

Invitation for Proposing a Scheme for Compromise or Arrangement under Section 230 of the Companies Act, 2013 with the Creditors and/or Members of Lotus Auto Engineering Limited (in Liquidation)

1. Background:

- a. Lotus Auto Engineering Limited (“the Company”) was incorporated on 25th November, 2010 and registered under the Companies Act, 1956 having its registered office at 3 & 4, LSC, Pamposh Enclave, Greater Kailash-1, New Delhi - 110048 and factory located at SP 501B, RIICO Industrial Area, Bhiwadi, Rajasthan - 301019 with corporate identification number U74120DL2010PLC210772. Lotus Auto Engineering Limited (LAEL) is presently manufacturing low to medium weight machined castings and supplying for companies like Maruti Suzuki India Limited, Cummins Inc, BorgWarner, Brakes India, Mushashi, Honda, Multimatic etc.
- b. A petition was filed by Oriental Bank of Commerce under Insolvency and Bankruptcy Code, 2016 (IBC) for initiating the Corporate Insolvency Resolution Process (CIRP) of the Lotus Auto Engineering Limited. The National Company Law Tribunal, New Delhi bench (NCLT) vide order dated 7th August 2018 admitted Corporate Debtor to CIRP and appointed Mr. Ashok Kumar Gulla as the Interim Resolution Professional of the Company. The appointment of Mr. Ashok Kumar Gulla as the Resolution Professional (RP) of the Company was confirmed by the Committee of Creditors (CoC) on 12th September, 2018. The CIRP period of maximum of 330 days including certain exclusions allowed by Adjudicating Authority expired on 15th November, 2019 and as no resolution plan was approved till last date, the application for initiating liquidation process of Lotus Auto Engineering Limited was filed on 19th November, 2019 under Section 33(1) of Insolvency and Bankruptcy Code, 2016. The Hon’ble NCLT, New Delhi Bench admitted the application for initiating liquidation of Lotus Auto Engineering Limited vide its order dated 01st June 2020 and Mr. Ashok Kumar Gulla has been appointed as Liquidator vide order of Hon’ble NCLT dated 12.06.2020.
- c. It was discussed and decided in the 24th Meeting of CoC held on 15th November, 2019 first initiate an attempt to sell the Corporate Debtor as a going concern by inviting prospective bidders to submit bids u/s 230 of Companies Act, 2013 read with Regulation 2B of IBBI (Liquidation Process) Regulations, 2016, the Liquidator herein issued public announcement, inviting prospective bidders for submission of a scheme of compromise or arrangement under Section 230 of the Companies Act, 2013 (“**Scheme**”) in the **PAN India Editions of Financial Express (English) and Jansatta (Hindi) firstly on 19th June 2020 and subsequently on 1st August, 2020.**

2. Invitation from potential applicants:

Mr. Ashok Kumar Gulla, in his capacity as Liquidator of Lotus Auto Engineering Limited, invite proposals containing the Scheme of Compromise or Arrangement under Section 230 of Companies Act, 2013 for acquisition/restructuring of debt of Lotus Auto Engineering Limited from interested bidders which fulfill the eligibility criteria provided below.

3. Eligibility

As inserted in Regulation 2B of IBBI (Liquidation Process) Regulations, 2016 vide notification dated 06.01.2020; All persons submitting the Scheme of Compromise or Arrangement should be eligible under Section 29 A of Insolvency and Bankruptcy Code, 2016 to acquire the Company under liquidation process.

Schemes of only those Sponsors who meet the criteria specified below in either (a) or (b) will be considered. EOIs which do not meet these criteria shall be rejected. The following persons may submit a scheme to the Liquidator:

a) For Members/Creditors Sponsors

- Creditors of LAEL either individually or jointly
- Members of LAEL either individually or jointly

b) For Third Party Sponsors

- Individuals/Proprietorship firm/Private Limited Company/ Public Limited Company/LLP/Body Corporates/trust having a minimum Net worth of Rs 5 crores; or
- For Financial Institutions/ ARCs/ Alternative Investment Funds having a minimum Asset under Management (AUM) of Rs 50 crores

Net Worth shall be computed as per the last available audited financials as aggregate value of paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, and does not include capital reserves including reserves created out of revaluation of assets, write back of depreciation and amalgamation.

4. Submission of Expression of Interest

- a) All Sponsors to submit Expression of Interest (EOI) to participate in the Scheme for Compromise or Arrangement under Sec 230 of Companies Act, 2013 for Lotus Auto Engg Ltd- under Liquidation and for carrying out due diligence by submitting following documents along with refundable deposit of Rs 2.00 Lakhs:
 - Application Form as Per **Annexure A**
 - Undertaking of Eligibility under Sec 29A of IBC,2016 as per **Annexure B**.
 - Confidentiality Undertaking as per **Annexure C**

- Documentary proof of meeting eligibility criteria.
- b) Non-Interest Bearing Refundable Security Deposit of Rs 2.00 Lakh either in form of Demand Draft or Direct Credit to Beneficiary's Bank Account which shall be returned within 30 days of either in case of withdrawal of interest to submit Scheme, Non-Submission of Scheme or Non-Consideration/Rejection of Scheme. However, in the event of any breach of the terms of this EOI or any other bid documents by the Sponsor or any of its nominees, agents, advisors, employees, affiliates and/or representatives, then the said deposit shall stand forfeited.
- Name of the Beneficiary: Lotus Auto Engineering Limited
 - Bank Name: Oriental Bank of Commerce
 - Branch Address: Large Corporate Branch, 1st Floor, Harsha Bhawan, Connaught Place, E Block, New Delhi 110001
 - Account Number: 01791131002054
 - IFS code: ORBC0100007
 - Account type: Current Account
- c) The last date for submission of Scheme under Compromise of Arrangement under Sec 230 of Companies Act, 2013 is **20th August 2020**. The Sponsors on submitting of EOI along with other documents and refundable deposit as mentioned in Para 4 (a) above will be given access to data room for carrying out due diligence. The sponsors are requested to submit EOI at the earliest so that they have sufficient time for due diligence before submission of Scheme, for which last date is 20th August 2020.
- d) **Access to Virtual Data Room**: The Sponsors will be given access to data room soon after submission of EOI and refundable deposit. The applicant can also access any other document kept at the registered address of Corporate Debtor and physically visit the registered office and Factory location at their own cost after giving prior intimation to the Liquidator and his team members.

5. Submission of Scheme of Compromise or Arrangement under Sec 230 of Companies Act, 2013

- a) **Submission of Scheme**: The interested applicant shall be required to submit the hard copy of Scheme of Compromise or Arrangement under Section 230 of Companies Act, 2013 in a sealed envelope along with the requisite annexures/ documents to the following address by post or deliver in person not **later than 20th August, 2020**:

Mr. Ashok Kumar Gulla, Liquidator
 Lotus Auto Engineering Limited
 C/o RBSA Restructuring Advisors LLP IAPL House 2nd Floor,

23 South Patel Nagar, New Delhi, 110008

Applicant shall also be required to submit a soft copy of Scheme along with requisite annexures stated above at email ip.lotus@rbsa.in

- b) **Contents of the Scheme:** The Scheme shall broadly include following points:
- Total funds proposed to be brought in for implementation of the Scheme with break up towards repayment of existing liabilities and for revival of corporate debtor;
 - Timeline for disbursement of the funds subject to approvals and permissions from NCLT;
 - The Scheme to provide for outstanding liquidation process cost and CIRP cost to be paid in priority from date of approval of the Scheme by the Hon'ble NCLT.
 - Brief note on the proposed settlement of secured and unsecured financial creditors, operational creditors and employees;
 - The treatment of statutory liabilities;
 - Treatment of liabilities towards equity shareholders
 - Treatment of various litigations, other liabilities etc.
 - Plans for revival of the Company including treatment to employees and other stakeholders dealing with various litigations etc.
 - Any restructuring, hiving off of the existing units of the Company and treatment of such hived off units.
 - Any other relevant details as to why scheme of compromise or arrangement under Section 230 of Companies Act, 2013 should be considered by the NCLT and the creditors
 - All details in accordance with the requirements of Section 230 of the Companies Act, 2013.
 - Source for meeting the funds to fulfill the commitment of payment proposed in the scheme.
- c) **Annexures /Documents to be enclosed:** The Scheme should accompany following documents:
- Documents providing complete details of Applicant stating, name and particulars of organization, nature of activity, date of establishment, KYC Documents (PAN, Aadhar etc.), financial statement for the last three financial years, copies of Income Tax return, any other particular along with supporting documents.
 - Documentary proof regarding Sources of funds for meeting the payment under compromise or arrangement under Section 230 of Companies Act, 2013 (Bank certificate substantiating funds availability of the Sponsor)
 - Undertaking with submission of scheme or compromise under Section 230 of Companies Act, 2013 as per **Annexure D**.
 - Any other document in support of the Scheme and/or eligibility of the Applicant.
- d) **Evaluation of the Scheme:** The Liquidator will follow process as under:

- On receipt of the Scheme of Compromise or Arrangement under Section 230 of Companies Act, 2013, if the Liquidator is satisfied that the Scheme is complete in all respects and that the Annexures are complete and provide all requisite details, the liquidator, may, in his sole discretion submit the proposal to Hon'ble NCLT, New Delhi bench for necessary directions within 10 days of receipt of proposal.
- Further the Liquidator reserves the right to submit the Scheme to the financial creditors simultaneously for their assessment whether the arrangement of Scheme is viable, feasible and having appropriate financial matrix. The liquidator will seek approval of secured creditors for the said scheme and intimate to Hon'ble NCLT, New Delhi accordingly.
- The Liquidator shall seek direction from Hon'ble NCLT, New Delhi for seeking approval of other stakeholders or dispensing the same.
- Mere submission of the Scheme to NCLT or financial creditors does not mean that the Scheme will be approved. The decision of the Liquidator to submit or reject the Scheme shall be final and binding on the Applicants.
- The details of further process shall be updated on the company's website i.e. www.lotus-auto.in

e) **Submission of EMD**

- All Sponsors shall furnish Earnest Money Deposit (EMD) in form of deposit or bank guarantee equivalent to INR 1.00 Crore (Rupees One Crore Only) within 10 days of approval of the Scheme by Secured Creditors. This EMD will be held till the approval/ rejection of the Scheme by Hon'ble NCLT, New Delhi. The BG will be initially issued for a period of 6 months.
- It is hereby clarified that non-submission of the EMD by the Sponsor shall lead to rendering of that particular Scheme as nonresponsive, and accordingly the Liquidator shall have the right to reject such Scheme.
- The Liquidator shall have the right to invoke the EMD by issuance of a written request to the bank in case: (i) any of the conditions under this Invitation for Scheme for Compromise or Arrangement under Section 230 of the Companies Act, 2013 are breached by the relevant Sponsor or in case Sponsor is found to have made any misrepresentation; or (ii) the Sponsor is found to be ineligible to submit the Scheme under Section 29 A of the Insolvency and Bankruptcy Code, 2016 ("Code") or the Sponsor is found to have made a false or misleading declaration of eligibility under Section 29A of the Code; or (iii) any non-compliance with the liquidation process laid down herein, or any ,modifications/ additions made to the same by the Liquidator, or unilateral change by the Sponsor to the Scheme submitted by it; or (iv) the Sponsor fails to renew/ extend the EMD at least 30 days prior to the date of its expiry.
- **Exchange Rate:** For the purpose of amount of BG in Foreign Exchange, the exchange rate to be used for conversion into INR (Indian Rupees) shall be RBI Reference rate on the date of public announcement i.e. 19th June, 2020.

f) **Other Conditions:**

- The Liquidator reserves the right to cancel or modify the process without

assigning any reason and without any liability. This is not an offer document and is issued with no commitment. Applicants should regularly visit the website of the Company i.e. www.lotus-auto.in to keep themselves updated regarding clarifications/amendments/time-extensions, if any.

- The Liquidator reserves the right to withdraw the invitation for submission of Scheme under section 230 and change or vary any part thereof at any stage, should it be so necessary at any stage.
- No oral conversations or agreements with the Liquidator or any official, agent or employees of the Liquidator, any creditor or class of creditors, any member or class of members shall affect or modify any terms of the invitation for submission of Scheme.
- Neither the Applicants nor any of representatives of the Applicants shall have any claims whatsoever against the Liquidator or its advisors or any of their officials, agents or employees arising out of or relating to this Scheme.
- By submitting the summary proposal, each Applicant shall be deemed to acknowledge that it has carefully read the document and has fully informed itself as to all existing conditions and limitations.
- The Applicant acknowledges that the acquisition of the Company shall be made by the Applicant on an “As is where is basis”, “As is what is basis”, “Whatever there is basis” and “No recourse” basis and the Liquidator will not be providing any representations or warranties for the Company.
- For any clarifications on the process of submission of Scheme, please contact on ip.lotus@rbsa.in or
Mr. Satyam Poddar, CA (Team member with Liquidator): +91- 9711862674
Mr. Anirudh Agarwal CA (Team Member with Liquidator) : +91-9871875711
Ms. Unnati Pandey, CS (Team Member with Liquidator) : +91-8604546640

ANNEXURE A
APPLICATION FOR SUBMISSION OF EXPRESSION OF INTEREST

To

**Mr. Ashok Kumar Gulla, The Liquidator,
Lotus Auto Engineering Limited - In Liquidation**

Submission of Expression of Interest for Proposing Scheme of Compromise or Arrangement under Sec 230 of Companies Act, 2013

Dear Sir

This is in response to your advertisements dated **19.06.2020 and 01.08.2020 in PAN India Editions of Financial Express and Jansatta** inviting scheme of compromise or arrangement for Lotus Auto Engineering Limited (in Liquidation) under Section 230 of the Companies Act, 2013 in accordance with provisions of Regulation 2B of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, I, <name of person and designation> on behalf of <name of applicant> hereby submit Expression of Interest as under:

1. Name of Sponsor:
2. Constitution:
3. Name of Promoters:
4. Name of Directors
5. Date of Incorporation:
6. Registered office/ Place of Business:
7. Nature of Business:
8. Details of Performance and Financials;
9. Details of Net Worth/AUM:
10. Whether meeting Eligibility Criteria
11. Whether Eligible under Sec 29A of IBC, 2016:
12. Details of refundable deposit of Rs 2.00 Lakh:

This is to certify that the information submitted above is correct

Signature of Authorized Person

Enclosures:

- Undertaking of Eligibility under Sec 29A of IBC, 2016.
- Confidentiality undertaking as per **Annexure C**
- Refundable deposit of Rs 2.00 Lakh
- Documentary proof of meeting eligibility criteria

ANNEXURE B
UNDERTAKING OF ELIGIBILITY UNDER SECTION 29A OF
INSOLVENCY AND BANKRUPTCY CODE, 2016

To
Mr. Ashok Kumar Gulla,
The Liquidator,
Lotus Auto Engineering Limited - In Liquidation

Dear Sir,

This is in response to your advertisement **dated 19.06.2020 and 01.08.2020 in PAN India Editions of Financial Express and Jansatta** inviting scheme of compromise or arrangement for Lotus Auto Engineering Limited (in Liquidation) under Section 230 of the Companies Act, 2013 in accordance with provisions of Regulation 2B of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, I, *<name of person and designation>* on behalf of *<name of applicant>* hereby undertake as follows:

1. I hereby submit this declaration under Section 29A of the Insolvency and Bankruptcy Code, 2016 ("Code"):

I have understood the provisions of section 29A of the Code. I confirm that neither *<name of applicant>* nor any person acting jointly with *<name of applicant>* or any person who is a promoter or in the management or control of *<name of applicant>* or any person acting jointly with *<name of applicant>*:

- a) is an un-discharged insolvent;
- b) is a wilful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949;
- c) has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 or the guidelines of a financial sector regulator issued under any other law for the time being in force and at least a period of one year has lapsed from the date of such classification till the date of commencement of the corporate insolvency resolution process of the corporate debtor;
- d) has been convicted for any offence punishable with imprisonment: for two years or more under any Act specified under the Twelfth Schedule; for seven years or more under any law for the time being in force;
- e) is disqualified to act as a director under the Companies Act, 2013;

- f) is prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;
- g) has been a promoter or in the management or control of a corporate debtor in which a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place and in respect of which an order has been made by the Adjudicating Authority under this Code;
- h) has executed an guarantee in favour of a creditor in respect of a corporate debtor against which an application for insolvency resolution made by such creditor has been admitted under this Code;
- i) is subject to any disability, corresponding to clauses (a) to (h) of Section 29A, under any law in a jurisdiction outside India; or
- j) has a connected person (as defined in Explanation to Section 29A) who is ineligible under clauses (a) to (i) of Section 29A.

I therefore, confirm that *<name of applicant>* is eligible to be applicant in accordance to Section 29A of the Insolvency and Bankruptcy Code, 2016 (“Code”).

2. I undertake on behalf of *<name of applicant>*, that during the Liquidation Process, no person who would be considered as Connected Person and is not eligible to submit scheme of compromise or arrangement under section 29A of Insolvency and Bankruptcy Code, 2016 and the Regulation 2B of IBBI (Liquidation Process) regulations, 2016, shall be engaged in the management and control of corporate debtor.
3. I declare and undertake that in case the *<name of applicant>* becomes ineligible at any stage during the Liquidation Process, it would inform the Liquidator forthwith on becoming ineligible.
4. I confirm that the said declaration and disclosure is true and correct.
5. I am duly authorised to submit this declaration by virtue of _____

(Signature with SEAL)

Name and Designation:

Address:

Email: Mobile

ANNEXURE C

CONFIDENTIALITY UNDERTAKING

This Confidentiality Undertaking has been signed by (**Name of applicant**) having its office at _____ acting through Mr. (**Name of person authorised by applicant(s)**), the authorized signatory/authorized representative ("**Applicant**"), which expression shall, unless repugnant to the context, be deemed to include its successors, assigns or legal representative) in favour of Mr. Ashok Kumar Gulla, Liquidator of Lotus Auto Engineering Limited, in response to the advertisement **dated 19.06.2020 and 01.08.2020 in PAN India Editions of Financial Express and Jansatta** inviting scheme of compromise or arrangement for Lotus Auto Engineering Limited (in Liquidation) under Section 230 of the Companies Act, 2013 in accordance with provisions of Regulation 2B of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 the Applicant (s) hereby declare(s) and undertake(s) as follows:

1. The Applicant(s) shall not divulge any part of the information contained accessed through the data room which shall mean the virtual data room maintained by the Liquidator, created for the Applicants to access information in relation to the Company ("Data Room") or any other data shared by the Liquidator, through oral or written communication or through any mode, for due diligence of the Corporate Debtor for submitting the Scheme under Section 230 of the Companies Act, 2013, to anyone and the same shall constitute "Confidential Information". Any information or documents generated or derived by the recipients of Confidential Information that contains, reflects or is derived from any Confidential Information shall also be deemed as Confidential Information.
2. The Applicant (s) further unconditionally and irrevocably undertake and declare that:
 - a) the Confidential Information shall be kept secret and confidential by the Applicant and shall be used solely in accordance with the terms of the IBC;
 - b) the Applicant(s) shall not use the Confidential Information to cause any undue gain or undue loss to itself, the Company, Liquidator or any other person;
 - c) the Applicant(s) shall comply with all provisions of Applicable Law(s) for the time being in force relating to confidentiality and insider trading;
 - d) the Applicant (s) shall protect any intellectual property of the Company which it may have access to;
 - e) the Confidential Information may only be disclosed to and shared with any employees or its advisors by the Applicant(s), in accordance with Applicable Law(s), including in relation to confidentiality and insider trading, and terms of this Confidentiality Undertaking on a strict need-to-know basis and only to the extent necessary for and in relation to the liquidation process of the Company, provided that the Applicant binds such employees and third parties, by way of an undertaking/ agreements, to terms at least as restrictive as those stated in this Confidentiality Undertaking.
 - f) the Applicant(s) shall ensure that all Confidential Information is kept safe and secured at all times and is protected from unauthorised access, use, dissemination, copying, any theft or

leakage;

g) the Applicant(s) shall immediately destroy and permanently erase all Confidential Information upon the completion of sale of the Company as provided under IBC and the Liquidation Process Regulations and as per scheme of compromise or arrangement;

h) the Applicant(s) shall take all necessary steps to safeguard the privacy and confidentiality of the information received through the access of the Data Room and shall use its best endeavors to secure that no person acting on its behalf divulges or discloses or uses any part of the Confidential Information, including but not limited to the financial position of the Company, all information related to disputes by or against the Company and other matter pertaining to the Company; and

i) the Applicant(s) shall be responsible for any breach of obligations under this confidentiality undertaking (including any breach of confidentiality obligations by any employee or advisor or agent or director of the Applicant) and shall indemnify the Liquidator for any loss, damages, expenses and costs incurred by the Liquidator due to such breach of such obligations by the Applicant (s) or any person acting on its behalf.

3. Notwithstanding anything to the contrary contained herein, the following information shall however not be construed as Confidential Information:
 - a) information which, at the time of disclosure to the Applicant(s) was already in the public domain without violation of any provisions of Applicable Law(s); or
 - b) information which, after disclosure to the Applicant(s) becomes publicly available and accessible without violation of Applicable Law(s) or a breach of this Confidentiality Undertaking; or information which was, lawfully and without any breach of this Confidentiality Undertaking, in the possession of the Applicant (s) prior to its disclosure, as evidenced by the records of the Applicant(s).
4. The Applicant(s) hereby expressly agrees and acknowledges that the Liquidator makes no representation, warranty or inducement, whether express or implied, as to the accuracy, completeness, authenticity or adequacy of the information (including but not limited to the Confidential Information) provided to the Applicant(s) in the Data Room. The Applicant(s) further agrees and acknowledges that the Liquidator shall not be liable to the Applicant(s) for any damage arising in any way out of the use of the Confidential Information and further that the Applicant(s) shall not have any claim against the Liquidator or the Company in relation to any information provided.
5. The terms of this Confidentiality Undertaking may be modified or waived only by a separate instrument in writing signed by the Applicant(s) and the Liquidator that expressly modifies or waives any such term.
6. Damages may not be an adequate remedy for a breach of this Confidentiality Undertaking and either party may be entitled to the remedies of injunction, specific performance and other equitable relief for a threatened or actual breach of this Confidentiality Undertaking.
7. Nothing in this Confidentiality Undertaking shall have the effect of limiting or restricting the liability of the Applicant(s) arising as a result of its fraud or wilful default as defined under Applicable Law(s).

8. The undersigned hereby represents and warrants that it has the requisite power and authority to execute, deliver and perform its obligations under this Confidentiality Undertaking.
9. This Confidentiality Undertaking and any dispute, claim or obligation arising out of or about it shall be governed by and construed in accordance with Indian laws and the courts and tribunal of Chennai shall have exclusive jurisdiction over matters arising out of or relating to this Confidentiality Undertaking.
10. Capitalised terms not defined under this Confidentiality Undertaking shall have the same meaning as provided in the IBC and relevant regulations.

I further declare that I, the undersigned have full knowledge of the contents provided in this undertaking and have absolute authority to sign this undertaking on behalf of *[insert the name of the Applicant (s)]*.

Signed on behalf of

(Name of Applicant(s))

by Mr. _____

(Name and Designation)

Authorised Signatory

Date:

Place:

Note- In case of consortium, undertaking to be executed by each of the members

ANNEXURE D
UNDERTAKING WITH SUBMISSION OF SCHEME OF COMPROMISE
OR ARRANGEMENT UNDER SECTION 230 OF THE COMPANIES ACT,
2013

To
Mr. Ashok Kumar Gulla,
The Liquidator,
Lotus Auto Engineering Limited - In Liquidation

Dear Sir,

This is in response to your advertisement **dated 19.06.2020 and 01.08.2020 in PAN India Editions of Financial Express and Jansatta** inviting scheme of compromise or arrangement for Lotus Auto Engineering Limited (in Liquidation) under Section 230 of the Companies Act, 2013 in accordance with provisions of Regulation 2B of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, I,

<name of person and designation> on behalf of <name of applicant> hereby undertake as follows:

1. The Applicant is in receipt of critical information including commercially sensitive information relating to the Corporate Debtor and that the Applicant shall keep all such critical information, including the commercially sensitive information, confidential and shall not disclose or divulge such critical information or commercially sensitive information or Unpublished Price Sensitive Information (UPSI), to any person.
2. The Applicant acknowledges that Liquidator is not providing any representations or warranty(ies) regarding the status of business, business prospects, or assets of the Corporate Debtor and the Liquidator assume no such liability whatsoever in this respect.
3. The Applicant represents to the Corporate Debtor and Liquidator that it has obtained all the requisite corporate authorizations and regulatory approvals, if any, required for submission of the Scheme of Compromise or Arrangement.
4. The Applicant undertakes that it has carried out all necessary due diligence required for submitting the Scheme of Compromise or Arrangement.
5. The Applicant acknowledges that implementation of Approved Scheme of Compromise or Arrangement is subject to approvals including approvals from the Adjudicating Authority, other regulatory and statutory approvals and the Applicant shall, as and when required, submit necessary applications and obtain approvals for successful implementation of the Scheme within prescribed timelines.

6. The Applicant acknowledges that it shall pay Consideration as mentioned in the Scheme of Compromise or Arrangement approved by the Adjudicating Authority and in accordance with the provisions of the IBC and the relevant Regulations.
7. The Applicant acknowledges that the Liquidator will not be held liable in any way for the outcome of the Scheme of Compromise or Arrangement.
8. The Scheme submitted by the Applicant shall become the property of the Liquidator. The Liquidator shall have no obligation to return the same to the Applicant.
9. The Applicant shall be evaluated on the basis of the declarations and/or information and/or documents provided in relevant appendices of this Scheme of Compromise or Arrangement.
10. The Applicant acknowledges that no extension of time shall be granted under any circumstances to the Applicant for submission of the Scheme except with the written consent of the Liquidator.
11. The Applicant undertakes that neither the invitation for submission of Scheme of Compromise or Arrangement, the fact of its distribution, nor anything contained herein, should form the basis of, or be relied upon in connection with any contract, agreement, undertaking, understanding or any commitment or investment decision whatsoever.
12. The Applicant undertakes that neither the Company, Liquidator, nor any of the professional advisors, Representatives of the aforementioned persons shall be liable for any damages, whether direct or indirect, incidental including loss of revenue or loss of profits that may arise due to participation by the Applicant in submitting the Scheme of Compromise or Arrangement.
13. The Applicant undertakes that it is eligible under Section 29A of IBC for submitting the scheme of Compromise or Arrangement under Section 230 of the Companies Act, 2013 and the Scheme submitted is in compliance with Companies Act, IBC and other applicable laws for the time being in force.
14. I confirm that the said declaration and disclosure is true and correct.
15. I am duly authorised to submit this declaration by virtue of _____

(Signature with SEAL)

Name and Designation:

Address:

Email:

Mobile

AFFIDAVIT BY THE APPLICANT

(To be executed on non-judicial stamp paper of appropriate stamp duty value relevant to the place of execution)

I, *[name of the Individual/chairman/managing director/director/authorized person of Applicant, authorised by the Board of the Applicant for giving such affidavit]*, son of *[•]*, aged about *[•]* years, currently residing at *[Address to be inserted]* and having Aadhaar/ Passport number *[•]*, on behalf of *[name of the Applicant]* having registered office at *[]*, do solemnly affirm and state to the Liquidator of Lotus Auto Engineering Limited that we meet the qualification criteria as required for submission of Scheme of Compromise or Arrangement in response to the advertisement dated

as disclosed in the information and records with us.

I, *[name of the Individual/ chairman/managing director/director/authorized person of Applicant, authorised by the Board of the Applicant for giving such affidavit]*, further acknowledge that I have carefully read the entire document and am aware of all existing conditions and limitations in relation to the same.

I, *[name of the Individual/ chairman/managing director/director/authorized person of Applicant, authorised by the Board of the Applicant for giving such affidavit]* state that we have attached necessary information requested by the Liquidator. The information furnished by us is true, correct and accurate to the best of our knowledge. Based on this information, we understand that you would be able to evaluate our preliminary proposal in order to pre-qualify for the above- mentioned proposal.

Solemnly affirmed at *[]* on the *[]* day of *[]* 2019

**Before me,
DEPONENT
Notary/Oath Commissioner**

VERIFICATION:

I, *[name of the Individual/chairman/managing director/director/authorised person of Sponsor, authorised by the Board of the Sponsor company (in case of a company) for giving such affidavit]*, the deponent above named, on behalf of *[name of the Sponsor]*, currently residing at *[]*, do hereby solemnly state on oath and declare and verify that the contents of the above affidavit are true, correct and complete to the best of my knowledge and nothing material has been concealed therein.

Verified at *[]* on this the *[]* day of *[]* 2019
DEPONENT