IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH
KOLKATA

IA (IB) No. 370/KB/2021
in
CP (IB) No. 30/KB/2019

In the matter of:
Application under section 30(6) and section 31(1) of the Insolvency and Bankruptcy Code, 2016 read with rule 11 of the National Company Law Tribunal Rules, 2016;

And

In the matter of:
Dynamic Cables Limited **…** **Operational Creditor**

Versus

India Power Corporation [Bodhgaya] Limited … **Cor**

And

In the matter of:
Ms. Savita Agarwal,
Resolution Professional of
India Power Corporation [Bodhgaya] Limited
… ***Applicant***

Coram:

Mr. Rohit Kapoor	**:**	**Member (Judicial)**
Mr. Harish Chander Suri	**:**	**Member (Technical)**

Appearances (via hybrid mode):

For the Applicant/RP	:	Mr. Zeeshan Haque, Advocate Mr. Supriyo Gole, Advocate Ms. Savita Agarwal, RP

Date of hearing: 23 May, 2022

Date of pronouncement: 18 July 2022

<u>ORDER</u>

Per: Rohit Kapoor, Member (Judicial)

1. Preliminary

1.1. This Court convened through hybrid mode.

1.2. IA (IB) No. 370/KB/2020 is an application filed by Ms. Savita Agarwal, Resolution Professional of Indian Power Corporation [Bodhgaya] Limited [CIN: U40109WB2013PLC197173], under section 30(6) read with section 31(1) of the Insolvency and Bankruptcy Code, 2016 and regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 *(CIRP Regulations)* for approval of the Resolution Plan in respect of Indian Power Corporation [Bodhgaya] Limited, the Corporate Debtor.

1.3. The underlying Company Petition in CP (IB) No. 30/KB/2019 was filed by Dynamic Cables Limited against the Corporate Debtor under Section 9 of the Insolvency and Bankruptcy Code 2016, which was admitted *vide* order dated 08 November 2019.

1.4. Mr. Savita Agarwal [Regn. No. IBBI/IPA-001/IP-P00101/2017-18/10201] was appointed as the Interim Resolution Professional (IRP) and was confirmed as the Resolution Professional (RP) of the Corporate Debtor by the Committee of Creditor ("CoC") in its First CoC meeting held on 24 June 2020.

2. Constitution of CoC

2.1. The IRP made public announcement on 28 May 2020 in ***Business Standard*** (English) (Kolkata editions), ***Aajkal*** (Bengali) (Kolkata edition) newspapers regarding initiation of Corporate Insolvency Resolution Process **[CIRP]** and called for claims from the financial and operational creditors, workers and employees of the Company in the specified forms till 08 June 2020.

2.2. The CoC was constituted on 17 June 2020 with one Financial Creditor viz. Palm Products Private Limited. A report of constitution of CoC was submitted with this Adjudicating Authority on 19 June 2020.

2.3. The Applicant states that total of eleven CoC meetings have been held during CIRP period.

3. CIRP and compliances

3.1. The Applicant submits that in terms of the provisions of section 25(2)(h) of the Code read with regulation 36A(1) of CIRP Regulations, 2016, invitations in Form 'G' for Expressions of Interest *("EoI")* from potential resolution applicants was published on 07 August 2020 and 28 August 3030 for submission of resolution plans for the Corporate Debtor, in terms of the provisions of section 25(2)(h) of the Code read with regulation 36A (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. It was also published on the website of the Corporate Debtor and IBBI.

3.2. Rankini Power Generation Limited submitted an EoI and thereafter submitted its Resolution Plan. The said Resolution Plan was placed before the CoC in its 9th meeting held on 16 December 2020. The Resolution Plan was thereafter revised and submitted.

3.3. The Revised Resolution Plan dated 10 February 2021 was discussed and approved in the 11th CoC meeting held on 13 February 2021, the CoC approved the Resolution Plan of Rankini Power Generation Private Limited with 100% voting share.

3.4. The RP sent a letter of Intent dated 19 February 2021to the successful Resolution Applicant which was duly accepted by the successful Resolution Applicant.

3.5. The Successful Resolution Applicant submitted Performance Bank

Guarantee of ₹20,00,000/- (Rupees Twenty Lakh only) dated 23 February 2021.

4. Compliance with statutory provisions

4.1. The Applicant has filed a Compliance Certificate in prescribed form, i.e. Form 'H' in compliance with regulation 39(4) of the CIRP Regulations.

4.2. The Applicant has submitted that the Resolution Applicant is eligible to file a Resolution Plan and has filed an affidavit under section 29A of the Code.

4.3. The Applicant has submitted details of various compliances as envisaged within the Code and the CIRP Regulations which a Resolution Plan should adhere to, which are reproduced hereunder:

I. Submission of Resolution Plan in terms of sub-section (2) of section 30 of the Code (as amended vide Amendment dated 16 August 2019):

Clause of s.30(2)	Requirement	How dealt with in the Plan
1.	Plan must provide for payment of CIRP cost in priority to repayment of other debts of CD in the manner specified by the Board.	Clause 7.4 of the Resolution Plan.
2.	(i) Plan must provide for repayment of debts of OCs in such manner as may be specified by the Board which shall not be less than the amount payable to them in the event of liquidation u/s 53;	Clause 7.6. of the Resolution Plan
	(ii) Plan must provide for repayment of debts of OCs in such manner as may be specified by the Board which shall not be less than amount that would have been paid to such creditors, if the amount to	Clause 7.6. of the Resolution Plan

Clause of s.30(2)	Requirement	How dealt with in the Plan
	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;	
	(iii) provides for 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.	Clause 8 of the Resoltion Plan.
(c)	Management of the affairs of the Corporate Debtor after approval of the Resolution Plan.	Clause 11 of the Resolution Plan.
(d)	Implementation and Supervision	Clause 12 of the Resolution Plan.
(e)	Plan 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.	**----------**

II. Measures required for implementation of the Resolution Plan in terms of regulation 37 of CIRP Regulations:

Particulars	Relevant Page of the Revised Resolution Plan dealing aforesaid compliance with Regulation
A resolution plan shall provide for the measures, as may be necessary, for insolvency resolution of the corporate debtor for maximisation of value of its assets, including but not limited to the following: -	

Particulars	**Relevant Page of the Revised Resolution Plan dealing aforesaid compliance with Regulation**
(a) transfer of all or part of the assets of the corporate debtor to one or more persons;	Not proposed in the Resolution Plan.
(b) sale of all or part of the assets whether subject to any security interest or not;	Not proposed in the Resolution Plan.
(c) restructuring of the corporate debtor, by way of merger, amalgamation and demerger;	Not proposed in the Resolution Plan.
(d) the substantial acquisition of shares of the corporate debtor, or the merger or consolidation of the corporate debtor with one or more persons;	Not proposed in the Resolution Plan
(e) cancellation or delisting of any shares of the corporate debtor, if applicable;	Clause 5 of the Resolution Plan
(f) satisfaction or modification of any security interest;	Clause 6 of the Resolution Plan
(g) curing or waiving of any breach of the terms of any debt due from the corporate debtor;	Not proposed in the Resolution Plan.
(h) reduction in the amount payable to the creditors;	Clause 7 & 8 of the Resolution Plan
(i) extension of a maturity date or a change in interest rate or other terms of a debt due from the corporate debtor;	Not proposed in the Resolution Plan
(j) amendment of the constitutional	Not proposed in the Resolution Plan

Particulars	**Relevant Page of the Revised Resolution Plan dealing aforesaid compliance with Regulation**
documents of the corporate debtor;	
(k) issuance of securities of the corporate debtor, for cash, property, securities, or in exchange for claims or interests, or other appropriate purpose;	Not proposed in the Resolution Plan
(l) change in portfolio of goods or services produced or rendered by the corporate debtor;	Not proposed in the Resolution Plan
(m) change in technology used by the corporate debtor; and	Not proposed in the Resolution Plan
(n) obtaining necessary approvals from the Central and State Governments and other authorities.	----

III. Mandatory contents of Resolution Plan in terms of regulation 38 of CIRP Regulations:

Ref to relevant reg.	Requirement	How Dealt with in the Plan
38(1)	The amount due to the operational creditors under a resolution plan shall be given priority in payment over financial creditors.	Clause 7.6. of the Resolution Plan.
38(1A)	A resolution plan shall include a statement as to how it has dealt with the interests of all stakeholders, including financial creditors and operational creditors of the corporate debtor.	Clause 4.2.1, Clause 7 and 8 of the Resolution Plan.
38(1B)	A resolution plan shall include a statement giving details if the	Clause 22.2 of the Resolution Plan.

Ref to relevant reg.	Requirement	How Dealt with in the Plan
	resolution applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any other resolution plan approved by the adjudicating authority at any time in the past.	
38(2)	A Resolution Plan shall provide:	
	(a) The term of the plan and its implementation schedule;	Clause 21 of the Resolution Plan.
	(b) The management and control of the business of the corporate debtor during its term; and	Clause 5.4 of the Resolution Plan.
	(c) Adequate means for supervising its implementation.	Clause 11 of the Resolution Plan
38(3)	A Resolution Plan shall demonstrate that –	
	(a) It addresses the cause of default;	Clause 13 of the Resolution Plan
	(b) It is feasible and viable;	Clause 13 of the Resolution Plan
	(c) It has provisions for its effective implementation;	Clause 12 of the Resolution Plan
	(d) It has provisions for approvals required and the timeline for the same; and	N.A. as the DFA has been terminated.
	(e) The resolution applicant has the capability to implement the resolution plan.	Clause 2 & 4 of the Resolution Plan

5. Details of Resolution Plan/ Payment Schedule

5.1. The Applicant submits the relevant information with regard to the amount claimed, amount admitted, and the amount proposed to be paid by the Successful Resolution Applicant, *i.e.,* Rankani Power Generation Power Limited, under the said Resolution Plan is tabulated as under:

Resolution Debt	**Total Admitted Amount**	**Payment proposed in the Resolution Plan**	**Percentage**	**Payment to be made**
CIRP cost(Estimated)	Actual	Rs.50.00	100%	X+90
Operational Creditors	Rs.623.73	Rs.6.24	0.71%	X+180
Financial Creditors (secured)	Rs.20830.17	Rs.18.00	0.086%	X+180
Financial Creditors (unsecured)	Rs.2307.56	Rs.02.00	0.086%	X+180
Subscription	___	Rs.1.00	----	X+90
Total	Rs.23761.46	Rs.77,23,720/-	-------	----

5.2. "X" is the date of approval of the Resolution Plan by the Adjudicating Authority.

5.3. The Resolution Plan defines ***"Effective Date"*** as "*shall mean the date on which the Resolution Plan is approved by the Adjudicating Authority under section 31 of the Code or any other date being decided by the*

Adjudicating Authority, Appellate Authority and Supreme Court as the case may be."

Details on Management/ Implementation and Reliefs as per the Resolution Plan:

5.4. The Resolution Plan also provides for the following:

(a) Management of company after resolution in Clause 11 of the Resolution Plan.

(b) Term of the Resolution Plan in Clause 10 of the Resolution Plan.

(c) Implementation and Supervision of the resolution plan in Clause 12 of the Resolution Plan.

6. Reliefs, exemptions and waivers sought and orders passed thereon

6.1. The Reliefs, Exemptions and Waivers sought by the Resolution Applicant in Clause 15 of the Resolution Plan, from the Adjudicating Authority are set out below for the successful implementation of the Resolution Plan. The orders thereon are indicated against each:

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
1.	The Adjudicating Authority to pass necessary orders / give appropriate directions to give effect to reorganization of capital structure of the Corporate Debtor.	Granted
2.	Upon approval of the Resolution Plan, moratorium shall be deemed to have been granted to the Corporate Debtor from any actions / penalties under any laws for any non-compliance, which existed on or prior to the	Not Granted.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	Effective Date and which shall continue for a period of 12 months after the Effective Date	
3.	The Ministry of Corporate Affairs; shall exempt the Resolution Applicant / Corporate Debtor, from levy of stamp duty and fees, if any applicable in relation to this Resolution Plan and its implementation	Not granted. The Resolution Plan cannot be in violation of any law for the time being in force. Therefore, if there are any documents on which stamp duty is required to be paid, or in respect of which non-registration will have adverse consequences, they shall apply with full force and no waiver can be granted in this regard.
4.	Any approvals that may be required from Governmental Authorities (including Tax Authorities) in connection with the implementation of the Resolution Plan including on account change in ownership / control of the Corporate Debtor shall be deemed to have been granted upon approval of the Resolution Plan by the Adjudicating Authority. There shall be no requirement to seek separate approvals/permissions/consents from tribunal, RBI, government authorities, stakeholders etc. for implementation of this resolution plan	The Resolution Applicant will apply for all approval/permissions and consents from the respective authorities.
5.	Any and all Claims or demands in connection with or against the Corporate Debtor (including any demand for any losses or damages or in connection with any Third Party Claims or any	

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	investigations by any governmental bodies or authorities such as the Central Bureau of Investigation, Serious Fraud Investigation Office, Enforcement Directorate, or any other Govt. agency) by or to any other stakeholder including SBPDCL (including any other actual or potential creditor, if any or any counter-party, including any subsidiary, joint venture or associate) whether under Applicable Law, equity or contract, whether admitted or not, due or contingent, crystallized or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the balance sheets of the Corporate Debtor or the profit and loss account statements of the Corporate Debtor or the IM, and all inquiries, investigations or proceedings in relation to the foregoing, whether civil or criminal, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Corporate Debtor pursuant	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[1]

[1] 2021 SCC OnLine SC 313 decided on 13.04.2021.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	to this Resolution Plan shall be settled at **NIL** value. Neither the Corporate Debtor nor the Resolution Applicant will be subject to any investigations or be liable for any claims, demand, obligations, penalties, etc. arising out of any proceedings prior to the Effective Date or that may be initiated or instituted after the Effective Date on account of any transaction entered into, or decisions or actions taken by, such existing promoters and existing shareholders, directors or other personnel of the Corporate Debtor	
6.	All the debts/claims of all the lenders / financial creditors / operational creditors / any other creditors, be it due and pending on any account, shall get fully and finally satisfied and extinguished, in terms of this Resolution Plan and their remains nothing to be recovered out of such dues either from the Resolution Applicant or Corporate Debtor or its personnel/management. Resolution Applicant prays to the Adjudicating Authority to pass necessary orders / give appropriate directions for the same	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[2]
7.	All liabilities, save and except	Granted in terms of

[2] 2021 SCC OnLine SC 313 decided on 13.04.2021.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	as settled in Clause 7, shall be settled at NIL value and shall be completely waived off and extinguished. Approval of the Adjudicating Authority shall be sufficient cause to give effect to the same. Resolution Applicant prays to the Adjudicating Authority to pass necessary orders / give appropriate directions for the same.	***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[3]
8.	All Corporate Guarantee issued by the Corporate Debtor for on behalf of any of its group company(s) to any other third party prior to the Effective Date, shall be deemed to be extinguished by virtue of the order of the Adjudicating Authority approving the Resolution Plan, whether or not any claim was filed by way of invocation such corporate guarantee. Resolution Applicant prays to the Adjudicating Authority to pass necessary orders / give appropriate directions for the same	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[4]
9.	All claims, obligations, demands, penalties, liabilities, fees, costs, etc. (past present or future pertaining to the Corporate Debtor prior to the approval of the resolution plan	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[5]

[3] 2021 SCC OnLine SC 313 decided on 13.04.2021.
[4] 2021 SCC OnLine SC 313 decided on 13.04.2021.
[5] 2021 SCC OnLine SC 313 decided on 13.04.2021.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	by the adjudicating authority) in relation to: (a) any breach or non-adherence including of any laws or contract; (b) any act, deed, non-compliances of any statutory obligations; (c) licenses, permissions, approvals etc.; (d) contractual dues or statutory dues; and/or (e) litigation, enquiry, investigations, proceedings, etc., shall stand expired and settled in perpetuity under the resolution plan. Resolution Applicant prays to the Adjudicating Authority to pass necessary orders / give appropriate directions for the same.	
10.	The Resolution Applicant and / or Corporate Debtor will not be liable for any claim, liability, obligations, undertakings, guaranties, warranties etc. of any nature which are not disclosed and claimed by any person under the Information Memorandum and for anything beyond the amount contemplated to be paid under the express provisions of the Resolution Plan.	Granted.
11.	Adjudicating Authority to pass necessary orders / give appropriate directions for waiver of any past liabilities prior to Effective Date	Granted.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	irrespective whether claimed or unclaimed from any person or any authority including but not limited to taxes for conversion of land from agricultural to non-agricultural, gram panchayat taxes, any other claim / litigation from any revenue authorities.	
12.	Adjudicating Authority to pass necessary orders / give appropriate directions for waiver of any past liabilities in relation to any water dues of the Corporate Debtor to any state government or central government department prior to the Effective Date	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[6]
13.	Adjudicating Authority to pass necessary orders / give appropriate directions for waiver of any past liabilities in relation to electricity dues of the Corporate Debtor to the electrical supplier including any state government or central government department prior to the Effective Date.	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[7]
14.	Any and all restrictions, impositions, prohibitions, debarments and limitations, whether interim or permanent on the Corporate Debtor, arising out of any order and/or	Granted.

[6] 2021 SCC OnLine SC 313 decided on 13.04.2021.
[7] 2021 SCC OnLine SC 313 decided on 13.04.2021.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	legal proceedings and/or any investigations by any governmental bodies or authorities to the effect that on and from the Effective Date, the Corporate Debtor shall be discharged and released in perpetuity from any and all claims, suits, actions, charges, demands, judgments, costs and executions present and future, known or unknown, both legal and equitable in any manner arising out of out of any order and/or legal proceedings and/or any investigations by any governmental bodies or authorities, as afore-stated. From Effective Date, no such restrictions, impositions, prohibitions, debarments and limitations shall apply on the Corporate Debtor and the Resolution Applicant.	
15.	All liabilities including all statutory dues, demands, operational creditors, unsecured loans, trade payables, amount payable against any guarantees issued, contingent liabilities, income tax demands / dues if any, VAT demands/ dues if any, GST, license fees etc. that may arise due to pending litigations	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[8]

[8] 2021 SCC OnLine SC 313 decided on 13.04.2021.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	/ enquires / investigations / assessments or any other disputed / undisputed / recorded / unrecorded liabilities or otherwise against the Corporate Debtor shall be waived / extinguished in perpetuity and no action shall be taken against the Corporate Debtor or the Resolution Applicant in such respect	
16.	No consequence or liability including arising out of any criminal act done by the Corporate Debtor and/or its management till the Effective Date shall fall upon Resolution Applicant / Corporate Debtor or any of its/their employees, directors or representatives. Resolution Applicant prays to the Adjudicating Authority to pass necessary orders / give appropriate directions for the same.	Granted.
17.	The requirement of obtaining a no objection certificate under section 281 of the Income Tax Act, 1961 and the provisions of taking over its predecessor's tax liability under section 170 of the Income Tax Act shall not be applicable. Further, the transaction shall not be treated as void under section 281 of the Income Tax Act, 1961 for	It is for the appropriate authorities to consider keeping in mind the objective of the Code.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	any claims in respect of tax or any other sum payable by the Corporate Debtor. Similarly, any requirements to obtain waivers from any Tax Authorities including in terms of Section 79 and Section 115B of the Income Tax Act, 1961 is deemed to have been granted upon approval of this Resolution Plan by the Adjudicating Authority	
18.	The change in shareholding of the Corporate Debtor pursuant to the Resolution Plan shall not lead to lapse of any brought forward losses of the Corporate Debtor and provisions of Section 79 of the Income Tax Act, 1961 are not applicable. The Corporate Debtor shall be entitled to carry forward and set off all the brought forward book losses and unabsorbed depreciation as shown in the books of account and considered in the returns filed under the Income-tax Act, 1961. The Corporate Debtor shall also be entitled to carry forward and set off all the accumulated Tax losses and unabsorbed depreciation of the Corporate Debtor in accordance with the returns of income filed under the Income-	It is for the appropriate authorities to consider keeping in mind the objective of the Code.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	tax Act, 1961.	
19.	All potential direct / indirect tax liability (including but not limited to any potential MAT liability, potential liability under section 56 and 50CA of Income Tax Act, 1961) as may be incidental to the Transaction shall be waived	Granted.
20.	Credit in respect of minimum alternate tax paid by the Corporate Debtor before the Effective Date shall continue with the Corporate Debtor on a going concern basis and shall not be revoked on account of change of management and control on the completion of the Transaction.	Granted.
21	On account of implementation of the resolution plan there may be notional book profit without any income; hence such notional book profits shall not be subject to tax.	Not Granted. The Resolution Plan has to be compliant with the law.
22.	Any income arising due to waiver of all liabilities should not be treated as income and no tax on the same should be levied.	Granted.
23	All past direct and indirect tax liabilities, including claims/demands by any direct tax/indirect tax authorities or any other authority whatsoever, including interest and penalty	Graned.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	charges on any past direct tax or indirect tax liabilities accrued till Effective Date shall be waived.	
24.	Adjudicating Authority to pass necessary orders / give appropriate directions to the Ministry of Corporate affairs, Government of India, Provident Fund Authorities, Sales Tax Authorities, Services Tax Authorities, GST Council, Income Tax, Fringe Benefit Tax, etc. to waive interest and penal charges for past dues on settlement of dues as per the Resolution Plan.	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[9]
25.	Adjudicating Authority to pass necessary orders / give appropriate directions to the Ministry of Corporate affairs, Government of India, Provident Fund Authorities, Sales Tax Authorities / Services Tax Authorities / GST Council to waive interest and penal charges for past non-compliance of filling/secretarial obligations	Granted in terms of ***Ghanshyam Mishra & Sons Pvt Ltd v. Edelweiss Asset Reconstruc-tion Company Ltd***[10]
26.	Any assets / property over which control is exercised by the creditors / lenders / government bodies belonging to the Corporate Debtor, ought to be released of all such liens	Graned.

[9] 2021 SCC OnLine SC 313 decided on 13.04.2021.
[10] 2021 SCC OnLine SC 313 decided on 13.04.2021.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	upon approval of the resolution plan by the Adjudicating Authority and shall be governed by the express provisions of the Resolution Plan.	
27.	All contractual arrangements (except for any contracts that vest property rights in the Corporate Debtor) entered into by the Corporate Debtor (including any contracts of employment or consultancy with, and any benefits, fees, commissions, perquisites or profits in lieu of or in addition to any salary or wages or any policy of providing such benefits, fees, commissions, perquisites or profits extended by the Corporate Debtor) may be modified, amended, suspended and/or terminated by the Resolution Applicant/Corporate Debtor, as deemed fit. Any claims or liabilities arising as a consequence of any such contract or such action shall be cancelled and written-off, and shall be permanently extinguished and written-off.	Such blanket relief cannot be granted at this stage.
28.	Any non- compliances, financial or other penalties that may arise due to any non-compliances by the Corporate Debtor prior to the Effective Date, of all applicable laws	Granted.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	including but not limiting to the Companies Act, 2013, Electricity Act 2003, Contract Labor (Regulation and Abolition) Act, 1970, all relevant and applicable Direct and Indirect tax laws, relevant environmental laws and any other government instrumentality in force to be waived off and completely extinguished	
29.	All charges, encumbrances and lien on the assets/property of the Corporate Debtor shall stand extinguished and released and shall be governed by the express provisions of the Resolution Plan	Granted.
30.	The Corporate Debtor is being acquired by the Resolution Applicant on a 'going concern' basis. Hence, all contracts, consents, licenses, approvals, clearances, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the Corporate Debtor or to which the Corporate Debtor is entitled or accustomed to, shall continue to remain valid, notwithstanding any provision to the contrary in their terms, and provided that in case of consents, licenses, approvals, rights, entitlements, benefits and privileges that have	Granted.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	expired or lapsed, notwithstanding that they may have already lapsed or expired due to any breach, non-compliance or efflux of time, be deemed to continue without disruption for the benefit of the Corporate Debtor, for a period of at least 12 (twelve) months from the Effective Date or the actual expiry of such consents, licenses, approvals, rights, entitlements, benefits and privileges, whichever is later. Adjudicating Authority to pass appropriate order / give appropriate directions to ensure that no government authority / statutory body cancels any arrangement with the Corporate Debtor on account of change of management	
31.	As a result of the proceedings of the IBC, there shall incur a change of management of the Corporate Debtor. Such a change shall not be cause for the central and state governments to forfeit / cancel any subsidy / grant / approvals / licenses /contracts given to the Corporate Debtor prior to Effective Date. The relevant governmental authority shall continue to grant State and other incentives / approvals / licenses / contracts to the Corporate Debtor. All benefits	Granted, the Resolution Applicant shall take the necessary steps for the same.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	and incentives, including but not limited to, under all such incentive schemes, subsidy schemes and policies that the Corporate Debtor is entitled under, and all such benefits shall remain vested in the Corporate Debtor with effect from the Effective Date. Adjudicating Authority to pass necessary orders / give appropriate directions to give effect to the same.	
32.	All the litigations, investigations, prosecution, penalty proceedings against the Corporate Debtor shall be quashed and no action shall be taken against the Corporate Debtor or the Resolution Applicant in such respect.	Granted.
33.	Resolution Applicant and / or the Corporate Debtor shall have a right to continue pursuing any litigation or claim being pursued by the Corporate Debtor and any recovery made by the Corporate Debtor shall be utilized by the Corporate Debtor in any manner at the discretion of the Resolution Applicant or the Corporate Debtor.	Granted.
34.	All litigations and contingent liabilities and claims relating to any investigations, inquiries, show-cause notices, and causes of actions, suits, claims,	Granted.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	disputes, litigations, arbitrations or other judicial or regulatory or administrative proceedings shall be deemed to be extinguished and written-off. The Resolution Applicant prays to the Adjudicating Authority to pass necessary orders / give appropriate directions for the same.	
35.	All litigations or proceedings either civil or criminal including pertaining to cheque bounce, attachment or property, DRT, SARFESI, CMM courts etc. shall be withdrawn and necessary assistance/support shall be provided to us as may be required and called for in this regard. Resolution Applicant prays to the Adjudicating Authority to give appropriate directions regarding such suspension of all litigations and proceedings.	Granted.
36.	Resolution Applicant prays to the Adjudicating Authority to give appropriate directions to the local police station, district magistrate, local authorities and other civil bodies for their co-operation and support for facilitating smooth implementation of the Resolution Plan	Such blanket direction cannot be granted.
37.	Each and every account held by the Corporate Debtor shall	Granted.

Sl. No.	Extinguishment of Claims/entitlements	Orders thereon
	itself stand automatically regularized. The asset classification of the Corporate Debtor shall be reclassified from 'NPA' to 'standard' or 'not an NPA'	

7. Analysis and Orders

7.1. On hearing the submissions made by the Resolution Professional, and perusing the record, we find that the Resolution Plan has been approved with 100% voting share. As per the CoC, the plan meets the requirement of being viable and feasible for revival of the Corporate Debtor. By and large, all the compliances have been done by the Resolution Professional and the Resolution Applicant for making the plan effective after approval by this Bench.

7.2. On perusal of the documents on record, we are satisfied that the Resolution Plan is in accordance with sections 30 and 31 of the IBC and also complies with regulations 38 and 39 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

7.3. As far as the question of granting time to comply with the statutory obligations or seeking approvals from authorities is concerned, the Resolution Applicant is directed to do so within one year from the date of this order, as prescribed under section 31(4) of the Code.

7.4. In case of non-compliance of this order or withdrawal of Resolution Plan, the payments already made by the Resolution Applicant shall be liable for forfeiture.

7.5. Subject to the observations made in this Order, the Resolution Plan dated 10 February 2021, is hereby **APPROVED** by this Bench. **The**

Resolution Plan shall form part of this Order.

7.6. The Resolution Plan thus approved shall be binding on the Corporate Debtor and other stakeholders involved so that revival of the Debtor Company shall come into force with immediate effect.

7.7. The Moratorium imposed under section 14 of the Code shall cease to have effect from the date of this order.

7.8. The Resolution Professional shall submit copies of the records collected during the commencement of the proceedings to the Insolvency & Bankruptcy Board of India for their record and also return to the Resolution Applicant or New Promoters.

7.9. The Resolution Professional shall stand discharged from his duties with effect from the date of this order.

7.10. The Resolution Professional is further directed to hand over all records, and properties to the Resolution Applicant to finalise the further line of action required for starting of the operation. The Resolution Applicant shall have access to all the records and premises of the corporate debtor through the Resolution Professional to finalise the further line of action required for starting of the operation.

7.11. Liberty is hereby granted for moving applications, if required, in connection with implementation of this Resolution Plan.

7.12. The Resolution Applicant shall file a copy of this order with the Registrar of Companies, West Bengal, *inter alia* for updating the status of the Corporate Debtor.

7.13. The application bearing **IA (IB) No. 370/KB/2021** and **C.P. (IB)No. 30KB/2019** is disposed of accordingly.

7.14. Additionally, the Registry shall send a copy of this order to the

Registrar of Companies, West Bengal.

7.15. Certified copy of this order be issued on demand to the concerned parties, upon due compliance.

Harish Chander Suri — **Member (Technical)**

Rohit Kapoor — **Member (Judicial)**

The order is pronounced on the 18th day of July, 2022

GGRB[LRA]