

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**DIVISION BENCH**  
**COURT - 1**

ITEM No.306  
IA(Plan)/1(AHM)2025  
in C.P.(IB)/111(AHM)2022

**Proceedings under Section 30 IBC**

**IN THE MATTER OF:**

Ravindra Kumar Goyal RP for Fairdeal Multifilament Pvt. Ltd

.....Applicant

**Order delivered on: 03/02/2025**

**Coram:**

Mr. Shammi Khan, Hon'ble Member(J)  
Mr. Sameer Kakar, Hon'ble Member(T)

**PRESENT:**

For the Applicant :  
For the Respondent :

**ORDER**  
**(Hybrid Mode)**

The case is fixed for the pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

Sd/-

**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**

Sd/-

**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**

**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, COURT-I, AHMEDABAD**

**IA(Plan)/1 (AHM)/2025 in  
CP(IB)/111(AHM)/2022**

*[An application under Section 30(6) & 31 of the Insolvency  
and Bankruptcy Code, 2016 r/w Regulation 39(4) of the  
IBBI (Insolvency Resolution Process for Corporate  
Persons) Regulations, 2016.]*

In the matter of ***Fairdeal Multifilament Private  
Limited***

**RAVINDRA KUMAR GOYAL**

Resolution Professional of  
Fairdeal Multifilament Private Limited

Having office addressed at:

Eden I-807, Godrej Garden City,  
JagatPura, SG Highway,  
Ahmedabad, Gujarat - 382470

**.... Applicant**

**Order Pronounced On: 03.02.2025**

**CORAM:**

**SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)  
SAMEER KAKAR, HON'BLE MEMBER (TECHNICAL)**

**APPEARANCE:**

For Applicant(s) : Mr. Arjun Sheth, Advocate a.w.  
: Mr. Rajiv Chawla, Advocate a.w.  
: Mr. Ravindra Kumar Goyal RP in  
person

## ORDER

[Per: Bench]

1. This application is filed by the Resolution Professional of Fairdeal Multifilament Private Limited (for brevity, "**Corporate Debtor**") under Section 30(6) and Section 31 of the Insolvency and Bankruptcy Code, 2016 (for brevity, the "**Code**") r.w. Regulation 39(4) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process of Corporate Persons) Regulations, 2016 seeking the following prayers:


- a. *Pass an order approving the Resolution Plan dated 03.12.2024 submitted by Parth Poly Coat Yarn Private Limited duly approved by the CoC in accordance with Section 31(1) of the Code, 2016 (Annexure- R) and further be pleased to pass other consequential order;*
- b. *Pass an order directing that in accordance with Section 31(1) of the Code, 2016, the approved Resolution Plan shall be binding on all the stakeholders of the Resolution Plan;*
- c. *Pass an order directing the Resolution Applicant to implement the Resolution Plan in the manner as set out under the Resolution Plan dated 03.12.2024 submitted by Parth Poly Coat Yarn Private Limited; and/or*
- d. *Grant any other relief(s) as may deem fit in the interest of justice.*



2. **Facts of the Case:**


- i) It is stated that an application being CP(IB) No. 111 of 2022 for initiation of Corporate Insolvency Resolution Process ("CIRP") was filed by Shree Nakoda Impex under section 7 of the Insolvency and Bankruptcy Code, 2016. That the said application was allowed by this Adjudicating Authority("AA") vide order dated 21.02.2023 wherein Sachin Naveen Sinha was appointed as the Interim Resolution Professional ("IRP"). Copy of the CIRP admission order dated 21.02.2023 passed by this AA in CP(IB) No. 111 of 2022 is annexed in the application as **Annexure-[A]**.
- ii) It is submitted by the applicant that an application bearing IA No. 450 of 2023 was filed by the IRP namely Sachin Naveen Sinha seeking, inter alia, to remove the deadlock in the CIRP and appoint the IRP as Resolution Professional of the CD and for directing the CoC members and Unsecured Financial Creditors to cooperate with the IRP for smooth functioning of






CIRP. That, in view of the consent of both the sides of the CoC for appointment of new RP from IBBI approved panel of RP and, in view of the powers vested under Rule 11 of the NCLT Rules, 2016, this AA vide order dated 09.10.2023 had appointed M/s. Fintech Restructuring LLP as RP in the matter. Copy of the order dated 09.10.2023 passed by this Tribunal in IA No. 450 of 2023 appointing M/s. Fintech Restructuring LLP as the RP of CD ("erstwhile RP") is annexed in the application as **Annexure-[B]**.

- iii) That application bearing IA(Plan) No. 18 of 2024 was filed by the erstwhile RP seeking approval of resolution plan of the CD and, an application bearing IA No. 900 of 2024 was preferred by one Manoj Zabbarraj Shanklecha and Mr. Zabbarraj Shanklecha for *inter alia*, setting aside the constitution of CoC and for quashing and setting aside the 15th meeting of CoC held on 02.04.2024 along with its voting result whereby the resolution plan was approved by the CoC. Further, an application bearing IA No. 576




of 2024 was filed by the erstwhile RP for condonation of delay and for extending the time limit by 30 days from 31.03.2024 to 30.04.2024 for completion of the CIRP of the CD.

- iv) It is stated that this AA vide common order dated 03.09.2024, the said IAs had rejected the resolution plan submitted by M/s. Parth Poly Coat Yarn Private Limited and were further of the opinion that the erstwhile RP i.e., Fintech Restructuring LLP had not discharged their duty in line with the provisions of the IB Code, 2016 and its respective Regulations. In view of the same, this AA had removed the erstwhile RP and appointed the Applicant herein as the RP of the CD. Copy of the order dated 03.09.2024 passed by this AA appointing the Applicant herein as the RP of the CD is annexed as **Annexure-[C]**.
- v) It is stated that this AA vide said order dated 03.09.2024 directed that the CIRP of the CD be re-initiated from the stage of issuance of Form-G and the process be completed within 90 days of the date



of the said order and the CIRP period was extended to give effect to the said order.

- vi) It is submitted that pursuant to the order dated 03.09.2024 the Applicant took physical possession of the plant of the CD situated at Block No. 49, NR Gopinath Industrial Park, Chacharwadi, Vasana, Ahmedabad, Sanand, Gujarat, India, 382110 on September 10, 2024. Further, the security agency was also changed by the Applicant herein and took the custody of the plant.
- vii) It is stated that the Applicant had also reconstituted CoC and the report of the same was filed by the Applicant before this Adjudicating Authority vide IA No. 1715 of 2024. That this AA vide order dated 06.12.2024 passed in IA No. 1715 of 2024 was pleased to allow the said IA. Copy of the report of the Applicant in relation to the reconstitution of CoC is annexed in the application as **Annexure-[D]** and copy of the order dated 06.12.2024 passed by this




Tribunal in IA No. 1715 of 2024 is annexed as  
**Annexure-[E].**

**19<sup>th</sup> CoC meeting held on 13.09.2024**

**Issuance of Form-G**

- viii) Further, the Applicant herein convened 19th CoC meeting on 13.09.2024 wherein the Applicant apprised the CoC about the order dated 03.09.2024 passed by this AA and apprised the CoC about the actions taken by the Applicant from the order dated 03.09.2024 till the holding of the 19th CoC meeting.
- ix) It is stated that the discussion with regard to re-issuance of Form-G and Eligibility Criteria had also taken place in the said meeting and resolution regarding the same was passed by the CoC. Copy of the minutes of the 19th CoC meeting dated 13.09.2024 is annexed in the application as **Annexure-[F].**
- x) It is submitted by the applicant that pursuant to the discussion held in the 19th CoC meeting held on 13.09.2024, the Applicant herein reissued Form-G






dated 13.09.2024 and had published it in *Financial Express* (English) Ahmedabad and *Financial Express* (Gujarati) Ahmedabad on 14.09.2024. Copy of the Form-G dated 13.09.2024 is annexed in the application as **Annexure-[G]**.

**20<sup>th</sup>CoC meeting held on 07.10.2024**

**Evaluation Matrix and Request for Resolution Plan**

- xi) It is submitted that 20th CoC meeting of the CD was held on 07.10.2024 wherein, the Applicant informed the CoC about the development in the process and informed the CoC about the issuance of Form-G. Further, the name/ summary of the Prospective Resolution Applicants ("PRAs") were also shared by the Applicant with the CoC members.
- xii) It is stated that the Applicant herein has also prepared Information Memorandum of the CD. Copy of the Information memorandum the CD is annexed in the application as **Annexure-[H]**.
- xiii) It is submitted that the resolution with regard to Evaluation Matrix and Evaluation of Resolution Plans






and Request for Resolution Plan ("RFRP") was also passed by the CoC. Copy of the minutes of the 20th CoC meeting held on 07.10.2024 is annexed in the application as **Annexure-[I]**. Copy of the Evaluation Matrix and Request for Resolution Plan is annexed in the application as **Annexure- [J]**.

- xiv) It is further stated that the Applicant herein has also prepared the final list of Eligible Resolution Applicants. Copy of the Final List of Eligible Resolution Applicants is annexed in the application as **Annexure-[K]**.

**21<sup>st</sup>CoC meeting held on 18.11.2024**

**Extension of CIRP Period, Discussion on Plans**

- xv) It is stated that pursuant to the interest received from prospective resolution applicants, the Applicant had received 4 resolution plans. That the status of the receipt of four resolution plans as on 14.11.2024 was presented before the CoC in the 21st CoC meeting held on 18.11.2024.
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xvi) It is stated that the CoC in the said 21st CoC meeting dated 18.11.2024 unanimously decided to not to extend deadlines for submission of resolution plan and decided to open four resolution plans received by RP from PRAs.

xvii) The applicant submits that thereafter, in the 21st CoC meeting held on 18.11.2024, four plans (two hard copies and two soft copies) were opened and the Applicant therein presented before CoC members the amount offered by PRAs to the creditors. The Applicant in the said CoC meeting stated that he will conduct due diligence of the PRAs and legal vetting of the resolution plans and will present resolution plan before CoC members in the next CoC meeting scheduled for 25.11.2024 and the Applicant will also ask the PRAs to present their plan in detail before the CoC in the next CoC meeting scheduled on 25.11.2024.

xviii) That the CoC in the said CoC meeting also discussed regarding extension of CIRP period by further 90




days. That the CoC by 71.17% majority voted in favour of the resolution for extension of CIRP period by further 90 days. In view of the same, the Applicant had filed an application bearing IA No. 1858 of 2024 before this Adjudicating Authority seeking extension of CIRP period by further 90 days from 03.12.2024. Copy of the minutes of the 21st CoC meeting held on 18.11.2024 along with its voting result is annexed in the application as **Annexure-[L]**.

#### **22<sup>nd</sup>CoC meeting held on 25.11.2024**

- xix) The applicant submits that 22nd CoC meeting of the CD was held on 25.11.2024 wherein the Applicant had invited all the resolution applicants and detailed discussion between the CoC members and the PRA had taken place. Thereafter, for maximizing the benefit for all the stakeholders of the corporate debtor, the CoC was of the view that it is better to give one opportunity to PRAs to revise their financial proposals. Accordingly, it was decided to give the timelines for submitting revised financial proposal by






28.11.2024 and next CoC meeting was decided to be held on Friday 29.11.2024 to discuss the revised financial proposal. Copy of the minutes of the 22nd CoC meeting held on 25.11.2024 is annexed in the application as **Annexure-[M]**.

**23<sup>rd</sup>CoC meeting held on 29.11.2024**

- xx) It is stated that the 23<sup>rd</sup> meeting of the CoC was held on 29.11.2024 wherein revised financial proposals submitted by the PRAs were discussed in detail with CoC members and PRAs. That the Applicant in the said 23<sup>rd</sup> CoC meeting held on 29.11.2024 had asked the CoC members that as envisaged in regulation 39(1A) the resolution plan can be modified only once and CoC has a right to use a challenge mechanism to enable resolution applicants to improve their plans in which one plan is considered as base plan and all bidders are asked to bid considering the base plan. The CoC members present in the said meeting unanimously decided to not to exercise their right to use a challenge mechanism




and to give PRAs one opportunity to submit their revised resolution plan and additional time was granted till 02.12.2024 till 7:30 pm.

- xxi) It is that the Applicant in the said 23rd CoC meeting held on 29.11.2024 also made it clear to all PRAs that if no revised plan is received by the date, the earlier original plan will be taken as final and will be proceeded as per IB Code. The Applicant further requested and reminded the timeline of the CIRP and requested all members to support in timely voting and all issues for which CoC members took a note. Copy of the minutes of the 23rd CoC meeting held on 29.11.2024 is annexed in the application as **Annexure-[N]**.


#### **24th CoC meeting held on 03.12.2024**

- xxii) It is submitted that the 24th CoC meeting was held on 03.12.2024 wherein it was apprised to the CoC members that one of the PRAs namely Consortium of Sonal Yogeshbhai Shah with Shubhlaxmi Trading had withdrawn from the process of submitting the



resolution plan and the other PRA namely Consortium of Zabbaraj Sanklecha with Manoj Zabbaraj Sanklecha had not given a revised resolution plan. That since they had not submitted the revised resolution plan and accordingly initial plan was to be considered, the initial resolution plan was not be put for voting since the same was conditional plan and non-compliant with the provisions of IB Code.

xxiii) It is submitted that the Applicant had received revised resolution plan from two PRAs i.e., Parth Poly Coat Yarn Private Limited and Aureate Tradde Private Limited. That both the plans were opened and presented during the said 24th CoC meeting held on 03.12.2024. The CoC members had detailed discussions on both the plans. The Applicant in the said CoC meeting stated that he will evaluate both the plans as per evaluation matrix approved by CoC and will put for voting in next CoC. The CoC members presented in the meeting unanimously



decided that next CoC will be held on December 07,  
2024 04:00 P.M.


xxiv) That the discussion with regard to the Tie Breaker Formula was also held in the 24th CoC meeting held on 03.12.2024 wherein all the CoC members presented in the meeting had decided that in case of receipt of equal votes, the PRA who will receive higher Evaluation Matrix Scores will be considered as successful. Copy of the minutes of the 24th CoC meeting held on 03.12.2024 is annexed in the application as **Annexure-[O]**.

#### **25<sup>th</sup>CoC meeting held on 07.12.2024**

#### **CoC Resolution on Feasibility and Viability**

xxv) It is submitted that the 25th meeting of the CoC was held on 07.12.2024 wherein the Applicant informed that he has evaluated the revised plans received from two PRAs i.e., Parth Poly Coat Yarn Private Limited and Aureate Tradde Private Limited as per Evaluation Matrix. Further, the Applicant apprised the CoC that pursuant to Regulation 39 sub regulation (3) of IBBI







(CIRP) Regulations, 2016, the CoC shall evaluate the resolution plans as per Evaluation Matrix, record its deliberation by the way of the feasibility and viability of each resolution plan and vote on such resolution plans simultaneously.

xxvi) It is stated that both the resolution plans submitted by Parth Poly Coat Yarn Private Limited and Aureate Tradde Private Limited were put up for voting and the voting period was from 09.12.2024 at 01:31 PM to 11.12.2024 at 07.00 PM.

xxvii) Meanwhile, application bearing IA No. 1858 of 2024 which was filed by the Applicant herein seeking extension of CIRP period was listed on 11.12.2024 wherein, this AA was pleased to extend the CIRP period upto 21.12.2024 and the Applicant was directed to complete the CIRP of the CD within the said extended period. Copy of the CIRP extension order dated 11.12.2024 passed by this AA is annexedin the application as **Annexure-[P]**.



xxviii) It is stated that the voting on the resolution plan was concluded on 11.12.2024 wherein, CoC members with 69.32% of voting had voted in favour of the resolution plan submitted by Aureate Tradde Private Limited and CoC members with 80.00% of voting had voted in favour of the resolution plan submitted by Parth Polycoat Yarn Private Limited. That, since plan from Parth Polycoat Yarn Private Limited had received higher votes which is more than the requisite votes, the said resolution plan was approved. Copy of the minutes of the 25th CoC meeting held on 07.12.2024 along with the voting results is annexed in the application as **Annexure-[Q]**. Copy of the resolution plan submitted by Parth Polycoat Yarn Private Limited ("Successful Resolution Applicant"/ "SRA") duly approved by the CoC ("Successful Resolution Plan"/ "approved resolution plan") is annexed in the application as **Annexure-[R]** and copy of the requisite documents including Affidavit under Section 29A submitted by SRA is annexed in the application as **Annexure-[S]**.



xxix) It is submitted that pursuant to the approval of resolution plan of SRA, the Applicant issued Letter of Intent dated 12.12.2024 to SRA. Copy of the Letter of Intent dated 12.12.2024 issued by Applicant to SRA which has been accepted by SRA on 13.12.2024 is annexed in the application as **Annexure-[T]**.

3. Following are the **Salient Features of the Resolution Plan** submitted by the SRA and approved by the CoC of the Corporate Debtor:-

- i) The Resolution Plan amount is Rs.10,07,50,000/-, and the SRA proposes to pay the total amount upfront to Stakeholders i.e., within 55 days from NCLT approval date.
- ii) Rs. 3 Crores is envisaged towards working capital/ Capex for business (within 6 months).
- iii) The Resolution Plan provides for the implementation schedule. [ @Clause 7.2 of the approved resolution plan ]
- iv) It provides for Financial Proposal for all stakeholders as per Regulation 38(1A) of CIRP Regulations, 2016. [ @Clause 7.3 of the approved resolution plan ]
- v) SRA is providing INR 71,24,000/- towards CIRP Cost on ad-hoc ground subject to actual expenses, and the same will be paid within 55 days of approval date.






- vi) The SRA proposes to pay to all those financial creditors who did not vote in favour of the resolution plan, in priority over financial creditors who voted in favour of the plan in compliance of Regulation 38 of CIRP Regulations, 2016.
- vii) The SRA proposes to make an upfront payment of INR 9,13,00,000/- to satisfy the claims of the Secured Financial Creditors within a period of 55 days from the approval date of the resolution plan.
- viii) The SRA proposes to make an upfront payment of INR 21,00,000/- to satisfy the claims of Unsecured Financial Creditors within a period of 55 days from the approval date of the Resolution Plan. It is proposed that the upfront cash payment to be made on the pro-rata basis of total admitted claim amount of unsecured financial creditors as on date of approval of this plan, considering share of each of the claimant in the group of unsecured financial creditors. y Date.
- ix) For Operational Creditors, the upfront cash payment amount payable to the Operational Creditors under this clause 7.3.5 shall be given priority in payment over the Financial Creditors in compliance of CIRP regulation 38. So, priority shall be given for the payment of upfront amount to Operational creditors Statutory Claim of Government departments, Operational Creditors-Employees and Operational Creditors-Others, over financial creditors.
- x) Proposal for Erstwhile Shareholders: Resolution Applicant proposes to make Nil payment towards full and final settlement / discharge of any liability of the Corporate Debtor towards the Existing Equity Shareholders of the Corporate Debtor. The entire shareholding of the Existing (Equity) Shareholders shall be cancelled and extinguished as per the





terms and conditions of this Resolution Plan. No shareholder will be required to be intimated separately whether holding share in physical or demat form and all their rights as shareholder shall stand extinguished as on the NCLT Approval Date by virtue of the NCLT Approval Order.

- xi) It provides for NCLT approval date actions (@Clause 7.4.2 of the approved resolution plan)
- Extinguishment of Share Capital by Existing Shareholders and Issuance of new Share.
  - Discharge of the existing board and constitution of new Board of Directors.
  - Other Immediate Transactions.
- xii) It provides for the implementation of resolution plan (@Clause 7.5 of the approved resolution plan)
- xiii) It provides for the management and control of the company during the term of the resolution plan (@Clause 7.6 of the approved resolution plan)
- xiv) It provides for the revival plan (@Clause 7.9 of the approved resolution plan)
- xv) It demonstrates feasibility and viability (@Clause 7.10 of the approved resolution plan)
- xvi) It provides for supervising implementation of plan (@Clause 7.11 of the approved resolution plan)
- xvii) Effects on approval of resolution plan (@Clause 7.12 of the approved resolution plan)



xviii) Any relief requested to be granted by the NCLT to Resolution Applicant shall not be construed as conditional to the implementation of the Resolution Plan.

xix) Declarations regarding mandatory requirements under the Code and CIRP Regulations (@Clause 7.17 of the approved Resolution Plan)

xx) Eligibility details in relation to each of the resolution applicants and connected persons under section 29A (@Clause 7.18 of the approved resolution plan).

4. The Applicant submits that, in terms of the Code, he has carried out his responsibilities diligently to protect and preserve the value of the property of the Corporate Debtor and manage the affairs of the Corporate Debtor.
5. The Applicant submits that the approved Resolution Plan is compliant with the requirements of section 30(2) of the Code read with Regulation 38 of the CIRP Regulations, 2016 and the Resolution Applicant is eligible to submit Resolution Plan. The Compliance Certificate (Form-H) issued by the Applicant is annexed in the application as **Annexure-[U]**.
6. It is submitted that the Resolution Plan submitted by the SRA has been duly considered by the CoC of the CD



in its commercial wisdom, and pursuant to detailed discussions, deliberations as well as negotiations, the CoC in its commercial wisdom has found the Successful Resolution Plan to be feasible and viable in terms of the requirements under the Code and the CIRP Regulations.

7. It is submitted that the object of the Code is resolution and maximization of value of stakeholders vis-à-vis liquidation and the Applicant is bound by the commercial wisdom of the members of the CoC. The Resolution Plan value is substantially higher than Liquidation value of the corporate debtor. The Applicant has therefore filed the present Application. The Applicant craves leave of this Adjudicating Authority to add, alter or amend the contents of the present Application.

8. The summary of Financial **Proposal for all the Stakeholders** is reproduced below:

Particulars	Amount in Rs.
CIRP Cost Unpaid Portion to be paid on Actual basis. (subject to actual unpaid CIRP expenses and the actual amount to be adjusted (+/-) with the amount of upfront cash payment to	71,24,000



Unsecured Financial Creditors and if required from the upfront cash payment to Secured FCs) (within 55 days from NCLT approval date)	
Upfront Cash Amount to the Secured financial creditor (within 55 days from NCLT approval date)	9,13,00,000
Upfront Cash Amount to the Unsecured financial creditor including belated claim admitted as per IM (within 55 days from NCLT approval date)	21,00,000
Upfront Cash Amount to the operational creditors - Statutory claim of Government Department including PF Department and including claim not filed from GST Department w.r.t DRC-01	66,449
Employees, including belated claim admitted as per IM claim and unpaid Gratuity	92,058
Other Operational Creditors including belated claim admitted as per IM (within 55 days from NCLT approval date)	9,433
Contingency Fund for the purpose of dealing future contingent situation: Legal expenses for handling the NCLAT matters if any post approval of plan by the Hon'ble NCLT or if the NCLT order of approval is challenged in future the related legal and handling expense <b>otherwise unspent amount to be given to Unsecured financial creditors.</b>	58,060
<b>Total Upfront Payment to all the Stakeholders</b>	<b>10,07,00,500</b>
Working Capital/Capex for Business (Within six months)	As per the business requirements, Rs. 3 Crore as envisaged





<b>TOTAL RESOLUTION PLAN AMOUNT</b>	<b>10,07,00,500</b>
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9. The **Implementation Schedule** and the list of activities to be undertaken as part of the Resolution process is reproduced in the following chart:-


Sr. No.	Activity	Time Line (in days)
<b>PHASE I – Approval Process of the Proposed Resolution Plan</b>		
1.	On receipt of the certified copy of NCLT (NCLT Approval Date)	N
2.	Closing Date to include inter alia the followings: a) Extinguishment of Old/ Existing Shares b) Issuance of New Equity Shares c) Reconstitution of Board of Directors d) Intimation to MCA, Tax authorities, and various other statutory authorities (as applicable). e) Intimation to all Creditors, and other stakeholders of the Company.	N+60
<b>PHASE II – Settlement of Creditors</b>		
3.	Payment of outstanding CIRP Costs as approved by CoC	N+55
4.	Payment to Operational Creditors (in priority over FCs)	N+55
5.	Payment to Operational Creditors-Government Departments	N+55
6.	Payment to Unsecured Financial Creditors	N+55



7.	Payment to Secured Financial Creditors	N+55
8.	Payment out of Contingency fund kept for litigation	N+75
<b>PHASE III – Implementation of Proposed Resolution Plan</b>		
9.	Management of Company: <ul style="list-style-type: none"><li>• Setting up of management team and control systems</li><li>• Completion of Definitive Documents</li><li>• Technological upgradation of existing machinery</li><li>• Identification of suppliers / franchisees and vendor network and related execution of documents and exploring to revive other potential business</li></ul>	N + 90
10.	Change in Memorandum and Articles of Association and other documentation as required under the proposed plan Obtaining requisite approvals, wherever required	N+60
11.	Restarting the operations of the Corporate Debtor	N+90

**10.** With respect to the preferential, undervalued, fraudulent and extortionate (“**PUFE**”) **transactions**, it is stated that: -

***“As per the shared transaction audit report and IA filed w.r.t avoidable transactions, as there are many transactions which are with parties of unsecured financial creditors, the resolution applicant propose that, if there are any recovery from such transactions for which the***



IA is filed and from transactions which RP / AA may identify the same in future, in terms of **Sections 43, 45, 47, 49, 50 or 66 of the Code** and any recovery done therefrom after the Approval Date, such recovery **shall be distributed between the Unsecured Financial creditors and the Resolution applicant in the 20% and 80% respectively after deducting related legal expenses incurred by the RA from the amount of actual recovery.**"

11. With respect to the **Performance Security**, it is stated that:-

- (a) **Submission of EMD**:The Resolution Applicant has paid an amount of **INR 50,00,000/- (Indian Rupees Fifty Lakhs Only)**as EMD via wire transfer KCCBH24319213242 from The Kalupur Commercial Co-operative Bank Ltd. in the given bank account of the Corporate Debtor as per the details provided in the RFRP.
- (b) **Submission of Performance Security**:It is submitted that the SRA has paid/submitted an amount of **Rs. 2,01,87,500/- (Rupees Two Crore One Lakh Eighty Seven Thousand Five Hundred only)** as performance security on December 19, 2024 with the Applicant herein after delay of one day as against the timeline prescribed in the LOI dated 12.12.2024 issued by the Applicant to SRA. With regard to the same, the Applicant had issued an email dated 20.12.2024 to the CoC members seeking their approval for condoning the delay of one day in submission of Performance Security Deposit by 19.12.2024. That the CoC by 80.07% of voting was pleased to approve the said resolution. Copy of the proof of payment/ deposit of

Performance Security by the SRA with the Applicant herein is annexed in the application as **Annexure-[V]**. Copy of the email dated 20.12.2024 issued by the Applicant to CoC members is annexed in the application as **Annexure-[W]** and copy of the resolution passed by the CoC along with its voting result is annexed in the application as **Annexure-[X]**.

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

(Amount in Rs.)

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				
		(b) other than (a) above:				
		(i) who did not vote in favour of the resolution Plan				
		(ii) who voted in favour of the resolution plan	10,72,77,719	10,72,77,719	9,13,00,000	85.11%
		<b>Total [a+b]</b>	<b>10,72,77,719</b>	<b>10,72,77,719</b>	<b>9,13,00,000</b>	





2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of Section 21	1,67,58,248	1,67,58,248	2,74,069	1.64%
		(b) other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	4,37,70,457	4,37,70,457	7,15,833	1.64%
		(ii) who voted in favour of the resolution plan	6,83,33,180	6,78,78,195	11,10,098	1.64%
		<b>Total [a+b]</b>	<b>12,88,61,885</b>	<b>12,84,06,900</b>	<b>21,00,000</b>	
3	Operational Creditors	(a) Related Party of Corporate Debtor				
		(b) Other than (a) above:				
		(i) Government*	28,48,970	28,48,970	66,449	2.33%
		(ii) Workmen	-	-	-	-
		(iii) Employees**	2,55,838	2,55,838	92,058	35.98%
		(iv) other operational creditors	2,04,55,649	2,04,55,649	9,433	0.05%
		<b>Total[(a) + (b)]</b>	<b>2,35,60,457</b>	<b>2,35,60,457</b>	<b>1,67,940</b>	
4	Other debts and dues	-	-	-	-	-
<b>Grand Total</b>			<b>25,97,00,061</b>	<b>25,92,45,076</b>	<b>9,35,67,940</b>	

\*RA proposing full payment against PF dues of INR 65,135.

\*\*RA is proposing full payment against gratuity dues of the employees of INR 91,940.



**13. Source of Funds:**

The **means of Finance** of the above mentioned amounts as mentioned in the plan is reproduced as under:-

<b>Means of Finance</b>	
Internal Accrual of CD	At Actual
Working Capital/ Capex Upgradation etc.	Bank Finance as my current results are supportive and I have clean credit history and also own finance
From Net worth of RA / its related concerns/ Directors, nominees etc	Balance Required to meet cash payment obligations as per this resolution plan. RA / Directors / relatives of directors have sufficient Liquid Net worth covering full upfront cash payment.
<b>Rs. 10,00,000: New Share capital of CD</b> Required investment to be done by RA and this will make the CD as fully owned subsidiary company of RA.	
<b>Rs. 9,97,50,000: Unsecured Loans from Directors and Relatives</b> Required infusion of funds will be done by directors or their relatives and related net worth for liquid assets are attached.	
<b>Total</b>	<b>INR 10,07,50,000/-</b>

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



Sl.No	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity				
	Promoters	18,49,866	-	97.92%	-
	Others	39,134	-	2.08%	-
	Resolution Applicant	-	1,00,000	0.00%	100%
	<b>Total</b>	<b>18,89,000</b>	<b>1,00,000</b>	<b>100%</b>	<b>100%</b>
2	Preference	-	-	-	-

15. The **compliances** of the Resolution Plan is stated to be 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	-	Yes



	per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?		
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	-	Yes
Section 30(2)	Whether the Resolution Plan-  (a) provides for the payment of insolvency resolution process costs?  (b) provides for the payment to the operational creditors?  (c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?  (d) provides for the management of the affairs of the corporate debtor?  (e) provides for the implementation and supervision of the resolution	Under Clause 7.3 on Page 25-38 of the Plan	Yes





	plan?  (f) contravenes any of the provisions of the law for the time being in force?		
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, Included Under Clause 7.17 on Page 79  Approved by CoC with 80% vote in favour	Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Para 7.11 on Page 52-53 of the Plan	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?	Page 31 under Para 7.3.5(ii).	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests	Para 7.3 on page 25-26	Yes



	of all stakeholders?		
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?	Page 19 of the Plan	Yes
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?	(a) Pg. 22-24  (b) Pg. 42-43  (c) Para 7.11- Pg. 52-53	Yes
38(3)	Whether the		



	<p>resolution plan demonstrates that</p> <p>–</p> <p>(a) it addresses the cause of default?</p> <p>(b) it is feasible and viable?</p> <p>(c) it has provisions for its effective implementation?</p> <p>(d) it has provisions for approvals required and the timeline for the same?</p> <p>(e) the resolution applicant has the capability to implement the resolution plan?</p>	<p>(a) Para 4 on Pg. 14-16</p> <p>(b) Para 7.10 on Pg. 50-52</p> <p>(c) Para 7.5 – Pg. 43-53</p> <p>(d) Para 7.2 – Pg. 24</p> <p>(e) Para 5 – Pg. 16</p>	<p>Yes</p>
39(2)	<p>Whether the RP has filed applications in respect of transactions observed, found or determined by him?</p>		<p>Yes</p>
Regulation 39(4)	<p>Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.</p>		<p>The RA has deposited the Performance Security of INR 2,51,87,500i</p>



			n the account of CD.
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16. It is further noted that the Applicant/Resolution Professional has placed on record an **additional affidavit** dated 27.01.2025, filed vide Inward Diary No. D-497, being a declaration affidavit under Section 29A of the Code, in respect of the proposed Directors of the Successful Resolution Applicant. As per the averments made therein, the SRA has proposed the appointment of two new Directors, namely:

S.No.	Name of the Proposed Director	DIN
1.	Shaileshbhai Koladiya	07310598
2.	Virang Koladiya	07537244

17. **Relief and Concession:**

S.No.	Concession/Relief Sought	Orders Thereon
1.	All rights, titles and benefits relating to the movable and immovable properties of	





	<p>the Corporate Debtor after completion of this resolution plan shall be vested in the Corporate Debtor free of any title defects or encumbrances. Further, the peaceful possession thereof shall be handed over to the RA immediately upon the Approval date. Assuming that RP is having complete and un-disturbed possession of over the properties of the CD, in case of delay of more than 15 working days from Approval date in doing the same, then notwithstanding anything contained in any other part of this Plan, the timelines for making payment under this resolution plan shall not commence unless and until the peaceful possession of all the properties of the CD is not handed over to RA.</p>	<b>Granted</b>
<b>ROC Compliance</b>		
2.	<p>Upon approval of this Resolution Plan by Adjudicating Authority, the rights of any person (whether exercisable now or in the future), either directly or indirectly, and whether contingent or not, to call for the allotment, issue, sale or transfer of shares of the Company, shall stand unconditionally and irrevocably extinguished. All employee stock options and sweat equity shares, whether granted, vested or otherwise, shall stand irrevocably and unconditionally cancelled</p>	<b>Granted</b>



	and extinguished without further deed or action and for no consideration.	
3.	Upon approval of this Resolution Plan by Adjudicating Authority, any agreement executed between the Company and its shareholders shall stand terminated without any further action or deed and all liabilities and obligations of the Company under such agreements executed between the Company and its shareholders and their respective successors assigns, transferees shall stand extinguished and cancelled for no consideration. The resolution applicant nor the new management of the corporate debtor shall be liable for any payment obligation.	<b>Granted</b>
4.	There may be lapses noticed as per Section 92, 96, 134, 137 and other applicable provisions of the Companies Act-2013. These lapses are attributable during the period of old management and therefore considering this thing, waiver is sought in terms of additional fees to be levied under section 403 of CA-2013 by MCA for pending compliances and return filling with RoC in future whenever the return is filed under the Act.	<b>Granted</b>
5.	Further a waiver is sought that new management shall not be a party in the proceedings under Section 206, 213, 217,	<b>Granted</b>



	447 and 448 for a period before the approval of Resolution Plan by NCLT.	
6.	Any form or return which is pending, the Resolution Applicant shows his inclination to file the same with a normal fee and shall not be subject to any additional fees or penalty under the Rule of Adjudication of penalty as stipulated under Companies Act-2013.	<b>Granted</b>
7.	Any non-Compliance under Companies Act-2013 during the tenure of corporate debtor till the approval date, the penalty and other proceedings if any must be waived off.	<b>Granted</b>
8.	MCA to provide 12 months moratorium to complete all pending non-compliance and fulfil all procedural lapse without additional fees and/or any compounding procedure.	<b>Granted</b>
9.	On final payment to the financial creditor as suggested in the plan, the charge created on the portal of MCA shall stand satisfied.	<b>Granted, subject to filing of necessary forms as per CA, 2013.</b>
10.	That the NCLT be pleased to direct that Corporate debtor shall not be required to make any separate application before the NCLT and that the approval of	<b>Granted</b>





	<p>this Resolution Plan by the NCLT shall be deemed to have waived all the procedural requirements in terms of Sec 66, 42, and 62 (1)(c) of the Companies Act, 2013 as applicable, including consent of shareholders or creditors of the Corporate Debtor and applications to any other appropriate authority, as required under the Companies Act, together with the process laid down under the Companies Act, have been obtained and duly complied with;</p>	
11.	<p>That the NCLT be pleased to give or issue necessary directions, instructions to all relevant Governmental Authorities to grant relief /concessions from payment of taxes, levies, fees, charges, transfer premiums, stamp duty, registration fees (including fees payable to the jurisdictional ROC) for various actions contemplated under this Resolution Plan (including for the Standalone Capital Reduction, increase in authorised share capital, issuance of Equity Shares as contemplated in this Resolution Plan) and that the fees payable to the ROC in respect of the restructuring, recategorisation and increase of authorised share capital and amendment of memorandum of association and articles of association of the Corporate</p>	<p><b>Not Granted, Fee to be paid for future actions.</b></p>





	Debtor for allotment of fresh shares to the Resolution Applicant and/or its Nominees and other relevant parties be waived and the ROC be directed to approve the relevant forms under the Companies Act and rules thereto without payment of fees in respect thereof;	
12.	Full waiver of other contingent dues/charges/interest/penalties and unconfirmed dues without getting into merits of the case and related security deposit if any to be returned to the corporate debtor.	<b>Not Granted, since Blanket Relief sought.</b>
<b>Guarantees</b>		
13.	Upon approval of the Resolution Plan, all beneficiaries of guarantee issued by the Company and all Liabilities of the Corporate Debtor with respect to such guarantees shall stand extinguished and such recipients shall not thereafter be entitled to raise any Claims against the Corporate Debtor nor against new management.	<b>Granted, in terms of the objectives of clean slate principle in Ghanshyam Mishra Judgement.</b>
14.	All liabilities (whether contingent or crystallized) in relation to any corporate guarantees, indemnities, extension and all other forms of credit support provided by the Corporate Debtor prior to the Approval Date shall stand extinguished.	<b>Granted, in terms of the objectives of</b>



	(However, it is clarified that all the liabilities, Personal Guarantee provided by the erstwhile promoters/directors/guarantors of the Corporate Debtor shall be in effect and subsistence and financial creditor shall have the right to continue and proceed against the erstwhile promoters/directors/guarantors which shall not include corporate debtor and no way against new management.)	clean slate principle in <b>Ghanshyam Mishra Judgement.</b>
15.	Any right of subrogation, reimbursement, recompense, under any corporate guarantee, letters of comfort or similar instruments of debt or any obligation provided by any promoter, affiliate or Related Party of the Company shall stand extinguished and become null and void as of the Approval date, on and from the date of Upfront Payment.	<b>Granted</b>
<b>Workmen &amp; Employees/Labour Laws</b>		
16.	Upon approval of the Resolution Plan all matters/litigation pending before labour authorities shall stand dispose off and Corporate Debtor and/or Resolution Applicants/or new management shall not be liable to make any payment including any penalty, damages cost or otherwise.	<b>Granted</b>
<b>Licenses, Consents and Approvals</b>		



17.	Upon approval of this Resolution Plan by Adjudicating Authority, all actions stated in this Resolution Plan shall be deemed to be approved. Accordingly, any action or implementation of this Resolution Plan shall not be a ground for termination of any clearances and there shall be no impact on the status of an application for renewal or grant which is being applied by the CD.	<b>Granted</b>
18.	The Resolution Applicant has also considered that by virtue of the order of the Adjudicating Authority approving this Resolution Plan, all consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the Company or to which the Company is entitled or accustomed to shall, notwithstanding any provision to the contrary in their terms and notwithstanding that they may have already lapsed or expired due to any non-compliance or efflux of time, be deemed to continue without disruption for the benefit of the Company and the Resolution Applicant for a period of 12 months from the Approval Date or until the period mentioned in such Business Licenses, whichever is later shall use the same. No corporation / trust / agency /	<b>Granted</b>



	board / other person etc shall deny for renewal of any license / permit / connection including electricity and other basic infrastructural facilities to the CD/RA which hampers the functioning of the corporate debtor post approval of plan by AA.	
19.	The Company shall be granted permission from the Approval Date to apply with competent authorities for renewal of all consent, licenses, clearances, permissions required to carry the operational activity of the unit and period of noncompliance by the corporate debtor shall be ignored while approving the same. The RA will be applying / renewing the necessary approvals w.r.t electric power load, fire safety etc. as applicable to the CD within a period of 1 month from the approval date.	<b>Granted</b>
20.	The Company shall be granted a period of 12 months from the Approval Date to comply with the statutory obligations without suffering any adverse implications including any revocation of licenses or levy of penalties or any other fees or costs.	<b>Granted</b>
21.	At the time of renewal of licenses, approvals, consents, permissions attached to the company, all the fees, cost	





	or penalty pertaining to the period prior to Approval Date shall be waived off and the Resolution Applicant shall not be liable to pay any old fees/costs/penalty whether due or not. The approval of this resolution plan by AA shall be a sufficient discharge of all the previous liability or dues or penalties etc before of the date of approval by AA.	<b>Granted</b>
22.	Since commencement of CIRP, while Resolution Professional is putting its efforts to control and manage the business of the Corporate Debtor, there may be chances that certain business permit of the Corporate Debtor lapsed, expired, suspended, cancelled, revoked, terminated or Corporate Debtor has Non-compliance in relation thereof. Accordingly, all government authority to provide reasonable time period after Approval Date in order for the Resolution Applicant to access the status of these Business Permits and ensure that Corporate Debtor is compliant with the terms of the Business Permits and applicable law without initiating any investigation, actions or proceedings in relation to such non-compliance.	<b>Granted</b>
<b>Rights over Properties</b>		
23.	There shall be no adverse effect on the	



	<p>rights of the Company over its properties. The Monitoring Committee post approval of plan by AA shall have all right to take the possession of all the assets which are in the name of the CD or in the possession of the CD as on CIRP date. The Resolution Professional shall on approval of plan by AA immediately handover the possession of the property / asset of CD to the monitoring committee so that the necessary action of cleaning, overhauling, technological upgradation etc. can be done by RA after taking written approval of the monitoring committee. The secured creditor on receipt of the upfront cash payment release the charge on secured assets and file required form at the ROC/MCA for satisfaction of charge in a reasonable time and for the same, no other approval shall be required by the RA.</p>	<p><b>Granted</b></p>
<b>Replacement of existing auditors</b>		
24.	<p>On and from the Approval Date, the Resolution Applicant shall have the right to replace the existing auditors of the Company and appoint new auditors as deemed fit by the Resolution Applicant without any other act, deed or approval required to make the existing one(s) who retire. The approval of this plan shall be treated as NOC and no separate NOC will</p>	



	be required by the incoming auditor appointed by the resolution applicant / the corporate debtor post approval of plan by AA. The approval of this plan shall mean no pending liability towards any other person including past auditors and only payment as envisaged in the plan will be made as per plan. IBC overrides all other acts including ICAI regulations/ ICAI professional standards on seeking NOC from past auditors and hence the approval of this plan shall be treated as NOC and no separate NOC will be required by the incoming auditor.	<b>Granted</b>
<b>Directors or related party have no claim in law or tort</b>		
25.	Each of the directors whose offices are being vacated pursuant to the provisions of the Resolution Plan, the Related Parties whose Contracts are being terminated pursuant to this Resolution Plan shall have no claim against the Company either in any civil law or law of torts including on account of any loss of office, profit or repute. All claims on the company by any related party for the period prior to closing date shall be waived and extinguished.	<b>Granted</b>
<b>Exemption from fee, taxes, municipal dues and statutory dues</b>		
26.	By virtue of approval of this Resolution Plan by the NCLT, there shall be	





	exemption from all type of taxes including but not limited to the income tax, GST, property tax, transfer tax, registration fee, stamp duty, if any, arising on account of transactions consummated or actions undertaken pursuant to the approval of the Resolution Plan by the NCLT under the Code with respect to the transaction, since such taxes and duties, fine etc if required to be paid, will be treated as exempted till the date approval date.	<b>Granted</b>
<b>RBI confirmation on status of Account</b>		
27.	Immediately upon payment of Upfront Payment by the Resolution Applicant to the Secured financial Creditor / financial creditors, status of accounts of the Corporate Debtor shall stand regularized and their asset classification shall be "standard" for the purposes of all RBI Applicable Laws and the name of the Corporate Debtor shall be removed from the list of defaulters/black- list of RBI/NHB. The same will be classified as per RBI/NHB guidelines and for the same on approval of this plan, secured creditors shall give required support to change the status of corporate debtor as Non-NPA / standard asset.	<b>Granted</b>
<b>Submission of Documents with competent authority</b>		
28.	In future any notice if issued against the	





	Company by any authority to produce the documents pertaining to period prior to Approval Date and such documents are not provided by Corporate Debtor to the Resolution Applicant, under such circumstances, the Resolution Applicant and the company shall not be liable to produce those documents and details before the competent authority and no penalty or liability shall incur on Resolution Applicant and the company on non-submission of said details and documents and no claims pertaining to period prior to Approval Date shall be liable on the Resolution Applicant.	<b>Granted</b>
<b>Status of CD</b>		
29.	For all cases, actions or claims etc. filed by any person or competent authority, pertaining to period prior to the Approval Date, the Resolution Applicant/Corporate Debtor or the new management shall not be held responsible. No such prior cases, claims, etc shall stand valid after approval of plan from NCLT. Further, no liabilities of such prior claims, cases etc shall be on the Resolution Applicant w.e.f. Approval Date.	<b>Granted</b>
<b>Cases prior to Approval Date</b>		
30.	All pending or threatened legal, regulatory or administrative proceedings in respect	



	of the affairs of the Corporate Debtor, all inquiries, investigations, notices, causes of action, whether already arisen or expected to arise (and including without limitation civil, criminal, extant exchange control laws, securities laws applicable to the Corporate Debtor and Tax related Claims) in relation to any period prior to the Approval Date shall be disposed of and all liabilities or obligations in relation thereto shall be treated as NIL.	<b>Granted</b>
<b>No liability of the CD or the RA or the new management</b>		
31.	Protection available under section 32A of the Code shall be available to the petitioner and the company as well as to the new management and accordingly, no authorities shall take any actions for any offence committed prior to the date of passing of this order in any manner. Further, all the non-compliance under any of the law and penalty or fee payable thereunder shall be deemed to have been extinguished forever.	<b>Granted</b>
<b>Right to Receivables</b>		
32.	Nothing contained in this Resolution Plan shall affect the rights of the Corporate Debtor to recover any amounts due to the Corporate Debtor from any third party including any Related Parties of the Corporate Debtor, any parties against	



	whom the Proceedings are initiated by the Corporate Debtor (including but not limited to the Company's Electricity Proceedings, Company's Water Proceedings, other Proceedings under Section 138 of the Negotiable Instruments Act, 1881, other recovery Proceedings) and including any parties against whom the recovery action and related actions have been intimated by the Corporate Debtor. There shall be no set off of any such amounts recoverable by the Corporate Debtor against any amount paid by the Corporate Debtor or any liability discharged, satisfied or extinguished pursuant to this Resolution Plan.	<b>Granted</b>
33.	Any recovery done by secured financial creditor after approval of plan from personal guarantors and/or out of GECL, such recovery shall be kept by the Secured Financial Creditor under this plan.	<b>Granted</b>
<b>Income Tax Act, 1961</b>		
34.	The NCLT be pleased to give or issue necessary directions, instructions to the Central Board of Direct Taxation ("CBDT"), Central Board of Indirect Taxes, Customs, Value Added Tax authorities, State Governments Tax authorities to	<b>Directed to approach the</b>





	grant the reliefs / exemptions / waivers from applicability of Sections 41, 79, 170, 281 and any other sections of the Income Tax Act, 1961, for the purposes of implementation of this Resolution Plan; Corporate debtor shall be exempted from sec 79 of income tax act and shall be entitled to carry forward old losses irrespective of change in shareholding happened in accordance with this resolution plan.	<b>concerned authority who may consider the same in terms of objectives of IBC, 2016.</b>
35.	Accordingly, the NCLT be pleased to or cause the Resolution Professional or reconstituted board of CD, or cause the Corporate Debtor to, serve a notice to jurisdictional Principal Commissioner of Income-tax or the jurisdictional Commissioner of Income-tax (as appropriate) immediately after this Resolution Plan is submitted to the Adjudicating Authority for its approval, and it is prayed that the Corporate Debtor should be permitted to carry forward its unabsorbed business losses notwithstanding a change in the shareholding pursuant to this Resolution Plan.	<b>Directed to approach the concerned authority who may consider the same in terms of objectives of IBC, 2016.</b>
36.	The resolution applicant shall be given immunity from taking over its predecessor's tax liability under section 170 of the Income tax Act, 1961 and shall	<b>Granted</b>





	not be held liable for the tax liability before the date of approval of Order by AA.	
37.	The resolution applicant shall be given immunity from treating any transaction contemplated in the resolution Plan as being void or non compliant with the provisions of the Income tax Act, 1961.	<b>Granted</b>
38.	Upon approval of the Resolution Plan by AA, the Income Tax Department shall be deemed to have waived the Corporate Debtor from levy or payment of income tax on waiver of principal and interest by Banks/Institutions.	<b>Directed to approach the concerned authority who may consider the same in terms of objectives of IBC, 2016.</b>
39.	The corporate debtor upon approval of resolution plan, shall also be entitled to opt for concession tax regime under section 115BAA of the Indian Income Tax Act, 1961.	<b>Directed to approach the concerned authority who may consider the same in terms of objectives of IBC, 2016.</b>
40.	Income tax department to quash assessment or re-assessment in consequent to special audit or any other proceedings against the Corporate Debtor	



	that relates to the period prior to the Approval Date, the Corporate Debtor and consequently all pending assessments and reassessments u/s 147, 153A and other relevant provisions of Income Tax Act will be deemed to be completed and dropped.	<b>Granted</b>
41.	<p>i) All actions, proceedings or penalties under any Applicable Law for any past tax dues/non-compliances and the same be permanently extinguished with effect from the NCLT Approval Date.</p> <p>ii) Further, the waiver of principal Loan amount/and/or waiver of any other creditors as well as waiver of interest as appearing in the books of accounts of the Corporate Debtor as on the date of NCLT order and written back in the books of account following NCLT order shall not be taxed as perquisite or benefits under section 28(iv) and cessation of liability under section 41(1) or any other relevant sections/rules/regulations of the Income Tax Act.</p>	<b>Granted</b>          <b>Denied</b>
42.	The Corporate debtor shall not be liable for any assessment or reassessment by tax authorities and All demand pertained to CD lying in the books of Income Tax and/or appears on the Income Tax portal shall stand extinguished and abated.	<b>Granted</b>



43.	Income Tax return filed by the corporate debtor shall be considered as final and accepted by the tax authorities and shall not be liable for any assessment or re-assessment by any other tax authorities.	<b>Granted</b>
<b>Goods and Service tax (GST)</b>		
44.	Any liability of tax, interest or penalty under GST Act, whether known or unknown, assessed or unassessed, due or contingent, disputed or undisputed, particularly which might arise due to non-payment to operational creditors by erstwhile management of the CD, shall stand extinguished upon approval of this Resolution Plan. Hence, due to action or non-action of past management no GST liability shall come upon the corporate debtor or the Resolution Applicant.	<b>Granted</b>
45.	Further, in consonance with Section 82 of CGST Act, 2017, provisions of insolvency and bankruptcy code will prevail over the provisions of GST Act and Government shall not recover any amount payable or create any charge on the property of corporate debtor for any recoverable or claim amount prior to the date of approval of this resolution plan.	<b>Granted</b>
46.	As per the information memorandum shared by Resolution Professional,	



	<p>Corporate Debtor has GST Input Tax credit appearing on the GST portal in electronic credit ledger accounts. Therefore, upon approval of this resolution plan, no liability or claim of period prior to the approval of this resolution plan shall be adjusted against above GST credit and resolution applicant shall be able to utilize above GST credit for its future GST liabilities. GST department will not require RA to file due GST returns of CD which are not filed for the period before appointed date.</p>	<p><b>Directed to approach the concerned authority who may consider the same in terms of objectives of IBC, 2016.</b></p>
47.	<p>Further, upon payment being made as per this resolution plan, department cannot initiate or continue any proceedings against the corporate debtor including any proceedings of assessment, scrutiny, audit, inspection, search etc. enumerated under chapter XII, XIII, XIV &amp; XV of the CGST Act, 2017, for the period prior to the date of approval of this resolution plan. Any such proceedings shall deemed to be concluded in favour of the corporate debtor only and not additional liability shall be assessed on the new management or on the revived company post approval of plan by the Hon'ble NCLT.</p>	<p><b>Granted</b></p>
48.	<p>Further, in relation to the claims or dues of any creditor including Central</p>	





	<p>Government, State Government or Statutory Authorities, upon the payments being made as per this Resolution Plan or if the same are settled during the judicial process, all claims and/or dues shall stand settled and to the extent of the remaining dues, shall stand extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the Corporate Debtor. No creditor including Governmental Authority shall have any further right or claim against the Corporate Debtor, in respect of any claim or dues prior to the NCLT approval date of this resolution plan.</p>	<b>Granted</b>
49.	<p>Any liability of tax, interest or penalty under GST Act, whether known or unknown, assessed or unassessed, due or contingent, disputed or undisputed, particularly which might arise due to non-payment to operational creditors by erstwhile management of the corporate debtor, shall stand extinguished upon approval of this resolution plan. Hence, due to action or non-action of past management no GST liability shall come upon the corporate debtor or the Resolution Applicant.</p>	<b>Granted</b>
50.	<p>The Resolution applicant has fully taken care of all the statutory liabilities /</p>	



	<p>demands etc against the corporate debtor, which are being informed through Information Memorandum or till submission of this resolution plan and the same are provided for in the table of upfront cash payment. The resolution applicant is proposing full settlement of any and all dues against the payment of proposed distribution.</p>	<b>Granted</b>
<b>Other Commercial Laws</b>		
51.	<p>The Adjudicating authority shall direct relevant Government departments to:</p> <p>(a) Refund all duties/ taxes paid under protest by the corporate debtor in respect of tax related litigations and</p> <p>(b) continue with tax credits and state incentives available to the Corporate Debtor.</p> <p>(c) There will not be any set off of dues of one department with the credits of the other government department. The Resolution Applicant envisages the Income Tax, Excise, Customs, VAT, GST, Stamp Duty, SEBI, etc as separate departments.</p>	<p><b>(a) Denied</b></p> <p><b>(b) Directed to approach concerned authority.</b></p> <p><b>(c) Granted</b></p>
52.	<p>Central Board of Direct Taxation ("CBDT"), Central Board of Indirect Taxes ("CBIC"), Customs, Value Added Tax authorities, State Governments Tax</p>	<b>Directed to approach the concerned authority who</b>



	authorities to grant the reliefs / exemptions / waivers from applicability of Sections 41, 79, 170, 281 and any other sections of the Income Tax Act, 1961, for the purposes of implementation of this Resolution Plan;	<b>may consider the same in terms of objectives of IBC, 2016.</b>
53.	Central Board of Indirect Tax and Customs ("CBIC") to grant GST credit of corporate debtor filed through Transitional form without any adjustments made during CIRP Period.	<b>Directed to approach the concerned authority who may consider the same in terms of objectives of IBC, 2016.</b>
54.	Corporate Debtor and/or the Resolution Applicant and/or its Affiliates shall not in any manner be implicated in, or in any manner be adversely affected by, or have any liability in relation to any investigations, proceedings, orders or any matters, whether known or unknown, relating to the past management or the promoter group or holding companies, associate companies and/or group companies of the Corporate Debtor and the assets and properties of the Corporate Debtor shall not be attached pursuant to any such investigations;	<b>Granted</b>
55.	Notwithstanding the terms of relevant	



	<p>agreements, NCLT shall direct that prior approval of the counterparties shall not require to be obtained for the change in control / constitution of the company pursuant to the terms of the Resolution Plan and such counter parties (i) shall waive all objections/liabilities of the company arising after intimation of CIRP Process/Bankruptcy Proceeding involving the company, Appointment of RP in respect of the implementation of this resolution plan.</p>	<b>Granted</b>
56.	<p>That the NCLT be pleased to give or issue necessary directions, instructions to the CBDT, Central Board of Indirect Taxes, Customs, and Value Added Tax authorities to exempt income / gain/ profits, if any, arising as a result of giving effect to the Resolution Plan and from being subjected to income tax in the hands of the Corporate Debtor and/or the Resolution Applicant and/or any such person who is participating in the implementation of the Resolution Plan on behalf of the Resolution Applicant under the provisions of Value Added Tax, Customs, Octroi, Excise duty, Service Tax, Goods &amp; Service Tax, Income Tax Act, 1961 including but not limited to any income tax and Minimum Alternate Tax (MAT) liability arising on account of the</p>	<b>Denied</b>





	<p>Standalone Capital Reduction in Corporate Debtor, write off / write down of current amounts due to employees, vendors and other Operational Creditors, value of assets, value of inventories, write back / reduction of any debt etc. without any impact on brought forward tax and book loss / depreciation and waive all liabilities whether crystallized or not in respect of Taxes (including interest and penalty) arising in respect of periods upto the NCLT Approval Date;</p>	
57.	<p>NCLT's approval order shall be a directions to all statutory departments, courts, tribunals or any other forums to terminate and withdraw all notices, assessments, appellate or other proceedings pending or likely to be pending in any department, court, tribunal or any other forums against the Company, in relation to any period prior to the NCLT Approval Date and all consequential liabilities, if any, shall, stand extinguished and be considered as not payable by the Company on approval of this resolution plan by the NCLT and any re-assessment, revision or other proceedings would be deemed to be barred in relation to any period prior to the NCLT Approval Date, by virtue of the order of the Adjudicating Authority</p>	<p><b>Granted</b></p>



	approving this resolution plan and the Company and new management shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.	
58.	All suits, writ petition, revision, claim, Litigation, disputes or other proceedings of whatsoever nature against the Company by any of the existing creditors or statutory department like Income Tax, GST, Sales Tax, PF, ESIC or any Labour laws, Municipal Corporation of Greater Mumbai etc. are filed / pending before any Court or any authority under any Act the same shall be terminated on the effectiveness of the resolution plan and the rights, obligations and liabilities of the creditors under the resolution plan shall be governed by the terms of this resolution plan. The proceedings in the above clause means legal proceedings against the company which may arise directly/indirectly from non-payment of dues by the Company.	<b>Granted</b>
59.	No claim other than the claims mentioned in the Resolution Plan shall be allowed and/or paid towards any statutory dues, including without limitation, (1) GST, (2) VAT, (3) TDS, (4) Contractor TDS, (5) Salary TDS, (6) Professional TDS, (7) Works Contract Tax, (8) Professional Tax,	<b>Granted</b>



	(9) Excise, (10) Employees' professional tax, (11) penalties/dues towards any government scheme, (12) Scheme of incentives, (13) Cess, (14) Service tax, (15) Statutory Licenses (16) Any custom dues (17) Any other statutory due/s which may have accrued but not disclosed in the books of account of the Corporate Debtor.	
60.	<b>Principal Dues:</b> The principal outstanding of the statutory dues as stated hereinabove shall be waived in totality and necessary directions may be passed to the concerned authorities directing them to waive off the said dues.	<b>Granted</b>
61.	<b>Interest, Penalty and Demurrages Dues:</b> To waive penal interest, simple interest, compound interest, damage charged if any (whether provided or not provided in the books of Corporate Debtor) as the liability of the Company as on the date of approval of this Resolution Plan.	<b>Granted</b>
62.	That the Corporate Debtor and/or RA shall not be required to make any separate application before the NCLT under the provisions of the IBC and that the approval of this Resolution Plan by the Hon'ble NCLT shall be treated as if the necessary approvals required to have been obtained under the Companies Act, including consent of shareholders or	<b>Granted</b>





	creditors of the Corporate Debtor and applications to any other appropriate authority, as required under the Companies Act, together with the process laid under the Companies Act, have been obtained and duly complied with;	
<b>Creditors to Withdraw all proceedings</b>		
63.	All other legal proceedings be it of civil or criminal nature pending against the company shall be deemed to have abated forever against the company and no liability shall ever arise upon the company, petitioner company or the new management in respect thereof. Further, all creditors of the Corporate Debtor shall withdraw all legal proceedings commenced including all criminal proceedings, proceedings under Section 138 of the Negotiable Instruments Act, 1881 and proceedings under SARFAESI and RDDBFI after making upfront payment to the Financial Creditors as per Resolution Plan.	<b>Granted</b>
64.	All present and future, claims, dues, liabilities, amounts, arrears, dividends or obligations owed or payable by the Company to the Existing Promoters or any subsidiary, associate company, related party, joint ventures, affiliate of the Company or any such entity or person	






	<p>controlled by the Existing Promoters (or any lenders or financial creditors of such persons) or any holder of any securities (whether convertible into equity shares or not) of the Company prior to the Approval Date whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallized, known or unknown, secured or unsecured, disputed or undisputed, whether or not set out in the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, shall, in accordance with Regulation 37 of the CIRP Regulations, be deemed to be written off in full and be permanently extinguished on and from the date of payment of Upfront Payment by the Resolution Applicant by virtue of the order of the Adjudicating Authority approving this Resolution Plan.</p>	<b>Granted</b>
65.	<p>Any recovery out of transactions in terms of Sections 43, 45, 47, 49, 50 or 66 of the Code after the Approval Date, shall be distributed between the Unsecured Financial creditors and the Resolution applicant in the 20% and 80% respectively after deducting related legal expenses incurred by RA from the amount of actual recovery.</p>	<b>Granted</b>
<b>Criminal Liability</b>		



66.	<p>Upon approval of the Resolution Plan by Hon'ble NCLT, all actions taken against the corporate debtors including actions taken by Income tax department, Provident Fund authorities etc. shall stand released and insulated for any further action by these authorities. Any Proceedings, enquiries or investigations initiated against the Corporate Debtor including any Proceedings pursuant to which its assets have been attached/are in the process of being attached by any Governmental Authority, relating to the period prior to the NCLT Approval Date, shall immediately, irrevocably and unconditionally stand extinguished and settled by virtue of the order of the NCLT approving this Resolution Plan and such asset of the Corporate Debtor shall stand released from such attachment and the Corporate Debtor or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto, in accordance with the provisions of Section 32A of the Code. RA demand total immunity as per Sec 32A of the Code.</p>	<p><b>Granted, in terms of Section 32-A.</b></p>
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18. ANALYSIS AND DIRECTIONS BY THIS TRIBUNAL

- I. It is seen from revised Form-H that the **Liquidation value** of the Corporate Debtor is arrived at **Rs.9,08,89,358/-** and the corresponding **Fair value** is arrived at **Rs.13,65,08,722/-**. The Resolution Plan is for an amount of **Rs.10,07,50,000/-**.
- II. In terms of Section 30(2) (a) of the IBC, the CIRP Costs are to be paid in priority to any other creditor of the Corporate Debtor. Estimated outstanding **CIRP cost** list which can be unpaid till 31.03.2025 is provided in the data room. Based on the details the resolution applicant is providing **Rs. 71,24,000** on an *ad-hoc* ground subject to actual expenses, and the same will be paid within 55 days of approval date.
- III. There is **1 (one) secured Financial Creditor** in the matter viz., Saraswat Co-operative Bank. The amount due of the secured Financial Creditor is **Rs.10,72,77,719/-**. The Resolution Applicant proposes to make payment of **INR 9,13,00,000/-**.




(Indian Rupees Nine Crore Thirteen lakhs Only) to satisfy the claims of the Secured Financial Creditors within a period of 55 days from the Approval Date of this Resolution Plan.

IV. There are **62 (Sixty-Two) Unsecured Financial Creditors** in this matter. As per the List of unsecured financial creditors given in the IM, the total amount of claim of unsecured Financial Creditors admitted by the RP is total INR 12,84,06,900 (Indian Rupees Twelve Crores Eighty four Lakh Six thousand and Nine Hundred). The Resolution Applicant proposes to make total Upfront payment of **INR 21,00,000** (Indian Rupees Twenty one Lakh only) to satisfy the claims of the unsecured Financial Creditors fully within a period of 55 days from the Approval Date of this Resolution Plan

V. According to List of Creditors of the Company as provided in the IM and as per the last updated claim register uploaded by RP, it shows that there are a






total of **12 (twelve) Operational Creditors** in the present matter; RP has received claims filed by the 'Operational Creditors' under different categories like employees, statutory government department and Others. For the sake of clarity, the claim of Operational creditors admitted by RP as displayed in the updated IM and Statutory Dues of Government Department for which the claim is not filed but details are made available till the submission of this resolution plan are collectively called as (the "Operational Creditors").


VI. The Resolution applicant proposed to pay **INR 65,135/-** (Sixty five thousand one hundred thirty five only) to the **Provident Fund Department** treating the same a priority of payment at the time of settling the claims of other operational creditors against their admitted claim of Rs. 65135/- within a period of 55 days from approval date.

VII. The Resolution Applicant proposes to pay the other Operational Creditors Government Dues being **GST**



**department and Uttar Gujarat Vij Company Ltd,**  
an Upfront Amount of **INR 1,314/-** (One thousand  
Three hundred fourteen only) in a pro-rata basis,  
within a period of 55 days from the Approval Date of  
this Resolution Plan against claims admitted by  
resolution professional as per last updated IM of Rs  
27,83,835/-and Rs. 32,41,710/- which is  
considered as Contingent Statutory Claim of GST  
Department.

VIII. The Resolution Applicant proposes to pay the  
**operational creditors- Others (excluding  
Statutory claim of government departments,  
excluding claim of workmen and excluding claim  
of employee)** an Upfront Amount of **INR 9,433/-**  
(Rupees nine thousand, four hundred thirty three  
only) in proportionate to the aggregate of admitted  
claims of operational creditors-others as per as per  
the admitted amount of as per the updated IM  
without contesting the amount claimed by them  
having names in the final updated claim register



within a period of 55 days from the Approval Date of this Resolution Plan.

IX. The Resolution Applicant proposes to pay to **Employees**, an Upfront Amount of **INR 92,058/-** (Rupees Ninety Two thousand fifty eight only) within a period of 55 days from the Approval Date of this Resolution Plan against claims admitted by resolution professional of Rs. 2,55,838 as per the updated IM containing Rs. 91,940 of gratuity unpaid and this payment is towards full and final settlement /discharge of the entire amounts payable to Employees.

X. Further, it is seen from Form-H, that presently Application under Section 43 and 66 of IBC, 2016 in the present matter is pending on the file of this Tribunal. It is noted that the proceedings of the Interlocutory applications filed u/s 43-45 and u/s 66 will be represented and pleaded by the Successful Resolution Applicant on and approval of the plan by this Tribunal. Further, if there are any




recovery from such transactions for which the IA is filed and from transactions which the RP/AA may identify in the future course, the proceeds of such recovery shall be distributed between the Unsecured Financial Creditors and the Resolution Applicant in the 20% and 80% ratio respectively, after deducting the legal expenses incurred by the RA from the actual amount of recovery.

- XI. In so far as the approval of the Resolution Plan is concerned, this Authority is convinced on the decision of the Committee of Creditors, following the Judgment of Hon'ble Supreme Court in the matter of **K. Sashidhar v. Indian Overseas Bank** (2019) 12 SCC 150, wherein in Para 19 and 62 it is held as follows;


*"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."

- XII. Further the Hon'ble Supreme Court in the matter of **K. Sashidhar v. Indian Overseas Bank and Ors.** (2019) 12 SCC 150 has lucidly delineated the scope and interference of the Adjudicating Authority in the process of approval of the Resolution Plan and held as follows:



*"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)*

- XIII. The Supreme Court in its recent decision in **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

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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

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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. \**

XIV. 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 made 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.

XV. On hearing the submissions made by the Ld. Counsel for the Resolution Professional, and perusing the record, we find that the Resolution Plan has been approved with **80%** voting share. As per the CoC, the plan meets the requirement of being viable and feasible for the revival of the Corporate Debtor, as noted upon and resolved by the CoC members in the 25<sup>th</sup>CoC meeting held on






07.12.2024. By and large, all the compliances have been done by the RP and the Resolution Applicant for making the plan effective after approval by this Bench. On perusal of the documents on record, we are also satisfied that the Resolution Plan is in accordance with sections 30 and 31 of the IBC and also complies with regulations 38 and 39 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

- XVI. It is also noted that the Successful Resolution Applicant has filed an affidavit declaring compliance with the provisions of Section 29A of the Code, in respect of itself as well as the proposed Directors with the Applicant/RP, and the same has been placed on record by the Applicant.
- XVII. In regard to the appointment of the Monitoring Committee, Resolution Applicant does not propose any monitoring Committee. However, for supervision of payments to the stakeholders of the Corporate Debtor, in the manner contemplated in the






Resolution Plan, it is proposed that same shall be supervised by independent person who shall be appointed by RA on NCLT approval in consultation with secured financial creditor. In view of the same, we appoint the applicant RP as the chairperson of the Monitoring Committee who shall supervise the implementation of the Resolution Plan with the help of the newly constituted board till the implementation of the proposed transaction under the Resolution Plan i.e. payment of the committed cash payment amount to various stakeholders.


XVIII. As far as the question of granting time to comply with the statutory obligations/seeking sanctions from governmental authorities is concerned, the Resolution Applicant is directed to do the same within **one year** as prescribed under section 31(4) of the Code.

XIX. The Resolution Plan in question is hereby **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 is binding on the Corporate Debtor and other stakeholders.

- XX. The Resolution Applicant is directed to make payment of the entire Resolution Plan amount within the time period stipulated under the Resolution Plan, failing which the entire amount paid by the Resolution Applicant (*including the Performance Bank Guarantee*) as on the said date would stand automatically forfeited, without any recourse to this Tribunal.
- XXI. Certified copy of this Order be issued on demand to the concerned parties, upon due compliance.
- XXII. Liberty is hereby granted for moving any Application if required in connection with the implementation of this Resolution Plan.
- XXIII. A copy of this Order is to be submitted to the concerned Office of the Registrar of Companies.



19. IA(Plan)/1/AHM/2025 in CP(IB)/111(AHM)/2022 shall stand *disposed of* accordingly.

20. The Monitoring Committee is directed to file a status report after 90 days from the approval of the Resolution Plan.

21. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Learned Counsel for information and for taking necessary steps. Files be consigned to the record.

Sd/-

**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**  
HG

Sd/-

**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**