

**In the National Company Law Tribunal
Mumbai Bench**

MA 315 of 2019 in CP No.1832/I&BC/MB/MAH/2017

Application Under **Section 30(1) & (6)** and **Order under section 31** of Insolvency &
Bankruptcy Code 2016

In the matter of

IDBI Bank Ltd.

V.

EPC Constructions India Ltd.

By Mr. Abhijit Guhathakurta
.....Applicant/ Resolution Professional

Heard on 09.09.2019

Order delivered on: 25.11.2019

Coram: Hon'ble Shri M.K. Shrawat, Member (Judicial)
Hon'ble Shri Chandra Bhan Singh, Member (Technical)

For the Applicant : Advocate Pulkit Sharma a/w Mr. Akhil Mahesh, Mr. Prateek Mishra
& Mr. Rugved More i/b Luthra & Luthra Partners, for the Resolution
Professional.
Mr. Abhijit Guhathakurtha, Resolution Professional.
Sr. Counsel Mr. Gaurav Joshi a/w Advocate Archit Virmani i/b
Optimus Legal, for Resolution Applicant.

Per: M.K. Shrawat, Member (Judicial).

ORDER

1. An Application has been moved on 14.01.2019 by the Learned Resolution Professional by invoking the Provisions of Section 30(6) of the Insolvency & Bankruptcy Code, 2016 read with Regulation 39(4) of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) 2016 for approval of a Resolution Plan submitted by Royale Partners Investment Fund Limited (RPIFL). The Resolution Plan of RPIFL has due approval of CoC. On receiving this Application along with Resolution Plan, an Order is hereunder passed as prescribed **U/s 31(1) of The Code**.
2. The Financial Creditor IDBI Bank Ltd. had filed a Petition against the Corporate Debtor EPC Constructions India Ltd. by invoking the Provisions of Section 7 of The Code read with Rule 4 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules 2016 on **29.12.2017**.
3. After considering the merits of the case, the said Petition was **admitted** vide an **Order dated 20.04.2018 (CP No.1832/I&BP/NCLT/MB/2017)**. Mr. Abhijit Guhathakurtha was appointed as the Interim Resolution Professional (IRP). The

said IRP was confirmed as the Resolution Professional (RP) in the CoC meeting dated 25.05.2018.

4. The Applicant submits that on 30.06.2018, the first Invitation for Expression of Interest for submission of Resolution Plans for the Corporate Debtor was published with addendums published on 17.08.2018 and 17.09.2018. The RP had also created a Virtual Data Room (VDR) wherein relevant documents, data and information in relation to Corporate Debtor were provided to Potential Resolution Applicants. The process document for submission of Resolution Plans was circulated to the Resolution Applicants on 04.10.2018. The Applicant mentions that the CoC also approved the process document and evaluation criteria for evaluating the prospective Resolution Plans in compliance with the requirements of the Code. For evaluation of the Resolution Plan, RBSA Capital Advisors LLP were appointed by the RP. Further, in the meeting of the CoC held on 11.09.2018, with e-voting on 14.09.2018, the extension of CIR period by another 90 days beyond the period of 180 days was decided to be sought from NCLT.
5. An extension of 90 days was granted by this Bench to complete the CIRP of the Corporate Debtor vide order dated 15.10.2018, thus extending the CIR period till 15.01.2019. The Applicant submits that two Resolution plans were received as on 24.11.2018, from Royal Partners Investment Fund Limited (RPIFL) and Arcelor Mittal India Private Limited (AMIPL).
6. On 30.11.2018, the Resolution Plan of RPIFL was rejected as it failed to submit Earnest Money Deposit of ₹5 Crore along with the Resolution Plan. Hence, the CoC did not consider its Resolution Plan as it was considered non-responsive. Thereafter, negotiations were initiated on the Resolution Plan of AMIPL. On 24.12.2018, the Resolution Plan of AMIPL was also considered unsatisfactory and CoC resolved to invite afresh resolution plans from those eligible resolution applicants who had submitted their Expression of Interests with the Applicant. The submission date for such Resolution Plans was extended until 27.12.2018 and was further extended till 31.12.2018.
7. On 31.12.2018 the resolution plans were received from two prospective resolution applicants namely RPIFL and AMIPL. After negotiations on the two plans, on 10.01.2019 the resolution plan of RPIFL and AMIPL was considered for voting. The resolution plan of RPIFL was modified and was considered for voting by the CoC. The CoC approved with voting share of 73.17%, approved the modified Resolution Plan of RPIFL. Thereafter, the Letter of Intent (LoI) was issued by the RP on behalf of CoC to the RPIFL on the same day.
8. AMIPL had filed a miscellaneous application being MA No. 344 of 2019 being aggrieved by the decision of CoC for rejecting its resolution plan. However, the

said application was rejected vide order dated 15.04.2019 as the Resolution Plan of AMIPL was rejected on merits as well as technicalities by the CoC. The relevant extract of the order is reproduced below:

In the present case, the amendment with respect to getting approval of CCI imposes an additional procedural obligation on the resolution applicants to furnish the approval from CCI before furnishing the resolution plan. Therefore, we can say that the amendment does not apply on the present CIRP proceedings. Hence, non-furnishing of the approval from CCI is no bar for the CoC or the RP to consider a resolution plan. Hence this objection raised by the Applicant, that RPIF did not have a CCI approval as on the date of meeting i.e. 10.01.2019, stands rejected.

Even otherwise, assuming that the aforesaid amendment was applicable in the present case, as on 10.01.2019 the Applicant itself did not have CCI's approval. CCI's approval was furnished on 11.01.2019, a day after the resolution plan of RPIF was approved. In that scenario, even if we assume that RPIF was ineligible to place a resolution plan before the CoC due to not having CCI's approval, but so was the case of the Applicant. The current position is that the RPIF has also furnished the necessary approval from CCI post the resolution plan was approved by the CoC.

9. It is on the basis of this order that the Resolution Plan of RPIFL stood the test of being compliant with the procedures laid down by the I&B Code. Hence, the Resolution Plan of AMIPL was not considered any further.
10. The Applicant states that the Resolution Applicant RPIFL has submitted its affidavit dated 04.01.2019 confirming its eligibility to submit a Resolution Plan for the Corporate Debtor under Section 29A of the I&B Code.
11. The Applicant has duly submitted Form H stating that the resolution plan is compliant of the provisions of the code. The Applicant has preferred the present application for approval of Resolution Plan by this Adjudicating Authority.

The Resolution Plan as approved by CoC is incorporated herein:

RESOLUTION PLAN FOR EPC CONSTRUCTIONS INDIA LIMITED ("RESOLUTION PLAN")

8 January 2019

Submitted by:
Royale Partners Investment Fund Limited

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DEFINITIONS AND INTERPRETATIONS:

In this Resolution Plan, capitalized terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed and additional capitalized terms shall have the following meanings assigned to them in **Annexure 1** hereto.

EXECUTIVE SUMMARY:

Royale Partners Investment Fund Limited established as a Category 1 Global Business Company limited by shares under the Mauritius Companies Act 2001 and having its registered office at C/o SGG Fund Services (Mauritius) Limited, 33, Edith Cavell Street, Port Louis 11324, Mauritius (“**RPIF**” or the “**Resolution Applicant**”), is pleased to submit this Resolution Plan (“**Resolution Plan**”) for EPC Constructions India Limited (“**Company**”) under the IBC, and in accordance with the Process Document, the CIRP Regulations, subsequent discussions with and communications received from the Resolution Professional and its advisors. The Resolution Applicant proposes to implement the Resolution Plan in the manner described in detail in **Annexure 2** of this Resolution Plan and seeks the support of all the stakeholders of the Company in this regard. Any action proposed to be undertaken by the Resolution Applicant for the implementation of this Resolution Plan, will be undertaken, either directly, or indirectly through or with the affiliates, subsidiaries or associates of the Resolution Applicant either individually or collectively as set out in this Resolution Plan and detailed in **Annexures 2 to 10** or otherwise in a manner deemed fit. Each of such affiliates, subsidiaries or associates of the Resolution Applicant shall be compliant with the requirements of Section 29A of the IBC.

The Resolution Plan has been proposed based on the information made available in the Information Memorandum, the Data Room, management meetings and conference calls, site visit and on the assumptions and other terms and conditions stated in this Resolution Plan.

This plan shall become effective and operative upon obtaining the NCLT approval and CCI approval, whichever is later. In the event, any other approval is required for implementation not granted or in case of change in Applicable Law or under any other material circumstances, then notwithstanding anything contained in this Plan, but without prejudice to the financial commitments set forth in this Plan with respect to each creditor of the Company (including the quantum of payment or settlement to be made to such creditor and the timeline within which the payment or settlement is to be made), the Resolution Applicant shall be entitled to revise the acquisition structure (including, the implementation thereof) in compliance with Applicable Law, to implement the Plan by intimating the COC, without prejudice to any timelines specified in this Resolution Plan for payment of Total Consideration.

The Resolution Applicant has to the extent possible taken into account the interest of all the stakeholders and therefore believes that the Resolution Plan will create a sustainable capital structure that will enable the Company to continue as a “going concern”. Accordingly, we are very keen to work with the stakeholders of the Company and are confident of delivering on this Resolution Plan in an expeditious and time-bound manner after receiving necessary approvals.

Further, we believe the following factors uniquely position the Resolution Applicant in making this Resolution Plan successful for the stakeholders:

- Availability of sufficient funds to implement the Resolution Plan
- Strategic presence and deep connect of the sponsors in UAE which will serve as an additional market for winning new projects in future, helping in the revival of the Corporate Debtor’s business going forward
- RPIF is strategically looking at further investments in the EPC and infrastructure sector in India. Consolidation of all the group interests that will be acquired in due course, will be with the objective to build synergies to further improve operational efficiencies across all businesses including that of the Corporate Debtor.

Financial Assessment of the Company’s Operations

The Resolution Applicant has done an analysis of the current and historical operations of the Company (on the basis of the review of the IM and the information/ documents made available in the Data Room.

As part of this Resolution Plan, we intend to realign the Company’s overall debt into viable limits. The Resolution Applicant plans to infuse an amount of INR 420 Crores in the company, by way of equity or debt or similar instruments.

Proposal for Financial Creditors

The Resolution Applicant’s Financial Proposal is based on the statement of assets and liabilities of the Company as set out in the provisional balance sheet of the Company as of 31 March 2018 and as uploaded on the Data Room (“**Provisional Balance Sheet**”) and the list of creditors of Company as uploaded on the Company’s website (<http://www.epcc.co.in/en-us/cirp>) (“**List of Creditors**”).

The following table summarizes the proposed offer as part of the Resolution Plan to the Financial Creditors under the IBC:

Particulars	Amount
1. <u>Upfront Consideration</u>	An amount of INR 420,00,00,000 (Rupees Four Hundred Twenty Crores) <i>less</i> payment towards (i) CIRP Costs which exceeds existing cashflows (“ Balance CIRP Costs ”); and (ii) Potential Workmen’s Dues (“ Upfront Consideration ”) to be paid to the Financial Creditors within an indicative timelines of 30 Business Days.
2. <u>Deferred Consideration</u>	INR 480,00,00,000 (Rupees Four Hundred Eighty Crores) (“ Deferred Consideration ”) by way of issuance of NCDs with a cumulative amount of even value.
Total Consideration	Sum of Upfront Consideration and Deferred Consideration of INR 900,00,00,000 (Rupees Nine Hundred Crores) as total consideration for assignment of Admitted Debt of Financial Creditors in entirety along with the entire Debt Collateral.

Qualitative Criteria

Parameter	Remarks	
Reasonableness of Financial Projections	This Resolution Plan proposes to make Upfront Payment to the Financial Creditors as per details provided in the Financial Proposal (Section 6) The NCDs are proposed to be redeemed in 5 years as per the financial projections estimated by the Resolution Applicant. The financial projections have been prepared with conservative assumptions, considering sufficient time required to stabilize the business and gradually grow it.	
Risk Assessment and Mitigation Plan	Risk Assessment	Mitigation Measures
	Economic slowdown impacting EPC industry	Expected revival of infrastructure growth: <ul style="list-style-type: none"> • India has a requirement of investments worth INR 50 trillion in infrastructure by 2022 to have sustainable development in the country. India is witnessing significant interest from international investors in the infrastructure space. Some key investments in the sector are listed below: <ul style="list-style-type: none"> ▪ In June 2018, the Asian Infrastructure Investment Bank (AIIB) has announced US\$ 200 million investment into the National Investment & Infrastructure Fund (NIIF).

Parameter	Remarks
	<ul style="list-style-type: none"> ▪ Private equity and venture capital (PE/VC) investments in the infrastructure and real estate reached US\$ 3.9 billion with 29 deals during the first half of 2018. ▪ Indian infrastructure sector witnessed 91 M&A deals worth US\$ 5.4 billion in 2017 <ul style="list-style-type: none"> • Government Initiatives <p>The Government of India is expected to invest highly in the infrastructure sector, mainly highways, renewable energy and urban transport. Some of the steps taken in the recent past are being discussed hereafter:</p> <ul style="list-style-type: none"> ▪ Announcements in the Union Budget 2018-19: <ul style="list-style-type: none"> - Massive push to the infrastructure sector by allocating INR 5.97 lakh crores for the sector. - Railways received the highest ever budgetary allocation of INR 1.48 trillion. - INR 16,000 crores towards Sahaj Bijli Har Ghar Yojana (Saubhagya) scheme. The scheme aims to achieve universal household electrification in the country. - INR 4,200 crores to increase capacity of Green Energy Corridor Project along with other wind and solar power projects. - Allocation of INR 10,000 crores to boost telecom infrastructure. ▪ A new committee to lay down standards for metro rail systems was approved in June 2018. As of August 2018, 22 metro rail projects are ongoing or are under construction. ▪ INR 2.05 lakh crores will be invested in the smart cities mission. All 100 cities have been selected as of June 2018. ▪ The Government of India is working to ensure a good living habitat for the poor in the country and has launched new flagship urban mission, the Pradhan Mantri Awas Yojana (Urban). In May 2018, construction of additional 150,000 affordable houses was sanctioned under Pradhan Mantri Awas Yojana (PMAY), Urban. <p>Given the massive investments expected by 2022 to meet the infrastructure needs of the country, the growth of the EPC sector is expected to revive.</p>
<p>High dependency on projects from Essar Group and limited exposure to project execution outside the Group business</p>	<p>EPCIL has been facing delays in collection of receivables for projects executed for few of its key clients, which has resulted in liquidity issues.</p> <p>The Resolution Applicant proposes to:</p> <ul style="list-style-type: none"> • Develop capabilities in new areas having good future potential namely nuclear power, irrigation and defense. • Focus on sectors such as Hydrocarbons, Pipelines (Water as well as Oil & Gas), Offshore, Marine and Power, in which the Corporate Debtor has core strengths and proven track record. • Tie up with international technology licensors to enable the Corporate Debtor to bid for green-field and up-gradation the work as well as niche projects.

Parameter	Remarks	
		<ul style="list-style-type: none"> Strengthen vendor relations for better negotiations and improved margins. Sharpen Tendering and Estimation for competitive pricing.
	Inability to bid for new projects other than group company projects	<p>As per our analysis, the Company has restricted its ability to bid for projects outside the group companies except for a few projects awarded in the recent past outside the group due to non-availability of funds and constraints in obtaining bank guarantee facilities (for meeting the requisite Earnest Money Deposit).</p> <p>The Resolution Applicant thereby requires an additional Non-Fund based working capital limit of INR 400 crores (“NFB Limits”) from the Lenders to meet the working capital requirements of the Company in order to achieve the desired level of operations. The Lenders shall extend their support for providing the same or as an alternate agree to cede priority charge to new lender (if any) which may be inducted by the Company to extend such NFB facilities for the aforesaid purpose to the extent of NFB Facilities.</p>
Plan to protect the interest of other stakeholders	This Resolution Plan has been designed taking into consideration the interest of all stakeholders as detailed in Section 3 hereto.	
Regulatory Compliance	The Resolution Applicant adheres to the highest standards of corporate governance and compliances as evidenced from the quality of annual reports, investor presentations and other timely disclosures made by the Resolution Applicant.	
Track record of debt repayment	The Resolution Applicant has an impeccable track record and has no history of any debt defaults. A certificate of good standing from its bank is enclosed in Annexure 7.	
Financial strength	The Resolution Applicant has available funds in excess of USD 300 million for its investments. The proof of funds to the extent of USD 100 million which is sufficient for implementation of the resolution plan is enclosed in Annexure 8.	

The Resolution Applicant reiterates that the Resolution Plan outlines a consideration involving: (i) Upfront Consideration (less payment towards (i) Balance CIRP Costs; and (ii) Potential Workmen’s Dues) of INR 420 Crores to be paid to the Financial Creditors within 30 Business Days; and (ii) a Deferred Consideration in the form of NCDs of a cumulative face value of INR 480 Cores which shall be repayable within a tenure of 5 years and shall have further terms and conditions as per details given in **Annexure 2**; together (Deferred Consideration and Upfront Consideration referred together as “**Total Consideration**”).

The Resolution Applicant will bring in the aforesaid Upfront Consideration of INR 420 crores and payment towards Admitted Workmen and Employee Dues by way of fresh funds into the Company in the form of equity (including equity shares, preference shares, subordinated debt, quasi equity, and convertible instruments) along with its associate companies.

The proposal for Operational Creditors and other stakeholders of the Company is detailed in Section 3 of this Resolution Plan.

The Resolution Applicant proposes to completely restructure the Company's balance sheet and focus on operational excellence in order to create significant value for all stakeholders of the Company.

The commitments stated in this Resolution Plan are in line with the overall strategy of the Resolution Applicant for successfully running the Company and creating value for all the stakeholders. The Resolution Applicant is also committed to completing this transaction in an expeditious manner.

RESOLUTION PLAN

This Resolution Plan is proposed by Royale Partners Investment Fund Limited, a Category I Global Business Company limited by shares under the Mauritius Companies Act, 2001 and having its registered office at C/o SGG Fund Services (Mauritius) Limited, 33, Edith Cavell Street, Port Louis 11324, Mauritius (“**Resolution Applicant**”) or (“**RPIF**”), pursuant to the IBC, IM and Process Document.

1. Overview

- 1.1. The National Company Law Tribunal, Mumbai (“**NCLT**”), through its order (“**Order**”) dated 20 April 2018 (“**Insolvency Commencement Date**”), admitted the application for initiation of corporate insolvency resolution process (“**CIRP**”) filed by the IDBI Bank Limited in respect of EPC Constructions India Limited (formerly known as Essar Projects (India) Limited) (“**Company**” or “**Corporate Debtor**” or “**EPCCL**”) in accordance with Section 7 of the IBC. Pursuant to the Order, Mr Abhijit Guhathakurta, was appointed as the interim resolution professional and thereafter, was appointed as the resolution professional for the Company by the Committee of Creditors (“**Resolution Professional**”). The Resolution Professional has provided an information memorandum in July 2018 containing certain information relating to the Company (“**Information Memorandum**” or “**IM**”) and subsequent details provided by the Resolution Professional through email communication and Data Room.
- 1.2. We thank the Resolution Professional and the CoC for inviting the Resolution Applicant to submit a resolution plan for the Company.
- 1.3. We will be submitting Earnest Money Deposit (“**EMD**”) as per the clause 1.9 of the Process document along with the Resolution Plan. If the resolution plan gets approved by the CoC, an amount of INR 42 Crores which shall also include the EMD of INR 5 crores (equivalent to 10% of the Upfront Consideration) will be issued within 2 days of issuance of Lol by the CoC, with a further amount of INR 48 crores (i.e., aggregating to 10% of the Total Consideration), to be issued within a further period of 90 days thereafter.
- 1.4. For the purposes of this Resolution Plan, the capitalised terms defined by inclusion in quotations and/or parentheses shall have the meaning ascribed to such term under **Part A of Annexure 1**. Further, the rules of interpretation are set out in **Part B of Annexure 1**.

2. Liabilities and Creditors Analysis

According to the Provisional Balance Sheet, the liabilities of the Company are as follows:

Provisional figures as on April 20, 2018	Amount (INR Cr)
Long term borrowings	166.60
Short Term Borrowings	2,478.05
Trade payables	926.62
Other Financial Liabilities	3,572.88
Provisions	10.32
Other Current/ Non-Current Liabilities	609.07
Total Liabilities	7,763.54

As per the amendment to the CIRP Regulations on 31 December 2017, the requirement for disclosing the liquidation value of an asset undergoing resolution to the resolution applicant has been dispensed with. Accordingly, the Liquidation Value for the Corporate Debtor is currently not available with us.

According to the List of Creditors, total claims filed amounts to INR 13,254.43 crores, out of which claims aggregating to INR 7,487.45 crores have been verified and admitted (“**Admitted Debt**”) for the purpose of CIRP by the Resolution Professional. The breakup of the claims is as follows:

Description	Amount Submitted (INR Cr)	Amount Admitted (INR Cr)
Financial Creditors of the Company (“ Financial Creditors ”)	9,552.99	7,487.45
Operational Creditors of the Company (“ Operational Creditors ”)	3696.87	244.78
Workmen/Employees	4.57	0.68
Total Claims	13,254.43	7,732.91

3. Mandatory Contents of the Resolution Plan

3.1. Payment of the Insolvency Resolution Process Cost (CIRP Cost):

- i. As per IBC, the CIRP Costs are accorded highest priority amongst the creditors of a Corporate Debtor and the CIRP Costs shall, amongst other things, include the costs, fees and charges incurred by the Resolution Professional, in running the operations of the Company as a going concern.
- ii. The CIRP Costs will be paid in full and in priority to any other creditor of the Company upon the Resolution Plan becoming effective, first from out of the available cash balances in the Corporate Debtor and thereafter the remaining CIRP Cost ie Balance CIRP Costs, if any, from out of the Upfront Consideration.

3.2. Proposal for Financial Creditors:

- i. As per the List of Creditors, Workmen and Employees’ dues amounting to INR 4.57 Crores have been filed. Out of which INR 0.68 Crores have been verified and admitted by the Resolution Professional and form part of the Admitted Debt. Such Admitted Workmen and Employee Dues shall be treated pari-passu with Financial Creditors and shall be paid in full in the manner as specified in Section 3.4 below. In the event any additional workmen dues are admitted until the Approval Date, to the extent they ascribe to a period of 24 months preceding the Insolvency Commencement Date (“**Potential Workmen’s Dues**”) such Potential Workmen Dues shall form part of Admitted Workmen and Employee Dues and be paid out of the Upfront Consideration.
- ii. As regards the Financial Creditors, according to the List of Creditors, total claims filed by the Financial Creditors amount to INR 9552.99 Crores, out of which claims aggregating to INR 7487.45 Crores have been verified and admitted for the purposes of CIRP by the Resolution Professional (“**Admitted Debt of Financial Creditors**”). The Resolution Applicant understands that the Admitted Debt for Financial Creditors also includes all un-invoked/ invoked bank guarantees, which will continue until their expiry. Out of this aggregate amount of Admitted Debt, the Resolution Applicant has proposed to pay the following consideration to the Financial Creditors for full and final discharge of the Financial Creditors and for assignment of entire Claims and Admitted Debt of Financial Creditors to the Indian SPV:
 - a. Upfront Consideration equivalent to INR 420 Crores (Indian Rupees Four Hundred Twenty Crores) (**less** payment towards (i) Balance CIRP Costs; and (ii) Potential Workmen’s Dues, if any) within 30 Business Days; and.

- b. Deferred Consideration equivalent to INR 480 Crore (Indian Rupees Four Hundred Eighty Crores) in the form of unlisted NCDs.
- iii. In addition, according to List of Creditors, total claims filed by the operational creditors of the Company amount to INR 3,696.87 Crores. Out of which claims aggregating to INR 244.78 Crores have been verified and admitted by the Resolution Professional for the purposes of CIRP by the Resolution Professional (“**Operational Creditors**”).
- iv. The Liquidation Value payable to the Operational Creditors or the other creditors or stakeholders of the Company (including dues to employees (other than Workmen), government dues, taxes, etc. and other creditors and stakeholders) is expected to be **NIL** and therefore, they will not be entitled to receive any payment.
- v. The Admitted Workmen and Employees Dues shall be paid out of the infusion by the Resolution Applicant into the SPV/ Corporate Debtor.
- vi. Post the payment of CIRP Costs in the manner set out in Section 3.1 of this Resolution Plan and payment of Admitted Workmen and Employees Dues in the manner set out in (v) above and 3.4 below, all Admitted Debt of Financial Creditors (including letters of credit and bank guarantees) will be treated in the manner provided in this Section of the Resolution Plan and the Secured Financial Creditors shall be entitled to receive Total Consideration comprised as follows:
 - (a) **Upfront Consideration** of INR 420 Crores (Indian Rupees Four Hundred Twenty Crores)
 - (b) **Deferred Consideration** of INR 480 Crores (Indian Rupees Four Hundred Eighty Crores) as secured and unlisted NCDs, to be paid over a period 5 years at a coupon of 8% p.a., as shown in Annexure 2.

It is clarified that:

- A. The Resolution Applicant shall have the right to voluntarily prepay/ redeem the entire Deferred Consideration to the Financial Creditors, in part or in full, at any time during the tenor of the NCDs, provided that an IRR of 8% p.a. is maintained;
- B. Notwithstanding anything contained in this Resolution Plan, the aggregate of Upfront Consideration and Deferred Consideration (“**Total Consideration**”) shall be the full and final discharge provided to the claims of the Financial Creditors, upon receipt of which all claims of Financial Creditors in relation to Admitted Debt shall stand extinguished;
- C. Notwithstanding anything in this Plan, on and from the Effective Date, all the guarantors/ third party security providers who have provided/ issued any guarantees/ security (on their assets) for and on behalf and in order to guarantee/ secure the debt of the Company (including but not limited to the Identified Excluded Collateral), shall not be entitled to exercise any subrogation rights in respect of such guarantees/ security, on account of any invocation/ enforcement by the Financial Creditors of the Company of such guarantee/ security in any circumstance.
- D. Notwithstanding anything in the Plan, the COC shall be at liberty to distribute the Total Consideration (less any amounts paid towards Balance CIRP Costs and Potential Workmen’s Dues) inter se each other, including to the Unsecured Financial Creditors, in whatever manner, order or priority they deem fit at their discretion. In any event, the

Resolution Applicant does not propose to pay any amounts over and above the Total Consideration and shall have no further liability.

- E. If any debts of Financial Creditors are admitted over and above the Admitted Debt for Financial Creditors, the discharge offered to Secured Financial Creditors for such increase in Admitted Debt shall be made by the COC out of the Total Consideration in any manner they deem fit. The Resolution Applicant will not have any obligations over and above Total Consideration to the Financial Creditors; and
 - F. It is clarified that in the event there are any additional CIRP Costs and/or Admitted Workmen and Employee Dues in excess of the amount identified and admitted as of the date hereof, then such excess amount shall also be adjusted from the Upfront Consideration (to the extent the available cash balances of the Company are insufficient in discharging the CIRP Costs), prior to making any payments to the Secured Financial Creditors.
- vii. With respect to the amount payable to the Financial Creditors (other than those referred to in 3.2 (vi) (a) and (b) above) including accrued or unpaid interest arising after Insolvency Commencement Date and until the Effective Date, in relation to any debt of the Company will be written off in full and shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company or Resolution Applicant or the SPV shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
 - viii. The cash balances of the Corporate Debtor will accrue and be paid to the Financial Creditors (less any Balance CIRP Costs) till the date of implementation of the Plan, i.e., till the date of payment of the Upfront Consideration.
 - ix. Other than as specified in Section 3.2. ii to vi above and except for the payment of the Total Consideration, any and all other Claims or demands made by or liabilities or obligations owed or payable to (including any demand for any losses or damages, principal, interest, compound interest, penal interest, liquidated damages, notional or crystallized mark to market losses on derivatives and other charges already accrued/ accruing or in connection with any Third Party Claims) any actual or potential Financial Creditors of the Company or in connection with any debt of the Company (including any transactions in derivatives), whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, will be written off in full and shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

- x. On the Effective Date and discharge of creditors (including but not limited to Total Consideration for Financial Creditors and the payment set out to the specific category of Operational Creditors) in the manner set out in Sections 3.2 and 3.4, any and all rights and entitlements (including any right to convert debt into equity, right of recompense under any restructuring agreement or any other restructuring/ financing agreement, whether recorded as a contingent liability or not or any remedy available pursuant to any default including event of default (whether financial or otherwise) in relation to any loans or other financial debt availed by the Company, under any loan documents, restructuring agreements, guarantees furnished by the Company, undertaking, or other financing agreements/ arrangements (including any undertaking, side letter, letter of comfort, letter of undertaking etc.)) of any actual or potential Financial Creditors of the Company not addressed in Section 3.2, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant or the SPV shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto. Furthermore, the Company shall stand discharged of any default or event of default under any loan documents or other financing agreements or arrangements (including any side letter, letter of comfort, letter of undertaking etc.) and all rights/ remedies of the creditors shall stand permanently extinguished. Furthermore, it is hereby clarified that upon approval of the Resolution Plan by the NCLT, no further consent of any creditor (Financial Creditor, Operational Creditor or otherwise) shall be required to implement the Resolution Plan.
- xi. Subject to Section 3.2.x above, any Encumbrance, or any other form of collateral (whether over immovable, movable assets, fixed deposits or cash or any other rights or privileges and including without limitation, any guarantee, security, letter of credit or pledge provided by the Existing Promoters of the Company that was created/granted/arranged in connection with any Financial Debt or Operational Debt or any other debt or obligation of the Company, at any time prior to the Effective Date, shall automatically be released and all liabilities and obligations of the Company and any Third Party on behalf of the Company in relation to such Encumbrance or other form of collateral shall stand permanently extinguished on the approval of this Resolution Plan by the NCLT and payment of the Total Consideration as specified here (including those created/ arranged by the Company as a guarantor or a third party security provider in relation to its subsidiaries, joint ventures, related parties or associates, if any, but without prejudice to the primary obligations of such parties to the respective counter parties without any recourse to the Company), without the requirement of any further action on part of any party and the Company or the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or

duty in relation thereto. All title deeds and other documents (including charge documents, if any) held by the Financial Creditors or on their behalf shall be immediately returned to the Company.

- xii. Notwithstanding the above, on the Effective Date and upon discharge of Financial Creditors in the manner set out under this Section, all relevant Persons including the Financial Creditors shall redeliver and shall cause to be delivered to the Company, all documents (including loan agreements, guarantees, security documents, title deeds, lease deeds, lease agreements, demand promissory notes, records, powers of attorneys, post-dated cheques, other negotiable instruments, encumbered with the Financial Creditors and all other documents) and collateral in relation to such assets that are in possession of or deposited with such Financial Creditors or any other Person for the benefit of any of the creditors of the Company. Further, each creditor of the Company shall execute or issue discharge certificates, no-objection certificates and all other documents and take all such actions as may be reasonably required by the Company or the Resolution Applicant for the release of the Encumbrances, security interests and charges contemplated in this paragraph.
- xiii. Notwithstanding the above, upon the approval of the Resolution Plan by the NCLT under Section 31 of the IBC, on and from the Effective Date:
- (A) all Claims in connection with all violation or breach of any agreement by the Company shall be settled at NIL value at par with Operational Creditors as specified in this Resolution Plan;
 - (B) any event of default having occurred on part of the Company under any of the financing documents entered into by the Company on its own behalf or entered into on behalf of any of its subsidiaries, joint ventures or associates to secure or guarantee any of their liabilities, prior to the Effective Date and any Claims arising against the Company on account of such defaults shall be settled at **NIL** value. Notwithstanding the foregoing, such discharge of obligations of the Company shall not be deemed to be waiver or discharge of the obligations of such subsidiaries, joint ventures or associates;
 - (C) all the outstanding negotiable instruments, corporate guarantees issued by the Company or by any Person on behalf of the Company including demand promissory notes, post-dated cheques and letters of credit, shall stand terminated and the Company's liability under such instruments shall stand extinguished;
 - (D) all notifications with regards to defaults filed with Credit Information Bureau (India) Limited ("**CIBIL**"), any Information Utility, RBI or any other regulatory authority shall be withdrawn by the respective Financial Creditors;
 - (E) Bank guarantees which are already issued on behalf of the Corporate Debtor will continue till their expiry and devolve as per the terms of their issuance. These bank guarantees already form a part of the Admitted Debt and the Corporate Debtor will not incur any further liability upon their devolvement or invocation. Any margin money in relation to such bank guarantees shall be to the credit of the Financial Creditors and shall be appropriated by them upon refund of such margin for any reason whatsoever and neither the Resolution Applicant nor the Corporate Debtor shall have any claim over the same.

- xiv. Any invocation or appropriation or other enforcement action already undertaken against the Company in respect of any Encumbrance or collateral in connection with any Financial Debt or Operational Debt or any other debt or obligation of the Company, at any time prior to the Effective Date, shall stand automatically revoked and cancelled and deemed null and void and all liabilities and obligations in relation to such Encumbrance or collateral shall be deemed to have been permanently extinguished on the approval of this Resolution Plan by the NCLT. The Company or the Resolution Applicant or the SPV shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto. However, any invocation or enforcement action already undertaken by a Financial Creditor or Operational Creditor or otherwise, against any Third Party in respect of any Encumbrance or collateral in connection with any Financial Debt or Operational Debt or any other debt at any time prior to the Effective Date shall not automatically be revoked and cancelled and in such a case, Claims, if any, filed against the Company by such Third Party shall be settled at NIL value.

3.3. **Proposal for Operational Creditors (excluding employees and Workmen):**

- i. As per the List of Creditors, total claims filed by Operational Creditors (excluding employees and Workmen) aggregate to INR 3,696.87 Crores. Out of which claims aggregating to INR 244.78 Crores have been verified and admitted by the Resolution Professional for the purposes of CIRP by the Resolution Professional.
- ii. In terms of the IBC, the payment due to operational creditors should not be less than the liquidation value payable to the operational creditors in the event of a liquidation of the Corporate Debtor under Section 53 of the IBC. However, the Liquidation Value is expected to be NIL and therefore, NIL payment has been proposed under the Resolution Plan towards all claims of Operational Creditors (whether filed or not, whether admitted or not and whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors) and no source has been identified for such payment under this Resolution Plan.
- iii. Any and all other Claims or demands made by, or liabilities or obligations owed or payable to (including but not limited to any Operational Debt including any advances payable to any Operational Creditor under any contract, any demand for any losses or damages, indemnification, principal, interest, compound interest, penal interest, liquidated damages, and other charges already accrued/ accruing or in connection with any Third Party Claims) any actual or potential Creditor, vendor, contracting counterparty, Governmental Authority, claimant or any other person whatsoever (including but not limited to the Operational Creditors and its promoters, directors and other related parties of the Company and/ or the Existing Promoters) (singular as "**Third Party**" and collectively as "**Third Parties**"), whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by The Resolution Applicant over the Company pursuant to this Resolution Plan, **will be written off in full** and shall be deemed to be permanently

extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

- iv. Any Encumbrance, or any other form of collateral (whether over immovable, movable assets, fixed deposits or cash or any other rights or privileges and including without limitation, any guarantee, security, letter of credit or pledge provided by the Existing Promoters of the Company) that was created/granted/arranged in connection with any Operational Debt or any other debt or obligation of the Company, at any time prior to the Effective Date, shall automatically be released and all liabilities and obligations of the Company and any Third Party (including the Existing Promoters) on behalf of the Company in relation to such Encumbrance or other form of collateral shall stand permanently extinguished on the approval of this Resolution Plan by the NCLT, without the requirement of any further action on part of any party. All title deeds and other documents (including charge documents, if any) held by the Operational Creditors or on their behalf shall be immediately returned to the Company.
- v. Any and all rights and entitlements of any actual or potential Third Party, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.

3.4. **Proposal for Employees /Workmen:**

- i. As per the List of Creditors, there are INR 4.57 Crores dues to employees and/or Workmen which have been claimed, out of which all the claims aggregating to INR 0.68 Crores have been verified and admitted for the purposes of CIRP by the Resolution Professional (“**Admitted Workmen and Employees Dues**”), the same shall be discharged from the funds brought in, directly or indirectly, by the Resolution Applicant. Any Potential Workmen Dues shall be paid out of the Upfront Consideration, after payment of any Balance CIRP Costs, in terms of Annexure 2.
- ii. Other than the Admitted Workmen and Employees Dues, any and all Claims or demands made by, or liabilities or obligations owed or payable to, (including any demand for any losses or damages, or interest, back wages, compensation, penal interest, liquidated damages already accrued/ accruing or in connection with any Claims) any present or past, direct or indirect, permanent or temporary employee and/or workman of the Company, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, will be written off in full and shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the

Company or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

- iii. Other than the Admitted Workmen and Employees Dues, any and all rights and entitlements of any present or past, direct or indirect, permanent or temporary employee and/or workman of the Company, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.

3.5. Proposal for Statutory Liabilities including Outstanding Governmental Authority Dues, Taxes, etc.:

- i. As per IBC, since the statutory liabilities are operational debt, the resolution applicant is required to ensure that it pays at least the liquidation value in respect of the statutory liabilities. The statutory liabilities payable by the Company include without limitation Claims under all Taxes and provident fund payments. As stated in Section 3.2. iv of this Resolution Plan, the Liquidation Value is expected to be NIL and therefore, NIL payment has been proposed under the Resolution Plan towards payment of statutory liabilities including but not limited to any outstanding government dues, Taxes, provident fund and other liabilities of the Company and no source has been identified for such payment under this Resolution Plan.
- ii. Accordingly, all Claims or demands made by, or liabilities or obligations owed or payable to or assessed by, the Governmental Authorities including but not limited to the Central government, the State governments, any regulatory or local authority or body or any agency or instrumentality thereof, in relation to any Taxes, including all such dues, duties, direct or indirect, penalties, fees, interest, fines, levies, cesses, assessments or additions or any other charges or payments whatsoever (including without limitation any Taxes, Claims, liabilities or dues set out in Annexure 3 and Annexure 5 and any liabilities in relation to any consent, permission, privilege, entitlement, exemption, benefit, license or approval granted to the Company or in relation to the Company, whether or not such consent, permission, privilege, entitlement, exemption, benefit, license or approval is subsisting, lapsed or expired), whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by The Resolution Applicant over the Company pursuant to this Resolution Plan, will be written off in full and will be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto. It is also proposed that no interest or penalty should be levied on the crystallised statutory liabilities with respect to the statutory liabilities of the Company prior to the Effective Date.

- iii. Specifically, all dues under the provisions of Applicable Laws relating to Taxes (including without limitation the Taxes, Claims, liabilities or dues set out in Annexure 3 and Annexure 5) whether admitted or not, due or contingent, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, asserted or unasserted, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall stand extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company shall not be liable to pay any amount against such dues. All notices, assessments, appellate or other proceedings pending or threatened in relation to the Company, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall stand terminated and withdrawn and all consequential liabilities, if any, shall stand extinguished and be considered as not payable by the Company by virtue of the order of the NCLT approving this Resolution Plan and any re-assessment, revision or other proceedings under the provisions of the Applicable Laws relating to Taxes would be deemed to be barred in relation to any period prior to the Effective Date, by virtue of the order of the NCLT approving this Resolution Plan.
- iv. Without prejudice to Section 3.5.i to iii above, all monetary liabilities (including without limitation, for any penalty, interest, fines or fees) of the Company or any Claims which may arise, in relation to; (A) any investigation, inquiry or show-cause notice; (B) any Non-Compliance of provisions of any Applicable Laws, rules, regulations, directions, notifications, circulars, guidelines, policies, licenses, approvals, consents or permissions; (C) change of control, transfer charges, unearned increase, compensation, or any other such liability whatsoever under any contract, agreement, lease, license, approval, consent or permission to which the Company are entitled; (D) any leasehold rights or freehold rights to movable or immovable properties in the possession of the Company (including but not limited to the leases, letter of intent or other agreements / contracts / arrangements for immovable property entered into by the Company with the Central Government and State Government of Maharashtra); and (F) any contracts, agreements or commitments made by the Company, in each of the foregoing cases whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be settled at NIL value at par with Claims of Operational Creditors as set out in Section 3.3.ii of this Resolution Plan.

- v. Any and all rights and entitlements of the Governmental Authorities including but not limited to the Central government, the State governments, any regulatory or local authority or body or any agency or instrumentality thereof (or any other party or entity (under any agreement, lease, license, approval, consent or permission), whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.

3.6. **Proposal for other stakeholders (including other creditors):**

- i. In relation to any other actual or potential Third Parties (including creditors, existing shareholders and/or other stakeholders) whose claims have not been covered under Section 3.1 to 3.5 above, there will be no funds available for payment to them as the Liquidation Value is insufficient to satisfy the claims of even the Financial Creditors in full. Therefore, **NIL** payment has been proposed under the Resolution Plan towards payment to such creditors and/or stakeholders and no source has been identified for such payment under this Resolution Plan.
- ii. Any and all Claims or demands in connection with or against the Company (including any demand for any losses or damages or in connection with any Third Party Claims or any investigations by any governmental bodies or authorities such as the Central Bureau of Investigation, Serious Fraud Investigation Office) by or to any other stakeholder (including any other actual or potential creditor, if any or any counter-party, including any subsidiary, joint venture or associate) whether under Applicable Law, equity or contract, whether admitted or not, due or contingent, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, and all inquiries, investigations or proceedings in relation to the foregoing, whether civil or criminal, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be settled at NIL value at par with Claims of Operational Creditors as set out in Section 3.3.ii of this Resolution Plan.
- iii. All liabilities in relation to any letters of credit, letters of undertaking, guarantees, counter guarantees, corporate guarantees, bank guarantees, performance guarantees or other contingent or future Claims, liabilities and/or commitments of any nature whatsoever (including without limitation the Taxes, Claims, liabilities or dues set out in Annexure 3 and Annexure 5), issued by, or on behalf of, or at the behest of, the Company, or incurred or undertaken by the Company (as the case may be), in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, whether asserted or unasserted, whether admitted or not, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements

of the Company or List of Creditors, will be written off in full and will be deemed to be permanently extinguished, by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

- iv. All present and future, Claims, dues, liabilities, amounts, arrears, dividends or obligations owed or payable by, the Company or in connection with, the Company, to the Existing Promoters or other existing shareholders or any of their companies, entities, subsidiaries, associates, joint ventures or affiliates or related parties, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, will be deemed to be written off in full and be permanently extinguished in perpetuity by virtue of the order of the NCLT approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto. In relation to any other actual or potential creditors and/or stakeholders whose claims have not been covered under Sections 3.1 to 3.6 above, there will be no funds available for payment to them as the Liquidation Value is insufficient to satisfy the claims of even the Financial Creditors in full. Therefore, **NIL** payment has been proposed under the Resolution Plan towards payment to such creditors and/or stakeholders and no source has been identified for such payment under this Resolution Plan.

3.7. Treatment of amounts claimed under ongoing litigations:

- i. All Claims arising out of: inquiries, investigations, notices, causes of action, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings against, the Company or the affairs of the Company, pending or threatened, present or future and the proceedings (under Section 138 of the Negotiable Instruments Act, 1881 and the Tax related Claims or liabilities specifically set out in Annexure 3 and Annexure 5 hereto) in relation to any period prior to the Effective Date or on account of acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be settled at NIL value at par with the treatment accorded to the Operational Creditors of the Company as set out in Section 3.3.ii of the Resolution Plan.
- ii. It is clarified that the Existing Promoters and existing shareholders, managers, directors, officers, employees, Workmen or other personnel of the Company shall continue to be liable for all the Claims, demand, obligations, penalties etc. arising out of any (i) proceedings, inquiries, investigations, orders, show causes, notices, suits, litigation etc. (including those arising out of any orders passed by the NCLT pursuant to Sections 43, 45, 49, 50, 66, 68, 70, 71, 72, 73, 74 of the IBC), whether civil or criminal, pending before any authority, court, tribunal or any other forum prior to the Effective Date or (ii) that may arise out of any proceedings, inquiries, investigations, orders, show cause, notices, suits, litigation etc. (including any orders that may be passed by the NCLT pursuant to Sections 43, 45, 49, 50, 66, 68, 70, 71, 72, 73, 74 of the IBC), whether civil or criminal, that may be initiated or instituted post the approval of the Resolution Plan by the NCLT on account of any transactions entered into, or decisions or actions taken by, such Existing Promoters and existing shareholders, managers, directors, officers, employees, Workmen or other personnel of the Company, and the

Company or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

3.8. Term of the Resolution Plan and implementation schedule:

- i. The term of the Resolution Plan shall commence on the date submission of the Resolution Plan to the Resolution Professional and shall remain valid in line with Clause 1.8.3 of the Process Document. Notwithstanding anything contained in this Resolution Plan (except to the extent set out in Section 7 of this Resolution Plan), no part of this Resolution Plan shall become effective or enforceable until either (i) the Resolution Plan is approved by the NCLT in the manner previously proposed by the Resolution Applicant and approved by the COC; or (ii) if approved by the NCLT with any variance, then in the form and substance acceptable to the COC and the Resolution Applicant. Upon approval of the Resolution Plan by the NCLT, this Resolution Plan shall *ipso facto* form part of the NCLT order approving the Resolution Plan.
- ii. The implementation schedule for the Resolution Plan is set out in Section 7 of the Resolution Plan.

3.9. Mechanism regarding the management and control of the business of the Company post approval of the Resolution Plan by the Adjudicating Authority:

- I. On and from the date of approval of this Resolution Plan by the NCLT and until the Transfer Date (as defined in Annexure 2) in the manner set out under Annexure 2 of this Resolution Plan ("**Interim Period**"), the Company will be monitored by the Monitoring Agency in carrying out the day to day functions of the Company under the instructions, control and management of the Steering Committee.
- II. All fees payable to the Monitoring Agency (including any legal costs which have arisen or may arise out of or in connection with the corporate insolvency resolution process of the Company) and Steering Committee shall be met out of the accruals of the Company and to the extent the internal accruals are not sufficient to meet the aforesaid costs and expenses, the same shall be accrued as CIRP Cost and be paid by the Resolution Applicant as CIRP cost on the Effective Date, as consideration for fulfilling their respective obligations during this Interim Period.

- III. It is clarified that the decisions which could otherwise have been taken by the Company's Board shall be taken by the Monitoring Agency and the Steering Committee (until reconstitution of Board by the Resolution Applicant/ SPV) and that the Company's Board shall have no authority whatsoever to conduct the business of the Company. The Steering Committee shall comprise of 5 members which shall include 3 authorized representatives of the Committee of Creditors and 2 nominees of the Resolution Applicant subject to Applicable Law. Any decisions taken by the Company's Board shall be null and void and not be binding on the Monitoring Agency, Steering Committee and/or the Company. The Steering Committee shall carry out their obligations and manage and control the Company and shall be supported by the Monitoring Agency and their legal advisors in the manner specified above. Without prejudice to the foregoing, it is hereby clarified that all costs and fees relating to any pending disputes, ongoing litigations or any appeals filed on or prior to the Effective Date, where such disputes/ litigations pertain to the CIRP of the Company and/or the Resolution Plan, and wherein the Resolution Professional is or has been made a party, such costs and expenses shall be met out of the internal accruals of the Company and to the extent the internal accruals are not sufficient to meet the aforesaid costs and expenses, the same shall be accrued as CIRP Cost and be paid by the Resolution Applicant as CIRP cost on the Effective Date.
- IV. On and from the date of approval of this Resolution Plan by the NCLT and until the Transfer Date, Monitoring Agency in consultation with the Steering Committee as the case may be shall:
- (A) carry on the business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:
1. when the same is expressly provided in this Resolution Plan; or
 2. when the same is in the ordinary course of business as carried on, as on the date of approval of this Resolution Plan; or
 3. when written consent of Steering Committee and the Resolution Applicant has been obtained in this regard;
- (B) except as provided in the Resolution Plan, not make any change in capital structure of the Company either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of the Company; and
- (C) not alter or substantially expand the Company's business, or undertake (i) any material decision in relation to its business and affairs and operations other than that in the ordinary course of business; (ii) any agreement or transaction (other than an agreement or transaction in the ordinary course of business); and (iii) any new business, or discontinue any existing business or change the capacity of facilities other than that in the ordinary course of business;
- V. It is further proposed that upon the Resolution Applicant and/or the SPV acquiring control over the Company on the Transfer Date, the existing Board and the Monitoring Agency and the Steering Committee will be

replaced by a new Board constituted with adequate representation from the members of the Resolution Applicant and independent directors in compliance with Applicable Law. The day to day operation and maintenance of the Company after change of control is proposed to be handled by a dedicated project procurement and implementation team of the Resolution Applicant under the supervision of the new Board of Directors of the Company.

- VI. Any action proposed to be undertaken by the Resolution Applicant for the implementation of the Resolution Plan, may be undertaken, either directly or indirectly, through wholly owned SPVs or any Affiliates and group entities which are compliant with Section 29 A of IBC.
- VII. As a consequence of the reconstitution of the Share Capital and the Admitted Debt, the Company shall formulate a revised balance sheet in accordance with Applicable Law as on the Effective Date and same will be filed with the relevant authorities including the ROC and Stock Exchanges (if applicable).
- VIII. In order to give effect to the Resolution Plan by The Resolution Applicant, changes to the constitutional documents viz. to increase the authorized share capital and change the name of the Company, as required for implementation of the provisions of the Resolution Plan will be made and the Company, its stakeholders, and the proposed new management of the Company shall be bound by such revised constitutional documents.

3.10. Manner of implementation and supervision of the Resolution Plan and adequate means for implementation and supervision of the Resolution Plan:

Upon the approval of the Resolution Plan by the COC, the Resolution Applicant shall take all necessary steps towards applying for the approvals listed in Section 7 from various Governmental Authorities, including tax authorities/ department and other government departments. The Resolution Applicant shall also file for dismissal of all proceedings against the Company before various courts, tribunals and regulatory authorities where any such proceedings are pending. The approval of the CCI (if applicable) will have been applied for prior to approval of the Plan by the NCLT. Immediately upon approval of the Resolution Plan by the NCLT, and subject to Applicable Law, the Monitoring Agency and the Resolution Applicant shall jointly supervise the implementation (including the mechanism for supervision of payment to the stakeholders of the Company in the manner contemplated in the Resolution Plan) of the Resolution Plan until the Transfer Date, in the manner stated in Section 3.9 above. After the Effective Date, the implementation of the Resolution Plan will be supervised by a suitable management team deployed by the Resolution Applicant.

3.11. Declaration to the effect that the Resolution Plan is not in contravention of provisions of the law for the time being in force and is in strict compliance with the IBC and the CIRP Regulations:

The Resolution Applicant declares that this Resolution Plan is not in contravention of the provisions of any applicable laws.

3.12. Statement in relation to how the Resolution Plan has dealt with interests of all stakeholders, including financial and operational creditors of the Company:

As set out above in Sections 3.1 to 3.8 of the Resolution Plan, the Resolution Plan for the Company has dealt with the interests of all the stakeholders in the Company, including the Financial Creditors (whether consenting, dissenting or abstaining) and Operational Creditors of the Company.

Unless otherwise expressly stated in this Resolution Plan, no creditor, existing shareholder or any other stakeholder of the Company shall be entitled to receive any settlement more than the proportionate settlement payable to a similarly placed class of creditors, shareholders or stakeholders, as stated in this Resolution Plan.

3.13. Statement in compliance of Section 29A of the IBC:

The Resolution Applicant confirms that, as on the date of this Resolution Plan and on the basis of the records of the Resolution Applicant, the Resolution Applicant is eligible under Section 29A of the IBC and other provisions of the IBC and any other Applicable Law to submit the Resolution Plan.

The Resolution Applicant represents that, to the best of its knowledge, the contents of Format XIII (enclosed with this Resolution Plan) are true and shall continue to remain true at all point of times.

3.14. **Information and details of the Resolution Applicant and all “connected persons” (as defined under Regulation 38 of the CIRP Regulations), as specified under Regulation 38 of the CIRP Regulations**

Details of the Resolution Applicant

NAME	ROYALE PARTNERS INVESTMENT FUND LIMITED
Registered Office	C/o SGG Fund Services (Mauritius) Limited 33, Edith Cavell Street Port Louis 11324 Mauritius
Website Address	http://www.rpmg-investment.com
Corporate Identification Number	135798 C1/GBL
Industry	Financial Services
Country of Origin	Republic of Mauritius
Address for Correspondence	C/o SGG Fund Services (Mauritius) Limited 33, Edith Cavell Street Port Louis 11324 Mauritius
Year and Date of Incorporation	28 th January, 2016
Name of the Representatives	Mr. Mayur Ghule
Telephone Number	+230 212 9800
Email Address	mayur.ghule@rpmginvestment.com
Fax No	+230 212 9833

The list of Connected Persons is attached with Format III.

3.15. **Concessions, Reliefs and Dispensation Sought:**

The Resolution Applicant requests for the reliefs, concessions and dispensations set out in **Annexure 4** to be included in the NCLT order approving the Resolution Plan. The Resolution Applicant clarifies that in the event the aforesaid reliefs, concessions and dispensations are not granted, the same will not have a bearing on the successful implementation of the Resolution Plan.

3.16. **Additional Terms:**

i. **Binding, Further Assurance**

Upon approval of this Resolution Plan by the NCLT, this Resolution Plan shall be binding on the Company employees, members, creditors, guarantors, Governmental Authorities and all other stakeholders who are involved in the Resolution Plan and/or otherwise concerned or connected with the Company.

As the Resolution Plan shall be binding on each of the stakeholders mentioned above, all such Persons including but not limited to the Monitoring Agency, employees, guarantors, creditors and shareholders/members shall use their best efforts to do or cause to be done, such further acts, deeds, matters and things and execute such further documents as may be reasonably required by The Resolution Applicant to give full effect to the terms of this Resolution Plan in accordance with its terms and conditions. If required by The Resolution Applicant as the evidence of discharge, the creditors of the Resolution Plan shall provide all documentation and/or execute documents evidencing the full and final discharge of their Claims.

ii. **Conflict**

In the event of any repugnancy or inconsistency between this Resolution Plan and any other documents, the provisions contained in this Resolution Plan shall prevail for all purposes and to all intents.

iii. **Entire Resolution Plan**

The Resolution Plan along with its Annexures constitutes the entire resolution plan of the Resolution Applicant within the meaning of Section 30 of the IBC and Regulation 38 of the CIRP Regulations and supersedes and cancels any prior oral or written plan, agreement or understanding in this regard.

iv. **Parity in Settlement**

The Resolution Professional issued a notice dated 26 April 2018 inviting all potential claimants to submit their proofs of Claim. This was published in newspapers in accordance with Applicable Law. The Resolution Applicant shall treat all creditors of the Company, that have any Claims against the Company but who have neither filed their Claims nor disputed as on the date of this Resolution Plan and whose names do not appear in the Information Memorandum or List of Creditors as of the date of this Resolution Plan, on par with their respective class as set out in this Section 3. Accordingly, the Claims shall be settled at the value specified to be payable to such class in this Resolution Plan and any amount already paid to such class shall be proportionately divided with the new claimants. Neither the Resolution Applicant, the Company nor the SPV shall be required to pay any additional amounts on account of such new Claims or increase in any claims.

v. **Indemnity**

The Resolution Applicant shall indemnify the Corporate Debtor, the CoC evaluator and its representatives, the Resolution Professional and his team who were officially assigned in relation to any aspects of the CIRP by the Resolution Professional, and members of the CoC, in the event of any claims or actions which may arise against the aforesaid parties in relation to the actions undertaken in good faith by such persons on behalf of the Corporate Debtor during the CIRP period and the transactions contemplated under the Process Document arising out of or pursuant to the obligations of the Resolution Applicant except in relation to any claims or actions which may arise due to fraud, wilful default or negligence on part of any of these parties. This indemnity shall survive from Effective Date until a period of 3 (three) years from the Approval Date.

vi. **Restrictions on change in shareholding and control**

The Resolution Applicant undertakes that until the payment of Upfront Consideration and Final Maturity Date of NCDs, the following restrictions shall apply to it on any transfer of shares/ control of Corporate Debtor:

- A. From the Transfer Date and till the occurrence of listing of shares of Corporate Debtor/ any initial public offering (IPO) of the Corporate Debtor, any transfer of shareholding / control in the Corporate Debtor shall be made by the Resolution Applicant only to entities compliant with Section 29A of the IBC.
- B. Upon the occurrence of an IPO/ listing of securities of the Corporate Debtor, the Resolution Applicant shall not knowingly or wilfully allow any transfer of shareholding/control of the Corporate Debtor to any entity that is not (to the Resolution Applicant's knowledge) compliant with Section 29A of the IBC.

4. OVERVIEW OF THE RESOLUTION APPLICANT:

4.1. Identity details of The Resolution Applicant have been provided as follows:

The information required in sub-sections (A) to (I) below are provided for in Format III of this Plan.

- (A) **Identity of the Resolution Applicant and other connected persons (i.e. (a) persons who are promoters or in the or in the management or control of the resolution applicant; (b) persons who will be promoters or in the management or control of the business of the Company during the implementation of the Resolution Plan; (c) holding company, subsidiary company, associate company and related party of the persons referred to in (a) and (b)).**

In relation to the disclosure regarding “persons who will be promoters or in the management or control of the business of the Company during the implementation of the Resolution Plan”, please note that until the acquisition of control by the Resolution Applicant over the Company, the Monitoring Agency will monitor the management or control of the business of the Company under the guidance of the Steering Committee. The Resolution Applicant will also have representation in the Steering Committee to ensure that no actions are taken which are not in compliance with the Resolution Plan or which are against the strategy of the Resolution Applicant. After the acquisition of control over the Company by the Resolution Applicant in the manner set out in Annexure 2, the Resolution Applicant will implement the Resolution Plan and become the promoter of the Company and be in control of the management of the Company. Information about the Resolution Applicant and its connected persons is already set out in Format III.

- (B) Disclosure on being an undischarged insolvent under the law in India or any law in a jurisdiction outside India.
- (C) Conviction of the resolution applicant and other connected person for any offence, if any, during the preceding five years.
- (D) Criminal proceedings pending against the resolution applicant and other connected person, if any.
- (E) Disqualification, if any, under Companies Act, 2013, to act as a director, applicable to the resolution applicant and the connected person.
- (F) Identification as a wilful defaulter, if any, by any bank or financial institution or consortium thereof in accordance with the guidelines of the Reserve Bank of India of the resolution applicant or the connected person.
- (G) Debarment, if any, from accessing to, or trading in, securities markets under any order or directions of the Securities and Exchange Board of India, in relation to the resolution applicant and connected person.
- (H) Transactions, if any, with the Corporate Debtor in the preceding two years, of the resolution applicant or connected person.
- (I) Any other details as required to be provided under the Resolution Plan in terms of the IBC.

4.2. The Resolution Applicant – Brief Profile

The Resolution Applicant, is a Category I Global Business Company, limited by shares under the Mauritius Companies Act, 2001.

- (A) **Background of the Resolution Applicant:**

The Resolution Applicant is a fund incorporated as a Category 1 Global Business Company, having limited by shares under Mauritius Companies Act 2001 that intends to invest in fast-growing sectors in India, Africa, South /South East Asia

and GCC. Royale Partners Investment Fund Limited, Mauritius (i.e. the Resolution Applicant) is owned by RPMG Investment LLC (“RPMG”). RPMG focuses on Investment management, private equity, asset management and proprietary trading. It is incorporated in Mauritius and headquartered in Dubai with offices in Hong Kong.

In addition to the aforesaid, detailed background and identity of the Resolution Applicant has been set out in Annexure 9.

(B) Details of experience in engineering, procurement and construction (EPC)/ Power/ Infrastructure/ Mining/ Real Estate Business, SWOT Analysis

RPMG group has a strong presence and connections in the UAE which can serve as an additional market for the Company to win new projects to help revive its business. In addition, it has plans to make further investments in the EPC and infrastructure sector in India with the objective of having synergies across operations in the businesses being acquired. In this regard, the Resolution Applicant has already signed a binding term sheet to acquire a majority stake in a leading EPC company in India. In addition, the Resolution Applicant has the mandate to invest in a large spectrum of sectors, including but not limited to real estate development, oil blocks, financial services, technology, sports, entertainment, online portals, etc. To give a perspective, the Resolution Applicant has already completed or is in the process of completing some prominent deals in these sectors, as highlighted in Item 3 of Annexure 9.

One of the board members of the Resolution Applicant and member of the core investment advisory team, H.E. Sultan Ali Manea Mufreh Al Ahbabi, has more than 15 fifteen years of rich experience in this sector and has been an administrator with the Government of Abu Dhabi, Ministry of Presidential Affairs as Head of Project Management and Chairman of RGB (Green Building). He is a civil engineer by profession with a Civil Engineering Degree from UAE, Masters of Structural Engineering and a Business Management Degree from Texas A&M University in the USA. He is also a member of the American Society of Civil Engineers (ASCE), Society of Engineers (India) and American Academy of Project Management. His Excellency is also the Director of Operations of His Highness Sheikh Mansour Engineering Office. His involvement in the management of the Company post acquisition of the Company by the Resolution Applicant shall contribute immensely to the expansion of the business and expertise of the Company, specifically in the middle-eastern region.

(C) Competitive edge

The group’s strong connects in the UAE market will enable the Company to bid for international projects, in addition to growing domestically. The access to the international markets will provide a strategic edge and also help in capturing opportunities arising from infrastructure growth in other geographies. As set out in sub-section (B) above, the group’s foray (present and near-future) will also complement the business of the Corporate Debtor.

(D) The Resolution Applicant’s proven track record in honouring debt commitments (including occurrence of any default/non-performing asset in the past 3 years) including CIBIL score and if any group Company is under the CIR process under IBC or recovery litigation

The group has no history of any debt defaults and enjoys more than sufficient liquidity to implement the Resolution Plan and the financial proposal contained herein. To complement and illustrate the aforesaid, a certificate of good standing from its bank is enclosed in Annexure 7. Also, proof of funds is also enclosed in Annexure 8.

(E) The Resolution Applicant’s External Credit rating/ Creditworthiness

The Resolution Applicant does not have a CIBIL Score as it is not incorporated in India but the Resolution Applicant has not defaulted on any of its indebtedness and currently does not have any debt from any bank or financial

institution. To complement and illustrate the aforesaid, a certificate of good standing from its bank is enclosed in Annexure 7. Also, proof of funds is also enclosed in Annexure 8.

(F) The Resolution Applicant's Financial Strength

The Resolution Applicant has available funds in excess of USD 300 million (equivalent and in excess of INR 2100 Crores) for its investments, which is more than sufficient for implementing the Resolution Plan. Proof of funds is enclosed in Annexure 8.

(G) Record of regulatory compliance and corporate governance:

The Resolution Applicant has never defaulted on any regulatory compliances and is in strict compliance of applicable regulatory provisions.

(H) Know Your Customer (KYC) Details of the Resolution Applicant and its Parent Company

Please refer Annexure 6.

5. BUSINESS PLAN FOR THE COMPANY

The Resolution Applicant has prepared a business plan for the Corporate Debtor based on information available in the data room, market information and technical/ operating/ commercial expertise of the Resolution Applicant.

With operational improvements, revenue is expected to grow gradually. In the FY 2020, which will be the first year of operations, the revenue is estimated at INR 660 crores. The revenues will gradually increase to around INR 3,400 crores and EBITDA of around INR 400 crores reflecting operational improvement capability of the Corporate Debtor, thereby aligning the Corporate Debtor with its competitors.

Such an approach is fundamental in the acquisition of distressed assets to ensure the ability of the business to sustain any unforeseen events and remain viable for a long term.

On the basis of the information available in data room, we understand that the Corporate Debtor has been experiencing a continuous dip in its Revenue and Order book. In the present scenario, forming an Order Book by winning new orders is essential for the Corporate Debtor to survive and sustain its operations.

Bidding for new projects would require infusion of working capital including for to meet requirements of earnest money deposits (EMDs), advance bank guarantees (ABG) and performance bank guarantees (PBG). Such details considered in the Plan are set out below.

Particulars	INR Crore		
	FY20	FY21	FY22
Deposits and bank Guarantee (EMD, ABG and PBG) to build fresh order book	400	418	405

Further, investment in the capital expenditure for growth would be evaluated and implemented based on technical and market assessments. Further, the Resolution Applicant thereby requires an additional NFB Limit of INR 400 crores from the Lenders to meet the working capital requirements of the Company in order to achieve the desired level of operations. The Lenders shall extend their support for providing the same or as an alternate should agree to cede charge for providing priority charge (for such NFB Limits) on current assets of the Corporate Debtor in favor of the lender(s) which shall be providing NFB Limits to the extent required.

(A) Reasons for present position of the Company and the turnaround plan.

The Corporate Debtor over the years has been facing a lot of challenges with respect to the following:

- Dependency on group projects with no external presence.
- Delays in collection which led to liquidity issues.

- Slowdown in the economy - infrastructure sector was majorly impacted due to economic slowdown.
- Inability of the company to bid for projects due to non-availability of funds and BG requirements.

The Resolution Applicant has studied the issues faced by the Corporate Debtor and plans to turnaround the company as follows:

In order to augment the working capital of the company, the Resolution Applicant would request the lenders to sanction fresh Non-Fund based working capital limits of INR 400 Crores as per the conditions already specified above. The Resolution applicant will focus on core sectors such as Hydrocarbons, Pipelines (Water as well as Oil & Gas), Offshore, Marine and Power, in which the Corporate Debtor has track record and further develop capabilities in new areas such as Nuclear Power, Irrigation and Defence. Several steps shall be taken to ensure timely recovery of dues and maintain a steady working capital cycle. The Resolution Applicant shall also tie up with international technology licensors so as to enable the company to bid for green-field and up-gradation work as well as niche projects.

(B) Proposal for execution of the sale arrangement, if any.

Not applicable

(C) Action plan for building the capability required (technical, financial, manpower etc.) to ramp up the scale of operations

Technical – The Resolution Applicant will build capabilities to focus on core sectors such as Hydrocarbons, Pipelines (Water as well as Oil & Gas), Offshore, Marine and Power and further develop capabilities in new areas such as Nuclear Power, Irrigation and Defense. Resolution applicant shall also tie up with international technology licensors so as to enable the company to bid for green-field and up-gradation work as well as niche projects.

Financial - In order to augment the working capital of the company, the Resolution Applicant would request the lenders to sanction fresh Non-Fund based working capital facilities upto NFB limits of INR 400 Crores on conditions already specified above. This shall be used to meet working capital requirements to build new order book. Bidding for new projects would require infusion of working capital towards Earnest Money Deposits (EMDs), Advance bank guarantees (ABG) and Performance Bank Guarantees (PBG).

Manpower - With respect to existing employees of the Corporate Debtor, RPIF will roll-out:

- a. enhanced program for employees and their families through investments in appropriate additional local facilities
- b. long term incentive plan for executive and senior operational management

The Resolution Applicant proposes that the existing employees of the Corporate Debtor will continue to be employed by the Corporate Debtor. Suitable augmentation of human resources to implement the Resolution Plan will be undertaken by the Resolution Applicant post the Effective Date if the same is required in the opinion of the Resolution Applicant. The Resolution Applicant also reserves the right to rationalize the manpower of the Corporate Debtor by replacing or removing key managerial personnel (KMP) and/or other members of the senior management of the Corporate Debtor.

(D) Operational efficiencies expected, synergies with the existing business, contribution to the operations of the proposed facilities

The Resolution Applicant is strategically looking at further investments in the EPC and infrastructure sector in India. Consolidation of all the group interests that will be acquired in due course, will be with the objective to build synergies to further improve

operational efficiencies across all businesses including that of the Corporate Debtor.

(E) **Action Plan to bid for future sale arrangements and raw material sourcing arrangements.**

The Resolution Applicant will focus on core sectors such as hydrocarbons, pipelines (water as well as oil & gas), offshore, marine and power and further develop capabilities in new areas such as nuclear power, irrigation and defence. The Resolution Applicant shall also use its strong connects in overseas markets to win new projects in other geographies to build international capabilities in addition to improving domestic capabilities.

(F) **Financial projections and assumptions**

Please refer to Annexure 10

(G) **Plan for operation and maintenance of the facilities.**

In order to augment the working capital of the company, the Resolution Applicant would require NFB limits on conditions already specified above to enable the Company to bid for new projects and build the order book. The operational costs are estimated in the financial projections which are provided in Annexure 10.

6. **FINANCIAL PROPOSAL FOR THE COMPANY**

The financial proposal is set out in section 3 and annexure 2 of the resolution plan. Indicative timeline of events for implementation of the Resolution Plan is set out below.

• **Obtaining of approvals for Implementation of the Resolution Plan:**

On and from the date of the approval of the Resolution Plan by the NCLT, the obligation of the Resolution Applicant to implement the Resolution Plan shall be subject to receipt by the Resolution Applicant or the Company, as the case may be, of the requisite consent, approval or permission of the CCI for the effective implementation of the Resolution Plan, if applicable. The Resolution Applicant shall bear all costs and expenses in respect of obtaining the aforesaid consents, approvals or permissions.

It is further clarified that if the above conditions precedent are not satisfied before the expiry of the term of this Resolution Plan, this Resolution Plan shall not be effective or operative and the Resolution Applicant or the SPV shall have no obligations whatsoever under this Resolution Plan or otherwise to any Person or Governmental Authority.

• **Indicative timelines for implementation of the Resolution Plan:**

The Resolution Applicant assumes that the Monitoring Agency in consultation with the Steering Committee will take all necessary actions and execute all documents/agreements as may be required to maintain the Company as a going concern until The Resolution Applicant acquires control over the Company in the manner set out in **Annexure 2** of this Resolution Plan. Subject to obtaining approvals as stated above, the Resolution Applicant proposes to implement this Resolution Plan as per the following indicative timelines, subject to receipt of relevant governmental approvals:

Action	Indicative Timeline
Effective Date	X
Payment of CIRP Costs	X+ 30 Business Days
Capital Reduction of the Company	
Infusion of funds by the Indian Co. into the Company	
Payment of Admitted Workmen and Employees Dues	
Payment of the Upfront Payment to the Financial Creditors	
Payment of Upfront Consideration	
Issuance of SPV NCDs	

Note:

1. The Resolution Applicant seeks **a time period of 30 Business days** from the Effective Date on a best effort basis, to implement the aforesaid steps of the Resolution Plan as set out in Annexure 2, subject to receipt of Governmental Approvals (except Merger and Hiving Off which will be carried out as soon as practicable and when deemed appropriate by the Resolution Applicant). During this period, the operations of the Company would be monitored by the Monitoring Agency appointed under the Resolution Plan under the supervision and control of the Resolution Applicant. The time period prescribed in the Resolution Plan including (in this Section and in Annexure 2) is only an indicative estimate and the actual time of completion of approvals from authorities and regulators may be different (based on interaction with and facilitation by necessary Governmental Authorities, including ROC) and approval for additional time, if any will be sought, if needed from COC.
2. Upon approval of the Resolution Plan by the NCLT, necessary steps will be taken to file the Resolution Plan, if necessary with various Governmental Authorities, income tax authorities, various courts, tribunals and regulatory authorities where proceedings with respect to the Company are pending, for disposal, dismissal or withdrawal (as the case may be) of all such civil and criminal proceedings. The application for CCI approval (if applicable) shall be made prior to Approval Date (and shall be obtained on a best effort basis within 15 (fifteen) days from the issuance of LOI), subject to the COC and the RP providing all necessary information to Resolution Applicant.
3. The implementation timelines indicated above may accordingly change and this Resolution Plan will be implemented in accordance with such approvals and changed timelines.
4. The Resolution Applicant shall be vested with complete control and ownership of all the cash flows/ receivables including cash accruals (arising after the date of payment of Upfront Consideration), bank accounts of the Corporate Debtor as soon as the Financial Creditors are paid the Upfront Consideration.

7. MANAGEMENT OF THE COMPANY

7.1. Implementation and Supervision of the Resolution Plan after the Effective Date

After the Effective Date, the implementation of the Resolution Plan will be supervised by a suitable management team deployed by the Resolution Applicant.

7.2. Appointment of Turnaround Experts

The Resolution Applicant intends to bring on board the best talent from its already existing pool of management personnel and also envisages hiring professional turnaround experts, as may be required. Resolution Applicant has shortlisted professionals and will form a strong team comprising of professionals having expertise in EPC sector as well as extensive experience in managing and turnaround / revival of EPC companies globally.

7.3. Formation of Board

It is proposed that upon the Resolution Applicant/ SPV acquiring control over the Corporate Debtor, the existing Board will be replaced by a new Board of Directors constituted with adequate representation from the members of the Resolution Applicant and independent directors in compliance with Applicable Laws.

7.4. Appointment of CEO, COO, CFO and CS

The Resolution Applicant understands that existing key management personnel of the Company are already in place to supervise operations of the Company. However, the Resolution Applicant reserves the right to replace them with appropriate persons of its choice.

7.5. **Managerial Competence and Technical Abilities**


The Resolution Applicant has significant pool of senior management with vast experience. The senior management team of the Company is provided below:



<p>H.E. Sultan Ali Manea Mufreh Al Ahbabi</p>	<p>Mr. Sultan started his career at the Office of H. H. President as a Civil Engineer where he was responsible for reviewing and overseeing technical reports and plans, specifications, and estimates; Training and mentoring staff and directing their work on projects on day-to-day basis; Developing and implementation of individual development plan (IDP) consistent with the department plan which includes market focus, target clients, plan for meeting client expectations, project capture strategies, and milestones for evaluating personal IDP effectiveness and success and review and overseeing plans for adequacy of application and conformance to local laws and regulations.</p> <p>He was then the Vice Chairman and Advisor to the Board at the Dalma Mall (AED 1.6 billion) for a brief period</p> <p>He was then the Head of Project Management & Follow-up at the Ministry of Presidential Affairs in 2005 where he was the Lead member in the Technical Committee. He Led the implementation of department plan and established goals for the office; managed several projects in parallel with competing deadlines; Monitored and managed day-to-day operations of projects, including developing short and long-range goals, objectives and budgets, coordinating activities with co-workers, clients and government entities, overseeing records maintenance, monitoring budgets, approving and monitoring expenditures, overseeing reporting requirements; and evaluating program or project service delivery and cost effectiveness.</p> <p>He was also a Board Member at the Reem Green Building Company from 2008 to 2012.</p> <p>Mr. Sultan is now the Director of Operations at His Highness Sheikh Mansour Engineering Office. His role is as under:</p> <ul style="list-style-type: none"> • Establishing vision, mission and values for the company. • Governing the organization by establishing broad policies and objectives. • Getting ISO certificates for the office. • Aligning the office deliverables with the His Highness vision. • Leading the expansion of the office team of 10 employees to over 130 employees • Managing and delivering projects in a very competitive time frame while preserving high quality standards locally and overseas (The projects are very large and confidential in nature – cannot provide details of such projects – these include various development projects in the UAE and abroad) <p>He has also won an award from Citybuild construction awards as the young engineer of UAE for 2011.</p> <p>Mr. Sultan holds the following degrees:</p> <p>Doctoral Degree in Business Administration from Abu Dhabi University, United Arab Emirates - May, 2017</p> <p>Masters in Construction & Engineering Management from Texas A&M University, United States - May, 2007</p> <p>Certificate in Business - Texas A&M University from Mays Business School, United States - May, 2007</p> <p>Bachelors in Civil & Environmental Engineering from UAE University, United Arab Emirates - December, 2002</p>
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	He is currently the member of American Society of Civil Engineers (ASCE), Society of Engineers – UAE and American Academy of Project Management
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The company has Mr. Mayur Mukul Ghule as the Director and Mr. P.H. Subramani as the Chief Financial Officer.

The Resolution Applicant has also identified significant pool of resources with vast experience. An indicative list of the senior management team of the Company is provided below:

<p>Mr. P.K. Bishnoi</p> 	<p>Mr. P.K. Bishnoi holds a degree in Petroleum Engineer from Indian School of Mines, Dhanbad (IIT) and Post Graduate Diploma in Business Management (MBA) from Indian Institute of Management, Ahmedabad (IIM-A)</p> <p>After his graduation, he joined Larsen & Toubro, Mumbai- Petroleum Equipment Division and later shifted to L&T Construction Equipment Division wherein he was involved in launching hydraulic excavators in India.</p> <p>After his MBA, he joined the Planning Commission, New Delhi in Project Appraisal team, as a Consultant where he was involved in economic analysis and appraisals of large projects of national importance in sectors like petroleum, coal, civil aviation etc.</p> <p>Mr P.K. Bishnoi then joined M/s. Balmer Lawrie & Co. Ltd., a Central Public Sector Undertaking under the administrative control of Ministry of Petroleum & Natural Gas and held positions in several business activities like project management, market surveys/feasibility report preparations, corporate planning etc. He led the Strategic Business Unit (SBU), post which he joined Rashtriya Ispat Nigam Ltd. (RINL), a Central PSU under the administrative control of the Ministry of Steel as Director (Finance) and Member of the Board in April, 2004. He was then elevated to the position of Chairman-cum-Managing Director in May, 2007.</p> <p>Mr. Bishnoi has served on Boards of several joint venture, associate and subsidiary companies floated by Balmer Lawrie & Co. Ltd. And RINL in the areas of aviation lubricants, industrial packaging, shipping containers, leasing of multi modal containers (an NBFC), iron ore mining, company to manufacture railway axle etc.</p> <p><u>Boards of Trade Bodies :</u></p> <ul style="list-style-type: none"> • 2002 to 2004 and 2009 to 2011(4 years) Standing council of Public enterprises • May 2007 to July 2011 (over 4 years) World Steel Association. <p><u>Academics:</u></p> <ul style="list-style-type: none"> • Degree in Petroleum Engineering from Indian School of Mines, Dhanbad (IIT) • Post Graduate Diploma in Business Management from Indian Institute of Management (IIMA) • Management Program at Oxford, UK -1986 • Programme on Utility Regulatory at World Bank, Florida University (USA)-2014
<p>Mr. Nandakumar V</p>	<p>Mr. V Nandakumar has a professional career spanning over 41 years and was the Head of Engineering at Essar Projects (India) Limited as the Global Chief Executive Officer of Engineering Business. He joined Essar Steel in November 2005 as Director of EPCM Division at M-1 Level with specific assignment of building a totally integrated Engineering Services Company for carrying out engineering from conceptual to commissioning stage in the field of</p>

	<p>steel, power and hydrocarbon. In a span of five years as Director, he formed a team of around 1100 engineers from all engineering disciplines that carries out all engineering activities of the Essar Group.</p> <p>He has experience in progressively responsible positions comprising of 31 years with MECON and 2 years with Roneo Vickers (I) and balance in Essar. He has specific experience in steel technology, project management and business development/marketing.</p> <p>Prior to joining Essar he served as the Chairman-cum- Managing Director of MECON, where he created a number of benchmarks. He steered MECON and created number of Benchmarks in collection targets (18 crores in a month), order booking (30 crores in a month) and also to get first year of profit after continuous loss making for 6 years. During his career with MECON, he was promoted to the next grade as a single candidate in record period of 3 years in two consecutive senior positions of the company.</p> <p>Academics:</p> <ul style="list-style-type: none"> • BE (Honours) Mech –NIT Trichy • Mechanical Engineer–(Project Management) Canada
<p>Mr. P C Mahapatra</p> 	<p>Mr. Mahapatra has a professional career spanning over 38 years; of which 8 years of experience in BHEL in Projects of various rated capacity Power Plants and 30 year experience in RINL/Visakhapatnam Steel Plant, an Integrated Steel Plant.</p> <p>Mr. Mahapatra has been serving as a Board member of RINL, and has been involved in decision makings at Corporate Level.</p> <p>As Head of Projects, he is responsible for expansion of projects including major up-gradation / modernization projects right from Specification stage, he headed enhancement of the installed capacity of RINL, Visakhapatnam Steel Plant, an Integrated Steel Plant, from 3.00 MTPA to 6.30 MTPA, by commissioning all expansion units right from Raw Material Handling Plant to Rolling Mills.</p> <p>In his journey at RINL Mr. Mahapatra has guided RINL's Projects division in further enhancing it's Capacity to 7.3MTPA by commissioning one more LD Converter and Continuous Caster in Steel Melt Shop-2. Was the backbone for RINL's prestigious project for manufacturing Forged Wheels for Railways that is coming up at Lalgunj, Raebareli, with a capacity of 100,000 Wheels/annum. Exploring the possibilities for further expanding RINL to 20 MTPA in 2-3 stages.</p> <p>Some of key milestones achieved during his tenure were :</p> <ul style="list-style-type: none"> ▪ Commissioning of 3.0MT Project units and subsequent Operation/ Maintenance of various equipment, ▪ Head of Department in Two Rolling Mills, ▪ Head of Maintenance of Total Plant ▪ Head of Projects Division & member of Board and dealing with Projects worth Rs. 25,000 Crores for capacity increase from 3MT to 6.3 MT and subsequently to 7.3MT through Modernisation/Upgradation of existing units. ▪ Long term plans for product diversification and joint ventures <p>Academics:</p> <ul style="list-style-type: none"> • B.Sc(Engineering)-Hons., Mechanical Engineering (National Institute of Technology Rourkela) – 1980
<p>Mr. R.K.Singh</p>	<p>Mr R.K.Singh has a professional career spanning over 35 years. Over the many years of experience, he has held several key positions and handled mission critical roles across various industry segments.</p> <p>Mr. Singh has been serving as a Board member of Navratna and Fortune 500 listed company Bharat Petroleum Corporation Limited for the 7 ½ years.</p>

	<p>Prior to this, he was the Chairman & Managing Director at Bharat Petroleum Corporation Limited. Among the three public sector oil marketing companies, he was instrumental in ensuring the best valuation for the organization from the investor's perspective which reflected in the increase in share price as compared to that of peers and the benchmark index.</p> <p>In his journey at BPCL, he has held other positions Director - Refineries, Executive Director – LPG, As Director, he has also been on the boards of the JVC and subsidiary companies. Mr Singh has managed various other assignments covering Maintenance, Operations, Planning, Technical Development and Procurement.</p> <p>Some of key milestones achieved during his tenure were :</p> <ul style="list-style-type: none"> ▪ Setting up and commissioning of the lube plant in Mumbai Refinery. ▪ Planning and executing the Kochi refinery from 6MMT to 9.5 MMT within the target schedule and budget. <p>Academics:</p> <ul style="list-style-type: none"> • BE (Honours) Mechanical - Benares Hindu University • Executive Management Course – IIM Ahmedabad /ASCI Hyderabad
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The Resolution Applicant reserves the right to change the list of proposed management team members as may be required.

7.6. **Appointment of Auditors (Statutory and Internal)**

The Resolution Applicant shall have the right to replace the existing auditors (statutory and internal) of the Company and appoint new auditors as deemed fit by The Resolution Applicant upon acquisition of the control over the Company by the Resolution Applicant pursuant to the Resolution Plan.

7.7. **Retention of employees**

The Resolution Applicant would assess employee retention and further hiring of employees, based on the business plan.

The Resolution Applicant and the management team reserves the right to renegotiate the contract terms of existing employees / workmen / consultants.

Further, the employees / workmen / consultants would have no claims against the Company or the Resolution Applicant for period before the Effective Date and this Resolution Plan, shall be binding on employees / workmen / consultants of the Company on and from the Effective Date.

The Resolution Applicant would not be liable to honor any commitment made by the erstwhile management of the Company or the Existing Promoters in respect of employees / workmen / consultants or their union in so much as it refers to continued employment and perquisites for employees unless required under Applicable Law and specifically mentioned in the new contracts of the continuing workforce.

The Resolution Applicant have the right to rationalise the employment force and change the terms of the employment conditions of the employees of the Corporate Debtor subject to Applicable Law. The Resolution Applicant will, at all times during the implementation of Plan and thereafter ensure compliance with Applicable Laws with respect to labor and employment in the concerned jurisdiction.

7.8. **Other key terms pertaining to the acquisition of Control of the Company**

- (i) *Maintenance of the Company by the Monitoring Agency as a going concern:* The Monitoring Agency will on a best effort basis take all such actions and execute all such documents/ agreements as may be required to maintain the Company

as a going concern until the Resolution Applicant acquire control over the Company in the manner set out under **Annexure 2** of this Resolution Plan.

- (ii) On and from the NCLT Approval Date until the Transfer Date, the Resolution Professional and/or any Financial Creditor shall not (i) take any action which are specified in Section 28 of IBC or any action which would materially impact the Resolution Plan, provided that actions taken by the Resolution Professional and/or the Financial Creditor to protect or defend the actions or decisions undertaken during the CIRP shall not be considered as an action that materially impacts the Resolution Plan; and (ii) transfer, encumber, alienate or dispose of any of the assets or interest of the Company or enforce any Encumbrance or security interest created by the Company or on the securities of the Company. It is hereby clarified that this shall not be a condition to the implementation of the Resolution Plan.
- (iii) *Applications for approvals:* The Monitoring Agency will sign all applications on behalf of the Company that are proposed to be made to the CCI (if applicable and not already obtained before Approval Date), NCLT or any other Governmental Authorities to obtain the necessary approvals (as specified in this Resolution Plan) for implementation of this Resolution Plan within the timelines set out herein.
- (iv) The payment to Persons contemplated in this Resolution Plan (including Section 3) shall be the full and final performance and satisfaction of all its obligations of the Company, the SPV and the Resolution Applicant to such Persons and all Claims (including, for the avoidance of doubt, any unverified portion of their Claims) of such Persons against the Company.

Annexure 1: Definitions and Rules of Interpretation

Part A: List of Defined Terms

Defined Term	Meaning
Admitted Debt	shall have the meaning ascribed to such term in Section 2 of the Resolution Plan.
Admitted Debt of Financial Creditors	shall have the meaning ascribed to such term under Section 3.2.ii of the Resolution Plan.
Applicable Law	All applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority or any licenses, consents or approvals granted by any Governmental Authority, and any modifications or re-enactments of each thereof.
Approval Date	shall mean the date on which the approval of the NCLT is received.
Board/ Board of Directors	Board of directors of the Company
Business Day	shall mean a day (other than a Saturday or Sunday or public holiday) on which banks are open for general business in Mumbai.
CA 2013	The Companies Act, 2013 (as amended from time to time) and or Companies Act, 1956 (to the extent applicable)
Capital Reduction	shall have the meaning ascribed to such term in Annexure 2 of this Resolution Plan
Claim(s)	A right to payment, right to remedy arising pursuant to a contract, under any law for the time being in force, if such breach gives rise to a right to payment, whether or not such right is reduced to judgment, fixed, disputed, undisputed, legal, equitable, matured, unmatured, secured or unsecured, contingent, crystallized or fructified, of any nature whatsoever including interest, damages, sanctions, penalties and fines whether claimed by any Governmental Authority, supplier, creditor or any other Person
CCI	The Competition Commission of India
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
CIRP	Corporate Insolvency Resolution Process
CIRP Costs	The costs arising on account of the CIRP as determined in accordance with Section 5 (13) (e) of the IBC read with Regulation 31 of the CIRP Regulations.
CIRP Regulations	The Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (as amended from time to time).
COC	Committee of Creditors of the Company
Company or Corporate Debtor or ECIL	EPC Constructions India Limited, a public listed company incorporated under Companies Act, 1956 and having its registered office at Tower II, Equinox Business Park (Peninsula Techno- Park), Off BKC, LBS Marg, Kurla (West) Mumbai 400070 MH
Competition Act	Competition Act, 2002 (as amended from time to time)
Consenting Financial Creditors	Means each Financial Creditor which approves the Plan in the meeting of the COC pursuant to section 30 of the IBC.
Data Room	The virtual data room maintained by the Resolution Professional or any other person on his behalf, created for the Resolution Applicant(s) to access information in relation to the Company and was made available to the Resolution Applicant and its representatives to access the information for the submission of the Resolution Plan.

Defined Term	Meaning
Debt Collateral	shall mean along with rights, title and interest in the related / underlying financing documents pertaining to the Loans assigned by the Financial Creditors in accordance with this Plan, all agreements, deeds and documents related thereto and all underlying collateral and underlying Encumbrances and/or pledges created to secure the Loans, and/or guarantees issued in respect of the Loans, which the Financial Creditors are entitled to, but excluding the Identified Excluded Collateral.
Deferred Consideration	Has the meaning given to it in paragraph F of Annexure 2.
EBITDA	The earnings of the Company, before exceptional and extra ordinary items, interest expense, taxes, depreciation and amortization, calculated as per Indian generally accepted accounting principles.
Effective Date	Such date as may be agreed between the Resolution Applicant and the COC, on which the Resolution Plan shall become operative or the date of (a) approval of the Resolution Plan by the NCLT; (b) receipt of CCI Approval (if applicable) for the implementation of the Resolution Plan, whichever is later. Reference in this Resolution Plan to the date of 'coming into effect of this Resolution Plan' or the 'Resolution Plan becoming effective' or 'Resolution Plan being made effective' shall mean the 'Effective Date'.
Encumbrance	Any mortgage, pledge, options, equitable interest, assignment by way of security, hypothecation, right of other Person, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, lien, charge, restriction or limitation of any nature whatsoever, encroachment, right of way, easementary rights, including restriction on use, voting rights, transfer, receipt of income or exercise of any other right related to ownership, or any other security interest of any kind whatsoever, or any arrangement, whether conditional or otherwise, to create any of the above and includes any arrangement that has the commercial effect of an encumbrance or security interest
Existing Promoters	The existing promoters and promoter group of each of the Company as per their respective regulatory or stock exchange filings at any point of time, prior to the Effective Date.
Existing Receivables	shall mean all receivables appearing in the balance sheets of the Corporate Debtor as on the date when Upfront Consideration is received and SPV NCDs are issued, whichever is later
Financial Creditor	shall have the meaning ascribed to such term under Section 2 of this Resolution Plan.
Financial Proposal	The financial proposal formulated by the Resolution Applicant described in Section 6 of this Resolution Plan.
FY	Financial Year
Governmental Authority	The President of India, the GOI, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government authority, any authority or private body exercising powers conferred by Applicable Law and any court, tribunal, commission or other judicial or quasi-judicial body, and shall include, without limitation, any stock exchange, depository and any regulatory body
HR	Human Resources
IBC	The Insolvency and Bankruptcy Code, 2016 (as amended from time to time) and the allied rules and regulations including the CIRP Regulations (as amended from time to time)
Identified Excluded Collateral	shall mean the rights, title and interest in the underlying collateral/ Encumbrance on third party assets created on behalf of the Corporate Debtor to secure any Loans availed by the Corporate Debtor, which the Financial Creditors shall remain entitled to and will not be assigned to the SPV, and which are more particularly identified in Annexure 11 hereto.

Defined Term	Meaning
Identified Subsidiaries and Investments	shall mean overseas subsidiaries and investments of the Corporate Debtor, which are directly held by the Corporate Debtor and are identified by the Resolution Applicant for hiving off/ writing off any investment as envisaged in the relevant step in Annexure 2 .
IM or Information Memorandum	Information memorandum dated July 2018 issued for the CIRP of the Company by the Resolution Professional, as amended or modified from time to time.
Monitoring Agency	shall mean the Monitoring Agency identified by CoC in consultation with the Resolution Applicant and appointed on such terms and conditions mutually agreed between the parties thereto. It is hereby clarified that the Monitoring Agency may also be the Resolution Professional and his team of experts.
INR or Rs.	Indian Rupee, the lawful currency of the Republic of India.
Indian SPV	shall mean a wholly owned subsidiary to be incorporated in India by the Resolution Applicant as a special purpose vehicle for the purpose of implementing this Resolution Plan, which shall be compliant with Section 29A or any other Indian entity forming part of Resolution Applicant and which is/ will be compliant with Section 29A.
Insolvency Commencement Date	20 April 2018.
Interim Period	shall have the meaning ascribed to such term under Section 3.10 of the Resolution Plan.
Legal Advisors	shall have the meaning ascribed to such term under Section 3.10 of the Resolution Plan.
LOI	Letter of Intent issued by the COC to the successful resolution applicant.
Loan	means the aggregate of all amounts due and all other monies whatsoever stipulated in or payable in relation to the Admitted Debt for Financial Creditors, under the financing documents executed between the Financial Creditors and the Company or any third party security provider/ guarantor in relation thereto or executed by such parties in favor of Financial Creditors or any trustee or agent thereof, including but not limited to the outstanding principal, past overdues, future payments, interest charges for delayed payments, indemnities and damages or other charges and/or all other monies, if any, to be received by the Financial Creditors as assignor under the aforesaid financing documents, including the proceeds of any enforcement of the financing documents or any Encumbrance and/or pledge, created by any Borrower/ third party guarantor/ security provider to secure the repayment of the financial assistance under such financing documents and/or any guarantee issued in relation thereto.
Liquidation Value	shall have the meaning ascribed to such term under Section 2 of the Resolution Plan.
List of Creditors	List of creditors of Company as uploaded on the Company's website.
Mauritian SPV	shall mean a wholly owned subsidiary incorporated in Mauritius by the Resolution Applicant as a special purpose vehicle for the purpose of implementing this Resolution Plan.
Merger	shall have the meaning ascribed to such term under Step 6 of Annexure 2 of the Resolution Plan.
MCA	Ministry of Corporate Affairs.
Monitoring Agency	shall mean the Monitoring Agency identified by CoC in consultation with the Resolution Applicant and appointed on such terms and conditions mutually agreed between the parties thereto. It is hereby clarified that the Monitoring Agency may also be the Resolution Professional and his team of experts.
NCDs	shall mean the SPV NCDs and/or the New NCDs (as applicable).

Defined Term	Meaning
NCLT or Adjudicating Authority	The National Company Law Tribunal as constituted under Section 408 of the CA 2013
New NCDs	shall mean the secured unlisted redeemable non-convertible debentures issued by the Company to the secured Financial Creditors, as more particularly set out in paragraph (G) of Annexure 2 of this Resolution Plan
New Receivables	shall mean all receivables which are booked on the balance sheets of the Corporate Debtor the date when Upfront Consideration is received and SPV NCDs are issued, whichever is later.
Non-Compliance	Any delay, default, non-compliance, breach, violation, contravention by the Company, any member or shareholder of the Company or any Person associated with the Company in any manner under the terms of Applicable Law or any agreement or arrangement binding on the Company along with all fines, penalties, default interest, damages, and any amounts of whatsoever nature in relation thereto
Operational Creditors	shall have the meaning ascribed to such term under Section 2 of this Resolution Plan.
Permits	All consents, licenses, permits, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings from or relating to any Governmental Authority under Applicable Law
Priority Payment	shall have the meaning ascribed to such term under Section 3.2.v of the Resolution Plan.
Process Document	The Process Document dated 4 October 2018 prepared by the Resolution Professional and as amended from time to time
Provisional Balance Sheet	shall mean the statement of assets and liabilities of the Company as set out in the provisional balance sheet of the Company as of June 30, 2018 and as uploaded on the Data Room
Resolution Plan	This Amended and Restated insolvency resolution plan in relation to the Company submitted by the Resolution Applicant in terms of the Process Document.
Resolution Professional or RP	Resolution Professional appointed under the IBC for undertaking the CIRP for the Company
RBI	The Reserve Bank of India
Steering Committee	A committee comprising of members of the CoC and with adequate representation of The Resolution Applicant in accordance with Applicable Law
Secured Financial Creditors	mean collectively, the Financial Creditors of the Corporate Debtor against whom a description of their respective security interest has been set out in the 'List of Creditors' as uploaded on the website of the Corporate Debtor.
ROC	Registrar of Companies
SPV NCDs	shall mean the secured unlisted redeemable non-convertible debentures issued by the SPV to the secured Financial Creditors, as more particularly set out in paragraph (E) of Annexure 2 of this Resolution Plan
Stock Exchanges	BSE Limited and National Stock Exchange Limited
Taxation or Tax or Taxes	All forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, goods, services, stamp duty, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the demerged company, the resulting company, the transferor company or the transferee company or any other Person and all penalties, charges, costs and interest relating thereto

Defined Term	Meaning
Unsecured Financial Creditors	mean collectively all Financial Creditors of the Corporate Debtor other than the Secured Financial Creditors
Upfront Consideration	Shall have the meaning given to it in paragraph 3.2 (vi) of this Resolution Plan.
Workmen	Workmen of the Company as defined under Section 2(s) of the Industrial Disputes Act, 1947

Part B: Rules of Interpretation of the Resolution Plan

Unless a contrary intention appears and unless inconsistent with the subject or context thereof, any reference in this Resolution Plan to:

- (i) Words denoting singular number only shall include the plural number and vice-versa;
- (ii) Any agreement or instrument referred to in this Resolution Plan is a reference to that agreement or instrument as amended, novated, supplemented, restated (however fundamentally and whether or not more onerously) or replaced from time to time;
- (iii) Reference to any legislation or Applicable Law shall include references to any such legislation or Applicable Law as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted and any successor legislation or Applicable Law, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision;
- (iv) Unless otherwise stated, (i) all references in this Resolution Plan to Sections, Schedules, Annexures and Appendices shall be construed as a reference to the Sections, Schedules, Annexures and Appendices of this Resolution Plan; and (ii) any reference to Paragraphs in an Annexure shall be construed as a reference to the Paragraphs of that Annexure;
- (v) All references to the term 'Person' shall include an individual, natural person, corporation, partnership, limited liability partnership, joint venture, a trust, body corporate, association, company, Governmental Authority and in case of a company and a body corporate shall include their respective successors and assigns and in case of any individual his or her respective legal representative, administrators, executors and heirs and in case of trust shall include the trustee(s) for the time being and from time to time. The term 'Persons' shall be construed accordingly;
- (vi) Capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; and
- (vii) All terms and words not defined in this Resolution Plan shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the IBC, the CIRP Regulations, the CA 2013, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Income-Tax Act, 1961 ("**IT Act**") and other Applicable Law, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.
- (viii) Any statement in the Resolution Plan in relation to The Resolution Applicant's financial information (including but not limited to EBITDA, revenues, sales turnover, cash, cash equivalents, bank balance and Net Debt) shall be considered on a consolidated basis.

Annexure 2: Structure for Acquisition of Control over the Company by the Resolution Applicant

Current shareholding pattern of the Company:

Shareholding pattern as on 20 April 2018:

Sr No.	Category of shareholder	Current shareholding	
		No. of shares	%
1	Essar Project Limited, Dubai	123,998,000	100%
2	Ms. Yogita Purohit Nominee of Essar Project Limited, Dubai	4	-
3	Mr. Nitin Bhatt Nominee of Essar Project Limited, Dubai	4	-
4	Mr. Rupin Desai Nominee of Essar Project Limited, Dubai	4	-
5	Mr. Raghupati Mishra Nominee of Essar Project Limited, Dubai	8	-
6	Mr. Mohan Manral Nominee of Essar Project Limited, Dubai	4	-
7	Mr. Ravindra Mohnot Nominee of Essar Project Limited, Dubai	4	-
	Total	123,998,028	100.00%

(Source: Information Memorandum)

As an integral part of the Resolution Plan, the Resolution Applicant proposes to acquire a controlling stake in the Company in the manner set out in Section 7 of this Resolution Plan and upon implementation of each of the following steps in the strict sequence set out hereunder:

Date of Resolution Plan ‘taking effect’ and ‘becoming operative’: The Resolution Plan as set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the NCLT, shall become effective from the date of the approval of the Resolution Plan by NCLT, but shall be operative from the Effective Date.

Subject to the terms and conditions provided under this Plan and as an integral part of this Plan, the Resolution Applicant proposes to implement the Plan in terms of this Schedule and within the indicative timelines set out here. All actions and deeds envisaged herein shall be deemed to have been undertaken in terms of this Schedule without any specific approval or permission for each such actions and deed as part of the approval of this Plan by the Adjudicating Authority/NCLT.

ACTIONS FOR IMPLEMENTATION OF RESOLUTION PLAN

I ACTIONS AFTER COC APPROVAL OF the RESOLUTION PLAN

(A) Incorporation of the SPV

On or prior to the approval of the Plan by the COC and issuance of the Letter of Intent by the COC, the Resolution Applicant shall incorporate the Indian SPV and if required a Mauritian SPV (together “(SPVs)”) in accordance with Applicable Laws and shall ensure each SPV is an entity compliant with Section 29 A of the IBC.

II ACTIONS UPON EFFECTIVE DATE

Following steps shall take place in the order of sequence (except otherwise mentioned in any step for any part of the step) mentioned below on the Effective Date (or at such date (s) as may be agreed with Consenting Financial Creditors) and as an integral part of the Resolution Plan. It is provided that the procedure, timeline and the sequence of steps listed below are only indicative and that they may be rearranged as may be required based on discussion with necessary Governmental Authorities (including the Registrar of Companies and CCI, as applicable), and at all times in compliance with Applicable Law:

(B) Capitalisation of the SPV and the Company

- (a) SPV shall be funded adequately by the Resolution Applicant or any of its Affiliates, by infusing equity by subscribing to equity shares, subordinated debt and/or convertible debt (whereby interest shall accrue but will not be paid until complete redemption of NCDs) and / or preference shares of SPV, to an extent of an upfront amount of INR 420 Crores in order to undertake the transactions contemplated in this Plan, i.e. towards settlement of CIRP Costs (to the extent unmet from out of the Company’s available cash balances), Employee and Workmen Dues and Financial Creditors as envisaged in this Resolution Plan.

- (b) The Resolution Applicant may after implementation of steps set out in this Annexure 2 (and prior to 31 March 2020), further would request for NFB Limits of INR 400 Crores on conditions mentioned above to meet the working capital requirements of the Company.
- (c) The authorized share capital of the Company shall stand increased to such an amount as may be required by the Resolution Applicant, to accommodate the issuance of new equity shares to SPV in the manner set out below, and the capital clause of the memorandum of association of the Corporate Debtor shall stand accordingly amended.
- (d) At this stage, the Resolution Applicant or the SPV shall infuse INR 1 crore into the Company towards equity share capital of the Company at par value or fair value computed as per the provisions of Income Tax Act, whichever is higher and new equity shares shall be issued to the SPV ("**New Equity Shares**").
- (e) It is clarified that the approval of this Resolution Plan by the NCLT shall be deemed compliance with all procedural requirements including in terms of Section 61, Section 64, Companies (Share Capital and Debenture) Rules, 2014, other applicable provisions of the 2013 Act and other Applicable Laws, for increase of authorised capital and other steps contemplated hereunder and accordingly, no approval or consent shall be necessary from any other Person/ Governmental Authority in relation to either of these actions under any agreement, the constitution documents of the Company or under any Applicable Law. All disclosures will be made in accordance with Applicable Law.
- (C) **Assignment of Debt for Upfront Consideration and Issuance of SPV NCDs as Deferred Consideration**
- (i) Within 30 (thirty) Business Days of the Effective Date, but prior to the Merger, the entire Claims and Admitted Debt of the Financial Creditors shall stand sold, assigned, transferred and released to and unto the SPV as the Assignee, including the Debt Collateral, by virtue of this Resolution Plan and in exchange for the Total Consideration discharged in the manner specified below, provided, however that the all rights / claims of the Financial Creditors in relation to the Identified Excluded Collateral shall continue to subsist with the respective Financial Creditors and shall not stand extinguished and the Financial Creditor having security interest over any Identified Excluded Collateral shall be at liberty to initiate such action as it may deem appropriate even after assignment of their Debt for their outstanding dues:
- (ii) Upfront Consideration of INR 420 Crores shall be paid to the Financial Creditors within 30 Business Days of the Effective Date but prior to Assignment; and
- (ii) Deferred Consideration to be paid by way of issuance of SPV NCDs to the Secured Financial Creditors for cumulative value equal to the Deferred Consideration (ie balance consideration) for the Assignment, which shall be issued on the terms prescribed below. The SPV shall execute a Debenture Trust Deed in favour of the Debenture Trustee which will contain the broad terms set out below and no additional restrictions.

TERMS	DESCRIPTION
Principal Amount of NCDs (In Crores)	INR 480 crores
Deemed Date of Allotment	Within 7 days of the Approval Date
Coupon Rate	8% p.a.
Coupon Payment Frequency	Annual

Day Count Basis	<p>“Actual/Actual” basis at the end of the year.</p> <p>Coupon will be computed on an actual basis. Where the period for which such amounts are to be calculated (start date to end date) includes February 29, coupon shall be computed on 366 days a year basis</p>														
Tenor	5 years														
Redemption schedule	<p>Principal moratorium of 1 year from the date of allotment.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>At the end of</th> <th>12 months</th> <th>24 months</th> <th>36 months</th> <th>48 months</th> <th>60 months</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>% to INR 480 Crores</td> <td>0%</td> <td>5%</td> <td>20%</td> <td>35%</td> <td>40%</td> <td>100%</td> </tr> </tbody> </table> <p>Redemption of NCDs at the end of 24, 36, 48 and 60 months from the date of allotment.</p>	At the end of	12 months	24 months	36 months	48 months	60 months	Total	% to INR 480 Crores	0%	5%	20%	35%	40%	100%
At the end of	12 months	24 months	36 months	48 months	60 months	Total									
% to INR 480 Crores	0%	5%	20%	35%	40%	100%									
Security	<p>The SPV NCDs shall be secured by a charge on all existing assets of the Company including charge on the Existing Receivables and current assets as of as on the date when Upfront Consideration is received and SPV NCDs are issued (whichever is later), but excluding any New Receivables. The New Receivables and the current assets which have arisen or arise after as on the date when Upfront Consideration is received and SPV NCDs are issued (whichever is later) shall remain unencumbered and may be, <i>inter alia</i>, assigned or Encumbered by the Corporate Debtor in favour of any third party creditors without requiring any further consent from the Financial Creditors.</p> <p>Security creation and perfection shall be completed within 7 days from the Deemed Date of Allotment.</p> <p>Monetisation or liquidation of assets charged to NCD holders, shall not require any approval from the lenders if the proceeds are utilized to prepay/pay the NCD lenders.</p>														
Voluntary Redemption	The Company shall have the right to redeem the NCDs partly or fully at any point of time along with any unpaid but accrued interest, without incurring any additional charges or redemption premium, provided that the NCD Holders receive an IRR of 8%.														
Trust and Retention Account (TRA)	All Existing Receivables shall be deposited by the Corporate Debtor into a TRA designated by the COC prior to NCLT Approval Date.														
Mandatory Early Redemption	<p>Any recovery /realization from Existing Receivables in a calendar month after allotment of NCDs shall be utilized first towards the coupon payable that year and thereafter for mandatory early redemption of the SPV NCDs. .</p> <p>Any prepayment, voluntary or mandatory towards principal shall be adjusted in the order of maturity.</p>														
Debenture Trustee	To be mutually appointed by the Resolution Applicant and the Financial Creditors (to whom such NCDs are to be issued).														
Form of Issuance	Dematerialised														
Purpose of the Issue	For assignment of the entire Admitted Debt of secured Financial Creditors														

Depositories	National Securities Depository Limited / Central Depository Services Limited
Business Day Convention	Means a day (other than a Saturday, Sunday and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 or a bank holiday) on which banks are open for general business in Mumbai. If the Coupon Payment Date and/or Redemption Date falls on a non-Business Day, the payment shall be made by the Company on the immediately preceding Business Day, which becomes the Coupon Payment Date for that Coupon payment.
Governing Law	Indian law

The SPV NCD issuance documents will be approved by the Steering Committee within 5 Business Days of approval of the Plan by the NCLT. Steering Committee and Monitoring Agency shall facilitate all filings for the issuance of SPV NCDs, creation of security for SPV NCDs and release of existing security.

- (iii) Upon payment of consideration of INR 420 Crores and issuance of SPV NCDs, the entire Claims and Admitted Debt of Financial Creditors along with Debt Collateral shall stand assigned to the Indian SPV and no further amounts shall be payable or action or documentation (unless requested by the Resolution Applicant) shall be required for effectiveness of the Assignment. The Financial Creditors shall, within 1 (one) Business Day of receipt of the Upfront Consideration and issue of SPV NCDs, issue a receipt to the SPV, duly acknowledging the receipt of Total Consideration and immediate completion of assignment of Claims and Admitted Debt of Financial Creditors (along with Debt Collateral but excluding Identified Excluded Collateral). The payment of the Upfront Consideration and issuance of SPV NCDs to the Financial Creditors (to be distributed within the Financial Creditors by themselves in such proportion as they deem fit and specify) shall constitute full, final and complete discharge of the obligation of the Resolution Applicant for the assignment to take effect. The Financial Creditors by virtue of approving this Resolution Plan, in their capacity as Assignors, hereby admit and acknowledge the sufficiency of the Total Consideration (ie Upfront Consideration and issuance of NCDs for the Deferred Consideration) and agree that it shall when made constitute full, final and complete consideration for the Assignment.
- (iv) Immediately upon the Admitted Debt being assigned to the SPV and creation and perfection of SPV NCD Security, the SPV shall make necessary filings for issuance of NCDs, release of the Debt Collateral and make necessary filings in this regard. The Steering Committee and Monitoring Agency shall facilitate such filings unless a new board has been constituted by the Resolution Applicant. Upon this step the only encumbrance on the assets of the Corporate Debtor standing on such date shall be SPV NCD Security.
- (v) It is clarified that the approval of this Resolution Plan by the NCLT shall be deemed compliance with all procedural requirements including in terms of Section 186 and Section 185 the 2013 Act and the approval of the Resolution Plan by the NCLT shall be deemed to be the consent of the shareholders, for creation of SPV NCD Security and New NCD Security.

(D) **Selective Capital Reduction**

- (i) Under this step equity shares of the Corporate Debtor held by the existing shareholders of the Corporate Debtor (except those held by Resolution Applicant or SPV, as applicable) to be cancelled without any consideration.
- (ii) The issued, subscribed and paid-up share capital of the Company i.e. 123,998,028 equity shares of par value of INR 10 (Rupees Ten each), which is the existing share capital of the Company before infusion of funds by the Resolution Applicant and/or the SPV and issuance of New Equity Shares, shall be entirely reduced / extinguished / cancelled without any consideration payable to such existing shareholders. The equity shareholding of the Corporate Debtor post capital reduction shall be as follows:

Name of shareholder	No. of shares
Resolution Applicant / SPV	1,000,000

- (iii) Upon issuance of the new Equity Shares as contemplated in Step 2(a) above, the entire issued, subscribed and paid-up equity and preference share capital of the Company (excluding the shares held by the Resolution Applicant/ the SPV) shall stand extinguished in full.
- (iv) Subsequent to the cancellation of the existing share capital, the entire share capital of Corporate Debtor will be held by the Resolution Applicant/ the SPV and the SPV shall have entire control of the Company. On the date of effectiveness of the capital reduction as specified above or such earlier date as may be agreed between the Steering Committee (which shall be referred to as the “**Transfer Date**”), the nominees of the SPV shall be appointed as the directors of the Company and the existing board shall stand vacated.
- (v) The proposed reduction of equity share capital and preference share capital neither involves diminution of any liability in respect of unpaid share capital nor payment to any shareholder of any paid-up share capital. Accordingly, there is no outflow of/pay-out of funds from the Corporate Debtor and hence the interests of creditors are not adversely affected.
- (vi) The requirement of adding “and reduced” in the name of the Company to be dispensed with.
- (vii) The approval of this Resolution Plan by the NCLT shall be deemed to have waived all the procedural requirements in terms of Section 66 of the 2013 Act and the NCLT (Procedure for Reduction of Share Capital), Rules 2016 and other applicable laws including LODR (if then applicable).
- (viii) The Resolution Applicant will comply with all the procedural requirements, if required.
- (ix) For avoidance of doubt, the approval of the CoC to the Resolution Plan shall be deemed to be the consent of the Financial Creditors to the Capital Reduction and that each of such Financial Creditors, if so required shall provide its consent in the form that is required by the NCLT under the Applicable Laws. Further, in terms of the IBC, approval of the shareholders of the Corporate Debtor to the transactions contemplated under the Plan including the reduction of share capital or merger shall be deemed to have been given on the Approval Date.

(E) **Hiving off Identified Subsidiaries**

- (i) As an integral part of the Resolution Plan, the shares and other investments of the Company in its Identified Subsidiaries shall be sold/transferred to the Mauritian SPV or to any third party at its fair value (“**Hiving Off**”), which is expected to be lower than the cost of investment in the Identified Subsidiaries, as the present fair market value of the Identified Subsidiaries is negligible. This step shall take place prior to or simultaneously with the Merger as envisaged in Step F below.

(F) **Merger**

- (i) Immediately upon implementation of the aforesaid steps and as an integral part of the Resolution Plan, the SPV (transferor company) will merge with the Company (transferee company) (“**Merger**”). Below are the broad contours of the scheme of amalgamation:
 - Any and all assets, liabilities, rights and obligations of the SPV, as the transferor company, will be transferred to and vested in the Company, as the assets,

liabilities, rights and obligations of the SPV, as the transferee company, will become the assets, liabilities, rights and obligations of the Company, as the transferee company.

- The authorized share capital of the SPV, as the transferor company, will be merged with the authorized share capital of the Company, as the transferee company. The Company will be entitled to take the benefit of the stamp duty and registration fees already paid by the SPV, as the transferor company, on its authorized share capital.
 - the SPV, as the transferor company, will stand dissolved without winding up.
 - In consideration of the merger, the Company, as the transferee company shall issue its equity shares to the equity shareholders of the SPV in accordance with the following share exchange ratio: for every 1 equity share having face value of INR 10 each held in the SPV, the equity shareholders of the SPV will be issued 1 equity share of the Company having face value of INR 10 each held in the SPV.
 - The Capital Reduction is to be deemed to have become effective prior to the Merger becoming effective.
 - All assets (including the Identified Subsidiaries) and liabilities shall be valued at their respective fair values in the books of the Company.
 - Further, in terms of the IBC, approval of the shareholders of the Corporate Debtor to the transactions contemplated under the Plan including the merger shall be deemed to have been given on the Approval Date.
- (ii) Resolution Applicant will hold 100% of the total equity share capital of the Company (ie the amalgamated entity) upon effectiveness of the Capital Reduction and the Merger.

Merger Scheme

A detailed merger scheme for this purpose shall be finalized in discussion with the COC prior to approval of the Resolution Plan by the COC and attached as an Annexure 12 to this Plan and be an integral part hereof.

(G) **Restatement of entire Admitted Debt acquired by the SPV and Issuance of New NCDs**

- (i) On and from the date of the Merger becoming effective, the total Admitted Debt acquired by the SPV from the secured Financial Creditors shall be fair valued at **NIL** value.
- (ii) Upon the Merger becoming effective upon the Approval Date as part of the Merger, the Corporate Debtor (as the merged entity) in replacement of SPV NCDs, shall issue the New NCDs to the secured Financial Creditors on identical terms as the SPV NCDs (which will simultaneously stand extinguished), as more particularly set out in the table below. The Company shall execute a Debenture Trust Deed in favour of the Debenture Trustee which will contain the broad terms set out below and no additional restrictions.
- (iii)

TERMS	DESCRIPTION
Principal Amount of NCDs (In Crores)	INR 480 crores
Deemed Date of Allotment	Within 7 days of the Approval Date
Coupon Rate	8% p.a.

Coupon Payment Frequency	Annual														
Day Count Basis	<p>“Actual/Actual” basis at the end of the year.</p> <p>Coupon will be computed on an actual basis. Where the period for which such amounts are to be calculated (start date to end date) includes February 29, coupon shall be computed on 366 days a year basis</p>														
Tenor	5 years														
Redemption schedule	<p>Principal moratorium of 1 year from the date of allotment.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>At the end of</th> <th>12 months</th> <th>24 months</th> <th>36 months</th> <th>48 months</th> <th>60 months</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>% to INR 480 Crores</td> <td>0%</td> <td>5%</td> <td>20%</td> <td>35%</td> <td>40%</td> <td>100%</td> </tr> </tbody> </table> <p>Redemption of NCDs at the end of 24, 36, 48 and 60 months from the date of allotment.</p>	At the end of	12 months	24 months	36 months	48 months	60 months	Total	% to INR 480 Crores	0%	5%	20%	35%	40%	100%
At the end of	12 months	24 months	36 months	48 months	60 months	Total									
% to INR 480 Crores	0%	5%	20%	35%	40%	100%									
Security	<p>The SPV NCDs shall be secured by a charge on all existing assets of the Company including charge on the Existing Receivables and current assets as of the date when Upfront Consideration is received and SPV NCDs are issued (whichever is later), but excluding any New Receivables. The New Receivables and the current assets which have arisen or arise after the date the date when Upfront Consideration is received and SPV NCDs are issued (whichever is later), shall remain unencumbered and may be, <i>inter alia</i>, assigned or Encumbered by the Corporate Debtor in favour of any third party creditors without requiring any further consent from the Financial Creditors.</p> <p>Security creation and perfection shall be completed within 7 days from the Deemed Date of Allotment.</p> <p>Monetisation or liquidation of assets charged to NCD holders, shall not require any approval from the lenders if the proceeds are utilized to prepay/pay the NCD lenders.</p>														
Voluntary Redemption	The Company shall have the right to redeem the NCDs partly or fully at any point of time along with any unpaid but accrued interest, without incurring any additional charges or redemption premium, provided that the NCD Holders receive an IRR of 8%.														
Trust and Retention Account (TRA)	All Existing Receivables shall be deposited by the Corporate Debtor into a TRA designated by the COC prior to NCLT Approval Date.														
Mandatory Early Redemption	<p>Any recovery /realization from Existing Receivables in a calendar month after allotment of NCDs shall be utilized first towards the coupon payable that year and thereafter for mandatory early redemption of the SPV NCDs. .</p> <p>Any prepayment, voluntary or mandatory towards principal shall be adjusted in the order of maturity.</p>														
Debenture Trustee	To be mutually appointed by the Resolution Applicant and the Financial Creditors (to whom such NCDs are to be issued).														
Form of Issuance	Dematerialised														

Purpose of the Issue	For assignment of the entire Admitted Debt of secured Financial Creditors
Depositories	National Securities Depository Limited / Central Depository Services Limited
Business Day Convention	Means a day (other than a Saturday, Sunday and any day which is a public holiday for the purpose of Section 25 of the Negotiable Instruments Act, 1881 or a bank holiday) on which banks are open for general business in Mumbai. If the Coupon Payment Date and/or Redemption Date falls on a non-Business Day, the payment shall be made by the Company on the immediately preceding Business Day, which becomes the Coupon Payment Date for that Coupon payment.
Governing Law	Indian law

The New NCD issuance documents will be in the same format as agreed between the Steering Committee and the Resolution Applicant for SPV NCDs.

- (iv) The Debenture Trustee shall release the SPV NCD Security and file all necessary forms with the ROC for recording such release immediately upon creation of the New NCD Security.
- (v) Within 30 (thirty) days from the Merger becoming effective, the Financial Creditors and/or their security trustee/ agents shall first file necessary filings/ forms with such Governmental Authority as may be required to reflect the aforesaid assignment and record issuance of New NCDs, creation of new charge for New NCD Security and release of charge of SPV NCD Security, including with the Registrar of Companies. It is clarified that the charge created for SPV NCD Security shall be released immediately (and no later than one 1 (one) business day) after the charge for New NCD Security is created. The Financial Creditors for this purpose shall issue such necessary letters as may be required to effect released of SPV NCD Security.
- (vi) Notwithstanding anything contained in this Plan, no payments over and above the payments set out above shall be made by the Resolution Applicant.

Annexure 3: List of contingent liabilities

Particulars	Amount (INR Cr)
Statutory Contingent Liabilities	
Department of State Tax, Maharashtra	11.15
Deputy Commissioner of Commercial Tax, Ranchi East, Ranchi	12.25
Deputy Commissioner of GST & CX, Division IV, Surat Commissionerate	0.92
The Assistant Commissioner of Income Tax, Circle 6(2)(2), Mumbai	688.07
Direct Tax	50.06
VAT	229.80
Service Tax	42.20
Central Excise	2.71
Total Statutory Liabilities (A)	1,037.16
Other Contingent Liabilities (Guarantees availed by the subsidiary out of limits of the Company)	
Oil and Natural Gas Corporation Limited	5.57
Prothonotary & Master	4.00
Total Other Contingent Liabilities (B)	9.57
Total Contingent Liabilities (A+B)	1046.73

Annexure 4: Concessions, Reliefs and Dispensations

For the successful implementation of the Plan and effective resolution of the Corporate Debtor, the Resolution Applicant seeks following reliefs, concessions and dispensations from the NCLT for the effective and comprehensive resolution of the Corporate Debtor:

- (a) The Central Board of Direct Taxes (“**CBDT**”) shall consider that for the purposes of Section 79 of the Income Tax Act, 1961 any change in shareholding of the Corporate Debtor pursuant to the Plan does not lead to lapse of brought forward losses of the Corporate Debtor. Additionally, any write-offs should be allowed as a tax deduction in the year of such write-off.
- (b) The CBDT to consider providing relief to the Corporate Debtor from all past litigations (including all proceedings and appeals) pending at different levels and provide waiver and extinguishment on all Tax dues (including those arising out of assessment claims) including interest and penalty on such litigations.
- (c) The CBDT under its notification dated 6 January 2018 has eased the applicability of provisions relating to levy of Minimum Alternate Tax (“**MAT**”) for companies against whom CIRP has commenced. In accordance with the aforesaid notification, the CBDT is requested to allow the reduction of total amount of loss brought forward (including unabsorbed depreciation) from the book profits of the Corporate Debtor for the purposes of levy under Section 115JB of the Income Tax Act, 1961. The CBDT is also requested to waive and exempt all MAT and other income tax liabilities arising on the Corporate Debtor and/or its successors on account of settlement of Financial and Operational Creditors pursuant to implementation of this Plan.
- (d) The Central Board of Excise and Customs / respective value-added Tax / entry Tax authorities / to consider providing relief to the Corporate Debtor from all past litigations (including all proceedings and appeals) pending at different levels and provide waiver from Tax dues (including those arising out of assessment claims) including interest and penalty on such litigations and proceedings.
- (e) The respective authorities to consider providing relief from applicability of and payment of Taxes including under the provisions of the Goods and Services Taxes Act, 2017 which may arise as a result of implementation of the Plan either on the Resolution Applicant or the Corporate Debtor or any other Person who is likely to be impacted due to implementation of the Plan.
- (f) All Governmental Authorities to waive the non-compliances of the Corporate Debtor prior to the Effective Date, including but not limited to the Companies Act, 2013, Foreign Exchange Management Act, 1999 and Income Tax Act 1961 and all proceedings pending before judicial/ quasi-judicial/ administrative authorities to be withdrawn.
- (g) Upon approval of the Plan by the NCLT, all claims and proceedings initiated by the Financial Creditors against the Corporate Debtor and its officers/ directors (including the winding up petitions filed against the Corporate Debtor and recovery proceedings initiated under the SARFAESI Act) shall stand abated and extinguished.
- (h) Dispensation from any approval required from the RBI for valuing Identified Subsidiaries in the books of the Company at their present fair value and the Hiving Off of Identified Subsidiaries or any consequential write-off of investment, under any applicable provisions, including but not limited to Paragraph B.16 (3) of the Master Direction – Direct Investment by Residents in Joint Venture (JV) / Wholly Owned Subsidiary (WOS) Abroad (bearing reference no Master Direction – Direct Investment by Residents in Joint Venture (JV) / Wholly Owned Subsidiary (WOS) Abroad) read with Notification No FEMA.120/RB-2004 dated 7 July 2004, (bearing reference No GSR 757 (E) dated November 19, 2004) and Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004, as amended or modified from time to time or dispensation from any other approval required from RBI for transfer of Identified Subsidiaries and Investments under any applicable law or regulation.
- (i) The RBI to confirm that, on and from the Effective Date, all accounts of the Corporate Debtor shall stand regularized and their asset classification shall be “standard” for the purposes of all Applicable Laws.
- (j) The Department of Registration and Stamps of each State of India and the Ministry of Corporate Affairs to exempt the Resolution Applicant and the Corporate Debtor, from the levy of stamp duty and fees applicable in relation to this Plan and its implementation.

- (k) All Governmental Authorities to grant any relief, concession or dispensation as may be required for implementation of the transactions contemplated under the Plan in accordance with its terms and conditions.
- (l) On and from the Effective Date, all costs, charges, interest, damages and indemnities pursuant to any rights accruing to a third party under any contracts or agreements executed between the Corporate Debtor and such third party shall be deemed to be waived and extinguished.
- (m) All the litigations, proceedings, inquiries, investigations, etc. pending before any courts/ quasi-judicial/ Governmental Authorities (including RBI) shall be disposed of and all liabilities or obligations in relation thereto, whether or not set out in the balance sheets of the Corporate Debtor or the profit and loss account statements of the Corporate Debtor or the List of Creditors, will be deemed to have been written off in full against a **NIL** value
- (n) Notwithstanding the terms of any relevant agreements with third parties, the prior approval of such counterparties shall not be required to be obtained for change in control / constitution of the Corporate Debtor pursuant to the terms of this Plan and such counterparties: (i) shall waive all objections / liabilities of the Corporate Debtor arising out of the initiation of corporate insolvency resolution / bankruptcy proceedings involving the Corporate Debtor, appointment of the Resolution Professional and in respect of the implementation of this Plan; (ii) shall waive the right to suspend these agreements due to any previous delays / failures by the Corporate Debtor to make payments under such agreements; and (iii) shall not terminate the relevant agreements or take any adverse actions against the Corporate Debtor.
- (o) All Permits and licenses of the Corporate Debtor which are due to expire before the Effective Date or within 5 months thereafter, shall be renewed without any further charges being payable by the Corporate Debtor or the Resolution Applicant. The Governmental Authorities shall provide reasonable time to the Resolution Applicant to determine which licences may expire within this time period and inform the Governmental Authorities of the same for renewing them.
- (p) Until the Effective Date, the Corporate Debtor and its shareholders would not be required to compulsorily hold general meetings in the manner and at such frequencies as required under the Companies Act, 2013 and may hold them only to the extent required in their discretion, and no further consents should be required from the Registrar of Companies or the Ministry of Corporate Affairs for this exemption.
- (q) All contracts, deeds, bonds, agreements, indemnities or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental Authority, statutory or regulatory bodies), tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Company, or to the benefit of which the Company may be eligible and which are subsisting or having effect immediately before the Order was passed by the NCLT, shall by endorsement, delivery or recording of or by operation of Applicable Law pursuant to the order of the NCLT sanctioning the Resolution Plan, and on this Resolution Plan becoming effective be deemed to and continue to be valid and subsisting contracts, deeds, bonds, agreements, indemnities or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental Authority) of the Company and any termination initiated pursuant to the initiation of the CIRP for any reason (including change of control or liquidation/insolvency related) shall be deemed to have not been terminated. Such contracts, assets, properties and rights described hereinabove shall stand vested in the Resolution Plan and shall be deemed to be the property and become the property by operation of Applicable Law as an integral part of the Resolution Plan. Subject to the terms thereof, such contracts, assets, rights and properties described above shall continue to be in full force and continue as effective and shall be the legal and enforceable rights and interests of the Company, which can be enforced and acted upon as fully and effectually as if there were no default or liabilities accrued or to be accrued. In relation to the same, any procedural requirements required to be fulfilled solely by the Company (and not by any of its successors), shall be deemed to be fulfilled by the Company. The aforesaid is without prejudice to the right of termination available with each of the contracting parties under the respective contracts or Applicable Law.
- (r) Each asset (including properties, whether freehold, leasehold or license basis) of the Company shall be vested in the Company free and clear of all Encumbrances from the Effective Date.

- (s) With effect from the Effective Date, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Company shall without any further act, instrument or deed be transferred to, and vest in, or be deemed to have been vested in, and be available to, the Company so as to become as and from the Effective Date, the Permits, estates, assets, rights, title, interests and authorities of the Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws.
- (t) From the date of NCLT according its approval to the Plan and until reconstitution of the Board by the Resolution Applicant on or after the Transfer Date, the Company's Board shall have no authority whatsoever to conduct the business of the Company and none of the decisions of the Board of the Corporate Debtor will be valid and binding on the Monitoring Agency and Steering Committee and/or the Corporate Debtor. The shareholders of the Corporate Debtor, from the Approval Date and until effectiveness of the step of capital reduction (envisaged in Annexure 2) and consequently, the Indian SPV holding the entire share capital (except with some nominees) shall not pass any resolution without consent of the Resolution Applicant.
- (u) On and from the Effective Date, all the guarantors/ third party security providers who have provided/ issued any guarantees/ security (on their assets) for and on behalf and in order to guarantee/ secure the debt of the Company (including but not limited to the Identified Excluded Collateral), shall not be entitled to exercise any subrogation rights in respect of such guarantees/ security, on account of any invocation/ enforcement by the Financial Creditors of the Company of such guarantee/ security in any circumstance.

Annexure 5: List of Litigations

Details of cases outstanding / initiated by Statutory Bodies as on 31 March 2018 as provided in the Information Memorandum:

S.No.	Location / State	Authority	Amount (INR Crore)	No. of Cases
I.	Income Tax			
1	Mumbai	Income Tax Appellate Tribunal	67.30	5
2.	Mumbai	Commissioner of Income Tax (Appeals)	82.58	7
3	Gwalior	Commissioner of Income Tax (Appeals)	0.02	1
		Total	757.9	13
II.	Sales Tax			
4	Kolkata	High Court	125.25	3
5	Kolkata	Joint commissioner of Appeals	62.06	3
6	Gujarat	High Court	13.29	1
7	Gujarat	Joint Commissioner of Appeals	11.45	2
8	Jharkhand	Deputy Commissioner of Appeals	12.25	3
9	Chattisgarh	Commercial Tax Officer	5.44	2
	Madhya Pradesh	Commercial Tax Officer	6.77	3
10	Madhya Pradesh	Madhya Pradesh Commercial Tax Board	1.90	1
11	Andhra Pradesh	Sales Tax Appellate Tribunal	1.26	2
12	Kerala	Deputy Commissioner of Appeals	2.39	2
		Total	242.05	22
III.	Service Tax			
14	Andhra Pradesh	The Customs, Excise and Service Tax Appellate Tribunal	14.91	6
15	Gujarat	Various Authorities under Central Excise and Customs	4.11	6
16	Jharkhand	Commissioner	20.66	1
17	Madhya Pradesh	Various Authorities under Central Excise and Customs	1.16	7
18	Maharashtra	The Customs, Excise and Service Tax Appellate Tribunal	0.13	1
19	Odhissa	Various Authorities under Central Excise and Customs	12.83	1
20	Rajasthan	Commissioner (Appeals)	0.74	1
21	West Bengal	Various Authorities under Central Excise and Customs	1.97	5
		Total	56.51	29
IV.	Central Excise			
22	Odisha	The Directorate General of Central Excise Intelligence, Bhubaneshwar	4.66	6
		Total	4.66	6
		Grand Total	1061.12	70

Details of cases initiated by Government Bodies as on 31st march, 2018 as provided in the Information Memorandum:

Petitioner	Court	Claimed Amount (INR Crore)
Indian Oil Corporation Limited	Arbitration	464.37
Kerala State Transport Project	Arbitration	181.54
Total		645.91

Annexure 6: KYC of the Resolution Applicant

< Annexures submitted along with the previous Resolution Plan submitted on 24th November, 2018 shall become an integral part of this Resolution Plan >

Annexure 7: Certificate of good standing from the bank of the Resolution Applicant

< Annexures submitted along with the previous Resolution Plan submitted on 24th November, 2018 shall become an integral part of this Resolution Plan >

Annexure 8: Statement of proof of funds

<Annexures submitted along with the previous Resolution Plan submitted on 24th November, 2018 shall become an integral part of this Resolution Plan >

Annexure 9: Detailed profile of the Resolution Applicant

< Annexures submitted along with the previous Resolution Plan submitted on 24th November, 2018 shall become an integral part of this Resolution Plan >

Annexure 10: Financial Projections

Profit and Loss Account

Rs. Crore

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenue					
Construction Contract Revenue	400	1,220	2,108	2,814	3,178
Contract Revenue - Engineering & Fabrication	150	150	150	150	150
Other Operating Revenue - Leasing	110	110	110	110	110
Total Revenue	660	1,480	2,368	3,074	3,438
Cost of Sales					
Operating Cost	521	1,169	1,871	2,429	2,716
Employee Cost	33	74	118	154	172
Total Cost of Sales	554	1,243	1,989	2,582	2,888
Other Expenses					
Administration Expenses	26	59	95	123	138
EBITDA	79	178	284	369	413
Depreciation	48	40	36	32	29
EBIT	31	137	248	337	384
Finance Cost					
NCD Coupon	38	38	36	29	15
BG commission	2	6	10	14	18
Sub-Total	40	44	47	43	34
PBT	(9)	93	202	294	350
Tax	-	28	74	107	124
Profit After Tax	(9)	65	127	187	226
Creation of Provision for DRR	0	60	60	0	0
PAT After Provision for DRR	(9)	5	67	187	226

Balance Sheet

Rs. Crore

Particulars	01-04-2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Liabilities						
<u>Current Liabilities</u>						
Trade Payables		143	320	513	665	744
Other current liabilities		125	335	532	627	557
Progress payment received from customers		55	124	199	258	289
Mobilization advances < 1 year		70	151	213	249	268
Provision for DRR		-	60	120	120	-
Total Current Liabilities	-	268	656	1,044	1,293	1,301
<u>Non-Current Liabilities</u>						
Borrowings – NCD	480	480	456	360	192	-
Mobilization advances > 1 year		90	147	174	200	206
Total Non-Current Liabilities	480	570	603	534	392	206
<u>Net Worth</u>						
Equity	420	420	420	420	420	420
Reserves & Surplus		(9)	(4)	63	250	567
Total Net Worth	420	411	416	483	670	987
Total Liabilities	900	1,249	1,674	2,061	2,354	2,495
Assets						
<u>Fixed Assets</u>						
Net Block	316	268	240	216	193	174
<u>Non-Current Assets</u>						
Intangible Assets	205	205	205	205	205	205
Other Non-current assets	65	65	65	65	65	65
Total Non-Current Assets	587	538	510	486	464	444
<u>Current Assets</u>						
Inventories	95	217	243	389	505	565
Trade Receivables	-	136	304	389	505	565
Other Assets (unbilled revenue/ Others)	-	217	365	584	674	754
Cash and cash equivalents (Including banks)	-	137	237	187	177	167
DRR Account	-	4	14	25	29	-
Current Investments	218	-	-	-	-	-
Total Current Assets	313	711	1,164	1,575	1,891	2,051
Total Assets	900	1,249	1,674	2,061	2,354	2,495

Cash Flow Statement:

Rs. Crore

Particulars	01-04-2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
EBITDA	-	79	178	284	369	413
Total Inflows	-	79	178	284	369	413
Add/(Less) : Changes in Working Capital						
<i>Current Assets</i>		(256)	(343)	(450)	(322)	(199)
<i>Current Liabilities</i>		358	384	355	275	135
<i>Equity Infusion</i>	420	-	-	-	-	-
<i>Proceeds from NCD</i>	480	-	-	-	-	-
Net Inflows	900	181	219	189	321	349
Fixed Assets	521	-	12	11	10	9
Other CA	378	-	-	-	-	-
NCD Redemption	-	-	24	96	168	192
NCD Coupon	-	40	44	47	43	34
Tax	-	-	28	74	107	124
DRR Account (15% of redemption)	-	4	11	11	4	-
Total Outflow	900	44	120	239	331	359
Net Cash	0	137	100	(50)	(10)	(10)
Opening Cash (Cash + bank)	-	0	137	237	187	177
Closing cash	0	137	237	187	177	167

DSCR Working:

Rs. Crore

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
EBITDA	79	178	284	369	413
Less: Taxes	-	28	74	107	124
Maintenance capex	-	12	11	10	9
Total (A)	79	137	199	252	279
Debt servicing					
Interest on NCD	38	38	36	29	15
Redemption of NCD	0	24	96	168	192
Total payment towards NCD	38	62	132	197	207
Commission on NFBs - Bank Guarantees	2	6	10	14	18
Total (B)	40	68	143	211	226
DSCR (A/B)	1.96	2.01	1.39	1.20	1.24
Average DSCR – 1.38					

Assumptions:

Key Assumptions

1. Revenue Assumptions

Rs. Crore

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Revenue from EPC Business	400	1,220	2,108	2,814	3,178
Contract Revenue - Engineering and fabrication	150	150	150	150	150
Other Operating Revenue - Leasing	110	110	110	110	110

2. Percentage of EMD/ABG/PBG requirement for bidding of new orders

Particulars	%
EMD requirement	1.00%
ABG requirement	10.00%
PBG requirement	10.00%

a) **EMD requirement**

Rs. Crore

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
EMD Required	80	120	156	187	225
Less: EMD Released	40	100	138	172	206
Net EMD Required (A)	40	20	18	16	19

50% of these EMD's will get released in the same financial year and balance 50% will get released in the next financial year. Released EMDs will be further utilized for bidding for new order book.

b) **ABG requirement**

Rs. Crore

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
ABG Required	200	260	299	344	344
Less: ABG Released	40	122	211	281	318
Net ABG Required (B)	160	138	88	62	26

This ABG will be released over four years. (1st year – 20%, 2nd year – 35%, 3rd year – 30% and fourth year – 15%). All Advance Bank guarantees have been considered to be released and utilized for the new projects

Particulars (Year)	1	2	3	4
ABG Release Schedule	20%	35%	30%	15%

c) **PBG requirement**

Rs. Crore

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
PBG Required	200	260	299	344	344
Less: PBG Released					
Net PBG Required (C)	200	260	299	344	344

Performance Guarantee in the form of Bank Guarantee for an amount equivalent to 10% of the Contract Price.

d) **Mobilization Advance**

Mobilization Advance, not exceeding 10% of contract value shall be provided to the Contractor subject to furnishing the Performance

Rs. Crore

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Mobilization Advance (%)	10%	10%	10%	10%	10%
Mobilization Advance (INR Cr)	200	260	299	344	344

3. **Other Profit and Loss and Balance Sheet Assumptions:**

- The overall EBITDA margin of 12% between FY20 to FY24
- Operating cost has been assumed at 79%
- Office Employee and Admin expenses has been assumed at 5% and 4% of revenue respectively.
- BG Commission cost – 1% p.a.
- Maintenance capex is assumed as 5% of net WDV value of Plant and Machinery FY21 onwards.

4. Working capital Assumptions

Particulars	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Stocks & Spares (Days)	120	60	60	60	60
Trade Receivables (Days)	75	75	60	60	60
Other Assets (Days)	120	90	90	80	80
Trade Payables (Days)	100	100	100	100	100
Mobilization Advance	10%	10%	10%	10%	10%

5. NCD Redemption Schedule

Rs. Crore					
Redemption Schedule of NCD	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Opening	480	480	456	360	192
<i>Redemption %</i>	-	5%	20%	35%	40%
Redemption	-	24	96	168	192
Closing	480	456	360	192	-
Coupon @ 8.00% p.a.	38	38	36	29	15
Total Payment to NCD holders	38	62	132	197	207

○ Debenture Redemption Reserve (“DRR”)

Reserves required under applicable laws such as Debenture Redemption Reserve is maintained in accordance with Companies Act, 2013 at 25% of the face value of debentures issued. i.e. INR 120 Cr

Rs. Crore					
Provision for DRR	2020	2021	2022	2023	2024
Opening Balance		-	60	120	120
Addition	-	60	60	-	-
<i>Addition % of INR 120 Cr</i>	0%	50%	50%	0%	0%
Transfer to Reserve and Surplus					125
Closing Balance	-	60	120	120	-

○ Debenture Redemption Reserve Deposit Account

As per Rule 18(7) creating DRR to deposit at least 15% of debentures to be redeemed up to 31st March of the next year.

Rs. Crore					
DRR Account	2020	2021	2022	2023	2024
Opening Balance	-	4	14	25	29
Addition (15% of debentures to be redeemed next year)	4	11	11	4	-
Transfer to reserve and surplus	-	-	-	-	29
Closing Balance	4	14	25	29	-

Annexure 11: Identified Excluded Collateral

1. Equity shares AGC Networks Limited, India held by Essar Telecom Limited, Mauritius
2. Immoveable assets and movable assets of Essar Steel Minnesota LLC
3. 100% equity shares of Essar Steel Minnesota LLC
4. 13.8 Crore Equity shares of Essar Steel India Limited (constituting 4.5% of its equity share capital)

Annexure 12: Scheme of Amalgamation

SCHEME OF AMALGAMATION
OF
SPECIAL PURPOSE VEHICLE (SPV)
WITH
EPC CONSTRUCTIONS INDIA LIMITED (CORPORATE DEBTOR)

1. PREAMBLE

This Scheme of Amalgamation (“**Scheme**” as defined hereinafter) provides for amalgamation of the Indian SPV with EPC Constructions India Limited (Corporate Identification Number: U99999MH1989PLC053280). This Scheme also provides for various other matters consequential thereto or otherwise integrally connected therewith. The Scheme should be construed to form an integral part of the Resolution Plan.

2. DESCRIPTION OF COMPANIES

- 2.1 EPC Constructions India Limited (herein after referred to as “**Transferee Company**”) is inter alia engaged in the business of engineering, procurement and construction.
- 2.2 Indian SPV (herein after referred to as “**Transferor Company**”) proposed to be engaged in the business of engineering, procurement and construction. The Transferor Company is being formed as a 100% direct (or indirect subsidiary of the Resolution Applicant through a subsidiary in Mauritius) to implement the plan for the resolution of the insolvency of the Transferee Company, which plan inter alia envisages the amalgamation of the Transferor Company into the Transferee Company.

3. PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

PART I deals with the definitions, interpretations and share capital of the Transferor Company and the Transferee Company;

PART II deals with the amalgamation of the Transferor Company with the Transferee Company and the consideration thereof;

PART III deals with the reorganization of share capital of the Transferee Company; and

PART IV deals with the general terms and conditions applicable to this Scheme and the dissolution of the Transferor Company.

In terms of the effectiveness of the scheme it shall be deemed that Part II will be deemed to be effective prior to Part III of the scheme. Further, the aforesaid parts of the scheme are not to be treated as independent and severable.

4. OPERATION OF THE SCHEME

The reduction of share capital of the Transferee Company, prior to the amalgamation will cancel the shareholding of the existing shareholders of Transferee Company and the subsequent amalgamation of the Transferor Company with Transferee Company will combine the business activities and operations of the Transferor Company and the Transferee Company into a single company with effect from the Scheme Appointed Date (defined hereinafter) and shall be in compliance with the provisions of the Income Tax Act, 1961, including Section 2(1B) or any amendments thereto.

Pursuant to the amalgamation, Transferee Company shall issue and allot shares to the shareholders of Transferor Company in the manner provided in Clause 15 as consideration for the amalgamation.

PART I

DEFINITIONS AND SHARE CAPITAL

5. DEFINITIONS

In addition to the terms defined elsewhere in this Scheme, the following capitalised terms shall have the meaning set out below:

“Act” or **“the Act”** means the Companies Act, 2013 (including any statutory modifications(s) or re-enactment(s) thereof) and rules and regulations made thereunder, for the time being in force, and which may relate or are applicable to the arrangement;

“Scheme Appointed Date” means the Scheme Effective Date or any date as may be determined mutually by the Board of the Transferor Company and the Transferee Company.

“Board” means the board of directors of the Transferor Company or the Transferee Company, as the context may require, and shall include a duly constituted committee thereof;

“Code” means the Insolvency and Bankruptcy Code, 2016, as amended from time to time;

“Scheme Effective Date” means the last of the dates on which the conditions specified in Clause 21 of this Scheme are complied with or are waived by the Board of both the Transferor Company and the Transferee Company. References in this scheme to the date of “coming into effect of this Scheme” or “upon the Scheme being effective” shall mean the Scheme Effective Date;

“Employees” means all the employees of Transferor Company as on the Scheme Effective Date;

“National Company Law Tribunal” or **“NCLT”** means the National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company;

“Resolution Applicant” means Royale Partners Investment Fund Limited, a fund incorporated as a Category 1 Global Business Company, having limited by shares under Mauritius Companies Act 2001.

“Resolution Plan” shall mean the resolution plan submitted by the Resolution Applicant in connection with the corporate insolvency resolution process of the Transferee Company under the Code; and

“Scheme” or **“the Scheme”** or **“this Scheme”** means this Scheme of Amalgamation in its present form or this scheme with any modification(s), if any made, as per Clause 20 of the Scheme from time to time, with the appropriate approvals and sanctions of the NCLT and other relevant regulatory/statutory/governmental authorities, as may be required under the Act, and/or under any other applicable laws.

6. Interpretation

6.1 In this Scheme, unless the context otherwise requires:

6.1.1 words denoting singular shall include plural and vice versa;

6.1.2 headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;

6.1.3 references to the word “include” or “including” shall be construed without limitation;

6.1.4 a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;

6.1.5 unless otherwise defined, the reference to the word “days” shall mean calendar days;

6.1.6 references to dates and times shall be construed to be references to Indian dates and times;

6.1.7 reference to a document includes an amendment or supplement to, or replacement or

novation of, that document; and

6.1.8 word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them.

7. SHARE CAPITAL

7.1 The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31st March 2018 is as under:

Share Capital	INR
Authorised Share Capital	
13,00,00,000 equity shares of face value INR 10 each	1,30,00,00,000
Total	1,30,00,00,000
Issued, Subscribed and Paid-up Share Capital	
12,39,96,028 equity shares of face value INR 10 each	1,23,99,60,280
Total	1,23,99,60,280

7.2 The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 31st March 2018 is as under:

There is no capital structure as the Company is proposed to be set up.

8. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme as set out herein in its present form or with any modification(s) as may be approved or imposed or directed by the NCLT, shall become effective and operative from the Scheme Appointed Date.

PART II

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY AND OTHER RELATED MATTERS

9. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

9.1 Upon the Scheme becoming effective and with effect from the opening business hours of the Scheme Appointed Date and pursuant to the applicable provisions of the Act and the Code, and in accordance with provisions of Section 2(1B) of the Income Tax Act, 1961, the entire undertaking of the Transferor Company along with all assets, liabilities, contracts, employees, licenses, records, approvals, etc. being integral parts of the undertaking of the Transferor Company shall, without any further act, instrument or deed, stand amalgamated with and be vested in or be deemed to have been vested in the Transferee Company as a going concern so as to become as and from the Scheme Appointed Date, the undertaking of the Transferee Company by virtue of this Scheme.

9.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Scheme Appointed Date:

9.1.1 all assets of the Transferor Company, that are movable in nature or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by operation of law pursuant to the vesting orders of the NCLT sanctioning the Scheme, shall stand vested in the Transferee Company and shall be deemed to be and have become the property of the Transferee Company by operation of law without

any further act or execution of an instrument with the intent of vesting such assets in the Transferee Company. The order sanctioning the Scheme shall operate in relation to the movable property in accordance with its normal mode of vesting and as the context may provide, by physical or constructive delivery, or by endorsement and delivery or by mere operation of the order of the NCLT sanctioning the Scheme, in accordance with the Act and the Code, as appropriate to the nature of the movable property vested. The title to such property shall be deemed to have been mutated and recognised as that of the Transferee Company;

- 9.1.2 all other movable properties of the Transferor Company, including investments in shares (including subsidiaries), mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the order of the NCLT and by operation of law become the property of the Transferee Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Transferee Company. All investments of the Transferor Company shall be recorded in the name of the Transferee Company by operation of law as transmission in favour of the Transferee Company as a successor in interest and any documents of title in the name of the Transferor Company shall also be deemed to have been mutated and recorded in the name of the Transferee Company to the same extent and manner as originally held by the Transferor Company and enabling the ownership, right, title and interest therein as if the Transferee Company was originally the Transferor Company. Transferee Company shall subsequent to the order of the NCLT be entitled to the delivery and possession of all documents of title of such movable property in this regard;
- 9.1.3 all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether in Indian rupees or foreign currency, as provided for in the books of account or disclosed in the balance sheets of the Transferor Company shall stand vested in the Transferee Company and shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and the Transferee Company shall assume and undertake to meet, discharge and satisfy the same. It is hereby clarified that to give effect to the provisions of this clause it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen.;
- 9.1.4 all registrations, goodwill, licenses, domain names, applications for copyrights, trade names and trademarks and other intellectual property rights, appertaining to the Transferor Company, if any, shall stand vested in the Transferee Company without any further act, instrument or deed;
- 9.1.5 all taxes (including but not limited to advance tax, tax deducted at source, taxes withheld/paid in a foreign country, goods and services tax etc.) as the case may be, of the Transferor Company, and shall be available to the Transferee Company.
- 9.1.6 the Transferee Company shall stand substituted in and shall always be deemed to have been a party to all agreements, MOUs, deeds, contracts, rights of use of land, building, plant, machinery, authorisations, permits, approvals, entitlements, subsidies, grants, including any indemnities, guarantees or other similar rights and entitlements whatsoever, etc. of whatever nature and wheresoever situated to which the Transferor Company is a party, including any benefits to which the Transferor Company may be eligible or entitled, and subsisting or being effective on or immediately before the Scheme Effective Date (collectively referred to as "Agreements") and all such Agreements and all interests therein shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable by and against the Transferee Company as fully and effectually as if the Transferee Company had at all material times been a party thereto. The Transferee Company, if so required, shall provide certified copies of the order of NCLT sanctioning the Scheme to the counter parties to the Agreements for information purposes and such party or authority shall make and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor, pursuant to such orders without any break in the validity and enforceability of such Agreement. However, till the time such substitution/

endorsement is effected, the Transferee Company shall always be deemed to a party to all such Agreements and be allowed to operate in the name and style of the Transferor Company. It is hereby clarified that all rates, fees, etc. paid by the Transferor Company till the Scheme Appointed Date shall be considered paid by or for the Transferee Company and shall be considered part of total sum payable under such Agreement and the Transferee Company shall not be called upon or required to pay the same again;

- 9.1.7 all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses) and certificates, shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, and certificates shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto.;
- 9.1.8 benefits of all corporate approvals as may have already been taken by the Transferor Company whether being compliances or otherwise under the Act, read with the rules and regulations made thereunder, shall stand vested in the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.
- 9.2 If and to the extent there are loans, deposits or balances or other outstanding inter-se transactions between the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Scheme Appointed Date, come to an end and suitable effect shall be given in the books of the Transferee Company.
- 9.3 The vesting of the entire undertaking of the Transferor Company, as aforesaid, shall be subject to encumbrances if any, over or in respect of any of the assets or any part thereof, provided however that such encumbrances shall not be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting and vesting of such assets in the Transferee Company and such encumbrances shall extend over or apply to the asset(s) of the Transferee Company as specified in the loan agreements.
- 9.4 Without prejudice to the foregoing Sections and upon this Scheme becoming effective, the Transferor Company and the Transferee Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge with the Registrar of Companies having jurisdiction, to give formal effect to the above provisions, if required. It is clarified that upon the Scheme becoming effective, the Transferor Company shall stand dissolved in terms of clause 21 of the Scheme and that the Transferee Company shall for the limited purpose of this clause be authorised to execute any instruments or documents or do all the acts and deeds as may be required in the name of the Transferor Company.
- 9.5 Notwithstanding any provision to the contrary, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom are transferred, vested, recorded, effected and/ or perfected, in the records of the Trade Marks Registry or with the relevant Government agencies, regulatory bodies or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement.
- 9.6 Notwithstanding any provision to the contrary, upon the Scheme Appointed Date and until the trademarks, copyright, owned property, leasehold property and related rights thereto, license / right to use the immovable property, tenancy rights and liberties are formally recorded, effected and/or perfected, in the records of the appropriate authority, in favour of the Transferee Company, the Transferee Company is and shall deemed to be authorized to carry on business in the name and style of the Transferor Company under the relevant agreement, deed, lease and/or license, as the case may be.
- 9.7 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that, with effect from the Scheme Appointed Date and till such time that the name of the bank accounts of the Transferor Company is replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be

necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Scheme Appointed Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company.

- 9.8 The provisions of this Scheme as they relate to the amalgamation of the Transferor Company with the Transferee Company, have been drawn up to comply with the conditions relating to “amalgamation” as defined under Section 2(1B) of the Income Tax Act, 1961. If any term or provision of the Scheme is found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961 at a later date including resulting from an amendment of the law or the enactment of the law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961, or any amendment or any enactment thereof. Such modification will, however, not affect the other parts of the Scheme.
- 9.9 On the approval of this Scheme by the National Company Law Tribunal, shareholders and creditors of both the companies shall be deemed to have resolved and accorded all relevant consents under the Act or the Code or other applicable laws or otherwise to the same extent applicable in relation to this Scheme and all related matters set out hereto.

10. EMPLOYEES

- 10.1 On the Scheme becoming effective, all employees of the Transferor Company in service on the Scheme Appointed Date shall be deemed to have become employees of the Transferee Company without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to the Transferor Company on the Scheme Appointed Date. It is hereby clarified that the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which the employees of the Transferor Company are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company or to be established and caused to be recognized by the appropriate authorities, by the Transferee Company.
- 10.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.
- 10.3 Upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.
- 10.4 Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to applicable laws, shall be entitled to retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company.

11. LEGAL PROCEEDINGS

- 11.1 Any suit, petition, appeal or other proceeding of whatsoever nature and any orders of court, judicial or quasi-judicial tribunal or other governmental authorities enforceable by or against the Transferor Company pending before any court, judicial or quasi-judicial tribunal or any other forum, relating to the Transferor Company, whether by or against the Transferor Company, pending as on the Scheme Appointed Date, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of any order of or direction passed or issued in the amalgamation proceedings or anything contained in this Scheme, but by virtue of the order sanctioning the Scheme, such legal proceedings shall be continued and any prosecution shall be enforced by or against the

Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.

12. **CONTRACTS, DEEDS, ETC.**

- 12.1 All contracts, deeds, bonds, Agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, delivery or recordal or by operation of law pursuant to the order of the NCLT sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts, deeds, bonds, Agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) of the Transferee Company. Such properties and rights described hereinabove shall stand vested in the Transferee Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Transferee Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Transferee Company and shall be the legal and enforceable rights and interests of the Transferee Company, which can be enforced and acted upon as fully and effectually as if it were the Transferor Company. Upon this Scheme becoming effective, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts and properties, shall be deemed to have been entered into and stand assigned, vested and novated to the Transferee Company by operation of law and the Transferee Company shall be deemed to be the Transferor Company's substituted party or beneficiary or obligor thereto. It being always understood that the Transferee Company shall be the successor in title of the Transferor Company. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company.
- 12.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.
- 12.3 Any inter-se contracts between the Transferor Company on the one hand and the Transferee Company on the other hand shall stand cancelled and cease to operate upon the coming into effect of this Scheme.

13. **TAXES/ DUTIES / CESS ETC.**

Upon the Scheme becoming effective, by operation of law pursuant to the order of the NCLT:

- 13.1 The unutilized credits relating to Good and Service tax paid on inputs/services lying to the account of the Transferor Company shall be transferred to the Transferee Company automatically without the requirement of any specific approval or permission as an integral part of the Scheme.
- 13.2 Income taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternative tax, wealth tax, if any, paid by The Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable. Minimum alternative tax credit available to the Transferor Company under the Income-tax Act, 1961, if any, shall be available to the Transferee Company.

- 13.3 The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / goods and services tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance income-tax credits, credit of tax deducted at source, credit of foreign taxes paid/withheld, etc., if any, as may be required for the purposes of/consequent to implementation of the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

14. CONSIDERATION

- 14.1 Upon the Scheme becoming effective and in consideration of the amalgamation of the Transferor Company into the Transferee Company, the Transferee Company shall, without any further act, deed, issue and allot to each member of the Transferor Company (other than shares held therein by the Transferee Company and its nominees), whose name is recorded in the register of members of the Transferor Company and/or whose names appear as the beneficial owners of the shares of the Transferor Company in the records of the depositories (or to such of their respective heirs, executors, administrators or other legal representatives, or successors in title as may be recognized by the Board of the Transferee Company), as on the Scheme Appointed Date in accordance with the terms of the Scheme and without any further application, act, deed payment, consent or instrument;

- (i) 1 (one) equity share of INR 10 each in the Transferee Company for every 1 (one) equity share of INR 10 each held in the Transferor Company;
- (ii) 1 (one) Debenture of INR 100 each in the Transferee Company for every 1 (one) Debenture of INR 100 each held in the Transferor Company;
- (iii) 1 (one) Preference Share of INR 10 each in the Transferee Company for every 1 (one) Preference Share of INR 10 held in the Transferor Company; and
- (iv) each such equity share and/or Preference Share and/or Debenture of the Transferee Company shall be issued and allotted in the same denomination and as per the same terms applicable to each such equity share and/or Preference Share and/or Debenture of the Transferor Company;

(hereinafter together referred to as “**New Shares**”).

- 14.2 The issuance of shares by the Transferee Company pursuant to Clause 15.1 above, shall be subject to the Memorandum and Articles of the Transferee Company and will have the same terms and conditions as attached to the existing shares of the Transferor Company.

- 14.3 Upon the coming into effect of this Scheme and upon the New Shares being issued and allotted as provided in this Scheme, all shares of the Transferor Company, whether in dematerialized or physical form, shall be deemed to have been automatically cancelled and be of no effect. Wherever applicable, the Transferee Company may, instead of requiring the surrender of the share certificates of the Transferor Company, directly issue and dispatch the new share certificates of the Transferee Company.

15. ACCOUNTING TREATMENT

Upon the coming into effect of this Scheme, the amalgamation of the Transferor Company with the Transferee Company shall be accounted for by the Transferee Company with effect from the Scheme Appointed Date by applying the guidance for Reverse Acquisition as specified in Indian Accounting Standard 103: Business Combinations” notified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015.

- For the purpose of reverse acquisitions, Transferor Company will be regarded as the acquirer (“Accounting Acquirer”) and Transferee Company will be regarded as Accounting Acquirer.
- All assets and liabilities of the Transferee Company shall be recorded in the books of account of Transferee Company at their fair values on the Scheme Appointed Date.
- Purchase consideration in form of equity and preference share capital of Transferee Company, shall be issued to the shareholders of Transferor company in accordance with

clause 16.1.

- Intercompany debt, loans and balances between Transferee Company and Transferor Company, if any will be eliminated in full.
- Share capital and amounts appearing under Reserves and Surplus of Transferee Company will be eliminated in full.
- The excess or deficit, if any, arising after recording the above entries, shall be included in Goodwill or Capital Reserve Account as may be applicable in the books of Transferee Company.

SUMMARY OF THE RESOLUTION PLAN

Particulars	Amount
3. <u>Upfront Consideration</u>	An amount of INR 420,00,00,000 (Rupees Four Hundred Twenty Crores) less payment towards (i) CIRP Costs which exceeds existing cashflows (" Balance CIRP Costs "); and (ii) Potential Workmen's Dues (" Upfront Consideration ") to be paid to the Financial Creditors within an indicative timelines of 30 Business Days.
4. <u>Deferred Consideration</u>	INR 480,00,00,000 (Rupees Four Hundred Eighty Crores) (" Deferred Consideration ") by way of issuance of NCDs with a cumulative amount of even value.
Total Consideration	Sum of Upfront Consideration and Deferred Consideration of INR 900,00,00,000 (Rupees Nine Hundred Crores) as total consideration for assignment of Admitted Debt of Financial Creditors in entirety along with the entire Debt Collateral.

12. The total payment which is being made to revive the Corporate Debtor is ₹901.74 crore, out of which ₹420 Crore is the upfront payment to the Financial Creditors, and ₹480 Crore is the deferred payment to financial creditors realisable in a period of 5 years by issuing Non-Convertible Debentures. In addition, ₹1.74 Crore is being paid to Workmen and Employees.
13. During the hearing, the Applicant has informed this Bench that ₹42 crore has already been paid as EMD and the remaining amount of ₹48 crore shall be paid within 90 days of approval of resolution plan by this Tribunal. The Resolution Applicant shall furnish a Bank guarantee for the remaining amount i.e. ₹48 crore.
14. The Resolution Applicant reiterates that the Resolution Plan outlines a consideration involving: (i) Upfront Consideration (less payment towards (i) Balance CIRP Costs; and (ii) Potential Workmen's Dues over and above ₹1.74 crore, if any to be paid to Workmen) of INR 420 Crores to be paid to the Financial Creditors within 30 Business Days; and (ii) a Deferred Consideration in the form of NCDs of a cumulative face value of INR 480 Cores which shall be repayable within a tenure of 5 years.
15. As far as the dues of financial creditors are concerned, the resolution plan provides that:

"As regards the Financial Creditors, according to the List of Creditors, total claims filed by the Financial Creditors amount to INR 9552.99 Crores, out of which claims aggregating to INR 7487.45 crores have been verified and admitted for the purposes of CIRP by the Resolution

Professional (“Admitted Debt of Financial Creditors”). The Resolution Applicant understands that the Admitted Debt for Financial Creditors also includes all un-invoked/invoked bank guarantees, which will continue until their expiry. Out of this aggregate amount of Admitted Debt, the Resolution Applicant has proposed to pay the following consideration to the Financial Creditors for full and final discharge of the Financial Creditors and for assignment of entire Claims and Admitted Debt of Financial Creditors to the Indian SPV:

- a. *Upfront Consideration equivalent to INR 420 Crores (Indian Rupees Four Hundred Twenty Crores) (less payment towards (i) Balance CIRP Costs; and (ii) Potential Workmen’s Dues, if any) within 30 Business Days; and.*
 - b. *Deferred Consideration equivalent to INR 480 Crore (Indian Rupees Four Hundred Eighty Crores) in the form of unlisted NCDs.”*
16. It is further submitted that the Deferred Consideration of INR 480 Crores (Indian Rupees Four Hundred Eighty Crores) as secured and unlisted NCDs are to be paid over a period 5 years at a coupon of 8% p.a., as shown in Annexure 2 of the resolution plan which has been produced at page 54 of this order.
17. As far as the dues of Operational Creditors are concerned, the resolution plan provides that:

“In addition, according to List of Creditors, total claims filed by the operational creditors of the Company amount to INR 3,696.87 Crores. Out of which claims aggregating to INR 244.78 Crores have been verified and admitted by the Resolution Professional for the purposes of CIRP by the Resolution Professional (“Operational Creditors”).*

The Liquidation Value payable to the Operational Creditors or the other creditors or stakeholders of the Company (including dues to employees (other than Workmen), government dues, taxes, etc. and other creditors and stakeholders) is expected to be NIL and therefore, they will not be entitled to receive any payment.

The Admitted Workmen and Employees Dues shall be paid out of the infusion by the Resolution Applicant into the SPV/ Corporate Debtor.”

**In the Additional Affidavit submitted by the RP on 08.08.2019 before this Bench, the admitted claims of Operational Creditors stand revised at ₹384.22 crore.*

18. The Resolution Applicant proposes to implement this Resolution Plan as per the following indicative timelines, subject to receipt of relevant governmental approvals:

Action	Indicative Timeline
Effective Date	X
Payment of CIRP Costs	X+ 30 Business Days
Capital Reduction of the Company	
Infusion of funds by the Indian Co. into the Company	
Payment of Admitted Workmen and Employees Dues	
Payment of the Upfront Payment to the Financial Creditors	
Payment of Upfront Consideration	
Issuance of SPV NCDs	

19. The Resolution Professional has provided his certificate in Form H under Regulation 39(4) of the CIRP Regulations; the same is duly perused by this Bench. All the compliances have been done by the RP
20. The two valuers, namely RBSA Advisors and Rakesh Narula & Co. have been appointed to assess the Liquidation Value and Fair Market Value of the Corporate Debtor. RBSA Advisors have ascertained the Fair Market Value to be ₹1379.88 Crore and the Liquidation Value is stated to be ₹786 Crore. Rakesh Narula & Co. have calculated the Fair Market Value to be ₹1394.54 Crore and Liquidation Value to be ₹891.96 Crore as per the valuation reports annexed in the Application. It is stated that the average of two Liquidation values is less than the amount being received under the Resolution Plan. Hence, one of the justifications for approval of the Resolution Plan that the Liquidation Value is less compared to the Resolution proposals made in the Resolution Plan is satisfied.
21. The Plan provides for management of affairs of the Corporate Debtor and implementation & supervision of the plan. The RP has given a statement as required under Section 30(2) of the I&B Code and Regulation 38 of CIRP Regulations, that the plan deals with interests of all stakeholders.
22. The Resolution Applicant has produced on record an affidavit stating the details of the Indian SPV being Roypar Constructions Private Limited which is required to be created in terms of Resolution Plan. It states that in accordance with Annexure 2 (*Structure of Acquisition of Control over the Company by the Resolution Applicant*) and Annexure 12 (*Scheme of Amalgamation*), Roypar Constructions Private Limited has to be merged with the Corporate Debtor as contemplated. The details of the SPV are set out below:

Name of the SPV	Roypar Constructions Private Limited
Corporate Identification Number	U45209MH2019PTC331103

Registered Office	23, Floor-2, Plot-59/61, Arsiwala Mansion Nathala Prikh Marg, Colaba Mumbai-400005.
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23. The Resolution Applicant has sought extinguishment of all claims along with abatement of any related legal proceeding including criminal proceedings. Furthermore, the Resolution Applicant seeks waiver of outstanding statutory dues and other claims as on the date of approval of the Resolution Plan. The exemption is also sought from the statutory dues of the Central Board of Direct Taxes (CBDT) and under the Stamps Act, from the levy of stamp duty and fees applicable in relation to this plan and its implementation.
24. The relief sought is hereby allowed by this Bench in view of the judgement of the respected Coordinate Bench at Chandigarh and Chennai in the matter of *State Bank of India V. MOR Farms Private Limited [CA No. 71/2018 & 171/2018 in CP (IB) No. 51/Chd/Hry/2017]*, order dated 15.06.2018 and *SKR Wind Energy LLP v. Subburaj Spinning Mills Private Limited [MA/31/IB/2019 filed in CP/655/IB/2017]*, order dated 12.03.2019. The relevant portion of the judgement of Chandigarh Bench is reproduced below for ready reference:

“32. Before parting with this order, it is necessary to deal with the conditions laid down by the Resolution Applicant in the Resolution Plan, which were discussed by the CoC. One of the prayers made by the Resolution Applicant is seeking waivers of liability from any taxation dues for the previous periods which may arise in future and to exempt the Resolution Applicant from the pending export obligations in lieu of the benefits of duty on import of the machines. Learned representing the Financial Creditors and the Resolution Professional submit that the CoC could not make a decision with regard to such waiver as the same was not within their competence. It is admitted proposition of fact that pursuant to the public announcement, no such claim has been made by the Government Department. The concern shown here-in is with regard to any dues

that may arise in future in respect of the past period. With regard to the export obligations to which the corporate debtor was liable, it is submitted by learned counsel for the Resolution Professional and the learned counsel representing the promoter directors of the suspended Board of Directors that the corporate debtor had imported certain machines in the year 2012, 2013 and 2014 and there are pending obligations in lieu of the benefit of duty on the said import. The export obligation liable to be paid to the Government is to the tune of 14,20,52 USD. It is contended that the export obligation would become due latest by the year 2020-24.

33. We have given our thoughtful consideration to the submissions made by the learned counsel for the parties and the prayer made in the Resolution Plan and we find that since the corporate debtor defaulted in making the payment of the debt and is undergoing insolvency resolution process, it would be perfectly legal in exempting the Resolution Applicant from complying with the export obligations as it is taking over the corporate debtor on fulfilling certain conditions including payments to the Financial Creditors as agreed upon and the plan must be implemented free of any such conditions.

35. In view of the above discussion, the Resolution Plan Annexure A-25 stands approved granting waiver in respect of the past tax dues to the Government which may arise in future and exempt the Resolution Applicant from the export obligations, which the corporate debtor had entered.”

The relevant extract from the judgement of Chennai Bench is given below:

“22. The Corporate Debtor shall be entitled to carry forward all accumulated business losses and unabsorbed depreciation as “set out” in the resolution Plan. All the statutory duties including taxes/cess/interest/penalty and other liabilities due to the operational creditors shall stand satisfied/waived off. The reason for these waivers and abatement is that the Operational Creditors and Financial creditors except those in whose favour the provision is made in the ‘Resolution Plan’ would not get anything in the event of liquidation of

the Corporate Debtor, as per the waterfall mechanism provided under Section 53 of the I&B Code, 2016. Moreover, this is with a view to implement the Resolution Plan successfully as approved by the CoC.”

25. On hearing the submissions made by the Ld. Counsel for the resolution Professional, the Resolution Plan in hand satisfies the minimum threshold of approval by 66% majority of the CoC. The Resolution Applicant is not barred under section 29A of the I&B Code to file the resolution plan. The plan stands the requirement of being viable and feasible for revival of the Corporate Debtor. By and large, all the compliances have been done by the RP and the Resolution Applicant for making the plan effective after approval by this Bench.
26. The Resolution Plan as approved by CoC is hereby approved. The concessions and waivers sought in this Resolution Plan are granted in view of the two judgements quoted above.
27. The Resolution Plan, subject to this order, is hereby approved, and shall be binding on the Corporate Debtor and other stakeholders involved so that revival of the Debtor Company shall come into force with immediate effect and the “Moratorium” imposed under section 14 shall cease to have any effect henceforth. The Resolution Professional shall submit copies of the records and documents collected during the commencement of the Proceedings to the Insolvency & Bankruptcy Board of India for their record and also return to the Resolution Applicant or New Promoters. Certified copy of this Order be issued on demand to the concerned parties, upon due compliance. That liberty is hereby granted that if deem fit and legally permissible, can move Miscellaneous Application if required in connection with implementation of this Resolution Plan. That in respect of stepping by the New Promoters/Resolution Applicant into the shoes of the erstwhile Company and taking over the business, the provisions of Companies Act,

2013 shall be applicable and for this reason a copy of this Order is to be submitted in the Office of the Registrar of Companies, Mumbai.

28. The RP is directed to handover all records, premises/factories/documents to Resolution Applicant to finalise the further line of action required for starting of the operation. The Resolution Applicant shall have access to all the records/premises/factories/documents through Resolution Professional to finalise the further line of action required for starting of the operation.
29. The directions embodied and period of implementation provided hereinabove shall be effective from the date of receipt of this Order.

SD/-

**CHANDRA BHAN SINGH
MEMBER (TECHNICAL)**

Date : 25.11.2019

JS

SD/-

**M.K. SHRAWAT
MEMBER(JUDICIAL)**