

Invitation for Expression of Interest
For Identification of Prospective Resolution Applicants
Net 4 India Ltd. (Net4)
(CIN: L72200DL1985PLC022649)

In pursuance of Corporate Insolvency Resolution Process under Chapter II of Insolvency and Bankruptcy Code, 2016 (IBC, 2016) intitated as per order of Hon'ble NCLT, Principal Bench Delhi dated 08-3-2019 in CP No. (IB)-409 (PB)/2017

Net 4 India Limited (Net4) - CIN L72200DL1985PLC022649 incorporated on 29-11-1985 has its registered office at 139-A-1 S/F Mohammadpur New Delhi 110061 and has been engaged in providing services such as Web Presence Solutions, the enterprise Access Solutions, Networking and System Integration Services, Internet Application Development, Website Hosting & Internet Telephony.

Net4 is undergoing Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Code, 2016 (IBC, 2016) and the undersigned has been appointed as Resolution Professional (RP) for Net4 by the Committee of Creditors in its meeting dated 6-4-2019.

Net 4 has four storied corporate office at at D-25, Sector-3, NOIDA on company owned plot admeasuring 780 sq. mt. Net4 acquired a plot of land admeasuring 54 cents situated at Karapakkam Village, Saidapet Taluk, Chegalpattu MGR District, Chennai for establishing a Data Center. The company has also invested in subsidiaries engaged in the business of Enterprise Internet Services, VoIP Solution, Web Solution billing and Provisioning Platform Solution.

Expression of Interest (EOI) is invited from financial and strategic investors engaged in similar/ allied business, for identification of Prospective Resolution Applicants for Net4 by the RP as per Regulation 36A of IBBI(Insolvency Resolution Process of Corporate Persons) Regulation 2016 (CIRP Regulations). The Applicants shall meet the following criteria for EOI:

1. Applicants engaged in business of Information Technology/Web Presence Solutions/Networking and System Integration Services/Internet Application Development, Website Hosting & Internet Telephony should have minimum Networth of Rs. 5.00 Crores as on 31-03-2018 or 31-03-2019;
2. Applicants engaged in any other business should have minimum Networth of Rs. 10.00 Crores as on 31-03-2018 or 31-03-2019;
3. Financial investors including private equity funds, financial institutions, ARCs, have minimum assets under management of Rs. 100.00 Crores as on 31-03-2018 or 31-03-2019;
4. Should not be ineligible to be a Resolution Applicant under Section 29A of IBC, 2016.

The ineligibility norms applicable for the Resolution Applicants under Section 29A of IBC, 2016 are as under:-

Section 29A: *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;*
- (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 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 other 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;*

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

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

- (g) 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;

- (h) 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;*

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

- (j) 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)
- (d) Regulations, 2017 made under the Foreign Exchange Management Act, 1999;
- (e) an asset reconstruction company registered with the Reserve Bank of India under section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- (f) an Alternate Investment Fund registered with the Securities and Exchange Board of India;
- (g) such categories of persons as may be notified by the Central Government.

The EOI should be made in the EOI Form uploaded on the website of Net4 (www.net4india.com) and should be accompanied with prescribed documents. The last date for submission of EOI is **June 6, 2019**. EOI/EOI Form may also be obtained by sending a request email to bajaj.vikram@gmail.com. The applicant may seek any clarification in this regard by contacting Ms. Shikha Chaudhary at 011-45789408 or Mb- 9811527752

The timelines for the process are as under:

Date of invitation of expression of interest	22-05-2019
Last date for receipt of expression of interest	06-06-2019
Date of issue of provisional list of prospective resolution applicants	16-06-2019
Last date for submission of objections to provisional list	21-06-2019
Date of issue of final list of prospective resolution applicants	01-07-2019
Date of issue of information memorandum, evaluation matrix and request for resolution plans to prospective resolution applicants	21-06-2019
Last date for submission of resolution plans	21-07-2019

The EOI shall be unconditional and submitted in EOI Form placed on (www.net4india.com) and should be accompanied with following documents:-

1. KYC Documents (Incorporation documents like MOA/ AOA, PAN, Address Proof)
2. Certificate of Net worth by practicing CA/CS as on 31-3-2018 or 31-3-2019.
3. Audited Financial Statements for last 3 years;
4. Affidavit that the Applicant is not ineligible to be a Resolution Applicant under Section 29A of IBC, 2016 (as per format A).
5. Confidentiality Undertaking (as per format B).

6. Board Resolution/Authority Letter/Power of Attorney authorising submission of Expression of Interest.
7. Undertaking under Regulation 36A(7) of IBBI (CIRP) Regulations 2016, on a stamp paper of Rs. 100 (as per format C).

The EOI with the documents detailed above should be sent to email id - bajaj.vikram@gmail.com and a hard copy should be sent through speed post at the following address:

Vikram Bajaj, Resolution Professional, Net 4 India Ltd.
308, 3rd Floor, Pearls Business Park, Netaji Subhash Place, Pitampura, Delhi - 110034.

The Form G in respect of EOI is also available at www.net4india.com.

The RP/COC may at its sole discretion seek such additional information/ documents as may be considered necessary for evaluation of EOI. The applicants are advised to visit the website of Net4 (www.net4india.com) for updates regarding amendments, clarifications and extension of the process.

RP/ COC of Net4, reserves the right to reject any EOI without assigning any reason. Submission of EOI by any Prospective Resolution Applicant shall not accrue any rights in his favor and the decision of the COC on the subject shall be final and binding. This is an Invitation for EOI for identification of Prospective Resolution Applicants in pursuance of CIRP under IBC, 2016 and does not constitute an Offer Document.

Vikram Bajaj, Resolution Professional, Net 4 India Ltd.
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