

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

MA 292/2018 in CP 1043/I&BP/2017

Under section 30(6) of IBC, 2016

In the matter of

Resolution Professional ... Applicant

Indus Finance Ltd. ... Petitioner

And

Quantum Ltd.
(undergoing Corporate Insolvency
Resolution Process)

.... Corporate Debtor

Order delivered on 10.8.2018

Coram:

Hon'ble Shri B.S.V. Prakash Kumar, Member (J)

Hon'ble Shri Ravikumar Duraisamy, Member (T)

For the Applicant: Adv. Fatima Barodawalla, i/b Rawal-Shah & Co.
Adv. For the Resolution Professional Mr. Anil Goel

For the Respondent: Adv. Rohit Gupta, a/w Meenakshi Mhapankar,
i/b V. Deshpande & Co.
for JM Financial Asset Reconstruction Co. Ltd.
Secured Creditors
Vineet Jagtap i/b Neha Jagtap & Associates
For original Applicant.

Per B.S.V. Prakash Kumar, Member (Judicial)

ORDER

Oral Order dictated in the open Court on 07.08.2018

1. This is an Application filed by the Resolution Professional u/s 30(6) of the Insolvency and Bankruptcy Code, 2016, r/w Regulation 39(4) of the IBBI (Insolvency Resolution Process of Corporate Person) Regulations 2016, seeking approval of the Resolution Plan as approved by the Committee of Creditors in its meeting held on 5.3.2018 with 97%

voting in favour of the Resolution Plan submitted by the Resolution Applicant.

2. It has been submitted that the Company Petition under Section 7 of Insolvency & Bankruptcy Code, 2016 was admitted on 29.5.2017 appointing this applicant as Interim Resolution Professional, for taking over the management of the Company, in pursuance thereof, the Interim Resolution Professional took over the charge of this company, thereafter this applicant candidature was confirmed as Resolution Professional (RP) on 16.11.2017. In this case, the Committee of Creditors was constituted by IRP on 4.12.2017 comprising of JM Financial Asset Reconstruction Company Pvt. Ltd.; Indus Capital Pvt. Ltd., Indus Finance Ltd.; Bala Venkat Kutti; Indarjit Singh Chauhan; Mona Bhupinder Singh Chedda; Meghraj Sons; Harish Chunilal Rajni and Anhit Financial Services Pvt. Ltd.

3. As two Valuers being appointed to value the assets of the company, both the Valuers namely M/s A V Shetty & Associates and Thite Valuers & Engineers Pvt. Ltd. gave their Valuation Reports mentioning the liquidation value (forced sale value) of the debtor company at ₹19,44,00,000 and ₹17,50,00,000 respectively. Finally, the Resolution Professional averaged the Liquidation Values given by both the valuers as ₹18.47crores. Basing on this Valuation, the Petitioner itself having come forward with the Resolution Plan before the Resolution Professional, the Resolution Professional having satisfied on the Resolution Plan given by the Petitioner is in compliance of Section 30(2) of the I&B Code, 2016, when it was put before the CoC, the same has been approved by the Committee of Creditors with 97% voting on 5.3.2018.

4. On perusal of the Resolution Plan approved by the CoC, this Bench has noticed that an amount of 0.26 crores was estimated as due to the Resolution Professional, for which a provision has been provided in the Resolution Plan. It has also been noticed that no claim has been found in the books as payable to the operational creditors except an amount of ₹0.64 crore shown as payable as Trade debt in the books of the debtor, for which also, a provision has been made showing that it would

be paid as and when claim is received under this category. Shareholding arrangement has been proposed in the table as mentioned below:

Sr. No.	Name of the Shareholder	Amount (₹In Crore)	% of holding
1.	Indus Capital Pvt. Ltd.	14.26	82.67
2.	Indus Finance Ltd.	0.94	5.45
3.	Bala Venkat Kutti	0.81	4.70
4.	Meghraj Sons	0.14	0.81
5.	Harish Chunilal Rajni	0.24	1.39
6.	Anhit Financial Services Pvt. Ltd.	0.86	4.98
	TOTAL	17.25	100

5. The outflow of Funds from the Resolution Applicant, it has been mentioned in the Table as below:

Sr. No.	Details of Settlement	Amount required (₹ in crore)
1.	Payment of CIRP Fee to Resolution Professional (as on 31.3.2018)	0.26
2.	Settlement of admitted claim amount to JM Financial Asset Reconstruction Company Ltd.	22.16
3.	Trade Creditors payable	0.64
4.	Estimated legal/statutory expenses	0.25
5.	Payment of statutory dues (TDS)	0.03
6.	Working Capital	0.16
	Total	23.50

6. As to the management of the debtor company is concerned, it has been submitted that Indus Capital Pvt. Ltd. (Resolution plan applicant) will convert the existing debt/claim as equity as on the date of commencement of CIRP amounting to ₹6.89 crore and take the

management of the Corporate Debtor. As to the monitoring of the Plan is concerned, it has been provided that Resolution Professional will supervise the implementation of the Resolution Plan until it has been handed over to the Indus Capital Pvt. Ltd. In view of the compliance of Section 30(2) the Code, since there is no claim from any of the creditors of the corporate Debtor, this Resolution Plan is hereby approved subject to the laws applicable against the corporate debtor as envisaged under the Code and accordingly this MA 292 of 2018 is allowed by vacating the moratorium already granted at the time of admission of Company Petition No: 1043/2017. The Resolution Professional shall be discharged from his duties as mentioned in the Resolution Plan.

SD/-

RAVIKUMAR DURAISAMY
Member (Technical)

SD/-

B.S.V. PRAKASH KUMAR
Member (Judicial)