

## Sale of Project Division as a “GOING CONCERN” on “AS IS WHERE IS BASIS”

- 1) Under direction of Asset Sale Committee as per BIFR process, the Company has issued the following advertisement for sale of its Project Division.

<b>TENDER NOTICE</b>
<p>Under directions of the BIFR, Nicco Corporation Limited proposes to sell its project division that is engaged in the business of executing turnkey engineering, procurement and construction projects (“<b>Project Division</b>”) as a “<b>GOING CONCERN</b>” on an “<b>AS IS WHERE IS BASIS</b>”. The Project Division <i>inter alia</i>, comprises certain ongoing projects along with all rights and obligations thereof and shall not include either any fixed assets or any projects executed by the Company. Tender documents can be obtained from the office of the Company at Nicco House, 1<sup>st</sup> Floor, 2 Hare Street, Kolkata 700001 between 10am to 2pm on any working day on payment of Rs.25,000 and shall be available for a period of 30 days from the date of this advertisement.</p>
<p><b><u>Further details are available on the Company website at</u></b> <b><u><a href="http://www.niccogroup.com/BIFR">www.niccogroup.com/BIFR</a></u></b></p>

- 2) The salient terms and conditions of the sale is provided below:

The Project Division offered for sale includes:

- (i) Ongoing projects (including all rights, liabilities, obligations, documents, drawings and receivables pertaining to the same);
- (ii) Projects bid for by the Company and/or in the pipeline (including all rights, liabilities, obligations, documents, drawings and receivables pertaining to the same);
- (iii) Employees of the Project Division (being approximately 140 (one hundred and forty) in number) excluding those employees who are desirous of remaining with the Company;
- (iv) All recognitions, past performances, completion certificates and testimonials of contracts completed by the Project Division; and
- (v) All rights and ownership in the knowledge data base relating to ongoing as well as past projects of the Project Division including but not limited to the ISO documentation;

and shall not include the fixed assets of the Company and projects excluded by the Company (including *inter alia* all rights, liabilities, obligations and receivables pertaining to the same).

1. **Extract of the Terms and Conditions of the Tender:**

- 1.1. Applications for bid must be submitted in the prescribed format by 3 p.m on 14<sup>th</sup> March 2014 at 2, Hare Street, Kolkata 700001 along with earnest money deposit (“**EMD**”) of Rs.2,00,00,000 (Rupees two crores), by a demand draft/pay order drawn on a scheduled commercial bank approved by the Reserve Bank of India excluding co-operative/rural banks in favour of “**Allahabad Bank A/c Nicco Corporation Limited**”, payable at Kolkata. Applications along with demand draft/pay order of banks other than as specified above shall be considered as invalid. No application shall be accepted after the specified time and date.
- 1.2. The following documents should be submitted along with the application:
  - 1.2.1. EMD of Rs.2,00,00,000 (Rupees two crores);
  - 1.2.2. The terms and conditions of the tender document, duly signed by the bidder on each page in token of having accepted the same in toto;
  - 1.2.3. Certified true copy of the constitutional documents of the bidder;
  - 1.2.4. Annual returns of the bidder for the last 3 (three) years;
  - 1.2.5. Certificate signed by Company Secretary/Director of the bidder certifying financial capability of the bidder to execute the Proposed Transaction and evidencing networth of the bidder; and
  - 1.2.6. Certified true copy of resolution/power of attorney evidencing appointment of authorized representative of the bidder.
- 1.3. The Company/ASC reserves the right to ask for such additional documents as it may consider necessary, in its sole discretion.
- 1.4. Applications for bids will be opened at 4 p.m on 14<sup>th</sup> March 2014 in the presence of the bidders who wish to be present at office of the Company at Kolkata.
- 1.5. The right to accept or reject or cancel any application is reserved with the ASC without assigning any reasons therefor, and shall be binding on the bidders.
- 1.6. Joint or consortium bidding shall not be permitted.
- 1.7. Applications accompanied by EMD which is lower than the amount specified and/or with their own conditions are liable to be rejected/ignored summarily.
- 1.8. In case of any doubt regarding the tender documents, the decision of the Chairman of the ASC will be final.

2. **PROCESS**

- 2.1. Each bidder will be permitted to conduct a due diligence exercise for a maximum period of 3 (three) days in the form of a data room review of documents solely relating to the Project Division from 11am to 6pm. The Company shall, intimate in writing to each bidder the specific dates for conducting such due diligence exercise.

- 2.2. The right to allow conduct of a due diligence by the bidders rests with the Company/ASC.
- 2.3. Post the due diligence, all bidders will be allowed to submit their financial bid in a specified form. Such bidders who are desirous of withdrawing from the Proposed Transaction after completion of the due diligence exercise and unsuccessful bidders shall be returned their EMD, without any interest, after a period of 30 days after declaration of the successful bidder. The successful bidder is referred to as the “**Purchaser**” in this tender document.

3. **TIME SCHEDULE**

Date of publication in newspaper	10 <sup>th</sup> February,2014
Last date for purchasing the tender document	10 <sup>th</sup> March 2014
Last date for submission of application, along with EMD	14 <sup>th</sup> March,2014
Last date for submission of financial bid	21 <sup>st</sup> March, 2014

4. **RESERVE PRICE**

- 4.1. The Reserve Price fixed for the Proposed Transaction is Rs.9,50,00,000 (Rupees nine crore fifty lacs only) exclusive of all taxes, levies, duties or any registration fees or any other fees/charges.

5. **FINANCIAL BID**

- 5.1. The financial bid shall be submitted in the prescribed format in a sealed envelope titled “**Bid for Purchase of Project Division of Nicco Corporation Limited**” and hand delivered to the Chairman, ASC, at Allahabad Bank, Industrial Finance Branch, Kishore Bhawan, 3<sup>rd</sup> Floor, 17, R N Mukherjee Road, Kolkata 700001. The financial bid must state the amount quoted for the Project Division in both figures and words. In case of a discrepancy in between the amount quoted in figures and the amount stated in words, the higher of the two shall be considered. The bid amount shall be exclusive of all taxes, levies, duties or any registration fees or any other fees/charges, which will be extra as applicable at the time of completion of the transaction.
- 5.2. The financial bid shall be accompanied by the following documents:
- 5.2.1. copies of approvals/completed application forms, with all the requisite enclosures for all requisite regulatory, governmental or other statutory approvals. Such approvals are to be obtained by the bidders to enable them to participate and complete the Proposed Transaction;
- 5.2.2. details of sources of finance for the Proposed Transaction;
- 5.2.3. certified board resolutions and/or documents empowering the authorised representative(s) to submit the financial bid, execute the transaction documents and carry out all such acts and deeds required for the completion of the Proposed Transaction; and
- 5.2.4. signed copies of the transaction documents, without any change to the contents, as a confirmation to the acceptance of the transaction documents.

- 5.3. Financial bids once submitted cannot be withdrawn or revised.
- 5.4. Financial bids will be opened by ASC at 3 p.m. on 24<sup>th</sup> March 2014 in the presence of the bidders who wish to be present at office of the Company at Kolkata and representatives of the Company.
- 5.5. If at any time either the Company/ASC requires any clarification or further information regarding the financial bid, the Company/ASC may, request any bidder to provide, within a reasonable period of time, such clarification or information. The response to any request for clarification or information so requested will be deemed to be a part of the concerned bidder's financial bid.
- 5.6. Any adverse change in a material fact/information about any bidder/Purchaser as submitted with the financial bid, which may affect its capacity to participate in the Proposed Transaction in the opinion of the ASC, shall disqualify the bidder/Purchaser from participating further in the Proposed Transaction. In such an event, if the Purchaser has already been identified, any amount paid by the Purchaser shall be forfeited without providing any notice or intimation to the Purchaser.
- 5.7. Notwithstanding anything to the contrary contained in this tender document, ASC has the right, exercisable at its sole discretion, to accept or reject any financial bid, without assigning any reasons for the same.

## 6. **PAYMENT**

- 6.1. The Purchaser shall be required to pay the entire sale consideration within 15 (fifteen) days from the date on which intimation regarding the final acceptance of the financial bid is dispatched to the Purchaser.
- 6.2. The sale consideration including taxes, duties and other charges as applicable, must be paid by a crossed demand draft/pay order drawn on a scheduled commercial bank approved by the Reserve Bank of India excluding co-operative/rural banks in favour of "**Allahabad Bank A/c Nicco Corporation Limited**", payable at Kolkata.