



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

IA(IBC)(Plan)/120/MB/2025

IN

CP(IB) No. 903 of 2019

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

In the Application of

Suman Kumar Verma

...Resolution Professional/
Applicant

In the matter of

Stressed Assets Stabilization Fund

...Financial Creditor

Versus

M/s Krystal Stone Exports Limited

...Corporate Debtor

Order Delivered On : 23.02.2026

Coram:

Sh.Prabhat Kumar
Member (Technical)

Sh.Sushil Mahadeorao Kochey
Member (Judicial)

Appearances:

For the Applicant

: Adv. Pulkit Sharma a/w Adv. Rehan
Agarwal and Adv. Tejas Madhavi

For the CoC

: Adv. Mily Ghoshal a/w Adv. Shweta



Thanekar, Ld. Counsel

For the Resolution Professional : Adv. Kamal Deep Tyagi, CMA

ORDER

Brief Background

1. The present Application is filed by **Suman Kumar Verma**, Resolution Professional (“**Applicant/Resolution Professional**”) of **M/s Krystal Stone Exports Limited** (“**Corporate Debtor**”) under Section 30(6) read with Section 31(1) of the Insolvency and Bankruptcy Code, 2016 (“**Code**”) read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (“**CIRP Regulations**”) read with Rule 11 of the National Company Law Tribunal Rules, 2016 for seeking approval of the Resolution Plan dated 26.05.2025 (Originally submitted on 05.04.2025, Revised Resolution Plan dated 18.04.2025 and 30.04.2025), submitted by Sonal Sumit Mehta (“**Successful Resolution Applicant/SRA**”) and for passing order/appropriate direction that this Tribunal may deem fit in the present matter. The Resolution Plan has been approved by 100% on 23.06.2025.
2. The Corporate Debtor has its registered address at 8, 1st Floor, Blasian Building, Amboli Naka, SV Road, Andheri West Mumbai - 400058 Maharashtra.
3. The Applicant submits that Corporate Debtor was originally admitted into the Corporate Insolvency Resolution Process (“**CIRP**”) vide order dated 24.09.2019 in CP 903 (IB)/MB/2019 wherein Mr. Vijay Pitamber Lulla was appointed as the Interim Resolution Professional (“**IRP**”), however, the said order was set aside by the Hon’ble NCLAT on ground of natural justice vide order dated 26.09.2023.



Therefore, this Tribunal passed another order dated 03.05.2024 after hearing the parties admitting the corporate debtor into CIRP, and the said order was upheld by Hon'ble NCLAT vide order dated 16.10.2024. The Applicant was appointed as Interim Resolution Professional and was subsequently confirmed as Resolution Professional on 19.09.2024.

4. Upon re-initiation of CIRP, the Applicant made a public announcement on 08.05.2024 in the Financial Express, Navakal (Mumbai) and Mahanagar Times (Jaipur) newspapers, received claims, and constituted the Committee of Creditors ("CoC") on 23.05.2024. The CoC comprises a single Financial Creditor, holding 100% voting share, whose admitted claim aggregates to ₹31.78 Crores.
5. The Applicant submits that the CIRP was severely impeded in the earlier phase due to persistent non-cooperation by the suspended management, non-availability of records, and inability to take physical possession of the assets of the Corporate Debtor. Even after re-initiation, substantial efforts were required to secure possession of the factory premises at SP-2, RIICO Industrial Area, Shivdaspura, Jaipur, which was found to be occupied by a tenant since 2014.
6. Pursuant to directions of this Tribunal, physical possession of the factory premises was eventually taken on 28.07.2024 with police assistance. Thereafter, the Applicant undertook identification and segregation of assets belonging to the Corporate Debtor and those belonging to the tenant, conducted videography, and placed the asset details before the CoC.
7. The Applicant further submits that the Corporate Debtor is a non-operational entity since 2013, with the latest available financials pertaining to FY 2012-13. Registered valuers were appointed, and



valuation reports were obtained and shared with the CoC in compliance with the Code and Regulations.

8. Multiple Expressions of Interest (“EOIs”) were issued during the CIRP. Despite repeated opportunities, several Prospective Resolution Applicants failed to submit viable plans. Ultimately, resolution plans were received from eligible applicants, including the tenant and the suspended director (the Corporate Debtor being an MSME).
9. The Applicant submits that extensive negotiations and deliberations were conducted across 16 CoC meetings. The resolution plans were scrutinized for compliance with the Insolvency and Bankruptcy Code, 2016, the CIRP Regulations, feasibility, viability, and commercial terms, with assistance from an Independent Process Expert appointed by the CoC.
10. In the 16th CoC meeting held on 11.06.2025 and 12.06.2025, the resolution plans were evaluated in accordance with the approved evaluation matrix. After detailed discussions and voting, the CoC approved the resolution plan of Mrs. Sonal Sumit Mehta by the requisite majority on 23.06.2025.
11. The Applicant submits that the approved resolution plan provides for payment towards CIRP costs, dues of Financial and Operational Creditors, and contains provisions for revival of the Corporate Debtor. Form H has been duly filed, and the resolution plan has been placed before this Tribunal under Section 30(6) read with Section 31 of the Code.

Interlocutory Applications

12. IA(I.B.C)/5092/MB/2025 was filed by RP against Countertops and Cabinets (India) Private Limited & Ors. for possession of factory



premises from M/s Countertops and Cabinets India Pvt Ltd and the same is pending.

Limitation:

13. IA(I.B.C)/1254/MB/2020 was filed by Mr. Vijay Lulla under Section 60 (5)(C) of the Code on behalf of the Resolution Professional seeking Exclusion of 111 Days of Period lost during the CIRP Process due To non-Cooperation from the Erstwhile Management. The same was allowed vide order dated 07.09.2023, thereby excluding the period from 03.12.2019 to 12.06.2020.
14. The CIRP period expired on 24.06.2025. Hence, IA(I.B.C)/5132/MB/2025 was filed seeking extension of time by 30 days which was allowed by this Tribunal vide order dated 10.11.2025 thereby extending the CIRP period upto 06.07.2025, which is the date of filing of the present application. The order dated 10.11.2025 was rectified by this Tribunal vide order dated 12.02.2026 extending the CIRP period till 09.07.2025. The Application for Approval of Resolution Plan has been filed on 08/07/2025 as per DMS. Accordingly, the same is within the extended period of CIRP.

Salient Features of the Resolution Plan

3.1. Summary of the Plan

Total Resolution Plan amount of Rs. 18,81,00,000/- (Rupees Eighteen Crores Eighty One Lakh Only)



Distribution of Plan Amount	(Amount in Rs.)
CIRP Cost*	At Actuals
Secured Financial Creditors	18,60,56,036 (Less CIRP Cost at actual)
Operational Creditors being Statutory and Government Dues	20,43,964
Total	18,81,00,000

**CIRP Cost has not been provided by the Resolution Professional and thus, the cost at actuals shall be paid in priority from the funds allocated to SFC above*

Statutory Compliance:

15. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant and confirms that this Resolution Plan:

- a) Provides for payment of Insolvency Resolution Process cost in a manner specified by the Board in the priority to the payment of other debts of the corporate debtor;
- b) Provides for payment of debts of Operational Creditor in such manner as may be specified by the board which shall not be less than
 - (i) the amount to be paid to such creditors in the event of liquidation of the Corporate Debtor under Section 53; or
 - (ii) the amount that would have been paid to such creditors, if the amount to be distributed under the Resolution Plan had been distributed in accordance with sub-section (1) of Section 53 in the event of liquidation of the corporate debtor.
- c) Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;
- d) The implementation and supervision of Resolution Plan;
- e) Does not prima facie contravene any of the provisions of the law for time being in force,



- f) Confirms to such other requirements as may be specified by the Board.
 - g) As per the Affidavit, the Resolution Applicant is not covered under Section 29A.
16. In compliance of Regulation 38 of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that
- a) The amount due to the Operational Creditors under Resolution Plan shall be given priority in payment over Financial Creditors.
 - b) It has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors of the Corporate Debtor.
 - c) A statement that neither the Resolution Applicants nor any related parties have failed to implement nor have contributed to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority in the past.
 - d) The terms of the plan and its implementation schedule.
 - e) The management and control of the business of the Corporate Debtor during its term.
 - f) Adequate means of Supervising its implementation.
 - g) The Resolution Plan Demonstrates that it addresses
 - i. The cause of the Default
 - ii. It is feasible and viable
 - iii. Provision for effective implementation
 - iv. Provisions for approvals required and the time lines for the same.
 - v. Capability to Implement the Resolution Plan
17. With respect to Regulation 39(2) of CIRP Regulations, the RP has submitted that the said Regulation prescribes that the RP has to present all the Resolution plans before the CoC including non-



compliant plan and that the RP is obliged to present all Resolution Plans including Non-Compliant Resolution Plans to the CoC in terms of CIRP Regulations however same is not the issue in the present case. All the eligible Resolution Plans satisfying the EOI and RFRP were presented to the CoC and the issues with the Resolution Plans with Report of the RP were widely discussed from 10th CoC meeting to the 16th CoC meetings. The CoC discussed all issues in detail and finally decided to approve the Resolution Plan of the SRA. The Regulation 39(2)(3) of the CIRP Regulations prescribes that the committee of creditor(s) have to evaluate all the Resolution plans. It has been communicated to the RP telephonically by the CoC, tenant and the suspended director that they are making further negotiations and discussions on settlement, however final outcome is not known.

18. The Resolution Professional has submitted Form-H under Regulation 39(4) of the CIRP Regulations to certify that the Resolution Plan as approved by the CoC meets all the requirements of the IBC and its Regulations. The Resolution Applicant has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order. The relevant parts of the Form H are reproduced below:

FORM H

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

<i>Sl. No.</i>	<i>Particulars</i>	<i>Description</i>
1	<i>Name of the CD</i>	<i>Krystal Stone Exports Ltd</i>
2	<i>Date of Initiation of CIRP</i>	<i>03.05.2024</i>
3	<i>Date of Appointment of IRP</i>	<i>03.05.2024 (Communicated to IRP on IRP 06.05.2024)</i>



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4	<i>Date of Publication of Public Announcement</i>	08.05.2024
5	<i>Date of Constitution of CoC</i>	23.05.2024
6	<i>Date of First Meeting of CoC</i>	01.06.2024
7	<i>Date of Appointment of RP</i>	19.09.2024
8	<i>Date of Appointment of Registered Valuers</i>	14.08.2024 Delay occurred as the possession could be taken with the help of police on 28.07.2024 after order of Ld. AA dated 08.07.2024 and the documents were finally received by 24.10.2024
9	<i>Date of Issue of Invitation for EoI (In case of multiple issuance of EoI, please specify all such dates)</i>	First EOI-09.08.2024 Second EOI-05.11.2024 Third EOI-08.02.2025
10	<i>Date of Final List of Eligible Prospective Resolution Applicants</i>	First EOI-18.09.2024 Second EOI- 14.12.2024 Third EOI-24.02.2025
11	<i>Date of Invitation of Resolution Plan</i>	As per Sr no 10
12	<i>Last Date of Submission of Resolution Plan</i>	First EOI-23.10.2024 Second EOI-18.01.2025 Third EOI-12.03.2025
13	<i>Date of submission of Resolution Plan to the RP</i>	In first EOI, no resolution plan was received. Second EOI-18.01.2025 Third EOI-12.03.2025
14	<i>Date of placing the Resolution Plan before the CoC</i>	8th COC meeting held on 21.01.2025 9th COC meeting held on 06.02.2025 10th COC meeting held on 13.03.2025 11th COC meeting held on 25.03.2025 12th COC meeting held on 08.04.2025 13th COC meeting held on 17.04.2025 14th COC meeting held on 26.04.2025 15th COC meeting held on 22.05.2025 16th COC meeting held on 11.06.2025 & 12.06.2025
15	<i>Date of Approval of Resolution Plan by CoC</i>	23.06.2025
16	<i>Date of Filing of Resolution Plan with Adjudicating Authority</i>	05.07.2025



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17	<i>Date of Expiry of 180 days of CIRP</i>	30.10.2024
18	<i>Date of each order extending/excluding the period of CIRP on request filed by RP</i>	<i>Order dated 06.01.2025 in IA 5929/2024 extended the period by 90 days</i> <i>Order dated 09.02.2025 in IA 913/2025 extended the period by 60 days</i> <i>Order dated 21.04.2025 in IA 1716/2025 Box excluded the litigation period of 86 days</i> <i>The CoC has resolved the extension of 30 days in its 16th CoC meeting held on 11.06.2025 & 12.06.2025 and the RP has filed the application to the Ld. AA vide diary no 2709138059692025 25.06.2025. The same is under on adjudication.</i>
19	<i>Date of Expiry of Extended Period of CIRP</i>	24.07.2025
20	<i>Fair Value</i>	21.34 Cr
21	<i>Liquidation value</i>	15.97 Cr as considered by the CoC
22	<i>Number of Meetings of CoC held</i>	16

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

Sl. No.	Particulars	Description
1.	<i>Name of Successful Resolution Applicant (SRA)</i>	<i>Mrs. Sonal Sumit Mehta</i>
2.	<i>Nature of Business of SRA</i>	<i>Education, Investments, finance and other allied business activities.</i>
3.	<i>Relationship status of SRA with CD, if any</i>	<i>NA</i>
4.	<i>Whether SRA is eligible to submit plan u/s 240A of IBC in case of MSME CD</i>	<i>NO</i>



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5.	<i>Due Diligence Certificate of the RP u/s 29A of IBC for the SRA (pls attach copy of certificate)</i>	<i>Copy attached</i>
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4.The details of CIRP, and resolution plan are as under:

Sl. No.	Particulars	Description
1.	<i>Whether Corporate Debtor is an MSME, if so, Date of obtaining MSME registration (pls attach copy of registration certificate)</i>	<i>Yes, MSME Certificate issued by the District Industry Centre is 14.03.2000.</i>
2.	<i>Business of the CD</i>	<i>The company's operations were in manufacturing and processing of stones, marbles and furniture items.</i>
3.	<i>Total admitted claims (Amount in Rs.)</i>	<i>FCs - Rs 31.78 Cr</i> <i>OCs - Rs 0.21 Cr</i> <i>Total Admitted claims - Rs 31.99 Cr</i>
4.	<i>Resolution Plan Value (including insolvency resolution process cost, infusion of funds etc)</i> <i>(In the case of real estate CDs, provide the monetary value of flats etc. given to allottees)</i> <i>(pls attach copy of Resolution plan- Enclosed)</i>	<i>18.81 Cr</i>
5.	<i>Voting percentage (%) of CoC in favour of Resolution Plan- Sole CoC member (pls attach copy of minutes approving resolution plan)</i>	<i>100%</i>

5.Details of implementation of resolution plan:

Sl. No.	Particulars	Description
1.	<i>Amount of Performance Guarantee furnished by SRA (in Rs.) and its validity (attach document)</i>	<i>Rs 2,82,15,000 valid till 02.07.2027.</i>



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2.	Source of funds (in brief)	Fund Infusion by way of Issuance of Equity Share	
		Quasi Capital/Unsecured Loan	17,81,00,000
		TOTAL	18,81,00,000
3.	Capital restructuring and management of CD post approval of resolution plan (in brief including shareholding proposed to be transferred in favor of SRA)	The RA proposes the monitoring committee and proposes entire payment within three months from the date of approval of Resolution Plan by the Ld AA. The RA proposes cancellation of all existing equity shares and get it allotted to the shareholders proposed by him.	
4.	Term and implementation of plan (in brief)	<p>The term of the Resolution Plan shall commence on Approval of Resolution Plan by Adjudicating Authority in accordance with the Section 31 of the Code. Resolution Plan shall be binding on Resolution applicant as well as CoC till plan is fully implemented.</p> <p>Subject to the satisfaction of the other provisions of the Resolution Plan, the mechanism for the implementation of the provisions is set forth in Schedule — 2 (Implementation Actions), Schedule-3 (Release of Security Interest) and Schedule 7(Financial Plan)</p>	
5.	Details of monitoring committee (in brief)	<p>Two authorized representatives of Resolution Applicant.</p> <p>Two authorized representative of lead Secured Financial Creditors</p> <p>An Insolvency Professional nominated by authorized representative of RA and secured financial creditor</p>	
6.	Effective date of resolution plan implementation	After approval by the Ld AA	

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

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)



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1.	<i>Stressed Assets Stabilization Funds, now assigned to Omkara Assets Reconstruction Pvt Ltd</i>	100%	<i>Voted For</i>
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7A. Realisable amount:

Sl. No.	Particulars	Description
1.	<i>Total Realisable amount under the plan only to FCs</i>	<i>17.40 Cr</i>
2.	<i>Fair Value</i>	<i>21.34 Cr</i>
3.	<i>Liquidation Value</i>	<i>15.97 Cr</i>
4.	<i>Percentage (%) of realisable amount to Fair Value</i>	<i>81.54%</i>
5.	<i>Percentage (%) of realisable amount to Liquidation Value</i>	<i>108.95%</i>
6.	<i>Percentage (%) of realisable amount to Principal amount</i>	<i>179.20%</i>
7.	<i>Percentage (%) of realisable amount to Total admitted claims</i>	<i>54.39%</i>
8.	<i>Percentage (%) of realisable amount to Other than admitted Corporate Guarantee claims</i>	<i>NA</i>

7B. Details of Realisable amount:

(Amount In Rupees)

Stakeholder Type	Amount(s)				Payment schedule
	Amount Claimed	Amount Admitted	Realisable amount under the plan	Amount realizable in plan to amount claimed (%)	
<i>Secured Financial Creditors</i>	<i>317986222</i>	<i>317810967</i>	<i>17,40,56,036</i>	<i>54.77%</i>	<i>2,59,56,036- Upfront</i>
<i>-Creditors not having a right to vote under subsection (2) of section 21</i>					<i>14,81,00,000- Within 90 days</i>
<i>-Assenting</i>					



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<i>Unsecured Financial Creditors</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
<i>-Creditors not having a right to vote under subsection (2) of section 21</i>					
<i>-Dissenting</i>					
<i>-Assenting</i>					
<i>Operational Creditors</i>					
<i>(i) Government</i>	<i>20,43,964</i>	<i>20,43,964</i>	<i>20,43,964</i>	<i>100%</i>	<i>Upfront</i>
<i>(ii) Workmen</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
<i>-PF dues</i>					
<i>-Other dues</i>					
<i>(iii) Employees</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
<i>-PF dues</i>					
<i>-Other dues</i>					
<i>(iv) Other Operational creditors</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
<i>Other Debts and Dues</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
<i>Shareholders</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
<i>Total</i>	<i>32,00,30,186</i>	<i>31,98,54,931</i>	<i>17,61,00,000</i>	<i>55.06%</i>	<i>Upfront: 2,80,00,000/-</i> <i>(Including payment to Operational Creditor)</i> <i>Within 90 days: 14,60,56,036/-</i>

Expected CIRP Cost is Rs 1.20 Cr and the same was communicated to all RAs.

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16. Whether Resolution Plan is subject to any contingency/condition - Yes



Findings and Analysis:

19. On perusal of the Resolution Plan, we find that the Resolution Plan provides for the following:
- a) Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
 - b) Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
 - c) For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified U/s 30(2)(c) of the Code.
 - d) The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.
20. The RP has complied with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of the CIRP Regulations.
21. The RP has filed Compliance Certificate in Form-H along with the Resolution Plan as well as revised Form H pursuant to direction of this Bench. On perusal, the same is found to be in order. The Resolution Plan has been approved by the CoC by majority of 100%.
22. Vide order dated 09.12.2025, this bench directed the Applicant to furnish the following information by way of additional Affidavit, if not given in the Application:
- i. Last audited financial statements; assets under lien; any Application about guarantors;
 - ii. Whether there are any Applications u/s 43, 45, 66 IBC pending.
 - iii. Any objections; information about other Resolution applicants; position about the notices etc. for the meeting which approved the Resolution Plan including the attendance.



- iv. Sources of generation of funds, details of the implementation of Resolution Plan and adherence to other provisions of law and regulations.
23. The Applicant RP vide its written submissions dated 23.01.2026 has placed on record copy of relevant pages of minutes of 2nd CoC meeting held on 18.06.2024 along with voting result wherein the rent agreement in relation to factory building in possession of M/s Countertops and Cabinets India Pvt Ltd. was cancelled, copy of few email communications in between the RP and the tenant to vacate the premises, copy of email dated 14.04.2025 of the RP to the RAs sharing status of Bapi Land and allotment of additional land near factory premises, copy of Annexure III of the IM giving status of litigations of the CD and copy of email dated 14.06.2025 by the RP to the CoC requiring CoC to reconsider the Criteria V of the evaluation matrix so as to incorporate properly in the minutes. the SRA is not having any business.
24. With respect to the SRA not having any business, it is pertinent to note that it is for the CoC to consider the capability of SRA to implement the resolution plan proposed by them. It is undisputed fact that the SRA is a professional, who can be said to be well versed with business nuances even if SRA is not directly engaged in the business activity of any nature. Though this may have bearing on score as per evaluation matrix, however, it is pertinent to note that highest score does not entitle a Resolution Applicant to have its plan approved, as other factors also merit consideration while approving the Resolution Plan. When we look at the past history of resolution process of the corporate debtor, it is noted that the corporate debtor was admitted into liquidation in the first round of CIRP (the CIRP admission order was set aside by Hon'ble NCLAT on ground of natural justice) in the absence of any resolution plan, and even in the second round of CIRP,



the resolution plan from person other than suspended member and his son could be received in fourth round of form G publication. It is also pertinent to note that the presence of SRA in that round resulted into the phenomenal increase in resolution money proposed by son of suspended board, which conspicuously was kept at low due to lack of competition. Even the IBC does not mandate that a Resolution Applicant must be an ongoing or operational business entity at the time of submission or approval of a Resolution Plan. Further, the CoC has examined the viability and feasibility of resolution plan, and we have found no procedural irregularity in course of such examination.

25. The eligibility of a Resolution Applicant is governed primarily by Section 29A of the IBC. In the present case, the Resolution Professional has certified, and the Committee of Creditors (“CoC”) has duly considered, that the SRA is not hit by any of the disqualifications under Section 29A of the IBC. No material has been placed on record to show that the SRA suffers from any statutory ineligibility. The Hon’ble Supreme Court in *ArcelorMittal India Pvt. Ltd. v. Satish Kumar Gupta, Civil Appeal Nos. 9402-9405 of 2018* held that Section 29A is a complete code for determining the eligibility of a Resolution Applicant, and if an applicant is not disqualified thereunder, the Adjudicating Authority cannot import additional criteria not envisaged by the statute.
26. The commercial wisdom of the CoC in approving a Resolution Plan has been consistently held to be non-justiciable, save and except to the limited extent provided under Section 30(2) and Section 31 of the IBC. Hence, the SRA not presently being in business cannot, by itself, be a ground to reject the Resolution Plan. The very objective of the IBC is resolution of stressed assets and revival of the Corporate Debtor, which may be undertaken even by newly incorporated



entities, investment vehicles, or persons proposing to commence business through the resolution process.

27. In the present case, the Resolution Plan has been approved by the CoC with the requisite majority after due consideration of feasibility and viability. The Plan provides for infusion of funds, payment to stakeholders in accordance with Section 30(2), and revival of the Corporate Debtor.
28. In Schedule 5 of the Resolution Plan, the SRA has sought the reliefs and concessions. The stated effect of the Resolution Plan and reliefs & concessions as prayed for shall be available in accordance with the principle laid down by Hon'ble Supreme Court in case of *Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited* {(2021) 13 S.C.R 737} & *Municipal Corporation of Greater Mumbai vs. Abhilash Lal and Ors.* (2019) *ibclaw.in* 480 NCLAT. Further, it is clarified and ordered that -
- a. Any increase in the authorized capital shall be subject to payment of prescribed fee, if any applicable, and filing of prescribed forms with the Registrar of Companies.
 - b. The Income Tax Department shall be at liberty to examine the tax implications arising from the proposals contained in the plan, in terms of Section 2(24), Section 28 and Section 56 of the Income Tax Act, 1961 read with GAAR provisions thereunder.
 - c. The Applicant shall file necessary forms and pay prescribed fees, if any, in terms of provisions of the Companies Act, 2013 in relation to reduction in capital and issuance of fresh capital, however, the Registrar of Companies shall waive the additional fees, if any, payable on such filing.
 - d. The SRA may approach prescribed authorities for waiver/reduction in fees, charges, stamp duty, and registration



fees, if any arising from actions contemplated under the Resolution Plan and such request shall be subject to the relevant law/statute and adherence to the procedure prescribed thereunder.

- e. The SRA may file appropriate application, if required, for renewal of all Business Permits, rights, entitlements, benefits, subsidies and privileges whether under applicable Law, contract, lease or license granted in favour of the Corporate Debtor or to which the Corporate Debtor is entitled to or accustomed to, which have expired on the Effective Date, and follow the dues procedure prescribed for the purpose upon payment of prescribed fees. The contract with third parties shall be subject to consent of such parties. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under Code and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Debtor. No action shall lie against the Corporate Debtor for any non-compliances arising prior to the date of approval of Resolution Plan, however, such non-compliances shall be cured, if necessitated to keep the approval in force, after approval of the plan within period stipulated in the Resolution Plan. The Compliances under the applicable law for all the statutory appointments by the Corporate Debtor shall be completed within 12 months, where after, the necessary consequence under respective law may follow.
- f. No orders levying any tax, demand of penalty from the Corporate Debtor in relation to period up to approval of the Resolution Plan shall be passed by any authority and such demand, if created, shall not be enforceable as having extinguished in terms of approved Resolution Plan.



- g. The carry forward of losses and unabsorbed depreciation shall be available in accordance with the provisions of Income Tax Act, and the Income Tax Department shall be at liberty to examine the same.
- h. An application for compounding/condoning shall be filed in accordance with the procedure specified in respective law or concerned authority, however, no fine or penalty shall be imposed for non-compliances till the date of approval of this Plan or such further period as is permitted in terms of this Order.
- i. ROC shall update the records and reflect the Corporate Debtor as 'Active' upon filing of pending returns/forms after payment of normal fees (not additional fee). In case such filing is not permitted by the e-filing portal, the ROC shall accept such forms/returns in physical format and manage to upload the same by back-end without requiring payment of additional filing fees leviable for the period upto approval of Resolution Plan. The Corporate Debtor shall be exempted from using the words "and reduced".
- j. The Resolution Applicant, the Corporate Debtor and the assets of the Corporate Debtor forming part of Resolution plan shall have immunity, privileges and protection as is available in the form and manner stated in Section 32A of the Insolvency and Bankruptcy Code, 2016.
- k. The Corporate Debtor's rights or interest in the properties at SP2, RIICO Industrial Area, Kiikipura, Shivdaspura, Jaipur, Rajasthan, admeasuring 14,028 square meters and B-5, Bapi, RIICO Industrial Area, Dausa, Rajasthan admeasuring 8000 sqm shall be as it had on the commencement of Insolvency Resolution Process and shall be subject to the rules and regulation framed by lessor development authority and



applicable to such properties.

1. The Corporate Debtor's rights as well as rights of tenant in relation to property occupied by tenant, the subject matter of IA 5313/2025, shall be subject to the decision of this Tribunal in the said IA.
 - m. The relief, concession or waiver contemplated in the approved Resolution Plan under any of its part shall be available to the Corporate Debtor only to the extent as enumerated above and such relief, concession or waiver shall not extend to its subsidiaries, joint-ventures or associates/affiliates, who have not been subjected to resolution in the present CIRP process of Corporate Debtor. However, it is clarified that no claim or action shall lie against the Corporate Debtor in relation to any financial or any kind of obligation of subsidiaries, joint-ventures or associates/affiliates, whether past or arising in future.
 - n. It is clarified that any relief, concession or waiver, not specifically dealt with in Paras (a) to (m) above or not permissible in terms of decision in case of *Ghanshyam Mishra (supra)* and *Abhilash Lal (Supra)* or specific provisions of the Code read with the Regulations, shall be deemed to be denied or rejected.
29. In *K Sashidhar v. Indian Overseas Bank & Others* (in Civil Appeal No.10673/2018 decided on 05.02.2019) the Hon'ble Apex Court held that if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per Section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan as approved by CoC meets the requirements specified in Section 30(2) of the Code. The Hon'ble Apex Court further observed that the



role of the NCLT is ‘no more and no less’. The Hon’ble Apex Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 of the Code and is limited to scrutiny of the Resolution Plan “as approved” by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in reference to matters specified in Section 30(2) of the Code when the Resolution Plan does not conform to the stated requirements.

30. In view of the discussions and the law thus settled, the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the CIRP Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. The same needs to be approved. Hence, ordered.

Order:

31. The Resolution Plan is hereby **approved**. It shall become effective from this date and shall form part of this order with the following directions:
- i. It shall be binding on the Corporate Applicant, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.
 - ii. The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/liabilities of the Corporate Applicant and shall be dealt by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned in light



of the Judgment of Supreme Court in ***Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited***, the relevant paragraphs of which are extracted herein below:

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

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

(iii) consequently, all the dues including the statutory dues owed to the Central Government, any State Government or any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued.”

iii. The Memorandum of Association (“**MoA**”) and Articles of Association (“**AoA**”) shall accordingly be amended and filed



with the Registrar of Companies (“RoC”), Mumbai, Maharashtra for information and record.

- iv. The Successful Resolution Applicant, for effective implementation of the Resolution Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed. It is clarified that the authorities shall not withhold the approval/consent/extension for the reason of insolvency of the Corporate Applicant or extinguishment of their dues upto approval of Resolution plan in terms of the approved plan. Any relief or concession as sought on the plan shall be subject to the provisions of the relevant Act.
- v. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- vi. The Applicant shall supervise the implementation of the Resolution Plan and file status of its implementation before this Authority from time to time, preferably every quarter.
- vii. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.
- viii. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

32. Ordered accordingly.

Sd/-
Prabhat Kumar
Member (Technical)
MK

Sd/-
Sushil Mahadeorao Kochey
Member (Judicial)