



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH- I**

IA No. 68 of 2021

IN

CP(IB) No. 1874 of 2019

Under Section 30 of the Insolvency and
Bankruptcy Code, 2016

In the Application of

Rajendra K Bhuta

...Resolution Professional/
Applicant

In the matter of

**M/s. Paramount Consultant &
Corporate Advisors Pvt. Ltd.**

...Financial Creditor

Versus

M/s. Prabhat Telecom (India) Limited

...Corporate Debtor

Order Delivered On : 16.10.2025

Coram:

Sh.Prabhat Kumar
Member (Technical)

Sh.Sushil Mahadeorao Kochey
Member (Judicial)

Appearances:

For the Applicant

: Mr. Shyam Kapadia, Ld. Counsel

For SBI

:Ms. Nisha Kaba a/w Ms. Shivani Sinha,
Ld. Counsel



ORDER

Brief Background

1. The present Application is filed **Mr. Rajendra K Bhuta**, Resolution Professional (“**Applicant/Resolution Professional**”) of M/s. Prabhat Telecom (India) Limited (“**Corporate Debtor**”) under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 (“**Code**”) read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (“**CIRP Regulations**”) for seeking approval of the Resolution Plan dated 23.10.2020, submitted by consortium of 3 individuals i.e. Mr. Vishwamani Matamani Tiwari, Mr., Parag Malde, Mrs. Prabha Vishwamani Tiwari (“**Successful Resolution Applicant/SRA**”) and for passing order/appropriate direction that this Tribunal may deem fit in the present matter. The Resolution Plan has been approved by 98.15% (97.37% - submitted vide additional affidavit dated 21.09.2021) of the voting share of the members of the Committee of Creditors (“**CoC**”) at the 9th CoC meeting dated 27.10.2020.
2. The CIRP of the Corporate Debtor was initiated vide this Tribunal’s order dated 10.10.2019, and Mr. Rajendra K. Bhuta was appointed as the Interim Resolution Professional (“**IRP**”). At the 2nd CoC meeting, held on 30.11.2019, the CoC confirmed the appointment of the IRP as the Resolution Professional (“**RP**”).
3. As per Regulation 6 of the CIRP Regulations, the Applicant made a public announcement vide Form-A on 21.10.2019 notifying the commencement of CIRP of the Corporate Debtor and inviting the claims of Creditors. Thereafter, the CoC was constituted.
4. On 27.11.2019, the Tribunal was intimated about the formation of the CoC. Subsequently, on 13.12.2019, the Information memorandum was published.
5. The first cycle of Expression of interest in Form G was published on 19.12.2019 and the second cycle was published on 24.02.2020.



6. The Resolution Professional had appointed CA Modilal Pamecha and CA Asha Ghosal vide letter dated 30.12.2019 for the valuation of Financial Assets, the Adroit Group and Kishore Karamsey & Co. for the valuation of Land & Building and Mr. Navraj Nehra and Adroit Group for the valuation of assets of the Corporate Debtor (“**Registered Valuers**”). The average fair value of the Corporate Debtor was determined as Rs. 35,96,07,722/- (Rupees Thirty Five Crores Ninety Six lakhs seven Thousand Seven Hundred and Twenty Two Only). The average liquidation value of the Corporate Debtor was determined as Rs. 27,99,00,517/- (Rupees Twenty Seven Crores Ninety Nine Lakhs Five Hundred and Seventeen Only).
7. On 13.02.2020, express of interest was received by the Applicant from the SRA. The PRA, Mr. V.M. Tiwari consortium (“consisting of Erstwhile directors”), vide their letter dated 22.02.2020, paid the EMD of Rs. 10 lakhs and sought an extension for the submission of the Resolution Plan up to 06.03.2020. The RP informed the CoC of their request, when SBI informed that since the 2nd cycle of EOI had begun, the PRA needed to submit a fresh EOI. Accordingly, the Mr. V.M. Tiwari consortium was informed, and they requested that their documents submitted in the 1st EOI cycle be considered for the 2nd EOI cycle as well. The RP agreed, and since no other EOI was received in the 2nd cycle, the V.M. Tiwari consortium submitted their Resolution Plan on 01.05.2020.
8. Accordingly, on 04.05.2020, the Resolution plan was placed before the CoC and on 26.05.2020 form H was submitted by the Applicant. On 19.10.2020 the SRA submitted its revised resolution plan.
9. On 30.10.2020, as recommended by the CoC, the SRA submitted its revised Resolution plan. The Resolution plan was approved with 98.15% majority.
10. The Corporate Debtor was in receipt of the Letter of intent for getting the ISP License from the Department of Telecommunication on Category “A” on all India basis, for availing the ISP License there were



certain conditions and entry fees required of Rs 2.4 Crores before 31st August, 2020. The Resolution for the Interim Finance of Rs 2.4 Crores for ISP License was not passed by the COC.

11. The grand total of sundry debtors as on 10.10.2020 as per Information Memorandum of the Corporate Debtor is Rs. 287,347,222.
12. SRA had series of meeting with the Financial Creditors to negotiate and improve the financial offer, and submitted revised resolution plan dated 19th October,2020 to be placed before COC meeting for consideration of all the members and to be passed by E-voting in 9th COC. On 23rd October,2020 the RA had provided the Resolution Plan.
13. On 24th October,2020 the RP had reviewed the Resolution Plan and verified the eligibility of the RA for submitting the Resolution Plan and provided his compliance certificate in FORM H after carrying his own Independent due diligence to the COC members along with the revised Resolution Pan dated 19th Oct,2020.
14. On 30th October,2020 the Resolution Applicant had provided the final Resolution Plan incorporating the suggestion/changes required by SBI and provided the Resolution Plan via email dated 30th October,2020. This Application for approval of the Resolution plan was filed on 09.11.2020.
15. While the Plan Approval Application continued to be pending, SBI, UBI and BOI collectively holding 85.37% voting share in the CoC, conducted fresh title search report of Girgaon Property as well as joint inspection of all Concerned Properties as stated in the Resolution plan, and thereafter in a JLM held on October 11, 2023, SBI, UBI and BOI observed that the Erstwhile Directors/ resolution applicant have misled the CoC. It was decided by the lenders unanimously that they would approach their respective internal committees/ authorities for reconsidering (recall/ withdrawal) the consent granted to the Resolution Plan and further, in absence of any further prospects of revival of the Corporate Debtor, to consider liquidating the Corporate Debtor. This



was also discussed in the 13th meeting of the CoC held on October 18, 2023.

16. While the formal communication from UBI and BOI in this regard remained pending, SBI filed the Reply pursuant to the directions of this Adjudicating Authority inter alia putting on record its withdrawal of consent to the Resolution Plan. The matter was finally heard on January 09, 2024, and this bench observed that after withdrawal of the consent of SBI (37.87%), the voting share which was earlier in favour of the Resolution Plan goes below the requisite 66% requirement under the Code. In view of the same and there being no other resolution plans submitted in the CIRP of the Corporate Debtor, this bench vide the order dated January 09, 2024 ("Liquidation Order"), dismissed the Plan Approval Application and directed liquidation of the Corporate Debtor under Section 33(1)(b) of the Code and appointed Mr. Shailesh Desai as the liquidator of the Corporate Debtor ("Liquidator").
17. Against the liquidation order, a Comp. App. (AT) (Ins.) No.183 of 2024 was filed by Esaar (India) Limited (a member of the CoC having 2.82% voting share) and Comp. App. (AT)(Ins.) No. 446 of 2024 was filed by the Erstwhile Directors (collectively, "NCLAT Appeals") before the Hon'ble NCLAT, New Delhi Bench. The NCLAT Appeals were disposed of together by way of the order dated May 06, 2025 whereby the Liquidation Order was set aside by the Hon'ble NCLAT directing this bench to decide the matter afresh through a reasoned order and accordingly, the matter was listed on June 17, 2025 for further consideration in view of Hon'ble NCLAT's direction. On that day, this bench directed the following:

"4) In view of these facts, we consider it appropriate to direct the erstwhile Resolution Professional of the Corporate Debtor to convene a meeting of members of the Committee of Creditors on or before 28.06.2025 to record their submissions and stand on the Resolution Plan and a way forward.



5) Erstwhile Resolution Professional shall also file and place on record an Affidavit declaring events taken place in the intervening period requiring changes in the value set aside for each class under the Plan."

18. Accordingly, the IRP called for the 14th meeting of the CoC of the Corporate Debtor on June 26, 2025, the minutes of which records that:

"In conclusion State Bank of India and Union Bank of India expressed that in view of the points of source of funds mentioned above the viability of the resolution plan should be re-examined and proposed for re-voting on the plan, Bank of India expressed that in addition to re-examination, Resolution Applicant has capacity to pay the dues...."

19. A JLM was held on July 08, 2025 to discuss the way forward. The issue/ concern regarding the Resolution Plan and the source of funds thereunder, as discussed in the 14th CoC meeting of the Corporate Debtor held on June 26, 2025, were reiterated by the banks in the JLM held on July 08, 2025.

20. Thereafter, in a meeting held on July 17, 2025 between the Erstwhile Directors, SBI, UBI, BOI and IRP of the Corporate Debtor, the Resolution Plan, feasibility and viability thereof, and the status of source of funds was discussed. The Erstwhile Directors put forth their updated proposal and commitments regarding implementation of the Resolution Plan and gave detailed explanations/ additional commitments regarding the source of funds proposed under the Resolution Plan, in order to provide assurance to the banks regarding the feasibility and viability of the Resolution Plan and their commitment to implementing the same. They also assured the banks that they will make payments to the secured financial creditors of the Corporate Debtor within 6 months of the order of this bench approving the Resolution Plan. The Erstwhile Directors, to provide further assurance to the banks regarding their commitment, have filed an affidavit dated July 25, 2025 ("RA Affidavit") detailing the aforesaid explanations/ commitments before this bench.



21. The banks arrived at a consensus that, subject to and with the permission of this bench, one final opportunity may be granted to the Erstwhile Directors to honor its commitment/ assurances of implementing the Resolution Plan within 6 months of the date of approval by this bench and to bring the CIRP of the Corporate Debtor to a fruitful conclusion and have filed affidavit dated 04.08.2025 to that effect, along with the RA Affidavit.

Interlocutory/ Intervention Applications

22. The State Bank of India (“SBI”) had filed an IA 440/2020 under Section 60(5) of the Code, against the RP, challenging the classification of the claims submitted by Ad Sonic (HK) Co. Ltd. and ATG (India) Ltd respectively as Financial Creditors instead of Operational Creditors. This Tribunal vide order dated 06.01.2021 allowed the application directing to remove ATG India Limited and Ad Sonic (HK) Co. Limited from the list of financial creditors and to add them to the list of Operational creditors.

Limitation:

23. The period of 180 days expired on 06.04.2020. However, an Application for extension of the CIRP period was filed, and consequently, the CIRP period was extended to 10.11.2020 vide order dated 10.08.2020 passed in IA 1038/2020. The Plan application was filed on 7.11.2020.

Salient Features of the Resolution Plan

24. The key features and summary of the final Resolution Plan submitted by the Resolution Applicant and as approved by the COC are as under: The Summary of the payments to all the stakeholders of the Resolution Plan is as under:



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Sr. No.	Particulars	Total Amount (A+B) (Amt in Rs.)	Cash Payment (A) (Amt in rs.)	Preferential Allotment of Equity Shares (B) (Amt in Rs.)
1	CIRP Cost	25,96,000/-*	25,96,000/-	-
2	Employees/ Workmen Compensation	9,23,904/-	9,23,904/-	-
3	Operational Creditor	12,21,821/-	12,21,821/-	-
4	Secured Financial Creditor	40,00,00,000/-	40,00,00,000/-	-
5	Unsecured Financial Creditor through Guarantee	16,06,80,000/-	48,20,400/-	15,58,59,600/-
6	Other Unsecured Financial Creditor	6,34,98,904 /-	31,74,944/-	6,03,23,950/-
7	Statutory Dues	35,00,000/-	35,00,000/-	-
Total (I)		63,24,20,629/-	41,62,37,069/-	21,61,83,560/-
10	Working Capital	15,00,00,000/-	15,00,00,000/-	-
Total (II)		15,00,00,000/-	15,00,00,000/-	-
Grand Total (I+II)		78,24,20,629/-	56,62,37,069/-	21,61,83,560/-

*Estimate Payable

I. Cash Payments									
Particulars	Claim Accepted	Part I (30 days)	Part II (60 days)	Part III (180 days)	Part IV (365 days)	Part V (540 days)	Part VI (720 days)	Total	% of amount received towards claims
Salaries	-								
Employees	9,23,904	9,23,904	-	-	-	-	-	9,23,904	100.00
Total	9,23,904	9,23,904	-	-	-	-	-	9,23,904	100.00
Financial Creditors	-								
Secured	-								
State Bank of India	54,77,55,852	2,21,78,359	2,21,78,359	2,21,78,359	2,21,78,359	3,54,85,374	5,32,28,061	17,74,26,871	32.39
Union Bank of India	35,93,62,390	1,45,50,402	1,45,50,402	1,45,50,402	1,45,50,402	2,32,80,644	3,49,20,965	11,64,03,217	32.39
Bank of India	32,77,69,918	1,32,71,239	1,32,71,239	1,32,71,239	1,32,71,239	2,12,33,982	3,18,50,974	10,61,69,912	32.39
Total	1,23,48,88,160	5,00,00,000	5,00,00,000	5,00,00,000	5,00,00,000	8,00,00,000	12,00,00,000	40,00,00,000	32.39
Unsecured FC									
Ad-Sonic (HK) Ltd.	56,80,00,000	-	44,30,400	-	-	-	-	44,30,400	0.78
ATG India Limited	5,00,00,000	-	3,90,000	-	-	-	-	3,90,000	0.78
Total	61,80,00,000	-	48,20,400	-	-	-	-	48,20,400	0.78



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Unsecured FC									
Esaar (India) Limited	4,08,29,468	-	6,12,442	-	-	-	-	6,12,442	1.50
Patrawala	12,06,02,623	-	18,09,039	-	-	-	-	18,09,039	1.50
Suraksha ARC	3,80,93,202	-	5,71,398	-	-	-	-	5,71,398	1.50
GM Sales	1,21,37,688	-	1,82,065	-	-	-	-	1,82,065	1.50
Total	21,16,62,981	-	31,74,944	-	-	-	-	31,74,944	1.50
Operational Creditors									
Other Operational Creditor	81,45,475	12,21,821	-	-	-	-	-	12,21,821	15.00
Statutory Dues	1,10,16,91,251	35,00,000	-	-	-	-	-	35,00,000	0.32
Total	1,10,98,36,726	47,21,821	-	-	-	-	-	47,21,821	7.66
Total Payment	3,17,53,11,771	5,56,45,725	5,79,95,344	5,00,00,000	5,00,00,000	8,00,00,000	12,00,00,000	41,36,41,069	
Total Cash Payment								41,36,41,069	

II. Offer of Equity Shares on Preferential allotment basis									
1. The Resolution Applicant proposes to Issues its Equity Shares to Unsecured Financial Creditors (A) as indicated below:									
Particulars	Claim Accepted	Part I (30 days)	Part II (60 days)	Part III (6months)	Part IV (12months)	Part V (18 months)	Part VI (24 months)	Total	% of amount received towards claims
Ad Sonic (HK) Company Limited	56,80,00,000	-	-	-	14,32,49,600	-	-	14,32,49,600	25.22
ATG India Limited	5,00,00,000	-	-	-	1,26,10,000	-	-	1,26,10,000	25.22
Total	61,80,00,000	-	-	-	15,58,59,600	-	-	15,58,59,600	
Any fraction of Share would be paid off in Cash along with upfront amount.									
2. The Resolution Applicant proposes to Issues its Equity Shares to Unsecured Financial Creditors as indicated below:									
Particulars	Claim Accepted	Part I (30 days)	Part II (60 days)	Part III (6months)	Part IV (12months)	Part V (18 months)	Part VI (24 months)	Total	% of amount received towards claims
Esaar (India) Limited	4,08,29,468	-	-	-	1,16,36,398	-	-	1,16,36,398	28.50
Patrawala	12,06,02,623	-	-	-	3,43,71,748	-	-	3,43,71,748	28.50



Suraksha ARC Ltd	3,80,93,202	-	-	-	1,08,56,563	-	-	1,08,56,563	28.50
GM Sales	1,21,37,688	-	-	-	34,59,241	-	-	34,59,241	28.50
Total	21,16,62,981	-	-	-	6,03,23,950	-	-	6,03,23,950	

Statutory Compliance:

25. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant and confirms that this Resolution Plan:

- a) Provides for payment of Insolvency Resolution Process cost in a manner specified by the Board in the priority to the payment of other debts of the corporate debtor;
- b) Provides for payment of debts of Operational Creditor in such manner as may be specified by the board which shall not be less than
 - (i) the amount to be paid to such creditors in the event of liquidation of the Corporate Debtor under Section 53; or
 - (ii) the amount that would have been paid to such creditors, if the amount to be distributed under the Resolution Plan had been distributed in accordance with sub-section (1) of Section 53 in the event of liquidation of the corporate debtor.
- c) Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;
- d) The implementation and supervision of Resolution Plan;
- e) Does not prima facie contravene any of the provisions of the law for time being in force,
- f) Confirms to such other requirements as may be specified by the Board.
- g) As per the Affidavit, the Resolution Applicant is not covered under Section 29A.

26. In compliance of Regulation 38 of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that



- a) The amount due to the Operational Creditors under Resolution Plan shall be given priority in payment over Financial Creditors.
- b) It has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors of the Corporate Debtor.
- c) A statement that neither the Resolution Applicants nor any related parties have failed to implement nor have contributed to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority in the past.
- d) The terms of the plan and its implementation schedule.
- e) The management and control of the business of the Corporate Debtor during its term.
- f) Adequate means of Supervising its implementation.
- g) The Resolution Plan Demonstrates that it addresses
 - i. The cause of the Default
 - ii. It is feasible and viable
 - iii. Provision for effective implementation
 - iv. Provisions for approvals required and the time lines for the same.
 - v. Capability to Implement the Resolution Plan

27. The Resolution Professional has submitted Form-H under Regulation 39(4) of the CIRP Regulations to certify that the Resolution Plan as approved by the CoC meets all the requirements of the IBC and its Regulations. As per the FORM H the RA being the promoter of the Corporate debtor is exempt from the Section 29A (c) and (h) of the I&B Code, 2016 pursuant to Section 240 of the I&B Code, 2016 where the Corporate Debtor being the MSME category. The relevant parts of the revised Form H are reproduced below:

Form H

2. The details of the CIRP are as under.



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Sr. No.	Particulars	Description
1	Name of the CD	Prabhat Technologies (India) Ltd (Formerly known as Prabhat Telecoms (India) Ltd.
2	Date of Initiation of CIRP	10 th October, 2019
3	Date of Appointment of IRP	10 th October, 2019 Copy of the order was received / downloaded from NCLT website by 18 th October, 2019.
4	Date of Publication of Public Announcement	21 st October, 2019
5	Date of Constitution of COC	11 th November, 2019
6	Date of First Meeting of COC	18 th November, 2019
7	Date of Appointment of RP	IRP is continuing, as no appointment of RP is done till date.
8	Date of Appointment of Registered Valuers	31 st December, 2019.
9	Date of Issue of Invitation for EOI	19 th December, 2019 (First Cycle of EOI) 24 th February, 2020 (Second Cycle of EOI)
10	Date of Final List of Eligible Prospective Resolution Applicants	25 th March, 2020
11	Date of Invitation of Resolution Plan	20 th March, 2020
12	Last Date of Submission of Resolution Plan	20 th April, 2020
13	Date of Approval of Resolution Plan by COC	27.10.2020
14	Date of Filing of Resolution Plan with Adjudicating Authority	7.11.2020
15	Date of Expiry of 180 days of CIRP	6 th April, 2020
16	Date of Order extending the period of CIRP	10 th August, 2020
17	Date of Expiry of Extended Period of CIRP	10 th November, 2020
18	Fair Value	Rs. 35,96,07,722/-
19	Liquidation value	Rs. 27,99,00,517/-
20	Number of Meetings of COC held	14 COC Meetings

3. I have examined the Resolution Plan received from Resolution Applicant **Mr. V.M Tiwari, Mr. Parag Malde and Mrs. Prabha Tiwari** and yet to be approved by Committee of Creditors (COC) of Prabhat Technologies (India) Ltd

5. The list of financial creditors of the CD [Prabhat Technologies (India) Ltd] after considering the directions under the order of IA 440 of 2020 distribution of voting share amongst the Financial Creditor is as under:



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Sr. No.	Name of Creditor	Voting Share (%)
1.	State Bank of India	37.87%
2.	Union Bank of India	24.84%
3.	Bank of India	22.66%
4.	Pinki, Janeete and Vispi Patrawala (Individuals)	8.34%
5.	Essar (India) Ltd	2.82%
6.	Suraksha Asset Reconstruction Limited	2.63%
7.	GM Sales	0.84%
Total		100%

7. The amounts provided for the stakeholders under the Resolution Plan is as under.

Resolution Plan of Prabhat Technologies India Limited						
Impact of the NCLT Order dated 06th January 2021 considering Financial Creditor as Operation Creditor.						
Amount Provided under the Resolution Plan is as under						
Particulars	Amount claimed	Claims Accepted	Cash	Equity shares	Total	% of Claim Amount
CIRP Cost	first priority CIRP cost Outstanding as per books 100% over and above resolution plan payments					
Employee Claims						
Continuing & Non-continuing		9,23,905	9,23,905		9,23,905	100%
Financial Creditors						
Secured						
State Bank of India	54,77,55,852	54,77,55,852	17,74,26,871	-	17,74,26,871	32.39
Union Bank of India	35,93,62,390	35,93,62,390	11,64,03,217	-	11,64,03,217	32.39
Bank of India	32,77,69,918	32,77,69,918	10,61,69,912	-	10,61,69,912	32.39
Total	1,23,48,88,160	1,23,48,88,160	40,00,00,000	-	40,00,00,000	32.39
Unsecured FC						
Essar (India) Limited	4,08,29,468	4,08,29,468	6,12,442	1,16,36,398	1,22,48,840	30.00
Patrawala	12,06,02,623	12,06,02,623	18,09,039	3,43,71,748	3,61,80,787	30.00
GM Sales	1,21,37,688	1,21,37,688	1,82,065	34,59,241	36,41,306	30.00
Total	17,35,69,779	17,35,69,779	26,03,546	4,94,67,387	5,20,70,933	30.00
Dissenting Financial Creditor						
Suraksha ARC	3,80,93,202	3,80,93,202	20,95,126	-	20,95,126	5.50
Operational creditors						
Ad Sonik	56,80,00,000	56,80,00,000	3,12,40,000	-	3,12,40,000	5.5
ATG India Ltd	5,00,00,000	5,00,00,000	27,50,000	-	27,50,000	5.5
Other OP Creditor	81,45,475	81,45,475	4,48,001	-	4,48,001	5.50
Total op cr	62,61,45,475	62,61,45,475	60,42,221	-	3,44,38,001	5.50
Statutory Dues						
Statutory Dues	1,89,43,25,878	1,89,43,25,878	41,67,517	-	41,67,517	
Total	3,96,70,22,494	3,96,79,46,399	41,58,37,189	4,94,67,387	49,36,95,482	12.44

8. The interests of existing shareholders have been altered by the Resolution plan as under.



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Sr. No	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity	1,07,06,277	*	100%	100%
2	Preference	None	None	NA	NA

**The resolution plan proposes offering equity shares on preferential allotment basis to the operational creditor, investor and promoter at different interval for which price will be determined as per SEBI regulations*

9. The compliance of the Resolution Plan is as under:

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes / No)
25(2)(h)	<i>Whether the Resolution Applicant meets the criteria approved by the COC having regard to the complexity and scale of operations of business of the CD?</i>	<i>In the 3rd COC meeting held on 13th Dec, 2019 it was decided by the COC to keep the eligibility criteria open and on merit basis.</i>	<i>Yes. Refer Page 39 of the Resolution Plan</i>
Section 29A	<i>Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?</i>	<i>The Resolution Applicant has submitted that he is eligible to submit the Resolution Plan as per the compliances of Section 29A of the I&B Code, 2016. The Corporate Debtor is MSME therefore provision of section 29A (c) and 29A (h) is not applicable.</i>	<i>Yes. Refer Page 17 of the Resolution Plan along with the Annexure 5 of the Resolution plan Resolution Professional has provided certificate that Resolution Applicant is not ineligible under section 29A of I & B Code.</i>
Section 30(1)	<i>Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?</i>	<i>The Resolution Applicant who are submitting the Resolution plan in Consortium has submitted the Affidavit in Individual Capacity while submitting the documents of Expression of Interest separately.</i>	<i>Yes, Refer the Affidavit as provided by the Resolution Applicant as Annexure II.</i>
Section 30(2)	<i>Whether the Resolution Plan- (a) provides for the payment of insolvency resolution process costs? (b) provides for the payment to the operational creditors?</i>	<i>Yes, the Resolution plan provides for the Total CIRP costs. Yes, the Resolution Plan provides for the payment to</i>	<i>Yes, Refer Page 46 of the Resolution Plan. Yes, Refer Page 59 of the Resolution Plan.</i>



	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan? (d) provides for the management of the affairs of the corporate debtor? (e) provides for the implementation and supervision of the resolution plan? (f) contravenes any of the provisions of the law for the time being in force?	<i>Operational Creditors.</i> Yes, the Resolution Plan provides the payment to be made to the dissenting Creditors. Yes, the Resolution plan provides for the Management of the affairs of the Corporate Debtor. Yes, the Resolution Plan provides for the Implementation and Supervision of the Resolution Plan. No, the Resolution plan do not contravene any of the provisions of the law for the time being in force.	Yes, refer Page 70 of the Resolution Plan. Yes, Refer Page 106 to 109 of the Resolution Plan. Yes, Refer page 110 to 112 of the Resolution Plan. Refer Page 38 of the Resolution Plan
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the COC? (b) has been approved by the COC with 66% voting share?	Resolution Plan is feasible and viable as per Resolution Applicant COC has yet to discuss and provide certificate that the Resolution Plan is feasible and viable. Pending .	Refer the Resolution Plan chapter 8 of the Resolution Plan of Page 115 of the resolution plan
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the COC?	As per Resolution Plan it provides for implementation plan. COC has yet to discuss and approve. Yes, Refer Chapter 6 of the Resolution Plan	Refer Page 110 to 112 of the Resolution Plan
Regulation 35A	Where the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50 or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the Board?	Resolution Professional has examined the books of accounts and found no such transactions of the nature covered under section 43,45,50 and 66. Over and above this the Forensic Auditor was appointed to examine the transaction under section 43,45,50, and 66 according to the Forensic Auditors report there are no such transactions which can be considered as covered under section 43,45,50, and 66 of the code.	Resolution Professional has not made a determination of any transaction of the nature covered under sections 43,45,50 and 66 of IBC,2016. The certificate for the same is attached. Annexure III
Regulation 38 (1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	Yes, the debt to operational creditor shall be paid in priority over the Financial Creditors.	Refer page 59 and page 60 of the Resolution Plan



Regulation 38(1A)	<i>Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?</i>	<i>Yes, the Resolution Plan provides the statement as how it has dealt with the Interest of the all Stakeholders in Chapter 4.7.1</i>	<i>Refer Page 43 44, 45 and 46 of the Resolution Plan.</i>
Regulation 38(1B)	<i>(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code.</i> <i>(ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?</i>	<i>No. the Resolution Applicant nor its related parties have failed to implement or contribute to the failure of the Implementation of any Resolution Plan as provided by the Resolution Applicant in chapter 4.3</i> <i>Not Applicable</i>	<i>Yes, Refer Page 32 of the Resolution Plan.</i> <i>Not Applicable</i>
Regulation 38(2)	<i>Whether the Resolution Plan provides:</i> <i>(a) the term of the plan and its implementation schedule?</i> <i>(b) for the management and control of the business of the corporate debtor during its term?</i> <i>(c) adequate means for supervising its implementation?</i>	<i>Yes, Resolution plan provides its implementation Schedule</i> <i>Yes, Resolution Plan provides the management and control of the business of the Corporate Debtor during the Implementation Term.</i> <i>Yes, Resolution Plan provides adequate means for supervising its implementation</i>	<i>Refer page 110 of the Resolution Plan.</i> <i>Yes, Refer page 108 to 109 of the Resolution Plan.</i> <i>Yes, refer page 112 of the Resolution Plan.</i>
38(3)	<i>Whether the resolution plan demonstrates that –</i> <i>(a) it addresses the cause of default?</i> <i>(b) it is feasible and viable?</i> <i>(c) it has provisions for its effective implementation?</i> <i>(d) it has provisions for approvals required and the timeline for the same?</i>	<i>Yes, it provides the cause of default.</i> <i>Yes, Refer chapter 8 of the Resolution Plan.</i> <i>Yes, it provides the effective implementation</i> <i>Yes, Refer chapter 6.1 of the Resolution Plan.</i>	<i>Yes, refer page 100 to 102 of the Resolution Plan.</i> <i>Yes, Refer Page 115 of the Resolution Plan.</i> <i>Yes, refer page 110 of the Resolution Plan.</i> <i>Yes, Refer page 110 of the Resolution Plan.</i>



	<i>(e) the resolution applicant has the capability to implement the resolution plan?</i>	<i>Yes, Chapter 2.2, 2.3 and 2.4 respectively of the Resolution Plan</i>	<i>Yes, Refer Page 9 to 13 of the Resolution Plan.</i>
39(1)	<i>A prospective resolution applicant in the final list may submit resolution plan or plans prepared in accordance with the Code and these regulations to the resolution professional electronically within the time given in the request for resolution plans under Regulation 36B along with</i> <i>a. an affidavit stating that it is eligible under section 29A to submit resolution plans.</i> <i>b. an undertaking by the prospective resolution applicant that every information and records provided in connection with or in the resolution plan is true and correct and discovery of false information and record at any time will render the applicant ineligible to continue in the corporate insolvency resolution process, forfeit any refundable deposit, and attract penal action under the Code.</i>	<i>The Target date to submit/file the Resolution Plan to the IRP/RP was 20th April, 2020 as per the 2nd Cycle of EOI dated 24th February, 2020. However due to lockdown across the nation from 25th March, 2020 and the Hon'ble NCLAT had excluded the number of days in the lockdown to be excluded in CIRP. The Resolution Applicant Mr. V.M. Tiwari as the Lead Member had submitted the Resolution Plan vide email dated 1st May, 2020 shall be considered within the timeframe.</i> <i>Yes, the Resolution Applicant as provided the Affidavit stating that it is eligible under Section 29A of the IBC, 2016.</i> <i>Yes, The Resolution Applicant has provided an undertaking as required under Regulation 39(1) (c) of the IBBI, Regulations, 2016 as Annexure 4 of the Resolution Plan.</i>	<i>Yes, the resolution Plan is submitted by the RA on 1st May, 2020, RA has submitted revised Resolution Plan dated 19th Oct, 2020 within the timeframe.</i> <i>Yes, Refer the Affidavit as provided by the Resolution Applicant as Annexure II.</i> <i>Yes, refer the Annexure 4 of the Resolution Plan which is annexed along with this compliance certificate as Annexure IV</i>
39(2)	<i>Whether the RP has filed applications in respect of transactions observed, found or determined by him?</i>	<i>IRP had not found any such transactions covering Section 43, 45, 50 and 66 of the IBC, 2016.</i>	<i>Resolution Professional has not made a determination of any transaction in the nature covered under sections 43, 45, 50 and 66.</i> <i>Refer the Annexure III as the certificate by the IRP/RP attached</i>



IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH- I

IA No. 68 of 2021
In CP(IB) No. 1874 of 2019

			along with this Compliance Certificate.
39(3)	<i>The Committee shall evaluate the Resolution Plans received under sub-regulation (1) strictly as per the evaluation matrix to identify the best resolution plan and may approve it with such modifications as it deems fit.</i>	<i>IRP/RP had received only one Expression of Interest pursuant to the 2nd Cycle of EOI as published on 24th February, 2020 from the Resolution Applicant Mr. V.M Tiwari (as lead member of consortium) and others.</i> <i>IRP/RP has evaluated the Resolution Plan as submitted by the Resolution Applicant and provided the marks allotted as per the terms and conditions of the Evaluation Matrix which was placed in the 3rd COC held on 13th Dec, 2019 and provided to the COC vide email dated 14th December, 2019 (at 7.37 PM) and it satisfied all the conditions and there was no comparable Resolution Plan to evaluate the same.</i>	<i>Yes, the IRP/RP has provided the marks as per the criteria of Evaluation Matrix to the Resolution Applicant and which is attached as Annexure V of this compliance certificate.</i>
Regulation 39(4)	<i>Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.</i>	<i>Resolution Applicant has to provide Demand draft of Rs 10 Lacs along with Resolution Plan and has to provide Bank Guarantee of Rs 1 Crore on approval of Resolution Plan by COC. It will be provided by the Resolution Applicant as per the terms of the RFRP after the approval of the Resolution plan under Section 30(4) of the IBC, 2016.</i>	<i>Resolution Applicant has provided DD of Rs 10 lacs dated 20th February, 2020 drawn on ICICI Bank having DD Number 110593 which has been revalidated on 20th May, 2020 and 20th August, 2020 respectively.</i> <i>The RA has to provide Performance/Bank Guarantee of Rs 1 Crore in name of the Corporate Debtor upon the successful approval of the Resolution Plan by COC within 7 days.</i>



Findings and Analysis:

28. On perusal of the Resolution Plan, we find that the Resolution Plan provides for the following:
- a) Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
 - b) Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
 - c) For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified U/s 30(2)(c) of the Code.
 - d) The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.
29. The RP has complied with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of the CIRP Regulations.
30. The RP has filed Compliance Certificate in Form-H along with the Resolution Plan. On perusal, the same is found to be in order. The Resolution Plan has been approved by the CoC by majority of 98.15% (97.37% - submitted vide additional affidavit dated 21.09.2021).
31. Vide order dated 10.09.2025, this bench issued certain directions and also sought clarifications. The Resolution Professional filed an Additional Affidavit dated 12.09.2025 and clarified as follows :
- a. The voting on Resolution Plan was conducted by treating Ad-Sonic and ATG as members of the CoC. By Order dated 06.01.2021, ATG India Limited and Ad-Sonic HK Co. Limited was removed from the category of Financial Creditors and classified as Operational Creditors. Accordingly, the CoC was reconstituted, and the reconstitution was intimated to this bench vide letter dated 12.01.2021. The Resolution Applicant incorporated in the Resolution Plan to address the contingent event of ATG India Limited and Ad-Sonic HK Co. Limited being classified as Operational Creditors. The voting on the Resolution Plan



was undertaken, with a clear understanding that the percentage of approval would be recomputed, if necessary, based on the outcome of MA No. 440 of 2020 filed by SBI. As per the provisions of Regulation 12(3) of the CIRP Regulations, the validity of decisions taken by the CoC prior to such inclusion or reclassification of a party shall not be affected by such subsequent inclusion. Further, there has been no amendment to the Financial Proposal pursuant to the reclassification of ATG India Limited and Ad-Sonic HK Co Limited as Operational Creditors, in view of order dated 06.01.2021 of this bench in MA No 440 of 2020. Similarly, no changes have been made in the Financial Proposal with respect to any of the other stakeholders on account of the said Order, whereby ATG India Limited and Ad-Sonic HK Co. Limited were reclassified as Operational Creditors instead of Financial Creditors. As per Section 30(2)(b) of the Insolvency and Bankruptcy Code, 2016, the Resolution Plan is required to provide for payment to Operational Creditors of an amount not less than the liquidation value due to them, and such payment shall have priority over payments to Financial Creditors. Accordingly, dissenting unsecured financial creditors and operational creditors are entitled to minimum amount as per liquidation value in priority to financial creditors.

- b. As regard query pertaining to the treatment of the dissenting Financial Creditors, the Lead successful Resolution Applicant, Mr. Tiwari, vide email dated 11.9.2025 has confirmed the willingness of successful Resolution Applicants by agreeing to resolve the query by agreeing to make payment of the Rs. 20,95,126/- to the Dissenting Creditor, M/s Suraksha Asset Reconstruction Ltd., and Rs.3,44,38,001/- to the Operational Creditors within a



period of 25 (Twenty-Five) days, from effective date and such payment shall be effected on a cash basis in priority to the secured and assenting financial creditors whose first instalment under the Resolution Plan is scheduled after 30 (thirty) days, as provided in the approved Resolution Plan.

c. Revised Form H dated 10.9.2025 has been placed on record.

32. In Clause 4.16.6 and clause 4.17 of the Resolution Plan, the SRA has described effect of Resolution Plan and also sought certain waivers/reliefs/concessions, dispensations, other rights and benefits. The stated effect of the Resolution Plan and reliefs & concessions as prayed for shall be available in accordance with the principle laid down by Hon'ble Supreme Court in case of *Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited* {(2021) 13 S.C.R 737} & *Municipal Corporation of Greater Mumbai vs. Abhilash Lal and Ors.* (2019) *ibclaw.in* 480 NCLAT. Further, it is clarified and ordered that -

- a. Any increase in the authorized capital shall be subject to payment of prescribed fee, if any applicable, and filing of prescribed forms with the Registrar of Companies.
- b. The Income Tax Department shall be at liberty to examine the tax implications arising from the proposals contained in the plan, in terms of Section 2(24), Section 28 and Section 56 of the Income Tax Act, 1961 read with GAAR provisions thereunder.
- c. The Applicant shall file necessary forms and pay prescribed fees, if any, in terms of provisions of the Companies Act, 2013 in relation to reduction in capital and issuance of fresh capital, however, the Registrar of Companies shall waive the additional fees, if any, payable on such filing.
- d. The SRA may approach prescribed authorities for waiver/reduction in fees, charges, stamp duty, and registration fees, if any arising from actions contemplated under the



Resolution Plan and such request shall be subject to the relevant law/statute and adherence to the procedure prescribed thereunder.

- e. The SRA may file appropriate application, if required, for renewal of all Business Permits, rights, entitlements, benefits, subsidies and privileges whether under applicable Law, contract, lease or license granted in favour of the Corporate Applicant or to which the Corporate Applicant is entitled to or accustomed to, which have expired on the Effective Date, and follow the dues procedure prescribed for the purpose upon payment of prescribed fees. The contract with third parties shall be subject to consent of such parties. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under Code and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Applicant. No action shall lie against the Corporate Applicant for any non-compliances arising prior to the date of approval of Resolution Plan, however, such non-compliances shall be cured, if necessitated to keep the approval in force, after acquisition by the Corporate Applicant within period stipulated in the Resolution Plan.
- f. No orders levying any tax, demand of penalty from the Corporate Applicant in relation to period up to approval of the Resolution Plan shall be passed by any authority and such demand, if created, shall not enforceable as having extinguished in terms of approved Resolution Plan.
- g. The carry forward of losses and unabsorbed depreciation shall be available in accordance with the provisions of Income Tax Act, and the Income Tax Department shall be at liberty to examine the same.
- h. An application for compounding/condoning shall be filed in accordance with the procedure specified in respective law or concerned authority, however, no fine or penalty shall be imposed for non-compliances till the date of approval of this Plan or such



further period as is permitted in terms of this Order.

- i. ROC shall update the records and reflect the Corporate Applicant as 'Active' upon filing of pending returns/forms after payment of normal fees (not additional fee). In case such filing is not permitted by the e-filing portal, the ROC shall accept such forms/returns in physical format and manage to upload the same by back-end. The Corporate Applicant shall be exempted from using the words "and reduced".
 - j. The Compliances under the applicable law for all the statutory appointments by the Corporate Applicant shall be completed within 12 months, whereafter, the necessary consequence under respective law shall follow.
 - k. The Resolution Applicant, the Corporate Debtor and the assets of the Corporate Debtor forming part of Resolution plan shall have immunity, privileges and protection as is available in the form and manner stated in Section 32A of the Insolvency and Bankruptcy Code, 2016.
 - l. It is clarified that any relief, concession or waiver, not specifically dealt with in Para 32(a) to (k) above or not permissible in terms of decision in case of Ghanshyam Mishra (supra) and Abhilash Lal (Supra) or specific provisions of the Code read with the Regulations, shall be deemed to be denied or rejected.
33. In *K Sashidhar v. Indian Overseas Bank & Others* (in Civil Appeal No.10673/2018 decided on 05.02.2019) the Hon'ble Apex Court held that if the CoC had approved the Resolution Plan by 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 (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan as approved by CoC meets the requirements specified in Section 30(2) of the Code. The Hon'ble Apex Court further observed that the role of the NCLT is 'no more and no less'. The Hon'ble Apex Court further held



that the discretion of the Adjudicating Authority is circumscribed by Section 31 of the Code and is 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) of the Code when the Resolution Plan does not conform to the stated requirements.

34. In view of the discussions and the law thus settled, the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the CIRP Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. The same needs to be approved. Hence, ordered.

Order:

35. The Resolution Plan is hereby **approved**. It shall become effective from this date and shall form part of this order with the following directions:
- i. It shall be binding on the Corporate Applicant, 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. The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/liabilities of the Corporate Applicant and shall be dealt by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned in light of the Judgment of Supreme Court in *Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited*, the relevant paragraphs of which are extracted herein below:



“95. (i) Once a resolution plan is duly approved by the adjudicating authority under sub-section (1) of Section 31, the claims as provided in the resolution plan shall stand frozen and will be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority, guarantors and other stakeholders. On the date of approval of resolution plan by the adjudicating authority, all such claims, which are not a part of the resolution plan shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim, which is not part of the resolution plan;

(ii) 2019 Amendment to Section 31 of the I&B Code is clarificatory and declaratory in nature and therefore will be effective from the date on which the Code has come into effect;

(iii) consequently, all the dues including the statutory dues owed to the Central Government, any State Government or any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued.”

- iii. The Memorandum of Association (“**MoA**”) and Articles of Association (“**AoA**”) shall accordingly be amended and filed with the Registrar of Companies (“**RoC**”), Mumbai, Maharashtra for information and record.
- iv. The Successful Resolution Applicant, for effective implementation of the Resolution Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed. It is clarified that the authorities shall not withhold the approval/consent/extension for the reason of insolvency of the Corporate Applicant or extinguishment of their dues upto approval of Resolution plan in terms of the approved



plan. Any relief or concession as sought on the plan shall be subject to the provisions of the relevant Act.

- v. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- vi. The Applicant shall supervise the implementation of the Resolution Plan and file status of its implementation before this Authority from time to time, preferably every quarter.
- vii. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.
- viii. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

Sd/-

Prabhat Kumar
Member (Technical)
/MK/

Sd/-

Sushil Mahadeorao Kochey
Member (Judicial)