

INVITATION OF EXPRESSION OF INTEREST (EOI)

TO

**ENGINEERS INDIA LIMITED (EIL) OR OTHER SIMILAR CENTRAL PUBLIC SECTOR
ENTERPRISES (CPSEs)**

FOR

PROPOSED STRATEGIC DISINVESTMENT OF 100% SHAREHOLDING

OF

PROJECTS & DEVELOPMENT INDIA LIMITED (PDIL)

HELD BY

**The President of India through the Department of Fertilizers, Ministry of
Chemicals & Fertilizers**

(With transfer of management control)



Transaction Advisor to Department Of Investment & Public Asset Management (DIPAM), GoI

October 2017

DISCLAIMER NOTICE

Resurgent India Limited ("**Resurgent**" or "**Transaction Advisor**") has been retained as the advisor by the Government of India ("**Gol**") for advising and managing the proposed strategic disinvestment of Projects & Development India Limited (hereinafter referred to as "**PDIL**" or "**Company**"), pursuant to an agreement for engagement of advisor dated May 22, 2017 (aforesaid proposed strategic disinvestment hereinafter referred to as the "**Transaction**"). This invitation of Expression Of Interest (hereinafter referred to as the '**EOI**') has been prepared by Resurgent for the limited purposes of providing certain information on PDIL for enabling the recipients to be appraised of such certain basic details of PDIL prior to submission of their EOI in respect of the Transaction. This invitation of EOI is only for the use by entities classified by the Gol as Central Public Sector Enterprises (hereinafter referred to as the '**Interested Party(s)**' or "**IP(s)**"). Unless otherwise specified, the information contained herein is as on March 31, 2017, and may be subject to material updates, revisions or amendment. Neither Gol, the Company nor Resurgent, undertake to update this invitation of EOI. Resurgent has not independently verified any of the information and data contained herein. Neither the Gol, the Company nor Resurgent (nor any of their respective affiliates, subsidiaries, advisors and agents), (i) make any representations or warranties, express or implied, as to the accuracy, or completeness of such information and data, (ii) take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy, completeness, authenticity, correctness and fairness of the information or for any of the opinions contained in the invitation of EOI or for any errors or omissions or for any loss/damage be it tangible or intangible, howsoever arising, from the use of this invitation of EOI and (iii) take any responsibility or accept any liability for any other written or oral communications transmitted to the recipient by or on behalf of Company or Resurgent or Gol or any of their advisors in the course of your evaluation of any transaction involving the Company. Any liability or responsibility of Gol, the Company and Resurgent and their respective advisors is, therefore, expressly disclaimed. You should conduct your own investigation and analysis of the Company in connection with the Transaction.

The Gol reserves the right to change the procedures for pursuing the Transaction. The issue of this invitation of EOI does not imply that the Gol, Company or Resurgent are bound to select an Interested Party for the Transaction and the Gol and Resurgent reserve the right to reject all or any of the Interested Parties or their EOIs without communicating any reasons whatsoever.

This invitation of EOI may include certain estimates, projections, statements, targets and forecasts with respect to the Company/industry in which the Company operates and these are based on the various assumptions made by the management, officers or employees of the Company and/or Resurgent. Actual results may differ materially from these forward-looking statements due to various factors. You should note that past performance of the Company is not a guide for future performance of the Company. The summary of financial information has been obtained from the audited annual financial statements and may differ from the actual numbers to the extent of approximations or use of rounded numbers. Unless stated otherwise the industry data has not been independently verified by Resurgent, the Company, the Gol or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. The Gol, the Company, Resurgent and their respective advisors undertake no obligation to provide the recipient with access to any additional information or to update this invitation of EOI with additional information or correct any inaccuracies herein, which may become apparent. Each potential investor must seek its own advice from professionals for any matters pertaining to or relating to the Company or the Transaction or for evaluating the Transaction including with regard to legal, financial and taxation issues.

This invitation of EOI has been prepared for information purposes only, without any regard to specific objectives, suitability, financial situations and needs of any particular person and does not constitute any

recommendation and is not intended to be the basis for participating in the Transaction, and should not be construed as an offer or invitation for sale or the solicitation of an offer to buy, purchase or subscribe to any securities, if any, mentioned herein. The materials and information contained herein are made available upon the express understanding that you will use them only for the purpose set forth above.

This invitation of EOI has been prepared by Resurgent upon information available from public sources and from the Company, believed to be reliable to assist the recipients in making their own evaluation of PDIL and does not purport to be all-inclusive or to contain all of the information that may be material to the recipients' decision to enter into the Transaction.

The distributing/taking/sending/dispatching/transmitting of this document in certain jurisdictions other than the Republic of India may be restricted or prohibited by law of such jurisdiction and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. Publication of this invitation of EOI by any entity other than Resurgent or the GoI is strictly prohibited. The recipient shall be solely liable and responsible for any dissemination, distribution, transmission or reproduction of this invitation of EOI. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdictions for which the recipient shall be solely liable and responsible. It is recommended that this invitation of EOI not be disseminated, distributed, transmitted or reproduced. The logos and trademarks used in this presentation are owned by the respective owners and are used for representation purpose only without any explicit permission of the owners.

Unless stated otherwise, industry data used throughout this invitation of EOI has been obtained or derived from publicly available information as well as industry publications and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. The industry data has not been independently verified by the Resurgent, the Company, the GOI or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable.

This invitation of EOI is divided into chapters & sub-sections only for the purpose of reading convenience. Any partial reading of this invitation of EOI may lead to inferences, which may be at divergence with the conclusions based on the entirety of this invitation of EOI . Further, by accessing or reviewing a copy of this invitation of EOI, the recipient accepts the terms of this Notice, which forms an integral part of this invitation of EOI .

All acts, deeds and things done or caused or intended to be done, by GoI, the Company and Resurgent hereunder are based on and in reliance of your acceptance of the terms and conditions of this Disclaimer.

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Neither DIPAM nor DOF or PDIL shall be responsible in any manner to reply to such communication directly to IPs.

Abbreviations

Abbreviation	Meaning
CIM	Confidential Information Memorandum
CPSEs	Central Public Sector Enterprises
DIPAM	Department of Investment & Public Asset Management
DoF	Department of Fertilizers
EOI	Expression Of Interest
Gol	Government of India
IP(s)	Interested Party(s)
MoCF	Ministry of Chemical & Fertilizers
NDT	Non Destructive Testing
NDU	Non-Disclosure Undertaking
PDIL	Projects & Development India Limited
PIM	Preliminary Information Memorandum
Resurgent	Resurgent India Limited
RFP	Request For Proposal
TA	Transaction Advisor

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**Government of India
Ministry of Chemicals & Fertilizers
Department of Fertilizers**

Invitation for Expression of Interest (EoI) to Engineers India Limited (EIL) or other similar Central Public Sector Enterprises (CPSEs) for proposed strategic Disinvestment of 100% shareholding of Government of India in Projects & Development India Limited (PDIL).

The Government of India (GoI) intends to disinvest 100% shareholding of the Govt in Projects & Development India Limited (PDIL) through strategic sale with transfer of management control. PDIL is an ISO 9001:2015, OHSAS 18001:2007 and ISO/IEC 17020:2012 Certified public sector undertaking, under the administrative control of Department of Fertilizers, Ministry of Chemical & Fertilizers. PDIL was incorporated on March 7, 1978 and is engaged, inter alia, in providing engineering and consultancy services in design engineering and related project execution services from concept to commissioning of various projects. The GoI seeks interest of EIL or other similar CPSEs for acquisition of PDIL. The disinvestment process is to be implemented through physical open competitive bidding route. EoI are invited up to 09.11.2017 at 11.00AM. A copy of the Preliminary Information Memorandum (PIM) and invitation of Expression of Interest (EoI) are placed on the websites www.resurgentindia.com, www.dipam.gov.in, www.fert.nic.in, and www.pdilin.com. For more details, interest parties may visit the above websites and contact Transaction Advisor, Sh. Sudhir Chandi, Resurgent India Ltd, 903-906, 9th Floor, Tower-C, Unitech Business Zone, Sector-50, Nirvana Country, Gurugram-122018, Tel. +919911308123. In future, any amendments/extension in EOI will be uploaded on the above websites only.

SECTION 1: INTRODUCTION

1 INTRODUCTION

1.1 PDIL – INTRODUCTION

Projects & Development India Limited (“**PDIL**” or the “**Company**”) is a Miniratna Category-I* public sector undertaking under the administrative control of Department of Fertilizers, Ministry of Chemicals & Fertilizers, Government of India. PDIL is an ISO 9001:2015, OHSAS 18001:2007 certified and ISO/IEC 17020:2012 “Type-C†” accredited company primarily engaged in providing engineering and consultancy services in design, engineering and related project execution services from concept to commissioning of various projects. PDIL was incorporated on March 7, 1978 under the Companies Act, 1956 bearing corporate identity number U74140UP1978GOI028629 and commenced commercial operations upon transfer of business from the erstwhile Fertilizer Corporation of India Limited (FCIL). PDIL’s registered and corporate office is situated at PDIL Bhawan, A-14, Sector -1, NOIDA, Uttar Pradesh.

PDIL provides various project management and engineering consultancy including design, detail engineering, project management, procurement, environment management services and inspection & Non Destructive Testing (NDT) services. PDIL provides these services in the fields of fertilizer, oil & gas and refinery, chemicals, infrastructure, off-sites and utilities.

As of 31st March 2017, the paid up capital of PDIL is Rs. 17.2985 crores. GoI holds 100% of paid up share capital of PDIL. As of 30th September 2017, PDIL has 363 permanent and 116 contractual employees.

PDIL has three divisions/units located at Sindri. Environmental Engineering, Research & Development and a catalyst plant at Sindri that manufactures and supplies catalyst used in ammonia plants, hydrogen Plant & sulphuric Acid Plants. The land at Sindri is under possession of PDIL since 1978. The title of such land however, rests with FCIL and the same appears in the books of FCIL only. For the purpose of the Transaction, GoI has decided that the PDIL’s possession of the land at Sindri shall be handed over back to FCIL along with all the three divisions/units (catalyst plant, Environmental Engineering and R&D) and all the other infrastructure appurtenant thereto as per the Memorandum of Understanding (MoU) entered into between FCI and PDIL. The IPs are therefore, informed that the land at Sindri along with all the three divisions/units on such land and all the other infrastructure appurtenant thereto shall not be a part of this Transaction.

IP’s are advised to go through the Preliminary Information Memorandum (“**PIM**”) which forms an integral part of this invitation of EOI.

* The CPSEs which have made profits in the last three years continuously and have positive net worth (Please note that the Miniratna Category-I status was granted to PDIL on 9.11.2011. However, PDIL has not made profits in last 3 financial years ending on 2016-17)

† An Inspection body providing first party inspections, second party inspections, or both, which forms an identifiable but not necessarily a separate part of an organization involved in the design, manufacture, supply, installation, use or maintenance of the items it inspects and which supplies inspection services to its parent organization or to other parties or to both and meet the following requirements:

1. The inspection body shall provide safeguard within the organization to ensure adequate segregation of responsibilities and accountability between inspection and other activities.
2. The design/manufacture/supply/installation/servicing/maintenance and the inspection of the same item carried out by a Type C inspection body shall not be undertaken by the same person. An exception to this is where a regulatory requirement explicitly allows an individual person from a Type C inspection body to undertake both the design/manufacture/supply/installation/ servicing /maintenance and the inspection of the same item, as long as this exception does not compromise the inspection results.

Note: Inspections carried out by Type C inspection bodies cannot be classified as third party inspections for the same inspection activities because they do not meet the requirements of independence of operations for Type A inspection bodies.

1.2 PDIL – PROPOSED TRANSACTION

1.2.1 Broad terms of the Transaction

The Government of India, holding 100% of issued, subscribed and paid up share capital of PDIL, has 'in-principle' decided to disinvest 100.00% of its shareholding (held by the President of India through **DoF**) through Strategic Disinvestment with transfer of management control (“Strategic Disinvestment” or “Transaction”) to EIL or other similar Central Public Sector Enterprises (CPSEs). The GoI has also decided to hive-off all the three divisions/units (Catalyst plant, Environmental Engineering and R&D) at Sindri land and all the other infrastructure appurtenant thereto. The same is not being offered as part of the Transaction.

The Government of India acting through Department of Investment & Public Asset Management (DIPAM) has engaged Resurgent India Limited as Transaction Advisor for providing advisory services and managing the disinvestment process.

The process for the proposed Transaction has been divided into two stages, namely, Stage I and Stage II.

Stage I:

Through this invitation of EOI, the Transaction Advisor is providing the Interested Parties (IP’s) with instructions for submitting their EOIs to the Transaction Advisor, which would be used for evaluating and short listing the IPs in accordance with Eligibility Criteria and Disqualification conditions detailed in this invitation of EOI. Only shortlisted IP(s) will be allowed to participate in stage II subject to the IP entering into a Non-Disclosure Undertaking (NDU).

Stage II:

Based on an evaluation of the EOIs submitted, IPs if shortlisted will be provided with Request for Proposal (“RFP”), a Confidential Information Memorandum (CIM) and access to data room, which shall provide further details of PDIL and the proposed Transaction in terms of the RFP and subject to the IP entering into a NDU as enclosed in Annexure 5. The format, requisite Earnest Money Deposit (EMD), if any and other formalities related to the RFP will be communicated in due-course.

1.2.2 Contents of invitation to EOI

This invitation of EOI contains the following:

Section	Content
2	Eligibility Criteria for IP
3	Instruction For Submission of EOI
4	Conditions /Circumstances which may lead to Disqualification of IPs
Annexure: 1	Expression of Interest
Annexure: 2	Statement of Legal Capacity
Annexure: 3	Power of Attorney
Annexure: 4	Format for Request for Qualification
Annexure: 5	Non-Disclosure Undertaking
Annexure: 6	DIPAM Guidelines on qualification of bidders
Annexure: 7	Declaration regarding status of CPSE

IP’s are advised to go through the Preliminary Information Memorandum (“**PIM**”) which forms an integral part of this invitation of EOI.

SECTION 2: ELIGIBILITY CRITERIA

2 ELIGIBILITY CRITERIA

The eligibility criteria for the Interested IPs are as follows:

- 2.1** EIL or other similar Central Public Sector Enterprises (CPSEs)[‡] (“Interested Parties” or “IPs”) are eligible to participate in the Transaction.
- 2.2** IPs shall be in existence for at least 5 financial years as on 31.03.2017
- 2.3 Financial Capacity:**
- a) IP should have a minimum Net Worth[§] of **Rs. 250 Crore** as on 31st March 2017.
- b) IPs must be in profits^Σ (profit after tax) in any 3 out of the last 5 financial years preceding the EOI Due Date.

Note:

IP shall submit the following documentary evidence in support of clause 2.1, 2.2 & 2.3

1. For clause 2.1 & 2.2

IP’s charter documents defining the constitution of the IP such as Memorandum of Association (MoA), Article of Association (AoA), Certificate of Incorporation (CoI) & commencement of business.

2. For clause 2.3

Statutory auditor’s certificate certifying the Net Worth as on 31st March 2017 along with methodology for calculating the Net Worth and annual reports of each of immediately preceding five financial years.

[‡] **CPSEs definition:** The Public Enterprises Survey traditionally covers, besides statutory corporations, those Government companies wherein more than 50 % equity is held by the Central Government. The subsidiaries of these companies, if registered in India, wherein any CPSE has more than 50% equity are also categorized as CPSEs. (Source: Department of Public Enterprise)

[§] Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation. (Source: Companies Act 2013)

Net worth shall be calculated on the basis of the audited financial statements of an IP as on 31st March 2017. In case the annual accounts of an IP for the financial year ending on 31st March 2017 are not audited then the IP shall submit a certificate from its statutory auditor certifying the Net Worth as at close of such financial year along with the methodology used for calculating such Net Worth

^Σ IP shall submit a certificate from its statutory auditor certifying profit after tax for the 3 years claimed as profitable out of 5 years preceding the EOI due date.

SECTION 3: INSTRUCTIONS FOR SUBMISSION OF EOI

3 INSTRUCTION FOR SUBMISSION OF EOI

- 3.1** This invitation of EOI along with annexures can be viewed or downloaded from • www.resurgentindia.com • www.dipam.gov.in • www.fert.nic.in • www.pdilin.com. Following receipt of invitation of EOI, IPs are required to respond in the format as detailed in this invitation of EOI along with payment of **non-refundable fees of Rs. 1,00,000/- (Rupees one lakh only)**
- 3.2** The non-refundable fees shall be deposited by the IPs either by way of a demand draft or through electronic mode in the designated account as per the details given hereunder:
- (a) Name of the Account: Resurgent India Ltd.
 - (b) Account number: 50200026623672
 - (c) IFS code: HDFC0003634
 - (d) Name of the Bank: HDFC Bank
 - (e) Branch: Unitech Business Zone, Nirvana Country, Sector-50, Gurgaon-122018, Haryana
 - (f) Swift code: HDFCINBB
- 3.3** IPs shall have satisfied themselves of their queries before participating in the proposed Transaction. Gol, Transaction Advisor and PDIL reserve the right not to respond to questions raised or provide clarifications sought, in their sole discretion. Nothing in this document shall be taken or read as compelling or requiring the Gol, Transaction Advisor and/or PDIL to respond to any question or to provide any clarification. No extension of any time and date referred to in this invitation of EOI shall be granted on the basis or grounds that the Gol or Transaction Advisor or PDIL have not responded to any question/ provided any clarification.
- 3.4** EOIs are liable to be rejected by Gol/Transaction Advisor if IPs fail to meet the eligibility criteria as specified in section titled 'Eligibility Criteria' and/or are disqualified in accordance with the conditions specified in section titled 'Disqualifications' in this invitation of EOI or for any other reason deemed fit, or even without communicating any reason whatsoever.
- 3.5** Gol reserves the right to withdraw from the Transaction, to accept or reject any or all EOIs at any stage of the Transaction and/modify the process or any part thereof or to vary any terms at any time without communicating any reason whatsoever. In such an event no financial obligation whatsoever shall accrue to Gol, the Company, the Transaction Advisor or any of their respective officers, employees, advisors or agents.
- 3.6** At any time prior to the EOI Due Date for submission of EOI, Gol may, for any reason, whether at its own initiative or in response to clarifications requested by any IP, modify the invitation of EOI by the issuance of addendum.
- 3.7** The Gol reserves the right to additionally seek any documents, information, indemnities, warranties, representations or performance obligations from the IPs or any of their related entities to Gol's sole satisfaction without any liability to the Transaction Advisor, Gol and PDIL.
- 3.8** Details regarding the process post short-listing based on the EOIs submitted will be subsequently shared with the shortlisted IPs in the RFP.
- 3.9** Subsequently, a site visit (cost of which will be borne by the IPs) may be scheduled to facilitate the shortlisted IPs in their assessment of PDIL at the discretion of the Gol. The modalities related to the visit and due diligence will be communicated to the shortlisted IPs in due course.

3.10 All costs associated with the preparation and submission of the EOI, due diligence, site visits (if any) will be borne by the respective IP. The Transaction Advisor/Gol shall not, under any circumstances be responsible or liable for any such costs, whether direct, incidental or consequential

3.11 The shortlisted IPs shall carry out their own due diligence, surveys, investigations, examination independent assessment and appraisal of PDIL and the Transaction before submitting the EOI. The Gol/PDIL/Transaction Advisor or their respective consultants, agents, officials, advisors and employees make no representations, in relation thereto shall not be liable in any manner whatsoever. The IPs shall bear all costs associated with the due diligence, preparation and submission of the EOI. PDIL, Gol and Transaction Advisor shall not, under any circumstances be responsible or liable for any such costs, whether direct, incidental or consequential

3.12 Format and Signing of EOI

The IP shall provide all the information sought in this invitation of EOI. The Transaction Advisor will evaluate only those EOIs that are received in the required formats and complete in all respects.

The EOI shall be typed and signed in indelible blue ink by the authorised signatory of the IP. The IPs shall submit the EOI by mentioning the page number on each document and to be submitted in sequence specified in clause 3.13.

The EOI and all related correspondence and documents in relation to the EOI shall be in English language.

All the alterations, omissions, additions or any other amendments made to the EOI shall be initialled by the person(s) signing the EOI.

3.13 Documents comprising the EOI.

(i). The IP shall submit the EOI in hard bound. The EOI must be signed by a duly authorized representative of the IP. The IP shall also be required to submit a Power of Attorney (in the form enclosed in Annexure 3 authorizing the signatory of the EOI to commit the IP.

(ii). The contents of EOI shall be as under:

S. No	Documents
1.	Proof of payment of Rs. 1,00,000/- (Rupees one lakh only) towards non-refundable fees
2.	Annexure: 1- Expression of Interest.
3.	Annexure: 2- Statement of Legal Capacity.
4.	Annexure: 3- Power of Attorney.
5.	A certificate duly signed by Company Secretary/ any other officer in charge of legal affairs, for eligibility to participate in the proposed Transaction.
6.	A certificate duly signed by Company Secretary/ any other officer in charge of legal affairs, for shareholding pattern.
7.	Statutory auditor’s certificate certifying the Net Worth as on 31 st March 2017 as defined in the Eligibility criteria along with a detailed calculation of the Net Worth. In case the annual accounts of an IP for financial year ending on 31 st March 2017 are not audited then the IP shall submit a certificate from its statutory auditor certifying the Net Worth as at close of such financial year along with the methodology used for calculating such Net Worth.
8.	Annexure: 4- Form for Request for Qualification by IP along with supporting documents.
9.	Annexure: 7- Declaration regarding status of CPSE.

10.	Audited financial statements and annual reports for the immediately five preceding financial years.
11.	A certified true copy of Memorandum of Association, Articles of Association, Certificate of Incorporation, Certificate of Commencement of Business.

3.14 Submission of EOI

- (i). The documents listed at clause 3.13 shall be placed in an envelope, which shall be sealed. The envelope shall clearly bear the identification **“EOI for proposed strategic disinvestment of 100% shareholding of PDIL held by the President of India”** and shall clearly indicate the name and address of the IP. In addition, the EOI Due Date should be indicated on the right hand top corner of the envelope.
- (ii). The envelope shall be addressed to the following officer and shall be submitted at the respective address:

Sudhir Chandi
Sr. Vice President
 Resurgent India Limited
 903-906, 9th Floor, Tower-C,
 Unitech Business Zone, Sector-50,
 Nirvana Country, Gurugram-122018, Haryana
 Tel: 0124-4754550
 Mob: + 91 99113 08123
 pdildisinvestment@resurgentindia.com
- (iii). If the envelope is not sealed and marked as instructed above, the GOI/Transaction Advisor assumes no responsibility for the misplacement or premature opening of the contents of the EOI submitted and consequent losses, if any, suffered by the IP. Any submission made shall be rejected if it is not marked as per the instructions mentioned in this invitation of EOI.
- (iv). EOI submitted by fax, telex, or e-mail shall not be entertained and shall be summarily rejected
- (v). All enquiries related to the Transaction should be addressed to the representative of Transaction Advisor mentioned above.

3.15 Bidding schedule

Sl. No.	Event Description	Date
1.	Invitation of EOI (Advertisement)	13.10.2017
2.	Start Date of receiving queries. Through email: pdildisinvestment@resurgentindia.com	13.10.2017
3.	Last date for receiving queries Through email: pdildisinvestment@resurgentindia.com	26.10.2017
4.	Transaction Advisor response to queries in the form of FAQ latest by (To be uploaded on website)	2.11.2017
5.	Last date of submission of EOI	9.11.2017 at 1100 hours
6.	Opening of EOI	9.11.2017 days at 1500 hours

Notes:

1. Opening of EOI shall not be construed as shortlisting of IPs.
2. GoI, Company and the Transaction Advisor shall bear no responsibility for non-receipt of EOIs/any other correspondence sent by post/e-mail/courier/fax.

3.16 Approvals

The IP shall be responsible for obtaining all the applicable approvals to complete the Transaction within a specified time limit. For the purpose of this Transaction, the IP shall ascertain the applicability and implication of all laws pertaining to the Transaction and shall ensure compliance with all the applicable laws.

3.17 Late EOIs

Submission of any EOI after the prescribed date and time at Clause 3.14 shall not be considered and the EOI shall be summarily rejected.

3.18 Substitution/ withdrawal of EOI

The IP may substitute or withdraw its EOI after submission prior to the EOI Due Date. No EOI can be substituted or withdrawn by the IP on or after the EOI Due Date & Time.

3.19 Evaluation of EOI.

The Transaction Advisor will subsequently examine and evaluate the EOIs in accordance with the provisions of invitation of EOI.

3.20 Rejection of EOI

- (i) Notwithstanding anything contained in this invitation of EOI, the GoI reserves the right to reject any or all EOIs on the grounds of national interest, national security, public interest or any other grounds without communicating any reasons thereof and without any liability or any obligation for such rejection.
- (ii) The GoI may also annul the EOI process and/or reject all EOIs at any time without any liability or any obligation for such acceptance, rejection or annulment, and without communicating any reasons thereof. In the event that the GoI rejects or annuls all the EOIs, it may, in its discretion, invite fresh EOIs hereunder.
- (iii) The GoI reserves the right not to proceed with the EOI Process at any time, without notice or liability, and to reject any EOI without communicating any reasons.

3.21 Validity of EOI

The EOIs shall be valid for a period of not less than **180 (one hundred and eighty) days** from the EOI Due Date. The validity of EOIs may be extended at the discretion of the GoI.

3.22 Confidentiality

Information relating to the examination, clarification, evaluation and recommendation for the IPs shall not be disclosed to any person who is not officially concerned with the process or is not a retained professional advisor advising the GoI in relation to, or matters arising out of, or concerning the EOI process. The Transaction Advisor will treat all information, submitted as part of the EOI, in confidence and will require all those who have access to such material to treat the same in confidence. The Transaction Advisor shall not divulge any such information unless it is directed to do

so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/ or the Gol or as may be required by law or in connection with any legal process.

- 3.23** The completed forms, “Annexures” of the EOI shall be considered as part of the contract documents in the case of successful bid.
- 3.24** All financial statements or data to be derived therefrom referred herein shall mean on a consolidated basis and where consolidated financial statements are not required to be prepared by the entity, such financial statements or data derived therefrom shall mean on a standalone basis. However, for the purpose of determining Financial Capacity of the IP, standalone financial statements of the IP shall be considered.
- 3.25** The detailed terms specified in the definitive agreements shall have overriding effect; provided, however, that any conditions or obligations imposed on the IP hereunder shall continue to have effect in addition to its obligations under the definitive agreements.
- 3.26** Any condition or qualification or any other stipulation contained in the invitation of EOI shall render the EOI liable to rejection as a non-responsive EOI.
- 3.27** The documents including this invitation of EOI and all attached documents are and shall remain or become the properties of the Gol and are transmitted to the IPs solely for the purpose of preparation and the submission of an EOI in accordance herewith. IPs shall not use such documents/information for any purpose other than for preparation and submission of their EOI.
- 3.28** A draft of the Non-Disclosure Undertaking (NDU) has been provided in Annexure 5. Shortlisted IPs shall be required to execute the NDU before they can be provided with CIM, access to data room and the RFP.
- 3.29** The IPs shall provide certificates, undertakings, Earnest Money Deposit (EMD) if so required by the GOI or such similar documents for such amounts and on such terms and conditions prior to submission of the financial bid in Stage II as may be informed by the Gol.
- 3.30** The Gol, PDIL and the Transaction Advisor shall not be liable for any omission, mistake or error in respect of any of the above or on account of any matter or thing arising out of or concerning or relating to the invitation of EOI including any error or mistake therein or in any information or data given by the Transaction Advisor.
- 3.31** The Gol and the Transaction Advisor reserve the right to verify all statements, information and documents submitted by the IP in response to the EOI and the IP shall, when so required by the Gol/Transaction Advisor, make available all such information, evidence and documents as may be necessary for such verification. Any such verification or lack of such verification, by the Gol/Transaction Advisor shall not relieve the IP of its obligations or liabilities hereunder nor will it affect any rights of the Gol/Transaction Advisor thereunder.
- 3.32** Governing Law / Jurisdiction: The Transaction and all matters incidental thereto shall be governed by the laws of India. All disputes arising out of the Transaction shall be subject to the exclusive jurisdiction of the courts at New Delhi.

SECTION 4: DISQUALIFICATIONS

4 DISQUALIFICATIONS

1. The GoI/Transaction Advisor shall not consider for the purpose of qualification, any EOI which has been found to be incomplete in content or attachments or authenticity or legal capacity.
2. Without prejudice to any other rights or remedies available to GOI, the GoI / Transaction Advisor reserves the right to disqualify any IP and exclude its EOI from further consideration for any of the following reasons including without limitation those listed below:
 - a. Misrepresentation/false statement is made by the IP in the EOI, at any stage of the Transaction, whether in the EOI, the financial bid, supporting documentation or otherwise and whether written or oral.
 - b. if the EOI submitted by the IP is in any respect inconsistent with, or demonstrate any failure to comply with, the provisions of the invitation of EOI.
 - c. Failure by IP to provide necessary and sufficient information required to be provided in accordance with the EOI.
 - d. The IPs not satisfying the eligibility and requisite qualification criteria specified in this invitation of EOI and hence not eligible.
 - e. Failure by the IP to comply with any reasonable requests of the GoI and/or the Transaction Advisor in relation to the Transaction.
 - f. If it is discovered at any time that an IP is subjected to winding up/insolvency/bankruptcy or other proceedings of a similar nature.
 - g. Non fulfillment of any other condition as listed in the EOI including breach of Non-Disclosure Undertaking.
 - h. Any condition or qualification or any other stipulation inserted by the IP contained in the EOI shall render the EOI liable to rejection.
 - i. If the IP does not satisfy any of the requirements as may be issued by the GoI by way of notifications / issue of guidelines / circulars or such similar notifications from time to time including any conditions of disqualifications the EOI submitted by such IP shall be disqualified.
 - j. Initiation or existence of any legal proceedings, by or against the IP in respect of the Company, which proceeding may be prejudiced by the participation of the IP in the selection process or the Transaction;
 - k. Submission of more than one (1) EOI by any IP in which case, all such EOIs shall be rejected.
3. If any information becomes known after the IP has been qualified to receive the CIM/access to data room and RFP, which information would have entitled the GoI /Transaction Advisor to reject or

disqualify the EOI of relevant IP, the GoI /Transaction Advisor reserves the right to reject the IP at the time or at any time after such information becomes known to the GoI /Transaction Advisor.

4. Any IP who does not satisfy the requirements of eligibility or is disqualified under the Eligibility Guidelines. The GoI has issued guidelines for disqualification of bidders seeking to acquire any public sector enterprises through the process of disinvestment vide Department of Disinvestment OM No.6/4/2001 – DD-II dated 13th July 2001, and clarification issued on 10th January 2002, as may be modified from time to time (“Eligibility Guidelines”). A copy of the Eligibility Guidelines is enclosed as Annexure 6.
5. In addition to the eligibility of the IP as per the criteria mentioned in this invitation of EOI as on EOI due date, the IP must continue to be eligible throughout until the consummation of the Transaction.
6. Notwithstanding anything contained in this Invitation of EOI, the GoI reserves the right to reject all the EOIs and to annul the EOI process at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof. In the event that the GoI rejects or annuls all the EOIs, it may, in its discretion, invite all eligible IBs to submit fresh EOI hereunder.

The GoI /Transaction Advisor determination that one or more of the events specified in this section has occurred shall be final and conclusive.

ANNEXURE 1: EXPRESSION OF INTEREST

(To be typed on the letterhead of the IP submitting the EOI)

Reference No. _____

Date _____

To,
Mr. Sudhir Chandi
Sr. Vice President
Resurgent India Limited
903-906, Unitech Business Zone,
Tower C, Nirvana Country,
Sector 50, Gurugram, Haryana - 122018

Sub: INVITATION OF EXPRESSION OF INTEREST FOR STRATEGIC DISINVESTMENT OF 100% STAKE HELD BY GOVERNMENT OF INDIA IN PROJECTS & DEVELOPMENT INDIA LIMITED (“PDIL”) THROUGH SALE OF EQUITY SHARES TO CPSE

Sir,
This is with reference to the advertisement dated _____ (“**Advertisement**”) inviting Expression Of Interest (EOI) for Sale of such number of shares representing hundred percent (100%) of the equity share capital of PDIL, a company registered under the Companies Act, 1956 having its registered office at PDIL Bhawan, A-14, Sector -1, NOIDA, Uttar Pradesh. (“**Strategic Disinvestment**”)

Being duly authorized to represent and act on behalf of _____ (hereinafter referred to as the “Interested Party”), and having reviewed and fully understood all of the qualification requirements and information provided, the undersigned hereby expresses the Interested Party’s interest for bidding for the Strategic Disinvestment.

We have read and understood the contents of the Advertisement, Preliminary Information Memorandum (“**PIM**”) and the Expression Of Interest (“**EOI**”) and are desirous of participating in the Strategic Disinvestment, and for this purpose confirm and undertake as follows:

1. We propose to submit our EOI as _____** (insert name of interested party) having its registered office/residence at _____(insert registered address of interested party)
2. We understand that 100 % equity stake of PDIL is proposed to be divested and we are interested in bidding for the same.
3. We satisfy the eligibility criteria detailed in the Advertisement and the EOI.
4. We confirm and represent that the EOI is complete and accurate in all respects and represent that we have the requisite authorisation to submit the EOI.

** All blank spaces shall be suitably filled up by the Interest Party to reflect the particulars relating to such Interest Party.

5. In the event we are attracted by any of the disqualifications in terms of the EOI during the pendency of the process of Strategic Disinvestment, owing to change in facts or circumstances, we undertake to immediately intimate the Transaction Advisor.
6. We acknowledge the right of the GoI /Transaction Advisor to reject our EOI without communicating any reason or otherwise and hereby waive, to the fullest extent permitted by applicable law, our right to challenge the same on any account whatsoever.
7. We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the GoI/Transaction Advisor in connection with the shortlisting and subsequent selection of the Interested Party, or in connection with the EOI process itself and the terms and implementation thereof.
8. We certify that in terms of the EOI, our Networth as on 31st March 2017 is Rs. (Rs. in words).
9. The Statement of Legal Capacity and Form for Request for Qualification as per formats given in Annexure 2 and Annexure 4 respectively of EOI, duly signed by us are enclosed.
10. We further understand that the information and data received by us for this transaction is confidential and shall not be divulged or disclosed or reproduced or disseminated, in whole or part, to any person or entity except to our directors, officers, employees and professional advisers who need to know the information for the purpose of evaluating the transaction. We shall use the confidential information only for the purpose of the proposed Transaction.

Sincerely

_____ (Signature of Authorised Signatory)
_____ (Name of Authorised Signatory)
_____ (Designation of Authorised Signatory)
_____ (Name of the Interested Party)

ANNEXURE 2: STATEMENT OF LEGAL CAPACITY

(To be typed on the letterhead of the IP submitting the EOI)

Reference No. _____

Date _____

To,
Mr. Sudhir Chandi
Sr. Vice President
Resurgent India Limited
903-906, Unitech Business Zone,
Tower C, Nirvana Country,
Sector 50, Gurugram, Haryana - 122018

Sub: INVITATION OF EXPRESSION OF INTEREST FOR DISINVESTMENT OF 100% STAKE HELD BY GOVERNMENT OF INDIA IN PROJECTS & DEVELOPMENT INDIA LIMITED ("PDIL") THROUGH SALE OF EQUITY SHARES TO CPSE.

Sir,

This is with reference to the advertisement dated [●] ("**Advertisement**") inviting Expression Of Interest ("**EOI**") for strategic disinvestment of such number of shares representing hundred percent (100%) of the equity share capital of PDIL, a company registered under the Companies Act, 1956 having its registered office at PDIL Bhawan, A-14, Sector -1, NOIDA, Uttar Pradesh ("**Strategic Disinvestment**").

Being duly authorized to represent and act on behalf of _____ (hereinafter referred to as the "**Interested Party**"), and having reviewed and fully understood all of the qualification requirements and information provided, the undersigned hereby expresses the Interested Party's interest for bidding for the Strategic Disinvestment.

We have read and understood the contents of the Advertisement, Preliminary Information Memorandum ("**PIM**") and the Expression Of Interest dated [●] ("**EOI**") and are desirous of participating in the Strategic Disinvestment and confirm and undertake as follows:

1. We are interested in bidding for the Strategic Disinvestment of such number of shares representing hundred percent (100%) of the equity share capital of PDIL.
2. We have examined in detail and have understood the terms and conditions and eligibility criteria stipulated in the Advertisement and the EOI and we satisfy the eligibility criteria stipulated in the Advertisement and the EOI.
3. We have agreed that [●] (insert name and designation of individual) will act as our representative and has been duly authorised to submit the EOI ("**Representative**").
4. The Representative is vested with the requisite power and authority to furnish this letter and Form A along with all the documents to be submitted pursuant to the EOI and authenticate the same.

Sincerely

_____ (Name of the Interested Party)
_____ (Authorised Representative and Signatory)
_____ (Name of the Person)
_____ (Designation of Authorised Signatory)

ANNEXURE 3: POWER OF ATTORNEY

Power of Attorney for signing of EOI

To all to whom these presents shall come, We..... (name of the entity) having our registered office at _____ (address of the registered office) do hereby exclusively, unconditionally and irrevocably constitute, nominate, appoint and authorize Mr./Ms. (name),.....son/daughter/wife of and presently residing at, who is presently employed with us and holding the position of, as our true and lawful attorney (hereinafter referred to as the "Attorney") to do in our name and on our behalf, to do, execute, and perform all such acts, agreements, deeds, matters and things as are necessary or required in connection with or incidental to submission of our application for qualification for the proposed Strategic Disinvestment of shares held by Government of India including but not limited to signing and submission of all applications, participate in and providing information/ responses to GoI/Transaction Advisor and generally dealing with Transaction Advisor/PDIL/GoI in all matters in connection with or relating to or arising out of our application for qualification for the Transaction (as defined in the invitation of EOI dated ____) issued by Resurgent India Limited.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things done or caused to be done by the Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by the Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us concerning or touching these presents as fully and effectually as if we were present and had done, performed or executed the same itself.

All the terms used herein but defined shall have the meaning ascribed to such terms in the EOI.

IN WITNESS WHEREOF WE, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF

.....

(Signature, name, designation and address)

In the presence of:

- 1.
- 2.

Accepted

Name, Title and Address of the Attorney)

(To be duly notarized)

Notes:

- 1. The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure. The power of attorney shall be appropriately stamped and notarized.*
- 2. The IP should submit for verification the extract of the charter documents and documents such as a board or shareholders' resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the IP.*
- 3. For a Power of Attorney executed and issued overseas, the document will also have to be legalized by the Indian Embassy and notarized in the jurisdiction where the Power of Attorney is being issued. However, the Power of Attorney provided by IPs from countries that have signed the Hague Legislation Convention 1961 are not required to be legalized by the Indian Embassy if it carries a conforming Apostille certificate.*

ANNEXURE 4: FORM FOR REQUEST FOR QUALIFICATION

(To be typed on the letterhead of the Interested Party submitting the EOI)

Reference No. _____

Date _____

To,
 Mr. Sudhir Chandi
 Sr. Vice President
 Resurgent India Limited
 903-906, Unitech Business Zone,
 Tower C, Nirvana Country,
 Sector 50, Gurugram, Haryana - 122018

S. No.	Particulars	Details
1.	Name of the interested Party	
2.	Constitution (Tick, wherever applicable) i. Public Limited Company ii. Statutory Corporation iii. Others, if any (please specify)	
3.	Memorandum and Articles of Association	
4.	A certificate duly signed by Company Secretary/ any other officer in charge of legal affairs, stating that Interested Party is eligible to participate in the proposed Sale in terms of Clause _____ of its Memorandum and Articles of Association/ _____ (name of Document of Constitution as may be applicable). (specific provision may be reproduced in certificate).	
5.	A certificate duly signed by Company Secretary/ any other officer in charge of legal affairs, stating that Interested Party does not attract disqualification vide Office Memorandum No. 6/4/2001-DD-II dated 13.07.2001 issued by DIPAM, as may be modified from time to time, (Guidelines for qualification of Bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment	
6.	Basis of eligibility for participation in the process (please mention basis and attach supporting documents):	
7.	Details of Shareholding pattern of the IP.	
8.	Audited Annual Reports of immediately preceding five financial years (including audited financials with profit and loss statement, balance sheet and cash flow statement and the annual report). In case the annual accounts of an IP for financial year ending on 31 st March 2017 are not audited then the IP shall submit a certificate from Statutory Auditor certifying the Net Worth as at close of such financial year along with the methodology used for calculating such Net Worth.	
9.	Nature of business/products dealt with	
10.	A profile containing information on Company/Group's area of operations	
11.	List of board of directors along with an overview of the IP's senior management and	

INVITATION OF EOI FOR DISINVESTMENT OF 100% EQUITY SHAREHOLDING OF PDIL

	organization structure certified by the company secretary of the IP	
12.	Summary of the roles and responsibilities of the directors and key management personnel of the IP certified by the company secretary of the IP	
13.	Brief write up of the IP's of their international operations, joint ventures / alliances (whether international or domestic), nature and size of such operations, equity ownership and copies of audited annual accounts.	
14.	The names and addresses of those companies and the professional firms, if any, who are (or will be) advising the IP, together with the names of the principal individual advisors at those companies and firms.	
15.	Date & Place of incorporation	
16.	Date of commencement of business	
17.	Full address including phone No., fax No., email address	
	i. Registered Office	
	ii. Head Office	
	iii. Branches	
18.	Detail of Contact Person	
	i. Name	
	ii. Designation	
	iii. Company	
	iv. Address	
	v. Telephone Number	
	vi. E-Mail Address	
	vii. Fax Number	
19.	Salient features of financial performance for the last three years	
20.	Statutory Auditor's certificate certifying the Net Worth as on 31 st March 2017 as defined in the Eligibility criteria along with methodology for calculation of Net Worth.	
21.	Statutory Auditor's certificate certifying profit after tax for the 3 years claimed as profitable out of 5 years preceding the EOI due date.	
22.	Please provide details of all contingent liabilities that, if materialised, would reasonably be expected to have a material adverse effect on the business, operations (or results of operations), assets, liabilities and/or financial condition of the Company, or other similar business combination or sale.	
23.	A detailed statement showing contractual disputes and litigation/ arbitration in the recent past along with parties and amount involved in such disputes and litigation/ arbitration.	

Sincerely

Authorised Signatory
For and on behalf of the (IP)

Note: Please follow the order adopted in the format provided. If the Interested IP is unable to respond to a particular question/ request, the relevant number must nonetheless be set out with the words 'No response' against it.

ANNEXURE 5: NON-DISCLOSURE UNDERTAKING

[ON RS. 1000 STAMP PAPER]

This **NON DISCLOSURE UNDERTAKING** ("**Undertaking**") is made on this [●] day of [●], 2017.

BY

[●], a company incorporated under the Companies Act, [1956/2013] bearing corporate identification number [●] and having its registered office at [●] (the "**IP**");

IN FAVOUR OF:

The **President of India**, represented by and acting through the Ministry of Chemicals and Fertilizers at Shastri Bhawan New Delhi - 110001 (India) (the "**Administrative Ministry**");

Projects & Development India Limited, a company incorporated under the Companies Act, 1956, having its office at PDIL Bhawan, A-14, Sector -1, NOIDA, Uttar Pradesh (the "**PDIL**"), which expression shall unless repugnant or contrary to the context or meaning thereof include its successors and assigns; and

The **Entities** whose names are listed in clause 1 (hereinafter referred to as "**Advisors**")

WHEREAS:

- A. The IP (as defined hereinafter) has submitted an Expression Of Interest for participation in the proposed Strategic Disinvestment by Department of Fertilisers ("**DoF**"), Ministry of Chemicals and Fertilisers ("**MoCF**") of 100 percent of the equity shares of the Company held by the President of India in PDIL (the "**Transaction**") and has been shortlisted as a "Qualified Interested Party"; and
- B. In the context of the IP's interest in the Transaction, the Disclosing Party (as defined hereinafter) may disclose Confidential Information (as defined hereinafter) to the Receiving Party (as defined hereinafter) to enable the IP to evaluate the Transaction.

NOW, THEREFORE, in consideration for receiving the Confidential Information, the IP hereby executes this Undertaking and undertakes, represents, warrants, covenants and agrees to the terms and conditions contained herein:

1. In this Undertaking (including the recitals);

"**Advisors**" means, collectively, Resurgent India Limited, RBSA Valuation Advisors LLP and M/s. Crawford Bayley & Co.

"**Confidential Information**" means and includes any and all facts, knowledge, information, documents and materials whether written or otherwise, concerning the business, operations, prospects, finances, or other affairs of PDIL, its affiliates, associates or subsidiaries (which includes, without limitation, documents delivered in connection with due diligence, investigation, information relating to the existing business of PDIL and new businesses (if any) proposed to be undertaken by PDIL, market and company-specific data, agreements related to its business including know-how and technology agreements, agreements relating to

licence to use intellectual property rights, graphs, drawing, past, current, and planned research and development, current and planned marketing or distribution methods and processes, customer lists, current and anticipated customer requirements, price lists and other end-user pricing related information, market studies, computer software and programs, database technologies, systems, structures and architectures, historical financial statements, activities, products, specifications, data, know-how, compositions, designs, sketches, photographs, business plans, financial projections and budgets, historical and projected sales, capital spending budgets and plans, current or prospective financing sources, the names and backgrounds of personnel, personnel training techniques and materials, reports relating to PDIL's operations prepared by external consultants which are proprietary to the PDIL or the DoF or the Administrative Ministry), and any information memorandum /or draft /final offer document, request for proposal, drafts of shareholders and share purchase agreements or other materials prepared in connection with the Transaction, howsoever documented, that has been or may hereafter be provided or shown to the Receiving Party by the Disclosing Party or is otherwise obtained from review of the Disclosing Party's documents or property or discussions with the Disclosing Party by the Receiving Party irrespective of the form of the communication, and also includes all notes, analyses, compilations, studies, summaries, and other material prepared by the Receiving Party containing or based, in whole or in part, on any information included in the foregoing.

Notwithstanding the foregoing, the following information will not constitute "Confidential Information" for purposes of this Undertaking:

- (a) Information which the IP can prove was already in the possession of the Receiving Party and was available to the Receiving Party on a non-confidential basis prior to its disclosure to the Receiving Party by the Disclosing Party;
- (b) Information which is obtained by the Receiving Party from a third Person who, insofar as is known to the Receiving Party, is not prohibited from disclosing the information to the Receiving party under a contractual, legal or fiduciary obligation to the Disclosing Party; and
- (c) Information which is or becomes generally available to the public otherwise than as a result of a breach of this Undertaking by the Receiving Party.

The decision of the Government and/or PDIL on whether any information qualifies within the exceptions in (a), (b) and (c) above shall be final, conclusive and binding.

"**Disclosing Party**" means the Advisors, PDIL, the Administrative Ministry, the GOI, other Governmental Authority and/or their respective Representatives, whether jointly or severally.

"**Governmental Authority**" means any governmental or regulatory authority, government ministry or department in India or other rule or regulation making entity having jurisdiction or acting on behalf of the Republic of India or any political subdivision thereof.

"**Receiving Party**" means the IP and/or their respective Representatives, whether jointly or severally.

"**Representative(s)**" of any Person includes the directors, officers, employees, agents, consultants, advisors, lenders for financing of this Transaction or other representatives, including legal counsel, accountants and

financial advisors of such Person and also includes the Representatives of the Representatives of any Person.

"Person" means any individual, company (including PDIL and the Advisors), firm, association, trust, or any other organization or entity (including the Government and any governmental or political subdivision).

2. The Confidential Information disclosed by the Disclosing Party to the Receiving Party, or acquired by the Receiving Party in the course of any studies conducted by the Receiving Party, will be received and treated by the Receiving Party as strictly confidential, subject to its obligations contained herein, and the Receiving Party shall not, without PDIL's as well as the Government's prior written consent or as expressly permitted herein, directly or indirectly disclose to any other Person, or use or allow others to disclose or use, the Confidential Information.
3. The Receiving Party will use the Confidential Information only to evaluate the Transaction and to decide whether or not the IP wishes to proceed with the Transaction and not for any purpose other than the Transaction and the Receiving Party will not directly or indirectly use the Confidential Information for any other purpose or in any way detrimental to the Disclosing Party.
4. In consideration of the Disclosing Party providing the Receiving Party with Confidential Information, by the IP's execution of this Undertaking, the IP, for itself and on behalf of all other Receiving Party, agrees that all of the Confidential Information shall be held and treated by the Receiving Party in strict confidence. The IP agrees (a) to disclose Confidential Information only to its Representatives who need to know the Confidential Information for the purposes of an evaluation of the Transaction and each such Representative of the IP will be informed and advised in writing by the IP of the confidential nature of such information and the contents of and the obligations under this Undertaking and (b) to satisfy itself that each such Representative of the IP will hold and treat the Confidential Information in confidence and act in accordance therewith. The IP agrees that the Confidential Information shall not, without PDIL's as well as the Government's prior written consent, be disclosed by the IP and/or Representative of the IP, in any manner whatsoever, in whole or in part, to any third Person, and shall not be used by the IP or Representative of the IP other than in connection with an evaluation of the Transaction.

The IP recognises and acknowledges the competitive value and confidential nature of the Confidential Information and the possible resultant impact to PDIL and the Government if the Confidential Information is disclosed or allowed to be disclosed to an unauthorised party or used for any purpose other than evaluating the Transaction. The IP acknowledges and agrees that it is imperative that all Confidential Information remains confidential.

The IPs, before disclosing any of the Confidential Information to any of its Representative(s) shall ensure that its Representative(s) have read and understood this Undertaking and have agreed in writing to be bound by the terms and conditions contained herein.

Notwithstanding any agreement or undertaking, the IP agrees that it shall continue to be responsible and liable for any breach of this Undertaking even though the same is caused by any act or omission of any Representative of the IP and shall indemnify and hold the Government, PDIL, and the Advisors harmless (including provisions of clause 6 and 15 set forth herein) from any breach of this Undertaking or consequences and claims arising therefrom.

5. Except as permitted by Clause 4 herein and except as expressly permitted by a definitive share purchase agreement, if any, entered into by the IP, the Receiving Party will not directly or indirectly disclose to any Person (including another prospective purchaser who has been provided Confidential Information) the fact that the Confidential Information has been made available to the Receiving Party or that the Receiving Party have inspected any portion of the Confidential Information. Except with the prior written consent of PDIL and the Government, and except as expressly permitted by such definitive share purchase agreement, the Receiving Party will not directly or indirectly disclose to any Person the fact that any discussions or negotiations are taking place concerning the Transaction, including the status and content of such discussions or negotiations.
6. On acquiring the Confidential Information on the terms stated in this Undertaking or otherwise, the Receiving Party shall comply with all applicable law, and the IP hereby jointly and severally indemnifies and agrees to hold the Advisors, the Government and PDIL indemnified and harmless (without prejudice to Clause 15 set forth below) against all and any consequences arising from any violation by the Receiving Party of such applicable laws.
7. If the Receiving Party is requested or becomes legally compelled (by oral questions, summons, interrogatories, requests for information or documents, subpoena, civil or criminal investigative demand, or similar process) or is required by a Government Authority and/or regulatory body (including any self-regulated organisation) to make any disclosure that is prohibited or otherwise constrained by this Undertaking or any similar undertaking or agreement, the Receiving Party will provide the Advisors, the Government and PDIL with prompt written notice of such request so that the Advisors, the Government or PDIL may seek an appropriate injunction, protective order or other appropriate remedy. Subject to the foregoing, the Receiving Party may furnish that portion (and only that portion) of the Confidential Information that, in the written opinion of the IP's legal counsel (reasonably acceptable to the Advisors, the Government and PDIL), the Receiving Party is legally compelled or is otherwise legally required to disclose or else stand liable for contempt or suffer other material censure or material penalty; provided, however, that the Receiving Party must use best efforts to obtain reliable assurance that confidential treatment will be accorded to any Confidential Information so disclosed.
8. The confidentiality obligations contained in this Undertaking may at the discretion of the Government, PDIL and the Advisors, be amended, modified or superseded upon the IP executing a definitive agreement, but shall be without prejudice to any of the Advisors', the Government's or PDIL's rights in respect of any breach of this Undertaking which may have occurred prior to such amendment, modification or supersession.

The IP agrees that the Government reserves the right, in its sole discretion to modify the process of the Transaction in any part and/or to vary any terms at any time without prior notice to the IP and/or to reject any or all proposals made by the IP with regard to the Transaction. The Government may elect at any time to terminate further access by the Receiving Party to any Confidential Information required by the IP in connection with its evaluation of the Transaction.

9. The Government and/or PDIL may elect at any time to terminate further access by the Receiving Party to any Confidential Information in connection with its evaluation of the Transaction. After any such

termination by the Government and/or PDIL, or after the decision of the IP to not proceed with the Transaction as specified in Clause 8 above, (i) the IP (a) will promptly deliver to the concerned Disclosing Party, all Confidential Information including all documents or other materials furnished by such Disclosing Party to the Receiving Party, together with all copies and summaries thereof in the possession or under the control of the Receiving Party, and (b) will destroy materials generated by the Receiving Party that include or refer to any part of the Confidential Information, without retaining a copy of any such material or (ii) alternatively, if the Advisors, the Government or PDIL request or give prior written consent to the IP's request, the IP will destroy or cause to be destroyed all Confidential Information in the possession or under the control of the Receiving Party. Any such destruction pursuant to the foregoing must be confirmed by the IP in writing to each of the Advisors, the Government and PDIL (such confirmation must include a list of the destroyed materials). The IP acknowledges that the return of the Confidential Information and the return or destruction of the Confidential Information pursuant to termination or otherwise shall not release the Receiving Party from its obligations under this Undertaking.

10. The Receiving Party shall not deal or communicate (except in the ordinary course of its business) with any officer, director or employee of the Government or PDIL regarding the business, operations, prospects or finances of PDIL, without the Advisors' prior written consent, unless otherwise agreed to in an executed shareholders' agreement entered into in connection with the purchase by the IP of equity shares of PDIL. It is understood that the Advisors will arrange for appropriate contacts for due diligence purposes in connection with the Transaction. Unless otherwise agreed to by the Advisors in writing (i) all communications regarding any possible transaction, (ii) any requests for additional information, (iii) any requests for management meetings, and (iv) any queries regarding the Transaction, will be directed exclusively to the Advisors. However, if the Receiving Party is called upon by the Government and/or PDIL for any discussions, the Receiving Party will do so or meet the Government and/or PDIL only after duly informing the Advisors in writing.
11. The Government reserves the right, in its sole discretion, to reject any and all proposals made by the Receiving Party with regard to the Transaction and to terminate discussions and negotiations with the Receiving Party at any time. Without limiting the preceding sentence, nothing in this Undertaking (i) requires either the IP or the Government to enter into the Transaction or to negotiate such Transaction for any specified period of time or (ii) requires the Advisors, the Government or PDIL to enter into an agreement or an understanding, or prohibits the Advisors, the Government or PDIL from entering into any agreement or understanding, for proceeding with the Transaction with any other Person.
12. The IP understands, acknowledges and agrees that the Government, the Advisors and PDIL retain the right to determine, in their sole discretion, the information that they wish to make available to the Receiving Party and the personnel through whom the same will be made available. Further, nothing in this Undertaking shall amount to or be construed as the Disclosing Party making any representations or warranties, express or implied, as to the accuracy and/or completeness of the Confidential Information and the Disclosing Party shall have no liability whatsoever to the Receiving Party resulting from the IP's use of the Confidential Information. The IP also agrees that if it determines to proceed with the Transaction, its determination will be solely based on the terms of the definitive agreements as well as on its own

investigation, analysis and assessment of its investment. Moreover, unless and until such agreements are entered into, neither the Government nor the IP will be under any legal obligation of any kind with respect to the Transaction except for the matters specifically agreed to in this Undertaking or in another written and duly executed definitive agreement.

13. The IP hereby indemnifies and agrees to hold the Advisors, the Government and PDIL indemnified and harmless from all and any damages, losses, costs, or liabilities (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from any unauthorized use or disclosure by any Receiving Party of the Confidential Information or other violation of this Undertaking (notwithstanding that a Receiving Party may not be party to this Undertaking) or of any similar undertaking or agreement. In addition, because an award of money damages (whether pursuant to the foregoing sentence or otherwise) would be inadequate for any breach of this Undertaking or any similar undertaking or agreement by the Receiving Party and any such breach would cause the Disclosing Party irreparable harm, the IP also agrees that, in the event of any breach or threatened breach of this Undertaking or such similar undertaking or agreement, the Advisors, the Government or PDIL will also be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance. Such remedies will not be the exclusive remedies for any breach of this Undertaking but will be in addition to all other remedies available at law or equity to the Advisors, the Government and/or PDIL.
14. The IP understands, acknowledges, confirms and agrees that each of the Government, PDIL and the Advisors are beneficiaries under this Undertaking. The IP further agrees and confirms that each of the Government, PDIL and the Advisors, will be entitled to and may enforce, either individually or jointly, the obligations imposed on the Receiving Party under this Undertaking.
15. The IP agrees that no failure or delay by the Advisors/the Government / PDIL in exercising any right, power or privilege hereunder will operate as a waiver thereof nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereto.
16. The terms of this Undertaking may be varied only with PDIL's and the Government's prior written agreement. This Undertaking shall be effective as of the date first above given on the first page of this Undertaking.
17. This Undertaking shall be governed by and construed in accordance with the substantive laws of India without giving effect to its conflict of law principles.
18. All notices required or permitted to be given hereunder shall be in writing and shall be valid and sufficient if dispatched by registered airmail, postage prepaid, or by telex, cable or facsimiles as follows.

If the notice is to the Transaction Advisor, to:

Designated Official
Resurgent India Limited
903-906, Unitech Business Zone, Tower C, Nirvana Country,
Sector 50, Gurugram, Haryana – 122018
P +91-124-4754550
Email: pdildisinvestment@resurgentindia.com

With a copy to:

Designated Official
Projects & Development India Limited,
PDIL Bhawan, A-14, Sector -1, NOIDA, Uttar Pradesh
AND

Designated Official
Department of Investment and Public Asset Management, Ministry of Finance
Government of India
Block No. 11, C.G.O Complex,
Lodhi Road
New Delhi 110003

If the notice is to PDIL, to:

Designated Official of PDIL, at the address given hereinabove

With a copy to:

Designated Official of Department of Investment and Public Asset Management, Ministry of Finance,
Government of India at the address given hereinabove

AND

Designated Official of Transaction Advisor at the address given hereinabove

**If the notice is to the Department of Investment and Public Asset Management, Ministry of Finance,
Government of India, to:**

Designated Official of Department of Investment and Public Asset Management, Ministry of Finance,
Government of India, at the address given hereinabove

With a copy to:

Designated Official of PDIL, at the address given hereinabove

AND

Designated Official of Transaction Advisor at the address given hereinabove

If the notice is to the IP:

Name:

Designation:

Organisation name and address:

Tel no.

fax no.:

E-mail address:

Any of the IP, the Government, PDIL or the Advisors may change its address by a notice given to the other in the manner set forth above. All notices and other communications shall be deemed to have been duly

given (i) on the expiry of seven days after posting, if transmitted by registered airmail or (ii) on the date immediately after the date of transmission with confirmed answer back if transmitted by telex, cable or facsimile whichever shall first occur.

IN WITNESS WHEREOF, this Undertaking has been executed by the duly authorized representative of the IP on the date and year first hereinabove written.

Witnessed by: (Name of IP)

Name: By:
Address: Name:
Title:

**ANNEXURE 6: DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT
GUIDELINES**

No. 6/4/2001-DD-II
Government of India
Ministry of Disinvestment
Block 14, CGO Complex
New Delhi.

Dated: 13th July, 2001

OFFICE MEMORANDUM

Sub: Guidelines for qualification of Bidders seeking to acquire stakes in Public Sector Enterprises through the process of disinvestment

Government has examined the issue of framing comprehensive and transparent guidelines defining the criteria for bidders interested in PSE-disinvestment so that the parties selected through competitive bidding could inspire public confidence. Earlier, criteria like net worth, experience etc. used to be prescribed. Based on experience and in consultation with concerned departments, Government has decided to prescribe the following additional criteria for the qualification / disqualification of the parties seeking to acquire stakes in public sector enterprises through disinvestment:

- a) In regard to matters other than the security and integrity of the country, any conviction by a Court of Law or indictment / adverse order by a regulatory authority that casts a doubt on the ability of the bidder to manage the public sector unit when it is disinvested, or which relates to a grave offence would constitute disqualification. Grave offence is defined to be of such a nature that it outrages the moral sense of the community. The decision in regard to the nature of the offence would be taken on case to case basis after considering the facts of the case and relevant legal principles, by the Government.
- b) In regard to matters relating to the security and integrity of the country, any charge-sheet by an agency of the Government / conviction by a Court of Law for an offence committed by the bidding party or by any sister concern of the bidding party would result in disqualification. The decision in regard to the relationship between the sister concerns would be taken, based on the relevant facts and after examining whether the two concerns are substantially controlled by the same person/persons.
- c) In both (a) and (b), disqualification shall continue for a period that Government deems appropriate.
- d) Any entity, which is disqualified from participating in the disinvestment process, would not be allowed to remain associated with it or get associated merely because it has preferred an appeal against the order based on which it has been disqualified. The mere pendency of appeal will have no effect on the disqualification.

- e) The disqualification criteria would come into effect immediately and would apply to all bidders for various disinvestment transactions, which have not been completed as yet.
- f) Before disqualifying a concern, a Show Cause Notice why it should not be disqualified would be issued to it and it would be given an opportunity to explain its position.
- g) Henceforth, these criteria will be prescribed in the advertisements seeking Expression Of Interest (EOI) from the interested parties. The interested parties would be required to provide the information on the above criteria, along with their Expressions of Interest (EOI). The bidders shall be required to provide with their EOI an undertaking to the effect that no investigation by a regulatory authority is pending against them. In case any investigation is pending against the concern or its sister concern or against its CEO or any of its Directors/Managers/employees, full details of such investigation including the name of the investigating agency, the charge/offence for which the investigation has been launched, name and designation of persons against whom the investigation has been launched and other relevant information should be disclosed, to the satisfaction of the Government. For other criteria also, a similar undertaking shall be obtained along with EOI.

-sd/-

(A.K. Tewari)

Under Secretary to the Government of India

Note: Vide clarification dated: 10.1.2002 to the above guidelines it has been provided that the following offence be treated as a grave offence:

- a) Orders of Securities and Exchange Board of India which directly relates to “fraud” as defined in the Securities and Exchange Board of India Act, 1992 and/or regulations made thereunder;
- b) Orders of Securities and Exchange Board of India which cast a doubt on the ability of the IP to manage the Company after the sale of the shares under the Transaction;
- c) Any conviction by a Court of Law;

In cases in which Securities and Exchange Board of India also passes a prosecution order, disqualification of the IP should arise only on conviction by the court of law.

ANNEXURE 7: DECLARATION FOR CPSE STATUS

(To be furnished on the letter head of the IP)

We hereby declare that we are a Central Public Sector Enterprise ('CPSE') named _____ and recognised as a CPSE under Schedule ____ by the Government of India ('GoI').

We also confirm that we continue to remain a CPSE as on date and further undertake that we shall continue to remain a CPSE.

Below is the shareholding summary of our company as on _____.

All figures are to be rounded to 2.00 decimal places

Name of Shareholder	Number of Equity Shares Held	% shareholding
Total		100.00%

Authorised Signatory:

Date: