



SL. No.2

**NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH  
COURT HALL NO: II**

**Hearing Through: VC and Physical (Hybrid) Mode**

**CORAM: SHRI. RAJEEV BHARDWAJ – HON’BLE MEMBER (J)  
CORAM: SHRI. SANJAY PURI - HON’BLE MEMBER (T)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,  
HYDERABAD BENCH, HELD ON 25.03.2025 at 10:30 AM**

<b>TRANSFER PETITION NO.</b>	
<b>COMPANY PETITION/APPLICATION NO.</b>	<b>IA (IBC)/374/2025 in IA No.545/2022 in CP (IB) No. 374/7/HDB/2019</b>
<b>NAME OF THE COMPANY</b>	<b>Neerajakshi Iron and Steel Pvt Ltd</b>
<b>NAME OF THE PETITIONER(S)</b>	<b>Corporation Bank</b>
<b>NAME OF THE RESPONDENT(S)</b>	<b>Neerajakshi Iron and Steel Pvt Ltd</b>
<b>UNDER SECTION</b>	<b>7 OF IBC</b>

**ORDER**

Orders pronounced, recorded vide separate sheets. In the result, resolution plan is allowed.

**Sd/-**  
**MEMBER (T)**

**Sd/-**  
**MEMBER (J)**



**IN THE NATIONAL COMPANY LAW TRIBUNAL**

**HYDERABAD BENCH - II**

**IA (IBC) No. 374 of 2025 in  
IA (IBC) No. 545 of 2022 in  
CP (IB) No.374/07/HDB/2019  
u/s. 30(6) of IBC, 2016**

**In the matter of**  
**CORPORATION BANK, FINANCIAL CREDITOR**  
**vs**  
**M/S NEERAJAKSHA IRON & STEEL PVT LTD, CORPORATE DEBTOR**

Mr Rachamalla Ramachandra Reddy  
Resolution Professional of  
M/s Neerajaksha Iron & Steel Pvt. Ltd,  
Flat No 403, Block B2, Road No. 10  
TVS Lakeview Apartments,  
Panchavati Colony, Manikonda,  
Hyderabad – 500 089.

.... Applicant

**In the matter of:**

Corporation Bank,  
Hyderabad.

....Financial Creditor

Vs.

M/s Neerajaksha Iron & Steel Pvt. Ltd,  
Lakdi-ka-pool,  
Hyderabad.

....Corporate Debtor

**Date of Order : 25.03.2025**



**CORAM:**

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

**Counsels on record:**

For the Applicant : Mr Varun Srinivasan

**Per : Bench**

**ORDER**

1. This Application is filed by the Resolution Professional (RP) of the Corporate Debtor (CD) M/s Neerajaksha Iron & Steel Pvt Ltd. under Section 30(6) of Insolvency and Bankruptcy Code (IBC), seeking approval of Resolution Plan under Section 31(1) of the Code.

**Application**

2. The CD was admitted into Corporate Insolvency Resolution Process (CIRP) by this Tribunal vide Order dated 27.09.2019 in the Company Petition No. 374 of 2019 filed by the Corporation Bank, the Financial Creditor under Section 7 of IBC, wherein Mr Sridhar Venkatraya Sundararaja was appointed as Insolvency Resolution Professional (IRP).
3. It is submitted that upon receipt of the claims, the CoC was formed, constituting of a single financial creditor, M/s RARE Asset Reconstruction Limited, holding 100% of the voting share, with an admitted claim amounting to Rs 2,857.90 lakhs.
4. That during the 1st CoC meeting held on 28.10.2019, the IRP was confirmed as the Resolution Professional (RP). Subsequently, this



Tribunal appointed the Applicant herein as the RP, replacing Mr Sridhar Venkatraya Sundararaja.

5. As resolved by the CoC during its 3<sup>rd</sup> meeting on 10.02.2020, the Applicant issued an Invitation for Expression of Interest (EoI) in Form-G on 15.02.2020. Following the receipt of EoIs, the CoC in its 4<sup>th</sup> meeting held on 12.03.2020, approved the Request for Resolution Plan (RFRP) document to be issued to the Prospective Resolution Applicants (PRAs), with the deadline for the submission of Resolution Plans set for 15.04.2020.
6. That in the 7<sup>th</sup> CoC meeting held on 25.08.2020, it was noted that the following EoIs had been received from the PRAs:
  - i. Radha Smelters Pvt Ltd
  - ii. MS Agarwal Foundries Pvt Ltd
  - iii. Dwaith Infotech Pvt Ltd
  - iv. Anand Metallics & Power Pvt Ltd
  - v. AS Iron & Steels (I)
  - vi. Sugna Metals Limited
  - vii. Shivshakti Enterprises
7. That, during the 8<sup>th</sup> CoC meeting held on 08.10.2020, the CoC members identified certain non-compliances in the four Resolution Plans submitted by the Resolution Applicants. Consequently, the CoC advised the Applicants to submit revised Plans.
  - Radha Smelters Pvt Ltd
  - MS Agarwal Foundries Pvt Ltd
  - Sugna Metals Limited
  - Shivshakti Enterprises
8. That, during its 9<sup>th</sup> CoC meeting on 23.11.2020, the CoC evaluated the submitted Resolution Plans and recommended certain modifications, directing the Resolution Applicants to submit revised Plans.



9. Subsequently, in its 12<sup>th</sup> meeting held on 23.04.2021, the CoC resolved to put the Resolution Plans of MS Agarwal Foundries Pvt Ltd, Radha Smelters Pvt Ltd and Shivshakti Enterprises to vote, scheduled from 26.04.2021 to 11.06.2021. Following the voting process, the Resolution Plan of Shivshakti Enterprises was voted<sup>1</sup> in favour with 100% by the CoC, and was submitted before this Tribunal in IA No 545 of 2022 for approval.
10. Meanwhile, the GST Department filed an IA No 1174 of 2024 seeking admission of its dues, which was allowed by this Tribunal vide Order<sup>2</sup> dated 08.11.2024. Consequently, in its 21<sup>st</sup> meeting held on 22.01.2025, the CoC approved the revised Resolution Plan<sup>3</sup>, incorporating the admission of GST Department dues up to ₹10 lakhs. The present application was filed thereafter on 05.02.2025.
11. **Salient features of the Revised Resolution Plan**

<b>S No</b>	<b>Category of claim and reference to Clause of Resolution Plan</b>	<b>Amount proposed to be paid as per the Resolution Plan (Rs in lakhs)</b>
01	CIRP costs (at actuals)	36.00
02	Financial Creditors - Secured	1,954.00
03	Financial Creditors - Unsecured	Nil
04	Operational Creditors	Nil
05	Operational Creditors (Workmen and Employees)	Nil
06	Statutory dues (GST)	10.00
07	Statutory dues contingent liabilities	Nil
08	Dues of Company Secretary	2.10
09	Infusion of funds towards working capital	150.00
	<b>Total :</b>	<b>2,152.10</b>

<sup>1</sup> Pages 25 to 49 of the Application

<sup>2</sup> Pages 113 to 121 of the Application

<sup>3</sup> Pages 55 to 110 of the Application



12. As per the Information Memorandum, the Income Tax Department have issued notices amounting to Rs 1535.89 lakhs (Rs 1518.47 lakhs from the Commissioner of Income Tax, BLR 2(3), and Rs 17.42 lakhs related to TDS). However, since no claims have been filed by the Department, these amounts<sup>4</sup> have not been considered. Additionally, regarding the statutory dues as per the audited balance sheet total Rs 781.74 lakhs, including liabilities related to Excise, CST, TDS, VAT and GST payable, the CoC has proposed to waive off these statutory dues as part of the Resolution Plan.

13. **Payment Schedule of the Revised Resolution Plan:**

<b>Particulars</b>	<b>Amount</b>
Secured Financial Creditor	Crystallised amount of Rs 1,954 lakhs is proposed to be paid as hereunder:  Down payment of Rs 900 lakhs is proposed to be paid within 30 days of NCLT approval.  Balance Rs 1,054 lakhs within 180 days from the date of NCLT approval.  No interest will be payable on deferred portion of crystallised amount.
Operational Creditors (workmen and employees)	No claims.
Operational Creditors (Govt dues – GST)	Within 30 days of NCLT approval.
Dues to the Company Secretary	Within 30 days.
Infusion of funds towards working capital	Within 180 days of NCLT approval.

<sup>4</sup> Page 24 of the Resolution Plan



14. **Status of various petitions pending:**

- IA No 459 of 2020 filed by the RP against the Suspended Directors for diversion of funds during CIRP. At the request of the Applicant on 25.02.2025, the matter is posted to 27.03.2025.
- IA No 110 of 2021 filed by the RP under Section 44, 45, 48 and 66 of IBC. On 25.02.2025, the matter is posted to 27.03.2025 giving last opportunity to file Counter.

15. That the Applicant RP submitted the Compliance Certificate in Form-H<sup>5</sup>.

16. With the above submissions, the Applicant RP prays this Tribunal to;

- Pass the orders approving the Resolution Plan.
- Pass necessary orders under Section 31(4) of the Code, to enable the Resolution Applicant to obtain necessary approvals required under any law for time being in force within a period of one year from date of approval of the Resolution Plan or within such period as provided for in such law whichever is later.
- Pass necessary orders of allowing the Reliefs and Concessions as proposed in the Resolution Plan.
- Pass necessary orders for extinguishment/cancellation of existing share capital and issue of new share capital as per the Resolution Plan.

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<sup>5</sup> Pages 122 to 135 of the Application



- Pass necessary orders for removal of existing suspended Directors and appointment of new directors on the Board of Corporate Debtor as per the Resolution Plan.
- Pass such other orders as this Tribunal deems fit in the facts and circumstances of the case.

### **Decision**

17. We have carefully considered the submissions made by the Applicant RP and also gone through the entire record.
18. We are of the view that the instant Resolution Plan satisfies the requirements of Section 30 (2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the Regulations. We also found that the Resolution Applicant is eligible to submit the Resolution Plan under Section 29A of the Code.
19. Therefore, we hereby approve the Resolution Plan submitted by **M/s Shivshakti Enterprises**, along with annexures, schedules forming part of the Resolution Applicant annexed to the Application and order as under:
  - i. The Resolution Plan along with the annexures and schedules forming part of the plan shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.





- ii. All crystallized liabilities and unclaimed liabilities of the Corporate Debtor as on the date of this order shall stand extinguished on the approval of this Resolution Plan.
- iii. The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/liabilities of the Corporate Debtor and shall be dealt with by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned as held by Hon'ble Supreme Court in the matter of ***Ghanashyam Mishra And Sons Private Limited Versus Edelweiss Asset Reconstruction Company Limited*** in Civil Appeal No.8129 of 2019 dated 13.04.2021.
- iv. It is hereby ordered that the **Performance Bond Guarantee**<sup>6</sup> of **Rs 210.52 lakhs** furnished by the Resolution Applicant shall remain as performance Bank Guarantee till the amount proposed to be paid to the creditors under this plan is fully paid off and the plan is fully implemented.
- v. The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC) Hyderabad for information and record. The Successful Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.
- vi. Henceforth, no creditors of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to supra.

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<sup>6</sup> Page 47 of the Resolution Plan (Page 101 of the Application)



- vii. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- viii. 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.
- ix. The Applicant shall forthwith send a copy of this order to the CoC and the Resolution Applicant.
- x. The Registry is directed to furnish free copy to the parties as per Rule 50 of the NCLT Rules, 2016.
- xi. The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data and also forward a copy to IBBI.

As a result, this application is allowed as prayed for.

**Sd/-**  
**(SANJAY PURI)**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**(RAJEEV BHARDWAJ)**  
**MEMBER (JUDICIAL)**

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