

INVITATION FOR EXPRESSION OF INTEREST ("EOI") FOR SUBMITTING RESOLUTION PLAN(S) OF M/S LOGIC EASTERN INDIA PRIVATE LIMITED ("CORPORATE DEBTOR")

1. BACKGROUND

Logic Eastern India Private Limited ("**Corporate Debtor**" or "**Corporate Debtor**") is a private limited company which was incorporated in the year 1997 under the Companies Act, 1956 and is having its registered office located at Office No. - 408, 4th Floor Plot No. - 27, Veer Savarkar Block, Laxmi Nagar, New Delhi - 110092 and Corporate Office at C-56/39, Sector 62, Noida. The Corporate Debtor is a leading provider of Convergent Tech solutions embracing in its fold - Telecom, Data and Video communications. It is the only Indian company that has developed an entire end-to-end solution for cable TV industry comprising its own Conditional Access Software (CAS), Subscriber Management Software (SMS), Various types of Set Top Boxes and a feature rich TV Services Middleware. Details regarding Corporate Debtor's operations can be found on its website, www.logiceastern.com.

2. CIRP PROCESS

The Corporate Debtor is currently undergoing the Corporate Insolvency Resolution Process ("**CIRP**") as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("**IBC**"), pursuant to an order of Hon'ble NCLT, Principal Bench, New Delhi ("**NCLT**") dated 18 July 2018. Mr. Rajan Das Gupta has been appointed as the Resolution Professional ("**RP**") by the NCLT. The RP has constituted the Committee of Creditors ("**CoC**") in accordance with the provisions of IBC and is now inviting the Expression of Interest ("**EOI**") from Potential Resolution Applicants ("**PRA**") to submit the Expression of Interest for insolvency resolution of the Corporate Debtor in accordance with the provisions of IBC subject to fulfillment of criteria as provided in this EOI.

3. INVITATION

Expression of Interest ("EOI") is hereby invited from **Potential Resolution Applicants** for submission of Expression of Interest in accordance with the provisions of IBC. The eligibility criteria for the Potential Resolution Applicant, format for submission of the Expression of Interest, supporting documents and details required to be submitted with the Expression of Interest, associated detailed terms and conditions and Form G for participating in the process are provided in this detailed invitation for EOI and are also uploaded on the website (www.logiceastern.com) of Logic Eastern India Private Limited.

The prospective resolution applicant shall prepare EOI in accordance with the IBC and Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("**CIRP Regulations**") and any other applicable laws and it shall contain all the mandatory contents as specified in Regulation 38 of the CIRP Regulations.



The terms and conditions for inviting Resolution Plan are determined with the approval of Committee of Creditors of Logic Eastern India Private Limited and may be changed or amended at any stage. The Committee of Creditors / Resolution Professional reserves the right to cancel or extend or modify the process and / or reject / disqualify any Resolution Applicant / Expression of Interest / bid / offer at any stage of the bid process without assigning any reason and without any liability.

4. TRANSACTION PROCESS

The transaction process shall be completed in two stages, brief of which is discussed hereunder:

Stage I

- Invitation to submit 'EoI' published in Newspapers and IBBI website
- Submission of EoI(s) by interested Prospective Resolution Applicants (PRAs).
- Execution of Declaration sum Confidentiality undertaking by shortlisted PRAs.

Stage II

- Issue of Request for submission of Resolution Plan along with Evaluation Matrix and Information Memorandum with access to virtual data-room for other relevant documents.
- Submission of Resolution Plan(s) by Resolution Applicants (RAs).
- Approval of Resolution Plan by Committee of Creditors and NCLT.

5. ELIGIBILITY CRITERIA:

PRAs should meet the **Eligibility Criteria** as set out in **Annexure A**.

6. SUBMISSION OF EOI:

Expression of Interest (EOI) is invited in a sealed envelope superscripted as "**EOI for Logic Eastern India Private Limited**" for participating in CIRP of Corporate Debtor, in the format as set out in **Annexure B**.

EOI shall be submitted along with the following information and documents:

- a) **Refundable interest free process participation deposit of INR 1 Lakh** by way of demand draft / banker's cheque / pay order payable **at par**, in favour of "**Logic Eastern India Private Limited**", which will be refundable to the respective PRAs within 1 month from the date of approval of Resolution Plan or rejection of Resolution Plan(s). Further, the said process participation deposit shall not bear any interest.

Exception: Where the Resolution Plan of the Resolution Applicant is approved by CoC, the process participation deposit provided by the said "Successful Resolution Applicant" shall be adjusted towards payment due as per the approved Resolution Plan.

- b) Supporting documents as specified in **Annexure C**:

- c) Details of the Resolution Applicant in **Annexure D**;
- d) Declaration cum Confidentiality Undertaking as per format provided in **Annexure E**;
- e) Declaration Cum Undertaking under Section 29A of IBC as per format provided in **Annexure F**;
- f) Affidavit in support of Annexure E And F

RP reserves the right to require the Resolution Applicant to furnish any other information and documents.

In case of Consortium Applicant, the details set out above are to be provided for each member of the Consortium.

In case of joint EoIs, the details set out above are to be provided for each of the entities/ groups submitting each joint EoI.

PRAs shall submit the sealed envelope containing a complete set of the EOI in hard copy along with the Annexures and process participation demand draft / banker's cheque / pay order stated above, to the following address by post or deliver in person:

Mr. Rajan Das Gupta

Resolution Professional

In the matter of Logic Eastern India Private Limited

Address:

N-103 LGF, Greater Kailash - I,
New Delhi – 110048

A soft copy of EOI along with annexures stated above should be e-mailed to rajandgupta@gmail.com

7. LAST DATE OF SUBMISSION OF EOI

The last date for submission of EOI is 23 October, 2018 up to 17:00 p.m. IST subject to grant of extension of CIRP period by 90 days beyond 180 days by NCLT. All the EOIs received will be reviewed by RP/CoC and shortlisted PRAs will be provided with Information Memorandum and Evaluation Matrix along with access to virtual data-room for other relevant documents, after signing of Declaration sum Confidentiality Undertaking.

Further such shortlisted PRAs will be informed about the other steps in the process to allow them to submit a Resolution Plan in accordance with the provisions of IBC.



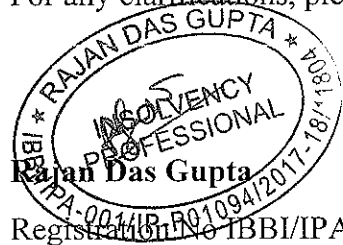
8. ADVERTISEMENT

The advertisement inviting EOI to submit Resolution plan has been published on, 8 October, 2018 in all India edition of Hindustan Times (English) and Hindustan (Hindi) having circulation in Delhi NCR region. The same is also set out in **Annexure G** hereto.

NOTES AND OTHER TERMS AND CONDITIONS

- The Invitation for EOI is not an offer or invitation for sale or solicitation of an offer to buy, purchase or subscribe to any securities, if any, of Corporate Debtor.
- The RP/CoC reserves the right to cancel or modify the process/application without assigning any reason and without any liability whatsoever. Applicants should regularly visit the website referred to above or coordinate with RP to keep them updated regarding clarifications, amendments, or extensions of time, if any.
- Criteria for Eligibility - EOIs of only those interested parties who meet the eligibility criteria specified in **Annexure A** will be considered. EOIs which do not meet the criteria shall not be considered.
- No agreements with RP or any official, representative, affiliates, associate, advisor, agent, director, partner or employee of the RP or Corporate Debtor or any member of the COC or verbal communication by them shall affect or modify any terms of this EOI.
- No claims against the RP or Corporate Debtor or any member of the COC or any of their official, representative, affiliates, associate, advisor, agent, director, partner or employee would arise out of this EOI.
- By submitting a proposal, each PRA shall be deemed to acknowledge that it has carefully read the entire EOI and has fully informed itself as to all existing conditions and limitations.

For any clarifications, please write to: rajandgupta@gmail.com



Registration No IBBI/IPA-01/IP-P0 1094/2017-18/11804

Resolution Professional

M/s Logic Eastern India Private Limited

8 October, 2018, New Delhi

ANNEXURE – A

ELIGIBILITY CRITERIA FOR QUALIFICATION

The Resolution Applicant should meet the following minimum Eligibility Criteria to be eligible for submitting the Expression of Interest for Resolution Plan:

1. The Prospective Resolution Applicant should preferably have experience in same industry as that of Logic Eastern India Private Limited.
2. In case of the Financial Institutions/Funds/PE Investors/Asset Reconstruction Company, such corporate entities should preferably have experience in resolution insolvency/managing companies with stressed assets or financial difficulties or acquisition / turnaround of stressed assets.
3. The Prospective Resolution Applicant should have sufficient funds for deployment in order to be able to submit resolution plan for the resolution of insolvency of the Corporate Debtor, Logic Eastern India Private Limited.
4. The Prospective Resolution Applicant should not be an ineligible person as per Section 29A of the Insolvency and Bankruptcy Code, 2016, the extract of which is provided in **Annexure H**.

ANNEXURE – B

(On the letter head of the Prospective Resolution Applicant)

**FORMAT FOR 'EXPRESSION OF INTEREST' (EOI) FOR SUBMITTING
RESOLUTION PLAN OF LOGIC EASTERN INDIA PRIVATE LIMITED**

Date: _____

To,

Mr. Rajan Das Gupta,

Resolution Professional,

in the matter of Logic Eastern India Private Limited,

N-103 LGF, Greater Kailash - I,

New Delhi – 110048

**Sub: Expression of Interest ("EOI") for Submission of Resolution Plan(s) for Logic Eastern
India Private Limited (Corporate Debtor)**

Dear Sir,

In response to your advertisement in *[Insert the names of the newspaper and/or website]* on 8 October, 2018 inviting EOIs for submission of Resolution Plan for Logic Eastern India Private Limited, we hereby submit our expression of interest.

We have attached necessary information and documents as per the prescribed formats, without any deviations, conditions and without any assumptions or notes, published on the website at www.logiccastern.com. Based on this information, we understand that you would be able to evaluate our eligibility for the submission of the Resolution Plan proposal.

We understand that the selection of the Prospective Resolution Applicant is the sole discretion of the Resolution Professional / Committee of Creditors and that we shall not be entitled to question the selection criteria, nor shall we be entitled to seek details of the manner of selection and the selection of eligible Prospective Resolution Applicants.

The details of the contact person for the purposes of this Expression of Interest are provided below:

Name:

Designation:

Address:

Phone Nos:

E-mail address:

Sincerely yours,

On behalf of *[Insert the name of the entity submitting the EoI]*:

Signature: _____

Name of signatory:

Designation:

Company Seal/stamp

Enclosures: (Annexures)

Note:

The person signing the EoI and other supporting documents should be an authorised signatory supported by necessary board resolutions/authorization letter.

ANNEXURE C

SUPPORTING DOCUMENTS TO BE ATTACHED WITH EOI

1. For all PRAs - Profile of PRA

- a. General Profile: Provide a summary of the business, history and current status of the Prospective Resolution Applicant.
- b. Financial Profile (consolidated / standalone as applicable).
- c. Documents relating to history, if any, of the Prospective Resolution Applicant or affiliates being declared a 'willful defaulter', non-cooperative borrower', 'impaired asset' or 'non-performing asset' (Self Declaration).
- d. Any other relevant document which would be useful for the RP to evaluate the Expression of Interest and help to shortlist for the next stage in the process.

2. Copy of PAN card.

3. Proof of Identity and Address.

4. Financial

- a. Audited financial statements for last 3 financial years.
- a. Copy of Certificate of Registration and latest Constitutional Documents of the Applicant.
- b. Documentary evidence for Funds available for deployment as on March 31, 2018.

5. Power of Attorney / Authorization / Certified true copy of Board resolution in case of Corporate Person;

ANNEXURE D

DETAILS OF POTENTIAL RESOLUTION APPLICANT

1. Name and Address:

- a. Name of the Firm / Company / Organisation/Other Applicant:
- b. Address (with proof):
- c. Telephone No:
- d. Fax:
- e. Email:

2. Date of Establishment Resolution Applicant / Promoter Group and copies of related documents:

3. Nature of Establishment: *[Body Corporate / Financial Institutions / Funds / PE Investors / other Applicant]*

4. Core Area of Expertise:

5. Past experience in acquisition / turnaround of stressed assets:

6. Overall management strength:

7. Contact Person:

Name:

Designation:

Telephone No:

Email:

8. PAN No. and / or CIN No. and / or Aadhaar No. or equivalent details of Resolution Applicant and copies of the said documents:

9. Company / FI Profile:

- a. Company Financial Profile (consolidated / standalone as applicable).
- b. Experience of the Company in the relevant sector.
- c. History, if any, of the Company or affiliates of the Company being declared a 'willful defaulter', 'non-cooperative borrower', 'non-impaired asset' or 'non-performing asset'.
- d. Names and DIN of Directors including Independent Directors.
- e. Names of key lenders, if any, to the Form/Body Corporate or its affiliates.
- f. Ownership Details.

- g. Any other relevant details which would be useful to the RP to evaluate the Bid and help to shortlist for the next stage in the process.

ANNEXURE- E

DECLARATION CUM CONFIDENTIALITY UNDERTAKING

(To be executed on stamp paper)

In exercise of the authorization vested in me vide _____, I hereby undertake, declare and affirm for and on behalf of [Name of the Resolution Applicant] ("**Resolution Applicant**"), hereby undertake that the information furnished by the Resolution Applicant in the EOI for Resolution Plan for Logic Eastern India Private Limited ("**Corporate Debtor**") and the Annexures are true, correct, complete, and accurate. Further, the Resolution Applicant hereby undertakes, declares, agrees and acknowledges that:

- a) Resolution Applicant meets the criteria specified by the Committee of Creditors ("CoC") under clause (h) of sub-section (2) of section 25 ;
- b) Resolution Applicant will provide all relevant records in evidence of meeting the ineligibility criteria set out by CoC;
- c) Resolution Applicant undertakes that it does not suffer from any ineligibility under Section 29A of the Insolvency and Bankruptcy Code, 2016 ("**IBC**");
- d) Resolution Applicant has furnished all relevant information and records to enable an assessment of ineligibility under Section 29A of IBC;
- e) Resolution Applicant shall intimate the RP forthwith if it becomes ineligible at any time during the corporate insolvency resolution process;
- f) Every information and records provided in Expression of Interest is true and correct and discovery of any false information or record at any time will render the applicant ineligible to submit resolution plan, forfeit any refundable deposit, and attract penal action under the Insolvency and Bankruptcy Code, 2016;
- g) Resolution Applicant shall keep all information set out in the Information Memorandum and all information and documents provided by the Resolution Professional regarding the Corporate Debtor as confidential;
- h) Resolution Applicant shall not use any such information to cause an undue gain or undue loss to the Company or any other person;
- i) Resolution Applicant shall comply with the requirements under Section 29(2) of the Insolvency and Bankruptcy Code, 2016;
- j) Resolution Applicant shall protect the intellectual property rights of the Corporate Debtor in relation to all such information;

- k) Resolution Applicant shall not share any such information with any third party including any representatives, without first ensuring that our obligations under this undertaking is complied with;
- l) The Expression of Interest will be evaluated by the RP/the CoC of the Company based on the information provided by the Resolution Applicant to determine whether we qualify to submit Expression of Interest;
- m) The RP/the CoC reserve the right to determine at their sole discretion, whether or not we qualify for the submission of the Expression of Interest and may reject the Expression of Interest submitted by us without assigning any reason whatsoever;
- n) The RP/the CoC reserve the right to request for additional information or clarification from us for the purposes of the Expression of Interest and we shall promptly comply with such requirements. Failure to satisfy the queries of RP/CoC may lead to rejection of our submission pursuant to Expression of Interest;
- o) Submission of Expression of Interest alone does not automatically entitle us to participate in the next stage of the bid process.

On behalf of *[Insert the name of the entity submitting the EoI]:*

Signature: _____

Name of signatory:

Designation:

Company Seal/stamp

Date:

Place:

ANNEXURE- F

DECLARATION CUM UNDERTAKING UNDER SECTION 29A OF IBC

(To be executed on stamp paper)

In the matter of Corporate Insolvency Resolution Process of Logic Eastern India Private Limited under the provisions of the Insolvency and Bankruptcy Code, 2016

DECLARATION CUM UNDERTAKING

In exercise of the authorization vested in me vide _____, I hereby undertake, declare and affirm for and on behalf of [Name of the Resolution Applicant] ("**Resolution Applicant**"), hereby undertake that the information furnished by the Resolution Applicant in the EOI for Resolution Plan for Logic Eastern India Private Limited ("**Corporate Debtor**") and the Annexures are true, correct, complete, and accurate. Further, the Resolution Applicant hereby undertakes, declares, agrees and acknowledges that:

1. That the Resolution Applicant is fully conversant with the facts and circumstances of the matter and is duly empowered to submit this declaration cum undertaking.
2. That Resolution Applicant have read and understood all the terms and conditions relating to the formulation of the Expression of Interest and hereby express its interest in the submission of Resolution Plan for Logic Eastern India Private Limited;
3. That the Resolution Applicant complies with the eligibility criteria as required for submission of Expression of Interest/Resolution vide advertisement in Form G and detailed invitation for submission of the Expression of Interest;
4. That there are no proceedings pending or threatened, and there has been no penalty or fine imposed, by the Securities and Exchange Board of India, against the Resolution Applicant or the promoters or the directors of the Resolution Applicant;
5. That there are no criminal proceedings pending or decreed against the Resolution Applicant;
6. That there has been no action against the Resolution Applicant or promoters or directors of the Resolution Applicant by a regulatory or governmental authority;
7. That neither the Resolution Applicant nor a subsidiary, affiliate, or holding company of, or any other person related to the Resolution Applicant is an existing promoter or belongs to the existing promoter group; and
8. That the Resolution Applicant is 'fit and proper' person not under any legal disability or barred under Section 29A in the Insolvency and Bankruptcy Code, 2016 or any other provisions of any other law for the time being in force.

On behalf of [Insert the name of the entity submitting the EoI]:

Signature: _____

Name of signatory:

Designation:

Company Seal/stamp

Date:

Place:

ANNEXURE- G

FORM G

FORM G INVITATION FOR EXPRESSION OF INTEREST [Under Regulation 36A(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016]		
1.	Name of the corporate debtor	Logic Eastern India Private Limited
2.	Date of incorporation of corporate debtor	25 July 1997
3.	Authority under which corporate debtor is incorporated/registered	Registered under Companies Act 1956 under Registrar of Companies (ROC)-Delhi & Haryana, Ministry of Corporate Affairs
4.	Corporate identity number/limited liability identification number of corporate debtor	U29309DL1997PTC088728
5.	Address of the registered office and principal office (if any) of corporate debtor	Regd. Office: Office No.- 408, 4th Floor Plot No. -27, Veer Savarkar Block, Laxmi Nagar, New Delhi-110092 Corporate Office: C-56/39, 5th Floor, C Block, Phase 2, Industrial Area, Sector 62, Noida, Uttar Pradesh-201301
6.	Insolvency commencement date of the corporate debtor	18 July 2018 (As per the Order of NCLT, Principal Bench dated 18 July, 2018 in C.P. (IB) No. (IB)-623(PB)/2017
7.	Date of invitation of expression of interest	08 October 2018
8.	Eligibility for resolution applicants under section 25(2)(h) of the Code is available at:	Details can be sought by emailing on: Email: rajandgupta@gmail.com Also visit the website of Logic Eastern India Private Limited at www.logiceastern.com
9.	Norms of ineligibility applicable under section 29A are available at:	As per section 29A and other provisions of the insolvency & Bankruptcy Code, 2016/IBC Available on the website of insolvency and Bankruptcy Board of India http://ibbi.gov.in/webfront/legal_framework.php
10.	Last date for receipt of expression of interest	23 October 2018
11.	Date of issue of provisional list of prospective resolution applicants	2 November 2018
12.	Last date for submission of objections to provisional list	7 November 2018
13.	Date of issue of final list of prospective resolution applicants	17 November 2018
14.	Date of issue of information memorandum, evaluation matrix and request for resolution plans to prospective resolution applicants	7 November 2018
15.	Manner of obtaining request for resolution plan, evaluation matrix, information memorandum and further information	Information memorandum, request for resolution plan and evaluation matrix will be shared by resolution professional with shortlisted prospective resolution applicant(s) meeting the eligibility criteria as per Section 25(2) (h) and Section 29A of the IBC after receiving a confidentiality undertaking as per section 29(2) of the IBC.
16.	Last date for submission of resolution plan	8 December 2018
17.	Manner of submitting resolution plan to resolution professional	Through speed post/registered post or by hand in a sealed cover Addressed to Rajan Das Gupta N-103, LGF, Greater Kailash-1, New Delhi-110048 (also send copy to email id rajandgupta@gmail.com)
18.	Estimated date for submission of resolution plan to the Adjudicating Authority for approval	30 December, 2018
19.	Name and registration number of the resolution professional	Rajan Das Gupta IBBI/IPA-01/IP-P01094/2017-18/11804
20.	Name, Address and e-mail of the resolution professional, as registered with the Board	Name: Rajan Das Gupta Address: N-103, LGF, Greater Kailash-1, Delhi-110048 Email id: rajandgupta@gmail.com
21.	Address and email to be used for correspondence with the resolution professional	Same as above
22.	Further Details are available at or with	Rajan Das Gupta (Resolution Professional) Mobile: +91-91 9810404086 Email id: rajandgupta@gmail.com
23.	Date of publication of Form G	8 October 2018

Sd/-
Mr. Rajan Das Gupta
Resolution Professional

For Logic Eastern India Private Limited
 Registration No.: IBBI/IPA-01/IP-P01094/2017-18/11804
 N-103, LGF, Greater Kailash-1, New Delhi-110048
 E-mail: rajandgupta@gmail.com; Mobile: +91 9810404086

Date: 8 October 2018
 Place: New Delhi

ANNEXURE- H

Persons not eligible to be resolution applicant as per section 29A of the Insolvency & Bankruptcy Code, 2016

A person shall not be eligible to submit a resolution plan, if such person, or any other person acting jointly or in concert with such person--

- (a) is an undischarged insolvent;
- (b) is a wilful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949);
- (c) at the time of submission of the resolution plan 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 (10 of 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:

Provided that the person shall be eligible to submit a resolution plan if such person makes payment of all overdue amounts with interest thereon and charges relating to non-performing asset accounts before submission of resolution plan;

Provided further that nothing in this clause shall apply to a resolution applicant where such applicant is a financial entity and is not a related party to the corporate debtor.

Explanation I.-- For the purposes of this proviso, the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date.

Explanation II.-- For the purposes of this clause, where a resolution applicant 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 and such account was acquired pursuant to a prior resolution plan approved under this Code, then, the provisions of this clause shall not apply to such resolution applicant for a period of three years from the date of approval of such resolution plan by the Adjudicating Authority under this Code;

- (d) has been convicted for any offence punishable with imprisonment--
 - (i) for two years or more under any Act specified under the Twelfth Schedule; or
 - (ii) for seven years or more under any other law for the time being in force:

Provided that this clause shall not apply to a person after the expiry of a period of two years from the date of his release from imprisonment:

Provided further that this clause shall not apply in relation to a connected person referred to in clause (iii) of Explanation I]

(e) is disqualified to act as a director under the Companies Act, 2013 (18 of 2013);

Provided that this clause shall not apply in relation to a connected person referred to in clause (iii) of Explanation I;

(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;

Provided that this clause shall not apply if a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place prior to the acquisition of the corporate debtor by the resolution applicant pursuant to a resolution plan approved under this Code or pursuant to a scheme or plan approved by a financial sector regulator or a court, and such resolution applicant has not otherwise contributed to the preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction;

(h) has executed a 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 and such guarantee has been invoked by the creditor and remains unpaid in full or part;

(i) is subject to any disability, corresponding to clauses (a) to (h), under any law in a jurisdiction outside India; or

(j) has a connected person not eligible under clauses (a) to (i).

Explanation I.-- For the purposes of this clause, the expression "connected person" means--

(i) any person who is the promoter or in the management or control of the resolution applicant; or

(ii) any person who shall be the promoter or in management or control of the business of the corporate debtor during the implementation of the resolution plan; or

(iii) the holding company, subsidiary company, associate company or related party of a person referred to in clauses (i) and (ii):

Provided that nothing in clause (iii) of Explanation I shall apply to a resolution applicant where such applicant is a financial entity and is not a related party of the corporate debtor:

Provided further that the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related

party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date;

Explanation II.-- For the purposes of this section, "financial entity" shall mean the following entities which meet such criteria or conditions as the Central Government may, in consultation with the financial sector regulator, notify in this behalf, namely:--

(a) a scheduled bank;

(b) any entity regulated by a foreign central bank or a securities market regulator or other financial sector regulator of a jurisdiction outside India which jurisdiction is compliant with the Financial Action Task Force Standards and is a signatory to the International Organisation of Securities Commissions Multilateral Memorandum of Understanding;

(c) any investment vehicle, registered foreign institutional investor, registered foreign portfolio investor or a foreign venture capital investor, where the terms shall have the meaning assigned to them in regulation 2 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 made under the Foreign Exchange Management Act, 1999 (42 of 1999);

(d) an asset reconstruction company registered with the Reserve Bank of India under section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);

(e) an Alternate Investment Fund registered with the Securities and Exchange Board of India;

(f) such categories of persons as may be notified by the Central Government.