

Deal Summary

Sale/ Assignment of Outstanding Debt/ Financial Assets arising out of such debt of M/s Entertainment City Limited to ARC and other Permitted Transferees Under Swiss Challenge Method

PNB Investment Services Limited (“**PNBISL**” or “**Process 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 ENTERTAINMENT CITY LIMITED** under **Swiss Challenge Method** to eligible ARCs/ Banks/ NBFCs/ FIs/ any other permitted transferees (“**Prospective Bidders**”), in accordance with the regulatory guidelines issued by Reserve Bank of India, including the RBI guidelines on Transfer of Stressed Loan Exposures (the “**Guidelines**”).

PNBISL, on behalf of Lender invites Expressions of Interest (“**EOI**”) from ARCs/ NBFCs/ FIs/ Banks/ any other permitted transferee under the Guidelines, to acquire the debt/ financial assets arising out of such debt of M/S ENTERTAINMENT CITY LIMITED. The Lender are proposing to undertake a Swiss Challenge Bid Process (the “**Bid Process**”) on “**All Cash**” basis only. The transfer of outstanding 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 Lender, based on existing offer in hand (“**Anchor Bid**”). Considering that the auction is under the ‘Swiss Challenge Method’, on the Anchor Bid, the anchor bidder shall have specific preferential rights as set out in the Bid Process Document and further have the right to match the highest bid in the manner as elaborated in the Bid Process Document.

Background of the Company:

M/s Entertainment City Limited (ECL) is a subsidiary of M/s International Amusement Limited (“**ISL**”), sponsors of first amusement park “Appu Ghar” in New Delhi. ECL was incorporated on February 07th, 2002 as International Recreation Parks Private Limited to acquire, purchase, develop and operate Amusement Parks and Entertainment Centres, Malls and Commercial Complexes. On November 28th, 2015 it was renamed to International Recreation Parks Limited and later on rechristened to Entertainment City Limited on January 21st, 2016.

ECL has developed “Entertainment City” at Plot No A-2, Sector-38 A, Noida, Uttar Pradesh spread over an area of 134.24 acres (Total area of 147.48 acres less area of 13.24 acres subleased (sold)), allotted by New Okhla Industrial Development Authority (NOIDA) on a 90 years lease to develop a world class entertainment city.

- 85% of land is earmarked for amusement park and ancillary activities with a FAR of 0.40, rest 15% is for commercial activities with a FAR of 1.50.
- The Projects in the Company have been implemented in 3 phases:
 - Phase I:** This phase included development of a shopping mall, The Great India Place, and the Teen Zone of the amusement park named Worlds of Wonder, covering 44 acres.
 - Phase II:** First part of this phase included a shopping mall, Gardens Galleria, an Amusement Park, and Waterpark, on 84 acres of land. The second part included a 10-screen INOX complex, Trampoline and KidZania completed in 2020. However, Trampoline and INOX got delayed.
 - Phase III:** This phase got delayed due to prevailing economic downturn / sluggishness and weak consumer/market sentiments and will cover continuation of the construction of INOX and Trampoline.

Major Projects of company:

- The Great India Place is a contemporary retail mall

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- This mega mall, covering an area of about 180,000 sq. ft., has over 250+ outlets, which includes F&B outlets, discotheque and major retail stores. It also has a multi cuisine food court with fine dining, cafes, specialty snacks and various restaurants.
- Worlds of Wonder, established in 2007, houses an Amusement Park, a Water Park, and a go karting track.
- It has more than 20 rides divided into two zones, the teen zone and family zone.
- Gardens Galleria is spread over approximately 8.96 acres.
- It is a mall with many retail outlets, restaurants and cafes including Starbucks outlets, terrace lounges like Turquoise Cottage, The Smoke Factory, Bohemia and Imperfecto.
- KidZania is an interactive indoor theme park that educates kids through real-life role play activities.

Present Status: The Company's operations continue to face significant financial stress. Despite earlier attempts at debt restructuring and multiple discussions for resolution, the restructuring proposal could not be implemented due to non-fulfilment of stipulated conditions and weak financial viability as highlighted by the TEV study. The company's credit facilities remain classified as NPA since August 2021, and although a tagging arrangement has been allowed—presently at 25% of total cash flows—the recoveries have been limited. The promoters had indicated their intent for 100% equity divestment, and a binding bid was reportedly received for the same; however, the transaction has not yet reached closure. Overall, the company's operations remain constrained, with limited cash flow generation and continued stress on debt servicing ability.

Outstanding details as on September 30th, 2025:

Lender	WC	RTL		Total	Sharing (%)
		Secured	Accrued Interest		
Punjab National Bank	0.00	684.13	263.06	947.19	100.00%
Total	0.00	684.13	263.06	947.19	100.00%

Reason for Stress:

- Owing to disruption in business operations due to Covid-19 pandemic, the Company was unable to service its debt. Company has applied for moratorium of 6 months from March 1st, 2020 to August 31st, 2020 under RBI's Statement on Developmental and Regulatory Policies dated March 27th, 2020 and May 22nd, 2020. The moratorium has been granted by the lender in terms of RBI guidelines. To avoid slippage of account into NPA, lender has appropriated from the DSRA, an amount of Rs.14.96 Crore on December 07th, 2020 to meet debt servicing requirements (both interest and principal instalment) for the months of September 2020 and October 2020.
- Further, company has approached lender for debt resolution under RBI circular on Resolution Framework for COVID-19 related Stress. Management Committee in its meeting held on June 07th, 2021 has approved One-time restructuring in the account in terms of RBI guidelines dated August 06th, 2020 and LA Circular 180/2020, however due to non-issuance of OCCRPS by the company within available time period up to June 15th, 2021, OTR in the account could not be implemented. Reference for allowing extension in time period for implementation of OTR (One Time Restructuring) in the account was also sent to RBI on August 12th, 2021 by lender's Head Office Corporate Credit Division, however same was also not considered by RBI.
- During the period, account of the company was running continuously irregular under SMA II category, as credits in the escrow account was not sufficient to cover the irregularities and on account of non-payment of the irregular amount in for a period of more than 90 days, account has slipped into NPA on August 30th, 2021.

Efforts made for resolution of account

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- Various round of discussions happened with company officers for OTS/ restructuring of credit facilities. Company had submitted a debt resolution plan based on Reserve Bank of India Circular / Guidelines on Prudential Framework for Resolution of Stressed Assets, dated June 07th, 2019. However, TEV agency M/s RBSA Advisors vide its report dated May 20th, 2022 concluded that “Promoters of the Company will be required to infuse required equity in order to pay off dues to operational creditors and sustain the operations. In the absence of equity infusion, the Company’s operations seem unviable financially. As per estimate, the Promoters of the Company shall require an additional equity infusion of around Rs. 200 crore to Rs. 220 crore immediately in FY2023 in order to settle outstanding balances to operational creditors and fund other working capital requirements.”
- Further, ICRA and CARE assigned RP-5 & RP-6 ICE ratings dated September 27th, 2022 respectively; due to which, restructuring proposal was dropped.
- Further, the company is allowed tagging arrangement since August’2021 at 20% to till date at 25%. Last tagging is extended on October 08th, 2025 valid till December 31st, 2025 at 25% of total cash flow and we have recovered Rs. 211.27 crore through tagging.
- During various meetings held previously, company representatives have informed that they are exploring 100% equity divestment. As part of the divestment process, company vide their letter dated December 27th, 2023, along with the request to extend tagging arrangement, informed that Bid Opening Committee has opened the only Binding Bid received and the Board of the company has declared it as successful bidder. As stated in their letter, Successful Bidder has submitted the cheque of 9% and has committed to submit the PBG in 14 business days, and it is assured to them that the first tranche of the transaction shall be consummated by first week of March 2024.

Above discussion related to divestment is under consideration since long. As such, in order to fast track the recovery process and early resolution, bank has explored the possibility of assignment of debt to ARC and shared PIM with Anchor Offer seeking binding offer. After necessary due diligence, an initial Offer of Rs. 650.00 Crore vide offer of Rs. 711.00 crore was given.

Bid Process Steps:

1. Expression of Interest (“**EOI**”) along with other documents shall be submitted by all the Prospective Bidders expressing their willingness to participate in the Swiss Challenge Process (“**SCP**”). Interested Bidders should submit the EOI with Annexure A to D electronically vide email to projectsc@pnbisl.com or physically at “PNB Investment Services Limited, PNB Pragati Towers, 2nd Floor, C-9, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051”. **The deadline for submission of EOI and Annexure A to D is November 06th, 2025 by 4:00 p.m.**
2. Non-Disclosure Undertaking (“**NDU**”) is to be executed in Favor of PNBISL in the prescribed format (Annexure C of EOI) and an Undertaking for Compliance under Sec 29 A of IBC (Annexure D of EOI) to be provided along with EOI before initiating due diligence. The Prospective Bidders are requested to furnish their complete contact details with E-mail addresses for correspondence along with the EOI.
3. PNBISL shall evaluate the EOI, Documents to be submitted with EOI, NDU and Undertakings to ensure that the Prospective Bidders meet the eligibility requirements as published by PNBISL on November 04th, 2025. The list of eligible Bidders shall be presented to the Lender for declaration of the shortlisted eligible Bidders (“**Bidders**”).
4. Upon completion of the above process, the Bidders will be provided with access to Virtual Data Room (“**VDR**”), which shall contain details of the Non-Performing Asset including but not limited to, the files containing available financial, legal and other information with respect to the Non- Performing Asset.
5. On the date of E-Auction, Bidders would be invited to place counter bids.

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6. Acceptance of the offers of the Bidders shall be at the sole discretion of the Lender and shall be subject to the approval of the competent authority of the Lender.
7. The Lender reserve the right to modify the terms of sale at any stage without assigning any reason. The Lender reserve the right to reject and/or cancel or defer the sale of the Financial Asset at any stage without assigning any reason.
8. The terms of the bid for E-Auction as decided by the Lender are as follows:
 - a) The **Reserve Price** shall be Rs.711.00 crores
 - b) The starting price for the first challenger bid shall be Rs 781.00 Crores i.e Rs 711.00 Crores + Rs 70.00 Crores (~9.85% of the Reserve Price) ("**First Challenger Bid**")
 - c) The bid multiplier between the First Challenger Bid and the subsequent challenger bids shall be in the multiples of Rs.40.00 crores (~5.63% of the Reserve Price).
 - d) All bids by Bidders are invited on **100% cash basis only**.
9. On the conclusion of the E-Auction and on approval of the Lender, the highest bidder ("**H1 Bidder**") shall be intimated by PNBISL/ Lender.
10. The anchor bidder shall be invited to match H1 Bid. If the anchor bidder matches the H1 Bid or bids higher than the H1 Bid of E-Auction, anchor bidder shall become the winning bidder; else, the H1 Bidder of E-Auction shall be the winning bidder.
11. The SCP timelines are as follows:

Particulars	Date
Advertisement Date / EOI start date	November 04 th , 2025
Last Date of Submission of EOI along with other documents NDU & Undertakings	November 06 th , 2025 till 4:00 p.m.
Period to Access of Data Room for Due Diligence to Shortlisted Eligible Bidders (Eligible Bidders who have submitted EOI along with all required documents to the satisfaction of Lender, represented by the PNBISL)	Starting from November 07 th , 2025 to November 23 rd , 2025 till 5:00 p.m.
Submission of EMD	November 24 th , 2025 till 4:00 p.m.
Tentative Date of Swiss Auction (through E- Auction platform- timings will be shared separately)	November 25 th , 2025

Above timeline may be changed at the discretion of Lender/ PNBISL (on the instructions of the Lender)

The Bidder, other than an ARC must submit Rs.40.00 Crores as Earnest Money Deposit ("**EMD**") as per the above schedule through NEFT/ RTGS in the Lender's account (Account details shall be shared with Bidders at a later stage). Any changes on the dates shall be intimated by PNBISL (on the instructions of the Lender)

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Base Offer (Anchor Bid):

1. The Lender have received an offer for purchase and acquisition of Non-Performing Asset for a base price of Rs. 711.00 Crores on a Cash: Security Receipts ("SR") structure of 15:85 from the anchor bidder ("Anchor Bid").
2. As per the Cash: SR structure the anchor bidder has agreed to pay 15% of the total consideration offered upfront and the balance 85% through issuance of SRs
3. A brief snapshot of the sale/assignment of the Non-Performing Asset as given in the Anchor Bid is provided below:

Financial Assets	(i) All debts and receivables owed to the Lender under or in relation to the Facilities (including all amounts outstanding in relation to the Facilities under the Facility Documents, whether as principal, interest, redemption/prepayment premium, default interest, any other costs, indemnities, expenses, amounts, payments and/or fees or otherwise but shall exclude any undisturbed commitment of the Lender under the Facility Documents); (ii) All security interest, contractual undertakings/comforts, assurances, credit enhancements and guarantees created or provided by the borrower or any third party in favor of or for the benefit of the Lender; (including any exclusive security interest created in favour of the Lender); (iii) All rights, claims and interest (including beneficial, incidental and ancillary right and claims), whether existing, future, accruing, conditional or contingent, in respect of such debt or receivables arising under the Facility Documents and otherwise under law; and (iv) Without prejudice to the generality of the foregoing, the rights and claims of the Lender under any resolution plan/settlement agreement, any order of court/ tribunal, and any related documents in relation to the Facilities. (together, the "Financial Assets")
Cutoff Date	September 30th 2025 The Lender shall not be entitled to, or otherwise receive, any amounts pertaining to the Financial Assets, or any part thereof, after the Cut-off Date. In case, any such amount is received by the Lender after the Cut-off Date, it shall hold all such amounts, as the case may be, free of any set off or counterclaim, in trust for the benefit of Anchor or the relevant trust and shall forthwith, upon receipt thereof, hand over such amounts over to Anchor or the relevant trust as may be intimated by Anchor.
Mode of Acquisition	Absolute assignment and transfer of all Financial Assets on a non- recourse basis.
Acquirer	Anchor bidder and/or the trust set up by it who are eligible to acquire and act as lender in respect of the Financial Assets.
Offer Price	Rs. 711.00 Crores (Rs. Rupees Seven Hundred and Eleven Crore Only) The purchase consideration is to be paid out of the funds received by issuance of Security Receipts ("SR").

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	Anchor shall subscribe to SRs equivalent to 15% of the Offer Price and the balance 85% shall be subscribed by the assigning lender. The beneficiary/bank shall wise allocation of Security Receipts based on the sharing pattern in debt/securities would be communicated by lender to Anchor in due course along with the consent letter from the respective beneficiary/Bank.
Management Fee Payable to Trustee	An amount equal to 2% per annum payable quarterly as a percentage of Net Asset Value (NAV) of SRs issued by the trust and calculated at the lower of end of Recovery Rating of outstanding SRs specified by the Credit Rating Agency. Before availability of the NAV of SRs, Management fee shall be calculated on the basis of face value of SRs as outstanding in the beginning of the respective quarter. In addition, the Trustee shall be entitled to recover any Indirect Tax including GST, cess, or any other statutory levy, as applicable on the Management Fee
Recovery Fee	Recovery fee being an amount equal to 2% of the gross recovery received or realised from the underlying assets of the trust, shall be payable to anchor bidder as the trustee as & when any amount is realised in respect of the Assets of the trust. In addition, the Trustee shall be entitled to recover any Indirect Tax including GST, cess, or any other statutory levy, as applicable on the Recovery Fee.
Upside sharing	Any recovery/ realization over and above the SR redemption amount shall be shared among SR holders in the ratio of SR holding i.e.15:85 for anchor and other security receipt holders (Lender) respectively.
Estimated Upside	Based on Financial Due Diligence, post redemption of Security Receipts, an additional net recovery is expected of ~Rs. 90 cr (Estimated Upside for Lender over the Offer Price). Recovery in the account includes any It is further clarified that if any amount is recovered over and above the Estimated Upside as mentioned above, it shall also be shared between anchor bidder and other SR holders (i.e. lender) in the ratio of 15:85.

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Eligibility Criteria for the BID:

The eligibility criteria for Prospective Bidders, as approved by the Lender, is as follows:

1. 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).
2. The Prospective Bidders shall be duly registered under the applicable laws and eligible for purchase of identified stressed asset/ Non-Performing Asset.
3. 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.
4. 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.
5. 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 Company 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. 100.00 Crores as on March 31, 2025 on the basis 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 fulfilment of above criteria, execution of NDU and undertakings and any other document as provided under the EOI.

Contact Information:

Contact details of Lender officials:

Name of the Bank	Contact details of Bank official
Punjab National Bank	Mr. Dheeraj Kumar Jha , AGM Contact: +91-9909994101 Email Id: dheeraj.jha2@pnb.bank.in Ms Megha Bhatnagar, CM Contact: +91-9897740022 Email Id: megha.bhatnagar@pnb.bank.in

Contact details of Process Advisor officials:

Name of the Process Advisor	Contact details of official of Process Advisor
PNB Investment Services Limited	Mr. Kamlesh Sharma, VP Contact: +91-9967161283 Email Id: projectsc@pnbisl.com Ms. Vijay Patil - DM, Contact: +91-7045957047 Email Id: projectsc@pnbisl.com

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