

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH : COURT-IV

IA-1786(MB)/2022  
in  
C.P.(IB)-2119(MB)/2019

Under Section 60(5)(a) of the Insolvency and  
Bankruptcy Code, 2016.

*Application moved by:*

**Ms. Rakhee Jotkar and Ors.**

...Applicants/  
Employees of Karthik Alloys

Vs.

**Mr. Anneel Saraogi**

...Resolution Professional

*In the matter of*

**Vedanth.com Worldwide Limited**

...Operational Creditor

Vs.

**Karthik Alloys Limited**

...Corporate Debtor

Order Pronounced on : **03.03.2023**

*Coram:*

Hon'ble Shri Kishore Vemulapalli : Member (Judicial)

Hon'ble Shri Prabhat Kumar : Member (Technical)

***Appearances:***

For the Applicant(s) : Mr. T.N. Chandrassekar, Advocates.

For the Respondent : Mr. Ranit Basu, Advocate.

**ORDER**

*Per: Prabhat Kumar, Member (Technical)*

1. This Application has been filed by Rakhee Jotkar & Others (Employees of Karthik Alloys Ltd.) under Section 60(5)(a) of the Code against the Resolution Professional (RP) seeking direction to the RP and CoC to include Terminal benefits of the employees in the resolution plan. The Prospective Resolution Applicant and Financial Creditor i.e. State Bank of India has also been made party in this Application.
2. We have perused the Application and find that the present application is in relation to inclusion of claim of PF, ESI and Gratuity due to the employees of the Corporate Debtor. This issue is covered by the Hon'ble NCLAT decision in the case of *Jet Aircraft Maintenance Engineer's Welfare Association (2022) ibclaw.in 861*, which has, subsequently, been upheld by the Hon'ble Supreme Court {(2023) *ibclaw.in 12 SC*}. Further this decision has been followed by *Hon'ble NCLAT Chennai in the case of Ms. C.G. Vijay Laxmi Vs. Sri Kumar Rajan, RP Hindustan News Print Limited, (2023) ibclaw.in 123 NCLAT* and the Hon'ble Tribunal has further held that in view of the decision in *Jet*

Aircraft case (supra), the question whether there was fund maintained by the Corporate Debtor or not pales into insignificance.

3. Following these decisions, we hold that the amount of PF, ESI and Gratuity due to the employees of the Corporate Debtor are to be considered for payment in full as these amounts do not form part of Corporate Debtor's liquidation estate. This IA-1786/2022 is **allowed** and disposed of, accordingly.

Sd/-

**PRABHAT KUMAR**  
**MEMBER (TECHNICAL)**

03.03.2023 / pvs

Sd/-

**KISHORE VEMULAPALLI**  
**MEMBER (JUDICIAL)**