**THE NATIONAL COMPANY LAW TRIBUNAL**
**CHANDIGARH BENCH, COURT-I, CHANDIGARH**
**(Exercising powers of Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016)**
**(*through web-based video conferencing platform*)**

**I.A. Nos. 1025/2025, 2096/2023, 788/2025, 700/2025, 701/2025, 703/2025, 54/2024, 2298/2023, 2537/2023, 2857/2023, 720/2025, 882/2025, 928/2025, 1148/2025, 1267/2025 and 1294/2025**
**In**
**CP (IB) No. 515/Chd/Chd/2019**
**(Admitted)**

**Under Sections 33(3), 74(3) and 60(5) of the Insolvency and Bankruptcy Code, 2016 and Rule 11 of NCLT Rules, 2016**

**<u>In the matter of CP (IB) No. 515/Chd/Chd/2019:</u>**

**Parivartan Investment and Finance Company**
**...Financial Creditor**

**Vs.**

**Haryana Telecom Ltd.**
**...Corporate Debtor**

**<u>In the matter of I.A. 1025 of 2022:</u>**

1. **Deepinder Singh**
   S/o Late Mr. Chaudhary Devinder Singh
   R/o Bhalaut Village, Lal Chand Ka Baag,
   District Rohtak, Haryana- 124401

2. **Varinder Singh**
   S/o Late Mr. Chaudhary Devinder Singh
   R/o M-107, Greater Kailash-I,
   New Delhi-110048

3. **Shruti Manav Sharma**
   W/o Sh. Manav Sharma
   R/o N-102, Panchsheel Park, New Delhi- 110017

**...Applicants**

**Versus**

1. **Sanyam Goel**
   Chairman of Monitoring Committee
   Haryana Telecom Limited
   Unit No. 110, First Floor,
   JMD Pacific Square, Sector- 15, Part II,
   Gurugram- 122001

**...Respondent No.1**

2. **Abhimanyu Singh Mehlawat**
   SRA
   House No. 36, Sector 17B,
   Gurgaon-122001

**...Respondent No.2**

**<u>In the matter of I.A. 2096 of 2023:</u>**
**Haryana Telecom Limited**
Unit No. 110, First Floor,
JMD Pacific Square, Sector- 15, Part II,
Gurugram- 122001

**...Applicant**

**Versus**

1. **Mr.Abhimanyu Singh Mehlawat, SRA**
   House No. 36, Sector 17B,
   Gurgaon-122001

...**Respondent No.1**

2. **Parivartan Investment and Finance Company**
   SCO-21, ICL Road, Madhuban Colony,
   Rajpura, Patiala,
   Punjab-140401

.. **Respondent No.2**

3. **Madhava Prasad**
   S/o Sh. Pushkar Nath Dwivedi
   R/o House No. A11, Sector-39,
   Gautam Budh Nagar
   Uttar Pradesh-201303
   Suspended Director, Haryana Telecom Limited

**...Respondent No.3**

**<u>In the matter of I.A. 788 of 2025:</u>**

**Madhava Prasad**
S/o Sh. Pushkar Nath Dwivedi
R/o House No. A11, Sector-39,
Gautam Budh Nagar
Uttar Pradesh-201303
Suspended Director, Haryana Telecom Limited

**...Applicant**

**Versus**

1. **Mr.Abhimanyu Singh Mehlawat, SRA**
   House No. 36, Sector 17B,
   Gurgaon-122001

**...Respondent No.1**

2. **Sanyam Goel**
   Chairman of Monitoring Committee
   Haryana Telecom Limited
   Unit No. 110, First Floor,
   JMD Pacific Square, Sector- 15, Part II,
   Gurugram- 122001

**...Respondent No.2**

**<u>In the matter of I.A. 700 of 2025:</u>**

1. **Deepinder Singh**
   S/o Late Mr. Chaudhary Devinder Singh
   R/o Bhalaut Village, Lal Chand Ka Baag,
   District Rohtak,
   Haryana- 124401
   (Shareholder of Corporate Debtor and also Legal Heir of Late. Smt. Sita Chaudhary being his son)

**...Applicant No.1**

2. **Varinder Singh**
   S/o Late Mr. Chaudhary Devinder Singh
   R/o M-107, Greater Kailash-I,
   New Delhi-110048
   (Shareholder of Corporate Debtor and also Legal Heir of Late. Smt. Sita Chaudhary being his son)

**...Applicant No.2**

3. **Shruti Manav Sharma**
W/o Sh. Manav Sharma
R/o N-102, Panchsheel Park, New Delhi- 110017
(Legatee/ Beneficiary of the estate of
Late. Smt. Sita Chaudhary, being her granddaughter,
through will dt. 15.05.2024)

**...Applicant No.3**

**Versus**

1. **Sanyam Goel Chairman Of Monitoring Committee**
Haryana Telecom Limited
Unit No. 110, First Floor,
JMD Pacific Square, Sector- 15, Part II,
Gurugram- 122001

**...Respondent No.1**

2. **Mr.Abhimanyu Singh Mehlawat,**
**SRA**
House No. 36, Sector 17B,
Gurgaon-122001

**...Respondent No.2**

**In the matter of I.A. 701 of 2025:**
**Madhava Prasad**
S/o Sh. Pushkar Nath Dwivedi
R/o House No. A11, Sector-39,
Gautam Budh Nagar
Uttar Pradesh-201303

**...Applicant**

**Versus**

1. **Mr.Abhimanyu Singh Mehlawat, SRA**
House No. 36, Sector 17B,
Gurgaon-122001 **...Respondent No.1**

2. **Sanyam Goel**
Chairman of Monitoring Committee
Haryana Telecom Limited
Unit No. 110, First Floor,

JMD Pacific Square, Sector- 15, Part II,
Gurugram- 122001

**...Respondent No.2**

**<u>In the matter of I.A. 703 of 2025:</u>**

**Rama Land and Finance Co.**
Through its Partner: Ram Chaudhary
Registered Office at:
Subhash Road, Rohtak, Haryana **...Applicant**

**<u>In the matter of I.A. 54 of 2024:</u>**

**Rama Land and Finance Co.**
Through its Partner: Ram Chaudhary
Registered Office at:
Subhash Road, Rohtak
Haryana

**...Applicant**

**<u>In the matter of I.A. 2298 of 2023:</u>**

**Sita Chaudhary**
Suspended Director of Haryana Telecom Limited
House no. N-102, Panchsheel Park,
New Delhi-110017

**...Applicant**

**Versus**

1. **Haryana Telecom Limited**
(Through Monitoring Committee)
Unit No. 110, First Floor,
JMD Pacific Square, Sector 15, Part-II,
Gurugram, Haryana-122001

**...Respondent No.1**

2. **Abhimanyu Singh Mehlawat**
(SUCCESSFUL RESOLUTION APPLICANT)
S/o Sumer Singh,
H. NO. 1036, IFFCO Colony,
Sector 17B, Gurgaon,
Haryana-122001

**...Respondent No.2**

**In the matter of I.A. 2537 of 2023:**

**Abhimanyu Singh Mehlawat**
**SRA**
House No. 36, Sector 17B,
Gurgaon-122001

... **Applicant**

**Versus**

1. **Sanyam Goel**
Chairman of Monitoring Committee
Haryana Telecom Limited
Unit No. 110, First Floor,
JMD Pacific Square, Sector- 15, Part II,
Gurugram- 122001

**...Respondent No. 1**

2. **Parivartan Investment and Finance Company**
SCO-21, ICL Road, Madhuban Colony,
Rajpura, Patiala, Punjab-140401

... **Respondent No. 2**

**In the matter of I.A. 2857 of 2023:**

**Sanyam Goel**
Chairman of Monitoring Committee
Haryana Telecom Limited
Unit No. 110, First Floor,
JMD Pacific Square, Sector- 15, Part II,
Gurugram- 122001

... **Applicant**

**Versus**

1. **Abhimanyu Singh Mehlawat**
(SUCCESSFUL RESOLUTION APPLICANT)
S/o Sumer Singh,
H. NO. 1036, IFFCO Colony,
Sector 17B, Gurgaon,
Haryana-122001

**...Respondent No.1**

2. **Committee Of Creditors**
   Parivartan Investment and Finance Company
   SCO-21, ICL Road, Madhuban Colony,
   Rajpura, Patiala,
   Punjab-140401

**...Respondent No.2**

3. **Sita Chaudhary**
   Suspended Director of Haryana Telecom Limited
   House no. N-102, Panchsheel Park,
   New Delhi-110017

**...Respondent No. 3**

**In the matter of I.A. 720 of 2025:**

**Sun Infonet Pvt. Ltd.**
Through its Director: Virender Kumar
Office At: 2/5, West Patel Nagar
New Delhi-110008 **...Applicant**

**In the matter of I.A. 882 of 2025:**

1. **ICL Enterprises LLP**
   Office at:CO-175-176 Madhya Marg,
   Sector-8 C Chandigarh
   Chandigarh — 160009

**... Applicant No. 1**

2. **M/s Rajpura Steel Tubes LLP**
   Office at: SCO-21, ICL ROAD,
   Madhuban Colony
   Rajpura, NawanShehar
   Punjab 140401

**... Applicant No. 2**

**Versus**

1. **Sanyam Goel**
   Chairman of Monitoring Committee
   Haryana Telecom Limited
   Unit No. 110, First Floor,
   JMD Pacific Square, Sector- 15, Part II,
   Gurugram- 122001

**...Respondent No. 1**

2. **Abhimanyu Singh Mehlawat**
House No. 36, Sector 17B,
Gurgaon-122001

**... Respondent No. 2**

3. **Parivartan Investment and Finance Company**
SCO-21, ICL Road, Madhuban Colony,
Rajpura, Patiala,
Punjab-140401

**... Respondent No. 3**

**<u>In the matter of I.A. 928 of 2025:</u>**
**State of Haryana**
**Through Principal Secretary**
Department of Industries through its Additional Director
Having its office at:
30 Bays Building, 1st Floor,
Sector-17C, Chandigarh

**... Applicant**

**Versus**

**Sanyam Goel**
Resolution Professional of Haryana Telecom Limited
Unit No. 110, First Floor,
J M D Pacific Square,Sector 15,
Part II, Gurugram ,Haryana ,122001

**... Respondent**

**<u>In the matter of I.A. 1148 of 2025:</u>**
**Madhava Prasad**
S/o Sh. Pushkar Nath Dwivedi
R/o House No. A11, Sector-39,
Gautam Budh Nagar
Uttar Pradesh-201303

**...Applicant**

Versus

1. **Abhimanyu Singh Mehlawat**
House No. 36, Sector 17B,
Gurgaon-122001

**...Respondent No.1**

**2. Sanyam Goel**
Chairman of Monitoring Committee
Haryana Telecom Limited
Unit No. 110, First Floor,
JMD Pacific Square, Sector- 15, Part II,
Gurugram- 122001

**...Respondent No.2**

**3. Kishori Ji Properties and Jewellers Private Limited**
Regd. Address: 303 Third Floor,
2190/62 Nai Wala Karol Bagh
North East, New Delhi-110005

**...Respondent No.3**

**In the matter of I.A. No. 1267 of 2025:**
**Madhava Prasad**
S/o Sh. Pushkar Nath Dwivedi
R/o House No. A11, Sector-39,
Gautam Budh Nagar
Uttar Pradesh-201303

**...Applicant**

Versus

**1. Abhimanyu Singh Mehlawat**
House No. 36, Sector 17B,
Gurgaon-122001

**...Respondent No.1**

**2. Sanyam Goel**
Chairman of Monitoring Committee
Haryana Telecom Limited
Unit No. 110, First Floor,
JMD Pacific Square, Sector- 15, Part II,
Gurugram- 122001

**...Respondent No.2**

**And in the matter of I.A. No. 1294 of 2025**
**Madhava Prasad**
S/o Sh. Pushkar Nath Dwivedi
R/o House No. A11, Sector-39,
Gautam Budh Nagar

Uttar Pradesh-201303

**...Applicant**

Versus

1. **Abhimanyu Singh Mehlawat**
House No. 36, Sector 17B,
Gurgaon-122001

**...Respondent No.1**

2. **Sanyam Goel**
Chairman of Monitoring Committee
Haryana Telecom Limited
Unit No. 110, First Floor,
JMD Pacific Square, Sector- 15, Part II,
Gurugram- 122001

**...Respondent No.2**

3. **Kishori Ji Properties and Jewellers Private Limited**
Regd. Address: 303 Third Floor,
2190/62 Nai Wala Karol Bagh
North East, New Delhi-110005

**...Respondent No.3**

**Order delivered on: 14.08.2025**

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)**
**HON'BLE SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)**

**<u>Present:</u>**

| | |
|---|---|
| For the respondent No.2/Financial Creditor in IA No. 2096/2023: | Mrs. Munisha Gandhi, Senior Advocate<br>Ms. Salina Chalana, Advocate<br>Mr. Harit Narang, Advocate<br>Mr. Sahil Garg, Advocate<br>Mr. Guneet Singh Sidhu, Advocate |
| For the SRA & Applicant in IA No. 2537/2023 & Respondent No. 1 in IA No. 2096/2023: | Mr. Alok Jagga, Advocate<br>Mr. APS Madaan, Advocate<br>Ms. Vibhu Aggarwal, Advocate |

| | |
|---|---|
| | Mr. Sahil Lohan, Advocate<br>Mr. Nakul Sachdeva, Advocate<br>Mr. Sagar Arora, Advocate |
| For the Chairman of the Monitoring Committee and Applicant in IA No. 2096/2023: | Mr. Anand Chhibbar, Senior Adv.<br>Mr. Abhishek Anand, Advocate<br>Mr. Karan Kohli, Advocate<br>Mr. Akshit Awasthi, Advocate<br>Mr. Sanyam Goel, the then RP-in-person |
| For the applicant in IA Nos. 54/2024, 703/2025: | Mr. Pulkit Deora, Advocate |
| For the applicant in IA Nos. 700/2025, 701/2025 788/2025, 1267/2025, 1148/2025, 1294/2025, and respondent No. 3 in IA No. 2096/2023: | Mr. Atul V Sood, Advocate<br>Mr. Nahush Jain, Advocate |
| For the State of Haryana/applicant in IA No. 928/2025: | Mr. Vishal Garg, Advocate |
| For the Applicants in IA No. 882/2025: | Ms. Eshna Kumar, Advocate<br>Mr Harshvardhan Upadhyay, Advocate |

**PER: SH. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)**
**SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)**

## ORDER

I.A. Nos. 2096 of 2023, 2537 of 2023, 788 of 2025, 882 of 2025 and 1025 of 2025 are taken up together for adjudication since they involve common facts and issues.

1. The brief facts of the case are as under:

   i. Haryana Telecom Limited (**"Corporate Debtor"**) was admitted into the Corporate Insolvency Resolution Process ("**CIRP**") against a petition filed by Parivartan Investment and Finance Company **("Financial Creditor"**) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (**"Code"** or **"IBC"**) vide Order dated 07.02.2020 and Shri Sanyam Goel was appointed as the Interim Resolution Professional (**"IRP"**), who was later confirmed as the Resolution Professional ("**RP**") of the Corporate Debtor.

ii. In terms of Section 25(2)(h) of the Code read with Regulation 36A of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the RP published the "Invitation for Expression of Interest in Form-G" on 24.06.2020. The last date for submission of the Expression of Interest was fixed as 09.07.2020 and the last date for submission of the Resolution Plan was fixed as 02.09.2020. The RP received 3 resolution plans before the last date, i.e., 02.09.2020.

iii. The RP filed an application seeking an extension of the CIRP period for a further 90 days beyond the prescribed period of 180 days (expired on 12.10.2020), which was allowed vide order dated 29.10.2020.

iv. The Resolution Plan submitted by Mr. Abhimanyu Singh Mehlawat (**"SRA"**) for Rs. 25.14 crores was approved by the CoC in its 9th meeting dated 31.10.2020 with 100% voting share. SRA submitted Performance Security of a total of Rs.4,00,00,000/- (Rupees Four Crore only) as a Performance Bank Guarantee (**PBG**).

v. Application bearing I.A. No. 823 of 2020 was filed by the RP before this Adjudicating Authority for approval of the Resolution Plan.

vi. SRA filed an additional affidavit dated 13.02.2023 stating that he undertakes to make payment in regard to any dues pending under any provision of the Employees Provident Fund dues and Miscellaneous Act, 1952 or the Pension Scheme or the Insurance Scheme or the Scheme, and under the Payment of Gratuity Act, 1972, as accruing prior to the insolvency commencement date.

vii. This Adjudicating Authority vide order dated 15.02.2023 remanded back the Resolution Plan to the CoC with the directions to the RP to submit a fresh Resolution Plan in compliance with the latest decision of the Hon'ble Supreme Court in the matter of ***State Tax Officer (1) Vs. Rainbow Papers Limited in Civil Appeal No.1661 Of 2020*** *which provided that* the definition of "secured creditor" in the Code does not exclude any Government or Governmental Authority. The Committee of Creditors, which might include financial institutions and other financial creditors, cannot secure their own dues at the cost of statutory dues owed to any Government or Governmental Authority or for that matter, any other dues.

viii. The RP filed a compliance affidavit on 25.02.2023 along with a second addendum to the Resolution Plan, whereby the table of distribution was as below:

| S.NO. | Category of Stakeholder | Amount claimed (Rs.) | Amount admitted (Rs.) | Amount provided under the Resolution Plan (Rs.) | Amount provided to the amount claimed % |
|---|---|---|---|---|---|
| 1. | Secured Financial Creditors | 8,20,76,575 | 8,20,76,575 | 1,25,83,713 | 15.33% |
| 2. | Unsecured Financial Creditors | 3,72,97,000 | 67,47,000 | Nil | Nil |
| 3. | Operational Creditors | 86,63,42,248 | 86,63,42,248 | 20,88,18,414 | 24.10% |
| 4. | Other debts and dues | 7,14,92,721 | 46,73,761 | Nil | Nil |
| 5. | CIRP Cost | -- | 2,73,89,123 | 3,00,00,000 | 100% |
| | Grand Total | 105,72,08,544 | 95,98,39,584 | 25,14,02,128 | |

ix. Vide order dated 12.04.2023 of this Adjudicating Authority, the Resolution Plan submitted by the Respondent No. 1 was approved.

x. Pursuant to the approval of the Resolution Plan, the Suspended Director of the Corporate Debtor, namely Sita Chaudhary, filed two Company Appeals under Section 61 of the Code, objecting to the Resolution Plan and consequently seeking the setting aside of the order dated 12.04.2023 wherein the Resolution Plan had been approved. The aforementioned Company Appeals were dismissed by the Hon'ble NCLAT vide order dated 09.11.2023.

xi. Thereafter, Civil Appeal No(s.) 8218-8219/2023 were preferred by the same suspended director, i.e., Sita Chaudhary before the Hon'ble Supreme Court. The said Civil Appeal along with other applications filed, were dismissed vide order dated 22.04.2025.

**I.A. No. 2096 of 2023**

2. The present application is filed by Sanyam Goel, Chairman of Monitoring Committee (hereinafter referred to as the **"Chairman" or "erstwhile RP"**) under Rule 11 of the National Company Law Tribunal Rules, 2016 ("**NCLT Rules**") read with Sections 60(5) & 74(3) of the Code, against **SRA** and the **Financial Creditor** [sole member of (COC)] and is seeking directions against SRA for contravening the terms of the Resolution Plan and passing orders for liquidation of Haryana Telecom Limited, the Corporate Debtor.

3. The brief facts of the application are as under:

   i. SRA was required to make the entire payment of Rs.25,14,02,128/- within 90 business/working days from the date of the order dated 12.04.2023, but failed to make the said payment by 22.08.2023.

   ii. The Chairman vide email dated 05.05.2023, requested SRA to comply with the order dated 12.04.2023. An email dated 05.05.2023 was sent by SRA's counsel, requesting to convene a meeting of the Monitoring Committee on 11.05.2023.

   iii. The Chairman convened the 1st Monitoring Committee meeting of the Corporate Debtor on 11.05.2023. The Chairman vide email dated 17.05.2023 informed the SRA that the physical possession of factory premises situated at village Kheri Sadh, Rohtak, Haryana-124021, has been handed over to Mr. Rakesh Kumar, who was authorized by the SRA.

iv. Vide email dated 05.07.2023, the Chairman requested the SRA to act in accordance with the Resolution Plan, to which the SRA vide email dated 08.07.2023 responded as below:

*"Dear Mr. Goel, With respect to point no. 1, I request you to wait until 21.07.2023 as the matter is sub judice before NCLAT.*
*With respect to point no. 2, I request you to once again provide me all the details such as DD amount, in whose favour it has to be made, where it has to be submitted etc. With respect to point no. 3, I have taken note of your request."*

v. The Chairman vide email dated 08.07.2023 informed the SRA as mentioned below:

*"Dear Mr. Abhimanyu, As per your below email, what I understand is that you don't intend to take any steps for implementation of Resolution Plan (including PG renewal) due to the pending Application of Mrs. Sita Chaudhary before Hon'ble NCLAT. Having said that, my prima facie view is that this conduct is not in compliance of Hon'ble NCLT's order dated 12.04.2023 qua approval of Resolution Plan as no such condition was stated in the Resolution Plan nor you have sought such relief from Hon'ble NCLT post filing of application by Mrs. Sita Chaudhary before Hon'ble NCLAT. This may be tantamount to nonimplementation of the Resolution Plan. I shall now seek opinion on this matter from my legal counsel for next steps."*

vi. On the request of the RP, the SRA further extended the PBG on 31.07.2023 till 30.01.2024 amounting to Rs.4,00,00,000/- (Rupees Four Crore Only).

vii. The RP convened a Second Monitoring Committee of the Corporate Debtor on 19.08.2023, wherein It was categorically informed the

Authorized Representative of SRA that no compliance in pursuance of the order dated 12.04.2023 has been made by the SRA and that the last date of making the payments as envisaged under the Resolution Plan is coming to an end on 22.08.2023.

viii. An Appeal being Company Appeal (AT) (Insolvency) No. 727 & 728 of 2023, was filed against the order dated 12.04.2023, however, no interim order or any stay order was passed by the Hon'ble Appellate Tribunal.

ix. This Adjudicating Authority vide order dated 12.04.2023 held that

*"41. In case of non-compliance with this order or withdrawal of the Resolution Plan, the performance security amount already paid by the Resolution Applicant shall be liable to be forfeited, in addition to such further action as may be permitted under the law.*

In view of the above-mentioned clause 41 of the resolution plan approval order, the PBG submitted by the SRA was forfeited by the RP, which was communicated to the SRA on the hearing dated 19.09.2023.

x. In the event where a Resolution Plan approved by the Adjudicating Authority is contravened by the Resolution Applicant then an application may be made to the Adjudicating Authority for a liquidation order in terms of Section 33(3) of the Code and if the Adjudicating Authority determines that the Resolution Applicant has contravened the provisions of the Resolution Plan, it shall pass a liquidation order. This Adjudicating Authority in the matter of ***Vineet Gupta vs. Monitoring Committee Through Shri Kumar Gaurav*** has inter-alia held that

*"..... The Code provides for the liquidation of the Corporate Debtor in case the Successful Resolution Applicant fails to implement the resolution plan."*

**REPLY OF SRA**

4. SRA, while refuting the contentions of the RP, made the following submissions:

   i. The present application is not legally tenable in view of the fact that Section 33(3) of the Code envisages that any person other than the Corporate Debtor, whose interests are prejudicially affected, may make an application to the Adjudicating Authority for liquidation of the Corporate Debtor; however, the Chairman has failed to establish or substantiate, in any manner, how the Chairman is an affected party as contemplated under Section 33(3) of the Code.

   ii. The Hon'ble Supreme Court in the matter titled ***Regen Powertech Private Limited vs. Giriraj Enterprises & Anr. [Civil Appeal No. (5985-6001/2023)]*** has recently opined that the Resolution Professional are "neutral" individuals appointed to assist the tribunals and only aggrieved parties, such as the Committee of Creditors (CoC), can file appeals.

   iii. As per the Resolution plan, a Monitoring Committee, comprising of 1 representative of Approving Financial Creditors, the RP and 2 representatives of the RA was formed and the first meeting of the monitoring committee of the Corporate Debtor was convened on

11.05.2023, wherein implementation of the Resolution Plan was discussed.

iv. The RP vide Email dated 05.07.2023, pointed out that the SRA has not taken any steps qua the implementation of the Resolution Plan and requested for an extension of the PBG and in pursuance thereof, the SRA duly extended the PBG on 31.07.2023 and vide email dated 08.07.2023, duly informed the RP that in view of the pendency of the aforementioned Appeal, the implementation of the Resolution Plan be held back.

v. The 2nd meeting of the Monitoring Committee was convened on 19.08.2023 and the same could not be attended by the sole member of the CoC; however, the Counsel for the SRA in the said meeting informed the RP that the SRA has already initiated actions apropos to the implementation of the Resolution Plan and categorically expressed that the aforementioned pending Appeal is creating an impediment in the implementation of the Resolution Plan and any infusion by the SRA made prior to adjudication of the said Appeal, may cause irreparable loss and great inconvenience to the SRA, in case the Resolution Plan is thereafter rejected by the Hon'ble NCLAT.

vi. On the date of hearing, i.e., 19.09.2023, the counsel appearing for the RP informed that the PBG amounting to Rs.4 crores, as submitted by the SRA in terms of the Resolution Plan, has been forfeited by the RP.

vii. The RP scheduled the third meeting of the Monitoring Committee on 06.10.2023, wherein the SRA in the aforesaid third meeting, proposed the following plan of action, subject to the approval of the Monitoring Committee:

a) The PBG amounting to Rs. 4 Crore, as forfeited by the Chairman, be treated as an infusion by the SRA towards the implementation of the resolution plan and the same be utilized towards the payment of CIRP Costs (as provided by the RP till the date of approval of the plan), and the balance remaining amount be kept in an escrow account till the pendency of the appeals before the Hon'ble NCLAT.

b) The Chairman of the Monitoring Committee will file an Application before this Adjudicating Authority to bring on record the proposed plan of action as detailed in the third meeting and the decision taken by the Parties thereon. The date of listing of such Application, for the ease of convenience, will be hereafter called as "**X**".

C) Further, the remaining sum of Rs. 21,14,02,218/- out of the total plan value of Rs. 25,00,00,000/-, will be infused by the SRA in two tranches, i.e., Tl and T2, as detailed hereunder:

Tl: A sum of Rs.14,00,00,000/- within 20 days of X.

T2: A sum of the remaining amount, i.e., Rs. 7,14,02,218/- within 30 days of X

d) Lastly, the aforesaid infusion through Tl and T2 alongwith the remaining amount after deducting CIRP cost from forfeited amount, will be kept in an Escrow Account till the pendency of the Company Appeals before the Hon'ble NCLAT.

viii. The Financial Creditor, was also of the view that an opportunity should be afforded to the SRA to implement the plan and the Corporate Debtor should not be forced into liquidation at this stage. Further, the Chairman also expressed that as long as other members of the Committee are of the view to implement the plan in view of the terms floated by the SRA, he, being the erstwhile RP does not have any objection.

ix. It was suggested by the Chairman that an appropriate application should instead be filed by the SRA before this Tribunal seeking extension for the implementation of the plan as well as acceptance of the proposed terms.

x. However, if the Corporate Debtor is shoved into liquidation, all the stakeholders, including the SRA will be prejudicially affected.

xi. The erstwhile RP being the Chairman of the Monitoring Committee, has preferred the present application unilaterally, without any prior approval or resolution or taking the opinion of other stakeholders into consideration, despite being made aware by the SRA that the delay in implementation of the resolution plan is due to the reasons and circumstances beyond the control of the SRA.

xii. The present application is against commercial decisions made by the erstwhile member of the CoC. Moreover, the liquidation of the Corporate Debtor should be a matter of last resort as the Code recognizes a wider public interest in resolving corporate insolvencies and its object is not the mere recovery of monies due and outstanding. A beneficial reliance in this regard may be placed upon the order dated 09.10.2020, passed by the Hon'ble Supreme Court in ***Kridhan Infrastructure Pvt. Ltd. (Now Known as Krish Steel and Trading Pvt. Ltd.) vs. Venkatesan Sankaranarayan. [2020 SCC OnLine SC 889].***

xiii. The bonafide of the SRA is clear from the fact that the SRA on 31.07.2023, without any protest or demur, extended the PBG amounting to Rs. 4,00,00,000/- till 30.01.2024 and is willing to infuse the total plan value in two tranches within 30 days of listing of an application before this Tribunal seeking extension for implementation of the Resolution Plan and acceptance of terms proposed by the SRA.

xiv. The Applicant has himself failed to fulfill the duty cast upon him by virtue of Section 20 of the Code, wherein the IRP is directed to make every endeavor to protect and preserve the value of the property of the corporate debtor and manage the operations of the corporate debtor as a going concern. It is submitted that the Answering Respondent has discovered that the Dy. Excise & Taxation Commissioner (Sale Taxes) has a lien/attachment on the land pertaining to the Corporate Debtor and the Applicant has failed to take any steps in order to remove the said attachment/lien.

**REPLY OF FINANCIAL CREDITOR**

5. Parivartan made the following submissions:

i. The erstwhile RP, without obtaining any authorization and/or approval from the Financial Creditor, has filed the instant Application seeking liquidation of the Corporate Debtor. No discussion about the liquidation of the Corporate Debtor was ever held during the Monitoring Committee Meetings and no resolution to file the instant application was voted upon .

ii. In terms of the timeline prescribed under the Resolution Plan, the SRA was to make the payment to the Financial Creditor, within 90 days, i.e., by 22.08.2023 from the approval of the Resolution Plan. However, till date the SRA has not made any payment to the Financial Creditor,.

iii. Subsequently, upon the request of the SRA and the Financial Creditor, the erstwhile RP convened the 3rd Monitoring Committee on 06.10.2023 wherein the SRA presented a Proposed Action Plan and undertook to implement the Resolution Plan. Pursuant to which an understanding was arrived at by all the members of the Monitoring Committee that the SRA will file an Application before this Tribunal to place on record the Proposed Action Plan seeking liberty for an opportunity to implement the Resolution Plan.

iv. The very objective of the Code is to provide resolution and not to put the company into liquidation. Reliance in this regard is placed upon the Hon'ble Supreme Court vide its order dated 09.10.2020 in case titled, ***Krish Steel and Trading (P) Ltd. vs. Venkatesan Sankaranarayan, (supra),*** wherein it reiterated the fact that the liquidation of the Corporate Debtor should be the matter of last resort.

v. The Financial Creditor, is of the view that an opportunity should be given to the SRA to implement the Resolution Plan, as it will in fact help in maximizing the yield out of the resolution process initiated against the Corporate Debtor. Accordingly, given that the SRA has shown its willingness to implement the Resolution Plan, the Proposed Action Plan put forth by the SRA in the 3rd Monitoring Committee Meeting is acceptable to the Financial Creditor, if the same is allowed by this Tribunal.

**REJOINDER**

6. The erstwhile RP/Chairman of the Monitoring Committee filed Rejoinder to SRA's reply wherein it is stated that:

i. The reliance placed by the Answering Respondent on the judgment of the Hon'ble Supreme Court, i.e., ***Regen Powertech Pvt. Ltd. vs. Giriraj Enterprises & Anr. (supra),*** is misplaced and misconceived. The question in which the said judgment is passed is whether a Resolution Professional could have filed an appeal on the question of consolidation of CIRP. A bare perusal of the said judgment makes it clear that the same is applicable to the facts and circumstances of the said case and have no applicability in the present case, where the Answering Respondent has admittedly defaulted in adhering to the terms and conditions of the approved Resolution Plan.

ii. The Answering Respondent forfeited the Performance Security of Rs.4 Crores as per the terms and conditions of the approved Resolution Plan passed by this Hon'ble Adjudicating Authority. It is also submitted that the said amount of Rs.4 crore has not been utilized by the Applicant till date and an interest-bearing Fixed Deposit has been made against the said amount.

iii. The Applicant herein is not obligated to consult with the monitoring committee since the applicant had already sent numerous communications and emails to Respondent No. 1 for complying with the terms of the approved Resolution Plan.

iv. The Hon'ble NCLAT in the matter of ***Yavar Dhala vs. JM Financial Asset Reconstruction Company Ltd. & Ors., Company Appeal (AT) (Ins) No. 13 of 2019,*** held that 'on failure of the resolution applicant to implement the terms of the resolution plan, liquidation has to follow.

**SUBMISSIONS of SRI MADHAVA PRASAD**

7. An application bearing I.A. No. 702 of 2025 was filed by Sh. Madhava Prasad, Suspended Director of the Corporate Debtor, seeking his impleadment as Respondent No. 3 in the present application, which was allowed vide order dated 01.07.2025.

8. Madhava Prasad raised the following contentions in his submissions filed vide Diary No. 03876/5:

i. Once the timeline stated in the approved Resolution Plan lapses and there is non-implementation of the Resolution Plan, no extension/modification/alteration of the Resolution Plan is permissible.

ii. No application for extension/stay on implementation of the resolution plan was made by the SRA during the 90 days i.e. till 22.08.2023. Any extension/modification after the expiry of the period would amount to ex-post facto i.e. retrospective revival/extension of the Plan which is impermissible.

iii. SRA approached this Tribunal by filing an application bearing I.A. No. 2573 of 2023 on 10.10.2023 seeking an extension of time to fulfill the obligations under the Resolution Plan, much after the expiry of the time period for the implementation of the resolution plan.

iv. The Hon'ble Apex Court in the case of ***Ebix Singapore Pvt. Ltd. vs. Committee of Creditors of Educomp Solutions Ltd. & Anr. (Civil Appeal No. 3224 of 2020)*** held that once the Resolution Plan is approved by the COC, the same cannot be withdrawn or modified by the SRA.

v. The flawed defense taken by the SRA that he did not comply with the Resolution Plan due to the pendency of an appeal against the same is devoid of merit as well as law. The obligations with respect to the payment schedule were binding on the SRA notwithstanding the pendency of any appeal before the Hon'ble NCLAT.

**I.A. No. 2537 of 2023**

9. This application is filed by the SRA under Section 60 (5) of the Code, read with Rule 11 and Rule 15 of the NCLT Rules, 2016, seeking extension for implementation of the resolution plan and approval of the terms as proposed by the SRA. For the sake of brevity, the facts of this application are not being reiterated as being the same contentions raised by the SRA in his reply to I.A. No. 2096 of 2023. The erstwhile RP filed his reply, taking the same objections as taken in I.A. No. 2096 of 2023.

**I.A. No. 788 of 2025**

10. This application is filed by Sh. Madhava Prasad, Suspended Director of the Corporate Debtor under Section 60 (5) of the Code, with a prayer to recall the Order dated 19.12.2023 passed in I.A. No. 2096/2023, whereby this Tribunal directed the Monitoring Committee/CoC to consider the request of the SRA for extension of time to implement the resolution plan; and to set aside the Resolution passed by the Monitoring Committee in its 5th Meeting held on 21.12.2023.

11. Vide order dated 19.12.2023 this Tribunal had passed the following direction:

> *IA No. 2096/23*
> *This is an application filed by RP. Learned Senior Counsel for the SRA brought to the notice of this Bench the decision of Hon'ble NCLAT dated 09.11.2023 by which the appeal has been dismissed. This application*

*being filed prior in time, RP is directed to place the entire matter before the Monitoring Committee/CoC (the appropriate body) for consideration and place the decision before this Tribunal within 10 days by filing an additional affidavit. Let the matter be listed for arguments on 09.01.2024 in the supplementary list.*

12. Pursuant to the said order, the erstwhile RP convened the 5th meeting of the Monitoring Committee on 21.12.2023, wherein following resolutions were passed:

> *"**RESOLVED THAT** approval of Monitoring Committee be and is hereby granted to the proposal of Successful Resolution Applicant on seeking extension of payment of Resolution Plan Value wherein the Resolution Plan Value of Rs 25,14,02,128/- stands fully paid by way adjustment of performance security of Rs 4,00,00,000/- and balance by way of Demand Draft vide number 301954 dated 07.11.2023 for an amount of Rs. 21,14,02,128/-.*
>
> ***RESOLVED FURTHER THAT** approval of Monitoring Committee is also granted that Monitoring Committee Chairman can put the said demand draft in the bank account of Corporate Debtor and keep the amount in trust until final order of Hon'ble Adjudicating Authority in IA 2537/2023.*
>
> ***RESOLVED FURTHER THAT** in view of the foregoing the approval of Monitoring Committee is hereby granted that the Monitoring Committee Chairman can withdraw the IA 2096/2023 with the liberty to revive/refile the same in the event the Hon'ble Adjudicating Authority does not grant approval on IA 2537/2023."*

13. Madhava Prasad has stated in the application that:

i. RP, who had initially opposed any deviation from the plan in the 2nd and 3rd Monitoring Committee meetings, has taken an opposite stance in the

5th meeting, permitting not only the extension but also adjustment of forfeited performance security, thus revealing conduct that is not only inconsistent but also prejudicial to the interests of stakeholders and contrary to law.

ii. Once the resolution plan had failed and the performance security stood forfeited, and in view of the earlier pleadings and applications moved by the RP under Section 74(3) of the Code seeking penal consequences, no scope in law remained for condoning such failure. The direction to refer the matter to the Monitoring Committee, an administrative body that is not a creation of the statute, is wholly unsustainable.

iii. The State of Haryana, which holds approximately Rs.80 crores in admitted dues and represents the single largest stakeholder, has not been given any representation in the MC. This exclusion of a critical public creditor renders the composition of the MC arbitrary, inequitable, and prejudicial to the larger public interest.

iv. One of the MC members, Ms. Sunaina Chhabra, is a part of the Monitoring Committee. However, she no longer holds any position in the Corporate Debtor and stands removed as director w.e.f. 31.01.2024. Her continued participation vitiates the decisions of the MC, especially when key resolutions are being taken on extension and plan compliance. Despite her disqualification, she continues to participate and vote on key issues. Her continued presence also violates the mandate of Section 25A(3) of the Code, which obligates the authorized representatives to act strictly in accordance with the prior instructions of the financial creditors they represent.

**I.A. No. 1025 of 2025**

14. This application is preferred under Section 33(3) read with Section 60(5) of the Code by Deepinder Singh, Varinder Singh, and Shruti Manav Sharma, seeking the issuance of a fresh Form G or, alternatively, the initiation of liquidation proceedings against the Corporate Debtor, in light of the undeniable and irreversible contravention of the approved Resolution Plan and the SRA's failure to comply with the Order dated 12.04.2023.

15. The facts as averred in the application are as follows:

i. Applicants No. 1 and 2 are the shareholders of the Corporate Debtor. The Applicants No. 1 to 3 are also the ultimate beneficial owners of the majority stake in the Corporate Debtor. Applicant No. 3 is the granddaughter of Late Smt. Sita Chaudhary, and has inherited her direct and indirect beneficial holdings in the Corporate Debtor.

ii. On 15.05.2023, the late Smt. Sita Chaudhary had preferred an appeal against the order dated 12.04.2023 before the Hon'ble NCLAT under Section 61 of the Code, which was dismissed on 09.11.2023.

iii. In continuation of the lis, a civil appeal bearing no. 8218-8219 of 2023 under Section 62 of the code was preferred by Late Mrs. Sita Chaudhary before the Hon'ble Supreme Court against the judgement dated 09.11.2023 of the Hon'ble NCLAT. On 02.01.2024, a status quo order was granted by the

Hon'ble Supreme Court, which remained in operation till dismissal of the appeal.

iv. On 09.01.2025, the appellant in the civil appeal left for her heavenly abode, and the applicants herein filed substitution applications in the Civil Appeal before the Hon'ble apex court in their capacity as legal heirs of the appellant.

v. On 22.04.2025, the Hon'ble apex court, while not finding any infirmity with the judgement of the Hon'ble NCLAT on any question of law, upheld the judgement dated 09.11.2023 and dismissed the appeal. All the pending applications were disposed of in view of the dismissal of the appeal. Resultantly, the order of approval of the Resolution Plan dated 12.04.2023 was upheld by the Hon'ble Supreme Court.

vi. The payment was not made within the stipulated period, which constitutes a willful and knowing contravention of the approved resolution plan. The said inaction on the part of the SRA constitutes a clear and express non-compliance with the aforementioned order dated 12.04.2023 and the contravention of the Resolution Plan.

vii. In view of the said non-compliance of the order dated 12.04.2023, the Performance Bank Guarantee (**PBG**) of Rs. 4 Crores deposited by the SRA stood liable to be forfeited in terms of para 41 of the said order.

viii. Upon failure of the SRA to comply, the Resolution Professional promptly filed IA No. 2096 of 2023 on 26.08.2023, stating about the forfeiture of the PBG and praying for initiation of liquidation under Section 33(3) and the appointment of a liquidator under Section 34(1).

ix. Vide an order dated 19.09.2023, this Hon'ble Authority was pleased to allow the forfeiture of the PBG in addition to taking cognizance of the offense under section 74(3) of the code. The passing of this order for forfeiture leaves no doubt whatsoever that the Resolution Plan has failed and stands contravened both in spirit and substance.

x. It has been settled by a catena of judgments that pendency of litigation cannot be a ground to seek extension or modification of the resolution plan.

xi. The judgement of the Hon'ble NCLAT in the case of ***Darwin Platform Infrastructure Limited v. Union Bank of India, in Company Appeal (AT) (Insolvency) No. 2012-2013 of 2024,*** leaves no doubt that an extension in the present case cannot be granted. The relevant extract is reproduced *hereunder:*

> *"11. Although, the appellant has referred to filing of the application by the UBI to recall of the approval order and filing of the appeal by the SBI, it is relevant to notice that even after dismissal of the appeal on 13.02.2024 and rejection of IA filed by the UBI on 10.11.2023, no amount was infused by the SRA. The litigation which was initiated with respect to approval of the resolution plan could not be a reason to appellant to not adhere to the timelines as provided in the resolution plan regarding the infusion of fund upfront payment of Rs.100 crore, which was required to be paid within 90 days admittedly has not been paid by the SRA. Effective date having been achieved on 25.07.2023, it is not even contested. The letter dated 08.04.2024 by which the appellant was informed by ICICI Bank about the invocation letter received on 08.04.2024 has been brought on the record. Invocation of the Bank Guarantee on 08.04.2024 by UBI was in pursuance of majority decision taken by the JLM on 06.04.2024. Invocation of PBG was on the reason that SRA failed to implement the plan...."*

xii. In ***State Bank of India v. Murari Lal Jalan and Florian Fritsch, reported as 2024 SCC OnLine SC 3187***, (hereinafter referred to as the "***Jet Airways judgment"),*** the Hon'ble Supreme Court ordered liquidation of Jet Airways upon failure of the SRA to implement the resolution plan within the timelines. The Court clearly rejected further extensions despite the high commercial stakes involved. Furthermore, the Apex Court, while referring to Section 74(3) of the Code, has contemplated the necessity of the strict compliance of the timelines for the implementation of the resolution plan.

xiii. The Hon'ble Supreme Court in ***Ebix Singapore Pvt. Ltd. v. Committee of Creditors of Educomp Solutions Ltd. (supra)*** has laid down the law that once a resolution plan has been approved by the CoC and submitted to the Adjudicating Authority, it cannot be modified, withdrawn, or renegotiated.

xiv. With the passage of time, the value of the assets of the Corporate Debtor has exponentially increased and has become many times the value reflected and improved in the failed resolution plan. The current value of the land alone of the Corporate Debtor is far greater than the total admitted claims. All the stakeholders involved in the CIRP, including the present Applicants, will get their rightful share in case of Liquidation.

xv. Rama Land and Finance Co., through its partner Ram Chaudhary, filed IA. No. 54 of 2024 before this Hon'ble Adjudicating Authority on 19.12.2023, offering a resolution proposal of Rs. 50 Crores— doubling the consideration in the approved plan—and including a forfeitable earnest deposit of Rs. 5 Crores. The same entity also moved the Hon'ble Supreme Court via

Intervention Application No. 21980 of 2024, asserting its readiness to implement a value-maximizing plan in the wake of the existing SRA's admitted default. These competitive offers decisively establish that the assets of the Corporate Debtor, today have a much greater price than the failed resolution purported to offer.

xvi. Similarly, Sun Infonet Pvt. Ltd. had also filed an Intervention Application No. 72415 of 2025 before the Hon'ble Supreme Court in Civil Appeal No. 8218 of 2023, proposing a resolution plan of Rs. 80 Crores, over three times the value of the existing approved plan.

16. The erstwhile RP filed a note on the maintainability of this application, wherein he has stated that:

i. Since similar applications raising similar objections were already filed, adjudicated, and eventually disposed of before the Hon'ble Supreme Court, the Applicants are barred from filing similar applications raising similar objections before this Adjudicating Authority. Allowing the same contentions will be against the settled principle of law, i.e., the doctrine of Res judicata in terms of Section 11 of the Code of Civil Procedure, 1908.

ii. The Applicant relies on the ***Bhushan Steel Judgment,*** wherein it has been held that there cannot be any modification of terms of the plan. However, it is submitted that mere delay in payments under the Resolution Plan shall not constitute modification of the Resolution Plan as held by the Hon'ble NCLAT in ***Ashok Dattatray Atre & Ors. V. State Bank of India & Ors. (supra).***

17. **However, it is noted that no such order dated 19.09.2023 was passed by this Adjudicating Authority allowing forfeiture of PBG.**

## I.A. No. 882 of 2025

18. This application is filed under Section 60 (5) of the Code, read with Rule 11 and Rule 15 of the NCLT Rules, 2016, by ICL Enterprises LLP and M/s Rajpura Steel Tubes LLP, who are the shareholders of the sole Financial Creditor - Parivartan Investment and Finance Company and collectively hold 90% of the shares therein. The applicants seek declaration that the SRA is in non compliance under Section 74 of the Code; and a fresh Form G may be issued or liquidation may be initiated against the Corporate Debtor. and

19. The applicants have relied heavily upon the judgment of the Hon'ble Supreme Court in the case of ***Kalyani Transco versus M/s. Bhushan Power and Steel Ltd. & Ors., being Civil Appeal No. 1808 of 2020*** (hereinafter referred to as the ***"Bhushan Steel Judgment"***) and have stated the timelines under the Resolution Plan have been unilaterally and internally modified, in complete violation of the Resolution Plan as well as in violation of the Adjudicating Authority's order approving the Resolution Plan. These changes were effected without any formal application and without the approval of the CoC, and also, without any transparent disclosure to shareholders. Such

modification of timelines is not only in violation of law but also in violation of the spirit and intent of the Code. Pendency of litigation cannot be a ground to extend timelines for implementation.

20. The erstwhile RP filed a note on the maintainability of this application, wherein he has stated that:

i. The Applicants have filed a similar Application before the Hon'ble Supreme Court seeking impleadment in Civil Appeal No. 8218-8219 of 2023 filed by Ms. Sita Chaudhary. The said Application was disposed of by the Hon'ble Supreme Court and the Appeal was also dismissed by the Hon'ble Supreme Court vide order dated 22.04.2025.

ii. Since similar applications raising similar objections were already filed, adjudicated and eventually disposed of before the Hon'ble Supreme Court, the Applicants are barred from filing similar applications raising similar objections before this Hon'ble Adjudicating Authority. It is submitted that allowing the same contentions will be against the settled principle of law, i.e., the 'Doctrine of Res judicata' in terms of Section 11 of the Code of Civil Procedure, 1908.

iii. The allegations raised by the Applicants primarily pertain to issues of oppression and mismanagement within the company. These grievances, including the alleged exclusion of the Applicants from the decision-making process and the purported misuse of authority by Ms. Sunaina Singh, fall squarely within the purview of Sections 241 and 242 of the Companies Act, 2013, if applicable.

iv. The Applicant relies on the ***Bhushan Steel Judgment*** wherein it has been held that there cannot be any modification of terms of the plan. However, it is submitted that mere delay in payments under the Resolution Plan shall not constitute modification of the Resolution Plan as held by the Hon'ble NCLAT in ***Ashok Dattatray Atre & Ors. V. State Bank of India & Ors., Company Appeal (AT) (Insolvency) Nos. 221 and 222 of 2024.*** The said proposition has also been laid down by the Hon'ble Appellate Tribunal in ***Cosmos Cooperative Bank Ltd. and Anr. v. Edelweiss Asset Reconstruction Company Ltd. and Ors., Company Appeal (AT) (Insolvency) No.499 of 2023*** with ***Company Appeal (AT (Insolvency) No.519 of 2023*** decided on 29.04.2024.

**ANALYSIS AND FINDINGS:**

21. We have heard at length the Ld. Counsels appearing for all parties.

22. After hearing arguments and reviewing the petitions, replies, and written submissions from all parties, this Adjudicating Authority must now determine the following questions:

i. **Whether the SRA has displayed the bona fide intent to implement the Resolution Plan?**

ii. **Whether under the facts and circumstances of the case, an extension can be granted to the SRA to implement the resolution plan?**

**iii. If yes, whether such extension amounts to a modification of the resolution plan and not permissible under law?**

**iv. Whether the PBG stood validly forfeited without a resolution of the Monitoring Committee to that effect?**

The above-mentioned questions are discussed and answered in the following paragraphs:

23. The foremost issue for determination is "***Whether the SRA has displayed the bona fide intent to implement the Resolution Plan.***"

i. The Suspended Directors, erstwhile RP and the applicants proposing an enhanced resolution plan have raised an allegation that the SRA has contravened the terms of the Resolution Plan under the guise of pendency of appeals before the Hon'ble NCLAT and the Hon'ble Supreme Court.

ii. On the contrary, the SRA has argued that he has been and is still willing to implement the Resolution Plan. The delay has been attributed to the pendency of appeals, as mentioned above.

iii. It is worthwhile to note that the SRA duly **extended the PBG of Rs. 4 crores on 31.07.2023**, **which was originally submitted on 02.11.2020 before the Resolution Plan was approved vide order dated 12.04.2023.** This act, despite pending litigation, signals a continued commitment to the plan.

iv. In the 3rd meeting of the MC convened **on 06.10.2023, the SRA proposed a plan of action for implementation of the Resolution Plan,**

**and the same was accepted by all the members of the MC subject to the approval of this Adjudicating Authority.** The email dated 07.11.2023 attached as **Annexure-C** to the written submissions filed in I.A. No. 2537/2023 is reproduced hereunder:

| | |
|---|---|
| **From:** | Aakarshan Sahay |
| **Sent:** | 07 November 2023 19:29 |
| **To:** | Sanyam GoeL |
| **Cc:** | Anju Sharma; Mohtashim Kibriya; Nakul Sachdeva; parivartan investment; 'Abhimanyu Mehlawat'; sunaina singh; Sagar Arora |
| **Subject:** | RE: MC Meeting-Haryana Telecom |
| **Attachments:** | CamScanner 11-07-2023 14.08.pdf |

To,

1. **Mr. Sanyam Goel**
   Ex. Resolution Professional / Member of the Monitoring Committee of
   Haryana Telecom Limited
2. **Parivartan Investment and Finance Company**
   CoC / Member of the Monitoring Committee of
   Haryana Telecom Limited

Dear Members of the Monitoring Committee,

In terms of the approved Resolution Plan, the Successful Resolution Applicant ("SRA") was obligated to disburse an amount of Rs. 25,14,02,128/- (Resolution Plan amount), towards successful implementation of the Resolution Plan.

As has always been the case and duly reflected in the 3rd Monitoring Committee meeting dated 06.10.2023, the SRA throughout remained committed in successfully implementing the Plan.

In furtherance thereof, after adjusting an amount of Rs. 4,00,00,000/- already paid towards Performance Bank Guarantee (PBG), the SRA has arranged the balance Resolution Plan amount i.e., Rs. 21,14,02,128/- through Demand Draft bearing no. 301954 drawn on Bank of Baroda, dated 07.11.2023. Please find attached herewith a copy of the aforementioned Demand Draft.

Please note that the aforesaid Demand Draft will be handed over during the hearing, scheduled on 09.11.2023, before the Hon'ble NCLT Chandigarh.

This is for your information and record.

Regards,

Aakarshan Sahay
Advocate for Successful Resolution Applicant

It is also seen from the minutes of the 3rd MC meeting convened on 09.10.2023, reproduced below that the sole Financial Creditor also agreed that liquidation of the Corporate Debtor must be the last resort, and if SRA's proposal is feasible, then the Financial Creditor has no objection to the same:

> Ms. Sunaina, the Sole Financial Creditor also urged the SRA to make the payment as soon as possible as its already delayed.
>
> The Chairman clarified that the funds from the revoked PBG are held in the bank account of the Haryana Telecom Limited, Corporate Debtor and the same shall be utilised only as per the direction of Hon'ble Court.
>
> Finally, Mr. Nakul also sought the response from the financial creditor regarding the filing of this proposal before the Hon'ble NCLT.
>
> **With the permission of the members, the Chairman paused the meeting for some time and granted some time to allow the Financial creditor to consult with their legal counsel on this.**
>
> When the meeting resumed, Mr. Naman Joshi, Legal counsel of the Sole Financial Creditor stated that as there is already delay in the process, but in his view the Liquidation of the Corporate Debtor should be the last option. Mr. Naman further added that the law also regards liquidation as the final step. If the proposal by the SRA is feasible, the COC has no objections.

v. **In the 4th MC meeting convened on 21.11.2023, the SRA proposed to hand over the said Demand Draft to the Chairman/RP.** The sole Financial Creditor, also requested the Chairman/RP to accept the said Demand Draft bearing no. 301954 drawn on Bank of Baroda dated 07.11.2023 and keep the same as a custodian till the pendency of the proceedings before this Adjudicating Authority. The relevant part of the minutes of the said meeting is reproduced hereunder for ready reference:

> The Representative of SRA requested the chairman and members of the MC to accept the Demand Draft and keep it with that in trust as a custodian subject to the out come of the hearing before the Hon'ble NCLT.
>
> Ms. Sunaina Singh sole financial creditor and member of MC also requested the Chairman to accept the demand draft and keep it with them as a custodian/trustee as the same will give the boos of confidence to the creditors that the original demand draft is ultimately lying with the RP.

O this the Chairman stated that he would keep the original demand draft, without depositing the same in the bank account of Corporate Debtor, as a trustee subject to the outcome of the Application filed by the SRA in IA 2537/2023 as well as IA-2096/2023 filed by the RP, as per the order of the Hon'ble NCLT. The Chairman specifically stated that he would not deposit the demand draft in the bank account of the Corporate Debtor until the order of Hon'ble NCLT in IA 2537/2023 or IA-2096/2023 or any other IA for that matter.

vi. The email dated 01.12.2023 attached as **Annexure-F** to the written submissions filed in I.A.NO. 2537/2023 reads as below:

**From:** Sanyam GoeL <goelsanyam@gmail.com>
**Sent:** 01 December 2023 15:28
**To:** Aakarshan Sahay
**Cc:** Anju Sharma; Mohtashim Kibriya; Nakul Sachdeva; parivartan investment; Abhimanyu Mehlawat; sunaina singh; Sagar Arora; ABHISHEK ANAND
**Subject:** Re: MC Meeting-Haryana Telecom

Dear Sir,

This refers to the trail email.

As discussed during the 4th MC meeting held on 21.11.2023, I acknowledge the Receipt (In trust) of Original Demand Draft for an amount of Rs. 21,14,02,128/-.

**Regards,**

**Sanyam Goel**
**Chairman Monitoring Committee**
**Haryana Telecom Limited**
**IBBI/IPA-002/IP-N00138/2017-18/10397**
**AFA: AA2/10397/02/011123/202247, Valid from 02/11/2022 to 01/11/2023**
**No. 110, First Floor, JMD Pacific Square, Sector 15,**
**Part II, Gurugram, Haryana-122001**
**Phone No.: +91-9810868515**
**Email: goelsanyam@gmail.com**

Thus, the demand draft for Rs.21,14,02,128/- submitted by the SRA was received and duly acknowledged by the Chairman MC/erstwhile RP.

vii. The SRA was willing and demonstrably ready with the full plan amount on *07.11.2023, before the final adjudication of the aforementioned appeals on 09.11.2023 by the Hon'ble NCLAT and on 22.04.2025 by the Hon'ble Supreme Court.* This proactive step, taken even before the appellate proceedings concluded, is a strong indicator of the SRA's genuine intent to complete the Resolution Plan, rather than merely waiting for a judgment to compel compliance.

viii. From the facts mentioned above, particularly the consistent communication, extension of PBG, and the eventual deposit of the entire amount, it is evident that the SRA has rightfully established its willingness to implement the Resolution Plan, albeit with a delay. The delay, in this context, appears to be a consequence of navigating the uncertainties of the appellate process rather than a deliberate act of contravention.

ix. Thus the first issue, ***'whether the SRA has displayed the bona fide intent to implement the Resolution Plan, is answered in the affirmative.***

24. The next crucial question is, ***"Whether under the facts of the case and the position of law, an extension can be granted to the SRA for implementation of the Resolution Plan?"***

i. The appellants have vehemently argued against granting any extension, citing precedents such as the Hon'ble Supreme Court's decision in the ***Jet Airways Case*** and the Hon'ble NCLAT's decision in ***Darwin Platform Infrastructure Limited (supra)***. These judgments emphasize the importance of adhering to timelines stipulated in the Resolution Plan and the principle that pendency of litigation is not a valid ground for seeking extensions. The appellants, particularly in **I.A. No. 1025 of 2025**, highlighted the dictum from ***Jet Airways*** stressing strict compliance under Section 74(3) of the Code.

ii. On the other hand, the SRA and the Financial Creditor have contended that a short extension is permissible under the unique circumstances of this case, especially considering the SRA's bona fide efforts and the deposit of the entire Resolution Plan amount. They have referred to the plenary powers of the Adjudicating Authority under Rule 15 of the National Company Law Tribunal Rules, 2016 (hereinafter referred to as the **"NCLT Rules"**) and have cited instances where extensions have been granted by appellate courts in the interest of maximizing value and ensuring the success of the Resolution Plan.

iii. We have carefully considered the arguments of both sides and the judicial precedents cited. While the principle of strict adherence to timelines in the Resolution Plan, as underscored in ***Jet Airways*** and ***Darwin Platform***, is a cornerstone of the insolvency resolution process; each case must be examined based on its own facts and circumstances.

iv. The factual matrix in ***Jet Airways (supra)*** is materially distinct from the present case. In ***Jet Airways***, the SRA had failed to implement the Resolution Plan despite having been granted **more than 5 extensions and multiple accommodations**. Crucially, the SRA therein failed to deposit the tranche amount despite specific orders of the Hon'ble

Supreme Court. The delay was protracted and indicative of a lack of genuine intent to comply.

v. Similarly, **The Bhushan Steel Judgment**, cited by the appellants, involved a delay of around 540 days and 900 days in respect to the payment of the Financial Creditor and Operational Creditor, respectively. Two years and multiple extensions were granted. Apart from non-implementation despite multiple opportunities, the Hon'ble Supreme Court while ordering liquidation, also weighed on non-adherence of procedural and mandatory compliances, such as failure of the RP to certify Section 29A compliance, failure of the RP to submit a compliance certificate in FORM-H, failure of the RP to seek extension of the CIRP period and material concealments on the part of the applicant. Due to all of the said collective reasons, the Hon'ble Supreme Court was constrained to direct Liquidation of the Corporate Debtor. This case, therefore, involved a multitude of failures and a significantly longer delay than the present one. More so, the said order passed by the Hon'ble Supreme Court is under review and its implementation is already stayed by the Hon'ble Supreme Court pending review.

vi. **In contrast, in the present case, the resolution plan value has already been infused by the SRA, who is seeking an extension of a mere 78 days. This is the first and last extension being sought by the Applicant as the Resolution Plan amount stands infused in the Corporate Debtor.** The SRA's actions, including the extension of the

PBG and the deposit of the entire amount even before the conclusion of the appellate proceedings, demonstrate a proactive approach towards implementation, unlike the passive non-compliance observed in the cited precedents.

vii. Furthermore, the argument that *"pendency of litigation cannot be a ground to extend timelines for implementation,"* while a generally sound principle, is not an absolute bar, particularly when the litigation directly impacts the feasibility or clarity of implementing the plan, and no stay on implementation has been granted. In such situations, a short, reasonable extension sought in good faith, especially after the underlying cause of delay (the appeals) has been resolved and the funds have been infused, can be considered by the Adjudicating Authority in exercise of its plenary powers under Rule 15 of the NCLT Rules, in conjunction with Section 60(5) of the Code, which grants the NCLT jurisdiction over all matters arising under the Code.

viii. We draw strength from the decisions of the Hon'ble NCLAT and the Hon'ble Supreme Court in cases like ***Cosmos Cooperative Bank Ltd. vs. Vaibhav Shah & Ors., Appeal (AT) (Insolvency) No. 363 of 2019*** and ***State Bank of India Stressed Asset Resolution Group vs. MBL Infrastructure Limited and Another [Company Appeal (AT) (Ins.) No. 539 of 2022],*** where extensions were granted in certain circumstances, including those involving litigation, to facilitate the successful implementation of a Resolution Plan. These cases underscore that the

Adjudicating Authority has the discretion to grant extensions when it is in the interest of maximizing the value of the Corporate Debtor and ensuring the success of the resolution process, provided the delay is not a result of willful default or a lack of bona fide intent.

Apart from that, the depositing of the remaining amount was subject to the decision of the appellate authorities, including the Hon'ble Supreme Court. If at all the remaining amount was deposited by the SRA within the stipulated time, and the appeals preferred by the suspended director, Late Sita Chaudhary, would have succeeded, then this amount except the PBG would have been returned to the SRA, but in the case in hand, approval of the resolution plan by this Adjudicating Authority has been upheld by the Hon'ble Supreme Court. It is worthwhile to note that this Adjudicating Authority vide order dated 19.12.2023, referred the entire matter to the Monitoring Committee for consideration and the Monitoring Committee took the decision in favor of SRA. For a ready reference, the minutes of the 5th meeting of the Monitoring Committee convened on 21.12.2023, are reproduced hereunder, wherein the following resolutions were passed:

> "***RESOLVED THAT*** *approval of Monitoring Committee be and is hereby granted to the proposal of Successful Resolution Applicant on seeking extension of payment of Resolution Plan Value wherein the Resolution Plan Value of Rs 25,14,02,128/- stands fully paid by way adjustment of performance security of Rs 4,00,00,000/- and balance by way of Demand Draft vide number 301954 dated 07.11.2023 for an amount of Rs. 21,14,02,128/-.*
>
> ***RESOLVED FURTHER THAT*** *approval of Monitoring Committee is also granted that Monitoring Committee Chairman can put the said demand draft in the bank account of Corporate Debtor and keep the amount in trust until final order of Hon'ble Adjudicating Authority in IA 2537/2023.*
>
> ***RESOLVED FURTHER THAT*** *in view of the foregoing the approval of Monitoring Committee is hereby granted that the Monitoring Committee Chairman can withdraw the IA 2096/2023 with the liberty to revive/refile the same in the event the Hon'ble Adjudicating Authority does not grant approval on IA 2537/2023."*

ix. However, the said order dated 19.12.2023 of this Adjudicating Authority upon which the above mentioned decisions were taken by the Monitoring Committee, has not been challenged by any of the suspended directors or the erstwhile RP. Now, they are estopped by their own act and conduct from taking the plea that the said order was without any jurisdiction. No doubt, the Monitoring Committee is not a statutory authority, but it is a creation of the Resolution Plan, which is approved by this Adjudicating Authority and upheld up to the Hon'ble Supreme Court. Therefore, wisdom of the Monitoring Committee would prevail contrary to the contentions raised by the suspended directors or any third party.

x. Considering the above said resolutions passed by the Monitoring Committee in its 5th meeting on 21.12.2023 and the SRA's bona fide actions, the deposit of the entire Resolution Plan amount, after a very short duration of the requested extension, and the fact that this is the first such request, we are of the considered view that granting a limited extension to the SRA to regularize the implementation of the Resolution Plan is warranted under the given facts and circumstances of this case.

xi. This extension is aimed at facilitating the successful conclusion of the Resolution Plan and preventing the Corporate Debtor from being pushed into liquidation, which, as noted in the MC minutes, should be the last resort.

xii. The Monitoring Committee has acceded to the request of the SRA to grant an extension after the remaining amount of the Resolution Plan amount stood fully paid by the SRA, and it was also resolved that the application bearing I.A. No. 2096/2023 seeking liquidation of the Corporate Debtor could be withdrawn once this Adjudicating Authority grants an extension to the SRA.

xiii. Thus, in view of the judicial precedents cited above and the resolution passed in the 5th MC Meeting, **the second question as to whether SRA is entitled to an extension is answered in the affirmative under the given facts and circumstances of the case.**

25. Now, the third question for our determination is "***Whether such extension amounts to modification of the Resolution plan?"***

i. The appellants have contended that granting an extension to the SRA amounts to a modification of the approved Resolution Plan, which is not permissible under the Code, particularly after the plan has been approved and is in the implementation stage. They argue that any deviation from the timelines constitutes a material alteration requiring fresh approval from the CoC and the Adjudicating Authority.

ii. The appellants have referred to the judgment in the ***Bhushan Steel case,*** wherein it has been held that there cannot be any modification of terms of the plan. They have also referred to the ***Jet Airways Judgment.*** wherein liquidation of Jet Airways was ordered upon failure of the SRA to implement the resolution plan within the timelines and the Hon'ble NCLAT's judgment in the case of ***Darwin Platform Infrastructure Limited v. Union Bank of India (supra),*** wherein an extension was not granted.

iii. The SRA and the Financial Creditor, relying heavily on the judgments in ***Tricounty Premier Hearing Service Inc. vs. State Bank of India [Company Appeal (AT) (Insolvency) No. 1038 of 2021]*** and ***GP Global Energy Pvt. Ltd. vs. Sandeep Mahajan Monitoring Professional for Allied Strips Ltd. [2022 SCC Online NCLAT 189],*** conversely, argue that a mere extension of the timeline for implementation, especially a short one granted under exceptional circumstances and without altering the core terms of the plan (such as the payout amount or the nature of the resolution) do not constitute a "modification" in the sense that would require a full re-approval process. They view it as a procedural adjustment necessary to overcome unforeseen delays caused by external factors like litigation.

iv. We have analyzed this issue in light of the provisions of the Code and relevant judicial pronouncements. Section 3(33) of the Code defines "Resolution Plan" as a plan approved by the Adjudicating Authority under Section 31. Section 31(1) states that "The Adjudicating Authority shall approve the Resolution Plan if satisfied that it meets the requirements of section 30 and sub-section (2) of section 31." Once approved, the Resolution Plan is binding on all stakeholders.

v. While the Code does not explicitly define "modification" of a Resolution Plan, judicial interpretation has generally held that any change that alters the fundamental terms of the plan, affects the rights of stakeholders, or changes the value proposition requires a formal modification process, including potential re-submission to the CoC and the Adjudicating Authority.

vi. However, a distinction can be drawn between a material modification that changes the substance of the plan and a procedural adjustment, such as a short extension of time for implementation, necessitated by unforeseen circumstances and not impacting the core economic terms or the rights of stakeholders.

vii. In the present case, the requested extension of 78 days is solely for the purpose of regularizing the implementation timeline. It does not alter the amount to be paid under the Resolution Plan, the manner of payment, the treatment of creditors, or any other substantive term. The entire Resolution Plan amount has already been deposited by the SRA. The extension is a pragmatic step to ensure the successful culmination of the approved plan, which has faced temporary hurdles due to the appellate process.

viii. We are guided by the principle that the Adjudicating Authority, in exercise of its powers under Section 60(5) of the Code and Rule 15 of the NCLT Rules, has the inherent power to issue directions and make adjustments of a procedural nature to facilitate the effective implementation of an approved Resolution Plan, provided such adjustments do not amount to a material modification of the plan or prejudice the rights of any stakeholder.

ix. Considering that the extension sought is minimal, the entire plan amount is infused, and the core terms of the Resolution Plan remain unchanged, we conclude that granting a 78-day extension for implementation in this case does not constitute a material modification of the Resolution Plan that would necessitate a full re-approval process. It is a necessary procedural adjustment to ensure the successful outcome of the insolvency resolution.

x. The judgments cited by the Suspended Directors and the erstwhile RP above do not apply to the facts of the case and are therefore distinguished as under:

I. **Darwin Platform Infrastructure Limited vs. Union Bank of India (supra).**

a. Application seeking re-initiation of CIRP was filed by Financial Creditors. No extension application was filed by the SRA; only an application challenging invocation of PBG was filed.

*Whereas*, in the present case, the Chairman of MC has unilaterally filed the application for Liquidation, without even consulting the CoC/Financial Creditors and SRA has duly filed the captioned application seeking an extension on the ground of delay in implementation due to the pendency of appeal.

b. SRA was obligated to pay 100 crores and it was observed that the SRA did not pay a single penny, although more than 409 days have elapsed.

*Whereas*, in the present case, there is only a delay of a mere 78 days, i.e., from 23.08.2023 to 07.11.2023, and the Resolution Plan Value stands infused.

c. CoC members were against SRA for noncompliance with the terms.

*Whereas*, CoC in the present case has not objected to the request made by the SRA that disbursement of payment be held back till the decision of Hon'ble NCLAT. Further, in compliance with the order dated 19.12.2023, the CoC in the MC meeting has resolved to grant an extension to the applicant.

II. **The Jet Airways Judgment:**

a. In the said case, the Hon'ble Supreme Court invoked its jurisdiction under Section 142 and ordered liquidation of the Corporate Debtor. The said decision to liquidate was based on materially distinct facts, as the SRA in that case had failed to implement the Resolution Plan despite having been granted **more than 5 extensions and multiple accommodations**. The SRA therein failed to deposit the tranche amount despite specific orders of the Hon'ble Supreme Court.

*Whereas,* in the present case, the resolution plan value has already been infused by the SRA, who is seeking an extension of a mere 78 days.

III. **The Bhushan Steel Judgment:**

a. The said judgment has been stayed by the Hon'ble Supreme Court on 26th May 2025 and review is pending.

b. In that case, there was a delay of around 540 days and 900 days with respect to the payment of the Financial Creditor and Operational Creditor, respectively. Two years and multiple extensions were granted. However, in the present case there is a mere delay of 78 days, and this is the first and last extension being sought by the Applicant as the Resolution Plan amount stands infused in the Corporate Debtor.

c. Apart from non-implementation despite multiple opportunities, the Hon'ble Supreme Court while ordering liquidation, also weighed in on non-adherence of procedural and mandatory compliances, such as failure of the RP to certify Section 29A compliance, failure of the RP to submit a compliance certificate in FORM-H, failure of the RP to seek extension of the CIRP period and material concealments on the part of the applicant. Due to all of the said collective reasons, the Hon'ble Supreme Court was constrained to direct Liquidation of the Corporate Debtor, which is entirely different from the facts and circumstances of the present case.

xi. Therefore, in light of the judgments cited above, it becomes clear that **under the facts and circumstances of the case, an extension granted in the payment timelines envisaged under the Resolution Plan does not amount to modification in the resolution plan.**

xii. **Hence, the third question is answered in negative.**

26. The final question to delve upon for our consideration is **"Whether the PBG stood validly forfeited without a resolution of the Monitoring Committee to that effect ?"**

i. This issue involves a critical inconsistency in the original order regarding the forfeiture of the PBG and raises questions about the adjustment of a forfeited PBG against the resolution amount, particularly in light of the ratio laid down in ***Jet Airways* judgement**.

ii. The act of the erstwhile RP/Chairman of the Monitoring Committee forfeiting the PBG is not backed by any resolution of the Monitoring Committee. The erstwhile RP's action of treating the PBG as forfeited and keeping it in an interest-bearing FD, while perhaps done with the intention of protecting the interests of stakeholders, did not amount to a formal judicial forfeiture. A formal forfeiture of a PBG in the context of an insolvency resolution typically requires an order from the Adjudicating Authority, based on a clear finding of non-compliance with the terms of the Resolution Plan. Although it is contended on behalf of the Respondents that forfeiture of PBG is confirmed by this Adjudicating Authority vide order dated 19.09.2023, however, no such order dated 19.09.2023 was passed by this Adjudicating Authority allowing forfeiture of PBG; **this question is answered in negative.**

iii. Further, while acknowledging the ratio laid down in ***Jet Airways* judgement**, we distinguish the present case on the grounds that the

SRA's actions, including the deposit of the full amount, demonstrate a bona fide intent to implement the plan, albeit with a delay. The deposited funds can be treated as fulfilling the financial obligation under the Resolution Plan. The question of a "fresh PBG" becomes moot when the entire amount has been paid. The Monitoring Committee's resolution to withdraw the liquidation application and support the extension, coupled with the SRA's deposit of the funds, indicates a collective decision to move forward with the implemented plan, effectively overriding the earlier action of treating the PBG as forfeited in the absence of a formal judicial order and in light of the subsequent payment.

iv. Regarding the proposed adjustment of the PBG, it is noted that as per the ratio laid down in ***Jet Airways* judgement**, PBG once invoked, cannot be adjusted against the resolution amount. The said adjustment is in violation of Regulation 36B (4A) of CIRP Regulations, 2016, which mandates that PBG has to be kept alive till the completion of the implementation period. However, in the present case, the Applicant is willing to submit a fresh PBG of an equal amount, subject to the direction passed by this Tribunal. It was clarified in the 5th MC meeting dated 21.12.2023, that a fresh PBG may be required to be issued, and the Applicant assured the members of the MC that he will comply with the directions of this Tribunal.

v. In this regard, it is to be considered that a Performance Guarantee is asked for to ensure full payment and implementation of the approved Resolution Plan. In the present case, since the entire payment under plan has already been made and if extension of timelines as asked for is granted, no useful purpose will be served by asking the SRA for a fresh PBG now, particularly when the amount of Rs.4 crores of the PBG is already adjusted as per the resolution of the Monitoring Committee in its 5th meeting convened on 21.12.2023.

**Addressing Other IAs and Specific Arguments:**

27. We will now address the remaining IAs and specific arguments raised by the appellants that have not been fully covered in the above analysis.

**<u>I.A. No. 1148 of 2025, I.A. No. 1267 of 2025 and I.A. No. 1294 of 2025:</u>**

28. The aforementioned applications are filed by Mr. Madhava Prasad, the Suspended Director of the Corporate Debtor.

29. In **I.A. No. 1148 of 2025,** Mr. Madhava Prasad, has sought cognizance of the allegedly fraudulent and illegal payment of Rs. 21.14 Crores by Kishori Ji Properties and Jewellers Pvt. Ltd. (hereinafter referred to as "**Kishori Ji Properties**" towards the Plan, requesting that the transaction be declared void and non-est in law and praying:-

a. To declare the 4th meeting of the alleged Monitoring Committee held on 21.11.2023 as non est ;

b. To set aside the alleged proceedings of the 5th Monitoring Committee meeting dated 21.12.2023 being marred by concealment and misrepresentation;
c. To reject the purported deposit of the Resolution Plan Amount by SRA;
d. To direct an investigation under Section 213 of the Companies Act, 2013, into the affairs of the Corporate Debtor, SRA, and Kishori Ji Properties to unearth the fraudulent transactions and the true source of funds;

30. In this regard it is noted that the Monitoring Committee was informed that the said amount had been arranged by the SRA, and the Demand Draft in the sum of Rs.21,14,02,128/- was handed over by the SRA to the Chairman of the Monitoring Committee. Receipt of the said DD was issued by the Chairman of the Monitoring Committee/erstwhile Resolution Professional to the SRA, not to the third party. No claim has been made by Kishori Ji Properties concerning the said DD. Mr. Madhav Prasad has failed to present any relevant judgment or provision of the Code or in the Resolution Plan restricting the SRA from arranging/borrowing funds through a third party. Therefore, the assertions of concealment and illegality lack merit and do not warrant consideration by this Adjudicating Authority in the present context.

31. In **I.A. No. 1267 of 2025,** Mr. Madhav Prasad has alleged "asset-stripping" by the SRA and has provided certain photographs as evidence. It is alleged by him that the SRA in connivance and conspiracy with others, unlawfully and without any authorization, has misappropriated the assets of the Corporate Debtor, including the plant and precious machinery and the building, including

the foundation, and that too without making any payment.

32. In this regard, it is noted that the premises of the Corporate Debtor were handed over to the SRA on 17/05/2023 pursuant to the approval of the Resolution Plan and he was to take all steps envisaged under the plan for its effective implementation. The photographs provided alleging "asset-stripping" are without any physical inspection, verification, and proof of authenticity. While such visual evidence can raise concerns, they do not, by themselves, constitute conclusive proof of asset stripping, especially when their source and context are not definitively established.

33. To substantiate an allegation of asset stripping, more robust evidence is required, such as independent verification reports, inventory records showing discrepancies, or witness testimonies etc. Simply relying on unverified photographs from the internet is insufficient to prove such a grave charge. Therefore, based on the evidence presented, we find the allegation of asset stripping to be unsubstantiated.

34. In **I.A. No. 1294 of 2025**, Sri Madhav Prasad has raised an allegation that Mr. Ajay Kumar (nee Ajay Mehta), who is a Director and 43% shareholder of Kishori Ji Properties, has applied to Uttar Haryana Bijli Vitran Nigam Limited for a grant of electricity connection for the premises of the Corporate Debtor and has also claimed to be the owner/occupier of the land of the Corporate Debtor.

35. It is alleged that in the master data as well as in the Balance Sheet of Kishori Ji Properties, he has claimed his name as Ajay Kumar, whereas Ajay Kumar and Ajay Mehta are one and the same person, which shows that by resorting to

different names, a Benami transaction is being carried out.

36. It is alleged that the land of the Corporate Debtor has been sold by the SRA to Kishori Ji Properties.

37. It is noted that the I.A. No. 1294 of 2025 was filed on 11.08.2025, much after the applications in the group were reserved for orders on 06.08.2025. Sh. Madhav Prasad has sought to de-reserve the applications on account of various allegations, including the Benami transaction.

38. The SRA, on the other hand, has argued that the application is not maintainable, as it is a settled law that no fresh filing can be done in a matter that is already reserved for orders. Refuting the contentions of Sh. Madhav Prasad, the Ld. Counsel for SRA clarified that by the impugned application, restoration of electricity connection is sought in the name of the Corporate Debtor, i.e., Haryana Telecom Limited, the registered office of which is situated in Rohtak, Haryana. The person, Ajay Mehta, was entrusted with the task to apply for the restoration of the electricity connection, being a resident of Rohtak, for the sake of convenience.

39. We have carefully considered these serious allegations. With respect to the allegation of Benami Transaction or the land being sold by the SRA to Kishori Ji, Sh. Madhav Prasad has failed to produce any cogent evidence proving the same. Neither any Sale Deed/Agreement entered into between the parties, nor any cogent evidence of takeover of the premises of the Corporate Debtor by any other party, has been produced on record. Further, the stand taken by Sh. Madhav Prasad that he came to know about the application for the grant of electricity

connection after 06.08.2025 is also not convincing, as the date mentioned on the Application form attached as Annexure A-1 with I.A. No. 1294 of 2025 is 29.05.2025, which is much prior in time, than the date of filing of this application. Sh. Madhav Prasad had ample time to raise this allegation during the course of the hearing.

40. Further, as contested by the Ld. Counsel for the SRA that the application is not maintainable, the Hon'ble NCLAT in the case of ***Loramitra Rath vs. JM Financial Asset Reconstruction Company Ltd., Company Appeal (AT) (Insolvency) No. 1359 & 1360 of 2023,*** while answering the question if any subsequent application can be filed once the matter is reserved for orders, observed as under:

> *"13. It is a well settled proposition of law that the two stages of reserving of judgment and pronouncement of judgment are in a continuum with no hiatus or gap as such in the two stages. That being the well accepted and time-tested practice in court proceedings, subsequent pleadings filed by way of an I.A. after the judgement is reserved is normally not entertained for reasons of procedural propriety. The Adjudicating Authority while dismissing the I.A. has applied the same settled position of law that when a matter is reserved for orders, there is no scope for entertaining application from parties to re-hear the matter. The Adjudicating Authority has relied on the judgment of the Hon'ble Supreme Court in Arjun Singh v. Mohindra Kumar & Ors. 1964 5 SCR 946 and Hon'ble Rajasthan High Court in Rajasthan Financial Corporation v. Pukhraj Jain & Ors. in AIR 2001 Raj 71 to hold that no application could be moved after the final arguments were heard and the case was closed for judgment. Hence, we find that the Adjudicating Authority had committed no error in not entertaining the I.A.*

*particularly so when the I.A. contained facts which were already in existence at the time of filing of reply and at the time of making pleadings in the main company petition. Neither do we find any cogent grounds having been cited to explain what had impeded the Appellant from flagging these issues during the hearing of the main company petition. It also does not stand to any logical reasoning as to why the issues raised in the I.A. could not have been raised in the main company petition. Raising such technical issues and that too after detailed hearing in the main petition was concluded clearly shows that the Appellant was merely trying to raise feeble grounds in the I.A. to somehow delay and derail the admission of CIRP. Hence in our considered opinion, the Adjudicating Authority had rightly rejected the I.A. 253/2023."*

41. In this regard, it is also noted that the Monitoring Committee, which is tasked with overseeing the assets of the Corporate Debtor during the implementation phase, has not reported any instances of asset stripping or the land being sold to Kishori Ji.

42. Thus, **I.A. No. 1294 of 2025** filed after the orders were reserved in the group applications on 06.08.2025, cannot be entertained at this belated stage.

43. Consequently, in the light of the reasons recorded above, all the three applications, i.e. **I.A. No. 1148 of 2025**, **I.A. No. 1267 of 2025** and **I.A. No. 1294 of 2025** lacks merit and deserve to be dismissed.

**<u>I.A. No. 928 of 2025:</u>**

44. By way of this IA, the State of Haryana has argued that it is a financial

creditor (or at least a secured creditor) with significant dues and that the liquidation value of the land is significantly higher than the resolution plan value, advocating for liquidation of the Corporate Debtor to maximize value for all stakeholders, including the public exchequer. They also highlighted their exclusion from the Monitoring Committee.

45. The issue of the State of Haryana's standing as a financial creditor and the valuation of the land has been a subject of prior litigation. As noted, the Hon'ble Supreme Court has previously disposed of a similar application by the State of Haryana. This disposal in absence of any liberty to raise this issue before this Adjudicating Authority, precludes the Applicant from re-agitating the issue of their standing as a financial creditor, based on the principle of *res judicata*.

46. Regarding the request for liquidation based on higher asset value, while the potential for a higher realization in liquidation may be an economic consideration, the Code prioritizes resolution over liquidation when a viable Resolution Plan is available and approved. The commercial wisdom of the CoC, which in this case is the sole Financial Creditor, in approving the Resolution Plan and subsequently agreeing to an extension for its implementation, is generally non-justiciable, provided it is exercised in accordance with the provisions of the Code. Further, the asset in question is real estate, the prices of which keep on going up. Unsettling a validly taken decision by the CoC in its commercial wisdom, solely on the consideration of a potential of higher realization, cannot be accepted. With such a practice, there will never be any

conclusion to the resolution process of a Corporate Debtor.

47. Therefore, while we are mindful of the State of Haryana's claims and the public interest involved, we are constrained by the principle of *res judicata* regarding their standing as a financial creditor and by the deference accorded to the commercial wisdom of the CoC and Monitoring Committee in the context of a validly approved Resolution Plan.

48. Thus I.A. No. 928 of 2025 deserves dismissal.

**I.A. No. 54 of 2024 and I.A. No. 703 of 2025**

49. These applications are filed by Rama Land & Finance Company seeking permission to submit a better resolution plan providing for an additional incentive of 100% to the creditors and to place on record additional documents: a copy of the minutes of the meeting of the Monitoring Committee dated 21.12.2023 where deliberations were made with respect to the alleged implementation of the existing approved Resolution Plan, the alleged full payment of the Resolution Plan Value by the Successful Resolution Applicant, and the withdrawal of IA No. 2096/2023 filed by the Monitoring Committee Chairman.

**I.A. No. 720 of 2025**

50. This application is filed by Sun Infonet Private Limited, a third party with financial capability and an active interest in acquiring the Corporate Debtor's

assets and seeking consideration of the Applicant's proposal of Rs. 80 crore through submission of a fresh Resolution Plan and seeking directions to restrain any further indulgence in favor of the defaulting Resolution Applicant in view of the admitted breach and forfeiture.

**I.A. No. 2298 of 2023**

51. This application is filed by Late Sita Chaudhary seeking an order directing the SRA to hand over the possession of the assets of the Corporate Debtor back to the Corporate Debtor alleging misappropriation of the assets by the SRA and siphoning off the proceeds generated thereof, causing wrongful loss to the Corporate Debtor and its creditors.

52. However, the application is not supported by any evidence.

**I.A. No. 700/2025**

53. This application is filed by Sh. Deepinder Singh and Sh. Virender Singh seeking impleadment in I.A. No. 2298/23 as necessary parties and to substitute Shruti Manav Sharma in place of Sita Chaudhary.

**I.A. No. 701/2025**

54. This application is filed by Sh. Madhava Prasad to implead himself as Respondent, being a necessary party in IA 2537/23.

## I.A. No. 2857/2023

55. This application is filed by Late Sita Chaudhary to implead her as a proper and necessary party in I.A. No. 2096/2023.

## CONCLUSION:

56. The SRA has demonstrated a bona fide intent to implement the Resolution Plan, as evidenced by the extension of the PBG, consistent communication with the Monitoring Committee, and the eventual deposit of the entire Resolution Plan amount even before the conclusion of the appellate proceedings. The delay appears to be a consequence of navigating the appellate process rather than a willful contravention.

57. Granting an extension to the SRA to regularize the implementation of the Resolution Plan is warranted under the unique facts and circumstances of this case. This decision draws strength from the Adjudicating Authority's plenary powers under Rule 15 of the NCLT Rules, 2016 and Section 60(5) of the Code and is in line with judicial precedents where extensions have been granted to facilitate the successful outcome of a Resolution Plan, provided there is no willful default.

58. The requested extension does not constitute a material modification of the Resolution Plan. It is a necessary procedural adjustment to ensure the successful culmination of the approved plan and does not alter the core economic terms or the rights of stakeholders.

59. The arguments raised by the State of Haryana regarding their standing as a financial creditor and the valuation of assets are constrained by the principle of *res judicata* and the deference accorded to the commercial wisdom of the CoC and Monitoring Committee.

60. The contentions raised for consideration of alternate resolution plans offering higher amounts just because the present market value of underlying assets of the Corporate Debtor is more than the Plan value as duly approved, are unwarranted for the fact that the resolution plan is approved by the CoC by majority and in its commercial wisdom, which is non-justiciable. Such pleas cannot be entertained, as the proceedings under the Code are time-bound.

61. The allegations of asset stripping/sale of the Corporate Debtor premises by SRA to a third party, etc., are unsubstantiated in view of the lack of cogent evidence presented.

62. The inconsistency regarding the forfeiture of the PBG is clarified. No formal judicial order for forfeiture was passed by this Adjudicating Authority. The SRA's subsequent deposit of the entire Resolution Plan amount fulfills the financial obligation, and the deposited funds can be treated accordingly, distinguishing the present case from the ratio in the ***Jet Airways* judgement** on the adjustment of a forfeited PBG.

63. While the initial filing of the liquidation application by the erstwhile RP without an explicit prior resolution from the MC or CoC suffers from a potential defect in locus stand, the subsequent resolution by the Monitoring Committee to withdraw the application, contingent upon the grant of extension, supersedes

the erstwhile RP's initial action and should be seen in that light.

64. Before concluding the discussion, it is imperative to note here that Late Mrs. Sita Chaudhary filed Company Appeals bearing Company Appeal (AT) (Ins) Nos. 727 and 728 of 2023 before the Hon'ble NCLAT against the order dated 12.04.2023 of this Adjudicating Authority, whereby the Resolution Plan of the SRA was approved, which were dismissed by the Hon'ble NCLAT vide order dated 09.11.2023. Consequent to the dismissal of the said appeals, she preferred **Civil Appeal No. 8218-8219 OF 2023** before the Hon'ble Supreme Court of India, wherein multiple applications were filed by the parties, which are enumerated as hereunder:

| **Application before the Hon'ble Supreme Court** | **Application before this Adjudicating** | **Application filed by** | **Purpose** |
|---|---|---|---|
| I.A No. 21980 of 2024 | I.A. No. 54 of 2024 | Rama Land and Finance Co. | To submit a better resolution plan |
| I.A. NO. 77972 OF 2024 | I.A. No. 882 of 2025 | M/s Rajpura Stee; Tubes LLP | Seeking impleadment in the captioned appeal |
| I.A. No. 63205 of 2025 & I.A. No. 64298 of 2025 | I.A. No 700 of 2025 | LRs of Sita Chaudhary and Shareholders of Corporate Debtor | Application bring on record the legal representatives of the deceased Appellant in captioned appeal |
| I.A. NO. 72415 OF 2025 | I.A. No. 720 of 2025 | Sun Infonet | Seeking intervention and impleadment in captioned appeal |
| I.A. NO. 82726 OF 2025 | I.A. No. 928 of 2025 | Dept. of Industries, Gurgaon, Haryana | Seeking intervention in captioned appeal |

| | | | |
|---|---|---|---|
| I.A. No. 68603 of 2025 | I.A. No 701 of 2025 and I.A. No 702 of 2025 | Suspended Director Madhav Prasad | Application for Impleadment as Appellant/Co-Appellant |

It is apposite to mention here that the Intervenors and Impleaders as mentioned in the table above, have filed applications seeking similar reliefs based on similar facts before the Hon'ble Supreme Court, as have been filed before this Adjudicating Authority, which all have been disposed of in light of the dismissal of Civil Appeal No. 8218-8219 OF 2023 vide order dated 22.04.2025.

**ORDER:**

65. Thus, in light of the discussions above and the reasons recorded hereinbefore, the application bearing ***I.A. No. 2537 of 2023*** filed by SRA for extension of period in implementation of the Resolution Plan is ***allowed*** and is ***disposed of.*** The delay from the last due date of payment i.e. 22/08/2023 till the submission of the Demand Draft for the remaining amount of the Resolution Plan, is hereby condoned.

66. In view of the resolution passed in the 5th meeting of the monitoring committee and in view of decisions in IA No. 2537/2023, the other two applications bearing ***IA No. 1025/2025*** and ***IA No. 2096/2023*** are dismissed and disposed of.

67. In light of the decision in IA No. 2537/2023, the other applications bearing ***I.A. Nos. 2298/2023***, ***2857/2023, 703/2025*** and ***720/2025*** are rendered as ***infructuous*** and are ***disposed of*** in terms of the above findings.

68. In view of the decision of the Hon'ble Supreme Court where the applications were disposed of with no liberty granted to agitate the same issues again, before this Adjudicating Authority ***I.A. Nos. 2096/2023***, ***54/2024, 700/25, 701/2025, 788/2025, 1148/2025, 1267/2025, 1025/2025, 882/2025, 928/2025*** are ***dismissed*** and are ***disposed of.***

69. I.A. No. **1294/2025** is ***dismissed, being non-maintainable*** and has no bearing upon the decision in IA No. 2537/2023.

70. The Monitoring Committee shall continue to oversee the implementation of the Resolution Plan.

Sd/-

**(Shishir Agarwal)**
**Member (Technical)**

Sd/-

**(Harnam Singh Thakur)**
**Member (Judicial)**

August 14, 2025
ASG