

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

IA(IBC)(Plan)/27/MB/2026

IN

CP (IB) No. 22 of 2025

Under Section 30(6) read with Section
31(1) of the Insolvency and Bankruptcy
Code, 2016

In the matter of and in

IA(IBC)(Plan)/27/MB/2026

Mr. Prashant Jain Resolution
Professional of Vishal Structurals
Private Limited

...Applicant

In the matter of

Bank of India

...Financial Creditor

Versus

Vishal Structurals Private Limited

...Corporate Debtor

Order Delivered On : 15.05.2026

Coram:

Sh.Prabhat Kumar

Member (Technical)

Sh.Sushil Mahadeorao Kochey

Member (Judicial)

Appearances:

For the Applicant

: Adv. Mily Ghoshal a/w Adv. Sophia Hussain

ORDER

Per: Coram

Brief Background

1. The present Application is filed by **Mr. Prashant Jain**, (“**Applicant/Resolution Professional**”) of **Vishal Structurals Private Limited** (“**Corporate Debtor**”) under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 (“**Code**”) for seeking approval of the Resolution Plan dated 01.01.2026 (including the changes made thereafter) submitted by Bekem Infra Projects Private Limited (“**Successful Resolution Applicant/SRA**”) and for passing order/appropriate direction that this Tribunal may deem fit in the present matter. The Resolution Plan has been approved by 100% majority in the 7th CoC meeting held on 01.12.2025 and adjourned to 04.12.2025.
2. The Corporate Debtor is a Private Limited Company under the Companies Act, 1956 incorporated on 21.12.1983 bearing CIN U28920MH1983PTC030252. Its registered office is at Unit No. 701-706, 7th Floor, Krishna-Govinda Tower Plot No.22-26, Sector 24, Vashi, Opp. Sanpada Rly. Stn, Navi Mumbai, Maharashtra- 400705.
3. The Corporate Insolvency Resolution Process (“**CIRP**”) of the Corporate Debtor commenced upon admission of CP (IB) / 22 (MB) 2025 filed under Section 7 of the Code by this Tribunal on 12.03.2025, wherein Mr. Prashant Jain was appointed as the Interim Resolution Professional (“**IRP**”).
4. Pursuant thereto, the Applicant issued the public announcement in prescribed ‘Form A’ on 13.03.2025, in Financial Express (All India Edition - English) and Navakal (Mumbai Edition - Marathi) inviting claims from creditors. The Applicant, after verifying the claims of creditors received by him, constituted the Committee of Creditors (“**CoC**”) of the Corporate Debtor in accordance with Section 21 of the Code. The

CoC comprised solely of one Secured Financial Creditor, namely Bank of India.

5. The first meeting of the CoC was convened on 11.04.2025 wherein the Applicant was confirmed as the Resolution Professional of the Corporate Debtor.
6. In furtherance of the CIRP, the Applicant published Form-G inviting Expressions of Interest on 12.05.2025 and further an extended Form-G on 27.05.2025 in Financial Express (All India Edition - English) and Navakal (Mumbai Edition - Marathi). Thereafter, the final list of Prospective Resolution Applicants ("PRAs") was issued on 05.07.2025, comprising 10 PRAs. The Information Memorandum, Evaluation Matrix, and Request for Resolution Plan ("RFRP") were issued to the PRAs on 05.07.2025. The last date for submission of Resolution Plans was fixed as 09.08.2025 as per the amended Form-G. Upon requests for extension of time received from the PRAs, and having regard to the level of interest demonstrated, the CoC extended the last date for submission of Resolution Plan on three occasions- first to 24.08.2025, then to 28.08.2025, and thereafter to 01.09.2025.
7. Finally, three PRAs, namely: (i) Bekem Infra Projects Private Limited; (ii) Derit Infrastructure Private Limited; and (iii) Shri. Danesh Contractor, submitted their respective Resolution Plans.
8. The said plans were opened and deliberated upon in the 4th CoC Meeting held on 02.09.2025. In the 5th CoC Meeting, after discussion on the commercial aspects of the Resolution Plans, the CoC granted time until 03.09.2025 for submission of revised plans. The time limit was further extended up to 14.10.2025 on a request from one of the PRAs. Revised Resolution Plans were received by the Applicant on 14.10.2025. In the 6th CoC meeting held on 11.11.2025, the CoC members advised all the PRAs to consider further enhancing their financial offers up till 24.11.2025. Within the said period, Derit Infrastructure Private Limited and Bekem

Infra Projects Private Limited duly submitted their revised Resolution Plans; Shri Danesh Contractor, however, communicated that his present offer be treated as his final offer and that he would not be submitting any revised plan. The revised plans were opened, discussed at length, and considered in the 7th CoC Meeting held on 01.12.2025 and adjourned on 04.12.2025.

9. The Applicant apprised the CoC that the Revised Resolution Plan submitted by Derit Infrastructure Private Limited was non-compliant, ambiguous and conditional in nature and no clarification was submitted by them in writing in this relation.
10. Further, the other two PRAs had expressed conveyed that they did not intend to revise their financial offer in the 7th CoC meeting held on 01.12.2025, however further, Bekem Infra Projects Private Limited had stated that they were willing to reconsider and possibly enhance their financial offer upon receipt of certain requisite documents and clarifications. Accordingly, vide email dated 19.01.2026 and 10.02.2026, they made further changes in the Resolution Plan. All three Resolution Plans were placed for voting. The voting commenced on 08.12.2025 and ended on 23.02.2026. During Voting, one of the PRAs namely, Bekem Infra Projects Private Limited submitted the compliant Resolution Plan dated 01.01.2026 and enhanced the financial offer for the secured creditor pursuant to discussion in the 7th CoC meeting held on 01.12.2025.
11. The Resolution Plan submitted by Bekem Infra Projects Private Limited was approved with a voting share of 100% of the CoC.
12. Consequent to the approval of the Resolution Plan by the CoC, the Applicant issued a Letter of Intent dated 04.03.2026 ("LoI") in favour of the Successful Resolution Applicant ("SRA"). The SRA accepted the LoI on 06.03.2026 in accordance with the RFRP, and furnished a Performance Security of Rs. 1,04,50,000/- (Rupees One Crore Four Lakhs and Fifty Thousand Only) on 06.03.2026.

13. In view of the approval of the Resolution Plan by the CoC, the Applicant has filed the present Interlocutory Application seeking approval of the Resolution Plan submitted by Bekem Infra Projects Private Limited under the provisions of the Insolvency and Bankruptcy Code, 2016.

Objection to the Admitted Amount by EPFO

14. The EPFO submitted a claim of Rs. 3,25,54,337/- vide email dated 02.06.2025 for the period from June 2018 onwards till Insolvency Commencement Date. The following is the breakup of the claim:

Section	Period	Purpose	Amount
7A	June 2018 to March 2023	Dues	₹ 71,30,353.00
		Damages & Interest (7Q&14B)	₹ 1,00,15,116.00
7A	April 2023 to June 2024	Dues	₹ 60,69,575.00
		Damages & Interest (7Q&14B)	₹ 28,67,156.00
7A	July 2024 to March 2025	Dues	₹ 34,05,644.00
		Damages & Interest (7Q&14B)	₹ 2,86,880.00

14B	Jan 2000 to Nov 2020	Damages & Interest (7Q&14B)	₹ 10,52,678.00
14B & 7Q	Up to April 2025	Interest on 14B & 7Q RRC Amount	₹ 1,26,321.00
		Recovery Cost	₹ 1,500.00
	Up to March 2025	Short remittances Reported by Account Section	₹ 15,99,114.00
			₹ 3,25,54,337.00

Upon verification, the Applicant observed that as per the Audited Balance Sheet for FY 2023-24, the PF payable under "Other Current Liabilities" stood at Rs. 79,50,560/-. It was further noted that the EPFO's claim was computed on a pro-rata basis, in the absence of employee-wise data, and that there have been no active employees of the Corporate Debtor since 2023.

The EPFO, in its objection filed in this IA, submitted that the Corporate Debtor had been in default in remitting statutory dues since June 2018 and was consequently liable for penal damages and interest under Sections 14B and 7Q of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The quantum of dues was computed on the basis of an order passed under Section 7A of the EPF & MP Act, 1952 for the period July 2018 to March 2023, which was applied on a pro-rata basis for the subsequent period up to 12.03.2025.

The Applicant submits that the Resolution Plan adequately provides for payment of admitted dues of Rs. 79,50,560/- as reflected in the audited financials. With respect to the component of penal damages and interest under Sections 14B and 7Q, the Applicant submits that no independent adjudicatory order has been passed by the competent authority determining such liability. In the absence of a formal statutory determination, the Applicant has not been afforded any opportunity to contest the said liability. Accordingly, the said component remains uncrystallized and inchoate, and cannot be mechanically admitted in the CIRP. Further, the claims pertaining to the period post April 2023 are solely based on pro-rata extrapolation in the absence of employee-wise data, and therefore cannot be accepted as a crystallized claim.

Limitation:

The CIRP period of 180 days of the Corporate Debtor expired on 18.09.2025, the Applicant sought an extension of 90 days beyond the initial period of 180 days which expired on 07.12.2025. Thereafter, a further extension of 60 days beyond 270 was sought and allowed, which expired on 05.02.2026. Subsequently, as the Resolution Plan was under voting, this Tribunal granted an additional extension of 30 days, i.e., up

to 07.03.2026. The present Application is filed on 07.03.2026 and thus is filed within the prescribed period of limitation.

Salient Features of the Resolution Plan

a. Financial Proposal:

Sr. No.	Description	Amount (INR)	Payment terms
1.	CIRP Costs including payment as per Regulation 31A of the CIRP Regulations, 2016 (estimated up-to or at actuals)- Estimated	36,00,000/-	Within 30 days of Approval of resolution plan by AA
2.	Operational Creditor	2,00,000/-	Within 30 days of Approval of resolution plan by AA
3.	Employees	1,00,000/-	
4.	Secured Financial Creditor	10,25,00,000/-	Within 30 days of Approval of resolution plan by AA
5.	Un Secured Financial Creditor	0	Not Applicable
6.	Statutory Dues	1,00,00,000/-	Within 30 days of Approval of resolution plan by AA
7.	Other Creditors	1,00,000/-	Within 30 days of Approval of resolution plan by AA
CONSIDERATION AMOUNT		11,65,00,000/-	

Working capital will be infused freshly over and above the Resolution Plan amount as mentioned hereinabove:

Working Capital (Fresh infusion for improvement of business operations)	Amounts in INR	Terms for payment of Residual Payment
- Fund Based	Upfront – 60,00,000/- Residual- 3,00,00,000/-	In quarterly instalments with MCLR interest
- Non-Fund Based	0	NA
Total	3,60,00,000/-	

b. Sources of Funds:

It is submitted that the Resolution Amount shall be brought in by the Resolution Applicant through its existing surplus cash balances and internal accruals. The Resolution Applicant has cash flows after taxes of Rs. 134 crores (FY 2024-25, provisional), cash and bank balances of Rs. 6 Crores and Rs. 70 crores respectively, and a net worth of Rs. 695 crores as at 31st March 2025. Further, the Resolution Applicant has sanctioned bank credit facilities of Rs. 1,150 crores and average utilization is about 50%. It is therefore submitted that the aforesaid sources are sufficient and adequate to meet the Resolution Amount within the stipulated timelines.

The Resolution Plan further provides for the constitution of a Monitoring Committee to oversee and supervise the implementation of the Plan. The said Committee shall comprise the Applicant (Resolution Professional), one representative of the Resolution Applicant, and one nominee of the CoC. The management and control of the Corporate Debtor shall, upon approval of the Plan, vest in the Monitoring Committee, which shall monitor and facilitate the implementation of the approved Plan. Upon completion of the implementation and final payment of the last tranche, the Monitoring Committee shall stand dissolved, and the management of

the Corporate Debtor shall be formally handed over to the Resolution Applicant.

Statutory Compliance:

15. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant and confirms that this Resolution Plan:
- a) Provides for payment of Insolvency Resolution Process cost in a manner specified by the Board in the priority to the payment of other debts of the corporate debtor;
 - b) Provides for payment of debts of Operational Creditor in such manner as may be specified by the board which shall not be less than
 - (i) the amount to be paid to such creditors in the event of liquidation of the Corporate Debtor under Section 53; or
 - (ii) the amount that would have been paid to such creditors, if the amount to be distributed under the Resolution Plan had been distributed in accordance with sub-section (1) of Section 53 in the event of liquidation of the corporate debtor.
 - c) Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;
 - d) The implementation and supervision of Resolution Plan;
 - e) Does not contravene any of the provisions of the law for time being in force,
 - f) Confirms to such other requirements as may be specified by the Board.
 - g) As per the Affidavit, the Resolution Applicant is not covered under Section 29A.

16. In compliance of Regulation 38 of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that -
- a) The amount due to the Operational Creditors under Resolution Plan shall be given priority in payment over Financial Creditors.
 - b) It has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors of the Corporate Debtor.
 - c) A statement that neither the Resolution Applicants nor any related parties have failed to implement nor have contributed to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority in the past.
 - d) The terms of the plan and its implementation schedule.
 - e) The management and control of the business of the Corporate Debtor during its term.
 - f) Adequate means of Supervising its implementation.
 - g) The Resolution Plan Demonstrates that it addresses
 - i. The cause of the Default
 - ii. It is feasible and viable
 - iii. Provision for effective implementation
 - iv. Provisions for approvals required and the time lines for the same.
 - v. Capability to Implement the Resolution Plan
17. The Resolution Professional has submitted Form-H under Regulation 39(4) of the CIRP Regulations to certify that the Resolution Plan as approved by the CoC meets all the requirements of the IBC and its Regulations. The Resolution Applicant has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of

the said affidavit are in order. The relevant parts of the Form H are reproduced below:

FORM H

1A. The details of the CIRP are as under:

Sr. No.	Particulars	Description
1	Name of the CD	Vishal Structurals Private Limited
2	Date of Initiation of CIRP	12/03/2025
3	Date of Appointment of IRP	12/03/2025
4	Date of Publication of Public Announcement	13/03/2025
5	Date of Constitution of CoC	04/04/2025 Report taken on record by the Hon'ble NCLT on 17/06/2025.
6	Date of First Meeting of CoC	11/04/2025
7	Date of Appointment of RP	22/04/2025 The CoC Members confirmed IRP as RP in First CoC Meeting.
8	Date of Appointment of Registered Valuers	28/04/2025
9	Date of Issue of Invitation for EoI	12/05/2025 The Invitation of EOI was extended and publication to that affect done on 27.05.2025
10	Date of Final List of Eligible Prospective Resolution Applicants	05/07/2025
11	Date of Invitation of Resolution Plan	05/07/2025
12	Last Date of Submission of Resolution Plan	09/08/2025
13	Date of submission of Resolution Plan to the RP	01/09/2025
14	Date of placing the Resolution Plan before the CoC	08/01/2025
15	Date of Approval of Resolution Plan by CoC	23/02/2026
16	Date of Filing of Resolution Plan with Adjudicating Authority	07/03/2026
17	Date of Expiry of 180 days of CIRP	08/09/2025

18	Date of Order extending the period of CIRP	Extension of CIRP by 90 days beyond 180 days vide order dated 18/09/2025 in (IA (I.B.C)/4290(MB)2025) Extension of CIRP by 60 days beyond 270 days vide order dated 12/12/2025 in (IA (I.B.C)/5724 (MB)2025) Extension of CIRP by 30 days beyond 330 days vide order dated 13/02/2026 in IA(IBC)/644/MB/2026
19	Date of Expiry of Extended Period of CIRP	After Extension of 90 days beyond 180 days - 07/12/2025 After Extension of 60 days beyond 270 days - 05/02/2026 After Extension of 30 days beyond 330 days - 07/03/2026
20	Fair Value	INR 10,03,13,160
21	Liquidation value	INR 7,78,75,160
22	Number of Meetings of CoC held	8

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3.The details and documents related to the successful resolution applicant are as under:

Sl. No.	Particulars	Description
1.	Name of Successful Resolution Applicant (SRA)	Bekem Infra Projects Private Limited
2.	Nature of Business of SRA	Engineering and Infrastructure Company
3.	Relationship status of SRA with CD, if any	Subcontractor of the project of Corporate Debtor (MRPL)
4.	Whether SRA is eligible to submit plan u/s 240A of IBC in case of MSME CD	NA
5.	Due Diligence Certificate of the RP u/s 29A of IBC for the SRA (pls attach copy of certificate)	Yes

4.The details of CIRP, and resolution plan are as under:

Sl. No.	Particulars	Description															
1.	Whether Corporate Debtor is an MSME, if so, Date of obtaining MSME registration (pls attach copy of registration certificate)	NA															
2.	Business of the CD)	Engaged in Engineering, Procurement and Construction (EPC) business															
3.	Total admitted claims (Amount in Rs.) <table border="1" data-bbox="507 752 1126 1216"> <thead> <tr> <th>Sl. No.</th> <th>Description</th> <th>Principal</th> <th>Interest & Penalty, if any</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Corporate Guarantee Claims</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2.</td> <td>Other than Corporate Guarantee</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> </tbody> </table>	Sl. No.	Description	Principal	Interest & Penalty, if any	Total	1.	Corporate Guarantee Claims	NA	NA	NA	2.	Other than Corporate Guarantee	NA	NA	NA	
Sl. No.	Description	Principal	Interest & Penalty, if any	Total													
1.	Corporate Guarantee Claims	NA	NA	NA													
2.	Other than Corporate Guarantee	NA	NA	NA													
4.	Resolution Plan Value (including insolvency resolution process cost, infusion of funds etc) (In the case of real estate CDs, provide the monetary value of flats etc. given to allottees)	Rs. 15,25,00,000/-															
5.	Voting percentage (%) of CoC in favour of Resolution Plan	100%															

5.Details of implementation of resolution plan:

Sl. No.	Particulars	Description
1.	Amount of Performance Guarantee furnished by SRA (in Rs.) and its validity (attach document)	Rs. 1,04,50,000/- vide DD no. 44784 dt. 06.03.2026.
2.	Source of funds (in brief)	The sources of funds for the Resolution Applicant are its existing surplus cash balances, and internal accruals.

3.	Capital restructuring and management of CD post approval of resolution plan (in brief including shareholding proposed to be transferred in favour of SRA)	<p>Capital restructuring: Once the Resolution Plan is approved, the Corporate Debtor will issue 10 lakh equity shares of Rs. 10 each and Vishal Tanks & Pipelines Pvt Ltd will issue 10,000 equity shares of Rs. 10 each – both to the Resolution Applicant or its nominees within 60 days from the Effective Date.</p> <p>Management of CD:</p> <ul style="list-style-type: none">(i) Reconstitution of new Board;(ii) Appointment of key managerial personnel; and(iii) RA shall appoint statutory and internal auditors of their choice, subject to applicable regulations.(iv) Appointment of Monitoring Committee
4.	Term and implementation of plan (in brief)	<p>The RA will mobilize the amounts including the balances in the bank account of the Corporate Debtor as Upfront Payment i.e., 30 days which shall be utilized towards payment of workmen, employees, statutory dues and upfront payment to the financial creditors (including any unsecured financial creditors other than the related parties,</p>

		if any, of the promoters of the Corporate Debtor and the Corporate Debtor itself) in accordance of the terms of the Resolution Plan.
5.	Details of monitoring committee (in brief)	In order to ensure that the Resolution Plan is implemented in accordance hereof and that the obligations undertaken herein are adhered to in letter and spirit, monitoring committee comprising of the RP, a representative of the RA and a representative of the CoC shall be constituted within 7 days from the NCLT Approval Date ('Monitoring Committee'). The Monitoring Committee shall be renamed as Monitoring Agency post implementation of the Resolution Plan as per the terms hereof.
6.	Effective date of resolution plan implementation	Within 30 days from the receipt of Certified Original Order of NCLT.

6.The list of financial creditors of the CD being members of the CoC and distribution of voting share among them is as under:

Sr. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
1	Bank of India	100 %	Voted For Approval
	Total	100.00 %	

7A. Realisable amount:

Sl. No.	Particulars	Description
1.	Total Realisable amount under the plan (In case of real estate CDs, provide the monetary value of flats etc. given to allottees)	Rs. 11,65,00,000/-
2.	Fair Value	Rs. 10,03,13,160/-
3.	Liquidation Value	Rs. 7,78,75,160/-
4.	Percentage (%) of realisable amount to Fair Value	116%
5.	Percentage (%) of realisable amount to Liquidation Value	150%
6.	Percentage (%) of realisable amount to Principal amount	8%
7.	Percentage (%) of realisable amount to Total admitted claims	13%
8.	Percentage (%) of realisable amount to Other than admitted Corporate Guarantee claims	NA

7B. Details of Realisable amount:

(Amount in Rupees)

Sr. No.	Category of Stakeholder	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Realisable amount under the plan	Amount realizable in plan to amount claimed (%)	Payment schedule
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	NA	NA	NA	NA	
		(b) Other than (a) above:					
		(i) who did not vote in favour of the resolution Plan	NA	NA	NA	NA	

		(ii) who voted in favour of the resolution plan	66,41,76,204.45	63,28,36,598.45	10,25,00,000.00	15.43%	30 days from receipt of original certified order
		Total[(a) + (b)]	66,41,76,204.45	63,28,36,598.45	10,25,00,000.00	15.43%	
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	NA	NA	NA	NA	
		(b) Other than (a) above:					
		(i) who did not vote in favour of the resolution Plan	NA	NA	NA	NA	
		(ii) who voted in favour of the resolution plan	NA	NA	NA	NA	
		Total[(a) + (b)]	NA	NA	NA	NA	
3	Operational Creditors	(a) Related Party of Corporate Debtor	NA	NA	NA	NA	
		(b) Other than (a) above:					
		(i)Government	16,68,39,579	9,74,61,052	1,00,00,000	5.99%	30 days from receipt of original certified order
		(ii)Workmen	Nil	Nil	Nil		
		(iii)Employees	1,31,67,087	Nil	1,00,000	0.75%	30 days from receipt of original certified order

		(iv) Other Operational Creditors	69,19,60,842	16,23,78,303	2,00,000	0.01%	30 days from receipt of original certified order
		Total[(a) + (b)]	87,19,67,508	25,98,39,355	1,03,00,000.00	1.1%	
4	Other debts and dues		Nil	Nil	1,00,000	Nil	
	Total		1,53,61,43,712.45	89,26,75,953.45	11,28,00,000.00	7.34%	30 days from receipt of original certified order

Findings and Analysis:

18. On perusal of the Resolution Plan, we find that the Resolution Plan provides for the following:

- a) Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
- b) Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
- c) For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified u/s 30(2)(c) of the Code.
- d) The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.

19. The RP has complied with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of the CIRP Regulations.

20. The RP has filed Compliance Certificate in Form-H along with the Resolution Plan. On perusal, the same is found to be in order. The Resolution Plan has been approved by the CoC by majority of 100%.

21. With respect to the objections raised by the EPFO in its objection filed in this IA, it is an admitted position that the claims pertaining to the period from April 2023 onwards have been computed solely on a

pro-rata basis, in the absence of employee-wise data. Further, the Applicant submits that no independent adjudicatory order appears to have been passed by the competent authority under Section 14B and/or Section 7Q of the EPF & MP Act, 1952 determining the liability towards penal damages and interest. Also, the Applicant has not been afforded any opportunity to contest or challenge the determination of said liability on pro-rata basis. Accordingly, the claims of the Intervenor, insofar as they are based on unadjudicated and provisional computations, are not legally sustainable and are incapable of verification under the CIRP framework.

22. This tribunal in its order dated 13.08.2025 in *Hari Parkash Kaushik v/s Tranzlease Holdings (India) Private Limited* passed in IA (I.B.C)/3126(MB)2025 in C.P. (IB)/1169(MB)2022, subsequently upheld by the NCLAT vide its order dated 11.03.2026 passed in *Company Appeal (AT) (Insolvency) No. 1630 of 2025*, noted the following:

“12. During the course of hearing, the Applicant was asked to submit proof of its claim in form of order(s) issued by the PF Department raising the demand against the Corporate Debtor. It is relevant to refer to Section 7A(1) of the Employees Provident Funds and Miscellaneous Provisions Act, 1952, which provides that “The Central Provident Fund Commissioner, any Additional Central Provident Fund Commissioner, any Deputy Provident Fund Commissioner, any Regional Provident Fund Commissioner, or any Assistant Provident Fund Commissioner may, by order,— (a)in a case where a dispute arises regarding the applicability of this Act to an establishment, decide such dispute; and(b)determine the amount due from any employer under any provision of this Act, the Scheme or the Pension.

Scheme or the Insurance Scheme, as the case may be, and for any of the aforesaid purposes may conduct such inquiry as he may deem necessary”. Though, the officer conducting an inquiry is vested powers u/s 7A(3) of the PF Act to determine the amount payable on the basis of the evidence adduced during such inquiry and other documents available on record, but such determination can be made only by The Central Provident Fund Commissioner, any Additional Central Provident Fund Commissioner, any Deputy Provident Fund Commissioner, any Regional Provident Fund Commissioner, or any Assistant Provident Fund Commissioner and not by the PF enforcement officer, who has only power to carry out inspection for and on behalf of The Central Provident Fund Commissioner, any Additional Central Provident Fund Commissioner, any Deputy Provident Fund Commissioner, any Regional Provident Fund Commissioner, or any Assistant Provident Fund Commissioner. Annexure A to the letter dated 27.3.2025 clearly refers to the document as basis of the demand as “Area Enforcement Officer report dated 10/03/2025”. Since, no order has been produced before us or the Respondent IRP, no demand can be said to be due and payable by the Corporate Debtor u/s 7A of the PF Act in its absence. Section 7Q of the PF Act provides for levy of interest on the amounts determined due and payable and Section 14B provides for payment of damages upon commission of default in the payment of any contribution to the Fund, the Pension Fund or the Insurance Fund. Since, no order has been passed in terms of Section 7A, the question of consequential levy in terms of Section 7Q and 14B does

not arise. Accordingly, even if it is considered that the letter dated 27.3.2025 provides the necessary information as is required for verification of their claim, we are of considered view that no amount can be said to be due and payable by the Corporate Debtor in the absence of an order passed in terms of Section 7A, 7Q and 14B of the PF Act by the competent authority.

13. In view of the foregoing, we do not find any error committed by IRP, hence the present application is devoid of any merit. Nonetheless, we consider it appropriate to grant 15 days' time to applicant to file its claim in the prescribed form and furnish the relevant order(s) passed by its department creating the demand against the Corporate Debtor forming part of the claim made by it. It is clarified that, in case the Applicant does so, the Respondent IRP shall verify the claim on its merits de hors our observation in relation to order(s) u/s 7A, 7Q and 14B of PF Act. It is further clarified that we have not examined the issue whether the Applicant could have passed any order u/s 7A, 7Q and 14B of PF Act after commencement of CIRP, as there is no such order before us. Needless to say, the claim of the Applicant shall not be rejected on ground of said claim having been furnished under incorrect prescribed Form, so long as such claim is furnished on any of the prescribed form.”

23. Accordingly, only liability determined through due process under Section 7A/14B prior to the Insolvency Commencement Date can be admitted in CIRP. Any provisional, ad-hoc or post facto computation cannot automatically qualify as an admitted claim and is therefore liable to be rejected.

24. Further, the SRA has proposed in the resolution plan that various subsidiaries including foreign subsidiaries of the Corporate Debtor are wholly owned by the Corporate Debtor and thus the Resolution Applicant has proposed the payment of the amounts contemplated under the Resolution Plan to the Financial Creditors towards a part of the financial debt of the Corporate Debtor and the Financial Creditors shall irrevocably forbear from proceeding against the Corporate Debtor, all of the subsidiaries of Corporate Debtor, and the Resolution Applicant for the unpaid debt owed by the Corporate Debtor. Other than the proposed payment in the Resolution Plan, no other payment shall arise or exist to be met by the Corporate Debtor, any of its Subsidiaries, or the Resolution Applicant to any financial creditor or operational creditor or any other party whatsoever related to period prior to the Effective Date for any purpose. However, it is clarified that any obligation arising from the security interest extended by the subsidiaries in relation to its assets or by way of guarantee to the debt owed by the corporate debtor shall not extinguish unless agreed and consented to by the concerned financial creditor.
25. In Para 8 of the Resolution Plan, the SRA has sought the waivers/reliefs/concessions. The stated effect of the Resolution Plan and reliefs & concessions as prayed for shall be available in accordance with the principle laid down by Hon'ble Supreme Court in case of *Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited* {(2021) 13 S.C.R 737} & *Municipal Corporation of Greater Mumbai vs. Abhilash Lal and Ors. (2019) ibclaw.in 480 NCLAT*. Further, it is clarified and ordered that -
- a. Any increase in the authorized capital shall be subject to payment of prescribed fee, if any applicable, and filing of

prescribed forms with the Registrar of Companies.

- b. The Income Tax Department shall be at liberty to examine the tax implications arising from the proposals contained in the plan, in terms of Section 2(24), Section 28 and Section 56 of the Income Tax Act, 1961 read with GAAR provisions thereunder.
- c. The Applicant shall file necessary forms and pay prescribed fees, if any, in terms of provisions of the Companies Act, 2013 in relation to reduction in capital and issuance of fresh capital, however, the Registrar of Companies shall waive the additional fees, if any, payable on such filing.
- d. The SRA may approach prescribed authorities for waiver/reduction in fees, charges, stamp duty, and registration fees, if any arising from actions contemplated under the Resolution Plan and such request shall be subject to the relevant law/statute and adherence to the procedure prescribed thereunder.
- e. The SRA may file appropriate application, if required, for renewal of all Business Permits, rights, entitlements, benefits, subsidies and privileges whether under applicable Law, contract, lease or license granted in favour of the Corporate Applicant or to which the Corporate Applicant is entitled to or accustomed to, which have expired on the Effective Date, and follow the dues procedure prescribed for the purpose upon payment of prescribed fees. The contract with third parties shall be subject to consent of such parties. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under Code and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Applicant. No action shall lie against the Corporate Applicant for any non-compliances arising prior to the date of approval of

Resolution Plan, however, such non-compliances shall be cured, if necessitated to keep the approval in force, after acquisition by the Corporate Applicant within period stipulated in the Resolution Plan.

- f. The secured and unsecured Financial Creditors shall upgrade the Account of the Corporate Debtor with Banks/Financial Institutions under the CIBIL Mechanism to “Standard Category” from NPA on the Completion Date, to the extent CIBIL Mechanism system allows. The Financial Creditors shall release all the charges on all assets of the Corporate Debtor (wherever registered) after the receipt of entire resolution amount.
- g. No orders levying any tax, demand of interest/fine or penalty from the Corporate Applicant in relation to period up to approval of the Resolution Plan shall be passed by any authority and such demand, if created, shall not be enforceable as having extinguished in terms of approved Resolution Plan.
- h. The carry forward of losses and unabsorbed depreciation shall be available in accordance with the provisions of Income Tax Act, and the Income Tax Department shall be at liberty to examine the same.
- i. An application for compounding/condoning shall be filed in accordance with the procedure specified in respective law or concerned authority, however, no fine or penalty shall be imposed for non-compliances till the date of approval of this Plan or such further period as is permitted in terms of this Order.
- j. ROC shall update the records and reflect the Corporate Applicant as ‘Active’ upon filing of pending returns/forms after payment of normal fees (not additional fee). In case such filing is not permitted by the e-filing portal, the ROC shall accept such forms/returns in physical format and manage to upload the same

by back-end. The Corporate Applicant shall be exempted from using the words “and reduced”.

- k. The Compliances under the applicable law for all the statutory appointments by the Corporate Applicant shall be completed within 12 months, where after, the necessary consequence under respective law may follow.
1. The Resolution Applicant, the Corporate Debtor and the assets of the Corporate Debtor forming part of Resolution plan shall have immunity, privileges and protection as is available in the form and manner stated in Section 32A of the Insolvency and Bankruptcy Code, 2016.
- m. The relief, concession or waiver contemplated in the approved Resolution Plan under any of its section shall be available to the Corporate Debtor only and such relief, concession or waiver shall not extend to its subsidiaries, joint-ventures or associates/affiliates, who have not been subjected to resolution in the present CIRP process of Corporate Debtor. However, it is clarified that no claim or action shall lie against the Corporate Debtor in relation to any financial or any kind of obligation of subsidiaries, joint-ventures or associates/affiliates, whether past or arising in future.
- n. It is clarified that any relief, concession or waiver, not specifically dealt with in Paras (a) to (m) above, or not permissible in terms of decision in case of *Ghanshyam Mishra (supra)* and *Abhilash Lal (Supra)* or specific provisions of the Code read with the Regulations, shall be deemed to be denied or rejected.
26. In ***K Sashidhar v. Indian Overseas Bank & Others*** (in Civil Appeal No.10673/2018 decided on 05.02.2019) the Hon’ble Apex Court held that if the CoC had approved the Resolution Plan by requisite percent

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

27. In view of the discussions and the law thus settled, the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38 and 38 (1A) of the CIRP Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. The same deserves to be approved. Hence, ordered.

Order:

28. The Resolution Plan is hereby **approved**. It shall become effective from this date and shall form part of this order with the following directions:
- i. It shall be binding on the Corporate Applicant, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the

time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.

- ii. The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/liabilities of the Corporate Applicant and shall be dealt by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned in light of the Judgment of Supreme Court in ***Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited***, the relevant paragraphs of which are extracted herein below:

“95. (i) Once a resolution plan is duly approved by the adjudicating authority under sub-section (1) of Section 31, the claims as provided in the resolution plan shall stand frozen and will be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority, guarantors and other stakeholders. On the date of approval of resolution plan by the adjudicating authority, all such claims, which are not a part of the resolution plan shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim, which is not part of the resolution plan;

(ii) 2019 Amendment to Section 31 of the I&B Code is clarificatory and declaratory in nature and therefore will be effective from the date on which the Code has come into effect;

(iii) consequently, all the dues including the statutory dues owed to the Central Government, any State Government or any local authority, if not part of the resolution plan, shall

stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued.”

- iii. The Memorandum of Association (“**MoA**”) and Articles of Association (“**AoA**”) shall accordingly be amended and filed with the Registrar of Companies (“**RoC**”), Mumbai, Maharashtra for information and record.
- iv. The Successful Resolution Applicant, for effective implementation of the Resolution Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed. It is clarified that the authorities shall not withhold the approval/consent/extension for the reason of insolvency of the Corporate Applicant or extinguishment of their dues upto approval of Resolution plan in terms of the approved plan. Any relief or concession as sought on the plan shall be subject to the provisions of the relevant Act.
- v. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- vi. The Applicant shall supervise the implementation of the Resolution Plan and file status of its implementation before this Authority from time to time, preferably every quarter.
- vii. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.

- viii. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

Sd/-

Prabhat Kumar
Member (Technical)

Sd/-

Sushil Mahadeorao Kochey
Member (Judicial)

/AJ/