



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT V**

**I.A. (Plan) 1/2025
IN
C.P. No. 843/MB/2022**

Under Section 30(6), 31, and 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation, 2016

Mr. Kamal Kishor Gurnani

Resolution Professional of Pannageshwar Sugar Mills Limited
101 Kanakia Atrium, Chakala MIDC, Andheri East,
Mumbai – 400093

.... Applicant / Resolution Professional

In the matter of:

Bank of India

...Financial Creditor

Versus

Pannageshwar Sugar Mills Limited

...Corporate Debtor

Order pronounced on: 26.03.2025

Coram:

Hon'ble Sh. Sushil Mahadeorao Kochey, Member (Judicial)
Hon'ble Sh. Charanjeet Singh Gulati, Member (Technical)

Appearances:

For the Applicant: Adv. Shyam Kapadia a/w Prajakta Menezes (PH)

For the SRA: Adv. Nausher Kohli a/w Ms. Nikita Bhansali (PH)

ORDER**1. I.A. No. 1 / 2025:**

This I.A. is filed by **Mr. Kamal Kishor Gurnani, the Resolution Professional of Pannageshwar Sugar Mills Limited** (“Applicant”) under Section 30(6) read with Section 31(1) of the Insolvency and Bankruptcy Code, 2016 (“the Code”) seeking the following reliefs:

- a) *Allow the present Application and approve the Revised Resolution Plan dated 4 September submitted by the Successful Resolution Applicant, M/s. Vimal Agro in terms of Section 31(1) of the Code;*
- b) *Direct that the Revised Resolution Plan approved/ sanctioned by this Hon’ble Tribunal shall be binding on the Corporate Debtor, its employees, members/ Shareholders, all creditors, guarantors and other stakeholders in the CIRP of the Corporate Debtor;*
- c) *Pass such other orders as this Hon’ble Tribunal deems fit in the facts and circumstances of the case.*

Brief Facts:

2. The Corporate Insolvency Resolution Process (“CIRP”) of Pannageshwar Sugar Mills Limited (“Corporate Debtor”) was initiated by this Tribunal vide Order dated 12.05.2023 under Section 7 of the Insolvency and Bankruptcy Code, 2016 and Mr. Kamal Gurnani, i.e. the Applicant, was appointed as the Interim Resolution Professional (“IRP”).
3. Subsequently a Public announcement was made on 16.05.2023 as per Section 13 of the Code read with Regulations 6 of the IBBI Regulations, 2016 which was published in two newspaper, namely “The Times of India” (English Language)- Latur Edition and “Pudhari” (Marathi Language)-Latur Edition.
4. Pursuant to receipt of claims, the IRP constituted a Committee of Creditors (“COC”) in accordance with Section 21 of the Code in compliance with Regulation 13 and 17 of the CIRP Regulations. Further, in the first CoC meeting held on 08.06.2023 the IRP was

confirmed as the Resolution Professional (“RP”). Upon receipt of additional information and new claims, the Applicant re-constituted the CoC consisting of 8 Financial Creditors and filed a report certifying the said re-constitution of CoC before this Hon’ble Tribunal on 14.09.2023. The details of the CoC Members, as submitted by the Applicant, are as follows-

Sr No	Name of the Financial Creditor	Security Interest	Amount Claimed (Amount in INR)	Amount Admitted (Amount in INR)	Voting % in CoC
1.	Bank of India	Secured	16,25,81,580.00	16,25,81,580.00	33.73
2.	Dombivali Nagari Sahakari Bank Limited	Secured	14,17,02,877.08	14,17,02,877.08	29.40
3.	Bank of Baroda	Secured	5,79,04,781.78	5,73,94,781.78	11.91
4.	CFM Asset Reconstruction Private Limited	Secured	5,72,29,937.33	5,71,41,639.33	11.86

5.	Omkara Asset Reconstruc tion Private Limited	Secured	3,44,55,388.00	3,44,55,388.00	7.15
6.	Janaseva Sahakari Bank Limited	Secured	2,68,88,064.00	2,68,88,064.00	5.58
7.	Sustainabl e Agro Commercia l Finance Limited	Unsecured	7,87,069.00	7,87,069.00	0.16
8.	Alchemist Asset Reconstruc tion Company Limited	Unsecured	10,48,873.21	10,28,077.01	0.21
			48,25,98,570	48,19,79,476.20	100%

5. The Applicant submits that a total of 16 (Sixteen) CoC Meetings were held during the CIRP period, details pertaining to the same are as follows-

Particulars	Date of CoC Meeting
1 st CoC Meeting held on	08 June 2023
2 nd CoC Meeting held on	07 July 2023
3 rd CoC Meeting held on	07 August 2023

4 th CoC Meeting held on	29 August 2023
5 th CoC Meeting held on	09 October 2023
6 th CoC Meeting held on	17 November 2023
7 th CoC Meeting held on	10 January 2024
8 th CoC Meeting held on	01 March 2024
9 th CoC Meeting held on	27 March 2024
10 th CoC Meeting held on	13 May 2024
11 th CoC Meeting held on	27 May 2024
12 th CoC Meeting held on	28 June 2024
13 th CoC Meeting held on	16 July 2024
14 th CoC Meeting held on	05 August 2024
15 th CoC Meeting held on	29 August 2024 & 03 September 2024
16 th CoC Meeting held on	09 September 2024

6. The Applicant submits that, in accordance with Regulation 27 & 35 of IBBI (CIRP), Regulations 2016, below mentioned Registered Valuers have been appointed on 20.06.2023 to determine the Fair Value and Liquidation Value of the Corporate Debtor.

Sr.	Category	Details of Professional
1.	Valuer 1	Pravin Tembe, Milind Ankalgi, and Shahuraj Somwanshi
2.	Valuer 2	INMACS Valuers Private Limited (IBBI/RV-E/02/2021/141)

7. As submitted by the Applicant, the following is the summary of the Valuation report-

	Valuer 1	Valuer 2	Average Estimated

	Fair Value	Liquidatio n Value	Fair Value	Liquidatio n Value	Fair Value	Liquidatio n Value
Land & Buildin g	29,77,67, 840	25,31,02, 664	34,16,72, 162	28,38,51, 729	31,97,20, 001	26,84,77, 197
Plant & Machin ery	11,41,47, 733	9,70,97,5 34	14,37,31, 860	11,49,85, 488	12,89,39, 797	10,60,41, 511
Securiti es & Financi al Assets	9,19,45,7 72	8,77,02,8 06	8,85,91,7 66	8,41,90,9 80	9,02,68,7 69	8,59,46,8 93
Total	50,38,61, 345	43,79,03, 004	57,39,95, 788	48,30,28, 197	53,89,28, 567	46,04,65, 601


8. Further the invitation for Expression of Interest (“**EoI**”) in Form G was published on 12.07.2023 wherein the last date for submission of EoI was 11.08.2023. In view of the same, as stated, the Applicant received enquiries from 23 parties but did not receive any EoIs. Hence, the period for submission of EoI was extended from 11.08.2023 to 26.08.2023.
9. The Applicant submits that during 4th CoC Meeting held on 29.08.2023, discussion and deliberation on approval of Evaluation Matrix and Request for Resolution Plan (“RFRP”) was held, post which the CoC members approved the RFRP and Evaluation Matrix.
10. The Applicant submits that in the 5th CoC Meeting held on 09.10.2023, the Applicant appraised the members of CoC that the last date for submission of Resolution Plan as per the timeline of Form G is 12.10.2023. Further, the Applicant presented the final list of 11

Prospective Resolution Applicants (“PRA”) before the CoC. Moreover, on the request made by two PRAs, the period for submission of the Resolution Plan was extended from 12.10.2023 to 11.11.2023.

- 11.** The Applicant submits that in the 6th CoC Meeting held on 17.11.2023, the Applicant informed the CoC Members regarding the receipt of 2 Resolution Plans wherein one Resolution Plan received from Atharv Intertrade Private Limited was from the final list of PRAs and the other Resolution Plan was from Vimal Agro who does not form part of the final list of PRAs however they submitted a password protected Resolution Plan with the requisite EMD. After deliberations, the CoC informed the aforementioned PRAs to submit a revised plan.
- 12.** In the 8th CoC Meeting held on 01.03.2024, the Applicant in consultation with the CoC requested both the PRAs to submit a revised Resolution Plan by 11.03.2024. Further, in the 9th CoC Meeting held on 27.03.2024, the Applicant apprised the CoC members that the revised Resolution Plans from both the PRAs have been received on 21.03.2024.
- 13.** In the 10th CoC meeting held on 13.05.2024, the Applicant apprised the members that the Bank Balance of the Corporate Debtor as per provisional financial statements as on Insolvency Commencement Date i.e., 12.05.2023 is INR 4,48,58,269. However, as per the information provided by statutory auditor and after verification of bank statements of all bank accounts, the Bank Balance as on date is INR 73,10,738 which shows that the suspended management has withdrawn INR 3,75,47,530 during CIRP. Further, the Applicant apprised the Members of CoC that as on Insolvency Commencement Date, the Inventories amounting to INR 6,33,86,600 is mentioned. However, it has been informed to the Applicant that the inventories have been sold during the CIRP period amounting to approx. INR 2,53,11,000. Further, the Applicant informed the members of CoC that he has provided updated information memorandum with updated claims and information regarding provisional financial statements as on 12.05.2023 and audited financial statements for FY 2022-23 of Corporate Debtor to the PRAs and

both the PRAs were requested to submit the revised Resolution Plan till 02.05.2024. Both the Resolution Applicants requested to extend the time for submission of the plan and accordingly, the CoC granted time till 18.05.2024.

- 14.** The Applicant conducted the 11th CoC meeting on 27.05.2024 wherein the Applicant apprised the members of CoC that valuation report of the Corporate Debtor has been shared with the CoC members wherein the summary of the fair value and liquidation value of the assets of the Corporate Debtor is also provided and same has been presented and discussed with members of the CoC. The Applicant further informed the CoC members regarding the gap between the valuation of securities and financial assets as on the CIRP commencement date i.e., 12.05.2023 and as on date is due to the withdrawal of bank balance and sale of inventories done by the Suspended Board of Directors.
- 15.** In the 11th CoC Meeting itself, the Resolution for approval of Revised Resolution Plan submitted by Atharv Intertrade Private Limited and M/s Vimal Agro was put up for e-voting and the voting window was kept open for 10 days i.e., from 27.05.2024 till 05.06.2024. The CoC members approved the revised Resolution Plan submitted by Atharv Intertrade Private Limited with 100% voting and the revised Resolution Plan submitted by M/s. Vimal Agro was accordingly rejected.
- 16.** The Applicant submits that in the 12th CoC meeting held on 28.06.2024, RP informed the CoC members that letter of intent has been issued to Atharv Intertrade Private Limited and that criteria of payment of Performance Bank Guarantee is also complied by the Atharv Intertrade Private Limited. Pursuant to the discussion and approval in the 11th COC Meeting, the Applicant had filed IA 48/2024 before this Tribunal on 05.07.2024 for approval of Resolution Plan submitted by M/s. Atharv Intertrade Private Limited. Further IA 3229 of 2024 was filed by the Applicant against the suspended board of directors under Section 70 read with section 74 of the Code which is pending for adjudication.

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- 17.** The Applicant conducted the 13th CoC meeting on 16.07.2024 wherein the CoC members were informed that M/s Vimal Agro, vide an email dated 02.07.2024, submitted a revised Resolution Plan dated 01.07.2024 with increased financial proposal (for Amount of INR 42.91 Crores). After due discussions on the revised Resolution Plan dated 01.07.2024 received by M/s. Vimal Agro, majority members of CoC decided to not consider the same as it was revised resolution plan post completion of e-voting process. Pursuant to this, M/s. Vimal Agro, vide email dated 26.07.2024, submitted a revised Resolution Plan dated 25.07.2024.
- 18.** Thereafter, an IA 3769 / 2024 filed by M/s. Vimal Agro for consideration of their revised Resolution Plan was served upon the Applicant. Further, IA 48/2024 along with IA 3769/2024 were listed before this Tribunal on 02.08.2024. Vide Order dated 02.08.2024, this Tribunal directed the CoC to take a call on the said revised Resolution Plan submitted by M/s. Vimal Agro. Thereafter, the CoC, in the 14th Meeting held on 05.08.2024, approved a resolution to consider the revised Plan submitted by Vimal Agro.
- 19.** Further, IA 48/2024 along with IA 3769/2024 were again listed before this Tribunal on 27.08.2024 wherein this Tribunal was informed that CoC members have agreed to consider revised Resolution Plan submitted by M/s. Vimal Agro on 25.07.2024 (As decided in the 14th CoC Meeting). In view of the above, IA 3769/2024 filed by M/s. Vimal Agro and IA 48/2024 filed for approval of the Resolution Plan submitted by M/s. Atharv Intertrade Pvt Ltd were disposed as withdrawn by this Tribunal, vide Order dated 27.08.2024.
- 20.** In the 15th CoC Meeting dated 29.08.2024, Atharv Intertrade objected to CoC considering the revised Resolution Plan by M/s. Vimal Agro and expressed that they wish to see the direction of this Tribunal as given in Order dated 27.08.2024. Hence, in view of the this, the 15th Meeting of CoC was adjourned. On 03.09.2024, the 15th CoC Meeting continued and the CoC was appraised about the appeal preferred by M/s. Atharv

Intertrade before the Hon'ble NCLAT against the Orders dated 02.08.2024 and 27.08.2024 passed by this Tribunal.

- 21.** The Applicant submits that in the 16th CoC Meeting held on 09.09.2024, the authorised representative of Atharv Intertrade Private Limited informed the CoC that they are in the process of withdrawing the appeal preferred before the Hon'ble NCLAT and the CoC was further informed by the said authorised representative have already submitted a Resolution Plan for the Corporate Debtor and they do not wish to revise their Resolution Plan any further. Pursuant to the discussions on revised Resolution Plans submitted by both PRAs, the CoC directed the Applicant to keep the Resolution Plans for e-voting. Thereafter, the CoC Members on 20.09.2024, voted and approved the Resolution Plan submitted by M/s. Vimal Agro with 100% votes.
- 22.** The Applicant provides a timeline of the CIRP Process, which is as follows-

Sr. No.	Particulars	Timelines
1.	Insolvency commencement date	12 May 2023
2.	180 days expired	08 November 2023
3.	270 days expired (1 st extension granted vide order dated 20 November 2023)	06 February 2024
4.	330 days expired (2 nd extension granted vide order dated 11 March 2024)	06 April 2024
5.	375 days expired (3 rd extension granted vide order dated 22 April 2024)	21 May 2024



6.	420 days expired (4 th extension granted vide order dated 10 June 2024	05 July 2024
7.	Exclusion and final extension of 30 days granted (5 th extension) vide order dated 21 October 2024	21 November 2024

Details of the Successful Resolution Applicant (SRA):

23. M/s Vimal Agro, a proprietary firm under the leadership of Mr. Akshay Nandkishor Mundada, with a background in both social and business spheres. Mr. Mundada, along with being a real estate developer and investor, has expertise in the dairy industry, particularly in milk collection, through years of experience. The firm's impressive track record in business, trade, and agriculture, coupled with Mr. Mundada's understanding of the dairy industry, ensures a seamless transition into processing, packing, and product manufacturing. Their existing chilling centre, with a capacity of 20,000 LPD located at Gut No. 59, Survey No. 40, Lonkandi Sawargaon Tq., Ambajogai serves as the foundation for this expansion. The total net worth of the SRA is INR 15,17,05,190/- which effectively meets the requirement of the required net worth of INR 10 Crores as per the eligibility criteria mentioned in the invitation of EoI.

24. Summary of Payments under the Resolution Plan:

The amounts provided for the stakeholders under the Resolution Plan is as under:

(Amount in Rupees)

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	-	-	-	-
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	-	-	-	-
		(ii) who voted in favour of the resolution plan	48,07,62,628	48,01,64,329	43,00,00,000	89.55
		Total [(a) + (b)]	48,07,62,628	48,01,64,329	43,00,00,000	89.55
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	-	-	-	-
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	-	-	-	-
		(ii) who voted in favour of the resolution plan	18,35,942	18,15,146	6,50,000	35.81
		Total [(a) + (b)]	18,35,942	18,15,146	6,50,000	35.81
3	Operational Creditors	(a) Related Party of Corporate Debtor	-	-	-	-
		(b) Other than (a) above:				
		(i) Government	2,21,85,272	2,36,990	2,36,990	100
		(ii) Workmen & Employees	52,34,01,963	7,29,55,523	1,57,00,000	21.52

		(iv) Operational Creditors	39,45,798	28,67,168	9,00,000	31.39
		Total[(a) + (b)]	54,95,33,033	7,60,59,681	1,68,36,990	
4	Other debts and dues		-	-	-	-
Grand Total			1,03,21,31,604	55,80,39,156	44,74,86,990 + CIRP cost at actuals over and above plan value	

Note: CIRP cost at actuals over and above plan value

25. Source of Funds:

The SRA states that they will utilize the internal sources to fund the amount proposed. However, the SRA may also infuse funds by availing debt from the Banks/Financial Institutions or Inter Corporate Loans/Deposits.

Particulars	Amount (in INR)	Source of funds
Upfront amount within 45 days of effective date i.e., date of NCLT order approving their Resolution Plan	26,50,00,000 + CIRP Cost at actuals	Internal sources / availing debt from the Banks / Financial Institutions or Inter Corporate Loans/ Deposits
Within 60 days of Effective Date i.e., date of NCLT order approving their Resolution Plan	18,24,86,990	
Total	44,74,86,990 + CIRP cost at actuals	

26. Payments proposals of the various stakeholders under the Resolution Plan-

(a) CIRP Cost

First and foremost is the payment towards CIRP Cost incurred to conduct the Corporate Insolvency Resolution Process for the Corporate Debtor. The CIRP cost is not provided by the Resolution Professional. Resolution Applicant shall pay the CIRP Cost (including the IBBI fees as per recent amendments) at actuals over and above the resolution plan amount of INR 44,74,86,990 in priority over payments to any stakeholders within 45 days from effective date.

(b) Claims filed by the Workmen and Employees

- As per the information shared by the RP, 199 workmen/employees have filed the claims amounting to INR 52,27,91,963/- in the CIRP of corporate debtor. The RP has admitted claim amounting to INR 7,29,55,523/-. The Resolution Applicant proposes to settle the entire claims of Workmen/Employees by making payment of amount of **INR 1,57,00,000** within 45 days of the effective date and such payments shall be given priority of payment over financial creditors.

- **Note 1**

For the Liabilities towards Provident Fund dues amounting to Rs. 55,19,982/- admitted by the RP (inclusive in the admitted claim of INR 7,29,55,523), the same shall be paid in full. INR 57,00,000 is proposed for settlement of provident fund dues to be paid at actuals (computed as on effective date). Any deficit/surplus in proposed amount of INR 57,00,000 for settlement of liability towards Provident Fund dues payable as on effective date shall be adjusted from the distribution available to the Secured Financial Creditors under this Resolution Plan.

- **Note 2**

For the Liabilities towards Gratuity dues amounting to Rs. 2,64,65,387/- respectively admitted by the RP (inclusive in the admitted claim of INR 7,29,55,523), the same shall be also paid in full and at actuals as on effective date from the funds created for such liability, if any and any deficit will be adjusted from the amounts proposed for the Secured Financial Creditors. In case of non-availability of any such fund for gratuity dues, the gratuity dues as on effective date will be paid at actuals and will be adjusted from the amount proposed for the Secured Financial Creditors.

For more clarity, INR 1,57,00,000 is proposed to be paid as follows –

For settlement of dues of workmen/employees	Amount (In INR)
Towards salary component of Workmen/Employees	1,00,00,000
Towards Gratuity Dues	Please refer note 2 above
Towards Provident Fund Dues	57,00,000 Please refer note 1 above
Total	1,57,00,000

(c) Claims filed by Operational Creditors (Government Dues)

- As per the information shared by the RP, GST department has filed claim in the CIRP of corporate debtor details of which are as follows:

Sr. No.	Particulars	Amount Claimed	Amount Admitted
1	Department of Goods and Service Tax,	2,21,85,272	2,36,990



	Office of Deputy Commissioner of State Tax (Latur_501)		
	Total	2,21,85,272	2,36,990

- The Resolution Applicant proposes to settle the claim of Operational Creditors (Government Dues) in full and has proposed amount of **INR 2,36,990** against the said claim which shall be paid within 45 days of effective date and shall be given priority of payment over financial creditors.
- It is further clarified that if the admitted claim towards Operational Creditors (Government Dues) of the Corporate Debtor amounting to INR 2,36,990 exceeds till the approval of this Resolution Plan by the Adjudicating Authority then **INR 2,36,990/-** shall be paid proportionately.
- The Resolution Applicant further clarifies that if the liquidation value due to operational creditors (Government Dues) is not NIL, then the Resolution Applicant undertakes that liquidation value due to such admitted operational creditors (Government Dues) shall be paid in priority over payment to financial creditors and shall be adjusted from out of distribution available to Secured Financial Creditors under this Resolution Plan.

(d) Claims filed by Operational Creditors (Other than workmen, employee and government dues)

- As per the information memorandum provided by the RP, the total claims filed by the operational creditors (excluding workmen, employees and government dues) and the claims admitted by the RP are as follows –

Particulars	Amount Claimed	Amount Admitted
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Operational Creditors (excluding Workmen & Employees and Government Dues)	39,45,798	28,67,168
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- Under Section 30(2)(b) of the Code Operational Creditors must be paid an amount which shall not be less than the amount to be paid to such creditors in the event of a liquidation of the corporate debtor under section 53 or the amount that would have been paid to such creditors, if the amount to be distributed under the resolution plan had been distributed in accordance with the order of priority in sub-section (1) of section 53 of the Code, whichever is higher. Further Regulation 38(1) of the CIRP Regulations provides that Resolution Plan must provide for the payment due to operational creditors in priority to the payment to financial creditors.
- The Resolution Applicant propose payment of **INR 9,00,000/-** to the operational creditors to be distributed in the ratio of admitted amount. The proposed amount shall be paid within 45 days of the Effective date and such payments shall be given priority of payment over financial creditors.
- It is further clarified that if the admitted claim towards Operational Creditors, excluding Statutory authorities (Statutory dues, tax liabilities, penalties, interest etc.), Workmen and Employees of the Corporate Debtor amounting to INR 28,67,168 (Indian Rupees Twenty Eight Lakhs Sixty Seven Thousand One Hundred and Sixty Eight Only) exceeds till the approval of this Resolution Plan by the Adjudicating Authority then proposed amount of **INR 9,00,000/-** shall be paid proportionately.

- The Resolution Applicant further clarifies that if the liquidation value due to operational creditors, excluding Statutory authorities (Statutory dues, tax liabilities, penalties, interest etc.), Workmen and Employees dues is not NIL, then the Resolution Applicant undertakes that liquidation value due to such admitted operational creditors dues shall be paid in priority over payment to financial creditors and shall be adjusted from out of distribution available to Secured Financial Creditors under this Resolution Plan.

(e) Claims filed by Financial Creditor

Secured Financial Creditor

- As per the information shared by the RP, the total claims filed by the secured financial creditors and the claims admitted by the RP are as follows –

Sr. No.	Name of Secured FC	Amount Claimed	Amount Admitted
1	Bank of India	16,25,81,580.00	16,25,81,580.00
2	Dombivali Nagari Sahakari Bank Limited	14,17,02,877.08	14,17,02,877.08
3	Bank of Baroda	5,79,04,781.78	5,73,94,781.78
4	CFM Asset Reconstruction Private Limited	5,72,29,937.33	5,71,41,639.33
5	Om kara Asset Reconstruction Private Limited	3,44,55,388.00	3,44,55,388.00



6	Janaseva Sahakari Bank Limited	2,68,88,064.00	2,68,88,0 64.00
	Total	48,07,62,628.19	48,01,64, 330.19

- Resolution Applicant will pay an amount of **INR 43,00,00,000** (Indian Rupees Forty-Three Crores Only) as full and final settlement towards the claim of Secured Financial Creditors within a period of 60 days from the 'Effective Date' as per the terms of this Resolution Plan.
- Proposed amount of INR 43,00,00,000 will be paid as follows –
 - INR 24,75,13,010 will be paid within 45 days of effective date
 - INR 18,24,86,990 will be paid within 60 days of effective date
- The Secured Financial Creditor will allocate the funds for distribution as per the collective decision/wisdom of the members of the Committee of Creditors towards respective Financial Creditor for settlement of their respective dues towards the Corporate Debtor.
- In an event that any new claim is admitted pursuant to an order of the Adjudicating Authority or any other court, the same shall be payable and adjusted out of distribution available to Secured Financial Creditors under this Resolution Plan.

Unsecured Financial Creditor

- As per the information shared by the RP, the total claims filed by the unsecured financial creditors and the claims admitted by the RP are as follows –



Sr. No.	Name of unsecured FC	Amount Claimed	Amount Admitted
1	Sustainable Agro Commercial Finance Limited	7,87,069	7,87,069
2	Alchemist Asset Reconstruction Company Limited	10,48,873	10,28,077
	Total	18,35,942	18,15,146

- Resolution Applicant will pay dues of unsecured financial creditors in full amounting to **INR 6,50,000** as full and final settlement towards the claim of Unsecured Financial Creditors as within 45 days from effective date as per the terms of this Resolution Plan.
- In an event that any new claim of unsecured financial creditors is admitted pursuant to an order of the Adjudicating Authority or any other court, the same shall be paid proportionately from amount proposed for unsecured financial creditor amounting to INR 6,50,000 under this Resolution Plan.

27. Implementation Schedule

Implementation Schedule of proposed Resolution Plan along with the corresponding timelines is given below:

Sr. No.	Activity (Activities are in sequence)	Indicative Time
1.	Receipt of LOI from the Committee of Creditors	X (as per RFRP)
2.	Acceptance of the LOI by the Resolution Applicant	X+2 days
3.		X+4 days

	Submission of the Performance Guarantee by the Resolution Applicant	
4.	Filing of Application with Adjudicating Authority for Approval of the Resolution Plan	RP's actionable
5.	Date on which the copy of the Order for Approval of Resolution Plan by the Adjudicating Authority is uploaded on the NCLT website being the "Effective Date"	A
6.	Constitution of Monitoring Committee	Within A+ 7 days
7.	Infusion of upfront payment by Resolution Applicant	Within A + 45 days
8.	Discharge of the Admitted Liabilities, if any towards Workmen and Employees in terms of the approved resolution plan	Within A + 45 days
9.	Discharge of the Admitted Liabilities towards Operational Creditors in terms of the approved resolution plan	Within A+ 45 days
10.	Payment to dissenting financial creditors, if any	Within A+ 45 days
11.	Upfront Discharge of the Admitted Liabilities towards unsecured and secured financial creditors in terms of the approved resolution plan	Within A+ 45 days
13	Discharge of the Admitted Liabilities towards unsecured and secured financial creditors in terms of the approved resolution plan	Within A+ 60 days
14.	Handover and possession of assets to Resolution Applicant and change of management and control of company	Within A + 60 days or on receipt of payment to financial creditors, whichever is later

28. Interest of existing shareholders:

The interest of existing shareholders has been altered by the Resolution Plan as under:



Sr. No.	Category of Shareholders	No. of Shares held before the CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1.	Equity	8,54,755	0	100%	0
	Total	8,54,755	0	100%	0

29. Capital Structure as proposed by the SRA

- Current Structure: As on March 31, 2022, Corporate Debtor has an authorized share capital of INR 24,00,00,000. As on March 31, 2022, Corporate Debtor has a paid-up share capital of INR 15,20,57,800.
- Upon approval of resolution plan by the adjudicating authority, all existing issued, subscribed and paid-up equity share capital of the Corporate Debtor shall stand completely cancelled and all rights of the equity shareholders shall be extinguished and written-off. Order of the Adjudicating Authority approving the Resolution Plan shall be deemed to be order approving the write off of the equity share capital of the Corporate Debtor. The Applicant reserves the right to change the capital structure/instruments proposed herein in a manner which best suits its business strategy.
- The Resolution Applicant will infuse INR 1,00,00,000 (Indian Rupees One Crores Only), by way of subscribing to 10,00,000 equity shares, face value of INR 10 each, of the Corporate Debtor. Such shares will be allotted to the nominees of Resolution Applicant. Details of nominees will be provided in monitoring committee meetings. Such nominees shall be Section 29A compliant under the provisions of the Code.

30. Monitoring Committee

The Monitoring Committee shall comprise of the following members:



- One authorized representative appointed by members of the Committee of Creditors of the Corporate Debtor.
- One authorized representative of Resolution Applicant; and
- Monitoring Agent – Erstwhile Resolution Professional

The Erstwhile RP shall act as Monitoring Agent for aforesaid period and shall be responsible for executing the directions of the Monitoring Committee, including convening, and attending meetings of the Monitoring Committee. The Monitoring agent fees shall be paid on same terms as paid during CIRP of corporate debtor i.e., INR 2 lakhs per month plus applicable taxes and OPE at actuals. All decisions pertaining to the business, operations and disbursements by the Corporate Debtor shall be taken by the Monitoring Committee, and implemented by the Monitoring Agent, who shall act in accordance with the directions of the Monitoring Committee.

31. EMD:

At the stage of submission of the Expression of Interest for the Corporate Debtor the Resolution Applicant has submitted an amount of INR 1,00,00,000/- (one crore) as deposit.

32. Performance Security:

- In the RFRP documents shared by Resolution Professional the requirement of performance bank guarantee has been stipulated and it provides that the Successful Resolution Applicant shall within a period of 2 (two) business days of issuance of LOI (or earlier in case the application for approval of Resolution Plan is to be submitted to NCLT earlier), provide an irrevocable and unconditional performance bank guarantee issued by scheduled bank to an amount aggregating of sum total of 10% of the Successful Resolution Applicant Contribution.
- Resolution Applicant agrees to provide the Performance Bank Guarantee (“PBG”) in compliance with RFRP i.e., 10% of Successful Resolution Applicant Contribution plus additional INR 1 Crore on

approval of resolution plan by CoC members and receipt of letter of intent from Resolution Professional.

- The Resolution Applicant has paid an amount of **Rs. 5,48,00,000/- (Inclusive of EMD of INR 1 Crore)** as performance Security.

33. Receivables from Avoidance Application

- Any monies received pursuant to exercise of powers and obligations by the Resolution Professional under Sections 43 to 51 (both inclusive) and Section 66 of the IBC, shall be vested in the Secured Financial Creditor. It is clarified that from effective date, avoidance application filed by the Resolution Professional under Section 43 to 51 & 66 of the Code shall be pursued by the Secured Financial Creditors directly and all cost and benefits to this account shall accrue to Secured Financial Creditors. The Secured Financial Creditor shall be entitled to make suitable applications with the NCLT to enable them to pursue the said application and subsequent recoveries if any.
- Further, from the date of approval of this Resolution Plan by Adjudicating Authority, Application filed by the Resolution Professional under Section 70 read with section 74 of the Insolvency and Bankruptcy Code 2016 in CIRP process of corporate debtor against directors of suspended board of corporate debtor for sale of inventories and withdrawal of bank balance during CIRP period shall be pursued by the Secured Financial Creditors of corporate debtor directly and all cost and benefits to this account shall accrue to Secured Financial Creditors. The Secured Financial Creditors shall be entitled to make suitable applications with the NCLT to enable them to pursue the said application and subsequent recoveries, if any.

34. Compliance Certificate in Form – H

Pursuant to Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the Successful Resolution Applicant has

prepared a Compliance Certificate dated 29.10.2024 in **Form H** which is annexed to the Application.

Compliance of mandatory requirements under the Insolvency & Bankruptcy Code, 2016:

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?	Clause 3 (Overview of Resolution Applicant) Page nos. 16 and 17 of the revised resolution plan.	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. The resolution applicant is eligible to submit the resolution plan.	Yes
Section 30)1(	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Clause 3.3 Page no. 17 of the revised resolution plan. Affidavit attached as an annexure to the resolution plan	Yes
Section 30)2(	Whether the Resolution Plan-		
	(a) provides for the payment of insolvency resolution process costs?	Clause 4.6 note (a) (Under head overview of resolution plan) Page No. 20 of the revised resolution plan AND Clause 4.7 (Under head Distribution of Plan amount) Page No. 24 of the revised resolution plan.	Yes



		AND Clause 4.9.1 (Under head Mandatory contents of resolution plan) Page no. 25 of the revised resolution plan.	
(b) provides for the payment to the operational creditors?		Clause 4.7 Page nos. 24 of the revised resolution plan. (Under head Distribution of Plan amount) AND Clause 4.9.2 Page No. 25 of the revised resolution plan. (Under head Mandatory contents of Resolution Plan)	Yes
(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?		Clause 4.6 Page No. 23 and 24 of the revised resolution plan. (Under head manner of payment of total plan amount)	Yes
(d) provides for the management of the affairs of the corporate debtor?		Clause 4.9.9 Page No 25 of the revised resolution plan. AND Clause 5.4 (Monitoring Committee) Page No. 30 of the revised resolution plan	Yes



	(e) provides for the implementation and supervision of the resolution plan?	<p>Clause 4.9.9 Page 26 of the revised resolution plan</p> <p>AND</p> <p>Clause 5 Page Nos. 28, 29 and 30 of the revised resolution plan.</p>	Yes
	(f) contravenes any of the provisions of the law for the time being in force?	<p>Clause 10.1 (Declaration) Page No. 44 of the revised resolution plan</p>	No
Section 30)4(	<p>Whether the Resolution Plan (a) is feasible and viable, according to the CoC?</p> <p>(b) has been approved by the CoC with 66% voting share?</p>	<p>Clause 4.9.7 (under head mandatory content of the revised resolution plan) Page no. 25 of the revised resolution plan.</p> <p>Yes</p>	Yes
Section 31)1(	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	<p>Clause 5 Page No. 28</p> <p>READ WITH</p> <p>Clause 5.2 (Implementation schedule) Page Nos. 29 and 30 of the revised resolution plan</p> <p>AND</p>	Yes



		<p>Clause 5.4 (Monitoring Committee) Page no. 31 of the revised resolution plan.</p>	
Regulation 38)1(	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?]	<p>Clause 4.6 (b)(c)(d) Page No. 20,21 and 22 of the revised resolution plan</p> <p>READ WITH</p> <p>Clause 4.9.2 (Mandatory Contents) Page 25 of revised resolution Plan</p> <p>Clause 10.2 Page no. 44 of the revised resolution plan.</p>	Yes
Regulation 38)1A(	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	<p>Clause 9.4 (Review of interest of all stakeholders) Page No. 41 of the revised resolution plan.</p>	Yes
Regulation 38(1B)	<p>(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.</p> <p>(ii) If so, whether the Resolution Applicant has submitted the statement giving details of such</p>	<p>Clause 3.4 (Declaration under regulation 38(1B)) Page No. 17 of the revised resolution plan</p> <p>READ WITH</p> <p>Clause 10.1 (Declaration) Page No. 44 of the revised resolution plan</p>	No

	non-implementation?	NA	
Regulation 38)2(	Whether the Resolution Plan provides:)a(the term of the plan and its implementation schedule?	Clause 5.2 Page No. 29 and 30 of the revised resolution plan.	Yes
	)b(for the management and control of the business of the corporate debtor during its term?	Clause 5.4 (Monitoring Committee) Page No. 30 and 31 of the revised resolution plan	Yes
	)c(adequate means for supervising its implementation?	Clause 5.4 (Monitoring Committee) Page no. 30 and 31 of the revised resolution plan AND Clause 5.2 (Implementation schedule) Page Nos. 29 and 30 of the revised resolution plan	Yes
38)3(	Whether the resolution plan demonstrates that –)a(it addresses the cause of default?	Clause 2.4 Page no. 15 of the revised resolution plan.	Yes
	)b(it is feasible and viable?	Clause 4.9.7 Page No. 25 of the revised resolution plan.	Yes
	)c(it has provisions for its effective implementation?	Clause 5 Page No. 28 READ WITH Clause 5.4 (Monitoring Committee)	Yes



		<p>Page no. 30 and 31 of the revised resolution plan</p> <p>AND</p> <p>Clause 5.2 (Implementation schedule) Page Nos. 29 and 30 of the revised resolution plan</p>	
	)d(it has provisions for approvals required and the timeline for the same?	<p>Clause 5.5 Page No. 31 of the revised resolution plan.</p>	Yes
	)e(the resolution applicant has the capability to implement the resolution plan?	<p>Clause 3 (Overview of Resolution Applicant) Page No. 16 of the revised resolution plan</p> <p>READ WITH</p> <p>Clause 4.9.6 Page No. 25 of the revised resolution plan.</p>	Yes
39)2(	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	<p>Avoidance Application has been filed on 5th July 2024 against directors of suspended board of corporate debtor pursuant to transaction audit conducted. The matter is pending adjudication.</p>	
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.]	<p>RA has deposited Performance Bank Guarantee in compliance to RFRP provisions i.e., 10% of Resolution Plan amount amounting to INR 4,48,00,000/- by way of direct deposit in CIRP bank account of corporate debtor on 24 September 2024 along with the additional INR 1,00,00,000/- (adjusted against EMD amount) as discussed in adjourned 15th CoC meeting totaling to INR 5,48,00,000/-.</p>	



35. Observations and Findings-

- i.* This Tribunal observes that this Plan is in compliance with the Following Provisions of *Section 30 of the Code. (whichever is applicable)*
- a.* As per IBC Code 30(2)(a) – A Resolution Plan provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor.
 - b.* As per Section 30(2)(b), the Respondent has agreed to pay Operational Creditors an amount which shall not be less than liquidation value or the amount that would have been paid to such creditors if the amount to be distributed under the Resolution Plan is distributed in accordance with priority under Section 53(1), whichever is higher.
 - c.* The Resolution Applicant has also agreed that dissenting financial creditors shall be paid not less than the value they would have been paid in the event of liquidation of the Corporate Debtor.
 - d.* The plan provides for the management of the affairs of the Corporate Debtor after approval of the Resolution Plan. Section 30(2)(d).
 - e.* The Resolution Plan does not contravene any of the provisions of the law for the time being in force - Resolution Plan provides for the implementation and supervision of the resolution plan as per Section 30(2) (e).
 - f.* The Resolution Applicant has given a declaration that the Resolution Plan does not contravene any provisions of the law for the time being in force as per Section 30(2)(f).
 - g.* The resolution applicant or any of its related parties has not failed to implement or contributed to the failure of



implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past.

ii. The Resolution Plan is in compliance of the Regulation 38 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 in terms of Section 30(2)(f) of the Code as under:

a. The amount due to the operational creditors under a resolution plan shall be given priority in payment over financial creditors. Regulation 38(1).

b. The Resolution Plan has all the adequate means of supervising of the implementation of the Plan as required under Regulation 38(2) (c), of the IBBI, Insolvency resolution process for corporate persons, Regulation 2016.

c. Provides for the payment of CIRP Costs in priority to the repayment of any other debts of the Company (Regulation 38(1)(a)).

d. Provides for the manner of implementation and supervision of the Resolution Plan and adequate means for implementation and supervision of the Resolution Plan.

e. The Resolution Applicant confirms that to the best of the knowledge of the Resolution Applicant, the Resolution Plan is not in contravention of the provisions of Applicable Law and is in compliance with the Code and the CIRP Regulations.

f. The Resolution Applicant confirms that the Resolution Applicant and its connected persons are not disqualified from submitting a resolution plan under Section 29A of



the Code and other provisions of the Code and any other Applicable Law.

g. The plan provides for the management and control of the business of the Corporate Debtor during its term.

h. All the above factors demonstrate that the plan address as the cause of default and the Resolution Applicant has the capacity to implement the Resolution Plan.

i. That the Resolution Applicant or any of its related parties has never failed to implement or contributed to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority at any time in the past. This is in compliance of Regulation 38(1)(b) of the Regulations.

j. The interests of all stakeholders (including Financial Creditors, Operational Creditors and other creditors, guarantors, members, employees and other stakeholders of the Company, keeping in view the objectives of the Code (Regulation 38(1A)).

- iii.** As stated by the Applicant in Form H, the Resolution Plan has been approved by the CoC on 20.09.2024 with 100% voting, in accordance with the provisions of the Code.
- iv.** It is imperative to note that the Applicant presented a new summary of valuation of assets of the Corporate Debtor after giving effect of sale of inventories and withdrawal of bank balance by the Suspended Management of the Corporate Debtor during the CIRP period. However, this Bench deems it appropriate to consider the original valuation report prepared by the Registered Valuers appointed on 20.06.2023 for the present case.



- v. From the perusal of the documents available on record, this bench observes that the SRA, i.e. M/s. Vimal Agro, does not form part of the Final List of PRAs. However, it is pertinent to note that Vimal Agro had filed its Plan prior to the 6th CoC Meeting held on 17.11.2023 and thereafter, it figured in the list of two PRAs who had submitted their Plans and were considered accordingly by the CoC in their all subsequent meetings. Further, post approval of Resolution Plan of M/s. Atharv Intertrade, IA 3769 of 2024 filed by the SRA (Vimal Agro) for consideration of their revised Resolution Plan, was listed before this Tribunal on 02.08.2024 and this Tribunal vide Order dated 02.08.2024 held as follows-

*“**IA 3769/2024:-** The learned counsel for the Applicant submits that after the approval of the plan of the SRA, the applicant submitted a revised plan. Learned counsel appearing for the RP accepts that the latest revised plan was received by the RP on 26.07.2024 and the RP forwarded the same to the CoC for reconsideration. The CoC is yet to revert on the same. In view of the same, we deem it appropriate to adjourn the same. Let the CoC take a call on the revised plan. Adjourned to **27.08.2024.**”*

***IA(PLAN)/48/2024:-** Adjourned to 27.08.2024.”*

- vi. Consequently, the CoC, in the 14th Meeting held on 05.08.2024, approved a resolution to consider the revised Plan submitted by Vimal Agro. The said resolution passed by the CoC is as under-

*“**RESOLVED THAT** the consent of the members of committee of creditors of pannageshwar sugar mills limited be and is hereby accorded to consider the revised resolution plan of M/s. Vimal Agro, Resolution Applicant submitted on 25th July 2024”*



vii. Further, IA 3769 of 2024 was again listed before this Tribunal on 27.08.2024. Vide Order dated 27.08.2024, the said IA 3769 of 2024 was allowed in light of the fact that the CoC, in the 14th Meeting held on 05.08.2024, approved a resolution to consider the revised Plan submitted by Vimal Agro. The said Order dated 27.08.2024 is as under-

“IA/3769/2024: - *The prayers in the present case is as under: -*

a) direct/ grant liberty to the Committee of Creditors of the Corporate Debtor (i.e. Respondent Nos. 2 to 9 above) to consider the Applicant's Final Resolution Plan dated 1st July 2024 with further liberty to reconsider its purported approval in respect of the Resolution Plan submitted by the SRA (i.e. Mis. Atharv Intertrade Private Limited).

b) Condone the delay (if any) in the submission of the Applicant's Final Resolution Plan dated 1st July 2024.

c) Pending the hearing and final disposal of this Application, stay the Interlocutory Application filed on 5th July 2024 bearing diary no.2709138066012024 under Sections 30(6) and 31 (1) of the IBC for approval of the Resolution Plan of Mis. Atharv Intertrade Private Limited, until the Committee of Creditors of the Corporate Debtor conveys their acceptance or rejection of the Applicant's Final Resolution dated 1st July, 2024.

IA(PLAN)48/2024: - *The prayer in the present case is as under: -*

a) Allow the present Application and approve the Revised Resolution Plan along with Addendums submitted for the Corporate Debtor by the Successful

Resolution Applicant in terms of Section 31(1) of the Code;

b) Direct that the Revised Resolution Plan along with Addendums approved/ sanctioned by this Hon'ble Tribunal shall be binding on the Corporate Debtor, its employees, members/ shareholders, all creditors, guarantors and other stakeholders in the CIRP of the Corporate Debtor;

*Learned counsel appearing on behalf of respondents has submitted that in view of the order dated 02.08.2024, the CoC meeting was held on 05.08.2024, in which the CoC has recorded their consent to consider the Resolution Plan of the Applicant with a voting of 92.85%. In view of the same, this IA is disposed of as having been allowed. Let the CoC consider the resolution plan of the Applicant. Learned counsel for the RP submits that in view of this Application having been allowed the RP will have to file as appropriate application seeking extension as the CIRP got over on 05.07.2024 and the CoC had approved the Plan for consideration by this Hon'ble Court. In view of the submissions made by the Counsel for the RP, we deem it appropriate to allow the RP to move an appropriate application. In view of the disposal of IA 3769/2024 the learned counsel for the RP wishes to withdraw the IA 48/2024. Let this IA be **disposed of** as having been withdrawn.”*

- viii.** From the perusal of the 15th CoC Meeting held on 03.09.2024, it is pertinent to note that M/s. Atharv Intertrade Private Limited filed an appeal before the Hon'ble NCLAT against the aforementioned Orders dated 02.08.2024 and 27.08.2024

passed by this Tribunal. However, the perusal of the 16th CoC Meeting held on 09.09.2024 further reveals that the authorised representative of M/s. Atharv Intertrade Private Limited informed the CoC that they are in the process of withdrawing the aforementioned appeal preferred before the Hon'ble NCLAT. The relevant excerpt of the 16th CoC is as under-

“The Chairman apprised the CoC members that M/s Atharv Intertrade Private Limited is in process of withdrawing the appeal filed by them before Hon'ble NCLAT, New Delhi Bench against order dated 2nd August 2024 and 27th August 2024 passed by Hon'ble NCLT. This has been communicated by them over email dated 4 September 2024 to Resolution Professional. Copy of such email received from Atharv Intertrade Private Limited has been sent to all CoC members.

The Chairman informed the members that M/s Atharv Intertrade Private Limited has in their email has stated that ".....In light of subsequent discussions and strategic considerations, we have now resolved to withdraw the appeal that was lodged before the Hon'ble NCLAT. We anticipate completing this withdrawal process within the forthcoming days. Accordingly, we seek your esteemed guidance on the procedural formalities and requisite actions that we must undertake regarding further Resolution Plan/Resolution Process.”

- ix.** Furthermore, the authorised representative of M/s. Atharv Intertrade Private Limited, in the said 16th Meeting of CoC informed the CoC members that *“they have already submitted the resolution plan for corporate debtor and they do not want to*

revise their resolution plan any further'. The relevant excerpt from the 16th Meeting of CoC is as under-

“The CoC members informed Mr. Nishant Patil that as per discussion held in adjourned 15th meeting of CoC, he had stated that they do not want to discuss further until the adjudication of their appeal Filed. Now as they are in process of withdrawing their appeal, do they intend to discuss on their resolution plan?”

*To which Mr. Nishant Patil replied that **they have already submitted the resolution plan for corporate debtor and they do not want to revise their resolution plan any further. He requested the CoC members to consider their revised resolution plan dated 18th May 2024 submitted by them along with both the addendums to revised resolution plan.**”*

- x. In this factual background, Resolution Plan of 'M/s. Vimal Agro' was approved by the CoC with 100% voting. Accordingly, despite there being deviation from strict adherence to Regulation 39(1B)(b) of the CIRP Regulations, not considering the Plan of M/s. Vimal Agro at this conclusive stage would not only derail the ongoing CIRP Process but would inevitably push the Corporate Debtor into liquidation. Furthermore, it is observed that the financial proposal submitted by the SRA (M/s. Vimal Agro) is more value-accretive and has been approved with 100% voting share of the CoC. Also, this Tribunal is conscious of the fact that paramount importance must be accorded to the commercial wisdom of the CoC as consistently held by the Hon'ble Supreme Court. Thus, keeping in view the peculiar factual matrix of the present case, the Resolution Plan submitted by M/s. Vimal Agro is being considered for approval.

- xi.** The Hon'ble Apex Court in the matter of **India Resurgence Arc Private Limited vs. Amit Metaliks Limited and Ors. (2021)**, has held as under-

“the process of consideration and approval of resolution plan is essentially within the commercial wisdom of Committee of Creditors (CoC). The scope of judicial review remains limited under Section 30(2) of the Insolvency and Bankruptcy Code (IBC), 2016 by which the court would examine that the resolution plan does not contravene any statutory provisions and it conforms to such other requirements as may be specified by the Board. The court held that the process of judicial review cannot be stretched if all the above-mentioned requirements have been duly complied with and that dissenting financial creditor, expressing dissent over the value of security interest held by it, cannot seek to challenge an approved Resolution Plan. Lastly, it was held that Section 30 of the IBC, 2016 only amplified the considerations for the CoC while exercising its commercial wisdom so as to take an informed decision in regard to the viability and feasibility of resolution plan, with fairness of distribution amongst similarly situated creditors; and that the business decision taken in exercise of the commercial wisdom of CoC does not call for interference unless creditors belonging to a class being similarly situated are denied fair and equitable treatment”.

- xii.** Further, reliance is placed on the Judgment of the Hon'ble Supreme Court in the matter of **K. Sashidhar v. Indian**

Overseas Bank & Others: 2019 SCC Online SC 257 (2019)

12 SCC 150), wherein the Hon'ble Apex Court held as under-

“if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan as approved by CoC meets the requirements specified in Section 30(2). The Hon'ble Court observed that the role of the NCLT is 'no more and no less'. The Hon'ble Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 and is limited to scrutiny of the Resolution Plan “as approved” by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in reference to matters specified in Section 30(2) when the Resolution Plan does not conform to the stated requirements”.

- xiii.** Moreover, the Hon'ble Apex Court, at para 42, in the judgment of **Committee of Creditors of Essar Steel India Limited Vs. Satish Kumar Gupta & Ors.: (2019) SCC Online**, has clearly laid down that the Adjudicating Authority does not have the power to modify the Resolution Plan which the CoC, in their commercial wisdom, have approved. The relevant paragraph is as under-

“Para 42- Thus, it is clear that the limited judicial review available, which can in no circumstance

*trespass upon a business decision of the majority of the Committee of Creditors, has to be within the four corners of section 30(2) of the Code, insofar as the Adjudicating Authority is concerned, and section 32 read with section 61(3) of the Code, insofar as the Appellate Tribunal is concerned, the parameters of such review having been clearly laid down in **K. Sashidhar** (supra).”*

- xiv.** Thus, in above judgments, it is established that the Hon'ble Apex Court has accorded paramount importance to the commercial wisdom of committee of creditors (CoC). Consequently, the scope of judicial review available to the Adjudicating Authority remains circumscribed, limited specifically to the parameters of scrutiny delineated under Section 31 of the Code. Similarly, the Appellate Authority's jurisdiction to intervene is confined within the prescribed boundaries established under sub-section (3) of Section 61 of the Code, thereby preserving the legislative intent of minimal judicial interference in commercial decisions made by the CoC.
- xv.** Regarding the Reliefs and Concessions, it is stated that same have to be in accordance with and subject to the provisions of Section 31(4) and Section 32A of the Code. Further, the law has been well settled by the Hon'ble Supreme Court in the case of **Ghanashyam Mishra and Sons Private Limited Vs. Edelweiss Asset Reconstruction Company Limited and Ors.**, wherein it was held as under-
- "The legislative intent behind this is, to freeze all the claims so that the resolution applicant starts on a clean slate and is not flung with any surprise claims. If that is permitted, the very calculations on the basis*



of which the resolution applicant submits its plan would go haywire and the plan would be unworkable.

87. We have no hesitation to that the word "other stakeholders" would squarely cover the Central Government any State Government or any local authorities. The legislature, noticing that on account of obvious omission certain tax authorities were not abiding by the mandate of I&B Code and continuing with the proceedings, has brought out the 2019 amendment so as to cure the said mischief...

In view of the above we hold that the Resolution Applicant cannot be saddled with any previous claim against the Corporate Debtor prior to initiation of its CIRP..."

Consequently, all the dues including the statutory dues owed to the Central Government, any State Government or any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued."

- xvi.** Considering the totality of the facts and circumstances of the present case and in view of the precedents cited above, this Bench is of the considered view that the instant Resolution Plan by M/s. Vimal Agro meets the requirements as stipulated under Section 30(2) of the Code and Regulations 37, 38, 38(1A) and 39(4) of the IBBI Regulations, 2016. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. The Resolution Plan is feasible and viable. The Resolution Plan balances the interest of all the stakeholders and thus it deserves to be approved.
- xvii.** The above I.A (Plan) 1 of 2025 is **allowed** in terms of the above said and is disposed off by passing the following Order –

ORDER

- a)** The Interlocutory Application (Plan) No. 1 of 2025 is **allowed**. The Resolution Plan submitted by **M/s. Vimal Agro**, is hereby approved. **It shall become effective from this date and shall form part of this order.** It shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of payment of dues arising under any law for the time being in force is due.
- b)** The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC), concerned for information and record. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.
- c)** The moratorium under Section 14 of the Code shall cease to have effect from this date.



- d) The Monitoring Committee shall supervise the implementation of the Resolution Plan and shall file status of its implementation before this Authority from time to time, preferably every quarter.
- e) The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.
- f) The Applicant shall forthwith send a copy of this Order to the CoC and the Resolution Applicant for necessary compliance.
- g) The Resolution Professional shall submit the records collected during the commencement of the proceedings to the Insolvency & Bankruptcy Board of India for their record.
- h) The Resolution Professional shall stand discharged from his duties with effect from the date of this Order, save and except those duties that are enjoined upon him for implementation of the approved Resolution Plan.
- i) The Registry is directed to send copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.
- j) The Interlocutory Application (Plan) **No. 1 of 2025** is accordingly **allowed**.

Sd/-

CHARANJEET SINGH GULATI
MEMBER (TECHNICAL)

Sd/-

SUSHIL MAHADEORAO KOCHEY
MEMBER (JUDICIAL)

/Jhanvi, LRA/