

IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH
CUTTACK

IA No. 141/CTB/ 2020

in

T.P. No. 203/ CTB/ 2019

[earlier C.P (IB) No. 1411/ MB/2018]

In the matter of:

Insolvency and Bankruptcy Code 2016;

And

In the matter of:

An application under section 31(1) of the Insolvency and Bankruptcy Code 2016;

And

In the matter of:

J.M. Financial Asset Reconstruction Company Limited, a company incorporated under the provisions of companies Act 1956, having its registered office at 7th Floor Energy, Appasahab, Marathi Marg, Prabhadevi Mumbai – 400025.

...Financial Creditor

-Versus-

Salasar Steel and Power Limited a company incorporated under the companies Act 1956, having its registered office at first floor, Bhatia Complex, Opposite Rajkumar College, G.E Road, Raipur – 492001.

...Corporate Debtor

And

In the matter of:

Rajesh Jhunjhunwala, Resolution Professional of Salasar Steel and Power Limited, carrying on business from A51, Ashit Apartment, HB Gawde Marg, Juhu, Koliwada, Mumbai- 400049.

... Applicant

-Versus-

1. Singhal Enterprises Private Limited, having its registered office at Century Towers, 3rd Floor, Room No. 303, 45 Shakespeare Sarani, Kolkata- 700071.

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In res: Resolution Plan of Salasar Steel and Power Limited

2. Committee of Creditors of Salasar Steel and Power Limited, C/o J.M Financial Asset Reconstruction Company Limited carrying out business from 7th Floor Energy, Appasahab, Marathi Marg, Prabhadevi Mumbai – 400025.

... **Respondents**

Coram:

Shri P. Mohan Raj : Member (Judicial)

Shri Satya Ranjan Prasad : Member (Technical)

Appearances (through video conferencing):

For Petitioner :

For the Respondent : Mr. Ratnanko Banerjee Sr Adv.
Mr. Dhirendranath Sharma
Mr. Anuj Singh
Mr. Aniket Agarwal,
Mrs. Rusha Mitra

Order reserved on: 29.10.2021

Order pronounced on: 08.11.2021

ORDER

Per: Satya Ranjan Prasad Member (Technical)

1. This Court convened through video conferencing.
2. IA (IB) No.141/CTB/2020 is an application under section 30(6) of the Code after approval of the resolution plan by the Committee of Creditors ("CoC").

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3. The underlying Company Petition in CP (IB) No. 1411/MB/2018 was filed by J.M. Financial Asset Reconstruction Company Limited against Salasar Steel and Power Limited, the Corporate Debtor, under section 7 of the Insolvency and Bankruptcy Code 2016 which was admitted vide order dated 27.09.2019 in TP 203/CTB/2019 in CP (IB) NO. 1411/MB/2018
4. Initially, the Applicant herein, Mr Rajesh Jhunjhunwala (IBBI Reg. No. IBBI/ IPA-001/IP-P00647/2017-18/11102) was appointed as the Interim Resolution Professional. He was later confirmed as the Resolution Professional of the Corporate Debtor at the first meeting of the Committee of Creditors on 23.10.2019.
5. The Applicant submits that 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 ("CIRP Regulations"), invitations in Form 'G' for Expressions of Interest ("EoI") from potential resolution applicants were issued on 4th December 2019 as further amended on 20th December 2019. In two newspapers, i.e., 'Business Standard', and 'Times of India'. The last date of submission of expression of interest was 28th December, 2019. Thereafter, the revised invitation of expression of interest in Form-G was issued on 2nd March, 2020, and the last date of submission was on 17th March, 2020. The final list of prospective resolution applicants, in accordance with Regulation 36A (12) of CIRP Regulation was issued on 24th March, 2020.
6. The Applicant submits that Resolution Plans were submitted by three Prospective Resolution Applicants ("PRA") being (1) N R Ispat and Power Private Limited, (2) Singhal Enterprises Private Limited and (3) Raigarh

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Ispat and Power Private Limited. On 17th May, 2020, the plan submitted by Raigarh Ispat and Power Limited was rejected on account of ineligibility. Singhal Enterprises Private Limited, the Respondent No.1 herein, eventually emerged as the H1 bidder.

7. The Applicant submits that the Resolution Plan submitted by the said Singhal Enterprises Private Limited, the Resolution Applicant, was scrutinized and put to vote in the 14th Committee of Creditors meeting held on 30th June 2020, and it was subsequently approved by the Committee of Creditors with 100% voting percentage on 09th July 2020. Compliance Certificate for the Resolution Plan was submitted to the Committee of Creditors by the Resolution Professional, Mr. Rajesh Jhunjhunwala on 18th June, 2020. The Resolution Applicant has confirmed in its affidavit dated 15th May, 2020 that it is eligible under section 29A of the Insolvency and Bankruptcy Code, 2016 to submit Resolution Plan;
8. It is submitted that on 10th July 2020, the Resolution Professional issued Letter of Intent to the Resolution Applicant. On 13th July 2020 the successful resolution applicant submitted Performance Bank Guarantee issued by State Bank of India.
9. The Applicant submits details of various compliances as envisaged within the Code and the CIRP Regulations which requires a Resolution Plan to adhere to, which is reproduced hereunder:

a. Submission of Resolution Plan in terms of sub-section (2) of section 30 of the Code

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| Section | Requirement | Provision of Resolution Plan |
|--------------|---|---|
| Sec 30(2)(a) | The Resolution Plan provides for the payment of insolvency resolution process costs? | Clause 5.5 and 6.3.2 at Page 36 and Page 39 |
| Sec 30(2)(b) | The Resolution Plan provides for the payment to the operational creditors in such manner as may be specified by the Board. | Clause 6.3.3 at Page 40-43 |
| Sec 30(2)(b) | The Resolution Plan provides for the payment to the financial creditors who did not vote in favour of the resolution plan in such manner as may be specified by the Board | Clause 6.3.4 (iv) at Page 43 |
| Sec 30(2)(c) | The Resolution Plan provides for the management of the affairs of the corporate debtor | Clause 15 at Page 56 |
| Sec 30(2)(d) | The Resolution Plan provides for the implementation and supervision of the resolution plan | Clause 17 and 18 at Page 62 |
| Sec 30(2)(e) | The Resolution Plan contravenes any of the provisions of the law for the time being in force | Clause 20 at Page 70 |
| Sec 30(2)(f) | Conforms to such other requirement as may be specified by the Board | Clause 20 at Page 70 |

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

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| 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 | | |
|--|---|------------------------------|
| Regulation | Requirement | Provision in Resolution Plan |
| Reg 37(a) | Transfer of all or part of the assets of the Company to one or more persons; | Clause 16 at Page 56-61 |
| Reg 37(b) | Sale of all or part of the assets whether subject to any security interest or not; | Not proposed |
| Reg 37 (ba) | Restructuring of the corporate debtor, by way of merger, amalgamation and demerger | Not proposed |
| Reg 37(c) | Substantial acquisition of shares of the Company, or the merger or consolidation of the Company with one or more persons; | Clause 6.1 at Page 38 |
| Reg 37(ca) | Cancellation or delisting of any shares of the Company, if applicable | Clause 16.1 at Page 56 |
| Reg 37(d) | Satisfaction or modification of any security interest | Clause 6.3.4 at Page 43-46 |
| Reg 37(e) | Curing or waiving of any breach of the terms of any debt due from the Company | Not Applicable |
| Reg 37(f) | Reduction in the amount payable to the creditors | Clause 6.3 at Page 39-48 |
| Reg 37(g) | Extension of a maturity date or a change in interest rate or other terms of a debt due from the Company; | Not Applicable |

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| Reg 37(h) | Amendment of the constitutional documents of the Company | Clause 16.4 and 19.7 at Page 61 and 64-66 |
| Reg 37(i) | Issuance of securities of the Company, for cash, property, securities, or in exchange for claims or interests, or other appropriate purpose | Clause 6.3.4 at Page 43-46 |
| Reg 37(j) | Change in portfolio of goods or services produced or rendered by the Company | Not Proposed |
| Reg 37(k) | Change in technology used by the Company | Not Proposed. However, additional Rolling Mill of INR 20 Cr shall be added |
| Reg 37(l) | Obtaining necessary approvals from the Central and State Governments and other authorities | Clause 11 at Page 52-55 |

c. Mandatory contents of Resolution Plan in terms of Regulation 38 of CIRP Regulations:

| Regulation | Requirement | Provision in Resolution Plan |
|-------------------|---|-------------------------------------|
| Reg 38(1) | The amount due to the operational creditors shall be given priority over financial creditors. | Clause 6.3.3 at Page 40-43 |
| Reg 38(1A) | A statement as to how the Resolution Applicant has dealt with the interests of | Clause 5.6 at Page 36-37 |

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| | all stakeholders, including financial creditors and operational creditors of the Company in the Resolution Plan. | |
| Reg 38(1B) | 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. | Not Applicable |
| Reg 38(2) | A resolution plan shall demonstrate that – | |
| | (a) the term of the plan and its implementation schedule S | Clause 18 at Page 62 |
| | (b) the management and control of the business of the corporate debtor during its term; and | Clause 16 at Page 56-61 |
| | (c) adequate means for supervising its implementation | Clause 15,17,18 at Page 56 and 62 |
| Reg 38(3) | A resolution plan shall demonstrate that | |
| | (a) it addresses the cause of default | Clause 4 at Page 24-34 |
| | (b) it is feasible and viable | Clause 6, 7 and 8 at Page 38-51 |
| | (c) it has provisions for its effective implementation | Clause 15, 17 and 18 at Page 56 and 62 |
| | (d) it has provisions for approvals required and the timeline for the same | Clause 18.3 at page 62 |

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| | (e) the resolution applicant has the capability to implement the resolution plan | Clause 7 and 8 at Page 48-51 |
|--|--|------------------------------|

10. The Applicant submits that the successful Resolution Applicant has submitted an affidavit of eligibility under section 29A of the Code, which is annexed to the application as **Annexure 'F'** at pages 61 to 63. The applicant has also given an undertaking as provided under Regulation 39(1)(c) that the information and particulars furnished by applicant are true and correct, if they are discovered as false at any time when it will render him ineligible to continue in resolution process, amount, if any, deposited by him will be forfeited and applicant is also liable for penal action.

11. The Applicant has filed a Compliance Certificate in prescribed form, i.e., Form 'H' in compliance with regulation 39(4) of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, which is annexed to the application as **Annexure 'E'** at pages 54 to 60.

12. The Applicant submits the relevant information with regard to the total financial proposal under the said Resolution Plan is tabulated as under: -

| Particulars | Amount |
|---|--|
| Payment towards IRPC | Capped at maximum INR 10 Cr. (as on 29.05.2020 it is 7.26 Cr.) |
| Payment to Operational creditors settlement amount including statutory (excluding Provident Fund for Workmen & Employees) and other creditors | INR 3.5 Cr. |

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| Upfront cash recovery to financial creditors | INR 150.07 Cr. to be paid within 45 days from the effective date |
| Proposed Deferred Payment for Financial Creditors (Other than Related Party Financial Creditors) | NIL |
| Upfront payment towards outstanding employee and workmen dues including Gratuity | Workmen & Employee: INR 1.64 Cr |
| Equity upside to financial creditors | NA |
| Provident Fund for Workmen & Employees | NIL |
| Fresh capital infusion | Minimum amount of INR 25 Crore each in the form of Capital Expenditure and Working Capital requirements as and when required |

13. The timeline for implementation of the Resolution Plan as provided by the Successful Resolution Applicant, is as under:

| <u>SL No.</u> | <u>Actions</u> | <u>Time Line</u> |
|---------------|-----------------|--|
| 1. | Effective Date | Approval of this Resolution Plan by the Hon'ble NCLT |
| 2. | Completion Date | Effective Date + 45 days |

Details on Management/Implementation and Reliefs as per the Resolution Plan – Salient Features

14. The Resolution Plan also provides for:

- a. Implementation Plan- Clause 15,17, 18
- b. Mechanism for management and control- Clause 16

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c. Monitoring Committee- Clause 15

15. The Prayers, Reliefs and Concession sought by the Resolution Applicant from the Adjudicating Authority as per Clause 11 the Resolution Plan are set out below for the successful implementation of the Resolution Plan. The orders thereon are indicated against each.

Prayers, Reliefs and Concession

| Clause 11 of Resolution Plan | <u>Relief / Concession Sought</u> | <u>Remarks</u> |
|-------------------------------------|---|---|
| i. | All Governmental Authorities / Local Authorities / Electricity Boards / Industrial Board are requested to waive the Non-Compliances of the Corporate Debtor prior to the Effective Date and to provide reasonable time after the effective date to complete all the subsequent compliances required, however, all the non-compliances prior to the effective date stands ratified by this order. Further, any security deposit /refundable deposit with any Governmental Authorities / Local Authorities / Electricity Boards / Industrial Board shall be adjusted/ accounted and considered for new connections/ licenses/ permits | This is for the appropriate authorities to decide keeping in view the object of the Insolvency and Bankruptcy Code is to enable a fresh start for the Corporate Debtor. |
| ii. | It is probable that certain of the Business Permits/ Import Licenses/ DGFT Licenses etc. of the Corporate Debtor have lapsed, expired, suspended, | Once the resolution plan is approved by |

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| | <p>cancelled, revoked or terminated or the Corporate Debtor has Non-Compliances in relation thereto, accordingly, the Resolution Applicant requests all Governmental Authorities to provide reasonable time period after the Effective Date in order for the Resolution Applicant to assess the status of these Business Permits and ensure that the Corporate Debtor is compliant with the terms of such Business Permits and Applicable Law without initiating any investigations, actions or proceedings in relation to such Non-Compliances and all such non compliances stands ratified by this order. Further, time period with regard to such Business Permits/ Import Licenses/ DGFT Licenses etc. should be extended for 1 year</p> | <p>this Adjudicating Authority, the Corporate Debtor under the new management shall have one year in terms of section 31 (4) of the Insolvency and Bankruptcy Code 2016, within which to obtain the requisite approvals. The appropriate authorities are requested to consider the same expeditiously and favourably since the objects of the Insolvency and</p> |
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| | | Bankruptcy Code, 2016 is to enable a fresh start for the Corporate Debtor. |
| iii. | As a part of Resolution Plan, the equity shares and all the class of preference shares of the company will get unconditionally reduced. Accordingly, all the relevant authorities including but not restricted to Ministry of Corporate Affairs, etc. are requested to give their approvals to the said arrangement, if required. The procedures and application to be done by Resolution Applicant | While permissions required internally by the Corporate Debtor such as shareholder shall be waived once this Resolution Plan is approved, all filings and other compliances shall be carried out by the Corporate Debtor under the successful resolution applicant, by |

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| | | filing the requisite application fee to the Registrar of Companies. There shall be no exemption in this regard. Wherever, needed, the appropriate authorities may decide keeping in view the objects of the Insolvency and Bankruptcy Code, 2016 to enable a fresh start for the Corporate Debtor. |
| iv. | Waiver of any fee payable to or any regulatory body towards any past dues or towards fee dues pursuant to any of the steps as contemplated in the Resolution Plan | This is for the appropriate authorities to decide. |

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| v. | <p>The Department of Registration and Stamps, Government of Chhattisgarh, and other State level Government/ Department and the Ministry of Corporate Affairs is requested to exempt the Resolution Applicant and the Corporate Debtor from any tax obligation under various taxing statutes, including but not limited to Sections 50B, 50C, 50CA, 56 and 115JB under the Income-tax Act as well as the Central Goods and Services Tax Act, 2017 (as amended from time to time) and the provisions of the Indian Stamp Act, 1899 (as amended from time to time) and other laws relating to payment of stamp duty applicable in any state. The procedures and application to be done by Resolution Applicant</p> | <p>This is for the appropriate authorities to decide. keeping in view the object of the Insolvency and Bankruptcy Code is to enable a fresh start for the Corporate Debtor. Judgement of the Hon'ble Supreme Court in <i>Ghanshyam Mishra and Sons v. Edelweiss Asset Reconstruction Company Limited</i> can be taken into consideration in this regard.</p> |
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| vi. | The Resolution Plan envisages an amount for creditors for their admitted claims for full and final settlement of their claims. Any claims by any person (whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future) against the Corporate Debtor accruing due to the commencement or pendency of insolvency proceedings against the Corporate Debtor, whether arising under the terms of subsisting consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the Corporate Debtor or any contractual arrangements entered into by the Corporate Debtor, shall, notwithstanding any provision to the contrary in their terms, stand extinguished without any recourse | Not Allowed. This does not survive for consideration at this stage. |
| vii. | The Resolution Applicant plead Adjudicating Authority to consider its plea for relief from any hardship due to any claims (whether contingent or crystallised, known or unknown) of Governmental Authorities in relation to all Taxes which the Corporate Debtor, all deductions and all withholding Taxes on any payment, as required under Applicable Law and pertaining to the period prior to Insolvency Commencement Date and for which no claim has been admitted. Further, post the | As per the applicable provisions of law. |

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| | order of the Hon'ble NCLT, no re-assessment / revision or any other proceedings under the provisions of any of the indirect tax laws should be initiated on the Corporate Debtor in relation to the period prior to acquisition of control by the Resolution Applicant and any consequential demand shall be considered non-existing and as not payable by the Corporate Debtor. Any proceedings which were kept in abeyance in view of insolvency process or otherwise shall not be revived post the order of Hon'ble NCLT. | |
| viii. | The Resolution Applicant plead Adjudicating Authority to entitle Corporate Debtor to carry forward the unabsorbed depreciation and accumulated losses, if any and to utilize such amounts to set off future tax obligations. | Allowed |
| ix. | The NCLT order passed shall be binding on all the concerned Government Departments / Authorities. Further, any penalty/ charges etc. with respect to the Corporate Debtor shall be assumed to be settled/ foregone. Further, following approvals shall be provided, application and procedures shall be followed by the resolution applicant: a. 132 KVA Grid connectivity from Gerwani Sub-station b. Restoration of Water permission from Water Resource Department | As per the applicable provisions of the law. Wherever needed the Corporate Debtor under the successful resolution Applicant shall apply to the |

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| | <p>c. Coal Linkage for 65 MW Power Plant from Ministry of Coal</p> <p>d. Boiler Inspector permission</p> <p>e. Electrical Inspector permission</p> <p>f. Forest land required for expansion from Forest Department</p> <p>g. Labour Licence from the concerned Labour Department</p> <p>h. Valid Pollution Consent from the Pollution Control Board to operate the plant and units</p> | <p>appropriate authorities/Departments, who are requested to consider the same keeping in vie the letter and spirit of the IBC, 2016, which is to enable a fresh start for the corporate debtor.</p> |
| x. | <p>The Resolution Applicant plead Adjudicating Authority to consider its plea for relief from all new inquiries, investigations, whether civil or otherwise, notices, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings in relation to any period prior to the acquisition of control by the Resolution Applicant over the Corporate Debtor</p> | <p>This shall be in terms of section 32 A of the Insolvency and Bankruptcy Code, 2016, nothing more and nothing less.</p> |
| xi. | <p>Pursuant to Section 32 A of the Code and approval of the plan,</p> | <p>Granted</p> |

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| | <p>a) notwithstanding anything to the contrary contained in this Code or any other law for the time being in force, the liability of a corporate debtor for an offence committed prior to the commencement of the corporate insolvency resolution process shall cease, and the corporate debtor shall not be prosecuted for such an offence from the date the resolution plan has been approved by the Adjudicating Authority under section 31</p> <p>b) No action shall be taken against the property of the corporate debtor in relation to an offence committed prior to the commencement of the corporate insolvency resolution process of the corporate debtor, where such property is covered under a resolution plan approved by the Adjudicating Authority under section 31</p> | |
| xii. | <p>There are various Performance Bank Guarantees issued by various banks amounting to the tune of INR 1,05,94,980 against 100% fixed deposit margin. Accordingly, the said Bank Guarantees shall continue to be valid even after approval of Resolution Plan and the corresponding Fixed Deposits shall be part of the Corporate Debtor. Please refer Schedule 8 for details of Performance Bank Guarantee and Fixed Deposits</p> | Granted |

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| xiii. | <p>The Adjudicating Authority may direct the statutory authorities, as applicable, to grant renewal of respective licenses, approvals and permissions, subject to compliance of the procedural and other requirements under applicable governing Law, Statute, Rules and/or Regulations, etc., for time being in force</p> | <p>The Corporate Debtor shall make applications, wherever required and follow the specified procedure. However, the concerned authorities are requested to consider the same keeping in view the letter and spirit of the IBC, 2016, which is to enable a fresh start for the corporate debtor.</p> |
| xiv. | <p>As per The Competition Act, 2002 , the acquisition of one or more enterprises by one or more persons or merger or amalgamation of enterprises shall be a combination of such enterprises and persons or enterprises, if any acquisition where the parties to</p> | <p>As per the applicable laws in this regard.</p> |

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| | the acquisition, being the acquirer and the enterprise, whose control, shares, voting rights or assets have been acquired or are being acquired jointly have in India, the assets of the value of more than Indian Rupees one thousand crores or turnover more than Indian Rupees three thousand crores | |
| xv. | <p>In terms of the provisions of Competition Act, 2002, the value of assets is determined by taking into account the book value of assets shown in the audited books of accounts of the enterprise for the financial year immediately preceding the financial year in which (a) the proposal relating to merger/amalgamation was approved by the Board of Directors of the enterprises concerned; or (b) any agreement or other document for acquisition was executed (Refer sub-section (2) of Section 6 read with Explanation (c) to Section 5 of the Competition Act, 2002)</p> <p><i>Accordingly, as per the Audited Financial Statements of Financial Year 2018-19, the combined value of Turnover or Assets being lower than the prescribed threshold limits, approval from Competition Commission of India is not required.</i></p> | His I for the appropriate authorities to consider. |

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in

T.P. No. 203/ CTB/ 2019

[earlier C.P(IB) No. 1411/ MB/2018]

In res: Resolution Plan of Salasar Steel and Power Limited

Effect of the order approving the Resolution Plan

| Clause 19.7 of Resolution Plan | Particular | Remarks |
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| a. | A certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan shall constitute conclusive evidence of the rights and entitlements of the Corporate Debtor as provided in the Resolution Plan and the settlement of claims with the financial creditors and discharge and extinguishment of all other claims and obligations, rights and entitlements of dissentient financial creditors, operational creditors and other creditors in accordance with the Resolution Plan by deemed satisfaction, discharge or extinguishment. A certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan shall, where applicable, constitute conclusive evidence of any modifications or cancellation or abandonment of contractual arrangements or agreements or leases or licenses as recorded in the Resolution Plan. The mere production and delivery of a certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan shall constitute proof of amendment of any constitutional | |

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| | documents of the Corporate Debtor, the authority to create security over the assets of the Corporate Debtor in favour of any refinancing creditor, change in the shareholding of the Corporate Debtor or its loan capital, reduction in share capital of the Corporate Debtor, without any further act or deed | |
| b. | The mere production and lodgement of a certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan or a notarial certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan before any court or tribunal or regulator or government or arbitral tribunal or any administrative authority or any other authority shall be adequate and sufficient for such authorities (or the counter parties to the Corporate Debtor to constitute the revised agreements or arrangements or deemed modification or cancellation or abandonment thereof to cause the abatement of any cause of action against the Corporate Debtor or Resolution Applicant, discharge or abatement of any suit or action or claim made in arbitration against the Corporate Debtor or Resolution Applicant after the acquisition, or in any other judicial, quasi-judicial, regulatory, administrative or government proceedings of whatsoever nature in accordance | |

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| | <p>with the approved Resolution Plan. The Resolution Applicant shall not be liable for any liability / outgoings, arising out of or in relation to any future proceedings initiated by any authority, either governmental or non-governmental in relation to any period, transactions, proceeding and/or any matter prior to the date of approval of this resolution plan by the Hon'ble NCLT. The certified copy of the approved Resolution Plan shall be posted on the website of the Corporate Debtor and the website of the Resolution Applicant.</p> | |
| c. | <p>A certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan shall constitute conclusive evidence that notwithstanding anything contained in any other document or instrument or contract, upon implementation of the Resolution Plan any right, title and interest to all immovable property in the name of the Corporate Debtor, will continue to remain vested in the name of Resolution Applicant, without any further act, instrument or deed and for this purpose the relevant persons shall cooperate with the Corporate Debtor to take necessary steps and execute such documents as may be required for continuance of vesting of the immovable properties in the name of the Corporate Debtor</p> | |

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| d. | A certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan shall constitute conclusive evidence that notwithstanding anything to the contrary, the power of attorneys or authorizations issued by the Corporate Debtor shall stand cancelled without any further act, instrument or deed | |
| e. | A certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan shall constitute conclusive evidence that pursuant to the discharge and payment of the Total Consideration as per the terms herein, all obligations, promises or commitments made or guarantee given by the Corporate Debtor whatsoever, (whether oral or written) for the payment of any amount or incurring of any liability or assumption of any liability/obligation or claim against the assets of the Corporate Debtor (whether known or unknown, liquidated or unliquidated, contingent or otherwise) shall stand extinguished, released and discharged, without any further act, instrument or deed by the Corporate Debtor, and no person shall have any claim whatsoever against the Corporate Debtor or the Resolution Applicant in respect of obligation or liabilities of the Corporate Debtor pertaining to the period prior to | |

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| | the Effective Date except to the extent provided for payment in this Resolution Plan | |
| f. | A certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan shall constitute conclusive evidence that in so far as the assets and/or shares of the Corporate Debtor are concerned, on discharge and payment of the Total Consideration, any charge, lien, mortgage, security or encumbrance over them shall without any further act, instrument or deed be released | |
| g. | the Corporate Debtor, the Resolution Applicant (if required) and the relevant creditor shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned Registrar of Companies to give formal effect to the provisions of this Resolution Plan | |
| h. | pursuant to this Resolution Plan, all litigations other than those initiated by the members of CoC instituted against the Corporate Debtor, initiated or arising and pending before the Effective Date shall stand withdrawn, without any further act, instrument or deed. All litigations initiated by the members of CoC instituted against the Corporate Debtor, initiated or arising and pending before the | |

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| | <p>Effective Date shall stand withdrawn, without any further act, instrument or deed upon payment of entire consideration value due to the members of CoC as mentioned in clause 6.3.4(iv). The Corporate Debtor shall file the suitable applications with the relevant courts, forums and authorities along with a copy of the order of the Hon'ble NCLT and if required, the Resolution Plan to place on record such withdrawal of the relevant litigations. It is clarified that the liabilities including contingent liabilities in respect of the said litigations will be nil and there shall be no recourse against the Corporate Debtor or the Resolution Applicant in respect of the same. Any appeals or challenges against the Corporate Debtor in respect of such litigations shall also stand withdrawn, without any further act, instrument or deed. It is further clarified that upon the approval of the Resolution Plan by the Hon'ble NCLT, any and all litigations filed by the Corporate Debtor against the members constituting the CoC being the Financial Creditors shall stand withdrawn and settled in full and final. Save as aforesaid, all litigations instituted by the Corporate Debtor, initiated or arising and pending before the Effective Date shall continue and nothing in this Resolution Plan shall affect the rights of the Resolution Applicant / Corporate</p> | |
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| | <p>Debtor to recover any amounts due to the Corporate Debtor from any person, including any related parties of the Corporate Debtor as defined in Sec 5(24) of the Code, and governmental and statutory authorities. Furthermore, clarified that any litigation against any Guarantor/s may be continued by members of CoC. "It is further clarified that any litigation against any Guarantor/s may be continued by members of CoC and is further mentioned that claims against the guarantors of the Corporate Debtor may be continued/ filed by the financial creditors as per terms of extant guarantee agreements and third party mortgages due to shortfall in total recovery (total claims of FCs admitted by RP against CD including interest and other charges thereupon till date of repayment minus amount proposed to be paid by RA) as per Resolution plan submitted by the RA</p> | |
| i. | <p>A certified copy of the approved Resolution Plan and the order of the Hon'ble NCLT approving this Resolution Plan shall constitute conclusive evidence, upon discharge and payment of the relevant Total Consideration as per this Resolution Plan, that the charges over the shares of the Corporate Debtor in favour of any creditor shall automatically be released;</p> | |

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| j. | A certified copy of the approved Resolution Plan and the order of the Hon'ble NCLT approving this Resolution Plan shall constitute conclusive evidence, upon discharge and payment of the Total Consideration as per this Resolution Plan, that the corporate guarantees (including un-invoked corporate guarantees, if any) held by any creditor of the Corporate Debtor, shall stand cancelled and cease to have any effect | |
| k. | A certified copy of the approved Resolution Plan and the order of the NCLT approving this Resolution Plan shall constitute conclusive evidence that the assets of the Corporate Debtor shall be free from any attachment, restriction or adverse order on discharge of the Total Consideration | |
| l. | The provisions of this Clause shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions | |
| m. | The Resolution Plan has dealt with interests of all stakeholders, including Financial Creditors, Operational Creditors, employees and workmen and other creditors of the Corporate Debtor, in accordance with Regulation 38(1A) of the CIRP | |

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| | Regulations as the Resolution Applicant believes that it creates value to all stake holders, not less than the value due to them under the liquidation process | |
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*In respect of above stated Effect of the order approving the Resolution Plan all applicable provisions of law, whether stated or not stated shall be strictly binding on all concerned.

16. 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 RP and the Resolution Applicant for making the plan effective after approval by this Bench.
17. 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. No circumstances exist that militate against grant of approval for the resolution Plan.
18. As far as the question of granting time to comply with the statutory obligations/seeking sanctions from governmental authorities is concerned, the Resolution Applicant is directed to do the same within one year or within such period as provided for in such law, whichever is later, as prescribed under section 31(4) of the Code.

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19. Therefore, subject to the observations made in this Order, we hereby accord our approval to the Resolution Plan. The Resolution Plan shall form part of this Order.
20. The Resolution Plan as approved is binding on the Corporate Debtor and other stakeholders involved so that the revival of the Corporate Debtor can come into force with immediate effect.
21. The moratorium imposed under section 14 shall cease to have effect from the date of this order.
22. In case of non-compliance of this order or withdrawal of Resolution Plan, the CoC shall forfeit the Performance Security amount already paid by the Resolution Applicant.
23. The RP shall stand discharged from his duties with effect from the date of this Order. He shall, however, perform his duties in terms of the Resolution Plan as approved by this Adjudicating Authority.
24. The Resolution Applicant shall have access to all the Corporate Debtor's records, documents, assets and premises with effect from the date of this order, to finalise the further line of action required for starting the business operations of the Corporate Debtor.
25. Liberty is hereby granted for moving applications, if required, in connection with implementation of this Resolution Plan.
26. The Resolution Applicant shall file a copy of this Order with the Registrar of Companies, Chhattisgarh, inter alia for updating the status of the Corporate Debtor in the master data.
27. IA No.141/CTB/2020 along with CP (IB) No.1411/CTB/2018 and **T.P. No. 203/ CTB/ 2019** are disposed of accordingly.

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28. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.

29. Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

30. File be consigned to the record.

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Satya Ranjan Prasad
Member (Technical)

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P. Mohan Raj
Member (Judicial)

Signed this 8th day of November, 2021.

Ravijeet_P.S.