



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH- I

IA No. 77 of 2024

IN

CP(IB) No. 895 (MB) of 2022

Under Section 30(6) and Section 31 (1) of the Insolvency and Bankruptcy Code, 2016 r/w Regulation 39 (4) and Regulation 13(1C)(b)(ii) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and Rule 11 of the National Company Law Tribunal Rules, 2016.

IA No. 77 of 2024

In the Application of

Mr. Jitendra Kothari

...Resolution Professional/Applicant

In the matter of

Edelweiss Asset Reconstruction Company Limited

...Financial Creditors

Versus

ND S Art World Private Limited

...Corporate Debtor

Order Delivered on : 14.11.2024

Coram:

Shri. Prabhat Kumar

Hon'ble Member (Technical)

Justice V. G Bisht

Hon'ble Member (Judicial)



Appearances:

For the Operational Creditor : Adv. Gurdeep Singh Salhar
For the Corporate Debtor : Adv. Arusha Bapat

ORDER

Per: Justice V. G Bisht, Hon'ble Member (Judicial)

1. The present Application is moved by Resolution Professional **Mr. Jitendra Kothari ("Applicant")** Under Section 30(6) and Section 31 (1) of the Insolvency and Bankruptcy Code, 2016 ("**Code**") r/w Regulation 39(4) and Regulation 13(1C)(b)(ii) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) ("**CIRP Regulations**") along with Rule 11 of the National Company Law Tribunal Rules, 2016 ("**NCLT Rules**") for seeking approval of the Resolution Plan submitted by **Maharashtra Film Stage and Cultural Development Corporation Limited**, a Government of Maharashtra Undertaking, ("**Successful Resolution Applicant/SRA**") and approved by Committee of Creditors of **NDS Art World Private Limited ("Corporate Debtor")**. This application is filed for passing order/appropriate direction that this Tribunal may deem fit in the present matter.

Brief facts of the case

2. The Corporate Debtor is a private limited company incorporated under the erstwhile Companies Act, 1956 on 05.12.2022 and validly existing under the provisions of the Companies Act, 2013. The Corporate Debtor is engaged in the business of organizing, maintaining, operating replicas of historical monuments and providing facilities and services related to hotels, theme restaurants, shopping malls and recreation centers.
3. In or around 2016, the Corporate Debtor availed a loan facility from ECL Finance Limited and subsequently approached the same lender for an additional loan. The total



aggregated loan amount amounted to Rupees 181 Crore. However, due to defaults in repaying the loan facilities, the Corporate Debtor was admitted into the Corporate Insolvency Resolution Process ("**CIRP**"). The CIRP of Corporate Debtor was initiated upon an application filed by CFM Asset Reconstruction Private Limited ("**CFM**"). Subsequently, Edelweiss Asset Reconstruction Company Limited ("**EARC**") substituted CFM before the National Company Law Tribunal, Mumbai Bench ("**NCLT**") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**Code**"). This Tribunal admitted the application and vide order dated 25.07.2023 commenced the CIRP for C.P (IB) 895(MB)/2022. The Applicant was appointed as Interim Resolution Professional vide the same order.

Interlocutory Application 2807 of 2023:

4. Post the Public Announcement under Form A inviting claims issued by the Applicant was published on 28.07.2023, thereafter on 02.08.2023 one of the suspended Directors Mr. Nitin Chandrakant Desai committed suicide at the Studio which was followed by an FIR being lodged on 04.08.2023 by Ms Naina alia Neha Nitin Desai (wife of the deceased) inter alia against the Applicant under Sections 306 and 34 of the Indian Penal Code, 1860. On 08.08.2023, the Applicant filed Criminal Writ Petition No. 2807 of 2023 before the Hon'ble High Court of Bombay, seeking, inter alia, the quashing and setting aside of the aforementioned F.I.R. As of the date of filing of the present Interlocutory Application, the said Criminal Writ Petition has yet to be substantially heard and remains sub judice before the Hon'ble High Court of Bombay.
5. During the happening of the extraordinary circumstances the Applicant filed for I A 3834 of 2023 seeking declaration allowing him to fulfill his duties as Interim Resolution Professional under the Code only after normal conditions resume, without facing repercussions for delays due to circumstances beyond his control. Additionally, he requested for a directive to all stakeholders, including creditors and the Disciplinary Committee of the Insolvency and Bankruptcy Board of India ("**IBBI**"), to refrain from taking any action against him for unintentional delays or potential depreciation of the



Corporate Debtor's assets in light of these extraordinary circumstances. This Tribunal vide its Order dated 28.08.2023, was pleased to allow the said Interlocutory Application.

6. The Applicant, in accordance with Section 13(2) and Section 15 of the Code and Regulation 6 of the CIRP Regulations, issued a public announcement on 28.07.2023 in The Free Press Journal and Navakal, setting 10.08.2023 as the final date for claim submissions. Subsequently, the Applicant formed the Committee of Creditors (CoC) with EARC as the sole member, holding 100% voting rights, and submitted an Interlocutory Application (I.A. No. 3768 of 2023) to record the CoC constitution. This application was disposed of by the Tribunal on 24.08.2023.
7. Following CoC formation, the Applicant convened the 1st CoC meeting on 25.08.2023, where a resolution was introduced to appoint the Applicant as the Resolution Professional (RP) from Interim Resolution Professional. E-voting on this resolution commenced on 27.08.2023 at 4 PM IST and concluded on 29.08.2023 at 5 PM IST, resulting in unanimous approval. The Applicant then filed I.A. No. 4169 of 2023 to formally record his appointment as RP, which the Tribunal disposed of on 13.09.2023.
8. On 23.09.2023, the Applicant published Form G – Invitation to Expression of Interest, in The Free Press Journal and Navakal, setting 08.10.2023 as the deadline for submission. Due to requests from potential applicants and confirmation from the CoC member, the Applicant extended the deadline by 15 days through a further publication on 06.10.2023.
9. The Applicant received Expressions of Interest (“**EOIs**”) from Prospective Resolution Applicants (“**PRAs**”) on 23.10.2023. Subsequently, on 30.10.2023, the Applicant issued the Information Memorandum (“**IM**”), followed by a provisional list of PRAs on 02.11.2023, allowing until 07.11.2023 for objections; however, no objections were received. On 13.11.2023, the Applicant issued the Request for Resolution Plan (“**RFRP**”) and released the final list of PRAs on 13.11.2024. A revised RFRP and Evaluation Matrix were issued on 21.11.2024 which is given as below:



Sr. No.	Name of Prospective Resolution Applicants (PRA)
1.	Akshar Developers (Group)
2.	Kalyan Toll Infrastructure Limited
3.	Kundan Care Products Limited
4.	Maharashtra Film Stage & Cultural Development Corporation Limited
5.	Marathon Panvel Infrastructures Private Limited, Consortium with Marathon Realty Private Limited
6.	Nakshatra Asset Ventures Limited (Formerly known as Nakshatra Corporate Advisers Limited)
7.	Puravankara Limited
8.	Real Value Infotech Projects Private Limited
9.	Resurgent Property Ventures Private Limited
10.	Shri S M Autode Private Limited
11.	Square Four Housing & Infrastructure Development Private Limited



10. Due to extraordinary circumstances, the Applicant faced challenges in securing control and custody of the Corporate Debtor's assets. Following the alleged suicide of Mr. Nitin Chandrakant Desai, on 02.08.2023, the Applicant postponed necessary steps until rituals related to Mr. Desai's passing were completed. Also, since the incident occurred in the Corporate Debtor's Studio which is a key asset where all the records were stored the Applicant was unable to take control of the Studio immediately due to its sensitive nature of the death, potential for local unrest, and an ongoing police investigation on the matter which restricted his access to the premise.
11. Once the situation stabilized, the Applicant, on 23.11.2023, sought the CoC approval to delegate authority to his team for securing the Studio. The sole CoC member, EARC, granted this prior approval via email on the same date. Subsequently, on 28.11.2023, the Authorized Person acquired the custody, control and visiting rights of the Studio, as per the requirement of Section 28(1)(h) of the Code and CIRP regulations. The CoC ratified this delegation of authority in its 4th meeting on 09.01.2024.



12. On or round 13.11.2023, the Applicant filed Interlocutory Application No. 5303 of 2023 ("Moratorium Breach Application") with this Tribunal against multiple parties for unlawful payments made during the moratorium period, including payments for pre-CIRP dues, during the moratorium period and after the CIRP Commencement date without the Resolution Professional's knowledge. This application was disposed of by the Tribunal.
13. Additionally, the original deadline for submission of the Resolution Plan was 22.12.2023. At the request of the Successful Resolution Applicant, the Applicant extended this deadline to 25.01.2024 after obtaining prior approval from the CoC via email which was later ratified in the 4th CoC meeting.
14. On 19.01.2024, following the decision of the 4th COC meeting, the Applicant filed Interlocutory Application No. 1306 of 2024 before this Tribunal seeking a 90-day extension of the CIRP period, which was set to expire on 21.01.2024. The requested extension would last until 20.04.2024. The Tribunal, by order dated 26.03.2023, granted the 90 days extension, citing that the resolution plan submitted by the Successful Resolution Applicant ("**SRA**") was under consideration by the COC.
15. On 24.01.2024, the Applicant received the resolution plan from the SRA. The plan was formally opened in a physical meeting on 30.01.2024, attended by representatives of both the SRA and the sole COC member, EARC. On 06.02.2024, the Applicant convened the 5th COC meeting, during which one of the key agenda items was the deliberation on the resolution plan submitted by the Successful Resolution Applicant. The SRA's authorized representative was present at the meeting for discussions. The COC, along with the SRA, thoroughly reviewed various aspects of the resolution plan, and the SRA was requested to submit a revised plan based on the meeting's discussions. Subsequently, on 06.03.2024, the Applicant called the 6th COC meeting to provide an update on the resolution plan. During this meeting, the Applicant informed the COC that he had not yet received the revised resolution plan from the SRA, but was actively coordinating with both the SRA and the COC to ensure its early submission.



16. During the 7th COC meeting i.e on 05.04.2024 the Committee unanimously approved a resolution to file an application seeking the exclusion of 116 days (from 04.08.2023 to 28.11.2023) from the calculation of the CIRP period, as the Successful Resolution Applicant was in the process of submitting a revised resolution plan. Subsequently, the Applicant filed Interlocutory Application I.A. No. 2243 of 2024, seeking the exclusion of the aforementioned 116-day period from the CIRP calculation. By order dated 08.05.2024, the Tribunal granted the requested exclusion, extending the CIRP period of the Corporate Debtor to 14.08.2024.
17. The COC recommended the inclusion of the belated claim from Paper Planes Pictures Private Limited during the 6th COC meeting held on 06.03.2024. Additionally, the belated claims from the Commissioner of CGST & CEX, Raigad Commissionerate, and Kheteshwar Electric & Hardware Store were recommended by the COC during the 9th COC meeting on 05.08.2024. The COC requested the Successful Resolution Applicant to address these claims in the resolution plan. On 09.07.2024, the Applicant filed the progress report for the quarter ending 30.06.2024 via Interlocutory Application No. 3910 of 2024, as directed by the Hon'ble Tribunal in its order dated 08.05.2024. When the application was listed on 12.08.2024, this Tribunal allowed and disposed of the application, taking the progress report on record.
18. On 02.08.2024, the Successful Resolution Applicant submitted the final resolution plan. The Applicant shared this plan with EARC on 03.08.2024. On 05.08.2024, the 9th COC meeting was convened, where representatives from the Successful Resolution Applicant and EARC were present. After the Successful Resolution Applicant left the meeting, the COC discussed the feasibility and viability of the plan. One of the agenda items was to approve the resolution plan, and voting on this began on 07.08.2024 and concluded on 12.08.2024, with EARC approving the plan with 100% voting in favor, as required under Section 30(4) of the Code. In the same 9th COC meeting, another agenda item was to approve a performance-linked payment to the Applicant under Regulation 34B(4) of the CIRP Regulations, 2016, for INR 15,00,000/- (Rupees Fifteen Lakhs Only). This item was put up for e-voting, and the COC, with EARC as the sole member, approved the agenda with 100% voting in favor. Additionally, the sale of the Corporate Debtor as a going concern or the sale of its business was discussed in the same CoC



meeting pursuant to Regulation 39C of the CIRP Regulations, 2016, and relevant clauses of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. This agenda was also put up for e-voting, and it was approved with 100% voting in favor by the COC, which consists solely of EARC.

19. Following the approval of the Successful Resolution Plan on 12.08.2024, the Applicant issued a Letter of Intent (“**LOI**”) to the Successful Resolution Applicant on the same day. The LOI was counter-signed and confirmed by the Successful Resolution Applicant on 12.08.2024. In accordance with Clause 1.14.3.1 of the Request for Resolution Plan (RFRP), the Successful Resolution Applicant also issued a Demand Draft dated 12.08.2024 for INR 10,00,00,000/- (Indian Rupees Ten Crore Only) towards performance security, which was required to be submitted within five working days from the issuance of the LOI.

Salient Features of the Resolution Plan

20. The key features and summary of the final Resolution Plan submitted by the Resolution Applicant and as approved by the COC are as under:

A) AMOUNT UNDER THE RESOLUTION PLAN

- i) As per Clause 5 of the Resolution plan the total claims of each of the stake holders as verified and admitted by the Resolution Professional as on 24.07.2024 is provided as follows:



5.1 Total admitted Stakeholder's Claim & CIRP Expenses

Summary of admitted Claim & Estimated CIRP Expenses	Sub-total	Total Amount
CIRP Cost Estimated (Approximate for CIRP Period)	1,90,00,000	1,90,00,000
Secured Financial Creditors	2,89,67,83,202	
Unsecured Financial Creditors	5,00,000	
Total Financial Creditors	2,89,72,83,202	2,89,72,83,202
Operational Creditors (Other than Worker & Employees)	59,78,07,531	
Operational Creditors (Govt. Dues)	19,87,49,976	
Operational Creditors (Workers & Employees)	30,97,460	
Total Operational Creditors	79,96,54,967	79,96,54,967
Grand Total	3,69,69,38,169	3,69,69,38,169

- ii) Resolution Applicant proposes a total Consideration of Rs. 1,05,00,00,000 (Rupees One Hundred and Five Crores) to be paid in compliance with the Code to the stakeholders, under this Resolution Plan. The amounts are given as follows:

5.2 Total amount offered in Resolution Plan

Summary of admitted debts & amount offered in Resolution Plan	Amount admitted	Amount Offered
CIRP Cost Estimated (Approximate for CIRP Period)	1,90,00,000	1,90,00,000
Secured Financial Creditors	2,89,67,83,202	1,02,80,00,000
Unsecured Financial Creditors (Related Parties)	5,00,000	1
Total Financial Creditors	2,89,72,83,202	1,02,80,00,001
Operational Creditors (other than Worker & Employees & Related Party)	23,09,68,565	9,99,998
Operational Creditors (Related Party)	36,68,38,966	1
Operational Creditors (Govt. Dues)	19,87,49,976	10,00,000
Operational Creditors (Workers & Employees)	30,97,460	10,00,000
Total Operational Creditors	79,96,54,967	29,99,999
Grand Total	3,69,69,38,169	1,05,00,00,000



iii) Apart from these, upon completion of independent due diligence, the Resolution Applicant has ascertained that the secured financial creditor, the EARC, in whose favor security has been established against the land parcels, has initiated proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (“SARFAESI Act”). The land parcels located at Khopoli and Hatnoli are integral to the operations of the studio managed by the Corporate Debtor. Therefore, it is crucial that these land parcels be acquired, as failure to do so may result in significant operational challenges for the studio. In light of this, the Resolution Applicant has submitted an offer of Rupees 15,00,00,000/- (Rupees Fifteen Crores) for the acquisition of the aforementioned land parcels. The details of the land parcels are given as below:

- a) Khopoli Property Owned by Nitin Chandrakant Desai, pieces and parcels of the land or ground admeasuring approx. 2.12.0 hectares (5.24 acres) comprised in the following Survey Numbers namely: 11/4/A (0.35.0 H), 17/3 (0.21.0 H) and 55/1/ A/2 (1.56.0 H) lying being situated at Village Hatnoli, Taluka Khalapur, District Raigad, Maharashtra.
 - b) Hatnoli Property Owned by Nitin Chandrakant Desai, pieces and parcels of the land or ground admeasuring approx. 2.23.9 hectares (5 .51 acres approx.) comprised in the following Survey Numbers namely: 10/1/D (.0409 H), 10/1/E (0.27 H), 11/1/A (0.68.0 H), 14/6 (0.60.0H), 15/SA/I (0. 176 H) 15/5/B (0.33.3 H) and 17 /1 (0.45 .0 H) lying being situated at Village Hatnoli, Taluka Khalapur, District Raigad, Maharashtra.
 - c) Hatnoli Property Owned by Naina Nitin Desai, pieces and parcels of the land or ground admeasuring approx. 0.57.9 hectares (1.40 acres) comprised in the following Survey Numbers namely: 12/1/A (0.00.3 H), 12/1/C (0.02.7 H), 12/1/E (0.10.9) and 52/JA (0.44.0 H) lying being situated at Village Hatnoli, Taluka Khalapur, District Raigad, Maharashtra
- iv) It has been clarified that the promoters of the Corporate Debtor had provided personal guarantees in relation to the debts owed to the EARC. These guarantees will be released and waived by the EARC upon the sale of the assets to the



Resolution Applicant, as outlined in Clause 5.5(8)(j). Once the Resolution Applicant completes the full payment, the EARC will relinquish all rights to the security created by the Corporate Debtor, including any mortgages, corporate guarantees, or personal guarantees from directors, promoters, or third parties. Hence, Total Consideration is amounting to Rs. 1,20,00,00,000/- (Rupees One Hundred Twenty Crores).

B) TREATMENT OF CIRP COSTS

- i) CIRP costs as on 24.07.2024 of Rs. 1,90,00,000 /- (Rupees One Crore Ninety Lakhs only) to be paid in priority to the other creditors over the other debts of the Corporate Debtor under the Resolution Plan.

- ii) In case of any the difference amount may be adjusted to the amount payables to the secured financial creditors, under the Resolution Plan

C) TREATMENT OF OPERATIONAL CREDITORS

- i) The Resolution Applicant states that the aggregate amount admitted against the claims of all operational creditors of the Corporate Debtor ("Operational Creditors") is Rs. 79,96,54,967/- (Rupees Seventy-Nine Cron: Ninety- Six Lakh Fifty-Four Thousand Nine Hundred and Sixty-Seven).

- ii) The Resolution Applicant undertakes to pay Rs. 29,99,999/- (Rupees Twenty-Nine Lakh Ninety-Nine Thousand Nine Hundred and Ninety-Nine) as under;
 - a) Operational Creditors Claim (Other than Employees and workmen and related parties): Rs. 9,99,998/- (Rupees Nine Lakh Ninety-Nine Thousand Nine Hundred and Ninety-Eight)
 - b) Operational Creditors Claim (related parties): Re. 1/- (Rupee One)
 - c) Operational Creditors Claim (Govt. Dues): Rs. 10,00,000/- (Rupees Ten Lakhs)
 - d) Operational Creditors Claim (Employees and Workmen): Rs.10,00,000/- (Rupees Ten Lakhs)

iii) The Operational Creditors shall be paid in accordance with Section 30(2)(b),



Section 53, Section 53(1) of the Code.

D) TREATMENT OF SECURED FINANCIAL CREDITORS

- i) The Resolution Applicant undertakes to pay is Rs. 2,89,72,83,202/- (Rupees Two Hundred Eighty-Nine Crore Seventy-Two Lakh Eighty-Three Thousand Two Hundred and Two).
 - a) Secured Financial Creditors: Rs. 1,02,80,00,000/- (Rupees One Hundred and Two Crore and Eighty Lakh)
 - b) Unsecured Financial Creditors (Related Party) Re. 1/- (Rupees One)

E) TREATMENT OF FINANCIAL CREDITOR'S DEBT

- i) The Resolution Applicant shall make a total payment of Rs. 1,17,80,00,000/- (Rupees One Hundred and Seventeen Crore and Eighty Lakh) to Secured Financial Creditors on approval of the Resolution Plan.
- ii) The amount mentioned shall satisfy complete claim and the secured financial creditor shall provide a no due and security release certificate to this effect.
- iii) The Resolution Applicant shall make a total payment of Re. 1/- (Rupee One) to unsecured financial creditors on approval of the Resolution Plan. Unsecured financial creditors for which the claim has been admitted by the Resolution Professional stands waived off and extinguished and no longer be payable under this Resolution Plan.

F) TREATMENT OF DISSENTING FINANCIAL CREDITORS

- i) It is respectfully submitted that the dissenting Financial Creditors, if any—those who either vote against or abstain from voting on the Resolution Plan approved by the Committee of Creditors (CoC)—will receive a payment not less than the amount they would have been entitled to under Section 53(1) of the Code in the event of the Corporate Debtor's liquidation. This payment will be made with priority over the Financial Creditors who voted in favor of the Resolution Plan, as mandated by Regulation 38(1)(b) of the CIRP Regulations.



G) TERM OF THE PLAN

- i) The term of the Resolution Plan shall be valid from the date of submission of the Resolution Plan by the Resolution Applicant until and unless the full payment has been made by the Resolution Applicant to the satisfaction of the CoC within 180 days from NCLT Approval date/Cut Off.

H) SUPERVISION OF THE PLAN

- ii) On the Cut-off Date, a Monitoring Committee will be established, consisting of one representative from the Assenting Financial Creditors, one representative from the Resolution Applicant, and the Resolution Professional. Each member will have one vote, with the Resolution Professional serving as the Chairman for the meetings. During the term of the Resolution Plan, the Monitoring Committee will, among other responsibilities, supervise the implementation of the plan as follows:
- a) Oversee the implementation of the Resolution Plan by the Resolution Applicant.
 - b) Monitor the management and operations of the Corporate Debtor, ensuring it continues on a going-concern basis in the ordinary course of business.
 - c) The Monitoring Committee has the authority to perform all actions necessary for implementing the Resolution Plan in alignment with its terms and conditions.

I) IMPLEMENTATION SCHEDULE OF THE PLAN

- iii) The following schedule is estimated by the Resolution Applicant for completion or implementation of actions as per the Resolution plan:

Sr. No.	Particulars	00-30 Days	31-90 days	91-180 days	Total in Rs. Lakh
Payment (INR Lakhs) for CIRP Expenses and Creditors as per Resolution Plan					
1	CIRP expenses	190	0	0	190
2	Financial Creditors	4780	2000	3500	10280
3	Operational Creditors	30	0	0	30
4	Cost of Renovation and Working Capital	0		1000	1000
5	Secured Financial Creditors for purchase of the assets/ properties under SARFAESI	0	1500	0	1500
	Total	5000	3500	4500	13000

J) CONCESSIONS AND RELIEFS

i) The Resolution Plan is based on the assumption of running the Corporate Debtor's operation on a fresh slate. Towards this, the Resolution Plan envisages the following:

1. In para 10 of the Resolution Plan, the SRA has sought certain waivers/reliefs/concessions, dispensations, other rights and benefits.
2. In para 10.2, the SRA has sought immunity from any past and existing defaults / non-compliance/ lapses/penalties (of any nature)/prosecution under any laws for any non-compliance of laws in relation to the Corporate debtor or by the Corporate debtor up to 12 (twelve) months after obtaining approval from the Adjudicating Authority.
3. In para 10.3, the SRA has sought exemption of payments to statutory authorities, tax and stamp duty.
4. In para 10.3, the SRA has sought certain statutory authorities tax and stamp duty related exemptions / waivers
5. In para 10.3 (o) few other reliefs regarding the payments of outstanding debts, interest, penalty, cases along with settlement of claims

K) MANAGEMENT AND CONTROL OF THE CORPORATE DEBTOR



- i) The Resolution Professional shall manage the Company and exercise all the powers of the management with respect to the Company from the approval of Resolution Plan by CoC and until the Monitoring Committee is set upon on the cut-off Date.
- ii) The Directors of the Company will remain suspended and voting rights of the existing shareholders shall stand suspended and shall not be exercised.
- iii) The Company shall continue to operate as a going concern and carry on its normal business activities upon the implementation of the Resolution Plan.
- iv) Upon the approval of the Resolution Plan by the NCLT, the existing Directors shall be removed, and the Board of the Company will be reconstituted with the new Directors, as outlined below. However, the reconstituted Board shall act under the supervision and direction of the Monitoring Committee until its dissolution. The management of the Company shall vest in the reconstituted Board effective from the Completion Date.
- v) The Company post approval of the reconstitution will be managed by Shri Vikas Shankar Kharage and Smt. Swati Mhase Patil.

Statutory Compliance

21. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant and confirms that this Resolution Plan:
 - a) 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;
 - b) Provides for payment of debts of Operational Creditor in such manner as may be specified by the board which shall not be less than
 - (i) the amount to be paid to such creditors in the event of liquidation of the Corporate Debtor under Section 53; or



- (ii) the amount that would have been paid to such creditors, if the amount to be distributed under the Resolution Plan had been distribute in accordance with sub-section (1) of Section 53 in the event of liquidation of the corporate debtor.
- c) Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;
 - d) The implementation and supervision of Resolution Plan;
 - e) Does not contravene any of the provisions of the law for time being in force,
 - f) Confirms to such other requirements as may be specified by the Board.
22. The Resolution Professional as per Regulation 37 of the CIRP Regulations, confirms that the Resolution Plan provides:
- ca) cancellation delisting of any shares of the corporate debtor, if applicable
 - d) satisfaction modification of any security interest
 - f) reduction in the amount payable to creditors
 - h) amendment of the constitutional documents of the corporate debtor
 - i) Issuance of securities of the corporate debtor, for cash, property, securities, or in exchange for claims or interests or other appropriate purpose;
23. In compliance of Regulation 38(1) of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that
- a) The amount payable under the Resolution Plan to the Operational Creditors shall be paid in priority over Financial Creditors.
 - b) The amount payable under the Resolution Plan to the financial creditors, who have a right to vote under subsection (2) of Section 21 and did not vote in favour of the resolution plan, shall be paid in priority over financial creditors who voted in favour of the plan.



- (1A) A resolution plan includes a statement as to how it has dealt with the interests of all stakeholders, including financial creditors and operational creditors of the Corporate debtor
- (1B) A resolution plan includes a statement giving details if the resolution applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any other resolution plan approved by the adjudicating authority at any time in the past.
24. In compliance of Regulation 38(2) of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that
- b) The management and control of the business of the Corporate Debtor during its term.
 - c) Adequate means of Supervising its implementation.
 - d) provides for the manner in which proceedings in respect of avoidance transactions, if any, under Chapter III or fraudulent or wrongful trading under Chapter VI of Part II of the Code, will be pursued after the approval of the resolution plan and the manner in which the proceeds, if any, from such proceedings shall be distributed.
25. The Resolution Professional has submitted Form-H under Regulation 39(4) 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, the relevant parts of which are reproduced below:

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, Jitender Kothari, an insolvency professional enrolled with Indian Institute of Insolvency Professionals of ICAI and registered with the Board with registration number IBBI/IPA-



001/IP-P00540/2017-18/10965, am the resolution professional for the corporate insolvency resolution process (CIRP) of **ND S Art World Private limited (CD)**.

1. The details of the CIRP are as under:

Sl. No.	Particulars	Description
1	<i>Name of the CD</i>	<i>NDS Art World Private Limited</i>
2	<i>Date of Initiation of CIRP</i>	<i>25/07/2023</i>
3	<i>Date of Appointment of IRP</i>	<i>25/07/2023</i>
4	<i>Date of Publication of Public Announcement</i>	<i>28/07/2023</i>
5	<i>Date of Constitution of CoC</i>	<i>17/08/2023</i>
6	<i>Date of First Meeting of CoC</i>	<i>24/08/2023 (Rescheduled to 25/08/2023)</i>
7	<i>Date of Appointment of RP</i>	<i>29/08/2023</i>
8	<i>Date of Appointment of Registered Valuers</i>	<i>07/09/2023</i>
9	<i>Date of Issue of Invitation for EOI</i>	<i>23/09/2023</i> <i>06/10/2023 - Extension</i>
10	<i>Date of Final List of Eligible Prospective Resolution Applicants</i>	<i>17/11/2023</i>
11	<i>Date of Invitation of Resolution Plan</i>	<i>22/11/2023</i>
12	<i>Last Date of Submission of Resolution Plan</i>	<i>21/12/2023</i> <i>(Extended up to 25/01/2024)</i>
13	<i>Date of Approval of Resolution Plan by CoC</i>	<i>12/08/2024</i>
14	<i>Date of Filing of Resolution Plan with Adjudicating Authority</i>	<i>13/08/2024</i>
15	<i>Date of Expiry of 180 days of CIRP</i>	<i>21/01/2024</i>
16	<i>Date of Order extending the period of CIRP</i>	<i>26/03/2024 (IA No. 1306/2024) - 90 days extension</i> <i>Up to 20/04/2024</i>



		08/05/2024 (IA No. 2243/2024)- 116 days exclusion CIRP ending on 14/08/2024
17	Date of Expiry of Extended Period of CIRP	14/08/2024- (after considering the exclusion of 116 days)
18	Fair Value	Rs. 1 ,27,00,04,543/-
19	Liquidation value	Rs. 98, 12, 15,599/-
20	Number of Meetings of CoC held	Nine

3. I have examined the Resolution Plan received from Resolution Applicant **Maharashtra Film Stage and Cultural Development Corporation Limited** and approved by Committee of Creditors (CoC) of ND S Art World Private 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 Maharashtra Film Stage and Cultural Development Corporation Limited 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 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 pursuant to the meeting of the CoC on January 30, 2024 where I sought vote of members of the CoC by electronic voting system which was kept open at least for 24 hours as per the regulation 26.



5. I sought vote of members of the CoC by electronic voting system which was kept open at least for 24 hours as per the regulation 26. 5. The list of financial creditors of the CD NDS Art World Private Limited, being members of the Coe and distribution of voting share among them is as under:

Sr. No.	Name of Creditor	Voting Share (In %)	Voting for Resolution Plan (Voted for/ Dissented/ Abstained)
1	Edelweiss Asset Reconstruction Company Limited (Acting Trustee of EARC-Trust SC-462)	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.

6A. Minutes of the Committee meeting relating to discussion and decisions about the resolution plan are attached with this certificate.

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	0.00	0.00	0.00	0.00



		(i) who did not vote in favour of the resolution Plan	NA	NA	NA	NA
		(ii) who voted in favour of the resolution plan	30036.12	28967.83	10280.00	35.48%
		Total[(a) + (b)]	30036.12	28967.83	10280.00	35.48%
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	5.00	5.00	0	0%
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	0.00	0.00	0	0%
		(ii) who voted in favour of the resolution plan	0.00	0.00	0	0%
		Total[(a) + (b)]	5.00	5.00	0	0%
3	Operational Creditors	(a) Related Party of Corporate Debtor	3740.87	3668.39	0	0%
		(b) Other than (a) above:				
		(i) Government	2014.48	1987.50	10.00	0.50%
		(ii) Workmen	21.81	8.03	2.40	32.28%
		(iii) Employees	22.94	22.94	7.6	32.28%



		(iv)Other Operational	4546.43	2311.63	10.00	0.43%
		Total[(a) + (b)]	10346.53	7998.49	30.00	0.37%
4	Other debts and dues		0.00	0.00	0	0%
Grand Total			40387.65	36971.32	10310.00	27.88%

**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. It is not NPV.]

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

SI. No	Category of Shares Holder	No. of shares held before the CIRP	No. of shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity	989805	NIL	100%	NIL

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

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

1. Acquisition of the land parcels described under clause 5.2 of the Resolution Plan from Edelweiss Asset Reconstruction Company Limited (Acting trustee of EARC-Trust SC-462) which are integral part of the studio operated by the Corporate Debtor.

11. 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): NIL

12. The Resolution Plan is being filed 1 day before the expiry of the period of CIRP provided in section 12 of the Code.



14A. Whether the resolution professional has, in accordance with regulation 35A-

(a) applied to the Adjudicating Authority on or before the one hundred and thirtyfifth day of the insolvency commencement date: NA

(b) filed Form CIRP 8 with the Board on or before the one hundred and fortieth day of the insolvency commencement date: Yes

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			
2	Undervalued transactions under section 45			
3	Extortionate credit transactions under section 50			NA
4	Fraudulent transactions under section 66			

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

a. Estimated liquidation cost : Rs 91,00,000/-

b. Estimated liquid assets available : Rs 0/-

c. Contributions required to be made : Rs 91,00,000/-

d. Financial creditor wise contribution is as under:

Sl. No.	Name of Financial Creditor	Amount to be contributed (Rs.)
1.	Edelweiss Asset Reconstruction Company Limited (Acting trustee of EARC-Trust SC-462)	91,00,000/-
	Total	91,00,000/-

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: Yes | No*

Findings:

26. On perusal of the Resolution Plan, we find 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.
27. The RP has complied with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulation 37(ca), 37(d), 37(e), 37(f), 37 (h), 37(i), Regulations 38(1), 38(1)(a), 38(1)(b), 38(1A), 38(1B), 38(2)(a), 38(2)(b), 38(2)(c), 38(2)(d) & 38(3) of the Regulations.
28. 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 by majority of 100%.
29. The Resolution Applicant has sought certain reliefs and concessions, under Clause 10 of the Resolution Plan. Reliefs sought vide Clause No. 10.2, 10.3(a) & 10.3(d) to 10.3(o) are allowed. Reliefs claimed vide Clause 10.3 (b) and 10.3(c) shall be considered by respective authorities in accordance with the provisions of relevant statute and shall be subject to adherence of procedure and compliances stipulated under the respective law. It is further clarified that the waivers or reliefs shall be available subject to filing of requisite application and/or prescribed forms upon payment of applicable fees, however no late fees or penal charges shall be leviable from the Corporate Debtor in relation to such filing.



30. 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 Apex Court further observed that the role of the NCLT is 'no more and no less'. The Hon'ble Apex 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.
31. 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), 38 (1B), 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.
32. The Resolution Plan along with the Addendum thereto annexed to the Application is hereby **approved**. It shall become effective from this date and shall form part of this order with the following directions:
- 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/liabilities of the Corporate Debtor and shall be dealt by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned in light of the Judgment of Supreme Court in *Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited*, the relevant paragraphs of which are extracted herein below:

“95. (i) Once a resolution plan is duly approved by the adjudicating authority under sub-section (1) of Section 31, the claims as provided in the resolution plan shall stand frozen and will be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority, guarantors and other stakeholders. On the date of approval of resolution plan by the adjudicating authority, all such claims, which are not a part of the 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 part of the resolution plan;

(ii) 2019 Amendment to Section 31 of the I&B Code is clarificatory and declaratory in nature and therefore will be effective from the date on which the Code has come into effect;

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

- iii. 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.

- iv. The delay in the filing of Belated Claims submitted by Paper Planes Pictures Private Limited, Co1mnissioner of CGST & CEX, Raigad Commissionerate and Kheteshwar Electric & Hardware Store in terms of Regulation 13(1 C)(b)(ii) of CIRP Regulations shall be condoned ;
- v. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- vi. 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.
- vii. 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.
- viii. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

34. The Interlocutory Application **No.77/2024** in **C.P.(IB)/895(MB)2022** is accordingly **allowed and disposed of.**

Sd/-
Prabhat Kumar
Member (Technical)

Sd/-
Justice V.G. Bisht
Member (Judicial)