

**SECOND AMENDMENT DATED 13 JANUARY 2022 TO THE E-AUCTION PROCESS
DOCUMENT FOR SALE OF ASSETS OF EMCO LIMITED COMMENCED VIDE
ADVERTISEMENT DATED 10 DECEMBER 2021.**

In regard to the captioned subject, the liquidator of EMCO Limited, Mr. Sundaresh Bhat (“**Liquidator**”) hereby makes the following amendment (“**Second Amendment**”) to the E-Auction Process Document dated 10 December 2021 (“**E-Auction Process Document**”) for sale of assets of EMCO Limited commenced vide advertisement dated 10 December 2021 (“**Advertisement**”) under the provisions of the Insolvency & Bankruptcy Code, 2016 (“**I&B Code**”):

- A. Pursuant to this Second Amendment to the E-Auction Process Document, Clause 1.3 of the E-Auction Process Document shall stand replaced, and the E-Auction Process Document shall stand amended and revised accordingly with all related consequent changes:

“The present E-Auction Process Document sets out the process to be followed for submission of expression of interest by interested parties for Category A Asset (“**EOI Process**”); and the process for participation in the electronic auction process for Category A Asset, Category B Asset or Category C Assets of EMCO (“**E-Auction Process**”). All documents required to be submitted hereunder must be submitted strictly as per the formats hereunder and any deviation therefrom may lead to disqualification of Bidder/ EOI Applicant (defined below) from the EOI Process/E-Auction Process.”

- B. Pursuant to this Second Amendment to the E-Auction Process Document, Sub Clause 3.4 shall stand inserted in Clause 3 (*Reserve Price*) of the E- Auction Process Document and the E-Auction Process Document shall stand amended and revised accordingly, with all related consequent changes:

“3.4 Reserve Price for “Category A Assets” (“**Reserve Price – Category A**”) is INR 165,00,00,000 (Indian Rupees One hundred and Sixty-Five Crore Only).”

- C. Pursuant to this Second Amendment to the E-Auction Process Document, Clause 5 (*Schedule of Submission of Expression of Interest Process for Category A Asset*) shall stand replaced with the following and the E-Auction Process Document shall stand amended and revised accordingly with all related consequent changes:

“5. Schedule of E- Auction Process for Category A Asset

The following schedule shall apply to the E-Auction Process for Category A Asset and shall be read in context of the specific terms and conditions set out hereunder for Category A Asset. The schedule or a part thereof may be extended/ advanced/ modified/ altered/ waived by the Liquidator through issuance of communication/ notice or amendment or addendum to the E-Auction Process Document.

#	Date	Event Description
1.	10 December 2021	<u>Stage 1</u> Publication of Advertisement and issuance of E-Auction Process Document.
2.	24 December 2021	<u>Stage 2</u>

#	Date	Event Description
		Last date for submission of Expression of Interest.
3.	20 January 2022	<u>Stage 3</u> Last date for Due Diligence by Interested Parties and last date for submission of Affidavit cum Declaration in Format II .
4.	23 January 2022	<u>Stage 4</u> Last Date for submission of non-interest-bearing refundable/ adjustable Earnest Money Deposit
5.	24 January 2022	<u>Stage 5</u> Declaration of Category A Qualified Bidders.
6.	27 January 2022	<u>Stage 6</u> Date of E-Auction.
7.	28 January 2022	<u>Stage 7</u> Date for Declaration of Category A Successful Bidder(s).
8.	28 April 2022	<u>Stage 8</u> Last Date for payment of balance Category A Sale Consideration by the Category A Successful Bidder(s). Please note that in accordance with Applicable Laws, payments of balance Category A Sale Consideration made after thirty (30) days i.e., after 27 February 2022 shall attract interest at the rate of twelve per cent (12%). Provided that the sale shall be cancelled if the payment is not received within ninety (90) days i.e., on or before 28 April 2022.

- D. Pursuant to this Second Amendment to the E-Auction Process Document, the following Sub-Clauses - 6.3 (*Due Diligence by Interested Parties and submission of Affidavit cum Declaration*), 6.4 (*Last Date for submission of non-interest-bearing refundable/ adjustable Earnest Money Deposit*), 6.5 (*Declaration of Category A Qualified Bidder(s)*), 6.6 (*Date of E-Auction*), 6.7 (*Date for Declaration of Category A Successful Bidder(s)*) and 6.8 (*Last Date for Payment of balance Category A Sale Consideration by the Category A Successful Bidder(s)*), shall stand inserted in Clause 6 (*Stage Description*) and the E-Auction Process Document shall stand amended and revised accordingly, with all related consequent changes:

“6.3. Stage 3– Due Diligence by Interested Parties and submission of Affidavit cum Declaration.

6.3.1.	The Interested parties, who have submitted Category A EoI Applications and are confirmed by the Liquidator in writing as entitled to further participate in the E-Auction Process shall be referred to as “Prospective Bidder(s) - Category A” .
6.3.2.	Prospective Bidder(s) - Category A shall be entitled to conduct due diligence for Category A Asset.
6.3.3.	The due diligence process and rules are set out under Schedule D- Due Diligence Rules hereto and all persons are required to strictly adhere to the same.

- 6.3.4. Prospective Bidder(s) - Category A are mandatorily required to submit within the timeline specified in the schedule set out under Clause 5 of the E-Auction Process Document, Affidavit cum Declaration in **Format II**.

6.4. Stage 4– Last Date for submission of non-interest-bearing refundable/ adjustable Earnest Money Deposit.

- 6.4.1. Prospective Bidder(s) - Category A are mandatorily required to submit within the timeline specified in the schedule set out under Clause 5 of the E-Auction Process Document, a non-interest bearing adjustable/ refundable earnest money deposit equivalent to 10% of the Reserve Price - Category A (“**Category A Earnest Money Deposit**”/ “**Category A EMD**”), into the Liquidation Account (defined below) through RTGS/ NEFT as per details below:

Name of the Bank Account: **EMCO LIMITED IN LIQUIDATION**

Account Number: **71240200002292**

Bank Branch: **JVPD JUHU**

Address: **SHARDA BHUVAN, V. M. ROAD, JUHU, VILE PARLE WEST, MUMBAI-400056**

IFS Code: **BARB0DBJUHU**

MICR Code: **400012261**

- 6.4.2. The details of remittances of Category A EMD shall be submitted by the Prospective Bidder(s) - Category A to the Liquidator. All the payments to be made by the Prospective Bidder(s) - Category A under the E-Auction Process for Category A Asset shall be intimated to the Liquidator through an email to LQEMCO@bdo.in along with proof of payment. The entire Category A EMD amount shall be remitted by the Prospective Bidder(s) - Category A from one bank account only which shall be in the name of the Prospective Bidder(s) - Category A. The Prospective Bidder(s) - Category A shall preserve the remittance challan and shall produce the same before the Liquidator as and when demanded. Detailed terms and conditions regarding earnest money deposit contained in Clause 10 of the E-Auction Process Document shall be applicable in respect of Category A Earnest Money Deposit as well, with references therein to ‘Category B Asset’ or ‘Category C Asset’ being read and construed as ‘Category A Asset’.

6.5. Stage 5– Declaration of Category A Qualified Bidder(s).

- 6.5.1. Those Prospective Bidder(s) - Category A who have submitted Category A EMD and other requirements and documents that were required to be met with in the earlier stages of the E-Auction Process Document for Category A Asset and intimated in writing by the Liquidator, shall be entitled to participate in the E–Auction Process and shall be termed as “**Category A Qualified Bidder(s)**”.
- 6.5.2. The Prospective Bidder(s) - Category A who have not submitted the requisite documents and Category A EMD within the timeline mentioned under the schedule set out under Clause 5 of the E-Auction Process Document will not be permitted to participate in the next stages of the E- Auction Process. There will be no further

communication to Bidders/ Prospective Bidder(s) – Category A, if they are ineligible to participate ahead in the E-Auction Process contemplated in the E-Auction Process Document.

- 6.5.3. The Category A Qualified Bidders may be provided training on the E-Auction Platform before the Date of E-Auction as mentioned under the schedule set out in Clause 5 of the E-Auction Process Document.

6.6. Stage 6– Date of E-Auction.

- 6.6.1. Category A Qualified Bidders shall be entitled to submit Bid(s) for an amount higher than the Reserve Price – Category A in accordance with the Incremental Bid Amount for purchase of Category A Asset, electronically on the website of the E-Auction Service Provider (defined below) on the date specified in the schedule set out in Clause 5 of the E-Auction Process Document and in the manner and as per the terms of E-Auction set out under “**Schedule-C**” hereto. The references therein to ‘Category B Asset’ or ‘Category C Asset’ should be read and construed as ‘Category A Asset’.
- 6.6.2. The Login ID and password for Bid submission will be shared by the Liquidator/ E-Auction Service Provider directly.
- 6.6.3. Neither the Liquidator, nor his team/ associate/ advisors/ affiliates and/ or BDO Restructuring Advisory LLP and/ or E-Auction Service Provider shall be liable for any internet network problem and/ or any technical difficulty and it shall be sole duty and responsibility of the Category A Qualified Bidders to ensure that they are technically well equipped for participating in the E-Auction Process.
- 6.6.4. The Category A Qualified Bidders are advised to go through the detailed terms & conditions of E– Auction Process available on the web portal of E-Auction Service Provider at and the technical terms and conditions of the E-Auction Process (provided in Schedule-C hereunder and <https://ncltauction.auctiontiger.net>) before submitting their Bids.
- 6.6.5. A Bid shall be irrevocable, unconditional, firm, final and binding on the Category A Qualified Bidders, as per the terms of this E-Auction Process Document. It is clarified that no Bid which is not in a multiple of the Incremental Bid Amount and/ or is below or equal to the Reserve Price– Category A, shall be entertained in the E-Auction Process.

6.7. Stage 7– Date for Declaration of Category A Successful Bidder(s).

- 6.7.1. The Liquidator shall declare the Successful Bidder (being the Bidder that places the highest bid in the E-Auction Process of Category A Asset) (“**Category A Successful Bidder**”) as per the schedule set out in Clause 5 of the E-Auction Process Document. The amount of the highest bid so placed plus taxes, levies, transfer charges, cess, costs etc., as applicable, shall be the consideration for the sale of the Category A Asset to the Successful Bidder (“**Category A Sale Consideration**”).
- 6.7.2. The Category A Successful Bidder shall be invited to provide balance Category A

Sale Consideration within ninety (90) days of the date of such demand. On payment of the full Category A Sale Consideration, the sale shall stand completed, the Liquidator shall execute certificate of sale and definitive agreement with the Category A Successful Bidder to effectuate the transfer of Category A Asset, and the Category A Asset shall be delivered to the Successful Bidder in the manner specified therein. The Liquidator will require further documentation to be entered into to effectuate the sale.

In accordance with Applicable Laws: payments made after thirty (30) days shall attract interest at the rate of twelve per cent (12%). Provided that the sale shall be cancelled if the payment is not received within ninety (90) days.

- 6.7.3. The right of selecting and declaring the Category A Successful Bidder shall solely rest with the Liquidator at all times. The decision of the Liquidator in this regard shall be final and binding on the Bidders.
- 6.7.4. If the Category A Successful Bidder is rejected for any reason whatsoever, the Liquidator may consider offers from other Bidder(s) under the same or different Asset Categories or take any such measure as may be deemed fit at the sole discretion of the Liquidator.
- 6.7.5. The Category A Successful Bidder will be required to bear all the expenses for transfer of the Category A Asset in his/ her/ its name. It is expressly stipulated that there are no implied obligations on the part of the Liquidator or Corporate Debtor, and it shall be solely the obligation of the Category A Successful Bidder, at his/ her/ its own cost, to do all acts, things, and deeds whatsoever for the completion of the sale. The Liquidator does not take any responsibility to provide information on the same.
- 6.7.6. A sale certificate and/ or transfer documents for sale of the Category A Asset shall be issued/ executed between the Category A Successful Bidder and the Corporate Debtor, through Liquidator, after receipt of the entire Category A Sale Consideration by the Liquidator.
- 6.7.7. The Liquidator shall not proceed with the sale of Category A Asset, if he has reason to believe that there is any collusion between the Bidder(s), or the Corporate Debtor's related parties and Bidder(s)/buyers, or the creditors and the Bidder(s)/buyer and shall submit a report to the Adjudicating Authority in this regard, seeking appropriate orders against the colluding parties.
- 6.7.8. The Category A Successful Bidder has to make payment within 90 (ninety) days of being declared the Category A Successful Bidder by the Liquidator. The payment has to be a direct remittance of the amount into Liquidation Account. Security receipts or non-cash instruments will not be accepted.
- 6.7.9. The payment obligation by the Category A Successful Bidder has to be completed, irrespective of any kind of hindrances like labour strike, delay in court orders, any kind of settlement, attachments/ confiscations by government authorities/

departments or investigative agencies etc.

6.8. Stage 8– Last Date for Payment of balance Category A Sale Consideration by the Category A Successful Bidder(s).

- 6.8.1. The date set out under the schedule set out in Clause 5 of the E-Auction Process Document, shall be the last date for payment of balance Category A Sale Consideration for Category A Asset by the Category A Successful Bidder.
- 6.8.2. The details of any remittances in this regard shall be submitted by the Category A Successful Bidder to the Liquidator. All the payments to be made by the Category A Successful Bidder under the E-Auction Process shall be intimated to the Liquidator through an email to LQEMCO@bdo.in along with proof of payment. The entire balance Category A Sale Consideration shall be remitted by the Category A Successful Bidder from one bank account only which shall be in the name of the Category A Successful Bidder. The Category A Successful Bidder shall preserve the remittance challan and shall produce the same before the Liquidator as and when demanded.
- 6.8.3. Category A EMD of the second highest Category A Qualified Bidder from the E-Auction (“**Category A H2**”/ “**Category A H2 Bidder**”) shall be withheld until the last date of payment of Category A Sale Consideration for the Category A Successful Bidder. If the Category A Successful Bidder defaults in payment of the Category A Sale Consideration, the Liquidator may declare Category A H2 Bidder as the Category A Successful Bidder and accordingly, adjust the Category A EMD of the Category A H2 Bidder against the Category A Sale Consideration to be received from the Category A H2 Bidder.
- 6.8.4. In case the Category A Successful Bidder defaults on its payment obligations as per the process contemplated herein, or if the Category A Successful Bidder is rejected for any reason whatsoever, the Liquidator may consider offers from other Bidder(s) under same or other Asset Categories or take any such measure as may be deemed fit at the sole discretion of the Liquidator.
- 6.8.5. The Liquidator reserves his right to negotiate/ sell the Category A Asset to Category A H2 Bidder/ next highest Bidder or any other Bidder under any Asset Category, or person outside of the E-Auction Process in case the Category A Successful Bidder is rejected/disqualified/defaults on obligations hereunder, such as failing to make the complete payment towards the Category A Sale Consideration.

In such cases, the Liquidator reserves the right to issue fresh/ revised terms and/or revised timelines (as the situation may require) that may be notified upon occurrence of such an event of default by the Category A Successful Bidder. The Bidders shall be bound by the decision of the Liquidator in this regard.”

- E. Pursuant to this Second Amendment to the E-Auction Process Document, the following Clause 6A (*General Conditions – E Auction Process Category A Asset*), shall stand inserted in after Clause 6 (*Stage Description*) and the E-Auction Process Document shall stand amended and revised

accordingly with all related consequent changes:

“6.A General Conditions – E Auction Process Category A Asset

- (i) The terms and conditions contained in Clause 3 (*Reserve Price*), 4 (*Eligibility Criteria*), Clause 10 (*Earnest Money Deposit – Terms and Conditions*), Clause 11 (*Cost, Expenses and Tax implications*), Clause 12 (*E-Auction Service Provider and E-Auction Portal*), Clause 13 (*Terms and Conditions*), Clause 14 (*Governing Law and Jurisdiction*), Schedule – C (*TERMS & CONDITIONS OF E-AUCTION PROCESS OF CATEGORY B ASSET AND CATEGORY C ASSETS*) and Schedule – D (*DUE DILIGENCE RULES*), of the E-Auction Process Document shall *mutatis mutandis* be applicable in respect of Category A Asset, with references therein to ‘Category B Asset’ or ‘Category C Asset’ being read and construed as ‘Category A Asset’ as the context may require or admit.
- (ii) References in the Clauses and Schedules mentioned in sub clause (i) above, to:
 - (a) **“Earnest Money Deposit” / “EMD”** shall be deemed to refer to and include **“Category A Earnest Money Deposit” / “Category A EMD”** as the context may require or admit.
 - (b) **“H2” / “H2 Bidder”** shall be deemed to refer to and include **“Category A H2” / “Category A H2 Bidder”** as the context may require or admit.
 - (c) **“Prospective Bidder”** shall be deemed to refer to and include **“Prospective Bidder(s) - Category A”** as the context may require or admit.
 - (d) **“Qualified Bidder(s)”** shall be deemed to refer to and include **“Category A Qualified Bidder(s)”** as the context may require or admit.
 - (e) **“Reserve Price”** shall be deemed to refer to and include **“Reserve Price – Category A”** as the context may require or admit.
 - (f) **“Sale Consideration”** shall be deemed to refer to and include **“Category A Sale Consideration”** as the context may require or admit.
 - (g) **“Successful Bidder”** shall be deemed to refer to and include **“Category A Successful Bidder”** as the context may require or admit.”

F. Pursuant to this Second Amendment to the E-Auction Process Document, the following definitions shall stand inserted in Schedule A (*Definitions*) and the E-Auction Process Document shall stand amended and revised accordingly with all related consequent changes:

““Category A Earnest Money Deposit” / “Category A EMD” shall have the meaning ascribed to such term under Clause 6.4.1. of this E-Auction Process Document.

“Category A Qualified Bidder(s)” shall have the meaning ascribed to such term under Clause 6.5.1. of this E-Auction Process Document.

“Category A Successful Bidder” shall have the meaning ascribed to such term under Clause 6.7.1.

of this E-Auction Process Document.

“**Category A Sale Consideration**” shall have the meaning ascribed to such term under Clause 6.7.1. of this E-Auction Process Document.

“**Category A H2**”/ “**Category A H2 Bidder**” shall have the meaning ascribed to such term under Clause 6.8.3. of this E-Auction Process Document.

“**Prospective Bidder(s) - Category A**” shall have the meaning ascribed thereto under Clause 6.3.1.

“**Reserve Price – Category A**” shall have the meaning ascribed thereto under Clause 3.4.

- G. Pursuant to this Second Amendment to the E-Auction Process Document, Clause 8 (*Schedule of E-Auction Process for Category B Asset and/or Category C Assets.*) shall stand replaced with the following and the E-Auction Process Document shall stand amended and revised accordingly with all related consequent changes:

“Subject to the provisions of Clause 2.5 of the E-Auction Process Document:

The following schedule shall apply to the E-Auction Process for Category B Asset and/ or Category C Assets and shall be read in context of the terms and conditions set out hereunder. The schedule or a part thereof may be extended/ advanced/ modified/ altered/ waived by the Liquidator through issuance of communication/ amendment or addendum to the E-Auction Process Document.

#	Date	Event Description
1.	10 December 2021	<u>Stage 1</u> Publication of Advertisement and issuance of E-Auction Process Document.
2.	24 December 2021	<u>Stage 2</u> Last date for submission of Expression of Interest.
9.	20 January 2022	<u>Stage 3</u> Due Diligence by Prospective Bidders.
10.	On hold, to be notified shortly depending on outcome of auction for Category A Assets	<u>Stage 4</u> Last Date for submission of non-Interest-bearing refundable/ adjustable Earnest Money Deposit.
11.	On hold, to be notified shortly depending on outcome of auction for Category A Assets	<u>Stage 5</u> Declaration of Qualified Bidder.
12.	On hold, to be notified shortly depending on	<u>Stage 6</u> Date of E-Auction.

#	Date	Event Description
	outcome of auction for Category A Assets	
13.	On hold, to be notified shortly depending on outcome of auction for Category A Assets	Stage 7 Date for Declaration of Successful Bidder(s).
14.	On hold, to be notified shortly depending on outcome of auction for Category A Assets	Stage 8 Last Date for Payment of balance Sale Consideration by Successful Bidders. Please note that in accordance with Applicable Laws, payments of balance Sale Consideration made after thirty (30) days shall attract interest at the rate of twelve per cent (12%). Provided that the sale shall be cancelled if the payment is not received within ninety (90) days.

- H. Pursuant to this Second Amendment to the E-Auction Process Document, the following particulars of EMD for Category A Asset and the Incremental Bid Amount shall stand inserted in the 5th Column (*Ernest Money Deposit (INR)*) and 6th Column (*Incremental Bid Amount*) respectively of the 2nd Row pertaining to Category A Asset, of Schedule B – Assets and the E-Auction Process Document shall stand amended and revised accordingly with all related consequent changes:

“EMD for Category A Asset – Rs. 16,50,00,000 (Rupees Sixteen Crore Fifty Lacs only)”

“Incremental Bid Amount for Category A Asset – Rs. 10,00,000 (Rupees Ten Lacs only)”

All the other terms and conditions of the E-Auction Process Document (as amended from time to time) shall continue to apply; and in each instance in which provisions of this Second Amendment contradict or are inconsistent with the provisions of the E-Auction Process Document, the Advertisement and/ or the First Amendment dated December 17, 2021, the provisions of this Second Amendment shall prevail over such inconsistent provisions of the E-Auction Process Document, the Advertisement, and/ or the First Amendment dated December 17, 2021, to the extent of such inconsistency. The provisions of the E-Auction Process Document, the Advertisement and the First Amendment dated December 17, 2021, that are in contradiction or are inconsistent with this Second Amendment shall be deemed to be amended in accordance with this Second Amendment without any further action being necessary. The E-Auction Process Document and its amendments including this Second Amendment to the E-Auction Process Document, collectively constitute the complete E-Auction Process Document for sale of assets in the liquidation process of EMCO Limited. Capitalized terms used but not defined in this Second Amendment shall have the meaning ascribed to such terms in the E-Auction Process Document and the I&B Code.

Dated: 13 January 2022

Issued by Mr. Sundaresh Bhat

Liquidator of EMCO Limited

A company under liquidation process vide NCLT Mumbai

bench order dated August 09, 2021 (order copy

made available on September 23, 2021)

IBBI Registration no. IBBI/IPA-001/IP-P00077/2017-18/10162

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