



**WEB NOTICE**

**TRANSFER OF STRESSED LOAN EXPOSURES BY CANARA BANK**

Canara Bank invites EOIs / counter bids for transfer of Financial Assets to Asset Reconstruction Companies (ARCs) registered with the Reserve Bank of India under Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, SCBs, NBFCs, AIFIs, SFBs., as per the terms and conditions given here under. It is to be noted that Bank will transfer the NPA loans through Swiss Challenge method under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 based on an existing offer as Anchor Bid who will have the right to match the highest bid. However, the decision to transfer the NPA Loan is subject to the final approval of the competent authority of the Bank.

Loans showcased for transfer are as under:

**Exhibit 1**

**(Rs in crores)**

Sr No.	Branch/Region	Title of the Account	Book Liability and Total Outstanding as on 31.01.2024	Fair Market Value of Security (Canara Bank Share)	Reserve Price / Binding offer on full cash basis	Starting price for counter bid with 5% mark-up price	Branch Address / Data Centres
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
1.	ARMB / Chandigarh	M/s Satia Synthetics Limited	9.82 & 24.66	1.39	3.84 on full cash basis	4.04 on full cash basis	Plot No 1, 4th Floor, Sector 34-A, Sector 34, Chandigarh-160022 Contact Person: Sh Ranjeet Kumar, AGM Mobile No. 8727971300

Other information on the accounts like Debt profile, Security profile, legal status and other related matters will be provided in the form of PIM (Preliminary Information Memorandum) to the ARCs / eligible transferees, who will submit Expression of Interest in the prescribed format along with Non-Disclosure Agreement.

Time schedule for completion of the process is given below to be noted and strictly adhered to since no further extension will be provided in the schedule: -

**Exhibit 2**

Sr No.	Particulars	Relevant Date
1	Newspaper Publication	07.03.2024
2	Last date for submission of Expression of Interest (EOI). EOI should be submitted in the enclosed format along with signed Non-Disclosure Agreement to the email id cb5220@canarabank.com with hard	12.03.2024 till 05.00PM

	copy in closed envelop at the respective Data Centre mentioned in column 8 of Exhibit 1.	
3	Due diligence Prospective bidders may start due diligence immediately after submission of EOI and submitting signed Non-Disclosure Agreement (NDA)	From 07.03.2024 to 26.03.2024 (All working days from 10.30 AM to 5.00 PM)
4	Preliminary Information Memorandum (PIM) PIM will be shared on the email id mentioned in the EOI	Same Day on the date of receipt of EOI to prospective bidder who has already executed NDA else upon execution of NDA
5	Informing Name, Mobile number and email address of the Authorised officers for issuance of login credential for participation in the e-bidding process through e-auction portal	26.03.2024 upto 5.00 PM
6	<b>Submission for EMD (for bidders other than ARC)</b>	<b>27.03.2024 upto 11.30AM</b>
7	Allotment of login credential for participation in the e-bidding process through e-auction portal	27.03.2024 upto 12.30AM
8	<b>Submission of Bid (Process of e-Bidding) :</b>	<b>27.03.2024 3:30 PM to 4:30 pm</b>
9	Completion of documentation formalities and payment to be made	Within 2 working days from date of letter of acceptance to successful bidder or Final approval from the competent authority of the Bank whichever is later.

The e-bidding will be carried on 27.03.2024 from 3.30 PM to 4.30 PM with unlimited extension of 05 minutes. The **incremental amounts** for e-bidding purpose are mentioned as under:

Exhibit 3

(Rs in Crores)

Sr. No.	Name of Account	Incremental Amount
1.	M/s Satia Synthetics Limited	0.20

**Other terms and conditions for transfer are as under:**

1. Canara Bank reserves the right to examine EOIs and accept or reject any or all or some of them at their sole discretion without assigning any reasons thereof.
2. The auction is conducted under Swiss Challenge method where Canara Bank is having an offer of Rs 3.84 Crores in hand on 100% cash basis termed as Anchor bid and invite Expression of Interest from eligible parties only on 100% cash basis on the terms given here under. The portfolio will be transferred / assigned to challenger bidder/ anchor bidder as per the Swiss Challenge Method. A confirmation will be sent to the challenger bidder/ anchor bidder on the email id in EOI.
3. Accounts will be transferred/ assigned along with underlying securities on “**as is where is**” and “**as is what is**” basis and “**without recourse**” to the Bank. Bank will not assume any operational, legal or any other type of risks relating to the transfer of loan exposure.



4. Bids shall be given on Full Cash basis ie. 100% cash basis only.
5. All eligible bidder except ARC shall submit Earnest Money Deposit (EMD) of INR 0.38 Crores (Rs Thirty-Eight Lakhs only) in form of Demand Draft / Banker's Cheque in the name Authorised Officer, Canara Bank, ARM Branch payable at Chandigarh by **27.03.2024 upto 11.30AM** at Canara Bank, ARM Branch, Plot No 1, 4th Floor, Sector 34-A, Sector 34, Chandigarh-160022.

The EMD amount will be refunded within 15 days from e auction date except for the deposit of successful challenger, which shall be returned within 15 days of the declaration of final winner as the anchor bidder is having right to match the challenger bid.

6. Cut-off date will be the Date of Assignment. All recoveries / realisations made upto the cut-off date shall be retained by the Bank.
7. **Canara Bank reserve exclusive right to deal with the claims pertaining to ECGC / CGTMSE (both present and future) / Cash Margin / Insurance claim / Subsidy reserve fund / Margin etc of the loan exposure and successful Acquirer / bidder has no right or authority or claim thereon.**
8. Canara Bank will be assigning the outstanding as on cut-off date (as mentioned above) with the successful bidder.
9. **Due Diligence** - Prospective bidders may start due diligence immediately after submission of EOI and submitting signed Non-Disclosure Agreement (NDA). Preliminary Information Memorandum (PIM) shall be shared on the same day of receipt of EOI to prospective bidder who has already executed NDA else upon execution of NDA. The prospective bidders are expected to complete the due diligence within the relevant dates as mentioned in Exhibit2.

**Place of Due Diligence (Data Centre)** - Canara Bank, ARM Branch, Plot No 1, 4th Floor, Sector 34-A, Sector 34, Chandigarh-160022.

**Contact Person** - Shri Ranjeet Kumar, Authorised Officer

Branches / Data centers as mentioned in Page 1 will assist for due diligence with whom files containing copies of all relevant documents pertaining to the asset, including appraisals/ sanction notes/ review/ renewal papers available, audited or non-audited financial statements and other correspondence with the unit, Promoter(s) and Guarantor(s) will be made available for perusal. Also, all legal documents including mortgage and the details pertaining to legal action initiated against the borrower(s)/ guarantor(s) and the status of the suit filed will be open for scrutiny. The Bank's representatives will be present during the due diligence exercise and will respond to queries, if any, of your due diligence team. You are also expected to verify at the time of due diligence, the updated position of principal and total dues, loan documents, mortgage, security, legal proceedings, updated valuation reports and ROC charge creation besides others and also for any changes that might occur in the interregnum

While Canara bank will make available the information to the prospective bidders who have submitted EOI with NDA however it assumes no responsibility either on the part of Canara Bank or its officers, if found later that the information on record with Canara



Bank is not updated with reference to loan documents/ outstanding balance/ mortgage/ security/ legal proceedings / ROC charge creation etc. and the lack of it or inadequacy of it lead to realizing of lower value or facing litigations in the course of realization in the borrower account.

10. It is presumed and understood that by participating in this process, each of the Bidders has carried out / will carry out their own independent due-diligence and assessment in respect of any or all matters, information, statements, etc. covered or sought to be covered or contained in this web notice, PIM and any information or documents that may be provided by Canara Bank during the course of the process pursuant to this web notice.
11. Any un-devolved LCs/ BGs yet to be invoked/ installments of DPGs, which are not yet due, if any, the Bank will retain Pari-passu charge on the securities relating to un-crystallized non-funded facilities. In case of crystallization of non-funded facilities after the transfer, that portion (converted into funded after adjusting margin) will also be transferred by the Bank to the same ARC/ Buyer who will 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 transfer.
12. The intending bidders will be allowed to submit bids, at or above the starting price as mentioned in column (vii) of Exhibit 1 for counter bids. If no counter bid crosses the minimum mark-up specified in the web notice / auction notice, the base bid becomes the winning bid, subject to the final approval by the Bank
13. If counter bid crosses the minimum mark-up specified in Exhibit 3 above, the highest counter bid becomes the Challenger Bid.
14. The Anchor bidder will be invited to match the Challenger Bid. If the Anchor bidder matches or improves the Challenger Bid, such bid will become the winning bid else, the Challenger Bid will be the winning bid.
15. Participants are advised not to wait till last minute or last few seconds to submit their bid to avoid complications related to internet connectivity, network problems, system crash down, power failure, etc. Neither Bank nor e-auction portal Service Provider will be responsible for any unforeseen circumstances.
16. Please note that any taxes/fee/charges that may be arising out of the transaction shall be payable by the successful bidder.
17. The Bank reserves the right to negotiate with the successful bidder for improvement in the bid amount as Bank may deem fit and seek revised bid.
18. In respect of transfer of loan exposures classified as fraud as on the date of transfer the anchor bidder / successful bidder shall give undertaking that the responsibilities of the Bank with respect to continuous reporting, monitoring, filing of complaints with law enforcement agencies and proceedings related to such complaints shall also be transferred to the successful bidder.



19. Prospective bidder shall be under their own obligation to follow all extant guidelines/ notification issued by GOI / RBI/ IBA / SEBI other regulators from time to time pertaining to transfer of stressed loan exposures.
20. Prospective bidder should not have any direct or indirect link / connection / interest / relationship with the promoters / company / guarantors / and / or any of their related parties. And should not take any consideration directly or indirectly from the promoters / company / guarantors / and / or any of their related parties, in this regard, successful bidder will be required to submit a notarized affidavit.
21. Prospective bidder must ensure that the proposed acquisition is not funded and backed by Borrowers/ Promoters/ Company/ Guarantors/ and/ or any of their related parties and they are the eligible transferee for acquisition of proposed loan exposures as per section 29A and other provisions of insolvency and bankruptcy code 2016 (IBC-2016) and amendment thereon, in this regard, successful bidder will be required to submit a notarized affidavit.
22. Under no circumstances successful bidder can refuse to complete the transaction citing any reason or defects/objection in any account. If they do so, the matter will be reported to RBI & respective association for taking necessary action.
23. Please note that the transfer/ assignment shall be at the sole discretion of the Bank and shall be subject to final approval by the Competent Authority of the Bank. Canara Bank may, at any time / at any stage, without assigning any reason thereof, withdraw or defer or cancel the transfer/ assignment process.
24. Canara Bank reserves the right to add, amend, alter, modify, or delete any terms of this document as may be deemed necessary and also issue one or more addenda, corrigendum, etc. as required without giving any reason for the same. The same will not necessarily be carried out through advertisement but will be notified directly on the website and interested bidders should regularly visit the website to keep themselves updated regarding clarifications, modifications, amendments or extensions.
25. Once the deal is finalized, the assignment deed and other legal formalities will be completed in the shortest possible time as mutually agreed upon. After completion of legal formalities, the successful bidder may arrange to take over the relative correspondence mentioned above and other legal documents including the available details of the account from the concerned branch at a mutually convenient date and time, within 45 days from the date of execution of the Assignment Deed.
26. If any dispute arises between the parties in relation to the present transfer of stressed loan exposure process, it shall be settled by mutual discussion and in case amicable settlement is not reached, the dispute shall be referred to a sole arbitrator mutually agreed upon by the parties within 30 days of notice of dispute. In the event parties failed to agree upon a sole arbitrator, each party shall appoint one arbitrator and the arbitrators shall appoint an umpire. Place of Arbitration shall be Chandigarh and the proceedings will be governed by Arbitration and Conciliation Act, 1996. Courts at Chandigarh shall have sole jurisdiction with respect to any matter related to this notice calling for Expression of Interest.

**Expression of Interest (EOI) &  
Letter of Authority for Participating in the E- Auction**  
*(To be submitted on the letterhead by all the bidders participating in the E- Auction)*

To,  
The Authorised Officer,  
Canara Bank

---

**Subject: Expression of Interest (EOI) & letter of authority for participation in the e-auction process for acquisition of NPA loan exposures for M/s \_\_\_\_\_.**

We \_\_\_\_\_ (name of the company) refer to your Notification dated \_\_\_\_\_ on proposed transfer of captioned financial assets (NPA) under **Swiss Challenge method** through e-auction. We hereby express our interest in participation in the proposed process.

We further understand and confirm that:

1. This EOI is made with full understanding that: -
  - The offer will be unconditional, irrevocable and binding on us in all respects.
  - Canara Bank has the right to reject or accept any offer, cancel the process for the proposed transfer process, and / or reject EOI.
2. We confirm to comply with all extant guidelines / notification issued by GOI/ RBI/ IBA / SEBI other regulators from time to time pertaining to transfer of stressed loan exposures and we are eligible and have the capacity to conclude the acquisition of captioned Financial Asset in accordance with the applicable laws and regulations of India.
3. We also confirm having read and agree to abide with all the terms of Notice calling for EOI dated \_\_\_\_\_ for transfer of captioned NPA / Business Rules relating to the e- auction process under Swiss Challenge method.
4. We hereby confirm that we have adopted fair practices code in compliance with RBI notification dated 16.08.2020 and such other notifications of RBI given from time to time.
5. We hereby confirm that we are in compliance with the Master Directions on Transfer of Loan Exposures, 2021 dated 24.09.2021 issued by RBI and we are not disqualified in terms of Section 29 A of the Insolvency and Bankruptcy Code, 2016 for acquisition of this financial asset.
6. In case of Transfer of Fraud Loan Exposures, we hereby confirm to take over the responsibilities of the Bank with respect to continuous reporting, monitoring, filing of complaints with law enforcement agencies and proceedings related to such complaints.
7. We hereby confirm that for acquisition of this financial asset, we have no conflict of interest with Bank and are not related, directly or indirectly, to Bank.

8. We further undertake that the information furnished by us in this EOI and other documents submitted in connection therewith is true, correct, complete and accurate.

9. We have enclosed the signed copy of Non-Disclosure Agreement (NDA)

10. We hereby confirm and undertake that the proposed acquisition is not funded and backed by the borrowers / promoters / guarantors and / or any of their related parties.

**11. Undertaking for participation in the e-Bidding process.**

(i) The undersigned is authorized representative of the company.

(ii) We will participate in the on-line auction conducted by <https://indianbankseauction.com/> (m/s Canbank Computer Service Ltd). (Auction Company) and submit our commercial bid. We shall also abide by the procedures prescribed for online auction by the auction company.

(iii) As per the terms of Notification dated \_\_\_\_\_ Business rules, we nominate Mr./Ms. \_\_\_\_\_, designated as \_\_\_\_\_ of our company to participate in the E- Auction.

(iv) We accordingly authorize Bank and / or the Auction Company to issue user ID and password to the above named official of our company.

(v) Both Bank and the auction company shall contact the above named official for any and all matters relating to the E- Auction.

(vi) We confirm that Canara Bank and Auction Service Provider shall not be liable & responsible in any manner whatsoever for my/our failure to access & bid on the e-auction platform due to loss of internet connectivity, electricity failure, virus attack, problems with the PC, any other unforeseen circumstances etc before or during the auction event.

(vii) We, hereby confirm that we will honour the Bids placed by us during the auction process. We also understand that the Bank may debar us from participating in future tenders in case of failure to honour.

(viii) We undertake that our company shall be bound by the bids made by him/ her in the e- Auction.

Name & Designation of Authorized Representative	
Signature of Authorized Representative	
Mobile No. of Authorized Representative	
Email id of Authorized Representative	

Yours Sincerely,

(Signature)

Name of the Signatory:

Designation with Seal:

## NON DISCLOSURE AGREEMENT

This agreement is made on .....

### **BETWEEN**

NAME OF THE ARC, a company incorporated under the Companies Act, 1956 and registered as a Securitisation company and asset reconstruction company pursuant to Section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 having its registered office / Head Office at ..... through duly authorized Sri \_\_\_\_\_ (hereinafter referred to as "Offerer" which expression unless repugnant to the context or meaning there of be deemed to mean and include its successors, Agents and assigns) on the ONEPART;

### **AND**

Canara Bank, a Body Corporate constituted under the Banking Companies [Acquisition and transfer of Undertakings] Act, 1970, having its Head Office at No.112, J.C. Road, Bangalore 560002 & among others having a branch office as Specialised Asset Recovery Management Branch at Chandigarh situated at 4<sup>th</sup> Floor, Plot No. 1, Sector 34-A, Chandigarh – 160022 and represented by Ranjeet Kumar, Assistant General Manager, (hereinafter referred to as "CANARA BANK", which expression shall unless repugnant to the context or meaning there of be deemed to mean and include its successors and assigns) on the OTHER PART;

Offerer and Canara Bank are hereinafter collectively referred to as "**the Parties**" and individually as the "**the Party**".

### **WHEREAS:**

Canara Bank proposes to sell a few of its Non-Performing Assets (NPAs) and invited Expression of Interest from Asset Reconstruction Companies who are permitted by RBI to purchase the NPAs.

The Offerer intends to purchase the NPAs from Canara Bank by submitting Expression of Interest (EOI). The Offerer is aware that it is a precondition to execute this Non-Disclosure Agreement (NDA) duly expressing their interest for purchase of such assets for getting the Preliminary Information Memorandum (PIM) and participating in the bid after making due diligence. In the course of the said transaction, it is anticipated that either party may have to disclose or deliver to other party certain of some of its trade secretes or confidential or proprietary or other information.

**NOW, THEREFORE**, in consideration **of the premises** and the mutual promises and agreements contained herein, the Offerer and Canara Bank agree as follows:

1. **"Confidential Information"** means and includes all data, documents and information disclosed or to be disclosed by either Party to other Party and its Representatives (as defined herein) including information transmitted in written, electronic, magnetic or other form and also information transmitted orally or visually) and any and all information which may be developed or created, in whole or in part, directly or indirectly, from such information including all notes, summaries, analyses, compilations and other writings.

- **"Receiving Party"** means party who receives Confidential Information.
- **"Disclosing Party"** means party who discloses Confidential Information.

2. Notwithstanding any other provisions of this Agreement, each party acknowledges that confidential information shall not include any information which:

- Is or becomes known to public through no wrongful act; or
- Is already known to Receiving Party from the third party without breach of this agreement; or
- Is rightfully received by Receiving Party without breach of this Agreement; or
- Is independently developed by Receiving Party without breach of this Agreement; or
- Is required to be disclosed by Receiving Party in compliance of orders of competent Court or any appropriately empowered Government Agency or under any statute.
- Is explicitly approved / permitted by disclosure by written authority of the Disclosing Party.

3. Receiving Party acknowledges that Confidential Information is valuable, proprietary and confidential. Unless otherwise expressly authorized by Disclosing Party, Receiving Party agrees to retain the Confidential Information in confidence for a period as stipulated in Clause 7 herein, and shall not disclose the Confidential Information to any third party or any employee or agent (except its officers, employees, representatives, advisors or agents who have a need to know with an obligation of confidentiality and shall not use the Confidential Information for any purpose other than for the purposes agree to herein). No license expressed or implied in the Confidential Information is granted to either party other than to use the information in the minor and to the extent authorised by this Agreement.

4. Receiving Party agrees, except to the extent pursuant to, or required by law, regulation, legal process or regulatory authority to disclose any Confidential Information (prior intimation in writing be provided to Disclosing Party to enable it to take recourse of legal remedies viz. injunctions, stay etc.). Receiving Party shall not (i) use any portion of the Confidential Information for any purpose not contemplated by this Agreement; or (ii) disclose the Confidential Information or any part of it to any third party.

5. Notwithstanding the disclosure of any Confidential Information by the Disclosing Party to Receiving Party, the Disclosing Party shall retain title and all intellectual property and proprietary rights in the Confidential Information. No license under any trade mark, patents or copy right, or application for same which are now or thereafter may be

obtained by Disclosing Party is either granted or implied by the conveying of Confidential Information. The Receiving Party shall not conceal, alter, obliterate, mutilate, deface or otherwise interfere with any trade mark, trade mark notice, copy right notice, confidentiality notice or any notice of any other proprietary right of the Disclosing Party on any copy of the

Confidential Information, and shall reproduce any such mark or notice on all copies of such Confidential Information. Likewise, the Receiving Party shall not add or emboss its own or any other mark, symbol or logo on such Confidential Information.

6. All Confidential Information is provided "**as it is**". In no event shall Disclosing Party be liable for the inaccuracy or incompleteness of the Confidential Information. None of the Confidential Information disclosed by the parties constitutes any representation, warranty, assurance, guarantee or inducement by either party to the other with respect to the fitness and completeness of such Confidential Information for any particular purpose or infringement of trademarks, patents, copyrights or any right of third parties.
7. This Agreement shall be effective from the date hereof and shall terminate upon the completion of any transaction in relation to the underlying transaction or otherwise as determined by the parties; however, the obligations of Receiving Party respecting disclosure and confidentiality shall continue to be binding and applicable without limit in time except and, until such information enters the public domain save and except the clause (2) herein.
8. Receiving Party agrees to return to Disclosing Party upon its written request, the Confidential Information, any copies of the Confidential Information (whether authorised or not) and any documents or items containing portions of the Confidential Information.
9. Receiving Party shall defend, indemnify and hold harmless the Disclosing Party, its affiliates, subsidiaries, successors, assigns, officers, directors, employees, at all times, from and against any and all claims, demands, damages, assertions of liability whether civil, criminal, tortuous or of any nature whatsoever, arising out of or pertaining to or resulting from any breach of representations and warranties made by Receiving Party and/or breach of any provisions of this Agreement, but not limited to any claim from third party pursuant to any act or omission of Receiving Party in the course of discharge of its obligations under this Agreement.
10. Any dispute, controversy or claim arising out of or relating to this Agreement or any related agreement or other document or the validity, interpretation, breach or termination thereof ('Dispute'), including claims seeking redress or asserting rights under applicable law, shall, be resolved amicably between the parties and in case the dispute could not be settled by mutual negotiation, then the same shall be referred to a sole arbitrator appointed by Canara Bank and the decision of the Arbitrator shall be final and binding on the parties.
11. This Agreement shall be governed by and construed in accordance with the laws of India, and the competent courts in Bangalore shall have jurisdiction in relation thereto.

12. Neither party shall make news releases, public announcements, give interviews, issue or publish advertisements or publicize in any other manner whatsoever in connection with this Agreement, the contents / provisions thereof, other information relating to this Agreement, the Purpose, the Confidential Information or other matter of this Agreement, without the prior written approval of the other party.
13. This Agreement constitutes the entire agreement between the parties relating to the matters discussed herein and supersedes any and all prior oral discussions and/or written Correspondence or agreements between the parties. This Agreement may be amended or modified only with the mutual written consent of the parties. Neither this Agreement nor any right granted hereunder shall be assignable or otherwise transferable.
14. Each person executing this Agreement warrants and represents that he or she has the authority to enter into this Agreement on behalf of the party whose name appears below their signature.
15. No person of Canara Bank or the Offerer and third parties shall violate the Social media Policy of Canara Bank.
16. The following acts on the part of personnel of Canara Bank or Offerer and third parties shall be constructed as violation of Social Media Policy:
  - a) Non-adherence to the standards / guidelines in relation to Social Media Policy issued by Canara Bank from time to time.
  - b) Any omission or commission which exposes Canara Bank to actual or potential monetary loss or otherwise, reputation loss on account of non-adherence of Social Media related systems and procedures.

IN WITNESS WHEREOF, the parties have executed this agreement by their authorized representatives at the respective places mentioned thereto:-

For and on behalf of the Offerer  
BANK  
(to be signed with seal)

For and on behalf of the CANARA  
BANK  
(to be signed with seal)

Designation and Office Address:

Designation and Office Address:

Plot No 1, 4th Floor, Sector 34-A,  
Chandigarh-160022

Contact Person:

Sh Ranjeet Kumar, AGM  
Mobile No. 8727971300

Date:  
Place of Execution

Date:  
Place of Execution