

# VINOD KUMAR KOTHARI

Reg. No: IBBI/IPA-002/IP-N00019/2016-2017/10033

1006-1009, Krishna Building, 224 A.J.C. Bose

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## QUERIES: SALE OF NPRL SHARES HELD BY NICCO

*[Below are some questions raised by one of the applicants in respect of NICCO Sale Asset – NPRL Investment. The same has been shared for general information of all applicants for the particular sale asset. For the sake of confidentiality, the names have been kept anonymous and certain information have been deliberately omitted.*

*Applicants are also advised to continue to refer to other FAQs in relation to the present Invitation, as uploaded here: <http://vinodkothari.com/wp-content/uploads/2018/04/FAQs-on-invitation-of-expression-of-interest-3.pdf>]*

1. It has been mentioned in point (B) of Annexure IV of the Expression of Interest (EOI) document that interested bidders can submit their EMD through RTGS/NEFT/Bank Guarantee/ Surety Bond.

**Query a)** Request you to kindly provide us with a format of bank guarantee.

**Reply: The format will be provided/uploaded on the website shortly.**

**Query b)** Can the Bank Guarantee be from any Public or Private Sector Bank?  
Please specify?

**Reply: Yes, the Bank Guarantee can be from any of the Scheduled Commercial Banks.**

2. It has been mentioned in point (F) of Annexure IV of the EOI document that the liquidator shall take a decision on accepting the highest bid and communicate to the highest bidder to make the balance of balance 25% payment (including the EMD already paid).

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**Query a)** Please confirm that this 25% includes 10% of the amount of Reserve Price which has to be paid before participating in the bid as stated in FAQ No 22 of the EOI document.

**Reply:** Please refer to FAQ No. 28. It states that when an applicant becomes a successful bidder and pays 25% of the sale price, the EMD paid by the applicant is adjusted against the said amount.

3. NPRL shares held by NICCO will be sold to the successful bidder.

**Query a)** Will there be any agreement between the Liquidator and the successful bidder for the sale of the said shares.

**Reply:** So far as our understanding goes, the transaction would be an off-market transaction. Therefore, a formal agreement seems to be a necessity. In any case, provisions of law as applicable in case of listed shares will have to be followed.

**Query b)** If so, please provide a format /draft copy of the same.

**Reply:** Will be provided in due course.

**Query c)** Do we also need to comply with the requirements of Regulation 3(2) of the (SAST) Regulations, 2011 as we will be acquiring 25% shares of the target company and observe the compliances like public offer etc or we enjoy any exemption.

**Reply:** Concerning any legal aspect(s) involved in the transaction, you are advised to seek independent professional advice/assistance.

**Query d)** If we enjoy any exemption, please let us know and provide any with a copy of the approval, if any, from SEBI made available to NCLT or Liquidator and any other document in support thereof.

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**Reply:** Please see our reply above to the immediately preceding query. Please note that to our knowledge, presently there is no such exemption. However, please seek independent professional advice.

4. [deliberately omitted]

5. [deliberately omitted]

6. [deliberately omitted]

**Query a)** Please provide a copy of the lease deed.

**Query b)** [deliberately omitted]

**Reply:** The Liquidator is not in possession of the Lease Deed, as also clarified in FAQ no. 34G. However, if in due course of time, the Liquidator gets a copy of such agreement or any relevant information in respect of such agreement, the same shall be shared with all eligible applicants for the sale asset.

7. [deliberately omitted]

8. We emerge as the successful bidder and buy 25% of NPRL shares of NICCO,

**Query a)** Can WBTDCL and WBIDCL drag us to buy their shareholding at the same price at which we are buying the NPRL shares held by NICCO

**Reply:** To our understanding, JSA does not contemplate any tag along or drag along rights. However, an independent professional advice may be sought by you.

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**Query b)** [*deliberately omitted*]

9. We have submitted EOI in the name of ABC Co. Ltd./Pvt. Ltd. but we intend to bid jointly with our parent company and Bank Guarantee will be provided by the parent Company.

**Query:** Can we do so?

**Reply:** Please refer to Para No. 11.3 of the Invitation. The applicant may consider submitting joint EOI; however, each of the joint applicants will have to furnish affidavits and declarations required in terms of the Invitation.

**Link to the Invitation is:**

<http://vinodkothari.com/wp-content/uploads/2018/04/Invitation-for-EOI-for-Sale-Assets-of-NCL-on-Standalone-basis-1.pdf>