



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **14.11.2025** THROUGH VIDEO CONFERENCING

PRESENT: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

IN THE MATTER OF : Prudent ARC Ltd
Vs
SAR Ispat Pvt Ltd

MAIN PETITION NUMBER : CP/IB/161(CHE)/2023

(IA/MA) APPLICATION NUMBERS

IA(IBC)(PLAN)/9(CHE)/2025; IA(IBC)/1125(CHE)/2025; IA(IBC)/1141(CHE)/2025

ORDER

Present: Ld. Counsel Ms. Lilly Francis for the RP, along with the RP

Vide common order pronounced in Open Court, plan is approved. CIRP Extension is granted and delay in filing IA(IBC)/1125(CHE)/2025 is condoned.

Sd/-

(VENKATARAMAN SUBRAMANIAM)

MEMBER (TECHNICAL)

MG

Date: 14.11.2025

Sd/-

(SANJIV JAIN)

MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – I, CHENNAI**

In the matter of SAR Ispat Private Limited

IB(IBC)/PLAN/9(CHE)/2025

In

CP(IB)/161(CHE)/2023

*(filed under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 r/w
Regulation 39(4) of IBBI (Insolvency Resolution Process for Corporate
Persons), 2016)*

Piyush Kisanlal Jani

RP of SAR Ispat Private Limited
G-19, Shreewardhan Complex,
Mezzanine Floor, Besides Landmark Building,
Ramdaspath, Wardha Road,
Maharashtra- 440 010

... Applicant

Along with

IB(IBC)/1125(CHE)/2025

In

CP(IB)/161(CHE)/2023

*(filed under Section 12(2) of the Insolvency and Bankruptcy Code, 2016 r/w
Regulation 40 of IBBI (Insolvency Resolution Process for Corporate Persons),
2016)*

Piyush Kisanlal Jani

RP of SAR Ispat Private Limited
G-19, Shreewardhan Complex,



Mezzanine Floor, Besides Landmark Building,
Ramdaspath, Wardha Road,
Maharashtra- 440 010

... Applicant

Along with
IB(IBC)/ 1141(CHE)/2025

In
CP(IB)/161(CHE)/2023

*(filed under Section 12(2) of the Insolvency and Bankruptcy Code, 2016 r/w
Regulation 40 of IBBI (Insolvency Resolution Process for Corporate Persons),
2016)*

Piyush Kisanlal Jani
RP of SAR Ispat Private Limited
G-19, Shreewardhan Complex,
Mezzanine Floor, Besides Landmark Building,
Ramdaspath, Wardha Road,
Maharashtra- 440 010

... Applicant

Order pronounced on 14th November, 2025

CORAM :

SANJIV JAIN, MEMBER (JUDICIAL)
VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

For Applicant : *Lily Francis, Advocate*
: *Resolution Professional in person*
For SRA : *Rajendra Prasasd, Advocate*



ORDER

1. Under consideration is an application **IB(IBC)/PLAN/9(CHE)/2025** filed under Section 30(6) read with Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (IBC, 2016) and Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations, 2016) by the Resolution Professional of the Corporate Debtor viz., **SAR ISPAT PRIVATE LIMITED** seeking approval of resolution plan submitted by the Successful Resolution Applicant (SRA) viz., **SHIVSAKTHI MERCANTILE PRIVATE LIMITED** seeking the following reliefs:

- A. *Allow the Application;*
- B. *Approve and accept the Resolution Plan in its entirety submitted by the Successful Resolution Applicant i.e., Shiv Sakthi Mercantile Private Limited, as approved by 100% of COC under Section 30(4) of the IBC;*
- C. *Pass an order to declare that upon approval of the Resolution Plan by this Tribunal, the provisions of the Resolution Plan shall be binding on the Corporate Debtor, its creditors, members, directors, employees and other stakeholders in accordance with Section 31 of the Code and shall be given effect to and implemented pursuant to the order of this Tribunal; and*
- D. *To pass such further order or directions as deemed fit and proper by this Tribunal in the interest of Justice.*



2. IA(IBC)/1125(CHE)/2025 AND IA(IBC)/1141(CHE)/2025

2.1. Along with the application for consideration of Resolution Plan filed by the SRA, this Tribunal also considers the application IA(IBC)/1125(CHE)/2025, wherein following reliefs are sought:

In view of the facts above, it is most humbly prayed that this Tribunal pleased to:

- a. *Extend the Corporate Insolvency Resolution Process by 10 days from 28.06.2025 till 08.07.2025;*
- b. *To pass such further order or directions as deemed fit and proper by this Tribunal in the interest of Justice.*

2.2. This Tribunal also considers the application IA(IBC)/1141(CHE)/2025, filed by the Resolution Professional of the Corporate Debtor seeking the following reliefs:

- a. *Condone the delay of 7 days in filing the CIRP extension application on 04.07.2025 in Diary No. 33051 18/02157/2025*
- b. *To pass such further order or directions as deemed fit and proper by this Tribunal in the interest of Justice.*

2.3. It is seen that the CIRP period was extended from time to time, on the following applications,



S.No	IA No.	Order date	Extension period	Reason for extension
1	IA(IBC)/1423 (CHE)/2024	21.06.2024	from 03.07.2024 up to 01.10.2024	Although the Expression of Interest (EOI) was published four times, there were no resolution applicants. Hence, the CoC resolved to extend the CIRP period and issue fresh Form G.
2	IA(IBC)/1997 (CHE)/2024	04.10.2024	Up to 30.11.2024	The CoC in its meeting held on 09.09.2024, resolved to extend the CIRP period by 60 days.
3	IA(IBC)/2377 (CHE)/2024	16.12.2024	45 days from the date of the order	Due to ongoing negotiations and possibility of submission of revised resolution plans. Hence, in the 12 th COC meeting held on 15.11.2024, it was resolved to extend the CIRP period.
4	IA(IBC)/269 (CHE)/2025	20.02.2025	Further 30 days till 20.03.2025	The Resolution Plan was put to vote on 30.01.2025, however, the sole COC member sought time to get Board approval. Hence, in the 15 th COC meeting held on 18.01.2025, it was resolved to extend the CIRP period.



5	IA(IBC)/686 (CHE)/2025	05.05.2025	20.04.2025	The Resolution Plan of the SRA was approved by the CoC. However, due to bereavement in the family of the SRA, Performance Bank Guarantee could not be submitted.
6	IA(IBC)/837 (CHE)/2025	27.05.2025	27.06.2025	The Performance Guarantee is yet to be submitted by the SRA.

2.4. Now, the Resolution Professional/ Applicant has filed IA(IBC)/1125(CHE)/2025 seeking extension of CIRP period for a period of 10 days for the reason that the performance guarantee is yet to be submitted by the SRA.

2.5. It is seen that since the SRA sought time till 02.07.2025 to submit the performance guarantee, it was resolved in the 22nd CoC meeting held on 28.06.2025, to apply for extension of CIRP timeline till 08.07.2025 i.e., the date of filing IB(IBC)/PLAN/9(CHE)/2025. Hence, IA(IBC)/1125(CHE)/2025 was filed on 04.07.2025 seeking extension of CIRP period by 10 days from 28.06.2025 to 08.07.2025. There was also a delay of 7 days in making the application for the extension of CIRP period from 28.06.2025 till 04.07.2025. Therefore, the Resolution Professional/ Applicant has filed IA(IBC)/1141(CHE)/2025 seeking condonation of delay of 7 days in filing IA(IBC)/1125(CHE)/2025.



2.6. Considering the submissions made by the Applicant, we grant **extension of the CIRP period until 08.07.2025** condoning the delay of 7 days in filing IA(IBC)/1125(CHE)/2025.

2.7. IA(IBC)/1125(CHE)/2025 and IA(IBC)/1141(CHE)/2025 are accordingly, **disposed of**.

3. CORPORATE INSOLVENCY RESOLUTION PROCESS – IN BRIEF

3.1. The Corporate Debtor is a Company incorporated under the Companies Act, 1956 having its registered office at No. 770, T H Road, Chennai, Tamil Nadu, 6000081. It was incorporated in the year 1998. The Corporate Debtor belongs to AKS Group of Industries, which is an established Steel Industrial Enterprise with different units engaged in manufacturing of INGOTS needed in the production of iron bars/rods and TMT BARS.

3.2. The Company Petition, CP(IB)/161(CHE)/2023 was filed by Prudent ARC Limited (Financial Creditor), against the Corporate Debtor under Section 7 of the IBC, 2016 for initiation of Corporate Insolvency Resolution Process (CIRP). The Petition was admitted by this Tribunal vide an order dated 05.01.2024 and the Applicant herein was appointed as the Interim Resolution Professional (IRP). He was subsequently confirmed as the Resolution Professional in the 1st CoC meeting held on 08.02.2024.

3.3. The Applicant made public announcement in Form A on 10.01.2024 as per Regulation 6 of CIRP Regulations, 2016 in The Business Line (English) and Makkal Kural (Tamil) inviting claims from



the creditors of the Corporate Debtor and the last date for the submission of claims was fixed as 23.01.2024.

3.4. The Applicant collated the claims submitted by the creditors of the Corporate Debtor and constituted the Committee of Creditors (CoC). The summary of claims submitted by the Creditors are extracted hereunder:

Category of Creditors		Total Amount Claimed (INR)	Amount Admitted (INR)
Secured Financial Creditor		49,87,47,150	49,87,47,150
Statutory Authorities	EPFO	1,36,894	1,36,894
	GST Dept.	143,26,73,859	143,26,73,859
Total		193,15,57,903	193,15,57,903

3.5. The Applicant published the first Invitation for Expression of Interest (EOI) in Form-G on 05.03.2024. However, no responses were received by the Applicant warranting the subsequent issuance of 4 more Form-G notices on 27.03.2024, 25.04.2024, 28.05.2024 and 19.06.2024. On the issuance of the 6th Form G on 17.07.2024, the Applicant received 6 enquiries, out of which only 3 EOIs were received by the last date of submissions. Issuance of 6 EOIs constituted 134 days of the total CIRP period.

3.6. Out of the 3 PRAs who submitted EOIs, only two were qualified as Prospective Resolution Applicants ("PRAs"). The list of PRAs are extracted below:



- i. Sri Shivsakthi Mercantile Private Limited
- ii. Tirupati Minerals Private Limited

3.7. The request for resolution plan dated 18.08.2024 ("RFRP") including the evaluation matrix were given to 2 PRAs. The Applicant also provided the PRAs with the Information Memorandum dated 09.09.2024.

3.8. After multiple rounds of negotiation, the final Resolution Plans were submitted by the PRAs on 31.01.2025. In the 16th CoC meeting held on 28.02.2025, the Resolution Plan dated 30.01.2025 submitted by Sri Shivsakthi Mercantile Private Limited with a plan value of Rs. 27,27,00,000 (Indian Rupees Twenty-Seven Crore Twenty Seven Lakh) was approved by a vote of 100 % of the COC members and the PRA was declared as the Successful Resolution Applicant (SRA).

Sl No.	CoC (sole member)	Voting share	Resolution No.1 Item No. 1: To approve resolution plan of M/s Shiv Sakthi Mercantile Private Limited ('SSMPL'). "RESOLVED THAT consent of the Committee of Creditors be and is hereby accorded to approve the complaint resolution plan submitted by M/s Shiv Sakthi Mercantile Private Limited in accordance with section 30(3) of the Insolvency and Bankruptcy Code, 2016 read with regulation 39 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016."
1.	Prudent ARC Limited	100%	Assented
Total voting %		100%	Assented

3.9. The Applicant issued letter of intent dated 01.03.2025 to the SRA. As per the terms of the Letter of Intent, the SRA is to provide Performance Security in the form of a bank guarantee for a total



amount of Rs. 1,36,35,000 (Indian Rupees One Crore Thirty-Six Lakh Thirty-Five Thousand only) representing 5% (Five percent) of total bid value in favour of the Corporate Debtor. However, due to various reasons, SRA sought extension of time to submit the PBG and the same was granted by the CoC up to 02.07.2025. On 02.07.2025, the SRA deposited the performance security of Rs. 1,36,35,000/- (Rupees One Crore Thirty-Six Lakh Thirty-Five Thousand only) representing 5% (Five percent) of total bid value.

3.10. Hence, the present Application seeking approval of the Resolution Plan submitted by the SRA viz. Sri Shivsakthi Mercantile Private Limited has been filed before this Tribunal.

4. **DEVELOPMENTS DURING THE HEARING OF THE RESOLUTION PLAN APPLICATION:**

4.1. During the hearing of this Application on 19.08.2025, following questions were put forth before the counsel for the Applicant/ Resolution Professional. The details of the clarifications sought are extracted below for reference:

“During arguments, RP has disclosed that CBI has filed a charge-sheet against the Company and the suspended Directors and it is at the stage of framing of charge. The Plan is silent as to who will pursue the criminal case on behalf of the Company. Though the Information Memorandum contains registration of CBI case, but the Plan is silent about the investigation and filing of charge-sheet.



RP is directed to verify whether there is any PMLA attachment on the assets of the Corporate Debtor. On this issue, we will like to hear the Successful Resolution Applicant."

4.2. Pursuant to the directions issued by this Tribunal during the hearing held on 19.08.2025, the Applicant filed an Affidavit dated 11.09.2025 vide S.R No. 4439, providing clarifications on the questions put forth by this Tribunal. The submissions of the Applicant are as under:

4.2.1. The Resolution Plan was approved by CoC in its meeting held on 28.02.2025. Thereafter, the Letter of Intent was issued by the Applicant on 01.03.2025.

4.2.2. The Applicant got the knowledge of the CBI Case bearing C.C. No. 2052 of 2024 pending before the Hon'ble Additional Chief Metropolitan Magistrate Court, Egmore on receipt of the summons dated 28.04.2025 from the Magistrate Court.

4.2.3. The Magistrate Court vide order dated 25.06.2025 directed the service of the charge sheet and accompanying documents filed by the CBI to the Applicant herein. The soft copy of all documents, including the charge sheet, was served upon the Applicant on 31.07.2025. The case is at the stage of framing of charges.



4.2.4. The directions of this Tribunal dated 19.08.2025 were placed before the CoC on 05.09.2025. The SRA was also informed to appear before this Tribunal.

4.2.5. With respect to filing of application under Section 66 of IBC, 2016, the charge sheet received on 31.07.2025, discloses allegations of round-tripping of funds through Letters of Credit to the extent of Rs. 9.85 crore, without actual transactions, supported by third-party evidence collected by the CBI from banking channels and transportation agencies. Further, the charge sheet also discloses details of siphoning of hypothecated stocks of the Corporate Debtor to the extent of Rs. 12.73 crore causing loss to Indian Overseas Bank.

4.2.6. It is stated that although a transaction audit was conducted by the Applicant, no fraudulent transactions were identified since only the documents of the Corporate Debtor were available and no third-party evidence was accessible. However, in light of the third-party evidence revealed through the CBI charge sheet, the Applicant has filed an application bearing Diary No. 3305118/03031/2025 under Section 66 of the IBC, 2016 on 05.09.2025, against the suspended Board of Directors and other persons involved.

4.2.7. It is stated that to find out details regarding any attachment order passed by the Enforcement Directorate (ED) under Prevention of Money Laundering Act, 2002 (PMLA, 2002), the Applicant issued notices to the ED and the suspended directors.



4.2.8. It is stated that the Applicant also verified the official website of the Enforcement Directorate and found no record of attachment against the Corporate Debtor.

4.2.9. It is stated that no communication has been received from the ED till date. Upon verification, the RP could not trace any official order or notice on the ED's website, nor has any such order been served upon the Applicant in his capacity as Resolution Professional at the registered office of the Corporate Debtor.

4.2.10. It is stated that the suspended director of the Corporate Debtor has informed that a Provisional Attachment Order (PAO) dated 28.03.2025 bearing ECIR No. CEZO-I/13/2013 was passed under Section 5(1) of the PMLA, 2002, attaching 17 fixed deposits in the names of sundry debtors of the Corporate Debtor to the extent of Rs. 1,52,46,895/- (Rupees One Crore Fifty-Two Lakhs Forty-Six Thousand Eight Hundred and Ninety-Five Only) for a period of 180 days.

4.2.11. It is stated that the PAO dated 28.03.2025, was issued only after the approval of the Resolution Plan by the CoC on 28.02.2025. The issue was placed before the 22nd Meeting of the CoC held on 05.09.2025, where the SRA was invited to deliberate.

4.2.12. It is stated that the CoC proposed two options for the SRA's consideration: (a) Whether the SRA agrees to contest the litigation before the PMLA Court or any other competent forum in respect of the ED attachment; or (b) Whether the SRA agrees to relinquish its rights



of recovery from the sundry debtors to the CoC, enabling the CoC, being the ultimate beneficiary of the attached assets, to pursue litigation concerning the said attachment.

4.3. During the hearing on 11.09.2025, the Ld. Counsel for the SRA submitted that the SRA is not inclined to pursue the criminal case, however, it will provide necessary assistance/ documents if required during the proceedings. With respect to pursuance of attachment proceedings, the SRA sought time. As regards PMLA attachment, Ld. Counsel for the Applicant/ Resolution Professional submitted that there is no attachment on the assets of the Corporate Debtor, however, attachments are on the receivables i.e. FD receipts totalling to Rs. 1,52,46,895/- in the name of the entities mentioned at page 84 and 85 of the application typeset.

4.4. During the hearing held on 07.10.2025, Ld. Counsel for the SRA submitted that SRA is not inclined to pursue the Application regarding the removal of PMLA attachments on the receivables i.e. FD receipts totalling to Rs.1,52,46,895/- and it has no objection, if the CoC pursues the Application and takes benefit of the removal of the attachments. It was submitted that the SRA will not have any claim in this respect. Ld. Counsel for the RP submitted that the CoC has taken a decision to pursue the aforesaid Application and take benefit out of the same. The Applicant also sought permission to file additional documents.



4.5. Pursuant to the directions of this Tribunal dated 07.10.2025, the Applicant filed an Affidavit dated 22.10.2025 having S.R. No. 4439 placing on record the e-mail of the SRA dated 04.10.2025, relinquishing the right to claim any amount from the fixed deposit attached by the Enforcement Directorate and Affidavit of the SRA under Section 29A of IBC, 2016 dated 30.01.2025.

5. VALUATION REPORT

5.1. The Applicant appointed valuers under Regulation 27 of the CIRP Regulations, 2016. The valuers gave their reports on the valuation which are as follows:

Name of valuer	Fair value (INR crore) .	Liquidation Value (INR crore)
Mihir Shetty (Plant And Machinery)	30.45	21.26
Karan Mody (Plant and Machinery)	32.45	22.71
Shaan Akrekar (Land and Building)	9.07	6.35
Raseek Bhagat (Land and Building)	8.95	6.72
Ankit Kothari (SFA)	NIL	NIL
Jayesh Shah	NIL	NIL



5.2. The average liquidation value of the Corporate Debtor as per Regulation 35(1)(c) of the CIRP Regulations, amounts to INR 28,52,00,000/- (Twenty-Eight Crores Fifty-Two Lacs Only).

6. SALIENT FEATURES OF THE RESOLUTION PLAN

6.1. The Successful Resolution Applicant (SRA) i.e., Sri Shivsakthi Mercantile Private Limited (U51909TN2019PTC129539.), having its registered office at No.665/2, 1st Floor, T.H.Road, Tondiarpet, Chennai, Tamil Nadu, India-600 081 was incorporated on 27.05.2019. The SRA is engaged in trading of various types of Finished Products like TMT Bars, MS Billets and raw material like iron Ore Pellets, Scrap, Sponge Iron Pellets etc. Recently, the SRA has acquired steel rerolling plant of Kamachi Steels Private Limited for Rs.7.38 cr.

6.2. The net worth of the SRA and its directors are extracted below:

Net Worth of Company and Directors is as follows:

(INR in Crores)

Name	N. W As on 31.03.2024
Sri Shivsakthi Mercantile Private Limited	28.38
Mr. S. Ramanujam	1.50
Mr. Vinod Kothari	0.18
Total	30.06

6.3. In **Chapter II Para 1** of the Resolution Plan, the SRA has proposed to infuse sufficient working capital in order to scale up the



business activities of the Corporate Debtor. The SRA has also proposed to review the old customer base of the Corporate Debtor and to make new tie-ups for supply of finished products.

6.4. In **Chapter IV J** of the Resolution Plan, the SRA has assessed the cause of default and submitted that the unit of the Corporate Debtor is old and the plant & machinery installed are based on old technology. Continued operation of the Corporate Debtor would require substantial up-gradation in the machinery set-up. Further, since, the suppliers and customers of the Corporate Debtor have lost faith in the Company, the new management / applicant would take considerable time to gain the confidence of the customers and establish a smooth business cycle. Over a period of time, the SRA may reinstate and hire additional workmen and employees.

6.5. The SRA is in the business of trading of various types of Finished Products like TMT Bars, MS Billets and raw materials like Iron Ore Pellets, Scrap. Sponge Iron Pellets etc. The Resolution Applicant aims to leverage the existing networks and relationships; and to market the additional production after acquisition of the Company. The Resolution Applicant would also infuse sufficient working capital for improving the operations and additional working capital requirements.

6.6. The SRA has confirmed in its Affidavit dated 30.01.2025 that it is eligible to submit a Resolution Plan for the Corporate Debtor under



Section 29 A of IBC, 2016. (The Section 29A undertaking dated 30.01.2025 is annexed and marked as *Annexure II* of the Affidavit Typeset dated 17.10.2025)

6.7. The Applicant has calculated the total amount due as Rs. 193,15,57,903/-, upon admitting the following claims, as per the provisions of the IBC, 2016 and applicable regulations:

S. No	Claimant	Claim Admitted (Rs)
1.	Financial Creditors – Secured	49,87,47,150
2.	Financial Creditors – Unsecured	Nil
3.	Operational Creditors' Claims (Except Workmen and & Employee Claims and Statutory Claims & Dues)	Nil
5	Operational Creditors' Claims (Workmen & Employees)	Nil
4.	Operational Creditors' Claims (Government Dues)	1,43,28,10,753
	Total	1,93,15,57,903

6.8. The SRA has proposed to infuse **Rs. 27,27,00,000** out of which it has proposed to disburse **Rs. 27,02,00,000** towards the settlement of total admitted dues of **Rs. 193,40,57,903**.

6.9. As per the **Chapter I** of the Plan, 'Closing', means the completion, fulfilment and execution of all the actions set out in Clause B in chapter VI to the satisfaction of the Resolution Applicants. 'Closing Date' is defined as the date on which the resolution plan is approved by the Adjudicating Authority. Completion Date means the



date on which the amount proposed in the resolution plan is fully paid.

7. **AMOUNTS PAYABLE UNDER THE RESOLUTION PLAN TO VARIOUS CLASSES OF CREDITORS OF THE CORPORATE DEBTOR.**

7.1. **CIRP Costs:**

7.1.1. As per **Chapter IV C** read with **Chapter IV D(1)** of the Plan, the CIRP costs to the extent of Rs. 25,00,000 not paid out of the Company's cash flows shall be paid out of the Resolution Plan amount at actuals, in priority to the repayment of any other claims or payments. If the actual CIRP cost as approved by the CoC is less than the proposed amount, the excess amount shall be distributed to secured financial Creditor. Similarly, if the CIRP cost is in excess of Rs. 25 Lakhs, the excess amount shall be adjusted from the amount payable to the Secured Financial Creditor.

7.1.2. Further, **Chapter IV C** and **Chapter IV D(7)** provides that the Resolution Plan has been made on the assumption that all dues incurred by the Resolution Professional, on behalf of the Corporate Debtor or by the Corporate Debtor itself during the CIRP, apart from the CIRP Costs specified in Part C and Part D of Chapter IV, have been or will be paid out of the cash flows of the Company. Therefore, except for CIRP Costs specified in Part C of Chapter IV (i.e., Rs. 25,00,000), any liabilities and/ or claims that arise between the Insolvency



Commencement Date and the NCLT Approval Date (closing date) shall stand waived, extinguished, abated, discharged in perpetuity as on the closing date, except any liability incurred strictly in the ordinary course of business.

7.2. Financial Creditors:

7.2.1. Chapter IV C and Chapter IV D(2) of the Plan provide details about the amounts proposed to be paid to the various financial creditors as extracted hereunder,

Financial Creditor	Admitted Claim as per Claim Sheet (Rs)	Total Payment (Rs)	Upfront Payment (Rs)	Balance Payment (Rs)
Secured Financial Creditors	49,87,47,150.00	26,97,00,000.00	7,20,00,000.00	19,77,00,000.00
TOTAL	49,87,47,150.00	26,97,00,000.00	7,20,00,000.00	19,77,00,000.00

Sr. No.	Amount	Tenure	Remark
1	INR 7,20,00,000	Upfront payment. To be made within 60 days from the Closing Date	To be paid to Secured Financial Creditor against admitted claim
2.	INR 19,77,00,000	To be paid in 12 monthly installments. First 11 installments of Rs 1.50 Crores each and 12 th installment of INR 3.27 crores starting from the date of upfront payment. The total balance payment shall be paid in 14 months	To be paid to Secured Financial Creditor against admitted claim
TOTAL	INR 26,97,00,000		



7.2.2. The sum of INR 26,97,00,000.00 as the payment to Financial Creditors- Secured shall be paid to the Secured Financial Creditors (s full and final settlement of payment.

7.2.3. As on Insolvency Commencement Date, there is no claim received from unsecured Financial Creditor. Hence, Resolution Applicant proposes **NIL** payment to Unsecured Financial Creditors.

7.2.4. There are no dissenting Financial Creditors.

7.3. Operational Creditors:

7.3.1. It is stated that in terms of **Chapter IV G(b)**, Operational Creditors (Government dues) shall be paid a sum of Rs 5,00,000/- towards full and final settlement of provident fund liabilities on pro rata basis of their claims. The details are as follows:

Operational Creditors' (Except Workmen and & Employee Claims and Statutory Claims & Dues)	Nil
Operational Creditors' (Workmen & Employees)	Nil
Operational Creditors' (Government Dues) (The PF department will be paid the full amount as admitted by the RP and remaining amount shall be distributed to other operational creditor.)	5,00,000

7.3.2. As per **Chapter IV L (12)** of the Resolution Plan, as per information provided by the Resolution Professional, only one claim has been received from the Provident Fund Department. It is stated that the Resolution Applicant shall not be responsible for any claim



towards the Provident Fund dues of the staff workers of the Corporate Debtor in future other than the amount proposed under the resolution plan. Further, as per **Chapter IV L (13)**, no claims have been received for Gratuity.

7.3.3. As per **Chapter IV D(2)**, the Plan complies with Section 30(2)(b) of IBC, 2016, since the amount payable to operational creditor is more than the liquidation value payable to the operational creditors in the event the of liquidation of the corporate debtor under section 53 of the IBC, 2016. The SRA declares that if the amount payable to Operational Creditor determined to be higher than the amount as proposed above, the SRA shall make the payment of minimum amount payable to operational creditor in accordance with the provision of Section 30(2) of the IBC, 2016 and the same shall be deducted from the amount payable to the secured financial creditor

7.3.4. The Plan provides that the amount payable to operational creditors under the resolution plan shall be paid in priority over the financial creditor.

8. SCHEDULE OF PAYMENTS

8.1. All the payments to the Financial Creditors shall commence from the Closing Date i.e. upfront cash payment of Rs. 7,50,00,000 (Rupees Seven Crores Fifty Lakhs only) out of which Rs. 25,00,000 (Rupees Twenty-Five Lakhs Only) is payable towards unpaid CIRP cost (at actuals), Rs. 7,20,00,000 (Rupees Seven Crores Twenty Lakhs



only) is payable towards Secured Financial Creditors and Rs. 5,00,000 (Rupees Five Lakhs is payable towards provident fund dues) to be paid within 60 days of approval of resolution plan by adjudicating Authority. The same is depicted in **Chapter VI(F)** of the Resolution Plan as extracted below:

S. No.	Event	Timeline
1.	NCLT Approval Date	X
2.	Closing Date	X + 0 = Y
3.	Payment of CIRP Costs (to the extent unpaid)	Y + 60 days
4.	Payment of Upfront amount FC Payment to the Financial & Operational Creditors	Y + 60 days
5.	Payment of Balance amount FC Payment to the Financial Creditors	12 monthly installments from the date of payment of upfront amount, out of which first 11 installments of INR 1.50 crore each and 12 th installment of INR 3.27 crores

8.2. **Chapter IV C** of the Plan provides the summary of payments and the payment schedule as extracted below:

C. SUMMARY OF PAYMENTS:

The Resolution Applicant proposes to utilize the Share Capital and Unsecured Loans to pay and settle various claims as a part of the Resolution Plan, in the following manner:

Stakeholder	Admitted Claim as per IM (R)	Total Payment (Rs)	Upfront (Rs.)	Balance Payment (Rs.)
CIRP Costs (A)	25,00,000.00	To be paid at actuals.		0.00
Financial Creditors (B)				
Total Payment	49,87,47,150	26,97,00,000	INR 7.20	INR. 19.77



to Financial Creditors- Secured			Crores (within 60 days from the Closing Date)	crores to be paid in 11 monthly instalments of INR. 1.5 Crores each and 12th instalment of INR 3.27 Crores
Total Payment to Financial Creditors	Nil	Nil	Nil	Nil

Operational Creditors (C)				
Operational Creditors' Claims (Except Workmen and & Employee Claims and Statutory Claims & Dues)	Nil	Nil	Nil	Nil
Operational Creditors' (Workmen & Employees)	Nil	Nil	Nil	Nil
Operational Creditors' Claims (Government Dues)	1,43,28,10,753.00	5,00,000 (including amt of 1,36,894/- payable to PF Department and balance to other creditor in proportion to their claim)	5,00,000	Nil
Total	1,93,40,57,903	27,27,00,000	7,50,00,000	19,77,00,000

Total payment schedule towards various creditors:



Part	Particulars	Amount (INR in Rs.)
Part A	CIRP Payment (within 60 days of Closing Date)	To be paid at actuals (Estimated Amount 0.25 Crores)
Part B	Upfront Payment to Secured Financial Creditors (within 60 days of Closing Date)	7.20 Crores
	Upfront Payment to Unsecured Financial Creditors (within 60 days of Closing Date)	Nil
	Balance Payment to Secured Financial Creditors (to be paid in 11 monthly instalment of INR 1.50 Crores and 12th month's instalment of INR 3.27 Crores commencing from the date of upfront payment.	19.77 Crores
	Upfront Payment to Operational Creditors' (Except Workmen and & Employee Claims and Statutory Claims & Dues)	Nil
Part C	Upfront Payment to Operational Creditors' Workmen and & Employee Claims)	Nil
	Upfront Payment to Operational Creditors' (Government Dues)	0.05 Crores
	Total Amount	27.27 Crores

9. SOURCE OF FUNDS

9.1. As specified in **Chapter IV L(10)** of the Resolution Plan, the Resolution Applicant has sufficient liquid funds available in the form of cash in hand / Cash at bank, FDRs, Loans and Advances given which are recoverable on short notices etc., which are sufficient for making upfront payment upon approval from the Adjudicating



Authority. The Term Sheet as provided by M/s Narottamka Trade & Vyapaar Private Limited is also attached in support of source of funds

10. MANAGEMENT AND CONTROL OF THE AFFAIRS OF THE CORPORATE DEBTOR

10.1. As per **Chapter IV L(14)**, consequent to the approval of the Resolution Plan by this Tribunal, the entire shareholding of the Corporate Debtor will be restructured/ reorganized by making the shareholding of all the existing shareholders as NIL; and by re-issuing, all the shares to new shareholders (i.e., Resolution applicant and its group company only) as per the directions of the Resolution Applicant. All the benefits of the existing shareholders shall become non-operative and non-effective from the date of approval of resolution plan by this Tribunal.

10.2. **Chapter V** of the Resolution Plan, elaborates that the SRA along with their nominees, collectively propose to hold 100% (One Hundred Percent) shareholding in the share capital of the Corporate Debtor. The nominee would be a group company and/or strategic investor and their group company. All the new shareholders will be 29A compliant.

10.3. The erstwhile shareholders shall not dispose of, their respective shareholding or any part thereof, in the Company after the submission



of this Resolution Plan until the Closing Date, except as envisaged in this Resolution Plan.

10.4. The erstwhile Board of Directors of the Corporate Debtor shall remain suspended and the Resolution Professional (with Committee of Creditors) shall continue to manage the affairs of the Company until the Closing Date. On and from the Closing Date, all the existing Directors, shall vacate their respective offices. On the completion date, a new Board of the Company shall be formed by the SRA in the manner provided in Chapter VI. On making full payment as per the plan, the Resolution Applicant shall appoint the statutory and internal auditor of the Company, in accordance with the Applicable Law.

10.5. **Chapter V** of the Plan also provides that the Corporate Debtor will continue with the existing employees and may employ new employees/workmen to carry on the business of the Company after the Closing Date, in accordance with the Applicable Laws

11. MANNER OF SUPERVISION AND IMPLEMENTATION OF THE PLAN:

11.1. In terms of **Chapter VI (B)** of the Resolution Plan, all payments shall be made within a time frame mentioned as per Chapter IV of this Resolution Plan. The term of the Resolution Plan shall be 14 months. The Upfront payment to the Secured Financial Creditors to the extent of INR 7,20,00,000/-, to the Operational creditor payment to the extent of INR 5,00,000/- and the CIRP cost of 25,00,000/- shall be paid within 60 (Sixty) days and the deferred payment of INR 19,77,00,000/- shall be



paid in 12 monthly instalments, first 11 instalments of INR 1.50 crores each and 12th instalment of INR 3.27 Crore.

11.2. The plan shall be implemented in the following phases: a) Prior to Closing Date; b). On Closing Date; and c) On Completion Date;

11.3. **Chapter VI (B)** provides for constitution of Monitoring Agency to ensure that the Resolution Plan is implemented in accordance thereof and the obligations undertaken are adhered to in letter and spirit. An appropriate monitoring agency/entity shall be constituted ("Monitoring Agency") on the closing date. The details pertaining to the monitoring agency are extracted below:

11.3.1. One person nominated by the Committee of Creditors, one person nominated, by Resolution Applicant and Resolution Professional shall be the member of the monitoring agency, to supervise and implement the Resolution Plan and to provide a regular update on the progress of the Resolution Plan to the Committee of Creditors.

11.3.2. The Monitoring Agency's term shall be till the payment to all stakeholders including the deferred payment to Financial Creditors as per Part D of Chapter IV.

11.3.3. The monthly fees of the monitoring agency shall be paid by the Resolution Applicant.



11.3.4. Any decision by the Monitoring Agency shall not be taken without the majority approval.

11.3.5. The Monitoring Agency, shall, supervise the implementation of the Resolution Plan, and shall be required, and entitled to do all such acts, deeds, matters and things as may be necessary, desirable or expedient in order to implement and give effect to this Resolution Plan in accordance with its terms and shall act under the supervision of the Adjudicating Authority.

11.3.6. The powers of the board of directors of the Company shall remain suspended until the Completion Date, and shall be exercised by the Monitoring Agency.

11.3.7. It is clarified that until the Completion Date, the Company or the Monitoring Agency shall not make any payments (including interest) towards the claims of the Financial Creditors, Operational Creditors or the other creditors except those claims arising out of the liabilities incurred in the ordinary course of business of the Company during the period from Insolvency Commencement Date to the Closing Date.

11.3.8. The Company and all its facilities shall continue to receive supply of essential goods and services (as defined under the Code and the CIRP Regulations) on an uninterrupted basis, and shall not be for any reason shut down or restricted in activities in ordinary manner.



11.3.9. The Monitoring Agency, shall be entitled to make an application to the Adjudicating Authority directing local law enforcement authorities and local district administration authorities to maintain law and order with regard to various premises owned and/ or used by the Company, and to assist in the implementation of the Resolution Plan. The Committee of Creditors, the Monitoring Agency, the Company, its existing management, employees, Shareholders and creditors shall provide all necessary cooperation as shall be required for obtaining the regulatory approvals.

11.3.10. The Monitoring Agency shall put in place an adequate mechanism for supervising the implementation of the Resolution Plan (to the extent outstanding) post the Closing Date

12. TABULATION OF VARIOUS COMPLIANCES REQUIRED UNDER THE PROVISIONS OF IBC, 2016

12.1. The Applicant has submitted the details of various compliances as envisaged within the provisions of IBC, 2016 and CIRP Regulations, which require a Resolution Plan to adhere to, which are reproduced hereunder:

CLAUSE OFS.30(2)	REQUIREMENT	HOW DEALT WITHIN THE PLAN
(a)	Plan must provide for payment of CIRP cost in priority to repayment of other debts of CD in the manner specified by the Board.	Chapter IV C and Chapter IV D1



(b)	<p>(i) Plan must provide for repayment of debts of OCs in such manner as may be specified by the Board which shall not be less than the amount payable to them in the event of liquidation u/s 53; or</p> <p>(ii) Plan must provide for repayment of debts of OCs in such manner as may be specified by the Board which shall be not less than 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 the order of priority in sub-section(1) of section 53, whichever is higher and</p> <p>(iii) Provides for payment of debts of financial creditors who do not vote in favour of the resolution plan, in such manner as may be specified by the Board.</p>	<p>Chapter IV C and Chapter IV D2</p> <p>Chapter IV D2</p> <p>Chapter IV C and Chapter IV D2 Page 17</p>
(c)	Management of the affairs of the Corporate Debtor after approval of the Resolution Plan.	Chapter V C and Chapter VI B (b)
(d)	Implementation and Supervision.	Chapter VI B (b) Chapter VI B of the resolution plan
(e)	Plan does not contravene any of the provisions of the law for the time being in force.	Chapter VI clause
(f)	Conforms to such other requirements as may be specified by the Board.	NA



13. MANDATORY CONTENTS OF THE RESOLUTION PLAN IN TERMS OF REGULATION 38 OF THE CIRP REGULATIONS:-

<i>Reference to relevant Regulation</i>	<i>Requirement</i>	<i>How dealt with in the Resolution Plan</i>
38(1)	The amount due to the Operational Creditors under a Resolution Plan shall be given priority in payment over Financial Creditor.	Chapter IV D2
38(1A)	A Resolution Plan shall include a statement as to how it has dealt with the interest of all stakeholders, including Financial Creditors and Operational Creditors of the Corporate Debtor	Chapter IV part G and Chapter VI A 1.10
38(1B)	A Resolution Plan shall include a statement giving details if the resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past.	Chapter VI A clause 2.1
38(2)	A Resolution Plan shall provide (a) the term of the plan and its implementation schedule	Chapter VI Point F
	(b) the management and control of the business of the Corporate Debtor during its terms; and	Chapter VI point B
	(c) adequate means for supervising its implementation	Chapter VI point B page 34
38(3)	A Resolution Plan shall demonstrate that (a) It addressed the cause of default;	Chapter II Page 8
	(b) It is feasible and viable;	Chapter VI A 2.9



<i>Reference to relevant Regulation</i>	<i>Requirement</i>	<i>How dealt with in the Resolution Plan</i>
	(c) it has provisions for its effective implementation;	Chapter VI B
	(d) it has provisions for approvals required and the timeline for the same; and	Chapter VI D 1,2,3
	(e) the Resolution Applicant has the capability to implement the Resolution Plan	Chapter VI A 2.3

14. ANALYSIS AND FINDINGS OF THIS TRIBUNAL:-

14.1. Heard the counsel for the Parties and perused the documents on record

14.2. The Applicant has filed Compliance Certificate in Form H dated 08.07.2025. The same is appended as *Annexure XVIII* of the Application.

14.3. It is seen from Form H that the Fair value of the Corporate Debtor has been estimated to be Rs. 40,46,00,000/- (Rupees Forty Crores Forty-Six Lakhs Only), and the Liquidation value has been estimated to be Rs.28,52,00,000/- (Rupees Tenty-Eight Crores Fifty-Two Lakhs Only). The Resolution Plan value is **Rs. 27,27,00,000** /- (Rupees Twenty-Seven Crores Twenty-Seven Lakhs Only).

14.4. It is also seen from Form – H that the Applicant has not filed PUF E Application under Section 43, 45 and 66 of IBC, 2016. However,



in the Affidavit filed before this Tribunal, it is submitted that an application bearing Diary No. 3305118/03031/2025 under Section 66 of the IBC, 2016 on 05.09.2025, against the Suspended Board of Directors and other persons has been filed. It is stated that the beneficiary of the PUFEE Application will be the CoC which will pursue the Application in the manner as contemplated in the Plan.

14.5. The SRA has submitted an Affidavit under Section 29A of IBC, 2016 to the Resolution Professional confirming that, as on the date of this Plan and on the basis of the records of the Resolution Applicant, the Resolution Applicant is eligible under Section 29A of the Code to submit the Plan. The Affidavit is appended as *Annexure II* of the Affidavit dated 22.10.2025.

14.6. The Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor, commenced vide order of this Adjudicating Authority dated 05.01.2024 in CP(IB)/161(CHE)/2023. On perusal of the Provisional Attachment Order No. 10/2025 dated 28.03.2025 issued under the Prevention of Money Laundering Act, 2002 (PMLA), it is noted that the Enforcement Directorate (ED) had recorded the Enforcement Case Information Report No. ECIR/CEZO-1/13/2023 dated 31.03.2023, even prior to the commencement of the CIRP period, to investigate offences under Sections 120-B read with 420 of the Indian Penal Code, Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988, and Section 13(1)(a) read with Section 13(2) of



the said Act as amended in 2018, together with corresponding offences under the provisions of PMLA, 2002.

14.7. It is also observed that the Central Bureau of Investigation, Economic Offences Branch, Chennai, registered FIR No. RC069202380001 dated 12.01.2023 against the Corporate Debtor and its Suspended Directors under Sections 120-B read with 420 of IPC and Section 13(2) read with Section 13(1)(d) and Section 13(1)(a) read with Section 13(2) of the Prevention of Corruption Act, 1988 (as amended). The FIR was registered based on a written complaint No. RO/VIG/208/2022-23 dated 11.01.2023 received from Shri Davender Kumar, Chief Regional Manager, Indian Overseas Bank.

14.8. In the Affidavit filed before this Tribunal, as well upon examination of the Provisional Attachment Order, it is seen that during investigation the Corporate Debtor had receivables from various entities towards sale of goods and materials, which have remained unrealized for the last seven to eight years. Further, certain fixed deposits were existing in the names of such entities which have outstanding liabilities towards the Corporate Debtor. The details of the entities and the respective fixed deposit receipts are extracted below:



Sl. No.	Name of the Entity	Amount payable to M/s SAR Ispat Private Limited (in Rs.)
1	Kaizen Cold Formed Steel Pvt Ltd	61,48,348
2	Oswal Trade Links	67,70,607
3	Shree Krishna Corporation	9,38,296
4	Sumit Industries	13,89,643

7.5.1 Fixed Deposits in the name of Shri Raghav K Saraf, Director of M/s Kaizen Cold Formed Steel Private Limited:

S.No.	FD in the name of	Date of Opening of FD	Fixed Deposit No.	Amount (in Rs.)	Name and Details of the Bank
1.	Raghav K Saraf, Director of M/s kaizen Cold Formed Steel Private Limited	26.11.2024	301023408069	30,00,000/-	Indusind Bank, Chinmaya Nagar, Chennai
2.		04.12.2024	301025022729	30,00,000/-	
3.		05.12.2024	301025211374	1,48,349/-	
			Total	Rs. 61,48,349/-	

7.5.2 Fixed Deposits in the name of M/s Oswal Trade Links:

S.No.	FD in the name of	Date of Opening of FD	Deposit No.	Amount (in Rs.)	Name and details of the Bank
1.	M/s Oswal Trade Links	26.09.2024	092740900004918/1	17,00,000/-	Yes Bank, Sowcarpet Branch
2.		21.10.2024	092740900004928/1	5,00,000/-	
3.		21.10.2024	092740900004938/1	5,00,000/-	
4.		19.11.2024	092740900005019/1	5,00,000/-	
5.		19.11.2024	092740900005009/1	5,00,000/-	
6.		25.11.2024	092740900005049/1	5,00,000/-	
7.		29.11.2024	092740900005059/1	5,00,000/-	
8.		06.12.2024	092740900005079/1	3,00,000/-	
9.		06.12.2024	092740900005089/1	5,00,000/-	
10.		07.12.2024	092740900005099/1	2,00,000/-	



11.		30.01.2025	092740900005132/1	3,00,000/-	
12.		26.02.2025	092740900005172/1	7,70,607/-	
			Total	Rs. 67,70,607/-	

7.5.3 Fixed Deposits in the name of M/s Sri Krishna Corporation:

S.No.	FD in the name of	Date of opening of FD	Fixed Deposit No.	Amount (in Rs.)	Name and details of the Bank
1.	M/s Sri Krishna Corporation	26.09.2025	115358300000459 3/1	Rs. 9,38,296/-	Karur Vysya Bank, Chennai, Main Branch

7.5.4 Fixed Deposits in the name of M/s Sumit Industries:

S.No.	FD in the name of	Date of opening of FD	Term Deposit A/C No.	Amount (in Rs.)	Name of the Bank
1.	M/s Sumit Industries	30.09.2025	009743600014058/1	Rs. 13,89,643/-	Dhanlaxmi Bank, GT Chennai-97

14.9. The Provisional Attachment Order indicates that the above seventeen fixed deposits, aggregating to a total of Rs. 1,52,46,895/- (Rupees One Crore Fifty-Two Lakh Forty-Six Thousand Eight Hundred and Ninety-Five Only), standing in the names of the aforesaid entities, have been treated as equivalent value of the proceeds of crime derived by the Corporate Debtor and accordingly attached under Section 5(1) of the PMLA, 2002.

14.10. Section 32 A of IBC, 2016 grants immunity to the resolution applicant from the criminal liability of a corporate debtor, for an offence committed prior to the commencement of the CIRP. As per the provision, the corporate debtor shall not be liable to be prosecuted for such an offence committed prior to CIRP, provided the resolution



applicant meets the conditions provided under Section 32A(1) of IBC, 2016. Section 32A of IBC, 2016, reads as under:

32A. Liability for prior offences, etc.

(1) Notwithstanding anything to the contrary contained in this Code or any other law for the time being in force, the liability of a corporate debtor for an offence committed prior to the commencement of the corporate insolvency resolution process shall cease, and the corporate debtor shall not be prosecuted for such an offence from the date the resolution plan has been approved by the Adjudicating Authority under section 31, if the resolution plan results in the change in the management or control of the corporate debtor to a person who was not--

(a) a promoter or in the management or control of the corporate debtor or a related party of such a person; or

(b) a person with regard to whom the relevant investigating authority has, on the basis of material in its possession, reason to believe that he had abetted or conspired for the commission of the offence, and has submitted or filed a report or a complaint to the relevant statutory authority or Court:

Provided that if a prosecution had been instituted during the corporate insolvency resolution process against such corporate debtor, it shall stand discharged from the date of approval of the resolution plan subject to requirements of this sub-section having been fulfilled:

Provided further that every person who was a designated partner as defined in clause (j) of section 2 of the Limited Liability Partnership Act, 2008 (6 of 2009), or an officer who is in default, as defined in clause (60) of section 2 of the Companies Act, 2013 (18 of 2013), or



was in any manner incharge of, or responsible to the corporate debtor for the conduct of its business or associated with the corporate debtor in any manner and who was directly or indirectly involved in the commission of such offence as per the report submitted or complaint filed by the investigating authority, shall continue to be liable to be prosecuted and punished for such an offence committed by the corporate debtor notwithstanding that the corporate debtor's liability has ceased under this sub-section.

(2) No action shall be taken against the property of the corporate debtor in relation to an offence committed prior to the commencement of the corporate insolvency resolution process of the corporate debtor, where such property is covered under a resolution plan approved by the Adjudicating Authority under section 31, which results in the change in control of the corporate debtor to a person, or sale of liquidation assets under the provisions of Chapter III of Part II of this Code to a person, who was not--

(i) a promoter or in the management or control of the corporate debtor or a related party of such a person; or

(ii) a person with regard to whom the relevant investigating authority has, on the basis of material in its possession reason to believe that he had abetted or conspired for the commission of the offence, and has submitted or filed a report or a complaint to the relevant statutory authority or Court.

Explanation.--For the purposes of this sub-section, it is hereby clarified that,--

(i) an action against the property of the corporate debtor in relation to an offence shall include the attachment, seizure, retention or confiscation of such property under such law as may be applicable to the corporate debtor;



(ii) nothing in this sub-section shall be construed to bar an action against the property of any person, other than the corporate debtor or a person who has acquired such property through corporate insolvency resolution process or liquidation process under this Code and fulfils the requirements specified in this section, against whom such an action may be taken under such law as may be applicable.

(3) Subject to the provisions contained in sub-sections (1) and (2), and notwithstanding the immunity given in this section, the corporate debtor and any person who may be required to provide assistance under such law as may be applicable to such corporate debtor or person, shall extend all assistance and co-operation to any authority investigating an offence committed prior to the commencement of the corporate insolvency resolution process.]

14.11. Although Section 32A protects the property of the Corporate Debtor forming part of the Resolution Plan approved in terms of Section 31 of IBC, 2016, the statutory immunity from the consequences of the commission of the offence by the corporate debtor is not available and those who were the in-charge of the assets of the corporate debtor, or who were responsible for the conduct of its business or those who were associated with the corporate debtor in any manner, and who were directly or indirectly involved in the commission of the offence will be subjected to criminal liability for such offences. The same has been upheld by the Hon'ble Supreme Court of India in the case of *Manish Kumar v. Union of India and Anr., ((2021) ibclaw.in 16 SC)*. The relevant paragraphs from the judgment are extracted below:



“254. Coming to sub-Section (2) of Section 32A, it declares a bar against taking any action against property of the corporate debtor. This bar also contemplates the connection between the offence committed by the corporate debtor before the commencement of the CIRP and the property of the corporate debtor. This bar is conditional to the property being covered under the Resolution Plan. The further requirement is that a Resolution Plan must be approved by the Adjudicating Authority and, finally, the approved plan, must result in a change in control of the corporate debtor not to a person, who is already identified and described in sub-Section (1). In other words, the requirements for invoking the bar against proceeding against the property of the corporate debtor in relation to an offence committed before the commencement of the CIRP, are as follows:

- (i) There must be Resolution Plan, which is approved by the Adjudication Authority under Section 31 of the Code;*
- (ii) The approved Resolution Plan must result in the change in control of the corporate debtor to a person, who was not – (a) a promoter; (b) in the management or control of the corporate debtor or (c) a related party of the corporate debtor; (d) a person with regard to whom the investigating authority, had, on the basis of the material, reason to believe that he has abetted or conspired for the commission of the offence and has submitted a Report or a complaint. If all these aforesaid conditions are fulfilled then the Law Giver has provided that no action can be taken against the property of the corporate debtor in connection with the offence;*

The Explanation to sub-Section (2) has clarified that the words “an action against the property of the corporate debtor in relation to an offence”, would include the attachment, seizure, retention or confiscation of such property under the law applicable to the corporate debtor. Since the word “include” is used under sub-clause (i) of the Explanation, the word “action” against the property of the corporate debtor is intended to have the widest possible amplitude. There is a clear nexus with the object of the Code. The other part of the clarification, under the Explanation, is found in the second sub-clause of the Explanation (ii). Under the second limb of the Explanation, the Law Giver has clearly articulated the point that as far as the property of any person, other than the corporate debtor or any person who had acquired the property of the corporate debtor through the CIRP or liquidation process under the Code and who otherwise fulfil the requirement under Section 32A, action can be taken against the property of such other person. Thus, reading sub-Section (1) and sub-Section(2)



together, two results emerge – (i) subject to the requirements embedded in sub-Section (1), the liability of the corporate, debtor for the offence committed under the CIRP, will cease; (ii) The property of the corporate debtor is protected from any legal action against subject to the safeguards, which we have indicated. The bar against action against the property, is available, not only to the corporate debtor but also to any person who acquires property of the corporate debtor under the CIRP or the liquidation process. The bar against action against the property of the corporate debtor is also available in the case of a person subject to the same limitation as prescribed in sub-Section (1) and also in sub-Section (2), if he has purchased the property of the corporate debtor in the proceedings for the liquidation of the corporate debtor.

255. The last segment of Section 32A, makes it obligatory on the part of the corporate debtor or any person, to whom immunity is provided under Section 32A, to provide all assistance to the Investigating Officer qua any offence committed prior to the commencement of the CIRP.”

14.12. The Hon’ble Supreme Court in the case of *Ghanshyam Mishra & Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Co. Ltd. (2021) 9 SCC 657* has held that once a Resolution Plan has been approved under Section 31 of the IBC, 2016, all claims, demands, or proceedings in respect of the Corporate Debtor for any period prior to the approval of the plan stand extinguished, and no further proceedings can be initiated or continued against the Corporate Debtor in respect of any such past liabilities. Only the SRA shall manage the affairs of the Corporate Debtor free from past encumbrances. Once the Resolution Plan is approved, the earlier promoters will be dealt with individually for their criminality but not the new bidder seeking to restore the company. The relevant paragraphs from the judgment are extracted below:



“72. In the Rajya Sabha debates, on 29.7.2019, when the Bill for amending I&B Code came up for discussion, there were certain issues raised by certain Members. While replying to the issues raised by certain Members, the Hon’ble Finance Minister stated thus:

“IBC has actually an overriding effect. For instance, you asked whether IBC will override SEBI. Section 238 provides that IBC will prevail in case of inconsistency between two laws. Actually, Indian courts will have to decide, in specific cases, depending upon the material before them, but largely, yes, it is IBC. [...]

There is also this question about indemnity for successful resolution applicant. The amendment now is clearly making it binding on the Government. It is one of the ways in which we are providing that. The Government will not raise any further claim. The Government will not make any further claim after resolution plan is approved. So, that is going to be a major, major sense of assurance for the people who are using the resolution plan. Criminal matters alone would be proceeded against individuals and not company. There will be no criminal proceedings against successful resolution applicant. There will be no criminal proceedings against successful resolution applicant for fraud by previous promoters. So, I hope that is absolutely clear. I would want all the hon. Members to recognize this message and communicate further that this Code, therefore, gives that comfort to all new bidders. So now, they need not be scared that the taxman will come after them for the faults of the earlier promoters. No. Once the resolution plan is accepted, the earlier promoters will be dealt with as individuals for their criminality but not the new bidder who is trying to restore the company. So, that is very clear.....

(emphasis supplied)”



73. It could thus be seen, that in the speech the Hon'ble Finance Minister has categorically stated, that Section 238 provides that I&B Code will prevail in case of inconsistency between two laws. She also stated, that there was question about indemnity for successful resolution applicant and that the amendment was clearly making it binding on the Government. She stated, that the Government will not make any further claim after resolution plan is approved. So, that is going to be a major sense of assurance for the people who are using the resolution plan. She has categorically stated, that she would want all the Hon'ble Members to recognize this message and communicate further that I&B Code gives that comfort to all new bidders. They need not be scared that the taxman will come after them for the faults of the earlier promoters. She further states, that once the resolution plan is accepted, the earlier promoters will be dealt with as individuals for their criminality but not the new bidder who is trying to restore the company."

14.13. The continuation of the CBI case and the relinquishment of the Provisional Attachment of Rs. 1,52,46,895/- made under PMLA, 2002, to the extent it concerns the Corporate Debtor under CIRP, is subject to the binding ratio of *Ghanshyam Mishra (supra)* and Section 32 A of IBC, 2016.

14.14. Accordingly, **it is ordered that the Enforcement Directorate, CBI, or any other investigating or enforcement authority shall be at liberty to proceed against the erstwhile promoters or individual offenders in accordance with law; however, no coercive or attachment proceedings shall continue or be initiated against the assets of the Corporate Debtor, which now vest in the Successful Resolution Applicant.**



14.15. **The Provisional Attachment Order No. 10/2025 dated 28.03.2025, to the extent it concerns the assets or receivables of the Corporate Debtor, shall not operate to defeat or delay the implementation of the approved Resolution Plan under Section 31 of the IBC.**

14.16. **Further, it is directed that Section 66 application pending adjudication shall be pursued by the CoC, which shall also be the beneficiary of the proceeds, if any, arising out of such PUF application.**

14.17. It is clarified that this protection shall not extend to the personal assets or liabilities of the erstwhile promoters, directors, or officers, who shall continue to be answerable in accordance with the ongoing investigations under applicable criminal laws.

14.18. In so far as approval of the Resolution Plan is concerned, the Hon'ble Supreme Court in the case of *K. Sashidhar –Vs– Indian Overseas Bank (2019) 12 SCC 150*, in para 19 and 62 has held as under;

“19. ... In the present case, however, our focus must be on the dispensation governing the process of approval or rejection of resolution plan by the CoC. The CoC is called upon to consider the resolution plan under Section 30(4) of the I&B Code after it is verified and vetted by the resolution professional as being compliant with all the statutory requirements specified in Section 30(2).



62.In the present case, however, we are concerned with the provisions of I&B Code dealing with the resolution process. The dispensation provided in the I&B Code is entirely different. In terms of Section 30 of the I&B Code, the decision is taken collectively after due negotiations between the financial creditors who are constituents of the CoC and they express their opinion on the proposed resolution plan in the form of votes, as per their voting share. In the meeting of the CoC, the proposed resolution plan is placed for discussion and after full interaction in the presence of all concerned and the Resolution Professional, the constituents of the CoC finally proceed to exercise their option (business/commercial decision) to approve or not to approve the proposed resolution plan. In such a case, non-recording of reasons would not per-se vitiate the collective decision of the financial creditors. The legislature has not envisaged challenge to the “commercial/business decision” of the financial creditors taken collectively or for that matter their individual opinion, as the case may be, on this count.”

14.19. The Hon’ble Supreme Court of India in the case of ***Committee of Creditors of Essar Steels –Vs– Satish Kumar Gupta & Ors. in Civil Appeal No. 8766 – 67 of 2019*** at para 42 has held as under;

42.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)*.



14.20. The Hon'ble Supreme Court in the matter of *K. Sashidhar v. Indian Overseas Bank and Ors. (supra)* has lucidly delineated the scope and interference of the Adjudicating Authority in the process of approval of the Resolution Plan and held as under;

“55. Whereas, the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan “as approved” by the requisite per cent 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. Reverting to Section 30(2), the enquiry to be done is in respect of whether the resolution plan provides: (i) the payment of insolvency resolution process costs in a specified manner in priority to the repayment of other debts of the corporate debtor, (ii) the repayment of the debts of operational creditors in prescribed manner, (iii) the management of the affairs of the corporate debtor, (iv) the implementation and supervision of the resolution plan, (v) does not contravene any of the provisions of the law for the time being in force, (vi) conforms to such other requirements as may be specified by the Board. The Board referred to is established under Section 188 of the I&B Code. The powers and functions of the Board have been delineated in Section 196 of the I&B Code. None of the specified functions of the Board, directly or indirectly, pertain to regulating the manner in which the financial creditors ought to or ought not to exercise their commercial wisdom during the voting on the resolution plan under Section 30(4) of the I&B Code. The subjective satisfaction of the financial creditors at the time of voting is bound to be a mixed baggage of variety of factors. To wit, the feasibility and viability of the proposed resolution plan and including their perceptions about the general capability of the resolution applicant to translate the projected plan into a reality. The resolution applicant may have given projections backed



by normative data but still in the opinion of the dissenting financial creditors, it would not be free from being speculative. These aspects are completely within the domain of the financial creditors who are called upon to vote on the resolution plan under Section 30(4) of the I&B Code.

58. Indubitably, the inquiry in such an appeal would be limited to the power exercisable by the resolution professional under Section 30(2) of the I&B Code or, at best, by the adjudicating authority (NCLT) under Section 31(2) read with Section 31(1) of the I&B Code. No other inquiry would be permissible. Further, the jurisdiction bestowed upon the appellate authority (NCLAT) is also expressly circumscribed. It can examine the challenge only in relation to the grounds specified in Section 61(3) of the I&B Code, which is limited to matters “other than” enquiry into the autonomy or commercial wisdom of the dissenting financial creditors. Thus, the prescribed authorities (NCLT/NCLAT) have been endowed with limited jurisdiction as specified in the I&B Code and not to act as a court of equity or exercise plenary powers.”

(emphasis supplied)

14.21. The Hon'ble Supreme Court in the case of ***Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta and Ors. (2020) 8 SCC 531*** after referring to the decision in ***K. Sashidhar (supra)*** has held as follows;

“73. There is no doubt whatsoever that the ultimate discretion of what to pay and how much to pay each class or sub-class of creditors is with the Committee of Creditors, but, the decision of such Committee must reflect the fact that it has taken into account maximising the value of the assets of the corporate debtor and the fact that it has adequately balanced the interests of all stakeholders including operational



creditors. This being the case, judicial review of the Adjudicating Authority that the resolution plan as approved by the Committee of Creditors has met the requirements referred to in Section 30(2) would include judicial review that is mentioned in Section 30(2)(e), as the provisions of the Code are also provisions of law for the time being in force. Thus, while the Adjudicating Authority cannot interfere on merits with the commercial decision taken by the Committee of Creditors, the limited judicial review available is to see that the Committee of Creditors has taken into account the fact that the corporate debtor needs to keep going as a going concern during the insolvency resolution process; that it needs to maximise the value of its assets; and that the interests of all stakeholders including operational creditors has been taken care of. If the Adjudicating Authority finds, on a given set of facts, that the aforesaid parameters have not been kept in view, it may send a resolution plan back to the Committee of Creditors to re-submit such plan after satisfying the aforesaid parameters. The reasons given by the Committee of Creditors while approving a resolution plan may thus be looked at by the Adjudicating Authority only from this point of view, and once it is satisfied that the Committee of Creditors has paid attention to these key features, it must then pass the resolution plan, other things being equal."

(emphasis supplied)

14.22. The Hon'ble Supreme Court in the decision in the case of **Jaypee Kensington Boulevard Apartments Welfare Association & Ors. v. NBCC (India) Ltd. & Ors. in Civil Appeal no. 3395 of 2020** dated 24.03.2021 has held as follows;

76. The expositions aforesaid make it clear that the decision as to whether corporate debtor should continue as a going concern or should be liquidated is essentially a business decision; and in the



scheme of IBC, this decision has been left to the Committee of Creditors, comprising of the financial creditors. Differently put, in regard to the insolvency resolution, the decision as to whether a particular resolution plan is to be accepted or not is ultimately in the hands of the Committee of Creditors; and even in such a decision making process, a resolution plan cannot be taken as approved if the same is not approved by votes of at least 66% of the voting share of financial creditors. Thus, broadly put, a resolution plan is approved only when the collective commercial wisdom of the financial creditors, having at least 2/3rd majority of voting share in the Committee of Creditors, stands in its favour.

77. In the scheme of IBC, where approval of resolution plan is exclusively in the domain of the commercial wisdom of CoC, the scope of judicial review is correspondingly circumscribed by the provisions contained in Section 31 as regards approval of the Adjudicating Authority and in Section 32 read with Section 61 as regards the scope of appeal against the order of approval.

77.1. Such limitations on judicial review have been duly underscored by this Court in the decisions above referred, where it has been laid down in explicit terms that the powers of the Adjudicating Authority dealing with the resolution plan do not extend to examine the correctness or otherwise of the commercial wisdom exercised by the CoC. The limited judicial review available to Adjudicating Authority lies within the four corners of Section 30(2) of the Code, which would essentially be to examine that the resolution plan does not contravene any of the provisions of law for the time being in force, it conforms to such other requirements as may be specified by the Board, and it provides for: (a) payment of insolvency resolution process costs in priority; (b) payment of debts of operational creditors; (c) payment of debts of dissenting financial creditors; (d) for management of affairs of corporate debtor after approval of the



resolution plan; and (e) implementation and supervision of the resolution plan.

77.2. The limitations on the scope of judicial review are reinforced by the limited ground provided for an appeal against an order approving a resolution plan, namely, if the plan is in contravention of the provisions of any law for the time being in force; or there has been material irregularity in exercise of the powers by the resolution professional during the corporate insolvency resolution period; or the debts owed to the operational creditors have not been provided for; or the insolvency resolution process costs have not been provided for repayment in priority; or the resolution plan does not comply with any other criteria specified by the Board

77.6.1. The assessment about maximisation of the value of assets, in the scheme of the Code, would always be subjective in nature and the question, as to whether a particular resolution plan and its propositions are leading to maximisation of value of assets or not, would be the matter of enquiry and assessment of the Committee of Creditors alone. When the Committee of Creditors takes the decision in its commercial wisdom and by the requisite majority; and there is no valid reason in law to question the decision so taken by the Committee of Creditors, the adjudicatory process, whether by the Adjudicating Authority or the Appellate Authority, cannot enter into any quantitative analysis to adjudge as to whether the prescription of the resolution plan results in maximisation of the value of assets or not. The generalised submissions and objections made in relation to this aspect of value maximisation do not, by themselves, make out a case of interference in the decision taken by the Committee of Creditors in its commercial wisdom

78. To put in a nutshell, the Adjudicating Authority has limited jurisdiction in the matter of approval of a resolution plan, which is well defined and circumscribed by Sections 30(2) and 31 of



the Code read with the parameters delineated by this Court in the decisions above referred. The jurisdiction of the Appellate Authority is also circumscribed by the limited grounds of appeal provided in Section 61 of the Code. In the adjudicatory process concerning a resolution plan under IBC, there is no scope for interference with the commercial aspects of the decision of the CoC; and there is no scope for substituting any commercial term of the resolution plan approved by the CoC. Within its limited jurisdiction, if the Adjudicating Authority or the Appellate Authority, as the case may be, would find any shortcoming in the resolution plan vis-à-vis the specified parameters, it would only send the resolution plan back to the Committee of Creditors, for re-submission after satisfying the parameters delineated by Code and exposted by this Court.”

14.23. Thus, from the catena of judgments rendered by the Hon’ble Supreme Court on the scope of approval of the Resolution Plan, it is amply clear that only limited judicial review is available for the Adjudicating Authority under Section 30(2) and Section 31 of IBC, 2016 and this Adjudicating Authority cannot venture into the commercial aspects of the decisions taken by the Committee of Creditors.

14.24. In the instant case, the Resolution Plan has been approved by the CoC with 100% voting share in the 16th CoC meeting held on 28.01.2025. The voting results of the resolution approving the resolution plan has been annexed as *Annexure XV* of the Application.

14.25. On perusal of the documents on record, we are satisfied that the Resolution Plan is in accordance with sections 30 and 31 of the IBC. It



also complies with regulations 38 and 39 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

15. In the light of what has been stated above, the Resolution Plan is **Approved** by this Adjudicating Authority, subject to the observations made in this order. The Resolution Plan shall form part of this Order. The Resolution Plan will be binding on the Corporate Debtor and other stakeholders.

16. The Resolution Applicant has sought for reliefs and concessions in Chapter VII under the Resolution Plan and the same are dealt with hereunder;

S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
A	Licenses and approvals held by the Company, which expire prior to the Closing Date or within a period of 6 months thereafter shall be renewed/ extended by the relevant Governmental Authorities, and the Company shall be permitted to continue to operate its business and assets in the manner operated prior to submission of this Resolution Plan until the renewal /extension of such licenses and approvals, The relevant Governmental Authorities will provide a reasonable period of time, after the Closing Date in order for the Resolution Applicant to; i) assess the status of licenses and approvals required by the Company and to procure that the Company applies for the same; and ii) regularize any non-	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
	compliances under the Applicable Law (including non-registration, inadequate/non stamping of documents under as required under Applicable Law) existing prior to Closing Date.	
B	The relevant Governmental Authorities shall not initiate any investigations/actions or proceedings in relation to any non-compliance with Applicable Law by the Company during the period prior to the Closing Date. Neither shall the Resolution Applicant, nor the Company nor their respective directors, officers and employees appointed on and as of Closing Date be liable for any violation, liabilities, penalties or fines with respect to or pursuant to the Company not having in place the requisite licenses and approvals required to undertake its business as per Applicable Law, or any non-compliances of Applicable Law by the Company. Further, the relevant Governmental Authorities will provide a reasonable period of time after the Closing Date, for the Resolution Applicant to assess the status of any non-compliances under the Applicable Laws including and to procure that the Company regularizes such non-compliances under the Law existing prior to the Closing Date.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016. However, the reasonable time period shall not exceed a period of one year as contained in Section 31(4) of IBC, 2016.
C	The Department of Registration and Stamps of the relevant state and the Ministry of Corporate Affairs should exempt the Resolution Applicant and the Company, from the levy of stamp duty and fees applicable in relation to this Resolution Plan and its implementation including but not limited to	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
	transfer of Equity Shares, issuance of NCDs, and documentation in relation thereto.	
D	The concerned State Revenue/Stamp Authorities are requested to waive penalties for non-registration any inadequate/non stamping of the documents executed by the Company including but not limited to the documents in connection with the implementation of this Resolution Plan.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016
E	Notwithstanding the terms of the relevant agreements with the suppliers/customers of the Company as the case may be, the Adjudicating Authority shall direct that the prior approval of the counter parties shall not be required to be separately obtained for change in control/constitution of the Company pursuant to the terms of the Resolution Plan and the counter parties shall not terminate or take any adverse actions against the Company of such change in control/constitution of the Company. The Adjudicating Authority shall also direct the customers suppliers to waive all objections or liabilities of the Company, arising out of non-compliance by the Company for obtaining prior consent for appointment of the Resolution Professional and in respect of the implementation of this Resolution Plan.	Granted to the extent of change in control/constitution of the Corporate Debtor and liabilities arising out of non-obtaining of prior consent and implementation of the resolution plan. However, with respect to termination/ adverse actions, it is for the relevant parties to consider.
F	The Adjudicating Authority shall direct relevant Governmental Authorities to: (i) refund all duties/ taxes paid under protest by the Company in respect of tax related litigations; and (ii) continue with tax credits and State incentives available to the Company,	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
G	Adjudicating Authority shall direct termination of all agreements/ arrangements between the Company and the persons classified as related parties in accordance with Applicable Laws, with no liability to the Company. All claims of the Company against such related parties and liabilities of such related parties towards the Company shall remain outstanding, due and payable and survive such termination.	This is for the relevant parties to consider.
H	The relevant Governmental Authority shall waive the requirement of obtaining an approval for change in ownership/constitution/management of the Company and shall continue to grant State and other incentives.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016 and the judgment of the Hon'ble Supreme Court in <i>Ghanashyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited.</i> (Civil Appeal No.8129 of 2019)
I	The relevant Governmental Authority in relation to tax shall waive any tax, interest or penalty and shall not initiate any penal proceedings in case of non-fulfilment of any obligations of the Company in relation to which benefit has been claimed by the Company prior to the Closing Date, including in relation to non-fulfilment of export obligation in respect of customs	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
	incentive including but not limited to imports under specific import licenses or schemes, non-submission of forms for concessional duty rates, non-fulfilment of conditions relating to grant of state incentives etc.	
J	The Adjudicating Authority shall direct the Ministry of Corporate Affairs to waive the requirements under Section 140 of the Companies Act, 2013 in respect of the removal of the existing auditors of the Company.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016
K	All the ongoing litigations/ petitions/ investigations filed against the Company as given herein below and even if not mentioned in the resolution plan, shall stand Extinguished.	Granted in terms of the judgment of the Hon'ble Supreme Court in <i>Ghanashyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited.</i> (Civil Appeal No.8129 of 2019)
L	The Company shall incur no liabilities, directly or indirectly (including but not limited to debt servicing liabilities) other than to the extent specified in this Resolution Plan, for the period from the Insolvency Commencement Date until Closing Date. Further, the Company shall not incur any liabilities post the Closing Date which relate to a period prior to the Closing Date other than pursuant to or as per the Resolution Plan.	Granted in terms of the judgment of the Hon'ble Supreme Court in <i>Ghanashyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited.</i> (Civil Appeal No.8129 of 2019)



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
M	The Ministry of Corporate Affairs should relax and waive the procedural requirements under the Companies Act, 2013 in respect of change in registered office of the Company either to another premises within Maharashtra or any other location outside Maharashtra.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016
N	Waiver from the requirement of obtaining a no objection certificate under Section 281 of the Income-tax Act, 1961 by the Sellers and provisions of taking over predecessor's tax liability under Section 170 of the Income-tax Act, 1961 Act, shall not be applicable. Further, the transaction shall not be treated as void under Section 281 of the Income-tax Act, 1961 for any claims in respect of tax or any other sum payable by the Sellers.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016.
O	We hereby submit prayer to waive the requirement of obtaining Valuation Report on issuance of new equity shares under section 247 of Companies Act 2013,	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016.
P	The Company and the Resolution Applicant shall be granted an exemption from all taxes, levies, fees, transfer charges, transfer premiums, and surcharges that arise from or relate to implementation of the Resolution Plan, since payment of these amounts the Resolution Plan unviable.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016 an



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
Q	To the extent not paid and settled under this Resolution Plan, waiver of any income-tax and Minimum Alternate Tax (MAT) liability or consequences (including interest, fine, penalty, etc) on the Company, Resolution Applicant and its shareholders on account of various steps as proposed in the Resolution Plan, including but not limited to liabilities if any under Section 56, Section 43, Section 28, Section I LSJB and Section 79 of the Income-Tax Act, 1961, including, without limitation (A) waiver of any Tax or MAT liability to the Resolution Applicant on account of purchase of Equity Shares of the Company from Sellers in accordance with Chapter V; (B) waiver of MAT and income tax implication arising due to hiving off of surplus/ obsolete assets, sold for raising money to make Balance Payment; (C) waiver of MAT and income tax implication arising due to write back/write off of liabilities in the books of accounts of the Company without any impact on brought forward tax and book loss depreciation, pursuant to this Resolution Plan.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016 and the judgment of the Hon'ble Supreme Court in <i>Ghanashyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited.</i> (Civil Appeal No.8129 of 2019)
R	Any requirements to obtain waivers from any tax authorities including in terms of Section 79 of the Income Tax Act, 1961 is deemed to have granted upon approval of this Resolution Plan on the NCLT Approval Date.	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016 and the judgment
S	Any approvals that may be required from Governmental Authorities (including tax authorities) in connection with the	Granted in terms of the judgment of the Hon'ble Supreme



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
	implementation of the Resolution Plan including on account of change in ownership 1' control of the Company shall be deemed to have been granted on the NCLT Approval Date.	Court in <i>Ghanashyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited.</i> (Civil Appeal No.8129 of 2019)
T	Upon approval of the Resolution Plan/ COC Approved Resolution Plan by the Adjudicating Authority, all non-compliances, breaches and defaults of the Company for the period prior to the Closing Date (including but not limited to those relating to tax), shall be deemed to be waived by the concerned Governmental Authorities. Immunity shall be deemed to have been granted to the Company from all proceedings and penalties under all Applicable Laws for any non-compliance for the period prior to the NCLT Approval Date and no interest/penal implications shall arise due to such non-compliance default /breach prior to the NCLT Approval Date. This includes, without limitation, waiver/extinguishment of: a) any liability, fees, penalties of any kind payable to any Governmental Authority by the Company for any non-compliance or default, breach, violation prior to the NCLT Approval Date, under Foreign Exchange Management Act, 1999, Foreign Trade Policy of the Government of India, 100% Export Oriented Unit related regulations, Companies Act, 1956 and	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016 and the judgment of the Hon'ble Supreme Court in <i>Ghanashyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited.</i> (Civil Appeal No.8129 of 2019)



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
	Companies Act, 2013. b) Liability under on-going/pending tax proceedings before Assessing Officer and/or before Appellate Authorities shall stand extinguished as on NCLT Approval Date.	
U	From the NCLT Approval Date, all inquiries, investigations and proceedings, whether civil or criminal, suits, claims, disputes, proceedings in connection with the Company or affairs of the Company, including proceedings before Debt Recovery Tribunal and consumer courts or any other court, pending or threatened, present or future in relation to any period prior to the Closing Date, or arising on account of implementation of this Resolution Plan shall stand withdrawn and dismissed and all liabilities and obligations therefore, whether or not set out in the balance sheets of the Company or the profit and loss account statements of the Company will be deemed to have been Written off fully, and permanently extinguished and no adverse orders passed in the said matters should apply to the Company or the Resolution Applicant. Upon approval of this Resolution Plan, all new inquiries, investigations, notices, suits, claims, disputes, litigations, arbitrations or other judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against the Company in relation to any period prior to the Closing Date.	Granted in terms of the judgment of the Hon'ble Supreme Court in <i>Ghanashyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited.</i> (Civil Appeal No.8129 of 2019)



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
V	The investment of Resolution Applicant in the Company under the Resolution Plan shall not disqualify the Resolution Applicant under Section 29A of the Code for purposes of any future bid proposal that the Resolution Applicant may submit in future under any corporate insolvency resolution process for any corporate debtor, including subsidiaries/associates/affiliates of the Company.	Granted in terms of Explanation II of Clause (c) of Section 29A of IBC, 2016
W	The Company shall be granted waiver/exemption from compliance of provisions of Companies Act, 2013 and other Applicable Laws for removal of both statutory and internal auditors Of the Company and appointment of new auditors.	Granted
X	Upon upfront payment of INR 7.50 Crores in accordance with Clause 2 of Pan D in Chapter IV, the account of the Company with all the Financial Creditors shall be upgraded to standard category from NPA.	Not granted. However, classification of bank accounts of the Corporate Debtor as standard is for the Lenders of the Corporate Debtor to consider as per the provisions of IBC, 2016.
Y	The outstanding equity shares Trustee fee/ interest/ penalty/ any such amount accrued to the Trustee on account of non-payment by the erstwhile management shall be waived,	Granted
Z	The Resolution Applicant be granted such reliefs and concessions as granted by the Adjudicating Authority from time to time in favour of the resolution applicants for corporate insolvency resolution process of	Granted in terms of the judgment of the Hon'ble Supreme Court in <i>Ghanashyam Mishra</i>



S. NO	RELIEF AND/OR CONCESSIONS AND APPROVAL SOUGHT BY RESOLUTION APPLICANT (CHAPTER 16 OF RESOLUTION PLAN)	ORDERS THEREON
	other corporate debtors as may be beneficial to the Resolution Applicant and/ or the Company for successful corporate insolvency resolution Of the Company and which shall not adversely impact the financial proposal under this Resolution Plan for the Financial Creditors.	<i>and Sons v. Edelweiss Asset Reconstruction Company Limited. (Civil Appeal No.8129 of 2019</i>
AA	The Monitoring Agency / Committee will be obligated to ensure / responsible for complying with all the Procedural Requirement, which needs to be followed in order to get the Carry Forward of Losses of the Corporate Debtor After the Approval of Resolution Plan, the Corporate Debtors is Eligible for Carry Forward of Losses under the Income Tax Act, 1961 and the same would be dealt by the Monitoring Agency,	This is for the appropriate authorities to consider, keeping in view the object of IBC, 2016

17. The SRA has made payment of Performance Guarantee of Rs. 1,21,35,000 on 02.07.2025 by NEFT. Since an amount of Rs. 15 lakhs have been paid as Refundable EMD, a total of 1,36,35,000 is paid as performance security. (The proof of payment of Performance Guarantee is annexed and marked as " Annexure XVII" of the Application)

18. Further, once all payments envisaged in the table above are complete, the performance guarantee as mentioned above shall be unconditionally released and returned to the Resolution Applicant.



19. In case of non-compliance with this order or withdrawal of the Resolution Plan by the Successful Resolution Applicant, the Monitoring Committee shall forfeit the Performance Security furnished by the Resolution Applicant in the form of Performance Bank Guarantees.

20. Certified copy of this Order be issued on demand to the concerned parties, upon due compliance.

21. Liberty is hereby granted for moving any Application if required in connection with the implementation of this Resolution Plan.

22. A copy of this Order be sent to the Office of the Registrar of Companies.

23. The Monitoring Committee shall submit quarterly reports regarding the status of implementation of Resolution Plan to this Tribunal in terms of Regulation 38(4)(c) of the CIRP Regulations, 2016.

24. The Monitoring Committee shall be constituted in terms of Regulation 38(4) of the CIRP Regulations, 2016. Further, the Resolution Professional shall be compensated as per of Regulation Proviso to 38(4)(b) of the CIRP Regulations, 2016. Regulation 38(4) is extracted hereunder,

"38. Mandatory contents of the resolution plan.



[(4) (a) The committee shall consider setting up a monitoring committee for monitoring and supervising the implementation of the resolution plan.

(b) The monitoring committee may consist of the resolution professional or any other insolvency professional, or any other person, including representatives of the committee and representatives of resolution applicant(s), as its members:

Provided that where the resolution professional is proposed to be part of the monitoring committee, the monthly fee payable to him shall not exceed the monthly fee received by him during the corporate insolvency resolution process.

(c) The monitoring committee shall submit quarterly reports to the Adjudicating Authority regarding the status of implementation of resolution plan.]”

25. The SRA is directed to pay the incidental expenses of the Monitoring Committee.

26. The application, **IA(IBC)(PLAN)/9/CHE/2025** is accordingly, **disposed of**. The Resolution Plan value as proposed by the SRA is **Rs. 27,27,00,000** (Rupees Twenty-Seven crores Twenty-Seven lakhs only).

27. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Counsels for information and for taking necessary steps

-Sd-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

-Sd-

SANJIV JAIN
MEMBER (JUDICIAL)