

Mandhana Industries Limited

Eligibility Criteria for Expression of Interest

(Pursuant to the Advertisement in the Economic Times and Business Standard dated January 18, 2018 and addendum in Economic Times and Business Standard dated 15th February, 2018)

Brief background:

Mandhana Industries Ltd (MIL) ("Company") is a public limited company listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited and is engaged in manufacturing of Yarn, Fabric processing & Garments with modern production facilities and related infrastructure across Tarapur, Bangalore & Baramati.

The Company has a Fabric processing (Yarn dyeing and Weaving) Unit coupled with Printing machinery located at Tarapur. The other Garment processing unit of the Company are located at Bangalore, Tarapur and Baramati.

Corporate Insolvency Resolution Process ("CIRP") has been initiated with regards to MIL as per the provisions of Insolvency and Bankruptcy Code ("IBC") 2016, by an order of National Company Law Tribunal (NCLT) dated 29th September 2017. Expression of Interest ("EOI") is hereby invited from the interested Resolution Applicants for the investment opportunity in the Company.

Eligibility Criteria for Expression of Interest (EOI)

A. For Corporates including Limited Liability Partnerships (LLPs)/ any other Potential Resolution Applicant:

1. Consolidated Group Tangible Net worth (TNW) of Rs. 150 Crore or more as per the Latest Audited Annual Accounts (not older than one year from the date of the Advertisement) and/or Certificate from Auditor/Chartered Accountant as on September 30, 2017
2. Consolidated Group Turnover (textile manufacturing or textile trading) of Rs. 400 Crores or more for any of the preceding three financial years.
 - TNW shall be computed as aggregate value of paid up capital and all reserves created out of profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, and does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.
 - Group may comprise entities controlling or controlled by or under common control with the Potential Resolution Applicant. Control means at least 26% ownership

B. Financial Investors- Funds/PE-Investor/NBFCs/ ARC/Banks/FIs

1. Financial Investors include Mutual Funds/Fund House, Private Equity / Venture Capital Funds, Domestic / Foreign Investment Institutions, Non-Banking Finance Companies, Asset Reconstruction Companies, Banks/FIs and similar entities.

(All domestic and foreign investors need to be duly registered under applicable regulations in India/ overseas respectively and need to provide valid registration certificate copies along with the applicable constitutional documents, as a part of the response to this EOI).

2. Total Assets under Management (AUM) / Loan Portfolio shall be at least Rs. 1000 Crore as evidenced by Latest Audited Annual Accounts and/or a Certificate from Auditor/Chartered Accountant as on September 30, 2017.

C. Proposals by Consortium of Investors

1. Proposals can also be made by / with the support of a consortium of investors
2. In case of consortium is of Private/Public Limited Companies/LLP/Body Corporate/any other Potential Resolution Applicants, TNW of the Consortium shall be calculated as an aggregate of weighted average of individual member's TNW proportionate to their respective shareholding in the consortium.
3. In case of consortium of Financial Investors, the minimum AUM of consortium shall be calculated as an aggregate of weighted average of individual member's AUM proportionate to their respective shareholding in the consortium.

D. Other Conditions:

1. Further conditions/criteria including control, lock-in restrictions, other eligibility conditions and evaluation criteria for the resolution plan will be decided at sole discretion of Committee of Creditors ("CoC") and may be stipulated in the documents which will be provided to Potential Resolution Applicant
2. Potential Resolution Applicant must be a fit and proper person not under any legal disability to be a promoter under the applicable laws
3. Potential Resolution Applicant shall submit certified copies of financial statements, proof of address, incorporation documents, copy of PAN card/ Tax identification number and documents certifying the above mentioned criteria. In case of consortium each member to submit these documents.
4. Resolution Professional ("RP") may seek additional information from the Potential Resolution Applicant, if required, including as may be directed by the CoC.
5. Potential Resolution Applicants are encouraged to submit their Expression of Interest (EOI) along with the documents satisfying the eligibility criteria and Non-Disclosure Agreement (NDA) as per the format available on the website www.mandhana.com at the earliest to start receiving the information memorandum and other relevant information.
6. The EOI is required to be submitted via email to or through Speed or registered post or hand delivery addressed to: Ms. Charu Desai (Resolution Professional), Mandhana Industries Limited, 205 to 214, Peninsula Center, Dr. S.S.Rao Road, Off Dr. Ambedkar Road, Parel, Mumbai – 400012, India. For last date of submission of EOI/Resolution Plan and other details, please contact the Resolution Professional.
7. For clarifications, if any, please contact:
ipcharudesai@gmail.com
ibcclaims.mil@in.ey.com

Note: Short listed candidates' ability to invest a minimum of Rs. 100 Crores by way of Equity and / or other long term funds needs to be demonstrated at the time of submission of Resolution Plan either by way of a certificate from the statutory auditors of the entities certifying that as of the date immediately preceding the date of submission of Resolution Plan, Cash / Short Term Marketable Securities/ Listed Instruments aggregating to Rs. 100 Crores were freely available for long term investment OR by way of a firm letter of support from duly registered entities that are allowed to provide such funding on a long term basis in India or both.

(The RP, acting on the instructions of the CoC and in accordance with the provisions of India's The Insolvency and Bankruptcy Code, 2016 ("IBC") and the rules and regulations thereunder, reserves the right to cancel or modify the process/criteria without assigning any reason and without any liability whatsoever).