

DETAILED INVITATION FOR EXPRESSION OF INTEREST CUM SUBMISSION OF RESOLUTION PLANS FOR CG POWER AND INDUSTRIAL SOLUTIONS LIMITED UNDER THE SWISS CHALLENGE METHOD

CG Power and Industrial Solutions Limited ("**Company**") is in default of its debt that is owed to certain banks and financial institutions ("**Lenders**"). The Lenders of the Company have formed a joint lenders' forum, with State Bank of India ("**SBI**") acting as the Lead Bank for the process. In this regard, all the Lenders of the Company have entered into an inter-creditor agreement as of 11 August 2020, in accordance with the Reserve Bank of India's ("**RBI**") Prudential Framework for Resolution of Stressed Assets (RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19) dated 7 June 2019 (as amended or modified) ("**Prudential Framework**"). SBI Capital Markets Limited has been appointed by the Lenders as process advisors ("**Process Advisors**") for the Resolution Process.

The Company and the Lenders have received a binding offer dated 11 August 2020 (which supersedes the binding offer dated 7 August 2020) ("**Primary Proposal**") from Tube Investments of India Limited, a member of the Murugappa group ("**Primary Bidder**"). The board of the Company has vide its resolution dated 11 August 2020 approved the Primary Proposal of the Primary Bidder and the Primary Proposal has been recommended to the Lenders by the board of directors of the Company *vide* its letter dated 11 August 2020. Basis the Primary Proposal submitted by the Primary Bidder and recommended by the Board of the Company, the Lenders jointly with the Company are seeking resolution plans / offers ("**Resolution Plan(s)**") from eligible bidders having adequate technical and financial capability as acceptable to the Lenders, to restructure/resolve the outstanding debt of the Company and undertaking a change of management under the auspices of the Prudential Framework through a 'swiss challenge' process, using the Primary Proposal as the anchor bid or the base offer ("**Resolution Process**"). Accordingly, the Primary Bidder will be accorded an opportunity to better the terms of the highest offer/ bid submitted pursuant to such swiss challenge process under the Resolution Process.

The Lenders have considered the Primary Proposal and have granted an in-principle approval to the Primary Proposal for the purpose of launching swiss challenge process and the acceptance of the Primary Proposal by the Lenders remains subject to outcome of the swiss challenge process and approval by the Lenders in accordance with their respective internal approval process.

Pursuant to board resolution dated 10 August 2020, the Company has agreed to run the Resolution Process jointly with the Lenders and float this detailed invitation for expression of interest cum submission of Resolution Plans.

For operational, financial and technical details of the Company, please refer to the Company's teaser issued by the Company on website of SBI Capital Markets Limited, www.sbicans.com ("**Process Advisor**").

The Lenders hereby invite expression of interest ("**EOI**" or "**Expression of Interest**") cum resolution plans for the Company pursuant to the 'swiss challenge' process initiated by the Lenders, from interested and eligible prospective bidders who fulfils such eligibility criteria, as approved by the Lenders, and specified herein.

Eligibility Criteria

The eligibility criteria for prospective bidders, as approved by the Lenders and the Company is as follows:

- (i) The prospective bidder shall not be disqualified in terms of Section 29A of the Insolvency and Bankruptcy Code 2016 (“**Code**”) as on the date of submission of the EOI, the date of submission of the Resolution Plan and the date of implementing the Resolution Plan.
- (ii) The minimum net worth of the prospective bidder shall be as stated in **Schedule II** (Net Worth).
- (iii) The prospective bidder including any partner of the consortium or a fund or a financial institution or a private equity investor or Affiliate or a Chief Executive Officer (“**CEO**”) or any of the directors/ manager/ key managerial personnel of the prospective bidder or their affiliates should not have been charge-sheeted by any agency of the government or convicted by a court of law with regard to matters relating to security and integrity of the country.
- (iv) The prospective bidder including any consortium partner or affiliates or CEO or any of the directors/ manager/key managerial personnel of the prospective bidder or their affiliate should not have been convicted by a court of law or indicted or any adverse orders should not have been passed by a regulatory authority which could cast a doubt on the ability of the prospective bidder to undertake the Proposed Transaction or which relates to a grave offence that outrages the moral sense of the community in regard to matters other than matters related to the security and integrity of the country.

Disqualification Criteria

Without prejudice, a prospective bidder may be disqualified and its EOI and/or Resolution Plan may be excluded from further consideration for non-compliance with the terms hereof or for any of the reasons (including without limitation) listed below. Where the prospective bidder is a consortium, each member of the consortium should be in compliance with the terms hereof and should not be subject to any disqualification under the terms of this invitation. The disqualification criteria shall include:

1. Ineligibility in terms of Section 29A of the Insolvency and Bankruptcy Code, 2016;
2. Material mis-representation or inconsistencies in the EOI and/or Resolution Plan or failure to provide complete information required to be provided in accordance with the terms of this detailed invitation or the Process Memorandum;
3. The Lenders or any of their advisors are of the view that the prospective bidder has not satisfied the approved eligibility criteria. Without prejudice to the generality of the above, the criteria may include among others, the track record (financial, operational strength, turnaround experience or otherwise) of the interested party, its financial strength, etc;
4. EOI or its supporting documents have not been executed by the representative / signatory of the prospective bidder and / or is not stamped in the manner indicated in this invitation.
5. The terms set out in this invitation are not satisfied, either in relation to the prospective bidder (including a consortium), or the EOI, or in relation to the submission of any documents with the EOI.

6. The EOI cum Resolution Plan is not received by the Lenders on or prior to the Due Date (including such extended period as may be permitted by the Lenders and consented to in writing by the Primary Bidder).
7. Any information regarding the prospective bidder which becomes known to the Lenders which is detrimental to the proposed transaction and / or to the interests of the Company and its stakeholders.

Submission of EOI

Any prospective bidder who is eligible in accordance with the eligibility criteria as specified above, may submit EOI in the format as set out in **Annexure I** on or before **26 August 2020** by **3:00 PM IST** or any extended period as may be decided by the Lenders and consented to in writing by the Primary Bidder ("**Due Date**"). It may be noted that the EOI shall be unconditional, and accompanied by a duly executed and stamped confidentiality undertaking in the format as provided in **Annexure II** and any other document as required by the Lenders and the Company ("**EOI Supporting Documents**").

It is hereby clarified that the Resolution Plan(s) by prospective bidders shall be submitted on or before the Due Date. The terms and conditions upon which the Resolution Plan shall be submitted is stated in the Process Memorandum which shall be uploaded in the Data Room and access to the same shall be made available to a prospective bidder immediately upon submission of EOI and EOI Supporting Documents.

The prospective bidder shall submit the EOI along with the required documents on or before the Due Date, by secured email with due password protected documents to dgm.08965@sbi.co.in followed by physical submission in a sealed envelope in hard copy to the following address by post or courier or deliver in person to B-202, Parinee Crescenzo, 2nd Floor, Wing-B, Plot No C 38-39, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400051.

It may be noted that any EOI cum Resolution Plan received after the Due Date may be rejected without any prejudice.

Process post Submission of EOI

Upon submission of EOI along with the EOI Supporting Documents, the prospective bidder shall be provided access to the virtual data room established and maintained by the Company ("**Data Room**") for the purpose of carrying out an independent due diligence exercise.

The prospective bidders shall be provided with the access to the Data Room until the Due Date, subject to the terms and conditions stated in the Process Memorandum which shall be uploaded in the Data Room. The prospective bidders shall accept the terms and conditions in relation to the terms of use of the information, facilities and documents, including any Confidential Information, provided in the Data Room and described under **Schedule I ("Data Room Rules")**.

The information and documents provided in the Data Room have been provided by the Company. The Lenders or Process Advisor have not verified any of the information, data or documents contained in the Data Room and shall not accept any responsibility or liability, whatsoever, in respect of any statements or omissions contained in the Data Room, or the accuracy, correctness, completeness or reliability of information, data or documents contained therein. By having access to the Data Room,

the prospective bidders shall be deemed to have full knowledge of the condition of the Company, its assets, relevant documents, information, etc. as contained in the Data Room and is expected to undertake its own independent due diligence on the Company and satisfy itself of the matters contained therein for participation in the Resolution Process.

The Lenders reserve the right to cancel, amend, extend or modify the invitation without assigning any reason and without incurring any liability of whatsoever nature. Provided that, any extension of timeline in the swiss challenge process will need Primary Bidder's prior written consent. Any amendment, extension or modification shall be posted on the website of the www.sbicaps.com. The prospective bidders are requested to regularly visit the website for updates.

The Lenders reserve the right to withdraw the invitation for EOI cum submission of Resolution Plans and also reserve the right to disqualify any prospective bidder, should it be so necessary at any stage.

No oral conversations or agreements with the Lenders, the Company or any official, agent, advisor, or employee of the Lenders or the Company, shall affect or modify any terms of this invitation for EOI cum submission of Resolution Plans.

Neither any prospective bidder nor any of representatives of such prospective bidder shall have any claims whatsoever against the Lenders or any official, agent, advisor, or employee of the Lenders or any of their directors, officials, advisors agents or employees arising out of or relating to this invitation for EOI cum submission of Resolution Plans.

All prospective bidders must read, understand, and comply with all requirements under the Prudential Framework, to the extent applicable, or any other applicable regulations that are in force now or that may come into force subsequently, for Resolution Plans and all matters thereunder in relation to this invitation.

By submitting an EOI and/or Resolution Plan, each prospective bidder shall be deemed to acknowledge that it has carefully read the entire invitation for EOI cum submission of Resolution Plans and has fully informed itself as to all existing conditions and limitations.

For any clarification, please contact the following:

Contact person: Suresh S. Pareek, Deputy General Manager, IFB BKC Branch, State Bank of India
Cell No.: 7600041028
Email id: dgm.08965@sbi.co.in

Contact person: Vishal Gupta, Senior Vice President, SBI Capital Markets Limited
Cell No.: 9167730894
Email id: vishal.gupta@sbicaps.com

Contact person: Shikha Kapadia, CG Power and Industrial Solutions Limited
Cell No.: +91-9920498695
Email id: shikha.kapadia@cgglobal.com

Contact person: Prateek Diwan, Arpwood Capital Private Limited
Cell No.: +91-70454 22410
Email id: prateek.diwan@arpwood.com

SCHEDULE I

DATA ROOM RULES

The rules set forth below regulate the terms of use of the information, facilities and documents available in the Data Room.

1. Confidentiality

- (a) Access to, and review of, the information and documents contained in the Data Room or received in the course of the due diligence process shall be treated as Confidential Information and is entirely subject to the Confidentiality Agreement which shall have been furnished by the prospective bidder in favour of the Company.
- (b) The prospective bidder and their respective advisors shall be bound by the terms of the Confidentiality Agreement and will be required to confirm their acceptance to the same prior to accessing the Data Room.

2. Time Frame

- (a) The prospective bidder will be permitted to carry out due diligence on the Company until the Due Date, or such other time as may be determined by the Lenders or Process Advisor and notified to the prospective bidder.
- (b) No more than 15 (fifteen) representatives of the prospective bidder (or such other number permitted by the Company) each of whose details have been provided by the Interested Bidder to the Company, shall be provided with a login ID and password for access to the Data Room.

3. Location and Access Rights

- (a) The IP address along with the login ID and password for accessing the Data Room shall be provided to the prospective bidder as set out in sub-clause 2(b) (*Time frame*) above upon submission of the Confidentiality Agreement and shall be subject to the terms of the Detailed Invitation and Process Memorandum.
- (b) The details of the individuals (including name, email ID and contact number) authorized on behalf of the prospective bidder to access the Data Room shall be provided by the respective prospective bidder to the Company and Lenders or Process Advisor.
- (c) Without prejudice to the right granted by the Company to the prospective bidder to download the documents contained in the Data Room or as obtained during the due diligence process, such documents shall not be copied or reproduced without the prior written permission of the Company.
- (d) The prospective bidder shall surrender and return to the Company or Lenders or Process Advisor, all Confidential Information in the manner set out in Clause 6 of the Process Memorandum.

4. Data Room Coordinator

- (a) There will be a Data Room in-charge ("**Coordinator**") whose name and contact details shall be shared with prospective bidder along with sharing of login ID and password.
- (b) The Coordinator shall be responsible for supervising Data Room access and is not authorized to provide any material answers or explanations regarding the contents of the documents contained in the Data Room and all technical queries relating to the Data Room. The Company confirms that the name and contact details of any new Coordinator of the Company will be shared with the prospective bidder as soon as practicable but in any case within 1 (one) day of the appointment of the new Coordinator.

5. No Commitment

- (a) Any written or oral information or representation supplied or made in connection with the use of the Data Room or any investigation or negotiations shall not be considered as constituting any invitation for the sale of any securities or assets, and shall not be considered as forming the basis of any future contract / agreement to be entered into with the shareholders, the Lenders or Process Advisor, or the Company.

6. No Representation or Warranty

- (a) Except as otherwise mentioned in the Detailed Invitation or Process Memorandum, no representation or warranty, expressed or implied, is made as to the accuracy or completeness of the information disclosed or to be disclosed in the Data Room or in any other written or oral communication transmitted or made available by the Lenders or Process Advisor;
- (b) Nothing contained in the Data Room is, or shall be relied upon as, a promise or representation, whether as to the past, current or future performance of the Company; and
- (c) The Lenders or Process Advisor reserves the right to modify or amend the present procedure and timelines with respect to the use of the Data Room and the contents thereof, at any time and at the sole discretion of the Lenders or Process Advisor.

7. Clarification

- (a) It is hereby clarified that the Lenders or Process Advisor shall not have any liability whatsoever towards the prospective bidder, relating to or resulting from the use of the information provided in the Data Room or in any of subsequent Offer clarifications, which may be provided by the Company.

8. Modification

- (a) The Lenders or Process Advisor reserves the right to modify or amend the present procedures and the timeline at any time at their discretion.

9. Compliance with law

- (a) The documents and the information set out in the Data Room are confidential in nature and contain unpublished price sensitive information (UPSI) in relation to the Company. The prospective bidder shall be in compliance with applicable laws, including the rules set out under the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("**Insider Trading Regulations**"), in relation to the use of the documents and information set out in the Data Room and waives any right to claim that there was any involvement of the Lenders or Process Advisor in the prospective bidder's compliance or lack thereof with the Insider Trading Regulations.

SCHEDULE II

NET WORTH

The Net Worth of the bidder shall be as under:

Case I – In case the Offer is being submitted in independent capacity and not as part of a consortium

- (a) If the prospective bidder is a body corporate, the Consolidated Tangible Net Worth should be at least INR 500 crore (Indian Rupees Five Hundred Crores) as of such date, which date shall not be prior to 12 (twelve) months from the date of submission of the Offer or the latest period for which audited financial statements have been prepared.
- (b) If the prospective bidder is a Fund/FI / FO, the Asset under management (“**AUM**”), for Fund / FI / FO, should be at least INR 2,000 crore (Indian Rupees 2,000 crore) or committed funds available for investment / deployment in Indian companies should be at least INR 1,000 crore (Indian Rupees One Thousand Crore) as of such date, which date shall not be prior to 12 (twelve) months from the date of submission of the Offer or the latest period for which audited financial statements have been prepared.

Case II – In case the EOI is being submitted by a Consortium of bidders comprising corporates and / or Fund/FI/FO

- (a) The Consolidated Tangible Net Worth of the Lead Partner of the consortium should be at least INR 500 Crores (Indian Rupees Five Hundred Crores) as of such date, which date shall not be prior to 12 (twelve) months from the date of submission of the EOI or the latest period for which audited financial statements have been prepared.
- (b) Maximum number of Consortium partners is limited to 5 (Five).

“**Lead Partner**” shall mean a member of the Consortium (persons who have collectively submitted an EOI/Bid) who has been appointed as the lead member by the Consortium (as notified by the Consortium to the Process Advisor in writing, at the time of submission of the EOI by the Bidder) and holds minimum of 51% stake in the acquisition vehicle formed for the purpose of implementing the Bid and who holds valid and binding power of attorney on behalf of the members of the Consortium to the satisfaction of the Lenders and the Process Advisor.

Consolidated Tangible Net Worth = (paid up equity share capital) + (reserves & surplus) – (revaluation reserves) – (intangible assets) – (miscellaneous expenditure to the extent not written off & carry forward losses) based on consolidated financials at bidder’s level.

ANNEXURE I

FORMAT FOR THE EXPRESSION OF INTEREST

[To be submitted on the letterhead of the bidder]

To,

[to be addressed to all the Lenders and the Company]

Subject: Expression of interest (“**EOI**”) for submission of resolution plans in relation to CG Power and Industrial Solutions Limited (“**Company**”)

Reference: Advertisement dated 12 August 2020 (“**Advertisement**”) published in (name of the newspaper) read with the Detailed Invitation for Expressions of Interest cum submission of Resolution Plans for the Company under Swiss Challenge Process dated 12 August 2020 (“**Detailed Invitation**”) jointly issued by the State Bank of India, for and on behalf of the Lenders and the Company, as uploaded on the website of SBI Capital Markets Limited, www.sbicaps.com.

Dear Sir,

In connection with the Advertisement and the Detailed Invitation on the captioned subject, we, the undersigned bidder hereby offer our expression of interest for submission of resolution plans for CG Power and Industrial Solutions Limited.

Please see below the brief particulars of the bidder [and its Group];

- (a) Name of bidder:
- (b) Registered Office/principal place of business of the bidder:
- (c) Constitution of the bidder: [private limited company/public limited company/foreign portfolio investor/others (details to be specified)]
- (d) Profile of the bidder and [its Group] and its nature of business:
- (e) Shareholding pattern of the bidder:

Please see below the details of contact person of the bidder:

Name:

Designation:

Address:

Phone No.:

Fax No.:

Email:

We confirm that we have understood the requirements and the terms and conditions for submission of this EOI for submission of Resolution Plan for the Company.

Further, we agree, acknowledge and confirm as follows:

- a. We are qualified to submit this EOI and a Resolution Plan;
- b. The Lenders reserve the right to determine, at their sole discretion, if we are eligible for the submission of the Resolution Plan and may reject the EOI submitted by us without assigning any reason and without any liability whatsoever;
- c. The Lenders reserve the right to request for additional information or clarification from us for the purposes of the EOI and we shall promptly comply with such requirements. Failure to satisfy the queries of Lender may lead to rejection of our submission pursuant to EOI;
- d. Any change in consortium or any material change affecting the consortium members' ability to perform in consortium shall be intimated within 2 (two) days of such change to the Lenders and the Company or such of their advisors or representatives as may be specified. Allowing such change will be at the sole discretion of the Lenders. [However any change to the lead member of the consortium will not be allowed, further no change in the members of the consortium shall be allowed after the submission of the proposal by the consortium; (applicable only for consortium)]
- e. Meeting the specified eligibility criteria alone does not automatically entitle us to participate in the next state of the Resolution Process;
- f. We accept the Data Room Rules; and
- g. We are not ineligible in terms of provisions of Section 29A of the Insolvency and Bankruptcy Code, 2016 ("**Code**").

Along with our EOI, we have also enclosed the following documents:

- (i) A duly executed and stamped confidentiality undertaking in the format as provided in **Annexure II** of the Detailed Invitation; and
- (ii) *[Add details of any other documents enclosed]*

We further undertake that the information furnished by us in this EOI and Annexures hereto is true, correct, complete, and accurate.

We understand you would require additional information from us to evaluate whether we are qualified as per the eligibility criteria in order to shortlist us as an eligible bidder for submitting Resolution Plan under the Resolution Process. We hereunder undertake that we will provide you with all necessary information as may be required by the Lenders and the Company on or before the Due Date.

[I / We] represent and confirm that [I / we], and no other person acting jointly or in concert with [me / us] is disqualified under the provisions of Section 29A of the Code or any other applicable law, to submit a resolution plan as on the date of this EOI.

We would be solely responsible for any errors or omissions in the expression of interest. We, however, understand that State Bank of India, acting severally or together with the Lenders reserve the right to decide whether or not to pre-qualify our proposal without assigning any reason whatsoever and without any liability.

Capitalised terms used but not defined herein shall have the meaning ascribed to such terms in the Detailed Invitation.

Thanking You,

On behalf of

[Insert the name of the entity submitting the EOI]

[Signature of the Authorised Signatory]

[Name of the Authorised Signatory]

[Designation]

[Company/Entity Seal / Stamp]

Note:

- a. In case of consortium bidder, the EOI shall be signed by each member.*
- b. Board Resolution for submitting an EOI to be submitted by all members of Consortium*
- c. The person signing the EOI/digitally affixing its signature on the EOI and other supporting documents should be an authorised signatory supported by necessary board resolutions/ power of attorney.*

ANNEXURE II

FORMAT OF CONFIDENTIALITY AGREEMENT

[To be stamped for the adequate amount as per the applicable stamp laws]

THIS CONFIDENTIALITY AGREEMENT (“Agreement”) is entered into on this [●] day of _____, 2020 at Mumbai,

BY AND BETWEEN:

[insert name of Bidder], a company incorporated under the Companies Act, [●] and having its registered office at _____ (hereinafter referred to as the **“Receiving Party”**, which expression shall, unless repugnant to or inconsistent with the context or meaning thereof mean and include its successors and permitted assigns);

IN FAVOUR OF

CG POWER AND INDUSTRIAL SOLUTIONS LIMITED, a company incorporated under the Companies Act, 1913 and having its registered office at 6th Floor, CG House, AB Road, Worli, Mumbai - 400030 (hereinafter referred to as the **“Company”** or **“Disclosing Party”**, which expression shall, unless repugnant to or inconsistent with the context or meaning thereof mean and include its successors and permitted assigns);

(The Disclosing Party and the Receiving Party are hereinafter also referred to individually as **“Party”** and, collectively, as **“Parties”**.)

WHEREAS:

- A. The Receiving Party is engaged in the business of [●].
- B. With a view to resolve the financial stress of the Company and to maximise the recovery of the Loans, the lenders of the Company jointly with the Company are desirous of seeking resolution plans (**“Resolution Plan(s)”**) from eligible bidders (**“Bidder(s)”**) having adequate technical and financial capability as acceptable to the Lenders, to restructure/resolve the outstanding debt of the Company and undertaking a change of management under the auspices of the Prudential Framework through a ‘swiss challenge’ process in accordance with the circular on Prudential Framework for Resolution of Stressed Assets (RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19) dated 7 June 2019 (**“June 7 Circular”**) (**“Resolution Process”**).
- C. In this regard, the Disclosing Party along with the lenders of the Company have floated a detailed invitation for expression of interest cum submission of resolution plans dated 12 August 2020 (**“Detailed Invitation”**) inviting prospective bidders to submit Resolution Plans for the Company.
- D. The Receiving Party is desirous of submitting a resolution plan for the Company. As a part of the Resolution Process, the Receiving Party is desirous of obtaining certain confidential information pertaining to the Company. The Disclosing Party has agreed to provide the

Confidential Information to the Receiving Party on the terms and conditions stated herein.

NOW THEREFORE, in consideration of the covenants contained herein and the disclosures made by each Party in reliance of the covenants contained herein, the sufficiency and adequacy of which is acknowledged by the Parties, **IT IS HEREBY AGREED AS FOLLOWS:**

1. Definitions

The following words and phrases used in this Agreement and the above Recitals, shall have the meanings set out below unless the context otherwise requires:

- (a) **“Control”** shall mean, with respect to a Party, the ability to direct the management or policies of such Party, directly or indirectly, whether through the ownership of shares or other securities, by contract or otherwise, provided that in all events, any Person who has, direct or indirect, ownership of or the power to direct the vote of more than fifty percent (50%) of the voting share capital of another Person or the power to control the composition of the board of directors or other governing bodies of such other Person, shall be deemed to constitute Control of such Person.
- (b) **“Group”** shall mean, with respect to a Party, such Party and any entity which directly or indirectly Controls, is Controlled by, or is under common Control with that Party.
- (c) **“Information”** shall mean all proprietary and confidential information, in any form or medium (whether provided in documentary form or by way of model or in other tangible form), supplied in connection with the Potential Transaction at any time after the date of this Agreement by the Disclosing Party to the Receiving Party or its Representatives. For avoidance of doubt, Information shall include information accessed through the Disclosing Party's electronic data room set up for the purposes of this Agreement and supersedes any 'click through' acknowledgement or agreement associated with any such electronic data room.
- (d) **“Person”** means an individual, body corporate, partnership, trust, company, association, joint venture, governmental body, any statutory body or other entity.
- (e) **“Proper Use”** shall mean the use of Information wholly necessarily and exclusively for the purpose of and to the extent required for evaluating the Proposed Transaction.
- (f) **“Representatives”** shall mean, in relation to one Party, its directors, officers, employees, professional advisors (including lawyers, auditors and consultants) or partners, as well as the entities belonging to such Party's Group and their directors, officers, employees and advisors.

2. Confidentiality Obligations

In consideration of the provision of Information by the Disclosing Party (or by the Disclosing Party's Representatives) to the Receiving Party and its Representatives, the Receiving Party and its Representatives shall:-

- (a) keep all such Information confidential;

- (b) use such Information only for the Proper Use;
- (c) promptly notify the Disclosing Party if any negotiations or discussions pertaining to the Potential Transaction or any other Information is required to be disclosed by applicable law or regulation or regulatory authority (including rules of any stock exchange) and (i) shall co-operate with the Disclosing Party in relation to the manner of any such disclosure, and (ii) shall take any action which the Disclosing Party may reasonably elect to take to prevent (to the extent permissible under law) such disclosure and/or to challenge the validity of any such requirement.

The Receiving Party shall permit access to such Information only to such Representatives having a need to know such Information for the sole purpose of the Proper Use and shall ensure that each such Person is bound by confidentiality obligations as contained in this Agreement in the use of such Information.

It is understood that certain unpublished price sensitive information (UPSI) as defined under the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations), 2015 as amended from time to time which are not available to the public generally, will be shared to the Receiver Party with an understanding of maintaining confidentiality and is being shared in pursuance of a legitimate purpose and it is obligatory on the Receiver Party to deal with such UPSI with highest level of confidentiality and should not be disclosed or disseminated by the Receiver Party to any other person except on authorization of the Company or to the extent as required by law. While in possession of UPSI, the Receiver Party undertakes not to trade in securities, of the Company. The Receiver further confirms the existence of the control mechanisms for securing confidentiality of UPSI shared with it and further shared by it with its employees of Receiver Party's representatives, if any.

3. Exceptions

The obligations of confidentiality set out in this Agreement shall not apply to any Information which is:

- (a) in or has come into the public domain otherwise than as a result of a breach of the obligations herein by the Receiving Party or any of its Representatives;
- (b) already in the possession of the Receiving Party or its Representatives on a non-confidential basis at the time that it is first supplied by the Disclosing Party or its Representatives; or
- (c) is developed independently of the Disclosing Party by the Receiving Party or its Representatives in circumstances that do not amount to a breach of the obligations contained herein by the Receiving Party or any of its Representatives.

4. Further permitted disclosure

Other than as permitted under Clause 3 above, the Receiving Party or its Representatives may also disclose Information of the Disclosing Party in the following circumstances:

- (a) the disclosure is authorised in writing by the Disclosing Party and is to the extent so authorised;
- (b) the disclosure is made pursuant to applicable laws, a directive or order of a governmental, statutory or judicial authority of competent jurisdiction, including any stock exchange, provided however that the Receiving Party shall undertake the actions as per Clause 2(c) above and promptly notify the Disclosing Party in advance of the disclosure so as to enable the Disclosing Party to seek a protective order or other appropriate remedy.

5. Ownership of Information

Any Information disclosed or acquired hereunder shall remain the property of the Disclosing Party or the originator of such Information. No licence under any trademark, copyright, patent, design rights or any other intellectual property right, is granted, whether expressly or by implication to the Receiving Party or its Group by the disclosure or acquisition of such Information. The disclosure of such Information shall not constitute any representation or warranty, express or implied, with respect to the accuracy or completeness of any Information made available to the Receiving Party or its Group. In particular but without prejudice to the generality of the foregoing, no responsibility or liability is or will be accepted by the Disclosing Party or its Group, their respective Representatives regarding the accuracy and completeness (or otherwise) of any Information made available to the Receiving Party or its Group.

6. General

- (a) A failure or neglect by either Party to enforce or exercise (in whole or in part) at any time any of the provisions of this Agreement shall not be construed or be deemed to be a waiver of its rights hereunder nor in any way affect the validity of the whole or any part of this Agreement nor prejudice such Party's rights to take subsequent action.
- (b) Neither Party shall assign this Agreement or any part thereof without the prior written consent of the other Party.
- (c) This Agreement shall be governed by and construed in accordance with the laws of India and the Parties submit to the exclusive jurisdiction of the courts at Mumbai, India
- (d) This Agreement shall be effective and binding from the date hereof.
- (e) Unless extended by mutual written consent by both Parties, this Agreement shall expire 1 (one) year from its date of execution. Upon the expiry of this Agreement and on the Disclosing Party's written request, the Receiving Party and its Representatives shall promptly (i) cease using the Information for any purpose whatsoever; and (ii) return or destroy all original documents and copies of documents containing the Information in the possession of Receiving Party or any of its Representatives without retaining any copies thereof, unless otherwise required to be retained and maintained by any applicable laws or regulations, legal process or any governmental or regulatory authority or pursuant to its standard document and information retention policies. Upon the expiry of this Agreement, all obligations set forth in this Agreement shall be terminated and have no further force and effect, provided that Receiving Party and its Representatives shall

continue to be bound by the confidentiality obligations under this Agreement with respect to any Information retained by them.

- (f) This Agreement is not intended to constitute, create, give effect to, or otherwise recognize a joint venture, partnership or formal business entity of any kind and the rights and obligations of the Parties shall be limited to those expressly set forth herein. Any exchange of Information under this Agreement shall not be deemed as constituting any offer, acceptance, or promise of any further contract or amendment to any contract which may exist between the Parties. For the avoidance of doubt, nothing contained herein shall compel or oblige any Party to enter into the Potential Transaction with the other Party. Nothing herein shall be construed as providing for the sharing of profits or losses arising out of the efforts of either or both Parties. Each Party shall act as an independent contractor and not as an agent of the other Party for any purpose whatsoever and no Party shall have any authority to bind the other Party.
- (g) This Agreement contains the entire understanding between the Parties with respect to the safeguarding of the Information and supersedes all prior communications and understandings with respect thereto. No waiver, alteration, modification, or amendment of this Agreement shall be binding or effective for any purpose whatsoever unless and until reduced to writing and executed by authorised representatives of both the Parties.
- (h) The rights, powers and remedies provided in this Agreement are cumulative and do not exclude the rights or remedies provided by law and equity independently of this Agreement.
- (i) If any provision of this Agreement is unenforceable in any jurisdiction, the unenforceability will not invalidate the remaining provisions or affect the validity or enforceability of the provision in relation to any other Party or in any other jurisdiction. The Receiving Party hereby irrevocably waives and agrees not to plead or claim any immunity (sovereign or otherwise) that it has or hereafter may acquire from any legal action, suit or proceeding, from jurisdiction of any court or from any legal process in respect of its obligations under this Agreement.
- (j) Subject to applicable law, any public announcement made voluntarily by either Party in accordance with this Agreement relating to the existence of this Agreement and/or discussions between the Parties in connection with the Potential Transaction shall be agreed in advance by both Parties in writing.

7. Notices

All notices delivered in connection with this Agreement shall be in writing and English language and shall be delivered to the address of each Party mentioned in the party clause, by registered mail or by facsimile transmissions and shall be deemed effective upon actual receipt.

8. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized representatives of the Disclosing Party and Receiving Party.

Signed and delivered by

Receiving Party

Authorised representative pursuant to resolution dated [●]

Accepted by

CG Power and Industrial Solutions Limited

Authorised representative pursuant to resolution dated [●]