

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IB) No.98/ALD/2021  
in  
CP (IB) No.458/ALD/2019

*In the matter of:*  
*Application under sections 30(6) r/w 31(1) of the Insolvency & Bankruptcy Code,  
2016 for approval of Resolution Plan*

*In the matter of:*

Alchemist Asset Reconstruction Company Limited  
(substituted as the Financial Creditor vide  
Order dated 03.09.2020 in IA 148/2020) ...

Financial Creditor

Versus

Panacealife Healthzone Private Limited  
CIN: U85191UP2013PTC058988 ...

Corporate Debtor

And

*In the matter of:*

Devendra Singh, Resolution Professional of  
Panacealife Healthzone Private Limited ...

Applicant

Date of hearing: 20.10.2021

Date of pronouncement: 14.12.2021



**Coram:**

**Shri Rajasekhar V.K.**

: **Member (Judicial)**

**Shri Balraj Joshi**

: **Member (Technical)**

**Appearances (via videoconference):**

For the Applicant /RP

: Mr. Ashu Kansal, Advocate  
Mr. Zain Abbas, Advocate

For member of Suspended Board

: Mr. Rahul Chaudhary, Advocate

For Committee of Creditors

: Mr. Shatadru Chakraborty, Advocate

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

**ORDER**

Per: *Rajasekhar V.K., Member (Judicial)*

**1. Preliminary**

- 1.1. This Court convened through video conferencing.
- 1.2. This Application – **IA (IBC) No.98/ALD/2021** – was filed by Mr. Devendra Singh, Resolution Professional (RP) of **Panacealife Healthzone Private Limited (CIN: U85191UP2013PTC058988)** under section 30(6) read with section 31(1) of the Insolvency and Bankruptcy Code, 2016 (“the Code” or “IBC”) for approval of the Resolution Plan in respect of Panacealife Healthzone Private Limited (“*the Corporate Debtor*”).
- 1.3. The Applicant/RP filed the present application for approval of the Resolution Plan on 22.02.2021, which was approved by 100% CoC on 08.02.2021. The said Application came up for hearing on 27.09.2021 when the Applicant/RP was directed to file proper Memo of Parties. In compliance of the said order dated 27.09.2021, the Applicant/RP filed the proper Memo of parties on 30.09.2021. This application was thereafter heard and reserved for orders on 20.10.2021.
- 1.4. The underlying Company Petition being CP (IB) No. 458/ALD/2019 was filed by Siemens Financial Services Private Limited against the Corporate Debtor under section 7 of the Code which was admitted into Corporate Insolvency Resolution Process (“CIRP”) by an order dated 03.09.2020. During the pendency of the section 7 petition, an application in IA 148/2020 was filed for substituting the name of the Financial Creditor with that of Alchemist Asset Reconstruction Company Limited, as the assignee. This was also allowed *vide* order dated 03.09.2020
- 1.5. Mr. Devendra Singh was appointed as the Interim Resolution Professional (“IRP”), and the Committee of Creditors (“CoC”) in its meeting held on 03.10.2020, confirmed the appointment of Mr. Devendra Singh [IBBI/IPA-002/IP-N00001/2016-17/10001] as the Resolution Professional (“RP”) with 100%



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

voting.

**2. IBC compliances**

- 2.1. The Applicant submits that the public announcement was made on 07.09.2020 in *Business Standard (English)* and *Aaj (Hindi)* in Kanpur & Gorakhpur Editions and called for proof of claims from the creditors of the Corporate Debtor as envisaged under the Code.
- 2.2. The claims existing as on the date of filing the present application are as follows:

Sl. No.	Category of claim	Amount admitted as per Information Memorandum (in rupees)	Amount proposed to be paid as per Plan (in rupees)
1.	CIRP costs (approx.)	---	₹1,52,56,305/-
2.	Financial Creditors	₹4,82,16,124/-	₹4,00,00,000/-
3.	Operational Creditors	₹3,30,54,689/-	₹80,71,696/-
<b>Total</b>		<b>₹8,12,70,813/-</b>	<b>₹6,33,28,001/-</b>

**Note:** There is discrepancy in the amount admitted as per the Resolution Plan (which is ₹3,22,86,784/-<sup>1</sup> and the Form H (₹3,30,54,689/-) placed before us. It is for the Resolution Professional to clarify which of these figures is correct.

- 2.3. The Applicant submits that a total of seven CoC meetings have been held during CIRP period as follows:

Particulars	Date of CoC meeting
1 <sup>st</sup> CoC meeting	03-10-2020
2 <sup>nd</sup> CoC meeting	14-10-2021
3 <sup>rd</sup> CoC meeting	12-11-2020
4 <sup>th</sup> CoC meeting	15-12-2020

<sup>1</sup> Internal page 58 of the Resolution Plan

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Particulars	Date of CoC meeting
5 <sup>th</sup> CoC meeting	29-01-2021
6 <sup>th</sup> CoC meeting	03-02-2021
7 <sup>th</sup> CoC meeting	18-02-2021

- 2.4. Invitation in Form 'G' for Expression of Interest ("EoI") from potential resolution applicants was published on 14.11.2020 for submission of resolution plans for the Corporate Debtor, in terms 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"), *Business Standard (English)* in Lucknow Region, Delhi NCR (Hindi & English) and *Aaj (Hindi)* in Kanpur Edition.
- 2.5. The Applicant submits that as per the EoI the Applicant received prospective resolution plans from three prospective resolution applicants. The RP issued the provisional list of eligible resolution applicants on 09.12.2020 in compliance of the regulation 36A(10) of the CIRP Regulations.
- 2.6. In the meantime, Shri Vijay Kumar Pandey, a member of the suspended board of directors of the Corporate Debtor, filed an application before this Adjudicating Authority, stating that he was interested in submitting a plan for revival of the Corporate Debtor. *Vide* order dated 09.12.2020, this Adjudicating Authority directed the Applicant to place the proposal before the CoC. Accordingly, the proposal was placed before the CoC at its 4<sup>th</sup> meeting held on 15.12.2020, the CoC rejected the same.
- 2.7. After the Applicant received confidentiality undertaking from the eligible prospective Resolution Applicants on 24.12.2020, the Applicant issued the final list of eligible prospective Resolution Applicants. However, the Applicant received the plan only from one Resolution Applicant, *i.e.*, City Hospital.
- 2.8. A copy of the Compliance Certificate dated 20.02.2021 in Form H as required



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
*In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd*

by regulation 39(4) of CIRP Regulations is also filed by the Applicant.<sup>2</sup>

***Evaluation and voting***

2.9. The CoC also enquired from the Resolution Applicant if there is any chance of any revision or improvement in the resolution bid amount for the Financial Creditors. The Resolution Applicant submitted that as the equipment and instruments of the Corporate Debtor are obsolete and are required to be replaced, it would be difficult for them to revise or improve the bid.

2.10. On 03.02.2021, the Plan was placed for e-voting and the same was concluded on 08.02.2021. The Plan was approved by 100% voting of CoC.

***3. Salient features of the approved Resolution Plan***

3.1. The Successful Resolution Applicant has confirmed that the payment of CIRP Cost, Operational Creditors and Financial Creditors will be made within 90 days from the date of approval of the Plan by this Adjudicating Authority.

3.2. The Applicant has also placed the liquidation value which takes note in Form H,<sup>3</sup> and also the Fair Value. The amount being paid through the Resolution Plan is higher than the average liquidation value.

3.3. The key financial proposals envisaged in the Resolution Plan are tabulated at 5.1 *infra*.

***4. Compliance of the successful Resolution Plan with various provisions***

The Applicant has submitted the details of various compliances as envisaged by the Code and the CIRP Regulations which a Resolution Plan is required to adhere to, as follows:



—Sd—

<sup>2</sup> Page 450 of the Application

<sup>3</sup> Page 450 of the Application

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

**Compliance with section 30(2) of the Code:**

Clause of sec. 30(2)	Requirement	How dealt with in the Plan
(a)	Provides for the payment of Insolvency Resolution Process Cost.	Chapter VI Clause a, Page 84 of the Application.
(b)	Plan must provide for repayment of debts of Operational Creditors in such manner as may be specified by the Board which shall not be less than- the amount payable to such creditors in the event of liquidation under section 53; or	Chapter VI Clause b, Page 85 of the Application.
(c)	Management of the affairs of the Corporate Debtor after approval of the Resolution Plan.	Chapter VI Clause c, Page 87 of the Application.
(d)	Implementation and Supervision of Resolution Plan.	Chapter VI Clause d, Page 89 of the Application.
(e)	Plan does not contravene any of the provisions of the law for the time being in force.	Chapter VI Clause e, Page 90 of the Application.
(f)	Conforms to such other requirements as may be specified by the Board.	Chapter VI Clause f, Page 91 of the Application.



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

Regulation	Requirement	How dealt with in the Plan
38(1)	(a) The amount payable to the operational creditors under a resolution plan shall be paid in priority over financial creditor.	Chapter VI, Page 91 of the Application.

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Regulation	Requirement	How dealt with in the Plan
	(b) The amount payable to the financial creditors under a resolution plan, who have a right to vote under section 21(2) and did not vote in favour of the resolution plan shall be paid in priority over financial creditors who voted in favour of the Plan.	NA, as there is only one Financial Creditor.
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.	Chapter VI, Page 92 of the Application.
38(1B)	A resolution plan shall include a statement giving details of 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.	Chapter VI, Page 102 of the Application.
38(2)	<b>A resolution plan shall provide:</b>	
	(a) the term of the plan and its implementation schedule;	Chapter VI, Page 103 of the Application.
	(b) the management and control of the business of the corporate debtor during its term; and	Chapter VI, Page 105 of the Application.
	(c) Adequate means for supervising its implementation	Chapter VI, Page 106 of the Application.
38(3)	<b>A resolution plan shall demonstrate that-</b>	



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Regulation	Requirement	How dealt with in the Plan
	(a) it addresses the cause of default;	Chapter VI, Page 107 of the Application.
	(b) it is feasible and viable;	Chapter VI, Page 108 of the Application.
	(c) it has provisions for its effective implementation;	Chapter VI, Page 108 of the Application.
	(d) it has provisions for approvals required and the timeline for the same; and	Chapter VI, Page 108 of the Application.
	(e) the Resolution Applicant has the capability to implement the resolution plan.	Chapter VI, Page 109 of the Application.

- 4.2. The Applicant submits that the successful resolution applicant has submitted a certificate of eligibility under section 29A of the Code, as required by regulation 39(1)(a) of the CIRP Regulations. An undertaking has also been submitted by the successful Resolution Applicant, as mandated in terms of regulation 39(1)(c) of the CIRP Regulations.



The Applicant has filed a Compliance Certificate in prescribed Form 'H' in compliance with regulation 39(4) of the CIRP Regulations<sup>4</sup>. Evidence of receipt of performance bank guarantee as required under regulation 36B(4A) is placed on record.<sup>5</sup>

**5. Details of Resolution Plan/Payment Schedule**

- 5.1. The relevant information with regard to the amount claimed, amount admitted, and the amount proposed to be paid by the Resolution Applicant, *i.e.*, City Hospital, under the said resolution plan is tabulated as under:

—Sd—

<sup>4</sup> Page 450 of the Application

<sup>5</sup> Page 458 of the Application

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl No	Créditor	Amount claimed (in Rs.)	Amount admitted (in Rs.)	% to be paid	Amount proposed in Resolution Plan (in Rs.)
<b>CIRP Cost</b>					
1.	CIRP Cost	1,52,56,305 <sup>6</sup>	1,52,56,305	100%	1,52,56,305
<b>Financial Creditors</b>					
2.	AARC	4,82,16,124	4,82,16,124	82.96	4,00,00,000
<b>Operational Creditors</b>					
3.	Other operational creditors	4,99,48,225	3,30,54,689	16.16	80,71,696
4.	Other dues	Nil	Nil	-	Nil
Total		<b>9,81,64,249</b>	<b>9,65,27,118</b>	-	<b>6,33,28,001</b>

5.2. The total plan size is approximately ₹36,33,28,001/- (Rupees thirty-six crore thirty-three lakh twenty-eight thousand and one only) inclusive of Future Capex of ₹30.00 crore.

5.3. The Resolution Plan defines "**Effective Date**" as the date on which the Adjudicating Authority approves the Resolution Plan. Under the Resolution Plan, payments towards the CIRP Cost, Operational Creditors and the Financial Creditors would be made within 90 days from the approval of the plan from the Adjudicating Authority.<sup>7</sup> The Resolution Professional states that the 100% CoC member (AARC) had voted in favour of the Plan and has accepted this proposal in the sixth CoC Meeting.

6. **Details on Management / Implementation and Relief as per the Resolution Plan- Salient Features**

6.1. The Resolution Plan also provides for –

—Sd—

<sup>6</sup> The CIRP Cost is till 22.02.2021 and the RA had assured to pay any additional cost.

<sup>7</sup> Page 84 of the Application

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

- a. The Resolution Applicant together with its nominees shall hold 100.00% shareholding in the restructured Share Capital of Corporate Debtor after resolution<sup>89</sup> (*Clause (c)(i) at internal page no. 59 of the plan*);
- b. Management of Company after resolution (*Clause (c)(ii) at internal page no. 59 of the plan*);
- c. Term of the Resolution Plan<sup>10</sup> (*Phase 1 and Phase 2 at internal page no. 59 of the plan*);
- d. Implementation and Supervision of the resolution plan<sup>11</sup> (*Clause (d)(i) at internal page no. 61 & 62 of the plan*).

7. **Waivers, Reliefs and Exemptions**

- 7.1. The reliefs and concessions sought by the Resolution Applicant 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.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
1.	Levy of Stamp Duty  Waiver from the levy of stamp duty on the transfer of ownership and directorship, fees by the stamp/revenue/ local authorities/ lease deed etc. and Ministry of Corporate Affairs, applicable in relation to this Resolution Plan and its implementation, including issuance and transfer of new Equity Shares, Capital Reduction or Capital enhancement.	Not granted. Stamp duty shall be paid in accordance with the existing law.



—Sd—

<sup>8</sup> Page 87 of the Application

<sup>9</sup> Page 110 & 111 of the Application

<sup>10</sup> Page 87 of the Application

<sup>11</sup> Page 89 – 90 of the Application.

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
2.	Exemption from all taxes, levies, fees, transfer charges, transfer premiums, and surcharges	
	Corporate Debtor and the Resolution Applicant shall be granted an exemption from all taxes, levies, fees, transfer charges, transfer premiums, and surcharges that arise from or relate to implementation of this Resolution Plan	Not Granted.
3.	Companies Act, RoC /MCA	
	The Registrar of Companies to take on record the Resolution Plan upon approval of the Plan by the Hon'ble NCLT without any further compliances and re-instate all the approvals and waive all the financial or other penalties/ interest / prosecution / proceedings of all type and nature.	Not granted. It shall be the responsibility of the successful Resolution Applicant to ensure that all filings are made with the jurisdictional RoC, after due payment of the applicable fee for the forms prescribed.
4.	Waiver of income-tax liability and Minimum Alternate Tax (MAT) liability and other on Corporate Debtor	
(a)	Waiver of income-tax liability and Minimum Alternate Tax (MAT) liability or consequences (including interest, fine, penalty, etc.) on Corporate Debtor, Resolution Applicant and its shareholders on account of various steps as proposed in the Resolution Plan, including but not limited to liabilities if any under Sections 41(1), 43, 43B, 28, 115JB and 79 of the Income-tax Act, 1961,	In <i>Ghanashyam Mishra &amp; Sons Pvt Ltd v. Edelweiss Asset Reconstruction Company Ltd</i> , <sup>12</sup> the Hon'ble Supreme Court held in para 95(i) that once a Resolution Plan is approved, a creditor cannot initiate proceedings for recovery of claims which are not part of the Resolution Plan. The provisions of section 32A of



—Sd—

<sup>12</sup> 2021 SCC OnLine SC 313 decided on 13.04.2021.

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
	including, without limitation waiver of MAT and income tax implication arising due to write back / write off of liabilities in the books of accounts of Corporate Debtor without any impact on brought forward tax and book loss / depreciation, pursuant to this Resolution Plan.	the IBC will also apply. Therefore, the reliefs sought for are granted, in terms of the judgment of the Hon'ble Supreme Court in so far as extinguishment of liabilities that are not part of the resolution plan.
(b)	The Central Board of Direct Taxes not to take any other actions with respect to the transactions contemplated under this Plan under Section 281 of the IT Act.	In <i>Ghanashyam Mishra &amp; Sons Pvt Ltd v. Edelweiss Asset Reconstruction Company Ltd</i> , <sup>13</sup> the Hon'ble Supreme Court held in para 95(i) that once a Resolution Plan is approved, a creditor cannot initiate proceedings for recovery of claims which are not part of the Resolution Plan.  The provisions of section 32A of the IBC will also apply.  Therefore, the reliefs sought for are granted, in terms of the judgment of the Hon'ble Supreme Court in so far as extinguishment of liabilities that are not part of the resolution plan.
(c)	Any approvals that may be required from Govt Authorities (including tax authorities) in connection with the implementation of the Resolution Plan including on account of change	Necessary applications in this regard shall be made before the appropriate authorities, who shall consider the same keeping in view the letter and spirit of the



—Sd—

<sup>13</sup> 2021 SCC OnLine SC 313 decided on 13.04.2021.

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
	in ownership / control of Corporate Debtor shall be deemed to have been granted on the Effective Date.	Insolvency and Bankruptcy Code, 2016 which is to enable a fresh start for the corporate debtor.
(d)	<p>Upon approval of the Resolution Plan by the Hon'ble NCLT, all non-compliances, breaches and defaults of and by the Corporate Debtor for the period prior to the Closing Date (including but not limited to those relating to taxation statutes), shall be deemed to be waived by the concerned Government / Statutory Authorities. Immunity shall be deemed to have been granted to Corporate Debtor from all proceedings and penalties under all Applicable Laws for any non-compliance for the period prior to the Closing Date and no interest/penal implications shall arise due to such non-compliance /default /breach prior to the Closing Date. This includes, without limitation, waiver / extinguishment of any penalties / interests on account of staggered payment of statutory liabilities of the workmen/ employees of Corporate Debtor in accordance with the terms of this Resolution Plan.</p> <p>Waiver / extinguishment of any tax (including but not limited to income-tax and MAT) and duty (including interest, fine, penalty, etc.) and legal liability pertaining for the period prior</p>	<p>This shall have to be in conformity with section 31(4) of the IBC, which stipulates that the resolution applicant shall, pursuant to the resolution plan approved under sub-section (1), obtain the necessary approval required under any law for the time being in force within a period of one year from the date of approval of the resolution plan by the Adjudicating Authority under sub-section (1) or within such period as provided for in such law, whichever is later.</p>



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
	to the Effective Date such as any kind of existing and/or future litigation /assessment /scrutiny /contingency.	
(e)	From the Effective Date, all inquiries, investigations and proceedings, whether civil or criminal, suits, claims, disputes, proceedings in connection with Corporate Debtor or affairs of Corporate Debtor (including those initiated by Government/Statutory Authorities), pending or threatened, present or future in relation to any period prior to the Effective Date, or arising on account of implementation of this Resolution Plan shall stand settled / waived off / withdrawn / dismissed and all liabilities and obligations therefore, whether or not set out in the balance sheets of Corporate Debtor or the profit and loss account statements of Corporate Debtor will be deemed to have been written off fully, and permanently extinguished and no adverse orders passed in the said matters would apply to CD or the Resolution Applicant. Upon approval of this Resolution Plan, all new inquiries, investigations, notices, suits, claims, disputes, litigations, arbitrations or other judicial, regulatory or administrative proceedings will be deemed to be	<p>In <i>Ghanashyam Mishra &amp; Sons Pvt Ltd v. Edelweiss Asset Reconstruction Company Ltd</i>,<sup>14</sup> the Hon'ble Supreme Court held in para 95(i) that once a Resolution Plan is approved, a creditor cannot initiate proceedings for recovery of claims which are not part of the Resolution Plan.</p> <p>The provisions of section 32A of the IBC will also apply.</p> <p>Therefore, the reliefs sought for are granted, in terms of the judgment of the Hon'ble Supreme Court in so far as extinguishment of liabilities that are not part of the resolution plan</p>



<sup>14</sup> 2021 SCC OnLine SC 313 decided on 13.04.2021.

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
	barred and will not be initiated or admitted against Corporate Debtor and/ or the Resolution Applicant in relation to any period prior to the Effective Date	
5.	Others	
(a)	Except to the extent of payments to be made to the Operational and Other Creditors under <i>Financial Proposal</i> , the Resolution Applicant and Corporate Debtor shall have no liability towards any Operational Creditors and other creditors with respect to any claims (as defined under the Code) relating in any manner to the period prior to the Closing Date. All such liabilities shall immediately, irrevocably and unconditionally stand extinguished, waved off, revoked, cancelled, withdrawn, dismissed and abated against the Corporate Debtor but not against erstwhile Promoters and Guarantors, with there being no further claims whatsoever, and all forms of security created or suffered to exist, or rights to create such a security, to secure any obligations towards Operational Creditors and other creditors shall immediately, irrevocably and unconditionally stand released and discharged, and the Operational Creditors and other	In <i>Ghanashyam Mishra &amp; Sons Pvt Ltd v. Edelweiss Asset Reconstruction Company Ltd</i> , <sup>15</sup> the Hon'ble Supreme Court held in para 95(i) that once a Resolution Plan is approved, a creditor cannot initiate proceedings for recovery of claims which are not part of the Resolution Plan.



<sup>15</sup> 2021 SCC OnLine SC 313 decided on 13.04.2021.

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
	creditors shall waive all rights to invoke or enforce the same.	
(b)	Neither the Resolution Applicant nor Corporate Debtor, nor their respective directors, officers and employees appointed as on or after the Effective Date shall be liable for any violations, liabilities, penalties, interests on statutory payments and/ or fines with respect to or pursuant to any order of any Government / Statutory Authority or on account of non-compliance of Applicable Laws by Corporate Debtor or due to Corporate Debtor not having in place requisite approvals and licenses to undertake its business as per Applicable Law.	Granted in terms of section 32A of the Code.
(c)	The business permits/ licences/or any statutory order(s) which were possessed by the Corporate Debtor to conduct the business shall deem in continuation on the date of final approval of NCLT as it were prior to the Insolvency Commencement Date by All or any one of the applicable Statutory / Government Authority (s) for the time being in force for ensuring the economic viability and financial sustainability of the business of Corporate Debtor.	This shall be in terms of section 32A of the Code.
(d)	Since the Resolution Applicant has been provided with limited information in relation to the Business Permits, Service Licences and their	It is for the Resolution Applicant to due its due diligence and this responsibility cannot be abdicated by the successful



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
	current status, it is probable that some of the Business Permits, licences of the Corporate Debtor may have lapsed, expired, suspended, cancelled, revoked or terminated or the Corporate Debtor has Non-Compliances in relation thereto. Accordingly, all Government 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 permit the Resolution Applicant to continue to operate and financially revive the business of the Corporate Debtor	resolution applicant. Having said that, the corporate debtor under new management shall have the timeframe stipulated in section 31(4) of the Code as regards renewal of permits etc. that may have lapsed.  The successful resolution applicant shall adhere to these timelines.
(e)	No action will be taken against the any dues non-compliance penalty, interest related to the period before the effective date, by any authority under PF Act, ESI, Factory Act, electricity department, Fire department, Pollution Department, Labour Law or any other department/ authority not mentioned here	The provisions of section 32A shall apply in so far as the corporate debtor is concerned.. While these provisions exempt the corporate debtor, they shall not extend to its erstwhile promoters.
(f)	Indemnification- Resolution Applicant and Corporate Debtor shall not be impacted and will be kept indemnified financially or otherwise	Granted.



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Waivers, Reliefs and Exemptions sought from NCLT	Orders thereon
	against any of the negative impact / observation / findings of Forensic Audit. Further neither Corporate Debtor nor any member of the new promoter group nor shall the RA be made party to any of the legal cases arising out of such forensic audit.	

7.2. The Resolution Applicant has further undertaken and confirmed that, on and from the approval of this Resolution Plan by the CoC, and subject only to (i) obtaining required approvals from the Adjudicating Authority in accordance with Applicable Law, and (ii) applicable directions of the Adjudicating Authority and/or Hon'ble High Court and/or Hon'ble Supreme Court, if any, all obligations and commitments, financial or otherwise, undertaken by it under this Resolution Plan towards any stakeholder, shall be binding on it, and shall subsist and be in full force and effect irrespective of whether any reliefs, waivers or concessions as mentioned in this chapter of this resolution plan sought by the Resolution Applicant are granted by the Adjudicating authority, the Hon'ble NCLAT, the Hon'ble High Court, the Hon'ble Supreme Court or any other judicial, quasi-judicial, regulatory or administrative entity, department or authority.<sup>16</sup>

7.3. The Resolution Applicant shall be bound by the undertaking given *supra*.

7.4. Chapter VI of the Plan<sup>17</sup> (*internal page 71 of the plan*) provides for the extinguishment of claims and entitlements as follows:-

—Sd—

<sup>16</sup> Page 118 of the Application

<sup>17</sup> Page 100 of the Application

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Extinguishment of Claims / Entitlements	Orders thereon
1.	<p>The Resolution Professional issued a notice inviting all potential claimants to submit their proof of claim. This was published in newspapers in accordance with Applicable Law. All other liabilities of Corporate Debtor (to the extent not specified and / or dealt with in this Chapter or any other Chapter of this Resolution Plan), including but not limited to contingent liabilities, taxes, statutory liabilities, customer and any patients claims, service provider claims, duties, responsibilities and all other obligations of any nature whatsoever and all dues payable to the other creditors, including any claims or demands or liabilities in connection with or against Corporate Debtor, whether under Applicable Law, equity or contract, whether admitted or not, due or contingent, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Information Memorandum, the balance sheet or the books of accounts of Corporate Debtor, in relation to any period prior to the Effective Date shall be deemed to be owed and due as of the Insolvency Commencement Date, the liquidation value of which is NIL and therefore no amount is payable in relation thereto. All such liabilities shall immediately, irrevocably and unconditionally stand settled /waived /written off/extinguished with respect to the Corporate Debtor and / or the Resolution Applicant on the Effective Date pursuant to the Hon'ble NCLT Approval Order. The order of the Hon'ble NCLT approving the</p>	<p>In <i>Ghanshyam Mishra &amp; Sons Pvt Ltd v. Edelweiss Asset Reconstruction Company Ltd</i>,<sup>18</sup> the Hon'ble Supreme Court held in para 95(i) that once a Resolution Plan is approved, a creditor cannot initiate proceedings for recovery of claims which are not part of the Resolution Plan.</p> <p>The provisions of section 32A of the IBC will also apply.</p> <p>Therefore, the reliefs sought for are granted, in terms of the judgment of the Hon'ble Supreme Court in so far as extinguishment of liabilities that are not part of the resolution plan.</p>



<sup>18</sup> 2021 SCC OnLine SC 313 decided on 13.04.2021.

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Extinguishment of Claims / Entitlements	Orders thereon
	Resolution Plan shall operate as automatic extinguishment of all other liabilities of Corporate Debtor, without the requirement of any further act or deed by the CD and / or RA	
2.	In case any Claim is raised relating to the period prior to the approval of the Resolution Plan by the Adjudicating Authority, the same would be treated as having been settled /waived /written off /extinguished with respect to the CD and / or RA	In <i>Ghanshyam Mishra &amp; Sons Pvt Ltd v. Edelweiss Asset Reconstruction Company Ltd</i> , <sup>19</sup> the Hon'ble Supreme Court held in para 95(i) that once a Resolution Plan is approved, a creditor cannot initiate proceedings for recovery of claims which are not part of the Resolution Plan.  Therefore, the reliefs sought for are granted, in terms of the judgment of the Hon'ble Supreme Court in so far as extinguishment of liabilities that are not part of the resolution plan.
3.	By virtue of the Hon'ble NCLT Approval Order, on the Effective Date, all assets of Corporate Debtor, that are subject to any encumbrance, security and/or lien, whether in favour of the lenders of Corporate Debtor or in favour of any third party, shall stand settled /waived /written off /extinguished with respect to the Corporate Debtor and / or the Resolution Applicant. This would <i>inter alia</i> include: the security mentioned in the Information memorandum of Corporate Debtor except for the other collaterals, the Corporate Guarantee or the Personal Guarantees given by the erstwhile directors / suspended board / any other person	Granted.



<sup>19</sup> 2021 SCC OnLine SC 313 decided on 13.04.2021.

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Extinguishment of Claims / Entitlements	Orders thereon
4.	All corporate guarantees, indemnities, letters of comfort, undertakings (including as listed below) provided by Corporate Debtor, in respect of any third-party liability (including of Subsidiaries) till the Effective Date pursuant to approval of the Resolution Plan by the by the Adjudicating Authority shall stand settled / waived /written off /extinguished with respect to the Corporate Debtor / Resolution Applicant	Granted.
5.	All existing and future claims by Corporate Debtor and all its existing and future rights, entitlement, etc. with Government Authorities or any other Person (including third parties) shall not be affected and shall remain enforceable after the Effective Date. Nothing in this Resolution Plan shall be deemed to affect the rights of Corporate Debtor and/ or the RA to recover from and/or asset claims or rights against any Person and there shall be no set off of any such amounts recoverable by Corporate Debtor or any liability of third party towards Corporate Debtor extinguished pursuant to this Resolution Plan	Granted.
6.	Except to the extent of payments to be made to the Creditors as per this Resolution Plan, the Resolution Applicant and the Corporate Debtor shall have no liability towards any other Financial Creditor and/or Operational Creditors including taxes and statutory dues and / or any other creditors with respect to any claims whether filed or not filed and whether admitted or not admitted relating in any manner to the period prior to the Effective Date. All such liabilities shall immediately, irrevocably and unconditionally shall settled /waived /	Granted.



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Extinguishment of Claims / Entitlements	Orders thereon
	written off /extinguished with respect to the Corporate Debtor/Resolution Applicant/New Management.	
7.	The Creditors shall be entitled to hold the Personal Guarantees, if any, and enforce the same for the recovery of their dues however the Personal Guarantors shall not have any recourse / right of the Subrogation vis-à-vis the Corporate Debtor or the Resolution Applicant.	In <i>Lalit Kumar Jain v Union of India &amp; others</i> , <sup>20</sup> the Hon'ble Supreme Court held in para 125 that approval of a resolution plan does not ipso facto discharge a personal guarantor of her or his liabilities under the contract of guarantee, which arises out of an independent contract. The provisions of section 32A of the IBC will also apply.
8.	In accordance with the forgoing, all claims (whether final or contingent, whether disputed or undisputed and whether notified/claimed or not against Corporate Debtor) of all Taxes, Duties, dues of the Government & Statutory Authorities relating to the period prior to the Effective Date, shall stand settled /waived /written off / extinguished with respect to the Corporate Debtor / Resolution Applicant.	In <i>Ghanshyam Mishra &amp; Sons Pvt Ltd v. Edelweiss Asset Reconstruction Company Ltd</i> , the Hon'ble Supreme Court held in para 95(i) that once a Resolution Plan is approved, a creditor cannot initiate proceedings for recovery of claims which are not part of the Resolution Plan. This is binding law under Article 141 of the Constitution.
9.	Any and all Legal /Administrative proceedings including but not limited to any notices, inquiry, investigation, adjudication proceedings, assessment proceedings, breach of contract, regulatory orders etc. initiated before any Court/Tribunal/Forum by or on behalf of any Financial Creditor / Operational Creditors / any other creditors /Government / Statutory Authorities to enforce any rights or claims against Corporate Debtor /Resolution Applicant shall stand immediately, irrevocable and	In <i>Ghanshyam Mishra &amp; Sons Pvt Ltd v. Edelweiss Asset Reconstruction Company Ltd</i> , <sup>21</sup> the Hon'ble Supreme Court held in para 95(i) that once a Resolution Plan is approved, a creditor cannot initiate proceedings for recovery of claims which are not part of the Resolution Plan. This is binding law under Article 141 of the Constitution.



<sup>20</sup> (2021) 9 SCC 321 : 2021 SCC OnLine SC 396

<sup>21</sup> 2021 SCC OnLine SC 313 decided on 13.04.2021.

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Extinguishment of Claims / Entitlements	Orders thereon
	unconditionally withdrawn, abated, settled, written off and / or extinguished in respect of the period prior to the Effective Date, and all such claims shall immediately, irrevocable and unconditionally stand settled / waived /written off /extinguished with respect to the Corporate Debtor / Resolution Applicant.	
10.	As per the IM and other information provided by the Resolution Professional, there are few pending litigations as on ICD. Resolution Applicant shall not be liable for any payment against any such liability arising out of such litigations and any other similar liabilities including Liabilities on account of Bank Guarantees, indemnity bond, promissory note or any kind of promise even if not mentioned herein.	Granted.
11.	For removal of any ambiguity or any doubt, it is clarified that if any award or benefit is accruing in favour of the Corporate Debtor in relation to any pending litigations whether before or after the takeover of the Corporate Debtor by the Resolution Applicant; shall not extinguish, and shall remain alive and shall be rightfully pursued by the Corporate Debtor for recovery.	Granted.
12.	By virtue of the order of the Hon'ble NCLT approving this Resolution Plan, new inquiries, investigations, notices, suits, claims, disputes, litigation, arbitration or other judicial proceeding and regulatory or administrative proceedings will not be initiated or admitted for any period prior to the Effective Date or arise on account of the acquisition of control by the Resolution Applicant over Corporate Debtor pursuant	Granted.



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

Sl. No.	Extinguishment of Claims / Entitlements	Orders thereon
	to this Resolution Plan, against Corporate Debtor or any of its employees or directors who are appointed or who remain in employment or directorship after the acquisition of control by the Resolution Applicant over Corporate Debtor or pursuant to the implementation of the Resolution Plan.	
13.	In case any claim is raised relating to the period prior to the approval of the Resolution Plan by the Adjudicating Authority, the same would be treated as having been settled / waived /written off / extinguished with respect to the Corporate Debtor / Resolution Applicant.	Granted.

**8. Findings**

8.1. On hearing the submissions made by the learned Counsel for the Resolution Professional, and perusing the records, 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.

8.2. On perusal of the documents on record, we are satisfied that the Resolution Plan is in accordance with sections 30 and 31 of the Code and also complies with regulations 37, 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.

**9. Orders**

9.1. Therefore, subject to the observations made in this Order, we hereby accord

—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
*In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd*

our approval to the Resolution Plan. The Resolution Plan shall form part of this Order.

- 9.2. As far as the question of granting time to comply with the statutory obligations or seeking sanctions from governmental authorities is concerned, the Resolution Applicant is directed to do the same within one year as prescribed under section 31(4) of the Code.
- 9.3. Any relief sought in the Resolution Plan, where any contract, agreement, understanding, proceeding, action, notice etc. not specifically identified, or is for a future contingency, is, at this point of time, rejected.
- 9.4. 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.
- 9.5. The Moratorium imposed under section 14 shall cease to have effect from the date of this order.
- 9.6. The Resolution Professional shall stand discharged from his duties with effect from the date of this Order. However, he shall perform his duties in terms of the Resolution Plan as approved by this Adjudicating Authority.
- 9.7. The Resolution Professional is further directed to handover 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.
- 9.8. In case of non-compliance of this order or withdrawal of Resolution Plan, the performance security amount already paid by the Resolution Applicant shall be liable to be forfeited.



—Sd—

IN THE NATIONAL COMPANY LAW TRIBUNAL  
ALLAHABAD BENCH

IA (IBC) No.98/ALD/2021 in CP (IB) No.458/ALD/2019  
In re: Resolution Plan of Panacealife Healthzone Pvt. Ltd

- 9.9. Liberty is hereby granted for moving any Application if required in connection with implementation of this Resolution Plan.
- 9.10. The Resolution Professional shall file a copy of this Order with the Registrar of Companies, Uttar Pradesh, *inter alia* for updating the status of the Corporate Debtor. Additionally, the Registry shall send a copy of this order to the Registrar of Companies, Uttar Pradesh.
- 9.11. The application bearing IA (IB) No. 98/ALD/2021 along with the Company Petition bearing C.P. (IB)No. 458/ALD/2019 are disposed of accordingly.
- 9.12. Certified copy of this Order be issued on demand to the concerned parties, upon due compliance of requisite formalities.



—Sd—

**Balraj Joshi**  
Member (Technical)

—Sd—


**Rajasekhar V.K.**  
Member (Judicial)

Signed this 14<sup>th</sup> day of December, 2021

FREE OF COST

Compared by Me  
Mahesh Sahai  
16/12/2021

CERTIFIED TO BE TRUE COPY  
OF THE ORIGINAL

  
16/12/2021  
**Sudama Yadav**  
Assistant Registrar  
National Company Law Tribunal  
Allahabad Bench, Prayagraj (U.P.)

