



BID DOCUMENT ("BD") FOR TRANSFER OF STRESSED LOAN ASSET TO THE ELIGIBLE PARTICIPANTS (ARC/ BANKS/ FI/ NBFC) THROUGH THE E - AUCTION IN TERMS OF RBI (TRANSFER OF LOAN EXPOSURE) DIRECTIONS 2021 UNDER SWISS CHALLENGE METHOD;

A2Z INFRA ENGINEERING LTD

I. DISCLAIMER AND IMPORTANT NOTICE

This document shall be referred to as the Bid Document for Sale of Non-Performing Assets of SICOM Limited ("BD"). The purpose of this BD is to provide information to prospective bidders/transferees ("Bidders") in respect of the sale of Non-Performing Assets of SICOM Limited ("NPAs") to entities permitted to acquire stressed loan exposures under Clause 58 of Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated Sept 24, 2021 as under;

1. Scheduled Commercial Banks;
2. All India Financial Institutions (NABARD, NHB, EXIM Bank, and SIDBI);
3. Small Finance Banks;
4. All Non-Banking Finance Companies (NBFCs) including Housing Finance Companies (HFCs);
5. Asset Reconstruction Companies 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;
6. A company, as defined in sub-section (20) of Section 2 of the Companies Act, 2013 other than a financial service provider as defined in sub-section (17) of Section 3 of the Insolvency and Bankruptcy Code, 2016. Acquisition of loan exposures by such companies shall be subject to the relevant provisions of the Companies Act, 2013.

It is presumed and understood that by participating in this process, each of the Bidders has carried out / will carry out their own independent due-diligence and assessment in respect of any or all matters, information, statements, etc. covered or sought to be covered or contained in this BD, the NPAs and any information or documents that may be provided by SICOM Limited during the course of the process pursuant to this BD. Bidders should form their own views as to whether information provided herein or any information that may be provided by SICOM Limited separately is relevant to any decisions that they take and should make their own independent assessment in relation to any additional information that they may require.

Bidders must note that the sale of the NPAs will be on an **"as is where is", 'as is what is' and on a 'without recourse' basis** and under the Swiss Challenge Method in terms of RBI Master Directions dated September 24, 2021, as amended from time to time. Completion of the sale and purchase of the NPAs shall be at the sole discretion of SICOM Limited irrespective of whether base bids, counter bids have been received or whether a winning bid has been declared, subject to the extant Reserve Bank of India guidelines.

Bidders should note that they must have the capacity and be legally competent to enter into and conclude the transaction for purchase of the NPAs in compliance with all applicable laws, including all regulations, directions and guidelines framed by the Reserve Bank of India ("RBI") in this regard from time to time.

The information contained in this BD or any other information which may be provided to Bidders is subject to change without prior notice. SICOM may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information contained herein including the envisaged sale process mentioned hereunder.

II. TIMELINES AND SCHEDULES

The revised time schedule for completion of the sale process of the NPAs is given below, which may be taken note of and will have to be adhered to since no further extension will be made in the schedule:-

1	Submission of EOI	January 30, 2024.
2	Due diligence of the account	January 30, 2024 to February 13, 2024 from 10 am to 5.30 pm
3	Last date for submission of counter bids along with earnest money and uploading documents including proof of payment	February 16, 2024 upto 04.00 p.m. (for both - DD or RTGS/NEFT)
4	Public E-auction - Date and Time	February 21, 2024, Between 2.00 p.m. to 4.00 p.m. (with auto extension clause of 5 minutes)

III. PROCESS OF SALE UNDER SWISS CHALLENGE METHOD

The e-auction of the loan account mentioned below is under the Swiss Challenge Method in terms of the **Reserve Bank of India (Transfer of Loan Exposure) Directions, 2021** dated September 24, 2021, based on an existing offer in hand, who will have right to match highest bid in terms of his right of first refusal. Any other purchaser interested to buy the financial asset may bid higher amount which needs to be matched by original offeror and in case original offeror fails to match the price the financial asset may be sold to such bidder who has given highest bid offer during the public e-auction.

Brief details of the stressed loan exposure as on 31.12.2023

Sr. No	Borrower Name	Total outstanding as on 31.12.2023 (principal and interest)	Reserve price (Base bid)	EMD	Minimum markup over the base bid (7.5% of base bid)	Payment Terms
1.	A2Z Infra Engineering Ltd.	Rs.287.85 Crs.	Rs.2.00 Crs	1% of reserve price - Rs.2 lacs	Rs. 15.00 lacs.	Cash down basis

1. Following process is proposed to be followed for the sale of the above financial asset:
 - a) The interested bidder may offer bid at a price taking into account mark up as mentioned at point (b) below.
 - b) The minimum mark up over the base bid required for the challenger bid is fixed at 7.5% of base bid. The mark up is difference between challenger bid and base bid expressed as percentage of the base bid. The minimum mark-up kept is at 7.5% of base bid).
 - c) If no counter bid crosses the minimum mark-up specified in the invitation, the base-bid becomes the winning bid subject to final approval by the SICOM.
 - d) If counter bid(s) crosses the minimum mark-up specified over the base bid at point (b) above, the highest counter bid becomes the challenger bid.
 - e) The original Bid provider would be invited to match the challenger bid. If the original Bid provider matches or improves the challenger bid, such bid shall become the winning bid; else, the challenger bid shall be the winning bid.
 - f) The sale is only on the cash down basis.
 - g) Acceptance of the offer shall be at the sole discretion of the SICOM and shall be subject to approval of the competent authority of SICOM.

Please note that in the event of any discrepancy in the contents of this Bid Document and the Directions, the provisions of the RBI Directions shall prevail. The process for sale of NPA Loan accounts would be as under:

- a. **Bidders interested in acquiring the NPAs, shall carry out due diligence and submit an EOI as per schedule mentioned above.**
- b. After submission of the EOI, interested Bidders shall execute a Non-Disclosure Agreement (NDA) in the form and manner acceptable to SICOM Limited and undertake due diligence of the documents pertaining to the NPAs within the time frame set out in paragraph II above.
- c. On completion of the due-diligence, the Bidders interested in acquiring the NPA loan account(s) shall submit their unconditional, irrevocable and binding bid ("Bid") along with signed copy of Bid Document and the Earnest Money Deposit (EMD) of 1% of the Bid amount in the form of Demand Draft /by RTGS in favour of SICOM as per the details given below. NEFT/RTGS details for deposit of EMD are given below:

Beneficiary Name	SICOM LTD
Beneficiary Bank Name	HDFC Bank
Beneficiary Account No.	01020350000178
Branch Address	Shankar Nagar Branch, Nagpur
IFSC Code	HDFC0000102

- d. Upon receipt of Bid(s), SICOM Limited shall then evaluate the Bid(s) so received and decide on the acceptance/rejection of the Bid(s) received.
- e. Based on the highest bid received, SICOM Ltd at its sole discretion shall decide the Base Bid for public auction.

- f. In case, if two or more Bid(s) of equal amount are received for the same set of loan account(s), then SICOM Limited at its sole discretion shall decide the bid as base Bid, on the basis of following criteria:
- The bid of prospective transferee who has already acquired the loan(s) in the NPA account being sold will be considered as base bid.
 - If two or more prospective transferees have acquired the same set of NPA loans then the bid of prospective transferee which has acquired the highest share of loan asset in terms of percentage, will be considered as base bid.
 - If the two prospective transferee have already acquired the NPA loan account being sold and having equal share in the asset, then SICOM at its sole discretion shall decide the Bid as base bid.
 - In case the above criterion does not hold then the bid of prospective transferee having higher Asset under Management shall be considered as base bid.
- g. The highest bidder/offeror will then be informed by SICOM regarding its/his offer being considered as base bid for public auction.
- h. The bidder/offeror, whose bid/offer is considered as base bid, shall be entitled to right of first refusal in the public auction.
- i. On acceptance of the Base Bid, SICOM Limited shall then publicly call (by issuing Public Auction Notice) for Counter Bid(s) from other Bidder(s), on comparable terms, by disclosing the essential elements of the Base Bid and also clearly specifying the minimum mark-up that would be acceptable (“Public Action Process”).
- j. All other bidders who wish to participate in the public auction will have to furnish EMD of 1% of the offer price which should be over and above the minimum mark-up specified in the invitation.
- k. If no Counter Bid exceeds the Base Bid by the minimum mark-up specified in the invitation for Counter Bids, then the Base Bid shall become the Winning Bid.
- l. If Counter Bid(s) received exceed the Base Bid by at least the minimum mark-up specified in the invitation then in that event the highest counter bid shall become the Challenger Bid.
- m. The Bidder who submitted the Base Bid would be then then invited to match the challenger bid. If the Bidder who provided the Base Bid either matches the challenger bid or bids higher than the challenger bid, such bid shall become the winning bid; else, the challenger bid shall be the winning bid.
- n. However, if the Bidder who submitted the Base Bid - does not exercise the option to match the Challenger Bid, the EMD of 1% paid by such Bidder at the time of submission of bid /offer will be returned/ refunded to Bidder.
- o. SICOM will then inform /communicate the winning bidder about the acceptance/ rejection of the bid after conducting the e-auction and approval/ confirmation of the appropriate authority.
- p. If SICOM accepts the winning bid then the winning bidder has to make the payment of sale /assignment consideration(less EMD of 1%) along with the execution of assignment agreement/ deed of assignment which has to be completed within a period of 30 days from the date of acceptance of offer/ bid.

- q. If the Winning Bidder whose Bid has been accepted by SICOM Limited subsequently, fails to pay the balance sale/assignment consideration as per the Public Auction Process within stipulated time as per the Public Auction Notice (time being the essence of the contract) or if the sale/assignment is not completed by reason of any default of such Bidder, SICOM Limited shall forfeit all the moneys till then paid by that Bidder ("Defaulting Bidder") as aforesaid and put up the NPA loan account(s) for resale/assignment in its absolute discretion and all costs, charges and expenses incurred by SICOM Limited due to such default shall be borne and paid by the Defaulting Bidder who shall also be bound to make good any deficiency arising on such resale by SICOM Limited and the Defaulting Bidder shall not be entitled to make any claim in respect of any amount in the event of the NPA loan accounts on resale realizing a higher price than that offered by the Defaulting Bidder.
- r. SICOM reserves the right to negotiate with successful bidder for improvement in the bid amount and seek revised bid.
- s. The successful bidder shall be under their own obligation to follow all extant guidelines/ notification issued by GOI/ RBI/SEBI/ IBA any other regulator from time to time pertaining to transfer of the stressed loan exposure.
- t. The successful bidder shall arrange to collect the security documents including the suit filed details and related documents from SICOM limited within 45 days of the date of execution of the Assignment deed.

IV. IMPORTANT TERMS AND CONDITIONS

1. The sale of Non-Performing Assets is on 'As is where is & as is what is' basis and without recourse to SICOM Limited and under the Swiss Challenge Method in terms of RBI Master Directions dated September 24, 2021, as amended from time to time.
2. **The sale of the NPA account will be considered only on an upfront cash basis and the highest such bid received pursuant to the process described under Clause III above shall be considered as the successful bid.**
3. The above-mentioned account is being sold on "As is where is, as is what is, whatever there is and without recourse basis" and without any indemnities and guarantees under Swiss challenge method.
4. The submission of the Bid by a Bidder shall be deemed to constitute unconditional acceptance of all the terms and conditions of this BD, as may be amended by SICOM Limited in its sole discretion from time to time, by the Bidder.
5. Please note that the Bid submitted by the Bidder shall be deemed to be an irrevocable Bid, binding on the Bidder.
6. The Bidder shall submit the Bid along with an EMD of 1% of offer/bid for the entire portfolio or individual NPA loan account.

7. An EOI shall remain valid for a period of 90 days from the date of submission of EOI. However, SICOM Limited may seek extension of the validity for such period as may be determined by SICOM Limited at its discretion. SICOM Limited reserves the right to reject any Bid without assigning any reason thereof.
8. The bid increase amount will be Rs. 5,00,000/- and in multiples thereof for the said account.
9. The Bidder should submit all corporate authorizations for undertaking the purchase of the NPAs, including a Resolution of the Board of Directors/ Power of Attorney (POA) duly supported by the Board Resolution authorizing the signatories of the Bid.
10. Bidders are expected to submit their Bid with independent study and assessment in respect of the NPA accounts and value thereof before submitting their Bids. By virtue of submission of the Bid, it shall be deemed that the Bidders have conducted their own independent due diligence at their own costs including verifying various legal proceedings, have sought legal and financial / tax advice, as well as have ascertained the disclosed liabilities and other than those in the knowledge of SICOM, encumbrances and any other dues/demands from concerned authorities or stakeholders to their satisfaction before submitting the Bid. Any Bid made shall be deemed to have been submitted after complete satisfaction of Bidders thereto and / or all claims there against and due and proper inspection.
11. The Bid should be made on the basis of the terms of the Bid Document (BD) as circulated to Bidders without prejudice to SICOM Limited's right to make any amendments to the BD from time to time.
- 12. Conditional & Contingent Bids shall be liable to be disqualified by SICOM Limited.**
13. The prospective buyer shall agree to take all the risks and responsibilities in respect of various agreements with the underlying obligors and obligations/ contracts / liabilities undertaken by SICOM Limited on behalf of the obligors now due or that may become due in future.
14. Any claim of the obligor after the sale of assets shall be dealt with by the successful bidder ("**Successful Bidder**").
15. Prospective bidder / acquirer should not have any direct or indirect link / interest/ relationship with the company, promoters and / or any other related parties.
16. The proposed acquisition should not be funded and backed by the promoters/ company/ guarantors and / or any of their related parties/ bidders shall be deemed

to represent and warrant that the ultimate transferee of the stressed loan exposure is not the borrower / guarantor or its affiliates.

17. Please note that any taxes that may be arising out of the transaction shall be payable by the acquirer.
18. The Successful Bidder shall take over the existing security (es) offered by the obligors or held by SICOM Limited.
19. All costs, expenses and liabilities incurred by each Bidder in connection with the Transaction, including (without limitation) in connection with Due Diligence, preparation and/or submission of the Bid, including fees and disbursements of its own advisors, if any, shall be borne and paid by such Bidder, whether the Bid submitted by a Bidder is accepted or rejected for any reason and SICOM Limited does not assume any liability whatsoever in this connection.
20. Any discussions or any clarifications, information sought or divulged with respect to the Bid will not constitute an invitation or commitment by SICOM Limited to enter into any agreement, undertaking or covenant with the Bidder nor shall SICOM Limited be liable to consummate or deal with any Participant on the basis of such discussion, negotiation, information.
21. The Bidder is required to and must exercise utmost good faith, due care and diligence in preparation and submission of the Bid and must ensure that all information provided therein is accurate and complete.
22. It should however be noted that SICOM Limited does not make any representations as to the correctness, validity or adequacy, sufficiency or otherwise of any such information pertaining to liabilities, encumbrances and statutory dues in respect of the NPA accounts. The Bidders should do their own due-diligence to verify the same. SICOM Limited does not undertake responsibility for adequacy or sufficiency of information and documents related to financial assets in respect of the NPA accounts. The Bidders should not limit or restrict their due-diligence to the documents for assessing the complete risk or even for evaluating the NPA accounts.
23. SICOM Limited may, at its sole discretion and from time to time, add, amend, vary, modify, delete, any of the conditions of BD as may be deemed necessary in the light of the facts and circumstances and also issue one or more Addenda, Corrigendum as required without giving any reasons thereto.
24. SICOM Limited may, at any time and for any reason, without giving any reason thereof, change/extend the deadlines/time-lines outlined in this Bid document.
25. SICOM reserves the sole right not to go ahead with the proposed sale of the NPAs at any stage, irrespective of whether Base Bids or counter bids have been received or

whether a Successful Bidder has been declared, without assigning any reason, subject to the extant RBI guidelines. The decision of SICOM Limited in this regard shall be final and binding.

26. The Successful Bidder shall be solely and absolutely responsible for completion of all statutory, regulatory and other compliances for the purpose of purchase of the NPAs, including incurring of any costs, charges and expenses and payment of fees and duties (including the adjudication, stamp duty and registration fee and other similar levy payable and whether payable in one or more states or jurisdictions), statutory and otherwise well before time.
27. Sale of the NPAs to the Successful Bidder shall be effected by execution of Assignment Agreement(s) in favour of the Successful Bidder, only upon receipt and realization from the Successful Bidder of the entire purchase consideration. Submission of the Bid shall be construed as unconditional acceptance of the same. Please note there shall be no deliberations, negotiation on the draft of the assignment agreement and related documents (collectively, "Assignment Agreements") and the drafts are not subject to discussion and modifications, except where the nature of transaction requires change(s) in the draft.
28. As from the date of execution of the Assignment Agreements as aforesaid in favour of the Successful Bidder/Assignee, all the rights and corresponding duties and obligations of SICOM Limited in respect of the subject NPA case/s shall vest with the Successful Bidder/Assignee. Accordingly, SICOM Limited shall not continue attending/pursuing/defending the legal cases which have been/may be filed before any civil court/Tribunals/High court/Supreme Court/NCLT/NCLAT in relation to the NPA account/s assigned. It shall be the sole duty of Successful Bidder/Assignee to take steps for impleading themselves in all such proceedings.
29. It is clarified that if any payments are received by SICOM Limited in respect of a NPA sold under this BD after the cut-off date being the date of acceptance of the winning bid ("**Cut-off Date**"), shall be held by SICOM Limited in its account for the benefit of the Successful Bidder in respect of such NPA, and upon execution of the related Assignment Agreements, SICOM Limited shall transfer such amounts in the designated account of the Successful Bidder/Assignee.
30. All the documents that the Successful Bidder/Assignee has to collect from SICOM Limited under the terms of the Assignment Agreements and will be held at the registered office of SICOM Limited at Mumbai until collected by the Successful Bidder/Assignee during normal office hours on or after the execution of Assignment Agreements and at any date within 45 days of the execution of Assignment Agreements. It should be noted that it shall be the sole responsibility of the Successful Bidder/Assignee, at its own cost and expense, to collect the aforesaid documents from the registered office of SICOM Limited at Mumbai.

31. No credit lying with the SICOM Limited in respect of the NPAs sold and assigned to the Successful Bidder/Assignee received prior to the Cut-off Date for any purpose shall be available for assignment including amounts kept in No Lien Account.
32. SICOM Limited reserves its right to cancel/postpone the aforesaid process for the sale and purchase of the NPAs at any stage before final confirmation and in that event, in its absolute discretion, to follow a different method for sale/transfer of the NPAs which may not be mentioned above, subject to applicable law. Upon such action, SICOM Limited's decision in this behalf shall be final and binding on all the Bidders.
33. SICOM Limited reserves the right to accept/reject any Bid without assigning any reasons at its sole discretion. The decision of SICOM Limited in this regard shall be final and conclusive and binding on such Bidder(s).
34. If by the terms of this BD, any act would be required to be performed on or within a period ending on a day, which is not a Working Day, then it shall be performed, on or by the immediately succeeding Working Day.
35. The Bidders shall not be entitled to withdraw or cancel a Bid once submitted. SICOM Limited reserves the right to negotiate any term of the BD as it may deem appropriate.
36. In the event of any dispute and /or difference on the point of meaning or definition of any particular word used in this BD or, in respect of interpretation of any clause of this BD or, this BD as a whole or, in respect of sequence of events mentioned therein, the decision of the Managing Director of SICOM Limited, shall be final and binding on all the Bidders / parties concerned.
37. Disputes, if any, arising between the parties in relation to this BD shall be settled by way of mutual discussion and in case an amicable settlement is not reached, shall be subject to jurisdiction of courts situated at Mumbai, and governed in accordance with the laws of India.
38. **Bidder to give a notarised affidavit that they are in no way connected to or acting on behalf of or in concert or on behalf of the promoters, promoters family, etc as per section 29A and other provisions in terms of Insolvency and bankruptcy Code, 2016 and any further amendment thereon**
39. **Bidders should submit that there is no any pending investigation that has been initiated by any Central/ State Government law enforcement agencies against the ARC/ Bank / FI and its Directors.**

40. The following persons cannot purchase the NPAs:

- Any individuals/firms/companies not authorized by RBI to acquire Financial Assets from the Banks/NBFCs.
- Board members and employees of SICOM Limited
- Shareholders (other than Banks, Financial Institutions and Financial Institutional Investors) holding more than 2% of SICOM Limited and their respective Board members and employees who have been actively employed within 5 years of the Bid Deadline)
- Spouses and up to second degree (inclusive) relatives by consanguinity or affinity, as defined by law, of the above - mentioned person
- Borrowers
- Legal entities in which the above - mentioned persons/entities jointly or individually hold more than 10% stake
- **Where an investigation has been initiated by any Central/ State Government law enforcement agencies and is pending against the ARC/ bank/ FI and its Directors**

In acceptance:

Signature and Seal of the Bidder