

NOTICE

To Whomsoever It May Concern

Vardhman Industries Limited
Under Corporate Insolvency Resolution Process
Insolvency Commencement Date 16th November, 2017

EVALUATION MATRIX FOR RESOLUTION APPLICANTS

The Resolution Professional hereby uploads the Evaluation Matrix, as approved by Committee of Creditors, in accordance with Regulation 36A (2) of Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2018, on the company website for all prospective Resolution Applicants.

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Resolution Professional

For Vardhman Industries Limited

Regn. No: IBBI/IPA-003/IP-N00024 /2017-2018/10174

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Evaluation Matrix
Vardhman Industries Limited

S. No.	Parameters	Percentage
	Quantitative	70%
i.	Upfront Cash Recovery as per Resolution Plan	
ii.	NPV factoring in upfront cash recovery (based on tiered rate of discount)	
iii.	Equity upside	
iv.	Fresh Equity Infusion for improving operations, if lenders continue with company	
	Qualitative	30%
v.	Reasonableness of Financial Projections	
vi.	Ability to turnaround distressed companies	
vii.	Standing of Bidder	

S. No.	Parameters	Score Matrix	Weightage	Max. Score	Score Obtained	
Quantitative						
1	Upfront Cash Recovery as per Resolution Plan #	Particulars	Score	200%	20 Marks	
		>=35% of the Resolution Debt amount	10			
		>=30% <35% of the Resolution Debt amount	8			
		>=20% <30% of the Resolution Debt amount	6			
		>=10% <20% of the Resolution Debt amount	4			
		>=5% <10% of the Resolution Debt amount	2			
		<5% of the Resolution Debt amount	1			
No cash recovery	0					
2	NPV factoring in upfront cash recovery (based on following tiered rate of interest) Period Rate of Discount 0-5 years 8% >5 years upto 10 years 10% >10 years upto 15 years 15% >15 years 30%	Particulars	Score	350%	35 Marks	
		>=70% of the Resolution Debt amount	10			
		>=65% <70% of the Resolution Debt amount	9			
		>=60% <65% of the Resolution Debt amount	8			
		>=50% <60% of the Resolution Debt amount	6			
		>=40% <50% of the Resolution Debt amount	4			
		>=30% <40% of the Resolution Debt amount	3			
		>=20% <30% of the Resolution Debt amount	2			
		<20% of the Resolution Debt amount	0			
# Resolution Plan involving upfront cash recovery should be backed by letter of Commitment from the Bank or Cheque. If upfront cash infusion is by way of equity the source should be laid out in the plan						
3	Equity upside	Expected upside if,	Score	50%	5 Marks	
		>=10% of the resolution debt amount	10			
		>=8% <10% of the resolution debt amount	8			
		>=6% <8% of the resolution debt amount	4			
		>=4% <6% of the resolution debt amount	3			
		>=1% <4% of the resolution debt amount	2			
No upside	0					
4	Fresh Equity Infusion for improving operations (If lenders continue with the Company)	Expected upside if,	Score	100%	10 Marks	
		>=15% of the resolution debt amount	10			
		>=10% <15% of the resolution debt amount	8			
		>=5% <10% of the resolution debt amount	4			
		>=1% <5% of the resolution debt amount	2			
No Infusion	0					

Qualitative					
1	Reasonableness of Financial Projections i.e. Sales, EBITDA, EBIT etc/Certainty/Likelihood/Feasibility /Eventuality of honouring proposed commitments	Range: 0-10	100%	10 Marks	
	Ability to turnaround distressed companies - Managerial competence and technical abilities, key managerial personnel, track record in implementing turnaround of stressed assets etc.	Range: 0-10	100%	10 Marks	
	Standing of Bidder/Group in sector/External Rating/adherence to financial discipline/record of regulatory compliance/whether NPA, including Group Companies, <12 months	Range: 0-10 (Based on the track record of the Bidder) If NPA, including Group Companies <12 months, will fetch a score of "0".	100%	10 Marks	
Grand Total				100 Marks	

Resolution debt for the evaluation matrix shall mean the total admitted claims in the company as on upload date (i.e. 137 Cr) which may undergo change based on admission/rejection of claim)

All periods in the evaluation matrix are from NCLT approval date