NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH (COURT-I), CHANDIGARH

IA(IBC)(PLAN)/18/(CH)/2024
In
CP(IB) No.178/Chd/HP/2023
(Admitted)

(An Application under sections 30(6) of the Insolvency and Bankruptcy Code, 2016, read with Rule 11 of The National Company Law Tribunal Rules, 2016)

In the matter of IA(IBC)(PLAN)/18/(CH)/2024

Mr. Deepankur Sharma
Resolution Professional
Jaryal Motor Finance Company Limited

...Applicant

And In the matter of CP(IB) No. 178/Chd/HP/2023

(An Application under section 7 of the Insolvency & Bankruptcy Code, 2016)

Sh. Chandu Ram and Others

...Financial Creditor

Versus

M/s Jaryal Motor Finance Company Limited

...Corporate Debtor

Order delivered on: 17.04.2026

CORAM: MR. KHETRABASI BISWAL, MEMBER (JUDICIAL)
MR. SHISHIR AGARWAL, MEMBER (TECHNICAL)

Present:-

For the Applicant/RP	:	Mr. Viren Sharma, Advocate Mr. Yash Srivastava, Advocate Ms. Nandni Gupta, Advocate Mr. Deepankur Sharma, RP-in person
For the SRA	:	Mr. Yogesh Goel, Advocate

ORDER

1. The present Application has been filed by Mr. Deepankur Sharma, Resolution Professional (hereinafter referred to as the “RP/ Applicant”) under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the “Code” or “IBC”), seeking approval of the Resolution Plan of **Narendra Kumar Srivastava** (hereinafter referred to as the “Successful Resolution Applicant” or “SRA”), in respect of **M/s Jaryal Motor Finance Company Limited** (hereinafter referred to as the Corporate Debtor/ CD).

BRIEF FACTS OF THE CASE:

2. The Corporate Debtor was incorporated on 29.01.1991, registered under the erstwhile Companies Act, 1956. The Corporate Debtor was engaged in providing general finance and hire-purchase services for various assets, including vehicles such as trucks, buses, cars, etc. as well as plant and machinery and business management machines.

3. The Company Petition CP(IB) No. 178/CH/HP/2023 was filed by 133 Financial Creditors led by Mr. Chandu Ram and was admitted by this Adjudicating Authority u/s. 7 of the Code, *vide* Order dated 24.04.2024 ordering commencement of CIRP against the Corporate Debtor by appointing Mr. Deepankur Sharma as the Interim Resolution Professional (IRP) who was later appointed as the Resolution Professional in the first CoC meeting held on 24.05.2024.

4. The Applicant, in his capacity as the Interim Resolution Professional,

upon receipt of the CIRP admission order, issued a Public Announcement on 27.04.2024 in Form A in terms of Sections 13 and 15 of the Code read with Regulation 6(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 inviting claims from the creditors of the Corporate Debtor. The said Public Announcement was published in The Times of India (English) and Amar Ujala (Hindi). A copy of the Public Announcement dated 27.04.2024 is annexed as Annexure A-2 to the Application.

5. After collating all the claims received and determining the financial position of the CD, the IRP constituted the CoC on 15.05.2024. The CoC comprised of Financial Creditors in a class admitted as Unsecured Financial Creditor.

6. The Applicant invited Expression of Interest (EOI) from the Prospective Resolution Applicants (PRAs), by issuing Form-G on 23.06.2024. The RP issued the final list of PRAs on 02.08.2024, consisting of 5 eligible PRA's.

7. It is submitted that only one Resolution Plan was received from the PRA, namely, Narendra Kumar Srivastava. After negotiations and review for compliance, the said plan was placed for e-voting before the CoC in its fourth meeting. Upon considering its feasibility and viability, the CoC approved the Resolution Plan submitted by **Narendra Kumar Srivastava** with 100% voting share.

8. In pursuance of the decision of CoC in its 4th meeting dated 09.10.2024, the Resolution applicant submitted a Performance Guarantee amounting

to Rs. 3 lakhs in the name of the Corporate Debtor. The same has been annexed as Annexure A-7 to the Application.

9. The salient features of the Resolution Plan, submitted by Narendra Kumar Srivastava and as approved by the CoC are as follows:

(i) Brief background of the SRA: The Resolution Applicant is engaged in the business of construction and has more than 20 years of experience in the field of construction activities in the area of Uttar Pradesh.

(ii) The Resolution Applicant, after evaluating the information relating to the Corporate Debtor as shared by the Resolution Professional and upon conducting its own due diligence through public domains and other available sources, assessed the liabilities and minimal asset profile of the Corporate Debtor. Accordingly, the Resolution Applicant has proposed an amount of Rs. 15,00,000/- for acquisition of 100% stake in the Corporate Debtor. The term of the Resolution Plan shall be two months from the date of approval of the Resolution Plan by the Adjudicating Authority, and the proposed investment shall be made in accordance with the Resolution Plan.

(iii) The Resolution Applicant has proposed to acquire 100% stake in the Corporate Debtor, along with all its assets, whether specifically mentioned in the Information Memorandum and the present Resolution Plan or otherwise. The acquisition shall also include all permissions, permits, licenses, approvals, or any other instruments or sanctions granted by any Government or regulatory authority.

(iv) Project cost and source of funds: The Total estimated project cost as proposed under the Resolution Plan is for Rs. 15 Lacs. The details of project cost are as follows:

S.no.	Cost of Plan	Amount (in Lac)
	Payment proposed under plan	
1.	Insolvency Resolution Process Cost	10.00
2.	Payment to Financial Creditors	5.00
3.	Payment to Operational Creditors:	
(a)	Operational creditors (goods and services)	0.00
(b)	Operational Creditors (govt. dues)	00.00
(c)	Operational creditors (PF and ESI)	0.00
(d)	Workman and employee	0.00
(e)	Other Dues	0.00
Total payments proposed under resolution plan		**15.00**
Estimated capital expenditure		100
Working capital Requirement		100
Total Plan Value		**215.00**

Sources of Finance:

Purpose	Source of fund	Amount (in lac)
Payment proposed for payment under resolution plan	Own sources/ Unsecured loan	Rs. 15 lac in 2 months
Capital expenditure	Own sources/ Unsecured loan	Rs. 100 lac as per the requirement

Working Capital	Own sources/ unsecured loan	Rs. 100 lac as per the requirement

(v) As submitted in the Resolution Plan, the payment towards the CIRP cost and to the various stakeholders is as given in the Table below:

Particulars	**Amount Claimed**	**Amount Admitted**	**Realisable amount under the plan**	**Amount realisable in plan to the admitted claim in (%)**	**Payment Schedule**
CIRP Costs	-	-	Provision of Rs. 10,00,000/- Subject to actual cost as on effective date	-	First Within two months from the date of approval of resolution plan by the Adjudicating Authority Note: the cost is a provisional estimate being provided by the RA, and this will be subject to actual cost incurred as on the effective date and CIRP cost will be paid in full, either the same is below or above Rs. 10,00,000/- at Priority No.1

Financial Creditors					
(i) Secured Financial Creditors	-	-	-	-	-
(ii) Unsecured Financial Creditors in a class – (a) Related party (b) Non-related party	Nil 5,90,77,514	Nil 5,86,65,588	Nil 5,00,000	- 2.54%	Within 60 days from effective date
Operational Creditors					
(i)Government/ Suppliers	-	-	-	-	-
(ii)Workmen – PF dues other dues	-	-	-	-	
(iii) Employees PF dues Other dues	-	-	-	-	
(iv) Other Operational creditors	-	-	-	-	
Other Debts and Dues	Nil	Nil	Nil	-	

Total	**5,90,77,514**	**5,86,65,588**	**5,00,000/-**	**2.54%**	

(vi) The interest of existing shareholders have been altered by the Resolution Plan as under:

S.No.	Category of Shareholder	No. of shares held before CIRP	No. of shares held after CIRP	Voting share (%) held before CIRP	Voting share (%) held after CIRP
1.	Equity	20,00,000	20,00,000	100%	Nil
2.	Preference	Nil	Nil	-	-

The SRA has proposed that after the approval of the Resolution Plan, all the existing shares shall be extinguished and new equity will be issued to the Resolution Applicant.

(vii) It is noted that the license of the Corporate Debtor was cancelled by the Reserve Bank of India. The SRA has undertaken to comply with all applicable conditions and has stated that no public deposits would be required for operationalising the Corporate Debtor. It is further submitted that the necessary license/approval shall be obtained after approval of the Resolution Plan by the Adjudicating Authority. The SRA has also filed an affidavit stating that he has no objection if the Resolution Plan is approved without issuing any direction to the Reserve Bank of India for restoration of the license.

(viii) Resolution Applicant proposes to implement the plan within two months from the Effective Date (Date of approval of Resolution Plan by Adjudicating Authority). The Implementation schedule is tabulated as below:

Action	Timeline
Approval of the Resolution Plan by the Adjudicating Authority	X
Appointment of new directors in the board of corporate debtor	X+60 days
Extinguishment of all existing Shares and issue of fresh shares to shareholders*	X+60 days
Payment of pending CIRP costs	X+60 days
Payment of Deferred CIRP Cost	NA
Payment to Financial Creditors	X+60 days
Payment to Operational creditors**	X+60 days

X= Effective date i.e. date of approval of resolution Plan by Adjudicating Authority
* i.e., the Successful Resolution Applicant
** No Operational Creditors exist

The compliance examined by the RP is reproduced in the Table below:

Section of the Code/Regulation No.	Requirement with respect to The Resolution Plan	Compliance (Yes/No)	Relevant clause of the resolution plan
Section 25(2)(h)	The Resolution Applicant meets the criteria approved by the CoC, having regard to the complexity and scale of operations of the business of the CD	Yes	Yes, as per the eligibility criteria approved in the 3rd COC meeting. (Minutes of the 3rd COC meeting along with results of e-voting are attached as Annexure A-5, Page No. 96 to 114 of I.A. No. 18/2024)
Section 29A	The Resolution Applicant is eligible to submit a resolution plan as per the final list of Resolution Professional or Order, if any, of the Adjudicating Authority.	Yes	Yes, as per affidavit submitted by the Resolution Applicant attached as Annexure A-9 (colly) at Page No. 184 to 186 of I.A. No. 18/2024. In addition to this, the RP appointed an independent professional to carry out to determine the eligibility of RA and its related parties under Section 29A of the Code, 2016. No adverse

			finding has been found as per the report submitted by the said professional. Affidavit by the RP certifying eligibility of RA is at Page No. 391 of I.A. No. 18/2024. That the report obtained from CS. Rajiv Chauhan, practicing Company Secretary is enclosed along with the present Affidavit.
Section 30(1)	The Resolution Applicant has submitted an affidavit stating that it is eligible as per the Code.	Yes	As per the affidavit submitted by the Resolution Applicant attached as Annexure A-9 at Page No. 184 to 186 of I.A. No. 18/2024.
Section 30(2)	The Resolution Plan- (a) Provides for the payment of the Insolvency Resolution Process Cost	Yes	Yes, the RA has mentioned at Page No. 30 in the resolution plan as follows: The unpaid CIRP cost amounting to Rs. 10 Lacs would be made in priority to all other debts of the company. RA proposed to pay CIRP cost on actual basis only. It is further clarified that any increase /decrease in the estimated CIRP cost shall be adjusted from payment proposed to financial creditors. (Annexure A-8, at Page No. 166 of I.A. No. 18/2024)
	(b) Provides for the payment to the operational creditors	Yes	Yes, the RA has mentioned at Point 10 of Clause ii (Page no. 30) in the resolution plan as follows: Resolution Applicant undertakes that in case liquidation value is assessed positive at laterstage the same shall be paid out of the proposed pay out to secured financial creditors and the same shall be paid in priority to other creditors under the resolution plan as per Section53 of the Code. Further, in compliance of Section 30

			(2)(b) and Regulation 38(1) of the CIRP Regulations, the amount due to the Operational Creditors shall be given priority in payment over the Financial Creditors. However no claim from operation creditor has been received.
	(c) Provides for the payment to the financial creditors who did not vote in favor of thee resolution plan?	Yes	Yes, the RA has mentioned at Page No.25. "According to the provisions of the Insolvency & Bankruptcy Code, 2016, in case the financial creditors representing a minority stake do not consent to the repayments as proposed under this resolution plan, then such dissenting creditors would be eligible for payment of such amount as they would get, in the event of liquidation of the Corporate Debtor and further such amount shall be paid to the dissenting creditors in priority to any payment being made to consenting creditors."
	(d) Provides for the implementation and supervision of the Resolution Plan	Yes	Yes, the RA has mentioned at Page No. 26 to 27 in the resolution plan as follows: The Resolution Applicant proposes to appoint fresh Board of Directors, after approval of the Resolution Plan by Hon'ble NCLT. The erstwhile Board is suspended due to initiation of CIRP. After the Effective Date, the Corporate Debtor shall be managed by a reconstituted Board of Directors according to the provisions of the Companies Act, 2013. The Directors on the reconstituted Board shall be appointed within 60 days from the Effective Date, without any

			additional approval from the shareholder The reconstituted board of directors shall be as follows: 1. Narendra Kumar Srivastava 2. Nisha Srivastava All the existing Directors shall cease to be Directors of CD with immediate effect from effective date which shall be brought in the records of Registrar of Companies and any other requisite authorities in accordance with the law. However, such erstwhile directors shall be liable for the deeds and acts done by them, prior to such cessation. The Resolution Applicant shall also exercise such veto powers that she deems fit in the interest of retaining the Corporate Debtor as a going concern. Erstwhile promoters shall have no control, veto, rights, directorship or an interest in the Corporate Debtor. Entire management and control of the Corporate Debtor shall vest with the Resolution Applicant, for the management of the day-to-day affairs. All thee contract, agreements, deeds etc entered into by the directors (powers which shall be brought in the records of Registrar of Companies and any other requisite authorities in accordance with the law. However, such erstwhile directors shall be liable for the deeds and acts done by them, prior to such cessation. The Resolution Applicant shall also exercise such veto powers that she deems fit in the interest of retaining the

			Corporate Debtor as a going concern. Erstwhile promoters shall have no control, veto, rights, directorship or an interest in the Corporate Debtor. Entire management and control of the Corporate Debtor shall vest with the Resolution Applicant, for the management of the day-to-day affairs. All thee contract, agreements, deeds etc entered into by the directors (powers suspended) shall cease to exist w.e.f effective date.
	(e) provides from the implementation and supervision of the Resolution plan?	Yes	Yes, the RA has mentioned at Page No. 27 "The RA has proposed to make payment within 2 months hence the RA propose Monitoring committee for effective implementation of Resolution Plan as per the provisions of Regulation 38(2)(c). Following persons will be the members of the Monitoring Committee 1. One member from Financial Creditor 2. RA representative (IP Rajeev Sharma) 3. Resolution Professional
	(f) contravenes any of the provisions of the law for the time being in force?	No	No, the RA has mentioned at Page No. 31 The Resolution Applicant represent and warrant that the resolution plan complies with all applicable laws and does not contravene any of the provision of law for the time being in force"."
Section 30(4)	The Resolution plan (a) is feasible and viable, according to the CoC	Yes	(a) Yes, the RA has the requisite financial resources to implement the resolution plan as mentioned at Page 28 to 29 of the resolution plan. The RA has a net worth of Rs.

			230.42 Crore.
	(b) has been approved by the CoC with 66% voting share	Yes	(b) Yes, as per the e-voting results of the agendas discussed in the 04th COC meeting held on 09.10.2024, the resolution plan has been approved by Authorized Representative of Financial Creditors in class with 100% voting rights. Yes Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC? Copy of minutes of the 04th COC meeting dated 09.10.2024 along with results of the e-voting are attached as Annexure A-6 at page No. 128-129 of I.A. No. 18/2024
Section 31(1)	The Resolution Plan has provisions for its effective implementation, according to the COC.	Yes	Yes, the RA has mentioned at Page No. 29 in the resolution plan as follows: "Resolution Applicant has proposed to pay the entire resolution debt amount within 2 months from effective date. The source of funds shall be from own funds. The Resolution Applicant will continue the existing line of business of the Corporate Debtor. The Resolution Applicant has access to experienced professional to be managed on responsible positions to bring on track the derailed business of Corporate Debtor. The proposed organization structure shall be as follows: | | Board of Directors (Overall superintendence, control and Management) |

<table>
<tr><td></td><td></td><td></td><td><table>
<tr><td>A.</td><td>Chief Executive Officer</td></tr>
<tr><td>B.</td><td>Whole Time Director</td></tr>
<tr><td>C.</td><td>General Manager</td></tr>
<tr><td></td><td>Loan Manager</td></tr>
<tr><td></td><td>Sales Manager</td></tr>
<tr><td></td><td>Sales Man</td></tr>
<tr><td></td><td>HR Manager</td></tr>
<tr><td></td><td>Credit Manager</td></tr>
<tr><td>D.</td><td>Chief Financial Officer</td></tr>
<tr><td></td><td>Manager Accounts</td></tr>
<tr><td></td><td>Executive Banking</td></tr>
<tr><td></td><td>Executive Accounts</td></tr>
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The team shall be supported by other executives to be recruited from time to time depending upon the business requirement."
Relevant page 165 of Annexure A-8 of I.A. No. 18/2024</td></tr>
<tr><td>Regulation 38(1)</td><td>The amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors.</td><td>Yes</td><td>Yes, the RA has mentioned at Page No. 30 in the resolution plan as follows:
"No claims of operational creditors have been received by RP to the. Hence nothing is payable to operational creditors."
Relevant page 161 and 166 of Annexure A-8 of I.A. No. 18/2024</td></tr>
<tr><td>Regulation 38(1A)</td><td>The Resolution Plan includes a statement as to how it has dealt with the interests of all stakeholders</td><td>Yes</td><td>Yes, at Page 25 of the resolution plan.
Relevant page 161 of Annexure A-8 of I.A. No. 18/2024</td></tr>
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Regulation 38(1B))	Neither the Resolution Applicant nor any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. If applicable, the Resolution Applicant has submitted a statement giving details of any such non-implementation	Yes	As per Resolution Plan submitted by the PRA, the PRA has made a declaration to this effect as follows:- "In pursuance to regulation 38 (1B) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, Resolution Applicant hereby undertakes that resolution applicant or any of its related parties has never failed to implement or contributed to the failure of implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past." Relevant page 161 of Annexure A-8 of I.A. No. 18/2024
	(ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	NA	Not Applicable
Regulation 38(2)	The Resolution Plan provides: (a) the term of the plan and its implementation schedule (b) for the management and control of the business of the corporate debtor during its term	Yes	(a) Yes, the RA has mentioned at Page No. 25 to 26 in the resolution plan (b) Yes, the RA has mentioned at Page No. 26 to 27 in the resolution plan as follows: "The Resolution Applicant proposes to appoint fresh Board of Directors after approval of the Resolution Plan by Hon'ble NCLT. The erstwhile Board is suspended due to initiation of CIRP. After the Effective Date, the Corporate Debtor shall be managed by a reconstituted Board of Directors according to the provisions of the Companies Act, 2013. The Directors on the

			reconstituted Board shall be appointed within 60 days from the Effective Date, without any additional approval from the shareholder The reconstituted board of directors shall be as follows: 1. Narendra Kumar Srivastava 2. Nisha Srivastava All the existing Directors shall cease to be Directors of CD with immediate effect from effective date which shall be brought in the records of Registrar of Companies and any other requisite authorities in accordance with the law. However, such erstwhile directors shall be liable for the deeds and acts done by them, prior to such cessation. The Resolution Applicant shall also exercise such veto powers that she deems fit in the interest of retaining the Corporate Debtor as a going concern. Erstwhile promoters shall have no control, veto, rights, directorship or any interest in the Corporate Debtor. Entire management and control of the Corporate Debtor shall vest with the Resolution Applicant, for the management of the day-to-day affairs. All the contract, agreements, deeds etc. entered into by the directors (powers suspended) shall cease to exist w.e.f. effective date.."
	(c) adequate means for supervising its implementation		(c) Yes, the RA has mentioned at Page No. 27 in the resolution plan as follows: A True Copy "The RA has proposed to make payment within 2 months hence the RA

			propose the Monitoring Committee for effective implementation of Resolution Plan as per the provisions of Regulation 38(2)(c),Following persons will be the members of the Monitoring Committee: 1) One member from Financial Creditor 2) RA representative (IP Rajeev Sharma) 3) Resolution Professional"
Regulation 38(3)	The Resolution Plan demonstrates that- (a) It addresses the cause of default	Yes	(a)Yes, at page 27 to 28 of the resolution plan. The Resolution Applicant has attributed the failure of Corporate Debtor to the following reasons: As per the order of the NCLT, The Corporate Debtor, Jaryal Motor Finance Company Limited, was initially incorporated under the Companies Act, 1956, and registered as a non-banking financial company (NBFC). Despite an RBI order dated 02.07.2008, which prohibited the company from accepting public deposits, the Corporate Debtor continued to do so.One of the investors, Mr. Trilok Singh, who had invested *7,75,000 in the company, lodged an FIR after the Corporate Debtor failed to return the money upon maturity and abruptly closed its office. The Director of the Corporate Debtor, Mr. Rajesh Kumar, sought interim bail from the High Court of Himachal Pradesh after the FIR was filed. The bail was eventually canceled on 05.12.2022 due to non-cooperation in the investigation. On 27.09.2022, the RBI issued another order prohibiting the Corporate Debtor from accepting deposits and restricting it from dealing with its property and

			assets without RBI's permission, except for repaying matured deposits. Considering the public interest, the RBI issued a public notice on 18.11.2022 in "The Tribune," alerting the public about the restrictions on the Corporate Debtor. Eventually, 133 financial creditors, led by Mr. Chandu Ram, filed a petition under Section 7 of the Insolvency and Bankruptcy Code, 2016, claiming a default amount of ₹5,03,71,828 (including principal and interest). The date of default was noted as 27.09.2022, leading to the initiation of the CIRP against the Corporate Debtor. In summary, the main reason for the initiation of Corporate Insolvency Resolution Process (CIRP) against Jaryal Motor Finance Company Limited was that, after the company continued to accept public deposits despite an RBI prohibition, failed to repay investors, and abruptly closed its office. Following multiple legal actions and an RBI public notice, 133 financial creditors filed a petition claiming a default amount of ₹5.03 crore, leading to the CIRP initiation. Therefore, it appears from the above facts that the main reason for the CIRP of the Corporate Debtor was due to huge debt taken and Corporate Debtor was unable to pay the same.
	(b) It is feasible and viable		(b) Yes, the RA has the requisite financial resources to implement the resolution plan as mentioned at Page 28 to 29 of the resolution plan. The consortium has a combined Net worth of INR 230.42 crores.
	(c) It has provisions for its effective implementation		(c) Yes, the RA has mentioned at Page No. 28 in the resolution plan as follows: "Resolution Applicant has proposed to pay the entire

	(d) It has provisions for approvals required and the timeline of the same (e) The resolution applicant can implement the resolution plan		resolution debt amount within 2 months from effective date. The source of funds shall be from own funds. The Resolution Applicant will continue the existing line of business of the Corporate Debtor. The Resolution Applicant has access to experienced professional to be managed on responsible positions to bring on track the derailed business of Corporate Debtor." (d) Yes, at Page 29 to 30 of the resolution plan the RA has mentioned the following essential provisions:- RA has proposed a timeline of 2 months from effective date for obtaining all the necessary renewal and approval of licenses of CD. (e) Yes, as mentioned at page 30 of the resolution plan the RA has requisite experience in the real estate sector. In addition to the above, the RA also has the requisite financial resources to implement the resolution plan. The RA has a combined Net worth of INR 230.42 crores.
Regulation 39(2)	Whether the RP has filed application in respect of transactions observed, found or determined by him?	Yes	Yes, RP has filed an Application in respect of Transactions (Section 66) bearing I.A. No. 2444/2024.
Regulation 39(4)	Provide details of performance security received as referred to in sub-regulation (4A) of Regulation 36B	Yes	The Successful Resolution applicant has submitted the amount of Performance Bank Guarantee ('PBG') in the form of 'Bank Guarantee' amounting to Rs. 3 Lakh in terms of the approved RFRP.

(x) Restructuring of Share capital: Upon approval of the Resolution Plan by this Adjudicating Authority, the Corporate Debtor shall be owned, managed and controlled by the Resolution Applicant. For this purpose, the entire paid-up share capital of the Corporate Debtor shall be transferred or extinguished in favour of the Resolution Applicant or her nominee, and the Resolution Applicant shall infuse fresh equity for implementation of the Resolution Plan. The required funds for the project cost shall be infused through a mix of equity and unsecured debt. Post-CIRP, the shareholding of the Corporate Debtor shall be 50% with Narendra Kumar Srivastava and 50% with Nisha Srivastava. It is further provided that no shareholding is proposed to be offered to the Financial Creditors by way of debt-to-equity conversion.

(xi) Operational Restructuring: The Resolution Applicant shall also infuse the necessary capital expenditure and working capital for operational requirements and shall independently manage the affairs of the Corporate Debtor without any arrangement with the erstwhile promoters.

(xii) Management of the Corporate Debtor: Upon approval of the Resolution Plan by this Adjudicating Authority, the Resolution Applicant shall reconstitute the Board of Directors of the Corporate Debtor in accordance with the Companies Act, 2013. The new Board, comprising Narendra Kumar Srivastava and Nisha Srivastava, shall be appointed within 60 days from the Effective Date without requiring any further approval from the shareholders. All existing directors shall cease to hold office with effect from the Effective Date, and necessary filings shall be made with the Registrar of Companies and other competent authorities. However, the erstwhile directors shall remain liable for acts and deeds undertaken by them prior to such cessation. The management and control of the Corporate Debtor shall thereafter vest entirely with the Resolution Applicant, and the erstwhile promoters shall have no control, rights, or interest in the Corporate Debtor.

(xiii) Compliance of mandatory contents of Resolution Plan under IBC and CIRP Regulations: The Applicant is stated to have conducted a thorough compliance check of the Resolution Plan in terms of Section 30(2)(a), (b) and (c) of IBC as well as Regulations 38 and 39 of the CIRP Regulations, and has submitted Form-H under Regulation 39(4). A copy of the amended Form-H has also been filed. It is submitted that the Resolution Applicant has filed an Affidavit *vide* diary no. 0404115033272024/8 (Annexure A-2) pursuant to Section 30(1) of IBC, confirming that they are eligible to submit the Plan under Section 29A of IBC and that the contents of the said Certificate are in order. The Fair Value and Liquidation Value as submitted in the amended Form- H are stated to be Rs.5435 and Rs.5435 respectively.

(xiv) Reliefs & Concessions: Besides seeking approval of the Resolution Plan submitted, the Applicant has also prayed for the grant of reliefs, waivers and concessions to the Resolution Applicant as mentioned in Clause 13 of the Resolution Plan

10. We have heard the Learned Counsel for the Applicant and have carefully perused all the pleadings, extant provisions of the Code, the Rules and

Regulations made thereunder and also settled position of law and the relevant law.

11. The Learned Counsel has once again reiterated the averments made in the Application and pointed out the relevant law and thus urged the Tribunal to allow the Application as prayed for.

12. The core point for consideration that arises in the case is whether the Resolution Plan in question satisfy the requisite conditions prescribed under the provisions of Section 30 of the Code and it is in compliance with settled position of law or not. After examining the Resolution Plan in question, if the Adjudicating Authority is satisfied that the plan is in accordance with law as prescribed under Section 31 of the Code, the Resolution Plan should be approved else it should be rejected.

13. As detailed supra, the Resolution Plan in question meets the requirement as referred to in sub-section (2) of Section 30 and the Application is filed strictly in accordance with law and the RP has followed principles of natural justice, while considering claims received against the Corporate Debtor and he has duly filed Form-H furnishing all cardinal details of Resolution Plan.

14. It is settled position of law that once an Application is filed in prescribed format furnishing all the required material facts and if Resolution Plan is approved with requisite majority by CoC by exercising its commercial wisdom, the Adjudicating Authority can hardly have any jurisdiction to reject it. In this regard, it is relevant to refer the judgement rendered in

the case of ***K. Sashidhar vs. Indian Overseas Bank*** **in Civil Appeal No. (10673/2018),(2019) 12 SCC 150**, where the Hon'ble Supreme Court has, inter alia, held that:

"If CoC had approved the Resolution Plan by the requisite percent of voting share, then as per Section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority. On receipt of such a proposal, the Adjudicating Authority (NCLT) is required to satisfy itself that the resolution plan as approved by CoC meets the requirements specified in Section 30(2). No more and no less".

And held further in para 35 of the judgement that –

"the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the adjudicating authority can reject the resolution plan is in reference to matters specified in Section 30(2), when the resolution plan does not conform to the stated requirements".

Similarly, the Hon'ble Supreme Court reiterated this view in the case of ***Essar Steel Vs. Satish Kumar Gupta & Ors. in Civil Appeal No.8766 67/2019, decided on 15.11.2019: (2020) 8 SCC 531*** by holding that:

"…it is clear that the limited judicial review, which can in no circumstances trespass upon a business decision of the majority of the CoC, has to be within the four corners of section 30(2) of the Code, in so far as the Adjudicating Authority is concerned…."

The above ratio is again reiterated in the recent case of ***Vallal RCK vs. M/s Siva Industries reported in (2022) SCC Online SC 717***, where in it is inter-alia held:

"21. This Court has consistently held that the commercial wisdom of the CoC has been given paramount status without any judicial intervention for ensuring completion of the stated processes within the

timelines prescribed by the IBC. It has been held that there is an intrinsic assumption, that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts."

Emphasizing yet again, that

"27. This Court has, time and again, emphasized the need for minimal judicial interference by the NCLAT and NCLT in the framework of IBC."

15. Therefore, when tested on the touch stone of the rulings, and considering the facts of the case, we are of the view that the Resolution Plan satisfies the requirements of Section 30 (2) of the IBC and Regulations 37, 38 & 39 of CIRP Regulations. We also find that the Resolution Applicant is eligible to submit the Resolution Plan under Section 29A of IBC..

16. It is hereby clarified that approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/ liabilities of the Corporate Debtor and shall be dealt with by the appropriate Authorities in accordance with law. Any waiver/concession/ relief sought in the Resolution Plan, shall be subject to approval by the Authorities concerned. The Corporate Debtor has to approach the Authorities concerned for such reliefs, and we trust the Authorities concerned will do the needful. *"Approval of this plan by NCLT shall be deemed to be sufficient notice, which may be required to be given to any person for such matter and no further notice shall be required to be given"* as per the view taken by the Hon'ble Supreme Court in the case of ***Ghanashyam Mishra and Sons***

Private Limited Versus Edelweiss Asset Reconstruction Company Limited in ***Civil Appeal No.8129/2019 with Civil Appeal No.1554/2021 and 1550-1553/2021, decided on 13.04.2021.: (2021) 9 SCC 657.***

17. With the above observations, we hereby approve the Resolution Plan submitted by the Resolution Applicant, Narendra Kumar Srivastava, and order as under:

I. The Resolution Plan shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the resolution plan.

II. All crystallised liabilities and unclaimed liabilities of the Corporate Debtor as on the date of this order shall stand extinguished on the approval of this Resolution Plan.

III. If the SRA fails to pay the amount as envisaged in the Resolution Plan to the stakeholders within the timeline fixed in the Plan, the entire amount paid by the SRA shall be forfeited.

IV. It is hereby ordered that the Performance Bank Guarantee furnished by the Resolution Applicant shall remain in force till the amount proposed to be paid to the creditors under this plan is fully paid off and the plan is fully implemented.

V. The Memorandum of Association (MoA) and the Articles of Association (AoA) shall accordingly be amended and filed with the concerned Registrar of Companies (RoC), for information and record. The

Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.

VI. Henceforth, no creditor of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to in the Resolution Plan.

VII. The moratorium under Section 14 of IBC shall cease to have effect from the date of this Order.

VIII. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with a copy of this order for information.

IX. The Applicant shall forthwith send a copy of this Order to the CoC and the Resolution Applicant.

X. The Registry is directed to furnish free copy to the parties as per Rule 50 of the NCLT Rules, 2016.

XI. The Registry is directed to communicate this Order to the concerned Registrar of Companies, for updating the master data and also forward a copy to IBBI.

18. As a result, the Application bearing **IA(IBC)(PLAN)18/(CH)/2024 stands allowed and disposed of.**

Sd/-	**Sd/-**
(SHISHIR AGARWAL) **MEMBER (TECHNICAL)**	**(KHETRABASI BISWAL)** **MEMBER (JUDICIAL)**

Ruhani