

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.301
IA(Plan)/9(AHM)2026
in
C.P.(IB)/271(AHM)2025

Under Section 30(6) r/w Sec, 31 IBC 2016

IN THE MATTER OF:

Mr. Jigar Tarunkumar Bhatt RP of Raninga Paper Mills Pvt.Applicant
Ltd

Order delivered on: 24/09/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

ORDER
(Hybrid Mode)

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

-SD-
SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)

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

**IA/(Plan) 9(AHM) of 2026
In
CP (IB)/271(AHM) 2025**

In the matter of: Raninga Paper Mills Private Limited

IA/(Plan)9 (AHM) OF 2026

[An application under Section 30(6) read with Section 31(1) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016]

MEMO OF PARTIES

In the Matter of:

Mr. Jigar Tarunkumar Bhatt

Resolution Professional of

Raninga Paper Mills Private Limited

Having his office at:

1010, Shilp-Zaveri, Shyamal Cross Roads,

Satellite, Ahmedabad - 380 015

Email: cirp.raninga@gmail.com/jigarb.jigarb@gmail.com

**...Applicant/
Resolution Professional**

Order Pronounced On: 24.09.2026

C O R A M:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)

SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E:

For the Applicant	:	Mr. Arjun Sheth, Adv. a.w. Mr. Priyam Shah, Adv. a.w.
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For the Unsuccessful Resolution Applicant	Ms. Somya Jain, Adv. Mr. Jigar Bhatt, RP in Person : Mr. Sandeep Singhi, Adv. a.w. Mr. Saumitra Chaturvedi, Adv.
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O R D E R

[Per: Bench]

IA/(Plan)9(AHM) of 2026

1. An application being **IA(Plan)/9(AHM)/2026** is filed on 23.05.2026, under the provisions of Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 ["the Code"] read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ["the CIRP Regulations"], inter alia seeking approval of this Tribunal of the Resolution Plan dated 07.04.2026 submitted by Mr. Chandresh Lalitbhai Soni ["Successful Resolution Applicant"] in respect of Raninga Paper Mills Private Limited ["Corporate Debtor"]. The said Resolution Plan was approved by the sole member of the Committee of Creditors ["CoC"], State Bank of India, with 100% voting share, on 21.05.2026. The CoC had authorised the Applicant to file the present application seeking approval of the Successful Resolution Plan pursuant to the resolution passed in the 9th CoC meeting held on 11.05.2026 seeking following

reliefs:-

- a) *This Hon'ble Tribunal be pleased to allow the present Application;*
- b) *This Hon'ble Tribunal be pleased to approve the Resolution Plan dated 07.04.2026 (Annexure - A) submitted by the Successful Resolution Applicant Mr. Chandresh Lalitbhai Soni in respect of the Corporate Debtor - Raninga Paper Mills Private Limited;*
- c) *This Hon'ble Tribunal be pleased to hold that the approved Resolution Plan shall be binding in terms of Section 31 of the IB Code on the Corporate Debtor and all its stakeholders;*
- d) *This Hon'ble Tribunal be pleased to allow implementation of the approved Resolution Plan as per Form-H and declare that all other claims, if any, stands extinguished;*
- e) *This Hon'ble Tribunal be pleased to grant such reliefs, waivers, concessions and directions as are contemplated in the Successful Resolution Plan and as may be permissible in law;*
- f) *Any other and further reliefs as may be deemed fit and proper by this Hon'ble Tribunal in the interest of justice, equity, and good conscience.*

Background

2. The Application seeking approval of the Resolution Plan refers to the CIRP proceedings leading to the approval of the Resolution Plan by the CoC and submission of the approved resolution plan to this Adjudicating Authority. The progress of the CIRP is briefly stated below:

Sr. No.	Date	Event
1.	29.07.2025	This Adjudicating Authority admitted the Corporate Debtor into CIRP in C.P. (IB)/271/7/AHM/2025 and

		appointed the Applicant as IRP.
2.	31.07.2025	Public announcement in Form A was made in <i>Financial Express</i> (English and Gujarati) and <i>Sandesh</i> in terms of Section 15 of the Code read with Regulation 6 of the CIRP Regulations.
3.	21.08.2025	The Applicant prepared the initial list of creditors after receipt, collation and verification of claims.
4.	26.08.2025	The CoC was constituted under Section 21 with SBI as the sole Financial Creditor holding 100% voting share. SBI's claim of Rs.29,58,96,052/- was admitted in full. The constitution of the CoC was reported to this Adjudicating Authority in IA/984(AHM)/2025.
5.	28.08.2025	The 1st CoC meeting was held, wherein matters concerning custody and control of the CD's assets, public announcement, constitution of CoC, claims, IBBI updation, appointment of registered valuers, working capital, interim finance and other CIRP matters were considered. SBI confirmed the Applicant as RP. Two authorised representatives were nominated for Operational Creditors, one for Government dues and one for other than Government dues.
6.	15.09.2025	The list of creditors was updated. The 1st Progress Report was also taken on record by this Adjudicating Authority in IA/1038(AHM)/2025.
7.	25.09.2025	The 2nd CoC meeting was held, wherein additional claims, upgradation of the CD's facilities, eligibility criteria for PRAs, issuance of Form G/EOI and appointment of Transaction Auditor were considered.
8.	26.09.2025	Form G inviting Expressions of Interest was published in <i>Financial Express</i> (English and Gujarati) and <i>Sandesh</i> .
9.	07.11.2025	The 3rd CoC meeting was held. EOIs received, the RFRP and evaluation matrix were considered, and the Registered Valuers apprised the CoC regarding the valuation methodology for determining fair and liquidation values.
10.	08.11.2025	Ten PRAs were included in the final list of eligible PRAs after verification under Section 29A and the CoC-approved eligibility criteria.
11.	23.12.2025	Pursuant to the 10-day extension granted for submission of Resolution Plans, five Resolution Plans were received.
12.	29.12.2025	The 4th CoC meeting was held, wherein the Resolution Plans, improved commercial offers and challenge mechanism were considered. The valuation reports and CD summary were placed before/shared with the CoC upon receipt of confidentiality undertakings.

13.	09.01.2026	The 5th CoC meeting was held. As no enhanced proposal was received, the CoC resolved to issue revised Form G with 12.03.2026 as the plan-submission deadline and unanimously resolved to seek a 90-day extension of CIRP to facilitate wider investor participation, value maximisation, completion of transaction audit and evaluation/approval of Resolution Plans.
14.	12.01.2026	Revised Form G was published in <i>Business Standard</i> , <i>Financial Express</i> and <i>Sandesh</i> .
15.	30.01.2026	IA/133(AHM)/2026 seeking extension of CIRP was allowed and the CIRP period was extended by 90 days from 25.01.2026.
16.	06.02.2026	Final list of PRAs was prepared.
17.	09.02.2026	The list of creditors was finally updated upon receipt of further claims from Operational Creditors. At this stage, 69 claims aggregating to Rs.58,25,26,776/- had been received, of which 64 claims aggregating to Rs.46,16,67,043/- were admitted, comprising one Financial Creditor claim of Rs.29,58,96,052/- and 63 Operational Creditor claims of Rs.16,57,70,991/-.
18.	10.02.2026	The Information Memorandum, RFRP and evaluation matrix were issued.
19.	16.03.2026	The 6th CoC meeting was held. Six PRAs had submitted Resolution Plans pursuant to the revised Form G. The plans were discussed and negotiated and revised/enhanced commercial proposals were considered.
20.	23.03.2026	The 7th CoC meeting was held, wherein revised/enhanced commercial proposals were deliberated upon and an inter-se challenge mechanism amongst the PRAs was considered for value maximisation.
21.	31.03.2026	The inter-se challenge mechanism was conducted amongst the six PRAs, pursuant to which Mr. Chandresh L. Soni emerged as H1 bidder.
22.	07.04.2026	Revised Resolution Plans were submitted by Mr. Chandresh L. Soni, Deep Chemical and Ajaybhai Chandulal Bhajda. The remaining three PRAs did not submit revised plans.
23.	15.04.2026	The 8th CoC meeting was held. All six plans were tabled and deliberated upon, negotiations were undertaken with participating PRAs, the final Transaction Audit Report was placed before the CoC, and a further 30-day extension was recommended to enable SBI's internal assessment.
24.	24.04.2026	IA/599(AHM)/2026 was allowed and the CIRP was

		extended for a further 30 days up to 24.05.2026.
25.	07.05.2026	The MSME Certificate and Compliance Certificate were issued. The CD being an MSME, the Successful Resolution Applicant claimed eligibility under Sections 29A read with 240A of the Code.
26.	11.05.2026	The 9th CoC meeting was held. In terms of Regulations 39(2) and 39(3), the Resolution Plans, details of non-compliant plans and confirmation regarding non-occurrence of transactions under Sections 43, 45, 50 and 66 were placed before the CoC. The three compliant plans—Mr. Chandresh L. Soni (Rs.18,22,90,692/-), Deep Chemical (Rs.14,11,00,000/-) and Ajaybhai Chandulal Bhajda (Rs.12,06,00,000/-)—were assessed on feasibility, viability, source of funds, implementation capability, stakeholder treatment, reliefs/concessions and revival potential. The CoC also considered the liquidation contingency, approved estimated liquidation costs of Rs.18,00,000/-, and resolved regarding compromise/arrangement under Section 230 of the Companies Act, 2013 and mode of sale under Regulation 32.
27.	14.05.2026– 21.05.2026	The Resolution Plans were put to e-voting and the voting period was extended up to 21.05.2026.
28.	21.05.2026	SBI, being the sole CoC member holding 100% voting share, approved the Resolution Plan submitted by Mr. Chandresh L. Soni with 100% majority.
29.	22.05.2026	The Applicant prepared the requisite Form H Compliance Certificate in respect of the Successful Resolution Plan.
30.	23.05.2026	The Applicant filed the present Application under Section 30(6) of the Code before this Adjudicating Authority seeking approval of the Resolution Plan approved by the CoC.

3. Vide order dated 03.06.2026, in relation to IA (Plan) No. 9 of 2026, this Tribunal directed the Applicant/RP to furnish some information/details/clarifications.

4. In compliance thereof, the Resolution Professional has filed the Compliance Affidavit dated 15.06.2026 vide Inward Diary No.

4798, annexing:

- i. Financial Statements of the Corporate Debtor as on commencement of CIRP dated 29.07.2025, with comparatives for FY 2024-25;(Annexure A)
 - ii. Latest Financial Statements as on 31.03.2026; (Annexure B)
 - iii. re-cast Balance Sheet giving effect to the Resolution Plan, if approved; and (Annexure C)
 - iv. last available audited Financial Statements for FY 2022-23. (Annexure D)
- 5.** Thereafter, vide order dated 15.06.2026, this Tribunal observed that Annexure-C contained figures relating to resolution adjustments and directed the Resolution Professional to furnish the details and reasons for such adjustments.
- 6.** In compliance thereof, the Resolution Professional has filed the Compliance Affidavit dated 20.07.2026, annexing Annexure-B containing the detailed Notes to the Re-cast Balance Sheet, setting out the basis, assumptions and accounting treatment underlying the resolution adjustments. The said explanatory notes state that the Re-cast Balance Sheet has been prepared on the basis of the proposed implementation of the Resolution Plan, including the reliefs and concessions sought thereunder,

and that the figures are subject to the final statutory audit and the reliefs granted by this Hon'ble Tribunal and the concerned statutory authorities. The actual accounting entries and treatment are to be undertaken upon approval and implementation of the Resolution Plan in accordance with applicable law and accounting standards.

7. Two IAs, one bearing no. IA 1037 (AHM) 2026 in IA (Plan) 9 of 2026 is filed by Mr. Dhananjay Sanjay Agarwal, a shareholder and personal guarantor to the Corporate Debtor (referred to as "Guarantor" in this order, and the other bearing no. IA 1038 (AHM) 2026 in IA (Plan) 9 of 2026 is filed by Mrs. Anshu Anand Chaudhary, an operational creditor, both mainly seeking rejection of the application filed by the Resolution Professional seeking approval of the Resolution Plan. The proceedings in the Plan application and these two IAs were carried out concurrently and orders deciding these two IAs are also passed today. The cross-references in these three IAs are made at relevant places as required. Since the objections have been specifically raised and adjudicated in the said I.As., the same are not being reproduced herein and have been dealt with

separately while considering the said Application.

8. The Applicant, through its Advocate, served a copy of the captioned IA along with the non-confidential annexures upon the Personal Guarantor of the Corporate Debtor IA 1037 (AHM) 2026) and an Objector, the Unsuccessful Resolution Applicant (Mr. Harnesh Nareshbhai Mehta proprietor of M/s Deep Chemical), through their respective Advocates by e-mail dated 20.06.2026.
9. Mr. Harnesh Nareshbhai Mehta, sole proprietor of M/s Deep Chemical and an unsuccessful Resolution Applicant, filed an Affidavit-in-Reply-cum-Objections on 08.07.2026 vide Inward Diary No. D-5660, raising statutory, procedural and factual objections to the Resolution Plan submitted by the Successful Resolution Applicant, inter alia, on the following grounds:
 - i. The Objector, M/s. Deep Chemical, is a proprietary concern and the Unsuccessful Resolution Applicant. It states that it is conversant with the facts and record of the CIRP and is competent to affirm the affidavit.
 - ii. The Objector denies the averments contained in the captioned Application and the Resolution Plan of the Successful Resolution Applicant, except to the extent

expressly admitted, and relies upon the documents annexed to the affidavit and the CIRP record.

- iii. It is submitted that the CIRP is a proceeding in rem and that, under Sections 30(2) and 31 of the Code, the Adjudicating Authority is required to satisfy itself that the Resolution Plan conforms to law. Accordingly, any material irregularity brought to its notice cannot be disregarded merely on the ground of the capacity or locus of the person raising such objection.
- iv. The Objector supplied paper-process chemicals to the Corporate Debtor between 26.11.2022 and 19.09.2023, against Bills Nos. 512 to 421, aggregating to Rs.1,51,99,220/-, which remained unpaid. [Annexure-A (Colly.) – Ledger and Bills]
- v. On account of the unpaid dues, the Objector issued a Demand Notice dated 07.08.2024 under Section 8 of the Code. The Corporate Debtor did not dispute the debt and sought time by reply dated 18.08.2024. The Demand Notice was thereafter re-served by e-mail dated 10.01.2025.[Annexure-B (Colly.) – Demand Notice and correspondence]
- vi. Towards purported part discharge, the Corporate Debtor, through its promoter and director Mr. Chandresh Lalitchandra Soni, issued five cheques bearing Nos. 578138 to 578142, aggregating to

Rs.1,71,99,220/-, which were dishonoured upon presentation. The Objector thereafter instituted proceedings under Section 138 of the Negotiable Instruments Act, 1881, which are pending.
[Annexure-C (Colly.) – Complaints]

- vii. The Objector subsequently lodged FIR No. 11191065250385 dated 29.03.2025 against the SRA, Mr. Lalitbhai Soni and Mr. Jay Soni under Sections 316(2), 318(4) and 54 of the Bharatiya Nyaya Sanhita, 2023, alleging fraudulent conduct towards suppliers. The FIR records the Objector's dues of Rs.1,51,99,220/-, late-payment component of Rs.34,97,708/-, aggregating to Rs.1,86,96,928/-, and alleged dues of other victims aggregating to Rs.10,44,84,673/-. [Annexure-D-FIR]
- viii. The SRA was arrested on 31.03.2025 and was enlarged on bail by the Hon'ble Gujarat High Court vide order dated 24.04.2025 in Criminal Misc. Application No. 8134 of 2025, subject to conditions and with clarification that the observations therein would not influence the Trial Court.
- ix. The Corporate Debtor was admitted into CIRP vide order dated 29.07.2025 in C.P. (IB) No. 271/7/AHM/2025, on an application filed by State Bank of India.
- x. The Objector participated as a Prospective Resolution Applicant and submitted its Resolution Plan dated

07.04.2026, proposing an aggregate outlay of Rs.14,11,00,000/-, fresh equity of Rs.4,00,00,000/-, a Performance Bank Guarantee of Rs.3,00,00,000/- and an Earnest Money Deposit of Rs.25,00,000/-, with net worth exceeding Rs.9,00,00,000/- and an undertaking to pay the entire plan consideration within 15 days of approval.[Annexure-E – Objector's Resolution Plan]

- xi. A Challenge Mechanism was conducted on 31.03.2026. Six PRAs were in the fray; although four other applicants logged into the platform, only the SRA submitted a bid, which was declared H1. Of the six Resolution Plans received, only three, namely those of the SRA, the Objector and Mr. Ajay Bhadja, were found compliant, while four were below the liquidation value. The RP thereafter issued Form H dated 22.05.2026 seeking approval of the SRA's Plan under Section 30(6) of the Code.

The Objector has taken the following grounds to support his allegations:

Ground I: Material Irregularity in the Determination Of Avoidance Transactions and the “Nil” Finding. Breach Of Section 25(2)(j) And Regulation 35A

- xii. The Objector challenges the RP's “Nil” finding under Sections 43, 45, 50 and 66 of the Code, contending that the Transaction Audit was undertaken despite deficient

financial records and relied upon explanations of the suspended management. The Registered Valuer had recorded material uncertainty, incompleteness and verification limitations, the latest audited financial statements being as on 31.03.2023, while subsequent data reconstructed by the RP was provisional, unaudited, unverified and unconfirmed by the suspended Board. [Annexure-O – Valuation Report] The Objector points out that assets having a book value of Rs.21,62,74,035/-, including inventory of Rs.11,75,65,598/- and sundry debtors of Rs.8,14,89,667/-, were assigned Nil fair and liquidation values.

- xiii. It is further contended that the look-back period of 29.07.2023 to 29.07.2025 covered FY 2023-24 and 2024-25, for which audited balance sheets were allegedly unavailable to the RP/valuers. The Objector also alleges routing of CD funds through Shaurya Marketing and Suman Marketing, having admitted claims of Rs.1,21,31,724/- and Rs.7,30,814/-, respectively, and points to an alleged conflict of interest as Mr. Chandresh Lalitchandra Soni was stated to be both connected with the suspended management and the proposed SRA. [Annexure-R – List of Claims]
- xiv. It is further contended that the records do not disclose the books/documents examined by the Transaction

Auditor or the particulars of approximately 10–12 transactions initially identified for examination and subsequently treated as “appropriately addressed” on the basis of documents and explanations of the suspended Board, including Mr. Soni’s explanations regarding routing, sanctioning and utilisation of funds. The identity, amounts, counterparties and periods of such transactions were allegedly not disclosed, preventing comparison with the alleged diversion forming part of the Objector’s FIR. [Annexure-U (Colly.) – 8th CoC Meeting records]The Objector submits that the RP’s obligation to scrutinise avoidance transactions arises under Section 25(2)(j) read with Regulation 35A, notwithstanding the suspended management’s continuing duties under Sections 17, 18 and 19 to preserve/hand over records and cooperate, relying upon **Anuj Jain, IRP for Jaypee Infratech Ltd. v. Axis Bank Ltd., (2020) 8 SCC 401**. It is contended that the CoC could not exercise informed commercial wisdom in the absence of complete information, relying upon **M.K. Rajagopalan v. Dr. Periasamy Palani Gounder, (2024) 1 SCC 42**.

- xv. The Objector states that it had already raised the alleged diversion with the RP by e-mails dated 03.11.2025 and 07.11.2025, seeking a forensic audit, and invokes the remedy under Section 47, as amended by the Insolvency and Bankruptcy Code (Amendment) Act, 2026.

[Annexure-F – E-mails] Accordingly, it seeks an independent and de novo Transaction Audit, alleging that the failure to properly scrutinise/report the transactions constitutes a material irregularity going to the root of the Resolution Process.

Ground II: Non-Disclosure of the antecedents of the SRA, Ineligibility Under Section 29A, and Perfunctory Due Diligence Under Regulation 36A(8) and Section 30(2)(E)

- xvi. The Objector challenges the RP's Compliance Certificate dated 07.05.2026 and the 9th CoC meeting record certifying the SRA's compliance with Section 29A, except clauses (c) and (h) on account of the MSME exemption under Section 240A. It is contended that Section 240A exempts only clauses (c) and (h) and does not dispense with due diligence under Regulation 36A(8) read with Regulation 38 or verification of eligibility under Sections 29A(d) and (e). The Objector alleges that, in view of Section 164(2)(a) of the Companies Act, 2013, the SRA's eligibility under Section 29A(e) required verification, particularly as audited financial statements of the CD were allegedly unavailable after 31.03.2022. Verification of the CD's filing status and the SRA's directorship/disqualification status was accordingly sought from the MCA. [Annexure-G – MCA Master Data] Reliance is placed upon ***ArcelorMittal India (P) Ltd. v. Satish Kumar Gupta, (2019) 2 SCC 1*** and ***Swiss***

Ribbons (P) Ltd. v. Union of India, (2019) 4 SCC 17.

xvii. The Objector further alleges that material antecedents of Mr. Chandresh Lalitchandra Soni were not disclosed or considered by the RP/CoC, namely his status as Accused No.1 in FIR No.11191065250385 dated 29.03.2025, arrest and judicial custody from 31.03.2025 to 24.04.2025, and five dishonoured cheques resulting in pending proceedings under Section 138 of the NI Act, besides the alleged diversion of CD funds referred to in Ground I. The objection is confined to non-disclosure/non-consideration of these matters and not adjudication of the FIR allegations. It is contended that such omission constitutes material irregularity and non-compliance with Section 30(2)(e). The Objector also challenges Clause 11 of the Resolution Plan (Reliefs and Concessions), which seeks extinguishment of claims, liabilities, proceedings and attachments by invoking Section 32A, contending that such immunity cannot extinguish criminal liability of the erstwhile management or extend to a person who was a promoter or in management/control of the CD. [Annexure-A – Resolution Plan, pp. 87–101]

Ground III: Without Prejudice. the information deficit underlying the challenge mechanism and the unreliability of the valuation benchmark

xviii. The Objector submits that its objection is not to the Plan

value being at or near liquidation value, which falls within the CoC's commercial wisdom, but to the reliability of the information underlying the valuation benchmark and Challenge Mechanism. It is contended that the Challenge Mechanism dated 31.03.2026 resulted in only one bid from the SRA, who, being part of the suspended management, allegedly had access to books and records unavailable to the valuers and was therefore uniquely positioned to calibrate its bid to the reserve price, rendering the price-discovery process unreliable.

- xix. The Objector further relies upon SBI's Web Notice dated 06.02.2026, which disclosed a reserve price of Rs.25,05,00,000/- for the CD's stressed exposure, as against the liquidation value of Rs.13,15,81,000/- adopted in the CIRP. While acknowledging that the Web Notice was issued for transfer of stressed loan exposure and was not itself a liquidation valuation under the Code, the Objector relies upon it as a contemporaneous indication of SBI's assessment of approximately Rs.25 crore, particularly when the CIRP valuation assigned Nil value to the current and financial assets. [Annexure-H – Web Notice dated 06.02.2026] It is therefore contended that the contemporaneous assessment, coupled with the incomplete/withheld records and resulting liquidation value, raises a serious question regarding the reliability of the valuation benchmark used in the Challenge

Mechanism.

Ground IV: Without Prejudice. Infirmities in the implementation and monitoring framework Section 30(2)(d)

xx. The Objector contends that the SRA's Plan raises concerns regarding feasibility and viability under Section 30(2)(d) read with Regulation 38, as implementation is proposed within 90 days, with Rs.16,85,00,000/- payable to the sole secured Financial Creditor—Rs.8,25,00,000/- within 30 days and Rs.8,60,00,000/- on the 90th day—with funding dependent upon Mr. Rajneesh Tiwari rather than demonstrated liquidity of the SRA. The Operational Creditors, including the Objector, are collectively offered Rs.52,00,000/- against admitted claims of Rs.14,36,31,122/-.

xxi. In contrast, the Objector's Plan proposed payment of the entire consideration within 15 days, supported by demonstrated resources and a Rs.3,00,00,000/- Performance Bank Guarantee. The Objector therefore seeks scrutiny of the funding arrangement and the constitution and powers of the Monitoring Committee before approval, particularly in view of the SRA's alleged antecedents.

Ground V: The objections fall squarely within the scrutiny mandated by Section 30(2) read with Section 31

- xxii. The Objector acknowledges that, as held in ***K. Sashidhar v. Indian Overseas Bank, (2019) 12 SCC 150, Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta, (2020) 8 SCC 531***, and ***Kalpraj Dharamshi v. Kotak Investment Advisors Ltd., (2021) 10 SCC 401***, the commercial wisdom of the CoC in choosing between competing compliant Plans is ordinarily not justiciable. The Objector, however, does not seek to challenge the CoC's commercial preference or seek preference for its own Plan on the basis of quantum.
- xxiii. It is submitted that such non-justiciability is not absolute and does not preclude judicial scrutiny of material irregularity or contravention of law under Sections 30(2) and 31. The Objector contends that:
- i. Ground I concerns material irregularity in identification/reporting of avoidance transactions and breach of Section 25(2)(j) and Regulation 35A;
 - ii. Ground II concerns non-compliance with Section 30(2)(e) arising from alleged breach of Regulations 36A (8) and 38 and withholding of relevant information from the CoC;
 - iii. Ground III concerns reliance on incomplete and unreliable information for the valuation benchmark and Challenge Mechanism; and
 - iv. Ground IV concerns infirmity affecting feasibility under Section 30(2)(d).

xxiv. Relying upon ***M.K. Rajagopalan v. Dr. Periasamy Palani Gounder, (2024) 1 SCC 42***, the Objector submits that material irregularities in the submission and approval of a Resolution Plan cannot be shielded under the doctrine of commercial wisdom, particularly where relevant information was not placed before the CoC. It is therefore contended that, in discharge of its duty under Section 31 to satisfy itself regarding compliance with Section 30(2), this Adjudicating Authority is required to examine the aforesaid irregularities.

10. In response to the affidavit-in-reply filed by the Unsuccessful Resolution Applicant, the Successful Resolution Applicant, Mr. Chandresh Soni, filed his affidavit in response on 16.07.2026 vide Inward Diary No. D-5674, wherein, inter alia, the following submissions were made:

- i. **Locus:-** The SRA submitted that an Unsuccessful Resolution Applicant/Operational Creditor has no locus to challenge the CIRP or the Resolution Plan approved by the CoC. Relying upon ***Torrent Power Limited v. Ashish Arjunker Rathi & Ors.***, relevant excerpt of the judgment:-

“14.3 Excessive review also encourages strategic litigation. Stakeholders with little to no economic interest in the Corporate Debtor may resort to litigation as a bargaining

tool to delay implementation of the resolution plan or extract concessions, thereby converting the insolvency process into an adversarial contest. Such conduct takes the process away from the objective of value maximisation.”

- ii. It was submitted that judicial review cannot extend beyond the limited boundaries prescribed under the Code and that unsuccessful applicants should not use litigation to delay implementation. The SRA further pointed out that its Plan of Rs.18.23 crore was approximately Rs.4 crore higher than the Unsuccessful Resolution Applicant's Plan of Rs.14.11 crore.
- iii. **Frivolous Criminal Complaint Filed by Unsuccessful Resolution Applicant** - The SRA submitted that the FIR No. 11191065250385 of 2025 dated 29.03.2025, registered at Narol Police Station under Sections 316(2), 318(4) and 54 of the Bharatiya Nyaya Sanhita, 2023, was filed by the Unsuccessful Resolution Applicant to harass the SRA and thwart the CIRP. It was contended that the dispute arose from business dealings involving approximately Rs.1.51 crore, which remained unpaid due to the Corporate Debtor's financial constraints, NPA status and debit-freezing of its SBI account. The SRA also stated that arbitration proceedings had been initiated by the Corporate Debtor against the Unsuccessful Resolution Applicant.
- iv. The SRA relied upon the Gujarat High Court order dated 24.04.2025 in Criminal Misc. Application No. 8134 of

2025, granting regular bail, wherein the dispute was prima facie observed to be civil in nature sought to be given a criminal colour, and submitted that the FIR had no bearing on the present proceedings. Annexure-R1 – Copy of Gujarat High Court order dated 24.04.2025.

- v. **There is No Material Irregularity in the Determination of Avoidance Transactions** – The SRA submits that the RP duly appointed a Transaction Auditor under Section 66, whose audit covered the CD's transactions from December 2018; queries concerning the SRA were answered, SBI accepted the Report, and the RP, after considering the audit findings, records and explanations, found no material evidence warranting avoidance proceedings. [Annexure-R2 – Minutes of 8th CoC Meeting dated 15.04.2026]
- vi. It is submitted that the audit followed a detailed query-response exercise; the FY 2023-24 and 2024-25 books were compiled by an independent accounting firm, though statutory audit/finalisation remained pending, and the Transaction Auditor examined available SBI bank statements and factory vouchers after the books were handed over to the IRP following electricity disconnection on 31.08.2024 and freezing of SBI accounts.
- vii. The SRA contends that Section 47 is inapplicable as no transaction attracting Sections 43 or 66 was reported;

the e-mails dated 03.11.2025 and 07.11.2025 were allegedly followed by objections only after Plan approval and were therefore an afterthought, while the FIR alone does not establish any transaction attracting Sections 43 or 66.

viii. **Deponent Has Disclosed All the Antecedents to the Resolution Professional and the Members of CoC-**

The SRA submitted that he was eligible under Section 29A of the Code and denied the allegation of disqualification under Section 164(2)(a) of the Companies Act, 2013, contending that no competent authority had declared him disqualified. It was submitted that such disqualification could not be presumed or treated as automatic.

- ix. Relying upon ***M.K. Rajagopalan v. Dr. Periasamy Palani Gounder*** Civil Appeal Nos. 1682-1683 of 2022 (2024), the SRA submitted that there is no concept of “deemed disqualification” and that a specific order of the Registrar of Companies is necessary. No such order declaring the SRA disqualified had been placed on record by the Unsuccessful Resolution Applicant. It was also reiterated that pendency of criminal proceedings does not, by itself, bar submission of a Resolution Plan.

- x. **Criminal Proceedings and Reliefs Sought Under the Resolution Plan** - The SRA submitted that the Resolution Plan does not seek extinguishment of

criminal proceedings arising from FIR No. 11191065250385 of 2025. The relief concerning proceedings under Section 138 of the Negotiable Instruments Act is confined to the Corporate Debtor and does not extend to the SRA/promoters in their individual capacity.

- xi. It was further submitted that Clause 11.18 of the Resolution Plan expressly states that the reliefs sought are not preconditions for approval and remain subject to the discretion of the Adjudicating Authority; the reliefs are claimed in accordance with Section 32A of the Code.
- xii. **Challenge Mechanism** - The SRA submitted that the Unsuccessful Resolution Applicant had participated in the Challenge Mechanism, was online when the SRA submitted its bid of ₹18.23 crore, but did not submit a competing bid. It was therefore contended that he could not subsequently challenge the mechanism merely because he was unable to improve upon his ₹14.11 crore Plan.
- xiii. The SRA disputed the comparison between its Plan value of approximately ₹18.22 crore and the ₹25.05 crore reserve price mentioned in SBI's Web Notice dated 06.02.2026, submitting that the Web Notice related to a separate proposed transfer/assignment of SBI's stressed loan exposure to ARCs/NBFCs/Scheduled Commercial Banks under SBI's stressed-loan-transfer policy and

was wholly independent of the CIRP Resolution Plan process. Clause 29 of the Web Notice also stated that the proposed acquisition was not to be funded/backed by promoters, the company or guarantors.

- xiv. **There are No Infirmities in the Implementation and Monitoring Framework** - The SRA submitted that the objection regarding feasibility merely because SBI was proposed to receive the plan amount within 90 days was misconceived and involved the commercial wisdom of the CoC, which could not be questioned by the Unsuccessful Resolution Applicant, particularly when he had not submitted a competing bid in the Challenge Mechanism.
- xv. As regards funding through Mr. Rajneesh Tiwari, the SRA submitted that all documents establishing his funding capacity and availability of sufficient funds had been furnished to and verified by the RP and CoC, including bank statements, proof of liquidity, CA-certified net worth statement and written confirmation from the institution where the funds were invested, confirming that the funds had matured and would be disbursed as required for implementation. The allegation that the funding arrangement was uncertain or unverified was therefore denied.
- xvi. **Objections Raised by Unsuccessful Resolution Applicant Are Not Covered Within the Scrutiny**

Mandated by Section 30(2) r/w Section 31 - The SRA submitted that the objections were misconceived and that the Unsuccessful Resolution Applicant had no locus to question the CIRP or the findings/opinion of the RP and CoC. Relying upon the principle laid down by the Supreme Court in *Torrent Power Limited*, it was submitted that judicial review must remain within the narrow statutory limits prescribed by the Code.

xvii. **The Readiness Shown by Unsuccessful Resolution Applicant in the Event of a Fresh Process** - The SRA submitted that the subsequent willingness/readiness of the Unsuccessful Resolution Applicant to participate in a fresh process was of no consequence, since he had participated in the Challenge Mechanism but did not submit a competing bid. It was contended that permitting such intervention after the process would frustrate the timelines prescribed under the Code and enable unsuccessful applicants to repeatedly obstruct the CIRP.

11. In response to the Affidavit-in-Reply-cum-Objections dated 07.07.2026 filed by M/s Deep Chemical, the Unsuccessful Resolution Applicant, an Affidavit-in-Rejoinder on behalf of the Applicant/RP was filed on 20.07.2026 vide Inward Diary No. D-5905, wherein the following submissions were made:

- i. The Applicant/RP denies the objections as misconceived and contrary to record, submitting that the Objector, being an unsuccessful Resolution Applicant/Operational Creditor who participated in the CIRP, cannot seek reconsideration of its rejected Plan or substitute its commercial assessment for that of the CoC; the objections were raised belatedly and seek to reopen matters already considered by the CoC. The Adjudicating Authority, while considering Plan approval, is required to examine compliance with Sections 30(2) and 31 and cannot substitute its assessment of feasibility, viability, value maximisation or comparative merits for that of the CoC in the absence of statutory non-compliance.
- ii. The Applicant/RP submits that an independent Transaction Auditor examined the CD's transactions from 01.04.2023 till commencement of CIRP, with Section 66 examination extended where necessary, on the basis of reconstructed/updated Tally data, bank statements, GST filings, invoices, ledgers, physical records and other material. The audit involved Tally data received on 06.12.2025, multiple queries and responses, supporting documents, a factory visit on 05.04.2026 and further material till 12.04.2026; approximately 10–12 transactions were further verified against available bank/GST records, invoices, ledgers and stock records, following which the RP formed his

opinion under Regulation 35A and placed it before the 8th CoC Meeting. The valuation limitations regarding inventory and receivables were stated not, by themselves, to establish diversion or avoidance transactions. [Annexure-R2 – Minutes of 8th CoC Meeting dated 15.04.2026]

- iii. The Applicant denies that the admission of claims of Shaurya Marketing and Suman Marketing established diversion of funds, submitting that admission of claims for CIRP purposes is distinct from adjudication of the underlying transactions; the alleged conflict of interest was also denied. The FIR allegations were stated to remain subject to investigation/adjudication and, without proof of the statutory ingredients, could not establish an avoidance or fraudulent/wrongful transaction. The Applicant submits that its duties under Section 25(2)(j) read with Regulation 35A were duly discharged and that Section 47 cannot apply without identification of a transaction falling under Sections 43, 45, 50 or 66.
- iv. The Applicant submits that the SRA's DIN was active and no disqualification under Section 164(2) was recorded at verification; Section 240A was applied only to clauses (c) and (h) of Section 29A, while clauses (d) and (e) and other applicable provisions were separately examined. Due diligence under Regulation 36A(8) read

with Regulation 38 covered the PRAs' backgrounds, business profiles, management/shareholding, group and connected persons, litigation, regulatory/statutory compliance, financial/market indicators and Section 29A eligibility, based on PAN, Aadhaar, DIN, public/regulatory records, affidavits, declarations, undertakings and supporting documents. The findings were placed before the 9th CoC Meeting, which recorded that none of the six PRAs was ineligible. [Annexure-A – MCA records/master data]

- v. The Applicant denies suppression of the SRA's antecedents and submits that the FIR, cheque-dishonour proceedings and related matters were available during CIRP, including the objection raised on 07.11.2025. It was contended that registration of an FIR, arrest, bail or pendency of proceedings under Section 138 of the NI Act, without conviction, does not attract Section 29A(a). As regards the Plan's reliefs, Clause 11.18 makes the reliefs/concessions subject to the Adjudicating Authority; any criminal relief can operate only to the extent legally permissible, including under Section 32A, and does not constitute blanket immunity from personal criminal liability.
- vi. The Applicant submits that the Objector participated in the April–May 2026 Challenge Mechanism without raising any contemporaneous objection regarding

valuation, information, bidding or the mechanism. All six PRAs were given identical opportunities and the SRA submitted the only valid bid above the reserve value and was declared H1; no material was produced showing that the SRA had access to information unavailable to other PRAs. SBI's Web Notice dated 06.02.2026 concerned sale/assignment of its stressed-loan exposure and underlying securities/collateral/guarantees and was not a CIRP valuation. The approved Plan consideration of Rs.18,22,90,692/- was stated to be approximately 38.5% above the liquidation value of Rs.13.16 crore and above the Rs.18 crore Challenge Mechanism reserve value on NPV basis.

- vii. The Applicant submits that inventory and receivables were valued on the basis of ascertainability, verification and realisability, rather than historical book value. The subsequent Addendum issued by the Registered Valuers after reconciliation/finalisation of the books recorded only the limited impact on book value and did not alter the valuation methodology, assumptions, process or valuation date.
- viii. The Applicant submits that the CoC considered the Plan's financial structure, source of funds, implementation schedule, business continuity, operational capability and working-capital support. The funding was supported by an MOU with Mr. Rajneesh

Tiwari, CA-certified net worth of approximately Rs.20.60 crore with liquid assets, affidavit/commitment of funds, bank balance of approximately Rs.3.61 crore, proposed release/payment of ICD of approximately Rs.13.85 crore with interest, independent verification of the funding partner's Section 29A eligibility and a Rs.3 crore Performance Bank Guarantee. The Plan provides for Rs.9,62,90,692/- within 30 days towards CIRP costs, Operational Creditors and part-payment to the secured Financial Creditor, and the balance Rs.8.60 crore within 90 days, with implementation supervised by a three-member Monitoring Committee comprising the SRA, RP and one CoC nominee.

ix. The Applicant/RP accordingly submits that the objections disclose no violation of Sections 29A, 30(2), 31 or Regulation 35A and merely seek substitution of the Objector's commercial preference for the CoC's decision; dismissal of the objections and approval of the Resolution Plan were accordingly sought.

12. In response to the Affidavit-in-Rejoinder dated 20.07.2026 filed by the Resolution Professional, an Affidavit-in-Sur-Rejoinder on behalf of the Objector/Unsuccessful Resolution Applicant, was filed on 21.07.2026 vide Inward Diary No. D-6061, wherein the following submissions were made:

- i. The Objector reiterated its earlier objections and submitted that, under Sections 30(2) and 31 of the Code, the Tribunal has an independent duty to satisfy itself that the Resolution Plan and the process of its approval conform to law. The commercial wisdom of the sole Financial Creditor holding 100% voting share cannot cure statutory non-compliance, a false statement by the RP, or defects in discharge of the RP's statutory duties.
- ii. **The Resolution Professional abdicated his duty Under Section 30(1) and Regulation 39, and arbitrarily cleared a candidate disqualified Under Section 29A(e), the disqualification operating automatically by force of Law** - The Objector submitted that Section 30(1) read with Regulation 39 requires the RP to examine every Resolution Plan for compliance with the Code and certify such compliance; hence, a Plan submitted by a person disqualified under Section 29A could not be certified as compliant.
- iii. It was contended that the SRA, Mr. Chandresh Soni, an erstwhile director, stood disqualified under Section 29A(e) read with Section 164(2) of the Companies Act, 2013 and Rule 14 of the "*Appointment and Qualification of Directors Rules, 2014*", for non-filing of statutory financial statements/returns. Section 240A, being applicable to an MSME, exempts only clauses (c) and (h)

of Section 29A and not clause (e). The RP's Compliance Certificate dated 07.05.2026 was stated to proceed on this footing.

- iv. The Objector relied upon the RP's record showing audited financial statements only up to 31.03.2023, while the MCA Master Data, annexed as Annexure-G, records balance-sheet filing only up to 31.03.2022. It was submitted that the statutory filing and Section 164(2) status of the SRA were not independently verified or placed before the CoC.
- v. It was further submitted that, after commencement of CIRP, management vested in the RP under Section 17, including responsibility for statutory compliances under Section 17(2)(e). Under Rule 14, the relevant DIR-8/DIR-9 compliances were required. The Objector alleged that these were not undertaken and that the RP consequently could not certify the SRA as eligible.
- vi. The Objector disputed the requirement of a formal ROC order and submitted that Section 164(2) operates automatically upon satisfaction of its statutory conditions. Reliance was placed on ***Mukut Pathak & Ors. v. Union of India & Anr.***, 2019 SCC OnLine Del 10868, for the proposition that disqualification arises *ipso facto* and continued activation of a DIN does not establish eligibility.

- vii. It was further submitted that although the 8th CoC Meeting recorded engagement of an independent professional for “*vetting of the Resolution Plans*” and “*Section 29A eligibility check*” at ₹1,50,000/-, no report or decision concerning the SRA’s alleged Section 29A(e) disqualification was placed on record. The Objector therefore alleged absence of the independent due diligence contemplated under Regulation 36A(8) read with Regulation 38. Annexure-U (Colly.), p.926 onwards.
- viii. **The Resolution Professional placed before this Hon’ble Tribunal a fundamentally non-compliant Plan, having permitted the Backdoor Induction of an Undisclosed Funding Partner, Mr. Rajneesh Tiwari -**
The Objector submitted that implementation of the SRA’s Plan depended upon Mr. Rajneesh Tiwari, whose involvement was allegedly disclosed only in the Plan. The Final List of PRAs dated 08.11.2025 (Annexure-N, pp.399–400) named only Mr. Chandresh Soni; the CoC minutes and the 9th CoC resolution approving the Plan (Annexure-C, p.243) likewise referred only to him and no consortium/other person.
- ix. It was contended that the RFRP/EOI required upfront disclosure of any consortium/joint applicant and Regulation 36A(10) required disclosure of every person acting jointly or in concert, while Regulation 36A(8) required due diligence of such person’s eligibility. The

alleged non-disclosure and absence of CoC authorisation were therefore stated to amount to a backdoor induction in breach of Section 29A and Regulations 36A(8), 36A(10) and 39, rendering the Plan non-compliant under Section 30(2)(e).

- x. **The Resolution Professional has made false statements before this Hon'ble Tribunal regarding the avoidance (Pufe) Transactions, portraying his own "Prima Facie" view as a Final and "Confirmed" decision of the Committee of Creditors** - The Objector alleged that the RP falsely stated that the CoC had considered and confirmed the "Nil" avoidance finding. According to the Objector, up to the 6th CoC Meeting, the Transaction Audit remained a work in progress, with Query Sets 1 and 2 and the suspended management's responses, including those of Mr. Chandresh Soni, being forwarded to the Transaction Auditor. Annexure-S.
- xi. Then the Transaction Audit Report was placed before the 8th CoC, the RP himself described the conclusion only as a "prima facie view", citing incomplete books and audited financial statements available only up to 31.03.2023. The CoC was merely requested to review the Report and its members "took note" of it; no resolution confirming/approving the "Nil" finding was passed. The resolutions concerned only incremental CIRP costs and a 30-day CIRP extension. Annexure-U

(Colly.), pp.926–930.

- xii. The Objector alleged that, contrary to this record, the 9th CoC minutes (Annexure-C) represented that the CoC had “confirmed” that no avoidance application was required and that the conclusion complied with Regulation 39(2). The Plan-approval resolution at p.243 contained no determination on avoidance transactions. The RP was therefore alleged to have converted his tentative opinion into a final CoC decision and made a materially false statement before the Tribunal, warranting enquiry into his conduct and reference to the IBBI.
- xiii. The Objector further submitted that Regulation 35A casts a mandatory and independent duty upon the RP to examine avoidance transactions and that the “Nil” determination was based on explanations of Mr. Chandresh Soni, who was both part of the suspended management and the SRA. The transactions included those concerning related parties and directors’ personal accounts, while alleged diversions to Shaurya Marketing and Suman Marketing were stated to be inconsistent with their admission as operational creditors at Serial Nos. 11 and 12. Annexure-R (Colly.).
- xiv. **Commercial Wisdom cannot cure statutory non-compliance, and specific denials** - The Objector submitted that CoC commercial wisdom is confined to

feasibility and viability and remains subject to Section 30(2); it cannot cure Section 29A ineligibility, non-disclosure of a consortium/funding partner, breach of Regulation 35A or a false statement by the RP, nor prevent the Tribunal's scrutiny under Section 31, even where the sole Financial Creditor holds 100% voting share.

xv. The Objector specifically denied that the SRA's Section 29A eligibility was independently verified; that Mr. Rajneesh Tiwari's induction was disclosed to or authorised by the CoC; or that the CoC had confirmed the "Nil" avoidance finding/Regulation 39(2) compliance, and put the RP to strict proof thereof.

xvi. The Objector accordingly prayed that the Tribunal decline approval of the SRA's Resolution Plan in L.A. (Plan) No. 9 (AHM) of 2026 and dismiss the Plan Approval Application with costs.

13. An Affidavit-in-Response on behalf of the Unsuccessful Resolution Applicant/ Objector, through its sole proprietor Mr. Harnesh Nareshbhai Mehta, was filed on 21.07.2026 in response to the Affidavit-in-Reply dated 15.07.2026 of the Successful Resolution Applicant. It has repetition of the allegations discussed earlier and not separately discussed.

- 14.** Vide order dated 08.07.2026, this Tribunal directed the Resolution Professional to place on record the valuation reports, Information Memorandum and the Transaction Audit Report, if not already forming part of the record, in a sealed cover.
- 15.** Thereafter, vide order dated 05.08.2026, this Tribunal recorded that the sealed cover containing the Transaction Audit Report submitted by the Resolution Professional on 22.07.2026 vide Inward Diary No. D-1151 was summoned, opened and perused.
- 16.** In compliance with the order dated 05.08.2026, a Compliance Affidavit on behalf of the Applicant/Resolution Professional, was filed on 07.08.2026, placing on record the documents and clarifications directed by this Tribunal:
- i. Annexure-B – Clarificatory Note on Determination of Nil Value for the Asset Class “Securities or Financial Assets”
 - ii. Annexure-C – Working Paper on Review of Transactions with Ananya Impex; and
 - iii. Annexure-D – Independent Verification Working for Section 29A Eligibility Assessment.
- 17.** In compliance with the order dated 05.08.2026, an Affidavit on

behalf of the Successful Resolution Applicant, Mr. Chandresh Soni, was filed on 06.08.2026, wherein the Successful Resolution Applicant placed on record the clarification regarding:

- i. The Successful Resolution Applicant submitted that Ananya Impex is his proprietorship concern and, therefore, no separate audited financial statements were prepared. He undertook to place his Income Tax Returns for the relevant period and documents relating to transactions between the Corporate Debtor and Ananya Impex in a sealed cover before the Tribunal.
- ii. **Transactions with Ananya Impex:** It was submitted that the transactions between the Corporate Debtor and Ananya Impex were conducted on an arm's-length basis. The affidavit stated that the total transaction amount during the relevant period was Rs.5,87,20,393/-, out of which the Corporate Debtor earned a profit of Rs.79,89,866/-, and that the invoices/vouchers had been provided to the Transaction Auditor.
- iii. **Related Party Transactions:** The Successful Resolution Applicant submitted that the transactions with Ananya Impex were disclosed in the audited financial statements of the Corporate Debtor for 31.03.2021, 31.03.2022 and 31.03.2023 under “Related Party Transactions” and

were verified by the Statutory Auditor, who recorded that the transactions were at arm's length.

- iv. **Causes of Default:** The affidavit attributed the Corporate Debtor's default to COVID-19 shutdowns, machinery cost escalation, non-availability of working capital, withdrawal of personal guarantee/refusal of the investor group to execute continuation documents, and disconnection of electricity by UGVCL along with invocation of Bank Guarantee of Rs.73 lakh.
- v. **Utilisation of SBI Term Loans:** It was submitted that SBI had sanctioned two term loans aggregating to Rs.17.8 Crores for plant and machinery, against which machinery worth approximately Rs.40 Crores was imported/purchased, with SBI making direct payments to suppliers/vendors. The affidavit stated that the loan proceeds were utilised towards purchase/import of machinery lying at the factory premises.
- vi. **Machinery Investment:** The Successful Resolution Applicant relied upon the certificate issued by Shani S. Patel & Associates, Chartered Accountants, certifying investment in new machinery and plant amounting to Rs.29,93,09,078/- in Raninga Paper Mills Private Limited. The said Capital Investment Certificate is annexed as Annexure-S1.
- vii. **Funding under Resolution Plan:** It was further stated

that, pursuant to Clause 6.5 of the Resolution Plan, Shri Rajnish Tiwari would infuse funds into the Corporate Debtor by way of an unsecured loan. The equity contribution of Rs.1 lakh comprises Rs.74,000/- by Mr. Chandresh Soni and Rs.26,000/- by Shri Rajnish Tiwari.

18. In compliance with the order dated 05.08.2026, Successful Resolution Applicant, filed an Additional Affidavit dated 12.08.2026 vide Inward Diary No. D-6774 in continuation of his earlier affidavit dated 06.08.2026, placing on record further documents and clarifications sought by this Tribunal:

- i. Annexure-A- ITR of Ananya Impex/SRA: The Income Tax Returns of Ananya Impex, the proprietorship concern of the Successful Resolution Applicant, were placed on record.
- ii. Annexure-B – ITR of Shri Lalitbhai Soni: The Income Tax Returns of Shri Lalitbhai Soni, ex-Director of the Corporate Debtor, were placed on record.
- iii. Annexure-C – ITR of Shri Jay Soni: The Income Tax Returns of Shri Jay Soni, related party of the Corporate Debtor, were placed on record.
- iv. Annexure-D – Techno-Economic Viability Report: A copy of the Techno-Economic Viability (TEV) Report dated 27.12.2023 prepared by M/s. Kakode Associates Consulting Private Limited, commissioned by SBI, was annexed as Annexure-D. The report assessed the installed capacity at approximately 10,000 MT per annum, recorded actual production of approximately

450 MT/month, and recommended working-capital limits of Rs.11.98 Crores.

19. In compliance with the order dated 05.08.2026, the SRA filed its written submissions on 06.08.2026, wherein he relied upon the following judgments:

- i. *M.K. Rajagopalan v. Dr. Periasamy Palani Gounder Civil Appeal Nos. 1682-1683 of 2022 (DoD : 3.5.2023) (Para 43.1, 43.2)*
- ii. *Thampanoor Ravi v. Charupara Ravi (1999) 8 see 74 (Para 18 to 22)*
- iii. *Torrent Power Limited v. Ashish Arjunkumar Rathi & Ors. Civil Appeal No. 11746-11747 of 2024*
- iv. *M. K. Rajgopalan v. S. Rajendran, RP IA 215 of 2023 in Company Appeal (AT) (Ins) 58 of 2023 (para 8, 31)*
- v. *Dr. Ravi Shankar Vedam vs. Tiffins Barytes Asbestos and Paints Limited & Ors. Company Appeal (AT) (Ch) (Ins) No. 134 of 2021 (DoD: 13.6.2023) (Para 18, 28)*
- vi. *Dr. Ravi Shankar Vedam vs. Tiffins Barytes Asbestos and Paints Limited & Ors., CivU Appeal No. 5516 of 2023 (DoD: 6.11.2023)*
- vii. *Beacon Trusteeship Limited vs Jayesh Sanghrahja & Ors.(Para 36-42,47) 2024 SCO OnLine NCLAT 667*

20. Further, in compliance with the order dated 05.08.2026, the Applicant/RP filed its written submissions on 07.08.2026, wherein he relied upon the following judgments:

- i. *M K Rajagopalan vs S. Rajendran Resolution Professional (IA No. 215 of 2023 in Company Appeal (AT) (CH) (INS) No. 58 of 2023) [2023 SCC OnLine NCLAT 839]*

- ii. *Hemant Shantilal Shah & Anr vs Care Office Equipment Ltd. & Ors Company Appeal (AT) (Insolvency) No. 26 of 2023*
- iii. *M.K. Rajagopalan vs Dr. Periasamy Palani Gounder [2024 1 SCC 42]*
- iv. *Dr. Ravi Shankar Vedam v. Tiffins Bartyes Asbestos and Paints Ltd. [2024 244 Comp Cas 785]*
- v. *Ramesh Kesavan v. CA Jasin Jose [2024 244 Comp Cas 814]*
- vi. *Praful Satra v. Vaishali Patrikar [2025 SCC online NCLAT 1469]*
- vii. *ThampanoorRavi v. Charupara Ravi [MANU/SC/0569/1999]*
- viii. *State Bank of India v. Bhushan Energy Ltd. CA 929/18 in CP 530/17*

21. The Objector / Unsuccessful Resolution Applicant (M/s Deep Chemical) filed its written submissions on 07.08.2026, wherein he relied upon the following judgments:

- i. *Vedanta Limited v. Bhuvan Madan, Resolution Professional (NCLT, Allahabad Bench, IA No. 01 of 2026 in CP(IB) No. 330/ALD/2018, dated 17.03.2026)*
- ii. *Company Appeal (AT)(Insolvency) Nos. 552 & 553 of 2026 (NCLAT, Principal Bench, New Delhi, dated 04.05.2026)*
- iii. *Mukut Pathak & Ors. v. Union of India & Anr., reported at 2019 SCC OnLine Del 10868*
- iv. *The Companies (Appointment and Qualification of Directors) Rules, 2014*

Observations and Findings

22. Upon consideration of the pleadings, documents placed on

record, the Resolution Plan submitted by the Successful Resolution Applicant, the minutes of the meetings of the Committee of Creditors, the Compliance Certificate/Form H, the affidavits and clarifications filed by the Resolution Professional and the Successful Resolution Applicant, the objections and written submissions filed by M/s Deep Chemical, and the submissions advanced by the learned counsel appearing for the respective parties, this Adjudicating Authority records its findings in the following paragraphs.

- 23.** Before proceeding to examine the objections raised by M/s. Deep Chemical, it is necessary to clarify the scope of adjudication in the present proceedings. Certain objections raised by M/s. Deep Chemical are substantially identical, on the same factual and legal footing, to issues already considered and adjudicated by this Adjudicating Authority in the connected I.A. Nos. 1037 and 1038 of 2026 for which separate orders are passed today. In respect of such objections, we shall notice only the crux of the findings already recorded therein and shall not undertake a fresh adjudication. However, any distinct and independent issue raised by M/s. Deep Chemical

which has not fallen for consideration in the connected proceedings shall be examined on its own merits. This approach is adopted to avoid duplication while ensuring consideration of every independent objection raised by the present Objector namely M/s Deep Chemical.

- 24.** The present adjudication is, therefore, confined to the objections raised by M/s. Deep Chemical. The connected IAs are being referred to only to the limited extent necessary to identify and dispose of those objections which stand already adjudicated. Nothing contained herein shall be construed as a separate adjudication of the objections of the applicants in the connected IAs. Later part of this order then deals with the application for approval of the resolution plan filed by the Resolution Professional.

Objections of M/s. Deep Chemical

- 25.** At the outset, it is relevant to note that, M/s. Deep Chemical is an admitted Operational Creditor of the Corporate Debtor and had also participated in the CIRP as a Prospective Resolution Applicant (“PRA”) and the resolution plan submitted was

considered by the CoC. The Objector submitted its revised Resolution Plan dated 07.04.2026, proposing an amount of approximately Rs. 14,11,00,000/-. The Resolution Plan submitted by Mr. Chandresh Lalitbhai Soni was ultimately approved by the sole member of the CoC, State Bank of India (“SBI”), with 100% voting share on 21.05.2026, for a total resolution plan value of Rs.18,22,90,692/-. The present objections are directed against the approval of the said Resolution Plan.

26. The principal **issues** arising for determination from the objections of M/s. Deep Chemical are:

- I. **Issue No.I:-** Whether M/s. Deep Chemical has locus to raise objections to the Resolution Plan?
- II. **Issue No.II:-** Whether the objections raised by M/s. Deep Chemical disclose any statutory non-compliance, ineligibility, non-disclosure or material procedural irregularity in the CIRP, including in relation to the Transaction Audit, Section 29A eligibility, criminal proceedings/antecedents of the Successful Resolution Applicant and the induction of Mr. Rajneesh Tiwari?
- III. **Issue No.III:-** Whether the valuation process and the Challenge Mechanism suffer from any material

irregularity warranting interference with the Resolution Plan?

IV. **Issue No.IV:-** Whether the objections raised by M/s. Deep Chemical establish any infirmity in the feasibility, viability or implementation of the Resolution Plan?

27. Findings on Issue No. (I):- Whether M/s. Deep Chemical has locus to raise objections to the Resolution Plan?

27.1. M/s. Deep Chemical is an admitted Operational Creditor of the Corporate Debtor and had also participated in the CIRP as a Prospective Resolution Applicant by submitting its own Resolution Plan. It has raised objections to the Resolution Plan submitted by the Successful Resolution Applicant, principally alleging statutory non-compliance and procedural infirmities concerning the Transaction Audit, eligibility under Section 29A, criminal proceedings and the induction of Mr. Rajneesh Tiwari.

27.2. The issue, therefore, is whether an unsuccessful Resolution Applicant, having participated in the CIRP, can bring such alleged statutory or procedural infirmities before this Adjudicating Authority.

27.3. An unsuccessful Resolution Applicant has no vested right to have its Resolution Plan accepted and cannot challenge the commercial wisdom of the CoC merely on the ground that its Plan was better or ought to

have been preferred. This principle is reflected in ***M.K. Rajagopalan v. S. Rajendran, RP, Vasan Health Care Pvt. Ltd.*** Civil Appeal Nos. 1682–1683 of 2022, (2023) ibclaw.in 60 SC decided on 03.05.2023 and is consistent with the limited scope of judicial review recognised in ***Torrent Power Ltd. v. Ashish Arjunkumar Rathi & Ors.*** Civil Appeal No. 11746-11747 of 2024. The Hon'ble Supreme Court in *Torrent Power* has also held that the challenge to an approved Resolution Plan must fall within the limited grounds recognised under the Code and cannot be founded merely upon a disagreement with the commercial decision of the CoC.

- 27.4. However, such absence of a substantive right does not preclude examination of a specific and substantiated allegation of statutory non-compliance or material procedural irregularity. The authorities relied upon by Deep Chemical, including ***Independent Sugar Corpn. Ltd. v. Hindustan National Gas & Industries Ltd., Astral Agro Ventures v. Vakati Balasubramanyam Reddy*** and ***Vedanta Ltd. v. Bhuvan Madan, RP***, recognise such limited procedural locus. The jurisdiction under Sections 30(2) and 31 of the Code requires this Adjudicating Authority to examine whether the Resolution Plan conforms to the Code and applicable law, including the eligibility of the Resolution Applicant under Section 29A.

27.5. In the present case, Deep Chemical participated in the CIRP and submitted its own Plan. Its objections are not directed against the commercial wisdom of the CoC in approving the resolution plan, but allege specific statutory and procedural infirmities which, if established, could affect the legality of the Plan. Such objections, therefore, cannot be rejected solely on the ground that Deep Chemical is an unsuccessful Resolution Applicant.

27.6. Accordingly, this Adjudicating Authority holds that M/s. Deep Chemical has a limited locus to raise specific and substantiated objections concerning statutory non-compliance or material procedural irregularity which have a direct bearing on satisfaction of conditions of sections 30(2) and 31 of the Code. However, it has no right to challenge the commercial wisdom of the CoC, seek acceptance of its own Resolution Plan, or seek reopening or re-running of the CIRP. The objections are accordingly examined within these limited parameters.

28. Findings on Issue No. (II): - Whether the objections raised by M/s. Deep Chemical disclose any statutory non-compliance, ineligibility, non-disclosure or material procedural irregularity in the CIRP, including in relation to the Transaction Audit, Section 29A eligibility, criminal proceedings/antecedents of the

Successful Resolution Applicant and the induction of Mr. Rajneesh Tiwari?

28.1. Having held hereinabove that M/s. Deep Chemical has a limited locus to raise specific and substantiated allegations of statutory non-compliance or material procedural irregularity, we find that the objections raised under this Issue substantially overlap with matters already considered and adjudicated by this Adjudicating Authority in I.A. Nos. 1037 and 1038 of 2026. We therefore notice only the relevant conclusions recorded therein and do not undertake a fresh adjudication of the same.

Objection relating to Transaction Audit

28.2. The objection relating to the Transaction Audit and the alleged transactions under Sections 43, 45, 50 and 66 of the Code was considered in I.A. Nos. 1037 and 1038 of 2026. In I.A. No. 1037 of 2026, it was held that, although deficiencies in the records warranted heightened diligence, the record demonstrated efforts to obtain, reconstruct and scrutinise the available information and that the Transaction Audit Report was thereafter considered by the RP and the CoC. In the absence of any identified transaction, statutory violation or material evidentiary omission which remained unexamined and affected

the process, no material irregularity was established.

Objection relating to Section 29A eligibility

28.3. The objection concerning the alleged disqualification of the Successful Resolution Applicant under Section 29A(e) of the Code read with Section 164(2)(a) of the Companies Act, 2013 has been considered in the connected I.A. No. 1037 of 2026. Section 164(2)(a) is attracted where a company has not filed its financial statements or annual returns for any continuous period of three financial years. The material placed on record has been examined with reference to the relevant financial years, the status of filings and the position of Mr. Chandresh Soni as a director during the relevant period.

On such examination, the material on record does not establish the statutory conditions necessary to conclude that Mr. Chandresh Soni was subject to a subsisting disqualification under Section 164(2)(a) on the relevant date. Further, no operative order or record of the competent statutory authority declaring Mr. Chandresh Soni disqualified under Section 164(2) has been placed on record. Accordingly, the alleged non-filing relied upon by the Objector does not establish his ineligibility under Section 29A(e) of the Code.

The contention regarding non-compliance with Rule 14 of the Companies (Appointment and Qualification of Directors) Rules, 2014 has also been considered. The Objector has relied upon the alleged non-filing of financial statements/annual returns and the absence of corresponding DIR-8/DIR-9 records. However, the mere absence of a DIR-9 on the record, without establishing the underlying statutory conditions under Section 164(2)(a), cannot by itself establish the disqualification of the Successful Resolution Applicant. The material placed before us does not establish that Mr. Chandresh Soni was subject to a subsisting disqualification under Section 164(2) on the relevant date

- 28.4. The aspect concerning Section 240A of the Code was considered in I.A. No. 1038 of 2026. It was held therein that the invocation of Section 240A could not be said to have been made merely to circumvent Section 29A and that no disqualification under any provision of Section 29A which continued to apply notwithstanding Section 240A had been established.

Objection relating to criminal proceedings and antecedents

- 28.5. The objection concerning alleged non-disclosure or suppression of criminal proceedings was considered in I.A. Nos. 1037 and 1038 of 2026. It was held therein

that the material on record did not establish material suppression of the criminal proceedings or material failure on the part of the RP to undertake the requisite verification. It was further held that mere pendency of criminal proceedings, in the absence of the conviction contemplated under Section 29A(d), did not by itself render the Successful Resolution Applicant ineligible. As regards the provisions of the Resolution Plan concerning such proceedings, it was clarified that no immunity could be conferred upon natural persons beyond what is permissible under Section 32A of the Code or other applicable law.

Objection relating to induction of Mr. Rajneesh Tiwari

- 28.6. The objection concerning the association of Mr. Rajneesh Tiwari and the proposed 74:26 shareholding/management structure has also been examined. The Resolution Plan describes the role of Mr. Rajneesh Tiwari as a funding partner/supporting financial contributor and provides for his proposed contribution towards implementation of the Plan. The proposed shareholding and management structure is to take effect only upon implementation of the Resolution Plan and remains subject to completion of the requisite corporate actions, filings, allotments, appointments and other compliances under the

Companies Act, 2013 and the rules made thereunder.

28.7. The association of Mr. Rajneesh Tiwari for the purpose of funding and implementation, by itself, does not establish that a person other than the Successful Resolution Applicant has been substituted as the Resolution Applicant. No material has been placed before us establishing that the proposed arrangement violates the RFRP, the Code or the applicable provisions of the Companies Act, 2013. The corporate actions necessary for giving effect to the proposed shareholding and management structure shall, however, be undertaken strictly in accordance with applicable law.

28.8. In view of the aforesaid findings already recorded in the connected applications, the objections of M/s. Deep Chemical under Issue No. (II), insofar as they are identical in substance to the issues adjudicated therein, stand concluded by those findings. No fresh adjudication of the said objections is, therefore, warranted in the present proceedings.

29. Findings on Issue No. (III): - Whether the valuation process and the Challenge Mechanism suffer from any material irregularity warranting interference with the Resolution Plan?

29.1. M/s. Deep Chemical has questioned the valuation

process on the ground that substantial current and financial assets were assigned Nil value despite incomplete audited financial records. It has also contended that the Resolution Plan value of approximately Rs.18.22 crore was below SBI's reserve price of approximately Rs.25.05 crore under its web notice dated 06.02.2026. The Challenge Mechanism is assailed on the ground that only Mr. Chandresh Soni submitted a bid and was consequently declared H1.

29.2. The objections concerning valuation were specifically considered in I.A. No. 1037 of 2026. It was held therein that, although the initial valuation was subject to limitations, those limitations were identified and subsequent information was considered through valuation addenda. The Applicant had failed to establish any specific valuation error, deliberate suppression, statutory non-compliance or material omission materially affecting the valuation or the CoC's consideration of the Plan. The Nil valuation of a particular category, by itself, was therefore not found to constitute a material irregularity warranting interference.

29.3. The objection concerning SBI's reserve price and the Challenge Mechanism was also considered in I.A. No. 1037 of 2026. It was held therein that SBI's reserve price related to a separate process concerning transfer

of its stressed loan exposure and was not the reserve price applicable to the CIRP Challenge Mechanism. It was further held that the absence of a competing bid, or the fact that the approved Plan consideration was below SBI's separate stressed-loan transfer figure, did not by itself establish illegality or material irregularity. No specific deviation from the approved Challenge Mechanism, RFRP or the Code, nor any denial of participation to an eligible PRA, had been established.

29.4. In view of the aforesaid findings already recorded in I.A. No. 1037 of 2026, the objections raised by M/s. Deep Chemical under Issue No. (III) are identical in substance to the issues already adjudicated therein. The same are accordingly not being re-adjudicated in the present proceedings and stand answered in terms of the findings recorded in I.A. No. 1037 of 2026.

30. Findings on Issue No. (IV):- Whether the objections raised by M/s. Deep Chemical establish any infirmity in the feasibility, viability or implementation of the Resolution Plan?

30.1. M/s. Deep Chemical has questioned the feasibility and viability of the Resolution Plan, principally contending that the Plan consideration of ₹18,22,90,692/-, the proposed funding arrangement, including the role of Mr. Rajneesh Tiwari, and the proposed implementation within 90 days are not adequately

supported.

- 30.2. The record shows that these aspects were specifically evaluated during the CIRP. The Successful Resolution Applicant furnished an affidavit and undertaking of the Funding Partner confirming availability and commitment of funds, along with declarations regarding the legitimate source of funds and Section 29A eligibility. Documentary evidence included a bank statement showing approximately ₹3.61 crore and a confirmation from RARE Asset Reconstruction Private Limited for release of an ICD of approximately ₹13.85 crore, with applicable interest, within seven days of request and/or approval of the Plan. These documents were placed before the CoC while considering feasibility and viability.
- 30.3. The Plan provides for payment of approximately ₹9.63 crore within 30 days from the Effective Date and the balance ₹8.60 crore within 90 days to the secured financial creditor. It further provides for implementation within 90 days, a Performance Bank Guarantee of ₹3 crore, bearing No. 260375IBGP00132 dated 26.05.2026, valid up to 20.05.2027, and a Monitoring Committee comprising the Successful Resolution Applicant, the Resolution Professional and one nominee of the CoC. The revival strategy further contemplates approximately ₹7.50 crore towards

capital expenditure and gestation cost within 6 months of NCLT approval and ₹15 crore towards working capital.

- 30.4. The 9th CoC meeting dated 11.05.2026 records detailed consideration of the compliant Plans with regard to feasibility, viability, implementation capability, financial structure, source of funds, revival strategy, sustainability, monitoring mechanism and value maximisation. The Plan of Mr. Chandresh Soni was thereafter approved by SBI, the sole financial creditor holding 100% voting share, under Section 30(4), with e-voting concluding on 21.05.2026. The RP thereafter filed Form H dated 22.05.2026 under Regulation 39(4).
- 30.5. Under Section 30(2)(d), the Resolution Plan is required to provide for its implementation and supervision, and under Section 31(1), this Adjudicating Authority is required to satisfy itself that the Plan contains provisions for its effective implementation. The Plan contains an identified funding arrangement, defined payment schedule, performance security, monitoring mechanism and a specific revival strategy. No material has been placed before this Adjudicating Authority to establish that the funding arrangement is illusory or that the proposed implementation is inherently incapable of being carried out or any proposal in the

plan deviates with the material facts.

- 30.6. The Hon'ble Supreme Court in ***M.K. Rajagopalan v. Dr. Periasamy Palani Gounder***, Civil Appeal Nos. 1682–1683 of 2022, (2023) ibclaw.in 60 SC decided on 03-May-23, has observed that the “feasibility and viability” of a Resolution Plan fall within the commercial wisdom of the Committee of Creditors and that such commercial wisdom represents a considered decision based on the relevant information placed before and deliberated upon by the CoC.
- 30.7. In the present case, the 9th CoC meeting records consideration of the financial structure, source of funds, implementation capability, revival strategy and other relevant aspects of the Plan. Therefore, the objections of M/s. Deep Chemical, insofar as they seek a reassessment of the adequacy of the consideration, funding structure or commercial viability of the Plan, essentially invite this Adjudicating Authority to substitute its assessment for that of the CoC. Such commercial reassessment is impermissible in the absence of any demonstrated statutory or procedural infirmity. On the material before us, no such infirmity affecting the feasibility, viability or effective implementation of the Plan has been established. We are not judging the feasibility, viability, or the implementation of submitted plan

based on any independent material facts, which were not available to the CoC. The Code has provisions to deal with the situation of failure of implementation and we cannot pre-judge something which is not supported by facts.

30.8. Accordingly, M/s. Deep Chemical has failed to establish any infirmity in the feasibility, viability or effective implementation of the Resolution Plan. **Issue No. (IV) is answered in the negative.**

- 31.** Having dealt with the objections raised by M/s. Deep Chemical and in two IAs for which separate orders are passed today, this Adjudicating Authority now proceeds to independently examine the Resolution Plan submitted by the SRA in terms of Sections 30(2) and 31 of the Code.
- 32.** The present Application has been preferred by the Resolution Professional under Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) read with Regulation 39(4) of the Insolvency Resolution Process for Corporate Persons Regulations, 2016 (“CIRP Regulations”), seeking approval of the Resolution Plan dated 07.04.2026 submitted by Mr. Chandresh Lalitbhai Soni (“Successful Resolution Applicant”/“SRA”) in respect of Raninga Paper Mills

Private Limited (“Corporate Debtor”). A copy of the Resolution Plan submitted by the SRA appears on pages 26 to 208 of the Application.

- 33.** The Corporate Debtor is an MSME and the Corporate Insolvency Resolution Process (“CIRP”) commenced on 29.07.2025 upon admission of the application under Section 7 of the Code filed by State Bank of India (“SBI”).
- 34.** The record reflects that the CIRP proceeded through various stages from invitation of Expressions of Interest, passing through various intermediary steps sequentially leading to the approval of the Plan by the CoC. The chronology of events in the process are stated in paragraph 2 and are not repeated.
- 35.** The 2nd CoC meeting was held on 25.09.2025, wherein, inter alia, the proposed resolution process, issuance of Form G, value maximisation and appointment of the Transaction Auditor were considered. Form G was thereafter issued on 26.09.2025. M/s Akhil A. Thakkar & Co., Chartered Accountants, was appointed as Transaction Auditor on 03.10.2025.

- 36.** The valuation reports were thereafter received between 23.12.2025 and 27.12.2025. The aggregate fair value and liquidation value subsequently reflected in Form H were approximately Rs.20.87 Crores and Rs.13.16 Crores, respectively. In respect of Securities/Financial Assets, the registered valuers had recorded NIL value on the basis of the information available to them and the absence of demonstrable realisability. The valuation exercise was considered by the CoC in its 4th meeting held on 29.12.2025. Subsequent valuation addenda were also prepared upon availability/reconciliation of accounting information.
- 37.** Since no enhanced proposal was received from the PRAs, the CoC in its 5th meeting held on 09.01.2026 resolved to re-invite Expressions of Interest with a view to obtaining wider participation and maximizing value. A revised Form G was issued on 12.01.2026, prescribing 12.03.2026 as the last date for submission of Resolution Plans. The CoC also resolved to seek extension of the CIRP period, which was subsequently allowed by this Tribunal vide order dated 30.01.2026.
- 38.** Under the revised process, the final list of PRAs was issued on

06.02.2026, following verification and due diligence. The RFRP, Information Memorandum and Evaluation Matrix were thereafter issued on 10.02.2026 to the PRAs. Six Resolution Plans were received by 12.03.2026 and were thereafter subjected to the prescribed compliance and eligibility examination.

- 39.** The 6th CoC meeting was held on 16.03.2026, followed by the 7th CoC meeting on 23.03.2026, wherein the CoC approved the conduct of a challenge mechanism amongst the participating PRAs for improvement of the commercial offers. The challenge mechanism was conducted on 31.03.2026. Pursuant thereto, revised plans were received on 07.04.2026, including the Resolution Plan of Mr. Chandresh Soni.
- 40.** The 8th CoC meeting was held on 15.04.2026, wherein all six Resolution Plans and the presentations of the PRAs were considered. The final Transaction Audit Report dated 12.04.2026, along with the RP's opinion thereon, was also placed before the CoC. A further extension of 30 days was thereafter sought and allowed vide order dated 24.04.2026, extending the CIRP period up to 24.05.2026.

- 41.** The RP thereafter completed the statutory and regulation-wise compliance review of the Resolution Plans and issued the Compliance Certificate dated 07.05.2026. In the 9th CoC meeting held on 11.05.2026, the compliant Resolution Plans were placed before the sole CoC member for consideration. After considering the feasibility, viability, implementation capability, source of funds, treatment of stakeholders and commercial terms, the CoC directed that the plans be put to e-voting.
- 42.** The e-voting commenced on 14.05.2026 and concluded on 21.05.2026, whereupon the Resolution Plan submitted by Mr. Chandresh Soni was approved by SBI, being the sole member of the CoC, with 100% voting share. The RP thereafter issued Form H dated 22.05.2026 and filed the present Application on 23.05.2026 under Section 30(6) read with Section 31 of the Code.
- 43.** Section 31 of the IBC deals with the approval of the resolution plan. Section 31 reads as follows:

“31. Approval of Resolution Plan

(1) If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors

under sub-section

(4) of section 30 meets the requirements as referred to in sub-section (2) of section 30, it shall by order approve the resolution plan which shall be binding on the corporate debtor and 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, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the resolution plan.

Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section, satisfy that the resolution plan has provisions for its effective implementation.

(2) Where the Adjudicating Authority is satisfied that the resolution plan does not conform to the requirements referred to in sub-section (1), it may, by an order, reject the resolution plan.

(3) After the order of approval under sub-section (1),—

(a) the moratorium order passed by the Adjudicating Authority under section 14 shall cease to have effect; and

(b) the resolution professional shall forward all records relating to the conduct of the corporate insolvency resolution process and the resolution plan to the Board to be recorded on its database.

(4) The resolution applicant shall, pursuant to the resolution plan approved under sub-section (1), obtain the necessary approval required under any law for the time being in force within a period of one year from the date of approval of the resolution plan by the Adjudicating Authority under sub-section (1) or within such period as provided for in such law, whichever is later.

Provided that where the resolution plan contains a provision for combination, as referred to in section 5 of

the Competition Act, 2002, the resolution applicant shall obtain the approval of the Competition Commission of India under that Act prior to the approval of such resolution plan by the committee of creditors.”

- 44.** The scope of enquiry of this Adjudicating Authority while considering an application under Section 31 of the Insolvency and Bankruptcy Code, 2016 is limited to examining whether the Resolution Plan approved by the Committee of Creditors satisfies the requirements prescribed under Section 30(2) of the Code, Regulations 38 and 39 of the Insolvency Resolution Process for Corporate Persons Regulations, 2016, whether the Resolution Plan contains adequate provisions for its effective implementation as contemplated under the proviso to Section 31(1), and whether it contravenes any provision of law for the time being in force. The commercial wisdom exercised by the Committee of Creditors in approving the Resolution Plan is not open to judicial review except to the limited extent recognized under the Code.
- 45.** Accordingly, the issues which arise for consideration are:
- (i) whether the Resolution Plan satisfies the mandatory requirements prescribed under Section 30(2) of the Code r.w. Regulations 38 and 39 of the CIRP Regulations;

- (ii) whether the Resolution Plan contains adequate provisions for its effective implementation;
- (iii) whether the Resolution Plan or its approval suffers from any contravention of law for the time being in force, including the eligibility requirements under Section 29A of the Code;
- (iv) whether the various reliefs, concessions and exemptions sought by the Successful Resolution Applicant can be granted by this Adjudicating Authority in exercise of jurisdiction under Section 31 of the Code; and
- (v) whether the Resolution Plan deserves approval under Section 31 of the Code:

46. This Adjudicating Authority has independently examined Resolution Plan with reference to the requirements of Section 30(2) of the Code, Regulations 38 and 39 of the CIRP Regulations, the proviso to Section 31(1), and other applicable provisions of law. The findings on the respective requirements are recorded hereinafter.

47. Section 30 (2) of the IBC reads as below:

“30. Submission of resolution plan.

(2) The resolution professional shall examine each resolution plan received by him to confirm that each resolution plan—

(a) provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor;

(b) provides for the payment of debts of operational

creditors 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 a 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 the order of priority in sub-section (1) of section 53,

whichever is higher, and provides for the payment of debts of financial creditors, who do not vote in favour of the resolution plan, in such manner as may be specified by the Board, which shall not be less than the amount to be paid to such creditors in accordance with sub-section (1) of section 53 in the event of a liquidation of the corporate debtor.

Explanation 1.-For removal of doubts, it is hereby clarified that a distribution in accordance with the provisions of this clause shall be fair and equitable to such creditors.

Explanation 2.-For the purpose of this clause, it is hereby declared that on and from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019, the provisions of this clause shall also apply to the corporate insolvency resolution process of a corporate debtor-

(i) where a resolution plan has not been approved or rejected by the Adjudicating Authority;

(ii) where an appeal has been preferred under section 61 or section 62 or such an appeal is not time barred under any provision of law for the time being in force; or

(iii) where a legal proceeding has been initiated in any court against the decision of the

Adjudicating Authority in respect of a resolution plan;

(c) provides for the management of the affairs of the corporate debtor after approval of the resolution plan;

(d) the implementation and supervision of the resolution plan;

(e) does not contravene any of the provisions of the law for the time being in force;

(f) conforms to such other requirements as may be specified by the Board.

Explanation. -For the purposes of clause (e), if any approval of shareholders is required under the Companies Act, 2013 (18 of 2013) or any other law for the time being in force for the implementation of actions under the resolution plan, such approval shall be deemed to have been given and it shall not be a contravention of that Act or law.”

- 48.** This Tribunal is fully conscious of the principle that judicial intervention by the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016, must be limited and restrained. As reiterated in a catena of decisions by the Hon'ble Supreme Court, including in ***K. Sashidhar v. Indian Overseas Bank [2019] 102 taxmann.com / 12 SCC 150, Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta, (2020) 8 SCC 531, Ebix Singapore (P) Ltd v. Committee of Creditors of Educomp Solutions Ltd [2021] 130 taxmann.com 208, Vallal RCK v. Siva***

Industries & Holding Ltd ((2022) 9 SCC 803), the commercial wisdom of the CoC is not open to interference except within the limited statutory parameters prescribed under the Code.

- 49.** 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 –Vs– 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.”

50. Further the 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)

51. Also, the Supreme Court of India in the matter of **Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta and Ors.** (2020) 8 SCC 531 after referring to the decision in **K. Sashidhar (supra)** has held as follows;

“73. There is no doubt whatsoever that the ultimate discretion of what to pay and how much to pay each class or sub-class of creditors is with the Committee of Creditors, but, the decision of such Committee must reflect the fact that it has taken into account maximising the value of the assets of the corporate debtor and the fact that it has adequately balanced the interests of all stakeholders including operational creditors. This being the case, judicial review of the Adjudicating Authority that the resolution plan as approved by the Committee of Creditors has met the requirements referred to in Section 30(2) would include judicial review that is mentioned in Section 30(2)(e), as the provisions of the Code are also provisions of law for the time being in force. Thus, while the Adjudicating Authority cannot interfere on merits with the commercial decision taken by the Committee of Creditors, the limited judicial review available is to see that the Committee of Creditors has taken into account the fact that the corporate debtor needs to keep going as a going concern during the insolvency resolution process; that it needs to maximise the value of its assets; and that the interests of all stakeholders including operational creditors has been taken care of. If the Adjudicating Authority finds, on a given set of facts, that the aforesaid parameters have not been kept in view, it may send a resolution plan back to the Committee of Creditors to re-submit such plan after satisfying the aforesaid parameters. The reasons given by the Committee of Creditors while approving a resolution plan may thus be looked at by the Adjudicating Authority only from this point of view, and once it is satisfied that the Committee of Creditors has paid

attention to these key features, it must then pass the resolution plan, other things being equal.”

(emphasis supplied)

- 52.** The Hon’ble Supreme Court in the case of ***Ramkrishna Forgings Limited vs. Ravindra Loonkar, Resolution Professional of ACIL Limited & Anr*** in Civil Appeal No. 1527 of 2022 also has reiterated that CoC wisdom is supreme.
- 53.** Based on the above judicial pronouncements, this Adjudicating Authority is of the view that the commercial wisdom of the CoC in evaluating and approving a Resolution Plan is entitled to due deference and cannot be interfered with except to the limited extent permitted under Sections 30(2) and 31 of the Code. Upon examination of the material placed on record, including the manner in which the Resolution Plans were considered by the CoC, this Adjudicating Authority finds no material to establish that the decision of the CoC suffers from any perversity, illegality or any statutory infirmity warranting interference.
- 54.** A copy of Resolution Plan is available on pages 26 to 208 of the present application. Executive Summary containing

commercial proposals is given on page 3 of the Plan submitted by the SRA.

55. The Resolution Professional has filed the Compliance Certificate/Form H dated 22.05.2026, certifying compliance of the Resolution Plan with the applicable provisions of the Code and the CIRP Regulations. The clause-wise compliance statement specifically identifies the corresponding provisions of the Resolution Plan in relation to Section 30(2), Section 30(4), Section 29A and Regulation 39 and this statement is reproduced below:

Section of the Code/ Regulation No.	Requirement with respect to Resolution Plan	Compliance (Y/N)	Relevant clause of resolution plan
Section 25(2)(h)	The Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of the business of the CD	Yes	Affidavit dated 24.10.2025 Page 89 of Resolution Plan
Section 29A	The Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority	Yes	Affidavit dated 11.03.2026 Page 89 of Resolution Plan
Section 30(1)	The Resolution Applicant has submitted an affidavit stating that it is eligible as per Code	Yes	Affidavit dated 11.03.2026 Page 89 of Resolution Plan
Section 30(2)	The Resolution Plan- (a) provides for the payment of insolvency resolution process costs	Yes	Clause 6.3, Page 34 of Resolution Plan
	(b) provides for the payment to the operational creditors	Yes	Clause 6.3, Page 34 of Resolution Plan
	(c) provides for payment to the	Yes	Clause 11.5 (ii), Page 64 of

	financial creditors who did not vote in favour of the resolution plan		Resolution Plan
	(d) provides for the management of the affairs of corporate debtor	Yes	Clause 8.3, Page 47, 48 of Resolution Plan
	(e) provides for the implementation and supervision of the resolution plan	Yes	Clause 8.5, Page 50 of Resolution Plan
	(f) does not contravene any of the provisions of the law for the time being in force	Yes	Clause 15.3, Page 80 of Resolution Plan
Section 30(4)	The Resolution Plan (a) is feasible and viable, according to the CoC (b) has been approved by the CoC with 66% voting share	Yes	Clause 5.6 on Page 27 of Resolution Plan; Clause 5.6.3, 5.6.4 on Page 29, 30 of Resolution Plan Minutes of 9th CoC meeting held on 11.05.2026, Resolution Plan No.1 passed with voting share of 100.00%.
Section 31(1)	The Resolution Plan has provisions for its effective implementation and supervision by the CoC	Yes	Clause 8.5, Page 50 of Resolution Plan
Regulation 38(1)	The amount Due to the operational creditors under the resolution plan has been given priority in payment over financial creditors	Yes	Clause 6.3 on Page 34; Clause 6.4 on Page 36 of Resolution Plan
Regulation 38(1A)	The resolution plan includes a statement as to how it deals with the interests of all stakeholders	Yes	Clause 6.7, Page 40 of Resolution Plan
Regulation 38(1B)	Neither the Resolution Applicant nor any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. If applicable, the Resolution Applicant has submitted a statement giving details of any such non-implementation.	Yes	Clause 15.4, Page 80 of Resolution Plan
Regulation 38(2)	The Resolution Plan provides: (a) the term of the plan and its implementation schedule	Yes	Clause 4.3, Page 16; Clause 8.1, Page 46; Clause 10.1, Page 60 of Resolution Plan
	(b) for the management and control of the business of the corporate debtor during its term	Yes	Clause 8.5, Page 50 of Resolution Plan
	(c) adequate means for	Yes	Clause 8.5, Page 50 of

	supervising its implementation		Resolution Plan
Regulation 38(3)	The resolution plan demonstrates that –(a) it addresses the cause of default	Yes	Clause 5.5.2, Page 25 of Resolution Plan
	(b) it is feasible and viable	Yes	Clause 5.6, Page 27 of Resolution Plan; Clause 5.6.3, 5.6.4 on Page 29, 30;
	(c) it has provisions for its effective implementation	Yes	Clause 10, Page 60 of Resolution Plan
	(d) it has provisions for approvals required and the timeline for the same	Yes	Clause 10.4, Page 61 of Resolution Plan
	(e) the resolution applicant has the capability to implement the resolution plan	Yes	Clause 4.3, Page 16 and Clause 5.6.2, 5.6.3, Page 28 of Resolution Plan
Regulation 39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	Yes	No applications under Sections 43, 45, 50, or 66 of the Insolvency and Bankruptcy Code, 2016 has been filed, as no transactions warranting initiation of avoidance or fraudulent transaction proceedings were observed, identified, or determined during the CIRP.
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B	Yes	The Successful Resolution Applicant, Mr. Chandresh Soni, has provided the details of the Performance Security in the form Performance Bank Guarantee proceed amounting to Rs 3,00,00,000/-

Payment of CIRP Costs and Operational Creditors

56. In relation to Section 30(2)(a) of the Code, the Resolution Plan provides for payment of the insolvency resolution process costs of Rs 70,00,000 in first priority. The corresponding provision is contained in Clause 6.3 of the Resolution Plan. The RP has certified the same as compliant with Section 30(2)(a).

57. In relation to Section 30(2)(b), the Plan also provides for

payment to the Operational Creditors in accordance with the statutory requirements. The relevant provision is contained in Clause 6.3 of the Resolution Plan. The treatment of Government dues and other Operational Creditors is also reflected in the financial proposal placed before the CoC.

Management of the Affairs of the Corporate Debtor

- 58.** Section 30(2) further requires the Resolution Plan to provide for the management of the affairs of the Corporate Debtor after approval of the Plan. In this regard, Clause 8.3 of the Resolution Plan provides for the constitution/reconstitution of the management of the Corporate Debtor post approval. The RP has certified the same as compliant.
- 59.** The Plan contemplates the appointment/reconstitution of the Board, including Mr. Chandresh Soni and Mr. Rajneesh Tiwari, for the purpose of implementation and management of the affairs of the Corporate Debtor. The Plan materials further provide for reconstitution of the shareholding, with 74% proposed to be held by Mr. Chandresh Soni and 26% by Mr. Rajneesh Tiwari.

Implementation and Supervision of the Resolution Plan

- 60.** The Resolution Plan is also required to contain provisions for its implementation and supervision. Clause 8.5 of the Resolution Plan specifically deals with implementation and supervision. The RP has certified compliance with the corresponding requirement under Section 30(2).
- 61.** The Plan provides for an identifiable implementation mechanism, including a Monitoring Committee comprising a representative of the CoC, a representative of the SRA and the Resolution Professional. The first meeting of the Monitoring Committee is contemplated within seven days from the Effective Date, as reflected in Clause 8.5.2. The Plan materials further provide for implementation of the payment obligations and infusion of funds within the stipulated timelines.
- 62.** The Plan proposes an upfront payment of Rs.9,62,90,692/- within thirty days from the Effective Date, with the balance consideration to be infused within the stipulated implementation period. The total consideration under the Plan is Rs.18,22,90,692/-.

- 63.** The SRA has also furnished the requisite Performance Security in the form of a Performance Bank Guarantee of Rs.3 Crores. Form H records the furnishing of such Performance Security and confirms compliance with Regulation 39(4).
- 64.** Clause 9 of the Plan deals with the source of funds and estimated amounts and concerns payment of Rs 16,85,00,000 to SBI, Fresh funds infusion of Rs 7,90,00,000, working capital facility of Rs 15,00,00,000 (two tranches of Rs 7.5 crores each). Total amount as per plan is of Rs 41,93,60,423 comprising of Rs 26,93,60,423 as direct stakeholder payout and Rs 15 crores as working capital.

Feasibility and Viability of the Resolution Plan

- 65.** Section 30(4) requires the Committee of Creditors to satisfy itself regarding the feasibility and viability of the Resolution Plan. In the present case, the RP's Compliance Certificate identifies Clause 5.6, Clauses 5.6.3 and 5.6.4 as the relevant provisions concerning feasibility and viability.
- 66.** The Resolution Plan contemplates revival of the Corporate Debtor through infusion of funds, capital expenditure and

working capital. The Plan proposes approximately Rs.7.50 Crores towards revival/capital expenditure and approximately Rs.15 Crores towards working capital, in addition to the consideration payable under the Plan to various claimants. The proposed financial structure and revival strategy were placed before and considered by the CoC.

- 67.** The Plan compliance summary is available in Clause 18 (Pages 85 and 86 of the Plan) and Evaluation Matrix compliance Summary is available on pages 87 and 88 of the Resolution Plan.
- 68.** The CoC considered the feasibility and viability of the Plan, including the source of funds, financial capability of the SRA and the proposed revival strategy. The 8th and 9th CoC meetings record discussions concerning these aspects and the RP's due diligence. The CoC thereafter approved the Plan with 100% voting share.

Capability of the SRA and Source of Funds

- 69.** The Plan also sets out the financial capability and source of funds for implementation. The RP's Compliance Certificate

identifies Clause 4.3, Clauses 5.6.2 and 5.6.3 as the relevant provisions concerning the capability of the Resolution Applicant to implement the Plan.

70. The funding arrangement comprises the personal resources of the SRA and the financial contribution proposed to be made by his funding partner, Mr. Rajneesh Tiwari. The RP has recorded that an MoU between the SRA and the funding partner, together with a Chartered Accountant-certified net worth certificate reflecting net worth of approximately Rs.20.60 Crores, was placed on record.

71. The material placed before this Adjudicating Authority does not establish that the proposed source of funds is illusory or inherently incapable of supporting implementation of the Plan. The funding arrangement was specifically considered during the CoC deliberations and formed part of the RP's due diligence.

Statutory Approvals and Compliance with Law

72. The Resolution Plan is also required to provide for approvals necessary for its implementation. The RP's Compliance

Certificate identifies Clause 10.4 of the Resolution Plan as the provision dealing with approvals required and the timeline for obtaining the same.

- 73.** The Plan contemplates obtaining the necessary statutory and regulatory approvals within the timelines prescribed under the applicable laws. The requirement of obtaining such approvals cannot, however, be construed as a waiver of the statutory jurisdiction of the concerned authorities. The SRA shall remain bound to obtain such approvals in accordance with law.
- 74.** The RP has identified Clause 15.3 of the Resolution Plan and has certified that the Plan does not contravene the provisions of law for the time being in force. This Adjudicating Authority has independently examined the material placed on record for the limited purpose required under Section 30(2)(e) and Section 31 of the Code.

Section 29A Eligibility

- 75.** The eligibility of the Successful Resolution Applicant under Section 29A has already been considered while dealing with the objections. The Compliance Certificate/Form H records the

RP's certification regarding eligibility under Section 29A. For the reasons recorded hereinabove and in the connected proceedings, we find no established statutory disqualification which would render the Successful Resolution Applicant ineligible under Section 29A.

- 76.** The SRA had also furnished the eligibility affidavit dated 11.03.2026, which forms part of the material considered by the RP and the CoC. The Compliance Certificate accordingly records compliance with Section 29A and Section 30(1).

Reliefs, Concessions and Criminal Proceedings

- 77.** The Resolution Plan contains provisions seeking various reliefs, concessions and directions from this Adjudicating Authority and the concerned statutory authorities. These are principally dealt with under Clause 11.18 of the Resolution Plan.
- 78.** It is clarified that the grant of any relief, concession, waiver or statutory dispensation can operate only to the extent permissible under the Code and other applicable law and within the jurisdiction of the authority competent to grant the same. In particular, any protection contemplated in relation to

criminal proceedings shall remain subject to Section 32A of the Code, wherever applicable, and to the jurisdiction of the competent court or statutory authority.

- 79.** The Plan itself clarifies that the reliefs and concessions sought are not conditions precedent to implementation of the Resolution Plan (Page 69 of the Plan). Consequently, non-grant of any particular relief or concession does not, by itself, render the Resolution Plan incapable of implementation. This position is material while considering the effectiveness of the Plan under Section 31.
- 80.** The Resolution Plan was considered by the CoC after the completion of the prescribed process, including evaluation of the competing Resolution Plans, Challenge Mechanism, due diligence, consideration of feasibility and viability, source of funds, implementation capability and revival strategy. The final decision was taken by SBI, being the sole Financial Creditor holding 100% voting share.
- 81.** The Hon'ble Supreme Court in ***K. Sashidhar v. Indian Overseas Bank, (2019) 12 SCC 150, Committee of Creditors***

of Essar Steel India Ltd. v. Satish Kumar Gupta, (2020) 8 SCC 531, and ***Jaypee Kensington Boulevard Apartments Welfare Association v. NBCC (India) Ltd.***, has repeatedly held that the commercial wisdom of the CoC in relation to evaluation and approval of a Resolution Plan is entitled to due deference, and the Adjudicating Authority's jurisdiction is confined to the statutory parameters under Sections 30(2) and 31 of the Code.

- 82.** In the present case, the material placed on record demonstrates that the CoC considered the relevant aspects of the Resolution Plan before exercising its commercial wisdom. There is no material before this Adjudicating Authority to establish that the approval of the Plan suffers from perversity, illegality or any material procedural irregularity warranting interference.
- 83.** Approval of the Resolution Plan under Section 31 of the Code renders the Resolution Plan binding upon all stakeholders in terms of the statute.
- 84.** Upon an independent examination of the pleadings, affidavits,

compliance documents, Form H dated 22.05.2026, minutes of the meetings of the Committee of Creditors, the Resolution Plan dated 07.04.2026, and the submissions advanced by the parties, this Adjudicating Authority is satisfied that:

- (i) the Resolution Plan complies with the requirements of Section 30(2) of the Insolvency and Bankruptcy Code, 2016, including the provisions relating to payment of CIRP costs, treatment of Operational Creditors, management of the affairs of the Corporate Debtor, and implementation and supervision of the Resolution Plan;
- (ii) the Resolution Plan conforms to the applicable requirements of Regulations 38 and 39 of the CIRP Regulations, as certified by the Resolution Professional in the Compliance Certificate/Form H (Pages 270 to 296 of the Application).
- (iii) the Resolution Plan has been approved by the Committee of Creditors, consisting solely of State Bank of India holding 100% voting share, in exercise of its commercial wisdom after consideration of the relevant commercial parameters, including feasibility and viability;
- (iv) the Resolution Plan is feasible and viable and provides for an identifiable source of funds, financial commitment of the Successful Resolution Applicant and the Funding Partner, and an identifiable

mechanism for implementation, including the proposed infusion towards the Plan consideration, revival/capital expenditure and working capital requirements;

- (v) the Resolution Plan contains adequate provisions for its effective implementation and supervision, including the Monitoring Committee, stipulated payment and implementation timelines and the Performance Security furnished in terms of Regulation 39(4), satisfying the requirements of Section 30(2)(d) and the proviso to Section 31(1) of the Code;
- (vi) No contravention of the applicable provisions of law has been established before this Adjudicating Authority so as to render the Resolution Plan non-compliant with Section 30(2)(e) of the Code.
- (vii) the Resolution Plan does not contravene any provision of law for the time being in force, and the Successful Resolution Applicant satisfies the applicable eligibility requirements under Section 29A of the Code, including the applicable exemption under Section 240A in respect of the MSME Corporate Debtor, subject to statutory approvals and compliances required under applicable law; and
- (viii) the Resolution Plan, as approved by the Committee of Creditors, is directed towards revival of the Corporate Debtor as a going concern, value maximisation and balancing the interests of the stakeholders, and there is

no material before this Adjudicating Authority warranting interference with the commercial wisdom exercised by the Committee of Creditors.

- 85.** In view of the foregoing detailed observations and findings, this Adjudicating Authority is satisfied that the Resolution Plan dated 07.04.2026 submitted by Mr. Chandresh Lalitbhai Soni, Resolution Applicant, in respect of the Corporate Debtor, Raninga Paper Mills Private Limited, is **complete in all material respects**, complies with the provisions of the Insolvency and Bankruptcy Code, 2016 and the applicable CIRP Regulations, and is therefore **fit for approval under Section 31(1) of the Code** and **accordingly approved**.
- 86.** The Resolution Plan approved by the Committee of Creditors shall form part of this order. The Resolution Plan shall be binding on the Corporate Debtor, its employees, members, creditors, guarantors and other stakeholders in accordance with Section 31 of the Code.
- 87.** Upon approval of the Resolution Plan, the moratorium imposed under Section 14 of the Code shall cease to have effect in terms of Section 31(3)(a) of the Code.

- 88.** The Successful Resolution Applicant is directed to make payments and implement the Resolution Plan strictly in accordance with the terms and timelines stipulated therein. In the event of failure to implement the Resolution Plan in accordance with its terms, the consequences contemplated under the Code and the Resolution Plan shall follow, including the consequences that may arise under Section 33 of the Code, wherever applicable. The Performance Bank Guarantee furnished in terms of the Resolution Plan shall remain subject to the terms of the Resolution Plan and applicable law.
- 89.** We note that the objector in this Application and Dhananjay Sanjay Agarwal in IA No. 1037 of 2026 have raised objections concerning valuation reports that assigned NIL fair value and liquidation value to securities and financial assets. The present application encloses two valuation reports for financial assets on pages 505 to 514 (prepared by Janak Jagjivan Shah) and pages 515 to 525 by Rajiv Shivdayal Ahuja.
- 90.** The Report prepared by Janak Jagjivan Shah has determined fair value and liquidation value of securities and financial assets at NIL, as on 29.09.2025, though the assets had book

values of Rs 25,84,70,923:

- Cash and Bank balance: NIL
- Loans and advances: Rs 1,06,30,030
- Fixed Deposit: Rs 64,00,562
- Duties and taxes: Rs 2,24,008
- Sundry Debtors: Rs 12,35,27,008
- Inventory: Rs 11,75,65,595; and
- Deposits; Rs 1,23,720

91. The second valuation report has also determined fair value and liquidation value at NIL, whereas, book value is shown at Rs 21,62,74,035 which comprised of:

- Cash and bank balance: NIL
- Investment in fixed deposits: Rs 64,00,562
- Inventories : Rs 11,75,65,598
- Deposits : Rs 1,23,720

- Loans and advances : Rs 1,04,70,480
- Sundry Debtors: Rs 8,14,89,667
- Duties and Taxes: Rs 2,24,008.

92. Janak Jagjivan Shah has given the following reasons for valuing the above assets at Nil:

- Incomplete data provided as on 31.03.2025.
- Audited balance sheet as on 12.11.2024 is not available and RP provided the unaudited financial statements for FY 2022-2023.
- The RP has not provided necessary details of loan and advances and has provided written explanation and based on that NIL value is assigned.
- The RP has not provided necessary documents of Fixed Deposit
- The RP has not provided necessary documents for duties and taxes.
- The RP has not provided details concerning debtors with aging, letters written for recovery, recovery status etc and hence NIL value.
- Regarding inventory, details were asked from RP location

of inventory, its physical status, recovery status, etc. and RP has not provided necessary details and hence NIL value.

- Regarding deposits, RP has not provided details relating to deposits and hence NIL value.
- The book values were based on latest unaudited provisional financial statements dated 31.03.2025.

93. Rajiv Shivdayal Ahuja's report dated 23.12.2025, has given the following reasons for assigning NIL value to the financial assets:

- The book value was as per provisional financials of Raninga Paper Mills Private Limited as on 07.04.2025.
- Resolution Professional vide clarification dated 05 December 2025 communicated following factual limitations: no audited or unaudited financial statements have been prepared or approved for period subsequent to 31 March 2023.
- Accounting data for the period 31.03.2023 has been reconstructed by the RP based on available bank statements; partial accounting records; limited

transactional documents.

- The suspended management has not authenticated or validated any balances, schedules, of financial statements as on the insolvency commencement date.
- Absence of reliable and authenticated financial records.
- Non-availability of verifiable asset registers, supporting schedules, or ownership confirmation.
- Lack of corroborative evidence necessary to compute replacement or depreciated replacement cost in reliable manner.
- Due to above limitations, it is not feasible to reasonably determine any measurable economic value under the cost approach.
- Accordingly, the fair and liquidation value is assessed at NIL.

94. Page 409 of the Application (being a part of Minutes of the 4th Meeting of the CoC held on 29.12.2025) states that the Resolution Professional requested the suspended management

of the Corporate Debtor to furnish the requisite information and documents to facilitate completion and updating of the accounting records of the Corporate Debtor and sought certain information. On 6 December 2025, the RP reiterated the request to Mr. Chandresh Soni, suspended director, to provide detailed explanation in respect of entries identified or updation. The RP requested that responses to account related queries be submitted within two days. In the absence of an objective and complete response within stipulated time. In response, Mr. Chnadresh Soni provided limited information.

- 95.** The Applicant filed a purshis in compliance of this Adjudicating Authority order of 08.07.2026 and filed a copy of transaction audit report and valuation report in a sealed cover. The Valuation Report is by Rajiv Shivdayal Ahuja and the same is dated 09.01.2026. The earlier report of the same valuer was of 23.12.2025. This Report of 09.01.2026 is identical to that of 23.12.2025 and only date has been changed.
- 96.** The transaction audit report is prepared by Akhil A. Thakkar and Co. This is provided to RP on 12.04.2026. Executive Summary is available on pages 10 to 15 and only fraudulent

transactions of Rs 80,099 were identified.

- 97.** Pages 16 and 17 of the Transaction Audit Report refers to documents asked but not provided and these include: explanation for any long outstanding debtors on record, ageing report of debtors, physical cash and bank balance, account confirmations, stock audit report, inventory register, loan statement repayment schedule, explanation of deviation between standard and actual consumption of RM, WIP, if any.
- 98.** The above facts show that there were financial and securities assets including inventory, debtors, loan and advances and deposits of book value more than Rs 20 crores and these were valued at NIL because no details were provided by the Resolution Professional and suspended management that was Mr. Chandresh Soni. These valuation reports are provided to the CoC by the RP after securing confidentiality undertaking. These valuation reports are not provided to the PRAs. The valuation of these assets at NIL resulted into corresponding less value of fair market value and liquidation value of the Corporate Debtor. The Corporate Debtor was valued less due to NIL value of these assets.

- 99.** The assets of which value was estimated at NIL due to non-providing the information by the suspended management particularly of debtors, inventory, loans and advances, fixed deposits etc. No information was provided on the inventory of the corporate debtor.
- 100.** We are of the view that none should benefit from the consequences of non-cooperation. The information was not provided though it in the specific knowledge of the suspended management. How could loans and advances given, and fixed deposits be valued at NIL. The information was not available to the other PRAs and the SRA in this case had the information on the assets that are valued at NIL.
- 101.** The Information Memorandum also refers to only tangible assets, plant and machinery and land (pages 572 and 573 of the Application). Therefore, the SRA has submitted the Resolution Plan based on these assets disclosed in the Information Memorandum that is land, building, and plant and machinery.
- 102.** The SRA has submitted the resolution plan considering the

value of the above financial assets at NIL though book value was more than Rs 20 crores, therefore, the SRA will have no right or claim any such assets, value of which has been determined at NIL. The creditors would be entitled to assert their claims and right on such assets, which are valued at NIL.

103. We direct the monitoring committee to get full information on the above identified assets from the records of the Corporate Debtor and provide the same to the erstwhile CoC member/ Financial Creditor, who alone is rightful claimant of these assets and recovery will belong to the Financial Creditor. No benefit out of these NIL valued assets will go the Corporate Debtor or the Successful Resolution Applicant. The Monitoring Committee shall assist the FC in identifying the relevant persons from whom the collections are to be made. The Monitoring Committee will provide status update in its monthly report to this Adjudicating Authority.

104. As far as reliefs and concessions, claimed by the resolution applicant in clause 11.18 of the Resolution Plan under the headings Property, title, and assets; contracts and instruments; corporate governance and regulatory compliance,

extinguishment of legal proceedings and claims; statutory dues and government waivers; labour and employment proceedings; taxation reliefs; utilities, licenses and approvals; government subsidies and incentives; and force majeure are concerned, the law has been well settled by the Hon'ble Supreme Court in the case of **Ghanashyam Mishra and Sons Private Limited Vs. Edelweiss Asset Reconstruction Company Limited and Ors.** reported in MANU/SC/0273/2021 in the following words:

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

87 We have no hesitation to say, that the word "other stakeholders" would squarely cover the Central Government, any State Government or any local authorities. The legislature, noticing that on account of obvious omission, certain tax authorities were not abiding by the mandate of I&B Code and continuing with the proceedings, has brought out the 2019 amendment so as to cure the said mischief.....”

- 105.** A Resolution Plan is formulated during the CIRP stage, is subject to approval by the Committee of Creditors under Section 30(4), and upon approval by the Adjudicating Authority under Section 31, attains statutory finality and binding effect on all stakeholders, including Central and State Governments and statutory authorities. The binding nature and “clean slate”

consequences under Section 31 flow expressly from the statutory scheme of Chapter II of the Code.

106. However, it is equally settled law that: this Adjudicating Authority cannot grant blanket or omnibus waivers in respect of statutory liabilities governed by independent enactments under statutes such as the Income Tax Act, GST laws, FEMA, environmental laws etc., where statutory authorities are required to examine issues independently, reliefs can only be granted to the extent they flow from the IBC, CIRP Regulations and binding judicial precedents, and statutory compliances prospectively cannot be waived.

107. Any relief, concession or waiver which falls within the domain of statutory authorities or requires exercise of powers under independent statutes shall not be deemed to be granted by this order. It is stated that we are not dealing with each concession or relief claimed in the Resolution Plan and all such claims are subject to the provisions of the Code and the judicial precedents.

108. This Tribunal does not exercise plenary jurisdiction over

statutory authorities under special enactments, except to the limited extent recognized by the Insolvency and Bankruptcy Code and binding judicial precedents.

- 109.** We have carefully considered the provisions of section 32A of the IBC, 2016 and the judgments of the Hon'ble Supreme Court in the cases of ***Ghanshyam Mishra & Sons (P) Ltd. V. Edelweiss Asset Reconstruction Co. Ltd., (2021) 9SCC 657 and Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta, (2020) 8SCC 531; and Embassy Property Development Private Limited Vs. State of Karnataka & Ors. Civil Appeal No. 9170 of 2019.***
- 110.** All statutory authorities shall consider applications made by the Corporate Debtor or the SRA in accordance with law, keeping in view the object of the Code and the 'clean slate' principle. No blanket waiver of statutory dues, penalties, or liabilities is granted.
- 111.** The Applicant will be entitled to file appropriate application before various statutory authorities, regulatory authorities, government department, statutory bodies seeking various relief

and concessions having acquired the corporate debtor as a going concern. These Departments, who have not been noticed, have their own Acts, Rules and Regulations which may require certain procedural compliances and such procedural compliances have to be granted by law on by that authority. NCLT is the adjudicating authority in respect of the IBC, 2016. The Applicant is entitled to utilize the corporate debtor as a going concern seeking necessary relief and concessions that are sector specific to be dealt by the department/authority concerned to keep the corporate debtor as going concern. All authorities may keep in mind the provisions of section 238 of the Code that provides that the provisions of this Code shall have effect, notwithstanding anything inconsistent therewith contained in other law for the time being in force or any instrument having effect by virtue of any such law, that unrealistic demands, process, liability claim, that will defeat the object of the Code could be avoided and refrain from raising such claims, demands, liability etc. which got extinguished after approval of the Resolution Plan. The department/authorities should deal with such relief and

concessions, taking into consideration the clean slate principle enshrined in the IBC, 2016.

112. Upon approval of the Resolution Plan, all claims which are not made, or made and not admitted, or admitted and are not provided for in the Resolution Plan shall stand extinguished in accordance with Section 31 of the Code as per the law laid down by the Hon'ble Supreme Court in ***Ghanashyam Mishra and Sons Private Limited v. Edelweiss Asset Reconstruction Company Limited***. However, insofar as the reliefs, prayers, and concessions sought by the Successful Resolution Applicant are concerned, only such reliefs as are expressly granted under this order shall operate. All other statutory approvals, exemptions, concessions or waivers shall be obtained by the Successful Resolution Applicant from the competent authorities in accordance with applicable law.

113. Subject to fulfilment of the conditions stipulated under Section 32A of the Insolvency and Bankruptcy Code, 2016, the Corporate Debtor shall be entitled to the protection contemplated therein. It is clarified that this Adjudicating Authority has not independently adjudicated upon any

criminal or penal liability and the protection available under Section 32A shall operate strictly in accordance with the provisions of the Code and subject to satisfaction of the statutory requirements.

114. Save to the extent specifically provided under the Insolvency and Bankruptcy Code, 2016, this order shall not be construed as dispensing with any statutory approval, consent, licence or permission required under any other enactment. The Successful Resolution Applicant shall obtain all such approvals from the competent authorities in accordance with applicable law within the prescribed period.

115. We note that Clause 12 of the Resolution Plan deals with Personal Guarantee and provides that the financial creditors shall retain the right to pursue all remedies and recourse available to them under Applicable Law for recovery of any unresolved or unrecovered financial debt from such guarantors in accordance with their security documents. Therefore, the SBI is entitled to take necessary action in respect of all personal guarantors who had given personal guarantees in regard to the financial facilities granted to the Corporate

Debtor.

- 116.** A certified copy of this Order be issued on demand to the parties concerned, upon due compliance.
- 117.** Liberty is hereby granted for moving any application to this Tribunal, if required in connection with the implementation of this Resolution Plan.
- 118.** A copy of this Order is to be submitted to the concerned Office of the Registrar of Companies (“RoC”).
- 119.** The Registry is directed to send a copy of this order to the office of the Principal Chief Commissioner of Income Tax, Ahmedabad for information and necessary action under section 156A of the Income Tax Act, 1961 or section 290 of Income Tax Act, 2025.
- 120.** The Monitoring Committee, as constituted under the plan, is directed to file monthly progress reports with this Tribunal, detailing implementation status including the introduction of working capital and other capex funds in the Corporate Debtor , deviations (if any), and compliance with timelines, until full implementation.

- 121.** The Resolution Professional shall, upon the Monitoring Committee assuming charge in accordance with the Resolution Plan, hand over all records, books of account, statutory registers, electronic records and CIRP documents to the Monitoring Committee or to such person as authorised thereunder. The Monitoring Committee shall preserve the records and ensure implementation of the Resolution Plan in accordance with the timelines prescribed therein, subject to further orders, if any, passed by this Adjudicating Authority.
- 122.** Accordingly, **IA (PLAN)/9(AHM) 2026** stands **allowed** and **disposed of**.
- 123.** The Registry is directed at sending e-mail copies of the order forthwith to all the parties and their Learned Counsel for information as well as to IBBI and RoC and for taking necessary steps.

-SD-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Aditi Jain/LRA

-SD-

SHAMMI KHAN
MEMBER (JUDICIAL)