

## IFCI Limited

### **Sale of Financial Assets by IFCI Limited under Swiss Challenge Method (Tender No.: IFCI/HO/M&R/01/2019-20 dated 31/01/2020)**

1. IFCI Limited (IFCI) invites bids from interested parties to acquire its debt exposure in an infrastructure sector holding company as detailed below. **The sale is under "Swiss Challenge Method", based on an existing offer in hand with a consideration amount of Rs.70.00 crore for the debt exposure , who ("Offeror") will have the right to match the highest bid. The details of the asset are as under:-**

<b>Name of the borrower</b>	<b>Nature of Financial Asset</b>	<b>Outstanding Amount (Rs. Crore) (as on 16/12/2019)</b>	<b>Offer in Hand (Rs. Crore)</b>	<b>Terms of Sale</b>
Madhucon Infra Limited	Non-Convertible Debentures	332.33	70.00	100% cash

2. The sale will be on "AS-IS-WHERE-IS AND WHAT-IS-WHERE-IS BASIS" and without any recourse to IFCI.
3. IFCI reserves the unqualified right to accept bid of the highest bidder/Offeror for the exposure as deemed fit.
4. IFCI will be assigning the outstanding debt to SC/ARC/NBFC/Bank/FI etc. as on the date of execution of the requisite agreements with the successful bidder.

#### **Submission of Expression of Interest**

5. Interested bidders are requested to intimate their interest to participate, by way of an "Expression of Interest" (EoI), enclosed as **Annexure A**. The EoI must adhere to the enclosed format and contain details of Earnest Money Deposit (EMD).
6. An amount of Rs.0.25 crore has to be deposited by the interested parties by way of Demand Draft, drawn on any Nationalised/ Scheduled bank, in favour of "IFCI Limited", payable at New Delhi. Earnest Money in any other form, for example, cheque (including cheque made "good for payment"), Bank Guarantee, Bid Bonds, Call Deposit, etc. will not be acceptable. The EMD of the successful bidder(s) shall be retained and adjusted towards part sale consideration while the EMD of unsuccessful bidders or bidders who decide not to submit the financial bid shall be refunded within 7 days of declaration of successful bidder by IFCI. No interest shall be payable on the Earnest Money Deposit.
7. Interested parties shall be required to sign a Non-Disclosure Agreement (NDA) (enclosed as **Annexure B**) with IFCI and submit the same along with EoI. EoI shall be submitted

through post /courier or direct delivery to the following address and should be received by IFCI within the timeline as indicated at Sr.No.26 of this document:

The General Manager (Credit Monitoring and Recovery)  
IFCI Ltd.,  
IFCI Tower,  
61, Nehru Place,  
New Delhi – 110019

8. The envelope containing the EoI shall be properly sealed and have the following marking on the top:

**"EoI for Tender No.: IFCI/HO/M&R/01/2019-20 dated 31.01.2020"**

9. IFCI will not be liable for any delay in delivery /damage to the envelope containing EoI during transit.
10. After signing the NDA and depositing the EMD, each prospective bidder shall be provided access to the Data Room. 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. It is clarified that IFCI shall not have any liability whatsoever to the Bidders including relating to or resulting from the use of the information shared in the data room or any clarifications thereof.
11. After receipt of EOIs from the intending buyers, IFCI will go for e-bidding which will take place on 24/02/2020. The highest bidder will be required to pay 10% of the bid amount (after adjusting for EMD deposited with IFCI) within three working days. On non payment of the 10% amount within the stipulated period by the highest bidder, IFCI, at its sole discretion, may opt for either forfeiting the amount deposited with IFCI by the highest bidder or extending the time for payment on levy of interest at IFCI Benchmark Rate +3% till payment of the said amount.
12. The Offeror will have first right of refusal to match the highest bidder emerging from e-bidding process.
13. The successful bidder will be announced on 28/02/2020. The successful bidder will have to pay the balance purchase consideration by 16/03/2020 and also execute the Deed of Assignment (DOA) within the time period specified in the communication of acceptance / confirmation given by IFCI, for each of the account. On non payment of the balance consideration within the stipulated period by the successful bidder, IFCI, at its sole discretion, may opt for either forfeiting the amount deposited with IFCI by the successful bidder or extending the time for payment on levy of interest at IFCI Benchmark Rate +3% till payment of the said amount.
14. The sale will be subject to final approval by the Competent Authority. IFCI reserves the right to reject any/all bids or adjourn/postpone/cancel the sale/modify any terms and conditions of the sale without any prior notice and or without assigning any reasons thereof.

15. Submission of bid by a bidder implies that the bidder has obtained all the clarifications required. IFCI reserves the right to alter, modify, terms and conditions of the said transaction without assigning any reason at any stage of transaction.
16. The bidder(s) should thoroughly satisfy themselves about the nature, conditions and quality of the assets. No claim/ complaint of whatever nature will be entertained by IFCI at any stage.
17. The bidder should confirm that they have complied with / agree to comply with all the statutory formalities/ guidelines/ regulations/ circulars inter alia, issued by the Reserve Bank of India, Securities & Exchange Board of India, Companies Act, 2013 and/or other agencies, read along with relevant rules and other relevant statutory provisions as applicable to the present sale of the financial assets.
18. In case of failure to deposit the payments as indicated at Sr.No.26 of this document by the successful bidder(s), the amounts, including EMD, are liable to be forfeited.
19. Any applicable stamp duties/additional stamp duty/transfer charges, fee, etc. and also all the statutory/non-statutory dues, taxes, rates, assessment charges, fee, etc. owing to anybody that may be arising out of the present transaction shall be payable by the Successful Bidder(s).
20. IFCI shall have the right to issue addendum to tender/other documents to clarify, amend, modify, supplement or delete any of the conditions clauses or items stated therein. Each addendum so issued shall form a part of original invitation to tender.
21. IFCI may, at any time, without giving any reasons thereof, change/extend the deadlines/time-lines outlined herein below and shall communicate such change/extension by way of notice only on IFCI website ([www.ifcilttd.com](http://www.ifcilttd.com)).
22. IFCI reserves the right not to go ahead with the proposed transaction at any stage, without assigning any reasons. The decision of IFCI in this regard shall be final and conclusive.
23. All conditional and contingent bids shall be summarily disqualified by IFCI.
24. In case of any doubt regarding the terms and conditions and process of the sale, the decision of IFCI will be final.
25. All suits or proceedings relating to any dispute or claim arising out of or in course of performance of this contract shall be filed in appropriate Court having jurisdiction in New Delhi.
26. Timelines for the transaction are as follows:

<b>Sr.No.</b>	<b>Activity</b>	<b>Date</b>	<b>Time</b>
1	Uploading of Tender Document on the website: <a href="http://www.ifcilttd.com">www.ifcilttd.com</a>	03.02.2020	11:00 AM
2	Start Date for Due Diligence/access to online data rooms subject to signing of NDA	04.02.2020	11:00 AM
3	Closure of Due Diligence	19.02.2020	5:00 PM
4	Last Date for submission of EOI and providing Earnest Money Deposit of Rs.0.25 crore	20.02.2020	2:00 PM
5	Allotment of login credentials for e-Bidding	21.02.2020	5:00 PM
6	Date of e-bidding (The e-bidding timings will be from 11:00 AM to 1:00 PM with unlimited extension of 05 minutes and an incremental amount of Rs.10.00 Lakhs.)  Declaration of Highest Bidder	24.02.2020	11:00 AM – 1:00 PM  5:00 PM
7	Last Date & Time for Deposit of 10% of Bid Amount by Highest Bidder (after adjusting amount)	27.02.2020	5:00 PM
8	Declaration of Successful Bidder	28.02.2020	5:00 PM
7	Receipt of Full Bid Consideration from Successful Bidder	16.03.2020	5:00 PM

For any clarification in the matter, please feel free to contact Smt. Rubina Duggal, AGM, Email: [rubina.duggal@ifcilttd.com](mailto:rubina.duggal@ifcilttd.com) or Sh.Ravish Jain, AGM, Email: [ravish.jain@ifcilttd.com](mailto:ravish.jain@ifcilttd.com).

Place: New Delhi  
Date: 31/01/2020

sd/-  
**(General Manager)**  
**IFCI Limited**



**Annexure A****Expression of Interest**  
(On Bidder's Letter Head)

To,

The General Manager (Credit Monitoring and Recovery)  
IFCI Limited,  
IFCI Tower,  
61, Nehru Place,  
New Delhi - 110019

**Sub: Expression of Interest – Tender No. IFCI/HO/M&R/01/2019-20 dated 31.01.2020**

We hereby submit our expression of interest to evaluate the assets put on sale by IFCI under the Swiss Challenge Method vide the captioned tender. Our details are as below:

Name of the Bidder:

Constitution of the Bidder:

Nature or Main Business of the Bidder:

Address of the Bidder:

Networth in the previous three financial years:

Particulars of EMD deposited are given below:

<b>Details of Demand Draft</b>	<b>Date</b>	<b>Name of Bank and Branch</b>	<b>Amount in INR</b>
			Rs.25,00,000.00

We further undertake that:

- We are eligible and have the financial capacity to conclude the purchase of financial asset(s), in accordance with the applicable laws and regulations of India.
- We have no conflict of interest with and are not related, directly or indirectly, to IFCI.
- We comply with applicable laws and regulations relating to the combat against money laundering (AML) and combating the financing of terrorism (CFT), including client due diligence obligations and obligations relating to the co-operation with public authorities, and has implemented written procedures and internal control mechanisms in order to ensure compliance with such domestic and international laws and regulations such as Financial Action Task Force (FATF) recommendations etc.

Date:

Applicant's Signature:

Full Name:

Designation:

Email id:

Contact Number:

Name of the Company and CIN:

Address:

Details of enclosures to be provided alongwith EOI:

- a. Demand Draft of Rs.0.25 crore in favour of IFCI
- b. Board Resolution / Authorisation letter in favour of person signing EOI along with authorisation to sign Financial Bid
- c. Proof of Identity of the Authorised Signatory (Copy of Passport)
- d. Non Disclosure Agreement signed by the applicant (enclosed as Annexure B) (on stamp paper of Rs.200)
- e. Documentary evidence of networth of last 3 financial years
- f. Documentary proof of liquidity

**Please sign and stamp on all the pages of the EOI and all the other documents being submitted.**

**Annexure B****NON DISCLOSURE AGREEMENT**

This Agreement made on the day of \_\_\_\_\_ at New Delhi by and between:

\_\_\_\_\_ **Limited** (hereinafter would be termed as "\_\_\_\_") or the **Receiving Party** with CIN No. \_\_\_\_\_ having its registered office at \_\_\_\_\_, New Delhi-110019, India and a corporate office \_\_\_\_\_, India.

And

**IFCI Limited** (hereinafter would be termed as "IFCI") or the **Disclosing Party**, a company registered under the Companies Act, 1956 (1 of 1956) with CIN No. L74899DL1993GOI053677 and having its Registered Office at IFCI Tower, 61, Nehru Place, New Delhi – 110019

The terms "IFCI" and "\_\_\_\_\_" shall include each party's subsidiaries, partners associates, parents and their respective directors, officers, and employees ("affiliates"), and the rights and obligations of the parties hereto therefore also shall ensure to such affiliates and may be enforced directly by or against such affiliates. As an express condition to each party disclosing Confidential Information to the other party and in consideration of the mutual promises and covenants herein, the parties agree as follows:

**AND WHEREAS IT IS AGREED BETWEEN THE PARTIES THAT:****1. NON-DISCLOSURE**

- (i) The party receiving Confidential Information (the "Receiving Party") shall hold all Confidential Information in strict confidence and shall not disclose any Confidential Information to any third party, without the prior written approval of the Disclosing Party. The Receiving Party shall disclose Confidential Information only to employees who need to know such information to evaluate the possible business transaction with the party disclosing such Confidential Information (the "Disclosing Party"), and who have signed agreements that obligate them to treat Confidential Information as required under this Agreement. The Receiving Party shall not use any Confidential Information for any purpose except to evaluate a possible business transaction between the parties.
- (ii) If the Receiving Party is required or requested to disclose any Confidential information by any applicable law or regulation or by any governmental agency or regulatory body having authority to regulate or oversee any aspect of the Receiving Party's business in connection with the exercise of such authority, and such Confidential Information is provided or disclosed pursuant to such requirement or request, the Receiving Party shall not be in breach of this Agreement.
- (iii) The Receiving Party shall take all reasonable measures to protect the confidentiality and avoid the unauthorized use, disclosure, publication, or dissemination of



Confidential Information; provided, however, that such measures shall be no less stringent than measures taken to protect its own confidential and proprietary information. Each party agrees that it will not interfere with or circumvent any business of the other party through the use of any Confidential Information acquired hereunder nor use any Confidential Information for its own account. The Receiving Party acknowledges that the Disclosing Party is neither responsible nor liable for any business decisions made by the Receiving Party in reliance upon any Confidential Information disclosed pursuant hereto.

## **2. CONFIDENTIAL INFORMATION**

"Confidential Information" in this Agreement means all information and any idea in whatever form, tangible or intangible, whether disclosed to or learned by the Receiving Party, pertaining in any manner to the business of the Disclosing Party or to the Disclosing Party's affiliates, subsidiaries, consultants or business associates, whether in written, oral, encoded, graphic, magnetic, electronic or in any other tangible or intangible form, and whether or not labeled as confidential by the Disclosing Party or otherwise provided by the Disclosing Party and is "Confidential Information" includes, without limitation, the following: (a) schematics, techniques, employee suggestions, processes; (b) information about costs, profits, markets and sales; (c) plans for future development; and (d) all documents, books, papers, drawings, models, sketches, and other data of any kind and description, including electronic data recorded or retrieved by any means, that have been or will be given to the Receiving Party by the Disclosing Party, as well as written or verbal instructions or comments.

## **3. NO OBLIGATION OF CONFIDENTIALITY**

The obligation of confidentiality shall not apply with respect to any particular portion of information if:

- (i) It is in the public domain at the time of the Disclosing Party's communication thereof to the Receiving Party; or
- (ii) It entered the public domain through no fault of the Receiving Party subsequent to the time of the Disclosing Party's communication thereof to the Receiving Party; or
- (iii) It was in the Receiving Party's possession, free of any obligation of confidence, at the time of the Disclosing Party's communication thereof to the Receiving Party; or
- (iv) It was rightfully communicated to the Receiving Party free of any obligation of confidence subsequent to the time of the Disclosing Party's communication thereof to the Receiving Party; or
- (v) Such information was developed by employees or agents of the Receiving Party, independently of and without reference to the information and the Receiving Party has evidence of such independent development.

## **4. RETURN OF INFORMATION**

Within Fifteen (15) business days following either a request from the Disclosing Party, termination of this Agreement or the completion of business dealings between the parties hereto, the Receiving Party will destroy all copies of the Confidential Information. If the Disclosing Party requests that such Confidential Information and will certify in writing to the Disclosing Party that the Confidential Information has been completely destroyed.

**5. USE OF INFORMATION BY RECIPIENT**

- (i) The Receiving Party agrees to use the Confidential Information only for the purposes of evaluating the current transaction.
- (ii) The Receiving Party agrees to restrict disclosure of the Confidential Information solely to its employees and its agents who have a need to know such Confidential Information and to advise such persons of their obligations of confidentiality and non-disclosure hereunder.

**6. NON-CIRCUMVENTION**

For a period of twelve (12) months after the date of execution of this Agreement and for as long as this Agreement remains in effect, the Receiving Party and its officers and directors, separately and individually, will not make any effort to circumvent the terms of this Agreement in an attempt to gain the benefits or considerations granted to it under the Agreement by taking any actions to indirectly gain the benefits of the Confidential Information, including but not limited to contracting with or contacting directly any target acquisition, client, company, or proposed investor of the other party which the Disclosing Party has identified as having access to as relates to the proposed transaction(s) without the express permission in writing of the Disclosing Party.

**7. REMEDIES**

The Receiving Party agrees that the unauthorized disclosure or use of Confidential Information will cause irreparable harm and significant injury, which may be difficult to ascertain. The Receiving Party recognizes that its violation of this Agreement could cause the Disclosing Party irreparable harm and significant injury, the amount of which may be extremely difficult to estimate, thus, making any remedy at law or in damages inadequate. Therefore, the Receiving Party agrees that the Disclosing Party may have the right to apply to any court of competent jurisdiction for an order restraining any breach or threatened breach of this Agreement and for any other relief the Disclosing Party deems appropriate. This right may be in addition to any other remedy available to the Disclosing Party in law or equity.

**8. OWNERSHIP OF INFORMATION**

Each of the parties hereto retains title to its respective Confidential Information and all copies thereof. The Receiving Party hereby acknowledges that the Confidential Information is proprietary to the Disclosing Party. Further, each party represents that it has no agreement with any other party that would preclude its compliance with this Agreement.

**9. SURVIVAL**

Each party's duty of confidentiality under this Agreement regarding the Confidential Information shall continue till the termination of this Agreement.

**10. TERMINATION**

Either Party may terminate this Agreement at any time by providing the other Party with three (3) days advance written notice of its intent to terminate this Agreement. This

Agreement will stand automatically terminated on the day of submission of final bids under the current transaction

**11. GENERAL**

- (i) This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, and shall be governed by the laws of India. This Agreement may be executed in separate counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument.
- (ii) This letter and the Terms shall be governed by and construed in accordance with the laws of India.
- (iii) This Agreement constitutes the entire Agreement between IFCI and \_\_\_\_\_. Any modification shall be in writing and signed by both parties. This Agreement will come into effect upon both parties signing this agreement.

**ACCEPTED AND AGREED:**

Signed for and on behalf of the Disclosing  
Party, IFCI Limited, by \_\_\_\_\_,  
\_\_\_\_\_.

Signed for and on behalf of the Receiving  
Party, \_\_\_\_\_ Limited, by \_\_\_\_\_,  
\_\_\_\_\_.

**Witnesses:**

1. \_\_\_\_\_

2. \_\_\_\_\_