subject to approval of the final resolution plan by the members of COC and the NCLT, in terms of the provisions of the Insolvency and Bankruptcy Code, 2016.

Sincerely yours,

On behalf of (Insert name of the entity submitting the EOI)

Signature:

Name of Signatory: Designation: Company Seal/Stamp

"ANNEXURE - 'B'

DETAILS OF THE PROSPECTIVE INVESTOR / RESOLUTION APPLICANT

1.1 Name and address

Name of the Investor/Resolution Applicant:

Address:

Telephone No:

Fax:

Email:

1.2 Date of establishment of Investor/Applicant:

1.3 Core area of expertise of the Investor/Applicant:

1.4 Contact Person:

Name:

Designation:

Telephone No:

Email:

1.5 PAN No. or equivalent details of Investor/Applicant

"ANNEXURE - C"

SUPPORTING DOCUMENTS TO BE ATTACHED WITH EOI

- (a) Profile of the Prospective Investor / Resolution Applicant
- (b) **Legal Documents:** Copies of Certificate of Registration and Constitutional Documents of the Prospective Investor/ Resolution Applicant
- (c) **For Turnover:** Immediately preceding 3 (three) years audited financial results of the Prospective Investor and/or its promoter/promoter group or any other group company.
- (d) **For Demonstration of funds availability:** Statement of funds availability of the Prospective Investor and/or promoter/promoter group or any other group company.
- (e) **For Net worth:** The applicant must submit documents indicating its effective net worth, supported by the certificate of Chartered Accountant.
- (f) A notarized declaration from the applicant in order to demonstrate that the promoter/promoter group or any other group company are part of the same group, in case the applicant is using such entities for submitting EOI. Please note that the applicant must be 'fit and proper' person not under any legal disability to be promoter under the applicable laws including listing agreement and SEBI regulations and guidelines and shall provide all relevant documents for its promoter/promoter group or any other group company.
- (g) 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 of the IBC

(h) Experience of the Investor/RAs in the relevant sector.

“ANNEXURE - D”

Eligibility Declaration as per Sec 29A of IBC 2016

To,

Kalpana G

Resolution Professional

Southern Online Bio Technologies Limited,
Hyderabad.

Dear Sir,

This is in reference to our Expression of Interest, wherein you have informed us to provide necessary information in accordance with section 29A(a) to (j) of IBC 2016, under an affidavit. The necessary affidavits containing the requisite information w.r.t. the Resolution Applicant, Joint Applicant, and the Promoters, persons in management or control of the Applicant, are as follows: -

I. Details of Resolution Applicant are herein below:

S. No.	Particulars	Status
1)	Name	
2)	Address	
3)	Relationship	
4)	Identity	
5)	Whether resolution applicant is a financial entity	
6	Whether resolution applicant is a Micro, Small & Medium enterprise	
7 a)	Is an undischarged insolvent	
b)	Has been identified as a wilful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949	
c)	Whose account is classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act,	

	1949 and period of one year or more has lapsed from the date of such classification and who has failed to make the payment of all overdue amounts with interest thereon and charges relating to non-performing asset before submission of the resolution plan;	
d)	Has been convicted for any offence punishable with imprisonment for two years or more; or	
e)	Has been disqualified to act as a director under the Companies Act, 2013;	
f)	Has been prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;	
g)	Has indulged in preferential transaction or undervalued transaction or extortionate transaction or fraudulent transaction in respect of which an order has been made by the Adjudicating Authority under this Code;	
h)	Has executed a Guarantee in favour of a creditor, in respect of a corporate debtor against which an application for insolvency resolution has been admitted under this Code and such guarantee has been invoked by the creditor and remains unpaid in full or part;	
i)	Is subject to any disability , corresponding to clauses 6 (a) to 6 (h), under any law in a Jurisdiction outside India or	
j)	Where any connected person in respect of such person meets any of the criteria specified in clauses 6(a) to 6(i) Explanation- For the purposes of this clause, the expression “connected person” means- (i) any person who is 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)	

II. Details of the connected persons

- (a) Persons who are promoters or in the management or control of the Resolution Applicant;**

Promoter of the Resolution Applicant -

XXXXXXX – Detailed profile submitted.

Persons in control of management – (details submitted).

- (b) Persons who will be promoters or in management or control of the business the corporate debtor during the implementation of the resolution plan;**
Promoter – (details of promoters during implementation)

Persons in Management Control of the Corporate Debtor during implementation of Resolution Plan – (details attached)

XXXXXXX– Detailed profile submitted.

- (c) Holding company, subsidiary company, associate company and related party of the persons referred to in items (a) and (b) .**

Holding Company –

Subsidiary Company -

Associate Company –

I, _____, the below named deponent do hereby declare and verify that the contents of the above affidavit are true to my knowledge, information and belief.

Verified at Hyderabad on this _____ day of _____ 2019.

DEPONENT

Date:

Place: