

TEASER
SALE/ASSIGNMENT OF OUTSTANDING DEBT/FINANCIAL ASSETS ARISING FROM THE DEBT OF M/S
JAI MAA SAVITRI EDUCATIONAL SOCIETY ALONG WITH ALLIED CONCERNS M/S BHAGWATI
AGENCIES AND M/S HANS AGENCIES.

PNB Investment Services Limited (“**PNBISL**” or “**Transaction Advisor**”), has been mandated by Punjab National Bank (“**PNB**” or “**Lender**”), for assisting & advising the Lender on the bid process & matters incidental thereto in connection with sale/ assignment of outstanding debt/ financial assets arising out of such debt of M/S Jai Maa Savitri Educational Society Along with Allied Concerns M/S Bhagwati Agencies And M/S Hans Agencies. (hereinafter to be referred as “**Debtors**”) under **Swiss Challenge Process (“Bid Process”)** to Prospective Bidders, in accordance with the Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 to assign the debt to Permitted Transferee and ARCs (“**Prospective Bidders**”). Presently, PNB being the sole lender have agreed for the OTS settlement offer submitted by the Debtors subject to price discovery/ appropriateness of offer through the **Bid Process**.

PNBISL, on behalf of Lender invites Expressions of Interest (“**EOI**”) from Prospective Bidders to acquire the debt/ financial assets arising out of such debt of the Debtors. The Lenders are proposing to undertake the Bid Process on “All Cash Basis”. Transfer of the debt/ financial assets arising out of such debt shall be on “As is where is”, “As is what is” “As is how is”, “Whatever is there is” and “without recourse basis” without any representation, warranty or indemnity by the Lenders, based on existing Anchor Bid. Considering that the auction is under the ‘Swiss Challenge Process’, on the Anchor Bid, the Anchor Bidder shall have specific preferential rights and further have the right to match the highest bid in the manner as elaborated in the Bid Process Document, will be available in Virtual Data Room.

DEBTORS OVERVIEW & BACKGROUND:

A. M/s Jai Maa Savitri Educational Society:

M/s Jai Maa Savitri Educational Society (Regd.) was established in August 2008 and promoted by a group of professionals and businessmen led by Sh. Hans Raj Singhal (Chairman), Sh. Mohan Kumar Singhal (Vice Chairman), and Sh. Rakesh Kumar Singhal (General Secretary). The objective was to set up an institute for imparting quality technical education in and around Ghaziabad.

The society established integrated institutions in Hapur, offering undergraduate and postgraduate programs in Engineering, MBA, B. Arch, and PGDM. The technical courses were duly approved and affiliated with U.P. Technical University, CCS University (Meerut), the Council of Architecture, and AICTE. The college commenced its activities in the academic year 2010-11, enrolling approximately 184 students.

In an effort to expand, the society proposed introducing new courses such as Polytechnic, LLB, and BA LLB from the 2015-16 session. However, student enrolment did not meet projections,

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leading to lower cash flows and affecting the overall project. Due to inadequate cash flows, the account showed signs of irregularity.

To address the financial distress, the account was restructured by PNB on 30.06.2012. The term loan of Rs. 34.00 crores, already sanctioned to the society, was restricted to Rs. 28.00 crores. Additionally, the deferment of TL instalment payments from March 2012 to March 2013 was approved, along with a resetting of loan instalments.

Despite the restructuring, the society could not improve its financial position and failed to comply with certain sanction terms and conditions. The account remained under stress, and the party was unable to service the term loan interest.

To provide temporary relief and financial support, on 30.03.2013, it was decided to sanction an OD limit of Rs. 3.00 crores against receivables to bridge the receivables gap. However, the account was classified as NPA on 31.03.2013 by the statutory auditor. Subsequently, on 13.05.2013, the account was transferred to the NPA category through MOC as suggested by the statutory auditor conducting the branch audit.

B. M/s Bhagwati Agencies:

Sh. Rakesh Singhal is the proprietor of the firm, which has been dealing with PNB since January 2006. The firm was engaged in the trade of cement brands such as Laxmi, Maihar, and Orient Cement. Additionally, the firm dealt in sugar and tea.

Subsequently, the firm expanded into a new business and entered into tie-ups with other brands. This expansion led to a liquidity crunch, ultimately resulting in the account being classified as NPA on 31.03.2014.

C. M/s Hans Agencies:

Smt. Vandana Singhal is the proprietor of the firm, which has been dealing with PNB since April 2004. The firm was engaged in the trade of cement brands such as Laxmi, Maihar, and Orient Cement.

Subsequently, the firm expanded into a new business and entered into tie-ups with other brands. This expansion led to a liquidity crunch, ultimately resulting in the account being classified as NPA on 31.03.2014.

LITIGATION DETAILS:

Actions under SARFAESI Act taken and 13(2) notice issued on

- 04.06.2013 to M/s Jai Maa Savitri Educational Society,
- 19.09.2020 to M/s Bhagwati Agencies and M/s Hans Agencies.

Further, 13(4) notice under SARFAESI Act issued on

- 13.12.2013 to M/s Jai Maa Savitri Educational Society
- 22.01.2021 to M/s Bhagwati Agencies and M/s Hans Agencies.

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Recovery Suit was filed in all three accounts as follows:

- **Punjab National Bank vs JAI MAA SAVITRI EDUCATIONAL SOCIETY AND ORS**– OA No. 864/16, the matter is pending before the Hon'ble DRT-II, Delhi. The Next date of hearing is 28.04.2025.
- **M/s Bhagwati Agencies** – OA No. 519/2018, RC issued No. 480/2019, with NDOH on 09.04.2025.
- **M/s Hans Agencies** – OA No. 517/2018, RC issued No. 812/2020, with NDOH on 25.05.2025.

PRESENT STATUS:

Punjab National Bank has received a binding one-time settlement offer (“OTS offer”) from the Debtors for the settlement of the lender’s debt to the Debtors.

ACCOUNT WISE OUTSTANDING DETAILS: The outstanding account wise as of 31.12.2024 are as follows:

Amt in crores	
Name of the Account	Amount
Jai Maa Savitri Educational Society	22.74
Bhagwati Agencies	0.42
Hans Agencies	0.57
Total	23.73

BASE OFFER (ANCHOR BID)

The One-Time Settlement (OTS) proposal for the account has been received for Rs. 24.00 crores. This offer will be considered as an anchor bid and the Swiss Challenge process will be conducted to allow competitive bids from Prospective Bidders.

Eligibility Criteria

- Persons eligible as per the RBI Guidelines are eligible to participate in the bid process as Prospective Bidders. The Prospective Bidders that are eligible as per the RBI Guidelines include Scheduled Commercial Banks, All India Financial Institutions (NABARD, NHB, EXIM Bank, SIDBI and NaBFID), Small Finance Banks, all Non-Banking Finance Companies (NBFC) including Housing Finance Companies (HFC) and Asset Reconstruction Companies (ARCs).
- The Prospective Bidders shall be duly registered under the applicable laws and eligible for purchase of identified stressed asset/ Non-Performing Asset.
- In case the Prospective Bidders is an NBFC, they should be eligible for assignment of debt with valid RBI license, as per the applicable laws.

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- The Prospective Bidder shall not be disqualified in terms of Section 29A of the Insolvency and Bankruptcy Code, 2016 as on date of submission of the EOI, the date of submission of the offer and the date of implementing the offer.
- The Prospective Bidders who belong to the existing promoter group and/ or are a subsidiary / associate / related party etc. (domestic as well as overseas) of any person belonging to the existing promoter group of the Debtors shall not be eligible to participate in the bid process.

Any Prospective Bidder who is not an ARC should have a minimum net worth of at least Rs. 7.20 Crores as on March 31, 2024 on the basis of the audited financial statements. As provided in the EOI documents, such Bidder shall submit a net-worth certificate obtained from a practicing-chartered account along with the EOI.

Bidders shall be provided access to the data room upon fulfillment of above criteria, execution of NDU and undertakings and any other document as provided under the EOI.

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