



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

**IA 2194 of 2021  
IN  
CP (IB) 2156/MB/C-I/2019**

Under Section 30 (6) of the Insolvency and Bankruptcy Code, 2016 (“code”) r/w Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for seeking approval of the resolution plan under the provisions of Section 31(1) of the code.

*In the Application of*

**Mr. Pankaj Sham Joshi,**

**Resolution Professional of “KGS Sugar & Infra Corporation Limited”**

**...Applicant/Resolution Professional**

*In the matter of*

**Canara Bank**

**...Petitioner**

Versus

**KGS Sugar & Infra Corporation Limited**

**...Corporate Debtor**

**Order Delivered on : 11.08.2023**

***Coram:***

Hon’ble Member (Judicial) : Mr. H. V. Subba Rao

Hon’ble Member (Technical) : Ms. Anu Jagmohan Singh

***Appearances:***

For the Applicant : Ms. Neha Naik and Ms. Madhavi  
Doshi i/b Phoenix Legal,  
Advocates.

For the Resolution Applicant : Mr. Rohan Agrawal, Advocate.

**ORDER**

*Per: Anu Jagmohan Singh, Member (Technical)*

1. The present application is moved by Resolution Professional **Mr. Pankaj Sham Joshi** (hereinafter called as “the Applicant”) under section 30 (6) of the Insolvency and Bankruptcy Code, 2016 (“code”) r/w Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for seeking approval of Gangamai Industries and Constructions Limited’s (hereinafter called as the “**GIACL**”) resolution plan under the provisions of Section 31(1) of the code, for the Corporate Debtor **KGS Sugar & Infra Corporation Limited** (hereinafter called as the “**Corporate Debtor**”) which was approved by CoC by 99.86% of majority.
2. The CIRP was initiated against the Corporate debtor vide Order dated 10.10.2019. The Certified copy of the order was received on 12.12.2019 and consequently CIRP was initiated against the Corporate Debtor. Mr. Balady Shekhar Shetty was appointed as the Interim Resolution Professional (hereinafter referred to as the IRP). A IRP made a public announcement in Form A on 04.11.2019 as per Regulation 6 of the CIRP Regulations. The IRP constituted the Committee of Creditors (hereinafter referred to as the CoC) on

18.11.2019. Subsequently, the First CoC meeting took place on 25.11.2019 wherein the IRP was appointed as the Resolution Professional.

3. Between 25 November 2019 and the date of filing of the instant application, a total of twenty-two meetings of the CoC have been held by the erstwhile RP and the Applicant dated (i) 25 November 2019 (1st CoC Meeting) (ii) 3 January 2020 (2nd CoC Meeting) (iii) 15 January 2020 (3rd CoC Meeting) (iv) 14 February 2020 (4th CoC Meeting) (v) 3 March 2020 (5th CoC Meeting) (vi) 26 March 2020 (6th CoC Meeting) (vii) 3 April 2020 (7th CoC Meeting) (viii) 28 May 2020 (8th CoC Meeting) (ix) 13 June 2020 (9th CoC Meeting) (x) 27 July 2020 (10th CoC Meeting) (xi) 14 December 2020 (11th CoC Meeting) (xii) 8 February 2021 (12th CoC Meeting). (xiii) 18 March 2021 (13th CoC Meeting) (13th CoC meeting originally held on 17 March 2021, however rescheduled due to want of adequate quorum) (xiv) 26 March 2021 (14th CoC Meeting) (xv) 26 April 2021 (15th CoC Meeting) (xvi) 19 May 2021 (16th CoC Meeting) (xvii) 7 June 2021 (17th CoC Meeting) (xviii) 21 June 2021 (18th CoC Meeting) (xix) 30 June 2021 (19th CoC Meeting) (xx) 7 July 2021 (20th CoC Meeting) (xxi) 16 July 2021 (21st CoC Meeting) and (xxii) 20 August 2021 (22nd CoC Meeting).

4. In the 2nd CoC Meeting dated 3 January 2020, the CoC members accorded approval for appointment of M/s GSA & Associates, Chartered Accountants, New Delhi, as the Forensic Auditor, to conduct the Forensic Audit of the Corporate Debtor for the period from 2011-12 till 10 October 2019 in order to determine avoidance transactions that the Corporate Debtor was subjected to in order to aid compliance of Regulation 35A of the CIRP Regulations. Further, in the same meeting, in compliance of Regulation 27 read with Regulation 35 of the CIRP Regulations, the CoC approved the appointment of registered valuers being Ms. Mansi Kshirsagar and Mr. Abhishek Joshi for conducting the valuation of land and building of the Corporate Debtor and M/s Resolute Valuers & Consultants Pvt Ltd and Mr. Girish Pawar for conducting the valuation of plant and machinery of the Corporate Debtor. Approval was also accorded for appointing Mr. MV Sudarshan and Mr. Venkata Subba Rao Kalva for conducting the valuation of Financial Securities and other Assets of the Corporate Debtor.
5. In the 3rd meeting of the CoC dated 15 January 2020, the members approved the invitation for expressions of interest (Eol) in Form G and the Process Flow Document (Process Document) for inviting Eol to submit resolution plans for the Corporate Debtor, which contained the eligibility criteria approved by the COC. In

compliance with his obligations under Section 25(2)(h) of the IBC read with Regulation 36A of the CIRP Regulations, the erstwhile RP on 17 January 2020 published an invitation for EoI in Form G in the Maharashtra editions of two newspapers namely Business Standard (English) and Lokmat (Marathi). The Process Document was to be obtained by interested applicants by placing a request for the same with the erstwhile RP by way of email. Annexed hereto and marked as Exhibit C and D is a copy of the Form G dated 17 January 2020 and a copy of the Process Document respectively.

6. The CIRP was initiated against the Corporate Debtor by way of the Admission Order dated 10 October 2019. However, a copy of the Admission Order was made available to the IRP only on 04 November 2019. The period of 180 days of CIRP of the Corporate Debtor would have thus ended on 2 May 2020. However, an application has been filed by the Applicant, being IA No. 1468 of 2020, for exclusion of the period of 25 days from 10 October 2019 to 04 November 2019 (date of receipt of Admission Order) from the CIRP period of the Corporate Debtor. After receiving the consent of the COC in the 7th Meeting dated 3 April 2020, an application (IA No. 2436 of 2020) has been filed by the Applicant for extension of CIRP period by 90 days. An application being IA No. 845 of 2021 is also filed for exclusion of the lockdown period from 23

March 2020 till 31 March 2021 i.e., a total of 374 days from the CIRP period of the Corporate Debtor. Further, a second application, being IA No. 1920 of 2021 has been filed for exclusion of the lockdown period from 01 April 2021 till 20 August 2021 i.e. a total of 142 days from the CIRP of the Corporate Debtor. All the said applications are pending adjudication and have been reserved for orders. If all the aforementioned applications are allowed, the timeline would change and 270 days of CIRP of the Corporate Debtor would expire only on 28 December 2021. The Applicant craves leave to refer to rely upon and reproduce the said interim applications, as and when required by the Hon'ble Adjudicating Authority.

7. Under the Form G, the last date of submission of the EoI was 10 February 2020 and the last date was submission of resolution plan was 5 April 2020. However, in light of the covid-19 pandemic and the resultant lockdown orders by the Government of India, the last date for submission of resolution plan was revised (and approved by the CoC in its 7th meeting held on 3 April 2020) from 5 April 2020 to until the lapse of 7 days from the date of forwarding the Forensic Audit Report to the Resolution Applicants. Time period for submitting the resolution plan was later extended to 13 July 2020.

8. Thereafter, on the basis of the EoI submitted by the prospective resolution applicants and in consultation with the CoC, the erstwhile RP had received 13 EOIs.
9. The erstwhile RP shortlisted "eligible prospective resolution applicants" (PRAS) who fulfilled the eligibility criteria and only 4 were found to be eligible namely:
  - a. Gangamai Industries and Constructions Limited (GIACL);
  - b. Hemant Hari Dhatrak (Consortium of Individuals);
  - c. Jai Hind Sugar Private Limited, and,
  - d. Sitson India Private Limited.
10. Vide email dated 20 February 2020, the provisional list of prospective resolution applicants was circulated by the erstwhile RP in compliance with Regulation 36 (A) (10) of the CIRP Regulations. The erstwhile RP also issued the Request for Resolution Plan (RFRP) which contained the evaluation matrix along with details and requirements of submission of the resolution plan to the prospective resolution applicants vide email dated 24 February 2020 in compliance with Regulation 36B of the CIRP Regulations. The erstwhile RP issued the list of final PRAS on 6 March 2020. The Applicant craves leave to refer to rely upon and reproduce the above correspondence issued by the erstwhile RP, as and when required by this Hon'ble Adjudicating Authority. A copy



of the RFRP and the evaluation matrix is hereto annexed and marked as Exhibit E.

11. The erstwhile RP vide his letter dated 27 February 2020 requested the CoC to approve his request and replace him by appointing a new resolution professional as he wished to exit his role as the RP on health grounds.
12. Accordingly, the CoC in its 5th meeting held on 3 March 2020 approved replacement of Mr. Shetty, the erstwhile RP, and in the 6th meeting held on 26 March 2020, the CoC confirmed the appointment of the Applicant as the new RP. However, the erstwhile RP was to continue until the Applicant was approved as the RP by the Hon'ble Adjudicating Authority. The Adjudicating Authority subsequently approved the Applicant's appointment as the RP vide an order dated 27 May 2020, a copy of which is hereto annexed and marked as Exhibit F.
13. After procuring confidentiality undertakings from the said eligible prospective resolution applicants, the erstwhile RP circulated the first version of the Information Memorandum (IM) dated 25 February 2020 on 25 February 2020 and the second version of the IM dated 11 May 2020 on 12 May 2020. Subsequently, an updated IM containing updated list of creditors, CIRP Cost and details of legal proceedings by and against the Corporate Debtor was emailed

to the prospective PRAS by the Applicant vide email dated 8 July 2020 in compliance with the provisions of Section 29 and Regulation 36 B of the CIRP Regulations. The Applicant craves leave to refer to rely upon and reproduce the above said correspondence of the erstwhile RP, the Applicant and the 3 versions of the IM, as and when required and directed by this Hon'ble Adjudicating Authority.

14. Out of the abovementioned list of eligible prospective resolution applicants. Sitson India Pvt Ltd chose to drop out of the resolution process of the Corporate Debtor in May 2020, whereas Jai Hind Sugar Pvt Ltd did not submit their resolution plan in time.
15. After issuance and acceptance of the Process Flow Document, the RFRP and the IM, the Applicant as on the last date of submission of Plans ie, on 13 July 2020 had received resolution plans from 3 of the eligible resolution applicants i.e.
  - a. GIACL;
  - b. Hemant Hari Dhatrak (consortium of individuals) and
  - c. Dwarkadhish Sakhar Karkhana Limited (DSKL) (not forming part of the final list of PRAS as the EOI was submitted after the decided deadline and DSKL was allowed to submit the Resolution Plan as per the decision in the 9th CoC meeting dated 13 June 2020).

16. The e-voting results were published on 19 August 2021 on the e-voting platform. All members of the CoC, except Karda Buildcon Private Limited (with 0.14% voting share) had participated in the e-voting process. The CoC members with 99.86% vote in favour of approved the resolution plan submitted by GIACL. The evaluation matrix of both the resolution plans along with results of such evaluation was circulated to the CoC for its consideration. The evaluation score of the final plan submitted by GIACL was found to be higher than the evaluation score of Hemant Hari Dhatrak. The e-voting results were circulated by the Applicant to all participants in the form of revised Minutes of 21st CoC meeting (with e-voting results) by an email of 19 August 2021. Thus, final resolution plan dated 14 July 2021 along with the addendum dated 19 July 2021 of GIACL, was approved by the CoC a vote with more than 66% of the voting share of the financial creditors of the Corporate Debtor as required under the Section 30 (4) of the IBC. The resolution plan submitted by Hemant Hari Dhatrak was also put to vote simultaneously along with the plan submitted by GIACL. The plan submitted by Hemant Hari Dhatrak was rejected by all members of the CoC except Karda Buildcon Private Ltd., who did not participate in the e-voting process. The Applicant had prepared a compliance report for the resolution plan received from

GIACL and Hemant Hari Dhatrak, for the ease of reference for the CoC to ascertain compliance of the resolution plan with the relevant provisions of the IBC and CIRP Regulations.

A copy of the compliance report of GIACL's plan is annexed and marked as Exhibit N. A copy of the evaluation matrix of GIACL's resolution plan is annexed and marked as Exhibit O.

A snap shot of the E-voting result is as under:

<b>Voting % required</b>	<b>Voting share of CoC members</b>	<b>Assent</b>	<b>Dissent</b>	<b>Not Voted</b>	<b>Voting % achieved</b>	<b>Decision on resolution plan of GIACL</b>
<b>66%</b>	65.8%	Canara Bank	-		99.86%	Approved
	17.9%	Central Bank of India	-			
	15.8%	Indian Overseas Bank	-			
	0.3%	Samta Nagari Sahakari Patsanstha Maryadit	-			
	0.14%	-	-	Karda Buildcon Private Limited		
	0.06%	Mrs. Sheetal Rajesh Anand	-			
<b>Total</b>	<b>100%</b>				<b>99.86%</b>	

**Section 30(2) of the Code**

17. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant Gangamai Industries and Constructions Limited (GIACL) 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 distribute 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) Conforms to such other requirements as may be specified by the Board.
  - g) As per the Affidavit received and the further documents submitted, the Resolution applicants are not covered under 29A.
18. 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 Demonstrate 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
19. The Resolution Professional has annexed a certificate at Page 410-442 of the Application under Regulation 39(4) In FORM H 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.

**Salient features of the approved resolution plan of GIACL:**

20. Some of the salient features of the approved resolution plan submitted by GIACL on 14.07.2021 along with Addendum dated 19.07.2021 are as under:
- a. Background of GIACL related to the sugar industry:**
- i. GIACL is one of the main companies of Padmakar Mulay Group of Industries, Aurangabad, the group having been in existence for over 5 decades. The group has a tangible net worth in excess of INR 700 crores as on 31st March 2020. GIACL is a closely held public limited company incorporated

in the year 1999 and is engaged in the business of Sugar, Construction & Wind Power. The Sugar business of GIACL is further subdivided by product into Sugar, Power Sale (Cogeneration), Distillery, & Ethanol.

- ii. The Corporate Debtor being a sugar factory which sources sugarcane from over 90 villages in and around Nashik, the business of the Corporate Debtor has a significant socio-economic impact in the region. By taking over the Corporate Debtor with its relevant expertise, the resolution plan proposed by GIACL will boost the economy of the region.

**b. Financial terms of the plan and means of finance, repayment schedule to all stakeholders:**

- i. The Resolution Applicant proposes to pay a total sum of INR 135 crores to the Secured/Unsecured Financial Creditors and operational creditors as well as CIRP costs as a one-time settlement of the obligations of the successful resolution applicant.
- ii. The amount payable to secured financial creditors constitutes 24.60% of the debts. By proposing to make 100% payments to the farmers, employees and workmen, the approved resolution plan will play a huge role in sustaining the livelihoods of hundreds of such farmers and workers in the



region. The resolution plan of GIACL also proposes to make 100% payment towards EPFO as well as re-employ qualified and willing employees of the Corporate Debtor.

- iii. The plan value proposed by the Resolution Applicant is above the average fair value of the Corporate Debtor. Thus, the creditors stand to gain sufficiently more than the said values by approval of GIACL's resolution plan.

<b>Cost of Resolution Plan</b>	<b>Claims Admitted Amount as per latest IM (INR)</b>	<b>Settlement Amount (INR)</b>	<b>Settlement Value as a % of Admitted Claim</b>	<b>Upfront payment within 30 days (INR)</b>	<b>Balance within 6 months from date of order (INR)</b>
Settlement of dues of Secured Financial Creditors	5,02,85,74,812	1,23,73,06,269	24.06%	44,73,06,269	79,00,00,000
Settlement of dues of Unsecured Financial Creditors-Unrelated Party	1,00,00,000	1,00,000	1%	1,00,000	
Settlement of dues of Unsecured Financial Creditors-Related Party	22,63,07,369	0	0%	0	
Settlement of dues of	21,63,56,977	2,01,44,792	9.03%	2,01,44,792	

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Operational Creditors other than farmers and other than employees/ Workmen				(All operational creditors are settled at 1% of claim value except for EPF where the principal (Rs 74,95,451) and interest(contingent) (Rs 52,64,183) has been settled 100%. Contingent Liabilities Office of Talathi, Property Tax, Income Tax AY 2017-18, Grampram pa chayat Nimani Property Tax, have been paid as 1% of claim received, and included in table Operational Creditors)	
Settlement	6,36,15,9	6,36,15,922	100%	6,36,15,922	

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of dues of Operational Creditors (Farmers only)	22				
Settlement of dues of workmen/ Employees except Debashish Mandal	1,29,49,474	1,29,49,474	100%	1,29,49,474	
Settlement of dues of workmen/ Employees except Debashish Mandal (a substantial shareholder of 11%) and has also been mentioned as a related party in the financial creditors, hence taken a settlement ratio of 1% of admitted claim for him which is the same as other operational creditors except farmers, workmen and	58,66,667	58,667	1%	58,667	

employees)					
Settlement of dues other creditors	40,84,357	40,843	1%	40,843	
Insolvency Resolution Process Cost (CIRP cost has been taken as the actual value approved and paid by Canara Bank)	1,57,84,033	1,57,84,033	100%	1,57,84,033	
<b>Total</b>	<b>5,58,35,39,611</b>	<b>1,35,00,00,000</b>	<b>24.18%</b>	<b>56,00,00,000</b>	<b>79,00,00,000</b>

**Means of Finance:**

1.	<b>Equity Infused</b>	50,00,00,000/-
2.	<b>Quasi Equity</b>	85,00,00,000/-
<b>Total</b>		<b>135,00,00,000/-</b>

**c. Feasibility and viability of the resolution plan:**

Feasibility and viability of the resolution plan submitted by GIACL was extensively discussed at the 21st meeting of the CoC and recorded at item no.6 of the minutes of the meeting, a copy of which is annexed hereto as Exhibit M. The resolution plan of GIACL was found to be feasible and viable as along with a short timeline (6 months) of repayment, GIACL does not rely on cash

flow generated from mere business projections, for payment to the creditors. Further, GIACL also proposed fresh infusion of funds for maintaining and sustaining the operations of the Corporate Debtor as well as proper implementation of the plan. GIACL's plan also proposes to increase the sugar manufacturing capacity, established the ethanol business and increase co- gen capacity of the Corporate Debtor. The source of funds under GIACL's resolution plan was also found to be definite with sufficient net worth of GIACL and of directors as submitted. Lastly, GIACL being in the same business is expected to have good business acumen with experience in the Corporate Debtor's business.

**d. Sources of raising funds:**

GIACL is free to raise capital through its own group companies, or any external body including but not limited to banks, NBFCs, ARCS, funds, corporates by means of debt, equity or mezzanine structure to fund the acquisition bid amount if required.

**e. Revival of Operation of the Corporate Debtor:**

GIACL believes that the Corporate Debtor was not operated to its maximum capacity leading to its financial troubles. Thus, GIACL plans to install additional machineries so that plant can be operated at highest capacity. For the next crushing season 2021-22, the plant will be operated at existing capacity only i.e. 3500

TCD. From crushing season 2022-23, GIACL plans to operate the plant at expanded capacity of 5000 TCD and also have the necessary machinery installed for distillery. As GIACL believes that it will take much time to make the Corporate Debtor's plant operative, GIACL proposes operate only crushing plant for the season 2021-22. GIACL proposes to operate other plants i.e. Distillery, Ethanol, Cogen from the season 2022-23.

**f. Farmers, Workers and EPFO being paid their complete dues**

The farmers being a major stakeholder and an important asset in the sugar industry in India, GIACL has under the approved resolution plan, agreed to pay 100% of the dues to the farmers. In equity. 100% of the workmen/employees' dues will also be paid by GIACL.

**g. Consequences of default in payments by GIACL:**

In case of default/ failure to pay the balance amount of INR 79 crores by GIACL, it would result in the following:

- Forfeiture of upfront payment of INR 56 crores
- Forfeiture of bank guarantee and INR 5 Crore.
- GIACL to vacate the premises within 7 days of default.
- All the essential documents/ any original documents handed to GIACL to be handed back over to the Applicant within 7 days of default.

**h. Equity Capital and Quasi Equity/Subordinate Debt**

Equity Capital and Quasi Equity / Subordinate Debt The resolution plan of GIACL proposes to issue of 5,00,00,000 equity shares of INR 10 each to GIACL as per the provisions of Section 62 of the Companies Act, 2013 making GIACL the holding company of the Corporate Debtor. The Accordingly, the Capital Clause in the Memorandum of Association (MOA) and Articles of Association (AOA) of the Corporate Debtor shall be amended as per the provisions of Section 13 of the Companies Act, 2013. The shareholders' approval for alteration of MOA & AOA is deemed to have been given on the approval of GIACL's resolution plan by the Hon'ble Adjudicating Authority. Under GIACL's resolution plan a request is made that on approval of GIACL's resolution plan by the Hon'ble Adjudicating Authority, the entire paid-up share capital of Corporate Debtor will be written off and hence, the plan complies with provisions of Section 62 of the Companies Act, 2013 with respect to issue of further shares. Further, it is proposed that GIACL would infuse INR 85 crores into KGS in the form of quasi equity/ unsecured subordinated Debt.

**i. Sources of Funds**

As per GIACL's resolution plan, the net worth of GIACL was INR 112 crores as on 31 March 2020, and the group net worth was INR 704.79 crores as on 31 March 2020. The reserves of GIACL were INR 86 crores as on 31 March 2020, and the group reserves was INR 672.49 crores. Also, group cash and FD Balance is in excess of INR 200 crores and hence GIACL claims that there is substantial reserves/funds available with GIACL to meet the commitments.

**j. Effective Date and Terms under the approved resolution plan:**

Effective Date is the date of approval of GIACL's resolution plan by the NCLT. The resolution plan of GIACL contemplates a period of six months for payment to all creditors. Payment to dissenting financial creditors will be completed, before payment to other financial creditors. Thus, a period of 180 days is considered as the term from the date of the receipt of the order confirming the resolution plan from the adjudicating authority.

**k. Management and control:**

GIACL will nominate 3 Directors (names provided on page no. 38 of the plan) on the board of the Corporate Debtor pursuant to the provisions of Companies Act, 2013 and has reserved the right to appoint key management personnel and managerial personnel to run the operations of the Corporate Debtors during the term of



the resolution plan. On the approval of the resolution plan, GIACL shall hire the team to run the business of the Corporate Debtor. One Mr. Ranjeet Mulay would be the key person to run the business. Depending on the need of the operations, employees' skill and talent, GIACL will finalize the overall employee requirement and try to retain all existing employees of the Corporate Debtor.

**1. Monitoring Committee:**

The supervision and monitoring of the plan may be decided by the CoC during the implementation period till the completion of entire payment. However, GIACL under the resolution plan has proposed the formation of a Monitoring Committee comprising of 3 members to supervise and monitor the implementation of the resolution plan for the term of the resolution plan. The 3 members shall be appointed as follows:

- One of the directors to be appointed by GIACL
- One representative of the CoC
- The Applicant Mr. Pankaj Joshi
- Any other technical expert if required based on assessment

The Resolution Applicant has also provided for a sum of INR 5 lakhs to meet any additional monitoring cost during the implementation of the Resolution Plan.

**m. Terms and Conditions under the plan:**

Certain terms and conditions for implementation of the plan have been mentioned in paragraph 15, page 39 of GIACL's resolution plan, which consists of:

- Creation of capital reserves from write down in liabilities to set off accumulated losses
- Central government IncomeTax liability including minimum Alternate Tax (MAT), if any arising on account of settlement/waiver of liabilities by financial and operational creditors as part of the resolution plan.
- Investments held by Corporate Debtor, and its effects after the resolution plan is approved.

Adjudicating Authority may consider this at the time of the approval of the resolution plan.

**Performance Security:**

21. By his email dated 21 August 2021, the Applicant informed GIACL of its plan being accepted and approved by the CoC and GIACL being the successful resolution applicant in the CIRP of the

Corporate Debtor. The email requested GIACL to submit a performance guarantee of INR 5 crores in favour of the Corporate Debtor within 15 days from 20 August 2021 (in accordance with the RFRP). A copy of the email dated 21 August 2021 is hereto annexed and marked as Exhibit Q. GIACL has submitted the performance guarantee of INR 5 crores by way of a bank transfer into the escrow account maintained by the Applicant in the name of the Corporate Debtor with Canara Bank in compliance with Regulation 36B 4A of the CIRP Regulations.

**Compliance of Section 29A of IBC:**

22. The Applicant states that GIACL, the successful resolution applicant has also submitted affidavits dated 9 July 2021 (Annexure A to the resolution plan of GIACL) of all concerned persons confirming that it is not prevented from submitting the resolution plan under Section 29A of the IBC.

**Compliance of Section 30(2) and Regulation 38 of IBC:**

23. As stated hereinabove, the final resolution plan of GIACL has been examined by the Applicant and found to be in compliance with Section 30(2) of the IBC read with Regulation 38 of the CIRP Regulations. Annexed hereto and marked as Exhibit R is a copy of

the final resolution plan submitted by GIACL along with the addendum.

24. In accordance with Regulation 39(4) of the CIRP Regulations, the Applicant certifies that:

- a. The contents of the resolution plan dated 14 July 2020 (along with the addendum dated 19 July 2021) submitted by GIACL meets all the requirements of the IBC and the Regulations thereunder, and
- b. The resolution plan dated 14 July 2021 (along with the addendum of 19 July 2021) submitted by GIACL is approved by the CoC of the Corporate Debtor by 99.86% voting share under Section 30(4) of the IBC.

Annexed to Application as Exhibit S is a copy of the compliance certificate of the RP in Form H.

## **FORM H COMPLIANCE CERTIFICATE**

(Under Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

1. I, **Mr. Pankaj Sham Joshi**, an insolvency professional enrolled with ICSI IIP and registered with the Board with registration number IBBI/IPA-002/IP-N00507/2017-2018/11556, am the Resolution Professional for the Corporate Insolvency Resolution Process (CIRP) of **KGS Sugar & Infra Corporation Limited**.

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2. The details of the CIRP are as under:

Sl. No.	Particulars	Description
1	Name of the CD	KGS Sugar & Infra Corporation Limited
2	Date of Initiation of CIRP	10.10.2019
3	Date of Appointment of IRP	04.11.2019
4	Date of Publication of Public Announcement	05.11.2019
5	Date of Constitution of CoC	18.11.2019
6	Date of First Meeting of CoC	25.11.2019
7	Date of Appointment of RP	25.11.2019 for Mr. Balady Shekhar Shetty 27.05.2020 for Mr. Pankaj Sham Joshi.
8	Date of Appointment of Registered Valuers	Valuers appointed on 08.01.2020 pursuant to the resolution passed by the CoC during the 2 <sup>nd</sup> CoC meeting held on 03.01.2020.
9	Date of Issue of Invitation for EoI	18.01.2020
10	Date of Final List of Eligible Prospective Resolution Applicants	06.03.2020 Updated final list circulated on 20.06.2020
11	Date of Invitation of Resolution Plan	24.02.2020
12	Last Date of Submission of Resolution Plan	13.07.2020 (Refer to Annexure A – Note 1)
13	Date of Approval of Resolution Plan by CoC	18.08.2021
14	Date of Filing of Resolution Plan with Adjudicating Authority	15.09.2021
15	Date of Expiry of 180 days of CIRP	Original date of expiry of 180 days- 02.05.2020. Subsequently, 3 applications have been filed for exclusions of certain time periods, the details of which are as under. (Refer to Annexure A – Note 2)
16	Date of Order extending the period of CIRP	Application for extension of CIRP period is presently pending adjudication. (Refer to Annexure A – Note 3)
17	Date of Expiry of Extended Period of CIRP	Application for extension of CIRP period along with applications for exclusions of certain time periods are presently reserved for orders. If allowed, date of expiry of extended period of CIRP will be 28.12.2021.  (Refer to Annexure A – Note 3)
18	Fair Value	Rs. 118,51,00,000/-

19	Liquidation value	Rs. 85,50,00,000/-
20	Number of Meetings of CoC held	22 meetings

3. I have examined the Resolution Plan received from Resolution Applicant *viz.* Gangamai Industries and Constructions Limited and approved by Committee of Creditors (**CoC**) of KGS Sugar & Infra Corporation Limited.

4. I hereby certify that-

- (i) the said Resolution Plan complies with all the provisions of the Insolvency and Bankruptcy Code 2016 (**Code**), the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (**CIRP Regulations**) and does not contravene any of the provisions of the law for the time being in force.
- (ii) the Resolution Applicant *viz.* Gangamai Industries and Constructions Limited has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order.
- (iii) the said Resolution Plan has been approved by the CoC in accordance with the provisions of the Code and the CIRP Regulations made thereunder. The Resolution Plan has been approved by 99.86 % of voting share of financial creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.
- (iv) ~~The voting was held in the meeting of the CoC on [state the date of meeting] where all the members of the CoC were present.~~

or

I sought vote of members of the CoC by electronic voting system which was kept open at least for 24 hours as per the regulation 26.

[strike off the part that is not relevant]

5. The list of financial creditors of the CD, KGS Sugar & Infra Corporation Limited, being members of the CoC and distribution of voting share among them is as under:

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
1.	Canara Bank	65.8%	Voted for
2.	Central Bank of India	17.9%	Voted for
3.	Indian Overseas Bank	15.8%	Voted for
4.	Samata Nagari Sahakari Patsantha Maryadit	0.3%	Voted for
5.	Karda Buildcon Private Limited	0.14%	Abstained
6.	Mrs. Sheetal Rajesh Anand	0.06%	Voted for

6. The Resolution Plan includes a statement under regulation 38(1A) of the CIRP Regulations as to how it has dealt with the interests of all stakeholders in compliance with the Code and regulations made thereunder.

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

(Amount in Rs. lakhs)

Sl. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan#	Amount Provided to the Amount Claimed (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Secured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	N.A.	N.A.	N.A.	N.A.
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	N.A.	N.A.	Nil	Nil
		(ii) who voted in favour of the resolution plan	50285.74	50285.74	12373.06	24.61%
		Total [(a) + (b)]	50285.74	50285.74	12373.06	24.6%
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	2622.69	2263.07	Nil	Nil
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	91.90	70.00	Nil	Nil
		(ii) who voted in favour of the resolution plan	48.00	30.00	0.3	1%

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		<b>Total [(a) + (b)]</b>	<b>139.00</b>	<b>100.00</b>	<b>0.3</b>	<b>0.3%</b>
3	Operational Creditors	(a) Related Party of Corporate Debtor	N.A.	N.A.	N.A.	N.A.
		(b) Other than (a) above:				
		(i) Farmers	637.01	636.15	636.15	100%
		(ii) Workmen	52.34	52.34	52.34	100%
		(iii) Employees	912.24	135.81	77.74	100% except for Mr. Debashish Mandal
		(iv) Government	6581.90	1232.72	192.15	15.58%
		(iv) Other Operational Creditors	9345.72	930.84	9.30	1%
		<b>Total[(a) + (b)]</b>	<b>17529.21</b>	<b>2987.89</b>	<b>967.68</b>	<b>32.38%</b>
4	Other debts and dues	Other creditors	6480.46	40.84	0.40	1%
<b>GRAND TOTAL</b>			<b>77058.03</b>	<b>55677.55</b>	<b>13342.15</b>	<b>23.96</b>

\*If there are sub-categories in a category, please add rows for each sub-category.

# Amount provided over time under the Resolution Plan and includes estimated value of non-cash components. It is not NPV.

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

Sl. No	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the	Voting Share (%) held before	Voting Share (%) held after CIRP
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			<b>CIRP</b>	<b>CIRP</b>	
1.	Equity	417650746	50000000 (INR 10 per share)	100	100
2.	Preference	Nil	Nil	Nil	Nil

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

<b>Section of the Code / Regulation No.</b>	<b>Requirement with respect to Resolution Plan</b>	<b>Clause of Resolution Plan</b>	<b>Compliance (Yes / No)</b>
25(2)(h)	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?	-	Yes
Section 29A	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?	In page number 17 of the Resolution Plan, it is stated that the Resolution Plan is being submitted by Resolution Applicant who is eligible to present the Resolution Plan and fulfils the eligibility criteria of Resolution Applicant as prescribed in Section 29A of IBC, 2016 read with Regulation 38 (3) of CIRP Regulations.	Yes.  The Resolution Applicant and four of its Directors have provided Affidavits confirming its eligibility under Section 29A of the Code (Annexure A to the Resolution Plan).  In furtherance of the RP's duty to form a <i>prima facie</i> opinion on the eligibility of the Resolution Applicant under Section 29A of the Code, Mr. Kailashnath Ramnath Verma, a

			<p>professional was engaged by the RP to conduct a check on the eligibility of the Resolution Applicant under Section 29 A of the Code and connected persons. As per the report submitted by Mr. Verma in June 2021 and vetted by the RP, there were no adverse observations on the Resolution Applicant's eligibility under Section 29A of the Code. The said report was shared with and presented to the CoC at the 17<sup>th</sup> meeting dated 07.06.2021.</p>
Section 30(1)	<p>Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?</p>	<p>Affidavits dated 8 July 2020 confirming the eligibility under Section 29A have been submitted by the Resolution Applicant and four of its Directors along with the Resolution Plan as Annexure – "A-Colly".</p> <p>Apart from the Affidavits, in page number 17 of the Resolution Plan, it is stated that the Resolution Plan is being submitted by Resolution Applicant who is eligible to present the Resolution Plan and</p>	<p>Yes.</p> <p>The Resolution Applicant has submitted the Affidavit.</p>

		fulfils the eligibility criteria of Resolution Applicant as prescribed in Section 29A of IBC, 2016 read with Regulation 38 (3) of CIRP Regulations.	
Section 30(2)	Whether the Resolution Plan- (a) provides for the payment of insolvency resolution process costs?	Clause a. v. on page no. 23 of the Resolution Plan, and  Clause C on page no. 36 of the Resolution Plan read with point number 3 in Addendum to the Resolution Plan.	Item-wise response:  (a) Yes
	(b) provides for the payment to the operational creditors?	Clause a. vi. on page no. 23 of the Resolution Plan, and, Clause B starting from page no. 28 of the Resolution Plan	(b) Yes
	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	Clause titled to 'Dissenting Financial Creditors' on page no. 27 of the Resolution Plan.	(c) Yes
	(d) provides for the management of the affairs of the corporate debtor?	Clause 12 titled 'Management and Control' starting from page no. 37 of the Resolution Plan	(d) Yes
	(e) provides for the implementation and supervision of the resolution plan?	Clause 13 titled 'Supervision and Monitoring of the Resolution Plan' starting from page no. 38 of the Resolution Plan	(e) Yes

	(f) contravenes any of the provisions of the law for the time being in force?	In Clause 21 at page no. 42 of the Resolution Plan, the Resolution Applicant has declared that the Resolution Plan does not contravene any provisions of law for the time being force.	(f) Yes
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC?	<p>i. Chapter titled 'Revival of Operation of KGS Sugar and Infra Corp Ltd' on page nos. 20 and 21 of the Resolution Plan.</p> <p>ii. 'Business Plan' given under Annexure – "D" to the Resolution Plan.</p>	<p>Item-wise responses:</p> <p>(a) Yes</p> <p>The Resolution Plan has been determined to be feasible and viable by the RP and the CoC. Discussion in this regard was held at the 21<sup>st</sup> CoC meeting where the RP and each member of CoC presented their view on how the Resolution Plan proposed by the Resolution Applicant is viable and feasible. The same is recorded in Item No. 6 of the Minutes of 21<sup>st</sup> CoC meeting.</p>
	(b) has been approved by the CoC with 66% voting share?	-	<p>(b) Yes</p> <p>The members of the CoC deliberated on the Resolution Plan submitted by the Resolution Applicant in the 17<sup>th</sup>, 19<sup>th</sup>, 20<sup>th</sup> and 21<sup>st</sup> CoC meeting which were conducted on 07.06.2021, 30.06.2021,</p>

			7.07.2021 and 16.07.2021, respectively. The members of the CoC also deliberated on the feasibility and viability of the Resolution plan submitted by the Resolution Applicant in the 21 <sup>st</sup> CoC meeting held on 16.07.2021. After considering all aspects, <b><u>the Resolution Plan has been approved by the CoC by a voting percentage of 99.86%.</u></b>
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Implementation Schedule –  i. Refer to page no. 17, 18 under ‘The Resolution Plan Proposal & Means of Finance Snapshot’;  ii. Clause a. iv. on page nos. 22-23;  iii. Clause a. v. on page no. 23;  iv. Clause a. vi. on page no. 23;  v. Clause A. I. II and III on page no. 25;  vi. Source of funds for financial creditors at page no. 28  vii. Source of funds for	Yes

		<p>operational creditors and other creditors at page no. 33 and 34</p> <p>viii. Clause titled 'Strategy adopted to restructure the Operational Dues' on page no 34;</p> <p>ix. Clause 10.3 on page no. 35;</p> <p>x. Clause C on page no. 36;</p> <p>xi. Source of fund at page no. 37</p> <p>xii.</p> <p>xiii. Clause 11 title 'Term of the Resolution Plan' on page no. 37 read with Clause 4 of the Addendum, and,</p> <p>xiv. Annexure C to the Resolution Plan</p> <p>xv. Annexure D to the Resolution Plan</p>	
		<p>Effective Implementation –</p> <p>i. Clause 12 on page nos. 37 and 38;</p> <p>ii. Clause 13 on page nos. 38 and 39</p>	
Regulation 35A	Where the resolution professional made a determination if the corporate debtor has been subjected	-	<p>Yes</p> <p>RP has filed (i) I.A. No. 1444 of 2021 for avoidance</p>

	<p>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?</p>		<p>of fraudulent transactions (under Section 66 of the Code) which the Corporate Debtor was subjected to since F.Y. 2011-12.; (ii) I.A. No. 1445 of 2021 for avoidance of certain preferential transactions (under Section 44 of the Code) which the Corporate Debtor was subjected to during the relevant period.</p> <p>Both the Applications are pending adjudication before this Hon'ble Adjudicating Authority.</p>
<p>Regulation 38(1)</p>	<p>Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?</p>	<p>i. Clause titled 'Strategy adopted to restructure the Operational Dues' on page no. 34 ii. Clause 10.2 on page nos. 34 and 35.</p>	<p>Yes</p> <p>The Resolution Plan provides that the dues towards operational creditors shall be made in priority to any financial creditor before the expiry of 30 days after approval of the Resolution Plan by the Adjudicating Authority. The Resolution Plan further envisages to pay the operational creditors, an amount which is more than the liquidation value in the Resolution</p>

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			Plan and hence, the Resolution Plan complies with the requirements of Section 30 (2) (b) of IBC, 2016 read with Regulation 38 of the CIRP Regulations.
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	<p>i. Clauses on page nos. 22 to 35 and page 43;</p> <p>ii. Clause 14 on page no. 40</p>	Yes.
Regulation 38(1B)	<p>(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.</p> <p>(ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?</p>	At Clause 21 on page no. 42 of the Resolution Plan, the Resolution Applicant confirms that the Resolution Applicant or any of their related parties did not fail to implement or did not contribute to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority at any time in the past.	Yes.
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule?	<p>Term of Resolution Plan:</p> <p>i. Clause 11 title ‘Term of the Resolution Plan’ on page no. 37 read with Clause 4 of the Addendum</p>	<p>Item -wise response:</p> <p>Yes</p>



	Implementation Schedule: i. In page no. 17, 18 under ‘The Resolution Plan Proposal & Means of Finance Snapshot’; ii. Clause a. iv. on page nos. 22-23; iii. Clause a. v. on page no. 23; iv. Clause a. vi. on page no. 23; v. Clause A. I. on page no. 25; vi. Clause titled’ Strategy adopted to restructure the Operational Dues’ on page no 34; vii. Clause 10.3 on page no. 35; viii. Clause C on page no. 36; ix. Annexure C to the Resolution Plan	
(b) for the management and control of the business of the corporate debtor during its term?	Clause 12 on page no. 37	Yes
(c) adequate means for supervising its implementation?	Clause 13 on page no. 38 and 39	Yes

38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default?	<ul style="list-style-type: none"> <li>i. Clauses under ‘The prime reasons for Insolvency of Kgs Sugar and Infra Corporation Limited has been identified as under’ on page 6 of the Resolution Plan;</li> <li>ii. Clauses under ‘Case of KGS’ on page no. 4 of Annexure – “D”.</li> </ul>	Item-wise response:  Yes
	(b) it is feasible and viable?	<ul style="list-style-type: none"> <li>i. Chapter titled ‘Revival of Operation of KGS Sugar and Infra Corp Ltd’ on page nos. 20 and 21 of the Resolution Plan.</li> <li>ii. ‘Business Plan’ given under Annexure – “D” to the Resolution Plan.</li> </ul>	Yes  The Resolution Plan has been determined to be feasible and viable by the RP and the CoC. Discussion in this regard was held at the 21 <sup>st</sup> CoC meeting where the RP and each member of CoC presented their view on how the Resolution Plan proposed by the Resolution Applicant is viable and feasible. The same is recorded in Item No. 6 of the Minutes of 21 <sup>st</sup> CoC meeting.
	(c) it has provisions for its effective implementation?	Implementation Schedule –  i. In page no. 17, 18 under ‘The Resolution Plan Proposal & Means	Yes

		<p>of Finance Snapshot’;</p> <p>ii. Clause a. iv. on page nos. 22-23;</p> <p>iii. Clause a. v. on page no. 23;</p> <p>iv. Clause a. vi. on page no. 23;</p> <p>v. Clause A. I. on page no. 25;</p> <p>vi. Clause titled’ Strategy adopted to restructure the Operational Dues’ on page no 34;</p> <p>vii. Clause 10.3 on page no. 35;</p> <p>viii. Clause C on page no. 36;</p> <p>ix. Clause 11 title ‘Term of the Resolution Plan’ on page no. 37 read with Addendum, and,</p> <p>x. Annexure C to the Resolution Plan</p>	
		<p>Effective Implementation –</p> <p>i. Clause 12 on page nos. 37 and 38;</p> <p>ii. Clause 13 on page nos. 38 and 39</p>	

	(d) it has provisions for approvals required and the timeline for the same?	Clause 9 in Addendum to the Resolution Plan adding Clause 23 to the Resolution Plan at page no. 44.	Yes
	(e) the resolution applicant has the capability to implement the resolution plan?	<p>i. Clauses under 'Background of the Resolution Applicant' on page nos. 7 to 16 of the Resolution Plan;</p> <p>ii. Clauses on 'Source of Funds' on page nos. 28, 33, 37</p>	<p>Yes.</p> <p>Also deliberated and determined by the CoC at the 21<sup>st</sup> CoC meeting held on 16.07.2021.</p>
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	-	<p>Yes.</p> <p>RP has filed (i) I.A. No. 1444 of 2021 for avoidance of fraudulent transactions (under Section 66 of the Code) which the Corporate Debtor was subjected to since F.Y. 2011-12.; (ii) I.A. No. 1445 of 2021 for avoidance of certain preferential transactions (under Section 44 of the Code) which the Corporate Debtor was subjected to during the relevant period.</p> <p>Both the Applications are pending adjudication before this Hon'ble Adjudicating</p>

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			Authority.
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.	-	Performance Guarantee of INR 5 cores have been given by the Resolution Applicant on 01.09.2021 by way of bank transfer through Cheque No. 012244 into the Escrow Account maintained by the Resolution Professional with Canara Bank, Satpur Branch having Account Name – “KGS Sugar & Infra Corporation Limited – under CIRP” and Account no. 1368201002184.

10. The CIRP has been conducted as per the timeline indicated as under:

Section of the Code / Regulation No.	Description of Activity	Latest Timeline under regulation 40A	Actual Date
Section 16(1)	Commencement of CIRP and Appointment of IRP	T	Commencement of CIRP on 10.10.2019. Appointment of IRP commenced from 4.11.2019 as copy of Admission Order was made available to the IRP on 4.11.2019.
Regulation 6(1)	Publication of Public Announcement	T+3	05.11.2019

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Section 15(1)(c) / Regulation 12 (1)	Submission of Claims	T+14	18.11.2019
Regulation 13(1)	Verification of Claims	T+21	25.11.2019
Section 26(6A) / Regulation 15A	Application for Appointment of Authorised Representative, if necessary	T+23	N.A.
Regulation 17(1)	Filing of Report Certifying Constitution of CoC	T+23	21.11.2019
Section 22(1) and regulation 17(2)	First Meeting of the CoC	T+30	25.11.2019
Regulation 35A	Determination of fraudulent and other transactions	T+115	03.06.2020
Regulation 27	Appointment of two Registered Valuers	T+47	08.01.2020
Regulation 36 (1)	Submission of Information Memorandum to CoC	T+54	25.02.2020
Regulation 36A	Invitation of EoI	T+75	17.01.2020
	Publication of Form G	T+75	18.01.2020
	Provisional List of Resolution Applicants	T+100	20.02.2020
	Final List of Resolution Applicants	T+115	06.03.2020
Regulation 36B	Issue of Request for Resolution Plan, which includes Evaluation Matrix and Information Memorandum to Resolution Applicants	T+105	24.02.2020
Section 30(6) / Regulation 39(4)	Submission of CoC approved Resolution Plan	T+165	15.09.2019
Section 31(1)	Approval of Resolution Plan	T=180	-

11. The time frame proposed for obtaining relevant approvals is as under:

Sl. No.	Nature of Approval	Name of applicable Law	Name of Authority who will grant Approval	When to be obtained
1.	BST & CST Registration	Account	SALES TAX VAT DEPT	
2.	Central Excise Registration	Account	Superintendent, Central excise	01 to 02 months
3.	GST Registration	Account	GST ONLINE	01 to 02 months

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4.	IFCI Appraisal	Account	IFCI Ltd	02 to 03 months
5.	Income Tax Exemption	Account	Income Tax Dept	02 to 03 months
6.	Industrial License - IEM – Central Govt.	Account	Ministry of Industry, Central Govt	02 to 03 months
7.	Insurance of Plant & Machinery	Account	insurance company	15 to 20 days
8.	Mitcon / VSI DPR	Account	Mitcon/ VSI Pune	2 to 3 months
9.	MNRE Subsidy Proposal	Account	MNRE	02 to 03 YEARS
10.	PAN, TIN, TAN No.	Account	commissioner, Income Tax Dept	01 to 02 months
11.	Power Purchase Agreement with MSEDCL	Account	MEDA and MSEDCL	3 to 4 months
12.	Profession Tax Registration	Account	SALES TAX VAT DEPT	01 to 02 months
13.	SICOM	Account	SALES TAX VAT DEPT	01 TO 02 YEARS
14.	Stamp duty exemption	Account	Govt of Maharashtra	05 to 06 months
15.	Stamping and calibration of weigh bridge	Admin	Inspector, Weight and measures	10 to 15 days
16.	Calibration of Ethenol Tank	Admin	Inspector, Weight and measures	10 to 15 days
17.	Calibration of Molasses Tank	Admin	Inspector, Weight and measures	10 to 15 days
18.	Stamping and calibration of weighing scale	Admin	Inspector, Weight and measures	10 to 15 days
19.	Stamping and calibration of sugar weighing system	Admin	Inspector, Weight and measures	10 to 15 days
20.	Explosive License - HSD MS	Admin	Directorate of Explosive Nagpur	2 to 3 months
21.	Fire brigade NOC - Plan approval	Admin	Directorate of Fire, Mumbai	01 to 02 months
22.	Land N.A. Permission	Admin	Tahasildar/ Collector	02 to 03 months
23.	Local Grampanchayat - NOC - Plan Approval	Admin	Sarpanch/ Gramsevak	8 to 10 days
24.	Stamping of weights & Measures	Admin	Inspector, Weight and measures	8 to 10 days

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25.	water lifting License	Admin	Executive Engineer, Patbandhare dept	2 to 3 months
26.	Aerial Distance Certificate	Agri	Sugar Commissioner	01 to 02 months
27.	Crushing License	Agri	Sugar Commissioner	01 to 02 months
28.	Approval for setting up sugar mill in the name of company	CA	Registrar of Companies	01 to 02 months
29.	Company Registration	CA	Registrar of Companies	01 to 02 months
30.	Industrial Entrepreneur Memorandum	CA		
31.	Stability certificate - Bldg & Plant	Civil	Competent Engineer	15 to 20 days
32.	DS I License	Distillery	Commissioner of state excise	02 to 03 months
33.	DS IV License	Distillery	Commissioner of state excise	02 to 03 months
34.	DS V License	Distillery	Commissioner of state excise	02 to 03 months
35.	DS VI License	Distillery	Commissioner of state excise	02 to 03 months
36.	Explosive License - Distillery (PESO)	Distillery	Directorate of Explosive Nagpur	02 to 03 months
37.	Form T (Nokarnama)	Distillery	In charge Inspector, state excise	5 to 10 days
38.	Form T License	Distillery	Commissioner of state excise	02 to 03 months
39.	M II License (Molasses)	Distillery	Superintendent, state excise	02 to 03 months
40.	RS II License	Distillery	Superintendent, state excise	02 to 03 months
41.	FDA License for sanitizer manufacturing/ sale	Distillery	Commissioner of FDA	01 to 02 months
42.	Boiler working certificate	Eng	Directorate of steam boilers	01 month
43.	Chief Electrical Inspector	Eng	Electrical Engineer	01 month
44.	Electric Inspection Report	Eng	Electrical Engineer	01 month



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45.	Electrical License	Eng	Electrical Engineer	01 month
46.	Lifting Takles testing certificates	Eng	Competent Engineer	01 month
47.	MEDA Subsidy	Eng	General Manager, MEDA	02 to 03 months
48.	MSEDCL Reimbursement	Eng	Superintending Engineer, MSEDCL	01 to 02 months
49.	REC Registration/others	Eng	MEDA and MSEDCL	01 to 02 months
50.	Total MSEDCL approvals for CO GEN	Eng	CE, MSEDCL MUMBAI	01 to 02 months
51.	Consent from Pollution control Board for sugar mill and co - generation plant	Environ	MS, MPCB MUMBARI	UP TO 01 YEAR
52.	Consent to operate- Sugar, Ethanol & Distillery	Environ	MS, MPCB MUMBARI	UP TO 01 YEAR
53.	Permission for ground water	Environ	Central Ground water authority, Delhi	UP TO 01 YEAR
54.	Approval of drawings from Director / Inspector of factories	P & A	Dy Director, Industrial H & S	02 to 03 months
55.	Building plan approval	P & A	Dy Director, Industrial H & S	02 to 03 months
56.	Contract Labor Registration	P & A	Asst Commissioner labour	01 to 02 months
57.	Factory License - Industrial Safety & Health	P & A	Dy Director, Industrial H & S	02 to 03 months
58.	Insurance of employees - Group Insurance	P & A	Insurance company	10 to 15 days
59.	Pressure vessel testing certificates	P & A	Competent Engineer	01 month
60.	Provident Fund Code Allotment letter	P & A	Directorate of PF	01 month
61.	F.D.A. License / FSSAI FOR SUGAR	Prod	FDA, Central Govt	02 to 03 months
62.	M I License	Prod	Superintendent, state excise	02 to 03 months

12. The Resolution Plan is not subject to any contingency.

or

The Resolution Plan is subject to the following contingencies (Elaborate the contingencies):

- i. ....
- ii. ....

13. Following are the deviations / non-compliances of the provisions of the Insolvency and Bankruptcy Code, 2016, regulations made or circulars issued thereunder (If any deviation/ non-compliances were observed, please state the details and reasons for the same):

Sl. No.	Deviation/Non-compliance observed	Section of the Code / Regulation No. / Circular No.	Reasons	Whether rectified or not
1.	Acceptance of EOI from a PRA after the due date for submission of EOI under Form G.	Regulation 36A (6) of the CIRP Regulations	For maximization of value of assets of the Corporate Debtor by increasing competition.	The deviation was rectified. The Resolution Plan submitted by the PRA was not opened or considered in accordance with the order dated 01.03.2021 passed by the Hon'ble Adjudicating Authority in I.A. No. 1029 of 2020.
2.	Deviations from certain model timelines under Regulation 40A of CIRP Regulations.	Regulation 40A of CIRP Regulations	Reasons have been detailed in Note 2 of Annexure A below.	N.A.

14. The Resolution Plan is being filed **105** days (assuming 28.12.2021 as expiration date of CIRP period of 270 days in the event all applications for exclusion of time periods as detailed in Note 2 of Annexure A, and application for extension of CIRP period by 90 days, are allowed) before the expiry of the period of CIRP provided in section 12 of the Code.

15. Provide details of section 66 or avoidance application filed / pending.

Sl. No.	Type of Transaction	Date of Filing with Adjudicating Authority	Date of Order of the Adjudicating Authority	Brief of the Order

1	Preferential transactions under section 43	29.06.2021 (I.A. No. 1445 of 2021)	Pending adjudication	-
2	Undervalued transactions under section 45	N.A.	N.A.	N. A.
3	Extortionate credit transactions under section 50	N.A.	N.A.	N.A.
4	Fraudulent transactions under section 66	29.06.2021 (I.A. No. 1444 of 2021)	Pending adjudication	-

15A. The committee has approved a plan providing for contribution under regulation 39B as under:

- a. Estimated liquidation cost: Refer to note below
- b. Estimated liquid assets available: Refer to note below
- c. Contributions required to be made: Refer to note below
- d. Financial creditor wise contribution is as under: Refer to note below

Note: The members of the CoC had deliberated on the agenda item of approval of estimated liquidation costs presented by the RP during the 22<sup>nd</sup> meeting of the CoC dated 20 August 2021, in the event liquidation of the CDs becomes imminent for any reason. The RP as the Chairman of the CoC meeting put the agenda item of estimated liquidation costs for voting. However, the Committee of Creditors with 65.8% vote did not approve the estimated liquidation costs in light of the fact that they had approved a Resolution Plan.

15B. The committee has recommended under regulation 39C as under:

- a. Sale of corporate debtor as a going concern: No
- b. Sale of business of corporate debtor as a going concern: No

Note: The members of the CoC had deliberated on the agenda item for approval of sale of the Corporate Debtor and/ or the business of the Corporate Debtor as a going concern during the 22<sup>nd</sup> meeting of the CoC dated 20 August 2021, in the event liquidation of the CDs becomes imminent for any reason. The RP as the Chairman of the CoC meeting put the agenda item for voting. However, the Committee of Creditors with 65.8% vote did not approve the agenda item in light of the fact that they had approved a Resolution Plan.

15C. The committee has fixed, in consultation with the resolution professional, the fee payable to the liquidator during the liquidation period under regulation 39D.

Note: The members of the CoC had deliberated on the agenda item for approval of fee payable to the liquidator during the 22<sup>nd</sup> meeting of the CoC dated 20 August 2021, in the event liquidation of the CDs becomes imminent for any reason. The RP as the Chairman of the CoC meeting put the agenda item for

voting. However, the Committee of Creditors with 65.8% vote did not approve the agenda item in light of the fact that they had approved a Resolution Plan.

16. I, Pankaj Sham Joshi, hereby certify that the contents of this certificate are true and correct to the best of my knowledge and belief, and nothing material has been concealed therefrom.

(Signature)

Name of the Resolution Professional: Pankaj Sham Joshi

IP Registration No: IBBI/IPA-002/IP-N00507/2017-2018/11556

Address as registered with the Board: 9, Sudarsan CHS, Mahant Road, Vile Parle (East), Mumbai 400 057

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### ANNEXURE – A

#### NOTE 1

1. The last date for submission of Resolution Plan as per Form G was 5 April 2020.
2. Pursuant to requests from PRAs for extension of time for submission of Resolution Plan due to Covid-19, the CoC during the 7<sup>th</sup> CoC meeting, decided to extend the last date for submission of Resolution Plan to 7 days from the date of forwarding the forensic audit report to the PRAs. This was communicated by the erstwhile RP to the PRAs by way of his emails dated 3 April 2020 and 9 April 2020. The final Forensic Audit Report was submitted by the Forensic Auditors on 3 June 2020 and the same was forwarded by the erstwhile RP to the PRAs on 3 June 2020.
3. The incumbent RP in consultation with the CoC extended the time for submission of Resolution Plans to 13 July 2020. This was communicated by the RP to the PRAs by way of an email dated 5 June 2020.

TABLE I

Last date for submission of Resolution Plan

Sr. No.	Date	Particulars	Last date for submission of Resolution Plan
1.	18.01.2020	Form G – Invitation for expression of interest from Prospective Resolution Applicants	05.04.2020
2.	03.04.2020	Pursuant to the requests made by the PRAs for extension of time for submission of Resolution Plan due to COVID-19, the members of the CoC, during the 7 <sup>th</sup> CoC meeting resolved that the last date for submission of Resolution Plan be	-

		extended till the completion of 7 days from the date of forwarding the Forensic Audit Report to the prospective Resolution Applicants by the Resolution Professional.	
3.	03.06.2020	The Resolution Professional forwarded the Forensic Audit Report to the prospective Resolution Applicants.	10.06.2020
4.	05.06.2020	The Resolution Professional in consultation with the CoC informed the PRAs that the last date for submission of Resolution Plan has been extended to 13.07.2020.	13.07.2020

**NOTE 2**

1. Corporate Insolvency Resolution Process was initiated against the Corporate Debtor by way of an Order dated 10 October 2019 passed by the Adjudicating Authority. A copy of the said Order was made available to the IRP only on 4 November 2019.
2. The period of 180 days of CIRP of the Corporate Debtor was originally supposed to expire on 2 May 2020. However, in the wake of Covid-19, lockdown was imposed in the State of Maharashtra on 23 March 2020. A nationwide lockdown was imposed on 24 March 2020. The lockdown was extended by the Central Government and the State Government from time to time. In the State of Maharashtra, including Nashik District, where the registered office of the Corporate Debtor is situated, the lockdown and lockdown-like restrictions were imposed till 30 May 2021. The calculation of timeline of CIRP of the Corporate Debtor is given in Table – II below.
3. In view of the outbreak of pandemic and consequent lockdown imposed across the nation, the IBBI by way of a Notification dated 29 March 2020 amended Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and inserted Regulation 40C into the CIRP Regulations. The said newly inserted Regulation 40C reads thus:

***“40C. Special provision relating to time-line.***

*Notwithstanding the time-lines contained in these regulations, but subject to the provisions in the Code, the period of lockdown imposed by the Central Government in the wake of Covid-19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to such lockdown, in relation to a corporate insolvency resolution process.”*

4. The Hon'ble Supreme Court *vide* an Order dated 23 March 2020 passed in **Suo Moto Writ Petition (Civil) No. 3 of 2020 in Re: Cognizance for extension in limitation** held that the period of limitation prescribed under general laws or special laws whether condonable or no shall stand extended w.e.f. 15 March 2020 till further orders. The relevant portion of the Supreme Court Order has been reproduced for ready reference:

*“This Court has taken Suo Motu cognizance of the situation arising out of the challenge faced by the country on account of Covid-19 Virus and resultant difficulties that may be faced by litigants across the country in filing their petitions/applications/suits/ appeals/all other proceedings within the period of limitation prescribed under the general law of limitation or under Special Laws (both Central and/or State).*

*To obviate such difficulties and to ensure that lawyers/litigants do not have to come physically to file such proceedings in respective Courts/ Tribunals across the country including this Court, it is hereby ordered that a period of limitation in all such proceedings, irrespective of the limitation prescribed under the general law or Special Laws whether condonable or not shall stand extended w.e.f. 15th March 2020 till further order/s to be passed by this Court in present proceedings.*

*We are exercising this power under Article 142 read with Article 141 of the Constitution of India and declare that this order is a binding order within the meaning of Article 141 on all Courts/Tribunals and authorities.”*

5. On the strength of the said order, the Hon'ble National Company Law Appellate Tribunal by way of its Order dated 30 March 2020 in **Suo Moto – Company Appeal (AT) Insolvency No. 1 of 2020** held that the the period of lockdown ordered by the Central Government and the State Governments including the period as may be extended either in whole or part of the country, where the registered office of the corporate debtor may be located, shall be excluded for the purpose of counting of the period for the CIRP under Section 12 of the Code, in all cases where CIRP has been initiated and pending before any bench of the Hon'ble NCLT or in appeal before the Hon'ble NCLAT. The relevant portion of the NCLAT order has been reproduced for ready reference:

*“the period of lockdown ordered by the Central Government and the State Governments including the period as may be extended either in whole or part of the country, where the registered office of the Corporate Debtor may be located, shall be excluded for the purpose of counting of the period for ‘Resolution Process under Section 12 of the Insolvency and Bankruptcy Code, 2016, in all cases where ‘Corporate Insolvency Resolution Process’ has been initiated and pending before any Bench of the National Company Law Tribunal or in Appeal before this Appellate Tribunal.”*

6. On 8 March 2021, the Hon'ble Supreme Court passed an Order in **Suo Motu Writ Petition (Civil) No. 03 of 2020**, whereby the Apex Court held that the period from 15 March 2020 to 14 March 2021 shall stand excluded in the computation of limitation under any general or special legislation. The relevant portion of the Supreme Court Order has been reproduced for ready reference:

*“1. Due to the onset of COVID-19 pandemic, this Court took suo motu cognizance of the situation arising from difficulties that might be faced by the litigants across the country in filing petitions/applications/suits/appeals/all other proceedings within the period of limitation prescribed under the general law of limitation or under any special laws (both Central or State). By an order dated 27.03.2020 this*

*Court extended the period of limitation prescribed under the general law or special laws whether compoundable or not with effect from 15.03.2020 till further orders. The order dated 15.03.2020 was extended from time to time. Though, we have not seen the end of the pandemic, there is considerable improvement. The lockdown has been lifted and the country is returning to normalcy. Almost all the Courts and Tribunals are functioning either physically or by virtual mode. We are of the opinion that the order dated 15.03.2020 has served its purpose and in view of the changing scenario relating to the pandemic, the extension of limitation should come to an end.*

*2. We have considered the suggestions of the learned Attorney General for India regarding the future course of action. We deem it appropriate to issue the following directions: -*

*1. In computing the period of limitation for any suit, appeal, application or proceeding, the period from 15.03.2020 till 14.03.2021 shall stand excluded. Consequently, the balance period of limitation remaining as on 15.03.2020, if any, shall become available with effect from 15.03.2021.*

*2. In cases where the limitation would have expired during the period between 15.03.2020 till 14.03.2021, notwithstanding the actual balance period of limitation remaining, all persons shall have a limitation period of 90 days from 15.03.2021. In the event the actual balance period of limitation remaining, with effect from 15.03.2021, is greater than 90 days, that longer period shall apply.*

*3. The period from 15.03.2020 till 14.03.2021 shall also stand excluded in computing the periods prescribed under Sections 23 (4) and 29A of the Arbitration and Conciliation Act, 1996, Section 12A of the Commercial Courts Act, 2015 and provisos (b) and (c) of Section 138 of the Negotiable Instruments Act, 1881 and any other laws, which prescribe period(s) of limitation for instituting proceedings, outer limits (within which the court or tribunal can condone delay) and termination of proceedings.*

*4. The Government of India shall amend the guidelines for containment zones, to state. "Regulated movement will be allowed for medical emergencies, provision of essential goods and services, and other necessary functions, such as, time bound applications, including for legal purposes, and educational and job-related requirements."*

7. By way of an Order dated 27.04.2021 in **Re: Cognizance for extension in limitation**, the Hon'ble Supreme Court has once again held that the period of limitation prescribed under general laws or special laws whether condonable or no shall stand extended w.e.f. 14.03.2021 till further orders. The relevant portion of the Supreme Court Order has been reproduced for ready reference:

*"We also take judicial notice of the fact that the steep rise in COVID-19 Virus cases is not limited to Delhi alone but it has engulfed the entire nation. The extraordinary situation caused by the sudden and second outburst of COVID-19 Virus, thus, requires extraordinary measures to minimize the hardship of litigant–public in all the states. We, therefore, restore the order dated 23rd March, 2020 and in continuation of the order dated 8th March, 2021 direct that the period(s) of*

*limitation, as prescribed under any general or special laws in respect of all judicial or quasi-judicial proceedings, whether condonable or not, shall stand extended till further orders.*

*It is further clarified that the period from 14th March, 2021 till further orders shall also stand excluded in computing the periods prescribed under Sections 23 (4) and 29A of the Arbitration and Conciliation Act, 1996, Section 12A of the Commercial Courts Act, 2015 and provisos (b) and (c) of Section 138 of the Negotiable Instruments Act, 1881 and any other laws, which prescribe period(s) of limitation for instituting proceedings, outer limits (within which the court or tribunal can condone delay) and termination of proceedings.”*

8. The Resolution Professional has filed the following Interlocutory Applications before the Hon’ble NCLT, Mumbai. All the Applications are pending adjudication and have been reserved for orders by the Hon’ble NCLT, Mumbai Bench.
- (i) I.A. No. 1468 of 2020 for exclusion of the period of 25 days between the date of Admission Order (10.10. 2019) and the date of receipt of the order (4.11.2019) by the IRP;
  - (ii) I.A. No. 2436 of 2020 for extension of CIRP of the Corporate Debtor by 90 days after lifting of lockdown;
  - (iii) I.A. No. 845 of 2021 for exclusion of the period of lockdown imposed in State of Maharashtra, including Nashik District, from 23.03.2020 to 31.03.2021;
  - (iv) I.A. No. 1920 of 2021 for exclusion of the period of lockdown imposed in State of Maharashtra, including Nashik District, from 01.04.2021 till 20.08.2021.

**TABLE II**                      Calculation of timeline of CIRP of the Corporate Debtor based on  
Lockdown imposed/ extended in the State of Maharashtra

Sr. No.	Order	Impact	180 <sup>th</sup> day of CIRP
1.	Order of the NCLT dated 10.10.2019 initiating CIRP of the Corporate Debtor. A copy of the said Order was received by the IRP only on 4.11.2019.	180 days from 04.11.2019	2.05.2020



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2.	Order of the Government of Maharashtra dated March 23, 2020 imposing a lockdown from 23.03.2020	Lockdown on account of Covid-19 imposed for till March 31, 2020	11.05.2020
3.	Order of the Ministry of Home Affairs, Government of India dated 24.03.2020 extending the lockdown	Lockdown on account of Covid-19 extended for a period of 21 days, i.e. till April 15, 2020	26.05.2020
4.	Order of the Government of Maharashtra dated 13.04.2020 extending the lockdown	Lockdown on account of Covid-19 imposed till April 30, 2020.	10.06.2020
5.	Order of the Government of Maharashtra dated 15.04.2020 extending the lockdown	Lockdown on account of Covid-19 imposed till May 3, 2020.	13.06.2020
6.	Order of the Government of Maharashtra dated 2.05.2020 extending the lockdown	Lockdown on account of Covid-19 extended till May 17, 2020	27.06.2020
7.	Order of the Government of Maharashtra dated 17.05.2020 extending the lockdown	Lockdown on account of Covid-19 extended till May 31, 2020	11.07.2020
8.	Order of the Government of Maharashtra dated 31.05.2020 extending the lockdown	Lockdown on account of Covid-19 extended till June 30, 2020	10.08.2020
9.	Order of the Government of Maharashtra dated 29.06.2020 extending the lockdown	Lockdown on account of Covid-19 extended till July 31, 2020	September 10, 2020
10.	Order of the Government of Maharashtra dated 29.07.2020 extending the lockdown	Lockdown on account of Covid-19 extended till August 31, 2020	October 11, 2020
11.	Order of the Government of Maharashtra dated 31.08.2020 extending the lockdown	Lockdown on account of Covid-19 extended till September 30, 2020	10.11.2020
12.	Order of the Government of Maharashtra dated 30.09.2020 extending the lockdown	Lockdown on account of Covid-19 extended till October 31, 2020	11.12.2020
13.	Order of the Government of Maharashtra dated 29.10.2020 extending the lockdown	Lockdown on account of Covid-19 extended till November 30, 2020	10.01.2021

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14.	Order of the Government of Maharashtra dated 27.11.2020 extending the lockdown	Lockdown on account of Covid-19 extended till December 31, 2020	10.02.2021
15.	Order of the Government of Maharashtra dated 29.12.2020 extending the lockdown	Lockdown on account of Covid-19 extended till January 31, 2021	13.03.2021
16.	Order of the Government of Maharashtra dated 29.11.2021 extending the lockdown	Lockdown on account of Covid-19 extended till February 28, 2021	10.04.2021
17.	Order of the Government of Maharashtra dated 24.02.2021 extending the lockdown	Lockdown on account of Covid-19 extended till March 31, 2021	11.05.2021
18.	Order of the Government of Maharashtra dated 27.03.2021 extending the lockdown	Lockdown on account of Covid-19 extended till April 15, 2021	26.05.2021
19.	Break the Chain Order of the Government of Maharashtra dated 14.04.2021 imposing lockdown-like restrictions across the State of Maharashtra	Lockdown-like restrictions on account of Covid-19 extended till May 1, 2021	11.06.2021
20.	Break the Chain Order of the Government of Maharashtra dated 29.04.2021 imposing lockdown-like restrictions across the State of Maharashtra	Lockdown-like restrictions on account of Covid-19 extended till May 15, 2021	25.06.2021
21.	Break the Chain Order of the Government of Maharashtra dated 12.05.2021 imposing lockdown-like restrictions across the State of Maharashtra	Lockdown-like restrictions on account of Covid-19 extended till June 1, 2021	12.07.2021
22.	Break the Chain Order of the Government of Maharashtra dated 30.05.2021 imposing lockdown-like restrictions across the State of Maharashtra	Lockdown-like restrictions on account of Covid-19 extended till June 15, 2021	26.07.2021
23.	Break the Chain Order of the Government of Maharashtra dated 6.06.2021 imposing lockdown-like restrictions across the State of Maharashtra	Lockdown-like restrictions on account of Covid-19 imposed.	-
24.	Break the Chain Order of the	Lockdown-like	-

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	Government of Maharashtra dated 2.08.2021 imposing lockdown-like restrictions across the State of Maharashtra	restrictions on account of Covid-19 imposed.	
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**TABLE III**                      Calculation of timeline of CIRP of the Corporate Debtor based on

Interlocutory Application for exclusion of time filed by RP

Sr. No.	Interlocutory Application	Impact	180 <sup>th</sup> day of CIRP
1.	Order of the NCLT dated 10.10.2019 initiating CIRP of the Corporate Debtor. A copy of the said Order was received by the IRP only on 4.11.2019.	180 days from 04.11.2019	2.05.2020
2.	An I.A. seeking exclusion of lockdown from 23.03.2020 to 31.03.2021 has been filed by the RP, being I.A. No. 845 of 2021. The I.A. has been reserved for orders.	If the period of lockdown from 23.03.2020 to 31.03.2021 is excluded	10.05.2021
3.	An I.A. seeking exclusion of lockdown from 01.04.2021 to 20.08.2021 has been filed by the RP, being I.A. No. 1920 of 2021. The I.A. has been reserved for orders.	If the period of lockdown from 01.04.2021 to 20.08.2021 is excluded.	29.09.2021
4.	I.A. No. 2436 of 2020 for extension of CIRP of the Corporate Debtor by 90 days after lifting of lockdown in the State of Maharashtra, Nashik District, where the registered office of the Corporate Debtor is situated.		28.12.2021

**NOTE 3**

An Interlocutory Application being I.A. No. 2436 of 2020 in C.P. (IB) No. 2156 of 2019 was filed by the Resolution Professional for extension of CIRP of the Corporate Debtor by 90 days from the 180<sup>th</sup> day of CIRP of the Corporate Debtor (after excluding the period of lockdown). The said IA was heard by the Hon'ble Adjudicating Authority and reserved for orders on 25.08.2021. No orders have been passed in the IA so far.

25. On perusal of the Resolution Plan, it is observed 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.
26. 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 Regulations.
27. The RP has filed Compliance Certificate in Form-H along with the Plan. On perusal the same is found to be in order. The Resolution Plan has been approved by the CoC in the 22<sup>nd</sup> meeting held on 20.08.2021 with 99.86% (Ninety-Nine Point Eighty Six Percent).
28. 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). The Hon'ble Court observed that the role

of the NCLT is ‘no more and no less’. The Hon’ble Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 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) when the Resolution Plan does not conform to the stated requirements.

29. In *CoC of Essar Steel* (Civil Appeal No. 8766-67 of 2019 decided on 15.11.2019) the Hon’ble Apex Court clearly laid down that the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom have approved. In para 42 Hon’ble Court observed as under:

*“Thus, it is clear that the limited judicial review available, which can in no circumstance trespass upon a business decision of the majority of the Committee of Creditors, has to be within the four corners of section 30(2) of the Code, insofar as the Adjudicating Authority is concerned, and section 32 read with section 61(3) of the Code, insofar as the Appellate Tribunal is concerned, the parameters of such review having been clearly laid down in **K. Sashidhar**(supra).”*

30. 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 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**

The Interlocutory Application No. 2194 of 2021 in CP 2156 of 2020 is allowed. The Resolution Plan submitted by Gangamai Industries and Constructions Limited, is hereby approved.

- i. It shall become effective from this date and shall form part of this order. It 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 payment of dues arising under any law for the time being in force is due.
- ii. The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations of the Corporate Debtor and shall be dealt by the appropriate Authorities in accordance with law. It is seen that the Resolution Applicant sought several dispensations, concessions and waivers. Any waiver sought in the Resolution plan shall be subject to approval by the Authority concerned in the light of the Judgment of Supreme Court in *Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited*, the relevant para's of which are extracted herein below:

*“on the date of approval of the Resolution Plan by the Adjudicating Authority, all such claims, which are not a part of 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.”*

*“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), concerned 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.

- iv. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- v. The Applicant and the Monitoring Committee shall supervise the implementation of the Resolution Plan and the Applicant shall file status of its implementation before this Authority from time to time, preferably every quarter.
- vi. 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.
- vii. The Applicant shall forthwith send a copy of this Order to the CoC and the Resolution Applicant for necessary compliance.
- viii. The Interlocutory Application No. 2194 of 2021 in CP 2156 of 2019 is accordingly **allowed and disposed of**.

**Sd/-**

**ANU JAGMOHAN SINGH**  
**Member (Technical)**

11.08.2023  
SAM

**Sd/-**

**H. V. SUBBA RAO**  
**Member (Judicial)**