

**EOI cum RFQ for Sale of Unit of
Chhata Sugar Company Limited
("CSCL")**

(A Subsidiary of Uttar Pradesh State Sugar Corporation Ltd)

Uttar Pradesh State Sugar Corporation Ltd
Vipin Khand, Gomti Nagar,
Lucknow – 226010

Date of Issue: 21st June, 2010

**Date of Submission: 15th July, 2010
Upto 14.00 hours**



Transaction Advisors

Disclaimer and Important Notice

All information contained in this Expression of Interest cum Request for Qualification (“**EOI cum RFQ**”) or subsequently provided in writing to persons to whom this EOI cum RFQ has been issued, or those persons who have procured this information and EOI cum RFQ otherwise, (the “**Applicant(s)**”), by or on behalf of CSCL or any of its employees or advisors (the “**Information**”), is provided to Applicant(s) on the terms and conditions set out in this EOI cum RFQ and also any other supplementary terms and conditions subject to which such Information is or may be provided.

This EOI cum RFQ or any of its contents is not an agreement to sell any securities or any of the businesses or assets which are held by CSCL, to enter into an agreement or arrangement of any kind with any party, including without limitation, the Applicants.

This EOI cum RFQ does not, and does not purport to contain all the information and data each Applicant and / or their advisors and / or their representatives may desire or require in reaching decisions as to their involvement to purchase unit(s) of CSCL. Each Applicant should conduct of its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this EOI cum RFQ and obtain independent advice from appropriate sources. Applicants should form their own views as to what Information provided herein or separately is relevant to any decisions that they make and should make their own independent investigations in relation to any additional information that they may require.

This EOI cum RFQ may not be appropriate for all persons and it is not possible for CSCL its employees or advisors to consider the investment objectives, financial situation and particular needs of each person who reads or uses this EOI cum RFQ.

The Information contained in this EOI cum RFQ or any other Information which may be provided to Applicants is subject to change without notice. Further, it should not be assumed that there shall be no deviation or change in any Information provided. CSCL may, in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the Information including the qualification process in this EOI cum RFQ.

While this EOI cum RFQ has been prepared in good faith, neither CSCL, nor its employees or advisors and their employees make any representation or warranty, expressed or implied, or accept any responsibility or liability, whatsoever, in respect of any statements or omissions herein, or the accuracy, completeness or reliability of Information, and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of this EOI cum RFQ, even if any loss or damage is caused by any act or omission on the part of CSCL or its employees or advisors, whether negligent or otherwise.

This EOI cum RFQ has not been filed, registered or approved in any jurisdiction. Recipients of this EOI cum RFQ resident in jurisdictions outside India as well as those resident in India should inform themselves of, and observe any applicable legal requirements.

CSCL reserves the right to reject any or all applications without giving any reasons. CSCL and its representatives will not entertain any claim for any expenses whatsoever.

Definitions

In this Expression of Interest cum Request for Qualification document (EOI cum RFQ), unless the context otherwise requires, the following terms and expressions shall have the meanings assigned to them herein:

“Accounting year” refers to any 12 month period usually followed by the Applicant or any member of the Consortium for the purpose of reporting its/their accounts;

“Application” means combination of the EOI as per Annexure 1, Statement of Legal Capacity as per Annexure 2, and Request for Qualification as per Annexure 3 and the supporting documents as per Annexure 4 to 14 of this EOI cum RFQ;

“Applicant(s) / Bidder(s)” means a company (incorporated in India or overseas) or a Consortium which expresses its interest in purchasing the unit of CSCL via slump sale of assets;

“Application Due Date” shall mean the date appointed as the date for the submission of the Application(s) as laid down in Section 3.9 herein;

“Application Validity Period” means, **270 days** from the Application Due Date and any extension thereof as provided in Section 3.14 herein;

“CGD” means Core Group of Secretaries on Disinvestment setup by GoUP vide its order no. 41/77-3-08 L.C.-21/2007 dated 23 January 2008;

“Consortium” means an association of companies that have entered into or may enter into Memorandum of Understanding/ Joint Bidding Agreement to collectively participate in the selection process and to collectively undertake and execute the Transaction, if selected;

“EOI cum RFQ or EOI CUM RFQ” means this ‘Expression of Interest cum Request for Qualification document’, as may be amended and modified from time to time, together with all Annexures, addendums and amendments which may be made from time to time;

“Financial Year” refers to the 12 month period ending on March 31, i.e., from April 1 to March 31, unless specified otherwise;

“GoUP” means the Government of Uttar Pradesh;

“Group Company” or “Associate” means, in relation to the Applicant/Consortium member, a company who controls, is controlled by, or is under the common control with such Applicant/Consortium member. As used in this definition, the expression

“Control” means with respect to a person which is a company or corporation, the ownership, directly or indirectly of more than 50% (fifty per cent) of the voting shares of such person, and with respect to a person which is not a company or corporation, the power to direct the

management and policies of such person, whether by operation of law or by contract or otherwise;

“**CSCL**” means Chhata Sugar Company Limited having its Registered Office at Chhata, District Mathura, Uttar Pradesh;

“**Indian Rupees**”, “**Rupees**” or “**INR**” mean the lawful currency of the Republic of India;

“**Information**” means all information contained in this EOI cum RFQ related to this transaction or subsequently provided to the Applicant(s), in documentary form, by or on behalf of CSCL or their authorized representatives or any of their authorized employees or advisors;

“**PIM**” means Preliminary Information Memorandum as defined in Annexure 14;

“**Purchaser**” means the Applicant who will buy the Unit owned by CSCL;

“**Prequalified Applicant(s)**” means Applicants who are notified as being ‘pre-qualified’ at the EOI cum RFQ Stage on the basis, *inter alia*, of certain minimum prescribed criteria listed in this EOI cum RFQ;

“**Proposal Stage**” means the second stage of the selection process wherein Pre-qualified Applicants will participate on the basis of the RFP leading to the Transaction;

“**Qualification Stage**” means the first stage of the selection process to designate certain Applicants as ‘Pre-qualified Applicants’ who would then be eligible to participate in the Proposal Stage;

“**RBI**” means Reserve Bank of India;

“**RFP**” means the ‘Request for Proposal Document’, as may be amended and modified from time to time together with all Annexures, addendums and amendments. This shall be furnished to the Pre-qualified Applicants;

“**Slump Sale of Assets**” means sale of the Unit with all its assets and liabilities excluding the liabilities to be retained by CSCL as mentioned in section 2.3.1 herein;

“**Slump Sale Agreements**” or “**SSA**” means the agreement to sell Unit of CSCL via slump sale;

“**Sale Deed**” means the Transfer Deed relating to the Unit via slump sale;

“**Shortlisted Applicant(s)**” means the Applicant(s) qualified at the EOI cum RFQ stage based on the EOI cum RFQ Application;

“**Sale of Unit (s)**” means the sale of the Unit owned by CSCL;

“**Signing Date**” means the date on which the Slump Sale Agreement is executed between CSCL and Successful Bidder after Initial Payment as per provisions of RFP to be issued;

“Stake/Interest” means proposed shareholding percentages of the Consortium members in the Special Purpose Vehicle (“SPV”) to be formed for the purpose of this Transaction;

“Technical Proposal” means the Application submitted pursuant to this EOI cum RFQ;

“Transaction” means the transfer of Unit of CSCL to the Purchaser;

“Unit ” means the sugar mill of CSCL, which is under sale as provided in the Annexure 14;

“Union Government” means the Government of India;

“UPSSCL” means U.P. State Sugar Corporation Limited having its Registered Office at Vipin Khand, Gomti Nagar Lucknow-226010, Uttar Pradesh;

USD”, “US\$” or “\$” means the lawful currency of the United States of America.

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Section I – Transaction Process

1. The Sale Process

1.1 ABOUT THE SALE PROCESS

Chhata Sugar Company Limited (CSCL), a subsidiary of U.P. State Sugar Corporation Limited (UPSSCL) vide its advertisement dated 21st June, 2010 invited Expression of Interest cum Request for Qualification for sale of non operative Unit of CSCL on “as is where is” basis via slump sale of assets (“**The Transaction**”) through a competitive bidding route.

CSCL wishes to invite Expressions of Interest cum Request for Qualification (EOI cum RFQ) for sale of the Unit of CSCL on “as is where is” basis, details of which are mentioned in the Annexure 14 (PIM) via Slump Sale of Assets. (Without CSCL creating and/or conferring any rights or expectations whatsoever on those so invited and CSCL hereby disclaims all such rights and expectations, if any) subject to the conditions contained in this EOI cum RFQ, other relevant documents referred to herein, and the documents provided henceforth.

CSCL proposes to transfer all the assets and certain liabilities of the Unit under Slump Sale process on “as is where basis is” as per the Unit’s balance sheet to the successful Bidder who would be expected to purchase the Unit.

There are skeleton staff in the Unit details of which are given in PIM

1.2 THE ADVERTISEMENT AND THE EOI CUM RFQ

This EOI cum RFQ is released with the formats of EOI, Statement of Legal Capacity, and Request for Qualification (RFQ) along with other supporting documents pursuant to the Advertisement by CSCL.

The interested bidders are expected to submit their Applications, upto **14:00 hrs (IST) on the Application Due Date i.e. 15th July, 2010**. The Applications shall be submitted to and at the following address:

The Executive Director,
Chhata Sugar Company Limited
Camp office
Room No. 408, 17 Berry Road,
Dali Bagh,
Lucknow – 226 001
Phone: 0522- 2300014 - 18

The EOI cum RFQ contains:

1. Pre-qualification requirements, evaluation criteria and methodology
2. Required forms/ applications to be submitted by the Applicant
3. Preliminary Information Memorandum (PIM)

2. The Process

2.1 THE PROCESS

Post the submission of the EOI cum RFQ, CSCL will evaluate the Applications based on technical parameters described in this EOI cum RFQ and will prepare a list of short-listed Applicants. These shortlisted Applicants will be considered eligible to submit Request for Proposal (RFP).

2.2 TIME SCHEDULE

The indicative timetable for the Transaction is as follows:

ACTIVITY	ESTIMATED DATE/MONTH
Pre Bid Meeting	Date: 1st July, 2010 at Lucknow (Venue and time to be intimated later)
Last Date for submission of requests for clarification in respect of this RFQ	Date: 2nd July, 2010
Issue of Final EOI cum RFQ, Draft RFP and SSA	Date: 3rd July, 2010
Deadline of submitting the Applications including supporting documents etc	Date: 15th July, 2010 upto 14.00 hours at: The Executive Director Chhata Sugar Company Limited Camp office at Room No. 408, 17 Berry Road, Dali Bagh, Lucknow – 226 001
Opening of the Application(s)	Date: 15th July, 2010 from 15.00 hours at: The Executive Director Chhata Sugar Company Limited Camp office at Room No. 408, 17 Berry Road, Dali Bagh, Lucknow – 226 001
Intimation to the Shortlisted Applicants qualifying the Technical Criteria	Shortlisted Bidders will be informed via Email.
Management Meeting	16 th July, 2010
Initiation of Due Diligence	17 th July, 2010
Release of Draft RFP, CIM and SSA	17 th July, 2010
2nd Pre Bid Conference	3 rd August, 2010
Last Date for submission of requests for clarification in respect of RFP	4 th August, 2010
Issue of Final RFP and SSA and Declaration of Expected Price	7 th August, 2010

ACTIVITY	ESTIMATED DATE/MONTH
Due date for Financial Bid submission	30 th August 2010
Opening & Evaluation of Financial Bids (Envelope - 2)	30 th August 2010
Opening & Evaluation of Financial Bids (Envelope - 1)	31 st August 2010

2.3 LIABILITIES AND FACILITIES

2.3.1 CSCL will settle the following liabilities of the Unit of CSCL accrued till the Signing Date:

1. Unsecured and Secured Loans
2. Labour and Employee Dues: All the unpaid dues of labour and employees
3. Head Office Account: All remittances given to Unit by Head Office of UPRCGVNL (H.O.) and shown as H.O accounts in the books of the unit will be retained by CSCL.
4. Inter-unit Account: To be settled before transfer.
5. **Contingent Liabilities** in respect of difference of Cane Purchase price for the financial year 2007-08.

2.3.2 All other liabilities of the Unit of CSCL (quantified and non-quantified) will be transferred to and borne by the Purchaser and the Purchaser is expected to do proper due diligence of the same

3. Instructions to Applicants

3.1 APPLICANT COMPANY /CONSORTIUM

Each Applicant is entitled to submit one Application (EOI cum RFQ) individually by itself or through Consortium which intends to bid for the Unit. Any Applicant found having made more than one Application by itself or as a part of a Consortium shall be liable to be disqualified and will also lead to disqualification of the Consortium(s) of which it is a member.

3.2 LANGUAGE

The Application and all related correspondence and documents should be written in the English language. Supporting documents and printed literature furnished by the Applicant with the Application may be in any other language provided that they are accompanied by true translations thereof in English language. Supporting materials, which are not translated into English, may not be considered. For the purpose of interpretation and evaluation of the Application, the English language translation shall prevail.

3.3 CURRENCY

The currency for the purpose of the Application shall be the Indian Rupee (INR).

3.4 ELIGIBLE APPLICANTS

3.4.1 The Applicant may be a company or a Consortium of companies for the purchase of the Unit owned by CSCL sold on “as is where is” basis via Slump Sale of the Assets. In computing the eligibility criteria of the Applicant/ Consortium Members, the Net Worth & Turnover of their respective Associates/Group Companies may also be taken into consideration provided that the Applicant/Consortium Member and their Associates or Group Companies shall agree and undertake to be jointly and severally responsible for purchase of the Unit and furnishing undertaking for fulfillment of any and all such obligations of the Applicant / Consortium Member as may be required for the Transaction.

3.4.2 The Applicant shall meet the following criteria:

- i. **Net worth of not less than INR 10 Crore** as per the last audited accounts for the Accounting year which should not have ended before 31st March 2009. For this purpose:
 - a. “**Net Worth**” shall be filled in as described as per *Annexure 10* and certified by a chartered accountant.

Net Worth shall be calculated according to following formula
 - b. Net Worth = (Paid up equity + Reserves) - (Revaluation Reserves+ Accumulated Losses + Miscellaneous Expenditure not Written Off)

- c. In case of a Consortium the net-worth shall be the weighted average of the net-worth of its members (based on their proposed equity stake i.e. contributions to the equity of Special Purpose Vehicle (SPV) to be formed for the Transaction) and each member shall submit information in the form of Annexure 10 as a proof of its net-worth.
- d. The Lead Member of the Consortium should satisfy the proportionate network criteria.
- e. **Average Turnover of not less than INR 25 Crore** as per the last 3 annual audited accounts where latest accounting year should not have ended before March 31, 2009 of the Applicant. For this purpose:
 - a. “**Turnover**” shall be the gross income of a company or Consortium Member. It should be filled in Annexure 10 and also be certified by a chartered accountant.
 - b. In case of a Consortium the Turnover shall be the weighted average of the Turnover of its members (based on their proposed stake; i.e. contributions to the equity capital of Special Purpose Vehicle (SPV) to be formed for the Transaction and each member shall submit a proof of its Turnover.

3.4.3 Financial and Legal Capability

The Financial and legal capability of Applicant/Bidder shall be evaluated based on the detailed information provided by the Applicant / Bidder in the EOI cum RFQ as per Annexure 1, 2 & 3.

The Applicants are required to certify that all statements made by them and information provided by them is complete, true and accurate to the best of their knowledge and belief. If at a subsequent date it is discovered that the Applicant or any Consortium member did not either possess the requisite authorization or that any part of the information provided in the EOI cum RFQ was not accurate or complete in any material respect, the CSCL reserves the right to disqualify any such Applicant from the process of Transaction.

3.4.4 Foreign Direct Investment (FDI) Norms

The Applicant and/or each member of a Consortium will have to comply with the FDI norms, as applicable for the sugar sector, and will be required to provide satisfactory credentials as may be required by CSCL, within 10 days of issue of invitation to submit RFP. Non-submission or non-satisfactory submission of credentials may lead to disqualification.

3.4.5 Integrity of the Bidder

The undertaking provided by the Applicant for qualification in terms of integrity of bidders should be in accordance with Annexure -4.

3.4.6. Security Consideration

The Applicants and/or each member of a Consortium which have been chargesheeted or convicted on matters relating to national security or integrity under the provisions of Indian Penal Code, or Officials Secrets Act, or other relevant legislations shall be disqualified from the bidding process. The Applicant shall be required to submit an undertaking as per Annexure -4

3.4.7 Additional Criteria for Consortium Members

1. In addition to the above mentioned criteria, in case of a Consortium;
 - Members of the Consortium should be a Company.
 - The Consortium would need to specify a Lead Member for the Transaction.
 - The Lead Member would be required to commit to hold a minimum 51% Interest / Stake in the Consortium till the end of one calendar year from the date of Sale Deed.
 - The minimum Interest of a member in a Consortium should not be less than 10%
 - The total number of members in a Consortium shall not exceed four (04) members.
 - No change in Consortium composition is permitted after submission of the EOI cum RFQ.
 - All Applicants are expected to conform to all the regulatory approvals for their respective sectors in India / Uttar Pradesh.
 - In case the finally selected Applicant (Purchaser/Successful Bidder) is a Consortium, the following conditions shall apply:
 - i. Lock in period for change in Consortium of one year from the date of signing of Sale Deed.
 - ii. The Lead member of the Consortium shall be required to maintain at least 51% of the interest/stake in the Consortium for initial one year from the date of Sale Deed. However inter-se change in shareholding among member is allowed subject to Lead member maintaining minimum 51% interest/stake.
 - iii. Any change in composition of the Consortium, including addition of new members, after 1 years is permissible,
2. Each Applicant should have ascertained the applicability as well as complied with the laws of its home country as well as Indian laws and regulations including but not limited to Foreign Direct Investment Guidelines. Any application not found complying with these guidelines shall be rejected at any stage of the transaction.

3.4.8. Share Holding in SPV

Each Consortium Member shall hold the same percentage shareholding in the proposed SPV as it holds in Consortium.

3.5 DOCUMENTS TO BE SUBMITTED BY APPLICANTS - (COMPANY)

The APPLICATION shall comprise:

1. Application for EOI as per the format enclosed as Annexure -1
2. Statement of Legal Capacity as per Annexure -2
3. RFQ as per Annexure -3
4. Undertaking (Security & Integrity) as per Annexure 4;
5. Board Resolution giving authority to the Applicant Company to express interest and to submit EOI cum RFQ and RFP w.r.t. the sale of the Unit of CSCL. The format for the Board Resolution is provided at Annexure -5.
6. A power of attorney as per the format enclosed at Annexure -6.
7. Eligibility criteria as per Annexure 10.
8. An undertaking (in the format provided in Annexure 13) from Group Company/ Associate, if included in the eligibility criteria of Applicant as per Clause 3.4.1
9. A non-refundable Demand draft for INR 50,000/- (Rupees Fifty Thousand) Only drawn in favour of 'Chhata Sugar Company Limited' payable at Mathura or the receipt from CSCL confirming the payment of Rs. Fifty Thousand only to CSCL towards bid document cost.
10. A certified true copy of the Memorandum and Articles of Association of the Applicant Company or each member of the Consortium.
11. Audited Financial Statements of last 03 years (latest year not earlier than March, 2009).

3.6 DOCUMENTS TO BE SUBMITTED BY APPLICANTS – CONSORTIUM

The APPLICATION shall comprise:

1. Application for EOI as per the format enclosed as Annexure -1
2. Statement of Legal Capacity with respect to all members of the Consortium as per Annexure -2
3. RFQ as per Annexure -3
4. Undertaking (Security & Integrity) as per Annexure 4;
5. Power of Attorney, as per Annexure -7, by the members of the Consortium to nominate one member as the '**Lead Member**'.

6. Board Resolution and Power of Attorney by each member of consortium as per the format enclosed at Annexure 5 and 6.
7. Memorandum of Understanding (MoU) from the members of the Consortium as per Annexure -8. In the absence of MOU, the Lead member shall submit separately an undertaking, as per Annexure-12
8. Board Resolutions of each member of Consortium, giving authority to enter into MoU with other members for expressing interest in the sale of Unit of CSCL as per format provided in Annexure -9.
9. Eligibility criteria as per Annexure 10.
10. An undertaking (in the format provided in Annexure 13) from Group Company/ Associate, if included in the eligibility criteria of any member of Consortium as per Clause 3.4.
- 11. A non-refundable Demand draft for INR 50,000/- (Rupees Fifty Thousand) Only drawn in favour of 'Chhata Sugar Company Limited' payable at Mathura or the receipt from CSCL confirming the payment of Rs. Fifty Thousand by CSCL towards bid document cost.**
12. A certified true copy of the Memorandum and Articles of Association of all members of the Consortium
13. Audited Accounts/Financial Statements of last 3 years (latest year not ending before March, 2009 with respect to each of the members of the Consortium).

3.7 FORMAT AND SIGNING OF APPLICATION

The cover envelope containing the EOI cum RFQ and the Annexures shall be clearly identified and addressed to:

The Executive Director
Chhata Sugar Company Limited
Camp office at Room No. 408,
17 Berry Road, Dali Bagh,
Lucknow – 226 001

The Applicant should provide all the information as per this EOI cum RFQ. CSCL would evaluate only those Applications that are received in the required format and complete in all respects along with all the attachments.

The Application shall be typed / computer printed or written in indelible ink and each page shall be signed by the Applicant. All the alterations, omissions, additions, or amendments made to the Application shall be initialed by the person (s) signing the Application.

Further, all copies of every Application must be submitted in a hard-bound form or a spiral-bound form, with all pages numbered serially, along with an index of submissions. Applicants are required to submit all details only on prescribed format. In the event, any of the

instructions mentioned herein have not been adhered to the Application is liable to be rejected.

3.8 SEALING AND MARKING OF APPLICATIONS

The Application should be submitted in a sealed envelope marked “**PRIVATE AND CONFIDENTIAL – EXPRESSION OF INTEREST CUM REQUEST FOR QUALIFICATION FOR SALE OF UNIT OWNED BY CSCL**”

The envelope shall be clearly marked “**EOI CUM RFQ**”.

The Cover should contain the name of authorized representative along with his Mobile, email, Phone and fax number.

3.9 APPLICATION DUE DATE

The Application should be submitted on **15th July, 2010 upto 14.00 hours**. Applications submitted by either **e-mail, facsimile transmission or telex would not be acceptable**. Applications submitted after the time stated above will be rejected. CSCL will not be responsible for any delay, loss or non-receipt of EOI cum RFQ along with other documents sent by post / courier. Further, CSCL shall not be responsible for any delay in receiving the Application and reserves the right to reject any or all Applications without assigning any reason thereof. CSCL may, at its sole discretion, extend the **Application Due Date** by issuing an Addendum/email.

3.10 MODIFICATIONS / SUBSTITUTION OF APPLICATIONS

No Application shall be modified or substituted or withdrawn by the Applicant after its submission to the CSCL.

3.11 APPLICATION PREPARATION COST

The Applicant shall be responsible for all of the costs associated with the preparation of its Application as described in this EOI cum RFQ, including, without limitation, any and all costs, direct or indirect incurred in verifying, gathering and collating material, information and data, whether included in the Information or not, or on securing the services of advisors and / or consultant, etc. CSCL will not be responsible or in any way liable for such costs.

3.12 APPLICANT WARRANTY AND CSCL PRESUMPTION

It would be deemed that by submitting the Application, the Applicant warrants that it has:

1. Made a complete and careful examination of the EOI cum RFQ document; and
2. Independently verified all Information mentioned in the documents including mentioned in the PIM as part of this EOI cum RFQ document.

It shall be further deemed that by submitting the Application to CSCL, CSCL is entitled to presume the existence of and rely on the aforesaid Applicant warranty.

CSCL shall not be liable for any wrongful presumption, mistake or error on the part of the Applicant in respect of the above or in respect of the selection process or the Transaction generally.

3.13 AMENDMENTS TO EOI CUM RFQ

At any time prior to the deadline for submission of Application, CSCL may, for any reason, whether at its own initiative or in response to clarifications requested by an Applicant, modify the EOI cum RFQ document by the issuance of addenda (the “Addenda or Addendum”, as the case may be) and also on website www.ifcilttd.com and/or www.upcane.org and/or www.upsugarcorp.com and/or published in the print media.

3.14 VALIDITY/ EXTENSION OF VALIDITY OF APPLICATION

EOI cum RFQ Applications shall be valid for a period of 270 days from the **Application Due Date** (the “**Application Validity Period**”). CSCL reserves the right to reject any Application, which does not meet this requirement. In exceptional circumstances, 15 days prior to expiry of the original Application Validity Period, CSCL may request Applicants to extend the Application Validity Period for a specified additional period. If for whatsoever reason, any Applicant does not convey consent, to the extension of the Application Validity Period; its Application will not be considered by CSCL. Such consent shall be required to be communicated in writing before the expiry of the original Application Validity Period.

3.15 CLARIFICATIONS

Requests for clarifications relating to this EOI cum RFQ document may be submitted to the following at least 7 days before the Application Due Date and with a mandatory copy to the Advisor as mentioned at no. 2 below. However, CSCL retains the right not to answer any or all of the requests for clarifications:

1. The Executive Director
Chhata Sugar Company Limited
Vipin Khand, Gomti Nagar,
Lucknow – 226 010
Phone: 0522 – 2300014-18
Fax: 0522 – 2301131
Email: upsugcor2007@rediffmail.com
2. Mr. D. K. Jain,
General Manager,
IFCI Ltd.
5, Park Road, Regency Plaza,
LUCKNOW
Phone: 0522- 2239066 / 2239610
Tel Fax: 0522-2239057
E Mail: dk.jain@ifcilttd.com; chirag.sapra@ifcilttd.com

4. Evaluation of Applications

4.1 OPENING OF APPLICATIONS

1. A committee duly constituted by GoUP would open the Applications at 15.00 hours on the 15th July, 2010 for the purpose of evaluation of EOI cum RFQ. Applicant(s) may depute their representatives to the address mentioned in Section 2.2 for witnessing the opening of the EOI cum RFQ.
2. The opening of envelopes will continue, if necessary in more than one session sometimes spreading over more than one day,
3. CSCL with the help of Advisors would subsequently examine and evaluate Applications in accordance with the criteria set out in the EOI cum RFQ. The Applicants qualifying the RFQ stage would be informed by E-Mail on the E-mail address submitted by the Applicants.

4.2 TECHNICAL EVALUATION

CSCL with the help of Advisors shall assess the **EOI cum RFQ** submitted by the Applicants on the following parameters as mentioned in the Eligibility Criteria (Clause 3.4):

1. Financial capability
2. Technical and legal capability
3. FDI restrictions (if any)
4. Integrity of the Bidder
5. Security Consideration

An Applicant may be disqualified if the information provided does not meet any one of the above criteria.

4.3 DISQUALIFICATION

Notwithstanding anything to the contrary contained in the EOI cum RFQ document and without prejudice to any of the rights or remedies of the CSCL, the CSCL shall be entitled to in its sole discretion to determine that an Applicant is to be disqualified at any stage of the process and its participation in the Sale process and/or its **EOI cum RFQ** and subsequent submissions be dropped from further consideration for any of the reasons including without limitations those listed below:

1. The Applicant or in case of a Consortium, any member of the Consortium has made, incorrect, misleading or false representations in the forms, statements and attachments submitted, whether intentionally or unintentionally; or
2. The **EOI cum RFQ** submitted by the Applicant is in any respect inconsistent with, or demonstrate any failure to comply with, the provisions of the EOI cum RFQ; or

3. Failure to comply with other material requirement of this Request for Qualification; or
4. CSCL is not satisfied with sources of funds/ownership structure of the Applicant; or
5. Failure to comply with the reasonable requests of CSCL in relation to the Sale Process; or
6. Breach of the confidentiality agreement (Non Disclosure Agreement) by the Applicant or the Consortium or any member of a Consortium; or
7. If it is discovered at any time that the Applicant or the Consortium or any member of a Consortium is subject matter of winding up or insolvency or other proceedings of similar nature; or
8. Any information regarding the Applicant which becomes known to CSCL / Advisor and which is detrimental to Sale process and/or the interests of CSCL ; or
9. Initiation or existence of any legal proceedings, by or against the Applicant in respect of CSCL , which proceeding may be prejudiced by the participation of the Applicant in the short listing of Applicants as per clause 2.1 e.g. inspection by the Applicants of the case files of the company of matters filed against that Applicant; or
- 10 Any restrictions or limitations have been put on the Applicant or any member of the Consortium pursuant to any regulatory or statutory guidelines to participate in the process; or
11. The Applicant and in case of Consortium, any member has been convicted for an offence under any legislation designed to protect the members of the public from financial loss due to dishonesty, incompetence or malpractice; or
12. The Applicant or any member of the Consortium has been disqualified from participating in the disinvestment process either by Government of India or any of the State Governments/ Union Territory Governments; Mere pendency of an appeal against the order of disqualification, if any passed by Government of India or any of the State Governments/ Union Territory Governments will have no effect on the disqualification of Applicant or any member of Consortium; or
13. If information becomes known after the Applicant has been qualified at any stage to proceed with the Sale process, which would have entitled CSCL to reject or disqualify the relevant Applicant/Consortium, CSCL reserves the right to reject or disqualify the relevant Applicant/Consortium at that time, or at any time, such information becomes known to the CSCL. Where such party is a Consortium, CSCL may disqualify the entire Consortium, even if it applies to only one member of the Consortium; or
14. CSCL's determination that one or more of the events specified above have occurred shall be final and conclusive.

4.4 RIGHT TO REJECT ANY OR ALL APPLICATIONS

1. Notwithstanding anything contained in this EOI cum RFQ, CSCL reserves the right to reject any Application and to annul the process of short listing of Applicants and reject all Applications /proposals, at any time without any liability or any obligation for such rejection or annulment, without assigning any reasons.
2. CSCL reserves the right to reject any Application, if at any time, the Applicant does not respond promptly and thoroughly to requests for supplemental information required for the evaluation of the Application.

4.5 CONFIDENTIALITY

- 4.5.1 The Applicants shall be required to sign a Confidentiality Agreement as per Annexure-11 before entry in the Data Room.
- 4.5.2 Information relating to the examination, clarification, evaluation, and recommendation in relation to the qualified Applicants shall not be disclosed to any person not officially concerned with the process. CSCL will treat all information submitted as part of Application in confidence and would require all those who have access to such material to treat the same in confidence. CSCL will not divulge any such information unless it is ordered to do so by any authority that has power under any provision of law to require its disclosure. CSCL however reserves the right to make public disclosure of the names of the Applicants and short listed Applicants.

4.6 GOVERNING LAW/ JURISDICTION

This Transaction shall be governed by the laws of India. All disputes arising out of the process shall be subject to the exclusive jurisdiction of the courts at Mathura, India.

Section II – Annexures

ANNEXURE 1: EOI FOR APPLICATION

(To be forwarded on the letter-head of the Applicant/Lead Members of the Consortium submitting the proposal)

Ref: _____

Date: _____

To.
The Executive Director
Chhata Sugar Company Limited
Camp office at Room No. 408,
17 Berry Road, Dali Bagh,
Lucknow – 226 001

Sub: **APPLICATION –INVITATION OF EXPRESSION OF INTEREST FOR PURCHASE OF UNIT(S) OF CSCL**

Sir,

We refer to the advertisement dated 21st June, 2010 inviting Expression of Interest on the above subject.

As specified in the advertisement, we have read and understood the contents of the EOI cum RFQ and are desirous of participating in the above sale process, and for this purpose:

We propose to submit our EOI in individual capacity as _____ (insert name of the company)

OR

We have formed/propose to form a consortium comprising of _____ members as follows:

1. _____ (insert name)
2. _____ (insert name)
3. _____ (insert name)
4. _____ (insert name)

We, the undersigned, hereby confirm the following:

- a. We understand that the Unit of CSCL is proposed to be divested by CSCL and we are interested in bidding for the same. We believe that we/our consortium/proposed consortium satisfy the eligibility criteria as laid down by CSCL in EOI cum RFQ for sale of unit(s) of CSCL.
- b. We certify that in regard to matters other than security and integrity of the country, we have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which would cast a doubt on our ability to manage units of CSCL

- when it is disinvested or which relates to a grave offence that outrages the moral sense of the community.
- c. We further certify that in regards to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our sister concerns.
 - d. We undertake that in case due to any change in facts or circumstances during the pendency of the sale process, we are attracted by the provisions of disqualification in terms of the subject guidelines; we would intimate the CSCL of the same immediately.
 - e. The Statement of Legal Capacity and Request for Qualification, duly signed by us/ respective members, who jointly satisfy the eligibility criteria are enclosed.
 - f. Our Application is valid till **270 days** from the **Application Due Date**.
 - g. The Lead Member of the Applicant is [-----].
(Applicable only in the case of a Consortium)
 - h. CSCL and its authorized representatives are hereby authorized to conduct any inquiries or investigations to verify the statements, documents, and information submitted in connection with this application, and to seek clarification from our bankers and clients regarding any financial and technical aspects. This letter of Application will also serve as authorization to any individual or authorized representative of any company referred to in the supporting information, to provide such information deemed necessary and requested by CSCL to verify statements and information provided in this application, or with regard to the resources, experience, and competence of the Applicant.
 - i. We have a track record of reputation for operating in a manner what is consistent with standards of good corporate governance, financial strength and integrity.

We shall be glad to receive further communication on the subject.

Yours faithfully,

Authorized Signatory

For and on behalf of

(Name of the Applicant or Lead Member in case of Consortium)

Enclosure: As mentioned in Section 3.5 or 3.6 (whichever is applicable)

ANNEXURE 2: STATEMENT OF LEGAL CAPACITY

(To be forwarded on the letter head of the Applicant/each member of the consortium)

Reference no: _____

Date: _____

To,
The Executive Director
Chhata Sugar Company Limited
Camp office at Room No. 408,
17 Berry Road, Dali Bagh,
Lucknow – 226 001

Sub: Statement for Legal Capacity

Sir,

This is with reference to the advertisement dated .21st June, 2010 inviting EOI cum RFQ for sale of unit(s) of Chhata Sugar Company Limited (CSCL) (“**The Transaction**”).

We have read and understood the content of this EOI cum RFQ and the advertisement.

(For Company)*

We _____(name of the Company) satisfy the eligibility criteria as detailed in the EOI cum RFQ.

(For Consortium)*

We _____(name of the Company)/ We are a member of consortium (constitution of which has been described in the Expression of Interest), which jointly satisfies the eligibility criteria as detailed in the EOI cum RFQ. We have agreed that [-----] (insert member’s name) will act as a the Lead Member of our Consortium.

We have agreed that [-----] (insert individual’s name) will act as the representative of our company/consortium* and on our behalf and has been duly authorized to submit the Application. Further, the authorized signatory is vested with requisite powers to furnish such letter and Request for Qualification and authenticate the same*.

Yours Faithfully,

Authorized Signatory,

For on behalf of (party/member)

* *Strike out whichever is not applicable*

ANNEXURE 3: REQUEST FOR QUALIFICATION

(To be submitted by Applicant / Lead member of the consortium)

Details of Applicant

1. Name
2. Constitution (Tick Where applicable)
 - i. Public Limited Company
 - ii. Private Limited Company
 - iii. Others, (please specify)

If the Applicant is a foreign company/OCB, specify list of statutory approvals from GoUP/ CSCL / RBI / FIPB applied for/obtained/awaiting:

3. Sector (Tick Where applicable)
 - iv. Public Sector
 - v. Joint Sector
 - vi. Others, (please specify)

4. Details of the Shareholding Pattern:

5. In case of a Consortium:

- (a) The information above (1-3) should be provided for all the members of the Consortium.
- (b) Information regarding role of each member of the Consortium should be provided as per table below:

S. No.	Name of Member	Expected % Interest	Role
1			Lead Member *
2			Member satisfying Technical Capability
3			Member satisfying Technical Capability
4			Member satisfying Technical Capability

**Specify whether Lead Member or Member*

6. Brief description of the Company including details of its main lines of business and proposed role and responsibilities in this Transaction.
7. Date and Place of incorporation
8. Date of incorporation and/or commencement of business

9. Address, Mobile Number, Phone Number, and Fax Number of the Corporate headquarters and Head Office(s) of the Company, if any, in India
 - a. Registered Office
 - b. Head Office
10. Address of correspondence:
11. E-Mail (Mandatory)
12. Financial Statements: Please provide the latest and last 1 year's audited financial statements with their salient features
13. Basis of eligibility for participation in the process (to be submitted by each member of the Consortium required to satisfy Financial Capability)
 - a. Net-worth Criteria (as per *Annexure 10*)
 - b. Turnover Criteria
14. Details of Contingent Liability (if any) that may have or would reasonably be expected to have a material adverse affect on the business and operations of the Applicant in any manner whatever;.
15. Details of individual (s) who will serve as the point of contact / communication within the Company:
 - (a) Name :
 - (b) Designation :
 - (c) Company :
 - (d) Address :
 - (e) Telephone Number :
 - (f) Mobile No.
 - (g) E-Mail Address :
 - (h) Fax Number :
16. Stock Exchanges where listed, if applicable
17. Regulator
18. Background of the Key Promoters (Individuals) of the Company/ Consortium

19. Name, Designation, Address and Phone Numbers of Authorized Signatory of the

- (a) Applicant:
- (b) Name :
- (c) Designation :
- (d) Address :
- (e) Phone No. :
- (f) Mobile No.
- (g) Fax No. :
- (h) E-mail :

20. Details of the Professional Advisor (if any):

- (a) Applicant:
- (b) Name :
- (c) Designation :
- (d) Address :
- (e) Phone No. :
- (f) Mobile No.
- (g) Fax No. :
- (h) E-mail :

Authorized Signatory

Place:

Date:

ANNEXURE 4: UNDERTAKING (SECURITY & INTEGRITY) ON COMPANY'S LETTER HEAD

1. We certify that in regard to matters other than security and integrity of the country, we have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which would cast a doubt on our ability to manage the public sector units when it is disinvested or which relates to a grave offence that outrages the moral sense of the community.
2. We further certify that in regards to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our sister concerns.
3. We undertake that in case due to any change in facts or circumstances during the pendency of the disinvestment process, we are attracted by the provisions of disqualification in terms of the subject guidelines; we would intimate the GoUP/ CSCL of the same immediately.
4. We also certify that we have not been disqualified from participating in the disinvestment process either by Government of India or any of the State Governments.

Yours Faithfully

(Authorised Signatory)

On behalf of the Company/ Each member of the Consortium

ANNEXURE 5: CERTIFIED COPY OF THE BOARD RESOLUTION – ON THE LETTER HEAD OF THE COMPANY

“**RESOLVED THAT** approval of the Board be and is hereby granted to submit the Expression of Interest cum Request for Qualification (EOI cum RFQ) and Request for Proposal (RFP), and all the supporting documents to purchase the Unit owned by CSCL as is where basis.

RESOLVED FURTHER THAT Mr. _____ (name), _____(designation) be and is hereby authorised to represent the Company before CSCL for all purposes with regard to this bidding process, sign all the bidding/transactional documents and submit them before the appropriate authority and do any other acts as required.

Signature of Board Members

Member 1

Name:

Signature:

Member 2

Name:

Signature:

ANNEXURE 6: FORMAT FOR POWER OF ATTORNEY DULY ATTESTED BY NOTARY PUBLIC FOR SIGNING THE EOI CUM RFQ AND RFP IN CASE OF A COMPANY

<On the Stamp Paper >

Power of Attorney

Know all men by these presents on this the ___day of _____, 2010, we (name and address of the registered office) do hereby constitute, appoint and authorize Mr./Ms..... (name and residential address) who is presently employed with us and holding the position of as our attorney, to do in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to our EOI cum RFQ and RFP for purchasing Unit(s) of CSCL (the **Transaction**), including signing and submission of all the documents and providing information / responses to CSCL , representing us in all matters before CSCL , and generally dealing with CSCL in all matters in connection with our bid for the said Transaction.

We hereby agree to ratify all acts, deeds and things lawfully done by our said attorney pursuant to this Power of Attorney and that all acts, deeds and things done by our aforesaid attorney shall and shall always be deemed to have been done by us.

Accepted

For _____
(Name of Company & its **Common Seal**)

..... (Signature)
(Name, Title and Address of the Attorney)

Date:
Place:

ANNEXURE 7: FORMAT FOR POWER OF ATTORNEY DULY ATTESTED BY NOTARY PUBLIC FOR LEAD MEMBER OF CONSORTIUM

<On a Stamp Paper>

Power Of Attorney

Whereas CSCL has invited expression of interest and supporting documents from interested parties for purchase of operating units of CSCL individually via Slump Sale.

Whereas, the members of the Consortium are interested in expressing their interest in bidding for purchasing the Unit(s) of CSCL (“**the Transaction**”) in accordance with the terms and conditions of the EOI cum RFQ and other connected documents including RFP in respect of the Transaction, and

Whereas, it is necessary under the EOI cum RFQ and RFP for the members of the Consortium to designate one of them as the Lead Member with all necessary power and authority to do for and on behalf of the Consortium, all acts, deeds and things as may be necessary in connection with the Consortium’s participation in the transaction.

NOW THIS POWER OF ATTORNEY WITNESSETH THAT;

We, M/s. -----, M/s ----- M/s -----, and M/s..... (the respective names and addresses of the registered office) do hereby designate M/s.....being one of the members of the Consortium, as the Lead Member of the Consortium, to do on behalf of the Consortium, all or any of the acts, deeds or things necessary or incidental to the Consortium’s expression of interest for the Transaction, including submission of application / proposal, participating in conferences, responding to queries, submission of information / documents and generally to represent the Consortium in all its dealings with CSCL, any other Government Agency or any person, in connection with the transaction until culmination of the process of bidding.

We hereby agree to ratify all acts, deeds and things lawfully done by the Lead Member pursuant to this Power of Attorney and that all acts deeds and things done by our aforesaid attorney shall and shall always be deemed to have been done by us/Consortium.

Dated this theDay of2010

.....
(Executants)
(To be executed by all the members of the Consortium)

Common Seal

Place:

ANNEXURE 8: FORMAT FOR MEMORANDUM OF UNDERSTANDING FOR THE CONSORTIUM

This Memorandum of Understanding (“MoU”) entered into this ___day of_____ 2010 at _____

Between

(hereinafter referred as” _____”) and having office at _____,
India Party of the First Part

AND

(hereinafter referred as” _____”) and having office at _____,
India Party of the Second Part

AND

(hereinafter referred as” _____”) and having office at _____,
India Party of the Third Part

AND

(hereinafter referred as” _____”) and having office at _____,
India Party of the Fourth Part

AND

(hereinafter referred as” _____”) and having office at _____,
India

The Party of the First Part, Party of the Second Part, Party of the Third Part, and the Party of the Fourth Part are individually referred to as “**Party**” and collectively as “**Parties**”.

WHEREAS CSCL has invited Application for EOI cum RFQ and RFP for purchase of Unit(s) of CSCL.

AND WHEREAS the Parties have had discussions for formation of a Consortium for expressing their interest in bidding for the purchase of unit(s) of CSCL (“**the Transaction**”) and have reached an understanding on the following points with respect to the Parties’ rights and obligations towards each other and their working relationship.

IT IS HEREBY AS MUTUAL UNDERSTANDING OF THE PARTIES AGREED AND DECLARED AS FOLLOWS:

That the Parties have formed this Consortium (“Consortium”) with the shareholding commitments expressly stated in this MoU.

1. That M/s _____ whose is a Lead Member, shall invest and continue to invest in at least 51% of the Interest of the Consortium, up-to a period of 1 year from the date of formation of the Consortium. The investment by the other Members of the Consortium shall be as under:

.....
.....
.....
.....
2. That the shareholding commitments shall be recorded in this MoU and no changes shall be allowed thereof, except in accordance with the provisions as laid down in the Share Subscription Agreement.
3. That the Parties shall carry out all responsibilities as agreed upon in terms of the Share Subscription Agreement, EOI cum RFQ and RFP.
4. That the roles and the responsibilities of each Party for the bid shall be as described in the Share Subscription Agreement.
5. That the Parties shall be jointly and severally liable in accordance with the terms of the Share Subscription Agreement.
6. That this MoU shall be governed in accordance with the laws of India and courts in _____ shall have exclusive jurisdiction to adjudicate disputes arising from the terms herein.

In witness whereof the Parties affirm that the information provided is accurate and true and have caused this MoU to be duly executed on the date and year hereinabove mentioned.

.....
(Party of the First Part)

.....
(Party of the Second part)

.....
(Party of the Third Part)

.....
(Party of the Fourth Part)

Witnesses:

1.

2.

Note: The members of consortium may add any other terms and conditions as may be mutually decided by them and which are not inconsistent with the terms & conditions mentioned above.

ANNEXURE 9: BOARD OF RESOLUTION - CONSORTIUM

(On the letter head of the each consortium member)

FORMAT FOR BOARD RESOLUTION FOR COMPANIES

“RESOLVED THAT approval of the Board be and is hereby granted to form and join the Consortium with _____, _____, _____, and _____ (names and addresses of the Consortium members) for submitting their Expression of Interest cum Request for Qualification and supporting documents to purchase the Unit(s) of CSCL (**“the Transaction”**) pursuant to the EOI cum RFQ dated..... and RFP issued to be issued by CSCL.

“RESOLVED FURTHER THAT the “draft” Memorandum of Understanding (“MoU”) to be entered into with the Consortium partners (a copy whereof duly initialed by the Chairman is tabled in the meeting) be and is hereby approved.”

“RESOLVED FURTHER THAT Mr. _____ (name), _____ (designation) be and is hereby authorised to enter into the MoU, on behalf of the company, with the Consortium members.

(For an ordinary member of the Consortium)

RESOLVED FURTHER THAT Mr. _____ (name) _____ (designation) be and is hereby authorised to execute a Power of Attorney in favour of _____ to act as the Lead Member and provide all the information/documents required from the Company to participate in the bidding process as a member of the Consortium.

OR

(For the Lead Member of the Consortium)

RESOLVED FURTHER THAT Mr. _____ (name) _____ (designation) be and is hereby authorised to accept a Power of Attorney granted by the other members of the Consortium, to act as the Lead Member and provide all the information/documents required from the Company to participate in the bidding process as a member of the Consortium

ANNEXURE 10: ELIGIBILITY CRITERIA

Financial Capability of an Applicant or all the members of the Consortium

Name of Member: _____ % Shareholding in the Consortium

1
2
3
4

Lead Member: -----

S. No.	Financial information in Rupee (equivalent, with exchange rate, at the end of concerned year)	Member 1 (AY*)	Member 2(AY*)	Member 3(AY*)	Member 4(AY*)	Weighted Average
1.	NETWORTH					
A	Paid up Equity					
B	Reserves					
C	Revaluation Reserves & Special Reserves if any					
D	Accumulated Losses (if any)					
E	Miscellaneous Expenditure not written off					
	Net Worth = (Paid up equity + Reserves) - (Revaluation Reserves + Accumulated Losses + Miscellaneous Expenditure not Written Off)					
2.	Average TURNOVER of last 3 Years as per audited annual statements (Copies to be attached)					

* Audited Accounting Year should not have ended earlier than March 31, 2009.

S. No.	Turnover	AY1	AY2	AY3	Average
1	Member 1				
2	Member 2				
3	Member 3				
4	Member 4				

Whether Lead member satisfies proportionate net worth criteria i.e. Networth of Lead > 10.00 crs * stake in consortium: (Yes / No)

Note:

1. This information should be extracted from the Audited Annual financial Statement/ Balance Sheet, which should be enclosed, and this response sheet shall be certified by the Statutory Auditor of the Applicant/Bidder.

2. The Applicant should provide the Financial Capability of its own or weighted average of the Consortium members. In computing the eligibility criteria of the Applicant / Consortium members, the Net worth & Turnover of their respective Associates / Group Companies may also be included as per Clause 3.4.1.

3. In Role of Member specify whether Single Applicant, or in case of Consortium specify whether Lead Member or Member.

ANNEXURE 11: CONFIDENTIALITY AGREEMENT

An Agreement is made on this ___th day of _____, 2010 between;

Chhata Sugar Company Limited, a company incorporated under the Indian Companies Act, 1956 and having its registered office at Chhata, Mathura and Camp office at Room No. 408, 17 Berry Road , Lucknow – 226001 (hereinafter referred to as “**CSCL** ” which expression shall, unless repugnant to the context in which it is used, include its successors, affiliates and administrators) of the FIRST PART

And;

ABC Limited, a company incorporated under the Companies Act, 1956 and having its registered office at _____ (hereinafter referred to as “**ABC**” which expression shall, unless repugnant to the context in which it is used, include its successors and administrators) of the SECOND PART;

And;

WHEREAS CSCL possesses certain non-public, confidential and/or proprietary information relating to the sugar business (the ‘**Business**’) of CSCL, and which information it proposes to disclose to **ABC** (the ‘**Confidential Information**’) in written text and/or oral communication and/or site visits etc so as to enable **ABC** to evaluate a potential alliance with/investment in/acquisition of the Business (the ‘**Permitted Use**’);

The **Confidential Information** means all information, concerning the business, operations, prospects, finances, or other affairs of CSCL. It includes, but is not limited to, documents delivered in connection with the EOI cum RFQ and RFP and the information packets, information concerning business activities, products, specifications, data, know-how, compositions, designs, sketches, photographs, graphs, drawings, research and development, marketing or distribution methods of process, customers list, customer requirements, price list, market studies, computer software and programs, database technologies, systems, structures and architectures, historical financials and budgets, future projections, names and background of the personnel, and personnel training techniques.

NOW, THEREFORE, in consideration of the mutual promises contained herein **CSCL** and **ABC** hereby agree as follows:

1. **ABC** agrees to hold the Confidential Information in strict confidence in accordance with the provisions hereof. Such information may be in any form including but not limited to written or printed information or information in electronic form, data, studies, consultants reports, trade secrets, performa and other financial and trade/commercial information, computer models and programs, contracts, plant designs and configurations, plant performance data or other material of any kind or nature in whatever form.

2. Without the prior written consent of CSCL or except as otherwise provided herein, **ABC** will not: (i) distribute or disclose to any other person any of the Confidential Information; (ii) permit any other person to have access to the Confidential Information; (iii) use the Confidential Information for any purpose other than the Permitted Use; or (iv) make multiple copies of the Confidential Information beyond what is immediately required under the Permitted Use within the preview of this Agreement; or (v) disclose to any other person (a) that discussions, investigations or negotiations are taking place concerning a possible transaction between the Parties, or (b) the terms, conditions, status or other facts regarding a possible transaction between the Parties, or (c) that **ABC** has received the Confidential Information from CSCL, or (d) the details and/or contents of any evaluation that **ABC** might undertake of the Business for the Permitted Use. Notwithstanding the above, CSCL agrees that **ABC** may disclose the Confidential Information, and portions thereof to **ABC**' directors, officers, employees, representatives and advisors of **ABC** (collectively, "Representatives") who need to know such Confidential Information for the purpose of evaluating a possible alliance between the Parties. It is understood that **ABC** will inform its Representatives of the confidential nature of the Confidential Information and will require its Representatives to be bound by this Agreement and not to disclose the Confidential Information to any other person. **ABC** agrees to be responsible for any breach of this Agreement by its Representatives. As used in this Agreement, the term "person" shall be broadly interpreted to include, without limitation, any corporation, company, partnership or individual.
3. In the event that **ABC** is required by law in any judicial or governmental proceeding or otherwise to disclose any Confidential Information, **ABC** will give CSCL prompt written notice of such request so that CSCL may seek a protective order or appropriate remedy. If, in the absence of a protective order, **ABC** determines, upon the advice of an appropriate legal counsel, that it is required to disclose such Confidential Information, it may disclose such Confidential Information only to the extent compelled to do so; provided, however, that **ABC** gives CSCL written notice of the portion of Confidential Information to be disclosed as far in advance of the disclosure as is practicable and uses its best efforts, at **ABC**' expense, to obtain assurances that confidential treatment will be accorded to such Confidential Information.
4. All Information shared shall be deemed to be confidential. Confidential Information does not however include information that **ABC** can reasonably prove, falls within any of the following: (i) information that either is legally in **ABC**' possession or publicly available to **ABC** prior to the disclosure of such information hereunder; (ii) information that, subsequent to its disclosure hereunder, becomes publicly available to **ABC** without any violation of this Agreement; (iii) information that becomes legally available to **ABC** on a non-confidential basis from any third party, the disclosure of which to **ABC** does not, violate any contractual or legal obligation such third party has to CSCL / GOUP with respect to such information

5. Should **ABC** decide not to proceed with the Transaction, then it shall not disclose to any party **(a)** the reasons for its choosing not to proceed with the Transaction; or **(b)** the fact that it evaluated the Business; or **(c)** any details of **ABC**' analysis and/or its views and/or its expert opinions on the attractiveness of the Business.
6. For the purposes of complying with the obligations set forth herein, **ABC** shall use efforts fully commensurate with those that it employs for the protection of its own privileged and confidential information.
7. No license expressed or implied in the Confidential Information is granted to **ABC**, hereby.
8. **CSCL** make no representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information. Neither **CSCL**, nor any of its respective affiliates, employees, agents or controlling persons shall have any liability to **ABC** or any other person, resulting from **ABC**' use of the Confidential Information.
9. It is understood that this Agreement is only for sharing of information and does not obligate **ABC** or **CSCL** to enter into any further agreement, with respect to any matter arising out of or pertaining hereto.
10. **ABC** agrees that the Confidential Information is and shall at all times remain the property of **CSCL** and is material to the interests, business and affairs of **CSCL** and that the disclosure thereof (other than as permitted under this Agreement) would be detrimental to the interests, business and affairs of **CSCL**. No use of such Confidential Information is permitted except as otherwise provided herein and no grant under any of Company's intellectual property rights is hereby given or intended, including any license (implied or otherwise).
11. Should **ABC** decide not to proceed with the Transaction or upon the request of **CSCL**, **ABC** will return or destroy all Confidential Information and any notes, correspondence, analyses, documents or other records containing and/or derived from any/all Confidential Information, including all copies thereof, then in the possession of **ABC** or its representatives. Such return/destruction, however, does not abrogate the continuing obligations of **ABC** under this Agreement.
12. The obligations of **ABC** to comply with the provisions contained herein shall continue for a period of 2 (two) years commencing upon the date hereof.
13. Without prejudice to any other rights or remedies that **CSCL** may have, **ABC** acknowledges and agrees that money damages would not be an adequate remedy for any breach of this Agreement and that **CSCL** shall also be entitled to the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of this Agreement.
14. It is understood and agreed that no failure or delay by **CSCL** in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or

partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder.

15. ABC agrees to indemnify the Advisor and CSCL from and against any damages, loss, cost or liability arising out of any unauthorized use or disclosure by ABC.
16. ABC shall not deal with any officer, Director or employees of CSCL and CSCL regarding the business and operations other than in the manner specified herein.
17. This Agreement shall be governed and construed in accordance with the laws of India.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed by its duly authorized officer as of the date first written above.

For and on behalf of ABC

For and on behalf of CSCL

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ANNEXURE 12: UNDERTAKING TO ENTER INTO AN MOU (FOR LEAD MEMBER OF THE CONSORTIUM)

(See Clause 3.6.6)

1. We _____ (name of the Company) being the Lead member of the Consortium unconditionally undertake to submit the Memorandum of Understanding (MOU) between the members of the proposed Consortium, on the prescribed format (*Annexure-8*), *at least seven days before the due date of* submission of financial bids.

2. Furthermore, we understand and acknowledge that in the absence of submission of the above documents on or by the date abovementioned, our bid under the advertisement no. _____ Dated _____ may not be considered at the discretion of the CSCL.

Dated

Sign of the Authorized Signatory of Applicant/ Lead Member of the Consortium

ANNEXURE 13: UNDERTAKING BY GROUP COMPANIES/ ASSOCIATES

UNDERTAKING on the letter head of the Flagship Company

(As required by Clause 3.4 (1) of the RFQ/ EOI)

TO WHOMSOEVER IT MAY CONCERN

We have read and fully understood the terms and conditions of the RFQ/ EOI for sale of Unit(s) of CSCL .

We hereby acknowledge and confirm that we are the Flagship Company of the _____ *(name of the group)* whereof the *(name of the Applicant)* is one of the constituent Companies.

We hereby acknowledge, confirm and undertake that we shall extend any and all necessary financial support to *(name of Applicant)* and shall, furthermore, be jointly and severally responsible for the fulfillment of any and all obligations of the *name of Applicant* towards its successful participation in the Transaction and for the successful completion thereof, including all obligations as may be incidental and consequential to the Transaction. We further undertake to continue such financial support undertaken till the satisfactory completion of all the obligations undertaken by the Applicant Company.

Furthermore, we understand and acknowledge that on any breach of the obligations undertaken, the fulfillment thereof is required from us as per the instant undertaking or *name of the Applicant* in the course of the Transaction, the *name of the Applicant* shall be disqualified from the Transaction at the discretion of the CSCL and we shall be responsible jointly and severally for the consequences of such breach.

Dated:

Signature of the Authorized Signatory

Enclosed: Necessary Board Resolution supporting the Undertaking shall be provided at least seven days before the due date of submission of financial bids.

ANNEXURE 14: PRELIMINARY INFORMATION MEMORANDUM

Particulars	Details
District	Mathura
Year of Establishment	1978
Installed Capacity (TCD)	2500
Non Operative in	2009
No of Employees	14
Land Area	40.213 Hectare

FINANCIAL SUMMARY:

All Amounts in INR

Income Statement	FY 2005-06	FY 2006-07	FY 2007-08
Total Income	50,20,20,588	43,04,98,565	47,74,20,225
Total Expenditure	44,46,57,634	56,17,70,549	54,32,24,367
EBITDA	5,73,62,954	(13,12,71,984)	(6,58,04,142)
Depreciation	37,00,793	31,66,064	27,14,704
Interest	2,94,66,987	3,68,22,324	3,34,73,623
Profit	2,41,95,174	(17,12,60,372)	(10,19,92,469)

Balance Sheet	FY 2005-06	FY 2006-07	FY 2007-08
Sources of Funds			
Share Capital	54,89,75,798	54,89,75,798	54,89,75,798
Head Office Account	-	-	-
Reserve and Surplus	12,19,404	3,81,098	4,48,222
Head Office Project Expenses	-	-	-
Loans	27,36,18,412	42,86,72,430	51,68,61,490
Current Liabilities	15,10,05,656	28,65,85,100	28,09,98,295
Inter unit Account	-	-	-
Total Liabilities	97,48,19,270	1,26,46,14,426	1,34,72,83,805
Application of Funds			
Gross Block	-	-	-
Net Block	2,37,99,402	2,06,39,596	1,79,24,892
Assets Transferred	-	-	-
Current Assets	33,97,46,918	46,14,41,508	44,48,32,122
Investments	15,09,000	15,09,000	15,10,000
Inter Unit Account	-	-	-
Head Office Account	-	-	-
Accumulated Losses (+)/Profit(-)	60,97,63,950	78,10,24,322	88,30,16,791
Total Assets	97,48,19,270	1,26,46,14,426	1,34,72,83,805