

SALE OF FINANCIAL ASSETS BY SBI {e-Auction on: 26.08.2019}

In terms of the Bank's Policy on Sale of Financial Assets, in line with the regulatory guidelines, we place the following accounts for sale to Banks/ ARCs/NBFCs/ FIs etc., on the terms and conditions indicated there against. However, please note that the sale will be subject to final approval by the **Competent Authority** of the Bank:

Brief details of financial assets showcased on: 02.08.2019								
(Rupees in crore)								
Sl. No	Branch Name	Name of Unit	Out-standing	Primary security	Collateral security	3rd party/ Corporate guarantee	Reserve Price	Terms of Sale (cash/ cash cum SR ratio)
01	SAMB Coimbatore	M/s RAJSHREE SUGARS AND CHEMICALS LTD ***	226.94	440.73	15.09#	0.79	171.51 188.54	100% Cash 80:20(Cash : SR)
02	SAMB Delhi I	M/s Rathi Steel & Power Ltd	59.39	17.06	0.28	0.24	16.00	100% cash basis

Excluding the value of promoter's equity shares as the bank will not relinquish its rights on the value of shares pledged to the bank.

*****Information for bidders:** Bid for the above mentioned asset, "bid with highest cash component shall be considered as successful bid".

2. The interested Banks/ARCs/ NBFCs/ FIs can conduct due diligence of these assets with immediate effect, after submitting expression of interest and executing a Non-Disclosure Agreement (NDA) with the Bank, **if not already executed**, to the **Deputy General Manager (ARC), State Bank of India, Stressed Assets Resolution Group (SARG), Corporate Centre, 2nd Floor, Tower "4", Arcade building, World Trade Centre, Cuffe Parade, Mumbai – 400005 (Mail Id : dgm.sr@sbi.co.in.)**

3. Further, sale on cash cum SR basis will be governed by the following terms & conditions: -

1. Management fee would be 1.50% per annum of Net Assets Value at the lower end of the range of the NAV specified by the Credit Rating Agency for first 3 years, 1.25% for the 4th& 5th year and 0.75% for the 6th year onward.
2. Security Receipt will have pari-passu redemption.
3. Excess recovery after redemption of Security Receipts i.e. upside, if any, will be shared by SR holders and ARC on 80:20 basis.

4. Incentive on net recovery amount will be given to ARCs if recovery is effected within 3 years at the following rates:-

	1 st year	2 nd Year	3 rd Year	4 th & 5 th Year
Incentive on recovery amount, net of expenses & management fee	5%	4%	3%	NIL

4. The interested ARCs/ Banks/ NBFCs/ FIs can conduct due diligence of these assets with immediate effect, after submitting expression of interest and executing a Non-Disclosure Agreement (NDA) with the Bank, **if not already executed**, to the General Manager (Operations-1), State Bank of India, Stressed Assets Resolution Group (SARG), Corporate Centre, 2nd floor, The Arcade Building, World Trade Centre, Cuffe Parade, Mumbai – 400005, Mail Id : dgm.sr@sbi.co.in

5. Further details of the accounts will be sent in the form of PIMs (Preliminary Information Memorandum) on execution of NDA, **if not already executed**, on the email IDs provided with the Expression of Interest (EOI). Thereafter, the prospective buyers, who submit a Non-Disclosure Agreement, will be allotted passwords and conveyed the procedure to submit the financial bid through e-Auction method which will be explained to them.

6. Besides the amount outstanding under any disbursed loans, Bank shall notify the Purchaser details of any un-devolved LCs/ BGs yet to be invoked/ installments 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 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 sale to ARCs, etc.

7. Cut-off date denotes the date of showcasing the financial assets i.e. all realization/ recoveries made upto the cut- off date shall be retained by the Bank.

8. Please note that any taxes that may be arising out of the transaction shall be payable by the purchaser.

9. We would like to know whether you are interested in the above proposal. If interested, we look forward to receiving an expression of interest at the earliest. In case of any further clarification, you may contact the following Nodal officer at our end:-

Shri Hemant Kumar - Chief Manager - 022-62866415 / 09906347074
Shri S.Sridhar - Chief Manager - 022-62866416 / 09701579642

10. The time schedule for completion of the sale process is given below, which may be taken note of and adhered to since no further extension will be made in the schedule:

S. No.	Particulars	Last Date
1	Submission of Expression of Interest in the account(s)*	07.08.2019
2	Submission of Non-Disclosure Agreement (if not already executed)	07.08.2019
3	Informing names of the Authorised Official(s) along with their contact details (mobile number, e-mail ids etc.) to enable us to issue user ID & password and explaining them the procedure to bid through e-auction portal of the bank.	22.08.2019
5	Allotment of User ID & password for e-Bidding	23.08.2019
4	Completion of Due Diligence Exercise	22.08.2019
6	Process of e-bidding **	26.08.2019

* EOI with details of authorized officials may also be emailed to us at dgm.sr@sbi.co.in

** The e-bidding timings will be from **11.30 A.M. to 01.00 P.M.** with unlimited extension of 05 minutes and an incremental amount of Rs.10.00 Lakhs.

Details of officials at branches for due diligence are as under:

Sl. No.	Branch	Name of the Branch Head/CLO/Mobile No.	Name of authorised official/Mobile Number
01	SAMB-Coimbatore	Sri L V Sharma, DGM 9385916016	Sri R Krishna Kumar 9496458666
02	SAMB-Delhi I	Sri Bhavani Sankaran-DGM- 9833032530	Sri Rakesh Verma- AGM&CLO-9599916135

Respective branches will arrange for due diligence by your team, to whom files containing copies of all relevant documents pertaining to the assets in the respective baskets, including appraisals / sanction notes / review / renewal papers available, audited or un-audited financial statements and other correspondence with the Unit, Promoter(s) and Guarantor(s) will be made available for their perusal. Also, all legal documents including 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 by your due diligence team. 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 as also the updated valuation reports besides others for any changes that might occur in the interregnum.

11. The sale is on “as is where is basis”.

12. We reserve the right not to go ahead with the proposed sale at any stage, without assigning any reason, subject to the extant RBI guidelines. The decision of the Bank in this regard shall be final and binding.

13. 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, you may arrange to take over the relative correspondence mentioned above and other legal documents including the available details of the suit-filed accounts from the concerned branches at a mutually convenient date and time, within 45 days from the date of execution of the Assignment Deed.

Deputy General Manager (ARC)

Dt: 02.08.2019