



**THE NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH, CHANDIGARH  
(Exercising powers of Adjudicating Authority under  
the Insolvency and Bankruptcy Code, 2016)**

**IA No.1612/2022  
In  
CP (IB) No.169/Chd/Pb/2021  
(Admitted)**

**Under Section 7 IBC, Code, 2016  
Rule 11 NCLT**

**In the matter of:**

Raj Kumar Singla

....Petitioner-Financial Creditor

Versus

Amarprakash Rice Exports Private Limited ....Respondent-Corporate Debtor

**And in the matter of:**

**IA No.1612/2022**

**Mr. Prem Kumar Garg**  
Resolution Professional  
Amarprakash Rice Exports Pvt. Ltd.  
SCO 2641, Sector 22-C,  
Chandigarh-160022

...Applicant

**Order delivered on: 21.04.2023**

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)  
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

**Present:**

For the Applicant

: Mr. Viren Sharma, Advocate



**Per: Subrata Kumar Dash, Member (Technical)**

**ORDER**

**IA No. 1612/2022**

The present application has been filed by Mr Prem Kumar Garg, Resolution Professional of Amarparkash Rice Exports Private Limited under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 (**'the Code'**) for approval of the resolution plan in respect of Amarparkash Rice Exports Private Limited (**'the corporate debtor'**). The applicant-Resolution Professional filed the present application on 06.10.2022 for approval of the resolution plan, which was approved with a 100% voting share of the Committee of Creditors (COC), in its 5th meeting which was held on 12.09.2022. The present application was reserved for orders on 20.02.2023.

2. The Company Petition CP(IB) No.169/Chd/Chd/2021 was filed by the Operational Creditor-Raj Kumar Singla against the corporate debtor, which was admitted into the Corporate Insolvency Resolution Process ('CIRP') vide order dated 26/04/2022.

3. Mr Prem Kumar Garg was appointed as Interim Resolution Professional ('IRP'), and the Committee of Creditors (CoC) in its meeting held on 25.05.2022, confirmed the appointment of Mr Prem Kumar Garg as the Resolution Professional with 100% voting.

4. It is submitted by the applicant that the public announcement as per Regulation 6 of the CIRP Regulations in Form A as prescribed under the schedule was made on 27.04.2022 in two newspapers, i.e. 'Financial Express (English) and



'Desh Bhagat' (Punjabi) inviting claims from the creditors of the corporate debtor as envisaged under the Code. The last date for receipt of claims was 10.05.2022.

5. The Interim Resolution Professional constituted the Committee of Creditors in accordance with Section 21(2) of the Code on 18.05.2022 which is as follow :-

| <b>Name of the financial creditor</b> | <b>Amount claimed</b> | <b>Amount admitted</b> |
|---------------------------------------|-----------------------|------------------------|
| Raj Kumar Singla                      | 9,71,58,003/-         | 9,63,03,588/-          |

6. The Applicant Submits that a total of five CoC meetings have been held during the CIRP period, details as follows:-

| <b>Meetings of CoC Particulars</b> | <b>Date of CoC Meeting</b> | <b>Main Points of discussion</b>   | <b>Important decisions taken</b>  |
|------------------------------------|----------------------------|--|---|
| 1st CoC Meeting                    | 25/05/2022                 | <p>a. To Take on record the constitution of Committee of Creditors.</p> <p>b. Appointment of Resolution Professional as per the Provisions of Section 22 Of the IBC, 2016</p> <p>c. Appointment of Valuers under regulation 27(1).</p> | <p>a. The constitution of CoC was taken on record.</p> <p>b. Mr Prem Kumar Garg the existing IRP, was appointed as the Resolution Professional (RP), with immediate effect.</p> <p>c. The valuers as proposed by the RP were appointed by the CoC under regulation 27(1).</p> |



|             |     |            |   |  |
|-------------|-----|------------|---|--|
| 2nd Meeting | CoC | 22/06/2022 | <p>a. To appraise the CoC about preparation of the Information Memorandum.</p> <p>b. To table Form G- for approval and publication.</p> <p>c. To discuss the criteria to be laid down u/s 25(2)(h) for becoming prospective resolution applicant.</p>   | <p>a. The CoC took preparation of Information Memorandum on record.</p> <p>b. The CoC approved the tabled Form G and its publication.</p> <p>c. The CoC decided that there will be no specific criteria to be fulfilled u/s 25(2)(h).</p>  |
| 3rd Meeting | CoC | 22/07/2022 | <p>a. To table the Draft RFRP and Evaluation Matrix for approval of CoC</p>   | <p>a. The RFRP and Evaluation matrix was approved after some changes made as per the suggestions of CoC.</p>   |
| 4th Meeting | CoC | 05/09/2022 | <p>a. To appraise CoC regarding Appointment of Sh. Sanjay Kumar as Representative of the Operational Creditors</p> <p>b. To discuss report on preferential and other transactions under regulation 35A of the IBC.</p> <p>c. To table the Resolution Plan received from Mr. Ranjit Singh.</p> | <p>a. CoC took the note of the same.</p> <p>b. The CoC was informed that no such transactions as provided u/s 43, 45, 50 and 66, were found, and accordingly no application is being made for preferential and other transactions to the Hon'ble Adjudicating Authority.</p> <p>c. The CoC decided to that Mr. Ranjit Singh should be invited to the next meeting, for</p> |



|                 |            |   |  |
|-----------------|------------|---|--|
|                 |            |   | detailed discussion of the Plan.   |
| 5th CoC Meeting | 12/09/2022 | <p>a. To inform CoC that the RP has received certain claims from Operational Creditors after the due date of submission of Claim as provided under Regulation 12(2) and the same were not considered by the RP, and thereafter some of the claimants have approached the Hon'ble NCLT to condone the delay in filing their claim.</p> <p>b. Discussion in terms of Regulation 39B, 39C and 39D.</p> | <p>a. The CoC took note of the same.</p> <p>b. The following was resolved in the meeting:</p> <p>In Compliance of Regulation 39B(2)</p> <ul style="list-style-type: none"><li>- Estimated Liquidation Cost: Rs. 35 Lacs</li><li>- Estimated Liquid Assets: Rs. Nil</li></ul> <p>In Compliance of Regulation 39B(3):</p> <ul style="list-style-type: none"><li>- Financial Creditor wise contribution:</li><li>- Raj Kumar Singla: 100%</li></ul> <p>In Compliance of Regulation 39C</p> <ul style="list-style-type: none"><li>- Sale of Corporate Debtor as a Going Concern: Yes</li><li>- Sale of business of the Corporate Debtor as a Going Concern: Yes</li></ul> <p>In Compliance of Regulation 39D</p> |



|  |  |  |   |
|--|--|--|---|
|  |  | <p>c. To have detailed discussion of Resolution Plan between the member of CoC and Resolution Applicant.</p> | <p>- Proposed Liquidator: Mr. Prem Kumar Garg.</p> <p>- Fees: in accordance with Regulation 4 of IBBI (Liquidation Process) Regulations, 2016</p> <p>c. After detailed discussion over the resolution plan, the Resolution Applicant submitted a revised Resolution Plan dated 12/09/2022.</p> <p>The Members of the Committee found the resolution plan to be feasible and viable and thereby the revised resolution plan was put up by the RP to the committee for Vote.</p> <p>Mr. Raj Kumar Singla the sole member of CoC has 'voted for' the plan.</p> <p>Hence, the Revised resolution plan as submitted by Mr. Ranjit Singh was approved by the CoC.</p> |
|--|--|--|---|



7. It is stated by the Applicant that as per the valuation reports, the fair value of the corporate debtor was assessed in terms of Regulation 35 of the CIRP Regulations which is given below :-

| <b>Sr. No.</b> | <b>Name of Valuer</b>  | <b>Fair value</b> | <b>Liquidation Value</b> |
|----------------|--|-------------------|--------------------------|
| 1.             | For Land and Building:<br>Mrs. Madhu Garg  | 3,52,48,000/-     | 2,99,61,000/-            |
| 2.             | For Land and Building:<br>Mrs. Mohita  | 3,35,34,000/-     | 2,85,04,000/-            |
| 3.             | For Plant and Machinery<br>Hyoka Valuers Pvt Ltd.: Mr. Amarjit<br>Kumar Sharma                 | 3,44,72,000/-     | 2,75,78,000/-            |
| 4.             | For Plant and Machinery<br>Jaspal Singh  | 3,49,39,000/-     | 2,79,51,000/-            |
| 5.             | For Securities or Financial Assets:<br>Mr. Sham Sunder Aggarwal                                | 2,41,585/-        | 2,41,585/-               |
| 6.             | For Securities or Financial Assets:<br>SSS Valuation Professional Pvt Ltd :<br>Mr Suresh Goyal | 2,41,585/-        | 2,41,585/-               |



8. It is submitted that the CoC in its 2nd meeting, which was held on 22.06.2020, discussed and approved the criteria for prospective resolution applicants. Therefore, an invitation in Form 'G' for Expression of Interest ("EOI") from potential resolution applicants was published on 25.06.2020, for submission of resolution plans for the Corporate Debtor, in terms of section 25(2)(h) of the Code read with Regulation 36A (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP Regulations"). The last date of submission of EOI as per Form G was 10.07.2020.

9. In the 3rd Meeting of CoC held on 22.07.2022 the agenda to issue an Information Memorandum (IM) and evaluation matrix in terms of Regulation 36 of IBBI (CIRP) Regulations, 2016 was discussed and approved. The Resolution Professional issued a final list of eligible prospective resolution applicants on 04.08.2020 in terms of provisions of sub-regulation (12) of Regulation 36A of the CIRP Regulations consisting of two prospective resolution Applicants.

10. It is submitted that the fourth meeting of the CoC was convened on 05.09.2022 wherein the Resolution Professional apprised the members that since the debt of the Operational Creditors was more than 10% of the total debt in the matter of the Corporate Debtor on receipt of subsequent claims, the Applicant had invited Mr. Sanjay Kumar as the Authorised Representative for the Operational Creditors in compliance with Section 24(3)(c) of the Code. The Resolution Plans received from the prospective resolution applicants have also been discussed and it is also put for further discussion with PRA in the next meeting for negotiation in order to maximize the value of the Corporate Debtor. The report from Auditor regarding transactions falling within the purview of Sections 43, 45, 50 and 66 has



also been discussed and it is mentioned that no such transactions were found. Copy of the minutes of the fourth CoC meeting dated 05.09.2022 is attached as Annexure A-7 of the application.

11. In fifth meeting of the CoC was convened on 12.09.2022, the CoC discussed the resolution Plans with the prospective resolution applicants and Upon discussions and deliberations, the member of the CoC requested the Prospective Resolution Applicant to enhance the amount to be paid by him and to submit a revised resolution plan and requested the Applicant herein to place the resolution for approval of revised resolution plan in the matter of Corporate Debtor. After considering the feasibility and viability, the CoC in its commercial wisdom approved the revised resolution plan submitted by Mr Ranjit Singh with 100% voting share. Copy of the minutes of the fifth CoC meeting dated 12.09.2022 along with the voting sheet is attached as Annexure A-8.

12. Further, the Resolution Applicant has submitted a performance security amounting to Rs. 50 lakhs as provided in the RFRP in two demand drafts dated 14.09.2022 which are attached as Annexure A-9 of the Application.

13. The Resolution Applicant has submitted undertakings and affidavits stating that the Resolution Applicant is eligible under Section 29A to the Applicant. A copy of the undertaking and affidavits of the Resolution Applicant under Section 29A of the Code and Regulation 39(1) of CIRP Regulations, 2016 is attached as Annexure A-11 of the application. It is also submitted that Resolution Professional has carefully gone through the documents submitted by the Resolution Applicant and conducted due diligence of the Resolution Applicant in terms of Regulation 36A(8) of the CIRP Regulations and is of the opinion that the Resolution Applicant is



eligible to submit a resolution plan in the matter of the Corporate Debtor in terms of Section 29A of the Code.

14. In terms of Regulation 39(4) of the CIRP Regulations, the Applicant is required to submit a compliance certificate in prescribed format i.e. Form H stating that the resolution plan is compliant with the provisions of the Code and underlying Regulations. The Form H dated 16.02.2023 duly signed by the Applicant being the compliance certificate is attached as Annexure A-4 of diary No. 02423/3 dated 17.02.2023.

15. The applicant has filed affidavit by diary No. 02423/01 dated 09.02.2023 at Page No. 28-30 deposing that in the last balance sheets, there are no outstanding dues towards statutory authorities, where security interest is created as per the decision of Hon'ble Supreme Court in the matter of ***State Tax Officer (1) Vs. Rainbow Papers Limited in Civil Appeal No.1661 Of 2020 With With Civil Appeal No.2568 OF 2020 order dated 06.09.2022 Case citation: (2022) ibclaw.in 107 SC.*** An affidavit has also been submitted by Resolution Applicant where it is undertaken that in case there is any pending amount which is computed by the PF Department under the relevant law. Then the same shall be paid over and above the amount proposed under the resolution plan after giving fair chance of representation to the corporate debtor. The aforesaid affidavit furnished by the Resolution Applicant is found attached at Page No. 32-34 of the Diary No. 02423/01 dated 09.02.2023.

16. This Adjudicating Authority vide order dated 09.02.2023 directed to consider claims of the applicants in IA Nos. 1085/2022, 1086/2022, 1087/2022, 1097/2022, 1198/2022, 1199/2022, 1200/2022, 1421/2022, 1422/2022, in the context of the



decision of the Hon'ble Supreme Court in the matter of **State Tax Officer (1) Vs. Rainbow Papers Limited (Supra)**. Pursuant to the above, Resolution Professional filed its affidavit vide diary No.02423/3 dated 17.02.2023, submitting that the applicant has convened the 7th meeting of CoC on 14.02.2023, wherein the applicant-Resolution Professional apprised the Members that the claims filed by the operational creditors have been considered on merits and admitted in terms of the provisions of the Code and underlying the Regulations in compliance of the order dated 09.02.2023. The copies of the emails sent by the Resolution Professional to the Operational Creditors are attached as Annexures A-2 of diary No.02423/3 dated 17.02.2023. It is further submitted that the amended Form H dated 16.02.2023 is also attached as Annexures A-2 of the aforesaid affidavit.

17. The relevant information with regard to the amount claimed, amount admitted, and the amount proposed to be paid by the Resolution Applicant under the said resolution plan as mentioned in updated Form H filed by diary no 02423/3

(Amount in Rs. lakh)

| Sl. No. | Category of Stakeholder*    | Sub-Category of Stakeholder  | Amount Claimed | Amount Admitted | Amount Provided under the Plan | Amount Provided to the Amount Claimed (%) |
|---------|-----------------------------|--|----------------|-----------------|--------------------------------|---|
| (1)     | (2)                         | (3)  | (4)            | (5)             | (6)                            | (7)                                       |
| 1.      | Secured Financial Creditors | (a) Creditors not having a right to vote under sub-section (2) of section 21       | Nil            | Nil             | N.A.                           | N.A.                                      |
|         |                             | (b) Other than (a) above:<br>(i) who did not vote in favour of the resolution Plan | Nil<br>971.58  | Nil<br>963.03   | N.A.<br>630.00                 | N.A.<br>64.84%                            |



|                    |                               |   |                |                |               |               |
|--------------------|-------------------------------|---|----------------|----------------|---------------|---------------|
|                    |                               | (ii) who voted in favour of the resolution plan   |                |                |               |               |
|                    |                               | Total[(a) + (b)]  | 971.58         | 963.03         | 630.00        | 64.84%        |
| 2.                 | Unsecured Financial Creditors | (a) Creditors not having a right to vote under sub-section (2) of section 21  | 190.99         | 190.99         | Nil           | 0%            |
|                    |                               | (b) Other than (a) above:<br>(i) who did not vote in favour of the resolution Plan<br>(ii) who voted in favour of the resolution plan | Nil<br>Nil     | Nil<br>Nil     | N.A.<br>N.A.  | N.A.<br>N.A.  |
| 3.                 | Operational Creditors         | (a) Related Party of Corporate Debtor   | Nil            | Nil            | N.A.          | N.A.          |
|                    |                               | (b) Other than (a) above:   |                |                |               |               |
|                    |                               | (i) Government  | Nil*           | Nil            | N.A.          | N.A.          |
|                    |                               | (ii) Workmen  | Nil            | Nil            | N.A.          | N.A.          |
|                    |                               | (iii) Employees   | Nil            | Nil            | N.A.          | N.A.          |
|                    |                               | (iv) Others   | 486.20         | 261.88         | 60.00         | 12.34%        |
|                    |                               | Total[(a) + (b)]  | 486.20         | 261.88         | 60.00         | 12.34%        |
| 4.                 | Other debts and dues          | Nil   | Nil            | Nil            | N.A.          | N.A.          |
| <b>Grand Total</b> |                               |   | <b>1648.77</b> | <b>1415.90</b> | <b>690.00</b> | <b>41.85%</b> |

\*The government dues were claimed by the office of State Tax, Punjab amounting to Rs. 61,517/-, this claim was subsequently withdrawn by the creditor.

18. It is submitted that the sources of funds of the resolution applicant includes the personal funds of the resolution applicant which shall include the funds of his family also, furthermore, the resolution applicant has obtained unsecured loans from



the renowned business houses of the region. The documents with respect to the net worth of the resolution applicant, the proposed loan agreements between the Resolution Applicant and lenders is attached with Resolution plan.

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

Compliance with section 25(2)(h), 29A, 30(2) of the Code and mandatory contents of Resolution Plan in terms of Regulation 38 & 39(4) of CIRP Regulations

| Section of the Code / Regulation No. | Requirement with respect to Resolution Plan   | Clause of Resolution Plan   | Compliance (Yes / No)     |
|--------------------------------------|---|---|---------------------------|
| 25(2)(h)                             | Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?  | The CoC in its second meeting dated 22/06/2022 have resolved that there will be no specific criteria for the purposes of Section 25(2)(h) | N.A.                      |
| Section 29A                          | Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?  | Annexure A to resolution Plan   | Yes                       |
| Section 30(1)                        | Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?  | Annexure A to resolution Plan   | Yes                       |
| Section 30(2)                        | Whether the Resolution Plan-<br>(a) provides for the payment of insolvency resolution process costs?<br>(b) provides for the payment to the operational creditors?<br>(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?<br>(d) provides for the management of the affairs of the corporate debtor?<br>(e) provides for the implementation and supervision of the resolution plan?<br>(f) contravenes any of the provisions of the law for the time being in force? | Section VI<br>Section VI<br>Section VI<br>Section III & VIII<br>Section IX  | Yes<br>Yes<br>N.A.<br>Yes |



|                   |   |   |                   |
|-------------------|---|---|-------------------|
|                   |   | Section XI  | Yes<br>No         |
| Section 30(4)     | Whether the Resolution Plan<br>(a) is feasible and viable, according to the CoC?<br>(b) has been approved by the CoC with 66% voting share?   | -<br>-  | Yes<br>Yes        |
| Section 31(1)     | Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?   | Section VII and IX  | Yes               |
| Regulation 35A    | Where the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50 or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the Board?                          | As per determination of RP the corporate debtor has not been subject to any transaction of the nature covered under sections 43, 45, 50 or 66 | Yes               |
| Regulation 38(1)  | Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?  | Section VI and IX   | Yes               |
| Regulation 38(1A) | Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?   | Section X   | Yes               |
| Regulation 38(1B) | (i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code.<br>(ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation? | Section XI<br>N.A.  | No<br>N.A.        |
| Regulation 38(2)  | (a) Whether the Resolution Plan provides:<br>(a) the term of the plan and its implementation schedule?<br>(b) for the management and control of the business of the corporate debtor during its term?<br>(c) adequate means for supervising its implementation?   | Section VI, VII and XIII<br>Section III and VII<br>Section IX   | Yes<br>Yes<br>Yes |
| 38(3)             | Whether the resolution plan demonstrates that –<br>(a) it addresses the cause of default?<br>(b) it is feasible and viable?   | Section IV<br>Section VIII  | Yes<br>Yes        |



|                  |   |  |                           |
|------------------|---|--|---------------------------|
|                  | (c) it has provisions for its effective implementation?<br>(d) it has provisions for approvals required and the timeline for the same?<br>(e) the resolution applicant has the capability to implement the resolution plan? | Section VIII & IX<br><br>Section IX<br><br>Section III   | Yes<br><br>Yes<br><br>Yes |
| 39(2)            | (b) Whether the RP has filed applications in respect of transactions observed, found or determined by him?  | As per determination of RP the corporate debtor has not been subject to any transaction of the nature covered under sections 43, 45, 50 or 66  | N.A.                      |
| Regulation 39(4) | (c) Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.  | The Resolution Applicant has provided Demand Draft of Rs. 50 Lacs as provided for in RFRP, further, he has provided his personal guarantee and his residential house as collateral security. | Yes                       |

20. The term of plan and its implementation schedule in detail Regulation 38(2):

| Sr. No. | Particulars                                    | Amount (Rs. in Lakhs) verified by RP | Upfront Cash | Deferred Cash at the end of 1st Year | Rest of Deferred Cash |
|---------|--|--------------------------------------|--------------|--------------------------------------|-----------------------|
| 1.      | CIRP Cost                                      | 30.00                                | 30           | -                                    | -                     |
| 2.      | Secured Financial Creditor                     | 630.00                               | 6.30         | -                                    | -                     |
| 3.      | Unsecured Financial Creditor                   | Nil                                  | Nil          | Nil                                  | Nil                   |
| 4.      | Operational Creditor for Goods & Services      | 60.00                                | 60.00        | Nil                                  | Nil                   |
| 5.      | Operational Creditor Government Dues (Customs) | Nil                                  | Nil          | Nil                                  | Nil                   |



|    |  |     |     |     |     |
|----|--|-----|-----|-----|-----|
| 6. | Operational<br>Creditor<br>Government Dues<br>(Tax)              | Nil | Nil | Nil | Nil |
| 7. | Operational<br>Creditor<br>Employees &<br>Workers                | Nil | Nil | Nil | Nil |
| 8. | Funds for<br>stabilization of<br>Business and<br>Working Capital | Nil | Nil | Nil | Nil |

21. Summary of the Payment Schedule under the Resolution Plan is extracted as below:

| Particulars  | Amount in<br>Crore | Details of payment |
|--|--------------------|--------------------|
| Earnest Money Deposit  | 0.07               | Vide Demand Draft  |
| Upfront Contribution, if any, as per the Resolution Plan submitted by the applicant                          | -                  | -                  |
| Performance Security under Regulation 39(4) Sub Regulation (4A) of Regulation 36B read with Regulation 39(4) | 0.50               | Vide Demand Draft  |

22. In the Resolution Plan, it is prayed to remove all the lien that has been marked over the land of the corporate debtor and to remove all the pending litigation/court cases against the corporate debtor. In this connection, it is relevant to state here that these issues are under the domain of several authorities and no blanket relief in this regard can be issued by this authority.



23. As regards the aforementioned claims in the resolution plan, it is clarified that this Adjudicating Authority has powers to decide the reliefs claimed which are directly relatable to the Resolution Process and not over those pertaining to extraneous issues. Regarding the reliefs/waivers pertaining to the domain of various departments/governmental authorities, it is further clarified that this Adjudicating Authority has no power to sanction these waivers, etc. and the Successful Resolution Applicant is at liberty to approach the competent authorities/courts/legal forums/office(s) Government or Semi-Government/State or Central Government for appropriate relief(s) sought in the plan. Approval of the Resolution Plan does not mean automatic waivers.

24. It is directed that any relief sought in the resolution plan, where the contract/agreement/understanding/proceedings/actions/notice etc., is not specifically identified or is for future and contingent liability, is at this moment not acceded to.

25. The Resolution Applicants shall obtain the necessary approval required under any law for the time being in force within one year from the date of this order or within such period as provided for in such law, whichever is later.

26. The Resolution Professional has stated that no transaction is covered under Sections 43, 45, 50, or 66 of IBC, 2016, based on the transaction audit report and hence no application has been made to this Adjudicating Authorities under these sections. Thus, there is compliance with respect to Regulation 35-A of CIRP Regulations, 2016. Moreover, the undertaking to this effect has also been given by the Resolution Professional in updated Form H filed vide diary No. 02423/3 dated 17.02.2023.



## **Findings**

27. On hearing the submissions made by the learned counsel for the Resolution Professional and perusing the records, we find that the Resolution Plan has been approved at a total Resolution Value of Rs. 7,20,00,000/-. The resolution applicant proposes to make payment to secured financial creditors Rs. 6,30,00,000/-. The Resolution Applicant proposes to pay Rs. 60,00,000/- to the Operational Creditors as per Financial Proposal and Rs. 30,00,000/- as CIRP Cost.

28. As per the CoC, the Resolution Plan meets the requirement of being viable and feasible for the revival of the Corporate Debtor. By and large, all the compliances have been done by the RP and the Resolution Applicant for making the plan effective after approval by this Bench.

29. On perusal of the documents on record, we are satisfied that the Resolution Plan is in accordance with Sections 30 and 31 of the Code and complies with Regulations 38 and 39 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

## **Orders**

30. Therefore, subject to the observations made in this order, we hereby accord our approval to the Resolution Plan.

31. It is further directed that the Resolution Applicant, on taking control of the corporate debtor, shall ensure compliance under all applicable laws for the time being in force. As far as the question of granting time to comply with the statutory obligations or seeking sanctions from governmental authorities is concerned, the Resolution Applicant is directed to do the same within one year as prescribed under Section 31(4) of the Code.



32. The Resolution Plan as approved shall be binding on the corporate debtor and its employees, members, and creditors, including the Central Government, State Government, or Local Authority, to whom a debt in respect of the payment of dues arising under any law for the time being in force such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the resolution plan.

33. The Moratorium imposed under Section 14 shall cease to have effect from the date of this order.

34. The Resolution Professional shall stand discharged from his duties with effect from the date of this order. However, he shall perform his duties in terms of the Resolution Plan as approved by this Adjudicating Authority.

35. The Resolution Professional is further directed to hand over all records and properties to the Resolution Applicant and shall finalize the further line of action required for starting the operation. The Resolution Applicant shall have access to all the records and premises of the corporate debtor through the Resolution Professional to finalize the further line of action required for starting the operation.

36. 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.

37. Liberty is hereby granted for moving any application if required in connection with the implementation of this Resolution Plan.

38. The Resolution Professional shall forward all records relating to the conduct of the CIRP and the resolution plan to the Board to be recorded on its database.



39. The Resolution Professional shall file a copy of this order with the Concerned Registrar of Companies, inter alia, for updating the status of the corporate debtor.
40. Additionally, the Registry shall send a copy of this order to the Registrar of Companies, Punjab and Chandigarh.
41. The application bearing IA No. 1612 of 2022 is allowed and the main Company Petition, i.e., CP (IB) No. 169/Chd/PB/2021 stands disposed of.
42. Certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Sd/-  
**(Subrata Kumar Dash)**  
**Member (Technical)**

Sd/-  
**(Harnam Singh Thakur)**  
**Member (Judicial)**

April 21, 2023  
SA/PRF