

**Engagement of an Advisor for Disinvestment in Alcock Ashdown (Gujarat) Ltd. (AAGL)**  
**(Expression of Interest)**

The Government of Gujarat (GoG) intends to disinvest 100% of its equity in Alcock Ashdown (Gujarat) Ltd. (AAGL) through strategic sale. GoG currently holds 100% of the equity capital of AAGL. The Government proposes to engage the services of an Advisor to advise and manage the disinvestment process successfully.

Alcock Ashdown (Gujarat) Ltd. is engaged in the ship-building and ship repairing activities. The responsibilities of the Advisor would, inter alia, cover rendering of advice and assisting GoG in the disinvestment of AAGL including but not limited to;

1. Assessment and valuation of AAGL
2. Suggesting measures to enhance sale value
3. Preparing a detailed confidential information memorandum
4. Marketing of the offer
5. Inviting and evaluating the bids
6. Assisting during the negotiations with prospective buyers
7. Drawing up the sale/other agreements and advising on post-sale matters
8. Any other requirements for successful disinvestment of AAGL as suggested by GoG

The interested bidders may submit their Expression of interest to act as the Advisor, singly or as a consortium, for disinvestment of Government of Gujarat shareholding in AAGL positively by Friday, 18<sup>th</sup> November 2011 by 1700 hours (IST) with the following details:

1. Full particulars of the constitution, ownership and main business activities of the prospective Advisor (bidder). In case of consortium bids, the particulars of the lead consortium member having the principal responsibility for the mandate as well as those of other partners.
2. Unabridged Annual Reports or audited financial accounts for the last three years (in case of consortium of all the partners).
3. Details of the pending litigation and contingent liabilities, if any, that could affect the performance of the bidder under the mandate, as also details of any past conviction and pending litigation against sponsors/partners and any areas of possible conflicts of interest.

Note: The above particulars should be provided year-wise (wherever applicable) for the last three years.

Government of India has issued guidelines prescribing certain qualifications for Advisors for disinvestment process. A copy of the guidelines (OM No.6/4/2001- DD-II dated 13<sup>th</sup> July 2001) is enclosed as Appendix. You are requested to carefully go through the guidelines and after satisfying yourself that you are qualified to act as Advisor, furnish the following certificate as a part of the proposal:-

“We certify that there has been no conviction by a Court of Law or indictment/adverse order by a regulatory authority for a grave offence against us or any of our sister concern/firm. It is further certified that there is no investigation pending against us or our sister concern or the CEO, Directors/Board Members/Key Employees or Managers or our concern or of our sister concern/firm. It is certified that no conflict of interest exists as on date and in future such a conflict of interest arises we will intimate the Government of the same”.

The bidders are required to furnish following details in Expression of Interest.

1. Presence in India, including number of offices, manpower, funds deployed, period etc. and the level of commitment in India
2. Global experience
3. Privatization or similar experience
4. Details of similar transaction (Government, Quasi Government and Private Sector, separately) executed/under execution by the bidder in a similar sector/industry. This should cover the role played by the bidder in deal structuring, valuation, transaction marketing, preparation of information and sale memorandum, shareholders agreement, etc. and bid evaluation and negotiations
5. Experience in capital market transactions, (both equity and debt), in the Government, Quasi Government and Private Sectors, separately, indicating the number of deals executed and quantum of funds raised
6. Expertise, including research coverage and capabilities in the manufacturing/ship-building/ports or related sector and an understanding of AAGL including a SWOT analysis incorporating key selling points and limitations
7. The views of the bidders on:
  - a. Valuation of AAGL
  - b. Transaction structuring
  - c. Marketing Strategy
  - d. Bid evaluation methodology
  - e. Tentative time-frame
8. Details of deal team:
  - a. Experience and qualifications
  - b. Team members located abroad
  - c. Team members located in India

The bidders are required to submit at the time of presentation sealed financial bids incorporating the fixed fee and fee chargeable as a percentage of the sale proceeds from the disinvestment of the GoG stake in AAGL, gross of all taxes and any other charges. The bid should be unconditional.

Expenditure on account of fees to legal/accounting or any other consultant, if appointed by GoG and/ or AAGL should not be included in the financial bid. The travel related expenses and all the other out of pocket expenses including those related to due diligence would have to be borne by the bidder.

The financial bid should also indicate a lump sum amount to be charged as drop dead fee, which would be payable if at any point in time the GoG wants to call-off the transaction.

Interested bidders are required to deposit along with their Expression of Interest a non-refundable earnest fee of INR 20,000 (Rs. twenty thousand) by way of a Demand Draft payable at Ahmedabad in favour of MD, AAGL payable at Bhavnagar. The technical proposal and financial proposal should be submitted separately in sealed envelopes clearly marking 'Technical Proposal' and 'Financial Proposal' respectively. Both the envelopes should be sealed in a separate envelop clearly marked 'Expression of Interest for appointment of Advisors for Divestment of AAGL'. GoG reserves the sole right to negotiate, accept or reject any or all Expressions of Interest without assigning any reasons therefor.

The Expression of interest should be sent to and further clarifications, if any, may be sought from:

**Managing Director**  
**Alcock Ashdown (Gujarat) Limited**  
C/o Gujarat Mineral Development Corporation Limited  
Khanij Bhavan,  
Near University Ground,  
Vastrapur,  
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