

**NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH**

**Under Section 30(6) of Insolvency  
and Bankruptcy Code, 2016 for  
approval of Resolution Plan**

**M.A. NO. 3710 OF 2019**

Filed by:

**Rajendra K Bhuta**

Resolution Professional,

**...Applicant**

In the matter of

**C.P. (IB) No. 4403 OF 2018**

**Vicky Enterprises**

Gala No. 07, Reddy Compound,

Valnai Colony, Orlem,

Malad (W), Mumbai – 400064

**...Operational Creditor**

**versus**

**Om Printing and Flexible Packaging  
Private Limited**

CIN: U74999MH2011PTC212987

Having its registered office at:

Gat No. 34, Nampur Road,

Nilgavan Phata, Tal. Malegaon,

Nashik – 423 203

**...Corporate Debtor**

**Order Pronounced on: 10.11.2020**

**Coram:**

**Hon'ble H.V. Subba Rao, Member (Judicial)**

**Hon'ble Shri Shyam Babu Gautam, Member (Technical)**

**Appearance:**

**For the Applicant RP: Mr. Darryl Pereira**

***Per: Shri Shyam Babu Gautam, Member***

**ORDER**

1. This is a Miscellaneous Application filed the Resolution Professional (RP) Mr. Rajendra K Bhuta of Om Printing and Flexible Packaging Private Limited (hereinafter called as the “corporate debtor”). This application has been filed under Section 30(6) of the Insolvency and Bankruptcy Code, 2016. The Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was commenced by an order of this Tribunal dated 20.02.2019 in the current CP No. 4403 of 2018.
2. Later, on 08.03.2019, public announcement was made inviting claims from all the creditors and in response to this, only one claim from Financial Creditor State Bank of India vide Form C was received. Therefore, the State Bank of India enjoys 100% voting rights. On 18.03.2019, the Constitution of CoC was submitted by the Interim Resolution Professional (IRP) before this Tribunal.
3. During the 2<sup>nd</sup> CoC meeting held on 09.04.2019, it was decided that the then IRP Mr. Pawan Kumar Agarwal to be replaced by the current RP Mr. Rajendra Bhuta. The IRP on 23.04.2019, submitted his NOC for the same. Later, this Tribunal vide an order dated 12.06.2019, appointed Mr. Bhuta as the RP replacing the IRP Mr. Agarwal.
4. During the 4<sup>th</sup> CoC meeting held on 11.06.2019, it was decided to extend the dates of the Expression of Interest (EOI) which was published earlier on 22.05.2019 in Form G. Accordingly, on 22.06.2019, public advertisement was made in 4 newspapers for the extension of dates in respect of the EOI from 09.06.2019 to 07.07.2019.
5. During the 5<sup>th</sup> CoC meeting held on 25.06.2019, it was resolved by the CoC for applying to this Tribunal for extension of CIRP period by 90 days for inviting plans. In the 6<sup>th</sup> CoC meeting held on 16.07.2019, the RP informed the CoC that he did not receive any further EOI in response to the second advertisement inviting EOI. The RP also informed that Uma Ployers Ltd. have provided all the requested documents and the same have been examined by him. A report on review of EOI received from M/s Uma Polymers Ltd. was placed on

the table for consideration by the members of the CoC. The CoC has considered and informed the Resolution Professional to communicate the decision of Uma Polymers Limited to submit Resolution Plan as per provisions of the Code.

6. During the 7<sup>th</sup> CoC meeting held on 24.07.2019, the RP placed on table the Visit Report as on 22.07.2019 and informed the CoC regarding the non-cooperation faced by the RP and the illegal actions of the Suspended Directors. The subject was discussed and the RP informed the members of the CoC that the RP is in process of filing FIR with the superintendent of Police Nashik and simultaneously shall file application under Section 19(2) of the Code. Accordingly, MA 2690 of 2019 was filed before this Tribunal by the RP and this Tribunal vide an order dated 19.08.2019 passed an order directing the superintendent of Police, Malegaon Branch, Maharashtra to forthwith direct the station officer Vadner Khakurdi Police Station to register FIR against Suspended Director Shekar Sonawane and provide police protection to the RP and see that the RP is given possession of the factory premises of the Corporate Debtor. This order dated 19.08.2019 was later complied by the Police.
7. In the 8<sup>th</sup> CoC meeting held on 23.08.2019, the RP informed the CoC that the MA filed for extension of period of CIRP for a period of 90 days has been approved and accordingly the revised CIRP period ends on 16.11.2019. The CoC also discussed and expressed that as of today, there is only one party who is expected to submit Resolution Plan but if process is once again initiated by inviting EOI, more parties can submit the same and therefore, in commercial prudence, it would be appropriate to cancel the process of accepting the Resolution Plan from sole Resolution Applicant. The CoC unanimously decided the process of Resolution Plan in terms of EOI in accordance with Public Advertisement dated 22.05.2019 stands cancelled. The CoC also advised the RP to call for quotations for conducting the transactional audit from 01.04.2013.
8. On 26.08.2019, the RP issued second round of invitation for submission of EOI in two newspapers and in view of this, the RP in the 9<sup>th</sup> CoC meeting held on 27.09.2019, informed the CoC that two

interests have been received by him from one Uma Polymers Limited and one Rohan P. More and Akash P. More jointly as a Consortium. The RP also placed quotations from two forensic auditors before the CoC and it was resolved that M/s Anil Khandelwal and Associates be appointed as the Forensic Auditor to carry out the Forensic Audit of the Corporate Debtor for the period from 01.04.2012 to 20.02.2019. The RP also informed the CoC that he would be calling for quotations from Auditors and Company Secretaries from finalising the Accounts and ROC compliances of the Corporate Debtor since the past auditor of the Corporate Debtor Harshal G. Achrekar & Co. has refused to carry out the Audit stating that the company has completed the term of 5 years of Audit of the said Company.

9. During the 10<sup>th</sup> CoC meeting, the RP informed the CoC that he has received only one Resolution Plan from one Uma Polymers Ltd. which was submitted by them on 22.10.2019 in a closed envelope. The Resolution Applicant M/s Uma Polymers Limited has submitted 3 copies of the Resolution Plan along with Rs. 10 Lakh demand draft and two password protected Pen drives. Two copies of the Resolution Plan were given to the CoC members for their evaluation and study of the Resolution Plan and the Demand Draft was handed over the Representative of State Bank of India.
10. During the 11<sup>th</sup> CoC meeting held on 08.11.2019, the RP tabled two Resolution Plans submitted by two Resolution Applicants viz. Uma Polymers Ltd. and the one submitted jointly by Mr. Rohan More and Mr. Akash More along with Form H compliance certificate. However, the Resolution Plan jointly submitted by Mr. Rohan More and Mr. Akash More did not comply with the provisions of the Code and therefore, the same was rejected by the CoC. Therefore, the CoC in their 11<sup>th</sup> meeting unanimously accepted the Resolution Plan as submitted by Uma Polymers Ltd. and later filed this application for approval of that Resolution Plan.
11. The applicant mentioned that the Resolution Applicant is eligible under Section 29 A of the Code to submit a Resolution Plan. The Resolution Plan as submitted to the RP by the Resolution Applicant has been prepared in accordance with the provisions of the Code and

the CIRP Regulations subject to consideration of claim of operational creditors. RP opined that the Resolution Applicant Uma Polymers Ltd. has not considered any claim of 15 unsecured Financial Creditors amounting to Rs. 3.28 Crores (Related Parties), 5 claims of Operational Creditors admitted amounting to Rs.1.29 Crores, CST, Panchayat Tax claim admitted amounting to Rs.0.03 Crores. Accordingly, RP had informed Resolution Applicant to consider claim of Operational Creditors also. In response to the same, the Resolution Applicant has revised the offer by considering the claim of Operational Creditors. The revised offer was sent by email dated 07.11.2019 which was communicated to the members. The representatives of Resolution Applicant Uma Polymers Ltd. were called to make presentation of Resolution Plan and highlight its salient features. The key highlights of the plan and how the funds will be distributed between the stakeholders were presented by them. The CoC members made them a request to improve the offer by increasing the amount of Financial Creditors to Rs. 6.25 Crores and accordingly other figures will be recalculated. The Resolution Applicant then sought time to submit the revised financial offer by evening that day to the Resolution Professional. Accordingly, changes were made and finally the plan was accepted by the CoC in its 11<sup>th</sup> meeting.

12. Later during the hearing of the matter, the Resolution Applicant has increased his offer from Rs. 6,87,45,262/- to a tune of Rs. 7,00,00,000/-. The Resolution Applicant has later filed an affidavit to that effect also stating the breakup of the increased amount of Rs. 12,54,738/- regarding how the amount is to be utilised by the Resolution Applicant. The said table is hereby produced:

**TABLE NO 2**

CREDITOR GROUP	Refer Annexure M Sr. No.	LIABILITY AS PER BALANCE SHEET OF 31.3.2019	CLAIM RECEIVED BY IRP/RP	CLAIM ADMITTED BY IRP/RP	AMOUNT PROPOSED TO BE PAID
CIRP Cost					4,000,000
* Secured Financial Creditor : State Bank of	A1 To A4	132,801,654	257,826,165	163,067,130	63,754,738

India (IL, F1TL, CC, BG)					
Unsecured Financial Creditors 15 Related Parties	B1 to B15	32,758,824	29,455,033	25,956,569	NIL
Other 2 Unsecured Financial Creditors	C1-C2	1,439,330	NO	NIL	NIL
5 Claims admitted operational creditors	D1 To D5	8,954,955	13,382,866	12,888,539	644,427
PF/Profession	E1 To	669,031	NO	NIL	669,031
Tax/Labour Welfare Fund	E3				
Salary & Wages Payable	E4	689,132	689,132	689,132	172,283
Income Tax TDS	F1	Nil	511,160	511,160	511,160
CST, Panchayat, Tax, VAT	F2 TO F4	277,601	277,601	277,601	NIL
Power Exp. Payable	F5	248,361	NO	NIL	248,361
Other 70 Operational Creditors	G1 To G70	53,478,993	NO	NIL	NIL
Total 105 Liabilities		231,317,880	302,141,957	203,390,131	70,000,000

**\* Note :**

Vide Resolution Plan submitted on 8<sup>th</sup> November, 2019 The amount proposed for the Financial Creditors was Rs. **6,25,00,000/-**. At the hearing before the Hon'ble NCLT on 17<sup>th</sup> February, 2020 the the Bench directed the Resolution Applicant to improve the amount offered to the Financial Creditors, with due respect to the Hon'ble Bench we have agreed to increase by **Rs. 12,54,738/-** to make the amount payable to Financial creditors at **Rs. 6,37,54,738/-**. On account of increase in the total amount payable under the Resolution Plan the Liability increases to **Rs. 7 Crore**. As Resolution Applicant we agree to the same.

13. For the sake of clarity and to have better understanding of the entire plan and to avoid any ambiguity, the plan as submitted by the Resolution Applicant and as approved by the CoC is hereby reproduced:

### **RESOLUTION PLAN**

This Resolution Plan provides for requirements as per RFRP, Insolvency and Bankruptcy Code 2016 and CIRP regulations.

The Financial proposal has been prepared on the basis of the information provided by the Resolution Professional in the Information Memorandum, Data Room and subsequent correspondence received there from.

The resolution applicant proposes to acquire the corporate debtor as a going concern through this resolution plan entailing a total funding of Rs.8.9 Crore, Rs. 6.9 Crore within 30 days and Rs. 2 Crore within 90 Days of the effective date of resolution commencement out of internal accruals of Resolution Applicant(Uma Polymers Limited) . These funds would be utilised for refurbishing the Plant & Machinery(to the extent of Rs. 50 lakhs) of CD, upto Rs. 1.5 cr as working capital margin and balance funds to the extent of Rs.6.9 crores shall be utilised towards settling the various dues and purchase of equity shares, as per the timelines and settlement proposals made in this Resolution Plan.

Contents of this Resolution Plan are being presented through paragraphs as follows :

Para	CONTENTS
A	RAs understanding of the background of Corporate Debtor and Introduction and Key objectives of Resolution Plan
B	Proposals for settlement of all liabilities of the creditors of CD and transfer of equity shares

C	Funding to restart the factory and working capital arrangement
D	Details/stipulations for the specific Resolution Proposals to stakeholders:  D.1.Payment of CIRP and related costs D.2 Payment to Operational Creditors D.3 Payment to workmen and employee dues D.4 Payment to Financial Creditors D.5 Dues under Litigation D.6 Unidentified and undisclosed potential operational and financial liabilities D.7 General Notes
E	Reliefs and Concessions sought for
F	Projections for the Corporate Debtor
G	Management Team
H	Regulatory Approvals
I	Binding Effect
J	Mandatory contents of the Resolution Plan
K	Snapshot of salient terms and conditions of the Proposal

**A. RA's understanding of the BACKGROUND OF CORPORATE DEBTOR and Introduction and Key objectives of Resolution Plan**

- **Om Printing and Flexible Packaging Private. Ltd.** was incorporated in 2013.
- **Om Printing and Flexible Packaging Private. Ltd.** is one of the manufacturer and flexible packaging solution provider for a variety of industries with the head office located in Navi Mumbai and manufacturing plant at Malegaon near Dhule, Maharashtra.
- In a short period of time since its inception in 2013 ,the company became a force to reckon with in the field of manufacturing of printing and flexible packaging material.

- They have highly equipped sophisticated infrastructure with well-equipped and modern technology and machinery. The company is able to provide multi-faceted printing and packaging materials, lamination and other flexible packaging solution. They work with the leaders across industry of fast moving consumer goods, food packaging, engineering sector, pharmaceuticals and others.
  
- **Om printing and Flexible Packaging Private. Ltd. has following major clients**
  - ❖ Future Group
  - ❖ Nirmal Seeds
  - ❖ Capital Foods
  - ❖ Aditya Birla group
  - ❖ FDC Limited
  - ❖ Super Max
  - ❖ Tushar Health care
  - ❖ JK Files Ltd
  - ❖ Hamilton Housewares
  - ❖ Samruddhi Engineering
  - ❖ Spectrum Ethers ltd
  - ❖ Nilons
  - ❖ Organic Matters
  - ❖ TSS Sirsi

- **Introduction and Key Objectives of Resolution plan**

This Resolution Plan provides for requirements as per RFRP, Insolvency and Bankruptcy Code 2016 and CIRP regulations.

The Financial proposal has been prepared on the basis of the information provided by the Resolution Professional in the Information Memorandum, Data Room and subsequent correspondence received there from.

The resolution applicant proposes to acquire the corporate debtor as a going concern through this resolution plan entailing a total funding of Rs.8.9 Crore , Rs. 6.9 Crore within 30 days and Rs. 2 Crore within 90 Days of the effective date of resolution

commencement out of internal accruals of Resolution Applicant(Uma Polymers Limited) . These funds would be utilised for refurbishing the Plant & Machinery(to the extent of Rs. 50 lakhs) of CD, upto Rs. 1.5 cr as working capital margin and balance funds to the extent of Rs.6.9 crores shall be utilised towards settling the various dues and purchase of equity shares, as per the timelines and settlement proposals made in this Resolution Plan.

- **Shareholding Pattern of Om Printing and Flexible Packaging Private. Ltd. as on 31.3.2019 is as follows:**

A. Promoter Group Category of Shareholders	Total No. of shares held	% of total no. of shares
Akash More	62850	16.54
Pramod dagadu More	61390	16.16
Roshan More	106615	28.06
Varsha More	67100	17.66
Rajendra Lodha	18875	4.97
Santosh Lodha	18820	4.95
Tanaya goswani	150	0.04
Shekhar sonawane	12950	3.41
Saral Lodha	12750	3.36
Sidhant Lodha	6250	1.64
Siddharth Lodha	3000	.79
Sunita Lodha	5250	1.38
Snehil Lodha	3000	.79
Priyanka More	1000	.26
<b>Total</b>	<b>380000</b>	<b>100</b>

- **Turnover and Fixed Assets of Om Printing and Flexible Packaging Private Ltd.**

PARTICULARS	31.03.16	31.03.17	31.03.18	31.03.19
(figures in Rs. )	(Audited)	(Audited)	(Audited)	(Provisional)
Total Revenue	4,18,93,951	2,16,07,336	2,50,483	50,088
PAT	(4,81,53,530)	(1,93,24,854)	(1,38,02,957)	(1,13,83,885)
Fixed Assets	15,88,89,458	14,84,79,730	13,70,41,541	12,56,12,827

- **Infrastructure & Machinery:**

Geographically their unit is located at Malegaon in Nashik District of Maharashtra. All major cities like Mumbai, Pune, Indore, Surat & JNPT port are within the range of 300Kms (3-4 hours' drive) from the plant. It is well connected by National Highways to other parts of country. The cargo airport of Ozar is about 80 k.m. and Manmad railway junction is 30 kms from plant.

- Om Printing and Flexible Packaging Pvt Ltd have best in class machinery: -

Uflex 8 colour roto gravure printing machine

U flex High Speed Solvent base Lamination machines Solvent less Lamination machine from Nordmeccanica, Italy, U flex slitting machine

Windsor co ex blown line

- Their factory is built over a land area of 3 acres with a total built up area of 70,000 sqft.
- Their Company is ISO 9001:2008 & UKAS Management System Certified Company.
- **Om Printing and Flexible Packaging Supplies flexible packaging material for consumption by various segments of industries in mono/multi-layer combinations of:**
  - ❖ Polyester
  - ❖ Biaxially Oriented Poly Propylene
  - ❖ Metallized Polyester
  - ❖ Aluminum Foil
  - ❖ Polyethylene (Also with Nylon/EVA)
- **Summary Balance Sheet of Corporate Debtor (Om Printing And Flexible Packaging Private Limited) as on 31.03.2019 (provisional figures as per the Information Memorandum) is as under :**

Liabilities with Corporate Debtor		Assets with Corporate Debtor		
Liabilities	Amount ( Rs )	Assets		Amount (Rs.)
LT Borrowings SBI	10,22,73,381	Tangible Fixed Assets		12,56,12,827
ST Borrowings SBI	3,05,28,272	Non-Current Investments( Land)		60,28,823
LT Borrowings - Others Unsecured	3,41,98,154	Long term Loans &		16,70,277
Def. Tax Liabilities	1,23,19,245	Current Assets(		3,01,66,430
Other LT Liabilities	4,89,24,547	i)Inventories	1,29,18,386	
Trade payables	21,610	ii)Trade Receivabl	62,71,417	
Other CL	1,34,87,791	iii)Cash & Cash	5,64,554	

ST provisions	18,84,124	iv)Short term loans &	32,70,509	
Share capital	3,80,00,000	v)Other Current	71,41,564	
Reserves & Surplus ( Losses)	(11,81,58,768)			
<b>Total</b>	<b>16,34,78,357</b>	<b>Total</b>		<b>16,34,78,357</b>

**PROPOSALS FOR SETTLEMENT OF ALL LIABILITIES OF THE CREDITORS OF THE CD OM PRINTING AND FLEXIBLE PACKAGING AND TRANSFER OF 100% EQUITY TO RA:**

Details of all the creditors of the CD as per the Provisional Balance Sheet of March 31 ,2019 and claims accepted by the IRP/RP and amount proposed to be paid there against is given in Annexure M and is summarised as below:

CREDITOR GROUP	Refer Annexure M Sr. no.	LIABILITY AS PER BALANCE SHEET OF 31.3.2019	CLAIM RECEIVED BY IRP/RP	CLAIM ADMITTED BY IRP/RP	AMOUNT PROPOSED TO BE PAID WITHIN 30 DAYS OF EFFECTIVE
Secured Financial Creditor: State Bank of India (IL , FITL , CC, BG)	A1 TO A4	13,28,01,654	25,78,26,165	16,30,67,130	6,25,00,000
Unsecured Financial Creditors – 15 Related Parties	B1 TO B15	3,27,58,824	2,94,55,033	2,59,56,569	NIL
Other Unsecured Financial Creditors	2 C1-C2	14,39,330	NO	NIL	NIL
5 Claims admitted operational creditors	D1 TO D5	89,54,955	1,33,82,866	1,28,88,539	6,44,427
PF/Profession	E1 TO	6,69,031	NO	NIL	6,69,031
Tax/ Labour Welfare Fund	E3				
Salary & Wages Payable	E4	6,89,132	6,89,132	6,89,132	1,72,283

Income Tax TDS	F1		NIL	5,11,160	5,11,160	5,11,160
CST, Panchayat, Tax, VAT	F2 TO F4		2,77,601	2,77,601	2,77,601	NIL
Power Exp. payable	F5		2,48,361	NO	NIL	2,48,361
Other 70 operational creditors	G1 TO G70		5,34,78,993	NO	NIL	NIL
Total 105 Liabilities			23,13,17,880	30,21,41,957	20,33,90,131	6,47,45,262

Annexure M may be referred also for details of claims under verification, claims not admitted etc. The Resolution Applicant is not accepting any further liability under the Resolution Plan over and above the commitment to pay Rs. 6,47,45,262 as per details given above which will be paid within a period of 30 days from the date of approval of the Plan by Hon'ble NCLT. In addition to the same, the Resolution Applicant proposes to also release following payments within 30 days from the date of approval of the Plan by Hon'ble NCLT:

1. Payment of CIRP Costs - estimated maximum Rs. 40 lakhs ( in case if the CIRP Cost amount to be paid increases beyond Rs. 40 lakhs , the same would be paid by corresponding reduction from the total amount of Rs. 6.25 crore proposed to be paid to the Secured Creditors at sr. no. A1 to A4 of Annexure M)

Funds for above commitments of Rs. 6.88 crores will be made available within the time limit of 30 days of date of approval of the plan (i.e. effective date) out of internal accruals of the Resolution Applicant.

Consideration @ 50 paise per Equity Share of Rs. 100 each – Rs. 1,90,000 will be paid by RA separately out of its internal accruals within the time limit of 30 days of date of approval of the plan (i.e. effective date).

<b>FUNDING OF COSTS TO RESTART THE FACTORY</b>
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**REFURNISHING COST (Rs. 50 Lacs)**

The Resolution Applicant proposes to revive the unit at the earliest. It is expected to cost Rs. 50 lakhs towards refurnishing, repair, renovation , upgradation etc. These funds will also be infused by

RA , within 90 days of the effective date, out of its internal accruals.

### **WORKING CAPITAL ARRANGEMENT**

Uma Polymers Limited will provide a sum of Rs. 1.5 crore as working capital margin within period of 90 days of the effective date. Moreover, corporate Guarantee if needed for working capital requirements of the unit will be provided by Uma Polymers Limited.

It may be observed from the above that the Resolution Applicant has, to the extent possible, taken into account the interests of all stakeholders of the Corporate Debtor.

**Details/stipulations to the specific Resolution proposals to the stakeholders,  
as proposed above, are:**

#### **D.1 Payment to CIRP and Related costs: (Section 30(2) of IBC**

All the pending dues payable towards *CIRP* cost (save to the extent already discharged by the cash-flows of the Company) as approved and verified by Committee of Creditors shall be paid by RA, in priority to payments to all other creditors of the Company, within 30 days from the effective date. Limit for Payment of CIRP Costs : - estimated maximum Rs. 40 lakhs ( in case if the CIRP Cost amount to be paid increases beyond Rs. 40 lakhs , the same would be paid by corresponding reduction from the total amount of Rs. 6.25 crore proposed to be paid to the Secured Creditors at sr. no. A1 to A4 of Annexure M)

#### **Detailed CIRP Cost##**

Sr. No.	Nature of Expenses	Total Amount	Paid	Payable	Estimate for the next 4 months
	Cost Incurred By The Interim Resolution Professional (Mr. Pawan Kumar Agarwal)				
1	Cost of Public Announcement (Form A)	84,143	84,143	-	-

2	Fee of Interim Resolution Professional (IRP)	724,520	724,520	-	-
3	Postal Charges Towards Intimation of Commencement of CIRP	18,979	18,979	-	-
4	Security Expense	132,121	132,121	-	-
5	E-Voting Expenses	0	0	-	-
6	Miscellaneous Expenses Viz. Stationery, PPT Preparation Etc.			-	-
	Sub Total (A)	959.763	959.763	-	-
*Amount mentioned above was approved In the first CoC Meeting					
Estimated Cost to Be Incurred by The Resolution Professional (Mr. Rajendra K Bhuta) During CIRP					
1	Free of Resolution Professional (RP)	814.200	814,200		
2	Free of Resolution Professional's Team	0	0		
3	Legal Expenses for running The CIR Process And Maintaining Business Operations	200.000	200.000		
4	COC Meeting Conducting Expenses	0	0		
5	E-Voting Expenses	5,900	5,900		
6	Transaction Auditor fee ;	354,000		354,000	
7	Fee Payable For Valuation of Assets of The Corporate Debtor -	183,901	183,901		
8	Fee Payable For Valuation of Assets of The Corporate Debtor -	225,484	225,484		
9	Statutory Auditor -	40,000	40,000		
10	Tax Auditor -	0	0		
11	Statutory / Roc Filings -	0	0		
12	Process Advisor.	0	0		
13	BG Commission Charges	0	0		
14	Salary Of Employees / Workmen during Insolvency Resolution Process	0	0		
15	Publication Of Form G Dated	50465	23224	272441	
16	Travel & Lodging	36000	36000		
17	Professional Service Of ..... For Inspection of RA Under Section 29 A				
18	Security Expense	108324	108324		192,576
19	Misc. Expenses (Printing And Stationery Postage Charges, Local Transport, Travelling Etc.)	36329	36329		141,698

Sub – Total (B)	2,054,603	1,673,362	381,241	985,634
Total (A+B)	3,014,366	2,633,125	381,241	985,634
Total (A+B) plus estimate of next 4 months				4,000,000

**## Overall amount taken at not exceeding Rs. 40 lakhs .**

**D.2 Payment to Operational Creditors: Regulation 38 (1)**

Amount payable to the Operational Creditor shall be given priority in payment over financial creditors. In the opinion of RA, considering the huge secured liabilities vis a vis the available assets value, the liquidation value qua - qua operational creditors (other than workmen) is bound to be Nil. However with a view to propose resolution for all stakeholders, RA is proposing to settle admitted claims of 5 Operational Creditors listed in Annexure M at Sr. no. D1 to D5 at 5% of the admitted claims (claims admitted by IRP for the same is Rs. 1,28,88,538.90 ), hence a sum of Rs. 6,44, 427 will be paid in settlement of these 5 operational creditors. No payment is proposed in respect of the operational creditors for total amount of Rs. 5,34,78,993 listed at G1 to G70 of Annexure M as neither any claim received nor admitted by IRP/RP , in respect of these 70 operational creditors. .

**Payment towards statutory liabilities, taxes and power bill**

Particulars	Claim submitted	Claim admitted by IRP/RP	Amount Proposed (Rs.)
PROVIDENT FUND	NIL	NIL	5,93,103
PROFESSION TAX	NIL	NIL	74,812
LABOUR WELFARE FUND	NIL	NIL	1,116
INCOME TAX-TDS	5,11,160	5,11,160	5,11,160
POWER EXPENSES PAYABLE	NIL	NIL	2,48,361

Further, there may be contingent claims if any pertaining to cases under dispute and pending before various authorities and/or appeal. No claim will be admitted or entertained for such cases.

**D.3 Payment to Workman and Employee Dues:**

Total claims received from workmen and employees of the corporate debtor amounts to Rs. 689132/- as per the list of claims provided by RP. In the opinion of RA, considering the huge secured liabilities vis a vis available assets value, the liquidation value qua workmen and employee dues is bound to entail a high haircut. However with a view to propose resolution for all stakeholders, RA is proposing to settle admitted claims of workmen and employees dues at 25% of the admitted claims

As per the information provided by the RP, the employees and workmen dues are as below:

<b><u>Employees and Workmen Dues</u></b>				
<b><u>Group</u></b>	<b><u>Name</u></b>	<b><u>2016-17</u></b>	<b><u>2017-18</u></b>	<b><u>Remarks</u></b>
Salary	<del>B M</del> Tiwari	14,785.00		Pending from Sept 16 to Nov 16
Salary	Pallavi Shewale	436.00		Pending from May 16
Salary	Prashant More	11,357.00		Pending from Dec 16 to Jan 17
Salary	Ravindra Wagh	17,484.00		Pending from Apr 16 to May 16
Salary	Shantaram N Wagh	4,84,342.00		Pending from Mar 16 to Dec 16
Salary	Sunil Sonwane	10,760.00		Pending from Dec 16 to Jan 17
Salary	Vinod Deore	70,087.00		Pending from Mar 16 to Jun 16
Salary	Vishal Kadam	6,280.00		Pending from May 16 to Jun 16
Salary	H Bharatha Shetty	-	36,330.00	Pending from Sept 17
Wages	Devendra V Sawant	3,545.00		Pending from Sept 16 to Oct 16
Wages	Kishor Deore	12,266.00		Pending from Nov 16 to Jan 17
Wages	Mirabai Wagh	1,000.00		Short paid in Mar 15 wages
Wages	Prakash Nikam	127.00		Write off
Wages	Sanjay D Mali	10,506.00		Pending from Dec 16 to Jan 17
Wages	Uttam Ahire	733.00		Write off
Wages	Vitthal Ushil	2,740.00		Pending from Oct 16 to Nov 17
Wages	Yogesh Pawar	139.00		Write off
	<b><u>Total</u></b>	<b><u>6,52,802.00</u></b>	<b><u>36,330.00</u></b>	

Accordingly a sum of Rs. 1,72,283/- is proposed to be paid to the workmen and employees in 25 % pro rata to their claims

Other than operational creditors receiving settlements payments as above, no other payments shall be made towards resolution of debts other than financial debts of the Corporate Debtor as on the Insolvency Commencement Date and all claims (including, for the avoidance of doubt, any unverified portion of their claims) against the Corporate Debtor as on the Insolvency Commencement Date shall stand as abated, resolved and extinguished in accordance with this Resolution Plan. Thus any legal proceedings with respect of debts dues shall stand irrevocably and unconditionally abated, settled and extinguished in perpetuity on receipt of the NCLT approval order. Thus, in pursuant to receipt of NCLT order approving Resolution Plan, liabilities shall be modified and paid in manner specified above towards full and final performance and satisfaction of all its obligations to such persons by Corporate Debtor and Resolution Applicant.

The Resolution Plan proposes to extinguish liabilities, on account of interest, penalty or otherwise under any contract concluded prior to Insolvency Commencement Date or under any law, time being in force for the period prior to Insolvency Commencement Date including non-compliance of the requirements of any of the Labour laws like Employee State Insurance Act, 1948, Provident Fund Act, Payment of Bonus Act, Contract Labour Act, 1973, Minimum Wages Act, Equal Remuneration Act, 1976, Factories Act, 1948, Gratuity Act, 1972, etc., over and above the payments mentioned proposed as above in this Resolution Plan.

Any other dues other than the payment obligation of CD as proposed and accepted above, whether related to present projects/services, payment of penalties, liquidated damages or any other related dues, payable by CD with respect to acts committed before Insolvency Commencement Date, liable to be paid, whether claimed or unclaimed, accounted or not, including any dues on account of sales tax/GST/ VAT/Income tax/ other taxes/ local taxes etc, shall be extinguished and not be payable.

#### **D.4 Payment to Financial Creditors:**

In the opinion of RA, the tangible value of the CD presently, lies in achieving optimum capacity utilisation of the production facilities of Corporate Debtor. Accordingly, RA proposes to settle the claims of Financial Creditors keeping in view of his perception of economic value of existing assets of the CD as on CIRP commencement date. It is proposed to pay a sum of Rs.6.25 crores to the Secured Financial Creditors in settlement of all their dues in various facilities listed at Sr. no. A1 to A4 in Annexure M.

Other than Financial Creditors receiving repayments as per para above, no other payments or settlements (of any kind) shall be made to any financial creditor in respect of claims filed under the CIRP and all claims (including, for the avoidance of doubt, any unverified portion of their claims) against the Corporate Debtor as on the Insolvency Commencement Date shall stand abated, resolved and extinguished in accordance with this Resolution Plan. Any related suits or legal proceedings towards recovery of such liabilities shall stand irrevocably and unconditionally abated, settled and extinguished in perpetuity in pursuant to receipt of NCLT order approving this Resolution Plan. Thus, in pursuant to receipt of NCLT order approving Resolution Plan, liabilities upto the Insolvency Commencement Date shall stand modified and paid in manner specified in as per para above towards full and final performance and satisfaction of all its obligations to such persons by Corporate Debtor and Resolution Applicant.

The Secured Creditors shall be entitled to pursue their residual claims against the existing outgoing promoters/ director/ guarantors of the corporate debtor. The existing guarantors against whom such action is taken for recovery of residual dues shall not have any right of subrogation against the corporate debtor/ or/ New promoter / management. The right of subrogation, if any, to be exercised by the existing guarantors, shall only be exercised against the erstwhile promoters of the corporate debtor and not against the resolved corporate debtor with the new management. Financial Creditors will (i) accept the amount towards settlement of their dues as proposed above in Clause D.4 and accept the payment without payment any interest or liquidated damages; (ii). release charge over all the assets of the company which have been provided as security against the loan/ any

other security (iii). withdraw all suits/ applications filed against the Company pending in any court of law.

Other than as stated in the Resolution Plan, no amounts shall be payable by the Corporate Debtor to the persons who have given corporate or personal guarantees to the Financial Creditors, in case such guarantees are invoked by the Financial Creditors.

#### **D.5 Dues under Litigation**

Apart from the above admitted claims, **Om Printing and Flexible Packaging Private Ltd has ongoing litigations from operational creditors to the extent of Rs. 1,48,92,840 as per details below, which** are under dispute. Since, no claims in this regard have been admitted by IRP/RP, RA does not accept any liability for any payment in these cases.

Party name	Amount	Notice type	Court name	Jurisdiction
Bostik India Pvt Ltd	825565	Demand notice	NCLT	
Ultimate Flexi pack Ltd	955859	Legal notice		New delhi
Hubegroup	1443323	Legal notice	Vapi	
Sakata ink	1725853	Demand notice	Gurgaon	
Cosmo Films	1988212	Under section 138	Aurangabad	
Rang Rasayan	1547992	Legal notice		
Paragon Enterprises	748399	Under section 138		
Accuprint	902999	Legal notice		
SSM Estate Limited	1000000	Legal notice		
Siegwerk India Pvt Ltd	1492827	Legal notice		
Brilliant Polymers Pvt Ltd	672727	Legal notice		
DIC India Pvt Ltd	703892	Legal notice		
Hi tech Inks Pvt Ltd	260452	Under section 138	Vapi	

Techno Engineering	124482	Under section 138	Thane	
JSR Industries	106255	Demand notice		
Konark Engineers	394003	Demand notice		
<b>Total</b>	<b>14892840</b>			

#### **D.6 Unidentified and undisclosed potential operational and financial liabilities**

The *RP* may not have received claims for certain liabilities of the Company as on the Insolvency Commencement Date whether arising on account of contractual obligation or otherwise and which are also not identified as liabilities / contingent in financial statements or otherwise. Such liabilities shall be called as “**Unidentified Potential Liabilities**” and no claims in such cases will be entertained by RA.

In respect of any pending civil/criminal/ litigations/ investigations which are currently under moratorium as per the provisions of the court or not under moratorium, while the Resolution applicant has sought withdrawal/waiver/extinguishing of any liabilities arising out of such litigations/disputes, as a matter of abundant caution the Resolution applicant hereby states that there is an underlying presumption in the offer that on approval of the Resolution Plan by the Adjudicating Authority the liability of the Resolution Applicant shall be absolutely limited to the payments offered in the Resolution plan.

#### **D.7 General Note**

D.7.1 Any other debt/ liabilities of the company accrued or arisen prior to the Insolvency Commencement Date other than those liabilities specifically addressed as above ,in relation of debts due by the Corporate Debtor shall stand extinguished and fully discharged without any monetary payment. Further, this Resolution Plan provides for the following, in respect of the Creditors for any period until the Effective Date:

- (a) No interest, penal interest, damages or any other amount will be payable on the security deposits given by any of the vendor's/ service providers to the Corporate Debtor;
- (b) No interest, penal interest, damages or any other amount will be payable for any breach of, or default under the contracts by, the Corporate Debtor with any of the Operational Creditors;
- (c) No fine, interest, penalty or any other amount shall be payable for any breach by or acts of omission or commission of the Corporate Debtor, under Applicable Laws;
- (d) No interest, penal interest, damages or any other amount will be payable to the other Creditors;
- (e) No amount shall be payable for any liability of the Corporate Debtor towards transfer charges, stamp duty or registration fee arising in relation to corporate reorganizations or transfers of immovable property from predecessors-in-title to the Corporate Debtor and such liability shall stand fully discharged;
- (f) No amount shall be payable for any liability of the Corporate Debtor towards tax, fee, interest or penalty for which the assessments in respect of applicable tax laws have not been completed or claims not received by the RP.
- (g) Post approval of Resolution Plan by CoC, RP shall not take any major financial/business decision regarding Corporate Debtor without the written consent of Resolution Applicant, except required under any Applicable Law, time being in force.

D.7.2 The Resolution Applicant will get all the rights , entitlements and privileges vested or to accrue to the Corporate Debtor , in respect of all assets(including but not limited to Debtors, Loans and Advances , Deposit with Statutory Authorities and other assets , claims and receivables ) and rights attached to the same , as per records of the Corporate Debtor as

on the effective date and to pursue its claims and rights thereagainst same as the Corporate Debtor would have in relation to all these assets.

<b>E. RELIEFS AND CONCESSIONS SOUGHT FOR</b>
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Resolution plan proposes certain relief and concessions to be granted by NCLT, vide its approval on the resolution plan. The Plan is not conditional on granting of waivers/concessions. However, to the extent required, the following Waivers and Concessions which are generally available shall be considered.

- a) The Department of Registration and Stamps, Government of India along with various State governments and the MCA to exempt the Resolution Applicant and the Corporate Debtor, from the levy of stamp duty and fees applicable to this Plan and its implementation
- b) All Governmental Authorities to waive the Non-Compliances of the Corporate Debtor prior to the Effective Date
- c) All Governmental Authorities to provide reasonable time period after the Effective Date in order for the Resolution Applicant to assess the status of the Business Permits and ensure that the Corporate Debtor is compliant with the terms of such Business Permits and Applicable Law without initiating any investigations, actions or proceedings in relation to such Non-compliances  
The Central Board of Direct Taxes to consider the Corporate Debtor as a widely 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 to not lead to lapse of brought forward losses of the Corporate Debtor . Accordingly, CBDT to exempt CD (OM PRINTING AND FLEXIBLE PACKAGING PRIVATE LIMITED), from the applicability of provisions of Section 79 of the Income Tax Act with respect to business losses incurred by OM PRINTING AND FLEXIBLE PACKAGING PRIVATE LIMITED during the respective AYs and such losses remained un-absorbed as on 31.03.2019. RA shall be entitled to carry forward and set off the accumulated losses and unabsorbed depreciation as per provisions of section 72A of the Income Tax Act, 1961 tilt such losses are set off fully against income in the subsequent assessment years.

- d) CBDT to exempt all the parties to this Resolution Plan from the Applicability of tax if any under section 41 and section 43 of the Income tax act 1961 and to exempt from payment of tax on any deemed profits or benefits arising from transfer of equity shares and assets/liabilities of the Corporate Debtor to the Resolution Applicant and extinguishment/reduction in liabilities of the Corporate Debtor , as a result of implementation of this Resolution Plan.
- e) All Governmental Authorities to grant any relief, concession or dispensation as may be required for Implementation of the transactions contemplated under the plans in accordance with its terms and conditions.
- f) 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 from all Encumbrances.
- g) To consider waive off of any specific performance obligation or any present or future liability under any law, time being in force, relating to any concessions obtained for the period prior to insolvency commencement date.
- h) To consider waiver/extinguishment of all the penalties, charges, fees, etc. in any form arising out of non-compliance of the requirements of any of the Labour laws like Employee State Insurance Act, 1948, Provident Fund Act, Payment of Bonus Act, Contract Labour Act, 1973, Minimum Wages Act, Equal Remuneration Act, 1776, Factories Act, 1948, Gratuity Act, 1972, etc. and to annul and abate all/any pending litigation in case of above labour laws
- i) To consider directing regulatory authorities acting under SEBI/ RBI/ FEMA/Labour laws to reinstate compliant status if any on approval of resolution plan.
- j) All the civil/ criminal/ penal action / investigations pending or disposed in any court of India, or with any investigating agencies, shall stand vacated off and not be applicable to New Promoters / Management / Company. All the demand / liabilities in excess of what is provided herein shall stand waived off completely.

- k) Relevant authorities to either continue or issue new, existing Manufacturing License/Factory License given in name of Corporate Debtor without claiming any past dues.
- l) All the charges, penalties, punishment, etc., if any levied by Directorate of Enforcement, Department of Revenue, RBI, Economic Office Wing, Directorate General of Foreign Trade, Ministry of Commerce, etc. on the Corporate Debtor in excess of what is provided herein shall stand abated/waived off/extinguished.
- m) Resolution Applicant shall not be impacted and will be kept indemnified financially or otherwise against any of the negative impact / observation / findings of Forensic Audit/ Transaction Audit. Further neither the Corporate Debtor (Om Printing and Flexible Packaging Pvt Ltd) nor any member of the new promoter group shall be made party to any of the legal cases arising out of such forensic audit.
- n) The approval of the NCLT shall be deemed to be approval of the secured creditors for release of security and the creditors shall, on the effective implementation of the terms of this plan, take all steps, execute all documents and make appropriate filings with the Registrar of Companies for release of such securities and charges created by the company will be deemed satisfied. However, the above said clause shall be applicable only after the payment of all the amounts as proposed in the plan by the RA. Upon the Resolution Plan receiving the approval of the NCLT, in the event of any inconsistency between the terms set out in the Resolution Plan as approved by the NCLT and the terms set out in any agreement, documents, arrangement executed between the Company / its guarantors/ security providers/Founder Promoters/existing shareholders / directors/employees and any of its creditors, the terms set out in the approved Resolution Plan shall prevail notwithstanding such inconsistency as per section 238 of IBC.
- o) RA, the Corporate Debtor and any of its nominees shall not be responsible or charged for any act or omission prior to NCLT Approval Date.
- p) Sales Tax Department & Service Tax Department to waive all claims of principal amount if any and penal interest, simple

interest, compound interest, damages charged if any on the liability of the company as on the date of approval of the Resolution Plan.

- q) CBDT To exempt CD (OM PRINTING AND FLEXIBLE PACKAGING PRIVATE LIMITED) from the applicability of and payment of tax under Section 115JB of the Income tax Act, 1961 by allowing a deduction for the purpose of computing the " Book Profit " u/s 115 JB of the Income tax Act, 1961, ,the amount of accumulated loss and unabsorbed depreciation which is treated as accumulated loss and unabsorbed depreciation of OM PRINTING AND FLEXIBLE PACKAGING PRIVATE LIMITED in pursuance of this Resolution Plan, during the period commencing from the assessment year relevant to the Appointed Date under this Plan and ending with the assessment year in which such accumulated loss and unabsorbed depreciation becomes nil, such deduction in each of those assessment years being equivalent to the aggregate of the amount of accumulated loss and unabsorbed depreciation set off while computing the total income of the respective years under the Income tax Act, 1961

#### **F. PROJECTIONS FOR THE CORPORATE DEBTOR**

The following projected statements are attached :

- 1.Detailed Profit & Loss Account linked to capacity utilisation (Annexure N).
2. Balance Sheet (Annexure O)
3. Cash Flow Statement (Annexure P)
4. Debt Service Coverage Calculations – Not relevant as the RA proposes to extinguish/discharge all the existing outside liabilities of the company within 30 days of effective date.

It may be observed from the following key figures of projections that the RA is hopeful of achieving a successful turnaround in the operations and finances of the company :

(Amount in Rs. Lakhs)

PARAMETER	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
Capacity Utilisation	45%	55%	70%	75%	80%

Sales	574	2855	3696	4050	4416
Profit before interest	10	236	333	372	412
Interest/Finance cost for working capital facilities	24	36	48	54	60
Profit after tax	-9	154	218	241	268
Equity Capital	1068	1068	1068	1068	1068
General Reserve & Surplus	(1191)	(1037)	(819)	(577)	(310)
Fixed assets	1248	1148	1097	1093	1086
Term Loans	NIL	NIL	NIL	NIL	NIL

### G. MANAGEMENT TEAM

To achieve the above projected Results, RA will strengthen the management and supervision by inducting the following Senior Professionals (already with RA) in the management team to manage the unit under CIRP:

Sr.no.	Name of Manager	Expertise details
1	Shri. B.B.Bapna	Financial management
2	Shri. O.P.Singh	Production function

3	Shri.Ravinder Rajpurohit	Procurement function
4	Mrs.Rajshree Jain	HR & Admin

After approval the NCLT of the Resolution Plan, all major business decisions impacting shareholders value and the running of the Company shall be made by the Resolution Applicant.

### H. REGULATORY APPROVALS

**The approval of Competition Commission of India is not required as per the understanding of the RA as the turnover of the CD is less than 1000 crores.** In any case, this Resolution Plan will require approval of the Adjudicating Authority.

No other regulatory approvals are proposed for implementation of any actions under Resolution Plan including *inter alia* the following actions:

- a. Issuance of fresh Equity Shares as per the Resolution Plan.
- b. Satisfaction of Claims of Statutory Dues, if any.
- c. Amendments in AOA, MOA, etc., or any other documents to effect the said changes.

However, any approvals or permission required by resolution applicant, under any law time being in force, shall be obtained from relevant statutory and regulatory approvals in time specified under that law, or within one year from NCLT Approval Date, whichever is later.

#### I. BINDING EFFECT

The Resolution Plan is submitted based on the Information received from the Resolution Professional. It is assumed that all the information is accurate as the offer and the terms and conditions are largely based on information received by us. Thus, the information provided in Data Room forms the critical part for evaluation and to arrive at decision on the commercial terms.

In the event that CoC determines that any provisions of the Resolution Plan are prima facie or otherwise unenforceable, then the CoC with approval of the Resolution Applicant may modify such terms of the Resolution Plan before approving the Resolution Plan.

The Resolution Plan as approved by the Adjudicating Authority shall be binding on the Corporate Debtor and its employees, members, creditors, guarantors, relevant authorities including registration authorities and other stake holders involved in the Resolution Plan pursuant to the provisions of Section 31(1) of the IBC.

#### J. MANDATORY CONTENTS OF THE RESOLUTION PLAN

The Resolution Applicant(s) has prepared the Resolution Plan in accordance with the requirements of the IBC, the CIRP Regulations and this RFRP. The Resolution Plan include details as set out in sub section (2) of section 30 of the IBC and regulation 37 & 38 of the CIRP Regulations, including, but not limited to, the following:

##### **1.As prescribed by Section 30 (2) of the IBC:**

- a. The 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

(Please refer to para D.1)

- b. The Resolution Plan provides for the management of the affairs of the Corporate Debtor after approval of the resolution plan

(Please refer to para G)

- c. The Resolution Plan provides for the implementation and supervision of the resolution plan .

(Please refer to Section X & XI)

- d. The Resolution Plan does not contravene any of the provisions of the law for the time being in force

- e. The Resolution Plan confirms to requirements specified by the Board.

## **2. As required by Regulation 38 of the CIRP Regulations:**

The Resolution Plan also provides for the following:

- a. Resolution Plan includes detailed statement as to how it has dealt with the Interest of all Stakeholders including Financial Creditors and Operational Creditors. (Please refer to para B & D)
- b. Term of the plan and its implementation schedule:

Resolution Plan shall be effective for term of 3 years from effective date and contents of Section X provides for detailed Implementation schedule.

- c. Proposed management and control of the business of the Corporate Debtor during its term:

The RA shall acquire 100% stake in the Company in the manner as set out in para B & Section X and the RA shall contribute, hold, and maintain 51% or more of the shares and voting rights of the CD with a minimum lock in period of 3 years and control the management and affairs of the CD.

Mechanism regarding management and control of the affairs of the Company has been set out in Para G & Section X & XI in detail

- d. Adequate means for supervising its implementation:

1. Management Plan as specified under Section X & XI provides for Manner of implementation, monitoring Supervision of the Resolution Plan by Resolution Applicant and time lines to be followed is specified under Section X & Section XI.
- e. Details of the Resolution Applicant and other connected persons to enable the committee to assess the credibility of the Resolution Applicant and other connected persons to take a prudent decision while considering the Resolution Plan for its approval have been submitted vide Section VI. The Resolution Plan has dealt with interests of all stakeholders, including financial creditors and operational creditors of the Corporate Debtor, in accordance with Regulation 38(1A) of the CIRP Regulations as the RA believes that it creates value to all stakeholders, not less than the value due to them under the liquidation process.
- 2. In accordance with Regulation 37 (as amended) of the CIRP Regulations, this Resolution Plan provides for the following measures for maximization of value of the assets of the Corporate Debtor:**

Sub-regulation 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	100% of shareholding of CD will be transferred to RA
b)	sale of all or part of the assets whether subject to any security interest or not	Ownership of the CD will be transferred to RA
c)	the substantial acquisition of shares of the corporate debtor, or the merger or consolidation of the corporate debtor with one or more persons	100% of shareholding of CD will be acquired by RA
Ca)	Cancellation or delisting of any shares of the Corporate debtor if applicable	NOT APPLICABLE
d)	satisfaction or modification of any security interest	Charge of secured creditors will get vacated on payment of amount proposed in the plan
e)	curing or waiving of any breach of the terms of any debt due from the corporate debtor	CD will be absolved of all breaches, on implementation of approved resolution plan

f)	reduction in the amount payable to the creditors	RA has proposed the same in the plan
g)	extension of a maturity date or a change in interest rate or other terms of a debt due from the corporate debtor	RA has proposed extinguishment of all liabilities
h)	amendment of the constitutional documents of the corporate debtor	No change is proposed in the constitutional documents of CD
i)	issuance of securities of the corporate debtor, for cash, property, securities, or in exchange for claims or interests, or other appropriate purpose	Additional equity will be issued to the RA for cash
j)	change in portfolio of goods or services produced or rendered by the corporate debtor	May be done by RA to synergise with RAs existing operations
k)	change in technology used by the corporate debtor	May be done by RA to synergise with RAs existing operations
l)	obtaining necessary approvals from the Central and State Governments and other authorities	RA is taking responsibility for obtaining all the required approvals within 1 year from the date of approval of Resolution plan by the RA or within period allowed in respective law , whichever is later

### 3. Other Affirmations

The Resolution Plan provides for:

- a. Infusion and/or arrangement of funds as may be required for working capital and expenditure requirements of the Corporate Debtor which is in compliance of the following:
  - i. In the event of infusion of debt, such debt shall be arranged without any obligation on members of COC to provide such funds.
  - ii. Any infusion of fresh equity for (a) improving operations, (b) debt repayment, (c) Capital expenditure & (d) any other purpose; shall be clearly specified along with the timelines for such infusion.
  - iii. Infusion of funds into the Corporate Debtor as part of the Resolution Plan has been satisfactorily demonstrated including by way of firm financing proposals.
- b. Financial ability of the Resolution Applicant(s) including last 3 years annual report of relevant entities or the entities in which

- investments have been made in relevant sector [*In line with EOI*] have been submitted.
- c. Financial assumptions, Projections & Business plan for the Corporate Debtor has been submitted.
  - d. Percentage Shareholding in Corporate Debtor offered to Financial Creditor by way of debt to equity conversion ---NOT PROPOSED
  - e. Prior Experience in managing/turning around of Companies including managerial competence, technical abilities, key management personal experience has been mentioned.
  - f. Indemnity for the COC, Resolution Professional and Resolution Process Advisor for all acts done in good faith has been provided in the Plan. The indemnity will survive the CIRP period.

(Subject to approval of *NCLT*, Resolution Applicant shall indemnify and hold harmless the Resolution Professional, the CoC and the CoC's advisors, against all losses in relation to this Resolution Plan in accordance with the Information Memorandum and RFRP document).

**5. Undertaking under regulation 38 (1B)**

RA hereby confirms and undertakes that the Resolution Applicants or any of its related parties has never failed to implement or contribute to the failure of implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past.

**6. Declaration to the effect that the Resolution plan is not in the contravention of provisions of the applicable law:**

RA hereby declares that the Resolution Plan submitted is not in the contravention of provisions of any of the applicable laws in force to the best of its knowledge. RA also undertakes that if any such contraventions are brought to its notice, RA undertakes to correct it to the best of its abilities.

**3. Undertaking regarding non applicability of the disqualification under section 29A of the Code:**

Resolution Applicant hereby undertakes that the RA is not disqualified under Section 29A of the Code. With the proposed infusion the RA will hold 100% equity of Om Printing and Flexible Packaging Private Ltd.

#### **4. Cause of Default of Corporate Debtor**

The cause of default as per our understanding has been Underutilisation of capacity resulting into inadequate profits and cash accruals.

#### **5. Feasibility and Viability of the Plan**

The justifications for the Acquisition of the Corporate Debtor by the Resolution Applicant have been listed below. Acquisition of the Corporate Debtor by the Applicant will bring in a number of operating and financial synergies. The areas in which there would be immediate visible synergies can be stated as under:

##### **a. Operational Synergies**

Both the companies relate to the similar product manufacturing industry and can take advantage of product synergy.

##### **b. Marketing synergies**

The Applicant has a strong list of existing customers. Acquisitions of the Corporate Debtor by the Applicant will strengthen its presence in the country.

##### **c. Financial Synergies**

The Corporate Debtor has been incurring losses on an on-going basis and has been unable to adequately meet its fund requirements. The Resolution Applicant has sound technological and financial background. The Resolution applicant has maintained an excellent and proven relationship with its customers and creditors. The increase in the Gross Block of the Resolution Applicant from Rs. 136.68 crs as on 31/3/2016 to Rs. 199.52 crs by the end of Financial Year 2019 depicts the capability of the

Resolution Applicant to raise and invest funds in the business on a constant basis. Thus the RA is expected to seamlessly continue operations viably with the grant of the solicited approvals/reliefs and concessions.

d. Sharing of experience and expertise of Strong Management Team of the Resolution Applicant

The Resolution Applicant has a strong and experienced management team on acquisition of the Corporate Debtor by the Applicant, the Corporate Debtor shall benefit from the expertise and experience of strong management team present with the Resolution Applicant. Further, the operations of the Corporate Debtor would be managed by the management of the Resolution Applicant. The Corporate Debtor has no competency, expertise or skills any longer to run the plant.

The Resolution Applicant has a proven track record of optimum utilization of the infrastructure & manufacturing facilities of similar type and provided continued & meaningful employment to direct/indirect work force of over 1100 employees.

e. Social obligations and commitment: Continuing with operations of CD will provide workforce livelihood, the wellbeing of their families and the community at large.

6. **Rationale for bid:** - Acquiring CD will give the RA an opportunity to bring in management expertise to stabilize the operations and grow the business at an exponential rate. The broad Business Action Plan is stated as under:

1. Change in the senior management and replacement of hierarchy
2. Infusion of working capital into the company
3. Re-engaging with stake holders to rebuild trust into the new professional team
4. Adoption of professional management to run the organization

with required funding support.

The Resolution Applicant is quite experienced and technically capable to handle projects in their line of activity and related fields and have definitive plans to revive and turnaround the CD in the best interest of all the stakeholders. For the technical assistance and turnaround of CD, the RA has requisite teams for the technical support under this plan, as RA is a well-established player in the market since last 32 years. The plan also states the process of its implementation and management to make it feasible and Viable.

**7. Provision for approvals required and the timeline for the same:**

Refer Para H of section IX

**Notwithstanding anything to the contrary contained in this resolution plan or any other documents including any definitive documents, the Resolution Applicant agrees and confirms that there are no conditions, assumptions and/or qualifications for effectiveness of the Resolution Plan by the resolution applicant, whether before approval by NCLT or thereafter until the effective date.**

<b>I .Snapshot of Salient Terms and Conditions of the Proposal are as below:</b>		
1.	Amount of upfront payment to creditors* (Upfront Cash	Rs. [6.4745] crore
2.	Balance repayment obligations to creditors (other than upfront payment)	NIL
3.	Proposed instruments for repayment	<p>a. Loan / Debt Instruments– Settlement Payment would be made to SBI against outstanding loans and facilities. Apart from the same , payment would be made for CIRP costs , employee related obligations, income tax TDS and electricity bill .</p> <p>b. Quasi Equity, if any –</p> <p>c. Equity, if any - A nominal</p>

4.	Interest Rate/ Coupon and frequency of payment	All payments will be made within 30 days from effective date , without any interest.
5.	Repayment Schedule	All payments will be made within 30 days from effective date , without any interest
6.	Security	All payments will be made within 30 days from effective date , without any interest and thereafter the creditors will cease to have any charge on the assets of the Corporate Debtor.
7.	Conversion terms for quasi equity instruments	NOT APPLICABLE
8.	Any equity being offered to Financial Creditor and terms for the same	NO
9.	Amount of fresh equity being infused into the Corporate Debtor	<ul style="list-style-type: none"> <li>a. Purpose – Corporate resolution</li> <li>b. Amount – Rs.6.88 crore</li> <li>c. Timing of Infusion – Within 30 days of the effective date</li> <li>d. Terms – at par</li> </ul>
10.	Corporate Guarantee or additional collateral / security being offered by the Resolution Applicant	Not applicable in view of upfront payment offered
11.	Any third-party collateral being offered as additional security by the Resolution Applicant(s)	Description and value to be mentioned - Nil

12.	Details of Key Management Personnel of the Resolution Applicant(s) with a brief description of experience in managing capital intensive assets	Details given in Para G- Management team. These officers of RA are already managing affairs of RA which has turnover in excess of Rs. 500 crore
13.	Details of prior experience of the Resolution Applicant(s) in managing capital intensive businesses	RA is a 32 years old company and has turnover of Rs. 500 crores and gross block of Rs. 199.5 crores on 31.3.19. The promoters are managing their businesses for last 32 years profitably
14.	Brief description of successful turnaround case studies in India or abroad	NA. However 4 units have been setup at different locations by the RA and these are running smoothly
15.	Credit Rating of the Resolution Applicant(s) For Unrated Corporates, please provide details of Net worth  For Funds please provide details of Assets Under Management	Credit Rating Letter attached

NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH

IA No. 3710 OF 2019

In CP 4403 of 2018

PROPOSED SETTLEMENT OF DUES OF CREDITORS OF OM PRINTING AND FLEXIBLE PACKAGING PRIVATE LIMITED												ANNEXURE "M"
SR NO.	NAME OF CREDITOR	CATEGORY - OPERATIONAL/FINANCIAL SECURED/FINANCIAL UNSECURED OP/FS/FU	IF CLASSIFIED BY RP AS CONNECTED	BS SHEET NO.	LIABILITY AS PER BALANCE SHEET OF 31.3.19	CLAIM RECD BY RP	CLAIM ADMITTED BY RP	CLAIM UNDER VERIFICATION	BALANCE NOT ADMITTED	AMOUNTS YET BE CLAIMED	AMOUNT PROPOSED TO BE PAID	TIME LIMIT FOR AMOUNT PROPOSED TO BE PAID
A1	SBI - TERM LOAN	FS		3	82,564,174.00	200,208,287.37	112,961,048.74	87,247,238.63	0.00			
A2	SBI - FITL	FS		3	19,709,207.00	26,811,003.09	19,709,207.00	7,101,796.09	0.00			
A3	SBI - CC A/C	FS		5	30,528,272.74	30,396,874.74	30,396,874.74		0.00	131,398.00		
A4	SBI BANK GUARANTEE	FS		3		410,000.00	0.00	0.00	410,000.00			
4	A	FS			132,801,653.74	257,826,165.20	163,067,130.48	94,349,034.72	410,000.00	131,398.00	62,500,000.00	30 days
B1	AKASH P MORE	FU	RP	3	709,810.00				0.00	709,810.00		
B2	KIBOSH TECHNOLOGY P LTD	FU	RP	3	350,000.00				0.00	350,000.00		
B3	NEMICHAND CHAMPALAL LODHA HUF	FU	RP	3	1,200,000.00				0.00	1,200,000.00		
B4	OM BUILDERS & SUPERSTRUCTURES	FU	RP	3	10,561,400.00	14,059,864.00	10,561,400.00		3,498,464.00			
B5	PRAMOD MORE	FU	RP	3	836,000.00	836,000.00	836,000.00		0.00	0.00		
B6	RAJENDRA KUMAR N LODHA	FU	RP	3	370,445.00				0.00	370,445.00		
B7	ROSHAN PRAMOD MORE	FU	RP	3	2,236,169.00	2,134,169.00	2,134,169.00		0.00	102,000.00		
B8	PRIYANKA R MORE	FU	RP	3	425,000.00	425,000.00	425,000.00		0.00	0.00		
B9	SARAL RAJENDRAKUMAR LODHA	FU	RP	3	1,000,000.00				0.00	1,000,000.00		
B10	SIDDHARTH S LODHA	FU	RP	3	570,000.00				0.00	570,000.00		
B11	SIDHANT RAJENDRAKUMAR LODHA	FU	RP	3	500,000.00				0.00	500,000.00		
B12	SNEHIL RAJENDRAKUMAR LODHA	FU	RP	3	500,000.00				0.00	500,000.00		
B13	SUNITA SANTOSHKUMAR LODHA	FU	RP	3	500,000.00				0.00	500,000.00		
B14	VARSHA PRAMOD MORE	FU	RP	3	12,000,000.00	12,000,000.00	12,000,000.00		0.00	0.00		
B15	SHEKHAR SONAWANE	FU	RP	3	1,000,000.00				0.00	1,000,000.00		
15	B	FU RP			32,758,824.00	29,455,033.00	25,956,569.00	0.00	3,498,464.00	6,802,255.00	0.00	
C1	SSM ESTATE LIMITED	FU		3	988,750.00				0.00	988,750.00		

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C2	USHRANI ANANDMOHAN CHABDA	FU		3	450,580.00				0.00	450,580.00			
2	C	FU			1,439,330.00	0.00	0.00	0.00	0.00	1,439,330.00	0.00		
D1	AQSA POLYPACK PVT LTD	OP		4	3,097,224.00	5,405,536.90	5,405,536.90		0.00			270,276.85	
D2	BOSTIK INDIA PVT LTD	OP		4	825,565.00	1,395,185.00	1,395,185.00		0.00			69,759.25	
D3	COSMO FILMS VADODARA	OP		4	1,988,212.00	3,384,360.67	2,921,095.00		463,265.67			146,054.75	
D4	VICKY ENTERPRISES	OP		4	2,574,835.00	2,574,835.00	2,574,835.00		0.00	0.00		128,741.75	
D5	VJEX INDUSTRIES	OP		4	469,119.00	622,948.00	591,887.00		31,061.00			29,594.35	
5	D	OP CLAIMS ADMITTED			8,954,955.00	13,382,865.57	12,888,538.90	0.00	494,326.67	0.00		644,426.95	30 days
E1	PROVIDENT FUND	OP		8	593,103.00				0.00	593,103.00		593,103.00	
E2	PROFESSION TAX	OP		8	74,812.00				0.00	74,812.00		74,812.00	
E3	LABOUR WELFARE FUND	OP		8	1,116.00				0.00	1,116.00		1,116.00	
E4	SALARY & WAGES PAYABLE	OP		8	689,132.00				0.00	689,132.00		172,283.00	
4	E	EMP RELATED			1,358,163.00	0.00	0.00	0.00	0.00	1,358,163.00		841,314.00	30 days

F1	INCOME TAX TDS	OP							0.00			511,160.00	
F2	CST PAYABLE 15-16	OP		8	2,720.				0.00	2,720.00			
F3	VAT PAYABLE	OP		8	112,981.0				0.00	112,981.00			
F4	GRAM PANCHAYAT TAX	OP		8	161,900.0				0.00	161,900.00			
F5	POWER EXPENSES PAYABLE	OP		8	248,360.7				0.00	248,360.74		248,360.74	
5	F	TAXES AND GOVERNMENT	S		525,961.			0.00	0.00	525,961.74	759,520.74		30 days
G1	ACUPRINT SYSTEMS	OP		4	902,796.0				0.00	902,796.00			
G2	AFLATUS GRAVURE LTD	OP		4	183,300.8				0.00	183,300.82			
G3	AKASH FLEX PACK SOLUTIONS	OP		4	50,627.				0.00	50,627.00			
G4	ALIBHA PLASTIC INDUSTRIES	OP		4	2,175.				0.00	2,175.00			
G5	BHISE & ASSOCIATES	OP		4	394.				0.00	394.00			
G6	BRILLIANT POLYMERS	OP		4	666,270.0				0.00	666,270.00			
G7	CHAITANYA MAHAJAN &	OP		4	46,800.				0.00	46,800.00			
G8	DIC INDIA LTD	OP		4	703,892.0				0.00	703,892.00			
G9	ELECTRO CONTROLS	OP		4	903,292.0				0.00	903,292.00			
G10	GGG DESIGNERS &	OP		4	211,943.0				0.00	211,943.00			
G11	HANS WIRES & CABLES	OP		4	142,177.0				0.00	142,177.00			
G12	HARSHAL G ACHREKAR & CO.	OP		4	65,000.				0.00	65,000.00			
G13	HARSHVARDHAN ENTERPRISES	OP		4	4,779,493.0				0.00	4,779,493.00			
G14	HARSHVARDHAN ENTERPRISES	OP		4	450,000.0				0.00	450,000.00			
G15	HARSHVARDHAN ENTERPRISES	OP		4	893,526.0				0.00	893,526.00			
G16	HI TECK INKS PVT LTD	OP		4	260,452.0				0.00	260,452.00			
G17	HI TECH INTERNATIONAL	OP		4	132,191.0				0.00	132,191.00			
G18	IMAGE GRAVURES	OP		4	76,503.				0.00	76,503.00			

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G19	INDUSTRIALS CHEMICAL CO.	OP	4	465,129.0				0.00	465,129.00		
G20	J H RANADE & ASSOCIATES	OP	4	40,525.				0.00	40,525.00		
G21	JOC TRADERS LIMITED	OP	4	1,727,390.0				0.00	1,727,390.00		
G22	JSR INDUSTRIES	OP	4	98,745.				0.00	98,745.00		
G23	KONARK ENGINEERS	OP	4	312,146.0				0.00	312,146.00		
G24	MADHURAM WATER	OP	4	6,250.				0.00	6,250.00		
G25	MARUTI PETROCHEM	OP	4	215,789.0				0.00	215,789.00		
G26	MANOHAR DESAI	OP	4	247,500.0				0.00	247,500.00		
G27	MAYUR WATER AND RAW	OP	4	31,150.				0.00	31,150.00		
G28	MEHTA PAREKH & CO	OP	4	292,699.0				0.00	292,699.00		
G29	MICRO INKA LTD	OP	4	1,443,323.0				0.00	1,443,323.00		
G30	NBZ ARCHITECTURAL	OP	4	479,235.8				0.00	479,235.83		
G31	NOON PRODUCTS	OP	4	535,870.0				0.00	535,870.00		
G32	PARSHWA CHEMICALS	OP	4	300,147.0				0.00	300,147.00		
G33	PLASTIBLENDS INDIA LIMITED	OP	4	348,041.0				0.00	348,041.00		
G34	PON PURE CHEMICALS PRIVATE	OP	4	516,803.1				0.00	516,803.15		
G35	POOJA PETROCHEMICALS	OP	4	654,904.0				0.00	654,904.00		
G36	PRAQUADALE INDUSTRIES	OP	4	10,516.				0.00	10,516.71		
G37	PRINTECH INDUSTRIES	OP	4	826,127.0				0.00	826,127.00		
G38	RADHIKA INDUSTRIES	OP	4	957,743.0				0.00	957,743.00		
G39	RADHIKA PACKAGING	OP	4	26,841.				0.00	26,841.00		
G40	RAMDAS BHAGWAN	OP	4	5,141.				0.00	5,141.00		
G41	RANG RASAYAN LTD	OP	4	1,547,992.0				0.00	1,547,992.00		
G42	RELIANCE INDUSTRIES	OP	4	1,232,806.0				0.00	1,232,806.00		
G43	ROHIL BROTHERS	OP	4	32,400.				0.00	32,400.00		

G	RUDRA AQUA	OP	4	7,38				0.00	7,38			
G	S A ENTERPRISES	OP	4	121,57				0.00	121,57			
G	SAKATA INX INDIA	OP	4	1,725,85				0.00	1,725,85			
G	SARASWATI CHEMICAL	OP	4	221,38				0.00	221,38			
G	SHAGUN CHEM	OP	4	1,024,40				0.00	1,024,40			
G	SHON FLEXO CHEM	OP	4	752,73				0.00	752,73			
G	SHRADDHA FIRE	OP	4	1,229,02				0.00	1,229,02			
G	SIA POLYMERS LLP	OP	4	575,65				0.00	575,65			
G	SIEGWERK INDIA PVT LTD	OP	4	1,142,45				0.00	1,142,45			
G	SUN ELECTRO GRAVURES	OP	4	2,217,51				0.00	2,217,51			
G	SUPER PLASTIC COATS PVT	OP	4	3,370,26				0.00	3,370,26			
G	TECHNO ENGINEERING	OP	4	61,67				0.00	61,67			
G	TECHNOVAA PLASTIC	OP	4	165,96				0.00	165,96			
G	TECHNOPLAST PLASTIC	OP	4	840,88				0.00	840,88			
G	TOYO INK	OP	4	1,341,15				0.00	1,341,15			
G	UFLEX LTD CYLINDER	OP	4	1,093,12				0.00	1,093,12			
G	UFLEX LIMITED FILM	OP	4	50,35				0.00	50,35			
G	ULTIMATE CHEM INDIA	OP	4	48,26				0.00	48,26			
G	UTLIMATE FLEXIPACK	OP	4	948,73				0.00	948,73			
G	VED GRAPHICS	OP	4	205,13				0.00	205,13			
G	HARSHAL G ACHREKAR &	OP	6	20,00				0.00	20,00			
G	VODAFONE INDIA LIMITED	OP	6	1,61				0.00	1,61			
G	NOVA GREEN EXPORT	OP	7	293,00				0.00	293,00			
G	SANDEEP VISHNU	OP	7	500,00				0.00	500,00			
G	CYLINDER DEPOSIT	OP	7	120,00				0.00	120,00			
G	ROSHAN MORE CURRENT	OP	7	101,61				0.00	101,61			
G	EMD - V M LAMINATE	OP	7	12,473,17				0.00	12,473,17			
<b>G</b>	<b>OP CLAIMS</b>			<b>53,478,99</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>53,478,99</b>	<b>0.00</b>		
<b>I</b>	<b>H</b>	<b>TOTAL</b>		<b>231,317,88</b>	<b>301,175,22</b>	<b>202,423,39</b>	<b>94,349,03</b>	<b>4,402,79</b>	<b>63,736,10</b>	<b>64,745,26</b>		
SR NO.	NAME OF CREDITOR	CATEGORY - OPERATIONAL/FINANCIAL SECURED/FINANCIAL UNSECURED OP/FS/FU	IF CLASSIFIED BY RP AS CONNECTED	BS SCHEDULED BY RP AS NO.	LIABILITY AS PER BALANCE SHEET OF 31.3.19	CLAIM RECD BY RP	CLAIM ADMITTED BY RP	CLAIM UNDER VERIFICATION	BALANCE NOT ADMITTED	AMOUNTS YET BE CLAIMED	AMOUNT PROPOSED TO BE PAID	TIME LIMIT FOR AMOUNT PROPOSED TO BE PAID
<b>BALANCE SHEET RECONCILIATION OF LIABILITIES</b>					<b>LONG TERM BORROWINGS</b>					<b>136,471,535.00</b>		

OM PRINTING TURNOVER AND Profit & Loss Projections [Rs Lacs]							
Particulars/ Year		31.3.20	31.3.21	31.3.22	31.3.23	31.3.24	
	PLANT CAPACITY PER DAY IN MT	10	10	10	10	10	
	NO. OF WORKING DAYS IN YEAR	75	300	300	300	300	
	ANNUAL CAPACITY	750	3000	3000	3000	3000	
	CAPACITY UTILISATION %	45%	55%	70%	75%	80%	
	ANNUAL PRODUCTION QUANTITY	337.5	1650	2100	2250	2400	
	SELLING RATE	170	173	176	180	184	
1		700	3482	4507	4939	5385	
	Less excise duty/GST	126	627	811	889	969	
3	Net Sales	574	2855	3696	4050	4416	
4	Cost of Sales						
	Raw materials (Including stores and other Items used in the Process of manufacture)	73%	419	2084	2698	2957	3224
	Other Spares	2%	11	57.1	73.9	81.0	88.3
	Power and fuel	4%	23	114.2	147.8	162.0	176.6
	Salaries and Wages	5.50%	32	157.0	203.3	222.8	242.9
	Other mfg. Expenses	0.75%	4	21.4	27.7	30.4	33.1
	Depreciation		58	99.8	101.5	103.9	107.0
5	TOTAL COST		547	2533.5	3252.3	3557.0	3872.0
	Selling general and Administrative expenses	3%	17	85.7	110.9	121.5	132.5
6	TOTAL COST OF SALES		564	2619.2	3363.1	3678.5	4004.4
7	Operating Profit Before Interest (3-6)		10	235.8	332.9	371.5	411.6
8	Interest / Finance Cost		24	36.0	48.0	54.0	60.0
	Operating profit after Interest		-14	199.8	284.9	317.5	351.6
9	Add other non operating Income		5	5.0	5.0	5.0	5.0
10	Profit before Tax		-9	205	290	322	357
11	Provision for taxes		0	51	73	81	89
12	Net profit for the year (10-11) in Lacs		-9	154	218	241	268
	Net sales in Rs.	4,900,000	25,361,250	31,935,000	34,587,500	37,756,000	
	Net cost in Rs.		49	254	319	345	375

ANNEXURE O

PARTICULARS	Projected Balance Sheet Om Printing					
	Rs. In lacs					
	31.3.19	31.3.20	31.3.21	31.3.22	31.3.23	31.3.24
<b>SOURCES OF FUNDS</b>	PROV.					
<b>1 Share Capital</b>						
a) Equity Share Capital (6.88 cr for Creditors payment)	380.00	1068.00	1068.00	1068.00	1068.00	1068.00
<b>2 Reserves &amp; Surpluses</b>						
General Reserve	-1181.59	-1190.59	-1036.78	-818.92	-577.42	-309.86
Capital Reserve (Created by paying off all liabilities by 6.88 cr)		1748.37	1748.37	1748.37	1748.37	1748.37
<b>3 Non Current Liability</b>						
LT Borrowing	1364.72	.00	.00	.00	.00	.00
Deferred Tax Liability	123.19	.00	.00	.00	.00	.00
Other LT Liabilities	489.25	.00	.00	.00	.00	.00
Uma polymers limited (0.5 cr for FA repair)	.00	50.00	50.00	50.00	50.00	50.00
<b>4 Current Liabilities</b>						
Margin money for Working capital		150.00	150.00	150.00	150.00	150.00
Short Term Borrowings	305.28	.00	.00	.00	.00	.00
Trade payables	.22	.00	.00	.00	.00	.00
Other Liabilities	134.88	608.10	433.10	308.10	208.10	108.10
Short Term Provisions	18.84	.00	.00	.00	.00	.00
<b>TOTAL - SOURCES OF FUNDS</b>	1634.78	2433.89	2412.70	2505.56	2647.05	2814.61

PARTICULARS	31.3.19	31.3.20	31.3.21	31.3.22	31.3.23	31.3.24
	<b>APPLICATION OF FUNDS</b>					
<b>5 Fixed assets</b>						
a) Net Block	1256.13	1256.13	1248.13	1148.33	1096.83	1092.95
Add : Repair/refurnish	.00	50.00	.00	50.00	100.00	100.00
Depreciation		58.00	99.80	101.50	103.88	107.00
<b>Net Block</b>	<b>1256.13</b>	<b>1248.13</b>	<b>1148.33</b>	<b>1096.83</b>	<b>1092.95</b>	<b>1085.95</b>
<b>6 Current Assets</b>						
Inventories	129.18	400.00	450.00	500.00	550.00	600.00
Trade receivables	62.71	400.00	475.00	550.00	600.00	650.00
Cash and Bank Balances	5.65	204.64	158.25	177.61	222.99	297.55
Short term loans and advances	32.71	32.71	32.71	32.71	32.71	32.71
Other current assets	71.42	71.42	71.42	71.42	71.42	71.42
<b>Total Current assets</b>	<b>301.66</b>	<b>1108.76</b>	<b>1187.37</b>	<b>1331.73</b>	<b>1477.11</b>	<b>1651.67</b>
Non current investments	60.29	60.29	60.29	60.29	60.29	60.29
Long Term Loans, advances and Deposits	16.70	16.70	16.70	16.70	16.70	16.70
<b>TOTAL - APPLICATION OF FUNDS</b>	<b>1634.78</b>	<b>2433.88</b>	<b>2412.69</b>	<b>2505.55</b>	<b>2647.05</b>	<b>2814.61</b>

Rs. In Lacs

ANNEXURE P

<b>Projected Cash Flow Statement Om Printing</b>		<b>Rs. in Lacs</b>				
<b>For the year ending March 31st</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	
<b>Sources of Funds</b>						
Net Cash Accruals	49	254	319	345	375	
Equity	688	0	0	0	0	
EQUITY/ Debt for repair/ refurbishing (Uma Polymers Limited)	50	0	0	0	0	
EQUITY/ Working capital loans (Uma Polymers Limited)	150	0	0	0	0	
Total sources	937	254	319	345	375	
<b>Application of Funds</b>						
Capex	50	0	50	100	100	
Creditors payments	648	0	0	0	0	
CIRP COST	40					
Payment of other creditors		300	250	200	200	
Total Application	738	300	300	300	300	
Opening Cash balance	5.6	205	158	178	223	
<b>Closing cash balance</b>	<b>205</b>	<b>158</b>	<b>178</b>	<b>223</b>	<b>298</b>	

Closing cash balance in Rs. 20,464,000 15,825,250 17,761,250 22,298,750  
29,754,750

## SECTION X: INDICATIVE TIME LINES OF EVENTS FOR IMPLEMENTATION OF PROPOSED PLAN

### A. Indicative Time Line – Regulation 38 (2) (a)

INDICATIVE ACTIVITY SCHEDULE		
Sr. No.	Activity	Timeline
<b>PHASE I - APPROVAL PROCESS OF THE PROPOSED PLAN</b>		
	Receipt of Final Approval order of NCLT / Adjudicating Authority and appointment of monitoring agency	E
	Notice on the Company's Website	E+14 days
	Intimation to all creditors, existing shareholders and other stakeholders of the Company	
	Other approvals and filings required under the plan - Filing of various documents with NCLT & ROC	E+ 45 days
	- Other Authorities (Such extended time lines as prescribed by the CoC or the Adjudicating Authority or permitted under law)*	E + 1 year
<b>PHASE II – CAPITAL INFUSION</b>		
	Infusion of Rs.6.88 Crore (towards fresh Equity share capital and Unsecured loans interest free ,combination at the discretion of RA)	E+ 30 days
	Rs. 2 lacs for purchase of existing equity	E + 30 days
	Infusion of Rs.2 Crore (towards Unsecured loans interest free/Equity ,combination at the discretion of RA)	E+ 90 days
	Change in Memorandum and Articles of Association and other documentation as required under the proposed plan.	E+30 days
	Management of Company: (i) Reconstitution of new Board; (ii) Appointment of key managerial personnel; and (iii) Resolution Applicant shall appoint statutory and internal auditors of their choice, subject to applicable regulations.	E+ 30 days
		E+60 days
		E+ 180 days
<b>PHASE III– Payment of CIRP expenses and Creditors</b>		
	Payment of CIRP Costs as approved by CoC	E+30 days
	Payment of Worker's dues and salaries to Employees.	E+ 30 days
	Payment of Operational Creditors	E+ 30 days
	Payments of Statutory Dues	E+ 30 days
	Payment to Financial Creditors.	E+ 30 days

\*As per Section 31 (4), code provides for period of 1 year to obtain necessary approval required under any law for the time being in force, from the date of approval of the resolution plan by the adjudicating authority under sub-section (1) or within such period as provided for in such law, **whichever is later.**

The above timeline is based on the assumption that all the relevant and necessary approvals will be obtained in timely manner, however, any delay in obtaining the same, may affect the assumed timeline mentioned above.

**B. ACTION PLAN**

a. Following actions shall take place within 30 days of the NCLT Approval Date by the RA:

- Define organization structure, division of responsibility of key team members, locations from where they operate, and communicate with them with complete clarity so that there is complete alignment among them.
- Share business plans with key members of the team.
- Define work processes for effective control of business, finances and costs.
- Reach out to important customers to give the message that the Company is back in sound financial health to take up new business as before.
- Reach out to important suppliers, sub-contractors and service providers and win back their confidence about the Company's revival and improved financial situation.
- Take stock of all banking facilities needed and available with the Company their status, cost, need to continue etc.
- Review and revise authority matrix for approval of expenditure to maximize control on costs and out flows.

b. Following actions shall take place Within 3 months of the acquisition of the corporate debtor (NCLT Approval Date) by the Proposed RA:

- Issue fresh equity shares to resolution applicant.
- Establish policies for pricing, sub-contracting, partnerships and appointment of agents.
- Set up inventory and WIP limits.
- Establish preferred list of suppliers, sub-contractors and service providers. Negotiate favourable terms of payments to make purchases self-financing without any banking support.
- Have well defined internal audit and risk management processes.

- Strengthen legal and secretarial department.
- c. Within 1Year of the acquisition of the corporate debtor (NCLT Approval Date) by the Proposed RA:
- Work towards securing new work orders.
  - Create a long-term plan for capital raising commensurate with long term needs of the Company so as to maintain healthy financial ratios.
- d. **Signing of Definitive Agreement:** A Definitive Agreement, shall be signed after NCLT approves of this resolution plan.
- e. **Transfer of Shares of existing Promoter Group of CD:** This Plan proposes to TRANSFER all the equity shares, held by existing promoters/promoter group/ or by any other individual or corporate immediately at a price of Rs. 0.5 per share.
- f. **Infusion of 1<sup>st</sup> tranche:** The resolution applicant shall infuse Rs.6.88 crore in the form of share application money / unsecured loans/ term loan or in any other form within the 30 days of the effective date . The same amount shall be utilized to make the payments to the CIRP cost and other creditors as per the binding resolution plan in Section IX.
- g. **Infusion of 2<sup>nd</sup> tranche :** The resolution applicant shall infuse Rs.2 crore in the form of share application money / unsecured loans/ term loan or in any other form within the 90 days of the effective date . The same amount shall be utilized to make other payments/plant refurbishing/working capital margin as per the binding resolution plan in Section IX.
- h. **Increase in Authorized Share Capital of CD:** The Authorized Share Capital of the Corporate Debtor shall be increased, if required.
- i. **Issue of Equity Shares to Resolution Applicant:** Out of the total infused amount in upfront infusion the CD shall issue 6,88,000 Equity shares of Rs.100/- each) aggregating to Rs. 6.88 crore within 30 days of the Effective Date. After this equity issuance,

the resolution applicant will hold the total 10,68,000 equity shares of the CD which will be 100% of the total shareholding of the CD. The share capital proposed to be infused shall be part of the total Resolution Plan contribution by the Resolution Applicant and shall be utilized to make the payments to the creditors as per Section IX.

Moreover, the Resolution Applicant shall be exempt from requirement of any approval from any agency/authority to conclude the allotment/issue of fresh issue of above equity share capital. However necessary forms (PAS 3) shall be filed with ROC for record and compliance purpose.

In accordance with the General Circular No. IBC/01/2017 bearing number 30/14/2017 issued by the Ministry of Corporate Affairs, Government of India, approval of the shareholders/members of the corporate debtor/company, which would have been required under Companies Act, 2013 or any other law if the Resolution Plan was being considered outside the scope of the Code, shall not be required for cancellation and issuance of shares and any other action under the Resolution Plan for its implementation.

**Notes: -**

- Tranche mentioned above may be infused either in the form of equity, preference shares, compulsory convertible debentures, unsecured loans/ term loan or in any other form.
- Any change in the members managing the Company shall not affect the validity and enforceability of any agreement, lease deed, contract, etc executed by the Company with various parties, authorities, companies, etc.
- Adjustment of Implementation Provisions of this Plan has been prepared on the assumption that all necessary approvals shall be provided by the Governmental Authority concerned. In the event such approvals are not granted or in case of change in Applicable Law or under any other material circumstances, then notwithstanding anything contained herein, but without prejudice to the financial commitments set forth in this Plan with respect to each creditor of the Corporate Debtor (including the quantum of payment or settlement to be made to such

creditor and the timeline within which the payment or settlement is to be made), the Resolution Applicant shall be entitled to revise the acquisition structure (including, the implementation thereof) which shall be mutually acceptable structure to the satisfaction of COC, in compliance with Applicable Law, to implement the Plan.

- As part of restructuring of the corporate debtor, Resolution Applicant is completely free for the capital reduction; The Resolution Applicant further requires obtaining all such approvals under a 'single window clearance' approach from the NCLT for effective and efficient implementation of the Plan.

#### **SECTION XI: SUPERVISION OF THE RESOLUTION PLAN**

The monitoring agency comprising of the Board of the Directors of RA or any subcommittee there of shall supervise implementation of the Resolution Plan. The role of the monitoring agency shall be as under

- a. Monitor disbursement of proceeds as specified in the Resolution Plan.
- b. Monitor adherence to timelines for payments proposed in the Resolution Plan.

During the period from the date of approval of the Resolution Plan by the Adjudicating Authority till the Effective Date, the Corporate Debtor shall be operated in the ordinary course of business in accordance with Applicable Laws and the Corporate Debtor (acting through the Resolution Professional in its capacity as a monitoring professional) shall take the following actions:

- (a) Maintain and preserve, the properties and assets of the Corporate Debtor in normal working order and condition consistent with past practice, normal wear and tear excepted;
- (b) In the ordinary course of business, comply with the terms and conditions of all contracts, including any leases/ leave and license agreements in relation to the properties used in

the conduct of business of the Corporate Debtor and except in the ordinary course of business, shall not terminate such contracts which are in effect as on the submission date of this Resolution Plan; and

- (c) Operate the business of the corporate debtor in ordinary course of business. It is hereby clarified that all costs, expenses and revenues on account of operations and management of the Corporate Debtor up-to the Effective Date shall be borne by and shall be to the account of the Corporate Debtor and the same may be funded through internal accruals of the Corporate Debtor and shortfall (if any) may be funded through loans/financial assistance from CoC which shall be paid by the Corporate Debtor on the Effective Date in priority over other debts.

#### **Financial Statements of the Corporate Debtor**

After the issuance of the Letter of Intent, the Corporate Debtor through Resolution Professional shall provide to the Resolution Applicant the financial statements of the Corporate Debtor as at the end of each month thereafter till the time the Effective Date is determined, within 10 (ten) days from the end of every month. In addition, the Resolution Applicant shall have the right to review, through an independent chartered accountant firm, the said financial statements of the Corporate Debtor.

After the NCLT Approval Date, the Resolution Professional shall hand over to the Resolution Applicant the duly signed and where applicable, audited financial statements at the close of the financial year not earlier than 31<sup>st</sup> March, 2019.

#### **SECTION XII: EVIDENCE OF FUNDING/MONIES AVAILABLE TO FUND THE RESOLUTION PLAN**

**The identified sources of funds for equity contribution & unsecured loan is provided as under:**

#### **NET CURRENT ASSETS AS ON 31ST MARCH, 2019**

<b>Particulars</b>	<b>Amount [Rs. In Cr]</b>
<b>Current Assets</b>	
Inventory	86.61
Investment	2.51
Trade Receivables	78.17
Cash and Equivalents	7.32
Bank Balance	
Loans and Advances	12.82
<b>A. Total Current</b>	187.44
<b>Current Liabilities</b>	
Borrowings	59.71
Trade Payables	86.26
Other Current Liabilities	15.66
<b>B.Total Current</b>	161.63
<b>Net Current Assets (A-B)</b>	25.81
Surplus available in the system.	

### **FUNDING PLAN**

The overall Resolution Plan is for a total amount of **Rs. 8.9 crore**, which shall be funded with a mix of Equity and Unsecured loans/ term loan that shall be brought in by RA directly or through SPV or through any of its affiliates. Infusion of funds shall be undertaken by the Resolution Applicant from its own sources, either directly or through SPV or through any of its affiliates.

(a) 1st tranche Funding of Rs.6.88 crore (Upfront Funding)

The first tranche funding of Rs. 6.88 crore shall fall after the Effective Date; within a period of 30 days from the Effective Date. The first tranche funding shall be utilised for payment towards CIRP cost & settlement of creditors.

(b) Purchase of existing equity: The RA will purchase the existing equity for overall consideration of Rs. 1.9 lacs out of its own internal accruals.

(c) 2<sup>nd</sup> tranche Funding of Rs. 2 crore , within a period of 90 days from the Effective Date . The second tranche funding shall be utilised towards cost of refurbishing of factory and providing working capital margin.

**Justification with respect to Sources of Fund:****Note:**

The above sources do not include the profits/cash accruals of the running units of RA and also the proposed cash flow from the corporate debtor's post acquisitions.

In view of the above, the availability of requisite funds and their specific sources are well justified.

**Deployment of funds**

<b>Particulars</b>	<b>Infusion within 30/90 days from</b>	<b>Total</b>
<b>Total Fund Infusion</b>	<b>Rs. 8.88 crore</b>	<b>Rs. 8.88 crore</b>
<b>Utilization of funds</b>		
CIRP Cost	Rs 40 lacs	Rs 40 lacs
Employee related payments	Rs 8.4 lacs	Rs 8.4 lacs
Financial Creditors	Rs 6.25 crore	Rs 6.25 crore
Operational creditors	Rs 9 lacs	Rs 9 lacs
Statutory Dues	Rs 5 lacs	Rs 5 lacs
Refurbishing of plant	Rs 50 lacs	Rs 50 lacs
Working Capital	Rs. 1.5 crore	Rs. 1.5 crore
<b>Total</b>	<b>Rs.8.88 crore</b>	<b>Rs.8.88 crore</b>

**CONCLUSION**

- The Resolution Plan envisages a settlement package for all the stakeholders.
- There will be Infusion of fresh funds to the extent of Rs.8.88 crores by the Resolution Applicant to finance the cost of the revival
- The Resolution Plan includes measures covered by Regulation 37 of CIRP regulations.
- The mandatory requirements, under Regulation 38 are also satisfied.
- Pursuant to implementation of the Resolution Plan, the Company shall deliver the maximum possible economic value to all stakeholders including secured and unsecured financial creditors, operational creditors including workmen, statutory dues as against the Liquidation Value (LV).
- The Resolution Plan would enable restoration of direct and indirect employment and also protect the livelihood of several families. It would,

as well, reinforce the positive trends in socio-economic development of country.

- Revival of Corporate Debtor would also contribute to exchequer by way of GST and other Taxes like property tax and on income generation to Income Tax. It may also contribute to earnings of foreign exchange with export of its products.
- It will be observed from the financial projections that the corporate debtor would start generating profits and cash from the year ending 31<sup>st</sup> March 2021 and onwards. Considering fairly comfortable cash flows, the resolution plan may be regarded as technically feasible and financially viable as per section 30(4) of IBC 2016.

Signed for and on behalf of Resolution Applicant

\_\_\_\_\_

Name:

Designation:

Date:

## FINDINGS

We have gone through the resolution plan which is as shown above. We have also heard all the parties concerned in detail and taken all their submissions into account and accordingly following are the observations:

1. The RP has enclosed a compliance certificate in Form H as prescribed under Regulation 39(4) of CIRP Regulations, at page 502 of the application stating that, the resolution plan of the resolution applicant provides for and is in compliance with the provisions of the Code and Regulations.
2. The Hon'ble Supreme Court in the case of "K. Sashidhar vs. Indian Overseas Bank" (2019 SCC OnLine SC 257) at para 49 of the Judgement held as below:
  - i. *"49. The argument, though attractive at the first blush, but if accepted, would require us to re-write the provisions of the I&B Code. It would also result in doing violence to the legislative intent of having consciously not stipulated that as a ground - to challenge the commercial wisdom of the minority (dissenting) financial creditors. Concededly, the process of resolution plan is necessitated in respect of corporate debtors in whom their financial creditors have lost hope of recovery and who have turned into non-performer or a chronic defaulter. The fact that the concerned corporate debtor was still able to carry on its business activities does not obligate the financial creditors to postpone the recovery of the debt due or to prolong their losses indefinitely. Be that as it may, the scope of enquiry and the grounds on which the decision of "approval" of the resolution plan by the CoC can be interfered with by the adjudicating authority (NCLT), has been set out in Section 31(1) read with Section 30(2) and by the appellate tribunal (NCLAT) under Section 32 read with Section 61(3) of the I&B Code. No corresponding provision has been envisaged by the legislature to empower the resolution professional, the adjudicating authority (NCLT) or for that matter the appellate authority (NCLAT), to reverse the "commercial decision" of the CoC much less of the dissenting financial creditors for not supporting the proposed resolution plan. Whereas, from the legislative history there is contra indication that the commercial or business decisions of the financial creditors are not open to any judicial review by the adjudicating authority or the appellate authority."*

3. We are of the opinion that by virtue of mandatory contents of resolution plan, the same is in accordance with Section 30 and 31 of the Code, and also complies with the requirement of the Regulations 38 and 39 of CIRP Regulations.
4. Therefore, when the provision of law and the law laid down by the Hon'ble Supreme Court is applied to the case on hand, it becomes clear that this resolution plan approved by the COC with the required majority, satisfies all the criteria required for approval of Resolution Plan and accordingly the resolution plan is approved.
5. The resolution applicant in its resolution plan, has dealt with interests of all stakeholders of the corporate debtor, including the Financial Creditors, the Operational Creditors and the CIRP cost.
6. Any relief sought for in the resolution plan, where the contract/agreement/understanding/proceedings/actions/notice etc. is not specifically identified or is for future and contingent liability, is at this moment rejected.
7. The resolution applicant, on taking control of the corporate debtor, shall ensure compliance under all applicable law for the time being in force. The resolution applicant shall obtain the necessary approval required under any law for the time being in force within one year from the date of this order or within such period as provided for in such law, whichever is later.
8. We shall clarify here that any resolution applicant shall take over the corporate debtor with all its assets and liabilities as per terms of the approved resolution plan. If any relief concerning any identified liability of the corporate debtor is required, then that needs to be specifically mentioned and sought for in the resolution plan. This bench cannot allow any general power to any resolution applicant absolving him of liability of the corporate debtor company without knowing about the liability against which such exemption is sought. In other words, reliefs/exemptions from only existing liabilities which are specifically identified can be sought and allowed in the resolution plan.

9. On perusal of the resolution plan, we find that the resolution plan has necessary provisions for its effective implementation and it has been approved by 100% majority of the CoC, which is much higher than the minimum required percentage.
10. Given the above observations, we approve the resolution plan with modifications, as mentioned above, which shall be binding on the Corporate Debtor and its employees, members, creditors, guarantors, Resolution Applicant and other stakeholders involved in the resolution plan.
11. The resolution professional shall forward all records relating to the conduct of the corporate insolvency resolution process and the resolution plan to the IBBI to be recorded on its database. The RP is hereby discharged of his duties after handing over the documents to the Resolution Applicant and he taking charge.
12. It is seen that the Resolution Plan seeks several Dispensations, concessions and waivers. Approval of Resolution Plan does not mean automatic Waivers. The Resolution Applicant on approval of the Plan may approach those competent authorities/courts/legal forms/office(s) Government or Semi-Government/State or Central Government for appropriate relief(s) sought in the plan.
13. The Resolution Plan worth a revised amount of Rs. 7 Crores, as agreed by the Resolution Applicant is at this moment approved, subject to the submission of additional affidavit for acceptance of the modifications in the Resolution Plan and other informations as per directions above, under section 31(1) of IBC with observations above. The MA 3710/2020 is accordingly allowed and disposed of.

**Sd/-**

**SHYAM BABU GAUTAM**

Member (Technical)

**Sd/-**

**H. V. SUBBA RAO**

Member (Judicial)