



**Tender document for Sale of Stressed and/or Non-Performing Assets of  
SOLAPUR JANATA SAHAKARI BANK LIMITED  
SOLAPUR**

**Issued by**

THE CHIEF EXECUTIVE OFFICER  
SOLAPUR JANATA SAHAKARI BANK LTD  
SOLAPUR (MAH.)

**Head Office:**

SOLAPUR JANATA SAHAKARI BANK LTD  
'Gaganbharari', Shivsmarak Sankul  
Goldfinch Peth, Solapur (Mah) -413007  
Email ID- recovery.arc@sjsbbank.in

**Transaction Advisor**

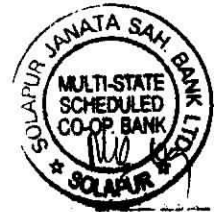


**MVK Management Consulting Pvt Ltd.**

C/o Mangesh V. Kekre & Associates, CAs  
8<sup>th</sup> Floor, Parinee Cresanzo, Quest Offices  
Behind MCA Ground, G -Block, BKC  
MUMBAI - 400051  
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## I. DISCLAIMER AND IMPORTANT NOTICE

This document shall be referred to as the Tender Document [TD] for Sale of stressed and / or Non-Performing Assets of SOLAPUR JANATA SAHAKARI BANK LIMITED (SJSB).

SOLAPUR JANATA SAHAKARI BANK LIMITED (SJSB) is a Multi-State Scheduled Co-operative Bank registered under the provisions of Multi-State Co-operatives Societies Act, 2002 having its **HEAD Office: 'Gaganbharari', Shivsmarak Sankul, Goldfinch Peth, Solapur (Mah) -413007** and has appointed M/s **MVK Management Consulting Private Limited**, as Transaction Advisor for the sale of stressed and /or Non-Performing Assets. The purpose of this document is to provide information to bidders in respect of the sale of financial assets to ARCs.

It is presumed and understood that by participating in this process, each of the participating bidder has carried out their own independent due-diligence, investigation, and assessment in respect of any or all matters, information, statements etc. covered/sought to be covered or contained in this TD and any documents that may be provided by SOLAPUR JANATA SAHAKARI BANK LIMITED during the process pursuant to this TD.

The TD and other information pertaining to the sale process would be shared only to those participants who execute Non-Disclosure Agreement with SOLAPUR JANATA SAHAKARI BANK LIMITED. This document is for the exclusive use of participating bidders and is not meant for public circulation and is not intended for distribution to any person other than the persons to whom it is addressed and is not transferable. Recipients are not permitted to replicate this TD or to further distribute/share the TD.

This TD may not contain all the information and data each bidder may desire or require in reaching decisions concerning their bids. Each Bidder should conduct their own investigations and analysis and should check the accuracy, reliability, and completeness of the information in this TD. Bidders should form their own views as to whether information provided herein or separately is relevant to any decisions that they take and should make their own independent investigations in relation to any additional information that they may require.

Notwithstanding anything contained in this TD, neither SOLAPUR JANATA SAHAKARI BANK LIMITED, nor its employees or its consultants accept any responsibility or liability, whatsoever, in respect of any statements or omissions herein, or the accuracy, completeness or reliability of information, and shall incur no liability, under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this TD, even if any loss or damage is caused by any act or omission on the part of SOLAPUR JANATA SAHAKARI BANK LIMITED or its employees or its consultants, whether negligent or otherwise.

The information contained in this TD or any other information which may be provided to bidders is subject to change without prior notice. SOLAPUR JANATA SAHAKARI BANK LIMITED 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.





## II. INVITATION FOR PARTICIPATION IN BIDDING PROCESS

SOLAPUR JANATA SAHAKARI BANK LIMITED invites sealed bids for the purchase of stressed and /or Non-Performing Assets Portfolio of **64** accounts with principal outstanding of approximately **INR 11,616.43 lakhs** on "**As is where is and as is what is**" basis & without recourse to SOLAPUR JANATA SAHAKARI BANK LIMITED.

THE DETAILS OF THE PORTFOLIO IS AS UNDER:

		Total A/Cs	Total O/s as on 31.12.18 in Rs. Lakhs	Reserve Price for the Lot In Rs. Lakhs
1	Lot-1	64	11,616.43	11,616.43

The bids are required to be submitted for the COMPLETE LOT. It may please be noted that the bids for individual accounts (and not the complete lot) shall not be entertained by the bank.

All Asset Reconstruction Companies which are registered as a securitization and reconstruction company pursuant to Section 3 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, (SARFAESI Act) who have tendered their Letter of Interest pursuant to the notification of the Bank are eligible to participate in the sale process subject to applicable regulations.

The information pertaining to all the Financial Assets put up for sale would be provided in Data Room located at:

**Solapur Janata Sahakari Bank Limited,**  
N.M. JOSHI MARG, SHOP NO. 3 & 4 SAMBHAJI NAGAR,  
MUMBAI-400013

The Data Room would remain open from 10.30 a.m. to 6.30 p.m. on all working days including working Saturday. **Cut -off date for the purpose of this TD will mean the last date of Data Room.** It would be deemed that by submitting the bid, the bidder has read, understood and has made a complete and careful examination of all the information given in this TD/Data Room pertaining to the relevant NPAs & has made their own due diligence in respect of the same.

The bank has appointed Transaction Advisor to co-ordinate with the ARCs and their representatives in the matter of Sale of Assets to the ARCs. Please feel free to get in touch with **Mangesh Vitthal Kekre (MVK Management Consulting Pvt Ltd) @ 9826460225** in case of any further clarification on the sale process.



### III. STRUCTURE PROPOSED FOR THE DEAL

S.No	Terms	Tentative range
1	Reserve Price	Rs.11,616.43 lakhs
2	Deal Types	15:85 Model with 85% Security Receipts (SR) in Trust: any proposal for Larger Cash component will be appreciated by the Bank
3	Management Fees *	3% pa for 5 years.
4	Recovery incentive	No Incentive to be paid for recoveries up to 31 <sup>st</sup> March 2019 First Year -6% , Second Year -4%, Third Year -3%, Fourth Year -2% Fifth Year – 1%  No incentive after fifth year
5	Upside Sharing	90 Bank:10 Trust

\*Management fee will be calculated & Charged as percentage of Net Asset Value (NAV) at the lower end of NAV specified by the Credit Rating Agencies(CRA) provided that the same is not more than the acquisition value of underlying assets.( Before the availability of NAV it will be reckoned as a% of the actual outstanding value of SR)

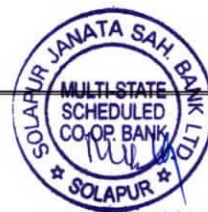
### IV. Schedule of Sale Process:

Sr. No.	Activity Indicative Date	Date
1.	Public Announcement of the Sale process	31 <sup>st</sup> Jan 2019
2.	Data Room availability for Due diligence by interested ARCs	1 <sup>st</sup> Feb 2019
3.	Data Room closes – Query Resolution period	18 <sup>th</sup> Feb 2019
4.	Bid Submission by the Interested ARCs	23 <sup>rd</sup> Feb 2019
5.	Bid Opening	25 <sup>th</sup> Feb 2019

SOLAPUR JANATASAHAKARI BANK LIMITED may in its sole discretion change or extend any timelines indicated above and the same shall be binding on the participating bidder.

### V. IMPORTANT TERMS AND CONDITIONS

- 1) The Bids should be submitted only in the prescribed Bid Form as per **Annexure -I** to the TD and should be accompanied by the Declaration as per **Annexure-II** to the TD.
- 2) The sale of stressed and / or Non-Performing Assets is on '**as is where is & as is what is**' basis without recourse to SOLAPUR JANATA SAHAKARI BANK LIMITED.
- 3) Please note that the Bid submitted by the Bidder shall be deemed to be a Bid binding on the



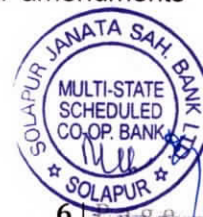


Bidder, if confirmed by SOLAPUR JANATA SAHAKARI BANK LIMITED in accordance with these terms and conditions. Bid once submitted cannot be withdrawn until the declaration of the Successful bidder.

- 4) The submission of the Bid by a Bidder shall be deemed to constitute unconditional acceptance of all the terms and conditions of this TD by the Bidder.
- 5) All bids shall be received in a sealed envelope superscripted as **"BID FOR SALE OF STRESSED AND / OR NPA ACCOUNTS not later than 23<sup>rd</sup> Feb 2019. To entertain any request for extension shall be at the sole discretion of the Bank Management.**
- 6) The sealed envelopes will be opened on 25<sup>th</sup> February 2019. The bidder's representatives may remain present at SOLAPUR JANATA SAHAKARI BANK LIMITED, HEAD OFFICE, SOLAPUR. It is the sole responsibility of the bidders to ensure submission of the bid within the time specified above.
- 7) The bidder's representatives may remain present at SOLAPUR JANATA SAHAKARI BANK LIMITED, HEAD Office, Solapur, and keeping required authority to negotiate & improve their bids as the Bank would negotiate with the Bidders. It may please be noted that the Bank reserves the right to negotiate with the bidders.
- 8) Bids for the accounts shall be submitted on **CASH (where cash component must be minimum 15%) Plus SECURITY RECEIPTS basis only.** The Bids and all related correspondence and documents should be written in the English language.

In case of sale on the basis of **Security Receipts (SR)**, all **SRs** offered for the bid will have the following structure:

- a) Management fees / trustee fees shall be at the rates as mentioned in **Structure Proposed For The Deal under clause 3 on page no.5**
  - b) The initial valuation of SRs should be done within a period of not exceeding 6 months of acquiring the underline assets,
  - c) Management fee will be calculated & 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)
  - d) All investments in SRs will have pari-passu redemption
  - e) Excess recovery after providing for Security Receipt holders as per agreed terms shall be shared by SOLAPUR JANATA SAHAKARI BANK LTD., SOLAPUR and ARC in the ratio of 90:10 respectively
  - f) The maximum maturity period of SR is 5 years, with extension as per RBI guidelines.
- 9) The Bid shall be typed or written in indelible ink and the Bidder and/or its Authorized Signatory shall initial each page. All the alterations, omissions, additions, or any other amendments made to the Bid shall be initialed by the person(s) signing the Bid.



- 10) Bid shall remain valid for a period of 30 days from the date of submission of Bid. However, SOLAPUR JANATA SAHAKARI BANK LIMITED may seek extension of the validity for such period as may be determined by SOLAPUR JANATA SAHAKARI BANK LIMITED at its discretion. SOLAPUR JANATA SAHAKARI BANK LIMITED reserves the right to reject any Bid which does not meet this requirement.
  - 11) The Bid must be submitted in a sealed envelope or password protected file over mail , with Title as **"BID FOR SALE OF NPAs** and addressed to:-  
**Mr Prakash Waikar ,**  
The Chief Executive Officer ,  
Solapur Janata Sahakarri Bank Ltd,  
Head office, 'Gaganbharari'  
**Shivsmarak Sankul Goldfinch Peth,**  
**Solapur (Mah)413007.**
- The Bids should be submitted by not later than 23<sup>rd</sup> Feb 2019.
- 12) The Bidder should submit a Resolution of Board of Directors/ Letter of Authority/ Power of Attorney (POA) duly supported by the Board Resolution authorizing the signatories of the Bid.
  - 13) Bidders are expected to submit their Bid with independent study & assessment in respect of stressed and / or 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, as well as ascertain the known and unknown liabilities, encumbrances and any other dues 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 proper inspection.
  - 14) The Bid should be made based on the terms of the TD as circulated to Bidders without prejudice to SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR'S right to make any amendments.
  - 16) Conditional & Contingent Bids shall be liable to be disqualified by SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR.
  - 17) Bids must be signed by the Bidder (and each page should be initialed by the Bidder). Submission of bids without the duly required authorized signatures would render the bids invalid and will be straightaway rejected.
  - 18) All costs, expenses and liabilities incurred by each Bidder about the Transaction, including (without limitation) in connection with Due Diligence, preparation and/or submission of the Bid, including fees and disbursements of its own consultants, if any, shall be borne and paid by such Bidder, whether its Bid is accepted or rejected for any reason and SOLAPUR JANATA SAHAKARI BANK LIMITED does not assume any liability whatsoever in this connection.



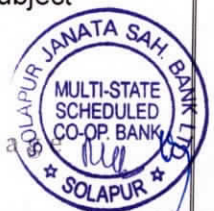


- 19) Any discussions or any clarifications, information sought or divulged with respect to the Bid will not constitute an invitation or commitment by SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR to enter into any agreement, undertaking or covenant with the Bidder nor shall SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR be liable to consummate or deal with any Participant based on such discussion, negotiation, information.
- 20) 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.
- 21) It should however be noted that SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR does not make any representation as to the correctness, validity or adequacy, sufficiency or otherwise of any such information pertaining to liabilities, encumbrances and dues. The Bidders should do their own due diligence to verify the same. SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR does not undertake responsibility for adequacy or sufficiency of information and documents related to financial assets in respect of 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.
- 22) SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR may, at its sole discretion, add, amend, vary, modify, delete, any of the conditions of TD as may be deemed necessary in the light of the facts and circumstances and also issue one or more Addendum, Corrigendum as required without giving any reasons thereto.
- 23) SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR may, at any time and for any reason, without giving any reason thereof, change/extend the deadlines/time-lines outlined in this TD and shall communicate such change/extension individually to each Bidder.
- 25) The Successful Bidder shall be solely responsible for completion of all statutory, regulatory and other compliances for the said purpose 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.
- 26) Sale of Non-Performing Assets to the Successful Bidder shall be affected by execution of the necessary and appropriate Assignment Agreement(s) in favor of the Successful Bidder, only upon receipt and realization from the Successful Bidder of the entire purchase consideration. Copy of Assignment Agreement to be executed will be made available by the ARC and validated by bank's Legal counsel.
- 27) As from the date of execution of the Assignment Agreements as aforesaid in favor of the Successful Bidder/Assignee, all the rights and corresponding duties and obligations of SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR in respect of the subject cases shall vest in the Assignee. Accordingly, SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR shall not continue attending/perusing/defending to the legal cases which have been / may be filed in relation to the subject case.





- 28) It is clarified that if any payments are received by the Bank into the financial assets being sold under this Tender Document after the cut-off date (Date of closure of the Data Room), shall be held by Bank in Trust for the benefit of the successful Bidder in respect of such Financial Asset, and upon execution of the related agreement (Assignment Agreement/ transfer instrument) shall handover such amounts over to the Successful Bidder or its duly authorized agent.
- 29) All the documents that the Successful Bidder/Assignee has to collect from SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR under the terms of the Assignment Agreements will be held at the respective Branches/offices of SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR throughout India 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 various Branches/offices of SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR.
- 30) SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR reserves its right to cancel the Process at any stage before final confirmation and in that event, in absolute discretion, to follow a different method for sale/transfer of the financial assets which may not be mentioned above. Upon such action SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR'S decision in this behalf shall be final and binding on all the Bidders.
- 31) SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR reserves the right to add or delete accounts or modify the composition of the Financial Assets Portfolio/Tranches or the single accounts offered for sale and the sale structure at any stage before the finalization of the deal without assigning any reason.
- 32) SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR reserves the right to accept / reject any Bid without assigning any reasons at its discretion. SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR also reserves the right not to go ahead with the sale if the price does not match its Benchmark Price or for any other reason which it is not obliged to disclose. The decision of SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR in this regard shall be final and conclusive.
- 33) If by the terms of this TD, any act would be required to be performed on or within a period ending on a day, which is not a Business Day, then it shall be performed, on or by the immediately succeeding Business Day.
- 34) The Bidder shall not be entitled to withdraw or cancel Bid once submitted.
- 35) In the event of any dispute and /or difference on the point of meaning or definition of any particular word used in this TD or, in respect of interpretation of any clause of this TD or, this TD as a whole or, in respect of sequence of events mentioned therein, decision of the Head (Legal & Recovery) of SOLAPUR JANATA SAHAKARI BANK LIMITED, SOLAPUR shall be final and binding on all the parties concerned.
- 36) Disputes, if any arising between the parties in relation to this Tender Document 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 Solapur, and governed in accordance with the laws of India.

**37) Details of assets, security and other information shall be provided on receipt of the EOI & signing off of the Non-Disclosure Agreement (NDA) in this regard.**

**38) For any additional information / queries in connection with this Tender please contact following persons,**

I. Mr. Mukund Kulkarni – G.M. Contact No. 9423151600

II. Mr. Shrinivas Vallakati – D.G.M. Contact No. 9422027184

**39) All the transactions under this tender shall be governed by the extant guidelines of Reserve Bank of India.**

**For Solapur Janata Sahakari Bank Ltd,**

  
**Chief Executive Officer**





**Annexure 1****Bid Format**

(On the letter-head of the Bidder)

Date: \_\_\_\_\_

Sr. No.	Name and address of the registered office of the Bidder Particulars (Rs. In Lakhs)	Cash Plus Security Receipts only		
		Cash (Min 15%)	SR (85%)	Total
		A	B	A+B
1	Lot			

From ARC

Signature

**Annexure II  
DECLARATION  
[On the letter-head of the Bidder]**

**Date:**

To,  
**Mr Prakash Waikar,**  
**The Chief Executive Officer,**  
**Solapur Janata Sahakari Bank Ltd.**  
**'Gaganbharari' , Shivsmarak Sankul , Goldfinch Peth,**  
**Solapur (Mah) -413007**

**Sub: Bid for Sale of STRESSED AND / OR NPA Portfolio of Solapur Janata Sahakari Bank Ltd., Solapur.**

Sir,

I/We refer your invitation dated \_\_\_\_\_ regarding sale of stressed and / or Non-Performing Assets ("NPA") of SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR.

- 1) Being duly authorized to represent and act for and on behalf of \_\_\_\_\_ (herein the Bidder), and having studied and fully understood all the information provided in the stressed and / or NPA Sale Process, the undersigned hereby apply as a Bidder for the purchase of NPA Loan Portfolio of the Bank according to the terms and conditions of the offer made by the Bank.
- 2) Bids are submitted in a separate envelope, duly filled and signed on each page. The sealed envelope marked "BID FOR SALE OF STRESSED AND / OR NPA ACCOUNTS –' of SOLAPUR JANATA SAHAKARI BANK LIMITED SOLAPUR".
- 3) The Bank is hereby authorized to conduct any inquiries / investigation to verify the statements, documents and information submitted in connection with the Bid.
- 4) The Bank and its authorized representatives may contact the following persons for any further information:-

**Name:**

**Designation:**

**Contact Details:**

**Email Id:**



5) This Bid is made with full understanding that:

- a) This Bid is unconditional and irrevocable. This bid is submitted for purchasing of the NPAs mentioned in the Tender document dated \_\_\_\_\_ on 'As is where is' and 'As is what is basis' and 'without recourse' basis and binding in all respects.
- b) The Bank reserves the right to reject or accept any Bid, cancel the bidding process and/or reject one or more or all Bids.
- c) The Bank shall not be liable for any of the above actions and shall be under no obligation to inform the Bidder of the same.

6) The offer made by us is valid for 30 days from the Bid Opening date.

7) I/We shall make the payment of full consideration preferably within 7 working days from the date of declaration as a successful bidder.

8) The Legal Documents are acceptable to us in all respects and for closure of the deal, I/We am/are willing to execute the Deed of Assignment with the Bank as per the format provided by the Bank.

9) I, the undersigned, declare the statements made, and the information provided in the duly completed Bid forms enclosed are complete, true and correct in every aspect

Name: \_\_\_\_\_

For and on behalf of

\_\_\_\_\_  
(Name of Bidder)

Yours faithfully

(M/s. \_\_\_\_\_) Signature of Authorized Signatory

**Enclosures:-**

Power of Attorney of the authorized representative supported by necessary Board resolution.