

E-AUCTION PROCESS INFORMATION DOCUMENT

Terms & Conditions

for

Participation in E-Auction Process for Sale of Assets of Rainbow Denim Limited - In Liquidation (“Company” / “Corporate Debtor”) as Going Concern under the provisions of Insolvency and Bankruptcy Code, 2016 and Regulation 32A of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016

RAINBOW DENIM LIMITED (IN LIQUIDATION)

(A Company under Liquidation Process vide Hon’ble NCLT Order dated 12-April-2022)

CIN : L18101PB1999PLC022452

Registered Office and Works: Village Chaundheri, Post Office Dappar, Chandigarh-Ambala National Highway, Tehsil Derabassi, Distt. SAS Nagar (Mohali), Lalru – 140506 (Punjab)

Date of Public Advertisement: 23-June-2022

Date of E-Auction: 11-July-2022

Issued by:

Mr Dharmendra Kumar Bhasin, Liquidator of Rainbow Denim Limited (RDL)

(Registration No.: IBBI/IPA-002/IP-N00816/2019-2020/12564)

Liquidator’s address: 191, Mamta Enclave, Dhakoli, Zirakpur, SAS Nagar, Punjab - 140603

Email: liquidator.rainbowdenim@gmail.com, ipdkbhasin@gmail.com

Mobile:9877932667

(Mr. Dharmendra Kumar Bhasin is an Insolvency Professional registered with Insolvency and Bankruptcy Board of India (“IBBI”) having registration no. IBBI/IPA-002/IP-N00816/2019-2020/12564. Mr. Dharmendra Kumar Bhasin has been appointed as the Liquidator of Rainbow Denim Limited by Hon’ble NCLT, Chandigarh Bench, vide its order dated 12-April-2022 to manage, protect, sell and liquidate the properties/assets/business and other affairs of Rainbow Denim Limited.

DISCLAIMER

- 1. This disclaimer applies to this Process Document, and any information disclosed by the Liquidator, his Representatives or his advisors, whether in this Process Document or the Data Room or otherwise whether prior to the issuance of this Process Document or otherwise. It is clarified as a matter of abundant caution that only a Bidder can submit a Bid pursuant to and subject to the terms and conditions of this Process Document.*
- 2. This Process Document has been issued for general information only, without regard to any specific objectives, suitability, financial situations and needs of any particular person and does not constitute any agreement or recommendation of an offer to buy, purchase or subscribe to any securities or assets mentioned therein. This Process Document cannot be assigned or transferred in any manner whatsoever to any person other than the Bidder and is intended for use only by the person to whom it is issued. This Process Document has been issued by the Liquidator in furtherance of the provisions of the Insolvency and Bankruptcy Code 2016 ("Code"/"IBC Code"/"IBC") and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016 ("Liquidation Regulations") to set out the process for inviting Bids for acquisition of Rainbow Denim Limited ("Company"), as a going concern. Neither this Process Document nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. Nothing in these materials is intended by the Liquidator or his Representatives to be construed as legal, accounting or tax advice.*
- 3. Neither this Process Document, the fact of its distribution, nor anything contained herein, or anything in relation thereto, should form the basis of, or be relied upon in connection with any contract, agreement, undertaking, understanding or any commitment or investment decision whatsoever. Nothing in this Process Document, materials relating to the Process Document, or the opinions, if any, contained in this Process Document is intended to be construed as legal, accounting or tax advice by the Liquidator, the professional advisors to the Liquidator or any other advisor or consultant appointed by the Liquidator. This Process Document is personal and specific to each Bidder and does not constitute an offer or invitation or solicitation of an offer to the public or to any other Person within or outside India.*
- 4. This document is neither an agreement nor an offer by the Liquidator to the Bidders or any other Person. The purpose of this document is to provide the Bidders with information that may be useful to them in submitting their Bids pursuant to this document. This document may not be appropriate for all Persons, and it is not possible for the Liquidator or his Representatives to consider the objectives, financial situation and particular needs of each party who reads or uses this document. This document does not constitute any recommendation of an offer to acquire the Company as a going concern. This document is issued without regard to suitability, financial situations and needs of any particular Person.*
- 5. Past performance is not a guide for future performance. Forward-looking statements are not predictions and may be subject to change without notice. Actual results may differ materially from the forward-looking statements due to various factors. In so far as the information contained in this Process Document includes current or historical information, the accuracy, authenticity, correctness, fairness, and completeness of such information cannot be guaranteed. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the Liquidator including, his Representatives or the Company; and none of the Liquidator, the Company, their Representatives, or any other persons/entities shall be held liable for the authenticity, accuracy, correctness or completeness of any such statements, facts, information or opinions. This Process Document has not and will not be reviewed or approved by any statutory or regulatory authority in India. This Process Document may not be all inclusive and may not contain all of the information that the Bidder may consider material. Each Bidder should, conduct their own investigations, diligence, and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this document and obtain independent advice from appropriate sources. By way of acceptance of this Process Document, the recipient shall be deemed to have acknowledged that it has not relied upon any statements made or information provided by the Liquidator or any Representative or other advisor or consultant appointed by the Liquidator while preparing and submitting its Bid and nor has it been induced to enter into definitive agreements (if any), based on these statements and information.*
- 6. This Process Document and information contained herein or disclosed pursuant to the terms of this document or any part of such information should not be printed, reproduced, transmitted, sold, distributed or published by the recipient without prior written approval from the Liquidator. Neither the Liquidator nor his Representatives shall be liable for any damages, whether direct or indirect, incidental, special or consequential including loss of revenue or profits that may arise from or in connection with the use of this Process Document or due to participating in the Bid Process, including for the Bidder not being selected as the Successful Bidder or on account of any decision taken by the Liquidator in connection with or pursuant to the Bid Process. The recipient acknowledges and agrees that all of the information contained herein is confidential and subject to the Confidentiality Undertaking (as defined below) executed by the recipient, and the recipient agrees to keep the information confidential.*

7. *By accepting a copy of this document, the recipient accepts the terms of this disclaimer notice, which forms an integral part of this document. Further, no person (including the Bidder) shall be entitled under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise to claim for any loss, damage, cost or expense which may arise from or be incurred or suffered on account of anything contained in this document or otherwise, including the accuracy, adequacy, authenticity, correctness, completeness or reliability of the information or opinions contained in this document and any assessment, assumption, statement or information contained therein or deemed to form part of this document, and the Liquidator, the Company and their advisors, affiliates, directors, employees, agents and Representatives do not have any responsibility or liability for any such information or opinions and therefore, any liability or responsibility is expressly disclaimed.*
8. *The Liquidator may at his absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this Process Document. Further, the Bidder must specifically note that the Liquidator reserves the right to change, update, amend, supplement, modify, add to, delay or otherwise annul or cease the Bid Process at any point in time, for any reason whatsoever determined in their sole discretion without any obligation, including to notify any person of such revision or changes.*
9. *In providing this document, the Liquidator or his Representatives do not undertake any obligation to provide the Bidders with access to any additional information or to update, expand, revise or amend the information, or to correct any inaccuracies which may become apparent in this or any other document.*
10. *The issue of this Process Document does not imply that the Liquidator is bound to select a Bidder as a Successful Bidder in respect of its Bid and the Liquidator reserves the right to reject at any stage all or any of the Bidder or Bid without assigning any reason whatsoever and without incurring any liability whatsoever.*
11. *Each Bidder shall bear all its costs associated with or relating to the preparation and submission of any documents (including the Bid) pursuant to this Process Document, including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Liquidator and any other costs incurred in connection with or relating to its Bid.*
12. *The Bidders are prohibited from giving or offering any gift, bribe or inducement and any attempt to any such act on behalf of the Bidder towards the Liquidator or the Company or any of their Representatives for showing any favor in relation to this Process Document or the process set out herein, shall render the Bidder to such liability and penalty as the Liquidator may deem proper, including but not limited to immediate disqualification and exclusion from the Bid Process contemplated hereunder. Neither the information in this Process Document nor any other written or oral information provided by the Liquidator or any advisor, Representative or consultant is intended to form the basis for inducement for submission of any document or information or a Bid by any Bidder.*
13. *This Process Document contains confidential, proprietary and/or legally privileged information and must be kept confidential by the recipient. By accepting a copy of this document (whether by receipt of an electronic copy of the Process Document or access to the Data Room pursuant to the terms of this Process Document or by downloading the Process Document or otherwise) (“Acceptance”), the recipient accepts the terms of this disclaimer notice, which forms an integral part of this document. The recipient should not use this Process Document and any other document annexed herewith and/or otherwise provided for any other purpose other than for the preparation of the Bid. Further, no representation or warranty, expressed or implied, is made or given by or on behalf of any person as to the accuracy, authenticity, completeness, or fairness of the information or opinions contained in this Process Document and Acceptance of the Process Document by the Bidder shall be deemed to be an unconditional acknowledgement by the Bidder that the Company, the Liquidator, its Representatives and all their professional advisors do not accept any responsibility or liability for any information in the Process Document. In addition to other disclaimer(s) of/by the Liquidator in this Process Document, the Liquidator hereby further disclaims any and all liability for any statements made or omitted to be made in this Process Document or, any action taken or omitted to be taken pursuant to this Process Document.*
14. *While the data/information provided in this Process Document or the Data Room, has been prepared and provided in good faith based on the information shared by the personnel of the Company (as relevant), the Liquidator, his advisors and his Representatives have not verified such information, and shall not accept any responsibility or liability whatsoever in respect of any statements or omissions herein, or of the accuracy, correctness, completeness or reliability of information in this Process Document or the Data Room, or incur any liability under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment, equity or otherwise, even if any loss or damage is caused to any Bidder by any act or omission on their part. The Bidders are required to make their own assessments of the information provided including in the Data Room.*
15. *In no circumstances may the Bidders(s) or their officers, employees, agents and professional advisers make contact with the management, employees, customers, agents or suppliers of the Company until permission to do so is given in writing by the Liquidator.*

16. *The benefit of all disclaimers, confirmations, acceptances and representations made or accepted by the recipient in this Process Document shall accrue to the benefit of the Stakeholders of the Company, the Liquidator, its Representatives and advisors.*
17. *Nothing contained in this Process Document shall be deemed to relieve, wholly or partially, directly or indirectly, the Bidders from their compliance with the Insolvency Bankruptcy Code, any other law in force, and/or any instrument having the force of law, as may be applicable to them. The Bidder shall inform themselves concerning, and shall observe and comply with, any applicable legal requirements.*
18. *The laws of the Republic of India are applicable to this Process Document.*

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1. INTRODUCTION

- 1.1 The Corporate Debtor, viz. Rainbow Denim Limited (“RDL” or “Corporate Debtor” or “Company”) was incorporated on 08-04-1999.
- 1.2 The Registered Office of Rainbow Denim Limited is situated at Village Chaundheri, Port Office Dappar, Chandigarh-Ambala National Highway, Tehsil Derabsssi, District SAS Nagar, Mohali, Punjab - 140 506.
- 1.3 Rainbow Denim Limited (erstwhile division of Rama Petrochemicals Limited), set in the state of Punjab – India at Village Chaundheri, P.O. Dappar, District Mohali, with a modern plant using preferred rope-dyeing technology. The fabric intended for the developed markets of the world and the plant adheres to the strictest international norms of technology and environment-friendly processes. To keep pace with international fashion trends, Denim is not only produced in shades of Blue, but also various other colors as well, making Rainbow part of the select few in India with such manufacturing capabilities. The modern, integrated plant of Spinning, Dyeing, Weaving and Finishing is equipped with state-of-the-art quality control systems at all the stages.
- 1.4 The Denim project was initially set up by Rama Petrochemicals Ltd. (RPCL), and was hived off into a separate company called Rainbow Denim Limited (RDL), w.e.f. November 01, 1999. The plant is situated at Village Chaundheri, P.O. Dappar, District Mohali in the state of Punjab. The Company is engaged in the activity of manufacturing of Denim Fabrics of various grades and varieties. The Company started trial production in October 1999 with installed capacity of 10.26 Million Meters per annum which was increased subsequently to 14.00 Million Meters per annum and then to 17.50 Million Meters per annum. The plant has been set up with state-of-the-Art technology using the best available machines in the world. The company manufactures denim fabric with the range from 6.50 oz in OE x OE as well as Ring X OE & Ring X Ring, Slub X OE and Slub X Slub and in various weaves. The latest addition was stretch denim suitable for fashion garment.
- 1.5 The product is basically an industrial product that has to undergo garment making and then has to be given industrial wash to reach the hue and tone as per the market and fashion requirements. The product is sold in three-way strategy, one as promoting with the end seller i.e. to the brand owners and secondly to the factories directly (as per their demand of orders) and to wholesalers.
- 1.6 The project was appraised by IDBI, Lead Institutions and co-funded by Industrial Investment Bank of India, Exim Bank, Bank of India and Dena Bank. Working Capital Requirement of the Company had been appraised by Bank of India (Lead Bank). The consortium member banks were Bank of India, Dena Bank, Arab Bangladesh Bank and IDBI Bank Limited. The facilities granted by Industrial Investment Bank of India were fully repaid by the Company and the outstanding facilities granted by IDBI Bank, Bank of India and Dena Bank were assigned to Assets Care & Reconstruction Enterprise Limited (ACRE). The outstanding facilities granted by EXIM Bank were assigned to Edelweiss Asset Reconstruction Company Limited (EARC).

- 1.7 That an application for Corporate Insolvency Resolution Process filed by one of the operational creditor M/s Amsons India, under section 9 of Insolvency and Bankruptcy Code read with Rule 6 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 was admitted by Hon'ble NCLT Chandigarh Bench (Adjudicating Authority) vide order no. CP (IB) No. 23/Chd/Pb/2019 dated 09-12-2019 wherein the undersigned Dharmendra Kumar Bhasin was appointed as Interim Resolution Professional and thereafter was confirmed by Committee of Creditors (COC) as Resolution Professional.
- 1.8 In spite of publication of Form G – Invitation for EOI for submission of Resolution Plans on 05-02-2020 and 06-03-2020, no resolution plan was received, therefore, Committee of Creditors at its meeting held on 11-07-2020 decided to liquidate the Corporate Debtor and also resolved to appoint the Resolution Professional as Liquidator.
- 1.9 Hon'ble NCLT, Chandigarh by an order dated 12-04-2022 passed order for liquidation of Corporate Debtor in Interlocutory Application No. 356/2020 in the matter of Amsons India vs. Rainbow Denim Limited bearing CP(IB) No. 23/Chd/Pb/2019 and appointed Mr Dharmendra Kumar Bhasin as Liquidator.
- 1.10 The Liquidator was directed to proceed with the process of liquidation in a manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016 and in accordance with the relevant rules and regulations.
- 1.11 The Liquidator caused a Public Announcement on 12-04-2022 inviting claims from various stakeholders and the last date of submission of claims was 12-05-2022.
- 1.12 The Liquidator also caused a Public Announcement on 18-04-2022 inviting Scheme of Compromise or Arrangement under Section 230 of the Companies Act, 2013 ("Scheme"). The said Public Announcement is published in newspapers, The Tribune, Punjabi Tribune and Dainik Tribune, Chandigarh, Haryana and Punjab Edition and Financial Express, Mumbai Edition and Nav Shakti (Marathi) – Mumbai Edition (one English and one regional language newspaper with wide circulation at the location of the registered office of Corporate Debtor AND one English and one regional language newspaper with wide circulation at the location of Corporate Office of Corporate Debtor) and also finds a place on the website of the Corporate Debtor, viz <http://www.rainbowdenim.com/> on its homepage.
- 1.13 No EOI was received for Compromise or Arrangement under Section 230 of the Companies Act, 2013.
- 1.14 The Liquidator may in his absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this Process Information Document.
- 1.15 The issuance of this Process Document does not imply that the Liquidator is bound to select a Bidder or to appoint the Bidder with the highest Financial Proposal as Successful Bidder and the Liquidator reserves the right to reject all or any of the Bidders or Bids without assigning any reason whatsoever or assuming any cost.

- 1.16 The sale of the Corporate Debtor as a going concern basis shall be undertaken by the E-Auction Agency for and on behalf of the Liquidator through the Portal by way of a E-Auction process.
- 1.17 The Annexures to this Process Document shall form an integral part hereof and this Process Document shall always be read in conjunction with the Annexures appended hereto.
- 1.18 The Bidders are required to comply with terms and conditions mentioned in this Process Document. The proposed acquisition under this Process Document shall be by way of live e-auction.
- 1.19 Each Bidder is required to submit to the Liquidator a refundable fees for submission of expression of interest (to be adjusted against the EMD) of Rs. 10,00,000 along with all the Supporting Documents specified in Formats I to VI within the timelines mentioned in this Process Document.
- 1.20 Only Bidders who have been deemed to be Qualified Bidders by the Liquidator will be allowed to carry on due diligence, Site visits and participate in the live e- auction process. This Process Document contains the entire terms of the Bid Process and shall supersede any other process document or terms of bid published earlier by the Liquidator.

2. **DEFINITIONS**

Unless the context otherwise requires, following capitalized terms used in this Process Document, shall have the meanings given hereunder. Terms not defined in this Process Document shall have the meanings assigned to the term under the IB Code:

- **“Adjudicating Authority” or “NCLT”** means the Hon’ble National Company Law Tribunal, Chandigarh Bench.
- **“Affiliate”** means a company that, directly or indirectly:
 - (a) Controls; or
 - (b) is Controlled by; or
 - (c) is under the common Control;with the Company or the Bidder, as the case may be.
- **“Applicable Law”** means all applicable laws, regulations, rules, guidelines, circulars, reenactments, revisions, applications and adaptations thereto made from time to time and in force and effect, judgments, decrees, injunctions, writs and orders of any court, arbitrator or governmental agency or authority, rules, regulations, orders and interpretations of any governmental authority, court or statutory or other body applicable for such transactions including but not limited to the IB Code, Liquidation Regulations, Companies Act, 1956/2013 (as applicable), Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, each as amended from time to time.
- **“Associate Company”** shall have the meaning ascribed to such term in the Companies Act, 2013.

- **“Auction Date”** means July 11, 2022.
- **“Bid”** means an offer by a Bidder to acquire the Corporate Debtor as a going concern in the E-auction process, including the EOI, all Supporting Document, EMD and Financial Proposal, made as per the terms of this Process Document.
- **“Bidder(s)”** means each such Person who is interested in taking part in the Bid Process and who has accepted this Process Document, and where the context requires, a Person who has submitted a Bid(s) pursuant to this Process Document, and shall include, where relevant, the Representatives of the Bidder.
- **“Bid Process”** means the process set out in this Process Document for conduct of e- auction process for and selection of the Successful Bidder(s) for the acquisition of the Company as a going concern.
- **“Company”/“Corporate Debtor”/ “CD”** has the meaning ascribed to it in Clause 1.1 of this Process Document.
- **“Confidential Information”** means all financial, technical, operational, legal, commercial, staff, management and other information, data and know-how, including all information relating to the business, assets, affairs, products, services, assets, costs, terms of trading, customers, suppliers, employees and financial statements of the Company or any of its client’s, disclosed or submitted to the Bidder(s) by the Liquidator or his Representatives in written, representational, electronic, verbal or other form (including on the Data Room or in the course of the Site visit) and includes all data, materials, products, technology, computer programs, specifications, manuals, business plans, software, marketing plans, financial information, human resource information and any other information disclosed or submitted about or in relation to the Affiliates and Associate Companies including without limitation information on the contents and existence of this Process Document and analysis, compilations, studies and other documents prepared by the Company or any of the Company’s Representatives or which contain or otherwise reflect or are generated from any Confidential Information and conspicuously designated as “Confidential” or “Proprietary” at the time of written disclosure by the Bidder(s) or any Bidder’s Representatives.
- **“Confidentiality Undertaking”** means the undertaking as specified in Format II, to be provided by a Bidder(s), in respect of the Confidential Information shared with the Bidder(s) during the course of the Bid Process.
- **“Consideration Payment Date”** shall mean the date on which the Final Consideration shall be deposited by the Successful Bidder(s) into the Liquidation Account, which shall be within 90 (ninety) days from the auction date. Payments made after thirty days from the auction date shall attract interest at the rate of 12%.
- **“Control”** has the meaning ascribed to it in the Companies Act, 2013.
- **“Data Room”** means the virtual data room maintained by the Liquidator, created for Qualified Bidder(s) to conduct due diligence and access information in relation to the Company, under terms of the Confidentiality Undertaking.
- **“Document Submission Date”** means July 7, 2022.
- **“E-auction Agency”** means E-Procurement Technologies Limited or any other e-auctionagency engaged by the Liquidator of the Company in relation to the Bid Process.

- **“Financial Proposal”** shall mean the consideration offered by a Bidder as part of the Bid for the acquisition of the Corporate Debtor as a going concern, for which the Bidder has submitted the Bid(s), in accordance with the provisions of this Process Document.
- **“Final Consideration”** shall mean the entire consideration proposed by a Successful Bidder(s) in the course of the E-Auction, and required to be paid by the Successful Bidder(s) on Consideration Payment Date to acquire the Corporate Debtor as a going concern, in terms of this Process Document.
- **“IBBI”** means the Insolvency and Bankruptcy Board of India.
- **“IB Code” or “IBC” or “Code”** means Insolvency and Bankruptcy Code, 2016 and other rules and regulations framed thereunder, as amended from time to time.
- **“INR”** means the Indian Rupee.
- **“Insider Trading Regulations”** means the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
- **“Letter(s) of Intent” or “LoI”** means the letter(s) issued by the Liquidator, to the Successful Bidder(s) post conclusion of the e-auction process in relation to acquisition of the Corporate Debtor as a going concern.
- **“Liquidation Regulations”** means Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 amended and applicable to the liquidation process of the Corporate Debtor.
- **“Liquidator”** means Mr. Dharmendra Kumar Bhasin, who has been appointed as liquidator by the Adjudicating Authority for conducting the liquidation process of the Company.
- **“NCLT Order”** shall mean an order of the Hon’ble NCLT in relation to, amongst other things, the transfer of the Corporate Debtor as a going concern to any successful bidder with the issuance of the Certificate of Sale by the Liquidator.
- **“NCLAT”** means the Hon’ble National Company Law Appellate Tribunal.
- **“Person”** means an individual, a partnership firm, an association, a corporation, a limited company, a trust, a body corporate, bank or financial institution or any other body, whether incorporated or not.
- **“Process Document”** means this document including all the appendices, annexures and formats hereto, and shall include all supplements, modifications, amendments, alterations or clarifications thereto.
- **“Public Announcement”** means Public Announcement dated June 23, 2022.
- **“Representatives”** includes directors or key managerial personnel of the relevant Person expressly authorized by such Person pursuant to a board resolution (in case of incorporated Persons) or duly executed and legally valid power(s) of attorney (executed under the authority of a board resolution in case of incorporated Persons). This term when specifically used in the case of/ co-joint with the Liquidator, includes the Liquidator’s advisors and consultants.
- **“Reserve Price”** means the realizable value of the Corporate Debtor as a going concern as mentioned in the Public Announcement.
- **“Sale Certificate(s)” or “Certificate(s) of Sale”** means a certificate(s) issued by the Liquidator to the Successful Bidder(s) in relation to the sale of the Company as a going concern, in terms of this Process Document and the Liquidation Regulations.
- **“SEBI”** shall mean the Securities and Exchange Board of India.

- **“Site”** shall mean the location of all the immovable and movable properties of the Company for the purposes of conducting business.
- **“Stakeholder”** shall have the meaning assigned to it under the Code.
- **“Successful Bid(s)”** mean the Bid of the Successful Bidder for acquisition of the Corporate Debtor as a going concern.
- **“Successful Bidder(s)”** means the Qualified Bidder whose bid is approved and who is declared successful by the Liquidator at the end of the auction phase determined hereinafter.
- **“Transfer Date”** means the date on which the ownership of the Company as a going concern is transferred to the Successful Bidder in terms of the Certificate of Sale issued by the Liquidator in accordance with the terms of the Process Document, Applicable Law and the order of the Adjudicating Authority.
- **“Unpublished Price Sensitive Information” or “UPSI”** shall have the meaning ascribed to the term in the Insider Trading Regulations.
- **“Working Day”** shall mean any day, except Saturday and Sunday between 10:00 Hours and 18:00 Hours IST, other than a public holiday as per the Negotiable Instruments Act, 1881, when banks in Delhi are open for business.
- **“Website”** shall mean <https://www.rainbowdenim.com/>

For the sake of clarity, all timelines contained in this Process Document pertain to days that are not declared public holidays. If performance of any action falls on a day declared as a public holiday under Negotiable Instruments Act, 1881, the relevant action is to be performed on the next Working Day.

3. **BIDDING PROCESS**

3.1 **Pre-Bid Qualification/Eligibility Criteria for Bidder**

The pre-bid qualification for prospective buyer for purchase of corporate debtor as going concern shall be –

a) Prospective Buyer

A prospective buyer may include any individual (resident of India, foreign national, non-resident Indian or a person of Indian origin, as defined under Foreign Exchange Management Act, 1999 and any related amendments thereto), trust, co-operative society, private limited company, public limited company, sole proprietary firm or a partnership firm, whether registered in India or outside India, which is eligible to invest in India under the laws of India.

b) Financial Capacity

- i) For Private / Public Limited Company / LLP /Body Corporate, whether incorporated in India or outside / any other applicant:
 - Minimum Consolidated Tangible Net Worth */Net Owned Funds (NOF) of **INR 25 Crores** or more as of March 31, 2022 or based on the latest audited financial statements of the entity and as certified by a Chartered Accountant.
 - For fulfilling the Group criteria, the entities should be part of Group either must have controlling interest or controlled by or under common control with the prospective buyer, Control means at least 26% ownership. The entities must have been part of the Group for at least 3 years.
- * *Net Worth shall be computed as per Companies Act, 2013*
- ii) For Private Equity Funds, Venture Capital Funds, Investment Funds, Non-banking Finance Companies, Asset Reconstruction Companies, Banks, Foreign Investment Institutions etc:
- iii) Minimum Asset Under Management (“AUM”) of INR 50 Crores as of March 31, 2021 or latest available;
- iv) Consolidated Tangible Net Worth* of INR 50 Crores or more as of March 31, 2021 or latest available

3.2 **Key steps in the process:**

- I. Submission of EOI along with Supporting Documents;
- II. Verification of EOI and Supporting Documents by Liquidator;
- III. Conduct of Site visit and accessing Data Room by Qualified Bidders;
- IV. Submission of EMD by Bidder(s) and verification;
- VI. Participation of Bidders in the E-Auction process on the Auction Date;
- VII. Declaration of Successful Bidder(s) by the Liquidator;
- VIII. Payment of 25% of Bid Amount and Issuance of LOI(s) to the Successful Bidder(s);
- IX. Payment of Final Consideration by the Successful Bidder(s);
- X. Issuance of Certificate(s) of Sale.

3.3 Process Timeline

Event Description	Date
Publication of Public Announcement for sale of RDL as a going concern, vide E-Auction.	23-Jun-22
Commencement of submission of EOI with supporting documents	23-Jun-22
Commencement of Site visit and accessing Data Room by Qualified Bidders*	25-Jun-22
Last date for submission of EOI with supporting documents	07-Jul-22
Last date for submission of EMD and any other document as sought for by the Liquidator.	07-Jul-22
Last date of Site visit and accessing Data Room by Qualified Bidders	07-Jul-22
Auction Date (Electronic / Online Mode Only)**	11-Jul-22
Declaration of Successful Bidder(s)	11-Jul-22
Date of demand of final consideration	11-Jul-22
Date of Payment of 25% of Bid Amount	18-Jul-22
Issuance of LOI(s) by Liquidator to the Successful Bidder	21-Jul-22
Payment of Final Consideration by Successful Bidder within 90 days from the date of demand for balance sale consideration (However, please note that the Payment made after 30 days from the date of demand of final consideration shall attract interest @ 12% up to further period of 60 days)	09-Oct-22
Cancellation of sale if full payment is not received within 90 days from the date of demand of final consideration	10-Oct-22
Issuance of Certificate(s) of Sale: within 7 (seven) days from receipt of Final Consideration.	16-Oct-22

Please Note : The Liquidator may extend/ modify the timelines as set out in this Clause at any time without giving reasons by way of a public announcement and/or uploading on the website of Corporate Debtor and/or by email, without incurring any obligation or the need to provide any reasons. In any case, it is assumed that each Bidder takes cognizance of any such extension.

*Qualified Bidders can commence Site visits and access the Data Room after submitting the confidentiality undertaking as per Format II to the Liquidator and acceptance thereof.

**The Liquidator is also entitled to postpone the Auction Date and such revised Auction Date will be notified to the Bidders at least 2 (two) Working Days prior to the revised Auction Date.

4. **DETAILED STEPS IN THE BID PROCESS:**

4.A **Submission of EOI along with Supporting Documents**

- (i) The Bidders shall, submit the EOI and Supporting Documents with duly completed Formats I to VII of the Process Document in relation to the Bid Process, to the Liquidator, on or prior to last date submission of EOI with supporting documents as mentioned in the above timelines (“Document Submission Date”)
- (ii) EOI shall be accompanied by a refundable fees of Rs. 10,00,000/- (to be adjusted against the EMD) by way of demand draft/NEFT in favour of –
Name of Account: Rainbow Denim Limited – In Liquidation
Account No.: 529101010035157
Name of Bank: Union Bank of India
Branch: PUDA Phase – I (Mohali) Branch,
SAS Nagar – 160 055

IFSC Code: UBIN0552917 (fifth character is zero)
MICR Code: 160026008
- (iii) All Supporting Documents shall be in the English language and if any document is not in English language, then the relevant document would need to be translated in English language along with an unconditional affidavit that the translation is true and correct and such translated document shall be considered as the final document. If any discrepancy is found in the original document and the translation, then the Bidder(s) may be disqualified, and the Bid(s), if any, may be rejected.
- (iv) A Bidder(s) is required to submit information in accordance with this Process Document and in compliance with the requirements set out under the IB Code and Liquidation Regulations and shall sign, stamp and date each of the documents in the space provided therein, and sign and stamp each page of all the documents.
- (v) All requisite Supporting Documents should be duly signed and stamped by the Bidder(s) or an authorized Representative(s) of the Bidder and supported by evidence of authority of such Person (board resolution and power of attorney of the Bidder). The authorized signatory shall be a director or key managerial person (as defined under the Companies Act, 2013) or an officer or employee of the Bidder(s) authorized by a director or key managerial person (as defined under the Companies Act, 2013) supported by evidence of such authority by way of a board resolution and power of attorney authorizing such director, key managerial person (as defined under the Companies Act, 2013) or an officer or employee. Strict adherence to forms, documents, and authorizations wherever specified in the Process Document, is required. Each form, document and authorization has to be duly signed and appropriately stamped/company seal affixed by the Representatives of Bidder(s).

- (vi) The EOI along with the Supporting Documents shall be submitted by EMAIL and through POST OR COURIER to the Liquidator, unless otherwise notified and it is the responsibility of the Bidder(s) alone to ensure that the EOI, along with the necessary documents, is delivered at the address given under Clause 4.A (vii) within the stipulated time and date.
- (vii) The Supporting Documents should be submitted in a single sealed envelope and via email in the following way on or prior to the Document Submission Date.

Envelope should bear the following transcript(Expression of Interest) –
“Confidential”

Superscript: “Expression of Interest for Rainbow Denim Limited”
Name of Bidder: [●]
ATTN OF : Mr. Dharmendra Kumar Bhasin
DESIGNATION: Liquidator of Rainbow Denim Limited in liquidation
ADDRESS: 191, Mamta Enclave, Behind Nimantran Banquet Hall,
Dhakoli, Zirakpur, Sahibzada Ajit Singh Nagar,
Punjab – 140603

- (viii) All envelopes used by the Bidder(s), for the purpose of any submission and communication should be adequately sealed, to prevent any interference/tampering, while in transit. The Liquidator shall assume no responsibility for the misplacement/ damage to the documents/ delay in delivery or premature disclosure of the contents of the same and consequent losses, if any, suffered by the Bidder(s).
- (ix) The Liquidator or any of his Representatives are not responsible for non-receipt of correspondences in relation to the EOI. It is hereby clarified that the physically submitted EOI and Supporting Documents shall be considered as the EOI and Supporting Documents for the purposes of this Process Document provided that if any discrepancy is identified between the physically submitted EOI and Supporting Documents and the EOI and Supporting Documents submitted in electronic form, then such Bid may be rejected or considered as non-responsive, at the discretion of the Liquidator.
- (viii) Non submission of the EOI and/or any Supporting Documents shall render a Bid liable to be declared as non-responsive, liable for rejection by the Liquidator. Supporting Documents submitted post the Document Submission Date may be liable for rejection at the discretion of the Liquidator.
- (ix) Where the Liquidator finds that the Bidder(s) has submitted an incomplete EOI/ Supporting Documents or if the EOI/ Supporting Documents are not as per the format laid down in this Process Document, or are not compliant with the provisions of the IB Code or the Liquidation Regulations, the Liquidator may, at his discretion, reject such EOI/ disqualify the Bidder or may seek for remedy of such discrepancies within 48 hours from the communication to remedy the same by the Liquidator, to the relevant Bidder in this regard. In case such discrepancies are not remedied within the aforesaid duration, the Liquidator may summarily reject such EOI without assigning or giving any reasons for the same. In an event of rejection/ disqualification, the Bidder(s) will not be entitled to any compensation

whatsoever, or refund of any other amount, including the Earnest Money Deposit paid by him.

4.B Verification of EOI and Supporting Documents by Liquidator

- (i) Upon submission of EOI and Supporting Documents and prior to the Auction Date, the Liquidator shall verify the contents of the EOI(s) and Supporting Documents to ensure that the same have been provided as per the form and format required under this Process Document, verify that the Earnest Money Deposit has been submitted as per the terms of this Process Document.
- (ii) Notwithstanding anything stated in this Process Document to the contrary, the Liquidator reserves the right to verify, at any stage of the Bid Process, the antecedents of any Bidder(s) and such other Persons connected with the Bidder(s) in submitting the Bid(s), the eligibility of the Bid(s), the authenticity of the documents submitted by the Bidder(s), and may request for any additional information or documents, as may be required, for the purpose of verifying/validating the Bid(s) submitted by such Bidder(s).
- (iii) The Liquidator reserves the right, at its sole discretion to contact the Bidder's bank, lenders, financing institutions and any other Person as may be necessary or expedient to verify the information/documents submitted by the Bidder(s) as part of its Bid(s), and each Bidder(s) expressly consents to the same.

4.C Conduct of Site visit and accessing Data Room by Qualified Bidders

- (i) Access to Data Room containing information related to the Company and its assets and Site visits to the various locations where the Corporate Debtor has facilities shall be provided to only the Qualified Bidder(s), to undertake due diligence.
- (ii) The Data Room has been organized only for the ease of reference of the Qualified Bidder(s), and the Qualified Bidder(s) shall be responsible to conduct their own due diligence, research, assessment and analysis with respect to the information contained in the Data Room. Notwithstanding anything to the contrary contained in this Process Document, the Liquidator or the Representatives of the Liquidator, shall not in any manner whatsoever, be held liable for the relevance, adequacy, correctness, completeness or accuracy of the information contained in the Data Room.
- (iii) It is expected that the Qualified Bidder shall undertake an independent due diligence and appraisal of the Company/ its assets/ liabilities including contingent liabilities for participation in the Bid Process and shall not rely solely on the information provided by the Liquidator or its Representatives in the Data Room.
- (iv) The Qualified Bidder who is desirous of undertaking a visit to any Site of the Company or office of the Company will be allowed to do so only once in the course of the current Bid Process, and such Site visit will be arranged, on a pre- determined Working Day between 10:00 a.m. to 6:00 p.m., after a prior written request is made to the Liquidator at liquidator.rainbowdenim@gmail.com or by contacting Mr. Vaibhav Arora

at +91-87290-00345. Such requests shall be considered by the Liquidator depending on the availability of the personnel/ employees at the Site and the lockdown related restrictions (to the extent relevant). The Qualified Bidder(s) shall ensure that such Site visit is conducted on the pre-determined Working Day only in order to maintain the schedule for any visits to be conducted by other Qualified Bidder(s). The Liquidator shall coordinate among the Company and the Qualified Bidder(s) to facilitate the Site visit, to the extent possible. The Qualified Bidder(s) are required to depute their own team for the Site visit and the Liquidator shall be under no obligation to depute any of his Representatives or a member of the Corporate Debtor's team for this purpose. The Qualified Bidder may depute a team comprising of a maximum 5 (five) personnel in the employment of the Qualified Bidder(s) or its consultants for such visit.

- (v) Each Qualified Bidder is expected to make its own arrangements including accommodation, travel or other expenses related to the Site visit. All costs and expenses incurred in relation to the Site visit and due diligence shall be borne by the Qualified Bidder(s) and no Qualified Bidder shall be entitled to deduct such expenses from his Financial Proposal. The Liquidator/ Corporate Debtor will not be required to provide any arrangements in relation to the Site visit. The personnel of the Qualified Bidders shall not be permitted to undertake any photography or videography during the Site visit without obtaining specific approval from the Liquidator.
- (vi) During the Site visit, the Qualified Bidders shall not be permitted to: (i) take possession of any documents/ assets; or (ii) alter/ reposition/ tamper with or damage any asset or document on the premises of the Site; or (ii) initiate any discussion regarding the Bid Process, with any personnel at the Site. Any of the aforesaid actions may result in the disqualification of the Qualified Bidder(s). Any damages incurred by the Company or the Liquidator in the course of any Site visit attributable to the willful actions of any Qualified Bidder(s) shall be at the cost of such Qualified Bidder(s).
- (vii) The Qualified Bidder(s) are required to inform the Liquidator or its Representative of the details of the team who will undertake Site visit. Non-attendance at the Site visit will not be a cause for disqualification of a Qualified Bidder(s). Failure to undertake a Site visit or access the Data Room will not be a valid ground to relieve the Qualified Bidder(s) from any responsibility for estimating the risks in submission of its Bid(s) or costs of successfully fulfilling the terms and conditions of its Bid(s). The Qualified Bidder(s) may carry out its own comprehensive due diligence in respect of the Company and shall be deemed to have full knowledge of the conditions of the Company, its assets, relevant documents, information etc. whether or not the Qualified Bidder(s) actually inspects or participates in the Site visit or verifies the document provided by the Liquidator or accesses the Data Room.
- (viii) Any delay in completion of the Site visit by the Qualified Bidder(s), shall not entitle the Qualified Bidder(s) to any extension in the timelines, including the timeline for completion of such Site visit or due diligence.
- (ix) It is assumed that the Qualified Bidder(s) shall have undertaken the necessary due diligence and appraisal of the Company/ its assets for

participation in the Bid Process, submission of the Bid(s) and the requisite financial closure. The Qualified Bidder(s) shall not be provided any additional time for undertaking diligence or be provided access to the Data Room, after the last date of accessing the Data Room.

- (x) While the data/information provided in this Process Document and the Data Room, has been prepared and provided in good faith, the Liquidator and his Representatives shall not accept any responsibility or liability, whatsoever, in respect of any statements or omissions herein, or the accuracy, correctness, completeness or reliability of the information provided, and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability and completeness of the information provided, even if any loss or damage is caused to any of the Qualified Bidders by any act or omission on their part.

4.D Submission of EMD by Bidder(s)

- (i) Every Bidder shall provide an Earnest Money Deposit ('EMD') on or prior to July 7, 2022 latest by 5:00 PM, either by Demand Draft in favour of Rainbow Denim Limited - In Liquidation, issued by any scheduled commercial bank in India, or by way of a direct deposit by way of the real time gross settlement ("RTGS") system into a bank account held by the Corporate Debtor, the details as per following details;

Details for EMD

Amount of EMD:	10% of Reserve Price (as mentioned in ANNEXURE II)
Name of Account:	Rainbow Denim Limited – In Liquidation
Account No.:	529101010035157
Name of Bank:	Union Bank of India
Branch:	PUDA Phase – I (Mohali) Branch, SAS Nagar – 160 055

IFSC Code:	UBIN0552917 (fifth character is zero)
MICR Code:	160026008

- (ii) It is hereby clarified that non-submission of the Earnest Money Deposit shall lead to ineligibility and disqualification of the Bidder(s) for participation in the E-auction Process.
- (iii) In case of RTGS, the entire EMD amount shall be remitted by the Bidder(s) from one bank account only which will be owned by the Bidder(s). The Bidders shall preserve the remittance challan and shall produce to the Liquidator as and when demanded.
- (iv) Forfeiture of Earnest Money Deposit : The Liquidator shall have the right to forfeit the Earnest Money Deposit, by appropriating the deposit made by the Bidder. The Earnest Money Deposit can be forfeited and appropriated at any time at the discretion of the Liquidator, without making any reference to the relevant Bidder(s), upon occurrence of any of the following conditions/events:

- a. any of the conditions under this Process Document or the LoI are breached by the relevant Bidder;
 - b. the Bidder is found to be ineligible to submit the Bid(s) or the Bidder is found to have made a false or misleading declaration or any representation contrary to what has been already submitted by the bidder;
 - c. the Bid(s) of any Bidder is declared as non-responsive as per this Process Document;
 - d. If Bidder is found to be ineligible to submit a Bid(s) on account of ground of ineligibility detailed in Section 29A of the IBC (as amended from time to time) or is found to have made a false or misleading declaration of eligibility as per the conditions set out in Section 29A of the IBC (as amended from time to time);
 - e. existence of any collusion between the relevant Bidder, or between the Bidder and the Company's related parties, or any creditors of the Company and the Bidder;
 - f. non-payment or failure to make payment in accordance with the Bid. It is clarified that any forfeiture of the Earnest Money Deposit, by the Liquidator, shall not limit any other rights or remedies that the Liquidator may have under Applicable Law or otherwise, against any Bidder.
- (v) The Successful Bidder(s) shall have the option to adjust the amount of Earnest Money Deposit from the Final Consideration proposed by such Successful Bidder(s).
 - (vi) In the event the Bid Process envisaged under this Process Document for sale of the Corporate Debtor as a going concern is annulled, the EMD of all/ the relevant Bidders shall be returned within 15 days from the date of announcement of the same by the Liquidator, unless not already forfeited and/or the Qualified Bidder(s) has not violated any of the terms and conditions as set out in this Process Document.
 - (vii) The Earnest Money paid by the e-auction process applicant(s) except successful bidder shall be returned (without interest) within 15 (fifteen) days of the date of closure of auction process.

4.E Participation of Bidders in the E-Auction process on the Auction Date

- (i) It is clarified that the E-auction on the Auction Date shall take place on the basis of the EOIs & EMDs received by the Liquidator, and that in case no EOI and/ or EMD has been received within the timelines mentioned in this Process Document, the Liquidator reserves the right to not hold any E-auction.
- (ii) Basis para (i) above, E-auction for sale of Corporate Debtor as a going concern shall be initiated on the Auction Date. Live and open E-auction shall be conducted on the Portal of the E-auction Agency from 15:00 hours on the Auction Date and be open till 16:00 hours on the Auction Date. The Qualified Bidders shall be required to submit their Financial Proposal(s) only on the Portal within the aforementioned timelines. It is clarified that in case any Qualified Bidder submits a Bid(s) in the last 5 (five) minutes before the end time of 16:00 hrs on the Auction Date, the

- duration of the E-Auction shall be automatically extended by another 5 (five) minutes, and so on and so forth in relation to subsequent submission of Bids in the last five (minutes) of the closing time.
- (iii) The Reserve Price will be hosted on the Portal at the start of the E-Auction. Any Financial Proposal submitted which is below the Reserve price shall be automatically rejected.
 - (iv) The Reserve Price for sale shall be (as the case may be) exclusive of all applicable taxes and duties and the Qualified Bidder(s) shall be required to bear all applicable taxes and duties as may be applicable. It is clarified that no incidence of tax or other rates will be applicable on or borne by the Corporate Debtor.
 - (v) Every Qualified Bidder(s) shall have the option to see the live status of the Bid(s) being received and accordingly shall have the option to revise their Bid(s), during the Bid Process. Such revision can only be in the nature of increment and not reduction in the Financial Proposal. In any case, the highest Bids received shall at all points of time be visible on the Portal.
 - (vi) In case any Qualified Bidder wishes to increase the Financial Proposal, he may do so within the timelines mentioned in (v) above, in a manner that such increase shall be in an increment of INR 10,00,000 (Rupees Ten Lakh only), applicable to the latest displayed Financial Proposal (Highest Bid).
 - (vii) Upon the closing of the E-auction Process, the Portal shall be forthwith blocked, and no modification, substitution or withdrawal to/of the Bid(s) shall be permitted thereafter, unless specifically permitted by the Liquidator at his sole discretion.
 - (viii) The Bid(s) submitted by the Qualified Bidder(s) shall be reviewed and evaluated by the Liquidator.
 - (ix) The Liquidator reserves the right to conduct due diligence on any Qualified Bidder(s) with the assistance of external agencies at any stage of the Bid Process.

4.F Declaration of Successful Bidder(s) by the Liquidator

- (i) The Liquidator at the end of the e-auction phase shall declare the successful bidder(s) for sale of corporate debtor as a going concern. The successful bidder(s) shall be determined on the basis of highest bid received for the sale by the Liquidator via the e-auction portal process. In case of any dispute / discrepancy, the liquidator shall examine the e-auction applications and declare the successful bidder(s) offering maximum value for the auctioned assets/ sale of the CD as a going concern. This right of selecting and declaring the successful bidder (s) shall solely rest with the Liquidator at all times. The successful bidder shall be declared on the conclusion of e-auction

4.G Payment of 25% of Bid Amount and Issuance of LOI to Successful Bidder(s)

- (i) The successful bidder(s) shall deposit 25% of Bid Amount (EMD to be adjusted against this amount) within 7 days from the declaration by Liquidator of successful bidder(s)

- (ii) After receipt of the 25% of Bid Amount the Liquidator shall issue the Letter(s) of Intent to the Successful Bidder(s), stating that such Bidder(s) has been selected as the Successful Bidder(s), within 3 working days from the date of receipt of 25% of Bid Amount.
- (iii) It is hereby clarified that no commitment is being given by the Liquidator to carry out the sale of the Company as a going concern basis under either before or post identification of the Successful Bidder(s) by way of the E-Auction, and that the Bid Process may be cancelled at any time and at any stage by the Liquidator without assigning any reason or assuming any liability or costs.

4.H Payment of Final Consideration by the Successful Bidder(s)

- (i) The Successful bidder shall pay the balance sale consideration within a period as specified in the liquidation regulations stipulated under IBC, 2016.
It may be noted that in accordance with the provisions in the Liquidation regulations, payments made after thirty days shall attract interest at the rate of 12%.
- (ii) Failure to pay the entire Final Consideration (or part thereof) into the Liquidation Account within such aforesaid timeline shall result in cancellation of the LoI(s), forfeiture of the EMD (or part thereof) of the Successful Bidder(s), and rejection of the Bid(s) submitted by the Successful Bidder(s).
- (iii) It is clarified that in the event the Successful Bidder(s) does not pay the Final Consideration as per this Process Document, Liquidator reserves the right to take such other actions including but not limited to annulling and restarting the Bid Process. These actions shall not preclude the Liquidator from taking other appropriate steps as per applicable laws against such defaulting Successful Bidder(s).
- (iv) Additionally, in the event the Successful Bidder(s) is unable to complete the transaction for whatsoever reason, the Liquidator reserves the right to call upon the next highest Qualified Bidder(s) that had submitted its Financial Proposal whether under, provided the Bid value of such next highest Qualified Bidder(s) is greater than the Reserve Price, to complete the transaction. The Liquidator shall be entitled to call upon the next highest Qualified Bidder(s) subsequent to the Successful Bidder(s) in case of failure by the Successful Bidder(s), by issuing the LoI(s) to such next highest Qualified Bidder(s), and such subsequently selected highest Qualified Bidder(s) shall be deemed to be the Successful Bidder(s). In any case, Liquidator may repeat such steps of the Bid Process of this Process Document as deemed fit in the sole discretion of the Liquidator.
- (v) Notwithstanding anything else contained herein, the Liquidator reserves the right to take any and all measures required for maximization of the value of the Company being auctioned.

4.I Issuance of Certificate of Sale

- (i) The Certificate of Sale shall be issued post completion of the Bid Process within 7 (seven) days from receipt of the NCLT Order, or payment of Final Consideration, whichever occurs later. Issuance of the Certificate of Sale pursuant to the receipt of the Final Consideration and the NCLT Order shall mark the closure of the Bid Process contemplated under this Process Document, and enable the transfer of ownership of the Corporate Debtor to the Successful Bidder.
- (ii) Post completion of the Bid Process, Issuance of the Certificate(s) of Sale pursuant to the receipt of the Final Consideration shall mark the closure of the Bid Process contemplated under this Process Document.
- (iii) Upon the issuance of Certificate(s) of Sale under the Bid Process, the ownership, risk and title, shall stand transferred to the relevant Successful Bidder(s) and the Liquidator/ his Representatives/ advisors shall be released of any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and / or performance of any obligations set out under this Process Document, and / or in connection with the Bid Process, and/or the operation of the Corporate Debtor from the Liquidation Commencement Date. **The legal or beneficial interest, right or title over the Company as a going concern, shall be issued, vested, transferred pursuant to the relevant Successful Bid(s), to the corresponding Successful Bidder(s) pursuant to issuance of the Certificate(s) of Sale on an “as is where is”, “as is what is” “as is how is” and a without recourse basis, with the opportunity of conduct of due diligence by the Successful Bidder(s), by virtue of which it is deemed to have full knowledge about the Company and/ or its assets as the case may be.**
- (iv) The Successful Bidder(s) shall be responsible for undertaking all actions, including obtaining all approvals and making necessary form filings as may be required or necessary for the acquisition as per this Process Document and the Liquidator and/or his representatives or advisors shall not be under any obligation or responsibility to undertake any such actions. Further, it is expressly clarified that any approvals, consents, licenses, concessions from any party including any Governmental Authority that may be required (including from any counter party of any leasehold interest of the Corporate Debtor) with regard to the acquisition as per this Process Document and the continued operation of the business post such acquisition shall be the sole responsibility of the Successful Bidder(s). In relation to the aforesaid, the Corporate Debtor and Liquidator shall provide such reasonable cooperation as may be required to facilitate the Successful Bidder(s) to obtain the relevant approvals, consents, licenses, concessions from the third party.
- (v) On or post the Transfer Date, the Successful Bidder(s) shall enter into such definitive documents as may be required by the Liquidator. The Successful Bidder(s) shall provide the cooperation and access to information of the Company as may be required and/or requested by the Liquidator and/or the Stakeholders of the Company from time to time for conclusion of the Liquidation Process including for the distribution of the

liquidation estate to the Stakeholders of the Company. The Liquidator, his Representatives and/or advisors shall be entitled to retain copies of all data and documents pertaining to the Liquidation Process of Company post the Transfer Date as well. The Successful Bidder(s) shall retain, all records, including tax returns, provided to him until the completion of the Liquidation process of the Company and shall provide the Liquidator, his Representatives and/or advisors with access, upon prior written request specifying the need therefor to such information. The Successful Bidder(s) shall provide the cooperation and access to information of the Company as may be required and/or requested by the Liquidator and/or the Stakeholders of the Company from time to time for conclusion of the Liquidation Process including for the distribution of the liquidation estate to the Stakeholders of the Company.

5. OTHER TERMS OF BID PROCESS

5.1 Non-responsive Bids

The Bid(s) submitted by the Bidder(s) shall be scrutinized to establish responsiveness to the requirements laid down in the Process Document. In addition to the events set out hereinabove, the following events or occurrences may cause the Bid to be considered “nonresponsive”, at the sole discretion of the Liquidator:

- (a) Bid that is incomplete, i.e. the EOI/ EMD/ Supporting Documents are not submitted in the formats set out under the Process Document or not accompanied with any of the applicable documents as specified in the Process Document;
- (b) Bid documents i.e. the EOI/ Supporting Documents are not signed by authorized signatory, authorized for submission of the Bid and/or stamped in the manner indicated in the Process Document;
- (c) Material inconsistencies in the information/documents submitted by the Bidder;
- (d) A Bidder submitting more than one EOI, or a Bidder supporting another Person’s EOI when an EOI has been submitted by such Bidder in his own capacity, unless permitted by the Liquidator
- (e) EOI, EMD and Supporting Documents are not received;
- (f) Any conditions attached to submission of the EMD/ Financial Proposal/ EOI/ Supporting Documents;
- (g) Existence of any collusion between the relevant Bidders, or between the Bidder and the Company’s related parties, or any creditors of the Company and the Bidder;
- (h) Successful Bidder does not make payment of the Final Consideration (or part thereof) on the Consideration Payment Date;
- (i) Non-compliance with the terms of this Process Document;
- (j) Bidder delaying in submission of any document under this Process Document or any information or clarifications sought by the Liquidator; and/or
- (k) Bidder makes any misrepresentation, or any misleading or inaccurate statement, or has omitted any material information.

5.2 Right to disqualify or accept or reject any or all Bids

Notwithstanding anything contained in this Process Document, the Liquidator reserves the absolute right to accept or reject any Bids(s), if the Bid(s) are non-responsive or not in compliance with this Process Document and/or the provisions of the IB Code and/or the Liquidation Regulations, and in any case, notwithstanding anything contained herein, reserves the absolute right to annul the Bid Process, and reject any or all Bids, at any time, without any liability or costs or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof for such actions. Without prejudice to the aforesaid, the Liquidator also reserves the absolute right to:

- (a) disqualify any Bidder that is found to have made a false disclosure or made any misrepresentation with regard to its eligibility to participate in the Bid Process or submit Bids, at any stage of the Bid Process;
- (b) disqualify any Bidder who does not provide the Earnest Money Deposit and/or the Supporting Documents in compliance with this Process Document, and any Successful Bidder who does not pay the Final Consideration as per the terms herein;
- (c) annul the Bid Process and reject any/all Bids for any reason, at any point of time, including if considered unsatisfactory or commercially unacceptable or below Reserve price as determined by the Liquidator, in its sole discretion, without any obligation to provide reasons or justifications, and if deemed fit move to other methods of liquidation as per Regulation 32 (a) to (f) of the Code;
- (d) restart the Bid Process, and invite fresh bids either on the Auction Date itself or any subsequent date with prior intimation of the same. The Liquidator reserves the right to conduct subsequent rounds of the E-auction sale with reduction in Reserve Price, as per the Code and Liquidation Regulations; and/ or
- (e) select or approve any proposal or Bid(s), as it may deem fit, at any time.

5.3 The Bidder(s) should note that:

- (a) If any Bidder is rejected/ disqualified for any reason whatsoever, the Liquidator may (subject to the IB code and the Liquidation Regulations):
 - (i) consider other Bid(s) received from other Qualified Bidder(s), whose Bid(s) is/are responsive and valid and is in compliance with this Process Document and IB Code, including any deviations/amendments to the Bid, as may be allowed by
 - (ii) annul the Bid Process; or
 - (iii) invite fresh Bids; or
 - (iv) take any such measure as may be deemed fit at the discretion of the Liquidator including discussion with other Bidder(s).
- (b) If the Liquidator receives only a single Bid, then Liquidator shall have the discretion to either discuss with the said Bidder or any other Person, on the terms of the proposed transaction or annul the Bid Process or to invite Bids again.
- (c) If all Bids are rejected on account of them being unsatisfactory or commercially unacceptable or below reserved price, the Liquidator may annul the Bid Process or seek for fresh submission of Bids (as per the discretion of the Liquidator), with reduced Reserve Price as per Liquidation Regulations.

- 5.4 A Bidder shall be ineligible to submit a Bid(s) if the Bidder or any Person acting jointly or in concert with the Bidder or any of their connected person (as defined under Code), falls in any of the categories of ineligibility as set out in Format III. The Bidders shall be required to submit an affidavit in the form set out in Format III to satisfy that they are not ineligible to submit a Bid(s) in terms of the criteria set out thereunder.

6. TERMS AND CONDITIONS OF PARTICIPATION

In accordance with the terms of this Process Document, each Bidder is deemed to have made the following acknowledgements and representations:

- (a) The Bidder(s) shall, unconditionally and irrevocably, promptly upon demand, indemnify and hold harmless the Company, the Liquidator and his Representatives, and advisors against all actions, proceedings, claims, demands, losses, liabilities, damages, costs and expenses imposed, asserted against or incurred by the Company, the Liquidator, and his Representatives, his advisors arising out of or pursuant to or in connection with a breach of the obligations of the Bidder(s) under the Process Document, the Bid(s) and/or the LoI(s) or in the event the Bidder(s) withdraws the Bid(s) post the timelines mentioned herein, or withdraws from the Bid Process pursuant to the approval of the concerned Bid(s) by the Liquidator or delays in the implementation of the Bid(s), and the Bid(s) submitted by the Bidder(s) shall contain an undertaking to this effect.
- (b) The Bidder(s) represents that the Bidder(s) is in compliance with the requirements set out under the Applicable Laws for participating in the Bid Process and executing the Bid(s).
- (c) The Bidder(s) represents to the Company and the Liquidator that it has the necessary financial resources available for the purpose of implementation of the Bid(s), for the consideration, stated in the Bid(s).
- (d) The assets of the Company are proposed to be sold on “**AS IS WHERE IS**”, “**AS IS WHAT IS**”, “**WHATEVER THERE IS**” and on **WITHOUT RECOURSE**” basis and the proposed sale of assets of the Company does not entail transfer of any other title, except the title which the company had on its assets as on date of transfer.
The Bidder(s) acknowledges that neither of the Company, the Liquidator and his Representatives, are providing any representations or warranty(ies), express or implied regarding the status of business, business prospects, operations, history, quality, standard, exact quantity, description or title of the assets or any other aspect of the Company or the condition/ ownership/ title/ value of its assets, equipment, securities and the Company, the Liquidator and his Representatives, assume no such liability whatsoever in this respect.
- (e) The Bidder(s) acknowledge that the ownership to the Company shall pass only upon issuance of Sale Certificate(s) to the Successful Bidder(s) and that no claim of ownership can be made by any Bidder(s) prior to the same.
- (f) The Bidder(s) represents to the Company and the Liquidator that it has obtained all the requisite corporate authorizations and regulatory approvals required for submission of the Bid(s), and acquisition of the Company if such a regulatory approval is necessary.
- (g) The Bidder(s) acknowledges that it shall fulfill all the terms of the Process Document, LoI(s) and the Bid(s) (as submitted by it and as accepted by the

Liquidator), if it is declared as a Successful Bidder upon the completion of the Bid Process.

- (h) The Bidder(s) acknowledges that all information submitted by it is complete, strictly as per the requirements stipulated in the Process Document and is true and correct.
- (i) The Bidder(s) acknowledges that no modification, alteration, amendment or change may be made to the EOI/ EMD/ Supporting Documents submitted by a Bidder(s) except as provided in this Process Document
- (j) The Bidders should regularly visit the Data Room and the website of the Company to keep themselves updated regarding clarifications/amendments/time extensions, if any, in relation to the Bid Process.
- (k) The Bidders agree and acknowledge that forfeiture or appropriation of the Earnest Money Deposit is not the only remedy available to the Liquidator, and the Liquidator shall have the unfettered right to initiate appropriate legal proceedings against the Bidder(s) as it deems fit for the damages recovery of losses caused to the Liquidator and/ or Corporate Debtor on account of withdrawal of the Bid(s) or nonfulfillment of the terms and conditions of this Process Document, including pressing for specific performance or injunctions.
- (l) It shall be the responsibility of each Bidder to bear all costs in relation to acquiring the assets/ equipment/ documents/ securities of the Company. It is clarified that the Liquidator or Company do not undertake any responsibility or obligation in relation to maintenance/ moving/ delivery of any asset/ equipment/ document prior or post the issuance of LoI(s).
- (m) The Final Consideration shall not be subject to any deductions, adjustments, set off, claims, reimbursements, and expenses of any sort whatsoever.
- (n) The Bidders accept and acknowledge that the Liquidation Account(s) and all monies and deposits contained therein shall form part of the liquidation estate of the Company and notwithstanding the conclusion of the Bid Process and acquisition as contemplated herein, the Liquidation Account(s) shall continue to be operated solely as per the instructions of the Liquidator and the deposits, monies made therein shall be held in trust for the Stakeholders of the Corporate Debtor and neither the Company, nor the Successful Bidder(s) nor any of the future creditors or stakeholders of the Company shall have any recourse to the said Liquidation Account(s). It is also clarified that any interest accrued on the deposits lying to the credit of the Liquidation Account(s) or any other bank account of the Corporate Debtor until the Transfer Date shall form part of the liquidation estate of the Corporate Debtor and shall be utilized for the purposes of discharge of liabilities under Section 53 of the Code. It is further clarified that the Liquidation Account(s) shall continue to remain with the Corporate Debtor.
- (o) While a Bidder may induct any strategic and/ or financial partner for the purpose of acquisition under this Process Document, it is clarified that the Bidder shall be solely responsible for the consummation of the sale under this Process Document and shall be jointly and severally liable for any acts/ omissions of such partner. Further, all such partner(s) or any other Person inducted by the Bidder is required to be compliant as per Section 29A of the Code and is required to submit the affidavit in Format III hereof.
- (p) **DISQUALIFICATION OF BIDDER FOR SUBSEQUENT AUCTIONS** : In case, bidder fails to tender any bid during the e-auction process of CD as going concern, and pursuant to which the auctions fails, in that scenario, the bidder

shall be debarred and disqualified from taking part in subsequent auction processes conducted by the Liquidator.

7. CLARIFICATIONS

- 6.1 While the data/information provided in this Process Document and the Data Room, has been prepared and provided in good faith, the Liquidator and his Representatives shall not accept any responsibility or liability, whatsoever, in respect of any statements or omissions herein, or the accuracy, correctness, completeness or reliability of the information provided, and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability and completeness of the information provided, even if any loss or damage is caused to any of the Bidders by any act or omission on their part.
- 6.2 A Bidder requiring any clarification on this Process Document, Bid Process, and submission of the Bid or on the Company shall email such request for clarification to liquidator.rainbowdenim@gmail.com on or before June 28, 2022.
- 6.3 The Liquidator reserves the right not to respond to any query or provide any clarification, at their sole discretion, and no extension of time and date referred to in this Process Document shall be granted on the basis of not having received response to clarifications sought from the Liquidator. Nothing contained herein shall be considered or read as compelling or requiring the Liquidator and/or his Representatives to respond to any query or to provide any clarification to the queries raised by a Bidder. The Liquidator and his Representatives will not be held responsible for any delay in response or non-response to clarifications raised by the Bidders.
- 6.4 The Liquidator and/or his Representatives may issue interpretations and clarifications on this Process Document or in relation to the Bid Process to the Bidder(s). All clarifications and interpretations issued by the Liquidator or his Representatives shall be deemed to be part of the Process Document if provided in writing.

8. CONFIDENTIALITY

- 7.1 All information furnished in this Process Document and/or pursuant to the terms hereof shall be governed by the provisions of this Process Document and the Confidentiality Undertaking, where applicable. Information relating to the Bid Process, examination, clarifications, evaluations, and recommendations relating to the Bids or relating to the Bidder(s) shall not be disclosed by the Bidder(s) to any Person who is not officially concerned with the Bid Process or is not a retained professional advisor.
- 7.2 The Bidder(s) acknowledges that the Confidential Information contains critical information including commercially sensitive information relating to the Company and its assets, by virtue of which the Bidder(s) shall keep all such critical information, including the commercially sensitive information and UPSI, confidential and shall not disclose or divulge Confidential Information, such critical information or commercially sensitive information or UPSI, to any other Person.

- 7.3 The Bidder(s) shall use such Confidential Information including the commercially sensitive information and UPSI relating to the Company and its assets only for the purpose of preparation and submission of the Bid, in accordance with the terms of this Process Document and the Confidentiality Undertaking, where applicable.
- 7.4 The Bidder(s):
- (a) agrees to use such measures and/or procedures as it uses in relation to its own confidential information to hold and keep in confidence any and all Confidential Information.
 - (b) agrees that the Confidential Information shall be kept confidential and shall be used solely for the purposes of the Bid Process.
 - (c) shall ensure compliance with Applicable Law and specifically with the IB Code and the Liquidation Regulations, with respect to Confidential Information received pursuant to this Process Document.
 - (d) shall take all reasonable steps and measures to minimize the risk of disclosure of Confidential Information by ensuring that only such Representatives who are expressly authorized by it and whose duties require them to possess the Confidential Information shall have access to the Confidential Information on a strict need-to-know basis.
 - (e) shall ensure that the Confidential Information will not be copied or reengineered or reproduced or transmitted by any means and in any form whatsoever (including in an externally accessible computer or electronic information retrieval system) by the Bidder or its Representatives, except for sharing of Confidential Information as required in relation to this Process Document, as decided by the Bidder or its Representatives from time to time.
 - (f) shall not use the Confidential Information to cause any undue gain or undue loss to itself or any other person;
 - (g) shall protect any intellectual property of the Corporate Debtor which it may have access to;
 - (h) shall ensure that all Confidential Information is kept safe and secure at all times and is protected from any theft or leakage;
 - (i) shall comply with the confidentiality obligations hereunder and the Bidder shall be responsible for any breach thereof.
- 7.5 The Bidder's obligations hereunder, shall not apply to Confidential Information if the same:
- (a) at the time of its disclosure, is in public domain or which after disclosure becomes part of public domain other than as a result of a disclosure by the Bidder or its Representatives contrary to the terms of this Process Document; or prior to its disclosure to the Bidder, was lawfully in the possession of the Bidder as evidenced by the records of the Bidder, or thereafter becomes known to the Bidder on a non-confidential basis from a source other than the Liquidator or his Representatives who is not in breach of its confidentiality obligations;
 - (b) is approved for disclosure in writing by the Liquidator, or his Representatives.
 - (c) was or is independently developed by the Bidder(s) or its Representatives without relying upon or using the Confidential Information.

9. MISCELLANEOUS

- 8.1 This Process Document is issued upon an express understanding and agreement that the Bidder shall use it solely for the purpose of preparation and submission of the Bid(s) and for the purpose necessarily associated with the Bid(s) and for no other purpose whatsoever.
- 8.2 The Bids shall be evaluated by the Liquidator inter alia on the basis of the Financial Proposal, the declarations made and/or information submitted by the Bidder and/or Process Document.
- 8.3 The Liquidator reserves the right to conduct due diligence/know your customer verifications on the Bidders at any stage of the Bid Process.
- 8.4 All payments under this Process Document shall be made in INR (Indian Rupees).
- 8.5 The Bidder(s) shall ensure compliance with any amendment or clarifications to the IB Code, or to any of the rules and regulations issued thereunder, as amended from time to time. If the Liquidator requires any information, document, or other support from the Bidder, to comply with their obligations under the IB Code or for the purposes of conducting any diligence, the Bidder shall provide the same immediately at its own cost.
- 8.6 If the Bidder conceals any material information or makes a wrong statement or misrepresents facts or makes a misleading statement in its Bid, in any manner whatsoever, the Liquidator reserves the right to reject such Bid and/or cancel the Letter of Intent (if issued) and forfeit the Earnest Money Deposit. The Bidder shall be solely responsible for such disqualification based on its declarations in the Bid.
Save as provided in this Process Document, no change or supplemental information to the Supporting Documents shall be accepted after the Document Submission Date. The Liquidator, may, at their sole discretion, request for additional information/document and/or seek clarifications from Bidder(s), even after the Document Submission Date/Auction Start Date. Delay in submission of additional information and/or documents sought by the Liquidator shall make the Bid liable for rejection.
- 8.7 No extension of time shall be granted under any circumstances to the Bidder(s) for submission of the Supporting Documents including, but not limited to, on the grounds that the Bidder did not obtain a complete set of this Process Document, or did not get an opportunity to conduct a Site visit, or on any other ground(s) as may be deemed appropriate by the Liquidator. However, the Liquidator at his discretion may extend the timelines for submission of Supporting Documents. Such extension in timeline shall be communicated to all Bidders by sending emails or publishing the notice of extension on the website of the Company or on the Data Room.
- 8.8 A Bidder, accepting this Process Document and gaining access to the Data Room, confirms that the Bidder is in compliance with the Insider Trading Regulations and waives any right to claim that there was any involvement of the Liquidator or its Representatives in the Bidder's compliance or lack thereof with the Insider Trading Regulations.
- 8.9 Liquidator and his Representatives shall not be responsible in any way for such any costs incurred by the Bidder(s), regardless of the conduct or outcome of the Bid Process.

- 8.10 The Bidders shall not be entitled to receive any reimbursement of any expenses which may have been incurred in preparation of the Bid(s) and/or carrying out of due diligence, and matters incidental thereto or for any purpose in connection with the Bid(s).
- 8.11 This Process Document and the Bid Process shall be governed by, and construed in accordance with, the laws of India and the Adjudicating Authority shall have exclusive jurisdiction over all disputes arising under, pursuant to and/or in connection with this Process Document and/or the Bid Process.
- The Bidder(s) hereby agrees and releases the Liquidator and its Representatives irrevocably, unconditionally, fully and finally, from any and all liability for claims, losses, damages, costs, expenses or liabilities in any way related to or arising from the exercise of any rights and/or performance of any obligations set out under this Process Document, and/or in connection with the Bid Process, and waives any and all rights and/or claims the Bidder(s) may have in this respect, whether actual or contingent, whether present or in future.
- 8.12 The Liquidator in its sole discretion and without incurring any obligation or liability or cost, reserves the right, at any time, to;
- (a) suspend and/or cancel the Bid Process and/or amend and/or supplement the Bid Process or modify the dates or other terms and conditions set out in this Process Document;
 - (b) consult with any Bidder(s) in order to receive clarifications or further information;
 - (c) retain any information and/or evidence submitted to the Liquidator/ his Representatives, by, on behalf of, and/or in relation to any Bidder;
 - (d) cancel or disqualify the Bid(s) submitted by any Bidder(s) at any stage of the Bid Process;
 - (e) restart the Bidding Process as per the discretion of the Liquidator and even post issuance of LoI(s) as per the Process Document;
 - (f) independently verify, disqualify, reject and/or accept any and all submissions or other information and/or evidence submitted by or on behalf of any Bidder.
 - (g) accept any Bid(s), conduct subsequent rounds of auction as per the terms deemed fit by the Liquidator as per the Process Document.

10. TECHNICAL TERMS & CONDITION OF E-AUCTION SALE

- 9.1 The Bidder shall be solely responsible for all consequences arising out of the Bid submitted by him (including any wrongful bidding) and no complaint/representation will be entertained in this regard by the Liquidator. Hence, Bidders are cautioned to be careful to check the Bid amount and alter/rectify their Bid if required before confirming the Bid submitted.
- 9.2 The point of contact for all Bidders in relation to the Portal, technical glitches, instructions relating to the Portal etc. shall be the E-Auction Agency.
- 9.3 E-Procurement Technologies Ltd (Auction Tiger) (“E-Auction Agency” or “E-Auction Service Provider”) has been appointed as the E-Auction Service Provider.
- 9.4 The sale of the Company as a “going concern” will be on “as is where basis”, “as is what is basis”, “whatever there is basis” and “no recourse basis”.

- 9.5 Payment timelines by the successful bidder will be independent of grant of final approval by Hon'ble NCLT. Successful bidder will required to pay EMD and balance sale consideration in terms of payment schedule stipulated in the process document. The sale, however, shall be confirmed after Hon'ble NCLT approves the sale transaction.
- 9.6 E-Auction shall be undertaken by the E-Auction Service Provider for and on behalf of the Liquidator through an E-Auction platform provided/referred on the website portal of the E-Auction Service Provider ("Platform").
- 9.7 Other details of the e-auction are as follows:
- | | | |
|-------------------------------------|---|---|
| Website of E-Auction Agency | : | https://ncltauction.auctiontiger.net |
| Address of E-Auction Agency | : | A-801, Wall Street - II,
Opposite Orient Club,
Near. Gujarat College,
Ellis Bridge,
Ahmedabad – 380006,Gujarat, |
| Contact Person of E-Auction Agency: | | Mr. Praveen Thevar |
| Contact No. of E-Auction Agency: | | 91-97227 78828, 079-68136841 |
| Email ID of E-Auction Agency: | | praveen.thevar@auctiontiger.net;
nclt@auctiontiger.net |

11. AMENDMENT TO THE PROCESS DOCUMENT

The Liquidator may, for any reason whatsoever and without assigning any reason, or incurring any liability, amend, modify or supplement this Process Document by an amendment. Any amendment(s) shall be uploaded on the website of the Corporate Debtor.

Bidders are requested to check website of the Corporate Debtor on a regular basis. The Acceptance of the Process Document shall be deemed to be an acknowledgement by the Bidder(s) that any such amendment shall be binding on the Bidder(s).

ANNEXURE I: Earnest Money Deposit ('EMD')

Earnest Money Deposit can be furnished;

- a) By Demand Draft in favour of Rainbow Denim Limited – In Liquidation, issued by any scheduled commercial bank in India, or
- b) By way of a direct deposit by way of the real time gross settlement (“RTGS”) system into bank account held by the Corporate Debtor.

Details for EMD

Amount of EMD:	10% of Reserve Price
Name of Account:	Rainbow Denim Limited – In Liquidation
Account No.:	529101010035157
Name of Bank:	Union Bank of India
Branch:	PUDA Phase – I (Mohali) Branch, SAS Nagar – 160 055
IFSC Code:	UBIN0552917 (fifth character is zero)
MICR Code:	160026008

BID Application Form

(Please fill up separate Bid application forms for each property)

Date:

Mr. Dharmendra Kumar Bhasin, Liquidator,
Rainbow Denim Limited – In Liquidation

Dear Sir,

I/We am/are desirous in participating in the e-auction announced by you in the newspaper publication dated in (name of media journal)

Details of Corporate Debtor: Rainbow Denim Limited – In Liquidation

Details of Bidder / Bid Price Offered

Name of the Bidder	
Constitution of Bidder	
Contact No.	
Email ID	
PAN No.	
Address	

I/We/M/s. also enclose copies of the required KYC documents. We request you to kindly verify the same and arrange with the auction portals for issue of an ID and password for us to enable us to take part in the E- Auction.

Date:

Signature

Place:

STAMP

ANNEXURE II: DESCRIPTION OF THE CORPORATE DEBTOR

S.No	Assets	Reserve Price (Rs./Crores)	Initial EMD Amount (Rs./Crores)	Incremental Value (Rs./Crores)
1.	<p>Sale of Corporate Debtor as a Going Concern – All the assets excluding liabilities of the Corporate Debtor on a going concern basis as per Regulation 32A of IBBI (Liquidation Process) Regulations, 2016</p> <p><u>Specific Exclusions</u> –</p> <p>i. Cash and cash equivalents</p> <p>ii. Any assets or their value recovered through proceedings for avoidance of transactions in accordance with Chapter III of the IBC</p>	58.00 Cr	5.80 Cr	0.10 Cr

Notes:

- 1. Please note that Corporate Debtor had availed a GST input credit of Rs. 2.68 crores on the basis of invoice raised by various parties against which payment was not made on the Corporate Debtor and therefore, the Corporate Debtor has made provision for the doubtful adjustment/recovery of GST.*
- 2. Successful bidder shall be entitled to pursue civil/criminal matters filed by the CD/Liquidator in various Courts/NCLT for recovery of various dues after full payment of sale consideration and handing over of the CD to be specified in the sale certificate except Avoidance Provisions Application under IBC.*
- 3. Relevant data in respect of the assets and liabilities to the extent available till date and to the best knowledge of the liquidator shall be made available in the data room.*

EOI FORMAT FORMAT I: COVERING LETTER

(On the letter head of the Bidder)

Bidder's Name:

Full Address:

Telephone No.:

Email address:

To,

Mr. Dharmendra Kumar Bhasin, Liquidator,

Rainbow Denim Limited – In Liquidation

Sub: - Bid for the e-auction process relating to Rainbow Denim Limited – In Liquidation (“Company”)

Ref: - Process Document for submission of bids for sale of Company as a going concern[●] (“Process Document”)

Dear Sir,

1. We, the undersigned Bidder having read and examined in detail the Process Document including the disclaimers to the Process Document, set out the related information in relation to the Bid Process conducted for the Company, and are hereby submitting an EOI for the Company as a going concern.
2. We enclose herewith the Supporting Documents with duly signed and/or certified forms/documents/authorizations as mandated by you in the Process Document, for your consideration.
3. We have submitted all the requisite documents as per the prescribed formats set out in the Process Document, without any deviations, conditions and without any assumptions or notes.
4. We further represent and confirm as follows:
 - a. Acceptance
We hereby unconditionally and irrevocably agree and accept the terms of the Process Document and that the decision made by the Liquidator and/or the Adjudicating Authority in respect of any matter with respect to, or arising out of, the Process Document, shall be binding on us. We hereby expressly waive any and all claims in respect of the Bid Process.
 - b. Litigation/Proceedings
We confirm that there are no litigation/disputes/proceedings pending or threatened against us, which affects our ability to fulfill our obligations under the Bid and the Process Document.
 - c. Familiarity with Relevant Indian Laws and Regulations and Authorizations
We confirm that we have studied the provisions of the IB Code and other relevant laws and regulations to enable us to submit and execute our Bid along with required documents and execute the other required documents in the event of our selection as the Successful Bidder. We have obtained the necessary corporate and regulatory approvals required to participate in the Bid Process. We further confirm that our Bid is not in contravention of the provisions of any law for the time being in force and is in strict compliance with the IB Code.
 - d. Contact person
The details of the contact person for the purposes of this Bid are provided below:
Name : [●] Designation : [●]

Company Address : [●]Phone

Nos : [●]

E-mail address : [●]

4. We are enclosing herewith the physical copy of the Supporting Documents, and necessary documents as described herein and duly signed forms/documents/authorizations, the EOI, Supporting Documents and necessary documents as described herein, as mandated in the Process Document, for your consideration.
5. We confirm that the Bid(s) submitted by us will be consistent with all the requirements of submission as stated in the Process Document and the IB Code and subsequent clarifications/communications from the Liquidator or his Representatives.
6. We acknowledge that a Bid(s) can be submitted by us on the E-auction Platform only.
7. The information submitted by us is complete, strictly as per the requirements stipulated in the Process Document and is true and correct. We acknowledge that we shall be solely responsible for any errors or omissions in our Bid(s).
8. We confirm that all the terms and conditions of our Bid(s) are valid for acceptance for a minimum period of 6 (six) months from the Auction Date. We further confirm that in the event that we are declared as Successful Bidder, then the Bid(s) shall continue to remain valid and binding without any expiry period.
9. We confirm that we have not taken any deviations so as to be deemed non- responsive with respect to the provisions of the Process Document.
10. Capitalized terms, not defined herein, shall have the meaning given to them in the Process Document.

Thanking you,
Yours faithfully,

(Signature and Name of the Attorney as per Format VI – Power of Attorney)

Address of the duly Authorized Representatives of the [Bidder]

Company rubber stamp/seal

ADDITIONAL DETAILS TO BE SUBMITTED WITH COVERING LETTER

1. Details of the Bidder such as:
 - A. Name and address:
 - Name of the Bidder:
 - Address:
 - Telephone No:
 - Email:
 - B. Ownership Structure and Composition of the bidder,
 - C. Date of establishment of the Bidder
 - D. Core area of expertise of the Bidder & Brief Profile of the Bidder
 - E. Contact Person:
 - Name:
 - Designation:
 - Telephone No:
 - Email:
 - F. PAN No. or equivalent details of the Bidder
 - G. Current Address Proof:
 - H. Valid e-mail ID:

- I. Landline and Mobile Phone number:
- J. Authorization to the Signatory (in case the bidder is a legal entity):
- K. Bank details of the Bidder:
- 2. Business Profile of the Bidder
- 3. Legal Documents: Copies of Certificate of Registration and Constitutional Documents of the Bidder

FORMAT II: CONFIDENTIALITY UNDERTAKING
[TO BE PRINTED ON A STAMP PAPER OF APPROPRIATE VALUE]
CONFIDENTIALITY UNDERTAKING

To,
Mr. Dharmendra Kumar Bhasin, Liquidator
Rainbow Denim Limited – In Liquidation

Sub: Liquidation Process of Rainbow Denim Limited

Dear Sir,

1. This acknowledgement and undertaking (“Undertaking”) is being furnished by ____ (“Recipient”, which term where relevant includes all directors, employees and consultants, successors and assigns of the Recipient), in respect of the Confidential Information (as defined herein) provided / to be provided to us in relation to Rainbow Denim Limited, a company having its registered office at Village Chaundheri, Post Office Dappar, Chandigarh-Ambala National Highway, Tehsil Derabassi, Distt. SAS Nagar (Mohali), Lalru – 140506 (Punjab) (the “Corporate Debtor” or the “Company”) and is further to the confidentiality obligations of the Liquidator under the provisions of the Insolvency and Bankruptcy Code, 2016 (“Code” which term includes all rules and regulations made thereunder), read with the applicable regulations.

2. I/We understand, acknowledge and agree that any and all information supplied, whether by you, the Corporate Debtor or any person on behalf of you and/or the Corporate Debtor, to us or to any other person on our behalf, including any third parties (“Secondary Recipient”) including information related to the financial position of the Corporate Debtor, information related to assets or valuation thereof, transactions and/or business and/or operations of the Corporate Debtor or any information provided pursuant to any request made by us and in each case information whether in written form, electronically or orally shall constitute “Confidential Information” for the purposes of this Undertaking.

Confidential Information shall also include information or documents generated or derived by the Recipient that contains, reflects or is derived from any Confidential Information.

However, Confidential Information shall not include:

- (i) information which, at the time of disclosure to the Recipient or Secondary Recipient(s), is in the public domain through no violation of the provisions of the Code or a breach of this Undertaking; or
- (ii) information which, after disclosure to the Recipient or Secondary Recipient(s), becomes publicly available and accessible through no violation of the provisions of the Code or a breach of this Undertaking; or
- (iii) information which was, lawfully and without any breach of this Undertaking, known to, or in the possession of, the Recipient or Secondary Recipient(s) prior to its disclosure, as evidenced by the records of the Recipient or Secondary Recipients; or
- (iv) information which is permitted by you or your authorized representatives to be disclosed solely for legal or regulatory requirements, provided that the obligation upon the Recipient to maintain confidentiality of such information permitted to be disclosed shall continue for all other purposes under this Undertaking;
- (v) information which was independently developed by any party (including the Recipient and the Secondary Recipient) without breach of this Undertaking, and not on the basis of Confidential Information; or

- (vi) information that is required to be disclosed on account of an order of a court or due to any requirement of law, regulation or any competent judicial, supervisory, regulatory or administrative authority/ body including the directions of any regulatory authority applicable to, or having jurisdiction over, the Recipient and the Secondary Recipient, or in any other legal proceedings (including the National Company Law Tribunal, Insolvency and Bankruptcy Board of India, any other court, tribunal or government authority) or pursuant to the guidelines of regulatory/administrative authority or stock exchange. The Recipient shall disclose such information only with prior intimation to the Liquidator or the Corporate Debtor or any person authorised on their behalf.
3. The Recipient hereby acknowledges, agrees and undertakes that:
- (i) the Confidential Information provided by the Liquidator in relation to the Corporate Debtor has been accepted by the Recipient and shall be utilized only in accordance with this Undertaking;
 - (ii) the Confidential Information shall be kept secret and confidential by the Recipient and shall be used solely as allowed herein;
 - (iii) the Recipient shall not use Confidential Information to cause an undue gain or undue loss to itself or any other person;
 - (iv) the Recipient shall comply with the provisions of law from time to time in force relating to confidentiality and insider trading;
 - (v) the Confidential Information may only be disclosed to and shared with Secondary Recipients, in accordance with applicable laws, including in relation to confidentiality and insider trading, and terms of this Undertaking on a strict need-to-know basis and only to the extent necessary for and in relation to the auction of the Corporate Debtor/ its assets with prior intimation to the Liquidator, provided that the Recipient shall ensure that such Secondary Recipients shall strictly be bound by obligations that are at least as restrictive as those stated in this Undertaking. The Recipient shall be liable for any breach of this Undertaking due to any action or omission of any Secondary Recipient and in this regard this Undertaking would be read as if the Secondary Recipient were a party hereto with all references to Recipient being a reference to Secondary Recipient;
 - (vi) it shall immediately disclose to the Liquidator, if so required by the Liquidator, the names and details of any and all Secondary Recipients;
 - (vii) it shall ensure that all Confidential Information is kept safe and secured at all times and is properly protected against theft, damage, loss or unauthorised access, hacking, etc.;
 - (viii) by virtue of this Undertaking, it has not acquired, does not and shall not acquire at any time hereafter any right, title or interest of any nature whatsoever in the Confidential Information including any intellectual property;
 - (ix) the Recipient shall protect any intellectual property of the Corporate Debtor it may have access to;
 - (x) no representation or warranty has been provided in relation to the authenticity or adequacy of the information provided, including Confidential Information, for the purposes for which the same has been received /sought by the Recipient and the Recipient shall not have any claim against the Corporate Debtor or the Liquidator or any person on behalf of the Liquidator and/or Corporate Debtor in relation to any information provided. Further the Recipient merely because of receipt of any information or execution of this Undertaking shall not have any rights or

entitlement against the Liquidator for undertaking any action/transaction in connection with the Corporate Debtor.

4. Recipient acknowledges and agrees that in the event of breach or threatened breach of the terms of this Undertaking, the Corporate Debtor shall suffer irreparable damages, for which monetary compensation may be an inadequate remedy. Accordingly, it is agreed that in addition to any other remedy to which the Liquidator and the Corporate Debtor jointly or severally may be entitled to at law or in equity, the Liquidator and the Corporate Debtor jointly or severally shall be entitled to seek an injunction to prevent a breach or threatened breach of this Undertaking and/ or specific performance of the terms of this Undertaking and/or any other remedies available at law.
5. This Undertaking and any dispute, claim or obligation arising out of or in connection with it shall be governed by and construed in accordance with Indian law and the Adjudicating Authority as per the Code shall have exclusive jurisdiction over matters arising out of or relating to this undertaking.

IN WITNESS WHEREOF I/We have set our hands hereunder on this day of XX, 2022 at _____. SIGNED AND DELIVERED BY:

For and on behalf of _____

WITNESS 1:

(Signature)

(Name)

(Address)

WITNESS 2:

(Signature)

(Name)

(Address)

FORMAT III: FORMAT OF AFFIDAVIT BY BIDDER UNDER 29A OF THE IB CODE

[To be submitted by each Bidder and in case the Bidder is a consortium, then to be submitted by each member of such consortium]

[To be submitted by each Bidder and in case the Bidder is submitting a Bid through any strategic/ financial partner or any other Person, then to be submitted by each such partner/ Person]

[To be stamped with adequate value under the Stamp Act applicable to the particular state and duly attested by Notary Public]

AFFIDAVIT

I, [name of the chairman/managing director/director/authorized person of Bidder], son of [], aged about [] years, currently residing at [Address to be inserted] and having Aadhaar / Passport number [], on behalf of [name of the Bidder] having registered office at [] ("Bidder") pursuant to authorization of the Board of Directors of the Bidder dated [] (as enclosed herewith), do solemnly affirm and state to the liquidator of Rainbow Denim Limited ("Corporate Debtor") ("Liquidator") as follows:

- a. That I am duly authorized and competent to make and affirm the instant affidavit for and on behalf of the Bidder in terms of [resolution of its board of directors/ power of attorney dated []]. I hereby unconditionally state, submit and confirm that the document is true, valid and genuine.
- b. I hereby unconditionally state, submit and confirm that the Bidder is not disqualified from submitting a Bid in respect of the Corporate Debtor, pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code").
- c. That neither the (i) Bidder nor (ii) any person acting jointly or in concert with the Bidder nor (iii) any person who is a connected person (as defined under the provisions of the Insolvency and Bankruptcy Code, 2016) of (a) the Bidder or (b) any person acting jointly or in concert with the Bidder:
 - a) is an undischarged insolvent;
 - b) is a wilful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949;
 - c) is, at the time of submission of the Bid, a person who (i) has an account which has been classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 or the guidelines of a financial sector regulator issued under any other law for the time being in force, or (ii) controls or manages or is the promoter of a corporate debtor whose account has been, classified as nonperforming asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 or the guidelines of a financial sector regulator issued under any other law for the time being in force; and such classification has continued for a period of one year or more from the date of such classification till the date of commencement of the corporate insolvency resolution process of the Corporate Debtor and all such overdue amounts along with interest, costs and charges thereon has not been fully repaid at the time of submission of the Bid.
 - d) has been disqualified to act as a director under Companies Act, 2013;
 - e) has been convicted of any offence punishable with imprisonment:
 - i. for two years or more under any statute specified under the Twelfth Schedule of the Insolvency and Bankruptcy Code, 2016 and two years have not passed from the date of release from such imprisonment; or

- ii. for seven years or more under any law for the time being in force and two years have not passed from the date of release from such imprisonment
 - f) is prohibited from trading in securities or accessing the securities markets;
 - g) has been a promoter or in the management or control of a corporate debtor in which a preferential transaction or undervalued transaction or extortionate credit transaction or fraudulent transaction has taken place and in respect of which an order has been made by the Hon'ble National Company Law Tribunal (or its appellate tribunal / court) under the Insolvency and Bankruptcy Code, 2016 (other than a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction which has taken place prior to the acquisition of the corporate debtor by the Bidder pursuant to a resolution plan approved under the Code or pursuant to a scheme or plan approved by a financial sector regulator or a court, and the Bidder has not otherwise contributed to the preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction),
 - h) has executed a guarantee in favour of a creditor, in respect of a corporate debtor against which an application for insolvency resolution made by such creditor has been admitted under the Insolvency and Bankruptcy Code, 2016 where such guarantee has been invoked by the creditor and remains unpaid in full or part; and
 - i) is subject to any of the aforesaid conditions under any law in a jurisdiction outside India.
- d. That the Bidder unconditionally and irrevocably agrees and undertakes that it shall make full disclosure in respect of itself and all its connected persons.
 - e. That the Bidder unconditionally and irrevocably represents, warrants and confirms that it is eligible under the terms and provisions of the Insolvency and Bankruptcy Code, 2016 and the rules and regulations thereunder to submit a Bid for acquisition of the Corporate Debtor, and that it shall provide all documents, representations and information as may be required by the Liquidator to substantiate to the satisfaction of the Liquidator that the Bidder is eligible under the Insolvency and Bankruptcy Code, 2016 and the rules and regulations thereunder to submit a Bid for acquisition of the Corporate Debtor/ its assets.
 - f. That the Bidder unconditionally and irrevocably undertakes that it shall provide all data, documents and information as may be required to verify the statements made under this affidavit.
 - g. That the Bidder understands that the Liquidator may evaluate the Bid to be submitted by the Bidder or any other person acting jointly with it and such evaluation shall be on the basis of the confirmations, representations and warranties provided by the Bidder under this affidavit.
 - h. That the Bidder agrees that the Liquidator is entitled to rely on the statements and affirmations made in this affidavit for the purposes of determining the eligibility and assessing, agreeing and approving the Bid submitted by the Bidder.
 - i. That in the event any of the above statements are found to be untrue or incorrect, then the Bidder unconditionally agrees to indemnify and hold harmless the Liquidator against any losses, claims or damages incurred by the Liquidator on account of such ineligibility of the Bidder.
 - j. That the Bidder agrees and undertakes to disclose/inform forthwith, to the Liquidator, if the Bidder becomes aware of any change in factual information in relation to it or its connected person (as defined under the Code) which would make it ineligible under the provisions of Section 29A of the Code at any stage of the Bid Process.

- k. That if, at any time during the Bid Process, the Bidder becomes ineligible to acquire the Corporate Debtor as per the provisions of the Code (and in particular Section 29A of the Code), the fact of such ineligibility shall be forthwith brought to the attention of the Liquidator.
- l. That this affidavit shall be governed in accordance with the laws of India and the Adjudicating Authority shall have the exclusive jurisdiction over any dispute arising under this affidavit.

Any capitalized and undefined term shall have the meaning assigned to it in the Process Document.

SOLEMNLY AFFIRMED AT _____ ON THIS THE [_____] DAY OF [_____] 2022.

DEPONENT

VERIFICATION:

I, [name of the chairman/managing director/director/authorized person of Bidder, authorised by the Board of the Bidder (in case of a company) for giving such affidavit], the deponent above named, on behalf of [name of the Bidder], having registered office at [____], do hereby verify and state that the contents of the above affidavit are true to the best of my knowledge and nothing material has been concealed therein.

Verified at _____, on this the [_____] day of [__] 2022. DEPONENT

1 In the event:

- (1) the Applicant is a financial entity and is not a related party to the Corporate Debtor; or
- (2) the Applicant has an account, or is in management or control or is the promoter of a corporate debtor that has an account, classified as non-performing asset and such account was acquired pursuant to a prior resolution plan approved under the Code, and a period of three years has not elapsed since from the date of approval of such resolution plan by the Adjudicating Authority (as defined under the Code), the following clause shall be substituted as para (c) herein:
 “is disqualified by the terms of S.29A(c) of the Code since at the time of submission of the resolution plan is a person who is exempted under Explanation I and II of Section 29A (c)of the Code”.

FORMAT IV: BOARD RESOLUTIONS

(On the letter head of the Bidder)

CERTIFIED TRUE COPY OF RESOLUTION PASSED BY THE BOARD OF DIRECTORS (“BOARD”) OF [Insert name of the Bidder] (“COMPANY”) IN THE MEETING HELD ON [Insert Date], AT [Insert Time] AT [Insert Place]

WHEREAS pursuant to the process document dated [●] (“Process Document”), issued by Liquidator of Rainbow Denim Limited (“RDL), in relation to submission of bids for sale of RDL as a going concern, the Company, being the Bidder, is desirous of submitting a Bid for the Company in accordance with the requirements of the Process Document.

In view of the above, the Board has resolved as follows:

“RESOLVED THAT [insert], of the Company, be and is hereby authorized to take all the steps required to be taken by the Company for the submission of the Bid in accordance with the terms of the Process Document, including the following:

- (a) submit the Bid(s) and other requisite documents, in accordance with the terms of the Process Document;
- (b) execute all other agreements, deeds, writings and powers of attorney as may be required in relation to the Process Document, including any amendments or modifications as may be suggested by the Liquidator of Rainbow Denim Limited to any of such executed agreements, documents or other writings and in general to do all such acts, deeds and all things as may be required or considered necessary under or in respect of the Process Document;
- (c) submit necessary clarifications or information in relation to the Bid(s), as may be required in accordance with the Process Document;
- (d) operate the account created by the Bidder on the web portal of the e-auction agency engaged by the Liquidator;
- (e) pay such amounts and consideration, in the manner as may be agreed with the Liquidator, in accordance with the procedure set out under the Process Document; and
- (f) to generally do or cause to be done all such acts, matters, deeds and things as may be necessary or desirable in connection with or incidental or for the purpose of implementation and giving effect to the above resolutions for and on behalf of the Company, and to comply with all other requirements in this regard.”

“RESOLVED FURTHER THAT in addition to the foregoing resolution, [insert name of Managing Director] of the Company be and is hereby authorized to execute a power of attorney in favour of [insert] appointing the aforesaid [insert name], to exercise all or any of the powers set out under this resolution”

“RESOLVED FURTHER THAT a certified copy of the foregoing resolution be furnished as may be required, under the signature of [insert].”

Certified to be true

For the Company [insert]

Notes:

- 1) The contents of the format may be suitably re-worded indicating the identity of the entity passing the resolution.
- 2) In case of the Board Resolution being provided by a company incorporated in India, the Board Resolution shall to be notarized by a notified notary. In the event the Board resolution is from a company incorporated outside India, the same shall be duly notarized/consularised in the jurisdiction of incorporation of the company.

In case the Board Resolution is alone not adequate for authorizations of the actions contemplated in the Board Resolution, then in addition to the Board Resolution, all other corporate and other authorizations, as are required to give effect to the aforesaid authorizations (e.g., necessary shareholders resolution, if required) would also be submitted and the copy of the same shall be authenticated in the same manner as Board Resolution. Such authorizations should meet the expectation of the Liquidator and Liquidator may not accept such authorizations if it/they does/do not meet the requirement of the Liquidator.

- 3) This format may be modified only to the limited extent required to comply with the local regulations and laws applicable to a foreign entity submitting this resolution. For example, reference to Companies Act, 2013 may be suitably modified to refer to the law applicable to the entity submitting the resolution. However, in such case, the foreign entity shall submit an opinion issued by the legal counsel of such foreign entity, stating that the board resolutions are in compliance with the applicable laws of the respective jurisdictions of the issuing company and the authorizations granted therein are true and valid.
- 4) The Board Resolution is to be certified in accordance with applicable law and the constitutional documents of the Company.

FORMAT V: POWER OF ATTORNEY*

(TO BE ON NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE AS PER THE STAMP ACT RELEVANT TO THE PLACE OF EXECUTION. FOREIGN COMPANIES SUBMITTING BIDS ARE REQUIRED TO FOLLOW THE APPLICABLE LAW IN THEIR COUNTRY.)

IRREVOCABLE POWER OF ATTORNEY

Know all men by these presents, We, [Insert name and address of the registered office of the Bidder] (“Bidder”) do irrevocably hereby constitute, appoint and authorize Mr./Ms. [Insert name and residential address of the attorney] who is presently holding the position of [●] as our true and lawful attorney (“Attorney”), to do in the name of the Bidder and on behalf of the Bidder, all such acts, deeds and things necessary in connection with or incidental to the submission of the Bid(s) or any other document as may be required under or pursuant to the Process Document issued by Liquidator of Rainbow Denim Limited dated [●] (“Process Document”), including all other documents related to the Bid(s), including but not limited to undertakings, letters, certificates, acceptances, clarifications, guarantees or any other deeds or document that the Liquidator, may require the Bidder to submit. The aforesaid Attorney is further authorized to provide representations, information or responses to the Liquidator, and represent the Bidder and generally deal with the Liquidator and the E-Auction Agency with respect to the Bid(s) and the Bid Process, in accordance with the terms of the Process Document and to agree to any modification to the Supporting Documents or Financial Proposal and other documents submitted pursuant to the Process Document.

We hereby ratify all acts, deeds and things done by the said Attorney pursuant to this power of attorney and that all acts, deeds and things done by the aforesaid Attorney shall be binding on the Bidder and shall always be deemed to have been done by the Bidder.

All the terms used herein but not defined shall have the meaning ascribed to such terms under the Process Document.

Signed by the within named

[Insert the name of the Bidder] Through the hand of

Mr. (Name, designation and address of the executant)

Duly authorized by the Board to issue such Power of Attorney Dated this day of

Accepted

.....Signature of Attorney

(Name, designation and address of the Attorney)

Attested

..... (Signature of the executant)

(Name, designation and address of the executant)

.....

Signature and stamp of Notary of the place of execution

Common seal of has been affixed in my / our presence pursuant to Board of Director’s Resolution dated.....

WITNESS

1 (Signature)

Name

Designation.....

2 (Signature)

Name

Designation.....

Notes:

- (1) The mode of execution of the power of attorney should be in accordance with the procedure, if any, laid down by the Applicable Law and the charter documents of the Bidder and the same should be under common seal of the Bidder affixed in accordance with applicable procedure. Further, the person whose signatures are to be provided on the Power of Attorney shall be duly authorized by the Bidder in this regard.
 - (2) In case of the Bidder being a foreign company, the same shall be signed by a person of equivalent position and the requisite legalization and consularisation process shall be duly completed.
 - (3) In the event, the power of attorney has been executed outside India, the same shall be required to be duly notarized by a notary public of the jurisdiction where it is executed.
 - (4) Also, wherever required, the Bidder should submit for verification the extract of the charter documents and documents such as a board resolution/power of attorney, in favor of the person executing this power of attorney for delegation of power hereunder on behalf of the Bidder.
 - (5) The Bidder shall submit a power of attorney or such other equivalent authorization as may be deemed to be adequate in the jurisdiction of incorporation of the Bidder.
-

FORMAT VI: UNDERTAKING BY BIDDER

[On Stamp Paper of appropriate value]

Bidder Undertaking

To,

Dharmendra Kumar Bhasin, Liquidator

Rainbow Denim Limited – In Liquidation

Sub: Liquidation Process of Rainbow Denim Limited

Dear Sir,

Sub: Bidder's undertaking in relation to the Bid(s) in response to the process document issued by the Liquidator dated [●] ("Process Document")

1. We, [Insert name of the Bidder] ("Bidder"), refer to the Process Document and provide our unconditional acceptance of the terms and conditions of the Process Document as amended from time to time in accordance with the procedure set out under the Process Document, including but not limited to the disclaimers contained in the Process Document. Further and in relation to the said Process Document and the Bid Process set out there under, the Bidder undertakes, agrees and acknowledges that the Bidder (collectively, the "Undertaking"):
 - (a) shall execute all such deeds and documents as may be required to be so executed pursuant to the completion of the Bid Process;
 - (b) explicitly accepts and acknowledges the Process Document and shall comply with all terms of the Process Document;
 - (c) has submitted the Supporting Documents, EMD and other requisite documents strictly as per forms and timelines prescribed in the Process Document, without any deviations or conditions and without setting out any assumptions or notes qualifying the Bid:
 - (a) the Bid(s) shall be valid for acceptance for a minimum period of 6 (six) months from the Auction Start Date. It is clarified for abundant caution that if we are declared as Successful Bidder, then our Bid(s) shall not be subject to any expiry and shall remain valid and binding on us;
 - (b) the Supporting Documents are in compliance in all respects with the provisions of the Process Document and IB Code and do not contravene any of the provisions of the law for the time being in force;
 - (c) has submitted a duly executed power of attorney in original signed by a person authorized by the board of the Bidder in a duly convened board meeting (copy attached);
 - (d) has obtained all the authorizations required or expedient under Applicable Law for the submission of the Supporting Documents and Bid (copy attached);
 - (e) shall upon being notified as the Successful Bidder, pay such amounts and consideration in accordance with the procedure set out under the Process Document;
 - (f) shall, prior to the transfer, execute such agreement(s) as may be required, to the satisfaction of the Liquidator in accordance with the Process Document;
 - (g) has provided all information and data during this Bid Process, in a manner that is true, correct, accurate and complete and no such information, data or statement provided by the Bidder is inaccurate or misleading in any manner; and
 - (h) shall, unconditionally and irrevocably, promptly upon demand, indemnify and hold harmless the Company, the Liquidator and his Representatives and advisors, against all actions, proceedings, claims, demands, losses, liabilities, damages,

costs and expenses imposed, asserted against or incurred by the Company, the Liquidator and his Representatives or advisors, arising out of or pursuant to or in connection with a breach of our obligations under the Process Document, the Bid(s) and/ or the LoI(s) or in the event the we withdraw the Bid(s) or withdraw from the Bid Process pursuant to the approval of the concerned Bid(s) by the Liquidator or delay in the implementation of the Bid(s), and the Bid(s) submitted by the Bidder shall contain an undertaking to this effect.

- (i) We accept that any Bid(s) placed will be binding on us and the same cannot be avoided on grounds of unauthorised access to our account or mistaken operation of the account.
- (j) We further undertake and confirm that the Bid(s) is unconditional and irrevocable and acknowledge and agree that the Liquidator reserves the right to negotiate better terms with other Bidders who have submitted Bid and any decision taken by the Liquidator in relation to the Bid(s) and the Bid Process shall be final and binding on us. Further, in addition to the undertaking set out hereinabove, we undertake and confirm that every confirmations, declarations and representations made, are true, correct and valid as on the date of this Undertaking, and acknowledge that discovery of any false information and record at any time will render us ineligible to continue in the Bid Process of the Company and the Liquidator shall at its sole discretion be entitled to cancel our Bid(s) and forfeit the Earnest Money Deposit where any such information, records, confirmations, declarations and or representations are found to be incorrect or misleading.

Thank you.

Yours sincerely,

.....

[Signature and name of Attorney as per Format V – Power of Attorney]

Rubberstamp/seal of the Bidder

FORMAT VII:
CHECKLIST FOR SUBMISSION OF SUPPORTING DOCUMENTS
(On the letter head of the Bidder)

<u>S. No.</u>	<u>Supporting Documents Response</u>	<u>(Y/N)</u>
1.	Covering Letter along with Supporting Documents -Format-I	
2.	Confidentiality Undertaking Format-II	
3.	Affidavit under Section 29A Format-III	
4.	Board Resolutions Format-IV	
5.	Power of Attorney Format-V	
6.	Undertaking by the Bidder Format-VI	