IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.305
IA(Plan)/25(AHM)2026
in
C.P.(IB)/269(AHM)2025

Under Section 30 r/w Sec. 31 of IBC 2016 r/w Reg. 39(4) of IBBI Reg. 2016

IN THE MATTER OF:

Abhishek Choudhary RP of Turnrest Resources Private Limited **.....Applicant**

Order delivered on: 25/11/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV SHARMA, HON'BLE MEMBER (T)

O R D E R
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

SANJEEV SHARMA
MEMBER (TECHNICAL)

SHAMMI KHAN
MEMBER (JUDICIAL)

BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, COURT-I, AHMEDABAD

IA/(Plan) 25(AHM) of 2026
In
C.P. (IB)/269(AHM) 2025

In the matter of: *Turnrest Resources Private Limited*

IA/(Plan) 25 (AHM) OF 2026

[An Application filed under Section 30 r/w Section 31, of the Insolvency and Bankruptcy Code, 2016 r/w regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.]

MEMO OF PARTIES

Abhishek Choudhary,
Resolution Professional,
Turnrest Resources Private Limited
(Corporate Debtor),
Having Office At 10-B, Tower D,
Poddar Residency, VIP Canal Road,
Opp. Capital Life, Vesu, Surat City,
PO: SVR College, Surat, Gujarat- 395007

...Applicant/ Resolution Professional

IN THE MATTER OF

HDFC Bank Limited

...Financial Creditor/Applicant

VERSUS

Turnrest Resources Private Limited

...Corporate Debtor/Respondent

Order Pronounced On: 25.11.2026

C O R A M:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E:

For the Applicant/RP : Mr. Atul Sharma, Adv a.w.
Mr. Abhishek Choudhary, RP In Person

O R D E R
[Per: Bench]

IA/(Plan) 25 (AHM) of 2026

1. This Interlocutory Application has been preferred on 29.09.2026 by the Resolution Professional (RP) under Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 (the Code), and Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (the CIRP Regulations), seeking approval of the Resolution Plan dated 27.08.2026, read with the Clarificatory Addendum dated 07.09.2026, submitted by **Equidem Enterprise Private Limited**, the Successful Resolution Applicant (SRA), in respect of **Turnrest Resources Private Limited**, the Corporate Debtor (CD).

2. The Corporate Insolvency Resolution Process (CIRP) was

initiated against the CD vide order dated 07.11.2025 on a petition filed by HDFC Bank Limited under Section 7 of the Code. The CIRP period was initially extended by 90 days and was subsequently extended up to 03.10.2026 vide order dated 25.08.2026 passed in IA No. 1336(AHM)/2026. The Committee of Creditors (CoC), pursuant to its 10th meeting held on 05.09.2026, approved the Resolution Plan with 72.89% voting share through e-voting concluded on 14.09.2026. HDFC Bank Limited, having 20.08% voting share, voted against the Resolution Plan, whereas Bank of Maharashtra, having 7.03% voting share, abstained from voting. The Applicant has sought the following reliefs: -

a) *Admit and allow the present Application seeking approval of the Resolution Plan dated 27.08.2026 read with the Clarificatory Addendum dated 07.09.2026, submitted by M/s. Equidem Enterprise Private Limited, Successful Resolution Applicant, in the matter of M/s. Turnrest Resources Private Limited;*

b) *Approve the Resolution Plan dated 27.08.2026 read with the Clarificatory Addendum dated 07.09.2026 (together, the 'Resolution Plan'), as submitted by M/s. Equidem Enterprise Private Limited, Successful Resolution Applicant, and as approved by the members of the CoC with the requisite voting share of 72.89% of the voting share of the Financial Creditors in its 10th CoC Meeting held on 05.09.2026, e-voting whereon was kept open from 07.09.2026 to 14.09.2026 and concluded on 14.09.2026, in the matter of M/s. Turnrest Resources Private Limited; Grant the reliefs, concessions and waivers as set out in the Resolution Plan and summarized hereinabove, and direct the concerned*

Government and Statutory Authorities to give effect to the same;

c) *Declare that the moratorium imposed under Section 14 of the Code shall cease to have effect from the date of this Hon'ble Tribunal's order approving the Resolution Plan, save and except to the extent otherwise provided under the Resolution Plan and/or the Code;*

d) *Grant any other relief(s) as may be deemed fit and necessary in light of the facts and circumstances of the present case and in the interest of justice.*

3. During the hearing on 23.10.2026, this Tribunal directed the RP to furnish clarifications regarding the outstanding receivables, nil valuation of various assets, steps taken for their realisation and the beneficiaries thereof, and to place the issues before the CoC, if necessary. Pursuant to the aforesaid directions and the subsequent order dated 02.11.2026, the RP filed an Additional Affidavit on 19.11.2026, along with supporting documents, reconstructed financial statements and revised Form H dated 17.11.2026, which have been taken on record and considered.

4. Against the aggregate admitted claims of the Financial Creditors amounting to Rs. 227.57 crore, the Resolution Plan provides for a consideration of Rs. 11 crore, comprising Rs. 50 lakh towards CIRP costs and Rs. 10.50 crore towards

payment to the Secured Financial Creditors, besides infusion of Rs. 2 crore towards working capital. The fair value and liquidation value of the CD have been determined at approximately Rs. 13.43 crore and Rs. 10.74 crore, respectively. These figures are noticed for examining statutory compliance and the adequacy of the information underlying the evaluation of the Resolution Plan, and not for questioning the commercial wisdom of the CoC merely on account of the quantum of the Resolution Plan consideration.

5. It is observed from the valuation summary at page 550 of the Application that the aforesaid fair value and liquidation value are attributable to five office premises of the CD. The two registered valuers, namely Shri Ankit Gupta and Shri Anil Singh Patwal, have assigned nil fair value and liquidation value to the Securities or Financial Assets class, whereas the third registered valuer, Dr. Shravan Kumar Vishnoi, has assigned a fair value of Rs. 1,901.54 lakh to the GST input tax credit and nil value to the remaining financial assets. In view of the material divergence in the valuations, the basis of appointment of the third registered valuer, the

methodology adopted and the determination of the final fair value and liquidation value warrant examination in terms of Regulation 35 of the CIRP Regulations, particularly in light of the subsequently reconstructed financial statements.

6. It emerges from the Additional Affidavit that the audited financial statements as on 31.03.2023 were the last audited financial statements available at the commencement of CIRP, as, according to the RP, the books of account for the subsequent period had not been handed over by the suspended management. Consequently, the valuation of securities and financial assets was substantially based on financial information pertaining to an earlier period. The valuation report of Dr. Shravan Kumar Vishnoi also records limitations arising from the non-availability of updated financial information.

7. As per the audited financial statements as on 31.03.2023, the CD had reported property, plant and equipment of Rs. 3,460.66 lakh, inventories of Rs. 16,177.53 lakh, cash and cash equivalents of Rs. 32.32 lakh, other bank balances of Rs. 1,412.08 lakh, short-term loans and advances of Rs. 767.24 lakh and other current assets of Rs. 1,221.57 lakh.

While historical book values cannot be equated with fair value or liquidation value, the movement and accounting treatment of the aforesaid assets up to the insolvency commencement date warrant reconciliation and verification.

8. It is further observed that the book value of securities and financial assets of Rs. 5,347.26 lakh reflected at page 550 of the Application includes GST input tax credit of Rs. 1,901.54 lakh pertaining to the insolvency commencement date. The valuation summary thus appears to incorporate financial information pertaining to different dates, necessitating reconciliation of the relevant figures with reference to the insolvency commencement date.

9. The reconstructed books of account and the Additional Affidavit disclose receivables of Rs. 6,95,93,327/- and Rs. 99,68,848/- from Dev Trademax LLP and Zenith Corporation, respectively, besides GST input tax credit of approximately Rs. 19.01 crore, refund of share money of Rs. 10.50 lakh and TDS refund of Rs. 68.75 lakh. Under Clause 4.2.9 of the Resolution Plan, the benefit of realisation or utilisation of such assets is proposed to accrue to the CD under the management of the SRA, whereas the proceeds

arising from avoidance proceedings and proceedings under Section 66 of the Code are proposed to be distributed amongst the creditors in accordance with Clause 8(c), read with the Clarificatory Addendum dated 07.09.2026. The potential economic value of these assets and the implications of such differential treatment warrant informed consideration by the CoC, including compliance with Regulation 38(2)(d) of the CIRP Regulations, wherever applicable.

10. The balance of GST input tax credit reflected in the Electronic Credit Ledger cannot, by itself, be equated with an immediately realisable monetary asset, its eligibility, utilisation, transferability and refundability being governed by the applicable provisions of the Central Goods and Services Tax Act, 2017, the corresponding State GST enactment and the rules framed thereunder. Nevertheless, its potential economic benefit, subject to statutory eligibility, warrants consideration in the valuation and evaluation of the Resolution Plan.

11. It is noted that the CoC, in its 10th meeting held on 05.09.2026, was of the view that legal notices be issued to

Dev Trademax LLP and Zenith Corporation. The RP has explained that separate notices were not issued in view of the filing of IA No. 1754(AHM)/2026 under Section 66 of the Code, to avoid multiplicity of proceedings and double recovery. However, proceedings under Section 66 of the Code and proceedings for recovery of contractual receivables operate in distinct legal spheres. The RP shall, in discharge of his duties under Section 25 of the Code, examine the appropriate remedies, applicable limitation, including Section 60(6) of the Code wherever applicable, and take necessary steps to preserve the claims of the CD, without prejudice to the pending proceedings and without permitting double recovery.

12. Upon examination of the original Form H and the revised Form H dated 17.11.2026, the following aspects warrant consideration: -

12.1 The original Form H described the admitted financial debt as arising from corporate guarantees, whereas the claim documents and the clarification furnished by the RP indicate that the CD is the principal borrower in respect of the financial debt concerned. It is necessary to ascertain whether the discrepancy

is merely clerical or has any bearing on the classification of claims, voting shares or distribution under the Resolution Plan.

12.2. The Resolution Plan having been approved by the CoC on 14.09.2026, the statutory entitlement of the Financial Creditors who have not voted in favour of the Resolution Plan, including those who abstained from voting, requires verification in terms of the amended Section 30(2)(ba) of the Code, read with Section 53 thereof. Compliance with the applicable priority of payment prescribed under Regulation 38 of the CIRP Regulations shall also be ensured.

12.3. Rectification of entries in Form H cannot, by itself, substitute compliance with the substantive requirements of the Code and the CIRP Regulations, wherever the underlying terms of the Resolution Plan require rectification.

12.4. The RP shall also verify compliance of the Resolution Plan with the amended Section 30(2)(d) of the Code concerning implementation, supervision and constitution of the committee for monitoring implementation of the Resolution Plan, in accordance with the applicable CIRP Regulations.

13. It is further noted from the reconstructed financial statements that during the period from 01.04.2023 to the

insolvency commencement date, the CD incurred a net loss of approximately Rs. 305.88 crore, including a gross loss of approximately Rs. 238.38 crore on trading in coal. These figures are noticed for the limited purpose of examining the reconciliation of assets and liabilities and the adequacy of the financial information available to the registered valuers and the CoC.

14. The Additional Affidavit discloses that the books of account of the CD for the period from 01.04.2023 to 07.11.2025 have since been reconstructed and that the auditor's report thereon is dated 30.09.2026, subsequent to the approval of the Resolution Plan by the CoC on 14.09.2026. The movement and accounting treatment of the assets reflected therein warrant reconciliation and examination for determining whether supplementary or revised valuation is necessary. The subsequent correspondence exchanged between the RP and the members of the CoC also requires examination to ascertain whether the material financial information and its implications have been adequately deliberated upon and reasons recorded in accordance with

Section 30(4) of the Code and Regulation 39(3)(b) of the CIRP Regulations.

15. It is settled law that the commercial wisdom of the CoC is not amenable to judicial review except within the parameters prescribed under the Code, as held by the Hon'ble Supreme Court in *Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta*, (2020) 8 SCC 531, and *Jaypee Kensington Boulevard Apartments Welfare Association v. NBCC (India) Limited*, (2022) 1 SCC 401. Further, as held in *M.K. Rajagopalan v. Dr. Periasamy Palani Gounder*, (2024) 1 SCC 42, the commercial wisdom of the CoC cannot override mandatory statutory requirements. In the present case, the concerns arise not from the quantum of the Resolution Plan consideration per se, but from the adequacy of the financial information underlying the valuation and evaluation of the Resolution Plan and the statutory compliance issues noticed herein.

16. This Tribunal is conscious of the timeline prescribed under Section 31(2A) of the Code. However, the material issues concerning valuation, financial information and statutory compliance necessitated further clarifications vide orders

dated 23.10.2026 and 02.11.2026. The time necessarily consumed in obtaining and examining the requisite clarifications and supporting records has occasioned the delay in passing the order within the stipulated period.

17. In view of the foregoing, this Tribunal is unable to record its satisfaction under Section 31(1) of the Code at this stage. Accordingly, having regard to the proviso to Section 31(2) of the Code, the **Resolution Plan is remitted back** to the CoC through the RP for reconsideration and rectification of the deficiencies identified herein, after affording an appropriate opportunity to the SRA and the concerned stakeholders.

18. The RP shall cause the reconstructed financial statements as on the insolvency commencement date to be duly reconciled and verified, update the Information Memorandum wherever necessary and obtain supplementary or revised valuation reports, as warranted, in accordance with the Code and Regulations 27, 35 and 36 of the CIRP Regulations. The relevant material shall thereafter be placed before the CoC for informed deliberation and recording of reasons in accordance with Section 30(4) of the Code and Regulation 39(3)(b) of the CIRP Regulations.

19. The CoC, in consultation with the RP and the SRA, shall reconsider the Resolution Plan in light of the observations contained herein, particularly concerning valuation, treatment of receivables, refunds, GST input tax credit, proceeds of avoidance and fraudulent or wrongful trading proceedings, payment of CIRP costs in priority, statutory entitlement of creditors and implementation and supervision of the Resolution Plan. The reconsidered Resolution Plan, incorporating such rectifications or modifications as may be necessary, shall be placed before the CoC for fresh approval with the requisite voting share under Section 30(4) of the Code. Nothing herein shall be construed as a direction to enhance the Resolution Plan consideration or to adopt any particular commercial decision.

20. Considering that the Resolution Plan has already received approval of the requisite majority of the CoC and that the deficiencies identified herein appear capable of rectification within a limited period, this Tribunal considers that affording an opportunity for such rectification would further the objective of resolution of the CD.

21. This Tribunal is conscious of the timelines prescribed under

Section 12 of the Code and the principles laid down by the Hon'ble Supreme Court in *Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta*, (2020) 8 SCC 531. Considering that the Resolution Plan was submitted within the period then available for completion of CIRP, that the deficiencies noticed during adjudication appear capable of rectification within a limited period and that immediate liquidation may defeat the objective of resolution, this Tribunal considers the present case to warrant exceptional continuation of the CIRP.

22. Accordingly, for the reasons recorded herein and upon satisfaction of the requisite statutory and procedural requirements, the intervening period from 29.09.2026 to 25.11.2026 is excluded from computation of the CIRP timeline and a further period of **30 days** commencing from 26.11.2026 and ending on 25.12.2026 is granted for completion of the exercise directed herein and filing of a fresh Resolution Plan Application.

23. The RP shall convene a meeting of the CoC within seven days from the date of this Order, place the observations and directions contained herein before its members and complete

the reconsideration process within the permitted period. Upon fresh approval of the reconsidered Resolution Plan by the requisite majority of the CoC, the RP shall file a fresh Application under Section 30(6) read with Section 31 of the Code and Regulation 39(4) of the CIRP Regulations, along with the duly approved Resolution Plan, revised Form H, relevant valuation reports, minutes of the CoC meetings, voting results, evidence of subsisting performance security and other requisite documents, before expiry of the permitted CIRP period.

24. Nothing contained in this Order shall be construed as an expression of opinion on the commercial merits of the Resolution Plan, the recoverability of any asset or receivable, or the merits of the pending avoidance and fraudulent or wrongful trading proceedings. All contentions of the concerned parties in such proceedings are expressly kept open. The RP shall continue to discharge his statutory functions during the period lawfully permitted herein, and the moratorium shall continue in accordance with the Code.

25. Accordingly, **IA (Plan)/25(AHM)/2026**, seeking approval of the Resolution Plan dated 27.08.2026, read with the

Clarificatory Addendum dated 07.09.2026, stands **disposed of** in terms of the aforesaid directions, without approval or rejection of the Resolution Plan on merits, with liberty to the RP to file a fresh Application upon fresh approval of the reconsidered Resolution Plan by the CoC in accordance with law.

26. The Registry shall communicate a copy of this Order to the **RP forthwith** for necessary compliance and onward transmission to the members of the CoC and the SRA.

-SD-
SANJEEV SHARMA
MEMBER (TECHNICAL)

-SD-
SHAMMI KHAN
MEMBER (JUDICIAL)

Megha/LRA