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**IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI, SPECIAL BENCH (COURT-II)**

I.A. No. 60/2024

IN

C.P.(IB) – 764/ND/2022

IN THE MATTER OF:

United News of India Workers' Union

**... Petitioner/
Operational Creditor**

Versus

United News of India & Ors.

**... Respondent/
Corporate Debtor**

AND IN THE MATTER OF IA. NO. 60/2024:

Ms. Pooja Bahry

Resolution Professional of
United News India, 59/27, Prabhat Road,
New Rohtak Road, New Delhi - 110005

... Applicant/RP

UNDER SECTION: 30(6) r/w 31 of IBC, 2016

Order delivered on: 12.02.2025

CORAM:

SH. ASHOK KUMAR BHARDWAJ, HON'BLE MEMBER (J)

SH. CHARANJEET SINGH GULATI, HON'BLE MEMBER (T)

PRESENT:

For the RP

: Adv. Sumant Batra, Adv. Pooja Mahajan, Adv.
Mahima Singh, Adv. Samridhi Shrimali, Adv.
Sarthak Bhandari, Adv. Nidhi Yadav, Adv. Ayat
Khursheed

For the EPFO

: Adv. Kaushik Kumar Dey



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ORDER

I.A. No. 60/2024: The present application has been preferred Ms. Pooja Bahry, Resolution Professional qua United News of India (hereinafter, referred to as the '**Applicant/RP**') under Section 30(6) of IBC, 2016, seeking the following reliefs:

- a) *allow the present application and approve the Resolution Plan submitted by The Statesman for the Corporate Debtor in terms of Section 31(1) of the Code;*
- b) *direct that the Resolution Plan approved/ sanctioned by this Hon'ble Adjudicating Authority shall be binding on the Corporate Debtor, its employees, members/ shareholders, creditors, guarantors and other stakeholders involved in the Successful Resolution Plan; and*
- c) *pass such order or further relief(s) as this Hon'ble Adjudicating Authority may deem fit and proper in facts and circumstances of the case.*

2. Stating succinctly, the CP(IB) No. 764/ND/2022 was filed by United News of India Worker's Union (hereinafter, referred to as the "**Operational Creditor**") seeking initiation of CIRP qua United News of India (hereinafter, referred to as the "**Corporate Debtor**") in terms of the provision of Section 9 of IBC, 2016. The Corporate Debtor was admitted to CIRP vide order dated 19.05.2023 passed by this Tribunal. The Corporate Debtor is currently represented through its RP, Ms. Pooja Bahry i.e. the Applicant herein.

3. As per the provisions of Section 15 of the Code r/w Regulation 6(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations,

2016, the RP issued a Public Announcement in Form-A on 21.05.2023 in



various newspapers, inviting claims with proof thereof from the creditors of the Corporate Debtor. A copy of the aforementioned Public Announcement is enclosed as Annexure- A9 to the application.

4. In the application, the Applicant/ RP has given a summary of the claims filed and the amount admitted till the date of filing of the present application which reads thus: -

Creditors	Claims Received	Claims Admitted
Secured Financial Creditors	21795882	21795882
Unsecured Financial Creditor	-	-
Operational Creditors (Employees and Workmen dues)	1079856213	1043763712
Operational Creditors (Government dues)	165779900	165243879
Operational Creditors (Other than Employees and Workmen dues and Government dues)	14150236	7150401
Other Creditors	17415049	17415049
Total	1298997280	1255368923

The Applicant/ RP has further given a breakup of the Financial Creditors of the CD forming part of the CoC, which reads thus: -

Sr. No.	Name of the Financial Creditor	Claim admitted (In Crores)	Voting Share (percentage %)
1.	State Bank of India	21795882	100%
TOTAL			100%



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5. The Applicant/ RP has got the assets of the Corporate Debtor valued in terms of Regulation 27 of the CIRP Regulations, 2016 by two registered valuation entities viz. (i) Corporate Professionals Valuation Services Private Limited and (ii) Mavent Advisors Private Limited. As stated in the application, the fair value and the liquidation value of the CD in terms of the valuation reports, reads thus: -

FAIR VALUE

	Corporate Professionals	Mavent Advisors
Land & Building	532774102	543121396
Securities & Financial Assets and Brand	90997561	60241858
Plant & Machinery	1981475	3039360
Total of all classes	625753138	606402614
Average Fair Value	616077876	

LIQUIDATION VALUE

	Corporate Professionals	Mavent Advisors
Land & Building	426219281	354385167
Securities & Financial Assets and Brand	54594088	43563633
Plant & Machinery	1741127	2521602
Total of all classes	482554496	400470402
Average Liquidation Value	441512449	

6. As per the pleadings and the documents available on record, the Applicant/ RP issued Form G on 05.08.2023 in terms of Regulation 36A of the CIRP Regulations, 2016 to invite Expression of Interest (EoI) from prospective resolution applicants. Subsequently, revised Form G were issued on 11.09.2023 and 13.10.2023, 28.06.2024.



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7. It is pertinent to note that the CIRP qua the CD was extended beyond 330 days and the reasons for the same have been recorded in para 4.23-4.26 of the application, which reads thus: -

Extension beyond 330 days

4.23. Pursuant to the above, the Applicant convened the 15th CoC meeting on 6 April 2024. During the meeting, the Applicant informed the CoC that the CIRP period (330 days) is expiring on 13 April 2024. Therefore, detailed discussions took place in the CoC regarding the CIRP and regarding ensuring revival of the Corporate Debtor. The CoC discussed that no compliant resolution plan had been received by the RP and that the CIRP is ending on 13 April 2024. It was also reiterated that given the special nature of business of the Corporate Debtor, every attempt must be made to achieve a successful resolution of the Corporate Debtor, as liquidation would not serve any purpose and would not be beneficial to any stakeholder. Hence, there was a need to extend the CIRP period.

4.24. During the meeting, the representatives of SBI noted that the Corporate Debtor was a unique and complex case, being the second largest News Agency in the country. SBI further informed that given the critical and unique nature of business of the Corporate Debtor and the fact that SBI was not part of the CoC when the earlier eligibility criteria were discussed, SBI would require additional time to carefully re-discuss and re-consider the eligibility criteria and the publication of the Form-G again.



4.25. The representatives of SBI, being the sole CoC, were of the opinion that an additional 5 months may be required to complete the CIRP of the Corporate Debtor and achieve a resolution. The CoC stated that General Elections in the country had been declared and the Model Code of Conduct was in operation. The CoC further stated that this coupled with the fact and keeping in mind that the Corporate Debtor operates as a News Agency / in the Media sector, which is a sensitive sector involving public interest, feedback has been received that at this particular time, due to the Model Code of Conduct operating on account of declaration of the General Elections, the resolution applicants may find it problematic and challenging to commit any amounts. After detailed discussions and deliberations, the sole member of the CoC was of the opinion that at least 5 months would be required to effectively conclude the resolution process of the Corporate Debtor.

4.26. Accordingly, the Applicant filed I.A. 1801 of 2024 an application, seeking an extension of 5 months (from 13 April 2024 till 13 September 2024), which was allowed by this Hon'ble Adjudicating Authority on 30 April 2024. A copy of the order dated 30 April 2024 in I.A. No. 1801 of 2024 is annexed and marked as Annexure A-16.

8. Furthermore, pursuant to the decision taken by the CoC during its 23rd meeting on 05.09.2024, the CIRP was further extended by 45 days i.e. from 14.09.2024 till 28.10.2024 by this Tribunal in terms of order dated 23.09.2024.



9. As stated in the application, during the 22nd meeting of the CoC on 27.08.2024, the Applicant/ RP informed the CoC that three resolution plans had been received within the stipulated time i.e. 26.08.2024 from the following resolution applicants: -

- (i) The Statesman Limited
- (ii) Care Educational & Welfare Society
- (iii) Kundan Care Products Ltd.

10. The Applicant/ RP has stated in the application that all the RAs were duly informed regarding the decision taken by the CoC in the 23rd meeting regarding extension of timeline for submission of revised resolution plan and financial proposal till 8 PM on 12.09.2024. The Applicant/ RP has further stated that by 12.09.2024, a revised financial proposal and revised draft Resolution Plan was received from only one RA i.e. the Statesman Limited.

11. It has been stated in the application that the e- voting on the Resolution Plan was conducted, in terms of Regulation 25(5) r/w Regulation 26 of the CIRP Regulations, 2016 from 1 PM on 05.10.2024 till 1 PM on 12.10.2024. Further, the Applicant/ RP has stated that the timeline for e- voting was extended till 23.10.2024 and after the conclusion of the e- voting, the Resolution Plan dated 30.10.2024 submitted by the Statesman Limited (hereinafter, referred to as the **“Successful Resolution Applicant”/ SRA**) stood approved with 100% voting share. The results of the e- voting for



approval of the resolution plan has been enclosed as Annexure- 5 of the application and the relevant excerpt of the same reads thus: -

Agenda Votes List

SI D	Login Id	Compan y Name	Agenda	Vote	Wcig htagc	Date	IP Addr ess :
1	agmcl2.50950@sbi.co.in	State Bank of India	To Resolve to approve/ accept the Revised Resolution Plan submitted by "The Statesman Ltd" dated 30th September 2024 (emailed on 30th September 2024 and signed Resolution Plan received on 3rd October 2024) To resolve in accordance with section 30(4) & 30(6) of the Code read with regulations made thereunder, the approval of the member of Committee of Creditors be and is hereby accorded to the Resolution Plan submitted by "The Statesman Ltd" for the Corporate Debtor, United News of India and for filing of the approved Resolution Plan with Hon'ble Adjudicating Authority i.e. NCLT by the Resolution Professional To Resolve that the Resolution Professional be and is hereby authorized to file application for approval of resolution plan and do all such acts and things as may be required necessary or incidental thereto.	Accept /Yes	100.0	10/23/2024 12:33 PM	122.16 2.150.1 17
2	agmcl2.50950@sbi.co.in	State Bank of India	To Resolve to approve the appointment/ ratify as CIRP Costs the expenses of advocate Pooja Mahajan from Chandhiok and Mahajan. for : Drafting/ filing /appearances for filing the Application of Approval of Resolution Plan before the Honble NCLT (for preparing the final application and representing the RP in various dates regarding the matter and to obtain Orders by the Honble NCLT regarding the said matter) To resolve to ratify/ approve the Fees of advocate Ms Pooja Mahajan (Chandhiok & Mahajan) for Drafting/ filing /appearances regarding the Application of Approval of Resolution Plan to be filed, at a lumpsum discounted and negotiated cost of Rs 2,00,000 plus GST plus OPE and to ratify the said above fees as a CIRP Cost	Accept /Yes	100.0	10/23/2024 12:33 PM	122.16 2.150.1 17
3	agmcl2.50950@sbi.co.in	State Bank of India	To approve holding of COC Meetings atleast once in a Quarter and not to hold COC Meetings every month The amended CIRP Regulations, being the Regulation 18 of the CIRP Regulations are as follows: "A resolution professional shall convene a meeting of the committee before lapse of thirty days from the last meeting: Provided that the committee may decide to extend the interval between such meetings subject to the condition that there shall be at least one meeting in each quarter." Provided further that there shall be at least one meeting in	Accept /Yes	100.0	10/23/2024 12:33 PM	122.16 2.150.1 17



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			each quarter				
4	agmcl2.50950@sbi.co.in	State Bank of India	To ratify as CIRP Costs the updated expenses incurred during the Insolvency Resolution Process to allow the Resolution Professional to proceed smoothly with the process. : The details of the CIRP Costs are attached, which are primarily the costs being incurred to keep the Corporate Debtor as a Going concern	Accept /Yes	100.0	10/23/2024 12:33 PM	122.16 2.150.17
5	agmcl2.50950@sbi.co.in	State Bank of India	To return of the EMD of the Resolution Applicant, Care Education Welfare Society, as per request received from them	Accept /Yes	100.0	10/23/2024 12:33 PM	122.16 2.150.17
6	agmcl2.50950@sbi.co.in	State Bank of India	To return of the EMD of the Resolution Applicant, Kundan Care Products Ltd, as per request received from them	Accept /Yes	100.0	10/23/2024 12:33 PM	122.16 2.150.17

12. As seen from the application, following the results of the e- voting, the RP issued a letter of intent to the SRA in accordance with RFRP on 24.10.2024, which was accepted by the SRA on the same day. Following this, the SRA paid a Performance Guarantee of INR 20 Crores in accordance with RFRP. The above- mentioned facts have been recorded in para 4.62 of the application, which reads thus: -

4.62. Following the results on e-voting, the RP issued the letter of intent to Statesman/the Successful Resolution Applicant in accordance with the RFRP on 24 October 2024, which was accepted by them on the same day. Further, the Successful Resolution Applicant also paid a Performance Guarantee/ Performance Security of INR 20 Crores in accordance with the RFRP (INR 15 Crores transferred through RTGS on 24 October 2024 in addition to the earnest money deposit of INR 5 Crores which was already deposited in the account of Corporate Debtor and is being appropriated towards balance Performance Guarantee/ Performance Security). A copy of the letter of intent, as accepted by the Successful Resolution Applicant is annexed as Annexure A-22.



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13. The compliance certificate in prescribed Form- H, in terms of Regulation 39(4) of the CIRP Regulations, 2016, has been filed by RP and enclosed as Annexure- A1 of the application.

14. The Applicant/ RP has stated in the Form H that the Resolution Plan proposed by the SRA deals with the interest of all stakeholders, including employees and workmen, financial creditors and operational creditors, of the CD. The relevant excerpt of the Form H reads thus: -

(Amount in Rs.)

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	NA	NA	NA	NA
		(b) Other than (a) above:	NA	NA	NA	NA
		(i) who did not vote in favour of the Resolution Plan				
		(ii) who voted in favour of the Resolution plan	2,17,95,882	2,17,95,882	1,40,00,000	64.23 %
		Total[(a) + (b)]	2,17,95,882	2,17,95,882	1,40,00,000	64.23 %
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	NA	NA	NA	NA
		(b) Other than (a) above:	NA	NA	NA	NA
		(i) who did not vote in favour of the				



		Resolution Plan				
		(ii) who voted in favour of the Resolution plan				
		Total[(a) + (b)]	NA	NA	NA	NA
3	Operational Creditors	(a) Related Party of Corporate Debtor	NA	NA	NA	NA
		(b) Other than (a) above:				
		(i) Government	16,57,79,900	16,52,43,879	16,52,43,879	100 %
		(ii) Workmen	0	0	0	NA
		(iii) Employees	107,98,56,213	104,37,63,712	23,33,29,009	22.35 %
					*	*
					<i>This is besides the Actuarial Gratuity payable of approx. 11.96 Crores as on 31 March 2024</i>	<i>This is besides the Actuarial Gratuity payable of approx. 11.96 Crores as on 31 March 2024</i>
		(iv) Operational Creditors other than Government dues, Workmen and Employees	1,41,50,236	71,50,401	0	0 %
		Total[(a) + (b)]	125,97,86,349	121,61,57,992		
4	Other debts and dues	Other Creditors	1,74,15,049	1,74,15,049	0	0 %
	Grand Total		129,89,97,280	125,53,68,923		

15. The compliance of the Resolution Plan with the provisions of the Code as well as the Regulations made thereunder, as stated in Form H, reads thus: -



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?		Yes
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?		Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?		Yes
Section 30(2)	Whether the Resolution Plan- (a) provides for the payment of insolvency resolution process costs? (b) provides for the payment to the operational creditors? (c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan? (d) provides for the management of the affairs of the corporate debtor? (e) provides for the implementation and supervision of the resolution plan? (f) contravenes any of the provisions of the law for the time being in force?]	(a) Clause 6.6.1 & Clause 6.7.1 (b) Clauses 6.6.3, 6.6.4, 6.7.3, 6.7.4, 6.6.5, 6.7.5, 6.6.6, 6.7.6. (c) Clause 6.7.2 (d) Clause 8 & Clause 10 (e) Clause 8 & Clause 10 (f) Clause 8.3	(a)Yes (b)Yes (c)Yes (d)Yes (e)Yes (f)Yes
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC? (b) has been approved by the CoC with 66% voting share?	(a) Clause 6.1, 6.2 and 8.3 (b)	(a)Yes (b)Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Clause 8.1	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?]	Clauses 6.6.3, 6.6.4, 6.7.3, 6.7.4, 6.6.5, 6.7.5, 6.6.6, 6.7.6.	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Clause 6.5	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. (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?]	i) Clause 8.3 (a) ii) NA	Yes



Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	(a) Clause 10 (b) Clause 8 (c) Clause 8.1	(a)Yes (b)Yes (c)Yes
38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	(a) Clauses 5.6, 6.3 and 6.1. (b) Clause 6.1, 6.2 and 8.3 (c) Clause 8.1 (d) Clause 11.4.1 (e) Clause 6.1, 6.2 and 6.3	(a)Yes (b)Yes (c)Yes (d)Yes (e)Yes
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	No	No
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.]	Clause 8.3 (e)	Yes

16. As regards the capital restructuring of the CD and infusion of fund into it by the SRA, the relevant excerpt of the Form H reads thus:

Working capital (Fresh infusion for improvement of business operations) by bringing in Equity / Quasi equity / debt, to the extent of Rs. 3 Crores (Rupees Three Crores only) within a period of 60 days from the Effective date has been proposed by the RA

8. The interests of existing shareholders have been altered by the Resolution plan as under:

Sl. No	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity	1200 Shares (11.78%)	9,999	11.78 %	100
2	Preference	0	0	0	0
Creditor		Amount Proposed under the Resolution Plan		Remarks	
Preference Shareholders		0.00		The CD has not issued any preference shares.	
Equity Shareholders		0.00		The paid-up equity share capital is Rs. 0.10 Crores as per the Balance Sheet as on 31 st March 2023. No amount is proposed in the Resolution Plan for payment to the equity shareholders.	

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As part of the Resolution Plan, the Resolution Applicant will infuse an amount by way of equity, equity-linked, quasi equity and or other securities and or shareholder debt and / or deposits, third party debt or a combination thereof for the implementation of the Resolution Plan, which shall be determined by the Resolution Applicant at its sole discretion

The proposed shareholding pattern, upon handover of the Corporate Debtor to the Resolution Applicant and payment of the Rs. 10 lakhs towards share capital proposed under the Plan, is as follows:

Sl. No.	Shareholder's Name	Type of share	No. of shares proposed	Amount per share (Rs.)	Share capital (Rs.)
1.	A subsidiary of the RA which would be a private limited company or an LLP or any other entity of the RA to be incorporated	Equity	9,999	100	9,99,900
2.	Nominee of the RA	Equity	1	100	100
Total					10,00,000

Equity Shareholders:

The RA does not propose any payment towards the existing equity shareholders. The entire paid-up share capital of Rs. 0.10 Crores shall stand extinguished. However, the authorised equity share capital shall continue to stand at Rs. 25,00,000 comprising of 25,000 equity shares of Rs.100. The Corporate Debtor shall issue fresh equity shares post such extinguishment, as detailed in Clause 6.6 above.

Clause 6.6.12 of the Plan states: Working Capital Infusion, Capital Restructuring, Funding and Utilization:

The Resolution Applicant proposes to invest into the Company by bringing in Equity / Quasi equity/ debt to the extent of Rs. 3 Crores (Rupees Three Crores only) within a period of 60 days from the Effective date towards Capital Restructuring, Funding and Utilization.

This amount of Rs. 3 Crores (Rupees Three crores only) indicated above is over and above the total Resolution Plan amount.

Within 60 days of approval of this Resolution Plan by the Adjudicating Authority and upon fulfilment of the entire payment obligations under this Plan, the existing Equity Shares held by the erstwhile Shareholders would stand fully extinguished by way of reduction in capital of the Company. However, the authorized share capital would continue to stand at Rs. 25,00,000 comprising of 25,000 equity shares of Rs.100 each.

17. As per Section 30(1) of the Code, a resolution applicant needs to

submit, along with the resolution plan, an affidavit stating that he is eligible

under Section 29A of the Code to the RP. In this respect, the affidavit under

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Section 29A of the Code has been submitted by the SRA and is enclosed as Annexure- 3 of the application. In the affidavit, the SRA has declared that it is not disqualified from submitting the resolution plan in terms of the aforesaid provision. The Applicant/ RP has also certified that the contents of the aforementioned affidavit are in order.

18. The Resolution Plan submitted by the SRA, which stands approved by the CoC, has been enclosed as Annexure- 2 of the application. In clause 6.4 of the plan, compliance of Regulation 37 of CIRP Regulations, 2016 has been indicated, which reads thus: -

As per Reg.37 of IBBI (IRPCP), Regulations, 2016, a Resolution Plan shall provide for the measures, as may be necessary, for insolvency resolution of the Corporate Debtor for maximization of value of its assets, including but not limited to the following:

Sl. No.	Measures	Provision made in Resolution Plan
A	Transfer of all or part of the assets of the Corporate Debtor to one or more persons	It is not proposed to transfer any of the assets of CD during the implementation of the Resolution Plan.
B	Sale of all or part of the assets whether subject to any security interest or not	It is not proposed to sell any of the assets of CD during the implementation of the Resolution Plan.
Ba	Restructuring of the Corporate Debtor, by way of merger, amalgamation and demerger	The plan does not propose for restructuring of the CD by way of merger, amalgamation or demerger.
C	the substantial acquisition of shares of the Corporate Debtor, or the merger or consolidation of the Corporate Debtor with one or more persons	Existing shares of the CD are proposed to be extinguished and fresh issue of shares is proposed to a subsidiary of the RA which would be a private limited company or an LLP or any other entity of the RA to be incorporated as detailed in Clause 6.6.
Ca	cancellation or delisting of any shares of the Corporate Debtor, if applicable;	Existing shares of the CD are proposed to be extinguished and fresh issue of shares is proposed to a subsidiary of the RA which would be a private limited company or an LLP or any other entity of the RA to be incorporated as detailed in Clause 6.6.
D	satisfaction or modification of any security interest	The plan proposes for satisfaction of security interests in full. Please refer Clause 6.6.2 of this plan.

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E	curing or waiving of any breach of the terms of any debt due from the Corporate Debtor	The plan proposes for waiver and curing of breach of terms of debt due from CD. Please refer Clause 7(i) of this plan.
F	reduction in the amount payable to the creditors	Refer to Clause 6.7 of this Plan.
G	extension of a maturity date or a change in interest rate or other terms of a debt due from the Corporate Debtor	No extension of maturity date or change in interest rate is proposed in the Plan.
H	amendment of the constitutional documents of the Corporate Debtor	No change proposed in the Plan.
I	issuance of securities of the Corporate Debtor, for cash, property, securities, or in exchange for claims or interests, or other appropriate purpose;	RA proposes that equity shares for a value of Rs. 10 lakhs will be issued at par by the CD as detailed in Clause 6.6 as part of the Resolution Plan amount.
J	change in portfolio of goods or services produced or rendered by the Corporate Debtor	No change proposed.
K	change in technology used by the Corporate Debtor	No change proposed.
L	obtaining necessary approvals from the Central and State Governments and other authorities	Refer Clause 11.4.1.

19. The payment to be made to various stakeholders under the Resolution Plan, including payment of CIRP cost as well as payment to creditors has been provided in clause 6.7 of the plan, which reads thus: -

“6.7. Payment Terms

6.7.1. CIRP Costs

RA has proposed an amount of Rs. 13.77 Crores as estimated CIRP costs as on 20th August 2024 based on the information provided by the Resolution Professional. If the actual expenses exceed the proposed amount for CIRP, excess CIRP cost will be met out of the receivables during the CIRP period / available cash flows of the Corporate Debtor and any remaining amount will be met from the Contingency Fund of Rs. 5 Crores being put up by the Resolution Applicant for the purpose.

In the event that the final CIRP costs as on the date of approval of the Resolution Plan exceeds the amount provided above and the Contingency Fund, the same will be adjusted proportionately out of the



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payment proposed to Financial Creditors (secured) and Operational Creditors (employees).

In the event that the final CIRP costs exceed the amount payable to Financial Creditors (secured) and Operational Creditors (employees), any shortfall will be brought in by the RA to pay off the CIRP costs in full.

The RA hereby clarifies that any such adjustment shall not affect the payment towards gratuity and/or actuarial gratuity, which shall be paid to the employees by the RA in accordance with applicable laws.

The RA hereby confirms that they will be paying the CIRP Costs in priority to all payments under this Resolution Plan, at actuals, even if the same exceeds Rs. 13.77 Crores, the receivables and available cash flows of the Corporate Debtor or the Contingency Fund amount.

The entire CIRP expenses will be paid upfront within 60 days from the Effective Date.

6.7.2. Payment to Financial Creditors (Secured & Unsecured)

The entire amount of Rs. 1.40 Crores proposed in the plan for payment to the Financial Creditors (Secured and Unsecured), will be paid upfront within 60 days from the Effective Date.

In the event that the final CIRP costs as on the date of approval of the Resolution Plan exceeds the amount of Rs. 13.77 Crores provided towards CIRP Costs, the receivables and available cash flows of the Corporate Debtor and the Contingency Fund of Rs. 5 Crores, the excess CIRP costs will be adjusted proportionately out of the payment proposed to Financial Creditors (secured) and Operational Creditors (employees). Accordingly, the payment proposed to the Financial Creditors (Secured) will stand reduced to such extent.

Any such adjustment shall not affect the payment towards gratuity and/or actuarial gratuity, which shall be paid to the employees by the RA in accordance with applicable laws.

Payment to Financial Creditors (Secured & Unsecured) - who did not vote in favour of the Resolution Plan

The dissenting Financial Creditors (i.e. those Financial Creditors who vote against, or abstain from voting for, the Resolution Plan approved by the CoC) shall be paid an amount not less than an amount to be paid to them in accordance with Section 53(1) of the IBC in the event of Liquidation of the Corporate Debtor.

6.7.3. Payment to Operational Creditors (Workmen)



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No claims were received from Operational Creditors (Workmen).

6.7.4. Payment to Operational Creditors (Employees)

The total claims admitted from Employees is Rs. 104.37 Crores, as on 11th July 2024. An amount of Rs. 15.21 Crores is proposed for payment towards gratuity dues and provided for in the plan. Further, an amount of Rs. 8.12 Crores is proposed for payment to employees in proportion to the claims admitted by the RP, as full and final settlement in priority to the payment to be made to the Financial Creditors.

The entire amount proposed towards employees/workmen dues will be paid upfront within 60 days from the Effective Date in priority to payment to the Financial Creditors.

In the event that the final CIRP costs as on the date of approval of the Resolution Plan exceeds the amount of Rs. 13.77 Crores provided towards CIRP Costs, the receivables and available cash flows of the Corporate Debtor and the Contingency Fund of Rs. 5 Crores, the excess CIRP costs will be adjusted proportionately out of the payment proposed to Financial Creditors (Secured) and Operational Creditors (Employees). Accordingly, the payment proposed to the Operational Creditors (Employees) will stand reduced to such extent.

Any such adjustment shall not affect the payment towards gratuity and/or actuarial gratuity, which shall be paid to the employees by the RA in accordance with applicable laws.

No further liability towards workmen and employees over and above the afore stated amount in respect to the period prior to the Insolvency Commencement Date, including any statutory payments thereon shall devolve on the Resolution Applicant or the Corporate Debtor.

Note:

- a. As per Regulation 38(1) of the CIRP Regulations, the amounts due to the Operational Creditors will be given priority in payment over the Financial Creditors.
- b. This payment to employees shall also include all liabilities of the Company arising from payment of Provident Fund contribution (both employer and employee contributions) and gratuity liabilities and any other liability of the Company, whether contractual, statutory or otherwise, towards its workmen, staff, employees and any other person working with the Company on its pay roll. The claims given by the Statutory Authorities has been dealt with in Clause 6.6.5.

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c. The above-mentioned payment shall constitute a full and final settlement of all workmen and employees' dues (including pertaining to payment of salary, bonus, leave encashment, terminal benefits, statutory contributions and any other statutory liability) for the period prior to the CIRP commencement date. All balance dues, whether in past, present or future other than what is provided for, pertaining to the workmen and employee of the Company, for the period prior to the CIRP commencement date, shall stand settled in the manner set out above.

d. All the litigations/proceedings by employees/ workmen or before any labour department/ Court for non-payment of any dues/ contribution or any other moneys shall be withdrawn and stand dismissed accordingly and the Corporate Debtor/ Resolution Applicant shall no longer be required to make any payments/ dues by whatsoever name called in relation to such litigations/proceedings/ dues by whatever name so called, upon fulfilment of payment obligations as per this Resolution Plan. The Resolution Applicant confirms that such withdrawal or dismissal is not a condition for implementation of the Resolution Plan and where required, it shall take steps for purposes of abatement and withdrawal of relevant proceedings.

e. In case any stock options or warrants or rights to Equity Shares have been granted to workmen/ employees pursuant to any employee stock option plan/policy of the Company, such options/ warrants/ rights, whether vested or unvested, exercised or un-exercised shall stand revoked with no claims or liabilities against the Corporate Debtor or the Resolution Applicant.

The Resolution Applicant shall endeavour to retain all employees after assessment of their skill and competence. The Resolution Applicant hereby confirms that the provisions of the IBC, 2016 and all applicable laws shall be duly complied with in respect of compensation, if any, payable if the existing employees are not retained.

6.7.5. Payment to Operational Creditors (Government Dues)

All payments proposed in the Resolution Plan towards admitted claims from Operational Creditors (Government dues) will be made upfront within 60 days from the Effective Date.

The amount payable to Operational Creditors (Government Dues) will be paid in priority to payments to Financial Creditors.



6.7.6. Operational Creditors (Other than Workmen and Employees and Government Dues):

The RA does not propose any payment towards these Operational Creditors.

6.7.7. Contingency Funds

All payments proposed in the Resolution Plan towards establishing a Contingency Fund will be made upfront within 60 days from the Effective Date. The unutilised contingency funds, if any, will be credited to the account of Corporate Debtor for their disposal after 60 days from the date of approval of Resolution Plan by the Adjudicating Authority.

6.7.8. Payment to Other Creditors

No payment has been proposed towards Other Creditors under the Plan.

6.7.9. Actuarial Valuation of Gratuity

The entire amount of Rs. 11.96 Crores proposed in the plan for payment towards gratuity will be brought in upfront within 60 days from the Effective Date. However, the payment to the employees will be made as per the Payment of Gratuity Act, 1972 and other applicable laws, if any. In case the amount of actuarial valuation increases as on the effective date, the RA confirms that actual gratuity dues will be paid in accordance with the applicable laws by bringing in additional funds or out of the funds available with the Corporate Debtor at that time.

6.7.10. Payment to Preference Shareholders

The Corporate Debtor does not have any preference shareholders.

6.7.11. Payment to Equity Shareholders

No payment has been proposed in the Resolution Plan for Equity shareholders.

6.7.12. Working Capital Infusion, Capital Restructuring, Funding and Utilization

Working capital (Fresh infusion for improvement of business operations) by bringing in Equity / Quasi equity / debt, to the extent of Rs. 3 Crores (Rupees Three Crores only) within a period of 60 days from the Effective date has been proposed by the RA."

20. As can be seen from the aforesaid clauses of the plan, the CIRP costs is to be paid in priority to the payment of other debts. Moreover, as stated above, the secured financial creditor i.e. the SBI, shall be paid a sum of Rs. 1.40 crores against the admitted claim of about Rs. 2.17 Crores as final and



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full settlement of their claims. Furthermore, no claims have been received from any unsecured financial creditors as well as workmen. With respect to employees, against the admitted claim of Rs. 104.37 Crores, the plan provides for Rs. 23.33 Crores, comprising of Rs. 15.21 Crores towards gratuity dues and interest thereupon and an amount of Rs. 8.12 Crores towards payment to employees in proportion to the claims admitted by RP, as full and final settlement of their claims. With regard to Government dues, the plan proposes payment of 100% of the admitted claim i.e. Rs. 16.52 Crores towards full and final settlement of the claims. Thus, against the admitted claim of Rs. 125,53,68,923/-, an amount of Rs. 41,25,72,888/- has been proposed to be paid under the plan as per the breakup given in the table reproduced under paragraph 14 of this order, which amounts to 32.86% of the admitted claim.

21. As there was some doubt regarding the responsibility taken by SRA to meet CIRP cost as also the payment of actuarial gratuity, the matter was listed on 11.02.2025 (yesterday) for clarification regarding payment of unpaid CIRP costs and gratuity payments as well as the use of money available in the contingency fund. Further, to address the aforementioned doubts, the RP as well as the SRA were directed to file separate affidavits. The order dated 11.02.2025 passed by this Tribunal recording the aforementioned points of clarification and direction reads thus: -

IA-60/2024: *Having perused the record, we had certain doubt regarding the provisions made in the Resolution Plan such as:- 1) whether the amount payable as CIRP cost from August 2024 would be deducted from the amount payable to the creditors; 2)*



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whether the contingency fund of Rs. 5 crores would be utilized only after utilization of fund of the corporate debtor or as a threshold measure; 3) whether the amount of actuarial value of gratuity payable in terms of the plan would be chargeable from the funds of the corporate debtor or the SRA would be liable to make payment of the amount from his own sources.

In view of the aforementioned, the Ld. Counsel appearing for the RP submitted that an affidavit of SRA clarifying that:- the CIRP cost of Rs. 18.12 crore would be borne by the SRA by utilization the amount referred to in clause 6.7.1. It is the stand taken on behalf of the RP that- 1) the amount of 13.77 crore indicated in said clause as also contingent fund of Rs. 5 crores would be utilized to meet the CIRP cost and only then any liability on the funds of the CD would be created 2) as the contingency fund would be utilized to meet CIRP cost ahead of charge on any other amount such as the amount payable to creditors or the funds of CD, there may not be any possibility suggesting that the contingency fund will vest in SRA; 3) the amount of actuarial gratuity as provided in the Resolution Plan would be payable by the SRA only.

Let the affidavit on aforementioned lines be filed by both the SRA as well as RP by tomorrow (i.e. 12.02.2025).

*List on **12.02.2025.***

22. In compliance of the aforementioned order dated 11.02.2025, both the RP as well as the SRA filed separate affidavits dated 11.02.2025 wherein it was deposed that as on the date of filing of affidavit, the approximate unpaid CIRP costs stood at Rs. 18.3 crores. It was further submitted that in addition to Rs. 13.77 cores which the Statesman i.e. the SRA had committed to pay upfront and in priority to other payments within 60 days



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from the Effective Date, the cost in excess of 13.77 crores would be paid by the SRA from the contingency fund of Rs. 5 crores, and that in case the contingency fund proves to be insufficient to pay the unpaid CIRP costs, then it shall be adjusted proportionately out of the payment proposed to Financial Creditors and Operational Creditors (employees). It was also submitted that as on the date of filing of the affidavit, the amount of Rs. 13.77 cores (as proposed in the plan) and Rs. 5 crores (from the contingency fund) would be sufficient to pay the unpaid CIRP costs of Rs. 18.3 cores and that there would be no requirement of any adjustment from the amounts payable to the creditors. Moreover, with respect to the payment of gratuity, the RP submitted in the affidavit that the SRA has committed to pay entire gratuity due and payable to the employees/ workers as per the plan and that such payment shall be the responsibility of the SRA. The relevant excerpt of the affidavits dated 11.02.2025 filed by the RP and the SRA reads thus: -

**AFFIDAVIT BY Ms. POOJA BAHRY, RESOLUTION PROFESSIONAL OF
UNITED NEWS OF INDIA**

The present affidavit is being filed by Ms. Pooja Bahry, aged about 45 years w/o Mr. Rohit Bahry, Resolution Professional of United News of India ("Corporate Debtor"), resident of 59/27 Prabhat Road, New Rohtak Road, New Delhi-110005, pursuant to the directions of this Hon'ble Adjudicating Authority *vide* Order dated 11 February 2025.

[...]

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Clarification regarding CIRP Cost:

2. That as informed to this Hon'ble Adjudicating Authority, as on date, the approximate unpaid CIRP costs are estimated to be INR 18.3 Crores.
3. Under its Resolution Plan, Statesman has committed that it will pay the CIRP Costs at actuals in full, upfront, in priority to other payments under the Resolution Plan, within 60 days from the Effective Date.
4. That the estimated unpaid CIRP Costs as on 20th August 2024 was INR 13,77,73,835/- (INR 13.77 Crores).
5. That the Resolution Plan of Statesman provides that Statesman will bring in 13,77,73,835/- for paying unpaid CIRP costs. The Resolution Plan further provides that, in addition, Statesman will bring in the Contingency Fund of INR 5,00,00,000/- (INR 5 Crores). In the event that the actual CIRP Costs to be paid exceeds INR 13,77,73,835/-, the excess CIRP Costs (i.e. costs over and above INR 13,77,73,835/-) will be paid by Statesman from the Contingency Fund of INR 5 Crores. If the Contingency Fund is also not sufficient to pay unpaid CIRP Costs, the CIRP costs will be adjusted proportionately out of the payment proposed to Financial Creditors and Operational Creditors (Employees). [Ref: Clause 6.4 (Page 97), Clause 6.6.1 (Page 105), Clause 6.6.7 (Page 112), Clause 6.7.1 (Page 114).
6. That as mentioned, as on date, the unpaid CIRP costs are estimated to be INR 18.3 Crores. Hence, the amounts to be brought in by Statesman (INR 13,77,73,835 plus Contingency Fund of INR 5 Crores, i.e. INR 18,77,73,835) are sufficient to pay unpaid CIRP costs (as on date), without any requirement of adjustment from the amounts payable to the creditors.

7. Further, if any amount is left in the Contingency Fund, the same will be used for paying other operational dues during the implementation period. Hence, there is not going to be any unutilized Contingency Fund at the end of the



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implementation period (i.e. 60 days from the date of approval of the Resolution Plan by the Adjudicating Authority).

Clarification regarding payment of Gratuity:

8. That Statesman has committed that it will pay the entire gratuity due and payable to the employees/ workers as per the Resolution Plan and in accordance with applicable law. Statesman has also committed that the payment of gratuity to the employees/ workers of the Corporate Debtor, as per the Resolution Plan and applicable law will be the responsibility of Statesman.

[***]

**AFFIDAVIT BY THE STATESMAN LIMITED, SUCCESSFUL
RESOLUTION APPLICANT OF UNITED NEWS OF INDIA**

[...]

Clarification regarding CIRP Cost:

1. That Statesman commits that it will pay the CIRP Cost at actuals in full, in priority to other payments under the Resolution Plan.
2. That the Resolution Professional had estimated the unpaid CIRP Costs to be INR 13,77,73,835/- (INR 13.77 Crores) as on 20th August 2024. The Resolution Plan of Statesman provides that Statesman will bring in 13,77,73,835/- for paying CIRP costs. That, in addition, Statesman will bring in the Contingency Fund of INR 5,00,00,000/- (INR 5 Crores). In the event that the actual CIRP Costs to be paid exceeds INR 13,77,73,835/-, the excess CIRP Cost (over and above INR 13,77,73,835/-) will be paid from the Contingency Fund of INR 5 Crores.



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3. As informed by the Resolution Professional, as on date the unpaid CIRP costs are estimated to be INR 18.3 Crores. Hence, as on date, INR 13,77,73,835/- plus INR 5 Crores, i.e. INR 18,77,73,835/- to be brought in by Statesman will be utilized for paying CIRP Cost, without any requirement of adjustment from the amounts payable to the creditors. Further, if any amount is left in the Contingency Fund, the same will be used for paying other operational dues during the implementation period. Hence, there is not going to be any unutilized Contingency Fund at the end of the implementation period (i.e. 60 days from the date of approval of the Resolution Plan by the Adjudicating Authority).

Clarification regarding payment of Gratuity:

4. Statesman reiterates and commits that it will pay the entire gratuity due and payable to the employees/ workers in accordance with the Resolution Plan. The payment of gratuity to the employees/ workers of the Corporate Debtor, as per the Resolution Plan and applicable law will be the responsibility of Statesman.



It is also apposite to note that when the matter was heard today i.e. on 12.02.2025, it was made clear by the RP as well as the SRA that if the plan is approved as on date i.e. today, then no amount would be deducted from the dues payable to creditors at all and the amount provided to meet CIRP cost as also the contingency fund would be in excess of the unpaid CIRP cost. It was also made clear both by the RP and the representative of SRA namely Mr. RP Gupta, the Chairman of The Statesman Limited, that the entire amount of contingency fund indicated in clause 6.7.7 would be infused and if any amount would remain in balance after meeting the cost of CIRP, then the same would be utilized to meet the operational dues.

Both the RP and the SRA also made it clear that the amount of actuarial

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gratuity would not be left to be met by funds of the Corporate Debtor and the funds to meet such liability would be arranged by the SRA. To further fortify the above position, the Representative of SRA i.e. Mr. RP Gupta, the Chairman of the Statesman Limited, made a statement at the bar that it would be the SRA which would incur the entire liability to pay the amount of actuarial gratuity and the liability will not be left to be met by funds of the Corporate Debtor. He also gave in writing a written statement in the Court, which reads thus: -

“This is to confirm that the Successful Resolution Applicant, the Statesman Limited will be responsible for paying actuarial gratuity (by bring funds) without recourse to the funds of the Corporate Debtor.”

23. As per the Resolution Plan, the complete payment by the SRA will be made upfront within 60 days from the date of approval of the plan. The clause 6.8 of the plan, providing the payment schedule, reads thus: -

6.8. Payment Schedule of Resolution Plan Amount:

Payment proposal	Total
Payment after NCLT approval in ==>	Plan Amount
	(upfront within 60 days)
	Rs. in actuals
CIRP costs	13,77,73,835.00
Financial creditors (Secured)	1,40,00,000.00
Financial creditors (Unsecured)	-
Operational Creditors – Employees	23,33,29,009.00
Operational Creditors – Workmen	-
Operational Creditors - Government Dues	16,52,43,879.00
Operational Creditors – Other than Workmen and Employees and Government Dues	-
Other Creditors	-
Others – Gratuity Actuarial Valuation*	11,96,53,277.00
Contingency Fund	5,00,00,000.00
Preference Shareholders	-
Equity Shareholders	-
Total	72,00,00,000.00

24. As to the source of funds, the SRA at clause 6.9 of the Resolution Plan has stated that it has sufficient funds to make the payment prescribed



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under the plan and has the ability to raise such amounts from other sources also. Clause 6.9 of the plan reads thus: -

“6.9. Source of Funds

*Upon approval of the Resolution Plan by the AA, the Resolution Applicant will bring in the entire amount of Rs. **72,00,00,000/- (Rupees Seventy-two Crores only)** within 60 days from the Effective Date and credit the amounts to separate “No-Lien” current accounts for Resolution Plan account, which would be opened and operated by the Resolution Professional acting as the monitoring Agent.*

The Resolution Applicant confirms that he has sufficient funds to make the payments described in Clause 6.5 above and / or has the ability to raise such amounts from other sources also. The Resolution Applicant has assets which it intends to monetise over a period of time and utilise it for the payment proposed under the plan.

The Resolution Applicant retains the right to arrange for this funding from various banks or financial institutions or any other lenders.”

25. As per Regulation 38(2)(d) of the CIRP Regulations, 2016, a resolution plan shall provide the manner in which the proceedings with respect to avoidance transactions and fraudulent/ wrongful trading is to be pursued and the manner in which the proceeds, if any, from such proceedings shall be distributed. In this respect, the SRA has stated in clause 7.2 of the plan that any pending application before this Tribunal will be to the advantage of the SRA and cost/ expenses pertaining to such recovery proceedings will be borne by the SRA. Clause 7.2 of the plan reads thus: -

“7.2. Treatment of Avoidance Transactions:

Based on the Transactions Audit that may have been conducted during CIRP, if any applications are pending before the Hon’ble NCLT, any claims to the credit of the Corporate Debtor will be to the advantage of the Resolution Applicant.



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Any costs / expenses with respect to such recovery proceedings to be borne by the Resolution Applicant.”

It is pertinent to note that the Applicant/ RP has stated in the application that AKG & Associates were appointed as Transaction Auditor of the CD and based on the report of the Transaction Auditor as well as the records of the Corporate Debtor, no avoidance transactions have been reported in terms of Section 43, 45, 50 or 66 of the Code and thus, no such application has been filed by the RP.

26. It is also apposite to note that in clause 5.6 of the resolution plan, the SRA has stated the cause of default by the CD and how the same is to be addressed. Clause 5.6 of the plan reads thus: -

“5.6. Reasons for current financial distress:

- *Termination of subscription by major newspapers*
- *Termination of subsidy by National Council for Promotion of Urdu Language*
- *A huge chunk of the assets of UNI including buildings, leasehold land, etc., are tied up in litigations.”*

27. Further, the resolution plan under clause 6.1 and 6.2 also demonstrates as how the plan will be feasible and viable. The said clauses read thus: -

“6.1. Business Plan:

Revamp of wire service operations: *It is proposed to re-align existing operations of UNI - provision of wire services in English, Hindi and Urdu - to make them both contemporary and relevant to subscribers. Towards this end, it is proposed to do the following:*



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- Expansion of news operations by inducting multimedia journalists, i.e. those who can file copy as well as operate high-end smartphones in order to provide text, photographs and video coverage of events.
 - Expansion of desk operations to offer analytical and background reports on major news events.
 - Upgradation of backend operations to create robust infrastructure that can take cater to the need for speedy assimilation and transmission of text, as well as high-resolution photographs and video feeds.
 - Setting up of a strong marketing team to sell the revamped product to newspapers, magazines, web portals, libraries and other users using a carefully crafted pricing mechanism.
 - Upgradation of the website to make it commercially viable.
 - Creating specially curated news events that will reinforce the brand.
- The RA proposes to incorporate a subsidiary which would be a private limited company or an LLP or any other entity in order to acquire the entire share capital of the CD. The RA further confirms that the issue of shares to the subsidiary/LLP/nominee will be in compliance with Section 29A of the IBC, 2016.
- The RA shall also have liberty to convert the CD from a Section 8 Company to a private limited company/LLP etc., for profit by taking necessary approvals within a period of one year from the Effective Date.
- The RA clarifies that the aforementioned liberty is not a condition with respect to the payment provided under this Resolution Plan.”

“6.3. Management Team

Mr. R P Gupta is a Chartered Accountant with more than four decades’ experience and is well-versed with the financial skills necessary for effecting a resolution of the CD.

Mr. Amit Gupta is a Chartered Accountant with more than two decades’ experience.

Mr. Ravindra Kumar is a journalist of more than 46 years’ standing and has been Editor of The Statesman since 2003. He has deep knowledge of the media business. He served on the board of the CD for nearly 15 years - from 1991 - and was twice Chairman of its Board of Directors. He has previously been President of the Indian



Newspaper Society, Chairman of Media Research Users' Council, Chairman of Asia News Network, a member of the Press Council of India and a Member of the Central Board of Film Certification. Mr Kumar has won the Durga Ratan Award for Investigative Journalism and the IIPM Award for Excellence in Journalism.

The experience and expertise of the above three Directors would help in leading the team to turnaround the CD.

The RA proposes to set in place a team of key management personnel drawing on the strengths of its board of directors.

The financial operations will be streamlined by Mr. R P Gupta and Mr. Amit Gupta. The editorial operations will be revamped under the leadership of Mr. Ravindra Kumar. Marketing operations will be overseen by the RA's Printer and Publisher, Mr. Vineet Gupta. Effective personnel will be engaged to take charge of line functions under the leadership of RA's KMP."

28. As can be seen from the remark against Section 30(2)(a) (ibid) in the table of compliance reproduced above, the RP has stated that the plan does not contravene any provision of law. It is also noted in clause 8.3 of the plan that the SRA has specifically declared that the same is not in contravention of the provisions of the applicable law. The clause reads thus: -

"8.3. Compliance

The Resolution Applicant:

a. *Confirms that the Resolution Applicant or any of its connected persons has not withdrawn from or failed to implement or contributed to the failure of implementation of any other Resolution Plan approved by the Hon'ble NCLT at any time in the past.*

b. *Declares that the Resolution Plan is feasible and viable as detailed under Clauses 6.1 and 6.2.*

c. *Declares that the Resolution Plan is not in contravention of provisions of the law for the time being in force and is in strict compliance with the IBC and the CIRP Regulations.*



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d. Represents that the Resolution Applicant is not disqualified or ineligible under the IBC and the CIRP Regulations from submitting a Resolution Plan for the Corporate Debtor.

e. Undertakes that every information and records provided in connection with or in the Resolution Plan is true and correct and that discovery of any false information and record at any time will render the Resolution Applicant ineligible, forfeit any refundable deposit and attract penal action under the IBC.”

(Emphasis Supplied)

29. As per Regulation 38(4) of the CIRP Regulations, 2016, the CoC may consider the requirement of a Monitoring Committee for the implementation of the plan. In this respect, clause 8.1.1. of the plan states that within one week of the approval of the plan by this Tribunal, a Monitoring Committee shall be formed comprising of 3 representatives of the SRA, 1 representative from the employees of the CD and 1 representative from the CoC. It is further stated therein that the RP will be the Monitoring Agent but will not be a member of the Monitoring Committee. The relevant excerpt of the plan reads thus: -

“8.1. Monitoring Committee:

8.1.1. Formation of MC:

i. The Monitoring Committee shall be formed within 1 week from the date of approval of the Resolution Plan by the Hon'ble Adjudicating Authority and comprise of the following persons:

- a. 3 Representatives nominated by the RA;*
- b. 1 Representative from the Employees of the CD;*
- c. 1 Representative from the Committee of Creditors;*

The Resolution Professional will be the Monitoring Agent and will not be a Member of the MC. The RP will only facilitate and implement the Resolution Plan. It is hereby clarified that the RP will not have any



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voting rights in the Monitoring Committee. The RP will continue to manage the operations of the CD till constitution of MC.

The Monitoring Agent shall perform inter alia the following obligations and shall be vested with all authority for the same by the Monitoring Committee:

- a. ensure filing of relevant e-forms with the Registrar of Companies in relation to all actions required to be taken for the purpose of completion of the acquisition of the Corporate Debtor by the Resolution Applicant;
 - b. make or cause to be made, on behalf of the Corporate Debtor, all applications for regulatory and third-party approvals required for implementation and consummation of the transactions contemplated in the Resolution Plan in a form and manner agreed with the Resolution Applicant;
 - c. undertake those tasks as directed by the Monitoring Committee which are required to maintain the Corporate Debtor as a going concern with sound financial health;
 - d. make payment to all creditors, on such dates as may be determined from this Resolution Plan, into the relevant bank account of the recipients, where such accounts are notified to the Resolution Professional in a timely manner and in accordance with the provisions of the applicable laws;
- ii. It is proposed that whatever expenses or cost incurred by the Monitoring Committee for operating the business activities of the Corporate Debtor will be met by the Resolution Applicant during the time of implementation of the Resolution Plan.

8.1.2. Duties of MC:

The Monitoring Committee shall have such duties as contemplated in various parts of the Resolution Plan. Without prejudice to the generality of the aforesaid statement, the Monitoring Committee shall be responsible for facilitating the implementation of the Resolution Plan until the disbursement of monies payable under the Resolution Plan.

- i. The Monitoring Committee shall act as facilitators for implementation of the Resolution Plan and as such, shall ensure the smooth transition of the management of the Corporate Debtor under this Resolution Plan. Without prejudice to the generality of



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the foregoing, the Monitoring Committee shall facilitate the following:

a. The MC shall be required to maintain the going concern status of the Corporate Debtor, to the extent provided for in the NCLT approved Resolution Plan.

b. It shall be incumbent upon the MC to supervise the implementation of the Resolution Plan and in this regard the MC is competent to take necessary actions including but not limited to various acts, deeds, matters, executing documents as may become necessary' for the purpose of giving effect to the Resolution Plan approved by the Adjudicating Authority. Accordingly, the CoC, the MC, the Corporate Debtor itself, its management, both financial creditors and operational creditors and others shall extend all necessary support and assistance as may be required for the successful implementation of the plan, for the various actions to be taken by MC during the tenure of implementation.

c. The MC shall cause to effect filing of various forms and declarations with the statutory and regulatory authorities such as MCA, Income Tax Authorities, Local Authorities, Pollution Control Boards, GST, Professional Tax, EPF and ESI Authorities, Labour department, Prohibition and Excise and Customs Department and all other statutory authorities with respect to the approval of the Resolution Plan by the Adjudicating Authority and its implementation.

d. The MC and Monitoring Agent shall communicate approval of the Corporate Insolvency Plan by the Adjudicating Authority and matters incidental thereto including the consequential impact on its implementation with all the creditors, various security holders and all other parties concerned / stakeholders.

e. On approval of the Plan by the Adjudicating Authority and upon fulfilment of the entire payment obligations under this Plan, it shall be the primary duty of the MC to handover the absolute ownership of all the assets of the CD, free of all encumbrances/charges, to the RA, on an as is where is basis.

f. As of the approval date, the Resolution Applicant shall streamline and restructure the workforce comprising of the



workmen / employees / key management personnel of the company or renegotiate their contracts or make changes to the organisation structure by following the due process under law.

g. The Monitoring Committee shall facilitate the renewal / amendment / modification of any agreements of lease or license in respect of the equipment, and various Annual Maintenance Contracts, Service Agreements, Software Licenses etc., as may be required.

h. The Monitoring Committee shall call for, and the Resolution Professional acting as the Monitoring Agent, shall arrange to provide various documents, books of accounts, official records, agreements, licenses, permits, consents, including but not limited to building plan permits from the local authority, water and Sewerage Board, Licenses of lifts and DG sets, etc. It is hereby agreed that the Resolution Professional acting as the Monitoring Agent will undertake these acts on a reasonable effort basis with no personal liability, and all costs in respect of the same will be borne by the Corporate Debtor or the Resolution Applicant.

i. The MC shall verify and ensure availability of official records of all the workmen/employees concerned including but not limited to KMPs. The Monitoring Committee shall cause to verify and ensure availability of Fixed Assets Register, all vehicles RC book, Statutory Audit Reports, Internal Audit Reports, Secretarial Audit Reports, Statutory Registers, MCA filing records, Minutes of the Board of Directors or any other committee setup under the aegis of the Board of Directors, income tax filings, GST returns, service tax returns, other tax returns, PF and ESI returns and all other returns and any other documents as may be required and not limited to those mentioned herein and any other relevant document and working in relation to the same.

j. The Monitoring Committee and the Monitoring Agent shall cause to verify and deliver any other documents in possession of the Corporate Debtor as are necessary and incidental to the operations of the Company.



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k. The Monitoring Committee shall cause, as and when requested by the Resolution Applicant, to do all such general acts to the satisfaction of the Resolution Applicant which are found necessary and in the interest of the justice for the proper takeover of the management of the Corporate Debtor.

l. Further, the Monitoring Committee shall be responsible for facilitating obtaining all the approvals, permissions, name changes, transfers, etc. necessary for the successful implementation of the approved Resolution Plan. These include obtaining necessary clearances and permissions from SEBI, ROC, NCLT, and Regional Director; officials of the concerned departments of the state government, central government and local bodies.

- ii. Further, the Monitoring Committee shall authorise the Resolution Professional acting as the Monitoring Agent, to operate this No-Lien Current Account.
 - iii. The Monitoring Committee shall be responsible to carry out all post-approval actions, in order to ensure smooth transfer of all assets, including transfer of licenses to the Resolution Applicant.
 - iv. The Monitoring Committee shall cease to exist, post the completion of all obligations under this Resolution Plan.
 - v. The Monitoring Committee shall facilitate the implementation of all terms of the Resolution Plan in accordance with the terms thereof.”
30. Further, as per clause 9 of the Resolution Plan, the management of the affairs of the CD for the interim period between the approval of the plan by the CoC and the approval of the plan by this Tribunal would rest with the RP. The said clause reads thus: -

“9. MANAGEMENT OF THE AFFAIRS OF THE CORPORATE DEBTOR DURING INTERIM PERIOD

Resolution Professional shall manage the affairs of the Corporate Debtor as a going concern, for the Interim period between the approval of the Plan by CoC and approval by the Adjudicating Authority, without incurring any capex unless specifically warranted, on as is where is basis, in the best interest of the Resolution Applicant, Corporate Debtor,



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creditors and other stakeholders. In case there is any increase in the CIRP costs over and above what is provided for the RA will be paying the CIRP Costs in priority, at actuals as mentioned under clause 6.6.1 above.”

31. The implementation plan containing the proposed timelines has been provided under clause 10 of the Resolution Plan, which reads thus: -

10. IMPLEMENTATION PLAN

The proposed timelines for implementation of the Plan are below:

Activity	Timeline (days)
Approval by NCLT	T
Intimation to all Creditors, existing shareholders and other stakeholders of the Corporate Debtor	T+15
Intimation to the SEBI, Competition Commission of India, RBI, Tax authorities and various other statutory authorities (as applicable)	T+15
Seeking Requisite Approvals	T+60 days
Payment of CIRP Costs	T+ 60 days
Payment to Operational Creditors	T+ 60 days
Payment to Dissenting Financial Creditors	T+ 60 days
Settlement of Claims of Creditors as per the Plan	T+ 60 days
Change in Management of Corporate Debtor:	T + 60 days
(i) Issue and Allotment of shares to the RA and /or its subsidiary/LLP/nominee (which will be in compliance with Section 29A of the IBC, 2016) and cancellation / extinguishment of shareholding existing on the Effective date	
(ii) Formation of a professionally managed Board of the Corporate Debtor	
(iii) Appointment of professionally qualified key managerial employees of the Corporate Debtor;	

The RA hereby agrees that only after the entire financial payment obligations under the Plan are fulfilled, change in Board of Directors, shareholding etc. will be permitted by the Monitoring Committee.

32. It is pertinent to note that in clause 11 of the Resolution Plan, the SRA has sought a number of reliefs and concessions from this Tribunal.

Clause 11 of the plan reads thus: -



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"11. RELIEFS AND CONCESSIONS, DIRECTIONS AND ASSUMPTIONS

11.1. Deemed Consent and Approvals

For the implementation of the instant Resolution Plan and for the carrying out of the day to day affairs pertaining to the business of the Corporate Debtor after takeover of the Corporate Debtor by the Resolution Applicant, the consent for carrying out any actions not limited to those listed below, as may be necessary for the business of the Resolution Applicant shall be deemed to have been given by all the stakeholders including the Committee of Creditors, its members, their assignees, etc, subject to fulfilment of all payment obligations under the Resolution Plan.

- i. Liberty of conversion of Section 8 Company to a Private Limited Company for profit after obtaining necessary approvals as required under the provisions of the Companies Act, 2013.
- ii. The licenses, trademarks, patents, designs, Copyrights, etc. held by the Corporate Debtor shall continue to be in force and operative.
- iii. The giving of instructions to financial institutions maintaining accounts of the Corporate Debtor for a debit transaction from any such accounts;
- iv. Undertaking any related party transaction(s);
- v. Amending any constitutional documents of the Corporate Debtor;
- vi. Delegating the authority of the monitoring committee to any other person or committee;
- vii. Entering, modifying, terminating or waiving of material contracts (including lease deeds) by the Corporate Debtor;
- viii. Approving any expenditure, whether in the nature of capital expenditure or operational expenditure.
- ix. Making any change in the management of the Corporate Debtor;
- x. Appointing or dismissing or amending any terms of employment of key managerial personnel;



- xi. Making changes in the appointment or terms of contract of statutory auditors, secretarial auditors or internal auditors of the Corporate Debtor;
- xii. Selling, transferring, merging, demerging, restructuring or encumbering, in any manner, any asset of the Corporate Debtor or any of its direct and indirect subsidiaries or affiliates including renaming of the Corporate Debtor should be permitted;
- xiii. Raising any funds through borrowing, investment, venture capital, etc. shall be permitted and consent in this regard shall be deemed to have been obtained.
- xiv. Undertaking any transaction involving the merger, demerger, spin-off, amalgamation or consolidation of the Corporate Debtor or the business of the Corporate Debtor;
- xv. Disposing of or permitting the disposal of shares of any shareholder of the Corporate Debtor or their subsidiary/LLP/nominees;
- xvi. Commencing or settling any litigation by or involving the Corporate Debtor and admitting any new debt or liability;
- xvii. Submission of any application for renewal of permits, consents, approvals, etc. of the Corporate Debtor;
- xviii. Constitution of various committees of board of directors, its composition and/or any changes thereto;
- xix. Any action which has a material effect on the assets of the Corporate Debtor; and
- xx. Entering into any binding agreement to take any of the foregoing actions with respect to or by the Corporate Debtor or any amendment to actions already taken."

The Resolution Applicant acknowledges that implementation of the Resolution Plan shall not be conditional to the receipt of any approvals and/or conditions and/or reliefs or concessions and the approval of the Adjudicating Authority and procurement of all required approvals shall be at the sole responsibility and risk of the Resolution Applicant.

11.2. Reliefs and Concessions

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In addition to the approval sought hereinabove, the Resolution Applicant requests the Adjudicating Authority for the reliefs and concessions set out below for the successful implementation of the Resolution Plan. By approving this Resolution Plan, the Adjudicating Authority is requested to approve the waivers, reliefs and concessions listed below:

- i. Any and all dues to, liabilities or obligations payable to, claims, counter-claims, demands, actions or penalties, made or imposed by or any arrears, dividend or obligations owed or payable to (including but not limited to all interests, damages, losses, expenses and third party claims), and any right, title, interest enjoyed by, any actual or potential other stakeholders of the Company including any Group Company(ies) / subsidiary company(ies) whether under law or otherwise, whether or not claimed, whether or not filed, whether or not crystallised, whether or not accrued, whether or not admitted, whether or not notional, whether or not known, whether due or contingent, whether or not disputed, present or future, whether or not being adjudicated in any proceedings, whether or not decreed, whether or not reflected in the financial statements of the Company, or whether or not reflected in any record, document, statement, statutory or otherwise, arising prior to or after the Effective Date, but pertaining to period prior to the Effective Date, and / or arising in connection with assignment or acquisition of shares of the Company or conversion of the Debt into Equity or in any other manner as a result of or in connection with this Resolution Plan, shall be deemed to have been irrecoverably waived and permanently extinguished and written off in full with effect from the date of Order of Adjudicating Approval approving this Resolution Plan. To give effect to such waiver and extinguishment, any contract, agreement, deed or document, whether oral or written, expressed or implied, statutory or otherwise, pursuant to which any such dues, liabilities, obligations, claims, counterclaims, demands, actions, penalties, right, title or interest in claimed (other than as specifically mentioned herein) shall stand modified with effect from the date of Adjudicating Approval Order without any further act, deed and approval of the Resolution Plan by Adjudicating Authority shall be deemed to be sufficient notice which may be required to be given to any person for such matters and no further notice shall be required to be given.



- ii. All Governmental authorities to waive the non-compliances of the Corporate Debtor prior to the date of approval of Resolution Plan by Hon'ble Adjudicating Authority. The relevant governmental authorities shall also not initiate any investigations, actions or proceedings in relation to any non-compliance with applicable law by the Corporate Debtor during the period prior to the date of approval of Resolution Plan by Hon'ble Adjudicating Authority. Neither shall the Resolution Applicant, nor the Corporate Debtor, nor their respective directors, officers and employees appointed on and as of the date of approval of Resolution Plan by Hon'ble Adjudicating Authority be liable for any violations, liabilities, penalties or fines with respect to or pursuant to the Corporate Debtor not having in place the requisite licenses and approvals required to undertake its business as per applicable law, or any non-compliances of applicable law by the Corporate Debtor.
- iii. Upon approval of this Resolution Plan by the Hon'ble NCLT, all new inquiries, investigations, whether civil or criminal, notices, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against the Corporate Debtor or the Resolution Applicant or his nominees in relation to any period prior to the Effective Date or on account of the acquisition of control by the Resolution Applicant over the Corporate Debtor pursuant to this Resolution Plan in consistence with the provisions of the Insolvency and Bankruptcy Code, 2016.
- iv. Any claims made by the Corporate Debtor in relation to any inquiries, investigations, notices, suits, claims, liabilities, demands, obligations, penalties, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings against any third party shall continue before the respective court/tribunal/ by the Resolution Applicant and shall not be deemed to be terminated after the approval of the Resolution Plan unless the Resolution Applicant decides not to pursue the same and the Corporate Debtor shall be entitled for any amounts arising from the proceeds of such inquiries, investigations, notices, suits, claims, liabilities, demands, obligations, penalties, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings initiated by the Corporate Debtor against any third party.
- v. Statutory dues like ESI, EPF, Professional Tax, etc. for the period prior to CIRP Commencement date will not be paid by Resolution



Applicant unless valid claims have been filed by respective statutory authorities during the CIRP period and such claims will be paid as provided in this Resolution Plan.

- vi. If certain Business permits (including but not limited to permission for supply of water, electricity, construction of sites, pollution control, operation of lifts, fire, sanitation, health or any other relevant licenses/permit, not limited to those stated herein) of the Corporate Debtor which would be required for the Corporate Debtor to operate as a going concern have lapsed, expired, suspended, cancelled, revoked or terminated or the Corporate Debtor has non compliances in relation thereto, necessary steps have to be taken by MC/RP to set it right. Accordingly, all governmental authorities are to provide reasonable time period after the date of approval of Resolution Plan by Hon'ble Adjudicating Authority for the Resolution Applicant to assess the status of these business permits and ensure that the Corporate Debtor is compliant with the terms of such business permits and applicable law without initiating any investigations, penalty, actions or proceedings in relation to such non compliances;
- vii. The Central Board of Direct Taxes to consider the Corporate Debtor as a closely held company for the purposes of section 79 read with section 2(18) of the Income Tax Act, 1961 and the change in shareholding of the Corporate Debtor pursuant to the plan would not lead to lapse of brought forward losses of the Corporate Debtor (including for the belated returns filed by the Corporate Debtor);
- viii. The current status of the CD of "not-for profit Company" holding licence under the erstwhile section 25 of the Companies Act, 1956, shall be permitted to be surrendered at the liberty of the RA.
- ix. Any income/gain/profits, if any, that arise on account of reversal of liabilities or claims of the Financial Creditors, Operational Creditors, etc. shall be deemed to be written back in the books of the Corporate Debtor upon approval by the AA. Any obligation, claim, demand, assessments, liabilities etc. on account of Income Tax Act, 1961 shall be considered as pertaining to period prior to date of approval of the Resolution Plan by the AA and accordingly, such reversal and income tax thereon shall be deemed to be pre transfer liabilities of the Corporate Debtor and shall stand extinguished under the Resolution Plan upon approval of the Resolution Plan by the AA. Further, the reversal



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of liabilities as referred under this clause shall mean and include the difference of all liabilities as appearing in the books of the Corporate Debtor as reduced by actual payments made by the Resolution Applicants towards such liabilities and accordingly the resultant credit to the profit and loss account shall not be subjected to the provisions of the Income Tax Act.

- x. The implementation of the Resolution Plan shall not any affect the carried forward business losses and/or unabsorbed depreciation and its set off against the future taxable income of the CD post implementation of the Resolution Plan. Any delay in filing the return of income by the CD up to the implementation of the Resolution Plan shall stand condoned and the RA shall be permitted to setoff these losses against the future taxable income subject to the time limit applicable for such set off.
- xi. Post the order of the NCLT, no re-assessment/ revision or any other proceedings under the provisions of the Income Tax Act initiated on the Corporate Debtor in relation to period prior to acquisition of control by the Resolution Applicant and any consequential demand should be considered non-existing and as not payable by the Corporate Debtor. Any proceedings which were kept in abeyance in view of the insolvency process or otherwise shall not be revived post the order of NCLT.
- xii. Post the order of the NCLT, the RA shall be permitted to withdraw or continue at his discretion, any income tax appeals filed by the CD or RP before any adjudicating / appellate authorities or Courts in India.
- xiii. Post the order of the NCLT, all appeals other than those the RA propose to continue, assessment, reassessment or any other proceedings initiated under the provisions of Income Tax shall stand abated and non-existing.
- xiv. The Resolution Applicant shall be permitted to restate the books of accounts and adjust the balances arising out of the implementation of the Resolution Plan as a Capital Adjustment as an appropriation item without affecting the Income & Expenditure Account / Profit & Loss Account.
- xv. All Governmental authorities to grant any relief, concession or dispensation as may be required for implementation of the transactions contemplated under the plan in accordance with its terms and conditions;
- xvi. All assets (including properties, whether freehold, leasehold or license basis) of the Corporate Debtor to be vested in the restructured Corporate Debtor free and clear of all



encumbrances, on an as is where is basis. It is hereby clarified that the RP/ Monitoring Agent shall not be held responsible in any manner for removal of any encroachments and/ or encumbrances on the properties.

- xvii. The Resolution Applicant shall be allowed to terminate / renegotiate material contracts including but not limited to agency agreements, lease agreements etc entered by the Corporate Debtor before the insolvency commencement date without any penalty or interest at its own discretion.
- xviii. The CBDT shall grant exemption/waiver from: (a) treating any transaction contemplated in this plan as being void or noncompliant with any provisions of the Income-tax Act, 1961; and (b) all Tax Liabilities (including interest and penalty) and tax proceedings arising in respect of periods up to the date of approval of Resolution Plan by Hon'ble Adjudicating Authority, including such liabilities/proceedings for periods up to the date of approval of Resolution Plan by Hon'ble Adjudicating Authority in respect of on-going or potential income tax litigations at all levels.
- xix. All designated authorised dealer category I Banks/RBI to approve or dispense such actions as may be required for actions contemplated under the plan in accordance with its terms and conditions.
- xx. Waiver is requested from the Registrar of Companies and Regional Director, Ministry of Corporate Affairs for fees and penalties for period prior to the Effective Date in respect of the various non-compliances of the Corporate Debtor in respect of compliances under the Companies Act, 2013. Waiver is also sought for compliance with Section 66, Section 42 and Section 62 of Companies Act 2013 in relation to reduction and fresh issue of share capital. The Registrar of Companies, Ministry of Corporate Affairs be directed to include the names of the proposed Directors through back-end process, without any requirement to file Form DIR-12 using the digital signature of the existing Directors / Resolution Professional.
- xxi. All creditors of the Corporate Debtor to withdraw all legal proceedings commenced against the Corporate Debtor in relation to claims, including without limitation all criminal proceedings, proceedings under section 138 of the Negotiable Instruments Act, 1881 and proceedings under SARFAESI and RDDBFI, within 60 (sixty) days of the approval date and not undertake or omit to



take any action which precipitates the proceedings against the Corporate Debtor.

- xxii. All approvals necessary under Applicable Laws including but not limited to Companies Act, 2013, Income Tax Act, 1961, Foreign Exchange Management Act, 1999, and rules/ regulations made thereunder and all other statutory and regulatory approvals required for the implementation of the Plan shall be deemed to have been complied with pursuant to receipt of the order of Adjudicating Authority approving the Plan.
- xxiii. The waivers and reliefs requested under various applicable statutes, shall be subject to the provisions of IBC, 2016 and are to be treated as non-conditional reliefs.

The Resolution Applicant acknowledges that implementation of the Resolution Plan shall not be conditional to the receipt of any approvals and/or conditions and/or reliefs or concessions and the approval of the Adjudicating Authority and procurement of all required approvals shall be at the sole responsibility and risk of the Resolution Applicant.

11.3. Assumptions and Limitations

i. In accordance with Section 30 of IBC, this plan has been prepared on the basis of the Information Memorandum and VDR (updated as on 20th August 2024) and on the reliance that information contained in the Information Memorandum and VDR are true, correct, complete, accurate and not misleading in any respect.

ii. Notwithstanding: (i) the generality of paragraph above; and (ii) anything contained in this plan including any assumption made elsewhere in this plan, this plan has been prepared relying on the assumptions set forth herein below:

iii. The details (including admitted amounts) for financial creditors, operational creditors, claims by workmen and employees and claims by creditors other than financial creditors and operational creditors (including statutory authorities), as provided by the resolution professional are true, correct, complete accurate and not misleading in any respect;

iv. There are no persons who are creditors of the Corporate Debtor including creditors to any of the subsidiaries of the Corporate Debtor having the benefit of any 'security interest' (as defined under section 3 (31) of the code) other than those as disclosed by the resolution professional;



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v. There are no other creditors of the Corporate Debtor, persons with claims against the Corporate Debtor or any of its affiliates other than those disclosed by the resolution professional and whose claims form part of the claims admitted by the IRP / RP.

vi. The Corporate Debtor has not availed any interim finance during the CIRP period.

vii. Force Majeure events: It is specifically clarified herein that any event of force majeure nature inclusive of lockdown periods or extension thereof for any reason whatsoever or any other unforeseen event and if such exclusion is based on the Orders of the NCLT / NCLAT / High Court / Supreme Court or a total lockdown as stipulated by the Government of India / respective State Government, intervening during the timelines specified in the Resolution Plan for the purpose of effecting payments, such interruptions shall have the effect of extending the timelines for performance by the Resolution Applicant to the extent of such disrupted period with no additional payments under this Plan such as interest or penalties due to such extended timelines. In the event of any such force majeure event, the Monitoring Committee shall continue to carry out its functions for such extended period caused by the force majeure event.

viii. None of the Resolution Applicant, the Corporate Debtor or any of their affiliates shall bear any liability to any person in relation to any claim or be responsible for any payments, other than those expressly set forth in the Resolution plan, in case any of the aforementioned assumptions are breached.

ix. These assumptions have been necessitated given the limited information contained in the Information Memorandum. It is hereby clarified that this Resolution Plan is not contingent or conditional upon the accuracy or correctness of these assumptions and limitations.

33. We find that the value of the plan is much beyond the fair value of the Corporate Debtor, assessed by the valuers appointed by the RP in terms of the provisions of Regulation 27 of CIRP Regulations, 2016 r/w Regulation 35 thereof.

34. Besides, we note that in terms of the judgment of Hon'ble Supreme Court in the case of **Committee of Creditors of Essar Steel India Limited**

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Through Authorised Signatory vs. Satish Kumar Gupta & Ors. [Civil Appeal No. 8766-67 of 2019], it is the subject matter of commercial wisdom of CoC to take decision regarding the amount of bid offered by SRA and the scope for this Tribunal to interfere on such issues is negligible. The above view was also reiterated by Hon'ble Supreme Court in **Ebix Singapore Private Limited vs. Committee of Creditors of Educomp Solutions Limited & Anr.** (Civil Appeal No. 3224 of 2020) wherein the Hon'ble Court ruled that the scope of examination of the application for approval of Resolution Plan by this Tribunal is confined to the provisions of Section 30(2) of IBC, 2016. Para 153 of the Judgment reads thus: -

“153. Regulation 38(3) mandates that a Resolution Plan be feasible, viable and implementable with specific timelines. A Resolution Plan whose implementation can be withdrawn at the behest of the successful Resolution Applicant, is inherently unviable, since open-ended clauses on modifications/withdrawal would mean that the Plan could fail at an undefined stage, be uncertain, including after approval by the Adjudicating Authority. It is inconsistent to postulate, on the one hand, that no withdrawal or modification is permitted after the approval by the Adjudicating Authority under Section 31, irrespective of the terms of the Resolution Plan; and on the other hand, to argue that the terms of the Resolution Plan relating to withdrawal or modification must be respected, in spite of the CoC's approval, but prior to the approval by the Adjudicating Authority. The former position follows from the intent, object and purpose of the IBC and from Section 31, and the latter is disavowed by the IBC's structure and objective. The IBC does not envisage a dichotomy in the binding character of the Resolution Plan in relation to a Resolution Applicant between the stage of approval by the CoC and the approval of the Adjudicating Authority. The binding nature of a Resolution Plan on a Resolution Applicant, who is the proponent of the Plan which has been accepted by the CoC cannot remain indeterminate at the discretion of the Resolution Applicant. The negotiations between the Resolution Applicant and the CoC are brought to an end after the CoC's approval. The only conditionality that remains is the approval of the Adjudicating



Authority, which has a limited jurisdiction to confirm or deny the legal validity of the Resolution Plan in terms of Section 30 (2) of the IBC. If the requirements of Section 30(2) are satisfied, the Adjudicating Authority shall confirm the Plan approved by the CoC under Section 31(1) of the IBC.”

35. As far as the issue of reliefs and concessions which fall in the jurisdiction of different Government Authorities, and/ or are subjected to the provisions of different laws for the time being in force are concerned, it is made clear that the amount payable by the SRA in terms of the plan to different creditors, stakeholders, and to keep the Corporate Debtor as a going concern cannot be subject to any condition, assumptions, relief/ concessions and/ or qualification. It also needs to be underlined that the provisions of Section 31(4) of IBC, 2016 mandates the Resolution Applicant to obtain the necessary approval required under any law for the time being in force within a period of one year from the date of approval of the resolution plan by the Adjudicating Authority under Section 31 of the IBC, 2016. In terms of the provisions of Section 14 of the Code even during the period of CIRP, no default in payment of current dues is a precondition for continuation of the License, Permit, Registration and similar rights. Thus, even during the moratorium period, some of the facilities forming part of the reliefs and concessions sought are made available to the CD only when there is no default in payment of the current dues. On approval of the Resolution Plan, the SRA/CD cannot be put on a better footing by exempting it from paying its legitimate dues under the law. For the sake of convenience, the explanation below Section 14 of the code is extracted

below:

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“14. Moratorium. -

(1) Subject to provisions of sub-sections (2) and (3), on the insolvency commencement date, the Adjudicating Authority shall by order declare moratorium for prohibiting all of the following, namely: -

(a)

(b)

(c)

(d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

Explanation.- For the purposes of this sub-section, it is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period;”

(Emphasis Supplied)

36. In any case, in terms of the provisions of Sections 13 and 15 of the IBC 2016 read with Regulations 6, 6A, 7, 8, 8A, 9 and 9A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016, all the claimants such as Operational Creditors, Financial Creditors, Creditors in Class, Workmen and Employees and other Creditors can raise their claims before the IRP/RP. The claims are dealt with by IRP in terms of the provisions of Section 18(1)(b) of the IBC, 2016 and by RP in terms of the provisions of Section 25(1)(b) thereof read with Regulations 12A, 13 and 14 of the IBBI (Insolvency Resolution Process for Corporate Persons)

Regulations, 2016. Thereafter, the RP prepares an Information Memorandum in terms of the provisions of Regulation 36(2) of IBBI

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(Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The Memorandum contains inter alia a list of creditors containing the range of creditors, the amounts claimed by them, the amount of their claim admitted and the security interest if any in respect of such claims. As has been provided in Regulation 36(1) of the Regulations (ibid), the Information Memorandum is required to be submitted in electronic form to each member of CoC, on or before 95th day from the Insolvency commencement date. As has been provided in Regulation 36A of the Regulations the RP publish brief particulars of the invitation for Expression of Interest in Form G of Schedule I to the Regulations at the earliest i.e. not later than 60th day from the Insolvency commencement date, from interested and eligible Prospective Resolution Applicants to submit Resolution Plans. As can be seen from Regulation 36B of the Regulations, the RP shall issue Information Memorandum Evaluation Matrix (IMEM) and request for Resolution Plans, within 5 days of the date of issue of provisional list of eligible Prospective Resolution Applicants (required to be issued under Regulation 36A(10) of the Regulations). It is with reference to such Information Memorandum Evaluation Matrix that the RP issues request for Resolution Plan. The request for Resolution Plan details each step in the process and the manner and purposes of interaction between the Resolution Professional and the Prospective Resolution Applicant. The Resolution Plan submitted after consideration of the IMEM and RFRP is then examined by the Committee of Creditors. Nevertheless, it needs to satisfy the requirements of Regulation 37 and 38 of the extant Regulations. Once the plan is approved by the CoC,



in terms of the provisions of Regulations 39 of the aforementioned Regulations, it virtually becomes a contract entered into between the CD represented through RP, SRA and the Creditors of the CD. On being approved by this Adjudicating Authority, by operation of Section 31(1) of the Code, the plan becomes binding on the Corporate Debtor and its employees, members, creditors (including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being enforced such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the Resolution Plan. Thus, Section 31(1) of IBC, 2016, takes care of most of the relief/concession/waiver solicited by the Resolution Applicant.

37. Besides, in terms of the provisions of Section 32A, for an offence committed prior to the commencement of the Corporate Insolvency Resolution Process, the liability of the CD ceases and the CD is not liable to be prosecuted from the date of approval of Resolution Plan by this Adjudicating Authority, if the Resolution Plan results in change of management or control of the CD to a person who was not promotor or in the management or control of the CD or a related party of such a person or a person with regard to whom the concerned Investigating Agency has reason to believe that he had abated or conspired for the commission of the offence and has submitted or filed a report or a complaint to the relevant

statutory authority or Court. In such cases, where the prosecution is instituted against the CD, during CIRP, the CD stands discharged qua the



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same from the date of approval of the Resolution Plan. Nevertheless, every person who was a designated partner as defined in clause (j) of Section 2 of the Limited Liability Partnership Act, 2008, “an officer who is in default” as defined in Clause (60) of Section 2 of Companies Act, 2013 or was in any manner in charge of, or responsible to the CD for the conduct of his business or associated with the CD in any manner and was directly or indirectly involved in the commission of an offence as per the report submitted or complaint filed by Investigating Agency shall continue to be liable to be prosecuted and punished for such an offence committed by the Corporate Debtor notwithstanding the Corporate Debtors’ liability ceases after approval of the plan.

38. In the wake of the provisions of Section 32A(2), no action is taken against the property of the Corporate Debtor in relation to an offence committed prior to the commencement of the Corporate Insolvency Resolution Process of the CD, where such property is covered under Resolution Plan approved by this Authority under Section 31, which result in the change in the control of the CD to a person who was not a promotor or in the management or control of the Corporate Debtor or related party of such person or a person with regard to whom the Investigating Agency has reason to believe that he had abated or conspired for commission of the offence and has submitted or filed a report or complaint to the relevant statutory authority or Court.

39. The action against the property of the Corporate Debtor as referred to in Section 32A of the Code includes the attachment, seizure, retention or

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confiscation under such law as may be applicable to the Corporate Debtor. One may also be not oblivious of the fact that in the backdrop of provisions of Section 31(3)(a) of the IBC, 2016, the moratorium order passed by the Adjudicating Authority under Section 14 ceases to have effect. In sum and substance, the SRA/CD would be entitled to no other relief/concession/waiver except those, which are available to it as per the provisions of Section 31(1) and 32A of IBC, 2016.

40. In any case, the resolution plan also indicated that irrespective of any grant of any agreed concession by this tribunal as prayed by the SRA, the plan would be implemented. The relevant excerpt of the application reads thus: -

“11.2 Reliefs and Concessions

[...]

The Resolution Applicant acknowledges that implementation of the Resolution Plan shall not be conditional to the receipt of any approvals and/ or reliefs for concessions and the approval of the Adjudicating Authority and procurement of all required approvals shall be at the sole responsibility and risk of the Resolution Applicant.”

41. It is further directed that the SRA shall implement the plan as per the timelines indicated in the implementation schedule which has been reproduced herein above. It is noted that during the course of hearing, most of the stakeholders including the representatives of employees were present in court and they all accorded their consent to the plan. There were no directors qua the CD, thus the question of issuing any notice to them did

not arise. It was also espoused by the RP that the delay in approval of resolution plan would cause prejudice to the interest of the creditor as the

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CIRP cost added every month would be deducted from the share of the creditors. In the wake, on 27.11.2024 while keeping the order reserved/ to seek clarification, we recorded thus: -

“Ld. Counsel appearing for the RP who is present with Ms. Pooja Bahry the Ld. RP submitted that the corporate debtor is a company constituted under Section 8 of Companies Act, 1956 and a company formed with charitable objectives etc. In her submission, any delay in approval of plan by this Tribunal would give further rise to CIRP cost at the rate of Rs. 95 lacs per month and such CIRP cost would be adjusted against the claim of the creditors. In other words, the amount payable to the creditors would be reduced by the CIRP cost which would be payable for any future period. The authorized representative of the employees namely Mr. Rajesh Kumar Puri who is present in person submitted that the representative of the employees being claimant of more than 10% debt remained present in CoC which approved the plan and the employees have no objection if the plan meetings is approved. The Ld. Counsel for the RP could submit that the EPFO dues are payable to the extent of 100% and the same is only Government due.

According to her even the other Government dues are payable to the extent of 100%.

Arguments heard. Reserved for orders/ Clarification, if any.”

Still, we kept the order reserved for sufficiently longer period to await any objection to the plan. Nevertheless, on 11.02.2025, when the matter was only listed for clarification, IA- 507/2025 filed by T.C.A. Surveyors & Advisors Private Limited was pressed wherein the Applicant had contended that its claim was wrongly rejected by the RP. The prayers made in the aforementioned IA read thus: -



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“56. In view of the above-stated facts and circumstances and the judicial pronouncement of the Hon’ble Appellate Authority, this Hon’ble Adjudicating Authority may be pleased to:

- a. condone the delay in filing the claim by the Applicants before the Resolution Professional;
- b. direct the Resolution Professional i.e., Respondent herein to accept the claim dated 22.10.2024 for Rs. 9,20,87,500/- (Rupees Nine Crore Twenty Lakh Eighty Seven Thousand Five Hundred only) as filed by the Applicant Company herein;
- c. set-aside the Rejection Letter dated 31.10.2024 sent by the Resolution Professional rejecting the claim submitted by the Applicant Company herein.”

Today, again the aforementioned I.A. was pressed and the same was dismissed in terms of a separate order dated 12.02.2025, the relevant excerpt of which reads thus: -

“10. Thereafter, having perused the record, we listed the matter to seek certain clarifications from RP. It was only on 11.02.2025, when the matter was listed for clarification that the present application was pressed. However, for the first time the application was listed when on 07.02.2025. Apparently, the captioned application was preferred much after we reserved the matter for orders/clarifications.

11. As can be seen from the aforementioned judgments of Hon’ble Supreme Court/NCLAT, an application by claimant except Home Buyers cannot be entertained at this belated stage. Being bound by the judgment of Hon’ble Supreme Court, we dismiss the application. It is made clear that we have not commented upon the nature of debt. It is also made clear that the present order will not come in the way of the Applicant in pursuing other remedies in accordance with law, if permissible.

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The IA stands dismissed.

Thus, neither there is any objection pending against the resolution plan nor there is any other application pending in the present matter before this Tribunal/ Bench.

42. It is apt to note that the CD is a charitable company constituted under Section 25 of the Companies Act, 1956 of the Companies Act, 1956. We are satisfied that the resolution plan is in consonance with provision of Section 30(2) of IBC, 2016.

43. Further, the doubts regarding the payment of the unpaid CIRP costs, actuarial gratuity payments as well as the usage of funds available in the contingency fund was sought to be addressed when the matter was listed for clarification on 11.02.2025. In terms of the direction given *vide* order dated 11.02.2025, both the RP as well as the SRA filed separate affidavits to clarify the doubts. Subsequently, the matter was again heard today i.e. on 12.02.2025 and the affidavits filed by the RP and the SRA as well as the written statement given by the representative of the SRA was taken on record. The contents of the affidavits and the written statement has already been dealt with in the earlier part of the order.

44. In the backdrop of aforementioned factual position, discussion, analysis and findings, the IA-60/2024 filed by the RP for approval of the Resolution Plan is allowed. The Plan submitted by the SRA, certified by the

RP by issuing a certificate in prescribed form viz. Form "H", is approved.

45. As a sequel, we issue the following directions: -

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- i. The approved Resolution Plan shall become effective from the date of passing of this Order and shall be implemented strictly as per the term of the plan and implementation schedule given in the Plan;
- ii. All claims which have not been dealt with in the Resolution Plan do not survive after the approval of the Resolution Plan;
- iii. The SRA/CD would be entitled to no other reliefs/concessions/waivers except those are available/permissible to it as per the provisions of Section 31(1) and 32A of IBC, 2016. The SRA is at liberty to approach the relevant authorities who would consider these claims as per the provisions of the relevant law in an expeditious manner;
- iv. Following steps would be taken in terms of the resolution plan: -

SL. NO.	STEP TO BE TAKEN	TIMELINE FROM DATE OF RECEIPT OF ORDER
1.	Constitution of Monitoring Committee	Within 7 days
2.	Intimation to all the creditors, existing shareholders and other stakeholders of the CD	Within 15 days
3.	Intimation to the SEBI, Competition Commission of India, RBI, Tax Authorities and other relevant statutory authorities	Within 15 days
4.	Seeking requisite approvals	Within 60 days
5.	Payment of CIRP costs	Within 60 days
6.	Payment to Operational Creditors	Within 60 days
7.	Payment to Dissenting Financial Creditors	Within 60 days
8.	Settlement of claims of creditors as per the plan	Within 60 days
9.	Change in Management of CD	Within 60 days



	<p>i. Issue and allotment of shares to the RA and/ or its subsidiary/ LLP/ nominee (which will be in compliance of Section 29A of the Code) and cancellation/ extinguishment of shareholding existing on the effective date</p> <p>ii. Formation of a professionally managed Board of the CD</p> <p>iii. Appointment of professionally qualified key managerial employee of the CD</p>	
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- v.** The order of the moratorium in respect to the corporate debtor passed by this Adjudicating Authority under Section 14 of the IBC, 2016 shall cease to have effect from the date of passing of this Order;
- vi.** The SRA shall act in terms of the provisions of Section 31(4) of IBC 2016;
- vii.** The Monitoring Committee shall file progress report regarding implementation of the Plan before this Tribunal, every month;
- viii.** The RP shall forward all the records relating to the conduct of the CIRP and the Resolution Plan to the IBBI for its record and database;
- ix.** The RP shall also forthwith send a copy of this order to the participants and the Resolution Applicant. He would also send a copy of this order to the ROC concerned within 15 days of this order;
- x.** The RP shall intimate each claimant about the principle or formulae, as the case may be, for payment of debts under the Plan;



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46. The Court Officer and Resolution Professional (RP) shall forthwith make available/send a copy of this Order to the CoC and the Successful Resolution Applicant (SRA) for immediate necessary compliance.

47. A copy of this order shall also be sent by the Court Officer and Applicant to the IBBI and RoC for their record.

Handwritten signature

(CHARANJEET SINGH GULATI)
MEMBER (T)

(ASHOK KUMAR BHARDWAJ)
MEMBER (J)



Handwritten signature
28/ Feb 2025

Prashant Kumar
27.02.2025
Deputy Registrar
National Company Law Tribunal
CGO Complex, New Delhi-110003