

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

FOR
ERA INFRA ENGINEERING LIMITED***

1. Background

a. Introduction

Era Infra Engineering Limited ('the Company/EIEL'), headquartered in Noida with registered office in New Delhi, is a fully integrated infrastructure development company and is the flagship company of Era group promoted by Mr. Hem Singh Bharana.

The Company was registered as a private company on September 3, 1990 as 'Era Constructions (India) Private Limited' and was converted into a Public Limited Company as 'Era Constructions (India) Limited' with effect from October 19, 1992. The name of the company was changed from Era Construction (India) Ltd to Era Infra Engineering Ltd with effect from June 25, 2007. The shares of the Company are listed on National Stock Exchange (NSE) but suspended for trading as of now.

EIEL is engaged in the execution of construction contracts involving engineering, procurement and construction projects across a range of sectors, such as roads and highways, power, railways, metro, aviation, industrial, institutional and related segments. Its principal business activities are to carry on the business of builders, civil contractors, and sanitary engineers, architects, town planners and to submit tenders for the aforesaid business; to layout, develop, construct, build, erect, demolish, re-erect, repair, remodel, execute or do any other work in connection with any industrial complex/parks, flyovers, ports, airports, highways, roads, railways, irrigation, dam and canals, among others, and to act as manufacturer, trader, dealer, importer, exporter, buyer, seller of all any type/kind of material used in the construction/infrastructure industry, including setting up of ready mix plant in India.

b. Certain facts about the Company

- The wide variety of clients of EIEL included National Thermal Power Corporation Ltd. (NTPC), National Buildings Construction Corporation Ltd. (NBCC), Public Works Department (PWD), Central Public Works Department (CPWD), National Dairy Development Board, National Hydroelectric Power Corporation Ltd. (NHPC), IRCON International Ltd., Unichem Laboratories Ltd., Rajasthan Spinning & Weaving Mills Ltd, Bharat Heavy Electricals Ltd. (BHEL), Steel Authority of India Ltd. (SAIL), National Highway Authority of India, Hyderabad Urban Development Authority, Pasupati Spinning & Weaving Mills Ltd., Relaxo Footwear, Mumbai Railway Vikas Corporation Ltd. (MRVC), Delhi Metro Rail Corporation Ltd. (DMRC), Delhi Development Authority (DDA), Rail Vikas Nigam Ltd. (RVNL), Aravali Power Company Pvt Ltd. (APCPL), Birla Tyres, Bajaj Corporation, Airport Authority of India (AAI), Bhabha Atomic Research Centre (BARC) etc.
- During the year 2006-07, the company diversified its business by entering the highway and railway sectors and bagged Hyderabad Ring Road project, West Haryana Highways and Gwalior Bypass Project.
- During the year 2007-08, EIEL was awarded of construction of setting up Super Specialty Block and Trauma Care Centre by Hindustan Latex Ltd at Kumaramangalam Medical College, Salem, Tamil Nadu. It was also awarded the civil and structural works of HDPE unit, of the Naptha Cracket Project, Panipat (Haryana) by the Indian Oil Corporation.

- EPC division was awarded the Bahadurgarh-Rohtak project for construction of a 63.49 km four/six- lane highway with bypass at Bahadurgarh and Rohtak; Delhi Metro Rail Corporation project for the design and construction of Dwarka Sector-21 underground station, approach cut & cover tunnel and connected works.
- EIEL was awarded the prestigious Golden Peacock National Training Award at the 9th International Conference for Corporate Governance in London.
- In August 2008, EIEL bagged the Construction of Wrestling Stadium at Indira Gandhi Stadium Complex, New Delhi for Commonwealth Games-2010 from Central Public Works Department valuing Rs 79.20 crore.
- In October 2008, KMB-ERA, a joint venture company formed by the company in association with Kyivmetrobud, Ukraine bagged a contract for Construction of a New Expandable Modular Integrated Terminal Building at Devi Ahilya Bai Holkar Airport, Indore by Airports Authority of India.
- During the year 2010, EIEL bagged construction of contracts for four-laning of: a) Muzaffarnagar-Haridawar Highway, b) Haridawar-Dehradun Highway, and c) Bareilly-Sitapur Highway.

c. Business Segments

Segment	Products
EPC	The division executes infrastructure development contracts across the spectrum for both external customers and for captive consumption. The division's business extends across major sectors of infrastructural growth and it broadly encompasses Roads/ Highways, Power, T&D, Metro, Aviation, Social Infra, Industrial Refinery.
Equipment Management	<p>The division caters to the growing in-house and external demand for a wide range of construction machinery. The division's large Equipment Bank spans machinery for diverse uses and includes:</p> <ul style="list-style-type: none"> ➤ <u>Cranes/Material Handling Equipment:</u> All terrain / rough terrain / crawler / tower cranes, fork lifts etc.; ➤ <u>Piling Equipment:</u> Piling rigs, extractor, pile drivers etc. are used to construct Cast-in-Situ bore piles to build solid foundations for the construction of all major infrastructure projects, bridges, etc.; ➤ <u>Aerial Platform & Boom Lifts:</u> For working at heights with Aerial Platforms, Boom Lifts, Scissor Lifts etc. is mandatory and utilized primarily in airport projects and building maintenance; and <p><u>Motor Graders:</u> These are used to create a flat surface during the grading process on the road projects.</p>

2. Process Stages

The process shall be completed in 2 (*two*) Stages.

Stage 1 – Shortlisting of Prospective Resolution Applicant(s) (“RA”)

- Submitting of Expression of Interest (“EOI”) by interested parties.
- Shortlisting of eligible prospective RAs.

Stage 2 – Invitation for Submission of Resolution Plan

- Communication of confirmation to shortlisted prospective RAs by Resolution Professional (“RP”) along with the timelines for the process.
- Signing of undertaking of confidentiality by the shortlisted prospective RAs as per the draft provided by the RP.
- On signing of the undertaking of confidentiality, the shortlisted prospective RAs will be provided with the following:
 - ❖ The Information Memorandum prepared as per the provisions of the Insolvency Bankruptcy Code, 2016.
 - ❖ Access to the data-room for limited due diligence to shortlisted prospective RAs.
Note: This shall only be intended to the prospective RAs shortlisted by RP pursuant to the approval of the CoC.
 - ❖ Request for Resolution Plan including the Evaluation Matrix.

Submission of EOI

- EOI is invited in a **plain sealed envelope** superscripted as “**Expression of Interest for participating in the Corporate Insolvency Resolution Process of Era Infra Engineering Limited**”, in the format as set out in Annexure ‘B’.
- The prospective RAs should meet the Eligibility Criteria as set out as Annexure ‘A’.
- The prospective RAs should submit the EOI along with the supporting documents set out as Annexure ‘C’.
- The details of the prospective RA as set out as Annexure ‘D’.
- Undertaking as set out in Annexure ‘E’ to be submitted in case of consortium.
- The prospective RAs submitting the EOI must ensure that they do not suffer from any ineligibility in accordance with the provisions of section 29A or any other provision of IBC, 2016. (Refer Annexure ‘F’). Along with EOI, they need to provide relevant information and records (including persons acting jointly or in concert with us and list of connected persons) to enable an assessment of ineligibility in terms of the above statutory provisions.
- The prospective RAs shall submit the sealed envelope containing a complete set of the EOI in hard copy along with the Annexures as stated above, to the following address by post or deliver in person:

Rajiv Chakraborty
Resolution Professional
Era Infra Engineering Limited
ASC Group, C-100, Sector-2, Noida,
Uttar Pradesh - 201301

- A soft copy of EOI along with annexures as stated above should also be mailed to ip.r.era@marketclear.in and chakrabortyrajiv72@gmail.com
- EOIs not fulfilling the above conditions are liable to be disqualified without any further communication.

a. Last date for submission of EOI

The last date for submission of EOI is July 8, 2019, which may be extended by the RP acting on the instructions of the CoC.

In case EOI is not submitted by the specified time period, then the RP shall have the right to reject the EOI.

Note:

1. RP/Committee of Creditors (“CoC”) 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. Applicants should regularly visit the EIEL website at <http://www.eragroup.co.in/> to keep themselves updated on clarifications/ amendments/ time-extensions, if any.
2. RP/CoC reserves the right to withdraw the invitation for EOI and change or vary any part thereof at any stage and also reserve the right to disqualify any prospective RA, should it be so necessary at any stage.
3. No oral conversations or agreements/arrangements with the RP or any official, agent, advisor or employee of the RP, the Company or any member of the CoC shall affect or modify any terms of this invitation for EOI.
4. Neither the prospective RAs nor any of representatives of the prospective RAs shall have any claims whatsoever against the RP or any member of the CoC or any of their directors, officials, advisors, agents or employees arising out of or relating to this invitation for EOI.
5. By submitting a proposal, each prospective RA shall be deemed to acknowledge that it has carefully read and understood the entire invitation for EOI and has fully informed itself as to all existing conditions and limitations and implications thereof.
6. Criteria for Eligibility - EOIs of only those interested parties who meet the eligibility criteria specified in Annexure ‘A’ will be considered. EOIs which do not meet the criteria shall be rejected with or without any further communication to the rejected applicants.

Eligibility Criteria

EOI would be subject to evaluation of the Financial Capacity of the RA as follows:

CATEGORY A

Private/Public Limited Company, LLP, Body Corporate ('Body Corporates'), Nonbanking financial company ('NBFC') [whether incorporated in India or outside India]

Minimum Tangible Net worth ("TNW") OF INR 50 (fifty) crores at the end of the immediately preceding completed financial year, but not earlier than March 31, 2018.

CATEGORY B

Financial Institutions (FI)/ Funds / Private Equity (PE) Investors/Any other applicant

Higher of,

- Minimum Asset under Management (AUM) of INR 100 (hundred) crores in the immediately preceding completed financial year, but not earlier than March 31, 2018.

Or

- Committed funds available for investment/deployment in Indian Companies or Indian assets of INR 100 (hundred) Crores or more.

CATEGORY C

Individual investor/ Consortium of individual Investors

Minimum consolidated net worth of INR 25 (twenty five) crores at sole or at the consortium level.

Note: 1. Individual investor may include HUFs and family trusts.

2. *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.*

CATEGORY D

Consortiums

- At least one of the members must hold at least 26% of total participation in the consortium. The member holding the highest participation share shall be designated as the lead member. All other members would need to have a minimum participation of 10% each in the consortium.
- 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 invitation for submission of resolution plan and the resolution plan submitted by the consortium.
- No change in lead member and no change in the members of the consortium shall be permitted after the last date for submission of EOIs.

Types of Consortium and their Treatment

A. Consortium of Body Corporates/ NBFCs

TNW of consortium shall be calculated as weighted average of individual member's TNW (value of negative TNW members shall be considered as Nil) basis their proposed equity participation in the consortium. Refer **Illustration 1** below:

Illustration 1

Computation of weighted average tangible net worth of consortium for determining eligibility

Potential RA is a consortium of body corporates with tangible net worth and proposed shareholding in the consortium as follows:

Potential RAs	Nature	TNW (INR in crores)	Proposed shareholding in consortium
Investor 1	Body Corporate	250	50%
Investor 2	Body Corporate	200	30%
Investor 3	Body Corporate	-50	20%

The effective aggregate tangible net worth (TNW) of the consortium shall be computed as follows:

Potential RAs	TNW (INR in crores) (A)	Proposed shareholding in consortium (B)	Weighted Average TNW (INR in crores) (A*B)
Investor 1	250	50%	125
Investor 2	200	30%	60
Investor 3	-50	20%	Nil
Total	400	100%	185

* value of negative TNW member(s) shall be considered as Nil.

The aggregated weighted average TNW is greater than INR 50 crores. Hence, the above consortium is eligible.

B. Consortium of FIs/Funds/PE Investors/Any other applicants:

The minimum AUM of consortium shall be calculated as weighted average of individual member's AUM or Committed funds available for investment/deployment in Indian companies (whichever is higher) basis their proposed equity participation in the consortium. Refer **Illustration 2** below.

Illustration 2

Computation of weighted average AUM or Committed funds of consortium for determining eligibility

Prospective RA is a consortium of FIs and PE Investors/Any other applicants with AUM and Committed funds available for investment/deployment in Indian companies (Committed Funds) and proposed shareholding in the consortium as follows:

Potential RAs	Nature	AUM (INR in crores)	Committed funds (INR in crores)	Proposed shareholding in consortium
Investor 1	FI	150	100	50%
Investor 2	PE Investor	150	150	30%
Investor 3	PE Investor	100	150	20%

The weighted average AUM or Committed funds of the consortium shall be computed as follows:

Potential RAs	AUM or Committed funds (whichever is higher) (INR in crores) (A)	Proposed shareholding in consortium (B)	Weighted average AUM or Committed Funds (INR in crores) (A*B)
Investor 1	150	50%	75
Investor 2	150	30%	45
Investor 3	150	20%	30
Total	450	100%	150

The aggregated weighted average AUM or committed funds is greater than INR 100 crores. Hence, the above consortium is eligible.

C. Consortium of Body Corporates/NBFC with FIs/Funds/PE Investors/Any other applicants:

The effective aggregated TNW of the consortium shall be calculated as weighted average of individual member's TNW/ AUM/ Committed Funds basis their proposed participation in the consortium. Note that while aggregating TNW of body corporates with AUM/Committed funds of FIs/Funds/PE Investors/Any other applicants, a weight of 100% shall be assigned to TNW and a weight of 50% shall be assigned to the AUM/Committed funds (whichever is higher). Refer **Illustration 3** below:

Illustration 3

Computation of effective aggregate tangible net worth (TNW) of consortium for determining eligibility

Prospective RA is a consortium of body corporates/NBFC with FIs/Funds/PE Investors/Any other applicants with TNW, AUM and Committed funds available for investment/deployment in Indian companies (Committed Funds) and proposed shareholding in the consortium as follows:

Potential RAs	Nature of investor	TNW (INR in crores)	AUM (INR in crores)	Committed funds (INR in crores)	Proposed shareholding in consortium
Investor 1	Body Corporate	200	NA	NA	50%
Investor 2	PE Investor	NA	100	150	30%
Investor 3	FIs	NA	200	100	20%

The weighted average AUM or Committed funds of the consortium shall be computed as follows:

Potential RAs	TNW/AUM or Committed funds (whichever is higher) (INR in crores) (A)	Proposed shareholding in consortium (B)	Weighted average TNW/ AUM or Committed Funds (INR in crores) (C=A*B)	Weights (D)	Effective weighted average TNW (INR in crores) (C*D)
Investor 1	200	50%	100	100%	100

Investor 2	150	30%	45	50%	22.5
Investor 3	200	20%	40	50%	20
Total			185		142.5

The effective weighted average TNW of consortium is greater than INR 100 crores. Hence, the above consortium is eligible.

D. Consortium is of sole individual investor(s) with body Corporates/ NBFCs/ FIs/ Funds/PE Investors/any other applicants:

The qualification criteria shall be based on effective aggregated TNW of the consortium. Effective aggregated TNW of the consortium shall be calculated basis Net worth/TNW/AUM/Committed Funds in proportion to the respective participation of sole individual investor(s)/body Corporates/FIs/Funds/PE Investors/any other applicants in the consortium. Note that while aggregating Net worth of sole individual, TNW of body corporates with AUM/Committed funds of FIs/Funds/PE Investors/Any other applicants, a weight of 100% shall be assigned to Net worth/TNW and a weight of 50% shall be assigned to the AUM / Committed funds (whichever is higher). Refer **Illustration 4** below:

Illustration 4

Computation of effective aggregate tangible net worth of consortium for determining eligibility

Prospective RA is a consortium of sole individuals with body corporates/FIs/Funds/PE Investors/Any other applicants with Net worth, TNW, AUM and Committed funds available for investment/deployment in Indian companies (Committed Funds) and proposed participation in the consortium as follows:

Potential Ras	Nature of Investor	TNW/ Net worth (INR in crores)	AUM (INR in crores)	Committed funds (INR in crores)	Proposed participation in consortium
Investor 1	Body Corporate	100	NA	NA	50%
Investor 2	PE Investor	NA	100	150	40%
Investor 3	Sole individual	40	NA	NA	10%

The weighted average AUM or Committed funds of the consortium shall be computed as follows:

Potential Ras	Net worth/ TNW/ AUM or Committed funds (whichever is higher) (INR in crores) (A)	Proposed participation in consortium (B)	Weighted average net worth/ TNW/ AUM or Committed Funds (INR in crores) (C=A*B)	Weights (D)	Effective weighted average TNW (INR in crores) (C*D)
Investor 1	100	50%	50	100%	50
Investor 2	150	40%	60	50%	30
Investor 3	40	10%	4	100%	4
Total			114		84

The effective weighted average net worth of Consortium is less than INR 100 crores. Hence, the above consortium is not eligible.

Format of Expression of Interest

[On the letter head of the company (in case of consortium – on the letterhead of the lead member) submitting the EOI]

Date; _____

To,
RESOLUTION PROFESSIONAL (“RP”)
IN THE MATTER OF ERA INFRA ENGINEERING LTD.
Address: C-100, Sector-2, Noida, Uttar Pradesh 201301
ip.r.era@marketclear.in/chakrabortyrajiv72@gmail.com

Subject: Expression of Interest (“EoI”) for submitting Resolution Plan for Era Infra Engineering Ltd. (“Corporate Debtor”) undergoing Corporate Insolvency Resolution Process (“CIRP”).

Dear Sir,

In response to the public advertisement in [Insert name of newspaper], dated [●] and/or [Insert name of newspaper], dated [●] (“**Advertisement**”) inviting EoI for submission of resolution plans (“**Resolution Plan**”) for the Corporate Debtor undergoing corporate insolvency resolution process as per the provisions of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”), we confirm that we have understood the eligibility criteria mentioned in Annexure A to the EoI and further confirm that we meet the necessary thresholds and criteria mentioned therein, and present 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 C and Annexure D.

We further undertake that the information furnished by us in this EoI and Annexures is true, correct, complete, and accurate. Based on this information we understand you may be able to evaluate our preliminary proposal to determine as to whether we are eligible for submission of the Resolution Plan for the Corporate Debtor. Further, we agree and acknowledge that:

- (a) the EoI will be evaluated by the RP (on behalf of the Committee of Creditors (“**CoC**”)) of Era Infra Engineering Ltd. based on the information provided in the Annexures and attached documents to determine whether we qualify to submit a Resolution Plan for the Corporate Debtor;
- (b) the RP/ the CoC reserves the right to determine at their sole discretion, whether or not we qualify for the submission of the Resolution Plan for the Corporate Debtor and may reject the EoI submitted by us with or without assigning any reason/without any liability whatsoever;
- (c) the RP/ the CoC reserve the right to request for additional information or clarification(s) from us for the purposes of evaluation of our EoI and we shall promptly comply with such requirements. Failure to satisfy the queries of RP/ CoC may lead to rejection of our EoI.
- (d) Meeting the qualification criteria set out in EoI alone does not automatically entitle us to participate in the next stage of the process;

- (e) We will continue to meet the eligibility criteria throughout the bid/resolution plan process, and any material adverse change affecting [our eligibility] / ¹[consortium's eligibility or its member(s)'ability to perform in consortium] shall be intimated within 3 (three) business days to the RP;
- (f) In case of consortium, we would comply with the eligibility criteria pertaining to participation, i.e., the lead member must hold at least 26% total equity participation in the consortium who shall be designated as the lead member. All other members would need to have a minimum stake of 10% each in the consortium.
- (g) We are eligible person in terms of provisions of Section 29A of the IBC. The relevant information and records (including persons acting jointly or in concert with us and list of connected persons) to enable an assessment of our eligibility in terms of Section 29A of the IBC are enclosed with our EOI.
- (h) We are a 'fit and proper' person and not under any legal disability to be a promoter entity of the Company under the applicable laws including listing agreements, stock exchange requirements and SEBI regulations and guidelines. Any material adverse change affecting the said status of [our eligibility] / ²[any of the consortium members] shall be intimated within 3 (three) business days to the RP.
- (i) We shall maintain confidentiality of the information shared with us 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 IBC.
- (j) We confirm and declare that every information and records provided in EOI is true and correct and discovery of any false information or record at any time will render us ineligible to submit resolution plan, forfeit any refundable deposit, and attract penal action under the IBC.

Yours Sincerely,

On behalf of [*Insert the name of the entity submitting the EoI*] ^{1 & 2}

Signature: _____

Name of Signatory:

Designation:

Company Seal/Stamp

1: In case of Consortium applicant the EoI shall be signed by each member.

2: The person signing the EoI and other supporting documents should be an authorized signatory supported by necessary board resolutions/authorization letter/power of attorney, as applicable.

¹ Applicable if consortium is submitting the EOI.

² Applicable if consortium is submitting the EOI.

Supporting Documents to be submitted with EOI

S. No.	Private/Public Limited Company, LLP, Body Corporate, NBFC [whether incorporated in India or outside India]	Financial Institutions (FI*)/ Funds / Private Equity(PE) Investors/Any other applicant	Sole Individual investor
1	Profile of the RA (As per Annexure D)	Profile of the RA(As per Annexure D)	Profile of the RA (As per Annexure D)
2	Copies of Certificate of Incorporation/ Registration and Constitutional Documents (MoA, AoA)	Copies of Certificate of Incorporation/ Registration and Constitutional Documents (MoA, AoA)	Government ID proofs (AADHAAR/PAN and Voters' id/Driving Licence/Passport)
3	<p>Audited financial statements for immediately preceding 3 (three) years latest not earlier than March 31, 2018</p> <p style="text-align: center;">OR</p> <p>Certificate from Statutory Auditor or Chartered Accountant/Company Secretary in practice or equivalent in the jurisdiction of incorporation of the Company certifying TNW as at end of last 3 financial years latest not earlier than March 31, 2018</p>	<p>Audited financial statements for immediately preceding 3 (three) years latest not earlier than March 31, 2018</p> <p style="text-align: center;">OR</p> <p>Certificate from Statutory Auditor or Chartered Accountant/ Company Secretary in practice or equivalent in the jurisdiction of incorporation of the Company/Fund certifying AUM as at end of last 3 financial years latest not earlier than March 31, 2018 or Committed funds as on date.</p>	<p>Income tax returns for immediately preceding 3 (three) years latest not earlier than March 31, 2018</p> <p style="text-align: center;">OR</p> <p>Certificate from Statutory Auditor or Chartered Accountant in practice or equivalent in the jurisdiction of individual investor certifying net worth as at end of last 3 financial years latest not earlier than March 31, 2018.</p>

Note:**In case of a consortium:**

- The above documents including certificates are required for each of the consortium members.
- The relevant documents of the consortium and the copy of the consortium agreement will also need to be submitted along with EOI.

Details of Prospective Resolution Applicant

[Note: In case of consortium, the details set out below are to be provided for each of the members]

1. Name and Address:

a. Name of the Firm/Company/Organisation/ Sole Individual:

b. Address:

c. Telephone No:

d. Fax:

e. Email:

2. Name and Address (with proof) of the firm/company/organization/sole individual:**3. Date of Establishment/ Date of Birth (for individual):****4. Core Area of Expertise:****5. Contact Person:**

a. Name:

b. Designation:

c. Telephone No:

d. Email:

6. Company/FI Profile:

a. Company Financial Profile (consolidated / standalone as applicable):

Company profile	Private/Public Limited Company, LLP, Body Corporate, NBFC whether incorporated in India or outside India	Financial Institutions (FI*)/ Funds / Private Equity (PE) Investors /Any other applicant	Sole Individual investor
At 31 Mar 16	TNW in INR crores	AUM in INR crores	Net worth in INR crores
At 31 Mar 17	TNW in INR crores	AUM in INR crores	Net worth in INR crores
At 31 Mar 18	TNW in INR crores	AUM in INR crores and Committed funds in INR crores	Net worth in INR crores

Note: In case of consortium, the above details are to be shared for each of the consortium members. Further, the fulfilment of qualification/eligibility criteria must be clearly identified/certified herein.

- b. Experience of the company in the relevant sector:

[Note: to be provided only in case of consortium – by each member of consortium]

UNDERTAKING

.....
(To be executed on stamp paper as applicable in the State/jurisdiction in which the undertaking is executed)

To,

[]

Dear Sir,

SUBJECT: UNDERTAKING FOR PARTICIPATION

This is in relation to the corporate insolvency resolution process of Era Infra Engineering Ltd (“**Corporate Debtor**”). In response to the public advertisement in [Insert name of newspaper], dated [●] and/or [Insert name of newspaper], dated [●] (“**Advertisement**”) inviting expressions of interest (“**EOI**”) for submission of resolution plan (“**Resolution Plan**”) for the Corporate Debtor undergoing corporate insolvency resolution process as per the provisions of the Insolvency and Bankruptcy Code, 2016 (“**IBC**”), we have submitted an EOI as a consortium. The members of the consortium are as follows:

[Insert names of the members of the consortium and indicate the lead member]

As required in terms of the EOI, we agree and undertake that we will hold at least [26% / 10% (*lead member to choose 26% and other to choose 10%*)] participation in the consortium. We further agree and undertake that all the members of the consortium shall be jointly and severally responsible for compliance with the terms of the invitation for submission of EOI, compliance with the terms of the request for resolution plan and the resolution plan submitted by the consortium.

SIGNED AND DELIVERED by [insert]

(Authorised Signatory)

Name: _____

Designation: _____

Section 29A of the Insolvency and Bankruptcy Code, 2016

Person not eligible to be resolution applicant

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 (10 of 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 (10 of 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 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) disqualified to act as a director under the Companies Act, 2013 (18 of 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) 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) Regulations, 2017 made under the Foreign Exchange Management Act, 1999 (42 of 1999);
- (d) an asset reconstruction company register with the Reserve Bank of India under section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
- (e) an Alternate Investment Fund registered with Securities and Exchange Board of India;
- (f) such categories of persons as may be notified by the Central Government.