

Preliminary Information Memorandum

for inviting Expression of Interest

for

Strategic Disinvestment of

Engineering Projects (India) Limited

by

Government of India

through the Ministry of Heavy Industries & Public Enterprises

June 2019

(Strictly privileged and confidential)

**Transaction Advisors
YES Bank Limited**



Disclaimer Notice

YES Bank Limited (“**YES Bank**”) has been retained as the Transaction Advisor by the Government of India (“**GoI**”) for advising and managing the proposed strategic disinvestment of Engineering Projects India Limited (hereinafter referred to as “**EPIL**” or “**Company**”), pursuant to an order F.No. 3/23/2016-DIPAM-II-B dated 24th March 2017 (aforesaid proposed strategic disinvestment hereinafter referred to as the “**Transaction**”). This Preliminary Information Memorandum (hereinafter referred to as the “**PIM**”) has been prepared by YES Bank which includes proprietary information of the Company and it is being issued for the limited purposes of providing certain information on EPIL for enabling the recipients to be appraised of such certain basic details of EPIL prior to submission of the Expression of Interest (“**EoI**”) in respect of the Transaction. This PIM does not contain complete information in relation to the Company including details of the land, other assets, intellectual properties, legal proceedings involving the Company etc. Unless otherwise specified, the information contained herein is as on 31st March 2019, and may be subject to material updates, revisions or amendment. Neither GoI, the Company nor YES Bank, undertake to update this PIM and do not intend for this PIM to form the basis of an investment decision or a decision to participate in the Transaction. You should conduct your own investigation and analysis of the Company in connection with the Transaction. YES Bank has not independently verified any of the information and data contained herein. Neither the GoI, the Company nor YES Bank (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, tortuous, 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 PIM or for any errors or omissions or for any loss/damage be it tangible or intangible, howsoever arising, from the use of this PIM 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 YES Bank or GoI or any of their advisors in the course of your evaluation of any transaction involving the Company. Any liability or responsibility of GoI, the Company and YES Bank and their respective advisors is, therefore, expressly disclaimed.

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Each recipient of this PIM contemplating/participating in the Transaction shall make and shall be deemed to have made, its own independent investigation and assessment of affairs and its own appraisal of the credit worthiness of the Company and its own independent assessment of terms and conditions of the Transaction.

This PIM has been prepared by YES Bank upon information available from public sources and from the Company, believed to be reliable to assist the recipients in making their own evaluation of EPIL 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.

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

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1. Introduction

1.1 Transaction Background

- 1.1.1 The President of India holds 99.98% of the paid-up Equity Shares in Engineering Projects (India) Limited (“**EPIL**” or the “**Company**”) through the Department of Heavy Industry, GoI (“**DHI**”). 99.98% shareholding of GoI is in the form of fully paid-up 3,54,15,677 equity shares of EPIL having a face value of Rs 10/- each (“**Equity Shares**”).
- 1.1.2 The remaining 7,011 Equity Shares are held by 6 Public Sector Undertakings (“**PSUs**”) and a trust on behalf of these PSUs i.e. Heavy Engineering Corporation Limited holds 3,575 Equity Shares, Bharat Heavy Electricals Limited holds 1,892 Equity Shares, Mining and Allied Machinery Corporation Limited (under liquidation) holds 490 Equity Shares, Triveni Structurals Limited (under liquidation) holds 490 shares, Instrumentation Limited holds 350 Equity Shares, Hindustan Steelworks Construction Limited holds 210 Equity Shares, and EPIL Shareholders' Trust holds 4 Equity Shares on behalf of the above PSUs.
- 1.1.3 GoI acting through the Department of Investment and Public Asset Management (“**DIPAM**”) intends to disinvest 100% of its equity shareholding i.e. consisting of 99.98 % of the paid-up Equity Shares in EPIL, held by the President of India through the DHI along with transfer of management control through a competitive bidding process by way of sale of Equity Shares (the “**Transaction**”).
- 1.1.4 YES Bank Limited (“**YES Bank**”) has been appointed by DIPAM as the advisor (“**Transaction Advisor**”) to advice and manage the Transaction.
- 1.1.5 The contents of the PIM are as follows:
- ✓ Transaction Background
 - ✓ Information about EPIL
 - ✓ Financials of EPIL
 - ✓ Industry Outlook
 - ✓ EoI Submission Process
 - Transaction Process
 - Eligibility Criteria
 - EoI Instructions to **Interested Bidder**(“**IB**”)
 - Filling requirements for IB
 - Disqualification
 - ✓ Annexure I: Format for EoI submission for sole IB
 - ✓ Annexure II: Format for EoI submission for an IB as a consortium
 - ✓ Annexure III: Advertisement
 - ✓ Annexure IV: Confidentiality Undertaking
 - ✓ Annexure V: Statement of Legal Capacity for Sole IB
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 - ✓ Annexure VII: Power of Attorney
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 - ✓ Annexure XIII: Declaration of Profitability
 - ✓ Annexure XIV: Consortium Agreement
 - ✓ Annexure XV: General Declaration
 - ✓ Annexure VI: Format of Affidavit
 - ✓ Annexure XVII: Eligibility Guidelines for Employee/Management Bid

- ✓ Annexure XVIII: Employee/Management Bid Criteria

1.2 Important Dates

S No	Activity	Date
1	Publication of advertisement and floating of EoI	June 29, 2019
2	First day of taking queries	June 29, 2019
3	Last day of taking queries	July 29, 2019
4	Posting replies to queries as FAQ on websites	August 05, 2019
5	Last date for submission of EoI (“ Due Date ”)	August 13, 2019
6	EoI opening*	August 13, 2019

* EoI opening shall mark the start of the evaluation of the EoIs from the next business day after Due Date and the same does not mean the day of short listing of EoI.

PIM and all clarifications will be uploaded on the following websites.

- www.yesbank.in
- <http://dipam.gov.in/>
- <http://dhi.nic.in/>
- www.engineeringprojects.com

Reply to the queries will also be posted on the aforementioned websites.

1.3 Communication and Clarification

All communications, inquiries and requests for information should be directed to following:

Daanish Varma	Shrivats Mishra	Tarun Kaushik
Executive Vice President YES Bank	Vice President YES Bank	Manager YES Bank
48, Nyaya Marg, Chanakyapuri, New Delhi – 110021	48, Nyaya Marg, Chanakyapuri, New Delhi – 110021	48, Nyaya Marg, Chanakyapuri, New Delhi – 110021
daanish.varma@ysil.in +91 11 6656 9051	shrivats.mishra@yesbank.in +91 11 6656 9000	tarun.kaushik@ysil.in +91 11 6656 0586

Clarification: Any queries or request for clarification/additional information concerning this PIM shall be on the letterhead of the IB duly signed by its authorized signatory physically submitted or the scanned copy of such a letter shall be mailed to Mr. Shrivats Mishra, Vice President at YES Bank, 48, Nyaya Marg, Chanakyapuri, New Delhi - 110021, Email - shrivats.mishra@yesbank.in not later than the date mentioned in Clause 1.2. The communications shall clearly bear the following identification / title: "**Query: PIM – EPIL**".

Note: No query is to be addressed to DHI, EPIL and/or DIPAM.

2. Information about EPIL

2.1 Background

Inception and history

Engineering Projects (India) Limited was incorporated in the year 1970 with the main objective to undertake turnkey projects and consultancy services in India and abroad. EPIL is a profit making, Mini Ratna Category-II Central Public Sector Enterprise in Industrial Development and Technical Consultancy Services sector under the administrative control of the Ministry of Heavy Industries & Public Enterprises with 99.98% shares of EPIL held by the President of India acting through the Department of Heavy Industries, GOI and 0.02% held by 6 PSUs and a trust on behalf of these PSUs.

EPIL is engaged in the field of execution of large and multidisciplinary industrial and construction projects on turnkey basis in the areas like Civil and Structural Work, Metallurgical sector, Water Supply and Environmental Engineering, Defence, Housing, Townships, Hospitals and Institutional Buildings, Coal and Material Handling Systems, etc.

The services rendered by the Company include the specialized/diversified activities such as Feasibility Studies and Detailed Project Reports, Design and Engineering, Supply of Plant and Equipment, Quality Assurance, Construction and Erection, Trial Run and Commissioning, Operation and Maintenance, Turnkey Project implementation and providing Project Management Consultancy services.

Core business Activities

The Company's core activities include the following:

- To provide integrated services from concept to commissioning for the multidisciplinary projects;
- To provide Project Management Consultancy (PMC) and rendering integrated services including installation, testing and commissioning;
- To take up large Industrial and Construction projects;
- Securing Border Management projects in India and abroad

Marketing Strategy:

- To explore and expand the areas of operation and diversifying the business with available latest technology;
- To develop countrywide geographic spread and visibility;
- To secure mega projects in the field of its core competency for high profitability in overseas;
- Maintaining High quality standard and customer satisfaction;
- Developing Core areas and Skill of the key personnel;

Process Quality Checks

EPIL is an ISO (9001:2015), ISO (14001:2015) and OHSAS (18001:2007) certified company. Within the construction and contracting sector, EPIL is one of the first few PSUs to get the above certification

2.2 Business profile

Business model

EPIL provides integrated services from concept to commissioning for the multidisciplinary projects. EPIL has an in-house capability of Design and Engineering, providing Project Management Consultancy (PMC) and rendering integrated services in the following specialized activities:

- Feasibility Studies and Detailed Projects Reports,
- Preliminary and Detailed Estimation of the projects,
- Design and Engineering,
- Supply of Plant and Equipment,
- Quality Assurance,
- Erection and Commissioning,
- Operation and Maintenance.

EPIL is having the capability and team of experienced technical professionals and supervisors to take up large Industrial and Construction projects on EPC / turnkey basis in the following areas:

- Civil and Structural works (Including Township Development, Sports Stadium, Roads and Highways Construction and Infra Structure Development Projects),
- Material Handling Projects (Including Coal Handling Plant, Ore Handling Plant for Thermal Power Plants and Steel Plants respectively),
- Industrial and Process Plant (Including Oil and Gas extraction plant, Oil Storage Depot and Oil and Gas pipelines, Power Plant, Steel Plant and Ore extraction and beneficiation Plant),
- Ordinance Factory and Storage Silos,
- Electrical Power Distribution Plant including Substations,
- Air Ports Development Projects,
- Railway Workshop Projects, and station development projects
- Border Management Projects including Security and Surveillance System
- Hospital and Institutional Buildings Projects,
- Water Supply and Environmental Engineering.
- Dam and Irrigation Projects

EPIL is exploring and expanding the areas of operation and diversifying the business with available latest technology in the following fields:

- Security and Surveillance for Defence Sectors(BSF, Navy, Army, Airforce etc.)
- Security and Surveillance for PSUs (IOC, AAI, NTPC etc)
- City Surveillance System
- Ropeway Development Projects (EPIL is having technology tie-up with POMA (French company) for Ropeway Development projects),
- Railway Projects.

EPIL is executing multi-disciplinary projects from concept to commissioning. The industrial, process plant, material handling, electrical, border management projects are the highest contributor to the turnover of the company followed by housing and building works including Hospital projects segment. The percentage share

of industrial, process plant, material handling, electrical, border management projects are about 58% and housing and building works including Hospital projects contribute about 36% of the total turnover of the company respectively.

Operational performance

During the year 2018-19, the Company achieved operating turnover of Rs. 1,714 (provisional) crore as against the previous year turnover of Rs. 1,607 crore (audited) and incurred a loss of Rs. 20 crore (provisional) as against previous year's PBT of Rs. 1.71 crore (audited). The Gross Margin (-) of the year was Rs. (14.15) crore (provisional) as compared to Rs. 8.12 crore (audited) in the previous year.

The net worth of the Company has decreased by Rs. 20 crore (provisional) from Rs. 230.67 crore (audited) as on 31st March 2018 to Rs. 210.67 crore (provisional) as on 31st March 2019.

Marketing Initiatives

EPIL has secured overseas projects and is executing projects in Oman, Sri Lanka and Myanmar. It has completed its one project in Oman and one project in Sri Lanka. Keeping in view the various Government of India's initiatives/policies such as ease in FDI, Make in India etc., EPIL has entered/is entering into MOUs with suitable entities for securing works in infrastructure development sector.

Employee base

As at 31st March 2019, the Company has an employee base of 327 people with the following segmentation:

Type	Number
Executive	287
Supervisor	30
Workmen	10
Total	327

Key differentiators

- ✓ Core Strength of the company are execution of building, material handling projects, industrial and process plant, hospital, university, border infrastructure development, irrigation and infrastructure.
- ✓ **Workforce**
 - Only 327 employees on permanent employment with a regular pay scale as on 31st March 2019.
 - There was no VRS operative in the years 2013-14, 2014-15, 2015-16, 2016-17, 2017-18 and 2018-19.
- ✓ **Geographic experience**
 - Company has executed projects **across India**.
 - Operated in overseas countries viz. Kuwait, Iraq, Saudi Arabia, Maldives, Thailand, Yugoslavia, Bhutan, UAE and presently operating in Oman, Sri Lanka and Myanmar.
- ✓ **Government Backing**

- 99.98% of shares of EPIL are held by the Government of India and balance 0.02% is held by 6 PSUs and a trust on behalf of these PSUs.

✓ Order book

As on 31st March 2019, Company has an outstanding order book of Rs. 4079* cr. Order Book comprises of projects in segments such as:

Segments	Percentage of order book
Industrial, Process Plant, Material Handling, Electrical and Border Management Projects.	51%
Institutional Buildings.	11%
Hospitals and Medical Colleges.	8%
Transportation Structures (Roads).	15%
Water Supply, Irrigation Works and Dams, Environmental Schemes, Dairy Process Plants, Agricultural Markets.	6%
Non-Institutional Buildings, Houses, Townships, Infrastructure for Armed Forces.	9%

* The order book value will further increase after finalisation of the cost of construction of the estimated revenue, as indicated by IRSDC for the work of Development of the stations (9 Nos.) awarded to EPI under Station Re-development Program by them.

EPI has re-entered into foreign markets and secured overseas projects in Oman, Sri Lanka and Myanmar. The turnover (Provisional) for the year ending 31st March 2019 is in the ratio of 59:41 for foreign and domestic sectors respectively.

2.3 Offices of EPIL

EPIL operates from its corporate office in New Delhi. The Company sets up project and site offices wherever there is an ongoing project. The address of registered office and corporate office is as under:

Registered & Corporate Office
Core-3, Scope Complex, 7 Institutional Area, Lodhi Road New Delhi – 110003

EPIL also has five Regional Offices. EPIL also has Branch/Project offices at Oman, Sri Lanka and Myanmar. EPIL Urban Infra Developers Limited, New Delhi has been incorporated as a subsidiary company of EPIL in May 2016 with Rs. 0.051 crore as equity participation by the Company with EPIL holding 51% shareholding in the subsidiary. This Subsidiary company is non-operational and process for its closure has been initiated.

2.4 Management

The senior management of EPIL consists of qualified people with experience in their area of expertise. The Company is managed by Board of Directors, comprising Whole Time Directors, Government Nominee Directors and Independent Directors.

EPI's Board of Directors comprises Eight Positions:

- 3 Whole Time/Functional Directors:

- Chairman cum Managing Director,
- Director (Projects),
- Director (Finance).
- 2 Government Nominees representing Administrative Ministry;
- 3 Independent Directors.

As on 31st March 2019, EPT's Board consists of 06 Directors i.e. 01 Chairman & Managing Director / Director (Projects) (Additional Charge), 01 Director (Finance), 2 Government Nominees and 2 Independent Directors.

2.5 Capital structure

The authorized and paid up share capital of the Company are Rs. 909.40 crore (divided into 909,404,600 equity shares of Rs. 10/- each) and Rs. 35.42 crore (divided into 35,422,688 equity shares of Rs. 10/- each) respectively.

The shareholding pattern of the Company as on 31st March 2019 is as under:

- 35415677 shares (99.98%) are held in the name of President of India through Ministry of Heavy Industries & Public Enterprises;
- 7011 shares (0.02%) are held by 6 PSUs and a trust on behalf of these PSUs i.e. Heavy Engineering Corporation Limited holds 3575 shares, Bharat Heavy Electricals Limited holds 1892 shares, Mining and Allied Machinery Corporation Limited (under liquidation) holds 490 shares, Triveni Structurals Limited (under liquidation) holds 490 shares, Instrumentation Limited holds 350 shares, Hindustan Steelworks Construction Limited holds 210 shares, and EPIL Shareholders' Trust holds 4 shares on behalf of the above PSUs.

2.6 SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> ● Offers wide range of services in various areas of Engineering and Construction, ● Capability for taking up multi-disciplinary projects in India and abroad, ● Undertaken Border Surveillance PMC, ● Pan-India presence, ● Competency in Civil Engineering/Project Management, ● Capable of taking up defense projects especially international border fencing projects equipped with latest modern electronic techniques, 	<p>Weaknesses</p> <ul style="list-style-type: none"> ● EBIDTA margin of the company has decreased from approx. 4.26% in FY13-14 to approx. 0.50% in FY 2017-18 due to increase in overhead cost and stiff competition.
<p>Opportunities</p> <ul style="list-style-type: none"> ● Scope in smart city projects, steel and power plant projects, multidisciplinary projects, ● Enhancing business prospects of the company within the purview of Make In India initiative, ● Unique Border Surveillance Credentials. 	<p>Threats</p> <ul style="list-style-type: none"> ● Security concerns, natural calamities such as earth quake and floods hindering construction, ● Highly competitive infrastructure market ● Prolonged delay in land acquisition and environmental clearances.

2.7 Real estate asset holding

Following real estate assets are currently appearing in the balance sheet of EPIL but are not part of the Transaction:

S.No.	Name of building	Address	Type of building	Total area
1	SCOPE Complex, New Delhi	Corporate Office at Core 3, SCOPE Complex, Lodhi Road, New Delhi- 110003	Office	5673.03 sq. meters
2	Industrial Land	Plot No. 132 at Matsya Industrial Area, Alwar (Rajasthan)	Workshop	10,000 sq. meters
3	Flat in Sea View Palace, Bandra, Mumbai	Flat No. 15, 04th Floor and open Garage No. 8 in Sea-View Palace in the Building of the Palace Sea View Co-Operative Housing society limited at 48, Pali Hill Road, Bandra, Bombay- 400050	Residential	69.68 sq. meters, (about 750 Sq. feet)
4	Bakhtawar, Nariman Point, Bombay	Premises No. 6A on 6th Floor, Garage No. 8 on basement floor and car parking Lot No. 6 in 'Bakhtawar', Nariman Point, Backbay Reclamation Bombay	Office/ Commercial	4500 sq. ft.
5	16 Flats in Airoli, Navi Mumbai	AL:6/23/1 to 16 tenements on the ground to Third floor of Building No. AL:6/23/ Sector 5, Airoli	Residential	Each flat has area of 52.58 sq. meters (built up)
6	Properties in Mumbai			
i.	Flat No 13	Flat No 13 on VII floor of Delite Apartments, at Carter Road, Bandra, Bombay- 400050	Residential	975 sq. ft. (built up area) 879 sq. ft. (carpet area)
ii.	Flat No 14	Flat No 14 on VII floor of Delite Apartments at Carter Road, Bandra, Bombay- 400050	Residential	1375 sq. ft. (built up area) 1176 sq. ft. (carpet area)
7	4 Flats in Flower Nest, Bandra, Bombay-400050	Flat No. 32 on 3rd Floor of Flower Nest at Bandra (West), Bombay-400050 Flat No. 22 on 2nd Floor of Flower Nest at Bandra (West), Bombay-400050 Flat No. 41 on 4th Floor of Flower Nest at Bandra (West), Bombay-400050 Flat No. 42 on 4th Floor of Flower Nest at Bandra (West), Bombay-400050	Residential	Each flat has area 825 sq. ft. (built up)
8	Flat in Costa Belle, Bandra, Mumbai	Flat No. 103, 1st floor, Coste Bella, 687, Perry X Road, Bandra, Bombay-400050	Residential	1170 sq. Ft. (built up)
9	Properties in Kolkata			

i.	Flat No D-7	Flat No. D-7, VII Floor in the Building No. 2 alongwith one open car parking space in Garden Apartment at No. 25, Gariahat Road, South, Calcutta-700031	Residential	910 sq.ft. (Plinth Area) along with 1 open car parking
ii.	Flat No E-7	Flat No. E-7, VII Floor in the Building No. 2 alongwith one open car parking space in Garden Apartment at No. 25, Gariahat Road, South, Calcutta-700031	Residential	910 sq.ft. (Plinth Area) along with 1 open car parking
Iii	Flat No I-5	Flat No. I-5 , V Floor in the Building No. 3 along with one covered Car parking spaced in the basement of the Building No. 2 in Garden Apartment at No. 25, Gariahat Road, South, Calcutta-700031	Residential	1225 sq.ft. (Plinth Area) along with 1 covered car parking in basement of building no 2

The land and other immovable assets of EPIL are listed in above table. As stated above, these assets have been hived off or are in the process of hiving off and will therefore not form part of the transaction for which this PIM is being issued.

3. Financials

3.1 Balance Sheet

All figures in Rs. crore (rounded off)

Particulars	FY14	FY15	FY16	FY17	FY18
Shareholders' Funds					
Share Capital	35	35	35	35	35
Reserves and Surplus	163	181	193	195	195
	198	216	228	230	230
Long - Term Borrowings	-	-	-	-	-
Other Long - Term Liabilities	183	252	336	470	407
Long - Term Provisions	23	23	27	29	27
	206	275	363	499	435
Current Liabilities					
Short Term Borrowings	-	-	-	-	-
Trade Payables	393	406	363	466	495
Other Current Liabilities	1,402	907	639	685	745
Short Term Provisions	35	12	17	16	26
	1,830	1,325	1,019	1,167	1,266
Total	2,234	1,816	1,610	1,896	1,931
ASSETS					
Non current assets					
Fixed assets					
Tangible Assets	9	9	9	9	9
Intangible Assets	-	-	-	1	1
Capital Work-in-Progress	-	-	-	-	-
Intangible Assets Under Development	-	1	1	-	-
	9	10	10	10	10
Non Current Investments	-	-	-	-	-
Deferred Tax Assets (Net)	7	8	11	17	16
Long Term Loans and Advances	166	228	272	301*	255*
Other Non Current Assets	49	53	68	245*	254*
	231	299	361	573	534
Current assets					
Current Investments	-	-	-	-	-
Inventories	7	14	8	4	2
Trade Receivables	253	295	171	300	361
Cash and Bank Balances	166	204	307	297	392
Short Term Loans and Advances	539	413	293	346	306
Other Current Assets	1,038	591	470	376	336
	2,003	1,517	1,249	1,323	1,397
Total	2,234	1,816	1,610	1,896	1,931

* In FY18 the amount Recoverable from Clients, Vendors and others reclassified from Long term loans and advances to other current assets and consequential previous year figures for the financial year FY17 have been regrouped.

Each year, the previous year's figures have been reclassified, regrouped, recast, and audited to conform to next year's classification/ grouping as per the extant accounting policy.

3.2 Profit & Loss Account

All figures in Rs. crore (rounded off)

Particulars	FY14	FY15	FY16	FY17	FY18	FY 19*
Revenue From Operations	855	1,031	1,295	1,630	1,607	1,714
Other Income	35	27	28	34	15	11
Total Income	890	1,058	1323	1,664	1,623	1725
Expenses:						
Operating Expenses	770	916	1,165	1,523	1,501	1,631
Employee Benefits	58	69	78	78	79	76
Finance Costs	9	7	6	6	5	4
Depreciation & Amortization	1	1	1	1	2	2
Other Expenses	26	24	35	43	33	32
Total Expenses	864	1,017	1,285	1,651	1,619	1745
Profit before exceptional and extraordinary items and tax	26	41	38	13	4	(20)
Exceptional Items	-	-	-	-	-	-
Profit before Extraordinary Items and Tax	26	41	38	13	4	(20)
Extraordinary Items	-	-	-	-	-	-
Prior Period Expenses **	-	-	-	9	2	-
Profit/(Loss) Before Tax	26	41	38	4	2	(20)
Tax Expense						
Current Tax	8	14	17	6	1	-
Deferred Tax	1	-	(3)	(6)	1	-
Tax for Previous year	-	-	-	1	-	-
Profit For the Year	17	27	24	3	0	(20)

* Unaudited and provisional; subject to change pursuant to audit.

** The prior period expenses / incomes are shown separately w.e.f. FY18 and consequential previous year figures for FY17 have been regrouped.

Each year, the previous year's figures have been reclassified, regrouped, recast, and audited to conform to next year's classification/ grouping as per the extant accounting policy.

Note: Contingent liabilities as on 31st March 2018 was Rs. 407 crore, mainly in respect of claims for contracts executed/to be executed. Against these contingent Liabilities, the Company has corresponding counter claims.

4. Industry Outlook

According to India Brand Equity Foundation (IBEF), the Government has targeted an investment of Rs 25 lac crore in infrastructure sector over a period of three years, which will include Rs 8 lac crore for developing 27 industrial clusters and an additional Rs 5 lac crore for road, railway and port connectivity projects. According to IBEF publications, the Indian real estate market is expected to touch US\$ 180 billion by 2020, representing a compounded annual growth rate (CAGR) of 11.2% in the period FY 2008-2020. Also, Government allocated Rs. 5.97 lakh crore for the Infrastructure Sector in Union Budget 2018-19.

Key industry characteristics

- ✓ Major Employment Generator – According to IBEF, real estate market in India is the second largest employer after agriculture. It is ranked 3rd among the 14 major sectors in terms of direct, indirect and induced impacts in the overall economy.
- ✓ Fragmented industry structure – The industry has low entry barriers and limited capital requirement to set up an EPC or PMC company, enabling several small companies to start business by hiring engineers required to carry-out business activities. The industry consists of both private and Government players with Government entities largely set up to cater to infrastructural requirements of the country.
- ✓ Low working capital requirements – PMC industry has a negative working capital cycle as an advance is received for execution of construction from the party awarding the contract while payments are released to EPC companies for construction on achieving milestones.
- ✓ High intensity of competition – Due to the presence of several small companies which house talented pool of engineers, competition is intense. However, as bidding remains the preferred way of choosing a contractor, competition can be limited by way of putting minimum qualifying criteria, (in the form of financial health of the company, years of experience, order book size, sector experience, among others) while inviting bids.

Further, in many cases, Government agencies award work on nomination basis to Government owned PMC and EPC companies.

- ✓ Susceptible to external environment – The completion of a project is often subject to receiving multiple approvals from several Central and State Regulatory Bodies such as pollution boards, Airport Authority, Ministry of Environment, Ministry of Forest, etc. Receiving such approvals in a timely manner is a major hurdle for most projects. Further, land acquisition also poses a problem at times, leading to stalling of the project.

Major growth drivers of industry for EPIL

EPIL is likely to benefit from specific missions of the Central Government that aim to increase the highways network, expand power generation capacity, address housing shortage and upgrade several cities to SMART cities. As EPIL is an execution agency of industrial and construction projects involving civil and structural work across water supply and environment, housing, roads, hospitals and institutional buildings, hydro and thermal power plants, it would likely to see a steady flow of contracts which will keep its order book and financial statements robust.

- ✓ Pradhan Mantri Awas Yojana (PMAY) – Housing for All by 2022 – Launched on 25th June 2015, PMAY anticipates construction of 2 crore housing units till 2022 in the economically weaker section (EWS) and low-income group (LIG) segments. The RBI is assisting this mission by offering interest rate subvention of housing loans for such housing units.

The scheme will be implemented in three phases:

- Phase 1 – April 2015 to March 2017 to cover 100 cities selected from states/urban territories
 - Phase 2 – April 2017 to March 2019, to cover additional 200 cities
 - Phase 3 – April 2019 to March 2022, to cover all other remaining cities
- ✓ Smart cities mission – In June 2015, Ministry of Urban Development laid down the guidelines for formulation, approval and execution of projects under the Smart City Mission which will cover 100 cities by 2019-20. This will help attract investments which shall be deployed into construction activities such as real estate development, roads, water supply and sanitation.
 - ✓ Highways network expansion – The Central Government is aiming to grow the 4/6-lane Highways network in India by expanding the current 2-lane network. Recent models such as the Hybrid Annuity Model (HAM), which reduces risk taken by developers compared to the Build-Operate- Transfer (BOT) model, will also give a boost to road construction. At the same time, the Government is aiming to increase the rate of road construction in terms of kilometers constructed per day. This focus of the Central Government would provide opportunities for several infrastructure companies including EPIL to grow their order book. Budget allocation for road sector has increased from US \$ 8.99 billion in 2016-17 to US \$ 10.07 billion in 2017-18.
 - ✓ Rising Gross Capital Formation in Infrastructure (GCFI) – GCFI has steadily grown in India driven by rising investments in infrastructure across roads, ports, power generation, urban infrastructure, water treatment and sanitation. GCFI's share in GDP has also grown over the years. Looking ahead, with steady GDP growth forecasts and continuing investments in India's infrastructure driven by proactive policy making, opportunities for EPC/PMC contracts will continue to grow.
 - ✓ Other Opportunities – Government of India is focusing on development of Infrastructure (highways, railways etc.) in North East India. Also, with initiatives such as Sagarmala, Swachh Bharat which focus on development of Infrastructure. These present opportunities for EPIL to have geographical/sectoral diversification to increase the order book.

5. Submission of EoI

An IB may participate in this transaction either as a sole bidder or by forming a consortium as detailed out hereinbelow, by submitting an EoI. Details regarding the Transaction process, list of important documents to be submitted along with the EoI, Eligibility Criteria for the IB, Disqualification of the IB and other general instructions have been shared in the following sections.

This PIM along with annexures have been uploaded on the websites of DIPAM at www.dipam.gov.in, DHI at <http://dhi.nic.in/>, Company at www.engineeringprojects.com and Transaction Advisor at www.yesbank.in

An advertisement has been issued in the newspapers inviting IBs to submit their EoI (as per the format in Annexure I or Annexure II, as applicable) to participate in the Transaction. A copy of the advertisement is enclosed as Annexure III.

5.1 Transaction process

5.1.1. The process for the Transaction has been divided into two stages, namely Stage I and Stage II as follows:

Stage I:

- a. Through this PIM, the GoI is providing the IBs with instructions for submitting their EoI, which would be used for prequalifying the IBs in accordance with the Eligibility Criteria specified to proceed with the Transaction.
- b. Following receipt of PIM, IBs will be required to respond with the EoI (as per the format in Annexure I for sole IB and as per the format in Annexure II for a consortium) as detailed in this PIM along with a non-refundable fee of Rs. 5,00,000/- (Rupees Five Lac only). It may please be noted that this fee will not be refunded even in case the Transaction is called-off by the GoI.
- c. The EoIs will be evaluated based on the Eligibility Criteria and Disqualification conditions detailed in this PIM.
- d. Only IBs shortlisted in Stage I shall be allowed to participate in Stage II.

Stage II:

- a. Based on the evaluation of the EoIs submitted in Stage I, the shortlisted IBs will be provided with Request for Proposal ("RFP") and a Confidential Information Memorandum ("CIM"), which shall provide further details of the Company and the Transaction subject to the IB entering into a Confidentiality Undertaking (at the time of submission of EoI) as enclosed in Annexure IV.
- b. The shortlisted IB proceeding to Stage II will be given access to the data room to review documents pertaining to the Company for conducting a due diligence on the Company.
- c. The formats and formalities related to RFP will be conveyed in due course as the Transaction progresses.
- d. The shortlisted IBs would be required to undergo a transparent bidding process for acquisition of entire GoI shareholding in EPIL, in accordance with the terms of the RFP.
- e. The IB may be required to deposit an earnest money at Stage II, if so required by GoI.

- f. Post submission of financial bids, the H1 bidder (highest bidder) may undergo a security clearance process as laid down in Guidelines available on DIPAM's website.
- 5.1.2. The Transaction will be subject to applicable Statutory and Regulatory restrictions and approval requirements.
- 5.1.3. IBs shall have satisfied themselves of their queries before participating in the Transaction.
- 5.1.4. GoI reserves the right to withdraw from the Transaction or to accept or reject any or all offers at any stage of the Transaction and/or modify/postpone the process or any part thereof or to vary any terms at any time without assigning any reason whatsoever. In such an event, no financial obligation whatsoever shall accrue to GoI, the Company, the Transaction Advisor or any of their respective officers, employees, advisors or agents.
- 5.1.5. A site visit may be scheduled to facilitate the shortlisted IB in its assessment of the Company at the discretion of the GoI. The modalities related to the visit and due diligence will be communicated to the shortlisted IB in due course.
- 5.1.6. The shortlisted IB(s) shall carry out their own due diligence, independent assessment and appraisal of the Company and the Transaction. The GoI or the Company or their respective consultants, agents, officials, advisors and employees make no representations, in relation thereto and shall not be liable in any manner whatsoever.
- 5.1.7. All costs associated with the due diligence, site visits, and preparation and submission of the EoI will be borne by the respective IB. The Transaction Advisor/GoI shall not, under any circumstances be responsible or liable for any such costs, whether direct, incidental or consequential.
- 5.1.8. Details regarding the process post short-listing based on the EOIs submitted will be subsequently shared with the IBs in the RFP.
- 5.1.9. EoI is liable to be rejected by GoI if an IB fails 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 'Disqualification' in this PIM or for any other reason deemed fit, or even without assigning any reason whatsoever.
- 5.1.10. The GoI and TA reserve the right to call for any additional document/information from the IB, which may be considered necessary without any liability to the Company/GoI.
- 5.1.11. Enquiry: GoI and EPIL and its respective advisors reserve the right, in their sole discretion, not to respond to any questions raised or provide clarifications sought, in their sole discretion. Nothing in this section shall be taken or read as compelling or requiring the GoI and EPIL or its advisors to respond to any question or provide any clarification. No extension of any time and date referred to in this PIM shall be granted on the basis or grounds that the GoI and EPIL or its advisors has not responded to any question or provided any clarification.
- 5.1.12. The GoI, EPIL, and their respective advisors 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 PIM or the EoI process, including any error or mistake therein or in any information or data given by the advisors.
- 5.1.13. The IB acknowledges that this PIM is not a legally binding document and does not constitute any commitment on the part of GoI or any of their respective officers, employees, advisors or agents, whether in respect of the

disinvestment process or otherwise. This PIM and invitation for submission of EoIs neither confers any right nor expectation to any other subsequent additions and modifications thereof.

5.1.14. In case of any dispute between the parties in respect of interpretation of the terms of Advertisement (as enclosed in this PIM) inviting EoIs, this PIM or anything arising there from, such dispute or difference shall be referred to the representative of GoI or the officiating person and he shall adjudicate and decide the disputes, if any, between the parties and his decision shall be final, conclusive and binding on both the parties. The laws of Republic of India shall govern all matters relating to the Transaction. All disputes will be subject to jurisdiction of the Courts at New Delhi (with exclusion of all other Courts).

5.2 Eligibility Criteria

5.2.1. Incorporation

5.2.1.1. IB must be an incorporated entity or a company (including Central Public Sector Enterprises “CPSE(s)” i.e. entities where the direct holding of the Central Government or of other CPSEs is 51% or more or as defined and classified by the Department of Public Enterprises/GoI), whether registered or incorporated in India/outside, which is eligible to invest in India under the laws of India (subject to such IB obtaining all statutory approvals from GoI, RBI etc. as applicable) either as a sole bidder or as a part of consortium.

5.2.1.2. Apart from the IB’s which satisfy the above criteria, Alternative Investment Funds (AIF) registered with Securities and Exchange Board of India (SEBI) as per SEBI (Alternative Investment Funds) Regulations, 2012 which are eligible to invest in India under the laws of India (subject to such parties obtaining all statutory approvals from GoI/FIPB/RBI etc.) either by themselves or as part of a consortium.

5.2.1.3. **For Employee/Management Bid:** As per the Circular No. 4/38/2002/DD-II dated April 25, 2003 (“Employee Guidelines”) which is annexed as Annexure XVII, employees of EPIL (“Employees”) are permitted to participate in the Transaction as Interested Bidders either (a) directly and independently (“Direct Employee Participation”) or (b) by forming of a consortium (“Employee Consortium”) and subject to the criteria as shared in Annexure XVIII.

5.2.2. Net Worth

IB must have, on a consolidated basis, Net Worth equal to or in excess of Rs. 250.00 crore as per audited financial statement ending 31st March 2018.

5.2.2.1. Net worth criteria for IB(s) falling under Clause 5.2.1.1. would be as follows and is as per Clause 57 of Section 2, Companies Act, 2013:

Net Worth = Aggregate value of the paid-up share capital + all reserves* created out of the profits and securities premium account – aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off

*Reserves created out of revaluation of assets, write-back of depreciation and amalgamation are not to be included

5.2.2.2. Net worth criteria for IB(s) falling under Clause 5.2.1.2.

Net worth shall be substituted by Maximum Permissible Investment Limit for that particular AIF (as per SEBI (Alternative Investment Funds) Regulations, 2012) in a single investee entity.

For AIFs: The Maximum Permissible Investment Limit would be considered as per Independent Chartered Accountant/ Statutory Auditor's certificate not older than 3 months from the date of PIM.

5.2.2.3. Net worth criteria for IB(s) falling under Clause 5.2.1.3.

The net worth of employees shall only be ascertained through a single certificate from a Chartered Accountant practicing in India, containing the names and net worth of each of the participating employees. The same should not be older than 3 months from the date of the PIM.

5.2.2.4. For other entities, which do not fall under the Clause 5.2.1., shall be ascertained through a certificate from a Chartered Accountant practicing in India/statutory auditor. (For each such member separate certificate shall be required). The details as per the certificate should not be older than 3 months from the date of the PIM.

5.2.3. Net Profit

All IB(s), which fall under clause 5.2.1.1. should have reported a positive Profit After Tax on consolidated basis in the last 3 out of last 5 financial years.

5.2.4. Consortium Bid Composition

5.2.4.1. All consortium members should meet the eligibility criteria as mentioned in Clause 5.2.1.

5.2.4.2. The consortium shall not have more than one lead member.

5.2.4.3. Change in consortium may be allowed subject to the following:

- a. Where a Consortium has submitted the EoI, the change in composition if any, prior to the Due Date of submission of the EoI, is permissible by withdrawing the EoI and submitting a fresh EoI before the Due Date.
- b. However, no change in composition of consortium will be permitted after the EoI Due Date till shortlisting of Bidders.
- c. If after short listing of Bidders, a Consortium bidder desires a change in the Consortium by inclusion/exclusion of members or if a non-Consortium bidder desires to form a Consortium by inducting new Member(s), it shall have to apply for such change to the TA. After obtaining approval from DHI, TA shall qualify/ disqualify such a consortium subject to:
 - i. The change shall be permitted only once per Consortium.
 - ii. No change in lead member shall be allowed.
 - iii. Jumping from one consortium to another shall not be permitted.
- d. Last date to request for change in consortium will be communicated to IB after shortlisting. However, such requests would be entertained only before the financial bids are received by GoI.
- e. GoI reserves the right to reject any request of change in consortium.

5.2.4.4. In case of EoI by a Consortium or a person other than an incorporated entity, the bidder shall incorporate a Special Purpose Vehicle ("SPV") in India/under the laws of India, once finally selected to enter into the

definitive agreements. The shareholding of the SPV shall be the same as the shareholding of the Members in the Consortium.

5.2.4.5. All members shall provide an undertaking that there shall be no change in the shareholding of the Consortium or the SPV, if the said Consortium is declared as the successful bidder, for three (3) years starting from date of consummation of the Transaction and shall not be permitted to cede with the management control of EPIL for such period.

5.2.4.6. Minimum stake requirement in the Consortium/SPV

- ✓ **Each Member:** Each Member of the Consortium shall hold at least 20% equity share capital of the SPV/ company promoted or to be promoted by the members of the Consortium for acquiring the GoI stake being disinvested in the Company.
- ✓ **Lead Member:** Lead Member shall hold at least 51% equity share capital of the SPV/ company promoted or to be promoted by the members of the Consortium for acquiring the GoI stake being disinvested in the Company.

5.2.5. Additional Criteria for Consortium

5.2.5.1. A consortium must have, on a consolidated basis, combined Net Worth equal to or in excess of Rs. 250.00 crore as per audited financial statement ending 31stMarch 2018.

Net worth in case of a Consortium should be calculated as ((% equity contribution of member 1 * Net Worth of member 1) + (% equity contribution of member 2 * Net Worth of member 2) + (% equity contribution of member 3 * Net Worth of member 3)).

For example

Consortium	Net Worth (Rs. crore)	Equity Contribution
Member 1 (Lead Member)	1000.00	55%
Member 2	800.00	23%
Member 3	700.00	22%

Combined Net Worth = $1000 \times 55\% + 800 \times 23\% + 700 \times 22\%$
= Rs. 888 crore

5.2.5.2. The lead member of the Consortium should have, on a consolidated basis, Net Worth (as per audited financial statement ending 31st March 2018 or as per other documents, which are applicable) equal to or in excess of Rs. 127.50 crore (51% of the net worth criteria mentioned in Clause 5.2.2.)

5.2.5.3. All members of Consortium, which fall under clause 5.2.1.1. should have reported a positive Profit After Tax on consolidated basis in the last 3 out of 5 financial years.

Provided that, in the event the IB or any member of Consortium is an unlisted entity and does not have audited financial statements as on March 31, 2018, the IB shall provide a certificate of Net Worth as per the provisional financial statements by its Statutory Auditor.

Also, where the Financial Statements are expressed in a currency other than the Indian Rupees, the eligible amount as described above shall be computed by taking the equivalent US Dollar at the exchange rates (as stipulated by Reserve Bank of India) prevailing on the dates(s) of such financial statements.

The IBs shall ensure that they are permitted to invest under applicable laws to the extent they propose to participate

5.3 Instructions to IB

- 5.3.1. Each IB must provide with the EoI a Statement of Legal Capacity (as per the format in Annexure V or Annexure VI, as applicable), duly executed by its authorized official/ representative that it has the requisite corporate authorization to submit the EoI and that all information provided in the EoI is complete and accurate in all material respects to the best of their knowledge.
- 5.3.2. Each IB must provide with the EoI a Power of Attorney (as per the format in Annexure VII or Annexure VIII as applicable).
- 5.3.3. Each IB (in case of a consortium, for each member of its consortium) must provide with the EoI, completely filled Form A (as per the format in Annexure X), along with the other requisite information as detailed below
- a. Basic information pertaining to incorporation and commencement of business for IB/ each member of the Consortium; and
 - b. Certified true copies of Memorandum and Articles of Association, charter documents or other Constitution Documents i.e. Partnership Deed etc. as may be applicable; and
 - c. Extract of the charter documents and documents such as a Board or Shareholders' resolution in favor of the person executing the Power of Attorney for the delegation of power on behalf of the IB/ member of Consortium. (The date of execution of board or shareholders' resolution should be prior to the date of execution of the Power of Attorney); and
 - d. A certificate duly signed by the Company Secretary/any other officer in charge of legal affairs stating that the IB is eligible to participate in the proposed Strategic Sale as per its Memorandum and Articles of Association (or any Constitution Document); and
 - e. A certificate from an independent Chartered Accountant/ Statutory Auditor certifying the net worth (as per format in Annexure XI or Annexure XII or as applicable); and
 - f. Declaration of profitability (if applicable) duly signed by the Chartered Accountant/Statutory Auditor as per Annexure XIII; and
 - g. Audited financials and annual reports for the last three financial years. Provided that, in the event IB/ any member of Consortium is an unlisted entity, and does not have the audited financial statements of immediately preceding financial year, the latest available unaudited/ provisional financial statements may be given as certified by its Statutory Auditor; in case such entity is a listed entity, and its audited financial statements are not available for the immediately preceding financial year, the information contained in latest Quarterly Limited Review report is to be submitted. However, the audited financial statements of such IB/ member of Consortium shall be submitted, as and when prepared as per the statutory requirements and timelines of the relevant countries where it is incorporated. In case the IB/any member of Consortium was incorporated less than 3 years ago, the financial statements/annual reports (or net worth certificate from an independent Chartered Accountant in case of individual shareholder) for the last 3 years, of the largest shareholder of the IB/member of Consortium incorporated less than 3 years ago is to be submitted. All financial statements/ annual reports/ net worth certificate submitted should be certified by authorized signatory. In case the IB/ any member of the Consortium cannot submit the consolidated financial statements as mentioned above, it shall specify reasons for the same; and

- h. If the interested party is a foreign company, specific list of statutory approvals from the Government of India/ the Reserve Bank of India applied for/ to be obtained/ awaited; and
 - i. Details of shareholding pattern with summary certification of the shareholding and identity of natural persons who are ultimate beneficiary owners;
 - j. The place of effective management of business (where key management and commercial decisions that are necessary for the conduct of business of an entity as a whole are, in substance made) of the IB and each member of the consortium; and
 - k. A brief profile of the IB (in case of a consortium, for each member of the consortium) containing details related to IB's; and
 - ii. Business history and growth
 - iii. Business areas and activities
 - iv. Respective revenue details
 - v. Brief commentary on the capability of the IB as demonstrated, inter alia, in its past track record to run its own business
 - l. List of Board of Directors and senior management along with the organization structure and a brief summary certified by the company secretary/any other official in charge of legal affairs; and
 - m. A brief summary of the roles and responsibilities of the directors and key management personnel duly certified by the company secretary/any other official in charge of legal affairs. Also in case of a consortium, please give in brief the role/interest of each member of the consortium; and
 - n. The names and addresses of the companies and professional firms, if any, who are (or will be) advising the IB, together with the names of the principal individual advisors at those companies and firms; and
 - o. Brief write up of the IB of its international operations, joint ventures / alliances (whether international or domestic), nature and size of such operations, equity ownership, if applicable, copies of the audited accounts for the last one year of such companies; and
 - p. Details of all outstanding litigations; and
 - q. Details of all contingent liabilities that, if materialized, that have or 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 Interested Bidder, or other similar business combination or sale; and
 - r. Certified true copies of commencement certificate, certificate of incorporation, SEBI Registered certificate for AIFs; and
 - s. Other requisite information as required in FORM A (Annexure X) such as and not limited to full name, address, telephone and facsimile numbers, e-mail address and the names and the titles of the persons who are the principal points of contact for each member and identifying lead member of the consortium. Details of the website of the IB/ each member of Consortium are also to be provided.
- 5.3.4. Each IB must provide with the EoI a duly executed Confidentiality Undertaking (as per the format in Annexure IV).
- 5.3.5. For SEBI Registered AIF(s) (which participate in the bid, as part of the consortium), fund to provide Annexure XII, certifying its net worth.

- 5.3.6. If an IB is a consortium then it must provide with the EoI the consortium agreement (as per the format in Annexure XIV).
- 5.3.7. Each IB (in case of a consortium, by each member of the consortium) must provide with the EoI a Declaration (as per the format in Annexure XV).
- 5.3.8. Each IB (in case of a consortium, by each member of the consortium) must provide with the EoI an Affidavit (as per the format in Annexure XVI).
- 5.3.9. For employee/management bid, net worth certificate from a Statutory Auditor/Chartered Accountant practicing in India, to be provided as applicable.
- 5.3.10. Notwithstanding anything to the contrary contained in this PIM, the detailed terms specified in the definitive agreements (including Share Purchase Agreements) shall have overriding effect; provided however, that any conditions or obligations imposed on the IB hereunder shall continue to have effect in addition to its obligations under the definitive agreements.
- 5.3.11. 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.
- 5.3.12. Amendment to PIM: At any time prior to the Due Date, GoI may, for any reason, whether at its own initiative or in response to clarifications requested by any IB modify the PIM by the issuance of addendum.
- 5.3.13. Any withdrawal of EoI by IB or any substitution in the EoI by IB or any modification in the EoI by IB or additional information supplied by IB subsequent to the Due Date, unless the same has been expressly sought for by GoI/TA, shall be disregarded.
- 5.3.14. The IB shall be expected to provide certificates, undertakings, bank guarantees, 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 GoI.
- 5.3.15. The IB shall be required to deposit an earnest money for a stipulated amount before the financial bid in Stage II. The draft of the Earnest Money Guarantee agreement shall be provided to the IB at the time of providing all other draft documents before submission of financial bid in Stage II.
- 5.3.16. The GoI or its advisors reserve the right to verify all statements, information and documents submitted by the IB in response to the PIM, or the EoI process and the IB shall, when so required by the GoI, 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 GoI or its advisors shall not relieve the IB of its obligations or liabilities hereunder nor will it affect any rights of the GoI thereunder.
- 5.3.17. Notwithstanding anything contained in the PIM, the GoI reserves the right to reject any or all EoIs on the ground of public or national interest or any other ground without communicating any reason thereof and without any liability or any obligation for such rejection.
- 5.3.18. The GoI or its advisors reserve the right to seek any additional indemnities, warranties, representations or performance obligations to their satisfaction from the IB or any of their related entities.

- 5.3.19. In shortlisting Interested Bidders, GOI will pay due attention, inter-alia to the security requirements of the country.
- 5.3.20. GOI/Company reserves the right, in their sole discretion, not to respond to any questions raised or provide clarifications sought, if considered inappropriate or prejudicial to do so or even otherwise. Nothing in this section shall be taken or read as compelling or requiring the GOI/Company to respond to any question or provide any clarification. No extension of any time and date referred to in this PIM shall be granted on the basis or grounds that the GOI/Company has not responded to any question or provided any clarification.
- 5.3.21. The IB shall continue to meet with the eligibility criteria and shall also not be disqualified as per the disqualification conditions mentioned in this PIM at all times until the consummation of the Transaction.
- 5.3.22. The IB 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 IB shall ascertain the applicability and implications of all laws pertaining to the Transaction and shall ensure compliance with all the applicable laws.
- 5.3.23. The selected bidder will be required to lock in its shares for a period of 3 years starting from date of consummation of the Transaction during which it cannot undertake the sale of its stake in EPIL.
- 5.3.24. There shall be no change in the management control of the IB and each member of the Consortium for three (3) years starting from the date of consummation of the Transaction.
- 5.3.25. The IB shall continue the business of the Company in its entirety as being conducted on the completion of the Transaction on a going concern basis.
- 5.3.26. The IB shall abide by conditions set out in the RFP or the definitive documents to safeguard employees' interests.
- 5.3.27. The GoI shall not be liable for any omission, mistake, or error in respect of any above or on account of any matter or thing arising out of or concerning or relating to PIM or EoI process, including any error or mistake therein or in any information or data given by advisor

5.4 Filing requirements for EoI

- 5.4.1 IB shall ensure that the EoI is complete as to requirements of the specified documents/information as instructed in this PIM.
- 5.4.2 The IBs/ members of consortium shall evaluate and ensure that they are permitted to invest under applicable laws to the extent they propose to participate.
- 5.4.3 Only IBs/ members of consortium which are permitted under applicable laws to participate (to the extent of their proposed participation) shall be permitted to bid.
- 5.4.4 The EoI must be signed by a duly authorized representative of the IB. The IB shall also be required to submit a Power of Attorney (Annexure VII or Annexure VIII) authorizing the signatory of the EoI to commit the IB.
- 5.4.5 The signed EoI as per the format in Annexure I for sole IB and as per the format in Annexure II for consortium along with all its required annexures as detailed in the table below must be submitted in physical form in two sealed envelopes at the below mentioned address by the Due Date.

Shrivats Mishra
Vice President
YES Bank Limited
48, Nyaya Marg, Chanakyapuri
New Delhi – 110021

Envelope 1	<ol style="list-style-type: none"> 1. Expression of interest (Annexure I or Annexure II, as applicable) 2. Confidentiality Undertaking (Annexure IV) 3. Statement of Legal Capacity (Annexure V or Annexure VI, as applicable) 4. Power of Attorney in original (Annexure VII or VIII, as applicable) 5. Filled up RFQ (Form A) (Annexure X) 6. Declaration of Net Worth (Annexure XI) 7. Declaration of Net Worth by SEBI Registered AIF (Annexure XII, as applicable) 8. Declaration of Profitability (Annexure XIII as applicable) 9. Consortium Agreement (Annexure XIV as applicable) 10. Declaration (Annexure XV) 11. Affidavit (Annexure XVI) 12. Demand Draft (for non-refundable fee amounting to Rs. 5,00,000/- in favor of Yes Bank – EPIL) 13. Certificate of incorporation/registration as applicable 14. SEBI Registered AIF to provide SEBI Registration Certificate
Envelope 2	<ol style="list-style-type: none"> 1. Documents required as part of filled up Form-A <ol style="list-style-type: none"> i. Audited financials and annual reports of last three financial years ii. Memorandum of association iii. Articles of association iv. Share holding pattern, eligibility certificate to participate in the proposed Strategic Sale duly signed by company secretary/any other officers in charge of legal affairs , brief write – up on nature of business and information of operation; demonstrating IB’s capability based on past track record , list of board of directors and senior management, write up on international operations, joint ventures / alliances and copies of the audited accounts, list of advisors, details of all outstanding litigations, details of all contingent liabilities, supporting documents for date and place of incorporation, Commencement Certificate, full address of registered office and head office and any other information required as part of Form A (Annexure X)

- 5.4.6 Submission of the aforesaid documents by any other electronic means and/or facsimile will not be accepted.
- 5.4.7 The covering envelope containing the above-mentioned envelope 1 and envelope 2 should be clearly marked “*Private and Confidential – Expression of Interest for the strategic sale of Engineering Projects (India) Limited*”.
- 5.4.8 IB shall be entitled to submit only one EoI. In case, more than one EoI is submitted by an IB, all such EoIs shall be rejected.
- 5.4.9 EoIs shall be opened only after the due date of submission of EoIs.
- 5.4.10 The EoI received shall be valid for 180 (one hundred and eighty) days from the date of opening of the EoI.

- 5.4.11 Any submission, whether in part or full via email or facsimile, shall not be permitted. Any document received after the Due Date will be disregarded. Any submission made shall be rejected if it is not made as per the instructions mentioned in this PIM.
- 5.4.12 Unless otherwise specified, a self-certified true copy by IB's authorized signatory of the supporting documents shall be submitted.
- 5.4.13 The documents including this PIM and all attached documents are and shall remain or become the properties of the GoI and are transmitted to the IB solely for the purpose of preparation and the submission of an EoI in accordance herewith. IB is to treat all information as strictly confidential and shall not use it for any purpose other than for preparation and submission of its EoI.
- 5.4.14 Transaction Advisor/GoI/Company shall bear no responsibility for non-receipt of documents sent by post/courier.
- 5.4.15 The IBs/ members of consortium are expected to carry out their own investigations and other examination in relation to the Transaction before submitting their EOIs.

5.5 Disqualifications

- 5.5.1 GoI/ Transaction Advisor shall not consider any EoI that is found to be incomplete in content and/or attachments and/or legal capacity/authenticity.
- 5.5.2 Without prejudice to any other rights or remedies available to GoI, the GoI/Transaction Advisor reserve the right to drop the EoI and disqualify any IB for any of the following reasons (including but not limited to those listed below):
- a. Misrepresentation/false statement is made by the IB/any consortium member, at any stage in the Transaction process, whether in the EoI, the financial bid, supporting documentation or otherwise and whether written or oral; or
 - b. If the EoI submitted by the IB or consortium is in any respect inconsistent with, or demonstrate any failure to comply with, the provisions of the PIM including not being accompanied by the fees of the specified amount, or the EoI being conditional in any respect; or
 - c. Failure on the part of the IB/any consortium member to provide within the time specified by the GOI/ Advisor necessary and sufficient information required to be provided in accordance with the EoI or any supplemental information within the time specified by the GOI/Advisor; or
 - d. Submission of more than one (1) EoI by any IB either as a sole bidder or as a member of Consortium whether directly or indirectly either as sole bidder or as member of Consortium in which case, all such EOIs shall be rejected; or
 - e. The IB/any consortium member/consortium not satisfying the eligibility criteria or any other condition as specified in this PIM and hence not eligible; or
 - f. Failure to comply with the circular No. 1/8/2016-FC-1 issued by Department of Industrial Policy and Promotion on Standard Operating Procedure (SOP) for processing Foreign Direct Investment Proposal; or

- g. Specifically, in case of SEBI Registered AIF(s), failure to comply with SEBI regulations, as applicable for different categories of SEBI registered AIF(s), on ongoing basis; or
- h. Specifically, for employee/management bids, failure to comply with the employee/management bid eligibility criteria and the guidelines specified in the Annexure XVIII; or
- i. Failure to comply with any reasonable request, by GoI / YES Bank in relation to the Transaction; or
- j. If it is discovered at any time that the IB and/or its promoters are subjected to any winding up/insolvency proceedings or other proceedings of a similar nature; or
- k. If it is discovered at any stage that the IB/ any member of Consortium did not possess requisite corporate authorizations or that any part of the information provided in the EOI was not complete or accurate in any respect.
- l. Any information regarding or in connection with the IB which becomes known that is detrimental to the national security and/or public interest and/or national interest and/or Transaction and/or the interests of the GoI/Company; or
- m. If at any stage of the process the IB/ any member of Consortium and/ or its directors/ promoters are denied security clearance or their security clearance is revoked by the GOI; or
- n. Initiation or existence of any legal proceedings, by or against the IB in respect of the Company, such that the proceeding may be prejudiced by the participation of the IB in the selection process or the Transaction; or
- o. Non-fulfillment of any other condition by the IB/ any member of Consortium as listed in the PIM.
- p. The IB or if the IB is a consortium then any member of such consortium which does not satisfy the requirements of eligibility. 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 (“Eligibility Guidelines”). These guidelines as modified from time to time shall apply. A copy of the eligibility guidelines is enclosed in Annexure IX; or
- q. In regard to matters relating to the national security and national integrity any IB charge-sheet by any Governmental Authority / conviction by a court of law for an offence committed by the IB or any of the members of the IB in case of a consortium or by any of their respective sister concerns or any of their promoters, promoter group and directors 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. The term ‘promoter’ shall have the same meaning as defined under the Companies Act, 2013 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and the term ‘promoter group’ shall have the same meaning as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended; or

“**Governmental Authority**” means (a) the Government of India or the Government of any State or other political subdivision thereof in India; (b) any other Governmental or quasi-Governmental or Statutory or Regulatory authority, agency, department, board, commission or instrumentality of India or of any state or political subdivision thereof including without limitation the Reserve Bank of India; or (c) any court, tribunal, judicial or quasi-judicial authority of competent jurisdiction in India or any arbitration tribunal (including a sole arbitrator)

IBs or promoters or promoter group or directors of such IBs which are otherwise covered in section above but are:

- i. debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by any Governmental Authority; or
- ii. appearing in the RBI list of Wilful Defaulters or any such list by a competent authority in their respective jurisdiction;

“**Wilful Defaulter**” means an issuer who is categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

- r. Any of the outstanding indebtedness of IB (including the parent and subsidiaries of the IB) availed from either banks or financial institutions being classified as ‘non-performing asset’ or any equivalent classification in the respective jurisdiction of the IB; or
- s. All entities that have been debarred/ banned/ blacklisted by any Governmental Authority, from time to time; or
- t. IBs which are otherwise covered in section 5.2 above but are:
 - iii. Erstwhile OCBs which are incorporated outside India and are under the adverse notice of RBI; or
 - iv. Prohibited or restricted from investing in EPIL basis their status / sector in which EPIL operates under the Foreign Exchange Management Act, 1999 or any regulations made thereunder and including the provisions of the Consolidated FDI Policy. It being clarified that sectors where government approval is required will not be considered as ‘restricted’ from investing

“**OCBs**” mean a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non-Resident Indians and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians directly or indirectly but irrevocably, which was in existence as on the date of commencement of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under Foreign Exchange Management Regulation Act, 1999).

- u. If any information or disqualification becomes known after the IB 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 IB, the GoI /Transaction Advisor reserves the right to reject the IB at the time or at any time after such information becomes known to the GoI /Transaction Advisor. Where such party is a consortium, GoI /Transaction Advisor may disqualify the entire consortium, even if it applied to only one member of the consortium; or
- v. If any of the members of the consortium are disqualified, all the members of the consortium shall automatically stand disqualified; or
- w. If the GoI is not satisfied with sources of funds/ownership structure of the IB/ any member of Consortium; or
- x. In addition to the eligibility of the IB being a sole IB, each of the members of consortium and the consortium as a whole must be eligible, as per criteria mentioned in this EoI, on the date of submission of the EoI and must continue to be eligible throughout until the consummation of the Transaction; or

- y. If any of the members of the Consortium are disqualified, all the members of the Consortium shall automatically stand disqualified; or
 - z. Breach of Confidentiality Undertaking executed by the IB; or
 - aa. Any condition or qualification or any other stipulation inserted by the IB contained in the EoI shall render the EoI liable to rejection; or
 - bb. If the IB 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 IB shall be disqualified.
 - cc. GoI is not satisfied with the source of fund/ownership structure of IB/any of the members of consortium
- 5.5.3 Notwithstanding anything contained in this PIM, 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 EoIs hereunder.
- 5.5.4 GoI's determination that one or more of the events specified in this section titled "Disqualification" has occurred shall be final and conclusive.

Annexures

Annexure I: Format for Letter of Expression of Interest for a Sole Interested Bidder [On the letterhead of the Interested Bidder submitting the Expression of Interest]

Reference No.:

Date:

To,

Mr. Shrivats Mishra,

YES Bank

48, Nyaya Marg, Chanakyapuri,

New Delhi - 110 021

**Sub.: Invitation of Expression of Interest for strategic disinvestment of Engineering Projects (India) Limited
(hereinafter referred to as “EPIL” or “Company”).**

Sir/Madam,

This is with reference to the advertisement dated [●] (“**Advertisement**”) inviting Expression of Interest (“**EoI**”) for strategic divestment of such number of Equity Shares representing 100%* stake of Government of India in EPIL, a company registered under the Companies Act, 1956 having its registered office at Core-3, Scope Complex, 7- Institutional Area, Lodhi Road, New Delhi – 110003.(“**Transaction**”).

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

We have read and understood the contents of the Advertisement and the Preliminary Information Memorandum dated [●] (“**PIM**”) and are desirous of participating in the Transaction and confirm and undertake as follows:

1. We are interested in bidding for the Strategic Disinvestment of such number of Equity Shares representing hundred (100%)* of the equity share capital of EPIL held by the President of India acting through the Department of Heavy Industries, Government of India.
2. We propose to submit our EoI in individual capacity as [●] (name of Interested Bidder) having our registered office at [●].
3. We satisfy the eligibility criteria detailed in the Advertisement and the PIM dated [●] including the guidelines of Department of Investment and Public Asset Management No. 3/9/2016-DoD-II-B dated September 28, 2017 and any amendment made from time to time.
4. We confirm and represent that we have the requisite corporate authorisation to submit the EoI.
5. We undertake that in the event we are finally selected to enter into definitive agreements, we shall continue the business of the Company in its entirety as being conducted as on the completion of the Transaction on a going concern basis.
6. We acknowledge that after the submission of the EOI, the management control in the IB shall not change for a period of three (3) years from the date of consummation of the Transaction.

7. We certify that neither have we been convicted by any Court of law, indicted, nor has any adverse order been passed against us by a regulatory authority which would cast a doubt on our ability to manage the public-sector unit when it is disinvested or which related to a grave offence that outrages the moral sense of the community.
8. We further certify that in regard to matters relating to security and integrity of the country, no charge sheet has been filed against us by any agency of the Government of India or convicted by a Court of law, including under the provisions of the Indian Penal Code or Official Secrets Act, for any offence committed by us or by any of our group concerns.
9. We further certify that no investigation by a regulatory authority is pending either against us or against our group concerns or against any of our directors or key managerial personnel or employees.
10. We confirm and represent that the EoI is complete and accurate in all respects and requisite authorization has been obtained for the submission of the EoI.
11. In the event we are attracted by any of the disqualifications in terms of the PIM during the pendency of the process of Strategic disinvestment, owing to change in facts or circumstances, we undertake to immediately intimate the Transaction Advisor and the Nodal Agency.
12. We represent that we are not disqualified to enter into or perform our obligations in relation to the Transaction (including acting as promoter of the company) pursuant to the applicable laws including regulations, guidelines, orders, directions or instructions of any regulatory authority (including SEBI or RBI), administrative authority or department or ministry of central or state Government or any court in India.
13. We however, understand that the Evaluation Committee reserves the right to decide whether or not to qualify our proposal without assigning any reason whatsoever and without any liability.
14. We represent that the loans availed by us (including our parent and subsidiaries) have not been classified as 'non-performing asset' or such similar classification by either banks or financial institutions.
15. We represent that we are not entities or promoters or promoter groups or directors debarred from accessing or operating in the capital markets.
16. We represent that we are not entities or promoters or promoter groups or directors appearing in the RBI list of willful defaulters or any such competent authority in their respective jurisdiction.
17. We represent that we are not erstwhile Overseas Corporate Bodies which are incorporated outside India and are under the adverse notice of RBI.
18. We shall abide by the conditions set out in the RFP or the definitive documents to safeguard employees' interests.
19. We represent that we are not prohibited or restricted from investing in EPIL on the basis of status or sector in which EPIL operates under FEMA, 1999.
20. The Declaration as per format given in Annexure XV duly signed by us is enclosed.
21. The Statement of Legal Capacity for a Sole Interested Bidder and Form A as per formats given in Annexure V and Annexure X respectively of PIM, duly signed by us are enclosed.

22. We certify that our Net worth as on [●] (date in dd/mm/yyyy) as per specifications in the Eligibility Criteria section of the PIM is Rs [●] crore.

23. We certify that our Profit After Tax during the immediately preceding financial years is as below (if applicable for the IB as per the PIM):

S.No.	Financial Year Ending Date	Duration of Financial Year (in months)	Profit After Tax (in Rs. crore)
1.			
2.			
3.			
4.			
5.			

(In case of IB(s) having PAN and TAN registration in India)

Our PAN number is _____.

Our TAN number is _____.

In case of IB(s) not having PAN and TAN registration in India, IB(s) are requested to share its county specific registration details

Thank you.

Yours sincerely,

For and on behalf of: (name of the Interested Bidder)

Signature: (Authorised Representative and Signatory)

Name of the Person: [●]

Designation: [●]

Enclosed:

1. Statement of Legal Capacity for a Sole Interested Bidder (Annexure V); and
2. Power of Attorney (Annexure VII or Annexure VIII, as applicable); and
3. Form A (Annexure X); and
4. Confidentiality undertaking (Annexure IV); and
5. Declaration of Net Worth (Annexure XI or as applicable); and
6. Declaration of Profitability (Annexure XIII)
7. Declaration (Annexure XV); and
8. Affidavit (Annexure XVI); and
9. Demand Draft; and
10. Certification of Incorporation/Registration (as applicable)

** 99.98% shares are held by GoI and 0.02% of EPI's shares are held by 6 PSUs (Heavy Engineering Corporation Limited, Bharat Heavy Electricals Limited, Mining and Allied Machinery Corporation Limited, Triveni Structurals Limited, Instrumentation Limited, and Hindustan Steelworks Construction) and a trust on behalf of these PSUs.*

Annexure II: Format for Letter of Expression of Interest for a Consortium of Interested Bidders

[On the letterhead of the Lead Member of the Consortium of Interested Bidders submitting the Expression of Interest]

Reference No.:

Date:

To,

Mr. Shrivats Mishra,

YES Bank

48, Nyaya Marg, Chanakyapuri,

New Delhi - 110 021

Sub.: Invitation of Expression of Interest for strategic disinvestment of Engineering Projects (India) Limited (hereinafter referred to as “EPIL” or “Company”).

Sir/Madam,

This is with reference to the advertisement dated [●] (“**Advertisement**”) inviting Expression of Interest (“**EoI**”) for the strategic divestment of such number of Equity Shares representing 100%* stake in EPIL, a company registered under the Companies Act, 1956 having its registered office at Core-3, Scope Complex, 7- Institutional Area, Lodhi Road, New Delhi – 110003. (“**Transaction**”).

This communication has been issued by the Lead Member (as defined below) for and on behalf of the Consortium (as defined below).

We have read and understood the contents of the Advertisement and the Preliminary Information Memorandum dated [●] (“**PIM**”) and are desirous of participating in the Strategic Disinvestment, and for this purpose, address you as under:

1. We have formed a consortium comprising of [●] members (“**Consortium**”) as follows:
 - a. [●] holding [●] % shareholding in the Consortium;
 - b. [●] holding [●] % shareholding in the Consortium; and
 - c. [●] holding [●] % shareholding in the Consortium.
2. We have agreed that [●] shall act as the Lead Member of the Consortium (“**Lead Member**”).
3. We are interested in bidding for the Strategic Disinvestment of such number of Equity Shares representing hundred (100%)* of the equity share capital of EPIL held by the President of India acting through the Department of Heavy Industries, Government of India.
4. We satisfy the eligibility criteria detailed in the Advertisement and the PIM dated [●] including the guidelines of Department of Investment and Public Asset Management No. 3/9/2016-DoD-II-B dated September 28, 2017 and any amendment made from time to time.
5. We confirm and represent that we have the requisite corporate authorisation to submit the EoI.

6. We agree to form a Special Purpose Vehicle, under the laws of India, once finally selected to enter into the definitive agreements. The shareholding of the SPV shall be the same as the shareholding of the Members in the Consortium.
7. We acknowledge that after the submission of the EOI, the management control in the IB shall not change for a period of three (3) years from the date of consummation of the Transaction.
8. We undertake that in the event we are finally selected to enter into definitive agreements, we shall continue the business of the Company in its entirety as being conducted as on the completion of the Transaction on a going concern basis.
9. We certify that neither have we been convicted by any Court of law, indicted, nor has any adverse order been passed against us by a regulatory authority which would cast a doubt on our ability to manage the public-sector unit when it is disinvested or which related to a grave offence that outrages the moral sense of the community
10. We further certify that in regard to matters relating to security and integrity of the country, no charge sheet has been filed against us by any agency of the Government of India or convicted by a Court of law, including under the provisions of the Indian Penal Code or Official Secrets Act, for any offence committed by us or by any of our group concerns.
11. We further certify that no investigation by a regulatory authority is pending either against us or against our group concerns or against any of our directors or key managerial personnel or employees
12. We confirm and represent that the EoI is complete and accurate in all respects and requisite authorization has been obtained for the submission of the EoI.
13. In the event we are attracted by any of the disqualifications in terms of the PIM during the pendency of the process of Strategic Disinvestment, owing to change in facts or circumstances, we undertake to immediately intimate the Transaction Advisor and the Nodal Agency.
14. We represent that we are not disqualified to enter into or perform our obligations in relation to the Transaction (including acting as promoter of the company) pursuant to the applicable laws including regulations, guidelines, orders, directions or instructions of any regulatory authority (including SEBI or RBI), administrative authority or department or ministry of central or state Government or any court in India.
15. We however, understand that the Evaluation Committee reserves the right to decide whether or not to qualify our proposal without assigning any reason whatsoever and without any liability.
16. We represent that the loans availed by us (including our parent and subsidiaries) have not been classified as 'non-performing asset' or such similar classification by either banks or financial institutions.
17. We represent that we are not entities or promoters or promoter groups or directors debarred from accessing or operating in the capital markets.
18. We represent that we are not entities or promoters or promoter groups or directors appearing in the RBI list of wilful defaulters or any such competent authority in their respective jurisdiction.
19. We represent that we are not erstwhile Overseas Corporate Bodies which are incorporated outside India and are under the adverse notice of RBI.

20. We shall abide by the conditions set out in the RFP or the definitive documents to safeguard employees' interests.
21. We represent that we are not prohibited or restricted from investing in EPIL on the basis of status or sector in which EPIL operates under FEMA, 1999.
22. The Declaration as per format given in Annexure XV duly signed by us is enclosed.
23. The Statement of Legal Capacity for a Consortium of Interested Bidder and Form A as per formats given in Annexure VI and Annexure X respectively of PIM, duly signed by representative members who jointly satisfy the eligibility criteria are enclosed along with the certified true copy of the Consortium Agreement entered into by and between the consortium members.
24. We certify that as per specifications in the Eligibility Criteria section of the PIM, Net worth for the Consortium and its Members is as below:
- Net worth of [●] is Rs. ___ crore as on [●] (date in dd/mm/yyyy);
 - Net worth of [●] is Rs. ___ crore as on [●] (date in dd/mm/yyyy); and
 - Net worth of [●] is Rs. ___ crore as on [●] (date in dd/mm/yyyy);
 - Combined Net worth of the consortium using the method mentioned in PIM is Rs _____ crore.
25. We certify that our Profit After Tax during the immediately preceding financial years is as below (to be submitted for all the respective members of Consortium for whom the Profitability Criteria is applicable as per the PIM):

S.No.	Financial Year Ending Date	Duration of Financial Year (in months)	Profit After Tax (in Rs. crore)		
			[●] (Name of member 1)	[●] (Name of member 2)	[●] (Name of member 3)
1.					
2.					
3.					
4.					
5.					

Thank you.

Yours sincerely,

For and on behalf of: (name of the Lead Member)

Signature: (Authorised Representative and Signatory)

Name of the Person: [●]

Designation: [●]

Enclosed:

- Statement of Legal Capacity for a Consortium of Interested Bidder (Annexure VI); and
- Power of Attorney (Annexure VII or Annexure VIII, as applicable); and
- Form A (Annexure X); and
- Confidentiality undertaking (Annexure IV); and
- Declaration of Net Worth (Annexure XI or Annexure XII or as applicable); and
- Declaration of Profitability (Annexure XIII)
- Consortium Agreement (Annexure XIV); and
- Declaration (Annexure XV); and

9. Affidavit (Annexure XVI); and
10. Demand Draft; and
11. Certification of Incorporation/Registration (as applicable)

** 99.98% shares are held by GoI and 0.02% of EPI's shares are held by 6 PSUs (Heavy Engineering Corporation Limited, Bharat Heavy Electricals Limited, Mining and Allied Machinery Corporation Limited, Triveni Structurals Limited, Instrumentation Limited, and Hindustan Steelworks Construction) and a trust on behalf of these PSUs.*

Annexure III: Advertisement**GLOBAL INVITATION FOR EXPRESSION OF INTEREST BY THE GOVERNMENT OF INDIA FOR STRATEGIC DISINVESTMENT IN ENGINEERING PROJECTS (INDIA) LIMITED**

(This announcement is neither a prospectus nor an offer/invitation to the public for sale of shares, securities or debentures to the public.)

Engineering Projects (India) Limited (“EPIL” or the “Company”) is a Central public-sector undertaking, under the administrative control of the Ministry of Heavy Industries & Public Enterprises, Government of India. The Company was incorporated in the year 1970 with the main objective to undertake turnkey projects and consultancy services in India and abroad.

The Government of India (GoI) has ‘in-principle’ decided to disinvest 100% of its equity shareholding in EPIL through strategic disinvestment. The GoI, through the Department of Investment & Public Asset Management has appointed YES Bank Limited (“YES Bank”) as its Transaction Advisor to advise and manage the Strategic Disinvestment of EPIL (“Transaction”).

This disinvestment process is to be implemented through competitive bidding route. Accordingly, Expression of Interest (EoI) is invited through this advertisement from Interested Bidders. The details of EoI can be downloaded from www.yesbank.in, <http://dipam.gov.in/>, www.engineeringprojects.com, <http://dhi.nic.in/>. In future, any amendments/ extension of due date for submission of EoI will be uploaded on the above websites only.

Interested Bidders are requested to submit their EoI along with the documents in the prescribed format specified in the Preliminary Information Memorandum (PIM) at the under-mentioned address, not later than 1500 hours (IST) on August 13, 2019. Further any queries or request for clarification/additional information concerning the PIM shall be submitted to the under-mentioned address. The communications shall clearly bear the following identification / title: “Query: PIM – EPIL”.

Mr. Shrivats Mishra,
YES Bank Limited, 48, Nyaya Marg, Chanakyapuri, New Delhi - 110021
Email: shrivats.mishra@yesbank.in
Tel: +91 11 6656 9000

This advertisement does not constitute, and will not be deemed to constitute, any commitment on the part of EPIL or GoI or YES Bank; it has been provided only by way of information on EPIL. Furthermore, this advertisement confers neither the right nor an expectation on any party to participate in the proposed disinvestment. GoI or YES Bank reserves the right to withdraw from the process or any part thereof, to accept or reject any or all offers at any stage of the process and/or modify the process or any part thereof or to vary terms at any time without assigning any reason whatsoever. No financial obligation will accrue to GoI or YES Bank in such an event. Further, EPIL or GoI or YES Bank shall not be responsible for non-receipt of correspondence sent by post/courier/e-mail/fax.

Annexure IV: Confidentiality Undertaking

[ON Rs1000STAMP PAPER]

DEED OF CONFIDENTIALITY UNDERTAKING

This **DEED OF CONFIDENTIALITY UNDERTAKING** ("**Undertaking**") is made on this [●] day of [●], 2018.

BY

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

IN FAVOUR OF:

The President of India, represented by and acting through the Ministry of Heavy Industries & Public Enterprises at Udyog Bhawan, Raisina Road, New Delhi - 110 011 (the "**Administrative Ministry**");

AND

Engineering Projects India Limited, a company incorporated under the Companies Act, in 1970 bearing Corporate Identification Number (CIN) U27109DL1970GOI117585 and having its registered office at Core-3, Scope Complex, 7 Lodhi Road, New Delhi– 110003 (the "**Company**").

AND

YES Bank Limited having its registered office at Nehru Centre, 9th floor, Discovery of India, Dr. A.B Road, Worli, Mumbai – 400 018.

AND

M/s Crawford Bayley & Co. Advocates and Solicitors having its registered office at the State Bank Building, 4th Floor, N.G.N Vaidya Marg, Fort, Mumbai 400023, India.

AND

Protocol Insurance Surveyors & Loss Assessors Pvt. Ltd

WHEREAS:

- A. The Interested Bidder has submitted an expression of interest for participation in the proposed sale by Government of India ("**GoI**" / "**Government**") of 100 percent of the equity shares of the Company held by the GoI (the "**Transaction**") and has been shortlisted as a "Shortlisted Bidder"; and
- B. In the context of the Interested Bidder'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 Interested Bidder to evaluate the Transaction.

NOW, THEREFORE, in consideration for receiving the Confidential Information, the Interested Bidder 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, YES Bank Limited, Protocol Insurance Surveyors & Loss Assessors Pvt. Ltd 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 the Company, its affiliates, associates or subsidiaries (which includes, without limitation, documents delivered in connection with due diligence, investigation, information relating to the existing business of the Company and new businesses (if any) proposed to be undertaken by the Company, 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 the Company's operations prepared by external consultants which are proprietary to the Company or the GoI 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 Interested Bidder 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 the Company on whether any information qualifies within the exceptions in (a), (b) and (c) above shall be final, conclusive and binding.

"**Consortium**" means the Bidder and all other Consortium Members acting in concert with the Bidder intending to directly or indirectly participate in the Transaction.

"**Consortium Members**" means the members of any existing Consortium, formed by the Bidder for purposes of the Transaction and shall include members who have submitted the Statement of Legal Capacity in the

form specified in the "EoI Package" as described in the "Request for Expression of Interest" announcement by the Administrative Ministry for participation in disinvestment of the Company in respect of the Transaction as part of any existing consortium.

"Disclosing Party" means the Advisors, the Company, 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 Interested Bidder Consortium Members 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 the Company 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 the Company'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 Interested Bidder 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 Interested Bidder's execution of this Undertaking, the Interested Bidder, 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 Bidder agrees (a) to disclose Confidential Information only to those of its Representatives who need to know the Confidential Information for the purposes of an evaluation of the Transaction and each Representative of the Interested Bidder will be informed and advised in writing by the Interested Bidder 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 Interested Bidder will hold and treat the Confidential Information in confidence and act in accordance therewith. The Interested Bidder agrees that the Confidential Information shall not, without the Company's as well as the Government's prior written consent, be disclosed by the Interested Bidder and/or Representative of the Interested Bidder, in any manner whatsoever, in whole or in part, to any third Person, and shall not be used by the Interested Bidder or Representative of the Interested Bidder other than in connection with an evaluation of the Transaction.

The Interested Bidder recognises and acknowledges the competitive value and confidential nature of the Confidential Information and the possible resultant impact to the Company 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 Interested Bidder acknowledges and agrees that it is imperative that all Confidential Information remains confidential.

The Interested Bidder, before disclosing any of the Confidential Information to any Consortium Member(s), shall ensure that such Consortium Member(s), has already executed and furnished to the Advisors, a written undertaking identical in form and content as this Confidentiality Undertaking in favour of the Government, the Company and the Advisors. The Interested Bidders, before disclosing any of the Confidential Information to any of its Representative(s) and/or Representatives of the Consortium Members, as the case may be shall ensure that its Representative(s) / Representatives of the Consortium Members, as the case may be have read and understood this Undertaking and have agreed in writing to be bound by the terms and conditions contained herein. The Bidder shall ensure that in case of a new Consortium Member, a written undertaking identical in form and content as this Confidentiality Undertaking, shall be executed and furnished to the Advisors within 7 (seven) days of it becoming a Consortium Member.

Notwithstanding any agreement or undertaking, the Interested Bidder 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 Consortium Member and/or Representative of the Interested Bidder and/or the Representative of Consortium Member and shall indemnify and hold the Government, the Company, 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. In case of Consortium, the Bidder agrees that for the purpose of this Confidentiality Undertaking, the liability of the Bidder shall be joint and several with each of the Consortium Members.

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 Interested Bidder, the Consortium Members and/or any company formed and promoted by them for the acquisition of equity shares of the Company 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 the Company 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 Interested Bidder hereby jointly and severally indemnifies and agrees to hold the Advisors, the Government and the Company 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 the Company with prompt written notice of such request so that the Advisors, the Government or the Company 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 Interested Bidder's legal counsel (reasonably acceptable to the Advisors, the Government and the Company), 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, the Company and the Advisors, be amended, modified or superseded upon the Interested Bidder and the Consortium Members and/or any company formed and promoted by them executing a definitive agreements, but shall be without prejudice to any of the Advisors', the Government's or the Company's rights in respect of any breach of this Undertaking which may have occurred prior to such amendment, modification or supersession.
- The Interested Bidder 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 Interested Bidder and/or to reject any or all proposals made by the Interested Bidder 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 Interested Bidder in connection with its evaluation of the Transaction.
9. The Government and/or the Company 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 the Company, or after the decision of the Interested Bidder to not proceed with the Transaction as specified in Clause 8 above, (i) the Interested Bidder (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 the Company request or give prior written consent to the Interested Bidder's request, the Interested Bidder 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 Interested Bidder in writing to each of the Advisors, the Government and the Company (such confirmation must include a list of the destroyed materials). The Interested Bidder 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 and the terms of the undertaking shall survive subsequent to the date of receipt of notification or decision.
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 the Company regarding the business, operations, prospects or finances of the Company, without the Advisors' prior written consent, unless otherwise agreed to in an executed shareholders' agreement entered into in connection with the purchase by the Interested Bidder. 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 the Company for any discussions, the Receiving Party will do so or meet the Government and/or the Company 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 Interested Bidder 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 the Company to enter into an agreement or an understanding, or prohibits the Advisors, the Government or the Company from entering into any agreement or understanding, for proceeding with the Transaction with any other Person.

12. For a period of 2 (two) years from the date of this Undertaking or till the completion of the Transaction, whichever is later, the Receiving Party shall not, directly or indirectly, solicit for employment or hire any employee of the Company.
13. The Receiving Party agrees that from the date of this Undertaking till the completion of the Transaction or as the case may be, till the time the Interested Bidder decide not to proceed with the Transaction, whether pursuant to Clauses 8 or 9 or 11, whichever is earlier, the Receiving Party shall not, directly or indirectly, buy, sell, negotiate, or enter into any arrangements for the purchase and / or sale of any of the shares of the Company, or advise any other person directly or indirectly to buy, sell, negotiate or enter into any arrangements for purchase and / or sell any of the shares of the Company, or take any action or make any statement or announcement that may affect the price of the shares of the Company.
14. The Interested Bidder understands, acknowledges and agrees that the Government, the Advisors and the Company 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 Interested Bidder's use of the Confidential Information. The Interested Bidder 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 Interested Bidder 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.
15. The Interested Bidder hereby indemnifies and agrees to hold the Advisors, the Government and the Company 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 Interested Bidder 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 the Company 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 the Company.
16. The Interested Bidder understands, acknowledges, confirms and agrees that each of the Government, the Company and the Advisors are beneficiaries under this Undertaking. The Interested Bidder further agrees and confirms that each of the Government, the Company and the Advisors, will be entitled to and may enforce, either individually or jointly, the obligations imposed on the Receiving Party under this Undertaking.
17. The Interested Bidder agrees that no failure or delay by the Advisors/the Government / the Company 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.

18. The terms of this Undertaking may be varied only with the Company'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.
19. 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.
20. All notices required or permitted to be given hereunder shall be in writing and shall be valid and sufficient if dispatched as follows in physical form at the mailing address of the recipient.

If the notice is to the Government:

Ministry of Heavy Industries & Public Enterprises
Udyog Bhawan, Rafi Marg,
New Delhi-110011
Kind attention: Joint Secretary

If the notice is to the Advisors

YES Bank Limited
48, Nyaya Marg, Chanakyapuri
New Delhi - 110 021
Kind attention: Shrivats Mishra

With a copy to:

M/s. Crawford Bayley & Co. Advocates and Solicitors
State Bank Buildings, 4th Floor, N.G.N. Vaidya Marg,
Fort, Mumbai – 400 023
Maharashtra, India
Kind attention: Mr. Sanjay Asher

And a copy to:

Protocol Insurance Surveyors & Loss Assessors Pvt Ltd
Protocol House, H-54, Sector - 63,
Noida, Uttar Pradesh 201301
Kind attention: Mr. Kunal Kanda

If the notice is to the Company:

Engineering Projects (India) Limited
Core-3, Scope Complex, 7 Institutional Area Lodhi Road, New Delhi– 110003
Kind attention: Company Secretary

If the notice is to the Interested Bidder:

[•]

Any of the Interested Bidder, the Government, the Company 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 Interested Bidder on the date and year first hereinabove written.

Witnessed by: (Name of Interested Bidder)

Name: By:

Address:

Annexure V: Format for Statement of Legal Capacity for a Sole Interested Bidder
[On the letterhead of the Interested Bidder submitting the Statement of Legal Capacity]

Reference No.:

Date:

To,
Mr. Shrivats Mishra,
YES Bank
48, Nyaya Marg, Chanakyapuri,
New Delhi - 110 021

Kind Attention: [●]

Sub.: Invitation of Expression of Interest for Strategic Disinvestment of Engineering Projects (India) Limited
(hereinafter referred to as “EPIL” or “Company”).

Sir/Madam,

This is with reference to the advertisement dated [●](“**Advertisement**”) inviting Expression of Interest (“**EoI**”) for the strategic divestment of such number of Equity Shares representing 100%* stake in EPIL, a company registered under the Companies Act, 1956 having its registered office at Core-3, Scope Complex, 7- Institutional Area, Lodhi Road, New Delhi – 110003.(“**Transaction**”).

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

We have read and understood the contents of the Advertisement and the Preliminary Information Memorandum dated [●] (“**PIM**”) 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 Equity Shares representing hundred (100%)* of the equity share capital of EPIL held by Government of India.
2. We have examined in detail and have understood the terms and conditions and eligibility criteria stipulated in the Advertisement and the PIM and we satisfy the eligibility criteria stipulated in the Advertisement and the PIM.
3. We satisfy the eligibility criteria detailed in the Advertisement and the PIM.
4. We represent that all the information provided in the EOI along with supporting documents is complete and accurate in all respects.
5. 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**”).
6. 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.

(In case of IB(s) having PAN and TAN registration in India)

Our PAN number is _____.

Our TAN number is _____.

In case of IB(s) not having PAN and TAN registration in India, IB(s) are requested to share its county specific registration details

Thank you.

Yours sincerely,

For and on behalf of: (name of the Interested Bidder)

Signature: (Authorised Representative and Signatory)

Name of the Person: [●]

Designation: [●]

** 99.98% shares are held by GoI and 0.02% of EPI's shares are held by 6 PSUs (Heavy Engineering Corporation Limited, Bharat Heavy Electricals Limited, Mining and Allied Machinery Corporation Limited, Triveni Structurals Limited, Instrumentation Limited, and Hindustan Steelworks Construction) and a trust on behalf of these PSUs.*

**Annexure VI: Format for Statement of Legal Capacity for a Consortium of Interested Bidders
[On the letterhead of the Lead Member of the Consortium of Interested Bidder submitting the Statement of
Legal Capacity]**

Reference No.:

Date:

To,
Mr. Shrivats Mishra,
YES Bank
48, Nyaya Marg, Chanakyapuri,
New Delhi - 110 021

Kind Attention: [●]

Sub.: Invitation of Expression of Interest for Strategic Disinvestment of Engineering Projects (India) Limited (hereinafter referred to as “EPIL” or “Company”).

Sir/Madam,

This is with reference to the advertisement dated [●](“**Advertisement**”) inviting Expression of Interest (“**EOI**”) for the strategic divestment of such number of Equity Shares representing 100%* stake in EPIL, a company registered under the Companies Act, 1956 having its registered office at Core-3, Scope Complex, 7- Institutional Area, Lodhi Road, New Delhi –110003.(“**Transaction**”).

This communication has been issued by the Lead Member (as defined below) for and on behalf of the Consortium (as defined below).

We have read and understood the contents of the Advertisement and the Preliminary Information Memorandum dated [●] (“**PIM**”) 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 Equity Shares representing hundred (100%)* of the equity share capital of EPIL held by Government of India.
1. We have formed a consortium comprising of [●]members (“**Consortium**”) as follows:
 - a. [●]holding [●] % shareholding in the Consortium;
 - b. [●]holding [●] % shareholding in the Consortium; and
 - c. [●] holding [●] % shareholding in the Consortium.
2. We have agreed that [●]shall act as the Lead Member of the Consortium (“**Lead Member**”).
3. We have examined in detail and have understood the terms and conditions and eligibility criteria stipulated in the Advertisement and the PIM and the Consortium jointly satisfies the eligibility criteria stipulated in the Advertisement and the PIM.
4. We satisfy the eligibility criteria detailed in the Advertisement and the PIM.
5. We represent that all the information provided in the EOI along with supporting documents is complete and accurate in all respects.

6. We have agreed that [●] (insert name and designation of individual) will act as the representative of our Consortium and has been duly authorised to submit the EoI along with all the documents to be submitted pursuant to the EoI (“**Representative**”).
7. The Representative is vested with the requisite power and authority to furnish this letter and Form A and authenticate the same.

Lead Member’s PAN No. _____.

Lead Member’s TAN No. _____.

In case Lead Member is not having PAN and TAN registration in India, then it is requested to share its county specific registration details

Thank you.

Yours sincerely,

For and on behalf of: (name of the Lead Member)

Signature: (Authorised Representative and Signatory)

Name of the Person: [●]

Designation: [●]

** 99.98% shares are held by GoI and 0.02% of EPI’s shares are held by 6 PSUs (Heavy Engineering Corporation Limited, Bharat Heavy Electricals Limited, Mining and Allied Machinery Corporation Limited, Triveni Structurals Limited, Instrumentation Limited, and Hindustan Steelworks Construction) and a trust on behalf of these PSUs*

Annexure VII: Power of Attorney for signing of EoI**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 sale of shares held by the Government of India in Engineering Projects (India) Limited including but not limited to signing and submission of all applications, participate in Pre-Bid and other conferences and providing information/ responses to GoI/Advisor and generally dealing with GoI/Advisor/Company in all matters in connection with or relating to or arising out of our application for qualification for the Transaction (as defined in the Preliminary Information Memorandum dated [●] issued by Yes Bank 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)

***Note:**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.*

§ Wherever required, the Interested Bidder 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 Interested Bidder.

Annexure VIII: Special Power of Attorney for signing of EoI for Employee Bid

TO BE STAMPED ON Rs. 1000 STAMP PAPER AND NOTARIZED]

Special Power of Attorney

To all to whom these presents shall come, I son/daughter/wife of _____ and presently residing at _____ being an presently employed with EPIL, having employee code [●] 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 EPIL.

NOW KNOW YE MEN ALL AND THESE PRESENTS WITNESSETH I, [●], do hereby irrevocably nominate, constitute and appoint -----as my true and lawful attorney (hereinafter referred to as the “Attorney”) to do in my name and on my 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 the Government of India in Engineering Projects (India) Limited including but not limited to signing and submission of all applications, participate in conferences, if any and providing information/ responses to GoI/Advisor and generally dealing with GoI/Advisor/Company in all matters in connection with or relating to or arising out of our application for qualification for the Transaction (as defined in the Preliminary Information Memorandum) dated [●] issued by the Yes Bank 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: 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.

Wherever required, the Bidder 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 Bidder. 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 Bidders 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 Apostle certificate.

Annexure IX: Eligibility Guidelines**Department of Investment and Public Asset Management (DIPAM) Guidelines****Notification dated 13th July 2001**

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 IB 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 IB should arise only on conviction by the court of law.

Notification dated 28th September 2018

No. 3/9/2016-DoD-II-B
Government of India
Department of Investment & Public Asset Management

Block 14, CGO Complex
New Delhi.
Dated 28th September 2017

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. “Grave Offence” would include the below noted cases:
- a. Only those orders of SEBI are to be treated as coming under the category of “Grave Offences,, which directly relate to “Fraud,, as defined in the SEBI Act and / or regulations.
 - b. Only those orders of SEBI that cast a doubt on the ability of the bidder to manage the public-sector unit, when it is disinvested, are to be treated as adverse.
 - c. Any conviction by Court of Law.
 - d. In cases in which SEBI also passes a prosecution order, disqualification of the bidder should arise only on conviction by the Court of Law.
- (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 its Associate Company as defined in Companies Act, 2013 would result in disqualification. The decision in regard to the relationship interest between the 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 bidder, 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 bidder, a Show Cause Notice as to why it should not be disqualified, would be issued to it and it would be given an opportunity to explain its position.
- (g) 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, which if decided against the bidder, may disqualify the bidder in terms of (a) and (b) above or the eligibility criteria prescribed in the EoI, is pending against them. In case any investigation is pending in case which if decided against the bidder, may disqualify the bidder in terms of (a) and (b) above on the eligibility criteria prescribed in EoI against the bidder or the concern in which the bidder has substantial interest or against its CEO or any of its Directors/Managers, 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 filed along with EOI.

(SD/-)

(Aseem Kumar Jha)

Under Secretary to the Government of India

Annexure X: Request for Qualification (Form A)

[To be submitted in respect of the Interested Bidder or by each member of the Consortium of Interested Bidders]

Form – A Reference No.:

Date:

Name of the Interested Bidder: _____

1. Constitution (Tick, wherever applicable)
 - a. Public Limited Company;
 - b. Private Limited Company;
 - c. Partnership Firm;
 - d. Trust; or
 - e. Others, if any (Please specify).
2. If the interested party is a foreign company, specify list of statutory approvals from the Government of India/ the Reserve Bank of India applied for/ to be obtained/ awaited.
3. Memorandum and Articles of Association or other Constitution Documents of the Interested Bidder/member of consortium.
4. A certificate duly signed by our Company Secretary/ any other officer in charge of legal affairs, stating that we are eligible to participate in the proposed Strategic Sale in terms of Clause ____ of our Memorandum and Articles and Association (or any other Constitution Document).
5. Basis of eligibility for participation in the process (please mention basis and attach supporting documents):

 - a. attach Audited Financials (including Profit & Loss statement, Balance Sheet and Cash Flow statement) and the Annual Report of the last three financial years;
 - b. attach certificate from a Chartered Accountant/ Statutory Auditor certifying the net worth (as per format in Annexure XI) as defined in the eligibility criteria.
 - c. attach certificate from a Chartered Accountant/statutory auditor certifying the Profit after Tax of the last three out of five financial years.
6. Details of shareholding pattern with summary certification of the shareholding.
7. Provide the extract of the charter documents and documents such as a board or shareholders' resolution in favour of the person executing the Power of Attorney for the delegation of power on behalf of the IB/ member of Consortium.
8. Provided that, in the event the Interested Bidder has been incorporated in the last 2 years, subject to compliance with all applicable laws, do not have audited financial statements as on March 31, 2018, a provisional Balance

Sheet and Profit and Loss account for the Interested Bidder as certified by its Board of Directors/ any other governing body should be submitted.

9. Role/ interest of each member in the Consortium (if applicable).
10. Nature of business carried out by the Interested Bidder/member of consortium and a profile containing information on the Interested Bidder's operations. The profile should contain such details as business history and growth, business areas and activities, capability of the company as demonstrated, inter alia, in its past track record to run its own business.
11. List of IB's Board of Directors and senior management along with the organization structure certified by the company secretary of the IB.
12. Summary of the roles and responsibilities of the directors and key management personnel of the IB certified by the company secretary of the IB.
13. Brief write up of the IB of its international operations, joint ventures / alliances (whether international or domestic), nature and size of such operations, equity ownership, if applicable, copies of the audited accounts for the last one year of such companies.
14. The names and addresses of those companies and the professional firms, if any, who are (or will be) advising the IB, together with the names of the principal individual advisors at those companies and firms.
15. Date and Place of incorporation. (In case of SEBI registered AIF(s), date and place of registration, as submitted to SEBI)
16. Date of Commencement of Certificate.
17. Full address including Phone No. / Fax No / Email address.
 - a. Registered Office; and
 - b. Head Office.
18. Address for correspondence.
19. Details of all outstanding litigations.
20. Please provide details of all contingent liabilities that, if materialised, that have or 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 Interested Bidder, or other similar business combination or sale.
21. Contact Person(s):
 - a. Name:
 - b. Designation
 - c. Phone No.:
 - d. Mobile No.:
 - e. Fax No.:
 - f. Email:

Thank you.

Yours sincerely,

For and on behalf of: (name of the Interested Bidder)

Signature: (Authorised Representative and Signatory)

Name of the Person: [_____]

Designation: [_____]

***Note:** Please follow the order adopted in the format provided. If the Interested Bidder 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 XI: Declaration of Net Worth

We hereby declare that our Net Worth as of 31st March 2018 stood at Rs. _____ (rounded to two decimal places) crore as per the methodology prescribed below for the submission of EoI.

An independent Chartered Accountant signing this net worth certificate has duly verified the relevant details required in the table below.

All figures are to be filled in Rs. crore (rounded to two decimal places)

Particulars	Unit
Number of paid up equity shares (A)	
Face value of each share (B)	
Total paid up capital (C = A*B)	
Aggregate value of reserves created out of the profits and securities premium account (D)	
Aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off (E)	
Aggregate value of reserves created out of revaluation of assets, write-back of depreciation and amalgamation (F)	
Net worth (G = C + D – E – F)	

Authorised Signatory:

Date:

and

**Chartered Accountant:
(with Membership Number)**

Annexure XII: Declaration of Net Worth by SEBI Registered AIF

Particulars	
Name of the Fund	
Registered Address of the Fund *	
Date of Inception	
Tenure of the Fund	
Corpus	
Category of the Fund `	
Maximum amount investable in any investee company as per latest SEBI guidelines**	

* Please provide the certificate of registration

** Please attach the The Maximum Permissible Investment Limit certificate issued by an independent Chartered Accountant/ Statutory Auditor's not older than 3 months from the date of PIM.

Authorised Signatory:

Date:

and

Auditors Authorized Signatory and Stamp

Annexure XIII: Declaration of Profitability

We hereby declare that our company has reported the following net profit in last 5 Audited financial statements on consolidated basis.

Please find below the net profit reported in last 5 Audited statements.

All figures are to be filled in Rs. crores (rounded to 2.00 decimal places)

Fiscal Years	Net Profit
2014	
2015	
2016	
2017	
2018 [#]	

Authorised Signatory:

Date:

or

**Statutory Auditor:
(With Registration Number)**

**If the Interested Bidder does not have audited financial statements as on March 31, 2018, Net Profit as per provisional financial account for the Interested Bidder as certified by its Statutory Auditor/Board of Director may be considered.*

Annexure XIV: Format for Consortium Agreement (In case of Consortium of IBs)

(To be on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution)

This Consortium Agreement ("**Agreement**") executed on this _____ day of _____ Two thousand _____ between

1. M/s [**insert name of Lead Member**] _____ a partnership firm or Company incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the "**Member-1**", which expression shall include its successors, executors and permitted assigns);
2. M/s _____ a partnership firm or Company incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the "**Member-2**", which expression shall include its successors, executors and permitted assigns); and
3. M/s _____ a partnership firm or Company incorporated under the laws of _____ and having its Registered Office at _____ (hereinafter called the "**Member-3**", which expression shall include its successors, executors and permitted assigns),

for the purpose of submitting response to Advertisement dated [●] inviting Expression of Interest for strategic disinvestment of entire Government of India equity stake of Engineering Projects (India) Limited along with transfer of management control.

WHEREAS, each Member individually shall be referred to as the "**Member**" and all of the Members shall be collectively referred to as the "**Members**" in this Agreement.

WHEREAS, GoI had invited EoI via advertisement dated [●];

WHEREAS the Instructions for submitting EoI as per PIM stipulates that in case EoI is being submitted by a Consortium of Bidders, the Members of the Consortium will have to submit a legally enforceable Consortium Agreement in a format specified by GoI.

All the terms used in capitals in this Agreement but not defined herein shall have the meaning as per PIM.

NOW THEREFORE, THIS AGREEMENT WITNESSTH AS UNDER:

In consideration of the above premises and agreements all the Members in this Consortium do hereby mutually agree as follows:

1. We, the Members of the Consortium and Members to the Agreement do hereby unequivocally agree that Member-1 (M/s _____), shall act as the Lead Member as defined in the PIM for self and agent for and on behalf of Member-2, _____, Member-3 and to submit the EoI;
2. We have formed consortium comprising of ____ members as follows:
 1. _____ (Insert name)/% of Shareholding in the Consortium
 2. _____ (Insert name)/% of Shareholding in the Consortium
 3. _____ (Insert name)/% of Shareholding in the Consortium
3. The Lead Member is hereby authorized by the Members of the Consortium and Members to the Agreement to bind the Consortium and receive instructions for and on their behalf.
4. The Lead Member shall be liable and responsible for ensuring the individual and collective commitment of each of the Members of the Consortium in discharging all of their respective obligations. Each Member

further undertakes to be individually liable for the performance of its part of the obligations without in any way limiting the scope of collective liability envisaged in this Agreement.

5. We acknowledge that after the submission of financial bid, the composition of the Consortium shall be maintained for a period of 3 years from the date of consummation of the Transaction, if it is shortlisted as the successful bidder
6. We acknowledge that after the submission of the EOI, the management control of the each member of the Consortium shall be maintained for a period of 3 years from the date of consummation of the Transaction.
7. We undertake and confirm that the Consortium shall incorporate a Special Purpose Vehicle (in the form of a company), under the laws of India, once finally selected to enter into the definitive agreements. The shareholding of the SPV shall be the same as the shareholding of the Members in the Consortium.
8. We certify that in the event we are finally selected to enter into definitive agreements, we shall continue the business of the Company in its entirety as being conducted as on the completion of the Transaction on a going concern basis.
9. The Lead Member, on behalf of the Consortium, shall inter alia undertake full responsibility for liaising with any authority or persons as required.
10. In case of any breach of commitment by any of the Consortium Members, the Lead Member shall be liable for the consequences thereof.
11. Except as specified in the Agreement, it is agreed that sharing of responsibilities as aforesaid shall not in any way be a limitation of responsibility of the Lead Member under these presents.
12. The Lead Member shall be liable irrespective of its scope of work or financial commitments.
13. This Agreement shall be construed and interpreted in accordance with the Laws of India and courts at Delhi alone shall have the exclusive jurisdiction in all matters relating thereto and arising thereunder.
14. It is further expressly agreed that the Agreement shall be irrevocable and shall remain valid until the expiration or early revocation/termination of the terms thereof, unless expressly agreed to the contrary by GoI.
15. The Lead Member is authorized and shall be fully responsible for the accuracy and veracity of the representations and information submitted by the Members respectively from time to time in EoI.
16. It is hereby expressly understood between the Members that no Member at any given point of time, may assign or delegate its rights, duties or obligations under the EoI except with prior written consent of GoI.
17. This Agreement
 - (i) has been duly executed and delivered on behalf of each Member hereto and constitutes the legal, valid, binding and enforceable obligation of each such Member;
 - (ii) sets forth the entire understanding of the Members hereto with respect to the subject matter hereof; and
 - (iii) may not be amended or modified except in writing signed by each of the Members and with prior written consent of GoI.

IN WITNESS WHEREOF, the Members have, through their authorized representatives, executed these present on the Day, Month and Year first mentioned above.

For M/s _____ [**Member 1**]

_____ (Signature, Name and Designation of the person authorized vide board resolution/power of attorney duly executed by such partners as authorized by the partnership deed governing such partnership dated [●])

Witnesses:

(i) Signature _____
Name:
Address:

(ii) Signature _____
Name:
Address:

For M/s _____ [**Member 2**]

_____ (Signature, Name and Designation of the person authorized vide board resolution/power of attorney duly executed by such partners as authorized by the partnership deed governing such partnership [●])

Witnesses:

(i) Signature _____
Name:
Address:

(ii) Signature _____
Name:
Address:

For M/s _____ [**Member 3**]

_____ (Signature, Name and Designation of the person authorized vide board resolution/power of attorney duly executed by such partners as authorized by the partnership deed governing such partnership dated [●])

Witnesses:

(i) Signature _____
Name:
Address:

(ii) Signature _____
Name:
Address:

[Signature and stamp of Notary of the place of execution]

Notes:

1. *The mode of execution of the Consortium Agreement 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.*
2. *For a Consortium Agreement executed and issued overseas, the document will also have to be legalized by the Indian Embassy and notarized in the jurisdiction where the Consortium Agreement is being executed. However, the Consortium Agreement executed in 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. Also the document shall be stamped by the local authority in India with appropriate stamp duty paid, before submission, in any event within specified timeframe as per applicable laws.*
3. *Capitalised terms not defined in this annexure, but defined in the PIM, shall have the same meanings as ascribed to it in the PIM.*

Annexure XV: Declaration

(To be forwarded on the letter head of the sole IB /each member of the Consortium submitting the EoI)

DECLARATION

1. We solemnly declare that we or our Director(s), CEO or principal officers are not convicted by any court of law or are indicted or have received any adverse order from regulatory authority relating to a grave offence with regard to matters other than the security and integrity of the country.

Grave offence for this purpose shall include

- a) What constitutes “Fraud” under the provisions of the SEBI Act, 1992 and any of the regulations, rules, circulars, notifications, etc. made thereunder.
 - b) SEBI orders on the IB casting doubt on the ability of the IB to hold the stake in the Company.
 - c) Any conviction by a court of law.
 - d) In case of SEBI’s order of prosecution, disqualification will arise only on conviction by court of law.
2. We further declare that we or our sister companies have not been issued a charge-sheet by any Governmental Authority or convicted by a court of law for any offence with regard to matters relating to the security and integrity of the country.
 3. We further declare that we, our sister company, our Director(s), CEO, principal officers are not under any investigation pending before any regulatory authority or other authority.
 4. We declare that complete information as required is provided in the EoI and Form-A and/or Statement of Legal Capacity.

(Interested Bidder’s name) (Interested Bidder’s Address)

In case any IB is unable to give above undertaking in view of any conviction, indictment, order or investigation as above full details of the same shall be provided including names of persons involved, designation, charge/offence, ordering/investigating agency, status/outcome etc. with supporting/relevant documents. Any entity, which is disqualified from participating in the Transaction, shall 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.

Annexure XVI: Format of Affidavit

(To be appropriately stamped on non-judicial stamp paper of appropriate value as per Stamp Act relevant to place of execution; and to be notarized and submitted by the IB/ each member of the Consortium submitting the EoI)

Affidavit

I, [name] aged [age] years, resident of [address] working as [designation] an Authorised Signatory on behalf of [name of the Interested Bidder] (Interested Bidder) hereby state as under:

1. I am the [designation of the deponent] of the Interested Bidder. I am conversant with the facts and circumstances surrounding the subject of this affidavit [and have been authorised to depose to the same pursuant to the power of attorney dated [date] issued pursuant to [particulars of corporate approval]]. I am filing this affidavit to place on record verification of facts and documents in connection with the bidding process concerning strategic disinvestment of Engineering Projects (India) Limited (EPIL).
2. [Insert separate paragraphs for each information/ document physically submitted with the Transaction Advisor, in a chronological sequence including the page numbers of documents submitted].
3. That nothing has been concealed in the information submitted as mentioned above.
4. All documents submitted as a part of Expression of Interest (EoI) have been executed as per applicable laws and procedures and specifications in the PIM.
5. All the facts and documents submitted as a part of the EoI are true and accurate.

Solemnly affirmed and verified on this [day] day of [month][year] at [place].

(Signature of the Authorised Signatory)
Name, Designation and Address

VERIFICATION

I, [name], [the [designation of the deponent] of] the Interested Bidder above named, having my office at [address], do hereby solemnly declare that what is stated above is on the basis of the books and records of the Interested Bidder, and verify that the contents of the above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified at [day] day of [month] [year] at [place].

[particulars of notarisation]

Deponent
(Signature)
Name, Designation and Address

Important Instructions:

1. For an Affidavit executed and issued overseas, instead of notarization, the document should either carry a conforming Apostille certificate or it should be legalized by applicable procedure in respective jurisdiction, before submission. Also, the document shall be stamped by the local authority in India with appropriate stamp duty paid, before submission, in any event within the specified timeframe as per applicable laws.
2. The date of execution of Affidavit shall be on or after the date of execution of the EoI documents.

Annexure XVII: Eligibility Guidelines for Employee/Management Bid

Guidelines for management-employee bids

No. 4/38/2002/DD-II

Government of India

Ministry of Disinvestment

Block No.14, CGO Complex,

Lodi Road, New Delhi.

Dated: 25th April, 2003

OFFICE MEMORANDUM**Subject: - Guidelines for management-employee bids in strategic sale.**

Employee participation and protection of employee interests is a key concern of the disinvestment process. The practice of reserving a portion of the equity to be disinvested for allocation to employees, at concessional prices, has been adopted in a number of cases. It is necessary and expedient to evolve and lay down guidelines to encourage and facilitate management-employee participation in the strategic sales and thus to acquire controlling stakes and manage disinvested public sector undertakings. The undersigned is directed to state that Government has, therefore, decided to lay down the following guidelines for evaluating employee/management bids:-

- i. The term 'employee' will include all permanent employees of a PSU and the whole time directors on the board of the PSU. A bid submitted by employees or a body of employees will be called an "employee bid".
- ii. At least 15% of the total number of the employees in a PSU or 200 employees, whichever is lower, should participate in the bid.
- iii. An employee bid would be exempted from any minimum turn over criterion but will be required to qualify in terms of the prescribed net worth criterion. They will be required to follow the procedures prescribed for participation by Interested Parties in the process of strategic sale including, but not limited to, filing the expression of interest along with all details, as applicable to other investors, furnishing of bank guarantee for payment of the purchase price etc.
- iv. Employees can either bid directly and independently or, for the purpose of meeting the financial criteria like net worth, can form a consortium or bid through a joint venture (JV) or a special purpose vehicle (SPV), alongwith a bank, venture capitalist or a financial institution. However employees will not be permitted to form consortia with other companies.
- v. If the bidding entity of the employees is a consortium, JV or SPV, employees must have a controlling stake and be in control of the bidding entity.
- vi. If the bid is submitted through a consortium, JV or SPV, employees must contribute at least 10% of the financial bid.
- vii. If the employees form a consortium, the consortium partners would be prohibited from submitting individual bids independently.
- viii. If it is not the highest bid, the employee bid shall be considered only if the said bid is within 10% of the highest bid.
- ix. The employee bid shall, subject to fulfilling the conditions above, have the first option for acquiring the shares under offer provided they match the highest bid and the highest bid being equal to or more than the reserve price.

- x. If the employee bid is not the highest bid and there are more than one employee bids within the 10% band, the highest of the employee bids will have precedence for purchase at the highest bid. If such employee bidder is unwilling or unable to match the highest bid, the option will pass on to the next highest employee bid and so on till all the employee bids, within the 10% band, are exhausted.
 - xi. In the event of no employee bidder, within the 10% band, being willing or able to match the highest bid, the shares under offer will be sold to the highest bidding entity.
 - xii. There will be a lock in period of three years for the shares disinvested by the Government.
1. All the bidders for the management-employee buy-outs will also have to satisfy the provisions of the 'Guidelines for qualification of bidders seeking to acquire stakes in Public sector Enterprise through the process of disinvestment' issued vide the then Department of Disinvestment's Office Memorandum No.6/4/2001-DD-II dated 13th July 2001 or as amended subsequently along with other qualification criterion as generally applicable and not specifically excluded herein.

-sd-

(T.S. Krishnamachari)

Deputy Secretary to the Government of India

Annexure XVIII: Employee/Management Bid Participation Criteria

For Employee/Management Bid: As per the Circular No. 4/38/2002/DD-II dated April 25, 2003 (“Employee Guidelines”) which is annexed as Annexure XVII, employees of EPIL (“Employees”) are permitted to participate in the Transaction as Interested Bidders either (a) directly and independently (“Direct Employee Participation”) or (b) by forming of a consortium (“Employee Consortium”) and subject to the following:

- i. Employees participating either through Direct Employee Participation or by forming an Employee Consortium shall necessarily comply with each of the applicable conditions and provisions of the Employee Guidelines.
- ii. Employees participating either through Direct Employee Participation or by forming an Employee Consortium shall be subject to the same terms and conditions, process, instructions, criteria’s, disqualifications, etc. which are applicable to other Interested Bidders in this PIM/EoI and shall ensure compliance of the same. In case of any conflict between the terms and conditions, process, instructions, criteria’s, disqualifications, etc and the Employee Guidelines, the Employee Guidelines shall apply.
- iii. Employees participating either through Direct Employee Participation or by forming an Employee Consortium shall be required to provide such additional documents, confirmation, undertakings and information as the TA may require so as to evaluate the EoI (including eligibility criteria) submitted by such Employees or Employee Consortium.
- iv. The GoI and TA may provide for such further clarifications, conditions, criteria’s as it may deem necessary for the purposes of Employees to participate.
- v. Subject to paragraph vii, the forms and format to be submitted by the Employees, in case in of Direct Employee Participation shall be the same as that of a sole/individual bidder mentioned in this document.
- vi. Subject to paragraph vii, the forms and format to be submitted by the Employees and consortium members of Employee Consortium, in case of employees participating through an Employee Consortium, shall be the same as that of a consortium bidder.
- vii. In the forms and format, the details of the interested bidder shall be provided in the following format:

S. No.	Name of the Employee	Designation	Employee Code, if any	Residential Address	Identity proof (Adhaar No/ Passport No)	PAN and TAN

- viii. Each form and EoI submitted by Employees (whether as Direct Employee Participation or Employee Consortium) shall be accompanied by a duly executed Power of Attorney where a Employees forming part of such participation shall appoint one participating Employee to be their lawful attorney for submission of EoI and connected documents and be the lawful attorney of the other participating Employee. The format of the Power of Attorney is annexed as Annexure VIII.

Glossary

PIM	Preliminary Information Memorandum
EoI	Expression of Interest
YES Bank	YES Bank Limited
Transaction Advisor	YES Bank Limited
EPIL	Engineering Projects (India) Limited
Company	Engineering Projects (India) Limited
Transaction	Disinvestment of the entire equity shareholding of EPIL held by the President of India acting through the Department of Heavy Industries, GoI, along with transfer of management control through a competitive bidding process
DIPAM	Department of Investment & Public Asset Management
SEBI	Securities and Exchange Board of India
RBI	Reserve Bank of India
DHI	Department of Heavy Industry
MoHI&PE	Ministry of Heavy Industries & Public Enterprises
GoI	Government of India
IB	Interested Bidders
RFP	Request for Proposal
RFQ	Request for Qualification
CIM	Confidential Information Memorandum
CPSE	Central Public Sector Enterprises
EoI	Expression of Interest
Due Date	The last day for Submission of EoI
Net Profit	Profit After Tax
CEO	Chief Executive Officer
IBEF	India Brand Equity Foundation
PMC	Project Management Consultant
EPC	Engineering, Procurement and Construction
PMAY	Pradhan Mantri Awas Yojana
INR	Indian Rupee
L&DO	Land and Development Office
Chartered Accountant	A person who is member of Institute of Chartered Accountants of India
Statutory Auditor	An external auditor whose appointment is mandated by law.