

## **EXPRESSION OF INTEREST DOCUMENT**

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### Invitation for Expression of Interest for Sale of Debt Exposure to ARCs

Dated: August 31, 2019

**Issued By:**

Tourism Finance Corporation of India Ltd.

4th Floor, Tower I, NBCC Plaza, Pushp Vihar Sector V, Saket,

New Delhi - 110017

Phone: +91-11-47472200

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## EXPRESSION OF INTEREST DOCUMENT

### A. Background

Tourism Finance Corporation of India Ltd. (“Lender”), of an entertainment company (“Company”), is proposing to sell its debt exposure in the Company as per the terms and conditions contained herein. The outstanding loan exposure as on August 31, 2019 is ~INR 61.27 Crores. Offers on cash basis / Security Receipts (SRs) basis are invited from interested parties. The sale of the debt exposure as set out herein is proposed on "all cash basis" or “Cash/Security Receipts (without recourse) basis” and “as is where is and what is there is basis”, without recourse to the Lender and shall be subject to the applicable regulations of the Reserve Bank of India.

### B. Eligibility Criteria for the eligible ARCs (“Applicant”)

**Asset Reconstruction Companies:** For Asset Reconstruction Companies (ARC), the ARC should be registered with Reserve Bank of India to be eligible. For others, Committed Funds or Assets Under Management (AUM) of at least Rs. 100 crore in the immediately preceding completed financial year but not earlier than March 31, 2019.

### C. Instructions for Submission of EOI

1. The Expression of Interest, confirming to the conditions of this Invitation shall be submitted either electronically or physically along with all annexure(s) duly filled in and all the supporting documents (EOI) at the following address / electronic address

A scanned copy of the Expression of Interest should be sent at the following email IDs

[N.ramachandran@tfcilttd.com](mailto:N.ramachandran@tfcilttd.com), [Prem.sharma@tfcilttd.com](mailto:Prem.sharma@tfcilttd.com)

The original EOI document should be sent, with the envelope bearing the following transcript:

Superscript	“Expression of Interest for participation in Sale of Loan Exposure in an Entertainment Company”
Name of the Applicant	[●]
Attention of	Mr. N. Ramachandran, Vice President
Address	Tourism Finance Corporation of India Ltd. 4th Floor, Tower I, NBCC Plaza, Pushp Vihar, Sector V, Saket, New Delhi 110017, Mobile:+919911194397,Phone:+91-11-7472200

2. The last date for submission of the EOI is **September 06, 2019 by 17.00 Hrs.** Any EOI received after the appointed time and date will not be entertained. Due diligence, if any, to be completed by September 05, 2019.
3. The submission of the EOI does not require payment of any fee or any non-refundable security deposit by the Applicant.
4. The EOI should be unconditional and should be submitted in the format attached as **Annexure 'A'**. in the event the Applicant includes any conditions or contingencies in the EOI, the same is liable to being disqualified by the Lender. It should be accompanied with the following documents/ information, as applicable to the class of the applicant:
  - (a) Executive Summary providing brief description of the Applicant
  - (b) Basic document pertaining to incorporation and commencement of business such as a copy of Certificate of Incorporation/ Certificate of Commencement of Business/ Constitution Documents etc. as may be applicable/SEBI Registration Certificate for Alternative Investment Funds or any Government issued identification proof in case of Body Corporates/Asset Reconstruction Companies, as applicable
  - (c) Copy of PAN card, Memorandum & Articles of Association
  - (d) Latest available audited financial statement of the Applicant, or any other document evidencing eligibility as per criteria e.g.- Certificate by Chartered Accountant/Statutory Auditor or equivalent/similar, certifying the Net worth/Assets Under Management, as applicable.
  - (e) Confidentiality Undertaking in the format attached as **'Annexure B'**
  - (f) Board Resolution/ Authorization letter authorizing the person signing the EOI document
5. TFCI reserves its right to all for additional information / documents at its sole discretion. However, any discussions or any clarifications or information sought by the Lender with or from the Applicant with respect to the EOI will not constitute an invitation or commitment by the Lender to enter into any agreement with the Applicant nor shall the Lender be liable to consummate or deal with such Applicant on the basis of such discussion, negotiation, information sought.
6. Lender does not makes any representation as to the correctness, validity, adequacy, sufficiency or otherwise of any information pertaining to liabilities, encumbrances and statutory dues of the Company. The Applicants are required to conduct their own due-diligence to verify the same.
7. The Lender may, at its sole discretion, add, amend, vary, modify, delete, any of the conditions of this document as may be deemed necessary by it and also issue one or more addenda, corrigendum etc. as required without giving any reasons for the same.

8. The Lender may, at any time and for any reason, without giving any reason thereof, cancel the sale process until the actual assignment of debt exposure or change / extend the deadlines / time-lines outlined in this document and shall communicate such cancellation / change / extension individually to the Applicant.
9. The Applicant will not be allowed to modify / withdraw the EOI.
10. In the event of any dispute and /or difference on the point of meaning or definition of any particular word or term used in this document or in respect to the interpretation of any clause of this document or this document as a whole, the decision of Lender, shall be final and binding on all the parties concerned.
11. Disputes if any, arising between parties in relation to this document or proposed transaction shall be settled by way of mutual discussion and in case an amicable settlement is not reached, the same shall be subject to the exclusive jurisdiction of courts situated at Delhi, and governed in accordance with the laws in force in India.
12. Lender will issue In-Principal acceptance of EOI to the Applicant, whose EOI is found acceptable / eligible. The successful Applicant shall have to deposit 25% of the sale price by way of demand draft favouring "Tourism Finance Corporation of India Ltd." payable at New Delhi or through RTGS (RTGS details can be obtained from TFCI's office) within period of 10<sup>th</sup> days from date of issue of In-Principal acceptance letter or within the extended time, if allowed by the Lender. In case of default, the amount already deposited will be forfeited and the defaulting Applicant shall forfeit all claims against lender.
13. The successful Applicant shall deposit the balance 75% of the sale proceeds on or before the 30<sup>th</sup> September, 2019. In case of default by the successful Applicant, the amount already deposited will be forfeited and such Applicant shall have no claim/right in respect of amount.
14. Notwithstanding anything contained herein at clause 12 and 13 above, Lender at the request of successful applicant, may decide payment terms for sale of loan exposure, as mutually agreed between the parties.
15. Applicants are requested to note that lender is selling its part of loan and other consortium lenders may sell their individual loan exposures in the Company independently.

#### **D. Clarifications**

Any queries or request for clarification/additional information concerning this EOI shall be submitted by way of email to [n.ramachandran@tfciltd.com](mailto:n.ramachandran@tfciltd.com) and [prem.sharma@tfciltd.com](mailto:prem.sharma@tfciltd.com).

**FORMAT OF EXPRESSION OF INTEREST**  
**[On the Letter head of the Applicant]**

Date:

To

Tourism Finance Corporation of India Ltd.  
4th Floor, Tower I, NBCC Plaza, Pushp Vihar, Sector V, Saket,  
New Delhi 110017

**Sub: Expression of Interest (EOI) for participating in Sale of Loan Exposure in an Entertainment-cum-Hotel Company (“Transaction”)**

Dear Sir,

We refer to the Advertisement dated 31.8.2019 regarding the Sale of Loan Exposure in an Entertainment-cum-Hotel Company (“Company”).

Being duly authorized to represent and act for and on behalf of \_\_\_\_\_, the undersigned hereby expresses its interest in participating in the Transaction.

We further undertake that the information furnished by us in this EOI and its annexures is true, correct, complete and accurate. We further understand and confirm that:

1. This EOI is made with full understanding that:
  - The Offer through EOI will be unconditional, irrevocable and binding in all respects.
  - Lender reserve the right to reject or accept any offer, cancel the process for the Transaction, and/or reject one or more or all offers.
2. We are eligible and have the financial capacity to conclude the purchase of the debt/loan exposure in the Company in accordance with the applicable laws and regulations of India.
3. We intend to submit an EOI for 100% cash basis / \_\_\_% cash and \_\_\_\_% Security Receipts (SRs) basis, for the debt/loan exposure proposed to be sold by the Lender in the Company, pursuant to the due diligence review. The final resolution of asset shall be carried out in consultation with the Lender and the SRs would entail minimum interest @ \_\_\_\_\_% p.a. or as mutually agreed to between the Lender and the successful applicant.
4. We comply with applicable laws and regulations relating to the combat against money laundering (AML) and combating the financing of terrorism (CFT), and have 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.
5. In undertaking this transaction, we have no conflict of interest with and are not related, directly or indirectly to lender.

6. Along with our EOI, we have also enclosed information/documents as required in the Invitation for EOI including the Confidentiality Undertaking [●] which we confirm is valid, subsisting and binding as on date.

Yours Sincerely,

On behalf of \_\_\_\_\_

*[Insert the name of the entity submitting the EOI]*

**Signature:** \_\_\_\_\_

**Name of Signatory:**

**Designation:**

**Company Seal/Stamp**

**FORMAT OF CONFIDENTIALITY UNDERTAKING**

**[To be executed on Stamp Paper of INR 100/- . In case of foreign establishment it can be executed on the letter head of the Applicant]**

This confidentiality undertaking executed at \_\_\_\_\_ on this \_\_\_\_ day of September, 2019, by M/s \_\_\_\_\_(Name of ARC)\_\_\_\_\_ having its Regd. Office at \_\_\_\_\_ acting through Mr.\_\_\_\_(Name & Designation)\_\_\_\_\_ and an authorized official (“Bidder”), which expression shall, unless repugnant to the context, include its successors in business, administrators in business, administrators, liquidator and assigns) in favour of TOURISM FINANCE CORPORATION OF INDIA LTD., a Company within the meaning of Companies Act, 2013 having its office at Tower I, 4th Floor, NBCC Plaza, Pushp Vihar, Sector 5, Saket, New Delhi 110017 (hereinafter called “TFCI”).

WHEREAS TFCI has invited Expression of Interest from eligible Asset Reconstruction Companies viz. prospective bidders/applicants for sale/assignment of its share in a Non Performing Asset of an Entertainment Park-cum-Hotel Project located in the state of Maharashtra on “all cash” or “cash/SR (without recourse) basis” and “as is where is and what is there is basis”.

WHEREAS at the request of the prospective Bidder/Applicant, TFCI has agreed to share the detailed information reg. the said NPA after receiving an Confidentiality Undertaking from prospective applicants/bidders to the effect that such Bidder/Applicant shall maintain confidentiality of the information shared with it and shall not use such information to cause an undue gain or undue loss to any person and shall comply such other conditions as may be stipulated by TFCI.

In the above premises, the Bidder/Applicant hereby declares and undertakes as follows:

1. That it will not divulge any part of the information shared by TFCI by way of any Offer Document/files/etc., through oral or written communication or through any mode to anyone and the same shall constitute “Confidential Information”. Any information or documents generated or derived by the recipients of Confidential Information that contains, reflects or is derived from any Confidential Information shall also Confidential Information.
2. The Bidder further unconditionally and irrevocably undertakes and declares that –
  - a) the Confidential Information shall be kept secret and confidential by the Bidder and shall be used solely for the limited and need-to-know basis;
  - b) the Bidder shall not use the Confidential Information to cause any undue gain or undue loss to any other person;
  - c) the Bidder shall comply all provisions of law for the time being in force relating to confidentiality and insider trading;
  - d) the Bidder shall protect any intellectual property of the NPA which it may have access to;
  - e) the Confidential Information may only be disclosed to and shared with any employees or third parties by the Bidder, in accordance with applicable laws, including in relation to confidentiality and insider trading, and terms of this confidentiality undertaking on a strict need-to-know basis and only to

the extent necessary for and in relation to the submission of Expression of Interest of the NPA, provided that the Bidder binds such employees and third parties, by way of an undertaking/agreements, to terms at least as restrictive as those stated in this confidentiality undertaking.

f) the Bidder shall ensure that all Confidential Information is kept safe and secured at all times and is protected from any theft or leakage;

g) the Bidder shall take all necessary steps to safeguard the privacy and confidentiality of the information shared with it and shall use its best endeavours to secure that no person acting on its behalf divulges or discloses or uses any part of the Confidential Information, including but not limited to the financial position of the said NPA, all information related to disputes by or against the NPA and any other matter pertaining to the NPA as may be specified in the Offer Document; and

h) the Bidder shall be responsible for any breach of obligations under this confidentiality undertaking and shall indemnify TFCI for any loss, damages and costs incurred by TFCI due to such breach of obligations by the Bidder or any person acting on its behalf.

3. Notwithstanding anything to the contrary contained herein, the following information shall however not be construed as Confidential Information:

a) information which, at the time of disclosure to the Bidder was already in the public domain without violation of any provisions of applicable laws; or

b) information which, after disclosure to the Bidder becomes publicly available and accessible without violation of applicable laws or a breach of this confidentiality undertaking; or

c) information which was, lawfully and without any breach of this confidentiality undertaking, in the possession of the Bidder prior to its disclosure, as evidenced by the records available with the Bidder.

4. No representation or warranty has been provided by TFCI in relation to the authenticity or adequacy of the information provided to the Bidder, including Confidential Information, and the Bidder would not have any claim against TFCI or the said NPA in relation to any information provided in the Offer Document.

5. The terms of this confidentiality undertaking may be modified or waived only by a separate instrument in writing signed by the Financial Creditor and the RP that expressly modifies or waives any such term.

6. Damages may not be an adequate remedy for a breach of this confidentiality undertaking by the Bidder. TFCI shall be entitled to the remedies of injunction, specific performance and other equitable relief for a threatened or actual breach of this confidentiality undertaking by the Bidder.

7. Nothing in this confidentiality undertaking shall have the effect of limiting or restricting any liability arising as a result of fraud or wilful default.

8. In case of any dispute, claim or obligation arising out of or about this Confidentiality Undertaking shall be governed by and construed in accordance with Indian laws and the courts at New Delhi shall have exclusive jurisdiction over matters arising out of or relating to this confidentiality undertaking.

Signed on behalf of Bidder

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by Shri \_\_\_\_\_,  
(Name and Designation)  
Authorised Signatory