



CIN : L17120MH1984PLC033553

Regd. Office: Plot No. C-3, M.I.D.C., Tarapur Industrial Area, Boisar, Dist. Palghar 401 506

Date: 02.06.2021

BSE Limited,  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
MUMBAI – 400 001

National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block-G,  
Bandra Kurla Complex, Bandra (E)  
MUMBAI – 400 051

Dear Sir,

**Sub: Specific features and details of the Resolution Plan for GB Global Limited (erstwhile Mandhana Industries Limited) as approved by the Hon'ble Adjudicating Authority (National Company Law Tribunal, Mumbai) under the provisions of the Insolvency and Bankruptcy Code, 2016**

This disclosure is being made pursuant to Regulations 30 and 51 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**").

The Corporate Insolvency Resolution Process ("**CIRP**") of GB Global Limited ("**the Company**" / "**GB Global**"), formerly known as Mandhana Industries Limited, in terms of the provisions of the Insolvency and Bankruptcy Code, 2016 ("**IBC**") commenced pursuant to the order dated 29<sup>th</sup> September 2017 of the Hon'ble Adjudicating Authority (National Company Law Tribunal, Mumbai Bench) ("**NCLT**"). By this order, Mrs. Charu Desai, an insolvency professional (bearing IP Registration no. IBBI/IPA-001/IP-P00434/2017-18/10757) was appointed by the Hon'ble NCLT as the Interim Resolution Professional ("**IRP**") of the Company and was later confirmed as its Resolution Professional ("**RP**") by the Committee of Creditors ("**CoC**") of the Company as per the provisions of the IBC.

A resolution plan for the Company submitted by Formation Textiles LLC ("**FTL**" / "**Prior SRA**") was approved on 30<sup>th</sup> November 2018 by the Hon'ble NCLT. Subsequently, as per Board meeting held on 31<sup>st</sup> January 2019, FTL took over the management / control of the affairs of the Company and later, the name of the Company was changed from Mandhana Industries Limited to GB Global Limited.

However, in view of the non-implementation of its resolution plan by FTL, the Hon'ble NCLT, vide order dated 5<sup>th</sup> December 2019, as an interim measure, directed that the CIRP of the Company be restored and the possession of the Company be handed over to the CoC and the erstwhile RP. Accordingly, at a meeting of the CoC held on 8<sup>th</sup> January 2020, FTL handed over the possession of the Company to the CoC, which in turn handed it over to Mrs. Charu Desai, the RP of the Company. Further, vide order dated 5<sup>th</sup> February 2020, the Hon'ble NCLT allowed the RP to invite fresh resolution plans from prospective resolution applicants by providing an additional period of 70 days to undertake the process.

Pursuant to the NCLT order and based on approval by the CoC, on 13<sup>th</sup> February 2020, the RP invited interested parties to submit resolution plans for the Company in accordance with the relevant provisions of the IBC and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("**CIRP Regulations**"). Meanwhile, on 23<sup>rd</sup> March 2020, a nationwide lockdown was declared due to sudden outbreak of COVID-19 pandemic, which was extended from time to time. Similar lockdown order was issued by the State of Maharashtra, where the registered office and corporate office of the Company is situated. The lockdown in the State of Maharashtra was extended from time to time. In the wake of the pandemic and the lockdown restrictions, the Insolvency

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and Bankruptcy Board of India issued a notification dated 29<sup>th</sup> March 2020 permitting exclusion of the period of lockdown imposed by Central Government from the CIRP period. Further, on 30<sup>th</sup> March 2020, the Hon'ble National Company Law Appellate Tribunal, New Delhi ordered that the period of lockdown ordered by Central Government and State Governments shall be excluded from the period for completing the CIRP of a corporate debtor prescribed under Section 12 of the IBC. Accordingly, the period of 70 days to complete the process in terms of the order dated 5<sup>th</sup> February 2020 stood extended.

On 10<sup>th</sup> September 2020, a resolution plan for the Company was received from Dev Land & Housing Private Limited ("**DLH**"/ "**Resolution Applicant**"/ "**RA**"). After various rounds of negotiation between the RP, DLH and the members of the CoC, the final resolution plan submitted by DLH was put to vote pursuant to the 38<sup>th</sup> meeting of the CoC on [•] and was approved with 67.01% voting shares of CoC on [•]. Pursuant to this, on 6<sup>th</sup> January 2021, the RP filed an application bearing I.A. 19 of 2021, under Section 30 (6) read with Section 31 (1) of the IBC, for approval of the resolution plan of DLH by the Hon'ble NCLT. I.A. 19 of 2021 was reserved for order by the Hon'ble NCLT on 3 February 2021.

As informed by our letter dated 20<sup>th</sup> May 2021, the Hon'ble NCLT, by its order dated 19<sup>th</sup> May 2021 ("**Approval Order**"), approved the resolution plan submitted for the Company by DLH ("**Resolution Plan**"). The Approval Order was received by the Parties on 26<sup>th</sup> May 2021. In terms of Section 31 (1) of the IBC, the Resolution Plan, as approved by the Hon'ble NCLT, is binding on the Company and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the Resolution Plan. In the Approval Order, the Hon'ble NCLT has taken cognizance of the pay outs to stakeholders and has observed that the Resolution Plan meets the requirements of Section 30(2) of the IBC and Regulations 37, 38, 38(1A) and 39(4) of the CIRP Regulations.

In terms of the Resolution Plan, the Resolution Applicant shall be responsible for taking the steps for the implementation of the Resolution Plan.

The Implementation Schedule under the Resolution Plan is as below:

Action	Timeline
Plan Approval Date	X
Effective Date (date of receipt of Approval Order)	T
Confirmation of constitution of Monitoring Committee	T+5 days
Infusion Date	T+10 days; Distribution of pay outs to stakeholders
Completion of Capital Reduction	T+30 days, in case not completed on Infusion Date
Cut-Off Date	In case shares are not allotted to the RA on the Infusion Date, Cut-off Date means the date on which either (i) the securities of the Company are allotted to the RA or (ii) the RA Loan is converted into securities of the Company
Closing Date	T+75 days
Discharge Date	Upto 12 months from Infusion Date.

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The following would be the key implementation steps as per the Resolution Plan -

1. Constitution of the Monitoring Committee to oversee implementation of the Resolution Plan -  
With effect from the date of approval of the Resolution Plan, the supervision and duty to oversee the implementation of the Resolution Plan shall, *inter alia*, vest with a steering committee ("**Monitoring Committee**"), comprising -
  - a. Two representatives of the Resolution Applicant; and
  - b. Two representatives of the Financial Creditors.
  - c. One reputed textile expert (neutral party)

The powers of the board of directors of the Company shall continue to remain suspended and all powers of the board of directors shall be exercised by the Monitoring Committee, until the new board of directors is constituted as on the Infusion Date. After the Infusion Date, the powers of the board of directors shall vest with the new board of directors. The Monitoring Committee shall continue to supervise the implementation of the Resolution Plan till the Discharge Date. Further, the Resolution Professional and her advisory team will provide all necessary support and cooperation (like making necessary filings with the ministry of corporate affairs, assisting with the filings for appointment of the new board, and the Resolution Professional shall continue as the authorized signatory as authorized by the Monitoring Committee) until the new board is formed.

2. Reduction of existing share capital – The existing paid up share capital of the Company, whether as equity or preference shares, along with any share application monies shall be written down from 33,14,295 to 33,145 shares of INR 10 each. Any fractional share shall be rounded off as 1. Additionally, as previously informed vide our letter dated 28<sup>th</sup> May 2021, the Monitoring Committee in its meeting dated 28<sup>th</sup> May 2021 has fixed 5<sup>th</sup> June 2021 as the record date for the purpose of reduction of the share capital of the Company.
3. Infusion of Share Application Money and Unsecured Loan by the Resolution Applicant – The Resolution Applicant shall infuse funds amounting to INR 500,000,000 in the Company as Share Application Money. Pursuant to the Share Application Money, the RA and/or its nominees (provided each such nominee is eligible under Section 29A of the IBC) shall take all efforts to ensure that the RA and/or its nominees be allotted securities in the Company such that they hold 99.94% of the share capital of the Company. Further, an amount of INR 5 Crore will be infused by the RA as Unsecured Loan into the Company. Upon allotment of securities to the RA, the Share Application Money and the upfront Unsecured Loan shall be used to make the upfront payment to the stakeholders in terms of the Resolution Plan.
4. Payments of CIRP Costs and Operational Creditors – The Resolution Plan provides for payment of unpaid CIRP Costs and operational creditors dues (including payments towards workmen/ employee dues, statutory dues and dues of other operational creditors (in the nature of trade suppliers) to be paid in priority as per the terms of the Resolution Plan.
5. Payment to Financial Creditors – Resolution Applicant has proposed to pay the Financial Creditors in accordance with the terms of approved Resolution Plan. The Dissenting Financial Creditors shall be paid as per Section 30(2)(b) of the IBC read with Regulation 38 (1) of the CIRP Regulations.

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- Taking over of management – The management and control of the Company from the Infusion Date will vest with the Resolution Applicant who will engage high class professionals in the key management positions. The Chairman of the Company would be Mr. Vijay Thakkar. The Managing Director under the new management would be Mr. Dev Thakkar and the Chief Executive Officer of the Company would be Mr. Harsh Somaiya. The profile of key management personnel and the textile experts who would be handling the business has been provided in the Resolution Plan.
- Re-classification of Promoters – Pursuant to the approval of the Resolution Plan by the Hon'ble NCLT, the promoters of the Company shall stand re-classified. The Resolution Applicant shall be the new promoter of the Company and existing promoters shall be re-classified as public shareholders.

Further, the specific features and details of the Resolution Plan, as required under Clause 16 (l), (m) and (n) of Para A of Part A of Schedule III of the SEBI (LODR) Regulations (as amended vide SEBI notification No. SEBI/LAD-NRO/GN/2021/02 dated 8<sup>th</sup> January 2021) are provided in the **Appendix**.

Copy of the Approval Order was uploaded on the NCLT website late night on 26<sup>th</sup> May 2021 and is enclosed for your reference.

This is for your information and record.

Thanking you,

Yours faithfully,

**For GB Global Limited (formerly known as Mandhana Industries Limited)**

CHARU  
SANDEEP DESAI

Digitally signed by CHARU SANDEEP DESAI  
DN: c=IN, o=Personal,  
2.5.4.23=577c5c43dab60d77eb698cccd4b89  
d40f031b0f12d33ca8e8b469d86aee  
postalCode=400601, st=Maharashtra,  
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b7e8d7ba3c06107ab518f97184f94e3db,  
cn=CHARU SANDEEP DESAI  
Date: 2021.06.02 15:44:05 +05'30'

**Charu Desai**

Erstwhile Resolution Professional and Authorized signatory on behalf of Monitoring Committee of GB Global Limited (Formerly Known as Mandhana Industries Limited)  
IBBI Registration No.: IBBI/IPA-001/IP-P00434/2017-2018/10757

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### Appendix

Specific features and details of the Resolution Plan (not involving commercial secrets) as approved by the Hon'ble Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016, are as follows:

#### 1. Pre and Post net-worth of the Company

The net worth of the Company as on date of restoration of CIRP was negative INR 821.13 crores. The projected net worth of the Company as per the projections provided by the Resolution Applicant in the Resolution Plan shall be positive to the extent of INR 418.67 crores.

#### 2. Details of the Assets of the Company Post CIRP

After taking feedback from the industry experts, it has been decided that the Resolution Applicant shall not operate all the facilities and will operate in the manner elaborated in the Resolution Plan.

#### 3. Details of securities continuing to be imposed on the Companies' assets;

As per the terms of the Resolution Plan, the Financial Creditors shall be discharged in full by the Resolution Applicant within one year from the Infusion Date (defined as the 'Discharge Date'). Existing security/ encumbrances held by the Financial Creditors over the assets of the Company (other than Release Assets, for which the mechanism has been provided in the Resolution Plan) shall continue to be in effect till the Discharge Date. Financial Creditors shall issue no-dues certificate to the Corporate Debtor/ Resolution Applicant post payment of their dues as provided in the Resolution Plan.

#### 4. Other material liabilities imposed on the Company

As per the Resolution Plan approved by the Hon'ble NCLT, there is no fresh liability imposed on the Company.

#### 5. Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;

Sr. No.	Category of shareholder	Pre-reduction		Post-reduction		Post-infusion	
		No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
1	Promoter & promoter Group	1,060,965	32.01%	10,610	32.01%	10,610	0.02%
2	Financial Institutions / Banks	69,016	2.08%	690	2.08%	690	0.00%
3	Individuals & Others	2,184,314	65.91%	21,843	65.91%	21,843	0.04%
4	Resolution Applicant	-	0.00%	0	0.00%	50,000,000	99.94%
	<b>Total</b>	<b>33,14,295</b>	<b>100.00%</b>	<b>33,143</b>	<b>100.0%</b>	<b>50,033,143</b>	<b>100.00%</b>

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**6. Details of funds infused in the Company, creditors paid-off:**

(INR Crores)

Particulars	Admitted Claim Amount	Proposed amount as per the resolution plan
CIRP costs	NA	20.65
Secured Financials Creditors	1,163.77	151.00
Unsecured Financial Creditors	17.17	0.00
Operational Creditors (trade creditors, employees and workmen and others)	1.92	0.42
Payment towards Statutory Dues	NA	1.00
Payment towards gratuity due to promoters/ employees	NA	6.11
Payment towards Lease liabilities (as and when due)	NA	5.79
Operational Creditors* (unadmitted - prior SRA period)	NA	1.63
Working Capital	NA	25.00
Capex Investment	NA	10.00
Allotted Standstill Amount (costs for monitoring committee)	NA	0.50
<b>Total Outlay</b>	<b>1,182.86</b>	<b>222.10</b>

**Note:**

*\*In the Approval Order, the Hon'ble NCLT has held that the treatment of prior SRA period liabilities can be decided only after hearing such category of operational creditors in an appropriate proceeding as and when initiated. However, it is clarified that the RA (DLH) shall not in any manner be held accountable for dues pertaining to the prior SRA period.*

**7. Additional liability on the incoming investors due to the transaction, source of such funding etc.**

The Resolution Applicant has sufficient cash-flows in the existing business in form of fixed deposits and hence the surplus money shall be withdrawn and infused into the Corporate Debtor. Further, basis net worth of the Resolution Applicant and its promoters, Resolution Applicant shall raise unsecured loans to honour payment committed under the Resolution Plan. The said unsecured loans shall be subordinate to the Financial Creditors loan and interest free till the time Financial Creditors are paid in full in terms of the Resolution Plan.

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**8. Impact on the investor – revised P/E, RONW ratios etc**

The revised ratios based on the projections provided in the Resolution Plan are mentioned below:

Particulars	Year 1	Year 2	Year 3
EBITDA Margin (%)	8.3%	11.5%	12.3%
Return on Net Work (%)	3.7%	7.3%	9.2%
Current Asset Ratios	6.5	5.3	4.5
Quick Ratios	5.4	4.3	3.5
Debt Equity Ratio	0.33	0.26	0.14

**9. Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;**

**Management and control of the business of the Corporate Debtor**

Management and control of the Corporate Debtor from the Infusion Date will vest with the Resolution Applicant who will engage high class professionals in the key management positions such as production, marketing and sales, finance, accounts and compliances, and commercial functions. The Chairman of the Corporate Debtor would be Mr. Vijay Thakkar. The CMD under the new management would be Mr. Dev Thakkar and the CEO of the Corporate Debtor would be Mr. Harsh Somaiya (CEO). The profile of Key Management Personnel and the textile experts who would be handling the business is given below.

- a) **Mr. Vijay Thakkar (Chairman)**- Resolution Applicant and its other group companies were established under the able and inspiring leadership of its Chairman Mr. Vijay Thakkar, who has been long engaged in the business of real estate and construction. He looks after the overall projects, processes and structures, while personally overseeing all the construction sites to find out areas of improvement that would add value to the final product and the satisfaction quotient for customers.
- b) **Mr. Dev Thakkar (Managing Director)** – He is the Head of liasoning and Construction Manager at the Resolution Applicant group. Mr. Dev Thakkar has been instrumental in the growth and success of Resolution Applicant and has a degree in Real Estate Business Management. Mr. Thakkar is a real estate developer and an entrepreneur with vast experience and knowledge of the industry. He has coupled business acumen with international exposure to put to use powerful and very successful strategies. He principally looks after operations that include Construction, Contracts & Purchase, along with P&L responsibilities of some of the major projects in the Resolution Applicant portfolio. He also leads the redevelopment initiative for the Group.

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