



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

IA No. 70 of 2024

IN

CP(IB) No.1900 of 2019

Under Section 30(6) of the Insolvency
and Bankruptcy Code, 2016

IA No. 70 of 2024

In the Application of

Mr. Ajay Gupta

RP of Latakisan Infra Pvt Limited

...Resolution

Professional/Applicant

In the matter of

**Mumbai District Central Cooperative
Bank Ltd.(MDCC)**

...Financial Creditor/Petitioner

Versus

Latakisan Infra Pvt Limited

...Corporate Debtor/Respondent

Order pronounced on 07.01.2025

Coram:

Hon'ble Member (Judicial) : Sh. Justice Virendrasingh G. Bisht
(Retd.)

Hon'ble Member (Technical) : Sh. Prabhat Kumar

Appearances:

For the Applicant : Mr. Harsh Kesharia, Ld. Counsel.



ORDER

Per:

Brief Facts:

1. The present Application is moved by Resolution Professional **Mr. Ajay Gupta** (hereinafter referred to as the “Applicant/Resolution Professional”) under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 (“Code”) for seeking approval of the Resolution Plan (Resolution Plan dated 12.01.2024), submitted by Mr. Prashant Kisanrao Borele (“Successful Resolution Applicant/SRA”) which is approved by 73.70% of the voting share of the members of the Committee of Creditors (hereinafter referred to as 'CoC'), under the provisions of Section 31(1) of the Code, for **Latakisan Infra Pvt Limited** (hereinafter referred to as the “Corporate Debtor”) and for passing order/appropriate direction that this Tribunal may deem fit in the present matter.
2. The Corporate Debtor is a registered MSME (Small) Enterprise, bearing UDYAM registration no. UDYAM-MH-20-0072020, incorporated on 25.10.2013, having its registered office at Flat no. A 1, Ganga Sagar Aptt. Canal Road, Ramdaspath, Nagpur - 440010
3. The resolution applicant is Mr. Prashant Kisanrao Borele, occupation – entrepreneur, resident of Flat No. A-1, Ganga Sagar Apartments, Canal Road, Ramdaspath, Nagpur-440010.
4. The CP(IB) No. 1900 of 2019 was filed under Section 7 of IBC, 2016 by Mumbai District Central Cooperative Bank Ltd. (MDCC) (hereinafter referred to as the “Financial Creditor”) which was admitted into CIRP vide Order dated 06.11.2019 passed by this Bench. Vide Order dated 06.11.2019 this bench appointed Mr. Ajay Gupta/ Applicant as the Resolution Professional (RP) of the Corporate Debtor.



5. Upon being appointed as IRP of the Corporate Debtor, the Applicant in compliance of Section 13 and Section 15 of the IBC, 2016 and Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 made Public Announcement in Form A in Nagpur Post (English) and Mahasagar (Marathi)(both Nagpur edition) alongwith Free Press Journal (English) and Navshakti(Marathi)(both Mumbai edition) on 13.11.2019. The same was also uploaded on the official website of the Insolvency and Bankruptcy Board of India.
6. Pursuant to publication of Form A, the Applicant collated and compiled the list of claims in the IRP's Report of Constitution of Committee of Creditors (hereinafter referred to as "CoC") dated 28.11.2019, which was filed before the Hon'ble Tribunal on 28.11.2019.
7. The Applicant received total of five claims from Financial Creditors viz. Nagpur Nagrik Sahakari Bank Limited, Pusad Urban Co-operative Bank Limited, Maharashtra State Co-op Bank Limited, Mumbai District Central Cooperative Bank Limited and Babaji Date Mahila Sahakari Bank Limited. However, the Applicant did not receive claims from any Operational Creditors.
8. The Applicant was approved and confirmed as the Resolution Professional ("RP") of the Corporate Debtor for rest of the CIRP period in the 1st Meeting of Committee of Creditors dated 26.11.2019.
9. The Applicant in 2019 had valued the assets of Corporate Debtor by appointing registered valuers viz. Nilesh J. Pathak and Shailendra S. Mourya to conduct valuation of assets of Corporate Debtor whp submitted their Valuation Reports along with Fair Market Value and Liquidation Value to the Applicant.



Accordingly, the fair market value and Liquidation value are as under:

(Rs. in Lakhs)

Particulars of assets	Valuer - I		Valuer - II		Average of the two closest (I & II)	
	Fair Value	Liquidation Value	Fair Value	Liquidation Value	Fair Value	Liquidation Value
LAND & BUILDING	7271.00	4726.00	7795.68	5067.19	7533.34	4896.60
TOTAL (A)	7271.00	4726.00	7795.68	5067.19	7533.34	4896.60

10. The Applicant had once again, at the directions of the CoC, valued the assets of the Corporate Debtor through another Registered Valuer registered with IBBI viz. Mr. Manoj N. Nashine who gave a fair value of the assets of the Corporate Debtor at Rs. 3352 lakhs and the liquidation value at Rs. 2675 lakhs.
11. The Applicant had also appointed M/s. GSLGT & Co., Chartered Accountants as the Transaction Based Auditor of the Corporate Debtor.
12. It is submitted that about 14 COC meetings of the Corporate Debtor have been held during CIRP period, details of which are as under:

Sr. No.	Particulars of CoC Meeting	Date of CoC Meeting
1.	1 st CoC Meeting	26-11-2019
2.	2 nd CoC Meeting	18-12-2019
3.	3 rd CoC Meeting	30-01-2020
4.	4 th CoC Meeting	18-03-2020
5.	5 th CoC Meeting	20-07-2020
6.	6 th CoC Meeting	18-12-2020
7.	7 th CoC Meeting	04-01-2021



8.	8 th CoC Meeting	09-02-2021
9.	9 th CoC Meeting	10-03-2021
10.	10 th CoC Meeting	10-05-2022
11.	11 th CoC Meeting	16-11-2022
12.	12 th CoC Meeting	18-01-2023
13.	13 th CoC Meeting	18-11-2023
14.	14 th CoC Meeting	16-01-2024

13. It is submitted that in the 3rd CoC Meeting convened on 30.01.2020, the Applicant shared the draft Information Memorandum (“IM”) that was approved by the CoC and placed the draft Expression of Interest (“EOI”) along with the Eligibility Criteria for issue of publication of Form G. The Invitation for Expression of Interest in Form G was published by the Applicant on 17.10.2020 and the last date of submission of Expression of Interest was 30.10.2020 and last date of submission of Resolution Plan was 14.12.2020.
14. The Applicant has placed on record Request for Resolution Plan (“RFRP”) & Evaluation Matrix (“EM”) to be circulated to the PRAs.
15. Further, in the 5th Meeting of CoC, it was resolved to file necessary application before this Tribunal seeking an extension of 90 days in lieu of Section 12(2) of the Code and the relevant regulations thereto. Accordingly, IA/1102/2020 was preferred by the Applicant and the same was allowed by this Tribunal vide Order dated 14.10.2020.
16. Pursuant to publication of Form G, the Applicant received 2 EOI’s from the Prospective Resolution Applicants (hereinafter referred to as “PRA’s”). However, none of the PRAs submitted



- their Resolution Plan and the same was intimated by the Applicant to the CoC in its 6th meeting convened on 18.12.2020.
17. The Applicant was unable to get any Resolution Plans from any of the PRAs and accordingly in the 7th meeting, CoC passed a resolution for liquidation of the Corporate Debtor, the CoC unanimously voted for liquidation of the Corporate Debtor. Accordingly, the Applicant filed IA/201/2021 before this Hon'ble Tribunal seeking liquidation of the Corporate Debtor.
 18. Pending adjudication of the liquidation application, the suspended director of the Corporate Debtor approached the CoC, proposing a settlement of the dues of the creditors of the Corporate Debtor through a Resolution Plan and the same was considered by the CoC.
 19. The suspended Director of the Corporate Debtor also preferred an Interlocutory Application No. 765 of 2022 seeking intervention in the liquidation application for the purpose of allowing him to settle the creditors of the Corporate Debtor and them to put forth a Resolution Plan and the same be considered by the CoC. In the meantime, the suspended director was able to provide in principle approval from 60% of the CoC members and this Tribunal vide Order dated 07.11.2023 directed the Applicant to convene a meeting and inform the decision of the CoC with respect to the Resolution Plan proposed by the suspended director.
 20. In compliance of order dated 07.11.2023, the Applicant convened 13th meeting of the CoC of the Corporate Debtor on 18.11.2023 for various agendas including the agenda for discussion of liquidation of the Corporate Debtor in view of the proposal for settlement given by the suspended directors of the Corporate Debtor and the CoC with a majority of 73.70% resolved to consider the proposal of Mr. Prashant Borele,



Suspended Director and call for a Resolution Plan from him by 04.12.2023.

21. The resolution of the CoC was put forth before this Tribunal and since the CoC has agreed to consider the Resolution Plan as proposed by the suspended director, this Tribunal vide Order dated 23.11.2023 disposed of the liquidation application and directed the Applicant to complete the process within two months of the said order.
22. Thereafter, Mr. Prashant Borele submitted his Resolution Plan on 13.01.2024 and the same was forwarded to the CoC members for their consideration. Also, CoC members in the 3rd CoC Meeting held on 03.01.2020 set forth eligibility criteria for resolution applicant and also approved the conditions of EOI, RFRP and Evaluation Matrix including the eligibility criteria for the resolution applicant.
23. The RP filed IA(I.B.C.)/5867/MB/2024 under section 60(5) of the code read with rule 11 of NCLT rules, 2016 seeking exclusion and extension in the CIRP period of the Corporate Debtor, which was allowed by this Tribunal vide order dated 18.12.2024 directing exclusion of the period from 11-01-2021 to 23-11-2023 from the CIRP period of the Corporate Debtor, and allowing extension of 101 days to the CIRP period of the Corporate Debtor.

A. Financial Capacity

- i. **Category A** - Private/Public Limited Company, LLP, Body Corporate ('Body Corporates'), whether incorporated in India or outside India

Minimum standalone Net worth (NW) of	Rs.20 Crores or more (as per Companies Act, 2013 or in case of NBFC'S, applicable RBI regulations) as on 31st March 2020 or latest available financial statements, but
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	not earlier than twelve months from the date of submission of EOI
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ii. **Category B - Financial Institutions (FI)/ Funds / Private Equity (PE) Investors / ARCs**

1. Minimum Assets Under Management (AUM) of	Rs. 400 Crores as evidence by latest Audited Annual Account OR
2. Committed funds available for investment/deployment in Indian Companies or Indian assets of	Rs.25 Crores or more as at 31st March, 2020.

iii. **Category C - Individual investor or Consortium Applicants**

Minimum consolidated net worth of	Rs.20 Crores at sole or at the consortium level as on 31st March, 2020
Net Worth of consortium shall be calculated as weighted average of individual member's Net Worth (value of negative Net Worth members shall be considered as Nil) basis their proposed participation in the consortium.	
At least one of the members must hold at least 51% total equity participation in the consortium who shall be designated as the lead member. All other members would need to have a minimum stake of 10% each in the consortium.	
All the members of the consortium shall be jointly and severally responsible for compliance with the terms of the invitation for submission of EOI, the request for resolution plan and the resolution plan submitted by the consortium.	

B. Business Knowledge: Preference will be given to PRA having knowledge and experience of at least 5 years of running a hospitality business.

24. After detailed deliberations in 14th meeting of CoC dated 16.01.2024, the approval of the resolution plan was put for e-voting from 16.01.2024 to 19.01.2024 and accordingly the voting was done as follows:

Sr. No.	Listing of Matters for E-voting	Voting Results
1.	Consent for resolution plan of suspended director	Approved Voted in favour of the Resolution. - Nagpur Nagrik Sahakari Bank Limited - Pusad Urban Co-operative



		<p>Bank Limited - Mumbai District Central Cooperative Bank Limited - Babaji Date Mahila Sahakari Bank Limited</p> <p>Voted against the Resolution. NIL Abstained from Voting Maharashtra State Cooperative Bank Limited</p>
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25. The Applicant has confirmed that the Resolution Applicant, viz. Mr. Prashant Borele is eligible under **Section 29A** of the Code to submit a Resolution Plan for the Corporate Debtor.
26. Key features of the Resolution Plan and the timeline proposed by the Applicant to make payment is as under:

AMOUNT PROPOSED UNDER THE PLAN	TOTAL AMOUNT
CIRP Costs	18,00,000/-
Payment to Secured Financial Creditors	34,82,00,000/-
Payment to Unsecured Financial Creditors -FSL & FSEL	-
Payment to Operational Creditors	-
Payment to Workmen & Employee Dues	-
Total Payment to Stakeholders	-
Startup Expenses & Working Capital	-
Total Payment	35,00,00,000/-

27. The Applicant has submitted that the Resolution Plan submitted is in compliance **with Section 30 (2) of the Code and Regulation 38 (A) of the CIRP Regulations**. The Applicant has also provided a compliance certificate in “**FORM H**” as mandated under the Code.
28. The Resolution Plan submitted by Resolution Applicant is approved by vote by not less than 66% of voting share of the



Financial Creditor after considering its feasibility and viability and such other requirements as may be specified by the Board.

29. The Applicant further states that the Resolution Plan provides for payment of debts to dissenting Financial Creditors. The RP states that Maharashtra State Cooperative Bank Limited has abstained from voting from voting of the resolution plan. Howsoever, the Resolution Plan provides for payments to the Financial Creditors who had dissented and/ or abstained from voting and payments would be made to it along with other creditors. Therefore, the Resolution Plan is compliant under Section 30(2)(b) of IBC, 2016.
30. Further the Resolution Plan is in compliance with Section 31(1) of IBC, 2016 also provides for provision for its effective implementation of the Plan. As per Section XIV of the Resolution Plan, once the plan is approved by this Tribunal, the duties of Applicant, in capacity as Resolution Professional shall extinguish from the date of order and a Monitoring Agency shall be established which shall be headed by the Applicant, Ajay Gupta, starting from the date of order (Effective Date) till the date of completion of the term of the plan (Completion Date). During such period the Monitoring Committee shall look after the implementation and supervision of the plan and will be the management and control of the business of the CD.
31. It is submitted that the present Application is being filed under **Section 30(6)** of the Code by the RP which is in furtherance to his duties prescribed under the Code as the RP of the Corporate Debtor and as the Resolution Plan has been approved by **73.70%** majority of the COC.



Salient Features of the Resolution Plan

32. The Resolution Plan of Successful Resolution Applicant is of Rs.35,00,00,000/- (Rupees Thirty-Five Crores only) and the summary of payments proposed to be made to different classes of the creditors and stakeholders of the Corporate Debtor are as follows:

	Resolution Plan	Rs. 35.00 Crores
1.	Amount of total payment to creditors*	Unpaid CIRP Cost - 0.18 Cr Financial creditors - 34.82 Cr Operational creditors - Nil Workmen & Employees - Nil Government Dues- Nil Total Payment - 35.00 Cr
2.	Timeline of payment obligations	INR 11,66,55,000 to be paid within 31 days from the Effective Date. Further, INR 11,66,55,000 to be paid within 211 days from the Effective Date Further, INR 11,66,90,000 to be paid within 391 days from the Effective Date
3.	Proposed instruments for repayment	Internal Accruals from ROHL, infusion of fresh share capital in the Company, Inter-corporate Deposits and Unsecured Loans from friends and relatives who shall be compliant as per Section 29A of the Code, sale of immovable properties owned by the erstwhile directors (and their relatives), for which permission to be promptly and compulsorily granted by the respective Secured Financial Creditor, holding charge/mortgage over such immovable property, at any point in time after the approval of this Resolution Plan by the CoC. Furthermore, the Resolution Applicant be entitled to create mortgage over the assets of the Corporate Debtor, for the purpose of fulfilling his payment obligations under this plan.
4.	Interest Rate/ Coupon and frequency of payment	NA
5.	Repayment Schedule	Entire payment to be done within 391 days from Effective Date.
6.	Security	NA
7.	Conversion terms for quasi equity instruments	NIL
8.	Any equity being offered to Financial Creditor and terms for the same	NIL
9.	Corporate Guarantee or additional collateral / security being offered by the Resolution Applicant	NIL



10.	Any third-party collateral being offered as additional security by the Resolution Applicant(s)	NA
11.	Details of Key Management Personnel of the Resolution Applicant(s) with a brief description of experience managing capital intensive assets	Refer Section I
12.	Details of prior experience of the Resolution Applicant(s) in managing capital intensive businesses	Refer Section I

A. COMPLIANCE OF RESOLUTION PLAN WITH THE CODE

Section/ Regulation	Purports	Reference in the Resolution Plan
Section 30 (1)	Resolution plan to be submitted along with an affidavit stating that he is eligible under section 29A to the Resolution Professional prepared on the basis of the information memorandum	Submitted separately
Section 30 (2) (a)	Plan 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.	The details are provided in Section IV (Settlement offers to Financial, Operational Creditors, Employees and Others)
Payments to Operational Creditors: Section 30 (2) (b) read with Regulation 38(1)	Plan 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,	The details are provided in Section IV (Settlement offers to Financial, Operational Creditors, Employees and Others)



IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH- I

IA No. 70 of 2024 in CP(IB) No. 1900 of 2019

	The amounts due to the operational creditors under the Resolution Plan shall be given priority of payment over financial creditors.	
Dissenting financial creditors: Section 30 (2) (b)	Resolution plan must provide for the payment of debts of financial creditors, who do not vote in favor of the resolution plan, in such manner as may be specified by Insolvency and Bankruptcy Board of India, which shall not be less than the amount to be paid to such creditors in accordance with Section 53 (1) in the event of a liquidation of corporate debtor	Section IV (Settlement offers to Financial, Operational Creditors, Employees and Others)
Section 30 (2) (c) read with Regulation 38(2)(b)	The Resolution Plan should provide for the mechanism regarding the management and control of the affairs of the Corporate Debtor after the approval of the Resolution Plan and during the term of the Resolution Plan.	Section XI (Management and Control of Corporate Debtor)
Section 30 (2) (d) read with Regulation 38 (2)(c) and Regulation 38(3)(c)	The Resolution Plan should provide for the implementation and supervision of the resolution plan and have provisions for its effective implementation.	Section V (Term of the Resolution Plan and its implementation) and Section XIII (Time line of Implementation of the Resolution Plan)
Section 30 (2) (e)	Plan does not contravene any of the provisions of the law for the time being in force	The Resolution Plan has been prepared after taking into consideration compliance of all Applicable Laws and regulations and it does not contravene any of the provisions of the law for the time being in force.
Regulation 38 (1A)	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.	Section IV (Settlement offers to Financial, Operational Creditors, Employees and Others)
Regulation 38 (1B)	Resolution plan shall include a statement giving details if the 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.	The RP has declared that he or any of his Related Parties have not failed to implement or contributed to the failure of implementation, in past of any resolution plan approved under the Code
Regulation 38 (2)(a)	Resolution plan shall provide the term of the plan and its implementation schedule	Section V of Resolution Plan.
Regulation 38 (2)(b)	Resolution plan shall provide the management and control of the business of the corporate debtor during its term	Section V of Resolution Plan.



Regulation 38 (3) (a)	Resolution Plan shall demonstrate that it addresses the cause of default	Section II provides the causes of default
Regulation 38 (3) (b)	Resolution Plan shall demonstrate that it is feasible and viable	Section IX provides the business plan for the Corporate Debtor proposing its feasibility and viability
Regulation 38 (3) (c)	Resolution Plan shall demonstrate that it has provisions for its effective implementation	Section XIII provides the timelines for effective implementation of the Resolution Plan.
Regulation 38 (3) (d)	Resolution Plan shall demonstrate that it has provisions for approvals required and the timeline for the same	Section XIII provides for the approvals required and the timeline for the same; Section X provides the details
Regulation 38 (3) (e)	Resolution Plan shall demonstrate that the resolution applicant has the capability to implement the resolution plan	Section I details out the profile and experience of Resolution Applicant to implement the plan

B. SUMMARY OF DEBT OWED TO FINANCIAL CREDITORS & OPERATIONAL CREDITORS

Category of Creditors	Claims submitted	Claims admitted	Claims rejected	Claims under verification	Contingent Claims
Financial Creditors	50.37	50.37	-	-	-
Operational Creditors	-	-	-	-	-
Employees & Workmen	-	-	-	-	-
Government and Statutory Authorities	-	-	-	-	-
Total	50.37	50.37	-	-	-

C. SUMMARY OF FINANCIAL PROPOSAL

Sources of Fund

Sr. No.	Source of Funds	Amount (INR Crores)
1.	Liquid funds in the form of amounts receivable from ROHL, in furtherance of the Revenue Sharing Agreement, accrued during CIRP as well as post approval of the Resolution Plan	5.38
2.	ROHL Payments made to NNSB	0.95
3.	Inter-corporate Deposits, Unsecured Loans from friends and relatives and internal accruals, sale of immovable properties of directors and shareholders of applicant, obtaining Loan	28.67



	against properties by directors and shareholders of applicant and secured loans against the properties of the Corporate Debtor.** In this regard, any properties of the Resolution Applicant mortgaged with the members of the CoC, whether jointly or independently, shall be immediately permitted to be disposed off by the respective members of the CoC, for the purpose of implementation of the Resolution Plan, at any point in time after the approval of this Resolution Plan by the CoC.	
	Total	35.00

Upon approval of the Resolution Plan, the CoC (in consortium and/or independently) shall immediately release their charge over all the immovable properties of the erstwhile directors/Resolution Applicant, mortgaged with them, for the purpose of repayment under this plan. In the event the Resolution Applicant wishes to pay the first tranche of payment (Rs. 11,66,55,000) before the NCLT Approval Date/Effective Date, the CoC (in consortium and/or independently) shall immediately release their charge over all the immovable properties of the erstwhile directors/Resolution Applicant, mortgaged with them, and shall have no further rights over such properties.

The Resolution Applicant directly or through SPV and/or its Affiliates and entities as financial/ strategic investors will infuse funds, in one or more tranches, into the Corporate Debtor by way of equity, quasi equity, and/ or debt or a combination thereof ("Fund Infusion") which shall be utilized for the purpose of payments proposed to be made under this Resolution Plan, to the extent the same is not paid out of the internal cash flows of the Corporate Debtor. Further, the Resolution Applicant, at its sole discretion, may infuse such additional amounts as may be required for improving the business operations of the Corporate Debtor.

The Resolution Applicant also further implores for waiver of any bank guarantee, performance securities and earnest money deposits etc., as may be envisaged in the RFRP. Rendition of these instruments may directly affect the feasibility and viability of the Resolution Plan.



Financial Proposal

The Resolution Applicant proposes to make an upfront payment (within 31 days from Effective Date) of INR 11,66,55,000 under this Resolution Plan in the following manner.

Particulars	Claim Amount	Admitted Amount	Upfront Amount proposed within 31 days from effective date	Deferred amount within 391 days from effective date**
Unpaid CIRP Cost	-	-	0.18	-
Secured Financial Creditors	50.37	50.37	11.49	23.33
Unsecured Financial Creditors	-	-	-	-
Operational Creditors	-	-	-	-
Government dues	-	-	-	-
Workmen & Employees	-	-	-	-
Total	50.37	50.37	11.67	23.33

**The deferred amount shall be paid as follows - • INR 11,66,55,000 to be paid within 211 days from the Effective Date • INR 11,66,90,000 to be paid within 391 days from the Effective Date. Upon payment of the Total Resolution Amount in the manner specified below, the Corporate Debtor or the Resolution Applicant shall have no liability to make payments for the liability or claim relating to the period on or before NCLT Approval Date to any Stakeholder of the Corporate Debtor, including any Creditor whether Financial Creditors, Employees, Workmen, Government and Statutory Authorities, Operational Creditors, Shareholders or any other stakeholder and the liabilities of the Corporate Debtor towards the Creditors and other stakeholders shall be extinguished and settled and the Resolution Applicant shall acquire the Corporate Debtor on a 'clean slate'.



Statutory Compliance

33. 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 distribute 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 29A.
34. 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 Demonstrate 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
35. 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 relevant parts of which are reproduced below:



FORM H
COMPLIANCE CERTIFICATE

*(Under Regulation 39(4) of the Insolvency and Bankruptcy Board of India
(Insolvency Resolution Process for Corporate Persons) Regulations, 2016*

I, Ajay Gupta, an insolvency professional enrolled with Indian Institute of Insolvency Professional of ICAI And registered with the Board with registration number [IBBI/IPA-001/IP-P00192/2017-2018/10371], am the resolution professional for the corporate insolvency resolution process (CIRP) of Latakisan Infra Private Ltd.

2. The details of the CIRP are as under:

Sl. No.	Particulars	Description
1	Name of the CD	Latakisan Infra Pvt. Ltd.
2	Date of Initiation of CIRP	06.11.2019
3	Date of Appointment of IRP	06.11.2019
4	Date of Publication of Public Announcement	13.11.2019 (order received on 10.11.2019)
5	Date of Constitution of CoC	26.11.2019
6	Date of First Meeting of CoC	26.11.2019
7	Date of Appointment of RP	08.12.2019
8	Date of Appointment of Registered Valuers	12.12.2019
9	Date of Issue of Invitation for EoI	17.10.2020 *
10	Date of Final List of Eligible Prospective Resolution Applicants	24.11.2020 *
11	Date of Invitation of Resolution Plan	15.10.2020*
12	Last Date of Submission of Resolution Plan	14.12.2020 *
13	Date of Approval of Resolution Plan by CoC	21.12.2020 *
14	Date of Filing of Resolution Plan with Adjudicating Authority	29.12.2020 *
15	Date of Expiry of 180 days of CIRP	04.05.2020
16	Date of Order extending the period of CIRP	14.10.2020
17	Date of Expiry of Extended Period of CIRP	11.01.2021
18	Fair Value	Rs. 7533.34 Lakhs **
19	Liquidation value	Rs. 4896.00 Lakhs **
20	Number of Meetings of CoC held	14 OC Meetings



**EOI has been published but no prospective resolution applicant came with resolution plan and on NCL T order Mr. Prashant Borele has submitted fresh resolution Plan.*

*** Valuation has been done again on 06.07.2023 due to on insistence of CoC and fair value is Rs. 33.80 Cr Liquidation value is Rs 27.00 Cr.*

3. I have examined the Resolution Plan received on the order of NCL T from Resolution Applicant (Prashant borele) and approved by Committee of Creditors (CoC) of Latakisan Infra Private Ltd.

4. I hereby certify that-

- i. the said Resolution Plan complies with all the provisions of the Insolvency and Bankruptcy Code 2016 (Code), the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) and does not contravene any of the provisions of the law for the time being in force.*
- ii. the Resolution Applicant **Prashant Borele** 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.*
- iii. the said Resolution Plan has been approved by the CoC in accordance with the provisions of the Code and the CIRP Regulations made thereunder. The Resolution Plan has been approved by 73.70% of voting share of financial creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.*
- iv. I sought vote of members of the CoC by electronic voting system which was kept open at least for 48 hours as per the regulation 26.*

5. The list of financial creditors of the MPF Systems Limited being members of the CoC and distribution of voting share among them is as under.

<i>Sl. No.</i>	<i>Name of Creditor</i>	<i>Voting Share (%)</i>	<i>Voting for Resolution Plan (Voted for / Dissented / Abstained)</i>
<i>1.</i>	<i>Nagpur Nagrik Sahakari Bank Ltd.</i>	<i>17.31 %</i>	<i>Voting for Resolution Plan</i>
<i>2.</i>	<i>Babaji Date Mahila Sahakari Bank Limited</i>	<i>12.46%</i>	<i>Voting for Resolution Plan</i>



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3.	<i>Pusad Urban Co-operative Bank Limited</i>	15.08%	<i>Voting for Resolution Plan</i>
4.	<i>Mumbai District Central Co- Operative Bank Limited</i>	28.85%	<i>Voting for Resolution Plan</i>
5.	<i>Maharashtra State Co-Operative Bank Ltd.</i>	26.30%	<i>Abstained from Voting</i>

6. *The Resolution Plan includes a statement under regulation 38(1A) of the CIRP Regulations as to how it has dealt with the interests of all stakeholders in compliance with the Code and regulations made thereunder.*

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

(Amount in Rs. Lakhs)

<i>Sl. No.</i>	<i>Category of Stakeholder*</i>	<i>Sub-Category of Stakeholder</i>	<i>Amount Claimed</i>	<i>Amount Admitted</i>	<i>Amount Provided under the Plan#</i>	<i>Amount Provided to the Amount Claimed (%)</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7)</i>
		<i>(a) Creditors not having a right to vote under sub-section (2) of section 21</i>	-	-	-	-
		<i>(b) Other than (a) above:</i>				
		<i>1. Nagpur Nagrik Sahakari Bank Ltd</i>	627.78	627.78	436.10	436.10
		<i>2. Babaji Date Mahila Sahakari Bank Limited</i>	759.70	759.70	527.80	527.80
		<i>3.Pusad Urban Co-operative Bank Limited</i>	1453.6	1453.6	1009.75	1009.75
		<i>4.Mumbai District Central Co-Operative Bank Limited.</i>	1324.76	1324.76	920.50	920.50
		<i>(i) who did not vote in</i>				
1	<i>Secured Financial Creditors</i>					



		favour of the resolution Plan <i>Maharashtra State Co-Operative Bank Ltd.</i>				
		(ii) who voted in favour of the resolution plan				
		Total [(a) + (b)]	5037.80	5037.80	3500.00	3500.00
		(a) Creditors not having a right to vote under sub-section (2) of section 21	-	-	-	-
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan				
		(ii) who voted in favour of the resolution plan				
		Total [(a) + (b)]				
2	Unsecured Financial Creditors			NO CLAIM		
		(a) Related Party of Corporate Debtor				
		(b) Other than (a) above:				
3	Operational Creditors			NO CLAIM		



		(i) Government				
		(ii) Workmen				
		(iii) Employees				
		(iv) Operational Creditors				
		Total[(a) + (b)]				
4	Other debts and dues			NO CLAIM		
Grand Total						

**If there are sub-categories in a category please add rows for each sub-category.*

#Amount provided over time under the Resolution Plan and includes estimated value of non-cash components. It is not NPV.]

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

<i>Sr. no.</i>	<i>Category of Share Holder</i>	<i>No. of shares held before CIRP</i>	<i>No. of shares held after the CIRP</i>	<i>Voting share (%) held before CIRP</i>	<i>Voting Share (%) held after CIRP</i>
1.	Equity				
2.	Preference				
3.					

36. 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.
37. 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 Regulations.
38. The RP has filed Compliance Certificate in Form-H along with the Plan. On perusal the same is found to be in order. The Resolution Plan has been approved by the CoC by majority of 100%.
39. The Applicant Resolution Professional had filed an application bearing IA 3614/2024 before this bench seeking condonation of delay of 57 days under regulation 13(1)(C) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 with respect to the claim of Operational Debt of the Customs Department worth Rs. 21,72,58,660/-. The same was allowed by this bench vide order dated 15.07.2024.
40. 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). 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 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) when the Resolution Plan does not conform to the stated requirements.

41. 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 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.

42. 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 Debtor, 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 Debtor 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. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.
- iv. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- v. 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.
- vi. 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.



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

Sd/-

Prabhat Kumar

Member (Technical)

MK

Sd/-

Justice V.G. Bisht

Member (Judicial)