

 महाराष्ट्र बँक	वसूली विभाग प्रधान कार्यालय, लोकमंगल, 1501, शिवाजीनगर, पुणे-5 Recovery Department Head Office: LOKMANGAL, 1501, SHIVAJINAGAR, PUNE-5 टेलीफोन/ TELE : 020-25614289, 25614455, 25614458 फॅक्स/FAX : 020-25512352 ई-मेल/e-mail : dgmsamv@mahabank.co.in	 महाराष्ट्र बँक
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**Notification for Sale of Financial Assets (Non-Performing Accounts) –
Invitation for Expression of Interest (EOI)**

Bank of Maharashtra (BoM or the 'Bank) intends to sell its identified Non Performing Assets (NPAs) / Financial Assets only on **100% cash basis** for Individual Accounts and **cash and S.R. basis for Pool of Assets** as per the list given here-in-below. In this respect we invite Expression of Interest (EOI) from eligible ARCs/Banks/NBFCs/FIs. Please note that the sale will be subject to final approval by the Competent Authority of the Bank.

1. Brief details of financial assets showcased – Individual Accounts

(Rupees in Crores)				
Sr.No	Branch	Zone	Account Name	Fund based Outstanding Ledger Balance as of 31.03.2019
1	SAM BRANCH,NEW DELHI	Delhi	ANSAL PROPERTIES AND INFRASTRUCTURE LTD	37.73
2	A R B CAHNDIGARH	Chandigarh	M/s BAJAJ BASMATI PVT. LTD.	27.59
3	SAM Branch, Hyderabad	Hyderabad	THOTA COLDCEL PVT LTD	16.92
4	S A M, MUMBAI	Mumbai	TRIMAX DATACENTER SERVICES LIMITED	12.56
5	S A M BRANCH, PUNE	Pune	SAM HITECH COMPONENTS PVT LTD	12.45
6	S A M BRANCH, MUMBAI	Mumbai	BOMBAY RAYON FASHIONS LIMITED	10.47
7	SITABULDI NAGPUR	Nagpur	JAYASWAL NECO INDUSTRIES LIMITED	92.67
8	A R B, NAGPUR	Nagpur	NARAYANA FARM PRODUCE PVT. LTD.	68.68
9	S A M BRANCH, PUNE	Pune	MILLENIUM MOTORS PVT LTD	13.72
10	S A M BRANCH, PUNE	Pune	FABTECH PROJECTS ENGINEERS LTD	345.39
			TOTAL	638.18

2. Brief details of Pool Assets showcased.

Cash+ Security Receipts(S) Basis

Rs. in crore

S.N.	Name of the Pool	No. of Accounts	Ledger balance outstanding	Mode Cash+ Security Receipt (SR) (15:85)
1	MSME Accounts	6130	329.90	Cash 15: SR 85
2	Education Loan Accounts	2285	53.99	Cash 15 :SR 85
	Total Pool Size	8415	382.89	Cash15:SR 85

1. Besides the amount outstanding under any disbursed loans, Bank shall notify the Purchaser details of any un-devolved LCs/ BGs yet to be invoked/ instalments of DPGs, which are not yet due, in respect of the NPA accounts being offered for sale by the Bank. The Bank shall retain pari-passu charge on the securities relating to un-crystallized non-funded facilities, In case of crystallization of non-funded facilities after the sale, that portion (converted into funded) will also be sold by the Bank to the same ARC/ Buyer at the same rate proportionately (the rate at which the funded facilities are sold), and the ARC/Buyer shall give acceptance for the same through offer letter/ supplementary agreement/ assignment agreement. However, the un-devolved LC and un-invoked BG limits backed by 100 % margin by way of FDs will not be offered for sale to ARCs, etc.
2. The interested ARCs/ Banks/ NBFCs/ FIs can conduct due diligence of these assets from Dt 23rd May 2019 on any working day during office hours, after executing a Non-Disclosure Agreement (NDA) with the Bank. ARCs/ Banks/ NBFCs/ FIs may carry out due diligence after getting authorization letter from our office. Respective branches will facilitate in carrying of due diligence.
3. The Sale of Assets shall be on “as is where is & what is where is” basis and “without recourse basis”
4. For this purpose, 'Expression of Interest' (EOI) is invited from the interested 'buyers' of these assets. 'EOI' will comprise of Price (100% Cash Basis) ' for Individual Accounts and Cash +SR for Pool Assets, at which the buyer would intend to buy the asset including period of settlement which must be by Dt 27.05.2019 .The sale must be closed by making full cash payment on or before 25.06.2019 and consent for this condition must be included in the EOI.
5. If an ARC/NBFC/other FI is having any share in the account which is in the list of accounts, then respective share % must be revealed to Bank while submitting the EOI and while bidding for the account.

6. Highest (H-1) Bid will be treated as a binding offer in case the Bank goes for sale under "Swiss Challenge Method".

Schedule of Sale Process

Sr	Activity	Date & Time
1	Paper Publication of Sale of Assets	23.05.2019
2	Receipt of EOI & Execution of NDA	27.05.2019
3	Opening of Data Room Bank of Maharashtra, Recovery Department, 2 nd Floor, 45 / 47, Mumbai Samachar Marg, Opposite Bombay Stock Exchange (BSE), Fort Mumbai - 400 023, Mumbai (State - Maharashtra) Contact person at Data Room Shri. Rohit Sahasrabudhe (Chief Manager) Mobile No - 9850332500 / 7045786088	23.05.2019 to 06.06.2019 (Both days inclusive)
4	Resolution of Queries	23.05.2019 to 06.06.2019 (Both days inclusive)
4	Informing names of the Authorized official (s) along with their contact details (Mobile No, E-mail ids etc) to enable the online e- auction service providers to issue password and explaining them the procedure to bid through e-auction portal for our Bank	On or before 31.05.2019
5	Submission of EOI through E platform	07.06.2019

7. The cut-off date is the date of E-Auction.
8. The participants shall not be entitled to withdraw or cancel their offer once submitted. Under no circumstances the ARC/NBFC/FIs can withdraw the offer expression/bid once submitted.
9. The sale will be subject to final approval by the Competent Authority of the Bank. However, the Bank reserves the right not to go ahead with the proposed sale at any stage without assigning any reason. The decision of the Bank in this regard shall be final and binding.
10. Bank reserves the right to go for Swiss Challenge Method by treating the Highest (H-1) Bid as a binding offer in case the Bank goes for sale under "Swiss Challenge Method".
11. Bank also reserves the right to negotiate for further improvement of the offer price with the highest bidder without exercising the option of "Swiss Challenge Method" and may negotiate for further improvement at its sole discretion with the highest bidder. After negotiations with the highest bidder/s and subject to approval from competent authority, Bank shall declare successful participant with whom Assignment Agreement shall be executed.

12. The highest bidder on being accepted / confirmed as the successful bidder by the competent authority would have to pay the purchase consideration and also execute the assignment agreement within the time period specified in the communication of acceptance / confirmation given by the Bank for the said account. In case buyer seeks any extension for execution of assignment agreement, the same shall be with the prior approval of Bank.
13. The interested eligible purchasers may contact the Bank (as per details given here-in-below) for necessary details of the accounts for the purpose of due diligence on these accounts. The related information may be obtained after having Non-Disclosure Agreement (NDA) with the Bank.

The details of contact Persons at Branches and Head Office, Pune:-

Head Office		
Mr N.C. Mahapatra, Dy. General Manager Mob No- 7738174884 Ph. No. 020-25614461	Mr Brijesh Sharma, Asst General Manager SAM-V Mob No- 97699 80844 Ph. No. 020-25614460	Mr Y.Srinivas, Asst General Manager Recovery, Mob No- 8333049678 Ph. No. 020-25614455

Deputy General Manager
Recovery/SAM-V
Dt 21.05.2019

Other Terms & Conditions

1. ECGC / DICGC claim received / to be received, wherever applicable shall be retained by the Bank. This is subject to sharing of recovery in terms of extant guidelines and refund of pro rata share to the corporation.
2. The sale / assignment of NPAs by the Bank is subject to the Terms and Conditions as detailed herein. Bank reserves the right to add / modify / delete any of the terms & conditions at its sole discretions.
3. All bidders should note that no conditions other than those mentioned in this documents, are acceptable to the Bank; even though they may be mentioned in any offer document / Trust document to be submitted by ARCs / **NBFC** / FIs etc to the Bank at the time of transaction or execution of documents.
4. Room will be located at office of Chief Manager, Recovery, Fort Mumbai. The address of the Data Room & details of contact persons are given below:

Address of Data Room, Mumbai	Contact Person at Data Room, Mumbai	Contact Person at Head Office, Pune
Bank of Maharashtra, Recovery Department, 2 nd Floor,45/47 , Mumbai Samachar Marg, Opposite Bombay Stock Exchange(BSE),Fort, Mumbai-400023	Shri Rohit Sahasrabudhe (Chief Manager) Mob No - 9850332500 / 7045786088	Mr N.C. Mahapatra Dy. General Manager Mob No- 7738174884 Ph. No. 020-25614289 Mr Brijesh Sharma Asst General Manager – SAM-V Mob No- 97699 80844 Ph. No. 020-25614460 Y.Srinivas Asst.General Manager Mob No: 8333049678 Ph: 020-25614455

5. The Bank reserves its right to reject any bid at any point of time without assigning any reason whatsoever.
6. Photocopies of important correspondences / documents related to the assets for sale will be available at the Data Room for perusal of the representatives of ARCs / ASCs who have executed Non-Disclosure Agreement during office hours to carry out due diligence.
7. All expenses in connection with transaction including Stamp Duty etc. shall be borne by the purchasing ARC / NBFC / FI / Banks etc.
8. Incremental value for the bid will be for Minimum Rs.5.00 lakhs or it's multiple.
9. It shall be the sole responsibility of the bidder to ensure that it complies with all RBI guidelines applicable to the purchaser. The bidder shall give undertaking to that effect.

10. The interested eligible purchasers for Pool Sale may contact the Bank (as per details given) for necessary details of the accounts for the purpose of due diligence on the portfolio wherein PIM on random basis for not more than 20 accounts in a portfolio will be shown on request basis. No queries will be replied after the end of the last date as per the schedule. The related information may be obtained after having Non-Disclosure Agreement (NDA) with the Bank.

Terms of Security Receipts (S.R) – For Pool Sale

- i) Tenure of SR shall not normally exceed 5 years. Extension of tenure is subject to mutually agreed terms & as per RBI guidelines **subject to a maximum of 3 years. In no case the total tenure shall not exceed 8 years (5+3 years)**
- ii) The initial valuation of SRs should be done within a period not exceeding six months of acquiring the underlying asset.
- iii) Credit rating of the SRs be obtained from any of the recognized credit rating agencies within six months.
- iv) Management fee will be calculated and charged as percentage of the net asset value (NAV) at the lower end of the NAV specified by the credit rating Agency (CRA) provided that the same is not more than the acquisition value of underlying asset. (Before the availability of NAV it will be reckoned as a % of the actual outstanding value of SR). The fee may be as follows.

- a) ***Not more than 1.50 % for the first 3 years***
- b) ***Not more than 1.25 % for the 4th & 5th year.***
- c) ***Not more than 0.75 % for period beyond 5 years up to 8 years.***
After 8 years no Management Fee shall be paid.

v) Incentive at following rate on cash value of SRs redeemed will be given to ARCs if recovery is effected within 3 years:

	1 st year	2 nd year	3 rd year
Incentive on cash value of SR redeemed	7.50%	5.00%	4.00%

Incentive should be given only when 100% of SRs are redeemed.

vi) Excess recovery after redemption of SR, if any, shall be shared by the bank and ARC in 70: 30 Ratios. Incentive at (v) above shall not be applicable to this component.

6.3. Other terms:

- i) RBI guidelines applicable to the purchaser shall be strictly complied with. The sharing of recovery shall be on pari-passu basis between purchasing RCs / SCs and Bank.
- ii) **If Security Receipts (SRs) are not redeemed within 8 years (5+3), Bank should recall the outstanding SRs. Suitable Clause should be incorporated in the Assignment Agreement and also in Terms and Conditions Sheet during auction notification.**

- iii) Minimum 25% of SRs should be redeemed in first 3 years. In case ARC is failed to redeem minimum 25% of SRs in first 3 years, Bank can recall the outstanding SRs. Suitable clause should be incorporated in Assignment agreement
- iv) As far as possible the Trust Account should be opened with Bank of Maharashtra.

Post Sale Monitoring

- i. SC/RCs should submit Quarterly Review Report within 15 days after completion of the quarter. If ARC fails to submit Review Report continuously for 2 quarters, Bank can recall the Security Receipts (SRs). Suitable Clause should be incorporated in the Assignment Agreement and also in Terms and Conditions during auction notification.
- ii. As far as possible, Management Fee be appropriated from Recovery Proceeds proportionately.
- iii. Management fee should not be paid once the account goes in to liquidation / decreed.

