



**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, COURT – V**

**IA (Plan) 5/2024 IN C.P. (I.B) No. 1215/MB/2020**

[Under Section 30(6) of the Insolvency and  
Bankruptcy Code, 2016 and Rule 11 of National  
Company Law Tribunal Rules, 2016]

**Fanendra H Munot,**

**Deemed Resolution Professional,**

**Oasis Ceramics Pvt. Ltd.**

Flat No. 1002, 10<sup>th</sup> Floor, 'C' Wing, Prathamesh  
Darshan, Ghatkopar East, Opp. Railway Station,  
Mumbai - 400075

**...Applicant**

*And in the matter of*

**Union Bank of India**

**...Financial Creditor**

*Vs*

**Oasis Ceramics Private Limited**

**... Corporate Debtor**

**Order Dated: 24.03.2025**

**Coram:**

Ms. Reeta Kohli, Hon'ble Member (Judicial)

Ms. Madhu Sinha, Hon'ble Member (Technical)

**Appearances:**

For the RP: Adv. Kunal Chheda (PH)

For the SRA: Adv. Shadab Jan (PH)



For the CoC: Adv. Rohit Gupta (PH)

.....

**ORDER**

***Per: Reeta Kohli, Member (Judicial)***

1. The above captioned Application was filed under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the “**Code**”) by the Resolution Professional, Mr. Fanendra H Munot (hereinafter referred as the “**Applicant**”), seeking approval of the Resolution Plan, submitted by the Resolution Applicant – **Deep Diamond India Limited**, which was approved by 100% voting shares of the members of the Committee of Creditors (hereinafter referred to as ‘**COC**’). The prayers are as under-

- a. *This Hon'ble Tribunal be pleased to pass an order approving the Resolution Plan and declare the same is binding on all parties/stakeholders;*
- b. *This Hon'ble Tribunal be pleased to declare that Resolution Applicant/ Incoming Management shall not be personally responsible for any act, omission, commission, and /or offence committed by erstwhile Management*
- c. *Pass such order or further reliefs as this Hon'ble Tribunal may deem fit and proper in facts of the circumstances of case*
- d. *Costs*

2. The facts leading to the Application are as under:

- a. This Hon'ble Tribunal vide its order dated 19.12.2022 in above Company Petition admitted the Application made by the Financial Creditor, Union Bank of India, for initiation of Corporate Insolvency Resolution Process (hereinafter referred to as the “**CIRP**”). Applicant was appointed as Interim Resolution



Professional ("IRP").

- b.** On 22.12.2022, the Applicant immediately published Form A public announcement for invitation of claims in Lokmat, Jalgaon edition (Marathi newspaper) and Financial express, Mumbai edition (English newspaper) wherein the last date for submission of claims was 05.01.2023.
- c.** After receiving the claims, CoC was formed and the 1<sup>st</sup> Meeting of CoC was convened on 19.01.2023. The Constitution of CoC was as under;

Sr No	Name of the Member	Amount of claim admitted	Percentage
1	Union Bank of India	1,09,14,42,115	52
2	Encore ARC	57,02,79,660	27
3	Jalgaon Janata Sahakari Bank Ltd.	24,15,20,694	12
4	Janseva Sahakari Bank Ltd.	9,33,34,746	4
5	Bhagyalaxmi Mahila Sahakari Bank Ltd.	5,32,11,950	3
6	Dombivali Nagari Sahakari Bank Ltd.	3,24,34,747	2
Total		2,08,22,23,911	100

- d.** As submitted by the Applicant, the CoC was reconstituted in the 2<sup>nd</sup> CoC Meeting dated 20.04.2023. The final constitution of CoC, at the time of approval of the Resolution Plan is as under-



Sr No	Name of the Member	Amount of claim admitted	Percentage
1	Union Bank of India	1,09,14,42,115	61
2	Lavesh Finance Ltd.	31,98,06,008	21
3	Encore Asset Reconstruction Company Pvt. Ltd.	37,26,90,493	18
Total		1,78,39,38,616	100

3. As submitted by the Applicant, the publication for Invitation of Expression of Interest (EOI) in Form- G from Prospective Resolution Applicants (PRA) was made by the Applicant as per Section 25(2)(h) of the Code on 12.02.2023, wherein the last date of submission of EoI was 27.02.2023.
4. As stated, on or about 05.04.2023, the Applicant received the Resolution Plan from the Proposed Resolution Applicant and the Resolution Plan submitted by Deep Diamond India Ltd. was approved in the 5<sup>th</sup> CoC Meeting dated 19.08.2023 by the CoC Members with 100% votes.
5. The summary of valuation conducted by the Registered Valuers, as given in Form-H, is as under-


Sr. No.	Class of Assets	Name of Valuer	Fair Value (Rs.)	Average fair value of a class of assets (Rs.)	Liquidation Value (Rs.)	Average liquidation value of a class of assets (Rs.)
1	Land & Building	R. K. Patel	30,98,83,823	35,16,31,912	22,39,06,000	24,91,54,000
		Ashok Goyal	39,33,80,000		27,44,02,000	
2	Plant & Machinery	R. K. Patel	2,67,40,000	2,87,47,500	1,87,18,000	2,02,14,000
		Sanchit Aggarwal	3,07,55,000		2,17,10,000	
3	Securities & Financial assets	Chirag Shah	99,74,990	11,54,72,127	99,74,990	91,31,008
		Kushagra Goyal	22,09,69,264		82,87,026	
			<b>Total Fair value</b>	<b>49,58,51,539</b>	<b>Total Liquidation value</b>	<b>27,84,99,008</b>

6. The Salient Features of the Resolution Plan submitted by the SRA is as under-

**A. Brief Background of the Corporate Debtor-**

- i. Oasis Ceramics Private Limited is a private limited company incorporated on 06.04.1994, having registered office at 76, Polan Peth, Jalgaon, Maharashtra. The Company was set up for conducting the business of manufacturing ceramic tableware and has its facility in Ankleshwar, Gujarat.
- ii. The CIRP of M/s Oasis Ceramics Private Limited has been initiated as per the provisions of the Insolvency and Bankruptcy Code (“IBC”) under Section 7. The application was moved before the Hon’ble National Company Law Tribunal, Mumbai Bench (“NCLT”) and was admitted vide its order dated 19.12.2022 (“CIRP Order”). Pursuant to the said order, Mr. Fanendra H Munot was appointed as the Interim Resolution Professional (IRP).

**B. Background of the Resolution Applicant**

- 
- i. The Resolution Plan is being submitted Deep Diamond India Limited. The company, Deep Diamond India Limited is a Public Limited Company incorporated in the year 1993 under the Companies Act 1956. The Company has now transitioned into a pharmaceutical business. The company's new focus is on developing and marketing innovative drugs and therapies that address unmet medical needs in various therapeutic areas.
  - ii. The company's product portfolio would include prescription drugs, over-the-counter medicines, and medical devices. The company would also collaborate with academic institutions, biotechnology companies, and other pharmaceutical companies to identify and develop new drug targets. The target market for the company's pharmaceutical products includes patients, healthcare professionals, and hospitals. The company also employs marketing and advertising strategies to raise awareness about its products among patients and the general public. The competitive landscape in the pharmaceutical industry is complex and dynamic.
  - iii. The company faces competition from other established pharmaceutical companies as well as emerging biotech companies. The company has a strategy of developing niche products and new markets that have limited competition and high potential for revenue growth. The pricing policy for the company's pharmaceutical products is based on market demand, manufacturing costs, and regulatory requirements. The company aims to provide affordable and accessible healthcare solutions to patients while ensuring sustainable profitability.



- iv. The financial performance of the company is closely monitored and analysed by investors and stakeholders. The company's revenue and profitability depend on factors such as the success of its product development pipeline, regulatory approvals, and market competition.
- v. The Resolution Applicant is eligible to act as a Resolution Applicant of the Corporate Debtor and is not ineligible under section 29A of Insolvency and Bankruptcy Code and also satisfies the eligibility criteria as mentioned in clause (h) of sub-section (2) of section 25 of the Code.

#### 7. Summary of Payments under the Resolution Plan-

(Amount in Rs. lakh)

Sl. No.	Category of Stakeholder *	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan#	Amount Provided to the Amount Claimed (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Secured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	Nil	Nil	Nil	Nil
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	Nil	Nil	Nil	Nil
		(ii) who voted in favour of the resolution plan				



		Creditors for loan of the corporate debtor				
		Union Bank of India	10,914	10,914	2,239	20.51
		Encore Asset Reconstruction Company Pvt. Ltd.	1,761	1,761	361	20.51
		Total (1)	12,676	12,676	2,600	
		Creditors for corporate guarantee given for loan taken by Derby Ceramics Pvt. Ltd.				
		Encore Asset Reconstruction Company Pvt. Ltd.	560	560	190	33.85
		Lavesh Finance Ltd.	325	325	110	33.85
		Total (2)	885	885	300	
		Creditors for corporate guarantee given for loan taken by Enki Glass Industries Pvt. Ltd.				
		Lavesh Finance Ltd.	3,269	3,269	300	9.18
		Total (3)				
		(iii) who abstained from voting	Nil	Nil	Nil	Nil
		Total[(a) + (b)]	16,829	16,829	3,200	19.01
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	Nil	Nil	Nil	Nil





		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	Nil	Nil	Nil	Nil
		(ii) who voted in favour of the resolution plan				
		Creditors for corporate guarantee given for loan taken by Derby Ceramics Pvt. Ltd.				
		Encore Asset Reconstruction Company Pvt. Ltd.	877	877	9	1
		Lavesh Finance Ltd.	133	133	1	1
		Total	1,010	1,010	10	
		(iii) who abstained from voting	Nil	Nil	Nil	Nil
		Total[(a) + (b)]	Nil	Nil	Nil	Nil
3	Operational Creditors	(a) Related Party of Corporate Debtor				
		(b) Other than (a) above:				
		(i) Government	Nil	Nil	Nil	Nil
		(ii) Workmen	Nil	Nil	Nil	Nil
		(iii) Employees	Nil	Nil	Nil	Nil
		(iv) Suppliers	Nil	Nil	Nil	Nil
		Total[(a) + (b)]				
4	Other debts and dues	Contingent liabilities	Nil	Nil		Nil
<b>Grand Total</b>			<b>17,839</b>	<b>17,839</b>	<b>3210</b>	<b>18</b>

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



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

### 8. Source of Funds-

ITEMS	AMOUNT (Rs. in Lakh)
The funds are being raise through Own Funds, Promoters' Funding – Fresh Equity Share Capital and Secured/Unsecured Loan may be taken as and when required	4315.10
<b>TOTAL</b>	4315.10

### 9. Payments proposals of the various stakeholders under the Resolution Plan-

The Resolution Applicant has to the extent possible, taken into account the interests of all stakeholders of the Corporate Debtor. A synopsis (subject to the terms and conditions of the plan) of how the Resolution Applicant has dealt with the Interest of all stakeholders is set put below in this Clause.

Sr No	Stakeholder	Interests as addressed in Resolution Plan
1	CIRP Costs:	The Resolution Applicant undertakes to pay the unpaid CIRP costs in full and in priority to other creditors at actuals as on Effective Date.
2	Secured Financial Creditors:	The Secured Financial Creditors shall be paid the following amounts in full and final settlement: <ul style="list-style-type: none"> <li>i. the settlement amount to the tune of Rs. 3200 Lakhs respectively; and</li> <li>ii. Out of the said settlement amount, Rs. 2600.00 Lakhs is to be distributed within the consortium members of financial institutes financed to Oasis Ceramic Private Limited as per their admitted percentage of share by Resolution Professional and shall be paid by means of adjustment of EMD and balance shall be payable within 6 months from the effective date by way of adjustment</li> </ul>



		<p>of EMD &amp; PBG as well as remaining to be paid through DD/RTGS.; i.e. in below manner:</p> <p>a) Rs. 55 Lakhs Upfront by Way of Adjustment of EMDs submitted along with the Expression of Interest and Resolution Plan together, and Rs.145 lakhs as upfront payment through DD/RTGS within a month from effective date.</p> <p>b) Balance Rs 2400 Lakhs will be payable within 6 months from the effective date.</p> <p>c) SFC shall issue a No Due Certificate in favour of the Corporate Debtor on receipt of payment of Rs. 2600.00 Lakhs in terms of this resolution plan.</p> <p>d) Financial Creditors will be at liberty to realize and recover the residual amount to be written off, out of enforcement of security of assets owned by third party for its loan. However, Financial Creditors shall have no right to recover any money other than settlement amount of Rs. 2600.00 Lakhs from the Corporate Debtor and thus Financial Creditors shall issue no due certificate and release charge on assets of Corporate Debtor on receipt of payment of Rs. 2600.00 Lakhs as per the terms of this resolution plan.</p> <p>(iii) Out of said settlement amount of Rs. 3200 Lakhs, Rs. 300 Lakhs within 6 months from the effective date, to be distributed within the consortium members of financial institutes financed to Enki Glass Industry Private Limited as per their percentage of share. All the financial Institutes are holding joint pari-pasu charge on following assets of Oasis Ceramics Private Limited.</p> <p>a) BlockNo.1092(Old)1774(New)Gram: Kondh, Taluka: Valia, Dist: Bharuch</p> <p>b) BlockNo.1098(Old)1076and1077(New) Gram: Kondh, Taluka: Valia, Dist:Bharuch</p>
--	--	--



		<p>(iv) Out of said settlement amount of Rs. 3200Lakhs, Rs. 300 Lakhs to be distributed to the financial institutes financed to Derby Ceramics Private Limited as under:</p> <p>(v) EncoreARCRs.190Lakhs within 6 months from the effective date, towards the mortgage of Block No. 1145 (Old) 807 (New) Gram: Kondh, Taluka: Valia, Dist: Bharuch, owned by Oasis Ceramics Private Limited</p> <p>(vi) Jalgaon Janata Sahakari Bank Limited. Jalgaon Rs. 110 Lakh within 6 months from the Effective date, towards the mortgage of Block No. 1122/1 (Old) 1778 (New) Gram: Kondh, Taluka: Valia, Dist: Bharuch, owned by Oasis Ceramics Private Limited.</p> <p>The Financial Creditors shall have no right to recover any money other than the amount as offered in the Resolution Plan from the Corporate Debtor and thus Financial Creditors shall issue No Due Certificate in favor of the Corporate Debtor and release charge on assets of Corporate Debtor on receipt of payment of as per the terms of this resolution plan.</p> <p>The financial creditors, who have a right to vote under sub-section (2) of section 21 and did not vote in favour of the resolution plan, shall be paid in priority over financial creditors who voted in favour of the plan as in accordance to sec 53 of the Code, the Liquidation Value.</p>
2.	Unsecured Financial Creditors	The Unsecured Financial Creditors shall be paid 1%of their dues in lieu of their respective outstanding claims as against the amounts verified by the RP and outstanding on the date of approval of the Resolution Plan by the CoC.



3	Statutory Creditors (SC)	<p>SC shall be paid 0.50% of their dues in lieu of their respective outstanding claims as on the date of the approval of the Resolution Plan by the CoC.</p> <p>The said amount shall be paid on priority immediately after payment of CIRP Cost in full and in priority to all other including financial creditors.</p> <p>The balance residual amount shall be written off.</p>
4	Workmen:	The Resolution Applicant proposes the payment of Workmen dues in full.
5	Employees:	As per the latest claims updated on IBBI there are no admitted claims of IBBI, however the claim of employees wherein admitted shall be paid in full as per the priority laid out in the Code,
6	Operational Creditors (Others)	<p>OC shall be paid 1% of their dues in lieu of their respective outstanding claims as on the date of the approval of the Resolution Plan by CoC. The said amount shall be paid on priority immediately after payment of CIRP Cost in full and in priority to all other including financial creditors.</p> <p>The balance residual amount shall be written off.</p>
7	Shareholders:	<p>Existing Equity Shares issued by the Company shall be retained upto Rs.100000/-</p> <p>(any fraction to be rounded off) and balance equity share held by erst while promoters shall be written off. New Equity Shares shall be issued to Resolution Applicant and consortium constituents along with their friends, relatives and associates as mentioned in Resolution Plan.</p>
8.	Withdrawal of Suits, Appeals, Petitions & Claims	All suits, appeals, petition including claims against the Company and employees of the Company, being resolved under this resolution plan that are addressed as per the Resolution Plan will be withdrawn by the creditors of the Company upon receipt of the NCLT's approval of this Resolution Plan. All creditors shall within 30 days of approval of this Resolution Plan vide non-appealable order of Adjudicating authority, execute appropriate documents, and take appropriate steps to give effect to these stipulations.



	<p>All the outstanding negotiable instruments issued by the Company or by any Person on behalf of the Company to its creditors including demand promissory notes, post- dated cheques and letters of credit, shall stand terminated and the Company's liability under such instruments shall stand extinguished on the Effective Date.</p> <p>The Financial Creditors shall withdraw the reporting of "Willful Defaulter" and "Fraud" of the Company to RBI/ CRILC and recall any such actions initiated against the Company at various forums if any.</p> <p>The Financial Creditors shall regularize all accounts of the Corporate Debtor and classify the account in their books as standard and update all reporting(s) made to Reserve Bank of India and the information utility to this effect.</p> <p>Any and all legal proceedings (including any notice, show cause, adjudication proceedings, assessment proceedings, regulatory orders, etc.) initiated before any forum by or on behalf of any Operational Creditor including Employee &amp; Workmen or any Other Creditors to enforce any rights or Claims against the Company shall immediately, irrevocably and unconditionally stand withdrawn, abated, settled and/or extinguished, and the Operational Creditors including Employee &amp; Workmen and Other Creditors shall take all necessary steps to ensure the same.</p> <p>The Governmental Authorities (including but not limited to PF Department, GST Department, Income Tax Department, ESIC Department, Labour Department, VAT department and SEBI) shall not initiate any termination, arbitration, investigations, actions or proceedings in relation to any Non-Compliance with Applicable Law by the Company during the period prior to the Closing Date.</p>
--	---

- The RA proposes to make the payments through Special Purpose Vehicle created for the Resolution of the Corporate Debtor.

## 10. Financial Proposal of the Successful Resolution Applicant

- A. **CIRP Cost** - The Resolution Applicant undertakes to pay the unpaid CIRP costs in full and in priority to other creditors at



actuals as on Effective Date.

- B. Treatment of Operational Creditors** - OC shall be paid 1% of their dues in lieu of their respective outstanding claims as on the date of the approval of the Resolution Plan by CoC. The said amount shall be paid on priority immediately after payment of CIRP Cost in full and in priority to all other including financial creditors. The balance residual amount shall be written off.
- C. Treatment of Secured Financial Creditors-** The Secured Financial Creditors shall be paid the following amounts in full and final settlement:
- i. the settlement amount to the tune of Rs. 3200 Lakhs respectively; and
  - ii. Out of the said settlement amount, Rs. 2600.00 Lakhs is to be distributed within the consortium members of financial institutes financed to Oasis Ceramic Private Limited as per their admitted percentage of share by Resolution Professional and shall be paid by means of adjustment of EMD and balance shall be payable within 6 months from the effective date by way of adjustment of EMD & PBG as well as remaining to be paid through DD/RTGS.; i.e. in below manner:
    - a) Rs. 55 Lakhs Upfront by Way of Adjustment of EMDs submitted along with the Expression of Interest and Resolution Plan together, and Rs.145 lakhs as upfront payment through DD/RTGS within a month from effective date.
    - b) Balance Rs 2400 Lakhs will be payable within 6 months from the effective date.



- c) SFC shall issue a No Due Certificate in favour of the Corporate Debtor on receipt of payment of Rs. 2600.00 Lakhs in terms of this resolution plan.
- d) Financial Creditors will be at liberty to realize and recover the residual amount to be written off, out of enforcement of security of assets owned by third party for its loan. However, Financial Creditors shall have no right to recover any money other than settlement amount of Rs. 2600.00 Lakhs from the Corporate Debtor and thus Financial Creditors shall issue no due certificate and release charge on assets of Corporate Debtor on receipt of payment of Rs. 2600.00 Lakhs as per the terms of this resolution plan.
- iii. Out of said settlement amount of Rs. 3200 Lakhs, Rs. 300 Lakhs within 6 months from the effective date, to be distributed within the consortium members of financial institutes financed to Enki Glass Industry Private Limited as per their percentage of share. All the financial Institutes are holding joint pari-pasu charge on following assets of Oasis Ceramics Private Limited.
- iv. Out of said settlement amount of Rs. 3200 Lakhs, Rs. 300 Lakhs to be distributed to the financial institutes financed to Derby Ceramics Private Limited as under:
- v. Encore ARCRs. 190 Lakhs within 6 months from the effective date, towards the mortgage of Block No. 1145 (Old) 807 (New) Gram: Kondh, Taluka: Valia, Dist: Bharuch, owned by Oasis Ceramics Private Limited.





vi. Jalgaon Janata Sahakari Bank Limited. Jalgaon Rs. 110 Lakh within 6 months from the Effective date, towards the mortgage of Block No. 1122/1 (Old) 1778 (New) Gram: Kondh, Taluka: Valia, Dist: Bharuch, owned by Oasis Ceramics Private Limited

The Financial Creditors shall have no right to recover any money other than the amount as offered in the Resolution Plan from the Corporate Debtor and thus Financial Creditors shall issue No Due Certificate in favor of the Corporate Debtor and release charge on assets of Corporate Debtor on receipt of payment of as per the terms of this resolution plan.

The financial creditors, who have a right to vote under subsection (2) of section 21 and did not vote in favour of the resolution plan, shall be paid in priority over financial creditors who voted in favour of the plan as in accordance to sec 53 of the Code, the Liquidation Value.

- D. Treatment of Unsecured Financial Creditor -** The Unsecured Financial Creditors shall be paid 1% of their dues in lieu of their respective outstanding claims as against the amounts verified by the RP and outstanding on the date of approval of the Resolution Plan by the CoC.
- E. Treatment of Statutory Creditors -** SC shall be paid 0.50% of their dues in lieu of their respective outstanding claims as on the date of the approval of the Resolution Plan by the CoC.

The said amount shall be paid on priority immediately after payment of CIRP Cost in full and in priority to all other



including financial creditors.

The balance residual amount shall be written off.

**F. Treatment of withdrawal of Suits, Appeals, Petitions, & Claims -**

All suits, appeals, petition including claims against the Company and employees of the Company, being resolved under this resolution plan that are addressed as per the Resolution Plan will be withdrawn by the creditors of the Company upon receipt of the NCLT's approval of this Resolution Plan. All creditors shall within 30 days of approval of this Resolution Plan vide non-appealable order of Adjudicating authority, execute appropriate documents, and take appropriate steps to give effect to these stipulations.

All the outstanding negotiable instruments issued by the Company or by any Person on behalf of the Company to its creditors including demand promissory notes, post- dated cheques and letters of credit, shall stand terminated and the Company's liability under such instruments shall stand extinguished on the Effective Date.

The Financial Creditors shall withdraw the reporting of "Willful Defaulter" and "Fraud" of the Company to RBI/ CRILC and recall any such actions initiated against the Company at various forums if any.

The Financial Creditors shall regularize all accounts of the Corporate Debtor and classify the account in their books as standard and update all reporting(s) made to Reserve Bank of India and the information utility to this effect.



Any and all legal proceedings (including any notice, show cause, adjudication proceedings, assessment proceedings, regulatory orders, etc.) initiated before any forum by or on behalf of any Operational Creditor including Employee & Workmen or any Other Creditors to enforce any rights or Claims against the Company shall immediately, irrevocably and unconditionally stand withdrawn, abated, settled and/or extinguished, and the Operational Creditors including Employee & Workmen and Other Creditors shall take all necessary steps to ensure the same.

The Governmental Authorities (including but not limited to PF Department, GST Department, Income Tax Department, ESIC Department, Labour Department, VAT department and SEBI) shall not initiate any termination, arbitration, investigations, actions or proceedings in relation to any Non-Compliance with Applicable Law by the Company during the period prior to the Closing Date.

- G. Treatment of Workmen -** The Resolution Applicant proposes the payment of Workmen dues in full.
- H. Treatment of Employees -** As per the latest claims updated on IBBI there are no admitted claims of IBBI, however the claim of employees wherein admitted shall be paid in full as per the priority laid out in the Code.
- I. Treatment of Existing Share Holders -**

Sr. No	Category of Share Holders	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity	13,50,000	Nil	100%	Nil
2	Preference	Nil	Nil	Nil	Nil

## **11. Implementation Schedule –**



The Term of the Plan shall commence on the date of the approval of the plan by the Hon'ble NCLT in accordance with the provisions of the Code and the same shall be in force from the said date till the completion date.

Sr. no	Activity	Timeline (Days)
1.	Effective Date	Approval of this Resolution Plan by the NCLT
2.	Completion Date	Within 6 months from the Effective Date / after complete payment of Total Consideration, whichever is earlier

Any delay on account of regulatory or other reasons shall not be considered to be a contravention of this Resolution Plan, if all the steps are completed prior to the expiry of the Completion Date. However, if any approvals or permission required by the Resolution Applicant, under any law time being in force, shall be applied from relevant statutory and regulatory approvals in time specified under that law, but in no event later than 180 days from the Effective Date.

## **12. Effective steps for Implementation of the Plan -**

- On resolution plan becoming effective on sanctioning the same by NCLT u/s 31 of the Code, all existing directors shall stand resigned, and the Board of Directors shall stand reconstituted;



- The existing equity share capital shall stand extinguished, and the Resolution Applicant shall be issued equity shares of the restructured Corporate Debtor.

Shareholder	% of Shareholding
Special Purpose Vehicle created for the resolution of the Corporate Debtor	100%

### **13. Monitoring Committee -**

- a) The Resolution Applicant shall constitute the monitoring committee, which shall comprise one representative of the Resolution Applicant, one representative of the COC and existing Insolvency Resolution Professional as appointed by CoC, which shall monitor the implementation of the plan after the Effective Date and until completion of Resolution Plan.
- b) RA shall constitute Monitoring Committee comprising some members of the Board as also Senior Management Personnel for proper and timely implementation of the plan.
  - i. To supervise implementation of resolution plan as approved by NCLT, by the new management of the Company
  - ii. To provide regular updates to the lenders
  - iii. To provide updates, if any, to Insolvency and Bankruptcy Board of India (IBBI) as and when required
  - iv. To ensure disbursement of dues to financial and operational creditors as per the approved plan.



- v. All other responsibility for the smooth implementation of the Resolution Plan.
- vi. Extend full co-operation in implementation of the Resolution Plan
- c) The Resolution Professional shall provide such information on the implementation of the Plan as may be reasonably requested by the Resolution Applicant.

#### **14. Compliance of the Resolution Plan is as under-**

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes / No)
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?		Yes
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?		Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?		Yes
<sup>165</sup> [Section 30(2)	Whether the Resolution Plan-	Part C	
	(a) provides for the payment of insolvency resolution process costs?	Clause 7	Yes
	(b) provides for the payment to the operational creditors?	Clause 7	Yes
	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	Clause 9	Yes
	(d) provides for the management of the affairs of the corporate debtor?	Clause 12	Yes
	(e) provides for the implementation and supervision of the resolution plan?		Yes
	(f) contravenes any of the provisions of the law for the time being in force?	Clause 13	No



Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC? (b) has been approved by the CoC with 66% voting share?		Yes Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?		Yes
Regulation 38 (1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	Part C Clause 9	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Part C Clause 9	Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code.  (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?		No  Not applicable
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	Part C Clause 13	Yes  Yes  Yes
38(3)	Whether the resolution plan demonstrates that -  (a) it addresses the cause of default?  (b) it is feasible and viable?  (c) it has provisions for its effective implementation?  (d) it has provisions for approvals required and the timeline for the same?  (e) the resolution applicant has the capability to	Part C  Clause 2.3  Clause 7  Clause 13  Clause 11  Clause 7	Yes  Yes  Yes  Yes  Yes



	implement the resolution plan?		
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?		No such transaction noticed by the IRP
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.]		Yet to be received from RA

## **15. Observations and Findings-**

- i.* The Court observes that this Plan is in compliance with the Following Provisions of *IBC Section 30. (whichever is applicable)*
- ii.* As per IBC Code 30(2)(a) – A Resolution Plan provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor.
- iii.* As per Section 30(2)(b), the Respondent has agreed to pay Operational Creditors an amount which shall not be less than liquidation value or the amount that would have been paid to such creditors if the amount to be distributed under the Resolution Plan is distributed in accordance with priority under Section 53(1), whichever is higher.
- iv.* The Resolution Applicant has also agreed that dissenting financial creditors shall be paid not less than the value they would have been paid in the event of liquidation of the Corporate Debtor.
- v.* The plan provides for the management of the affairs of the Corporate Debtor after approval of the Resolution Plan. Section 30(2)(d).
- vi.* The Resolution Plan does not contravene any of the provisions of the law for the time being in force - Resolution Plan provides for the implementation and supervision of the resolution plan as per Section 30(2) (e).





- vii.** The Resolution Applicant has given a declaration that the Resolution Plan does not contravene any provisions of the law for the time being in force as per Section 30(2)(f).
- viii.** The resolution applicant or any of its related parties has not 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.
- ix.** The Resolution Plan is in compliance of the Regulation 38 of the Regulations in terms of Section 30(2)(f) as under:
- a.** The amount due to the operational creditors under a resolution plan shall be given priority in payment over financial creditors. Regulation 38(1).
  - b.** The Resolution Plan has all the adequate means of supervising of the implementation of the Plan as required under Regulation 38(2) (c), of the IBBI, Insolvency resolution process for corporate persons, Regulation 2016.
  - c.** Provides for the payment of CIRP Costs in priority to the repayment of any other debts of the Company (Regulation 38(1)(a).
  - d.** Provides for the manner of implementation and supervision of the Resolution Plan and adequate means for implementation and supervision of the Resolution Plan.
  - e.** The Resolution Applicant confirms that to the best of the knowledge of the Resolution Applicant, the Resolution Plan is not in contravention of the provisions of Applicable Law and is in compliance with the Code and the CIRP Regulations.



- f.** The Resolution Applicant confirms that the Resolution Applicant and its connected persons are not disqualified from submitting a resolution plan under Section 29A of the Code and other provisions of the Code and any other Applicable Law.
- g.** The plan provides for the management and control of the business of the Corporate Debtor during its term.
- h.** All the above factors demonstrate that the plan address as the cause of default and the Resolution Applicant has the capacity to implement the Resolution Plan.
- i.** That the Resolution Applicant or any of its related parties has never failed to implement or contributed to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority at any time in the past. This is in compliance of Regulation 38(1)(b) of the Regulations.
- j.** The interests of all stakeholders (including Financial Creditors, Operational Creditors and other creditors, guarantors, members, employees and other stakeholders of the Company, keeping in view the objectives of the Code (Regulation 38(1A).
- x.** As stated by the Applicant in Form H, the Resolution Plan has been approved by the CoC on 02.11.2023 with 100%, in accordance with the provisions of the Code.
- xi.** In ***K. Sashidhar v. Indian Overseas Bank & Others: 2019 SCC Online SC 257 (2019) 12 SCC 150*** the Hon'ble Apex Court held that
- “ if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per section*



*30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan as approved by CoC meets the requirements specified in Section 30(2). The Hon'ble Court observed that the role of the NCLT is 'no more and no less'. The Hon'ble Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 and is limited to scrutiny of the Resolution Plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in reference to matters specified in Section 30(2) when the Resolution Plan does not conform to the stated requirements".*

**xii. In *India Resurgence Arc Private Limited vs. Amit Metaliks Limited and Ors. (2021)* the Hon'ble Apex Court held as under-**

*"the process of consideration and approval of resolution plan is essentially within the commercial wisdom of Committee of Creditors (CoC). The scope of judicial review remains limited under Section 30(2) of the Insolvency and Bankruptcy Code (IBC), 2016 by which the court would examine that the resolution plan does not contravene any statutory provisions and it conforms to such other requirements as may be*



*specified by the Board. The court held that the process of judicial review cannot be stretched if all the above-mentioned requirements have been duly complied with and that dissenting financial creditor, expressing dissent over the value of security interest held by it, cannot seek to challenge an approved Resolution Plan. Lastly, it was held that Section 30 of the IBC, 2016 only amplified the considerations for the CoC while exercising its commercial wisdom so as to take an informed decision in regard to the viability and feasibility of resolution plan, with fairness of distribution amongst similarly situated creditors; and that the business decision taken in exercise of the commercial wisdom of CoC does not call for interference unless creditors belonging to a class being similarly situated are denied fair and equitable treatment”.*

- xiii.** The Hon’ble Apex Court at para 42 in ***Committee of Creditors of Essar Steel India Limited Vs. Satish Kumar Gupta & Ors.: (2019) SCC Online***, has clearly laid down that the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom have approved. The relevant paragraph is as under-

*“Para 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).”*

- xiv. The Hon’ble Supreme Court in ***Ghanashyam Mishra and Sons (P) Ltd. v. Edelweiss Asset Reconstruction Co. Ltd.*** has clearly established that the once a Resolution Plan is approved by the Adjudicating Authority (AA), the same, irrespective of whether or not they participated in the CIRP, binds all creditors and any claims not forming part of the approved Resolution Plan shall stand extinguished.

*“with respect to any statutory dues owed/claims raised in relation to the period prior to the 2019 Amendment, the resolution plan shall still be binding on the statutory creditors concerned, and the statutory dues owed to them, which were not included in the resolution plan, and such claims shall stand extinguished.”*

- xv. Regarding the Reliefs and Concessions the Resolution Applicant will approach all the concerned Authorities for reliefs and concessions, if any hindrance is faced by the Resolution Applicant from any Authority at latter stage, the Resolution Applicant may approach the Tribunal after the sanction of the Plan. The carry forward loses if any be allowed only to the extent permitted under Section 79 of the Income Tax Act 1961. The law has been well settled by the Hon'ble Supreme Court in the case of ***Ghanashyam Mishra and Sons Private Limited Vs.***



***Edelweiss Asset Reconstruction Company Limited and Ors.,***

wherein it was held as under-

*"The legislative intent behind this is, to freeze all the claims so that the resolution applicant starts on a clean slate and is not flung with any surprise claims. If that is permitted, the very calculations on the basis of which the resolution applicant submits its plan would go haywire and the plan would be unworkable.*

- I. 87. *We have no hesitation to that the word "other stakeholders" would squarely cover the Central Government any State Government or any local authorities. The legislature, noticing that on account of obvious omission certain tax authorities were not abiding by the mandate of I&B Code and continuing with the proceedings, has brought out the 2019 amendment so as to cure the said mischief...*
- II. *In view of the above we hold that the Resolution Applicant cannot be saddled with any previous claim against the Corporate Debtor prior to initiation of its CIRP..."*
- III. *Consequently, all the dues including the statutory dues owed to the Central Government, any State Government or*



*any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued.”*

- xvi.** In view of the above cited case law, the legislature has given paramount importance to the commercial wisdom of committee of creditors (CoC) and the scope of judicial review by the Adjudicating Authority (AA) is limited to the extent of scrutiny provided under section 31 of Code and the direction of the Appellate Authority is limited to the extent provided under subsection (3) of section 61 of the Code.
- xvii.** In view of the discussions, this Bench is of the considered view that the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38, 38(1A) and 39(4) of the Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. The Resolution Plan is feasible and viable. The Resolution Plan balances the interest of all the stakeholders and thus it deserves to be approved.
- xviii.** The above I.A (Plan) 5 of 2024 is **allowed** in terms of the above said and is disposed off by passing the following Order –

**ORDER**



- a) The Interlocutory Application (Plan) No. 5 of 2024 is **allowed**. The Resolution Plan submitted by **Deep Diamond India Limited**, is hereby approved. **It shall become effective from this date and shall form part of this order.** It shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of payment of dues arising under any law for the time being in force is due.
- b) The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC), concerned for information and record. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.
- c) The moratorium under Section 14 of the Code shall cease to have effect from this date.
- d) The Monitoring Committee shall supervise the implementation of the Resolution Plan and shall file status of its implementation before this Authority from time to time, preferably every quarter.
- e) The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.
- f) The Applicant shall forthwith send a copy of this Order to the CoC and the Resolution Applicant for necessary compliance.





- g)** The Resolution Professional shall submit the records collected during the commencement of the proceedings to the Insolvency & Bankruptcy Board of India for their record.
- h)** The Resolution Professional shall stand discharged from his duties with effect from the date of this Order, save and except those duties that are enjoined upon him for implementation of the approved Resolution Plan.
- i)** The Registry is directed to send copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.
- j)** The Interlocutory Application (Plan) **No. 5 of 2024** is accordingly **allowed**.

**Sd/-**

**Madhu Sinha**  
**Member (Technical)**

**Sd/-**

**Reeta Kohli**  
**Member (Judicial)**