

IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT – IV

IA/3908/2023

In

C.P.(IB)/4002(MB)2019

*(Under Section 30(6) and Section 31 of the
Insolvency and Bankruptcy Code, 2016 r/w
Regulation 39(4) of the IBBI (Insolvency
Resolution Process for Corporate Persons)
Regulations, 2016.)*

In the matter of:

Mr. Darshan Patel

*Resolution Professional
of the Corporate Debtor*

Versus

*M/s. Goblin India Limited Jointly with
Khandwala Finstock Private Limited*

*Successful Resolution
Applicant & ors.*

In the matter of:

Siti Networks Limited

...Operational Creditor

Versus

Television Home Shopping Network Ltd

...Corporate Debtor

Order delivered on 09.11.2023.

Coram:

Ms. Anu Jagmohan Singh
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli
Hon'ble Member(Judicial)

Appearances (via videoconferencing):

For the Applicant : Mr. Kamil Lokhandwala, Ld.
Counsel.
Mr. Darshan Patel, RP present in
person.
Mr. Nausher Kohli a/w Mr. Rakesh
Gupta and Mr. Deeraj Garg, Ld.
Counsel for the Resolution Applicant
present.

ORDER

1. It is an application filed by **Mr. Darshan Patel**, Resolution Professional of the Corporate Debtor (“RP/Applicant”) under Section 30(6) and Section 31 of the Insolvency & Bankruptcy Code, 2016 (“the Code”) read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process Corporate Persons) Regulations, 2016 for seeking approval of Sole Resolution Plan submitted by **M/s. Globin India Limited Jointly with M/s. Khandwala Finstock Pvt. Ltd.** (jointly referred as to as “Resolution Applicant”), for **Television Home Shopping Network Ltd** (hereinafter called as the “Corporate Debtor”) and for passing order/appropriate direction that this Tribunal may deem fit in the present matter.

2. The present IA has been filed within 180 days of the initiation of CIRP of the Corporate Debtor u/s 30(6) and 60(5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as 'IB Code') seeking approval of Sole Resolution Plan submitted by Resolution Applicant, M/s Goblin India Limited jointly with M/s Khandwala Finstock Pvt Ltd. (hereinafter jointly referred to as "Resolution Applicant") dated 4th August 2023 (hereinafter referred to as 'the Plan'), which also includes the scheme of Merger/Reverse Merger of M/s Khandwala Finstock Pvt Ltd with the Corporate Debtor(hereinafter referred to as 'the Scheme of Merger'). The Plan has been approved with 100% of Committee of Creditors ("COC") voting in the 7th COC meeting.
3. The CIRP for the Corporate Debtor was initiated by virtue of Order dated 03.03.2023 by this Bench in CP (IB) No. 4002/NCLT/MB-IV/2019 and Mr. Sushil Kumar Agarwal was appointed as IRP. The COC in its 1st meeting resolved to appoint Mr. Darshan Patel i.e. the present Applicant as RP of the CD. Accordingly, IA No. 1537/2023 was filed before this Bench for replacement of IRP with the RP, the present Applicant. This Bench vide its Order date 24.4.2023 appointed the present Applicant as the RP of the CD.
4. The Erstwhile IRP had published FORM – A inviting claims from the Creditors of CD and constituted the COC. However, after appointment of the present Applicant, with approval of COC the present Applicant again published FORM – A and the last date of filing of claims was 31.05.2023. As per the claims received in response to public announcement by the RP, the RP verified the claims and updated the claim register. The COC consist of only one Financial Creditor having 100% Voting rights namely: Centre for Economic and Social Inclusion Private limited.

5. The RP has submitted details to the two Independent Valuers who have already been appointed by IRP, for evaluating Fair value and Liquidation Value of the CD as per Regulation 35 of the CIRP Regulations. That the Fair Value and Liquidation Value of the CD is of INR 5,74,822/- (INR Five Lakh Seventy-Four Thousand Eight Hundred and Twenty-Two only).
6. The RP had published FORM G inviting Resolution Plans from interested parties as per Regulation 36 of the CIRP Regulations on 15.05.2023. Upon publication of FORM – G the RP received only one Resolution Plan from the Resolution Applicant on 25.07.2023 and after couple of rounds of negotiations between the CoC and the Resolution Applicant, the revised Resolution Plan submitted and was put forth for voting before the COC in its 7th meeting held on 4.08.2023. The COC further observed that the Plan is viable, feasible and is in compliance as per the provisions of the Insolvency and Bankruptcy Code and the Regulations contained therein.
7. THE KEY FEATURES OF THE RESOLUTION PLAN ARE SUMMARIZED BELOW:

Resolution Applicant Proposed Amount	Admitted Amount	Amount (in Rs.)	Timeline	Section of Resolution Plan
Payment of CIRP Cost	(at actual)	35,00,000	Within 25 Days of NCLT Approval Date	Para 7.3.1
Payment to the Secured Financial Creditors	19,65,908	19,65,908	Within 25 Days of NCLT	Para 7.3.3

			Approval Date	
Payment to the Unsecured Financial Creditors	NA	NA	NA	NA
Payment to the Secured Creditors- Operational Creditors- Government Departments	NA	NA	NA	NA
Payment towards the Operational Creditors (Government Departments) whose claims are contingent Total contingent claim as per claim register is Rs. 377,37,53,914	4 (notional amount of Rs 1/- for each statutory department)	15,00,000	Within 25 Days of NCLT Approval Date	Para 7.3.4.1
Payment towards the Operational Creditors (Non-Government)	16,36,64,956	35,34,092 PLUS Option of Partly Paid redeemable Preference Shares 1,60,00,000	Within 25 Days of NCLT Approval Date	Para 7.3.4.2

		Rs. 8,00,00,000 PLUS balance lying in CIRP bank account of Corporate Debtor as on Approval of this Plan by AA (other than the amount of EMD and Bank Guarantee as per this plan)		
TOTAL PLAN AMOUNT		9,05,00,000	-	-

8. The details of the Proposed Payment in the Resolution Plan for creditors belong to various class are as following;

A. *Settlement of the claims of Secured Financial Creditors: (25 days)*

The plan proposes to make an upfront payment of INR 19,65,908/- (Indian Rupees Nineteen Lakh Sixty-Five Thousand Nine Hundred Eight Only) to satisfy the claims of the Secured Financial Creditors within a period of 25 days from the Approval Date of this Resolution

Plan. (Clause 7.3.3 of the Resolution Plan, ANNEXURE – D @ Pg No. 89 – 90 of the IA)

Payment to Dissenting Financial Creditors: (Not Applicable as the Plan as approved with a unanimous vote) That in the present CIRP there is only one Financial Creditor and hence separate provisioning as to payment to dissenting financial creditor clause is not applicable in this Plan. (Clause 7.3.3 of the Resolution Plan, ANNEXURE – D @ Pg No. 89 – 90 of the IA).

B. Settlement of the claims of Unsecured Financial Creditors:

That in the present CIRP there are no unsecured financial creditors and hence separate provisioning as to payment to unsecured financial creditor clause is not applicable in this Plan.

C. Settlement of claims filed by Operational Creditors

(Other than Workmen and Employees and Government dues): (25 days)

That the RP has admitted the Claim of INR 16,36,64,956/- is admitted claim of Operational Creditors (Other than Workmen and Employees and Government dues). The plan proposes to pay to the operational creditors an Upfront Amount of INR 35,34,092/- (Rupees Thirty-Five Lacs Thirty-Four Thousand Ninety-Two Only) in proportionate to the aggregate of their claims of Rs, 16,36,64,956/- admitted by the RP as per latest claim register, within a period of 25 days from the Approval Date of this Resolution Plan. The same shall be paid prior to making any payment to the financial creditors.

In addition to above referred upfront cash payment, each operational creditors (other than Statutory Claim of Government Departments whose claims are accepted as contingent claim by RP) within a period of 25 days from the Approval Date of this Resolution Plan by AA, shall have an Option (in proportion to the aggregate of their admitted claims) for subscription of the 6% total 1,60,00,000 partly paid (Rs 5/- paid) Non-Cumulative, Non-Participating, Redeemable preference shares having face value of Rs 10/- each, , redeemable at the end of 15 years from the date it becomes fully paid up. The said partly paid preference shares is proposed to be allotted in proportion to their admitted claims which is unpaid after upfront cash payment to the operational creditors who have exercised its/their option for subscription of partly paid preference share.

After the approval of this resolution plan by AA, RA shall send communication to each operational creditor (other than Statutory Claim of Government Departments whose claims are accepted as contingent claim by RP) for exercise of option for subscription and if such option is exercised, then such operational creditors will be allotted such redeemable partly paid (Rs. 5/- paid up per share) preference shares of Rs. 10/- each within 45 days from the Approval Date. The Resolution Applicant shall a have a right, in its sole discretion, to call for the balance amount of Rs. 5/- per each preference from operational creditors (who have been allotted partly paid up preference share) within 90 days from the date of its allotment. In the event of failure of any such preference shareholders to pay the called-up amount of Rs. 5/- per preference share within such time period from the date of issue of notice for payment of call money of Rs.5/- per share, as may be prescribed in such call notice, preference shares allotted to such operational creditors (who have exercised its /their option

for subscription of party paid preference shares) shall be liable to be forfeited and shall be dealt with by the Resolution Applicant in the manner provided under the Companies Act, 2013 including re-issuance of the same to any other person at such other price as the Resolution Applicant may deem fit. The payment set out in the resolution plan, shall be deemed to be in full and final settlement / discharge of the liabilities pertaining to claim of the Operational Creditors. The amount payable to the Operational Creditors under this Resolution Plan shall be given priority in payment over the Financial Creditors. (Clause 7.3.4.2 of the Resolution Plan, ANNEXURE – D @ Pg No. 96 - 100 of the IA)

*D. Settlement of claims filed by Operational Creditors
(Workmen & Employees):*

That there are no claims from workers and employees of the Corporate Debtor. Therefore, the Resolution Applicant shall make Nil payment towards full and final settlement / discharge of the entire amounts of all workmen & employees (i.e., excluding “the Financial Creditors and the Operational Creditors including any dues to Statutory authorities”).

E. Payment to Statutory Dues & Contingent Liabilities: (25 days)

The plan proposes to pay the Operational Creditors- Government Dues, an Upfront Amount of INR 15,00,000/- (Indian Rupees Fifteen Lacs Only) within a period of 25 days from the Approval Date of this Resolution Plan against claims shown as contingent claims by resolution professional in the claim register amounting to INR. 377,37,53,910/-. It is to be noted that RP has admitted Rs 1/- as notional value against each

four statutory government departments totalling to Rs 4/- as all these claims are contingent claims and balance amount shown under the head contingent claims in the claim register amounting to Rs. 377,37,53,910/.

<i>Sr no</i>	<i>Name of Department</i>	<i>Amount</i>
1.	<i>Deputy Commissioner of Income Tax, Circle 16(1) Mumbai (CLAIM FILED)</i>	3, 62, 54, 74, 594/-
2.	<i>Department of CGST & C. Excise Noida Sector – 3, Gautam buddha nagar, Uttar Pradesh (CLAIM NOT FILED)</i>	6, 38, 80, 498/-
3.	<i>Office of principal Commissioner of C.GST and Excise: Mumbai (CLAIM NOT FILED)</i>	44, 17, 634/-
4.	<i>Dy. Commissioner of Income Tax, Circle 76 (1), Laxminagar Delhi (CLAIM NOT FILED).</i>	7, 99, 81, 187/-
	TOTAL	3, 77, 37,53,914

It may be noted that out of the said government departments, only one government department at Serial no. 1 of the above table had filed its claim with the RP. The contingent claims are pending at respective Appellate level and are disputed. To protect the interest of those disputed government demands and to ensure that this resolution plan does not affect prejudicially to any stakeholders and to buy peace, the RA proposes to pay abovementioned an Upfront Amount of INR 15,00,000/- (Fifteen Lacs only) in proportion to contingent claim, in respect of disputed demand amount of the respective government department, within a period of 25 days from the Approval Date of this Resolution Plan towards full and final settlement / discharge of the entire amounts of such government dues. Any and all liabilities and all amounts due and / or payable by the Corporate Debtor whether admitted or not, due or contingent, asserted or unasserted, assessed or unassessed, crystallized or

un-crystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future, shall stand settled, extinguished and written off as of the Approval Date pursuant to the NCLT Approval Order and neither the Corporate Debtor nor the Resolution Applicant shall be responsible and / or liable, directly or indirectly, for the same. (Clause 7.3.4.1 of the Resolution Plan, ANNEXURE – D @ Pg No. 91 – 96 of the IA).

*F. Corporate Insolvency Resolution Process (CIRP) Costs:
(25 days)*

The plan proposes that the outstanding CIRP Cost shall be paid on actual basis as upfront payment within a period of 25 days from the Approval Date of this Resolution Plan. RA has proposed and provided INR 35,00,000/- for outstanding CIRP cost and in case of actual CIRP cost is in excess of INR 35,00,000/- it shall be adjusted from the payment to be made to operational creditors to keep proposed plan amount intact. Currently there are Interim finance and unpaid CIRP costs. In terms of Section 30(2) (a) of the IBC, the CIRP Costs are to be paid in priority to any other creditor of the Corporate Debtor. (Clause 7.3.1 of the Resolution Plan, ANNEXURE – D @ Pg No. 88 of the IA).

G. The Implementation and supervision of the Resolution Plan:

On and from the NCLT Approval Date and until the Effective Date, a Monitoring Committee, (“Monitoring Committee”) shall be appointed for supervision of implementation of this Resolution Plan. The Monitoring Committee shall be in the form of a committee comprising of

three (3) members, being one (1) nominated by the Resolution Applicant, one (1) nominated by the CoC and (3) the Resolution Professional (Monitoring Agent or Chairperson of the Monitoring Committee). The Monitoring Committee shall supervise the implementation of the Resolution Plan and shall be required and entitled to do all such acts, deeds, matter and things as may be necessary, desirable or expedient in order to implement and give effect to this Resolution Plan. The day to day functioning of the Corporate Debtor shall be monitored by the Monitoring Committee. All decisions of the Monitoring Committee shall be taken by majority consent of the members of the Monitoring Committee. (Clause 7.3.1 of the Resolution Plan, ANNEXURE – D @ Pg No. 88 of the IA.

Section 30(2) of the Code

9. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant M/s Goblin India Limited jointly with M/s Khandwala Finstock Pvt Ltd and confirms that this Resolution Plan:

- 9.1. Provides for payment of Insolvency Resolution Process cost in a manner specified by the Board in the priority to the payment of other debts of the corporate debtor;
- 9.2. Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;
- 9.3. The implementation and supervision of Resolution Plan;
- 9.4. Does not prima facie contravene any of the provisions of the law for time being in force,
- 9.5. Conforms to such other requirements as may be specified by the Board.

- 9.6. As per the Affidavit received and the further documents submitted, the Resolution applicants are not covered under 29A.
10. In compliance of Regulation 38 of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that
- 10.1. The amount due to the Operational Creditors under resolution plan shall be given priority in payment over Financial Creditors.
- 10.2. It has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors of the CD.
- 10.3. A statement that neither the Resolution Applicants nor any related parties have failed to implement nor have contributed to the failure of implementation of any other Resolution Plan approved by the AA in the past.
- 10.4. The terms of the plan and its implementation schedule.
- 10.5. The management and control of the business of the CD during its term.
- 10.6. Adequate means of Supervising its implementation.
- 10.7. The Resolution Plan Demonstrate that it addresses
- i. The cause of the Default
 - ii. It is feasible and viable
 - iii. Provision for effective implementation
 - iv. Provisions for approvals required and the time lines for the same.
 - v. Capability to Implement the Resolution Plan
11. The Resolution Plan submitted by M/s Goblin India Limited jointly with M/s Khandwala Finstock Pvt Ltd was approved by 100% Voting of COC on 6.8.2023. Further, the Resolution Applicant has provided an Affidavit dated 25.07.2023 as mandated under Section 29A of the IBC 2016 in terms of its eligibility to submit a Resolution Plan.

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12. As per the Resolution Plan approved by COC with 100% voting, the Resolution Applicant i.e. Respondent No. 1 was to advance Performance Bank Guarantee of the entire amount of upfront cash payment of Rs.1,05,00,000/- within 15 days from the approval of Resolution Plan by the Committee of Creditors i.e. till 19/08/2023. The total amount of Rs. 1,05,00,000/- which is the upfront cash payment proposed in the Resolution Plan has been fully received from the Successful Resolution Applicant in the form of EMD and Performance Guarantee.
13. The Performance Guarantee of INR 80,00,000/- (INR Eighty Lakhs only) has been submitted by the RA on 17/08/2023. The Earnest Money Deposit of INR 25,00,000/- (Twenty-Five Lakhs) has already been deposited in the CIRP bank account. Hence as per the Resolution Plan the RA has ensured payment of the entire amount of the upfront Payment of Rs. 1,05,00,000/-.
14. The present Applicant/RP had appointed one Transactional cum forensic Auditor being M/s S L Gupta and Associates on 12/06/2023 for inquiring into the past transactions of the CD more particularly to see if any transactions u/s 43, 66. . . of the Insolvency and Bankruptcy Code, 2016 are undertaken by the Corporate Debtor. The said Forensic Auditor has advanced its detailed Report, as per the said Report NO transactions are found in the said Audit of CD which can be termed as PUFEE (Preferential, undervalued, fraudulent and Extortionate) transactions.
15. Further the Operational Creditors (Other than Workmen and Employees and Government dues) are given an option of Partly Paid Redeemable Preference Shares 1,60,00,000 having face value of INR 10 wherein partly paid amount proposed is INR 8,00,00,000/-.

16. The Resolution Professional has annexed a certificate of the Application under Regulation 39(4) In FORM H of the CIRP Regulations to certify that the resolution plan as approved by the CoC meets all the requirements of the IBC and its Regulations.

FORM H
COMPLIANCE CERTIFICATE

(Under Regulation 39 (4) of the Insolvency and Bankruptcy Board of India
(Insolvency Resolution Process for Corporate Persons) Regulations, 2016

I, DARSHAN BHARATBHAI PATEL, an insolvency professional enrolled with INDIAN INSTITUTE OF INSOLVENCY PROFESSIONALS OF ICAI and registered with the Board with registration number IBBI/IPA-001/IP-P01579/2018-2019/12442 [registration number], am the resolution professional for the corporate insolvency resolution process (CIRP) of TELEVISION HOME SHOPPING NETWORK LTD [name of the corporate debtor (CD)].

2. The details of the CIRP are as under:

Sl. No.	Particulars	Description
1	Name of the CD	TELEVISION HOME SHOPPING NETWORK LIMITED
2	Date of Initiation of CIRP	03/03/2023
3	Date of Appointment of IRP	03/03/2023
4	Date of Publication of Public Announcement	06/03/2023
5	Date of Constitution of CoC	26/03/2023
6	Date of First Meeting of CoC	02/04/2023
7	Date of Appointment of RP	24/04/2023
8	Date of Appointment of Registered Valuers	19/04/2023
9	Date of Issue of Invitation for EoI	15/05/2023
10	Date of Final List of Eligible Prospective Resolution Applicants	26/06/2023
11	Date of Invitation of Resolution Plan	12/06/2023
12	Last Date of Submission of Resolution Plan (as extended)	25/07/2023
13	Date of Approval of Resolution Plan by CoC (COC Voted on 6.8.2023 through E-voting)	04/08/2023
14	Date of Filing of Resolution Plan with Adjudicating Authority	12/08/2023
15	Date of Expiry of 180 days of CIRP	30/08/2023
16	Date of Order extending the period of CIRP	NA
17	Date of Expiry of Extended Period of CIRP	NA
18	Fair Value	5,74,411
19	Liquidation value	5,74,411
20	Number of Meetings of CoC held	7

3.I have examined the Resolution Plan received from Resolution Applicant, GOBLIN INDIA LIMITED with Khandwala Finstock Pvt Ltd approved by Committee of Creditors (CoC) of TELEVISION HOME SHOPPING NETWORK LIMITED.

4. I hereby certify that-

(i) the said Resolution Plan complies with all the provisions of the Insolvency and Bankruptcy Code 2016 (Code), the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) and does not contravene any of the provisions of the law for the time being in force.

(ii) the Resolution Applicant GOBLIN INDIA LIMITED (with Khandwala Finstock Pvt) has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order.

(iii) the said Resolution Plan has been approved by the CoC in accordance with the provisions of the Code and the CIRP Regulations made thereunder. The Resolution Plan (with proposed reverse merger of Khandwala Finstock Pvt) has been approved by **100** % of voting share of financial creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.

(iv) The voting was held ~~in the meeting of the CoC~~ on 06.08.2023 where all the members of the CoC were present.

Or I sought vote of members of the CoC by electronic voting system which was kept open at least for 48 hours as per the regulation 26 and Voted on 06/08/2023 [strike off the part that is not relevant]

5. The list of financial creditors of the CD: TELEVISION HOME SHOPPING NETWORK LIMITED being members of the CoC and distribution of voting share among them is as under:

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
1	Centre for Economic & Social Inclusion Pvt Ltd	100%	VOTED FOR

6. The Resolution Plan includes a statement under regulation 38(1A) of the CIRP Regulations as to how it has dealt with the interests of all stakeholders in compliance with the Code and regulations made thereunder.

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

(Amount in Rs. lakh)

Sl. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan#	Amount Provided to the Amount Claimed (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Secured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	0	0	0	0
		(b) Other than (a) above: (i) who did not vote in favour of the resolution Plan	0 19.66	0 19.66	0 19.66	0 100%

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		(ii) who voted in favour of the resolution plan				
		Total[(a) + (b)]	19.66	19.66	19.66	
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	0	0	0	0
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	0	0	0	0
		(ii) who voted in favour of the resolution plan	0	0	0	0
		Total[(a) + (b)]	0	0	0	0
3	Operational Creditors	(a) Related Party of Corporate Debtor	0	0	0	0
		(b) Other than (a) above:				
		(i) Government (***)	0	0	0	0
		(Contingent statutory claims are showed under item no: 4 below)	0	0	0	0
		(ii) Workmen	0	0	0	0
		(iii) Employees				
		(iv) Operational Creditors	1952.54	1636.65	35.34	2.16
		Others (#)			800.00	49.96
		# (preference shares of CD proposed to be offered partly paid. The total amount of partly paid offered)				
		# (The amount which remains in the CIRP Bank account except EMD and BG -as on approval date to be distributed)				
		Total[(a) + (b)]	1952.54	1636.65	835.34	51.04%
4	Other debts and dues	Contingency Fund (for future litigation expenses if any OR this amount to be distributed to other operational creditors) (***)	0	0	0	--
		Funds for all Disputed Government demands against which appeals are filed and are pending at different forums	37737.54	(notional figure total Rs. 4)	15.00	--
5	Insolvency Resolution Process Cost	Unpaid CIRP Expenses	--	--	35.00	Actual

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Grand Total		39709.74	1656.31	905.00	
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*If there are sub-categories in a category, please add rows for each sub-category.

Amount provided over time under the Resolution Plan and includes estimated value of non-cash components.

(#)

In addition to the upfront cash payment, it is proposed to issue partly paid preference shares of CD. The total amount of partly paid which is offered and to be issued at the option of the operational creditors for total 1,60,00,000 preference shares)

(#)

The balance amount which remains in the CIRP Bank account except EMD and BG -as on approval date is fully offered to the operational creditors (non-government). The amount is unknown at present.

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

Sl. No	Category of Share Holder	No. of Shares held before CIRP (In amount)	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity	2420 Lakh	0	100%	0

****ENTIRE PAID UP CAPITAL RELATED SHAREHOLDING OF EXISTING EQUITY SHARES SHALL BE CANCELLED AND EXTINGUISHED**

9. The compliance of the Resolution Plan is as under:

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes / No)
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?	--	YES
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?	--	YES
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	7.18	YES
Section 30(2)	Whether the Resolution Plan-		
	(a) provides for the payment of insolvency resolution process costs?	7.3.1	YES
	(b) provides for the payment to the operational creditors?		
	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	7.3.4	YES
	(d) provides for the management of the affairs of the corporate debtor?	NA	YES
	(e) provides for the implementation and supervision of the resolution plan?		
(f) contravenes any of the provisions of the law for the time being in force?	7.7	YES	

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		7.12	YES
		--	YES
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC? (b) has been approved by the CoC with 66% voting share?	YES 100%	YES YES
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	YES 7.12	YES
Regulation 35A	Where the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50 or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the Board?	NO. DETERMINATION COULD BE DONE ONCE THE TRANSACTION REPORT IS OBTAINED. THE WORK IS NOT COMPLETED.	--
Regulation 38 (1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	7.3.4	YES
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	7.3	YES
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	DECLARATION ATTACHED WITH THE PLAN NA	YES
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	7.2 7.7 5	YES YES YES
38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	4 7.10, 7.11 7.12 7.13 5	YES YES YES YES YES
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	The status has been presented to CoC the	YES

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		transaction audit work is not yet completed	
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.	The time to submit Performance security in compliance of Reg 36B(4A) is till 19.8.2023	

10. The CIRP has been conducted as per the timeline indicated as under:

Section of the Code / Regulation No.	Description of Activity	Latest Timeline under regulation 40A	Actual Date
Section 16(1)	Commencement of CIRP and Appointment of IRP (ORDER RECEIVED BY RP)	03/03/2023	03/03/2023
Regulation 6(1)	Publication of Public Announcement	06/03/2023	06/03/2023
Section 15(1)(c) /Regulation 12 (1)	Submission of Claims	20/03/2023	17/03/2023
Regulation 13(1)	Verification of Claims	24/03/2023	
Section 26(6A) / Regulation 15A	Application for Appointment of Authorised Representative, if necessary	26/03/2023	NA
Regulation 17(1)	Filing of Report Certifying Constitution of CoC	26/03/2023	26/03/2023
Section 22(1) and regulation 17(2)	First Meeting of the CoC	03/04/2023	02/04/2023
Regulation 35A	Determination of fraudulent and other transactions	17/05/2023	Work under process
Regulation 27	Appointment of two Registered Valuers	19/04/2023	19/04/2023
Regulation 36 (1)	Submission of Information Memorandum to CoC	06/06/2023	06/06/2023
Regulation 36A	Invitation of EoI	02/05/2023	15/05/2023
	Publication of Form G	02/05/2023	15/05/2023
	Provisional List of Resolution Applicants	27/05/2023	11/06/2023
	Final List of Resolution Applicants	11/06/2023	26/06/2023
Regulation 36B	Issue of Request for Resolution Plan, which includes Evaluation Matrix and Information Memorandum to Resolution Applicants	16/06/2023	12/06/2023
Section 30(6) / Regulation 39(4)	Submission of CoC approved Resolution Plan	15/08/2023	12/08/2023
Section 31(1)	Approval of Resolution Plan	T=180	

11. The time frame proposed for obtaining relevant approvals is as under:

Sl. No.	Nature of Approval	Name of applicable Law	Name of Authority who will grant Approval	When to be obtained
1	No such specific approval			
2				

12. The Resolution Plan is not subject to any contingency.

or

The Resolution Plan is subject to the following contingencies (Elaborate the contingencies):

- i.....
- ii.....

IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT – IV

IA/3908/2023
In
C.P.(IB)/4002(MB)2019

13. Following are the deviations / non-compliances of the provisions of the Insolvency and Bankruptcy Code, 2016, regulations made or circulars issued thereunder (If any deviation/ non-compliances were observed, please state the details and reasons for the same):

Sl. No.	Deviation/Non-compliance observed	Section of the Code / Regulation No. / Circular No.	Reasons	Whether rectified or not
1	Invitation of EoI	Regulation 36A	Late handover from the previous IRP	Yes

14. The Resolution Plan is being filed **18** days before the expiry of the period of CIRP as provided in section 12 of the Code.

15. Provide details of section 66 or avoidance application filed / pending.

Sl. No.	Type of Transaction	Date of Filing with Adjudicating Authority	Date of Order of the Adjudicating Authority	Brief of the Order
1	Preferential transactions under section 43	NA	NA	NA
2	Undervalued transactions under section 45	NA	NA	NA
3	Extortionate credit transactions under section 50	NA	NA	NA
4	Fraudulent transactions under section 66	NA	NA	NA

15A. The committee has approved a plan providing for contribution under regulation 39B as under:

- a. Estimated liquidation cost: Rs 10,25,000
- b. Estimated liquid assets available: Rs. NIL
- c. Contributions required to be made: Rs 10,25,000
- d. Financial creditor wise contribution is as under:

Sl. No.	Name of financial creditor	Amount to be contributed (Rs.)
1	Centre for Economic & Social Inclusion Pvt Ltd	10,25,000
Total		10,25,000

15B. The committee has recommended under regulation 39C as under:

- a. Sale of corporate debtor as a going concern: Yes / ~~No~~
- b. Sale of business of corporate debtor as a going concern: --NA-- ~~Yes / No~~

The committee has approved the plan having proposal for reverse merger so that the corporate debtor can be revived. The details of recommendation are available with the resolution professional.

15C. The committee has fixed, in consultation with the resolution professional, the fee payable to the liquidator during the liquidation period under regulation 39D.] The same is proposed as Rs 2 Lakh per month for the total period of 4 months **which due to approval of resolution plan, the financial creditor abstain from voting.**

16. I, DARSHAN BHARATBHAI PATEL (Name of Resolution Professional) hereby certify that the contents of this certificate are true and correct to the best of my knowledge and belief, and nothing material has been concealed therefrom.

(Signature)

Name of the Resolution Professional: DARSHAN BHARATBHAI PATEL

IP Registration No: IBBI/IPA-001/IP-P01579/2018-2019/12442

Address as registered with the Board: 31,Vrindavan, Inquilab Society, Gulbai Tekra,
Polytechnic, Ahmedabad 380015

Email id as registered with the Board: ca.darshanbpatel@gmail.com

17. On perusal of the Resolution Plan, it is observed that the Resolution Plan provides for the following:

- a) Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
- b) Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
- c) For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified U/s 30(2)(c) of the Code.
- d) The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.

18. The RP has complied with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of the Regulations.

19. The RP has filed Compliance Certificate in Form-H along with the Plan. On perusal the same is found to be in order. The Resolution Plan has been approved by the CoC in the 7th meeting with 100% (Hundred percent).

20. In *K Sashidhar v. Indian Overseas Bank & Others* (in Civil Appeal No.10673/2018 decided on 05.02.2019) the Hon'ble Apex Court held that if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On

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

21. In CoC of Essar Steel (Civil Appeal No. 8766-67 of 2019 decided on 15.11.2019) the Hon'ble Apex Court clearly laid down that the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom have approved. In para 42 Hon'ble Court observed as under:

"Thus, it is clear that the limited judicial review available, which can in no circumstance trespass upon a business decision of the majority of the Committee of Creditors, has to be within the four corners of section 30(2) of the Code, insofar as the Adjudicating Authority is concerned, and section 32 read with section 61(3) of the Code, insofar as the Appellate Tribunal is concerned, the parameters of such review having been clearly laid down in K. Sashidhar(supra)."

22. In view of the discussions and the law thus settled, the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the Regulations. The Resolution Plan is not in contravention

of any of the provisions of Section 29A of the Code and is in accordance with law. The same needs to be approved. Hence ordered.

ORDER

23. The Interlocutory Application No. 3908 of 2023 in CP 4002 of 2019 is allowed. The Resolution Plan submitted by the M/s Goblin India Limited jointly with M/s Khandwala Finstock Pvt Ltd is hereby approved. It shall become effective from this date and shall form part of this order.

- i. It shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.
- ii. **The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations of the Corporate Debtor and shall be dealt by the appropriate Authorities in accordance with law.**
- iii. Accordingly, Successful Resolution Applicant (“referred as SRA”) shall approach appropriate forums separately to seek reliefs/waivers/concessions/approvals permission sought as for in the Resolution Plan and such shall be dealt with as per law by the appropriate forums/authorities.
- iv. Further in terms of the Judgment of Hon’ble Supreme Court in the matter of Ghanshyam Mishra and Sons Private Limited v/s Edelweiss Asset Reconstruction Company Limited, on the date of approval of the Resolution Plan by the Adjudicating Authority, all such claims which are

not a part of Resolution Plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim which is not a part of the Resolution Plan.

- v. The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC), Mumbai, Maharashtra for information and record. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.
- vi. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- vii. The Applicant shall supervise the implementation of the Resolution Plan and file status of its implementation before this Authority from time to time, preferably every quarter.
- viii. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.
- ix. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

- x. The Interlocutory Application No. 3908 of 2023 in CP 4002 of 2019 is accordingly allowed and disposed of.

Sd/-
ANU JAGMOHAN SINGH
MEMBER (TECHNICAL)
09.11.2023.

Sd/-
KISHORE VEMULAPALLI
MEMBER (JUDICIAL)