



S.No.26

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
SPECIAL BENCH
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
28-11-2025 AT 02:00 PM

CP(IB) No. 389/9/HDB/2020

AND

IA (IBC) (Plan) 07/2025 in CP(IB) No. 389/9/HDB/2020

u/s. 9 of IBC, 2016

IN THE MATTER OF:

Hemanalini Traders

...Operational Creditor

AND

Nexus Feeds Ltd

...Corporate Debtor

CORAM:-

SH. RAMMURTI KUSHAWAHA, HON'BLE MEMBER (JUDICIAL)

SH. MAN MOHAN GUPTA, HON'BLE MEMBER (TECHNICAL)

ORDER

IA (IBC) (Plan) 07/2025

Learned Counsel Ms. M Vazra Laxmi for the Applicant and Mr. Dantu Indushekar, Resolution Professional appeared through video conference.

The Order is pronounced in open court, recorded vide separate sheets. **In the result, IA (IBC) (Plan) 07/2025 is allowed and disposed off**, subject to the directions mentioned in the order.



**MAN MOHAN GUPTA
MEMBER (T)**



**RAMMURTI KUSHAWAHA
MEMBER (J)**



**NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH-I**

**IA No. 07/2025
IN
CP(IB) NO.389/9/HDB/2020**

APPLICATION FILED BY THE RESOLUTION PROFESSIONAL UNDER SECTION 30(6) & 31(1)
OF IBC, 2016 R/W REGULATION 39(4) OF IBBI (IRPCP) REGULATIONS, 2016

IN THE MATTER OF M/s. NEXUS FEEDS LIMITED

Filed by:

Dantu Indu Sekhar

Resolution Professional for

M/s Nexus Feeds Limited

29-140/6/1, Plot No. 253, Road No.2

West Deendayal Nagar, Ramakrishnapuram

Neredmet, Hyderabad- 500056

..... Applicant/
Resolution Professional

Date of order: 28.11.2025

Coram:

Shri Rammurti Kushawaha, Hon'ble Member (Judicial)

Shri Man Mohan Gupta, Hon'ble Member (Technical)

Appearance:

For Applicant: Ms. M. Vazra Laxmi, Advocate

**PER : BENCH
ORDER**

1. The present Application is filed by the Resolution Professional i.e. the Applicant herein (hereinafter referred to as the "Resolution Professional" or the "Applicant") of **M/s. NEXUS FEEDS LIMITED (Corporate Debtor)**, under Sections 30(6) and 31 read with

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Regulation 39 (4) of IBBI (CIRP) Regulations 2016, seeking approval of Adjudicating Authority under section 31 of the IBBI, 2016, on the Resolution Plan submitted by **SHRI G. RAMAKRISHNA REDDY, SMT G. RADHA AND SHRI MITTAPALLI BABU** (Successful Resolution Applicant/SRA), as approved by the Committee of Creditors (COC) with 66.56% of voting share.

2. **BACKGROUND AND CIRP HISTORY**

- The Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was commenced by this Tribunal vide order dated **04.08.2021** in CP(IB) No.389/9/HDB/2020 on an application filed by the Operational Creditor M/s. Hemanalini Traders.
- The Interim Resolution Professional made the public announcement on **11.08.2021** and constituted the Committee of Creditors (CoC) after verifying the claims. Subsequently, the suspended director of the Corporate Debtor filed a Company Appeal (AT)(CH)(INS) No.198 of 2021 before the Hon'ble NCLAT, which granted an interim stay on 27.08.2021; the appeal was **dismissed on 16.01.2023**, vacating the stay.
- Thereafter, the CoC, in its 3rd meeting, resolved to replace the IRP, and this Tribunal vide order dated 24.04.2023 appointed Mr. Dantu Indu Sekhar as the Resolution Professional.
- Pursuant to publication of Form-G on 26.02.2023, only one Resolution Plan was received from **Mr. G. Ramakrishna Reddy, Ms. G. Radha and SHRI MITTAPALLI BABU (Consortium)**, a suspended director and MSME promoter of the Corporate Debtor.

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3. DELIBERATIONS OF THE COC

- The CoC, in its subsequent meetings held between June 2023 and February 2025, deliberated extensively on the Resolution Plan submitted by the Promoter-Resolution Applicant. The CoC granted multiple opportunities to the Applicant to revise and enhance the plan value.
- The Resolution Applicant submitted successive revised plans and clarifications, and finally, the Resolution Plan dated 22.02.2024 (read with its addenda dated 26.02.2024, 01.03.2024, 07.11.2024, 08.11.2024, 16.11.2024, and 10.12.2024) was placed before the CoC for voting.

4. APPROVAL OF THE RESOLUTION PLAN BY COC:

The Plan was deliberated in the 37th meeting held on 11.03.2025 and the combined Resolution Plan submitted by Shri G. Ramakrishna Reddy, Smt. G. Radha and Shri Mittapalli Babu was approved by the CoC with **66.56%** voting share on **15.03.2025**, with Union Bank of India and ICICI Bank voting in favour, and State Bank of India voting against. The Letter of Intent was issued to the Successful Resolution Applicants on **17.03.2025**, The SRA submitted the Performance Bank Guarantee on **26.03.2024** in compliance with the terms of the Letter of Intent. The said Performance Security was furnished in the form of four Bank Guarantees drawn on ICICI Bank, comprising three Bank Guarantees of ₹2.00 Crores each and one Bank Guarantee of ₹2.217 Crores, aggregating to the total Performance Security amount stipulated under the approved Resolution Plan.

5. PUF TRANSACTIONS:

It is noted that there are pending applications filed by the Resolution Professional reporting Undervalued Transactions under Section 45 of the Insolvency and Bankruptcy Code, 2016 for an amount of Rs. 79,77,102/-,

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and Fraudulent Transactions under Section 66 of the Code for an amount of Rs. 29,56,20,000/-, against the four Directors of the suspended Board of the Corporate Debtor. Amongst the said Directors, Mr. G. Ramakrishna Reddy and Mrs. G. Radha, along with Mr. Mittapalli Babu, have submitted the Joint Resolution Plan. As on date, it is informed that the Tribunal has not yet pronounced orders in the said avoidance applications. The CoC, in its 38th meeting held on 19.03.2025, decided that all pending avoidance or fraudulent transaction applications before the Hon'ble NCLT or NCLAT shall be pursued by the Secured Creditors. The Resolution Plan accordingly provides that any recovery from such proceedings shall accrue to the Secured Financial Creditors.

6. The Applicant further states that the factory of the CD was given on lease to M/s Nakshatra Feeds India Private Limited from June 2019 and the lease rentals were partially paid till December 2022 and no payment were made from January 2023 except Rs. 4,00,000/-. The Joint Resolution Applicants vide their letter dated 08.11.2024 stated that the lease rentals till the date of approval of resolution plan by this Tribunal will accrue to the Secured Creditors.

7. **CHRONOLOGY OF CIRP EXTENSIONS AND EXCLUSIONS:**

S. No.	Date of Order by NCLT	Particulars / Purpose	Period Granted
1	23.06.2023	Exclusion of 507 days (stay period granted by Hon'ble NCLAT from 27.08.2021 to 16.01.2023) + Extension of 60 days beyond initial 180 days	60 days beyond 180 days (after exclusion)
2	28.08.2023	Extension of CIRP period	30 days
3	29.09.2023	Further extension to evaluate plan	45 days
4	09.11.2023	Extension for completion of voting on plan	15 days

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S. No.	Date of Order by NCLT	Particulars / Purpose	Period Granted
5	09.05.2024	Exclusion of 136 days (21.11.2023–04.05.2024) + Extension of 45 days	Total 181 days counted
6	04.11.2024	Extension of CIRP period	225 days (from 20.05.2024 to 31.12.2024)
7	06.01.2025	Extension for voting and submission of PBG	30 days
8	05.02.2025	Extension for completion of voting and compliance	30 days
9	06.03.2025 (IA No.473/2025)	Extension to complete voting and other formalities	30 days

8. CONTOUR OF THE RESOLUTION PLAN:

- (a) **Mr. G. Ramakrishna Reddy 2) Mrs G. Radha & 3) Mr. Mittapalli Babu (Successful Resolution Applicant/SRA)** are individuals having sufficient business exposure in the relevant field. Mr. G. Ramakrishna Reddy and Mrs Radha are Directors of the suspended Board of M/s Nexus Feeds Limited (Corporate Debtor). The Corporate Debtor/M/s Nexus Feeds Limited being an MSME Entity as per Udyam Certificate issued by Ministry of MSME in 2021, the provisions of Section 240A of the Code applied, rendering the promoter eligible to submit a resolution plan notwithstanding the bar under Section 29A(c) and (h). Mr. Mittapalli Babu is a resident of Tirupati, Andhra Pradesh and is roped in as investment partner into the resolution of M/s Nexus Feeds by Sri G. Ramakrishna Reddy.
- (b) The COC comprised of the following Financial Creditors and distribution of voting share among them is as under:

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
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1	Union Bank of India	37.66%	Voted for
2	State Bank of India	33.44%	Against
3	ICICI Bank	28.90%	Voted for

(c) The amounts provided for the stakeholders under the Resolution Plan I as under:

(Amount in Rs. Cr)

Sl. No.	Category of Stakeholder	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan	Amount Provided to the Amount Claimed (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Secured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	NIL	NA	NA	NA
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	63.71 Cr	63.71 Cr	17.27 Cr + 20.05 Cr	58.58%
		(ii) who voted in favour of the resolution plan	71.75 Cr	71.75 Cr	19.48 Cr + 22.58 Cr	58.62%
		Total[(a) + (b)]	135.47 Cr	135.47 Cr	79.38 Cr	58.60%

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2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	Nil	NA	NA	NA
		(b) Other than (a) above:	Nil	NA	NA	NA
		(i) who did not vote in favour of the resolution Plan				
		(ii) who voted in favour of the resolution plan	55.08 Cr	55.08 Cr	1.10 Cr	2.00%
		Total[(a) + (b)]	55.08 Cr	55.08 Cr	1.10 Cr	2.00%
3	Operational Creditors	(a) Related Party of Corporate Debtor	Nil	NA	NA	NA
		(b) Other than (a) above:				
		(i) Government				
		(a) PF dues	0.00084 Cr	0.00084 Cr	0.00084 Cr	100%
		(b) All other Statutory Dues	1.86 Cr	1.86 Cr	0.05 Cr	2.69%
		(ii) Workmen	NIL	NIL	NIL	NIL
		(iii) Employees	NIL	NIL	NIL	NIL
		(iv) Other Operational Creditors	21.46 Cr	21.46 Cr	0.21 Cr	1%
		Total[(a) + (b)]	23.32	23.32	0.27 Cr	1.16%

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4	Other debts and dues		NIL	NA	NA	NA
Grand Total			213.87 Cr	213.87 Cr	80.75 Cr	37.76%

(d) PROPOSED PAYMENT DISTRIBUTION TO THE STAKEHOLDERS:

The SRA undertakes to distribute the Plan amount of **Rs. 38,61,70,346/-** (**Rupees Thirty-Eight Crores Sixty-One Lakhs Seventy Thousand three hundred and Forty six only**) in the following manner:

Sl. No	Name of the Creditor	Upfront Payment (X+ 30 Days)**	X+3 Months	X+6 Months	X+9 Months
1.	CIRP Expenses	50,00,000*	-	-	-
2.	Operational Creditors (Supply of Goods)	21,45,770	-	-	-
3.	Operational creditors (Statutory dues + PF)	5,08,425	-	-	-
4.	Secured Financial creditors (For CD)	3,78,28,515	7,39,00,000	20,71,01,139	4,86,70,346
5.	Unsecured Financial Creditors	31,17,290	10,00,000	63,98,861	5,00,000
6.	Total for CD	4,86,00,000	7,49,00,000	21,35,00,000	4,91,70,346
7.	Total amount for CD payable in 9 Months	38,61,70,346			
8.	Amount to the Secured Financial Creditors for release of the Personal Guarantees/Release of Collateral Securities	4,86,00,000	19,14,00,000	16,00,00,000	2,63,29,654
9.	Total Amount to the Secured Financial Creditors for release of the Personal Guarantees/Release of Collateral Securities	42,63,29,654			
10.	Grand Total of CD, for release of Collaterals and CIRP expenses	81,25,00,000			

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The plan also contemplates payment of approximately ₹81.25 Crores in total, out of this Rs. 38,61,70,346/- is for the resolution of the Corporate Debtor and balance Rs. 42,63,29,654/- is for release of Guarantors/collateral securities.

- *Rs. 50 lakhs or actuals, whichever is higher. The approximate CIRP expenses to be payable by the SRA upon approval of the Resolution Plan is Rs. 1.42 crores*

(e) Source of Funds:-

The Resolution Applicants propose to fund the resolution plan amount of Rs. 38,61,70,346/- by selling 03 sites belonging to the investor/Joint Resolution Applicant Sri Mittapalli Babu, located at Tirupathi, Bangalore and Mekaguda, Hyderabad peripherals valued at 38.36 crores. His net worth as per the resolution plan (as certified by M/s Rajagopal Naidu & Co. Chartered Accountants dated 10.03.2025) is Rs. 65.54 crores. Further the joint Resolution Applicants propose the following mechanism for funding Rs. 42,63,29,654/- for release of guarantors and their collateral securities through sale of assets (mortgaged to secured creditors) in a phased manner within 30 days-09 months from the date of approval of the Resolution Plan in a phased manner. It is also stated in the resolution plan that the Resolution Applicants have obtained the consent of guarantors for executing MOUs with the prospective buyers for sale of collateral securities. As per the MOU, the sale consideration will be deposited directly by the prospective buyers to the credit of Secured Financial Creditors on pro-rata basis of their claims. The Joint Resolution Applicants will be paying Rs. 38 crores through MOU route and the balance amount of Rs. 2,63,29,654/- out of their own funds in 9 months from effective date.

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The time frame for sale of properties and the proposed amounts to be deposited with secured creditors as per the MOUs are furnished as below:-

S.No.	Payment period from effective date	Amount (Rs.)
01.	30 days from approval of plan by AA	7,00,00,000/-
02.	03 months from approval of plan by AA	17,00,00,000/-
03.	06 months from approval of plan by AA	14,00,00,000/-
	SUB-TOTAL-1	38,00,00,000/-
04.	Cash payment by JRAs within 6 months of approval of Resolution Plan by AA	2,00,00,000/-
05.	Cash payment by Joint Resolution Applicants within 09 months of approval of plan	2,63,29,654/-
	SUB-TOTAL-2	4,63,29,654/-
	GRAND TOTAL	42,63,29,654/-

It is further stated in the Resolution Plan that as standby to the above mechanism for funding the release of Guarantors/Collateral Securities, the joint Resolution Applicants have approached M/s KBK Biotech Private Limited, who have expressed their willingness to fund the release of Guarantors/Collaterals and submitted their in-principal letter dated 20.01.2024 addressed to the COC members and the same was already shared with the Resolution Professional/COC. The Resolution Applicants have further relied on the recent judgement of Hon'ble NCLAT, Delhi in the matter of ***M/s SVA Family Welfare Trust & Anr Vs. Ujaas Energy Ltd & Ors dated 21.08.2023***, wherein it is held that personal guarantees and securities can be extinguished in the Resolution Plan of the Corporate Debtor. It is further held that the personal guarantees are security interest under the Code and all security interest can be dealt within the Resolution Plan. It is further stated in **Clause 9.17** of the Plan that as all the guarantors

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are relatives and friends of the promoters of the Corporate Debtor, the resolution applicants are willing to get consent of all guarantors in favour of secured financial creditors to consider release of their guarantees/collateral securities.

Findings of the Adjudicating Authority

10. *In the above backdrop we heard Ms. M. Vazra Laxmi, Learned Counsel for the Resolution Professional and perused the records. The Resolution Professional has confirmed that the Resolution Plan meets all the requirements of **Section 30(2)** of the Code and **Regulation 38** of the CIRP Regulations, including:*

- a. Payment of CIRP costs in priority;*
- b. Payment to Operational Creditors not less than the liquidation value;*
- c. Provision for management, control, and supervision of the Corporate Debtor post-approval;*
- d. Feasibility and viability of the plan; and*
- e. Due compliance with all other applicable provisions of the Code.*

Compliance of Section 30 (2) of the Code, as under:

<i>Provisions under Section 30(2) of the Code</i>	<i>Compliance under Resolution Plan</i>
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(a) provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the repayment of other debts of the Corporate Debtor;	Yes, provision has been made for payment of the Insolvency Resolution Process Cost of Rs. 50.00 lakhs under the Resolution Plan. Any amount of excess or shortfall towards the CIRP cost shall be paid by the Resolution Applicant. Any CIRP costs already paid from the cash flows of the Corporate Debtor shall not be paid by the Resolution Applicant. The CIRP costs shall be paid in priority to all other payments proposed in the Resolution Plan. (Clause 5.1 Page No. 211).
[(b) Whether the plan provides for the payment to the Operational Creditors	The amount proposed to be paid under this category (including statutory dues + PF) is Rs. Rs. 21,45,770/- (clause 5.2 page No. 212).
(c) Payment to Financial creditors who did not vote in favour of the resolution plan.	Yes provision has been made for making payment of Rs.17,27,25,000/- to the Financial Creditor /SBI who did not vote in favour of the Resolution Plan. (clause 5.3 page No. 215).
(d) Provides for the management of the affairs of the corporate debtor after approval of the plan?	Yes as per Clause 7 of the Resolution Plan page 223.
(e) Provides for the implementation and supervision of the Resolution Plan.	A Monitoring Committee comprising the RP, one member to be nominated by Secured Financial Creditors and one nominee of Resolution Applicant shall oversee plan implementation. The Chairman of the Monitoring Committee shall be decided by the RP/COC. Clause 7.3.1 page 223.
(f) Contravenes any of the provisions of the law for the time being in Force	Statement has been included in the Resolution Plan. The Applicant has conducted a thorough compliance check of the Resolution Plan in terms of the Code as well as Regulations 38 & 39 of the Insolvency and Bankruptcy Board of India (Corporate Insolvency Resolution Process) Regulations, 2016 and has filed Form 'H' prescribed under Regulation 39(4) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. (Clause 16.1 page 242)

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Compliance of Regulation 38 of the Regulations in the following manner:

CIRP Regulation	Provisions of CIRP Regulations	Relevant clause / page no. of Resolution Plan document
Regulation 38(1)(a)	The amount payable under the resolution plan to the operational creditors, shall be paid in priority over financial creditors.	Yes. Clause 5.2
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with interest of all stakeholders including Financial Creditors and Operational Creditors of the Corporate Debtor.	Clause 10 of the resolution plan r/w letter dated 07.11.2024. Declaration by the Resolution Applicant that the Resolution Plan has considered the interest of all the stakeholders of the Corporate Debtor, keeping in view the objectives of the Code.
Regulation 38(1B)	Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation.	Clause 16.2: Declaration by the Resolution Applicant that neither the Resolution Applicant nor any of its related party has either failed or contributed to the failure of the implementation of any Resolution Plan approved under the Code.

11. At the outset we refer to the following judgements: -

- (a) Hon'ble Apex Court in re **Sashidhar v. Indian Overseas Bank & Others** (in Civil Appeal No. 10673/2018) held that

"if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per Section 30 (6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating

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Authority. On receipt of such proposal, the Adjudicating Authority (NCLT) is required to satisfy itself that the resolution plan as approved by CoC meets the requirements specified in Section 30(2). No more and no less".

- (b) The Hon'ble Supreme Court has further held at para 35 of the above judgement that:

the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the adjudicating authority can reject the resolution plan is in reference to matters specified in Section 30(2), when the resolution plan does not conform to the stated requirements.

- (c) The Hon'ble Supreme Court in **Committee of Creditors of Essar Steel India Limited Vs. Satish Kumar Gupta & Ors**, held that:-

"the limited judicial review available to AA has to be within the four corners of section 30(2) of the Code. Such review can in no circumstance trespass upon a business decision of the majority of the CoC. As such the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom have approved".

- (d) The Hon'ble Supreme Court of India, in the recent ruling in re **Vallat RCK vs M/s Siva Industries and Holdings Limited & Ors**, has held as under:-

21. This Court has consistently held that the commercial wisdom of the CoC has been given paramount status without any judicial intervention for ensuring completion of the stated processes within the timelines prescribed by the IBC. It has been held that there is an intrinsic assumption, that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts. A reference in this respect could be made to the judgments of this Court in the cases of K. Sashidhar v. Indian Overseas Bank and Others, Committee of Creditors of Essar Steel India Limited through Authorised

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Signatory v. Satish Kumar Gupta and Others, Maharashtra Seamless Limited v. Padmanabhan Venkatesh and Others, Kalpraj Dharamshi and Another v. Kotak Investment Advisors Limited and Another, and Jaypee Kensington Boulevard Apartments Welfare Association and Others v. NBCC (India) Limited and Others.

27. This Court has, time and again, emphasized the need for minimal judicial interference by the NCLAT and NCLT in the framework of IBC. We may refer to the recent observation of this Court made in the case of Arun Kumar Jagatramka v. Jindal Steel and Power Limited and Another:

“95. However, we do take this opportunity to offer a note of caution for NCLT and NCLAT, functioning as the adjudicatory authority and appellate authority under the IBC respectively, from judicially interfering in the framework envisaged under the IBC. As we have noted earlier in the judgment, the IBC was introduced in order to overhaul the insolvency and bankruptcy regime in India. As such, it is a carefully considered and well thought out piece of legislation which sought to shed away the practices of the past. The legislature has also been working hard to ensure that the efficacy of this legislation remains robust by constantly amending it based on its experience. Consequently, the need for judicial intervention or innovation from NCLT and NCLAT should be kept at its bare minimum and should not disturb the foundational principles of the IBC.....”

12. *According to the Applicant, from the date of commencement of CIRP to till date of filing this instant application, a total of 38 COC meetings were convened.*
13. *It is further noted that the 180 days' time limit for completion of the CIRP as per Section 12 of the Code was 30.01.2022. However, the time was extended time and again and the date of expiry of extended period of CIRP was 31.03.2025.*

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14. The Resolution Professional has also filed **Form H** certifying compliance and has confirmed that the plan is in accordance with the Code and Regulations.
15. The highlights of the resolution plan are as under:-

1.	IA No/CP No.	IA (IBC) (PLAN) 7/2025 in CP (IB) No. 389/9/HDB/2020
2.	Date of filing of resolution plan with the Adjudicating Authority	02.04.2025
3.	Name of the Resolution Applicant	SHRI G. RAMAKRISHNA REDDY, SMT G. RADHA AND SHRI MITTAPALLI BABU
4.	Voting % in favour of the Resolution Plan	66.56%
5.	Resolution Plan Amount provided by the SRA to the stakeholders	Rs. 38,61,70,346/- for the resolution of the Corporate Debtor + Rs. 42,63,29,654/- to the Secured Financial Creditors for release of the Personal Guarantees/Release of Collateral Securities. Total Rs. 81.25 cores
6.	Total claims admitted by the RP	Rs. 213.87 crores
7.	% of amount provided to the stakeholders under the Resolution Plan to the amount admitted	37.76%
8.	Hair Cut	33.44%
9.	Fair Value	Rs. 86.31 cr
10.	Liquidation Value	Rs. 36.19 cr
11.	PBG provided by SRA	Rs. 8,21,70,000/-
12.	Term/Implementation schedule	90 days from the NCLT approval date

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16. *The Resolution Professional has further stated that, due to personal reasons, he is unable to continue as Monitoring Committee Chairman and the CoC has approved the appointment of Mr. Satyanarayana Veera Venkata Chebrolu, Insolvency Professional (IBBI Reg. No. IBBI/IPA-003/IPA-ICAI-N-00224/2019-2020/12677), as Chairman of the Monitoring Committee for implementation of the approved Resolution Plan.*
17. *According to the Resolution Professional, the said Resolution Plan complies with all the provisions of the IBC, IBBI / CIRP Regulations and does not contravene any of the provisions of the law for the time being in force and the Successful Resolution Applicant has filed an Affidavit pursuant to Section 30 (1) of the Code, confirming its eligibility under Section 29A of the code and the Resolution Professional affirms that the contents of the said Affidavit are in order.*
18. *It is noted that the Corporate Debtor is classified as MSME entity as per Udyam Certificate issued by Ministry of MSME in 2021 and the Resolution Applicants Shri G. Ramakrishna Reddy and Ms. G. Radha who are Suspended Directors and Promoters of the Corporate Debtor, along with Mr. Mittapalli Babu is roped in as investment partner into the resolution of the Corporate Debtor.*
19. *In this regard, the Adjudicating Authority observes that Section 240A(1) of the Insolvency and Bankruptcy Code, 2016 provides that the provisions of clauses (c) and (h) of Section 29A shall not apply to the resolution applicants in respect of corporate debtors classified as MSMEs. The said exemption enables the promoters of MSMEs to submit resolution plans*

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for revival of their enterprise, notwithstanding their status as suspended directors or guarantors.

20. The Hon'ble Supreme Court in **Swiss Ribbons Pvt. Ltd. v. Union of India**, (2019) 4 SCC 17, upheld the constitutional validity and rationale of Section 240A, recognizing the need to give special dispensation to MSME promoters for the revival of their own companies. Further, the Hon'ble NCLAT in **Saravana Global Holdings Ltd. v. Bafna Pharmaceuticals Ltd.**, Company Appeal (AT)(Ins) No. 164 of 2019, and **Ramesh Kumar v. M/s Shree Hari Ginning and Pressing Pvt. Ltd.**, Company Appeal (AT)(Ins) No. 97 of 2021, has held that promoters of MSMEs are eligible to submit resolution plans for their own enterprises, and that the disqualification under Section 29A(c) or (h) is inapplicable to such cases. Accordingly, this Adjudicating Authority holds that the Suspended Directors and MSME Promoters, Mr. G. Ramakrishna Reddy and Ms. G. Radha, is eligible to submit the Resolution Plan for the Corporate Debtor under Section 240A of the Code, and the same has been rightly considered by the Committee of Creditors.
21. This Adjudicating Authority observes that certain avoidance applications filed under Sections 45 and 66 of the Insolvency and Bankruptcy Code, 2016 are pending adjudication before this Tribunal. However, in terms of Section 26 of the Code, the pendency of such applications does not affect the continuation or approval of the Corporate Insolvency Resolution Process (CIRP) or the Resolution Plan.
22. The Hon'ble Supreme Court in **ArcelorMittal India Pvt. Ltd. v. Satish Kumar Gupta**, (2018) 13 SCC 83, held that eligibility under Section 29A

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must be determined as on the date of submission of the resolution plan, and mere pendency of proceedings does not render an applicant ineligible. The Hon'ble Supreme Court has observed that

Para: 43: "the stage of ineligibility attaches when the resolution plan is submitted by a resolution applicant"

Further, "the amendment introducing the words 'at the time of submission of the resolution plan' is clarificatory, as this was always the correct interpretation as to the point of time at which disqualification will attach"

Accordingly, pending avoidance or fraudulent transaction proceedings under Sections 43–66 of the Code, without any finding of guilt or disqualification having attained finality, cannot render the suspended director ineligible to submit a resolution plan.

23. *Similarly, the Hon'ble NCLAT in **RBL Bank Ltd. v. MBL Infrastructures Ltd.**, Company Appeal (AT)(Ins) No. 179 of 2018, and **Bank of Baroda v. MBL Infrastructures Ltd.**, Company Appeal (AT)(Ins) No. 436 of 2018, has categorically held that the pendency of preferential or fraudulent transaction applications does not disentitle a person from submitting a resolution plan unless adjudicated and held guilty of such transactions.*
24. *This position has also been reaffirmed in **CoC of Essar Steel India Ltd. v. Satish Kumar Gupta**, (2020) 8 SCC 531, where the Hon'ble Supreme Court emphasized that the commercial wisdom of the CoC prevails and that pending proceedings under Chapter III of the Code do not stall the resolution process.*

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25. Accordingly, the pendency of the said avoidance applications shall not impede approval of the Resolution Plan, which otherwise meets the requirements of the Code. The said proceedings shall continue independently, and any recovery or benefit arising therefrom shall be dealt with in accordance with the provisions of the approved Resolution Plan.
26. Therefore, the resolution plan submitted by **Shri G. Ramakrishna Reddy, Ms. G. Radha and Mr. Mittapalli Babu**, when tested on the touch stone of the aforesaid facts and the rulings, we are of the view that the instant resolution plan satisfies the requirements of Section 30 (2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the Regulations. We also find that the Resolution Applicant is eligible to submit the Resolution Plan under Section 29A of the Code.
27. We therefore, hereby approve the Resolution Plan submitted by **Shri G. Ramakrishna Reddy, Ms. G. Radha and Mr. Mittapalli Babu** ("Successful Resolution Applicant) for Rs. **81.25 crores**, along with annexures, schedules forming part of the Resolution Plan annexed to the Application and order as under: -
- (a) The Resolution Plan along with addendums, annexures and schedules forming part of the plan shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.

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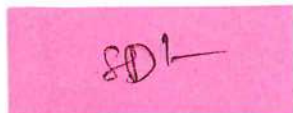
- (b) *All crystallized liabilities and unclaimed liabilities of the Corporate Debtor as on the date of this order shall stand extinguished on the approval of this Resolution Plan.*
- (c) *The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/ liabilities of the Corporate Debtor and shall be dealt with by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned as held by Hon'ble Supreme Court in the matter of **Ghanashyam Mishra & Sons Private Limited Versus Edelweiss Asset Reconstruction Company Limited in CIVIL APPEAL NO.8129 OF 2019 dated 13.04.2021.***
- (d) *It is hereby ordered that performance guarantees of Rs. 8,21,70,000/- furnished by the Successful Resolution Applicant shall remain as performance Guarantee till the amount proposed to be paid to the creditors under the plan, is fully paid off and the plan is fully implemented.*
- (e) *The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed, if applicable, with the Registrar of Companies (RoC) Hyderabad for information and record. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.*
- (f) *Henceforth, no creditors of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to supra.*

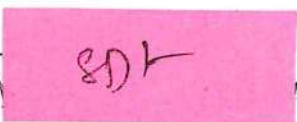
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- (g) *The moratorium under Section 14 of the Code shall cease to have effect from this date.*
- (h) *The Resolution Professional is discharged, subject to handing over records to the Monitoring Committee, which shall be headed by **Mr. Satyanarayana Veera Venkata Chebrolu**, Insolvency Professional, as approved by the CoC.*
- (i) *The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this order for information.*
- (j) *The Applicant shall forthwith send a copy of this order to the CoC and the Resolution Applicant.*
- (k) *The Registry is directed to furnish free copy to the parties as per Rule 50 of the NCLT Rules, 2016.*
- (l) *The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data and also forward a copy to IBBI.*
- (m) *The Monitoring Committee/ Resolution Professional will submit a report to the Registry immediately after the implementation of the Plan.*
- (n) *Accordingly, IA No. (plan) 7/2025 is allowed and stands disposed of.*


(Man Mohan Gupta)
Member (Technical)


(Rammurti Kushawaha)
Member (Judicial)



**NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH-I**

**IA No. 07/2025
IN
CP(IB) NO.389/9/HDB/2020**

**APPLICATION FILED BY THE RESOLUTION PROFESSIONAL UNDER
SECTION 30(6) & 31(1) OF IBC, 2016 R/W REGULATION 39(4) OF IBBI
(IRPCP) REGULATIONS, 2016**

IN THE MATTER OF M/s. NEXUS FEEDS LIMITED

Filed by:

Dantu Indu Sekhar

Resolution Professional for

M/s Nexus Feeds Limited

29-140/6/1, Plot No. 253, Road No.2

West Deendayal Nagar, Ramakrishnapuram

Neredmet, Hyderabad- 500056

.... Applicant/
Resolution Professional

Date of Corrigendum order: 07.01.2026

Coram:

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Shri Sanjay Puri, Hon'ble Member (Technical)

Appearance:

For Applicant: Ms. M. Vazra Laxmi, Advocate

CORRIGENDUM ORDER

1. A memo dated **02.01.2026** has been filed by the Resolution Professional in the matter of **M/s Nexus Feeds**, seeking rectification of a typographical error in the order dated **28.11.2025** passed in **IA (IBC) (Plan) No. 07/2025**, whereby the Resolution Plan was approved.



2. We have perused the order dated **28.11.2025**. It is observed that there is a typographical error at **Page No. 16, Paragraph 15 (Column 12)** of the Resolution Plan. At the request of the Resolution Professional, the following corrigendum to the order dated **28.11.2025** passed in **IA (IBC) (Plan) No. 07/2025 in CP (IB) No. 389/9/HDB/2020** is hereby issued:

For	Read
page 16- Para 15 {under nomenclature highlights of Resolution Plan}, Column 12- Term/ Implementation Schedule 90 days from the NCLT approval date.	page 16- Para 15 {under nomenclature highlights of Resolution Plan} Column 12- Term/ Implementation Schedule 09 months from the NCLT approval date

3. Except for the above correction, all other contents of the order dated **28.11.2025** shall remain unchanged. This corrigendum order shall be read as part and parcel of the original order dated **28.11.2025**.
4. Accordingly, the memo stands allowed and disposed of.

SD/-
(SANJAY PURI)
Member (Technical)

SD/-
(RAJEEV BHARDWAJ)
Member (Judicial)