

REVISED E-AUCTION PROCESS INFORMATION DOCUMENT

Invitation for participation in the bidding for the asset of
FRANCO LEONE LIMITED (“In Liquidation”)
 (“Corporate Debtor”),
by way of e-auction in the Liquidation Process under
Insolvency and Bankruptcy Code, 2016 (“Code” or “IBC”)

**Pursuant to an order of Hon’ble National Company Law Tribunal
 (“NCLT”) New Delhi Bench IV, dated 15th March 2023**

**Date of Publication of the E-Auction Sale
 Notice: Saturday, 20th May 2023**

**Date of Publication of Corrigendum: 22nd
 May 2023**

**Last date for Submission of Eligibility Documents:
 Saturday, 3rd June 2023**

**Date & Time of E-Auction
 Wednesday, 14th June 2023, From 10 AM to 12 PM**

Issued by: -

Mr. Anil Kohli-Liquidator
IBBI Reg. No.: IBBI/IPA-001/IP-P00112/2017-18/10219
Franco Leone Limited- In Liquidation
(CIN: U74899DL1995PLC074764)
(A company under liquidation process vide Hon’ble NCLT order dated
15th March 2023)

Registered office: RZ-142, New Vishnu Garden Extension, New
Delhi- 110018

Anil Kohli is a Registered Insolvency Professional with the Insolvency and Bankruptcy Board of India (IBBI). His IBBI Registration Number is IBBI/IPA-001/IP-P00112/2017-18/10219. Anil Kohli has been appointed as Liquidator of Franco Leone Limited (In Liquidation) by the Hon’ble National Company Law Tribunal (NCLT), New Delhi Bench, vide order dated 15.03.2023 to manage, protect, sell and liquidate the property, assets, business and other affairs of Franco Leone Limited (In Liquidation).

Anil Kohli
Partner, ARCK RESOLUTION PROFESSIONALS LLP

IBBI Regd. Details:

Email: insolvency@arck.in

Address: 409, Ansal Bhawan, 16 KG Marg, Connaught Place, New Delhi-110001

Reg. No. IBBI/IPA-001/IP-P00112/2017-18/10219

AFA Valid Upto: 28.03.2024

Correspondence Details:

Office Address: 409, Ansal Bhawan, 16, K.G. Marg, Connaught Place, New Delhi-110001 Contact No. 011 – 40078344, 45101111

Email: insolvency@arck.in

Notes:

1. This E-Auction Process Information Document is issued only for the Interested Bidders.
2. Terms and conditions, deadlines etc. for participating in the Electronic Auction are provided in this E-Auction Process Information Document.
3. The timelines, notifications, updates and other details for the e-auction process are available on the websites <https://www.arck.in>, of the Insolvency Professional Entity of the Liquidator or <https://ncltauction.auctiontiger.net>
4. Bidders desirous to submit their bid have to submit their Bids on E- Auction Portal <https://ncltauction.auctiontiger.net>.

DISCLAIMER

1. This E-Auction Process Information Document is issued by Mr. Anil Kohli, the Liquidator appointed by Hon'ble NCLT, New Delhi Bench IV at New Delhi, in the matter of liquidation of Franco Leone Limited for general information purposes only.
2. The purpose of this document is to lay out the process for bidding, by way of E- Auction, for sale of assets of the corporate debtor Franco Leone Limited– in Liquidation (the “Company”) as a going concern as Lot wise, in accordance with The Insolvency and Bankruptcy Code, 2016 (“Code” or “IBC”) and The Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (“Liquidation Regulations”).
3. This document is not a statutory document, and it has not been approved or registered with any regulatory or statutory authority of Government of India or any State Government. Nothing herein or in materials relating to the E-Auction Process Information Document should be construed as legal, financial, accounting, regulatory or tax advice by the Liquidator.
4. It is to be noted that no information being provided in this E-Auction Process Information Document claims it to be comprehensive. Independent due diligence of the intended user of this document or the bidder is highly recommended.
5. This E-Auction Process Information Document and information contained herein or disclosed should not be printed, reproduced, transmitted, sold, distributed, or published by the recipient, without prior written approval from the Liquidator.
6. Neither the Liquidator nor his Insolvency Professional Entity, ARCK Resolution Professionals LLP, his Partners, Legal Associates, etc. shall be liable for any damages, whether direct or indirect, including loss of revenue or profits that may arise from or in connection with the use of this E-Auction Process Information Document, including for the E-Auction Participant not being selected as a Successful Auction Participant or on account of any decision taken by the Liquidator.
7. Further, apart from the provisions set out in this E-Auction Process Information Document, the applicant shall be responsible for fully satisfying the requirements and Provisions of the Insolvency and Bankruptcy Code and of the Liquidation Regulations as well as all laws in force that are or may be applicable to the applicant or the sale process and for obtaining requisite regulatory approvals.
8. It is to be noted that by procuring a copy of this E-Auction Process Information Document, the recipient accepts the terms of this disclaimer, which forms an integral part of this E-Auction Process Information Document and part of all the other terms and conditions of this E-Auction Process Information Document.

9. Under no circumstances shall the E-Auction Participant make any contact, direct or indirect, by any mode whatsoever, with the Company / its employees, officers etc. without the prior consent in writing of the Liquidator.
10. The assets of the Company are proposed to be sold on "*As is where is basis*", "*As is what is basis*", "*Whatever there is basis*" and "*Without any recourse basis*" and the proposed sale of the Company does not entail transfer of any other title, except the title which the Company has on its assets as on date of transfer. The Liquidator does not take or assume any responsibility for any shortfall or defect or shortcoming in the moveable/immoveable assets of the Company.
11. The E-Auction Participant shall bear all its costs and charges associated with or relating to the preparation and submission of its bid including but not limited to Physical and Electronic preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Liquidator, or any other costs incurred in connection with or relating to its bid.
12. This E-Auction Process Information Document is neither an agreement nor an offer by the Liquidator to the Prospective Bidders or any other person. The objective of this E- Auction Process Information Document is to provide interested parties with information that may be useful to them in making their bids. It may be noted that the assumptions, assessments, statements, and information contained in the E- Auction Process Information Document may not be complete, accurate, adequate or correct. Each Bidder should, therefore, conduct its own due-diligence, investigations and analysis and should also check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this E-Auction Process Information Document and may get independent advice from appropriate sources.
13. Information provided in this E-Auction Process Information Document to the Bidder(s) has been collected and collated from several sources. The information given, by no means claims to be an exhaustive account of statutory requirements and should not be regarded as complete. The Liquidator accepts no liability or responsibility for the authenticity, accuracy or otherwise for any statement or information contained in the E-Auction Process Information Document.
14. The list of assets / properties provided in this document or otherwise uploaded on the respective websites has been fetched from the records of the corporate debtor and is only an indicative list to give a brief idea about the items owned by the corporate debtor. The liquidator, however, not guarantees the accuracy or completeness of the information provided, which is being provided on best effort basis. The sale shall be on "*As Is Where Is, As Is What Is, Whatever There Is and Without Recourse Basis*" and the prospective bidders are cautioned to exercise their own diligence in respect of the condition, usefulness and any other related aspects. For this the prospective bidders can conduct physical visit of the assets/properties of the company. The liquidator shall not be responsible for any shortcomings/ shortfall or any other consequences arising out of the sale.

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A. INFORMATION MUST BE READ BEFORE BIDDING

1. This E-Auction Process Information Document has been issued for the purpose of carrying out electronic auction (**e-Auction**) for sale of assets of corporate debtor M/s Franco Leone Limited (in liquidation) as a going concern as well as Lot wise (the “**Company**” or “**Corporate Debtor**” or “**CD**”), under the provisions of the Insolvency and Bankruptcy Code, 2016 (“**IBC**” or “**Code**”) and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (Liquidation Process Regulations).
2. The information provided in this E-Auction Process Information Document should be read together with the provisions of the IBC and the Liquidation Process Regulations. In the event of a conflict between this e-Auction Process Information Document and the IBC or the Liquidation Process Regulations, the provisions of the IBC or the Liquidation Process Regulations, as the case may be, shall always prevail.
3. The information contained in this E-Auction Process Information Document or subsequently provided to E-Auction Applicant/ Bidder(s), whether verbally or in documentary form or any other form by or on behalf of the Liquidator, is provided to Bidder(s) on the terms and conditions as set out in this E- Auction Process Information Document.
4. 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 E-Auction Process Information Document.
5. The issuance of this E-Auction Process Information Document does not imply that the Liquidator is bound to select a E-Auction Applicant/ Bidder or to appoint the Preferred E-Auction Applicant/ Bidder as Successful Bidder for the assets of the company and the Liquidator reserves the right to reject all or any of the E-Auction Applicant/ Bidders or bids without assigning any reason whatsoever.
6. E-Procurement Technologies Limited, B-704, Wall Street - II, Opp. Orient Club, Nr. Gujarat College, Ellis Bridge, Ahmedabad - 380006 Gujarat (“**E- Auction Service Provider**”) has been appointed as the E-Auction Service Provider. The sale of assets of the Company shall be undertaken by the E- Auction Service Provider for and on behalf of the Seller/Liquidator through an e-auction platform provided on the website portal of the E-Auction Service Provider (“**Platform**”). Other details with respect to the e- auction are as follows:

Type of Bid	E-Auction
Seller	Anil Kohli (Liquidator for M/s Franco Leone Limited- In Liquidation)
Website of E- Auction service Provider	https://ncltauction.auctiontiger.net

Service Provider	E-Procurement Technologies Limited, B-704, Wall Street - II, Opp. Orient Club, Nr. Gujarat College, Ellis Bridge, Ahmedabad - 380006 Gujarat (India) Contact person — Mr. Praveen Kumar Thevar, Email id - nclt@auctiontiger.net / support@auctiontiger.net Mobile No. – 9722778828 - 079 6813 6854/55/51 079-6813 6800
Annexures and Formats	Annexure I: Application Form Annexure II- Affidavit and Undertaking Annexure III - Format of Letter Intimating Deposit Of Earnest Money Amount Payment By An Associate/Associate Company Annexure IV- Declaration by the E-Auction Applicant/ Bidder (to be duly filled in and signed, stamped by the E-Auction Applicant/ Bidder and uploaded along with the Bid form) Annexure V- Technical Terms and Conditions of E-Auction Annexure VI- Description of Assets of the Corporate Debtor
Special Instructions	Please note that this bidding is a serious matter and last- minute bidding may lead to unnecessary lapses. Neither the E-Auction Service Provider nor the Liquidator shall be responsible for any lapses on part of the E-Auction Applicant/ Bidders.

7. All terms and conditions with respect to the sale of assets of the company shall be governed by the directions of the Liquidator, Hon'ble National Company Law Tribunal (NCLT) and in accordance with the provisions of applicable laws. As mandated by Hon'ble NCLT, the Liquidator shall exercise all rights with respect to sale of assets of the company and it would be open to the Liquidator to appoint such experts, professionals, or other persons, as the Liquidator might think necessary, so as to enable the sale of assets of the company.
8. The Annexures to this E-Auction Process Information Document shall form an integral part hereof and this E-Auction Process Information Document shall always be read in conjunction with the Annexures appended hereto.
9. The copy of the title documents (if any) relating to the property being auctioned shall be made available on request to be made to the Liquidator at insolvency@arck.in.

B. KEY DEFINITIONS

“**Adjudicating Authority**” or “**NCLT**” shall mean the National Company Law Tribunal, at New Delhi;

“**Applicable Laws**” shall mean, all the applicable laws, codes, regulations, rules, guidelines, circulars, re-enactments, revisions, applications and adaptations thereto, 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 IBC, Liquidation Process Regulations, Companies Act, 1956 / 2013 (as applicable), Competition Act, 2002, Transfer of Property Act, 1882, Sale of Goods Act, 1930, Foreign Exchange Management Act, 1999, whether in effect as of the date of this E-Auction Process Information Document or thereafter and each as amended from time to time;

“**Bid**” means, any bid submitted by the Bidders as required in terms of this E- Auction Process Information Document and in accordance with the provisions of IBC read together with the Liquidation Process Regulations and the Applicable Laws;

“**Control**” shall mean a Person holding more than 26% (twenty six percent) of the voting share capital in a company or the ability to appoint majority of the directors on the board of another company or the ability of a company to direct or cause direction of the management and policies of another company, whether by operation of law or by contractor otherwise;

“**E-Auction Process Participant**” or “**Bidder**” mean, Person or Persons who submitted a bid as per the E-Auction Process Information Document; and shall include a Qualified Bidder or the Successful Bidder, as the case may be, and as the context requires;

“**E-Auction Process Information Document**” means this document including all the appendices hereto, for the purposes of setting out the process for submission of a bid and selection of Successful Bid in accordance with the provisions of the IBC and shall include all supplements, modifications, amendments, alterations or clarifications thereto issued in accordance with the terms hereof.

“**IBC**” shall mean Insolvency and Bankruptcy Code, 2016 and the related rules and regulations issued there under, as amended from time to time.

“**Liquidation Process Regulations**” means, the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016 as amended from time to time;

“Liquidator” means an insolvency professional appointed as a liquidator in accordance with Section 34 of IBC by Hon’ble NCLT;

“Person” shall mean 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;

“Qualified Bidder(s)” shall mean a Bidder who fulfills the eligibility criteria listed out in the E-Auction Process Information Document.

“Successful Bidder” or **“Successful E-Auction Process Participant”** means, the Qualified Bidder whose bid is approved and who is declared successful by the Liquidator at the end of the determined auction phase.

C. INTRODUCTION

1. The Company's Liquidation Process has been initiated under the provisions of IBC 2016 and the Liquidation Process Regulations by an order of Hon'ble NCLT, New Delhi dated 15.03.2023. As per the said order, Mr. Anil Kohli has been appointed as the Liquidator.
2. It is the endeavor of the Liquidator as advised by the Stakeholders Consultation Committee ("SCC") to sell the assets of the company in the manner specified under Regulation 32 and Regulation 32A of the Liquidation Process Regulations, any other rules, regulations, orders, circulars, directions or notifications or the like, issued pursuant to or under the IBC or the Liquidation Process Regulations, as the case may be, and as per directions, if any, of the NCLT in respect of the liquidation process of the Company and in the manner specified in this E-Auction Process Information Document.
3. The E-Auction would be conducted in the manner specified in the Schedule I, as provided under Regulation 33 of the Liquidation Process Regulations, any other rules, regulations, orders, circulars, directions or notifications or the like, issued pursuant to or under the IBC or the Liquidation Process Regulations, as the case may be, and as per directions, if any, of the NCLT in respect of the liquidation process of the Company and in the manner specified in this E-Auction Process Information Document.
4. The E-Auction Participants are encouraged to make themselves acquainted with the provisions of the IBC and the Liquidation Process Regulations and any other rules, regulations, orders, circulars, directions or notifications or the like, issued pursuant to or under the IBC or the Liquidation Process Regulations, as the case may be.

D. THE COMPANY AND ITS OVERVIEW

Brief Background:

Franco Leone Limited (hereinafter referred to as the “Company” or “Corporate Debtor”) is a non-government public limited company incorporated under the Companies Act 1956 (bearing CIN: U74899DL1995PLC074764), having registered office at RZ-142, New Vishnu Garden Extension, New Delhi- 110018. The company was earlier named “Franco Leone Shoes Pvt. Ltd”. The Company has had a very well – established business setup for the past 28 years. At the early stages the Company was involved in manufacturing of leather footwear of men. The company’s operations were based at New Delhi. Incorporated in 1995, Corporate Debtor manufactured leather and non-leather footwear for men and also in the retail sales of footwear. It was selling its products in the domestic market to reputed retail chains.. As was informed to us, the products of the company were also available on leading e-commerce websites in India.

Present Status:

The company had availed credit facilities from Punjab & Sind bank majorly of the nature of working capital in form of cash credit. As per the latest sanction letter / enhancement letter dated 02-03-2017, the cash credit facility was enhanced to Rs.44.70 Cr from Rs.44 earlier. The credit facility was primarily secured by way of hypothecation of the stocks / inventory, book debts and all other current assets. It was further secured by collateral securities in the form of mortgage of immovable properties in name of the company as well as in name of individual promoters.

However, the Corporate Debtor failed to repay the said facility and the account of the Corporate Debtor was classified as a Non-performing Asset. Franco had two manufacturing units, one at Baddi (Himachal Pradesh) and another at Bahadurgarh (Haryana). The company was referred to insolvency on an application made by an operational creditor. Subsequently, on an application filed by the Punjab & Sind Bank on behalf of the committee of creditors, the Hon’ble NCLT, New Delhi Bench IV, approved the appointment of Mr. Anil Kohli as Resolution Professional (“RP”) for the Corporate Debtor vide its order dated 27- 07-2022.

The Committee of Creditors (CoC) in its 8th meeting held on 23.12.2022 decided to file an application for liquidation of the corporate debtor, as no feasible and viable resolution plan had been received during the CIRP. Accordingly, Hon’ble NCLT New Delhi Bench IV vide order dated 15.03.2023 ordered for the liquidation of the Corporate Debtor and appointed Mr. Anil Kohli as the Liquidator. The present sale notice is pursuant to the mandate on the Liquidator, pursuant to the Liquidation order of the Corporate Debtor.

Kindly Note:

1. The Fixed Deposit Receipts lying with Punjab & Sind Bank which are margin Money against Bank Guarantees **shall not** be part of the sale of the company as a going concern.
2. The rights of the Avoidance application filed by RP before Hon’ble NCLT **will remain with the Liquidator/SCC and will be dealt as per provisions of Code.**

E. ELIGIBILITY

Any person who is not eligible to be a resolution applicant as per provisions of IBC is not eligible to submit a bid for purchase of the company Or its assets. Thus, an E-Auction Process Applicant shall not be eligible to submit a bid for purchase of the assets of the Company,if it fails to meet the eligibility criteria as set out in Section 29A of the IBC (as amended from time to time).

A careful reading of Section 29 A of the IBC states that a person shall not be eligible to submit a bid, if such person, or any other person acting jointly or in concert with such person: -

- a) is an undischarged insolvent;
- b) is a willful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949);
- c) at the time of submission of the resolution plan has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949(10 of 1949) [or the guidelines of a financial sector regulator issued under any other law for the time being in force,] and at least a period of one year has lapsed from the date of such classification till the date of commencement of the corporate insolvency resolution process of the corporate debtor:

Provided that the person shall be eligible to submit a resolution plan if such person makes payment of all overdue amounts with interest thereon and charges relating to nonperforming asset accounts before submission of resolution plan:

Provided further that nothing in this clause shall apply to a resolution applicant where such applicant is a financial entity and is not a related party to the corporate debtor.

Explanation I.- For the purposes of this proviso, the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares [or completion of such transactions as may be prescribed], prior to the insolvency commencement date.

Explanation II.— For the purposes of this clause, where a resolution applicant has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset and such account was acquired pursuant to a prior resolution plan approved under this Code, then, the provisions of this clause shall not apply to such resolution applicant for a period of three years from the date of approval of such resolution plan by the Adjudicating Authority under this Code.

- d) has been convicted for any offence punishable with imprisonment –
 - (i) for two years or more under any Act specified under the Twelfth Schedule; or
 - (ii) for seven years or more under any law for the time being in force:

Provided that this clause shall not apply to a person after the expiry of a period of two

years from the date of his release from imprisonment:

Provided further that this clause shall not apply in relation to a connected person referred to in clause(iii) of Explanation I];

e) is disqualified to act as a director under the Companies Act, 2013 (18 of 2013):

[Provided that this clause shall not apply in relation to a connected person referred to in clause (iii) of Explanation I;]

f) is prohibited by the Securities and Exchange Board of India 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, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place and in respect of which an order has been made by the Adjudicating Authority under this Code:

[Provided that this clause shall not apply if a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place prior to the acquisition of the corporate debtor by the resolution applicant pursuant to a resolution plan approved under this Code or pursuant to a scheme or plan approved by a financial sector regulator or a court, and such resolution applicant 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 this Code and such guarantee has been invoked by the creditor and remains unpaid in full or part;

i) is subject to any disability, corresponding to clauses (a) to (h), under any law in a jurisdiction outside India; or

j) has a connected person not eligible under clauses (a) to (i).

Explanation [I]. — For the purposes of this clause, the expression "connected person" means—

- (i) any person who is the promoter or in the management or control of the resolution applicant; or
- (ii) any person who shall be the promoter or in management or control of the business of the corporate debtor during the implementation of the resolution plan; or
- (iii) the holding company, subsidiary company, associate company or related party of a person referred to in clauses (i) and (ii):

Provided that nothing in clause (iii) of Explanation I shall apply to a resolution applicant where such applicant is a financial entity and is not a related party of the corporate debtor:

Provided further that the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares [or completion of such transactions as may be prescribed], prior to the insolvency commencement date;]

Explanation II—For the purposes of this section, "financial entity" shall mean the following entities which meet such criteria or conditions as the Central Government may, in consultation with the financial sector regulator, notify in this behalf, namely:

- (a) a scheduled bank;
- (b) any entity regulated by a foreign central bank or a securities market regulator or other financial sector regulator of a jurisdiction outside India which jurisdiction is compliant with the Financial Action Task Force Standards and is a signatory to the International Organisation of Securities Commissions Multilateral Memorandum of Understanding;
- (c) any investment vehicle, registered foreign institutional investor, registered foreign portfolio investor or a foreign venture capital investor, where the terms shall have the meaning assigned to them in regulation 2 of the Foreign Exchange Management(Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 made under the Foreign Exchange Management Act, 1999 (42 of 1999);
- (d) an asset reconstruction company register with the Reserve Bank of India under section 3 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
- (e) an Alternate Investment Fund registered with Securities and Exchange Board of India;
- (f) such categories of persons as may be notified by the Central Government.]

(Note: For complete text of Sec 29A, please refer to the Insolvency and Bankruptcy Code, 2016)

F. DOCUMENTS REQUIRED TO BE SUBMITTED TO ASCERTAIN ELIGIBILITY OF THE E-AUCTION APPLICANT/ BIDDER

The E-Auction Process Applicant or the Bidder would need to submit the following forms, documents and authorizations as part of the Auction Plan by the bidder(s):

1. Ownership Structure and Composition of the Applicant/ Bidder, Proof of Identification, Current Address-Proof, PAN card, Valid e-mail ID, Last 3 years Financials and Income Tax Returns, Landline and Mobile Phone number;
2. Latest CIBIL Report of the Applicant (CIBIL report of directors & Credit report of the Company in case of Body Corporate) and Net worth Certificate based on latest Financial Statements. Net worth should be commensurate to the asset being purchased.
3. Board Resolution authorizing the Signatory (in case the E-Auction Applicant/ bidder is a legal entity);
4. The E-Auction Applicant/ bidder will need to submit the duly filled, signed and stamped **Application Form** attached vide **Annexure I**, and duly filled, signed.
5. Affidavit and Undertaking by the E-Auction Process Applicant (through Authorized Signatory in case the E-Auction Applicant/ bidder is a legal entity). The Format for the Affidavit and Undertaking is attached vide ' **Annexure II**;
6. Please note that only the eligible E-Auction Applicant/ bidders will gain access to documentation, additional information required for due diligence and right to site visits, after the E-Auction Applicant/ bidder qualifies as eligible E-Auction Applicant/ bidder in terms of Clause 1 E of the Schedule I under Liquidation Process Regulations.

Further, it should be noted that at any stage of the E-Auction process, the liquidator may ask for any documents from the prospective E-Auction Applicant/ bidders to evaluate their eligibility. The liquidator, at his discretion may disqualify the prospective E-Auction Applicant/ bidder for non-submission of the requested documents.

G. PHYSICAL INSPECTON, SITE VISIT & DUE DILIGENCE

Eligible E-Auction Applicant/ Bidders may request the Liquidator to arrange for physical inspection and site visit of Asset of the Company as per Clause 1 E of the Schedule I under Liquidation Process Regulations which states as follows:

“(1E) The liquidator shall provide to qualified bidder at least seven days, for inspection or due diligence of assets under auction, from the date of declaration of qualified bidder.”.

Accordingly, upon receipt of such a request, the Liquidator may first arrange a discussion meeting during the period as specified in the sale notice dated 20.05.2023 read with corrigendum dated 22.05.2023. The details with respect to the discussion meeting shall be communicated to the Eligible E-Auction Applicant/ Bidder in advance.

The Liquidator shall endeavor to provide necessary assistance, facilitating the conduction of due diligence by interested E-Auction Applicant/ Bidders. The information and documents shall be provided by the Liquidator in good faith.

The sale of assets of Company/ corporate debtor as a Going Concern as well as Lot wise is proposed to be sold, on **“As is where is basis”, “As is what is basis”, “Whatever there is basis” and “No recourse basis”** and the proposed sale of the Company does not entail transfer of any title, except the title which the Company has on the assets/properties as on date of transfer. All taxes / maintenance fee / transfer fee/outstanding rentals / electricity charges / water charges/ annual lease rentals/ unearned income in case of leasehold properties, etc., if any outstanding as on date or yet to fall due in respect of the relevant assets/properties should be ascertained by the E-Auction process applicants/Bidder and would be borne by the successful E-Auction Applicant/ Bidder, under the provisions of IBC 2016.

H. ASSET OF CORPORATE DEBTOR TO BE E-AUCTIONED AND RESERVE PRICE

E-Auction Sale Notice In The Liquidation Process of
M/S FRANCO LEONE LIMITED (In-Liquidation)

(CIN: U74899DL1995PLC074764)

Regd. Office: RZ-142, New Vishnu Garden Extension, New Delhi- 110018

The Assets of the Corporate Debtor are being sold on

“AS IS WHERE IS, AS IS WHAT IS, WHATEVER THERE IS AND WITHOUT RECOURSE BASIS”

E-Auction Sale Notice

Notice is hereby given for Sale of Assets of “M/s Franco Leone Limited -In Liquidation (Corporate Debtor)”, under the Insolvency and Bankruptcy Code 2016, as per the following details:

Lot No.	Details of Assets of Corporate Debtor	Location	Reserve Price (in Rs.)	Earnest Money Deposit (10% of Reserve Price (in Rs.))
1.	Sale of Corporate Debtor as Going Concern. (Includes the assets mentioned as Lot 2 & 3)	Regd. Office: RZ-142, New Vishnu Garden Extension, New Delhi- 110018	22,00,00,000	2,20,00,000
2.	Land & Building and Plant & Machinery	Plot No. 121 & 122 admeasuring 2000 Sq. Mtr., SIDC Industrial Area (SFS), Tehsil Baddi, District-Solan, Himachal Pradesh	3,11,00,000	31,10,000
3.	Land & Building and Plant & Machinery including inventory	Plot No.20 admeasuring 4050 Sq. Mtr., Sector 17, Industrial Estate, Bahadurgarh	18,32,00,000	1,83,20,000

Particulars	Timelines
Submission of eligibility documents such as Requisite Forms, Affidavit and Undertaking, Declaration etc by the Prospective Bidder as per Process Information Document	From 20.05.2023 to 03.06.2023
Declaration of Eligible Bidders	04.06.2023
Inspection Period	From 05.06.2023 to 12.06.2023
Last Date for Submission of EMD	12.06.2023 by 6:00 P.M
Date and Time of Auction	14.06.2023 (10:00 AM to 12 PM)

Kindly Note:

- i.** In the event eligible bid with EMD is received for Lot no. 1, then the sale for other Lots shall stand cancelled.
- ii.** GST and other taxes applicable as extra.
- iii.** The above sale is subject to terms & conditions mentioned in the process information document, uploaded on the website “www.arck.in and <https://ncltauction.auctiontiger.net>. Please refer the same for details.

Anil Kohli
Liquidator- Franco Leone Limited
Reg. No.: IBBI/IPA-001/IP-P00112/2017-2018/10219
AFA Valid Upto: 28.03.2024
ARCK Resolution Professionals LLP
409, Ansal Bhawan, 16 K.G. Marg (Connaught Place), New Delhi - 110001
Email: insolvency@arck.in
Tel: 011-40078344

I. EARNEST MONEY DEPOSIT (EMD)

The Eligible E-Auction Applicant/ Bidders shall provide an amount which is equal to the 10% of Reserve Price as refundable **earnest money deposit and intimate the Liquidator through submission of E-mail/Letter, giving complete details of the payment made, in the liquidation bank account of the company.**

It may be noted that the E-Auction Applicant/ Bidder may request the Liquidator to permit the Bidder to submit the Earnest Money Deposit through its Associate or Associate Company. Such payment of the Earnest Money by an Associate or Associate Company of the Bidder shall be accompanied by a letter in the format set out in **Annexure III** (Earnest Money by an Associate / Associate Company) along with Declaration in the format set out in **Annexure IV**. Such an Associate or Associate Company must also be an Eligible E-Auction Applicant/ Bidder as per the requirements specified in this E-Auction Process Information Document. The Associate / Associate Company shall have to submit Affidavit/Undertaking confirming its eligibility as per section 29A of the Code in Annexure-II of this report.

Provided that, the Liquidator reserves the right to accept such a request at its sole discretion and upon such terms and conditions as it may deem fit, including but not limited to requiring such a party to submit any authorization documents or other necessary details/documents.

- a. The Earnest Money Deposit, which would not be bearing any interest, has to be paid by the E-Auction Applicant/ Bidder within the timeline as specified in sale notice dated 20.05.2023 and corrigendum dated 22.05.2023.
- b. Through RTGS / NEFT to the account number of the company as provided under:

Name	Franco Leone Limited
Account No.	12561100000115
Bank Name	Punjab & Sind Bank
Branch Address	Bahadurgarh Branch, Bahadurgarh (Har), Haryana - 142520
IFSC Code	PSIB0021256

- c. The details of any remittances in this regard shall be entered in the letter in the format set out in Annexure III. The entire EMD amount shall be remitted by the E-Auction Applicant/

- Bidder (s) from one bank account only and to be owned by the E-Auction Applicant/ Bidder.
- d. E-Auction Applicant/ Bidders shall preserve the remittance Challan and shall produce the same in front of the Liquidator as and when demanded.
 - e. All the payments to be made by the Bidder under the e-auction shall be intimated to the Liquidator at insolvency@arck.in.

Forfeiture of the Refundable Earnest Money Deposit from the E-Auction Applicant / Bidder

It is to be noted that the Refundable Earnest Money Deposit furnished can be forfeited at any time, upon the occurrence of any of the following events:

- a) if there is a breach of any of the conditions under this E-Auction Process Information Document by the E-Auction Applicant/ Bidder or in case Bidder is found to have made any misrepresentation; or
- b) if E-Auction Applicant/ Bidder is found to be ineligible to submit the bid as per the conditions set out 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); or
- c) if the E-Auction Applicant/ Bidder is identified as the Successful bidder and it fails to pay balance sale consideration within the stipulated time as specified in this e-auction process information document (Terms & Conditions of e-auction) after being intimated as successful bidder by the Liquidator.
- d) If the Successful Bidder attempts to reduce/renege the Bid amount under any circumstances or withdraws/cancels or make any attempt to withdraw or cancel its Bid at any time; or

Set-off / refund of Earnest Money Deposit of the Successful Bidder

For the unsuccessful auction participants / unsuccessful bidders or in case the auction is cancelled or withdrawn, the Earnest Money Deposit paid by the e-auction process participant shall be returned (without interest) to such applicant within 7 (seven) days of the date of closure of e-auction process or date of cancellation / withdrawal of auction, as the case may be.

For the successful bidder, unless expressly indicated by the Bidder, the Earnest Money Deposit shall be set-off against or used as part of the consideration that the successful bidder has bid for the assets of the Company.

The bid once submitted cannot be withdrawn and in case of non-participation in e-auction after submission of bid, the offer will be presumed to be given at Reserve price. The E auction agency will itself register the E-Auction Applicant/ bidder in E auction in such an event.

For successful bidders, a mail confirmation will be sent to the successful bidder at the end of E-auction on the same day and shall be invited to provide balance sale consideration amount, maximum within ninety days of the date of such demand. Sale confirmation letter will be issued after the close of the E-auction. Successful bidder will submit the balance of final sale amount within 90 days of the close of Auction date. Also, it may be noted that payments made after thirty days shall attract interest at the rate of 12%, as per the provisions of the Code.

A sale certificate and / or conveyance document and/ or transfer documents for the relevant assets/properties shall be issued / executed between the Successful Bidder and the Liquidator after receipt of the entire sale consideration amount.

Default by Successful Bidder and its Results

In the event of the Successful Bidder withdrawing his E-Auction Application, the Beneficiary / Liquidator shall have the right to forfeit the Earnest Money Deposit furnished by the Successful Bidder.

J. DECLARATION OF SUCCESSFUL BIDDER

The Liquidator at the end of the E-Auction phase, shall declare the successful bidder for the e-auction sale, for the assets of the company. The successful bidder shall be determined on the basis of the highest bid received for the assets of the company, by the Liquidator vide the E-Auction portal process, keeping in view the Terms & Conditions of the E-auction. In case of any dispute / discrepancy, the liquidator shall assess the E- Auction applications, facilitate the auction process and declare the successful bidder offering maximum value for the auctioned asset of the company. This right of selecting and declaring the successful bidder shall solely rest with the Liquidator at all times.

K. FRAUDULENT AND CORRUPT PRACTICES

The E-Auction Process Applicant / Bidder shall observe the highest standard of ethics during the E-Auction Process and subsequently during the closure of the E-Auction Process and declaration of successful bidder. Notwithstanding anything to the contrary contained in this E-Auction Process Information Document, the Liquidator shall reject an auction bid, without being liable in any manner whatsoever to the E-Auction Process Applicant/Bidder, if the Liquidator, at his discretion, determines that the E-Auction process applicant has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the E-Auction Process or has, undertaken any action in respect of such process which results in the breach of any Applicable Law including the Prevention of Corruption Act, 1988. In such an event, the liquidator may retain the Earnest Money Deposit, without prejudice to any other right or remedy that may be available to the Liquidator under this E-Auction Process Information Document or Applicable Law.

For the purposes of this Clause, the following terms shall have the meaning hereinafter respectively assigned to them:

“Coercive practice” shall mean impairing or harming, or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the auction Process;

“Corrupt practice” shall mean:

- (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the auction Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of the Liquidator or the Company, who is or has been associated or dealt in any manner, directly or indirectly with the auction Process or arising therefrom, before or after the execution thereof, at any time prior to the expiry of 1(one) year from the date such official resigns or retires from or otherwise ceases to be in the service of the Liquidator or the Company, shall be deemed to constitute influencing the actions of a person connected with the auction Process); or
- (ii) engaging in any manner whatsoever, during the auction Process or thereafter, any person in respect of any matter relating to the Company, who at any time has been or is a legal, financial or technical adviser of the Liquidator or the Company, in relation to any matter concerning the auction process;

“Fraudulent practice” shall mean a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the auction Process;

“Restrictive practice” shall mean forming a cartel or arriving at any understanding or arrangement among the auction process Applicants with the objective of restricting or manipulating a full and fair competition in the auction Process; and

“Undesirable practice” shall mean

- (i) establishing contact with any person connected with or employed or engaged by the liquidator with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the auction Process; or
- (ii) having a Conflict of Interest.

The E-Auction Process Applicant/ Bidder shall not involve himself for any of his representatives in price manipulation of any kind directly or indirectly by communicating with other Bidders.

The E-Auction Process Applicant /Bidder shall not divulge either his bid or any other details provided to him by the Liquidator or during the due diligence process in respect of the asset to any other party. Prior to conduct of due diligence / site visits, the Liquidator may require the Bidder to execute confidentiality agreement with the Company / Liquidator.

L. COSTS, EXPENSES AND TAX IMPLICATIONS

The E-auction process applicant/bidder shall be responsible for all the costs incurred by it on account of its participation in the auction process, including any costs associated with participation in the discussion Meeting (if any), Site Visit, Removal / Dismantling / Lifting of Material from the Site, etc. The Liquidator shall not be responsible in any way for such costs, regardless of the conduct or outcome of the auction Process.

It is hereby clarified that the E-Auction Process Applicant/bidder shall make its own arrangements including accommodation for the discussion Meeting (if organized) or Site Visit and all costs and expenses incurred in that relation shall be borne by the E-Auction Process Applicant.

The E-Auction Process Applicant/bidder shall not be entitled to receive any reimbursement of any expenses which may have been incurred while carrying out the due diligence, search of title to the assets/properties and matters incidental thereto or for any purpose in connection with the E-Auction Process.

It is to be noted that all taxes if applicable (including stamp duty implications and registration charges, transfer fee, etc., indicative list appended below) on sale of the assets of the company would be borne by the successful bidder.

- (i) **The sale attracts stamp duty, registration charges etc. as per relevant laws;**
- (ii) **The successful bidder shall bear all the necessary expenses like applicable stamp duties / additional stamp duty / transfer charges, fees, etc. for transfer of property (ies) in his / her / its name;**
- (iii) **The payment of all statutory / non — statutory dues, taxes, rates, assessments, charges, fees, etc. owed by the “Company” to anybody shall be sole responsibility of successful bidder, as per the provisions of IBC, 2016;**
- (iv) **The purchaser has to bear the cess or other applicable tax i.e., GST, TDS, TCS etc. as per the applicable laws.**

It is expressly stated that the Liquidator does not take or assume any responsibility for any dues, statutory or otherwise, of the Company, including such dues, if any, which may affect transfer of the company/liquidation assets in the name of the Successful Bidder and such dues, if any, shall have to be borne / paid by the Successful Bidder.

The E-Auction process applicant/ Bidder shall be responsible for fully satisfying the requirements of the IBC and the related Regulations as well as all Applicable Laws that are relevant for the sale process. The Successful Bidder shall be responsible for obtaining requisite regulatory or statutory or third-party approvals, no-objections, permissions, or consents, if any, that are or may be required under Applicable Law for purchasing the relevant assets.

M. GOVERNING LAWS AND JURISDICTION

This E-Auction Process Information Document, the auction Process and the other documents pursuant to the E-Auction Process Information Document shall be governed by the laws of India and any dispute arising out of or in relation to the E-Auction Process Information Document or the E-Auction Process shall be subject to the exclusive jurisdiction of the Hon'ble NCLT, New Delhi being the Adjudicating Authority.

N. TIMETABLE

The following timetable shall apply to the E-Auction Process Information Document. The timetable may be amended by the Liquidator through issuance of a revised E-Auction Process Information Document.

S. No.	Event	Timeline (Days)
1	Public Announcement of Auction	20 th May 2023
2	Opening of Auction Portal and this E- Auction Process Information Document made available on the websites as per Terms and Conditions	20 th May 2023
3	Submission of Bid Forms, Declaration forms	From 20 th May 2023 to 03 rd June 2023
4	Declaration of Eligible Bidders (After verification of the required documents, towards eligibility)	04 th June 2023
5	Site Visits and Inspection Period	From 5 th June 2023 to 12 th June 2023
6	Last Date for Submission of EMD	12 th June 2023 (till 6 PM)
7	E — Auction	14 th June 2023 (10 AM TO 12 PM) With auto extension of 5 minutes each in the event of bids placed in the last 5 minutes, till the auction sale is concluded
8	Announcement of Successful Bidder	14 th June 2023 After E-auction completion
9	Issuance of email confirmation as successful bidder and demand of balance of 25% of sale consideration after adjusting EMD	14 th June 2023 After E-auction completion
10	Payment by successful bidder of balance of 25% of total sale consideration and issuance of sale confirmation (within 7 days)	21 st June 2023

11	Payment of balance sale consideration by successful bidder post sale confirmation without any interest (within 30 days of email confirmation as successful bidder and demand of balance amount)	14 th July 2023
12	Payment of balance consideration by successful bidder post sale confirmation with interest @ 12% (after 30th day specified in point 11 but within 90th day of email confirmation as successful bidder)	12 th September 2023
13	Return of EMD for unsuccessful bidders	On or before 21 st June 2023

*While the timeline for submission of bid forms and declaration forms is from 20th May 2023 to 03rd June 2023, please note that access to documentation, additional information and site visits will be granted only to the eligible bidders.

Note –

1. The timeline for payment of final sale consideration amount shall not be extended. In case the final sale consideration is not paid within the timeline, the Liquidator is bound to /shall have to forfeit the refundable EMD and all the amounts paid by the bidder till that date, as per Provisions of the Code and Process Information Document.

Terms and Conditions of the E-Auction:

In addition to the E-Auction Process Information Document, following terms and conditions apply:

1. E-Auction is being held for the assets of the company on “**AS IS WHERE IS, AS IS WHAT IS, WHATEVER THERE IS AND WITHOUT RECOURSE BASIS**” and will be conducted “**Online**”. The auction will be conducted through the approved service provider M/s E-Procurement Technologies Limited, at the web portal <https://ncltauction.auctiontiger.net>. E-Auction Process document containing E- Auction bid form, Declaration by bidders, General terms and conditions of online auction sales are available on Website <https://ncltauction.auctiontiger.net>. Interested bidders can register, bid and receive confirmation of their bid online.
The requisition of additional information, if any, be sent to insolvency@arck.in disclosing the identity and submission of KYC document of the Applicant.
2. The E-Auction process applicant/ Bidders should make their own independent inquiries regarding the encumbrances, title of asset of the company put on auction and claims/rights/dues/affecting the asset and should conduct their own due diligence prior to submitting their bid. The e- Auction advertisement does not constitute and will not be deemed to constitute any commitment or any representation of the Liquidator. The assets of the company are being sold with all the existing and future encumbrances/claims/dues/demands whether known or unknown to the Liquidator, as per the provisions of IBC 2016. Liquidator shall not be responsible in any way for any third-party claims/ rights/dues.
3. The E-Auction process applicant/ Bidders should submit the evidence for EMD deposit like UTR number along with the Request Letter for participation in E-auction, self- attested copies of (i) Proof of identification (KYC) viz. Voter ID card/ Driving License/ Passport etc., (ii) Current Address- Proof for communication, (iii) PAN card of Bidder, (iv) Valid Email ID, (v) Last 3 years Financials and Income Tax Returns (vi) CA Certified Net worth Certificate & CIBIL Report/Credit Report of Applicant (vii) contact number (Mobile/Landline) of the bidder etc., to the office of Liquidator by 03.06.2023. Scanned copies of the original of these documents can also be submitted to the Email ID of Liquidator.
4. Name of Eligible Bidders will be identified and conveyed by Liquidator to participate in online e-auction on the portal <https://ncltauction.auctiontiger.net>, “Auction Tiger”. The Liquidator will provide User ID & Password to the Eligible Bidders after due verification of KYC of the Eligible Bidders.
5. It should be the responsibility of the interested bidders to conduct due diligence, inspect and satisfy themselves before submission of the bid.
6. Liquidator has right to demand documents from bidder for the process and in case the documents are not provided, the liquidator may disqualify the bid.

7. The E-Auction / bidding of the corporate debtor- Franco Leone Limited - in liquidation, would be conducted exactly on the scheduled Date & Time as mentioned in the Sale Notice and in this Process Information Document, by way of inter-se bidding amongst the bidders. The bidders have to increase their bid by a minimum incremental amount as follows:
 - a. Lot 1 – Rs. 50,00,000/- (Rs. Fifty Lakhs) for the auctioned lot 1.
 - b. Lot 2 – Rs. 5,00,000/- (Rs. Five Lakhs) for the auctioned lot 2.
 - c. Lot 3 – Rs. 10,00,000/- (Rs. Ten Lakhs) for the auctioned lot 3.

In case bid is placed in the last 5 minutes of the closing time of the e- auction, the closing time will automatically get extended for 5 minutes.

8. The EMD of unsuccessful bidders shall be refunded within 7 days. The EMD shall not bear any interest.
9. The Liquidator will intimate through mail to the Successful Bidder, detailing the Total Payable Amount and other Terms and Conditions. The Successful Bidder would have to pay balance of 25% of sale consideration amount after adjusting EMD and remaining 75% of the sale consideration amount within time stipulated in this document. Any default in payment by the successful bidder would entail forfeiture of amount deposited till that date and Liquidator will be free to do the re-auction and the defaulting bidder shall have no claim / right, whatsoever thereafter.
10. The Successful Bidder shall bear the applicable stamp duties/ additional stamp duty / transfer charges, fee, Taxes, GST, etc. and also all the statutory/ non statutory dues, taxes, rates assessment charges fees etc. owing to anybody, as per the provisions of IBC 2016.
11. The Liquidator is not bound to accept the highest offer and has the absolute right to accept or reject any or all offer(s) or adjourn / postpone/ cancel the e-Auction or withdraw the company from the auction proceedings at any stage.
12. The sale certificate will be issued and / or transaction / sale documents executed in the name of Successful Bidder(s) / Successful E-Auction Process Applicant(s) only and will not be issued in any other name(s).
13. The sale shall be subject to conditions prescribed under the Insolvency & Bankruptcy Code, 2016, provisions and regulations thereunder.
14. It is hereby clarified that if any asset devolves upon the Corporate Debtor pursuant to any future orders of Hon'ble NCLT/any other court or tribunal, the same shall not form part of this sale and will be dealt separately as per the discretion of the liquidator and / or directions of such Hon'ble NCLT/court or tribunal or as per the provisions of the Code/regulations.
15. No queries in this regard shall be entertained at the time of opening tenders / holding auction.

Post acceptance of bid by the Liquidator, Bidder (s) shall not raise any grievance / complaint and shall not be permitted to withdraw the bid, either on the ground of discrepancy in size/area, defect in title of the assets/properties of the company or on any other ground whatsoever. After the offer of the Bidder is accepted by the Liquidator, such successful Bidder / his or her nominee shall be deemed to have unconditionally accepted all the terms and conditions of sale of assets of the company and further shall be deemed to have waived all objections as to the title, description, measurements etc. in respect of the Assets/properties of the company.

16. The tenderers/bidders/offerors should carry out their due diligence and satisfy themselves on the title, ownership, and statutory approvals etc. of the assets/properties of the company before participating in the auction. Liquidator shall not be liable for any dues /charges including outstanding water/service charges, transfer fees, contribution to the building repair fund, electricity dues, dues / arrears of the Municipal Corporation / local authority / Society/ Builder, land & development office dues, statutory dues, taxes and / or dues of any other nature, if any. The Liquidator does not undertake any responsibility to procure any permission / license etc. in respect of assets of the company offered for sale.
17. The Sale Certificate will not be issued subject to the operation of any stay/ injunction/restraint order passed by the Hon'ble NCLT/NCLAT/High Court/Supreme Court or any other Court/Tribunal against the issue of Sale Certificate/confirmation of sale.
18. The possession will not be handed over to the Successful Bidder pending operation of any stay/ injunction/restraint order passed by Hon'ble NCLT/NCLAT/High Court/Supreme Court or any other Court/Tribunal.
19. Liquidator may, in its sole discretion, decide to waive / amend/modify/delete any condition under the terms of auction.
20. In case of any discrepancy between the publication of sale notice in English & vernacular newspaper, then in such case the English newspaper will supersede the vernacular newspaper and it shall be considered as the final copy, thus removing the ambiguity.
21. The decision of the Liquidator on declaration of Successful Bidder shall be final and binding on all the Bidders.
22. The broad list of assets/properties etc. of the company provided here with the bid document or otherwise uploaded on the respective websites of IPE & Auction Tiger has been fetched from the records of the corporate debtor and is only an indicative list to give a brief idea about the items owned by the company.
23. The liquidator, however, neither guarantee the accuracy or completeness of the list nor confirm the availability of the individual items at the sites of the company. The sale of asset of the company shall be on "**As Is Where Is, As Is What Is, Whatever There Is And Without Recourse Basis**" and the prospective bidders are cautioned to exercise their own diligence in respect of the quantity, quality, completeness, condition, usefulness, availability, and any other related

aspects. For this the prospective bidders can conduct physical visit of assets / property of the company. The liquidator shall not be responsible for any shortcomings/shortfall or any other consequences arising out of the sale.

Date: 20.05.2023

Place: New Delhi

Sd/-

Anil Kohli

Liquidator- Franco Leone Limited

Regd. No.: IBBI/IPA-001/IP-P00112/2017-18/10219

AFA valid till 28.03.2024

Regd. Office: 409, Ansal Bhawan, 16 KG Marg, Connaught Place, New Delhi-110001

Email: insolvency@arck.in

Tel: 011-40078344

ANNEXURE I
APPLICATION FORM

Date:

To
Mr. Anil Kohli
Liquidator — M/s Franco Leone Limited
Correspondence Address: ARCK Resolution Professionals LLP,
409, Ansal Bhawan, 16 K.G. Marg, Connaught Place, New Delhi -110001

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:

Name	Franco Leone Limited
Account No.	12561100000115
Bank Name	Punjab & Sind Bank
Branch Address	Bahadurgarh Branch, Bahadurgarh (Har), Haryana - 142520
IFSC Code	PSIB0021256

Details of Bidder:

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

I/We/M/s----- also enclose copies of the required KYC documents and the Affidavit.
I/We request you to kindly verify the same and notify us of our eligibility in furtherance to the process.

Signature

Date:

Place:

STAMP

ANNEXURE II
AFFIDAVIT AND UNDERTAKING

(To be submitted along with stamp paper of appropriate value, duly notarized)

Date:

To

Mr. Anil Kohli –
Liquidator — M/s Franco Leone Limited
ARCK Resolution Professionals LLP,
409, Ansal Bhawan, 16 K.G. Marg,
Connaught Place, New Delhi -110001

Sub: Disclosure and Undertaking on eligibility under section 29A of Insolvency and Bankruptcy Code, 2016.

Dear Sir,

A. I/We hereby submit this declaration under Section 29A of the Insolvency and Bankruptcy Code, 2016 (“Code”) as inserted by the Insolvency and Bankruptcy Code (Amendment) Act, 2018:

I/We have understood the provisions of section 29A of the Code as inserted by the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017. I/We confirm that neither **XYZ Limited** nor any person acting jointly with **XYZ Limited** or any person who is a promoter or in the management or control of **XYZ Limited** or any person acting jointly or in concert with **XYZ Limited**:

- a) is an undischarged insolvent;
- b) is a willful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949);
- c) at the time of submission of the resolution plan has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949(10 of 1949) or the guidelines of a financial sector regulator issued under any other law for the time being in force, and at least a period of one year has lapsed from the date of such classification till the date of commencement of the corporate insolvency resolution process of the corporate debtor:
- d) has been convicted for any offence punishable with imprisonment –
 - (i) for two years or more under any Act specified under the Twelfth Schedule; or
 - (ii) for seven years or more under any law for the time being in force:
- e) is disqualified to act as a director under the Companies Act, 2013 (18 of 2013):

f) is prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;

- g) has been and/or is a promoter or in the management or control of a corporate debtor in which a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place and in respect of which an order has been made by the Adjudicating Authority under this Code:
 - 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 this Code and such guarantee has been invoked by the creditor and remains unpaid in full or part
 - i) is subject to any disability, corresponding to clauses (a) to (h), under any law in a jurisdiction outside India; or
 - j) has a connected person not eligible under clauses (a) to (i)
- B. I/We undertake on behalf of **XYZ Limited**, that during the Liquidation Process, no person who would be considered as Connected Person and is not eligible to submit resolution plan under section 29A of Insolvency and Bankruptcy Code, 2016 and the regulation 38 of IBBI (Insolvency Resolution Process of Corporate Persons) regulations, 2016 shall be engaged in the management and control of corporate debtor.
- C. I/We declare and undertake that in case **XYZ Limited** becomes ineligible at any stage during the Liquidation Process, it would inform the Liquidator forthwith on becoming ineligible.
- D. I/We also undertake that in case **XYZ Limited** becomes ineligible at any time after submission of the EMD, then the refundable EMD would be forfeited and the same would be deposited in the account of Franco Leone Limited - In Liquidation.
- E. I/We also further undertake that my winning bid Amount will remain binding unless rejected by the Liquidator.
- F. I/We confirm that the said declaration and disclosure is true and correct.
- G. I/We am/are duly authorized to submit this declaration by virtue of letter of authorization/Power of Attorney dated _____.

(DEPONENT)

VERIFICATION

I/We, the deponent/s above, do hereby solemnly declare and affirm that the above statement given by me/us is true and correct to the best of my/our knowledge and belief and nothing stated above is false or misrepresentation or misleading.

(DEPONENT/S)

ANNEXURE III

**LETTER INTIMATING DEPOSIT OF EARNEST MONEY AMOUNT PAYMENT BY
AN ASSOCIATE/ASSOCIATE COMPANY**

To

Mr. Anil Kohli
Liquidator — Franco Leone Limited
Correspondence Address:
ARCK Resolution Professionals LLP,
409, Ansal Bhawan, 16 K.G. Marg, Connaught Place, New Delhi -110001

[Copy To:]

[Insert name of the Bidder with address]

Dear Sir,

Sub: Payment of the amounts of Earnest Money Deposit on behalf of bidder in relation to the auction of assets of Franco Leone Limited – in liquidation (the company)

In light of the application submitted for participation in sale of assets of Franco Leone Limited -in liquidation by *[Insert name of the Bidder with address]* in accordance with and subject to the provisions of the E- Auction Process Information Document dated _____ in relation to the captioned transaction (“**E-Auction Process Information Document**”), issued by the Liquidator, *[Insert name and address of the Associate Company and address of the head office]* hereby declares and confirms it is [an / the]*[Insert relationship of the Associate/Associate Company with the Bidder]* of the Bidder (“**Associate Company**”), and the payment of the Earnest Money amount vide *[Insert mode of payment]* (“**Payment**”) is on behalf of the Bidder. The Associate Company acknowledges that such amounts paid as Earnest Money shall be subject to the terms of the Process Information Document and hereby waives any right to claim any refund or adjustment of the amounts of such Payment except in accordance with the terms of the E-Auction Process Information Document.

The details of the transaction for the EMD deposited is as follows:

Name of Applicant:	
Transaction Reference No.:	
Date of Transaction:	
Amount Deposited:	
Details of Asset for which the EMD is deposited/Lot No. of Asset:	

The Associate Company hereby represents and warrants that payment of amounts on behalf of the Bidder is in compliance with Applicable Law.

Capitalized terms used but not defined in this letter shall have the meanings ascribed to such terms in the E-Auction Process Information Document.

Thank you.

Yours Sincerely,

[Signatures and name of the Authorised Officer of the Associate Company]

Rubber stamp/ seal of Associate Company

ACKNOWLEDGEMENT

We hereby acknowledge and confirm the statements set out above by the Associate Company.

Yours Sincerely,

[Signatures and name of the Authorised Officer of the bidder]

Rubber stamp/ seal of the Bidder

ANNEXURE IV
Declaration by Bidders

(To be submitted along with stamp paper of appropriate value, duly notarized)

To
Mr. Anil Kohli
Liquidator — M/s Franco Leone Limited
ARCK Resolution Professionals LLP,
409, Ansal Bhawan, 16 K.G. Marg, Connaught Place,
New Delhi -110001

Dear Sir,

1. I / We, the Bidder (s) aforesaid do hereby state that, I / We have read the entire terms and conditions for the sale of assets of company, as specified in the E-Auction Process Information Document (“EPID”) dated _____ and have understood them fully. I/We, hereby unconditionally agree to confirm with and to be bound by the said terms and conditions and agree to take part in the e-auction process.
2. I / We declare that the Earnest Money Deposit (**EMD**) and the deposit towards purchase- price have been made by me / us as against my/our bid and that the particulars of remittance and all other information given by me/us in the online form is true and correct.
3. I / We further understand and agree that if any of the statement / information revealed by me / us is found to be incorrect and / or untrue, the bid submitted by me / us is liable to be cancelled and in such case, the EMD and / or any monies paid by me / us is liable to be forfeited by the Seller (“**Liquidator**”) and the Seller will be at liberty to annul the offer made to me/us at any point of time.
4. I / We also agree that after my /our offer given in my /our bid for purchase of the assets of company is accepted by the Seller and if, I / We, fail to accept or act upon the terms and conditions of the sale or am / are not able to complete the transaction within the time limit specified for any reason whatsoever and /or fail to fulfil any / all the terms and conditions of the auction and offer letter, the EMD and other monies paid by me / us along with the online form and thereafter, are liable to be forfeited. In case final sale consideration amount is not paid within timeline, the liquidator shall forfeit EMD.
5. I / We understand that the EMD of all Bidders shall be retained by the Liquidator and returned only after the successful conclusion of the sale of asset of the company. I / We, state that I / We, have fully understood the terms and conditions therein and agree to be bound by the same.
6. I / We confirm that our participation in the e-auction process, submission of bid or acquisition of the assets of the company, pursuant to the provisions of the E-Auction Process Information Document will not conflict with, or result in breach of, or constitute a default under (i) our constitutional documents; or (ii) any applicable laws; or (iii) any authorization or approval of any government agency or body; or (iv) any judgement

order, injunction, decree, or ruling of any court or governmental authority, domestic or foreign binding on me / us; or (v) any agreement to which I am / we are a party or by which I am / We are bound.

7. The decision taken by the Liquidator with respect to the selection of the Successful bidder and communicated to me/us shall be binding on me/us.
8. I / We also undertake to abide by the additional conditions if announced during the e- auction process including any announcement(s) on correction of and / or additions or deletions till the time of auction at auction portal.
9. I / We confirm that the Seller and his employees, shall not be liable and responsible in any manner whatsoever for my/our failure to access and bid on the e-auction portal due to any unforeseen circumstances etc. before or during the auction event.
10. I / We hereby confirm that I / we are eligible to purchase the assets of the Company under Section 29A read with Section proviso to Section 35 (1) (f) of the Insolvency and Bankruptcy Code, 2016.

(Signature with

SEAL) Name:

Address

:Email:

ANNEXURE V

Technical Terms & Conditions of E-Auction Sale

1. Intending bidders shall have a valid e-mail ID, valid PAN Card and KYC document to register with the E- Auction Service Provider.
2. Intending bidders have to register with the e-auction service provider.
3. Only upon verification of the Application Form and confirmation of remittance of EMD by Eligible Bidders shall be allowed to access the Platform for bidding for the asset of the company.
4. 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 Agency/ the Seller. Hence, Bidders are cautioned to be careful to check the bid amount and alter/rectify their bid if required before confirming the bid submitted.
5. Bidders should not disclose their User ID as well as password and other material information relating to the bidding to anyone to safeguard its secrecy.
6. Bidders are advised to change the password immediately on receipt thereof.
7. **The Affidavit and Declaration as per the formats set out in *Annexure III and IV* must be executed in accordance with applicable law and it must be issued in accordance with the constitutional documents of the Bidder, if applicable, after obtaining all corporate approvals as may be required. The extract of constitutional documents and certified copies of the corporate approvals must be enclosed with the declaration. In case of Bidder being an individual, the declaration must be personally signed by the Bidder. In case the Bidder is not an individual, the declaration must be signed by a person who is in full time employment of the Bidder and duly authorized to sign the same.**
8. All the aforementioned documents are required to be uploaded on the portal and the original physical copies thereof shall be provided by the Successful Bidder to the Seller in accordance with the E-Auction Process Information Document.
9. All bids placed are legally valid bids and are to be considered as bids from the Bidder himself. Once the bid is placed, the Bidder cannot reduce or withdraw the bid for whatever reason. If done so, the EMD amount shall be forfeited.
10. The highest bid on the auction shall supersede all the previous bids of the respective Bidders. The Bidder with the highest offer/ bid does not get any right to demand for acceptance of his bid.
11. After the conclusion of the e-auction for the company, the Successful Bidder shall be informed through a message generated automatically by the portal, of the outcome of the e-auction. A separate Intimation shall also be sent to the Successful Bidder. Date of sending the e-mail will be considered as the date of receipt of the Intimation i.e., Date of Intimation.
12. Bidders may encounter certain unforeseen problems such as time lag, heavy traffic, and system/ power failure at the Bidder's end. To avoid losing out on bidding because of above- mentioned reasons, it is advised not to wait for the last moment, and it is the responsibility of the bidder to ensure a proper connection to participate in the e-auction process.

ANNEXURE VI- Background and Asset

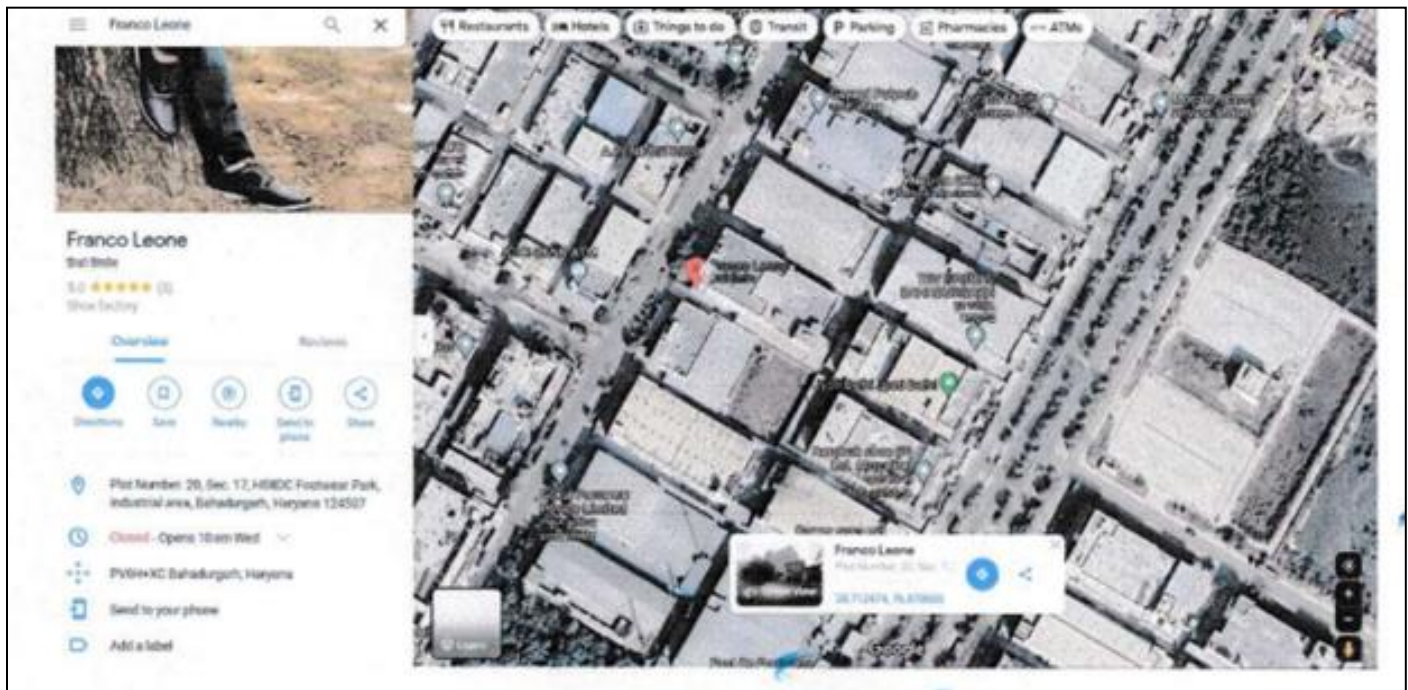
DETAILS OF ASSET IN THE NAME OF THE CORPORATE DEBTOR

- Plot No.20, Sector 17, Industrial Estate, Bahadurgarh, Haryana

Details of Land & Building:

Plot No. 20: Freehold Land	
Land Area:	4,050 sqm
T.S. No./ Village:	Industrial Estate, Bahadurgarh
Boundaries of Plot:	- North: Plot No. 21 (Aquiline footwear) - South: Plot No. 19 (PSC International Footwear Ltd.) - East: - Plot No. 11 - West: - Road
Year of Construction:	2012
Number of Floors	Ground Floor, 1 st Floor & Part 2 nd Floor

Photos of Land & Building at Bahadurgarh:





SECOND FLOOR (OFFICE AREA/SAMPLE ROOM/PANTRY/SHED AREA)







Details of Plant & Machinery at Bahadurgarh:

ANNEXURE -1 BHADURGARH				
1	Shoe Back Part Molding Machine Model No : 29/2RP	BAHADURGARH	Malic Granucci	1
2	Micro Processor Based Area Measurement Machine Model No : T2400	BAHADURGARH	Auroelectronic	1
3	Splitting Machine Model No : C411R	BAHADURGARH	Camoga	1
4	Clicker Machine Model No : VF45V	BAHADURGARH	Orlando SRL	22
5	Sprint Moves to Beat code Machine Model No : 819LS	BAHADURGARH	Dasfun	3
6	Skiving Machine Model No : TK 801	BAHADURGARH	Taking	7
7	Perforating & Embossing Machine	BAHADURGARH	Dasfun	1
8	Sticker Machine	BAHADURGARH		1
9	Compressor Single piston reciprocating with motor and Air Tank	BAHADURGARH		4
10	Sewing Machine	BAHADURGARH		48
11	Splitting Machine Model No : C411R	BAHADURGARH	Camoga	1
12	Cutting Machine Model No : G888	BAHADURGARH	Atom	3
13	Sole Press Machine, Mod.-264 R	BAHADURGARH	Orlando SRL	1
14	Water Cooler	BAHADURGARH	Usha	1
15	Sewing Machine Model No : PLW 1264	BAHADURGARH	Juki	46
16	Sewing Machine	BAHADURGARH	Taking	1
17	Automatic Hot Cement Edge Folding Machine Model No : TX-291	BAHADURGARH	Taxax	1
18	Perforating & Embossing Machine Model No : DS 609 30T	BAHADURGARH	Dasfun	1
19	Sole Press Machine	BAHADURGARH		2
20	Sewing Machine	BAHADURGARH	Strobel	2
21	Pressing Machine	BAHADURGARH		3
22	Laminating Machine	BAHADURGARH		1
23	Toe Molding Machine	BAHADURGARH	Elvi	4

24	Cool Matic Machine Model No : CM 871,Sr. No.09G5611 and Sr. No.07G4011	BAHADURGARH	KmT	2
25	Cool Matic Machine Model No : CM 871,Sr. No.0213909	BAHADURGARH	KC Enterprises	1
26	Roughing Machine Model No : RAW 212,Sr.No.03D5009	BAHADURGARH	KMT	2
27	Bar Conveyor Machine of 40 Feet Model No : LLBC517	BAHADURGARH	KC Enterprises	1
28	PU Cleaing Machine Model No : PUC 250,S.no.0112212	BAHADURGARH	KC Enterprises	1
29	Shoe Back Part Molding Machine Model No : 3224.CF.OPT.20X	BAHADURGARH	Sabal	1
30	Polishing Machine Model No : PM 355,S.no.-1182707,S.no.-04G0787,Sr.no. 12D3908	BAHADURGARH	KMT	3
31	Pad Priting Machine	BAHADURGARH	Batech	1
32	Toe Lasting Machine Model No : S4P9R	BAHADURGARH	Molina & Bianchi	2
33	Heat Setter Machine Model No : HS956 1800	BAHADURGARH	KmT	1
34	Heat Setter Machine Model No : HS955 1800,S.no. 06G2011	BAHADURGARH	KmT	1
35	Heat Setter Machine Model No : HS955 1800,S.no. 0111912	BAHADURGARH	KC Enterprises	1
36	Heel Humdifier Machine Model No : HH957 & TH956	BAHADURGARH	KC Enterprises	2
37	Heel Humdifier Machine Model No : HH957 & TH956	BAHADURGARH	KmT	2
38	Seat Lasting Machine Mark 8	BAHADURGARH	Molina & Bianchi	3
39	Toe Molding Machine Model No : 50/2R	BAHADURGARH	Elettrotecnica BC	1
40	Reactivator Conveyor Model No : RC 905	BAHADURGARH	KmT	1
41	Reactivator Conveyor Model No : RC 905	BAHADURGARH	KC Enterprises	1
42	Sole Press Machine Model No : SP2331,Sr. No. 08G4611	BAHADURGARH	KmT	2
43	Sole Press Machine Model No : SP2331,Sr. No. 0112512	BAHADURGARH	KC Enterprises	1

44	Heavy Duty Walled Sole Attaching Machine Model No : CF-710A	BAHADURGARH	Chenfeng	1
45	Lasting Line Trolley Conveyor 90 feet Model No : LLTC507	BAHADURGARH	KmT	1
46	Lasting Line Trolley Conveyor 130 feet Model No : LLTC507	BAHADURGARH	KC Enterprises	1
47	Front Part molding machine	BAHADURGARH	Rotostir	1
48	Pattern Machine	BAHADURGARH		1
49	Roughing Machine	BAHADURGARH		1
50	Hand Pallet	BAHADURGARH		2
51	MOULD in Lot	BAHADURGARH		1
52	Scrap in Lot	BAHADURGARH		1
53	Computer	BAHADURGARH		17
54	Printer M1136 MFP	BAHADURGARH	HP	1
55	Barcode Printer TSC 345	BAHADURGARH	TSC	1
56	Inverter with 3 Nos. Battery in lot	BAHADURGARH		2
57	MS Rack	BAHADURGARH		284
58	Water Cooler	BAHADURGARH	BENTEX	2
59	Refrigerator	BAHADURGARH	Godrej	1
60	Wall Mounted Fan	BAHADURGARH		1
61	Printer	BAHADURGARH		3
62	Split AC Cap 2 Ton	BAHADURGARH	Voltas	1
63	Split AC Cap 1.5 Ton	BAHADURGARH	LG	4
64	Split AC Cap 1.5 Ton	BAHADURGARH	Mitsubishi	1
65	Split AC Cap 1.5 Ton	BAHADURGARH	Videocon	1
66	Window AC Cap 1 Ton	BAHADURGARH	Carrier	1

67	Projector,Model-TC-51P400H	BAHADURGARH	Eclipse	1
68	Wooden Rack	BAHADURGARH		10
69	Wooden Drawer	BAHADURGARH		1
70	CCTV Camera	BAHADURGARH	Electronic Eye	43
71	Glass Table	BAHADURGARH		1
72	Executive Chair	BAHADURGARH		2
73	Director Table	BAHADURGARH		1
74	Executive Chair	BAHADURGARH		5
75	File Cabinet	BAHADURGARH		1
76	LCD TV	BAHADURGARH	Samsung	1
77	DTH Set Top Box	BAHADURGARH	TATA Sky	1
78	Split AC cap 2 Ton	BAHADURGARH	O General	1
79	Computer	BAHADURGARH	Acer	1
80	Small Refrigerator	BAHADURGARH	Godrej	1
81	Long File Cabinet	BAHADURGARH		1
82	Office Chair	BAHADURGARH		10
83	Standing Fan	BAHADURGARH		6
84	Telephone	BAHADURGARH		3
85	Split AC Cap 1.5 Ton	BAHADURGARH		2
86	Window AC Cap 1.5 Ton	BAHADURGARH	Napolean	1
87	Refrigerator cap 260 Ltr	BAHADURGARH	Whirlpool	1
88	Complete Sofa Set including chairs and tables	BAHADURGARH		1
89	Executive Table	BAHADURGARH		1
90	Reception Desk	BAHADURGARH		1
91	Computer	BAHADURGARH		8
92	Almirah	BAHADURGARH		10

93	Ceiling Fan	BAHADURGARH		148
94	Wall Mounted Fan	BAHADURGARH		2
95	Electrical Panel	BAHADURGARH		3
96	Transformer CAP 125 KVA	BAHADURGARH	ELDEE	1
97	DG Set cap 125 Kva, S. no. 3308041106290, Model-GPW-125	BAHADURGARH	Greaves Power	1
98	DG Set cap 250 Kva, S.no.3306081108269, model-GPW-250	BAHADURGARH	Greaves Power	1
99	Air Compressor Model-E30-10, Fab No.-BKCS040460, MFG Year-2011, Cap.-4.53 m3	BAHADURGARH	Elgi	2
100	Fire Extinguisher Cylinder cap 5-10 kg	BAHADURGARH		58
101	Fire HYDRANT System including pipes and valves (in Lot)	BAHADURGARH		1
102	Fire Extinguishing Hose Pipe (In Lot)	BAHADURGARH		2
103	Electrical installtion like wire cable etc. (in Lot)	BAHADURGARH		1
104	Scooty Activa 3G (DL 6SAS 4887)	BAHADURGARH	Honda	1
105	Bike Splendor Plus (DL4SBM 8829)	BAHADURGARH	Hero Honda	1
106	Van Ecco (DL 6CP 0861) PETROL	BAHADURGARH	Maruti Suzuki	1
107	Scooty Activa 3G (DL 6AS 7286)	BAHADURGARH	Honda	1
108	Bike Pulsar 150 DTSi (DL 4SAL 7656)	BAHADURGARH	Bajaj	1
109	Bike Discover 135 (DL 4S BK 5459)	BAHADURGARH	Bajaj	1

Photos of Plant & Machinery at Bahadurgarh









- **Plot No. 121 & 122, SIDC Industrial Area (SFS), Tehsil Baddi, District-Solan, Himachal Pradesh**

Details of Land & Building:

Plot area and boundaries of the property as follows:

Plot No. 121: Leasehold Land	
Land Area:	1,000 sqm
T.S. No./ Village:	HPSIDC Limited Industrial Area
Boundaries of Plot:	- North: Road - South: Others Property - East: Plot No. 120 - West: Plot No. 122
Year of Construction:	2008
Number of Floors	Ground Floor & 1 st Floor

Plot No. 122: Leasehold Land	
Land Area:	1,000 sqm
T.S. No./ Village:	HPSIDC Limited Industrial Area
Boundaries of Plot:	- North: - Road - South: - Others Property - East: - Plot No. 121 - West: - Plot No. 123
Year of Construction:	2006
Number of Floors	Ground Floor, 1 st Floor, 2 nd Floor & 3 rd Floor

Photos of Land & Building at Baddi:







Service Lift



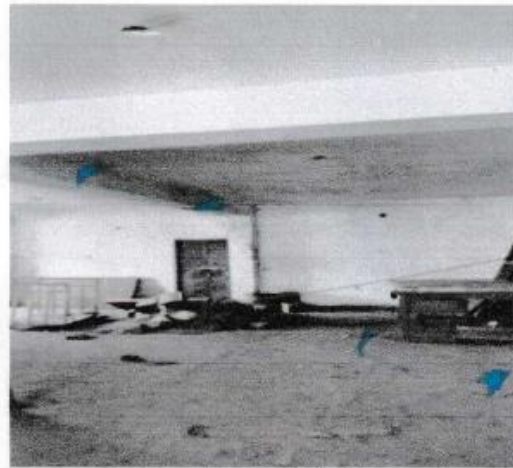
Second Floor



Second Floor



Second Floor



Second Floor

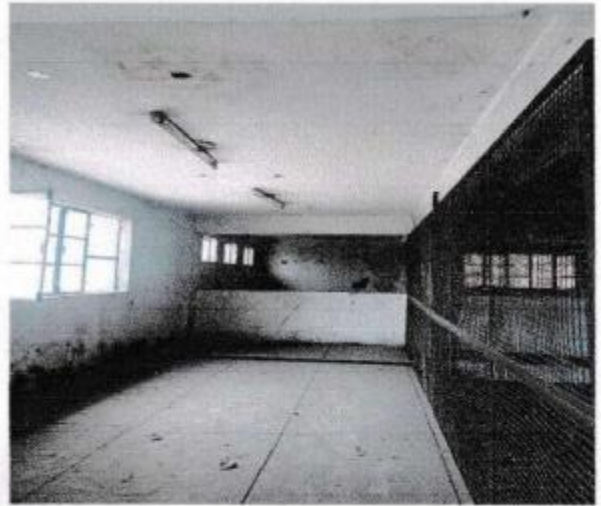


Third Floor





GF Area Covered with RCC Slab



First Floor

Details of Plant & Machinery at Baddi:

ANNEXURE -2 BADDI, PLOT NO- 121			
Fire Fighter System with 9 fire extinguisher, hose reels and drums	BADDI PLOT NO 121		5
Drilling Machine (Bench type) Make Sura	BADDI PLOT NO 121		1
Counter Moulding Machine (Chinese)	BADDI PLOT NO 121		1
Counter Moulding Machine (Electrotecnica BC)	BADDI PLOT NO 121		1
Skyving Machine	BADDI PLOT NO 121		1
Clicker Machine	BADDI PLOT NO 121		1
Switchboard / Panel	BADDI PLOT NO 121		1
PC Screen	BADDI PLOT NO 121		1
Computer Chamber for IT lines (Hanging)	BADDI PLOT NO 121		1
Printer 86 KeyBoard	BADDI PLOT NO 121		3
Steel Frame	BADDI PLOT NO 121		22
Security cabin	BADDI PLOT NO 121		1
MS table (Metal)	BADDI PLOT NO 121		6
WATER COOLER	BADDI PLOT NO 121		1
Coolmatic CM 871, S.no.- 10A4005, Kalra machine tool	BADDI PLOT NO 121		2
LID All Purpose stiching machine ,XGY-2001, Harman group	BADDI PLOT NO 121		1
Spray Booth , SB-965, S.No 1002306,K C Enterprises	BADDI PLOT NO 121		1

Roughing Machine RAW 2.2	BADDI PLOT NO 121		1
Dryer Stand	BADDI PLOT NO 121		1
Mesh	BADDI PLOT NO 121		4
Blower for Dust Collection	BADDI PLOT NO 121		1
Conveyor Heater (70 ft.) / conveyor	BADDI PLOT NO 121		2
Pasting Machine	BADDI PLOT NO 121		1
Pneumatic Fore and Aft Upper massager , 220 v , 50 Hz,0.55KW	BADDI PLOT NO 121		1
Heat Reactivator, Model HR 900, S.No.-0528705	BADDI PLOT NO 121		1
Upper Humidifier	BADDI PLOT NO 121		3
Automatic humid HVA Setting plant, S.NO 3052, Make BUSM co. Ltd.	BADDI PLOT NO 121		1
Tow Attaching Machine	BADDI PLOT NO 121		2
Upper Ironing Machine	BADDI PLOT NO 121		2
Seat Lasting Machine,XBBH2-C, cerim shoes	BADDI PLOT NO 121	cerim shoe	1
Side Lasting Machine	BADDI PLOT NO 121		2
Buffer	BADDI PLOT NO 121		1
Conveyor Heater (70 ft.) / conveyor	BADDI PLOT NO 121		1
Pallet Truck (Hydraulic Lift)	BADDI PLOT NO 121		1
Toe Upper Machine (Toe puffing attaching)	BADDI PLOT NO 121		1
Toe Lasting Machine	BADDI PLOT NO 121		1
Heating Chamber (Heat Setter),HS 955-1800	BADDI PLOT NO 121		2

Heel Humidifier, HH-957, K C Enterprises	BADDI PLOT NO 121		1
Roughing Machine with vacuum for PU sole, RAW-212	BADDI PLOT NO 121		1
Sole Press Machine (Sole Marking Machine) SM-999	BADDI PLOT NO 121		1
Finishing Machine (Motor missing)	BADDI PLOT NO 121		1
Finishing Roller for Shoe shining (Polishing)PM 355	BADDI PLOT NO 121		2
Generator 125 Kva, CUMMINS	BADDI PLOT NO 121	Sudhir Cummins	1
Generator 62.5 Kva , Model : CS62.5D5P,CUMMINS	BADDI PLOT NO 121	Sudhir Cummins	1
Electrical installation such as wire cable etc. (In Lot)	BADDI PLOT NO 121		1
Conveyor Table (60 ft.)	BADDI PLOT NO 121		1
Sewing Machine Table	BADDI PLOT NO 121		2
Sewing Machine Table	BADDI PLOT NO 121		1
Steel Rack	BADDI PLOT NO 121		34
Steel Stools	BADDI PLOT NO 121		7
Wooden Table	BADDI PLOT NO 121		7
Steel Almirah	BADDI PLOT NO 121		2
Steel Table	BADDI PLOT NO 121		8
Desert Cooler	BADDI PLOT NO 121		6
Fan/Ceiling Fan	BADDI PLOT NO 121		41
Exhaust fan	BADDI PLOT NO 121		7
Overhead Fan	BADDI PLOT NO 121		1

Pump with motor and fittings	BADDI PLOT NO 122		1
Welding Cylinder	BADDI PLOT NO 122		1
Good Lift (G + 4 floor)	BADDI PLOT NO 122		1
Cool Matic	BADDI PLOT NO 122		1
Conveyor	BADDI PLOT NO 122		1
Clicker Machine	BADDI PLOT NO 122		1
Counter Molding Machine	BADDI PLOT NO 122		1
Side Lasting Machine	BADDI PLOT NO 122		1
3 Seater Sofa	BADDI PLOT NO 122		3
Water Tank 500 Ltr	BADDI PLOT NO 122		1
Ceiling Fan	BADDI PLOT NO 122		3
Fan	BADDI PLOT NO 122		8
Window AC of Capacity 1.5 TR	BADDI PLOT NO 122		1
Printer	BADDI PLOT NO 122		1
Fax Machine	BADDI PLOT NO 122		3
scooter HP12B 0571, BAJAJ	BADDI PLOT NO 122		1
Exhaust fan	BADDI PLOT NO 122		1
Panel Electrical	BADDI PLOT NO 122		1

Toe Lasting Machine	BADDI PLOT NO 122		1
Counter Molding Machine	BADDI PLOT NO 122		1
Generator 125 kva	BADDI PLOT NO 122		1
Steam Generator	BADDI PLOT NO 122		1
MS SCRAP (Misc in Lot)	BADDI PLOT NO 122		1
Side Press	BADDI PLOT NO 122		1
Buffing Machine	BADDI PLOT NO 122		1
Finishing Machine	BADDI PLOT NO 122		1
Electrical Installation such as wire cable etc. (In Lot)	BADDI PLOT NO 122		1
Security Cabin	BADDI PLOT NO 122		1
Steel Office Table	BADDI PLOT NO 122		4
Wooden Office Table	BADDI PLOT NO 122		7
Wooden Cabinet	BADDI PLOT NO 122		5
Office Chair	BADDI PLOT NO 122		12
Centre Table	BADDI PLOT NO 122		1
OTG Food Heater	BADDI PLOT NO 122		1
Single Bed	BADDI PLOT NO 122		1
Cooler Frame (without Exhaust fan)	BADDI PLOT NO 122		1
Steel Rack	BADDI PLOT NO 122		43
Fixed Iron Ladder	BADDI PLOT NO 122		1

Photos of Plant & Machinery at Baddi:













STATUS OF MATERIAL LITIGATIONS

S.NO.	PARTICULARS	NDOH/STATUS
1.	<p>I.A. NO. 3028 OF 2022</p> <p>VIJENDER SHARMA VS VISHAL BHAMBARI & ORS.</p> <p>Application under Section 14, 43, 70 & 74 of the Code seeking directions against the Suspended Board of Directors</p>	<p>Application was listed on 27.02.2023 and the Hon'ble Tribunal posted this application along with other applications for hearing on <u>25.05.2023</u></p>
2.	<p>I.A. NO. 3516 OF 2022</p> <p>VIJENDER SHARMA VS VISHAL BHAMBARI & ORS.</p> <p>Application under Section 19, 68(c) & 70 of the Code seeking directions against the Suspended Board of Directors to cooperate with the IRP.</p>	<p>Application was listed on 27.02.2023 and the Hon'ble Tribunal posted this application along with other applications for hearing on <u>25.05.2023</u></p>
3.	<p>I.A. NO. 4886 OF 2022</p> <p>RESOLUTION PROFESSIONAL OF FRANCO LEONE LIMITED VS. HARYANA STATE INDUSTRIAL & INFRASTRUCTURE CORPORATION LIMITED</p> <p>Application under Section 14 of the Code read with Rule 11 of NCLT Rules seeking directions against the Respondent seeking directions to quash show cause notice dated 25.05.2022 issued by the Respondent</p>	<p>The next date of hearing in this matter is <u>25.05.2023</u></p>

4.	<p>IA. NO. 1131/ND/2023</p> <p>RESOLUTION PROFESSIONAL OF FRANCO LEONE LIMITED VS. VISHAL BHAMBRI & ORS.</p> <p>Application under Section 66 read with 25 (2)(j) of the Code seeking directions for fraudulent/ wrongful trading entered by Corporate Debtor</p>	The next date of hearing in this matter is <u>25.05.2023</u> .
5.	<p>IA/1776/ND/2023</p> <p>This is an application under Section 33(5) of the Code seeking permission to file a Section 9 petition with respect to Metro Brands Limited</p>	The matter was listed on 08.05.2023 and has been simplicitor adjourned for hearing to <u>25.05.2023.</u>
6.	<p>IA/2462/ND/2023</p> <p>This is an application filed on behalf of the Liquidator seeking possession of two cars from the Respondents.</p> <p>The claim submitted by the claimants' during liquidation has been reduced by the value of the abovementioned cars respectively. Therefore, the said application filed by the liquidator shall be withdrawn.</p>	the matter was listed on 08.05.2023 and has been simplicitor adjourned for hearing to <u>25.05.2023.</u>
7.	<p>IA/2168/ND/2023</p> <p>IA/2170/ND/2023</p> <p>IA/2171/ND/2023</p> <p>There are applications filed on behalf of the erstwhile suspended board of directors of the Corporate Debtor seeking cancellation of bailable warrants issued on 27.02.2023.</p>	the matter was listed on 08.05.2023 and has been simplicitor adjourned for hearing to <u>25.05.2023.</u>

DETAILS OF ALL RECOVERY LITIGATION

Civil Suits for Money Recovery					
S. No	Case No.	Title	Court	Amount	Status
1	Civ DJ No. 611381/2016	Franco Leone Limited v. M/s Nitya Sai Enterprises	Ms. Harleen Singh, ADJ, Tis Hazari, Delhi	Rs. 16,40,207/-	The matter is put up for 25.07.2023 for arguments.
2	Civ DJ No. 611382/2016	Franco Leone Limited v. Divya Divyasandesh Enterprises	Ms. Harleen Singh, ADJ, Tis Hazari, Delhi	Rs. 3,91,249/-	The matter is put up for 25.07.2023 for arguments.
3	CS (COMM)/494/2021	Franco Leone Limited v. Om Retail	Ms. Himani Malhotra, DJ (Comm) Tis Hazari, Delhi	Rs, 35,35,000/-	The matter is put up for 31.08.2023 . At the request of Defendant opportunity has been granted to settle the matter, if any.
4	CS (COMM)/189/2021	Franco Leone Limited v. Trademax	Ms. Himani Malhotra, DJ (Comm) Tis Hazari, Delhi	Rs. 8,56,317/-	We have filed the application on behalf of the complainant for change of AR and restoration application. Notice has been issued. The said matter is restored on 15.05.2023.
5	821/19	Franco Leone Limited v. D. J. Marketing	Transferred to DJ, Kallur, Ernakulum	Rs. 17,50,000/-	Case Decreed and transfer order for DJ, Ernakulum. The same is under process.

Arbitration Claim Cases for money recovery

S. No.	Case No.	Title	Court	Amount	Status
1	ARB CASE No. 124/2021 CNRNO. HRGRO1-015 105- 2021	Delhivery Pvt. Ltd. v. Franco Leone Limited	Sh. Rajeev Goel, Sole Arbitrator, Gurgaon	Rs. 1,01,85,458.29 /-	An application for change of AR has been filed on behalf of respondent. Application is allowed and Shri Anil Kohli RP is substituted in place of Shri Vijender Sharma IRP. Vakalatnama has been produced on behalf of respondent. To come upon 31.01.2023 for arguments on the whether present petition. are to be stopped in view of Section 14 of IBC. Stay granted on 09.12.2022 shall stand extended till next date of hearing. On 21.04.2023, the matter was adjourned. NDOH: 26.05.2023 for arguments.
2	ARB CASE No. 01/2020	Franco Leone Limited v. M/s Retail & Others (KBB)	Sh. M.K. Verma, Sole Arbitrator, Delhi	Rs, 64,78,732/-	Application for change of AR and application on behalf of claimant for restoration of the arbitration claim is filed. Arbitrator has directed us to deposit arbitration fees. (Sine Die).
3	ARB CASE No. 03/2020	Franco Leone Limited v. M/s Retail & Others (KBL)	Sh. M.K. Verma, Sole Arbitrator, Delhi	Rs. 2,09,622/-	Application for change of AR and application on behalf of claimant for restoration of the arbitration claim is filed. Arbitrator has directed us to deposit arbitration fees. (Sine Die).
4	ARB CASE No. 02/2020	Franco Leone Limited v. M/s Retail & Others (KBH)	Sh. M.K. Verma, Sole Arbitrator, Delhi	Rs. 11,61,216/-	Application for change of AR and application on behalf of claimant for restoration of the arbitration claim is filed. Arbitrator has directed us to deposit arbitration fees. (Sine Die).

5.	ARB Case No. 3530/2022	Franco Leone Limited v. M/s Lifestyle Fashion Ltd, Jhajjar	SH. R.K. Khanagwal, Sole Arbitrator, Rohtak	Rs. 91,22,367/- (Principal)	The matter is put for arguments on 24.05.2023.
6.	ARB Case No. 3493/2021	Franco Leone Limited v. M/s Lifestyle Fashion Ltd, Mumbai	SH. R.K. Khanagwal, Sole Arbitrator, Rohtak	Rs. 49, 51,090/- (Principal)	The matter is put for arguments on 24.05.2023.

Complaint Cases under NI Act for money recovery

S. No	Case No.	Title	Court	Amount	Status	NDOH
1	CC NI Act 2207/2021	Franco Leone Limited v. Shri Krishna Traders & Anr.	Ms. Chhaya Tyagi, Ld. MM, West Tis Hazari, Delhi	Rs, 2,22,163/-	On 01.05.2023, the matter is put up for further proceedings.	01.11.202 3
2	CC NI Act 2208/2021	Franco Leone Limited v. Trademax & Anr.	Ms. Chhaya Tyagi, Ld. MM, West Tis Hazari, Delhi	Rs. 6,56,317/-	We have filed an application on behalf of the complainant for change of AR. Bail shall be granted to accused after submission of Bail Bond. Matter is referred to National Lok Adalat.	25.05.202 3
3	CC NI Act 2214/2021	Franco Leone Limited v. Ashu Sales & Anr.	Ms. Chhaya Tyagi, Ld. MM, West Tis Hazari, Delhi	Rs. 2,72,289/-	Application on behalf of complainant for change of AR is filed and fresh Vakalatnama has been filed.	20.07.20 23
4	CC NI Act 868/2021	Franco Leone Limited v. Frontline & Anr.	Sh. Mohit Sharma, Ld. MM, West Tis Hazari, Delhi	Rs. 5,12,254/-	Issue fresh BW against the accused after filing of PF. On 19.04.2023, opportunity is granted to accused to settle the matter, if any.	08.09.20 23

5	CT/CASES/5466 /2019	Franco Leone Limited v. Excell Associates	Sh. Ompal Chauhan, Ld. MM, West Tis Hazari, Delhi	Rs. 25,69,000/-	Issued fresh BW against the accused. Ld. counsel for submits that accused shall make the payment. Both the parties may explore the possibility of settlement.	30.05.20 23
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Cases/Suit against Franco Leone Limited

S.No	Case No.	Title	Court	Amount	Status
1	CS (COMM)/263/2021	Safexpress Pvt. Ltd. v. Franco Leone Limited	Sh. Sanjeev Jain, Ld. DJ (COMM), Patiala House Courts, New Delhi		Matter is adjourned with sine-die as CIRP is initiated vide order dated 09.05.2022.
2	DL/06/S/DNC/00473	Pankaj Mittal v. Franco Leone Limited	MSME, Alipur		Intimation pertaining to Moratorium (Liquidation) is to be served on the next date of hearing. The next date of hearing is yet to be notified.
3	CIS No.134-2018	Amazon Seller Services Pvt. Ltd. vs. Franco Leone Limited	Ms. Khushboo Goel, Civil Judge, Bahadurgarh, Haryana	Rs. 8,50,000/-	Written statement on behalf of defendant has been filed, copy supplied to opposite party. Now, case is adjourned to 29.05.2023 for filing replication if any otherwise for framing of issues.
4	Case Ref. No.: DiAC/4118D/05-22	JBLD International Private Limited vs. Franco Leone Limited	MSME Raja Garden, Delhi	Rs. 31,41,604/-	Intimation pertaining to Moratorium (Liquidation) is to be served on the next date of hearing. The next date of hearing is yet to be notified.

MSME Claim Cases filed by Franco Leone Limited

S. No	Case No.	Title	Court	Amount	Status
1	HR-07-0000019/S/00003/HR/07/S/HR/03406	Franco Leone Limited v. Krishna Marketing,	MSME Panchkula	Rs. 8,78,542/-	The matter was last listed on 31.01.2023. Next Date to be Notified.
2	HR-07-0000019/S/00002/HR/07/S/HR/03430	Franco Leone Limited v. Krishna Marketing,	MSME Panchkula	Rs. 3,32,589/-	The matter is referred for arbitration vide order dated 29.11.22. Sum of Rs. 10,000/- has been deposited as court fee.
3	HR-07-0000019/S/00008/HR/07/S/HR/03374	Franco Leone Limited v. Lifestyle Int. (P) Ltd	MSME Panchkula	Rs. 1,60,26,714/-	NDOH: 25.05.2023
4	HR-07-0000019/S/00007/HR/07/S/HR/03530	Franco Leone Limited v. Lifestyle Int. (P) Ltd & Anr	MSME Panchkula	Rs. 1,89,74,523/-	Next Date to be Notified
5	HR-07-0000019/S/00011/HR/07/S/HR/03375	Franco Leone Limited v. Trademax & Anr.	MSME Panchkula	Rs. 16,80,171/-	The matter was last listed on 31.01.2023. Next Date to be Notified.
6	HR-07-0000019/S/00011/HR/07/S/HR/03493	Franco Leone Ltd. Vs. Future Lifestyle Fashions Ltd	MSME Panchkula	Rs.94,07,071/-	Next Date to be Notified
7	HR-07-0000019/S/00010/HR/07/S/HR/03511	Franco Leone Ltd. Vs. Sindhu Enterprises & Anr	MSME Panchkula	Rs.13,75,689.98/-	The matter is referred for arbitration vide order dated 29.11.22. Sum of Rs. 15000/- has been deposited as court fee.
8	HR/07/S/HR/03413	Franco Leone Limited v. Ramavtar Kushwah	MSME Panchkula	Rs. 7,26,244/-	The matter was last listed on

					31.01.2023. Next Date to be Notified.
9	HR/07/S/HRY/03416	Franco Leone Limited v. Shiv Shakti Enterprises	MSME Panchkula	Rs. 6,93,587/-	The matter was last listed on 31.01.2023. Next Date to be Notified.

FRANCO LEONE LIMITED(Formerly known as Franco Leone Shoes Private Limited)
RZ 142, VISHNU GARDEN EXTN., NEW DELHI- 110018

CIN-U74899DL1995PLC074764

BALANCE SHEET

Balance Sheet as at 31st March, 2022

Figures in Hundreds

Particulars	Note No	Figures for the current reporting period 31-03-2022	Figures for the current reporting period 31-03-2021
1	2	3	4
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	4,93,850	4,93,850
(b) Reserves and Surplus	2	(74,33,570)	(65,47,166)
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	72,145	1,07,645
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	4	-	-
(d) Long-term provisions	5	-	-
(4) Current Liabilities			
(a) Short-term borrowings	6	-	-
(b) Trade payables		14,20,671	16,14,964
(c) Other current liabilities	7	77,19,651	70,08,790
(d) Short-term provisions	8	4,68,221	4,57,266
Total		27,40,968	31,35,349
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	5,84,632	6,93,163
(ii) Intangible assets	10	-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	11	42,110	40,575
(c) Deferred tax assets (net)		19,382	34,480
(d) Long term loans and advances	12	77,701	90,744
(e) Other non-current assets	13	-	-
(2) Current assets			
(a) Current Investments	14	-	-
(b) Inventories	15	1,79,812	2,51,032
(c) Trade receivables	16	16,21,506	17,95,995
(d) Cash and cash equivalents	17	71,580	91,202
(e) Short-term loans and advances	18	1,42,681	1,36,592
(f) Other current assets	19	1,564	1,564
Total		27,40,968	31,35,349

UDIN: 22088512AXQBHM4239

For Franco Leone Limited

On Behalf of Board (Suspended During CIRP)

As per our report of even date

VISHAL BHAMBRI

Board of Director (Power Suspended)

DIN- 00142086

VIKRANT BHAMBRI

Board of Director (Power Suspended)

DIN-00142199

For S.R.P.K & Co.
Chartered Accountants
FRN 007488CSANTOSH KUMAR SINHA
Partner
(M.NO. 088512)NITIN KUMAR
CFO

(Taken on record)

ANIL KOHLI

Insolvency Professional

Regd. No.: IBBI/IPA-001/IP-P00112/2017-18/10219

Dated: 29.09.2022

Place: New Delhi

FRANCO LEONE LIMITED
(Formerly known as Franco Leome Shoes Private Limited)
RZ 142, VISHNU GARDEN EXTN., NEW DELHI- 110018
CIN-U74899DL1995PLC074764

STATEMENT OF PROFIT AND LOSS
Profit and Loss statement for the year ended 31st March, 2022

Figures In Hundreds

1	Particulars	Note No	Figures for the current reporting period 31-03-2022	Figures for the current reporting period 31-03-2021
1	2	3	4	5
I.	Revenue from operations	20	6,84,568	9,98,551
II.	Other Income	23	2,97,755	5,026
III.	Total Revenue (I +II)		9,82,323	10,03,578
IV.	Expenses:			
	Cost of materials consumed		3,21,494	3,44,560
	Purchase of Stock-In-Trade			
	Changes in Inventories of finished goods, work-in-progress and Stock-In-Trade	24	71,220	33,21,952
	Employee benefit expense	22	1,62,177	1,82,969
	Financial costs	22	10,82,337	9,57,531
	Depreciation and amortization expense		82,519	81,928
	Other expenses	25	1,63,882	5,52,197
	Total Expenses		18,53,629	54,41,138
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(8,71,306)	(44,37,560)
VI.	Exceptional Items			
VII.	Profit before extraordinary items and tax (V - VI)		(8,71,306)	(44,37,560)
VIII.	Extraordinary Items			
IX.	Profit before tax (VII - VIII)		(8,71,306)	(44,37,560)
X.	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		15,098	6,010
	(3) Interest on I tax		-	-
	(4) I Tax prov. - prev. yr.		-	-
XI.	Profit/(Loss) from the period from continuing operations (IX-X)		(8,86,404)	(44,43,570)
XII.	Profit/(Loss) from discontinuing operations			
XIII.	Tax expense of discounting operations			
XIV.	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV.	Profit/(Loss) for the period (XI + XIV)		(8,86,404)	(44,43,570)
XVI.	Earning per equity share:			
	(1) Basic		(18)	(90)
	(2) Diluted		(18)	(90)

UDIN: 22088512AXQBHM4239
For Franco Leone Limited
Board (Suspended During CIRP)

As per our report of even date

For S.R.P.K & Co.

Chartered Accountants
FRN 007488C

VISHAL BHAMBRI Board of Director (Power Suspended)
VIKRANT BHAMBRI Board of Director (Power Suspended)

DIN- 00142086

DIN-00142199

(Taken on record)

ANIL KOHLI
Insolvency Professional
Regd. No.: IBBI/PA-001/IP-P00112/2017-18/10219

SANTOSH KUMAR SINHA
Partner
(M.NO. 088512)

NITIN KUMAR
CFO

Dated: 29.09.2022
Place: New Delhi



FRANCO LEONE LIMITED
(Formerly known as Franco Leone Shoes Private Limited)
RZ 142, VISHNU GARDEN EXTN., NEW DELHI- 110018
CIN-U74899DL1995PLC074764
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH' 2022

Figures in Hundreds
F.Y.
2020-21

A). CASH FLOWS FROM OPERATING ACTIVITIES.

	F.Y. 2021-22	F.Y. 2020-21
Net Profit /(Loss) Before tax	(8,71,306)	(44,37,560)
Adjustment for		
Depreciation & amortization	62,519	81,928
Current Income Tax	-	-
Prov. For I tax w/off	-	-
Operating Profit / (Loss) before Working Capital changes	(8,08,787)	(43,55,632)
Increase/(Decrease) in Current Liabilities	5,27,523.53	6,59,425
Trade Payables	(1,94,293)	(2,23,422)
Other Current Liab.	7,10,861	8,41,224
Short term Provisions	10,955	41,624
(Increase)/Decrease in Current Assets	2,45,709	36,94,237
Inventories	71220	33,21,952
Trade receivables	174489	3,72,285
Other current assets	0	-
Cash Generated from Operation	(35,554)	(1,970)

B). CASH FLOWS FROM INVESTING ACTIVITIES.

Purchase of Tangible Fixed assets	(371)	(4,878)
Proceeds from Sale of Fixed Assets	46,383	2,572
Movement in Short term loans & advances	(6,089)	3,085
Movement in Long term loans & advances	13,043	18,308
Non current Investments	(1,534)	(2,399)
Movement in Non current assets	-	-
Cash (used) In Investing Activities	51,432	16,687

C). CASH FLOWS FROM FINANCING ACTIVITIES.

Proceeds from issue of share Capital	-	-
Share application money	-	-
Long Term Borrowings	(35,500)	(2,520)
Increase/(Decrease) in short term Borrowings	-	-
Cash Generated/ (used) In Financing Activities	(35,500)	(2,520)
Net Increase /(Decrease) In Cash & Cash Equivalent (A+B+C)	(19,621)	12,198
Cash and Cash Equivalent at the beginning of the year	91,202	79,004
Cash and Cash Equivalent at the end of the year	71,580	91,202
	0.00	0.00

Note : The above cash flow statement has been prepared under the indirect Method as set out in AS 3 'Cash Flow Statements'

UDIN: 22088512AXQBHM4239
For Franco Leone Limited
On Behalf of Board (Suspended During CIRP)

VISHAL BHAMBRI
Board of Director (Power Suspended)
DIN: 08142086

NITIN KUMAR
CFO

VIKRANT BHAMBRI
Board of Director (Power Suspended)
DIN-00142199

(Taken on record)

ANIL KOHLI
Insolvency Professional
Regd. No.: IBBI/PA-001/IP-P00112/2017-18/10219

As per report of even date

For S.R.P.K & Co.
Chartered Accountants

SANTOSH KUMAR SINHA
Partner
(M.NO. 088512)



Dated: 29.09.2022
Place: New Delhi

FRANCO LEONE LIMITED

(Formerly known as Franco Leome Shoes Private Limited)
CIN-U74899DL1995PLC074764

RZ 142, VISHNU GARDEN EXTN., NEW DELHI- 110018

Notes to Balance Sheet and Profit And Loss for the year ended 31st March, 2022

Figures in Hundreds

Note No	Particulars	Figures for the current reporting period 31-03-2022	Figures for the current reporting period 31-03-2021
1	2	3	4
1	Share Capital		
	Equity Share Capital		
	Authorised Share capital		
	8000000 EQUITY SHARES OF Rs. 10.00 each (previous year		
	800000 shares of Rs. 100 each)	8,00,000	8,00,000
	Issued, subscribed & fully paid share capital		
	1938500 Shares (Previous year 193850 shares)	4,93,850	4,93,850
	Calls unpaid	-	-
	Forfeited shares	-	-
	Preference Share Capital		
	Authorised Share capital	-	-
	Issued, subscribed & fully paid share capital	-	-
	Calls unpaid	-	-
	Forfeited shares	-	-
	Total	4,93,850.00	4,93,850.00
	<u>Shareholders holding more than 5% shares</u>	<u>%age of shares held</u>	<u>%age of shares held</u>
	S C BHAMBRI	40.00	40.00
	Vishal Bhambri	19.39	19.39
	Vikrant Bhambri	19.39	19.39
	Vikram Bhambri	19.39	19.39
	RECONCILIATION OF SHARE CAPITAL		
	Particulars	Number	Number
	Shares at the beginning of the year	4,93,850	4,93,850
	Shares issued during the year	-	-
	Shares bought back during the year	-	-
	Shares at the end of the year	4,93,850	4,93,850
2	Reserves and Surplus		
	Capital Reserves	-	-
	Capital Redemption Reserves	-	-
	Securities Premium Reserves	-	-
	Debenture Redemption Reserves	-	-
	Revaluation Reserves	-	-
	Other Reserve / fund	(65,47,166)	(21,03,596)
	Add: Profit as per Profit and Loss Account	(8,86,404)	(44,43,570)
	Less: Interest paid on I tax	-	-
	Add: Income tax prov. w/ back	-	-
	Less: Fixed Assets w/ff as per Sch II	-	-
	Surplus	-	-
	Total	(74,33,570)	(65,47,166)
3	Long-term borrowings		
	Secured		
	Bonds/Debentures		-
	Term Loans		-
	Deferred payment liabilities (Vehicle Loan)		-
	Deposits		-



Notes to Balance Sheet and Profit And Loss for the year ended 31st March, 2022

Figures in Hundreds

Note No	Particulars	Figures for the current reporting period 31-03-2022	Figures for the current reporting period 31-03-2021
	Unsecured		
	Bonds/Debentures	-	-
	Loans and advances from related parties	72,145	1,07,645
	Term Loans	-	-
	Deferred payment liabilities	-	-
	Deposits	-	-
	Total	72,145	1,07,645
4	Other long term liabilities		
	Trade payables	-	-
	Others:		
	Security Deposit	-	-
	Total	-	-
5	Long-term provisions		
	Provision for employee benefits	-	-
	Others	-	-
	Total	-	-
6	Short-terms borrowings		
	Secured		
	Loans repayable on demand	-	-
	Loans and advances from related parties	-	-
	Deposits	-	-
	Other loan and advances	-	-
	Unsecured		
	Loans repayable on demand	-	-
	Loans and advances from related parties	-	-
	Deposits	-	-
	Other loan and advances	-	-
	Other loan and advances	-	-
	Director's loan	-	-
	Total	-	-
7	Other current liabilities		
	Current maturities of long term debt	-	-
	Current maturities of finance lease obligation	-	-
	Interest accrued but not due on borrowings	-	-
	Interest accrued and due on borrowings	-	-
	Income received in advance	-	-
	Bank O/D	76,82,161	69,71,296
	Refundable share application money	-	-
	Unpaid matured deposits and interest accrued thereon	-	-
	Unpaid matured debentures and interest accrued thereon	-	-
	Other payables: Security Deposits	37,491	37,495
	Total	77,19,651	70,08,790
8	Short-term provisions		
	Provision for employee benefits	1,24,868	1,54,432
	Others	1,32,487	91,214
	TDS Payable	7,748	8,091
	CST & VAT payable	164	164
	GST payable	2,02,954	2,03,364
	Provision for I tax	-	-
	Total	4,68,221	4,57,266
9	Tangible Assets		
	Land/ Building/ Plant & Equipment/ Furniture & fixtures/	-	-
	Vehicles/ Office Equipment/	-	-
	Others (individually)	-	-
	Opening Balance	28,21,521	28,28,682
	Add: acquisition during the year	371	4,878



Notes to Balance Sheet and Profit And Loss for the year ended 31st March, 2022

Figures in Hundreds

Note No	Particulars	Figures for the current reporting period 31-03-2022	Figures for the current reporting period 31-03-2021
	Less: Assets sold/ grants received during the year	2,44,298	12,039
	Sub total	25,77,593	28,21,521
	Less: Assets w/off as per Sch II		-
	Gross Block at year end (a)	25,77,593	28,21,521
	Less: Depreciation		-
	Opening Depreciation	21,28,357	-
	Depreciation for the year	62,519	81,928
	Less: Depreciation Adjustments for Assets sold/ grants received during the year	(1,97,915)	(9,467)
	Total accumulated depreciation (b)	19,92,961	21,28,357
	Net carrying value (a) - (b)	5,84,632	6,93,163
	Total	5,84,632	6,93,163

10	Intangible Assets		
	Goodwill	-	-
	Brands/ Trademarks/ Computer Software/ Mastheads and publishing titles/ Mining rights/ Copyrights/ Patents/ Licenses, etc (individually)	-	-
	Opening Balance	-	-
	Add: acquisition through business combination	-	-
	Other Adjustments	-	-
	Sub total	-	-
	Less: Disposals	-	-
	Gross Block at year end (a)	-	-
	Less: Depreciation		
	Opening Amortization	-	-
	Amortization for the year	-	-
	Total accumulated Amortization (b)	-	-
	Net carrying value (a) - (b)	-	-
	Total	-	-

11	Non-current investments		
	Trade Investments	-	-
	Investment property	-	-
	Investments in Equity instruments	-	-
	Investments in Preference shares	-	-
	Investments in Government and Trust securities	-	-
	Investments in Debentures or bonds	-	-
	Investments in Mutual funds	-	-
	Investments in Partnership firms	-	-
	Other non-current investments- FDRs	42,110	40,575
	Total	42,110	40,575

12	Long Term Loans and Advances		
	Secured considered good		
	Capital Advances	-	-
	Security Deposits	-	-
	Loans and advances to related parties	-	-
	Other loans and advances	-	-
	Sub Total	-	-
	Unsecured considered good		
	Capital Advances	-	-
	Security Deposits	29,427	30,096
	Loans and advances to related parties	-	-
	Other loans and advances	48,274	60,649
	Sub Total	77,701	90,744
	Doubtful		
	Capital Advances	-	-
	Security Deposits	-	-



Notes to Balance Sheet and Profit And Loss for the year ended 31st March, 2022

Figures in Hundreds

Note No	Particulars	Figures for the current reporting period 31-03-2022	Figures for the current reporting period 31-03-2021
	Loans and advances to related parties	-	-
	Other loans and advances	-	-
	Sub Total	-	-
	Total	77,701	90,744
13	Other non-current assets		
	Long term trade receivables		
	Secured considered good	-	-
	Unsecured considered good	-	-
	Doubtful	-	-
	Others	-	-
	Total	-	-
14	Current Investments		
	Investments in Equity instruments	-	-
	Investments in Preference shares	-	-
	Investments in Government and Trust securities	-	-
	Investments in Debentures or bonds	-	-
	Investments in Mutual funds	-	-
	Investments in Partnership firms	-	-
	Other current investments	-	-
	Total	-	-
15	Inventories		
	Raw materials	76,615	1,06,945
	Work in progress	17,095	18,465
	Finished goods	86,102	1,25,622
	Stock in trade	-	-
	Stores and spares	-	-
	Loose Tools	-	-
	Others	-	-
	Total	1,79,812	2,51,032
16	Trade receivables		
	Secured/ Unsecured/ Doubtful	16,21,506	17,95,995
	Less: Allowance for Bad debts	-	-
	Total	16,21,506	17,95,995
17	Cash and cash equivalents		
	Balances with banks	8,931	(12,710)
	Cheques, drafts on hands	-	-
	Cash on hand	62,649	1,03,912
	Othes	-	-
	Total	71,580	91,202
18	Short term loans and advances		
	Loans and advances (Secured/ Unsecured/ Doubtful)	-	-
	Others-		
	I tax refund receivable	22,915	20,566
	GST, Dvat & excise Input credit	1,19,766	1,16,026
	Advance I tax	-	-
	Total	1,42,681	1,36,592
19	Other Current Assets		
	Duty Drawback receivable	1,564	1,564



Notes to Balance Sheet and Profit And Loss for the year ended 31st March, 2022

Figures in Hundreds

Note No	Particulars	Figures for the current reporting period 31-03-2022	Figures for the current reporting period 31-03-2021
	Other Current Assets	-	-
	Pre Operativ Exp.	-	-
	Total	1,564	1,564
20	Revenue from Operations (for companies other than a finance company)		
	Revenue from - Share of products	6,84,568	9,98,551
	Sale of services	-	-
	Other operating revenues- Consignment Sale	-	-
	- Rebate & Discount	-	-
	Less: Excise Duty	-	-
	Total	6,84,568	9,98,551
21	Revenue from Operations (for finance companies)		
	Interest	-	-
	Other financial services	-	-
	Total	-	-
22	Finance Costs		
	Interest expenses- Bank Interest	10,82,210	9,57,412
	Interest on Vehicle Loan	127	119
	Applicable net gain/ loss on foreign currency transactions/ traslation	-	-
	Total	10,82,337	9,57,531
23	Othe Income		
	Interest income	1,797	3,026
	Recovered from S tax Deptt	-	-
	Rent	800	2,000
	Market Compensation	-	-
	Short & excess	1	-
	Net gain/ loss on sale of investments/ fixed assets	2,95,156	-
	Other non-operating income (net of expenses directly attributable to such income)(Insurance cliam Recoverable)	-	-
	Total	2,97,755	5,026
24	Employee Benefits Expense		
	Salaries and wages	1,46,696	1,71,218
	Directors remuneration	-	-
	Contribution to provident and other funds	5,007	4,822
	Bonus Paid	52	-
	Gratuity paid	-	4,601
	Staff welfare expenses	422	2,328
	Total	1,52,177	1,82,969
25	Other Expenses		
	Advertisement Expenses	2,453	9,694
	Stock Audit Fee	-	-
	Audit fee	500	500
	Bank charges	65	529
	Business Promotion	128	1,584
	Bad Debt	44,554	-
	AMC Chages	-	284
	Cartage Inward	89	133
	Cartage outwars	215	398



Notes to Balance Sheet and Profit And Loss for the year ended 31st March, 2022

Figures in Hundreds

Note No	Particulars	Figures for the current reporting period 31-03-2022	Figures for the current reporting period 31-03-2021
	Cash Discount	-	27,126
	Commission Paid	46,726	74,804
	Consumption of stores & spares	-	11
	Conveyance expenses	16	407
	Diwali expenses	-	291
	Electricity & Water Expenses	441	1,313
	Fees,Rates and Taxes, excluding taxes on income	162	843
	Gst Audit Fee	-	300
	Insurance	2,598	2,934
	Late Fee on GST	-	369
	Loss on sale of Fixed Assets	-	541
	Miscellaneous expenses	1,248	1,911
	Labour Fund	461	433
	Postage & Courier Expenses	147	289
	Power & Fuel	15,058	21,431
	Printing & Stationery	246	145
	Rebate & Discount	23,345	3,19,039
	Repair & Maintenance	1,968	2,589
	Short & Excess	0	(0)
	Pet Account	216	519
	Telephone expenses	1,041	2,261
	Software Maintenance expenses	468	4,250
	Testing & Sampling Expenses	558	220
	Tour & Travelling Expenses	397	1,357
	Turnover Discount	-	31,296
	Vehicle repair and maintenance	3,360	4,412
	Car Repair and maintenance	830	4,239
	Legal and professional expenses	3,981	15,836
	Security Guard Expenses	11,213	18,226
	Security Guard ESI & EPF	116	822
	Computer repair and maintenance	1,282	862
	Total	1,63,882	5,52,197

For Franco Leone Limited
On Behalf of Board (Suspended During CIRP)


VISHAL BHAMBRI
Board of Director (Power Suspended)

DIN- 00142086



NITIN KUMAR
CFO

As per our report of even date

For S.R.P.K & Co.
Chartered Accountants


SANTOSH KUMAR SINHA

Partner
(M.NO. 088512)


VIKRANT BHAMBRI
Board of Director (Power
Suspended)
DIN-00142199

(Taken on record)


ANIL KOHLI
Insolvency Professional
Regd. No.: IBBI/PA-001/IP-P00112/2017-18/10219

Dated: 29.09.2022
Place: New Delhi

Notes on Financial Statements for the period ended March 31, 2022

26 CORPORATE INFORMATION:

Franco Leone Limited (previously known as Franco Leome Shoes Private Limited) has been converted into a public limited company from a private company on 23.02.2018 and is domiciled in India and incorporated on 19/12/1995 as per the provisions of the Companies Act then in force. It is engaged in the Business of trading and manufacturing of footwear, garments and other accessories.

27 SIGNIFICANT ACCOUNTING POLICIES:

a) **Basis of preparation:**

The Company maintains its accounts on accrual basis following the historical cost convention, in accordance with generally accepted accounting principles ["GAAP"] in compliance with the provisions of the Companies Act, 2013 ("the Act") and the applicable Accounting Standards as specified in the relevant provisions/schedules/rules of the Act. Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

b) **Classification of assets and liabilities as 'current' and operating cycle:**

- i) An asset is classified as "current" when it satisfies any of the following conditions:
 - it is expected to be settled in the company's normal operating cycle;
 - it is held primarily for the purpose of being traded;
 - it is due to be realized within twelve months after the reporting date; or
 - it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date
- ii) A liability is classified as "current" when it satisfies any of the following conditions:
 - it is expected to be settled in the company's normal operating cycle;
 - it is held primarily for the purpose of being traded;
 - it is due to be settled within twelve months after the reporting date; or
 - the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

There being no clearly identifiable normal operating cycle in case of the Company, the same is assumed as having a duration of twelve months.

c) **Presentation of financial statements:**

- i) The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed, including under the applicable Accounting Standards.
- ii) Amounts in the financial statements are rounded off to the nearest Indian Rupee. Per share data is presented in Indian Rupees to two decimal places.

d) **Use of estimates:**

The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that are considered to affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements.

Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from these estimates.

Difference, if any, between the actual results and estimates is accounted in the period in which the results are known.

e) **Tangible, Non current, Fixed assets:**

Fixed assets are stated at original cost net of tax/duty credits availed, if any; less accumulated depreciation and cumulative impairment.

f) **Depreciation:**

Owned assets:

Assets carried at historical cost:



- Depreciation on assets carried at historical cost is provided on the written down value basis at the rates as derived, based on the useful life of the assets as specified in Schedule II to the Act.
 - Depreciation on assets purchased / sold during the reporting period is recognised on pro-rata basis.
- g) **Inventories** i) Raw materials, stores, spares and packing material are valued at cost.
 ii) Work-in-progress are valued at cost including related overheads.
 iii) Finished goods are valued at lower of cost or net realisable value.
- h) **Revenue Recognition:**
 i) Sale of Goods and Export Incentives-Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue in respect of contracts for services is recognized when the services are rendered and related costs are incurred.
 ii) **Other operational revenue:**
 Other operational revenue represents income earned from activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.
 iii) **Interest Income:**
 Revenue is recognized on a time proportion basis taking into account the amount outstanding based on interest rates implicit in the transaction.
- i) **Prior Period and Extraordinary items:**
 i) Prior period items are material items of income or expense which arise in the current period as a result of errors and omissions in the preparation of the financial statements of one or more prior periods and are separately disclosed.
 ii) Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company and which are not expected to recur frequently or regularly, are classified and specifically disclosed in the financial statements, as extraordinary items.
- j) **Employee Retirement Benefits:**
 i) **Short term employee benefits:**
 All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits like salaries, the expected cost of bonus, ex-gratia, are recognised in the period in which the employee renders the related service.
 The company's contribution to Provident Fund, Employees State Insurance are charged to Statement of Profit and Loss.
 ii) **Post-employment benefits:**
Defined contribution plans:
 The Company's state governed schemes like provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans.
- k) **Taxes on Income:**
 i) Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/appeals.
 ii) Deferred tax is recognised on timing differences between the income accounted in financial statements and the taxable income for the year, and quantified using the tax rates and applying laws enacted or substantively enacted as on the Balance Sheet date.
 iii) Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Other deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
 iv) At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.



- v) MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The same is reviewed at each Balance Sheet date to write down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.
- l) **Foreign currency transactions**
- i) All foreign currency transactions are recorded at the rates prevailing on the date of the transaction.
- ii) Gains and losses arising out of fluctuations in the exchange rates are recognised in Statement of Profit and Loss.
- m) **Provisions and Contingent Liabilities:**
- i) Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if
- the Company has a present obligation as a result of a past event (s);
 - a probable outflow of resources is expected to settle the obligation; and
 - the amount of the obligation can be reliably estimated.
- ii) Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.
- iii) Contingent liability is disclosed in case of
- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
 - a present obligation arising from past events, when no reliable estimate is possible.
 - a possible obligation arising from past events where the probability of outflow of resources is not remote.
- iv) Contingent assets are neither recognised, nor disclosed.
- v) Provisions and contingent liabilities are reviewed at each Balance Sheet date.
- n) **Expenditure:**
Expenses are accounted for on an accrual basis and provisions are made for all known losses and liabilities.
- o) **Commitments:**
- i) Commitments are future liabilities for contractual expenditure.
- ii) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.
- p) **Impairment of Assets and provision:**
As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine:
- i) the provision for impairment loss, if any; and
- ii) the reversal of impairment loss recognised in previous periods, if any.
- Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:
- i) in the case of an individual asset, at the higher of the net selling price and the value in use;
- ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.
- (Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life).
- q) **Earnings per share (EPS):**
- Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
 - For the purpose of calculating diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
- r) **Cash flow statement:**



Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- transactions of a non-cash nature;
- any deferrals or accruals of past or future operating cash receipts or payments; and
- items of income or expense associated with investing or financing cash flows. Cash and cash equivalents (including bank balances) are reflected as such in the cash flow statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

s) **Notes on Accounts**

1. Contingent Liabilities not provided, exists in respect of -

i) Any demand raised by Income Tax Authorities / Sales Tax Authorities on completion of pending assessments.

In the opinion of the directors, the Current Assets, Loans & Advances have a value on realisation in the ordinary course of the business at least equal to the amount stated in the Balance Sheet and Provisions for all the known liabilities have been made. Sales are shown as net of taxes. Figures for the previous year have been regrouped and / or reclassified wherever necessary.

2. During the Year and preceding years, the company has made heavy losses and has uncertainty regards to the realisation of Assets, Loans and advances and other receivables and hence the company had written off the same during current financial year and networth of company have eroded.

3. In accordance with the applicable provisions of Insolvency and bankruptcy code 2016, (IBC), M/s Merckens Karton-UND PappenFabrik GMBH, in its capacity as operational creditor of M/s Franco Leone Limited (hereinafter referred to as Corporate Debtor) has filed an application u/s 9 of the IBC, 2016 read with rule 6 of the Insolvency and Bankruptcy Board of India (Application to Adjudicating Authority) Rules, 2016 before the Hon'ble Adjudicating Authority (A.A) i.e. National Company Law Tribunal at New Delhi, Bench-IV (NCLT), for initiation of Corporate Insolvency Resolution Process (CIRP) of the corporate Debtor. The said application for CIRP has since been admitted by the Hon'ble NCLT New Delhi Bench-IV vide its order dated 09th May, 2022 and consequent upon such admission. the Hon'ble NCLT, New Delhi Bench-IV vide its said order dated 09th May 2022 has inter-alia appointed the Mr. Vijendra Sharma as the Interim Resolution Professional (IRP), for conducting the CIRP. The Adjudicating Authority then appointed the Mr. Anil Kohli as Resolution Professional (RP) vide its order dated 27.07.2022.



Notes on Financial Statements for the year ended March 31, 2022

	<u>31-03-2022</u>	<u>31-03-2021</u>
	₹	₹
28		
<u>FOREIGN CURRENCY TRANSACTIONS:</u>		
Earnings in Foreign Exchange	-	-

29 **DISCLOSURE OF RELATED PARTIES/RELATED PARTY TRANSACTIONS:**
 In accordance with the requirements of Accounting Standard - 18 'Related Party Disclosures' the names of the related party where control/ability to exercise significant influence exists, alongwith the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

29.1 Name of related parties and description of relationship:

a) Key Management Personnel:

Vishal Bhambri	Director
Vikram Bhambri	Director
Vikrant Bhambri	Director

b) Relatives of Key Management Person

(entries of payments made to relatives of directors or sister concerns to be entered here)

Name of Entity

Ganuchi Fashions Pvt Ltd	Sister Concern
Ganuchi Fashions Pvt Ltd	Sister Concern
Franco Exports Pvt Limited	Sister Concern
Ess Cee Fashoins	Sister Concern
Leela Bhambri	Director's wife
Shandya Bhambri	Director's wife
Puja Bhambri	Director's wife
Vikhyat Bhambri	Director's son
Shiv Charan Bhambri	Director's Father

29.2 Summary of transactions with related parties and outstanding balances as at March 31, 2022:

	<u>31-03-2022</u>	<u>31-03-2021</u>
	₹	₹
<u>Nature of Transactions</u>		
<u>Transactions with key management personnel (Excluding reimbursements)</u>		
	<u>31-03-2022</u>	<u>31-03-2021</u>
Mr. Vishal Bhambri		
- Remuneration	-	-
- Unsecured Loan taken	-	-
- Unsecured Loan Repaid	35,50,000	-
Balance payable as at the year end		
- Remuneration	-	-
- Unsecured Loan taken	45,12,500	80,62,500
Mr. Vikram Bhambri		
- Remuneration	-	-
- Unsecured Loan taken	-	-
- Unsecured Loan Repaid	-	-
Balance payable as at the year end		
- Remuneration	-	11,82,334.77
- Unsecured Loan taken	1,26,000	1,26,000
Mr. Vikrant Bhambri		
- Remuneration	-	-
- Unsecured Loan taken	-	1,00,000
- Unsecured Loan Repaid	-	-



Balance payable as at the year end	-	-
- Remuneration	-	-
- Unsecured Loan taken	25,76,000	25,76,000
Mrs. Pooja Bhambri		
- Salary	-	6,75,000.00
- Unsecured Loan taken	-	-
- Unsecured Loan Repaid	-	-
Balance payable as at the year end	5,33,794.33	6,71,269.90
- Remuneration	-	-
- Unsecured Loan taken	-	-
Mrs. Sandhya Bhambri		
- Salary	-	6,75,000.00
- Unsecured Loan taken	-	-
- Unsecured Loan Repaid	-	-
Balance payable as at the year end	7,11,515.82	7,54,510.28
- Salary	-	-
- Unsecured Loan taken	-	-
Mr. S.C Bhambri		
- Remuneration	-	-
- Rent	-	-
- Unsecured Loan taken	-	-
- Unsecured Loan Repaid	-	-
Balance payable as at the year end	-	-
- Remuneration	-	-
- Rent	64,148.44	64,148.44
- Unsecured Loan taken	-	-
Mr. VIKHYAT Bhambri		
- Salary	-	-
- Unsecured Loan taken	-	-
- Unsecured Loan Repaid	-	-
Balance payable as at the year end	3,54,691.00	3,54,691.00
- Salary	-	-
- Unsecured Loan taken	-	-
Mr. LEELA DEVI		
- Rent	-	-
- Unsecured Loan taken	-	-
- Unsecured Loan Repaid	-	-
Balance payable as at the year end	18,93,911.88	18,93,911.88
- Rent	-	-
- Unsecured Loan taken	-	-
Ganuchi Fashions Pvt Ltd.		
- Rent	-	-
-Purchases	2,22,70,103.00	58,54,578.00
Franco Exports Pvt Ltd		
- Rent	-	1,23,000.00

- 30** According to its size & requirement, the Company has complied with the Accounting Standards as applicable on it.
- 31** In the opinion of the Board, all the assets (other than fixed assets) have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provisions for all known/expected liabilities have been made.
- 32** Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current year's



33	Deferred Tax Assets	31-03-2022	31-03-2021
	WDV of Fixed Assets as per Companies Act	5,84,63,201.56	6,93,16,346.54
	WDV of Fixed Assets as per Income Tax Act	6,59,90,221.08	8,27,06,770.23
	Difference	<u>(75,27,019.52)</u>	<u>(1,33,90,423.69)</u>
	Tax Rate	25.75%	25.75%
	Deferred Tax Liability/(Asset) at year end	(19,38,208)	(34,48,034)
	Deferred Tax (Asset)/Liability for the year	(15,09,826)	(6,01,023)
34	Earnings Per Share	31-03-2022	31-03-2021
	Net Profit/(Loss) for the Year	(8,86,404)	(44,43,570)
	Equivalent No of Shares	49,38,500	49,38,500
	EPS	(0.18)	(0.90)

For FRANCO LEONE LIMITED
On Behalf of Board (Suspended During CIRP)

VISHAL BHAMBRI

Board of Director
(Power Suspended)
DIN- 00142086

NITIN KUMAR
CFO

Board of Director (Power Suspended)

VIKRANT BHAMBRI

DIN- 00142199

In terms of our report of even date
For S.R.P.K & Co.
Chartered Accountants

SANTOSH
KUMAR SINHA

Partner
(M.NO. 088512)



(Taken on record)

ANIL KOHLI

Insolvency Professional

Regd. No.: IBBI/IPA-001/IP-P00112/2017-18/10219

Place: New Delhi
Dated: 29.09.2022

Notes on Financial Statements for the year ended March 31, 2022

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Trade Receivables Ageing Schedule

Disclosure is hereby given on ageing schedule of trade receivables in pursuant to companies act 2013

Particular	With In 6 Months	Between 6 months and 1 years	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	Total
As at March 31,2022						
undisputed trade receivables						
Considered goods	1,24,120.00	95,229.00	93,185.00	10,342.00	12,98,630.00	16,21,506.00
credit impaired						-
Disputed trade Receivables						
Considered goods						-
credit impaired						-
Total	1,24,120.00	95,229.00	93,185.00	10,342.00	12,98,630.00	16,21,506.00

As at March 31,2021						
undisputed trade receivables						
Considered goods	3,00,394.00	66,055.00	15,933.00	23,284.00	13,90,329.00	17,95,995.00
credit impaired						-
Disputed trade Receivables						
Considered goods						-
credit impaired						-
Total	3,00,394.00	66,055.00	15,933.00	23,284.00	13,90,329.00	17,95,995.00

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Trade Payables Ageing Schedule

Disclosure is hereby given on ageing schedule of trade receivables in pursuant to companies act 2013

	not due	With In 1 year	Between 1 and 2 years	Between 2 and 3 years	More than 3 years	Total
As at March 31,2022						
Undisputed Dues						
MicroEnterprises and small enterprises	-					
other	-	32,435.00	40,663.00	73,237.00	12,74,336.00	14,20,671.00
disputed Dues						
MicroEnterprises and small enterprises	-					
other	-					
Total	-	32,435.00	40,663.00	73,237.00	12,74,336.00	14,20,671.00

As at March 31,2021						
Undisputed Dues						
MicroEnterprises and small enterprises	-	1,60,103.00	1,27,482.00	2,49,697.00	10,77,682.00	16,14,964.00
other	-					
disputed Dues	-					
MicroEnterprises and small enterprises	-					
other	-					
Total	-	1,60,103.00	1,27,482.00	2,49,697.00	10,77,682.00	16,14,964.00

For FRANCO LEONE LIMITED
On Behalf of Board (Suspended During CIRP)

VISHAL BHAMBRI
Board of Director (Power Suspended)

DIN- 00142086

VIKRANT BHAMBRI
Board of Director (Power Suspended)
DIN- 00142199

NITIN KUMAR
CFO

Place: New Delhi
Dated: 29.09.2022

In terms of our report of even date
For S.R.P.K & Co.
Chartered Accountants

SANTOSH KUMAR SINHA

Partner
(M.NO. 088512)



(Taken on record)
ANIL KOHLI
Insolvency Professional
Regd. No.: IBBI/IPA-001/IP-P00112/2017-18/10219

(NOT FOR LEGAL USE)**As on Date : 20/05/2023**[View Registration Certificate](#)**Status : Registered**[View TM Application](#) | [View Additional Representation Sheet](#)

TM Application No.	1165172						
Class	25						
Date of Application	08/01/2003						
Appropriate Office	DELHI						
State	CHANDIGARH						
Country	India						
Filing Mode	Branch Office						
TM Applied For	FRANCO LEONE (LABEL)						
TM Category	TRADE MARK						
Trade Mark Type	DEVICE						
User Detail	31/12/1997						
Certificate Detail	Certificate No. 535864 Dated : 22/06/2006						
Valid upto/ Renewed upto	08/01/2033						
Proprietor name	(1) FRANCO LEONE LIMITED Body Incorporate						
Proprietor Address	RZ - 142, NEW VISHNU GARDEN EXTN, NEW DELHI - 110 018.						
Email Id							
Goods & Service Details	[CLASS : 25] FOOTWEARS INCLUDED IN CLASS 25.						
Conditions	REGISTRATION OF THIS TRADE MARK SHALL GIVE NO RIGHT TO THE EXCLUSIVE USE OF THE FRANCD LEONE ON THE LABEL.						
Publication Details	Published in Journal No. : 1330-1 Dated : 15/05/2005						
History/PR Details	REGISTRATION RENEWED FOR A PERIOD OF 10 YEARS FROM 08/01/2013 ADVERTISED IN JOURNAL NO. 1624 PURSUANT TO A REQUEST ON FORM TM-P DATED 25/01/2022 AND ORDER THEREON DATED 25/01/2022 REGISTERED PROPRIETOR'S NAME/TRADING STYLE IS ALTERED TO FRANCO LEOME SHOES LIMITED.. PURSUANT TO A REQUEST ON FORM TM-P DATED 27/01/2022 AND ORDER THEREON DATED 27/01/2022 REGISTERED PROPRIETOR'S NAME/TRADING STYLE IS ALTERED TO FRANCO LEONE LIMITED. PURSUANT TO A REQUEST ON FORM TM-P DATED 27/01/2022 AND ORDER THEREON DATED 27/01/2022 REGISTERED PROPRIETOR'S NAME/TRADING STYLE IS ALTERED TO FRANCO LEONE LIMITED. REGISTRATION RENEWED FOR A PERIOD OF 10 YEARS FROM 08/01/2023 ADVERTISED IN JOURNAL NO. 2088						
Correspondence & Notices	Sr No.	Corresp. No.	Corresp. Date	Subject	Despatch No.	Despatch Date	
	1	14086971	14/09/2022	O3 NOTICE	5727104	23/09/2022	View
	2	14612415	09/01/2023	RENEWAL INTIMATION LETTER		09/01/2023	View
Uploaded Documents	Sr No.	Document description			Document Date		
	1	Other Documents			08/01/2003		View
	2	Certificate			08/01/2003		View

	3	Examination Report	08/01/2003	View
	4	Additional Representation Sheet	08/01/2003	View
	5	TM-1	08/01/2003	View
	6	Authorization Document (POA)	22/02/2013	View
	7	TM-12	22/02/2013	View
	8	TM-10	22/02/2013	View
	9	TM-P(CHANGE NAME OF REGISTERED PROP/USER)	25/01/2022	View
	10	TM-P(CHANGE NAME OF REGISTERED PROP/USER)	27/01/2022	View
	11	TM-P(SUBSEQUENT PROPRIETOR BY WAY OF ASSIGNMENT OR TRANSFER OF A SINGLE MARK)	31/01/2022	View
	12	TM-R(RENEWAL OF TRADE MARK)	06/01/2023	View

WARNING/DISCLAIMER : THE DATA OF TRADE MARKS REGISTRY IS UNDER THE PROCESS OF DIGITISATION, IF ANY DISCREPANCY IS OBSERVED IN THE DATA PLEASE CONTACT OR SUBMIT AT APPROPRIATE TRADE MARKS REGISTRY ALONGWITH SUPPORTING DOCUMENTS. THIS WILL HELP IN UPDATION OF ELECTRONIC RECORDS.

[PRINT](#)
[EXIT](#)



भारत सरकार/GOVERNMENT OF
INDIA
व्यापार चिह्न रजिस्ट्री/Trade Marks
Registry

बौद्धिक संपदा भवन/Boudhik Sampada
Bhawan, Plot No. 32,
सेक्टर 14/Sector 14,
द्वारका/Dwarka,
नई दिल्ली/New Delhi-110075

संख्या: आर एल सी/RLC/688385

दिनांक/Date 09/01/2023
11:59:31 PM

विषय: पंजीकृत व्यापार चिह्न संख्या 1165172 वर्ग 25

Subject : Renewal of registration of Trade Mark No 1165172 Class 25

आपको यह सूचित किया जाता है कि पंजीकृत व्यापार चिह्न संख्या 1165172 वर्ग 25 का नवीकरण दिनांक 08/01/2023 से अगले 10 वर्षों की अवधि तक किया गया है।

I have to inform you that the Registration of Trade Mark No 1165172 in class 25 has been renewed for a period of Ten years from the 08/01/2023

नवीकरण संबंधी सूचना व्यापार चिह्न पत्रिका संख्या . 2088 में विज्ञापित की गई है।

The renewal will be advertised in the Trade Mark Journal No. 2088



भवदीय/Yours faithfully

कृते पंजीकार व्यापार चिह्न
For Registrar of Trade Marks

To,
VERMA REGISTRATION SERVICE
E-159, KAMLA NAGAR, DELHI - 110 007.

*This is a computer generated certificate, hence no signature required.

Print Exit