CIN : L17120MH1984PLC033553

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

6th February, 2020

To,

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

BSE Code – 533204

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

NSE Code – GBGLOBAL

Subject: Updates on order of the Hon'ble National Company Law Tribunal delivered on 5th February, 2020 allows the Resolution Professional to invite fresh Resolution Plans

Dear Sir,

This is with reference to earlier intimations given for restoration of Corporate Insolvency Resolution Process (CIRP) of GB Global Limited (formerly known as Mandhana Industries Limited) and hand over the possession of the Company to the Creditor of Committee (COC), which in turn handed it over to the Resolution Professional (RP) of the Company on 8th January, 2020, pursuant to the NCLT Order dated 5th December, 2019.

In this regards, we would like to update you that Hon'ble National Company Law Tribunal delivered its order on 5th February, 2020, which allows the Resolution Professional to invite fresh resolution plans from prospective resolution applicants by providing 70 days to undertake the process in the prescribed manner provided in the copy of the Order attached herewith for your perusal.

This disclosure is being made pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and records. The Company will keep the statutory authorities posted on further developments in this regard.

For **GB GLOBAL LIMITED**
(Formerly known as Mandhana Industries Limited)

GB GLOBAL LTD. MUMBAI-13.

Charu Desai
Resolution Professional of GB Global Limited (Formerly Known as Mandhana Industries Limited) vide NCLT Orders dated 29th September 2017 and 5th December 2019.
E-mail Id: ipcharudesai@gmail.com
Registered Address: 2602, Fairfield A wing Lodha Luxuria, Majiwada Thane West Thane- 400601
IBBI Registration No.: IBBI/IPA-001/IP-P00434/2017-2018/10757

Charu Desai has been granted a certificate of registration to act as an Insolvency Professional by the Insolvency and Bankruptcy Board of India, his Registration No. is IBBI/IPA-001/IP-P00434/2017-2018/10757. The affairs, business and property of GB Global Limited (Formerly Known as Mandhana Industries Limited) are being managed by the Resolution Professional, who acts as agent of GB Global only and without personal liability.
IP registration details as under:
IP Registration no. IBBI/IPA-001/IP-P00434/2017-2018/10757
2602, Fairfield A wing Lodha Luxuria, Majiwada Thane West Thane- 400601, Maharashtra
charudesai@gmail.com

E/a : NCLT Order dated 5th February, 2020

IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT NO.1, MUMBAI BENCH

MA 2326/2019 in CP(IB)1399(MB)/2017

(Under Section 60(5) read with Section 74(3) of the IBC, 2016)

Bank of Baroda	….Applicant
Vs	
Formation Textiles LLC . .	….R1
Piyush Viradia	….R2
Jiten Parikh	….R3
Charu Sandeep Desai	.... R4
N. V. Dand& Associates	.... R5
Finquest Financial Services Ltd	…. R6

In the matter of

Bank of Baroda	…Financial Creditor
Vs	
Mandhana Industries Limited	… Corporate Debtor

Order delivered on 5.2.2020

Coram:

Hon'ble Member (Judicial) Smt Suchitra Kanuparthi

Hon'ble Member (Technical)Shri V Nallasenapathy

For the Applicant: Mr. Gaurav Joshi, sr. Advocate, Mr. Madhav Kanoria, Mr. AnushMathkar, Ms. Annie Jain, Mr. Aarant Sarangi, Ms. Aishwarya Gupta

For the Respondent: Ms. Mahima Singh, Mr. Mustafa Kachwala, Ms. Ketki Pansara, Mr. Rohan Agrawal, Mr. Darshit Dave.

Per: V. Nallasenapathy, Member(Technical)

ORDER

1. This is an application filed by Bank of Baroda as a member of Committee of Creditors (CoC) having 23.41% voting share in the CoC, under Section 60(5) of IBC, 2016 (Code), seeking the following prayers:

   A. To direct Formation Textiles LLC, Mr. Piyush Viradia and/or Mr. Jiten Parikh to implement the Resolution Plan and all the actions envisaged therein, without any modifications or deviations from the

commitments made thereunder in its entirety, on an urgent and with immediate effect and in a time bound manner;

B. To direct Formation Textiles LLC, Mr. Piyush Viradia and/or Mr. Jiten Parikh to make immeidtae payments as envisaged under the Resolution Plan including payment towards the CIRP costs, Financial Creditors, Operational Creditors, including that of the workmen and employees, statutory authorities and others stakeholders if any; or

C. Alternative to prayer clause (A) and (B) above, to recommence the CIRP of the Corporate Debtor and to allow invitation of fresh bids by the Resolution Professional in the CIRP of the Corporate Debtor with an aim to reviving the Corporate Debtor as a going concern, and to prevent the Corporate Debtor going into liquidation;

D. Alternative to prayer Clause (A) and (B) above, to recommence the CIRP of the Corporate Debtor and direct the Resolution Professional and the Committee of Creditors of the Corporate Debtor to approach the second highest bidder, namely Respondent No.6 to gauge its interest in still submitting a Resolution Plan in the CIRP of the Corporate Debtor;

E. Alternative to prayer clauses (A) and (B) above, pass on order requiring the Corporate Debtor to be liquidated in the manner as a laid down under Chapter III of the IBC, 2016;

F. To pass an order under Section 74(3) of the IBC, 2016 against R1 and/or R2 for contravention of the terms of the Resolution Plan;

G. Pending the hearing and final disposal of the application, R1 and R5 be called upon to, on affidavit, place on record the steps taken by them for implementation of the Resolution Plan and further all the steps taken by it in the running of the Corporate Debtor, in order to ascertain the status of the Corporate Debtor today including disclosing any progress reports filed by them before this Tribunal;

H. Pending the hearing and final disposal of the application, formation Textiles LLC and N.V. Dand& Associates be directed to, on affidavit, place on record the steps taken by them for implementation of the Resoluition Plan and further all the steps taken by it in the running of the Corporate Debtor, in order to ascertain the status of the Corporate Debtor today including disclosing any progress reports filed by them before this Tribunal;

I. Pending the hearing and final disposal of the application, to direct that the management and control of the Corporate Debtor is given to a

third party agency appointed by this Tribunal so that the assets of the Corporate Debtor are not further depleted and are protected from any acts of the R1 and R3;

J. In the alternative to Prayer (I); pending the hearing and final disposal of the application, to direct Formation Textiles LLC, Mr. Piyush Viradia and Mr. Jiten Parikh to maintain status quo in relation to the Corporate Debtor, except for the day to day operations of the Corporate Debtors, reports of ought to be submitted by the Formation Textiles LLC, Mr. PiyusViradia and Mr. Jiten Parikh before this Tribunal on a weekly basis.

K. Pending the hearing and final disposal of the application, to direct R1 to pay the amount of interest at the rate of 10% being accrued to the financial creditors on account of the continuing debt of Rs.305,00,00,000/- payable monthly since the date of R1 taking over the control and management of the Corporate Debtor, i.e. 31.1.2019, as per Clause 4.3 of Chapter VI read with Clause 3 of Chapter V of the Resolution Plan.

2. The application reveals that R1 is the successful Resolution applicant who has submitted resolution plan for the Corporate Debtor, namely Mandhana Industries Ltd. R2 and R3 are the promoter/directors who manages the R1 and holds 80% and 20% of the shareholding in R1 respectively as on 30.5.2018. R4 was the Resolution Professional of Mandhana Industries Ltd. R5 is the Monitoring Agency appointed under the Resolution Plan for monitoring and implementation of the resolution plan. R6 is the company who submitted the resolution plan for Mandhana Industries and was declared as H2 in the final round of bidding.

3. It is submitted that CIRP Petition No.1399/2017 against M/s. Mandhana Industries Ltd was admitted by this Bench on 29.9.2017 wherein R4 herein was appointed as the IRP and confirmed as RP .

4. R4 conducted the Corporate Insolvency Resolution Process. After a long drawn process, the resolution plan submitted by R1 was declared as the H1 bid and the CoC approved the resolution plan of R1 in the meeting held on 4thJuly, 2018 by a vote of 80.92% majority, which was also approved by this Tribunal by an order dated 30.11.2018.

5. Subsequent to the approval of the resolution plan, the Resolution Applicant(R1) has filed MA 2223/2019 on 18.6.2019, seeking primarily

the relief of revising its offer/bid and to reduce the bid amount in line with actual valuation of the Corporate Debtor, appointment of an independent auditor to carry out forensic audit of the corporate debtor to accurately determine the accurate worth /valuation etc and the same is also pending. Further, the applicant (R1) in MA 2223/2019 filed two amendment applications (Nos. 3904/2019 and 427/2020) to amend certain prayers in MA 2223/2019.

6. Previously, this Bench, on 5.12.2019, when these applications are pending, without deciding the issues involved therein, has ordered the resolution applicant to hand over the possession of the Corporate Debtor on as is where is basis to the CoC, which was readily agreed by the Counsel for the Resolution applicant. It was further directed that the CoC will handover the Corporate Debtor to the erstwhile RP. Further, the CIRP was restored and RP (R4) was restored as RP of the Corporate Debtor.

7. Today, it is reported that the Resolution Applicant has handed over back the possession of the Corporate Debtor and the Resolution Professional has taken over the charge of the Corporate Debtor.

8. The Counsel for the applicant without prejudice to other prayers in this application insisted that Prayer (C), supra, may be considered by this Bench and allow invitation of fresh bids by the RP in the CIRP of the Corporate Debtor with an aim to revive the Corporate Debtor as a going concern and to prevent the Corporate Debtor going into liquidation.

9. In view of this request, this Bench has considered his request and heard the Counsels for the R1, R2 , R3, R4 and R6 only to the extent of the limited prayer as referred in para 8 above. No objections were received from any of the Respondents.

10. The Counsel for the Applicant relied on the following judgements of the Hon'ble Supreme Court to buttress his submission that once again the CIRP can be started and fresh bids may be called for from the prospective Resolution Applicants in view of the peculiar circumstances and facts of the case:

(i) Committee of Creditros of Essar Steel India Ltd vs. Satish Kumar Gupta & Ors 2019 SCC OnLine SC 1478 (Para 132).

(ii) Order dated 24.9.2019 in the matter of Committee of Creditros of Amtek Auto Ltd through Corporation Bank vs. Dinkar T. Venkatsubramanian & Ors. in Civil Appeal No.6707 of 2019.

(iii) Order dated 2.12.2019 in the matter of Committee of Creditros of Amtek Auto Ltd through Corporation Bank vs. Dinkar T. Venkatsubramanian & Ors. in Civil Appeal No.6707 of 2019.

11. The judgement in Essar Steel case cited above, is in the context of delay in legal proceedings and the same may not be helpful to the applicant since in the case on hand, there is no delay in the legal proceedings but it is a case of failure on the part of the Resolution Applicant to execute the resolution plan in the agreed terms.

12. The other judgement cited by the applicant in the case of Amtek Auto is helpful to the applicant for canvassing his point that on the failure of the Resolution Applicant, the RP may be permitted to invite fresh offers. However, here also this is subject to Section 12 of the Code which prescribes the time within which the CIRP has to be completed. But in this case, the applicant is seeking for starting of the bidding process afresh in view of the failure on the part of the Resolution Applicant.

13. This Bench is of the considered view that this is a rare and an exceptional case where the Resolution Applicant failed to implement the resolution plan.

14. Considering the overall situation in this case and in view of the fact that there was an another resolution applicant (i.e. R6) whose resolution plan was not accepted and also considering the submission made by the Counsel for R4 that some queries are there in relation to the resolution plan of the Corporate Debtor, this Bench is not inclined to order liquidation of this Corporate Debtor for which Resolution can be achieved, allows the Resolution Professional to invite fresh resolution plans from prospective resolution applicants by providing 70 days to undertake the process in the following manner:

Sr. No.	Activity	Time Required
1.	Invitation for Expression of Interest	15 days
2.	Provisional list of Resolution Applicants	5 days
3.	Submission of objection by Resolution Applicants to the Provisional List	5 days

Sr. No.	Activity	Time Required
4.	Final list of Resolution Applicants	5 days
5.	Due Diligence by Resolution Applicants and submission of Plans	20 days
6.	Negotiation by CoC and RP with the Resolution Applicants	15 days
7.	Approval of Compliant Plans by CoC	5 days

15. Accordingly, this MA 2326/2019 is partly allowed and in respect of the remaining prayers, the applicant is at liberty to file an appropriate application.

Sd/-
V NALLASENAPATHY
Member (Technical)

Sd/-
SUCHITRA KANUPARTHI
Member (Judicial)