IN THE NATIONAL COMPANY LAW TRIBUNAL
JAIPUR BENCH

CORAM: SHRI DEEP CHANDRA JOSHI,
HON'BLE JUDICIAL MEMBER

SHRI VELAMUR G. VENKATA CHALAPATHY,
HON'BLE TECHNICAL MEMBER

IA(IBC) (Plan) No. 05/JPR/2024
In CP No. (IB)- 52/7/JPR/2022

IN THE MATTER OF:

SULTANPUR MINING & CRUSHERS LLP
...Financial Creditor/Applicant

Versus

SOLAR VOLTAIC POWER LLP

...Corporate Debtor/Respondent

IA(IBC) (Plan) No. 05/JPR/2024:

MEMO OF PARTIES

SOLAR VOLTAIC POWER LLP
Through Mr. Prashant Agrawal, RP
F-106, Sumer Complex, Gautam Marg,
B/h Bagadia Bhawan, Jaipur.

...Applicant

For the Resolution Professional : Prashant Agrawal, In person

Order Pronounced On: 11.12.2024

ORDER

Per: Shri Velamur G. Venkata Chalapathy, Technical Member

1. The Interim Application ('Resolution Application') has been filed by *Mr. Prashant Agrawal*, Resolution Professional ('RP') under Section 30(6) read

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with Sections 31 and 60(5) of the Insolvency and Bankruptcy Code, 2016 ('IBC' / 'Code') read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Process of Corporate Persons) Regulations, 2016 ('CIRP Regulations') seeking approval of the Resolution Plan.

2. The insolvency application was filed by the Financial Creditor *M/s Sultanpur Mining & Crushers LLP* under Section 7 of the Code for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Corporate Debtor and the same was admitted by this Adjudicating Authority *vide* Order dated 19.09.2023 and *Mr. Prashant Agrawal* was appointed as IRP. In the 3rd meeting of CoC, the IRP was confirmed as RP by the CoC and the same was confirmed by this Adjudicating Authority *vide* Order dated 19.01.2024. The RP issued a public announcement on 22.09.2023, as per Regulation 6 of the CIRP Regulations read with Sections 13 and 15 of the Code in Form A in two newspapers i.e., The Economic Times (English) and Virat Vaibhav (Hindi) thereby inviting claims from the creditors of the Corporate Debtor as envisaged in the Code.

3. Upon receipt and verification of the claims, the Applicant filed the report certifying the constitution of CoC under Section 21(1) of the Code in compliance of Regulation 17(1) of the CIRP Regulations before this Adjudicating Authority *vide IA No. 574/JPR/2023*, which was taken on record *vide* order dated 20.10.2023. The IRP called the first meeting of CoC

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on 17.10.2023, however the meeting was adjourned and rescheduled on 18.10.2023 in terms of Regulation 22 of the CIRP Regulations. Unfortunately, the rescheduled meeting was also could not convened for the want of quorum.

4. In the second meeting of the CoC held on 01.11.2023, the eligibility criteria for invitation of Expression of Interest (EoI), evaluation matrix and major terms of Request for Resolution Plan (RFRP) were presented for voting, however, the committee of creditors abstained from participating in the voting process, hence, the eligibility criteria being the essential term for invitation of expression of interest from the prospective resolution applicant was not approved by the CoC. The minutes of the second Meeting of CoC dated 04.03.2022 were filed through IA No. 619/JPR/2023 which was duly considered and taken on record by this Adjudicating Authority *vide* order dated 16.11.2023.

5. During the third meeting of the CoC held on 15.12.2023, the COC noted the key developments in the CIRP, including the appointment of two registered valuers on 30.10.2023 in accordance with Regulation 27 of the CIRP Regulations for sole classes of assets, viz. Securities & Financial Assets. The RP has also prepared the information memorandum as prescribed under Regulation 36(2) of the CIRP Regulations on the basis of financial statements and other information provided by the erstwhile management of the Corporate Debtor.

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6. In compliance of Regulation 36A of the CIRP Regulations, the RP published Form-G for invitation of EoI on 18.11.2023 in two daily newspapers being The Economic Times (English newspaper) and Virat Vaibhav (Hindi Newspaper). The last date for submission of the EoI and the Resolution Plan was 03.12.2023 and 01.02.2024 respectively. The proposed eligibility criteria were issued to the interested applicants with the disclaimer that the terms of eligible criteria have been proposed by the Applicant, however, it was not approved by the committee by then. Further, the RP had received two EoI's which was filed by the last date of submission of EoI, however the Prospective Resolution Applicants did not submit the EMD to comply with the eligibility norms, they were not considered as eligible resolution applicant.

7. Thereafter, the CoC voted upon and approved the eligibility criteria, evaluation matrix and Request for Resolution Plan. The CoC took note of and approved the resolution for republication of Form-G for inviting expression of interest and resolution plans from the prospective resolution applicants in terms of which Form G was published on 09.01.2024 with the last date for submission of expression of interest was 24.01.2024 and the last date for submission of resolution plan was 24.03.2024.

8. In the fourth meeting of CoC held on 01.02.2024, the RP informed the CoC about non-receipt of any expression of interest until the last date of submission of EoI i.e., 24.01.2024. The CoC voted upon and approved the

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agenda for filing an application under Section 12 of the Code to seek and extension of 90 days for the CIRP. Further, the CoC approved the resolution for republication of Form-G for the third time for inviting expression of interest and resolution plans from the prospective resolution applicants in terms of Form G which was published on 08.02.2024 with the last date for submission of expression of interest was 23.02.2024 and the last date for submission of resolution plan was 25.04.2024.

9. In the fifth meeting of the CoC held on 04.04.2024, the CoC was intimated about the receipt of one expression of interest from *M/s Valente Lifespace Creators Private Limited* and also intimated about issuance of provisional and final list of PRAs on 04.03.2024 and 24.03.2024. Further, the RP issued the Information Memorandum and the RFRP inclusive of Evaluation Matrix in compliance of Regulation 36B to the Prospective Resolution Applicants within the prescribed timeline. The CoC approved the agenda for extension of the last date of submission of the Resolution Plans by the Prospective Resolution Applicants from 23.04.2024 and 25.04.2024.

10. In the sixth meeting of the CoC held on 29.04.2024, the RP had received one resolution plan from *M/s Valente Lifespace Creators Private Limited* till the last date of submission, i.e., 25.04.2024. The RP placed the sealed envelope before the CoC and intimated that the resolution plan would be submitted before the CoC subsequent to verification of eligibility of Resolution Applicants as per Section 29A of the Code and after due verification as to

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compliance of the provisions of the Code and the relevant rules and regulations.

11. The RP sought information regarding connected parties from the Resolution Applicants and proposed to appoint the due diligence agency for 29A examination upon receipt of information of connected parties from the Resolution Applicants. The CoC approved the agenda for authorizing the RP for appointment of *M/s Dccirus Cloud Computing Services Private Limited* to check in-depth eligibility of Resolution Applicant in terms of Section 29A of the Code.

12. The eighth meeting of CoC held on 17.05.2024 and 20.05.2024. In the 1st phase of meeting i.e., on 17.05.2024, the resolution plan was presented by the RP before the CoC. The CoC negotiated with the representative of M/s *Valente Lifespace Creators Private Limited*, the Resolution Applicant. It was found by the RP that the resolution plan lacks certain required undertakings. Accordingly, it was decided by the CoC to provide two days time to the Resolution Applicant to satisfy such compliance. In the 2nd phase of meeting i.e., on 20.05.2024, the RP presented undertakings before the committee, on receipt of which the resolution plan was deemed to be feasible and viable, making it to be a compliant resolution plan by the CoC. The resolution plan was put to vote before the CoC. Upon conclusion of voting, the Resolution Plan of *M/s Valente Lifespace Creators Private Limited* was approved by the CoC with 100% voting share.

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13. Upon conclusion of voting window for the agenda on the resolution plan of *Valente Lifespace Creators Pvt. Ltd.*, following resolutions were approved with 100% voting shares:

(a) "***RESOLVE THAT*** *the final resolution plan received from* ***Valente Lifespace Creators Private Limited*** *is hereby approved by the committee of creditors in compliance with Section 30(4) of the Insolvency & Bankruptcy Code, 2016 in the corporate insolvency resolution process of Solar Voltaic Power LLP."*

(b) "***RESOLVE FURTHER THAT*** *the Resolution Professional be and is hereby authorised to file an application for approval of the final Resolution Plan submitted by Successful Resolution Applicant, as approved herein above, to Adjudicating Authority in compliance of section 30(6) of the Insolvency & Bankruptcy Code, 2016 along with compliance certificate in Form H of the Schedule and to do all such acts and deeds as may be necessary and expedient relating thereto, in the corporate insolvency process of Solar Voltaic Power LLP."*

(c) "***RESOLVE FURTHER THAT*** *Resolution Professional be and is hereby authorised to issue Letter of Intent (LoI) to the successfully Resolution Applicant as per the terms contained in RFRP and Resolution Plan, as approved hereinabove by the CoC in the corporate insolvency resolution process of Solar Voltaic Power LLP."*

(d) "***RESOLVE FURTHER THAT*** *consent be and is hereby accorded for payment of all expenses to be incurred by the Resolution Professional as CIRP cost during the period from the date of last CoC Meeting till the date of order of Hon'ble Adjudicating Authority approving the resolution plan or liquidation of the Corporate Debtor, as the case may be, on the basis of amount and/or rates already approved by the Committee of Creditors in its meetings for payment of Remuneration to Resolution Professional, Audit Fees/Charges, E-Voting Charges. Application filing Charges or any other related expenses incurred during the process of corporate insolvency resolution of Solar Voltaic Power LLP."*

(e) "***RESOLVED FURTHER THAT*** *after the date of order of Hon'ble Adjudicating Authority approving the resolution plan, all expenses to*

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be incurred by the Resolution Professional including the professional fees payable to Resolution Professional for monitoring the implementation of Resolution Plan from the date of order of Hon'ble Adjudicating Authority till implementation of resolution plan, as approved by monitoring committee appointed in terms of the resolution plan, shall be paid by Successful Resolution Applicant."

14. The Resolution Plan has been approved taking into consideration of all the stakeholders as well as creditors of Corporate Debtor for the revival of the Corporate Debtor. It shall be in the best interest of all the stakeholders including creditors as well as Corporate Debtor. Further, the Resolution Plan contains necessary provisions for its effective implementation.

15. The Registered Valuers appointed by the RP submitted their respective valuation reports for all the classes of assets of the Corporate Debtor. The average of the fair and liquidation value of the Corporate Debtor calculated on the basis of said valuation report(s) are provided herein below:

    (i) Average Fair Value of the Corporate Debtor : Rs. 1,05,924.00

    (ii) Average Liquidation Value of the Corporate Debtor: Rs. 1,05,924.00

16. The salient features of the Successful Resolution Plan of M/s Valente Lifespace Creators Private Limited are summarized below:

    a. Implementation and Distribution Schedule

S. No.	Type of Claim Payment	Amount of Admitted Claims (Rs.)	Upfront within 30 if approval of Resolution Plan by the Hon'ble Tribunal	Total payments under Resolution Plan

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1	CIRP Expenses	-	13,50,000.00	13,50,000.00
2	Operational Creditors (Workmen)	0.00	0.00	0.00
3	Secured Financial Creditors	0.00	0.00	0.00
4	Operational Creditors (Employees)	0.00	0.00	0.00
5	Unsecured Financial Creditors	1,46,98,630.14	3,50,000.00	3,50,000.00
6	Statutory Dues (Govt. Dues)	0.00	3,00,000.00	3,00,000.00
7	Operational Creditors	0.00	0.00	0.00
8	Other Creditors	0.00	0.00	0.00
	Total	**1,46,98,630.14**	**20,00,000.00**	**20,00,000.00**

b. Implementation Period of the Resolution Plan:

Amount	**Period**
Rs. 20 Lakhs	Upfront Payment i.e, within 30 days of approval of resolution plan by the Hon'ble NCLT, Jaipur Bench. The Resolution Plan Applicant intends to make the upfront payment of entire value of resolution plan.

17. The RP has filed its written submissions *vide* Diary No. 2807/2024 dated 19.11.2024 and relied upon the following judgments:

a) *Kapil Wadhawan V. Piramal Capital and Housing Finance Limited and Others [Company Appeal (AT) (Insolvency) Nos. 437, 439, 441, 442, 445, 451, 452 and 512 of 2023]*
b) *Madhavi Edible Bran Oils Pvt. Ltd. Vs. Immaneni Eswara Rao & 5 Ors.*

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c) *Nippon Life India Asset Management Ltd. Vs. Piramal Capital & Housing Finance Ltd. & Ors.*
d) *Rohit Motilal Agarwal Vs. Cyperus Multitrade Private Limited.*
e) *Saivi Finance Private Limited Vs. Fusion Conbuild Private Limited.*
f) *Maharashtra Seamless Steel Ltd. v. Padmanabhan Venkatesh & Ors.*
g) *Standard Chartered Bank v. Satish Kumar Gupta [Company Appeal (AT) (Insolvency) No. 242 of 2019]*
h) *Jaypee Kensington Boulevard Apartments Welfare Association & Ors. versus NBCC (India) Ltd. & Ors., (2022) 1 SCC 401*
i) *The Committee of Creditors of Essar vs. Satish Kumar Gupta*
j) *Vallal RCK vs. M/s Siva Industries and Holdings Limited & Ors.*
k) *Duncans Industries Ltd. v. State of U.P. & Others (2000 SCC 633)*

18. We have carefully considered the submissions of the RP and have also perused the record. The Corporate Debtor was incorporated on 28.02.2014 and the CIRP proceedings were initiated under Section 7 of the Code against the Corporate Debtor by order delivered on 19.09.2023. The present application is filed for approval of the resolution plan submitted by *M/s Valente Lifespace Creators Pvt. Ltd.* (Successful Resolution Applicant). The approval has been sought under the provisions of Section 31 (1) of the Code.

19. We may first of all state that after receipt, verification and collation of claims as discussed above, the IRP constituted the CoC as per the provisions of Section 21 of the Code. The details of the financial creditors, the distribution of voting share among them and the position of voting for the resolution plan are as under (Para No. 5 of Form H) -

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S. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan
1	M/s Sultanpur Mining and Crushers LLP	100.00	Voted For

20. The details of stakeholders under the resolution plan are given in Para 7 of Form H: (Amount in Rs. In Lakhs)

S. 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	Nil	Nil	Nil
		(b) Other than (a) above: (i) who did not vote in favour of the resolution Plan (ii) who voted in favour of the resolution plan	 Nil Nil	 Nil Nil	 Nil Nil	 Nil Nil
		Total[(a) + (b)]	**0.00**	**0.00**	**0.00**	**0.00**
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	Nil	Nil	Nil	Nil

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S. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan #	Amount provided to the Amount Claimed (%)
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	0.00	0.00	0.00	0.00
		(ii) who voted in favour of the resolution plan	147.26	146.99	3.50	2.38
		(iii) whose claims were not admitted	0.00	0.00	0.00	0.00
		Total[(a) + (b)]	**147.26**	**146.99**	**3.50**	**2.38**
3	Operational Creditors	(a) Related Party of Corporate Debtor	Nil	Nil	Nil	Nil
		(b) Other than (a) above:				
		(i)Government	2072.20	1092.61	3.00	0.14
		(ii)Workmen	0.00	0.00	0.00	0.00
		(iii)Employees	0.00	0.00	0.00	0.00
		(iv)Other Operational Creditors	0.00	0.00	0.00	0.00
		Total[(a) + (b)]	2072.20	1092.61	3.00	0.14
4	Other debts and dues	Nil	Nil	Nil	Nil	Nil

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S. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan #	Amount provided to the Amount Claimed (%)
Grand Total			2219.46	339.60	6.50	0.29

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

21. The distribution allocated to the Financial Creditors may be subject to change. This is because the SRA has allocated Rs. 13.50 lakhs for CIRP expenses, with the stipulation that any excess or shortfall in this allocation will be adjusted against the amount allocated to the Financial Creditors.

22. The compliance aspect of the resolution plan has been given in Para No. 9 of Form H, which is as follows:

Section of the Code/Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes/No)
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?	As per EoI, the Resolution Applicant was meeting criteria approved by CoC.	Yes
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?	Resolution Applicant is eligible as per final list of resolution professional.	Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Affidavit in this respect has been annexed	Yes

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Section 30(2)	Whether the Resolution Plan- (a) Provides for the payment of insolvency resolution process costs?	Provided in Clause(s) 23.1.1, 23.1.2 and 25	Yes
	(b) provides for the payment to the operational creditors?	Provided in Clause(s) 23.1.8 and 25	Yes
	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	Provided in Clause(s) 23.1.6 and 25, Additionally an undertaking was provided for complying with the provision	Yes
	(d) provides for the management of the affairs of the corporate debtor?	Provided in Clause(s) 7 & 10	Yes
	(e) provides for the implementation and supervision of the resolution plan?	Provided in Clause 18	Yes
	(f) contravenes any of the provisions of the law for the time being in force?	Provided in Clause 11(d) and 33	Yes
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC?	According to the members of Committee of Creditors, the Resolution Plan is feasible and viable.	Yes

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	(b) has been approved by the CoC with 66% voting share?	Yes, the members of Committee of Creditors accorded their consent for approval of resolution plan with 100% voting shares	Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC	The Resolution Applicant has provided for implementation plan in Clause 18 and the same has been found effective by the CoC.	Yes
Regulation 38 (1)	Whether the amount due to the operational creditor under the Resolution Plan has been given priority in payment over financial creditors?	Provided in Clause(s) 23.1.8.	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Provided in clause 23.1.	Yes
Regulation 38(1B)	i. 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. ii. If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	Provided in clause 3.5. N.A.	Yes Yes
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule?	Clause(s) 11 and 25	Yes

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	(b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	Clause(s) 7 and 10 Clause 18	Yes Yes
Regulation 38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	 Clause 9 Clause 10 Clause 18 Clause(s) 20(a). 20(d) and 22 Clause 3 and its sub-part	 Yes Yes Yes Yes Yes
Regulation 39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	The Resolution Professional has determined certain fraudulent transaction, for which an application bearing IA No. 218/JPR/2024 has been filed. The application is still pending before the Hon'ble NCLT, Jaipur Bench.	Yes
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.	Under Clause 1.13 of the RFRP, it is stated that within 7 business days of the approval of the successful plan by the CoC, the SRA must provide a performance guarantee of 10% of the Resolution Plan or Rs. 10 Lakhs, whichever	Yes

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		is higher, in favor of the Bank Account. Given that the Resolution Plan is valued at Rs. 20 Lakhs, the SRA has deposited Rs. 10 Lakhs into the corporate debtor's bank account, as this amount is higher than Rs. 2 Lakhs (10% of the Resolution Plan)	

23. The approval of the resolution plan has been sought under Section 31(1) of the Code, which reads as follows:

> *"If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors under sub-section (4) of section 30 meets the requirements as referred to in sub-section (2) of section 30, it shall by order approve the resolution plan which shall be binding on the corporate debtor and 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 such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the resolution plan.*
>
> *Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section, satisfy that the resolution plan has provisions for its effective implementation."*

24. The conditions provided in Section 31(1) of the Code for approval of the resolution plan are as follows:

    (a) *The Resolution Plan is approved by the CoC under Section 30(4) of the Code;*

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(b) *The Resolution Plan so approved meets the requirements as referred to in Section 30(2) of the Code;*

(c) *The Resolution Plan has provisions for its effective implementation.*

The satisfaction of the conditions is discussed below.

25. It is submitted by the RP that the resolution plan has been approved by a vote of 100% of the voting share of the financial creditor and therefore, the conditions provided for by Section 30(4) of the Code are satisfied.

26. The provisions of Section 30(2) of the Code are as follows:

> *"(2) The resolution professional shall examine each resolution plan received by him to confirm that each resolution plan -*
>
> *(a) provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor;*
>
> *(b) provides for the payment of debts of operational creditors in such manner as may be specified by the Board which shall not be less than-*
>
> *(i) the amount to be paid to such creditors in the event of a liquidation of the corporate debtor under section 53; or*
>
> *(ii) the amount that would have been paid to such creditors, if the amount to be distributed under the resolution plan had been distributed in accordance with the order of priority in sub-section (1) of section 53,*
>
> *whichever is higher, and provides for the payment of debts of financial creditors, who do not vote in favour of the resolution plan, in such manner as may be specified by the Board, which shall not be less than the amount to be paid to such creditors in accordance with sub-section (1) of section 53 in the event of a liquidation of the corporate debtor.*
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> *Explanation 1. — For removal of doubts, it is hereby clarified that a distribution in accordance with the provisions of this clause shall be fair and equitable to such creditors.*

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Explanation 2. — For the purpose of this clause, it is hereby declared that on and from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019, the provisions of this clause shall also apply to the corporate insolvency resolution process of a corporate debtor-

(i) where a resolution plan has not been approved or rejected by the Adjudicating Authority;

(ii) where an appeal has been preferred under section 61 or section 62 or such an appeal is not time barred under any provision of law for the time being in force; or

(iii) where a legal proceeding has been initiated in any court against the decision of the Adjudicating Authority in respect of a resolution plan;

(c) provides for the management of the affairs of the corporate debtor after approval of the resolution plan;

(d) The implementation and supervision of the resolution plan;

(e) does not contravene any of the provisions of the law for the time being in force

(f) confirms to such other requirements as may be specified by the Board.

Explanation. — For the purposes of clause (e), if any approval of shareholders is required under the Companies Act, 2013(18 of 2013) or any other law for the time being in force for the implementation of actions under the resolution plan, such approval shall be deemed to have been given and it shall not be a contravention of that Act or law."

27. The compliance of Section 30(2) of the Code is given in Para No. 9 of Form H (*supra*). The same is being further examined as under:

   a. **Section 30(2)(a):** The resolution plan provides Rs. 13,50,000.00/- for payment of resolution process cost.

   b. **Section 30(2)(b):** The Resolution Applicant has proposed to pay Rs. 3.00 lakhs towards the statutory dues. There are two departments in this

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category- Income Tax and CGST, and regardless of whether their claims are admitted or not, the Resolution Applicant has provided Rs. 1,50,000.00 each to both the departments. Also, the Resolution Applicant has provided an undertaking, where it has been undertaken to provide for the financial creditors who do not vote in favour of the Resolution Plan, which shall not be less than the amount payable to such creditors under subsection (1) of section 53 in the event of a liquidation of the Corporate Debtor. It is further provided that nevertheless, the total outlay of the Resolution Plan shall not exceed Rs. 20 lakhs in any manner.

c. **Section 30(2)(c):** The Resolution Plan provides for the management of the Corporate Debtor after the approval of the resolution plan. The Resolution Plan has also provided for constitution of Monitoring Committee, which shall supervise the implementation of Resolution Plan after the approval of Resolution Plan.

d. **Section 30(2)(d)**: The Resolution Plan provides for the implementation and supervision of the resolution plan, the Resolution Plan provides that

- A monitoring Committee shall be constituted to supervise the implementation of the Resolution Plan by the RA, which constitutes of Resolution Professional as Chairperson, a

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representative of financial creditor, and a representative of Resolution Applicant.

- New partners shall take over the management of the Corporate Debtor and function under the supervision of the Implementation and Monitoring Committee until the complete payment of consideration proposed under the plan is made and complete implementation of plan and handover of the Corporate Debtor to the Resolution Applicant is done.

e. **Section 30(2)(e)**: The Resolution Plan provides that it does not contravene any of the provisions of the law for the time being in force.

28. The RP has also certified that *M/s Valente Lifespace Creators Private Limited,* the resolution applicant has submitted an affidavit pursuant to Section 30(1) of the Code confirming its eligibility under Section 29A of the Code to submit the resolution plan and the contents of the said affidavit are in order.

29. As per the requirement of Regulation 39(4) of the Regulations for performance security, it is stated that within 7 business days of the approval of the successful plan by the CoC, the SRA must provide a performance guarantee of 10% of the Resolution Plan or Rs. 10 Lakhs, whichever is higher, in favour of the Bank Account. The Resolution Plan is valued at Rs. 20 Lakhs, the SRA has deposited 10 Lakhs into the Corporate Debtor Bank Account's, as this amount is higher than Rs. 2 Lakhs.

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30. A perusal of Regulation 38 would clearly show that by virtue of the mandatory contents of the resolution plan as discussed in the preceding paragraphs in relation to Section 30 and Section 31 of the Code, the requirement of Regulation 38 also stands fulfilled. Thus, the resolution plan fulfils all the requirements of Regulation 38 of the CIRP Regulations.

31. On the implementation Date, the following actions shall be deemed to have taken place simultaneously and without any further action, deed by any Person:

    a. The change in capital structure, and management shall become effective and the existing capital obligation shall be cancelled as stated in accordance with this Resolution Plan.

    b. The Capital Infusion in the manner stated in the resolution plan shall be undertaken.

    c. The existing suspended partners of the Corporate Debtor would deem to be resigned automatically and the Resolution Applicant would appoint new partners as it would decide.

    d. All powers of management, control and operation of the suspended partners granted shall be withdrawn, revoked, terminated and rescinded.

    e. Supplementary Deed of the Corporate Debtor shall be automatically, without any further act or deed, be substituted and replaced with the form of Supplementary Deed (the "New Charter Documents") as

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may be desired by Resolution Applicant and the same shall be filed with ROC without any further formalities.

f. It is clarified that the approval of the Adjudicating Authority pursuant to Section 31 of the IBC shall constitute adequate approval for the adoption of the New Charter Documents, in accordance with all provisions of Applicable Law. Accordingly, no further approval or consent shall be necessary from any other Person / Governmental Authority in relation to either of these actions under any agreement, the existing constitution documents of the LLP or under any applicable law.

g. The CIRP Costs shall be paid in priority to payments to other Creditors contemplated in this Resolution Plan.

h. The dues of Financial Creditors shall be acquired by the Resolution Applicant by wat of final settlement of their dues by the Corporate Debtor in accordance with this Resolution Plan.

i. The dues of Operational Creditors shall be paid in accordance with this Resolution Plan.

j. All approvals from creditors required for the implementation of this Resolution Plan including under Companies Act, 2013, the Limited Liability Partnership Act, 2008 for the transactions contemplated in this Schedule following the Implementation Date would be deemed to have been granted.

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k. The Monitoring Committee shall handover all passwords, bank account, cheques, documents etc. to the Resolution Applicant on the Completion Date.

l. The Resolution Applicant shall be handed over all immovable / movable, tangible / intangible assets which are owned, use, or controlled by the Corporate Debtor on as it is where it is basis, on the implementation date.

m. All authorizations / powers of attorney provided by the Corporate Debtor shall cease to have any effect.

n. All charges, encumbrances, mortgage, if any, except held by continuing secured Financial Creditors shall stand satisfied on the approval of Resolution Plan.

o. All the Key Managerial Personnel of the Corporate Debtor including the CEO, COO and CFO etc. shall deem to have resigned.

p. The Resolution Applicant shall be at full liberty to assess the requirement of staffs, workers etc. and retain / relieve the staff without paying any compensation as per its assessment and its requirements including the change of terms in their appointment.

q. The bank account of the Corporate Debtor in existence on the Completion Date shall only be operated by the persons authorized by the Resolution Applicant, however RA may open bank account

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for managing the affairs of the Corporate Debtor on Implementation date.

r. The Resolution Applicant is not seeking release of any personal guarantee or any corporate guarantee other than of corporate debtor furnished by erstwhile partners or their family members, associates or by any of the entities connected with them and they shall continue to be liable under the said liabilities, obligations.

s. All pending applications, whether filed by or against the corporate debtor, including those under the Insolvency & Bankruptcy Code, 2016, before the Hon'ble NCLT, Jaipur Bench, pursuant to sections 19 and avoidance transaction applications under sections 43, 45, 50 and 66 of the Code, may be pursued at the discretion of the Resolution Applicant. Any benefits from these applications will solely accrue to the Resolution Applicant. However, the Resolution Applicant will be fully protected against any counter-liabilities as stipulated in section 32A of the Code, 2016.

t. The Resolution Applicant does not propose the Resolution Plan for transfer of any assets of the Corporate Debtor to any third person. Since no transfer of the assets of the Corporate Debtor is proposed in the Resolution Plan, there is no security interest is involved.

32. In view of the above discussion, the Resolution Plan submitted by *M/s Valente Lifespace Creators Private Limited* as approved by the CoC under

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Section 30(4) of the Code is hereby approved. The Resolution Plan so approved shall be binding on the Corporate Debtor and its employees, members, and 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 such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the Resolution Plan.

33. Under the provisions of Section 31(3) of the Code, we also direct as under:

    a. The moratorium order passed by the Adjudicating Authority under Section 14 of the Code on 19.09.2023 shall cease to have effect; and

    b. The RP shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the Board to be recorded on its database.

34. In view of the foregoing, *IA (IBC) (Plan) No. 05/JPR/2024* is disposed off accordingly.

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DEEP CHANDRA JOSHI,
JUDICIAL MEMBER

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VELAMUR G. VENKATA CHALAPATHY,
TECHNICAL MEMBER