

Notification for Sale of Financial Asset

A consortium of lenders led by Bank of Baroda (BOB or the 'Bank') intends to sell Financial Asset to Banks/ARCs/NBFCs/FIs on cash basis, as per the detail given here-in-below:

1. Brief details of financial asset showcased

(Rupees in Crores)

Branch Name	Name of Unit	Terms of Sale
Bhagatalav, Surat	Garden Silk Mills Limited	100% cash basis

2. The prospective bidder shall have a Net worth of at least Rs. 50 Crs as per last audited balance sheet.

OR

In case the prospective bidder is a fund etc. the Asset Under Management (AUM) shall be at least Rs. 500 Crs as per last audited balance sheet.

3. The interested ARCs/ Banks/ NBFCs/ FIs can conduct due diligence of this asset with immediate effect, after executing a Non-Disclosure Agreement (NDA) with the Bank. The interested entities may contact the Bank (as per details given here-in-below) for necessary details of the accounts for the purpose of due diligence. The related information may be obtained after having Non-Disclosure Agreement (NDA) with the Bank.

The details of contact person: Prashant Avhad, Rajeev Kumar, Stressed Assets Group & Recovery, Tel. 022-66985730/ 22/ 29/ Mob no. 9967059401, 8084392487. E-Mail id: sales.recovery.bcc@bankofbaroda.com; spg.bcc@bankofbaroda.co.in

4. Details of officials at branches for due diligence are as under:

Name of Branch	Name of authorised official/ Mobile Number	Address of the Branch
Bank of Baroda, Bhagatalav Branch, Surat (Surat Main Branch)	Mr. B N Trivedi 8369597992 Mr. B N Yadav 7571965386	Post Box 286, Kanpith, Bhagatalav, Surat- 395003

5. **The interested Participants may please take note that the last date for submission of the Binding Bid is March 28, 2019 by 4:00 PM. The bid can be submitted in a sealed envelope to the General Manager (NPA Recovery), Bank of Baroda, Baroda Corporate Centre, C-26, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400 051.**
6. The bids will be opened on 28.03.2019 at 4:30 PM.
7. The binding bid documents shall be signed by a person authorized by the Board of the Company. (Copy of the authorization letter/ resolution is to be submitted)

8. The binding bid shall be valid till 30.06.2019. The highest bid may be further negotiated with bidder.
9. The lenders will have right for Inter-se bidding/ Swiss Challenge / e-auction between bidders.
10. The sale is on "as is where is basis".
11. The sale will be confirmed after getting the approval from consortium members.
12. Once the deal is finalized, the assignment deed and other legal formalities will be completed in the shortest possible time as mutually agreed upon.
13. KYC – there will be satisfactory completion of KYC by the seller on the buyer.
14. Besides the amount outstanding under any disbursed loans, Bank shall notify the Purchaser details of any un-devolved LCs/ BGs yet to be invoked/ installments of DPGs, which are not yet due, in respect of the NPA accounts being offered for sale by the Bank. The Bank shall retain pari-passu charge on the securities relating to un-crystallized non-funded facilities. In case of crystallization of non-funded facilities after the sale, that portion (converted into funded) will also be sold by the Bank to the same ARC/ Buyer who will give acceptance for the same through offer letter/ supplementary agreement/ assignment agreement. The un-devolved LC and un-invoked BG limits backed by 100% margin by way of FDs will not be offered for sale to ARCs, etc.
15. Bank/s reserves the right not to go ahead with the proposed sale at any stage without assigning any reason whatsoever. Bank's decision in this regard shall be final and binding.

(P N Mehrotra)
General Manager (Recovery)

Date: 13.03.2019

BID TERMS & CONDITIONS FOR SALE/ ASSIGNMENT OF OUTSTANDING DEBT

1. Pre-Qualification Criteria: The prospective bidder shall have a Net Worth of at least Rs. 50 Crore as per last audited balance sheet.

OR

In case the prospective bidder is a fund, etc. the assets under management (AUM) shall be at least Rs. 500 Crore as per last audited balance sheet.

(The prospective bidder shall submit copies of the audited statements of above)

2. Non-Disclosure agreement (NDA) is to be signed for sharing of the information, documents etc to facilitate the due diligence process.
3. Last date for submission of the bid is March 28, 2019 by 4:00 PM.
4. The bid shall be submitted in a sealed envelope to the General Manager (NPA Recovery), Bank of Baroda, Baroda Corporate Centre, C-26, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400 051.
5. The bids will be opened on March 28, 2019 at 4.30 PM.
6. The bidder shall submit the bid on 100% cash settlement basis only.
7. The bid document shall be signed by a person authorized by the Board of the Company (Copy of the authorization letter/resolution is to be submitted).
8. The binding bid shall be valid till 30th June 2019.
9. The highest bid may be further negotiated with the bidder. The lenders will have right for Inter-se bidding/ Swiss challenge/e-auction between the bidders.

Note: *The lenders reserve the right not to go ahead with the proposed sale at any stage, without assigning any reason. The decision of the lenders in this regard shall be final and binding.*

Garden Silk Mills Pvt. Ltd.

1. Brief profile of Company:

Garden Silk Mills Ltd. (hereinafter referred to as “GSML” or “the Company”) incorporated in 1979, is one of India’s leading and most reputed textile companies. It is a vertically integrated company operating in the man-made textile space that manufactures Polyester Chips, Polyester Filament Yarn (PFY), Preparatory Yarn, Woven (Grey) Cloth, as well as Dyed & Printed Sarees and Dress Materials. The registered office of the Company is in Surat, Gujarat and Corporate Office is in Mumbai, Maharashtra. The manufacturing units of the Company are located in Vareli (Weaving) and Jolwa (manufacturing unit of chips and yarn) villages near Surat.

The Company is one of the largest producers of polyester chips in India with installed capacity of 5,06,000 MTPA.

Products	Pet Chips	POY	FDY	Yarn Preparatory	Weaving
Units ->	MTPA	MTPA	MTPA	MTPA	Looms
Jolwa	506,000	158,611	62,452	74,525	-
Vareli Complex	-	-	-	-	1,204
Total Capacity	506,000	158,611	62,452	74,525	1,204

2. Equity Share Price as on 13.03.2019 (BSE):

Current Market Price	Rs. 22.20 /share
Face Value	Rs. 10/share
Market Cap (Full) (Rs. In crore)	93.42
52 weeks high / low	Rs. 38.30 / Rs.15.05

3. Company Details:

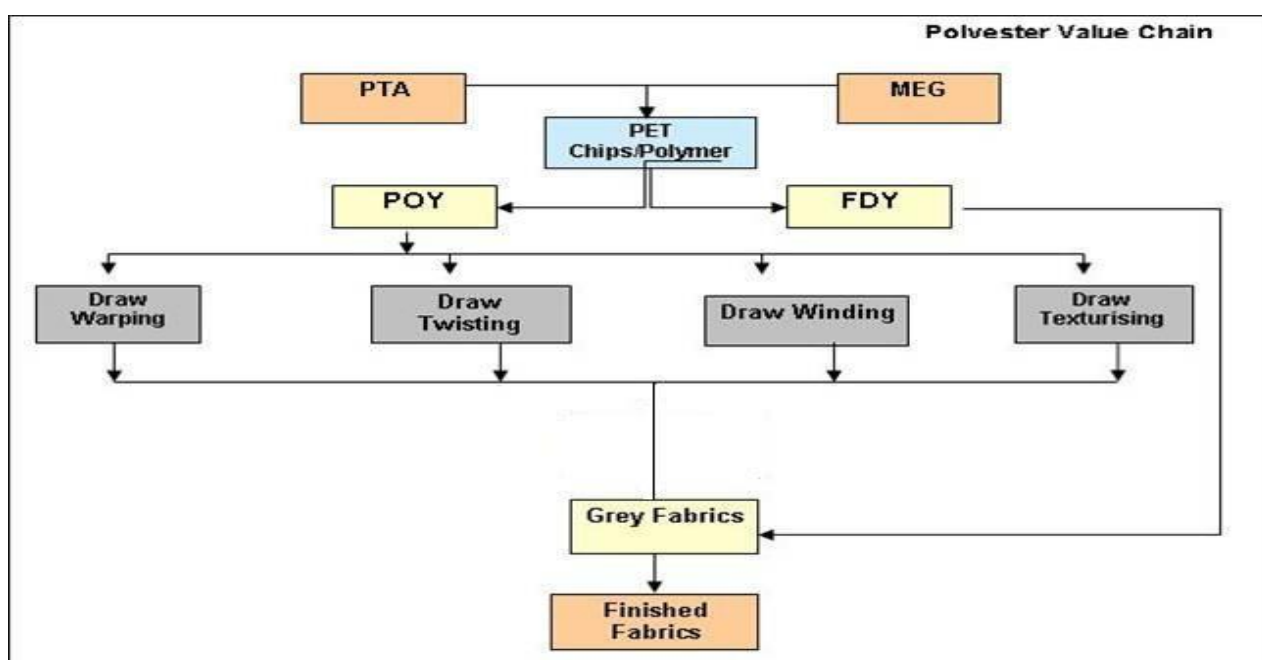
PARTICULARS	DETAILS
Borrower	Garden Silk Mills Ltd.
Constitution	Public Limited Company (listed on BSE and NSE)
Promoters	Mr. Praful A. Shah (Chairman & Managing Director) Mr. Alok P. Shah (Joint Managing Director) Mr. Sanjay S. Shah (Executive Director) Mr. Suhail P. Shah (Executive Director)
Date of Incorporation	23 July 1979
CIN	L17111GJ1979PLC003463
PAN	AAACG8932C
Registered Office	1 st Floor, Tulsi Krupa Arcade, Puna Kumbharia Road, Dumbhal, Surat 395010
Corporate Office	Manek Mahal, 90, Veer Nariman Road, Churchgate, Mumbai – 400020
Industry	Textile
Existing Facilities	The Company has manufacturing facility located at <ul style="list-style-type: none"> • Vareli Complex, Village Vareli, Taluka Palsana, District Surat - 394 327 • Village Jolwa, Taluka Palsana, District Surat -394 305

4. **Shareholding Pattern of Company as on December 2018:**

Shareholder	No. of Shares	% Share
A. Promoter and Promoter Group		
Indian Promoter & Promoter Group	2,42,55,821	57.64%
Foreign Promoter & Promoter Group	-	-
Total (A)	2,42,55,821	57.64%*
B. Public Shareholding		
Financial Institutions, Banks and MF	11,720	0.03%
Foreign Portfolio Investors	85,881	0.20%
Non-institutions	1,77,28,923	42.13%
Others	180	0.00%
Total (B)	1,78,26,704	42.36%
Grand Total (A+B)	42,082,525	100%

*88.48% shares of the Promoter and Promoter Group are pledged

5. **Product Value Chain**



- The main raw materials for GSML are PTA & MEG.
- PTA is available within India and GSML buys the same from from Reliance Industries Limited (RIL), Indian Oil Corporation (IOC) and Mitsubishi Chemicals PTA India Limited.
- MEG is available in India from RIL and IOC and part of the requirement is met through imports.

6. **Financials of the Company:**

- *Profit & Loss Statement (Standalone)*

(In Rs. Crore)

Particulars	FY16 (A)	FY17 (A)	FY18 (A)	9m FY19 (U)
Revenue from Operation	2,567	2,643	3,103	2,613
Other Income	10	10	5	18
Total Revenues	2,577	2,653	3,109	2,631
Total Expenses	2,474	2,505	2,928	2,508
EBITDA (incl. Other Income)	103	148	181	124

Particulars	FY16 (A)	FY17 (A)	FY18 (A)	9m FY19 (U)
Depreciation	67	64	66	50
Impairment Losses [^]	-	-	15	0
Finance Cost	177	167	189	154
PBT	-141	-83	-89	-80
PAT	-141	-83	-89	-80
Key Financial Indicators				
EBITDA Margin (Inc. OI)	4.00%	5.61%	5.82%	4.69%
PAT Margin	-5.48%	-3.16%	-2.87%	-3.08%
Cash Accruals	-74	-19	-8	-30

[^] towards uninstalled plant & machinery

- Balance Sheet (Standalone)

(In Rs. Crore)

Particulars	FY16 (A)	FY17 (A)	FY18 (A)
Shareholders' Funds			
Share Capital	42	42	42
Reserves/Surplus	-81	-164	-253
Net Worth	-39	-122	-211
LT Borrowings	906	1193	934
Current Maturity	160	237	411
Total TL	1066	1431	1344
ST Borrowings	57	111	158
Total Borrowings	1123	1542	1502
Other Current Liabilities	11	20	85
Other financial Liabilities	36	115	214
Fixed Assets (incl. CWIP)	1179	1124	1045
Trade Receivables	144	151	211
Other current assets	87	68	134

7. External Credit Rating:

The following is the latest credit facilities which have been assigned by CARE Ratings on 21st February 2019:

Credit Rating of GSML

Facilities Details	Rating	Rs in Crores
Long Term Bank Facilities: Term Loan	Care D	1,480.61
Long Term Bank Facilities: Fund Based Working Capital Limits	Care D	298.71
Short Term Bank Facilities: Non-Fund Based Working Capital Limits	Care D	532.00
Total Facilities		2,311.32

Rationale:

The reaffirmation in the ratings assigned to the bank facilities of Garden Silk Mills Limited (GSML) takes into account continuing delays in servicing of its debt obligations on account of stretched liquidity position. GSML's ability to improve its cash flows and regularize its debt servicing are the key monitorable.

NON DISCLOSURE AGREEMENT

This Non-Disclosure Agreement is made and entered into at MUMBAI this day of 2019 (hereafter referred to as “**Agreement**”).

BETWEEN

.....**ABC**, a company incorporated under the (Indian) Companies Act, 1956 / 2013 and whose registered office is at _____ through its authorized representative Mr. _____ hereinafter referred to as “**ABC**”, which expression shall, unless it be repugnant to the meaning or context thereof, be deemed to mean and include its successors and permitted assigns)

And

Bank of Baroda, a body corporate constituted under the Banking Companies Acquisition & Transfer of Undertakings) Act 1970 and having its Corporate Office at Baroda Corporate Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 (hereinafter referred to as “**BOB**” or “the **Disclosing Party**” which expression unless repugnant to the context or meaning thereof be deemed to include its successors and assigns) of the **OTHER PART**:

ARC and **BOB** are hereinafter collectively referred to as “the **Parties**” and individually as the “the **Party**”.

WHEREAS

The Parties intend to engage in discussions and negotiations for a business relationship between themselves. In the course of such discussions and negotiations, it is anticipated that BOB may disclose or deliver to **ABC** certain or some of its trade secrets or confidential or proprietary information in respect of sale of impaired financial assets for the purpose of enabling **ABC** to evaluate the feasibility of such business relationship (hereinafter referred to as “the **Purpose**”).

NOW, THEREFORE THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

1. **Confidential Information:** “**Confidential Information**”, means all information disclosed / furnished by either of the Parties to the other Party in connection with Purpose. Confidential Information shall include any copy, abstract, extract, sample, note or module / softcopies thereof.

The Receiving Party may use the Confidential Information solely for and in connection with the Purpose.

Notwithstanding the foregoing, Confidential Information shall not include any information which the Receiving Party can show: (a) is now or subsequently becomes legally and publicly available without breach of this Agreement by the Receiving Party, (b) was rightfully in the possession of the Receiving Party without any obligation of confidentiality prior to receiving it from the Disclosing Party, (c) was rightfully obtained by the Receiving Party from a source other than the Disclosing Party without any obligation of confidentiality, (d) was developed by or for the Receiving Party independently and without reference to any Confidential Information and such independent development can be shown by documentary evidence, or (e) is disclosed pursuant to an order of a court or governmental agency as so required by such order, provided that the Receiving Party shall, unless prohibited by law or regulation, promptly notify the Disclosing Party of such order and afford the Disclosing Party the opportunity to seek appropriate protective order relating to such disclosure.

2. Non-disclosure: The Receiving Party shall not commercially use or disclose any Confidential Information or any material derived therefrom to any other person or entity other than persons in the direct employment of the Receiving Party who have a need to have access to and knowledge of the Confidential Information solely for the Purpose authorized above. The Receiving Party may disclose Confidential Information to consultants only if the consultant has executed a non-disclosure agreement with the Receiving Party that contains terms and conditions that are no less restrictive than these. The Receiving Party shall take appropriate measures by instruction and written agreement prior to disclosure to such employees to assure against unauthorized use or disclosure. The Receiving Party agrees to notify in writing the Disclosing Party as soon as reasonably practicable, when it learns of any use or disclosure of the Disclosing Party's Confidential Information in violation of terms of this Agreement.

3. Publications: Neither Party shall make news releases, public announcements, give interviews, issue or publish advertisements or publicize in any other manner whatsoever in connection with this Agreement, the contents / provisions thereof, other information relating to this Agreement, the Purpose, the Confidential Information or other matter of this Agreement, without the prior written approval of the other Party.

4. Term: This Agreement shall be effective from day of 2019 and shall terminate on the Expiry Date, being the earlier of:-

- (a) the date falling [6] months from day of 2019 hereof or
- (b) the consummation of the transaction contemplated herein.

The obligations of the Receiving Party respecting disclosure and confidentiality shall continue to be binding and applicable except and until such information enters the public domain or the Expiry Date, whichever is earlier.

5. Title and Proprietary Rights: Notwithstanding the disclosure of any Confidential Information by the Disclosing Party to the Receiving Party, the Disclosing Party shall retain title and all intellectual property and proprietary rights in the Confidential Information. No

license under any trade mark, patents or copy right, or application for the same which are now or thereafter may be obtained by such Party is either granted or implied by the conveying of Confidential Information, The Receiving Party shall not conceal, alter, obliterate, mutilate, deface or otherwise interfere with any trade mark, trade mark notice, copy right notice, confidentiality notice or any notice of any other proprietary right of the Disclosing Party on any copy of the Confidential Information, and shall reproduce any such mark or notice on all copies of such Confidential Information. Likewise, the Receiving Party shall not add or emboss its own or any other mark, symbol or logo on such Confidential Information.

6. Return of Confidential Information : Upon expiration or termination as contemplated in Clause 4 above and upon written demand of the Disclosing Party, the Receiving Party shall (i) cease using the Confidential Information, (ii) return the Confidential Information and all copies, abstract, extracts, samples, notes or modules/softcopies thereof to the Disclosing Party within seven (7) days after receipt of notice and save to the extent that the Receiving Party is required to retain any Confidential Information by any applicable law, rule or regulation or by any competent judicial, governmental, supervisory or regulatory body or rules of any stock exchange provided always that the Confidential Information so retained shall continue to be subject to the obligations contained in the Agreement, save and except when the same enters the public domain.

7. Remedies: The Receiving Party acknowledges that if the Receiving Party fails to comply with any of its obligations hereunder, the Disclosing Party may suffer immediate irreparable harm for which monetary damages may not be adequate. The Receiving Party agrees, in addition to all other remedies provided at law or in equity, the Disclosing Party shall be entitled to injunctive relief hereunder.

8. Entire Agreement, Amendment, Assignment: This Agreement constitutes the entire Agreement between Parties relating to the matters discussed herein and supersedes any and all prior oral discussions and / or written correspondence or agreements between the Parties. This Agreement may be amended or modified only with the mutual written consent of the Parties. Neither this Agreement nor any right granted here under shall be assignable or otherwise transferable.

9. Governing Law: The provisions of this Agreement shall be governed by and construed in accordance with the laws of India and the competent courts in Mumbai shall have non-exclusive jurisdiction in relation to all matters arising out of or in connection with this Agreement.

10. General: All Confidential Information is provided "as is". In no event shall the Disclosing Party be liable for the inaccuracy or incompleteness of the Confidential Information. None of the Confidential Information disclosed by the Parties constitutes any representation, warranty, assurance, guarantee or inducement by either Party to the other Party with respect to the fitness of such Confidential Information for any particular purpose other than for the Purpose.

11. The Disclosing Party warrants that it has the legal right and authority to make the disclosures under this Agreement.

In Witness whereof, the Parties hereto have executed these presents the day, month and year first herein above written.

For and on behalf of
Bank of Baroda

(Name & Designation) (Authorised Signatory)

For and on behalf of (ABC)

(Name & Designation) (Authorised Signatory)