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FIRST ADDENDUM TO SALE PROCESS DOCUMENT DATED 19 AUGUST 2020

In regard to the captioned subject, the liquidator of ABG Shipyard Limited, Mr. Sundaresh Bhat (**‘Liquidator’**) hereby makes the following amendment to the document for sale process commenced vide advertisement dated 05 August 2020, for the sale of the assets of ABG Shipyard Limited (**‘ABG’**) dated 19 August 2020 (**‘Sale Process Document’**):

- A. In lieu of the same, vide this first addendum to the Sale Process Document (**‘First Addendum’**), Clause 4 (*Schedule of Sale Process*) stands revised and Clause 4 (*Schedule of Sale Process*) with all related consequent changes stands amended and replaced as set out below:

“The following schedule shall apply to the Sale Process and shall be read in context of the terms and conditions set out hereunder. The schedule may be extended /advanced / modified / altered by the Liquidator through issuance of an amendment or addendum to the Sale Process Document.

Stage	Event Description	Date
1.	Release of First Advertisement inviting EoI	05 August 2020
2.	First Amendment to First Advertisement	18 August 2020
3.	Last Date to undertake Site Visit and conduct Due Diligence	30 August 2020
4.	Last Date for submission of Letter of Intent towards asset(s) in the following category only***: (i) Category A (ii) Category D (iii) Category B (3) + Category B 1(a) (iv) Category B (3) (v) Category B (4) + Category B 2 (a) (vi) Category B (4) (vii) Surat Shipyard as a whole Category B (1) and B (3) and (viii) Dahej Shipyard as a whole Category B (2) and B (4) (ix) Category C or any asset within Category C (cumulatively referred to as ‘Group I Assets’)	01 September 2020
5.	Last date for Liquidator and Bidders of Group I Assets signing Joint Sale Asset Memorandum (as governed by Clause 9.2)	09 September 2020
6.	Submission of Earnest Money Deposit (‘EMD’) by Bidder of Group I Assets	11 September 2020
7.	Basis EMDs received, declaration of Qualified Bidder(s) of Group I Assets by Liquidator	12 September 2020

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Stage	Event Description	Date
8.	Qualified Bidder(s) training of E-Auction Platform	13 September 2020
9.	Date of E-Auction for all or any of the Group I Asset(s) by Liquidator	14 September 2020 (tentative)
10.	Collation of outcome of E-Auction for Group I Asset(s) and final sale decision announcement by Liquidator	To be declared
11.	Issuance of email confirmation to Successful Bidder in relation to Group I Asset(s) by Liquidator	To be declared
12.	Return of EMD to un-successful Qualified Bidders for Group I Asset(s) as per terms and conditions of Sale Process Document	To be declared
13.	Payment of balance Sale Consideration by Successful Bidder for Group I Asset(s)	To be declared **
14.	Intimation of Sale Process to EoI Applicants interested in Sale Assets outside of Group I Assets ***	To be declared

* Note: The dates mentioned above may undergo a change as notified by the Liquidator and the dates/ timelines mentioned throughout the Sale Process Document shall be construed accordingly.

**Note: Any deviation from the foregoing will be permitted only upon receipt of orders from Adjudicating Authority permitting such deviation or as per applicable laws.

***Note: It is important to note that all those EoI Applicants who are considering submission of LoIs for all those Sale Assets not specifically contained under Group I Assets as defined above (“**EoI Applicants for Smaller Lots**”), shall not be entitled or required to make submission as per Stage 4 and shall be entitled to make such submission only after the Liquidator publishes such process/ issues further directions/ makes any announcement with regard to the sale of assets in any other categories than those comprised in Group I Assets, and hence, EoI Applicants for Smaller Lots are not supposed to submit LoIs as per Stage 4 contained in the schedule above.

4.1. Notwithstanding anything to the contrary contained herein, the Liquidator expressly reserves the right to abandon/ cancel/ terminate the Sale Process or a part thereof contemplated hereunder (at any stage without any liability), including in the event no valid LoIs are received for assets categories which are given preference more specifically set out under Clause 11.3 of the Sale Process Document. Further, the Liquidator reserves the right to reprice and resize or change the lots in the current Sale Process or in any other sale process that may be contemplated, in accordance with applicable laws and without incurring any liability in this regard.”

B. Vide this First Addendum, Clause 9.2 stands added to state as set out below:

“9.2. **Joint Sale Asset Memorandum:** Upon completion of Stage 4 (*Submission of LoI*) of this Sale Process Document, the Liquidator shall collate the LoIs received to confirm validity and veracity as well as assess the intent received for preferred asset lots as contemplated

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under Clause 11.3. Basis assessment thereof, the Liquidator shall arrange a joint meeting with the Bidders, at the various sites containing the asset lots in which the Bidder have shown interest in, in order to conduct a joint verification of the Sale Assets, between Liquidator and Bidder and jointly sign a memorandum containing the agreement in terms of the exact assets contained within asset lot proposed to be bid for by such Bidder (“**Joint Sale Asset Memorandum**”), with a view to capture the mutual agreement in terms of the specific inclusions and exclusions of assets contained in the relevant asset lot. Only upon execution of the said signed memorandum between the Liquidator and Bidder, will the Bidder be deemed eligible to participate ahead in the process. It is clarified in this regard that the stage contemplated hereunder shall be Stage 5 (*Signing of Joint Sale Asset Memorandum*). Only Bidders who have submitted valid LoIs will be permitted to participate in the Sale Process after Stage 4 (*Submission of LoI*)”

- C. Vide this First Addendum, Clause 11.3.1 stands added to the Sale Process Document to state as set out below:

“11.3.1 Notwithstanding anything contained in clause 11.3, the Liquidator reserves his right to give preference to Bidders submitting bids which maximise the overall value to stakeholders in the said categories. The same is illustrated as below:

Illustration: The highest bid (“**Bid X**”) received to purchase the sale assets for Surat shipyard (B1 and B3) is Rs. 600; and

The highest bid (“**Bid Y**”) received to purchase the sale assets for Dahej shipyard (B 2 and B 4) is Rs. 200; and

The highest bid (“**Bid Z**”) received to purchase the sale assets for Category D (comprising Surat shipyard and Dahej shipyard i.e. B1+ B2 + B3 + B4) is Rs. 600.

In such a situation the Liquidator reserves his right to give preference Bid X and Bid Y over Bid Z in order to maximise the overall value to the stakeholders. Further, the Liquidator reserves his right to conduct inter-se bidding between the Bidders who have submitted Bid X and Bid Y on one part and Bid Z on the other part. However, Bidder submitting Bid Z shall have the right to match the Bid X and Bid Y and purchase the assets in Category D.”

- D. Vide this First Addendum, Clause 11.6.1. of the Sale Process Document stands revised and Clause 11.6.1. with all related consequent changes stands amended and replaced as set out below:

“11.6.1. Successful Bidder is required to submit an unconditional irrevocable without recourse Bank Guarantee / Letter of Credit to the Liquidator for the balance Sale Consideration within 4 days from being declared as the Successful Bidder. The format for such bank guarantee is contained under ‘**Format-VI**’ hereunder.”

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- E. Vide this First Addendum, Clause 11.6.8 stands added to the Sale Process Document to state as set out below:

“Assets shall be delivered to a Successful Bidder only after Liquidator is in receipt of full consideration towards such asset. A Successful Bidder will be provided a maximum of 6 months from date of confirmation from Liquidator to Successful Bidder of receipt of complete sale consideration, with a discretionary (sole discretion of Liquidator) maximum extension of 3 months to remove its assets. A charge of Rs. 15 lacs per month will levied on Successful Bidder if such asset is not lifted within the said timeframe. It is to be further noted that the Liquidator reserves right revise/amend any timeframe contained herein without incurring any liability.”

- F. Vide this First Addendum, Clause 14.5 stands added to the Sale Process Document to state as set out below:

“It is the sole responsibility of EoI Applicant/ Bidder/ Qualified Bidder/ Successful Bidder, as the case may be, to undertake the requisite diligence to determine all the implications of costs, expenses and tax in terms of the Sale Process and no reliance can be placed on contents hereunder or any oral discussions, in this regard.”

- G. Vide this First Addendum, the reference made to Format -A in clause 5.2 (i) [Confidentiality Undertaking] of the Sale Process Document shall mean and be read as Format - I.

- H. Vide this First Addendum, the reference made to Format -B in clause 5.2 (ii) [Affidavit under Section 29A of the I&B Code] of the Sale Process Document shall mean and be read as Format - II.

- I. Vide this First Addendum, the reference made to Format -D in clause 11.4.2 of the Sale Process Document shall and be read mean Format - V.

- J. Vide this First Addendum, the reference made to Format -C in Schedule A (xii) of the Sale Process Document shall and be read mean Format - III. According the definition of letter of Intent stands modified as:

“(xii) **Letter of Intent**’ means document EoI Applicants who wish to participate in the Sale Process are required to submit to as per the format contained under “**Format-III**” hereunder on or before the Last Date for Submission of Letter of Intent as stipulated under the Advertisement.”

- K. Vide this First Addendum, the notes provided under the signature clause at Format-III, stands amended as follows:

“The authorised signatory shall be duly authorised by Board resolution and/or duly executed power of attorney and the expression of interest shall be accompanied with the said resolution/power of attorney authorising the signatory to execute and submit the expression of interest. In case of Consortium Applicant, the LoI shall be signed by each member.”



All the other terms and conditions of the Sale Process Document (as amended from time to time) shall continue to apply and in each instance in which provisions of hereunder contradict or are inconsistent with the provisions of the Sale Process Document, the provisions of this First Addendum shall prevail over such inconsistent provisions of the Sale Process Document and Advertisements dated 05 and 19 August 2020 and to the extent of such inconsistency, and the provisions of the Sale Process Document and Advertisements dated 05 and 19 August 2020 that are in contradiction or are inconsistent with this First Addendum shall be deemed to be amended in accordance with this First Addendum without any further action being necessary. The Sale Process Document and its addendums/amendments thereto, collectively constitute the complete Sale Process Document for liquidation process of ABG Shipyard Limited. Capitalised terms used but not defined in this First Addendum shall have the meaning ascribed to such terms in the Sale Process Document and the Insolvency and Bankruptcy Code, 2016.

Dated: 29 August 2020

**Issued by Mr. Sundaresh Bhat
Liquidator of ABG Shipyard Limited**

A company under liquidation process vide NCLT Ahmedabad bench order dated April 25, 2019

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

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Website: www.abgindia.com

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FORMAT-VI

Format for Bank Guarantee

(To be on non-judicial stamp paper of appropriate stamp duty value relevant to place of execution)

In consideration of the [Insert name of the Successful Bidder with address] (“**Successful Bidder**”) agreeing to undertake the obligations under the document for sale process commenced vide advertisement dated August 5, 2020, (“**Sale Process Document**”) dated August 19, 2020, for sale of the assets of ABG SHIPYARD LIMITED (“**Company/ABG**”) along with the subsequent amendments thereto issued by the liquidator of the Company (“**Liquidator**”) and the letter dated [●] issued by the Liquidator to the Successful Bidder for payment of the balance sale consideration for purchase of [Insert description of the asset of ABG purchased by Successful Bidder], [Insert name and address of the bank issuing the guarantee and address of the head office] (“**Guarantor Bank**” or “**Bank**”) hereby agrees unequivocally, irrevocably and unconditionally to pay to the Liquidator forthwith on demand in writing from him or any officer authorized by him in this behalf, any amount up to and not exceeding Rs. [insert the balance sale consideration amount (as applicable)] on behalf of M/s. [Insert name of the Successful Bidder] (“**Bank Guarantee**” or “**Guarantee**”).

This Bank Guarantee shall be valid and binding on the Guarantor Bank up to and including [Insert date of validity of the Bank Guarantee] and shall in no event be terminable by notice or any change in the constitution of the Bank or by any other reasons whatsoever and our liability hereunder shall not be impaired or discharged by any extension of time or variations or alternations made, given, or agreed with or without our knowledge or consent, by or between the Successful Bidder, the Liquidator or ABG.

Our liability under this Guarantee is restricted to the Liquidator/ ABG. Our Guarantee shall remain in force until [Insert the date of validity of the Bank Guarantee as per clause 11.6.3 of the Sale Process Document]. Liquidator or any officer authorized by him in this behalf shall be entitled to invoke this Guarantee up to 6 months from the last date of the validity of this Bank Guarantee by issuance of a written demand to invoke this Guarantee.

The Guarantor Bank hereby expressly agrees that it shall not require any proof in addition to the written demand from the Liquidator or any officer authorized by him in this behalf, made in any format, raised at the above mentioned address of the Guarantor Bank, in order to make the said payment to the Liquidator/ABG.

The Guarantor Bank shall make payment hereunder on first demand without restriction or conditions and notwithstanding any objection by, [Insert name of the Successful Bidder] and / or any other person. The Guarantor Bank shall not require the Liquidator to justify the invocation of this Bank Guarantee, nor shall the Guarantor Bank have any recourse against the Liquidator or any officer authorized by him in this behalf or ABG in respect of any payment made hereunder.

This BANK GUARANTEE shall be interpreted in accordance with the laws of India and the courts at Mumabi shall have exclusive jurisdiction. The Guarantor Bank represents that this BANK

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GUARANTEE has been established in such form and with such content that it is fully enforceable in accordance with its terms as against the Guarantor Bank in the manner provided herein.

This BANK GUARANTEE shall not be affected in any manner by reason of merger, amalgamation, restructuring, liquidation, winding up, dissolution or any other change in the constitution of the Guarantor Bank.

This BANK GUARANTEE shall be a primary obligation of the Guarantor Bank and accordingly Liquidator or any officer authorized by him in this behalf or ABG shall not be obliged before enforcing this BANK GUARANTEE to take any action in any court or arbitral proceedings against the Successful Bidder, to make any claim against or any demand on the Successful Bidder or to give any notice to the Successful Bidder or to exercise, levy or enforce any distress, diligence or other process against the Successful Bidder.

The Guarantor Bank hereby agrees and acknowledges that the Liquidator or any officer authorized by him in this behalf or ABG shall have a right to invoke this Bank Guarantee either in part or in full, as it may deem fit.

Notwithstanding anything contained hereinabove, our liability under this Guarantee is restricted to [●] and it shall remain in force until [Insert date as per Clause 11.6.3 (as applicable) of the Sale Process Document], with an additional claim period of 6 months thereafter. This BANK GUARANTEE shall be extended from time to time for such period, as may be required by the [Insert name of the Successful Bidder] based on direction by the Liquidator. We are liable to pay the guaranteed amount or any part thereof under this Bank Guarantee only if the Liquidator or any officer authorized by him in this behalf or ABG serves upon us a written claim or demand.

In witness whereof the Guarantor Bank, through its authorized officer, has set its hand and stamp on this _____ day of _____ at _____.

Witness:

1. *[Insert name and address]*

Signature

Name:

2. *[Insert name and address]*

Designation with Bank Stamp

Attorney as per power of attorney No

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For:

[Insert Name of the Bank]

Banker's Stamp and Full Address:

Dated this _____ day of _____ 2020

Note:

- The Stamp paper should be in the name of the Guarantor Bank.