

SL No. 2

NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD

SPECIAL BENCH - COURT 1 (HEARINGS THROUGH VIDEO CONFERENCE)

PRESENT: HON'BLE SHRIMADAN BHALCHANDRA GOSAVI- MEMBER
JUDICIAL

HON'BLE SHRI VEERA BRAHMA RAO AREKAPUDI - MEMBER TECHNICAL
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 14.10.2021 AT 11:00 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA No.379//2021 in Company Petition/IB/ 192/7/HDB/2017
NAME OF THE COMPANY	Amrit Jal ventures Pvt Ltd
NAME OF THE PETITIONER(S)	SEW Infrastructure Ltd
NAME OF THE RESPONDENT(S)	Amrit Jal ventures Pvt Ltd
UNDER SECTION	7 of IBC

Counsel for Petitioner(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

Counsel for Respondent(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

ORDER

Resolution Plan as prayed for in the IA is approved vide separate order.


MEMBER (TECHNICAL)


MEMBER (JUDICIAL)

karim

**NATIONAL COMPANY LAW TRIBUNAL
BENCH -1, HYDERABAD**

I.A. No. 379 of 2021

in

C.P. (IB) No.192/7/HDB/2017

Application u/s 30(6) & 31(1) of the Insolvency and Bankruptcy Code, 2016 r/w Regulation No. 39(3) & 39(4) of the IBBI (CIRP) Regulations, 2016 r/w Rule 32 and 38(A) of the NCLT, Rules, 2016.

**In the matter of SEW Infrastructure Limited
Versus
Amrit Jal Ventures Private Limited**

Filed by:

T.V.L. Narasimha Rao,
C/o M/s. Amrit Jal Ventures Pvt Ltd (in CIRP)
Flat No. G1 & G2, Mani Plaza,
H.No.6-2-101/7/A & B, New Bhoiguda,
Secunderabad-500003, Telangana State

.....Applicant /
Resolution Professional

Date of order: 14.10.2021

Coram:

Shri Madan Bhalchandra Gosavi, Hon'ble Member (Judicial)
Shri Veera Brahma Rao Arekapudi, Hon'ble Member (Technical)

Appearance:

Shri T.V.L. Narasimha Rao, Resolution Professional in person
Shri S. Ravi, Senior Advocate assisted by Ms. Vazra Lakshmi,
Advocate for SEW Infrastructure Limited

PER: BENCH

ORDER

1. The present Application bearing IA No. 379/2021 is filed by the Resolution Professional under section 31(1) of the Insolvency & Bankruptcy Code, 2016, R/w regulation 39(4) of the IBBI (Insolvency Resolution for Corporate Persons) Regulations, 2016, seeking approval of resolution plan submitted by Mr. Ashok Surana, M/s Syamali Security &

Consultancy Private Limited in consortium with Mr Nagesh Goenka as duly approved by the Committee of Creditors.

2. The Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was initiated by this Bench by an order on 07.05.2019 and Mr. T.V.L. Narasimha Rao was appointed as Interim Resolution Professional (IRP). The Committee of Creditors (CoC) in its 2nd meeting held on 07.08.2019 approved appointment the Applicant herein as Resolution Professional (RP). The Applicant in compliance of the provisions of the Code and Rules framed thereunder conducted the CIRP of the Corporate Debtor.
3. In response to the Public Announcement dated 10.05.2019, a total claim amount of Rs.1152,39,95,289.03 Ps has been received from 50 claimants and an amount of Rs.699,67,41,517.50 has been admitted which includes invocation of corporate guarantee valuing Rs.268.66 Crores by REC Limited and UCO Bank. The aggregate admitted claims of the CoC Members are Rs.372.44 Crores. The CoC comprise of 23 Financial Creditors:

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
1	REC Limited	58.39%	VOTED FOR
2	UCO Bank	15%	VOTED FOR
3	IFCI Venture Capital Funds Limited	8.4%	ABSTAINED
4	SREI Equipment Finance Limited	7%	VOTED FOR
5	Globe Fincap Limited	3.68%	ABSTAINED
6	SEW Infrastructure Limited	2.42%	DISSENTED
7	JMS Mining Services Ltd	1.04 %	ABSTAINED
8	TCI Bhoruka Projects Ltd	0.71%	VOTED FOR
9	MNM Trading Solutions Pvt. Ltd.	0.51%	VOTED FOR
10	Mr. Govind Kumar Gupta (Assignee of M/s Solex Commercial & Credit Pvt Ltd)	0.47%	VOTED FOR
11	Hindustan General Industries Ltd	0.41 %	VOTED FOR

12	Intercontinental Infrastructure Ltd	0.40%	ABSTAINED
13	Ritushree Vincom PvtLtd	0.37%	ABSTAINED
14	Mysore Finlease Pvt Ltd	0.33%	VOTED FOR
15	Dimension Management Services Pvt Ltd	0.26%	VOTED FOR
16	Deepa Bagla Financial Consultants Pvt Ltd	0.22%	VOTED FOR
17	Arti Securities and Services Ltd	0.13%	ABSTAINED
18	Dynamic Portfolio Management & Services Ltd	0.09%	ABSTAINED
19	Charisma Mercantiles Pvt Ltd	0.06%	ABSTAINED
20	Oarsman Credit Private Limited	0.06%	ABSTAINED
21	Rupali Financial Consultants Pvt Ltd.	0.02%	ABSTAINED
22	Saivi Finance Pvt Ltd	0.02%	VOTED FOR
23	T Garg and Co. Pvt Ltd.	0.01%	VOTED FOR
	TOTAL	100%	

4. The RP caused the valuation of the CD with respect to financial assets, land & building and plant & machinery by M/s. ANVI Technical Advisor India Private Limited (group of Valuers – 1) and Mr. K. Kranthi Kumar for Financial Assets, Mr. P. Ramesh for Plant & Machinery and Mr. D. Mohan Raghavaiah for Land & Building (group of Valuers – 2) whose details are as under:

Particulars	Valuers – 1 (Rs)	Valuers – 2 (Rs)	Average (Rs)
Fair value of:			
Land & Building	1,29,77,000	1,27,89,000	1,28,83,000
Plant & Machinery	4,04,66,173	4,02,26,015	4,03,46,094
Financial Assets	1,35,63,522	1,36,33,522	1,35,98,522
TOTAL OF FV	6,70,06,695	6,66,48,537	6,68,27,616
Liquidation Value of:			
Land & Building	87,22,000	95,91,000	91,56,500
Plant & Machinery	2,42,79,703	2,81,63,742	2,62,21,723
Financial Assets	1,35,63,522	1,25,62,621	1,30,63,072

TOTAL OF LV	4,65,65,225	5,03,17,363	4,84,41,295
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5. The term of 180 days CIRP came to an end on 03.11.2019 and after extensions and exclusions owing to covid induced lockdown, the period of CIRP ended on 20.07.2021.
6. During the period of CIRP, three Resolution Plans were received by the Resolution Professional i.e. **M/s. Astha Green Energy Ventures India Pvt Ltd, M/s. Ashok Surana Consortium** and **M/s. SMAIT Fund**. All the above three Resolution Applicants were scrutinized u/s 29 A of the Code by the RP with the help of the team of M/s. Mazars LLP India/M/s. Lagrange Point Advisors LLP and M/s. Menon Verma LLP, Law Firm. The Resolution Professional submits that all the three plans are not hit by Section 29A of the Code. However, the Resolution Plans submitted by M/s. Astha Green Energy Ventures India Pvt Ltd and M/s. SMAIT Fund were found to be “not fully compliant with respect to the provisions of IBC, 2016 and other connected/ relevant laws despite several opportunities given to them due to ongoing COVID-19 environment for appropriate compliance and modifications. The Resolution Plan dated 01.07.2021 submitted by M/s. Ashok Surana Consortium was found to be fully compliant with respect to the provisions of the Code, 2016 and other connected/relevant laws.
7. The said Resolution Plan was placed before the CoC for consideration in its 16th Meeting held on 05.07.2021 and was put for e-voting from 08.07.2021 to 15.07.2021. The CoC after several rounds of negotiations, evaluated the Resolution Plan submitted by M/s Ashok Surana Consortium as per the Evaluation Matrix and in terms of Section 29A of the Code which was put for e-voting from 10.00 a.m. of 08.07.2021 to 6.00 p.m. of 15.07.2021.
8. In all, the Applicant has conducted 16 CoC meetings. The plan was approved by the CoC with **83.33%** votes in favour of the Resolution Plan submitted by **M/s Ashok Surana Consortium (individual and lead), M/s Syamali Security**

and Consultant Private Limited and Mr. Nagesh Goenka (individual) (herein after referred to as Resolution Applicant) and the CoC further resolved to move an application u/s 30(6) & 31(1) of the Code, 2016 r/w Regulations No.39(3) & 39(4) of the IBBI (CIRP) Regulations, 2016 to this Adjudicating Authority for seeking approval of the aforesaid Resolution Plan.

9. Upon approval of the Resolution Plan on 15.07.2021 by the CoC, the Resolution Professional issued LoI to the successful resolution applicant on 15.07.2021, in response to which the Successful Resolution Applicant informed the Resolution Professional about floating of SPV i.e. M/s Divyam Renewable Energy Private Limited for implementation of the Resolution Plan including furnishing of Performance Bank Guarantee. Accordingly, the Applicant had received the following Performance Bank Guarantees amounting to Rs. 1,28,70,000/-. The amount and validity are mentioned against each PBG.

Date of Issue	PBG No.	Issuing Bank & Branch	Amount	Date of expiry
17.07.2021	1145NDDG00001422	ICICI Bank, Phase IV Udyog Vihar Branch, Gurgaon	50,00,000	16.07.2022
17.07.2021	1145NDDG00001522	ICICI Bank, Phase IV Udyog Vihar Branch, Gurgaon	40,00,000	16.07.2022
17.07.2021	1145NDDG00001622	ICICI Bank, Phase IV Udyog Vihar Branch, Gurgaon	38,70,000	16.07.2022
		TOTAL	1,28,70,000	

10. The liquidation value available for distribution after realization of security interest by the secured creditors is Rs.2,82,849/-, the details of which are enumerated at para 19 of the Application. The *pro rata* liquidation value payable to the dissenting creditor is Rs.4,035/- as per Section 30(2)

and 53(1) of the Code r/w Regulation 38(1) of the CIRP Regulations as against Rs.25 Lakhs provided in the Resolution Plan by the Successful Resolution Applicant. After paying to the dissenting creditor an amount of Rs.4,035/- in priority to assenting creditors out of the amount of Rs.25 Lakhs allocated by the Successful Resolution Applicant, the balance amount of Rs.24,95,965/- is proposed to be distributed amongst the other CoC Members pro rata to their voting share (Para No.20 in Page No.8 & 9 of IA Paper Book).

11. It is further stated in the Application that the erstwhile Company Secretary of the CD had resigned during May, 2020 due to some technical issues involved in his appointment and RP accepted his resignation w.e.f. 01.01.2021. He is also the Company Secretary of M/s. Gati Infrastructure Pvt Ltd which is a Group Company of the CD who have been paying the salary to the Company Secretary. Now, M/s. Gati Infrastructure Pvt Ltd is also in CIRP since 26.04.2021. The CD was never paying the remuneration to Mr. Jasminder Singh when he was acting as Company Secretary to the CD. It is further stated that the RP has requested ICSI-Hyderabad Chapter on 13.01.2021 for recommending suitable candidate for Company Secretary of the CD but so far no response is received. As per Section 203 and 2(71)(b) of the Companies Act, 2013 r/w Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a new Company Secretary is required to be appointed on or before 30.06.2021 for the CD as its paid-up share capital exceeds Rs. 10 Crores. The RP further submits that since the CD is required for the appointment of new Company Secretary as per Section 28(1)(j) r/w Section 28(2) of I & B Code, 2016. Since the approval from the CoC did not happen, the Resolution Professional is seeking the indulgence of this Adjudicating Authority to condone the non-appointment of a Company Secretary to the CD.

12. CONTOUR OF THE RESOLUTION PLAN:

- (A) The Resolution Plan is submitted by **Mr Ashok Surana (lead member in consortium) in consortium with Syamali Security & Consultant Private Limited and Mr Nagesh Goenka (herein referred to as Resolution Applicant).**
- (B) The CoC comprised of the following 23 financial creditors. Their respective voting shares and exercise of the same for or against the Resolution Plan is tabulated hereunder:

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
1	REC Limited	58.39%	VOTED FOR
2	UCO Bank	15%	VOTED FOR
3	IFCI Venture Capital Funds Limited	8.4%	ABSTAINED
4	SREI Equipment Finance Limited	7%	VOTED FOR
5	Globe Fincap Limited	3.68%	ABSTAINED
6	SEW Infrastructure Limited	2.42%	DISSENTED
7	JMS Mining Services Ltd	1.04 %	ABSTAINED
8	TCI Bhoruka Projects Ltd	0.71%	VOTED FOR
9	MNM Trading Solutions Pvt. Ltd.	0.51%	VOTED FOR
10	Mr. Govind Kumar Gupta (Assignee of M/s Solex Commercial & Credit Pvt Ltd)	0.47%	VOTED FOR
11	Hindustan General Industries Ltd	0.41 %	VOTED FOR
12	Intercontinental Infrastructure Ltd	0.40%	ABSTAINED
13	Ritushree Vincom PvtLtd	0.37%	ABSTAINED
14	Mysore Finlease Pvt Ltd	0.33%	VOTED FOR
15	Dimension Management Services Pvt Ltd	0.26%	VOTED FOR
16	Deepa Bagla Financial Consultants Pvt Ltd	0.22%	VOTED FOR
17	Arti Securities and Services Ltd	0.13%	ABSTAINED
18	Dynamic Portfolio Management & Services Ltd	0.09%	ABSTAINED
19	Charisma Mercantiles Pvt Ltd	0.06%	ABSTAINED
20	Oarsman Credit Private Limited	0.06%	ABSTAINED
21	Rupali Financial	0.02%	ABSTAINED

	Consultants Pvt Ltd.		
22	Saivi Finance Pvt Ltd	0.02%	VOTED FOR
23	T Garg and Co. Pvt Ltd.	0.01%	VOTED FOR
	TOTAL	100%	

- (c) The Resolution Applicant proposed to make payment of Rs. 12.87 crores on NPV Basis (including 0.27 crores fixed deposit available with IFCI Ventures Private Limited) to all creditors within 90 days of the approval date Resolution Plan. The amounts provided for the stakeholders under the Resolution Plan as tabulated below.

(Amount in lakhs)

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	6,100	4,324	29	0.48%
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	---	---	---	---
		(ii) who voted in favour of the resolution plan	27,329	27,329	875	3.20%
		Note: Who abstained from voting	4,622	4,500	133	2.88%
		Total [(a) + (c)]	38,051	36,153	1,037	2.73%
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	25,172	24,805	42	0.17%
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan.	901	901	25	2.77
		(ii) who voted in favour of the resolution plan	4,760	3,704	103	2.16
		Note: who abstained from voting	867	810	24	2.77
		Total [(a) + (c)]	31,700	30,220	194	0.61%
3	Operational Creditors	(a) Related Party of Corporate Debtor				

		(b) Other than (a) above:				
		(i) Government	-	-	-	-
		(ii) Workmen	-	-	-	-
		(iii) Employees	0.88	0.88	0.88	100%
		(iv) Others (Vendors)	22.02	19.41	5	25%
		Total [(a) + (b)]	22.90	20.29	5.88	25.68%
4	Other debts and dues	-	-	-	-	-
	Grand Total		69,774	66,393	1,237	1.77%

(D) **Summary of Financial proposal under the Resolution Plan:-**

The Financial proposal under the Resolution Plan is set out as under:-

(Rupee in crores)

Sl.No.	Particulars	Admitted claim amount	Proposed NPV distribution within 90 days of approval date
01	Proposed amount infusion		12.60
02	Fixed deposit with IFCI		0.27
03	Less: Allocation		
A	CIRP Cost *		0.50
B	Secured Financial Creditors	318.28	10.08
C	Unsecured Financial Creditors	54.16	1.52
D	Financial Creditors – Related party- Unsecured	248.05	0.42
E	Financial Creditors – Related party- secured	43.24	0.29
F	Operational Creditors	0.20	0.05
G	Claim from employee	0.01	0.01
	Total	663.94	12.87

* It is assumed that CIRP cost would be Rs. 0.50 crores. In case of any shortfall the same shall be supplemented from the internal accruals of the Corporate Debtor and surplus funds on Approval Date available with Corporate Debtor shall be used towards working capital and future expansion of the Corporate Debtor.

Proposed Distribution of Resolution Plan amount among the stakeholders-

Sl.No.	Particulars	Proposed payment (Rs. In Crores)
01.	REC Ltd	6.98
02	UCO Bank	1.77
03.	M/s IFCI Venture Capital	0.91
04	M/s Globe Fincap	0.42
05	Unsecured Financial Creditors	1.52
06	Secured Financial Creditors (related party)	0.29
07.	Unsecured Financial Creditors (related party)	0.42
08	Operational Creditors	0.05
09.	Employees' claims	0.01
10.	CIRP Costs	0.50
Total		12.87

- The REC would release its encumbrance on the 1 MW Solar Power Plant at Kadiri upon receipt of Rs.4.63 crores consideration from the RA w.e.f. the date of receipt of such amount while the corporate guarantee given by the CD to REC for the credit facilities extended to GIPL would extinguish totally upon receipt of Rs.2.35 Crores consideration from the RA. Both are proposed as upfront payments within 90 days from the date of approval of the Resolution Plan by the Adjudicating Authority. The REC is required to assign their debt of GIPL to the extent of Rs.2.35 Crores along with *pari passu* charge on the underlying securities to the RA representing the CD.
- The corporate guarantee given by the CD to UCO Bank for the credit facilities extended to GIPL would extinguish totally upon receipt of Rs.1.77 Crores consideration from the RA which is upfront payment within 90 days from the date of approval of the Resolution Plan by the Adjudicating Authority. The UCO Bank is required to assign their debt of GIPL to the extent of Rs.1.77 Crores along with *pari passu* charge on the underlying securities to the RA representing the CD.
- RP made a claim of Rs.72.75 Crores (including interest on principal of Rs.52.14 Crores) in Form C before the IRP of GIPL during May, 2021. This asset would go to the Successful Resolution Applicant if its plan is approved by the Bench. However, the Successful Resolution Applicant offered to share 50% of the realization out of Rs.72.75 Crores to the CoC members *pro rata* to their voting share (in Page No.62 of IA Paper Book).

SD/-

GPI

(E) **Management of Corporate Debtor**

The Plan provides from the date of approval of Resolution Plan and until Transfer Date, the Corporate Debtor shall be managed and controlled by Monitoring Committee comprising of one representative each of SPV and COC and the Resolution Professional. The Monitoring Committee so formed shall be responsible for day to day functions of the Corporate Debtor. The Resolution Professional will act as Interim Manager till the transfer date for implementation of the Resolution Plan. Post the Transfer Date, the management and control of the operations and day to day affairs will be handed over to the SPV. Upon SPV acquiring control over the Company/Corporate Debtor, the existing Board and the Monitoring Committee/Interim Manager will be replaced by a new Board constituted with adequate representation from the members of the consortium and independent Directors.

(F) **Compliance of mandatory contents of Resolution Plan under the Code and CIRP Regulations:-**

The Applicant has conducted a thorough compliance check of the Resolution Plan in terms of the Code as well as Regulations 38 & 39 of the Insolvency and Bankruptcy Board of India (Corporate Insolvency Resolution Process) Regulations, 2016 (herein after referred to as Regulation) and has submitted his Form H under Regulation 39 (4). It is submitted that the Plan is in compliance with the provisions of the Code and the Regulations. It is further submitted that the Resolution Applicant is not ineligible under Section 29A of the Code. As per Form-H the fair value is Rs. 6,68,27,616/- and Liquidation value is Rs. 4,84,41,295/-.

13. Further the Applicant stated that the Resolution Plan takes care of the interest of the stakeholders concerned which includes Financial Creditors, Operational Creditors and payment of CIRP costs is being taken care in priority to payment to the other creditors.

14. We heard the Applicant. He filed written submissions. He submits that the Corporate Debtor is an investment company having major amount of equity and preference investments with book value of Rs. 398.52 crores and some amount of debt investment with book value of Rs. 52.34 crores in its group companies and that none of its investments are yielding any income. Other than the investments, the Corporate Debtor has 1MW Solar Power Unit at Kadiri, Anantapur District, Andhra Pradesh. The Corporate Debtor has executed PPA with AP TRANSCO on 19.08.2010 for a power tariff of Rs. 17.91 per unit which is valid up to 07.03.2037. He further submits that in the event of liquidation of the Company, the CD may fetch negligible realization against the admitted claims to the tune of Rs. 699.67 crores as the equity and other investments made by it is reckoned as zero and the technical status of the equipment of 1MW Solar unit is outdated. Even the said PPA would also get terminated if the CD is liquidated. Therefore, he states the CoC made all out efforts and strived for the resolution of the CD.
15. He submits that the Resolution Plan meets the requirement of Section 30 (2) of the Code in the following manner:
- A. The Plan provides for the priority payment of CIRP costs estimated to the extent of Rs.50 lakhs. The CIRP costs shall be paid within 90 days from the Effective Date. In case of any shortfall the same shall be supplemented from the internal accruals of the Corporate Debtor and surplus funds on Approval Date available with Corporate Debtor shall be used towards working capital and future expansion of the Corporate Debtor.
- B. To pay the amount due to Operational Creditors of the Corporate Debtor in the manner indicated supra. The same has been provided in Clause 6(vi) at pages 31-32 of the Plan.

- C. Plan provides for payment to the dissenting financial creditors, who did not vote in favour of the resolution plan at Clause 6(v) at page No. 31 of the Resolution Plan.
- D. The Resolution Applicant proposed to appoint Directors to the Board of Directors as stated above in terms of Section 30 (2) (d). The Plan also provides for the implementation and supervision of the Resolution Plan.
16. The Resolution Applicant has inter-alia, sought certain directions to the statutory and regulatory bodies to grant necessary approvals.
17. The Resolution Professional has given a declaration that the Resolution Plan does not contravene any provisions of the law for the time being in force.
18. The Resolution Plan is in compliance of Regulation 38 of the Regulations in the following manner:
- (a) The payment due to operational creditors will be made in priority over Financial Creditors (Regulation 38 (1) (a)).
- (b) Declaration by the Resolution Applicant that the Resolution Plan has considered the interest of all the stakeholders of the Corporate Debtor, keeping in view the objectives of the Code (Regulation 38 (1A)).
- (c) Declaration by the Resolution Applicant that neither the Resolution Applicant nor any of his related party has either failed or contributed to the failure of the implementation of any other approved Resolution Plan (Regulation 38 (1B)).
19. As seen from the records when this IA came up for hearing on 23.09.2021, the learned Counsel for M/s SEW Infrastructure Limited/dissenting creditor having 2.42% voting rights in the COC appeared and raised objections. The Bench adjourned the matter to 01.10.2021. Shri S. Ravi, Learned Senior Counsel appeared and the matter was

adjourned to 06.10.2021 exclusively for his arguments. But when the matter was called on 06.10.2021 another Counsel appeared and requested for adjournment on the ground that the Learned Senior Counsel is held up in some other court. The Bench directed the Learned Counsel appearing for the objecting financial creditor to file written note. However, no written note is filed by them till date.

20. The Resolution Plan has been approved by the CoC through e-voting which ended on 15.07.2021 with **83.33%** votes in favour of the said Resolution Plan. ***In K. Sashidhar v. Indian Overseas Bank & Others (in Civil Appeal No. 10673/2018)*** 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. On receipt of such proposal, the Adjudicating Authority (NCLT) is required to satisfy itself that the resolution plan as approved by CoC meets the requirements specified in Section 30(2). No more and no less.***
21. The Hon'ble Court has further held at para 35 of the said judgement that the ***discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 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.***
22. It is held by Hon'ble Supreme Court at para 42 of the judgement in ***Committee of Creditors of Essar Steel India Limited Vs. Satish Kumar Gupta & Ors*** that ***"the limited judicial review available to AA has to be within the four***

corners of section 30(2) of the Code. Such review can in no circumstance trespass upon a business decision of the majority of the CoC. As such the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom have approved.

23. In the light of above and settled position of law, 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.
24. The Resolution Plan submitted by **Mr Ashok Surana in consortium with Syamali Security & Consultant Private Limited and Mr Nagesh Goenka** annexed to the Application is hereby approved. 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.
25. It is clarified that under the Insolvency and Bankruptcy Code, 2016, all crystallized liabilities and unclaimed liabilities of the Corporate Debtor as on the date of this order shall stand extinguished on the approval of this Resolution Plan. We refer to para 67 of the Judgement of Hon'ble Supreme Court in the matter of **Committee of Creditors of Essar Steel India Limited vs. Satish Kumar Gupta & Ors (MANU/SC/1577/2019)**, which is as under, for better appreciation.

“ 67: A successful resolution applicant cannot suddenly be faced with “undecided” claims after the resolution plan submitted by him has been accepted as this would amount to a hydra head popping up which would throw into uncertainty amounts payable by the successful resolution applicant”.

In view of the above ruling of Hon'ble Apex Court, the Resolution Applicant takes over the Corporate Debtor with all its assets and liabilities as specified in the Resolution Plan subject to orders passed herein.

26. The Applicant/Resolution Professional has submitted that the Resolution Applicant has sought certain waivers and reliefs in the Resolution Plan. We are, however, not inclined to grant such concessions or waivers. The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/ liabilities of the Corporate Debtor and shall be dealt with by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned. As regards to the reliefs sought, the Corporate Debtor has to approach the authorities concerned for such reliefs and we trust the authorities concerned will do the needful. The same has also been held by Hon'ble Supreme Court in ***Ghanashyam Mishra and Sons Private Limited Versus Edelweiss Asset Reconstruction Company Limited.***
27. The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC) Hyderabad for information and record. For effective implementation of the Plan, the Resolution Applicant shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.
28. Henceforth, no creditors of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to in para 12 (C) supra.
29. The moratorium under Section 14 of the Code shall cease to have effect from this date.

30. 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.
31. The Applicant shall forthwith send a copy of this order to the CoC and the Resolution Applicant.
32. The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data and send a copy to IBBI.
33. The IA No.379 of 2021 stands disposed off.

SD/

(Veera Brahma Rao Arekapudi)
Member (Technical)

SD/

(Madan B. Gosavi)
Member (Judicial)

Binnu