

FINANCIAL ELIGIBILITY CRITERION

Section 25(2)(h) was amended and provides that the resolution professional shall invite prospective resolution applicants, who fulfil such criteria as may be laid down by him with the approval of committee of creditors, having regard to the complexity and scale of operations of the business of the corporate debtor and such other conditions as may be approved by Committee of Creditors, to submit a resolution plan.

The eligibility criterion as approved by the Committee of Creditors is as under: –

1. The Resolution Applicant should have a net worth of at least **Rs. 2 Crore**.
2. The Resolution Professional will verify the net worth of the applicant and may ask for relevant documents for such verification and such documents may include audited financial statements, net worth certificate from a Chartered Accountant, copies of income tax returns, other documents relating to net worth of the applicant as he deems necessary.
3. Each of the Resolution Applicant would provide a **Earnest Money Deposit (EMD) of Rs. 25,00,000(Rupees Twenty Five Lakhs only)** at the time of submitting their Expression of Interest with the Resolution Professional in the form of Demand Draft of any nationalized / scheduled bank drawn in favour of the Corporate Debtor.