

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL,
PRINCIPAL BENCH, NEW DELHI
Comp. App. (AT) (Ins.) No. 716 of 2022**

In the matter of:

Indian Oil Corporation Ltd.

....Appellant

Vs.

Manjeet Cotton Pvt. Ltd. & Ors.

...Respondents

For Appellant:

Shri Tushar Mehta, Learned Solicitor General of India with Mr. Amit Meharia, Ms. Tannishtha Singh, Advocates.

For Respondents:

ORDER

(Through Virtual Mode)

05.07.2022: Heard Shri Tushar Mehta, Learned Solicitor General of India for the Appellant.

2. This Appeal has been filed against the order dated 20.04.2022 passed by the Adjudicating Authority (National Company Law Tribunal), Mumbai Bench, Court-III by which the Adjudicating Authority decided the I.A 303 of 2022 filed by the Successful Resolution Applicant- 'Manjeet Cotton Private Limited'. The Application was allowed by passing following order:-

“14. In view of the above, the Bench “Allows” IA 303/2022 with the following directions:-

- (i) *All claims, liquidated damages, advances etc and interest on advances up to the date of the Resolution Plan approved by the Adjudicating Authority stands extinguished and cannot be*

agitated by IOCL in future as the said claim has been duly treated by the Resolution Applicant in the Resolution Plan and IOCL cannot initiate any proceedings in respect to such claims.

- (ii) *The Resolution Plan as approved by the Committee of Creditors (“CoC”) is binding on all the parties and, therefore, the period as provided in the Resolution Plan, i.e., the period for completion of the projects under the existing contract shall stand extended for a period of 12 months from the date of NCLT approval/ final Order for completion of pending work.”*

3. Learned Counsel for the Appellant submits that the Corporate Debtor was under continuing liability under the contract to perform its obligation. It is submitted that the order cannot be read to mean that the Corporate Debtor now Successful Resolution Applicant is relieved from its obligation arising out of the contract.

4. We have considered the submissions of the Learned Counsel for the Appellant and perused the record.

5. The order passed by the Adjudicating Authority clearly mentioned that all claims, liquidated damages, advances etc. and interest on advances up to the date of the Resolution Plan approved by the Adjudicating Authority stands extinguished and cannot be agitated by the Appellant in future. No exception can be taken to the aforesaid direction because the claim was up to the date of the approval of the Resolution Plan. In event, any future obligation arises of

the Corporate Debtor/ Successful Resolution Applicant, it is open for the parties to take recourse in accordance with the terms and conditions and the order impugned cannot govern any future events and consequences.

6. Subject to above clarification, we dismiss the Appeal.

**[Justice Ashok Bhushan]
Chairperson**

**[Justice M. Satyanarayana Murthy]
Member (Judicial)**

**[Barun Mitra]
Member (Technical)**

Anjali/nn