



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH- I**

IA(IBC)(Plan)/3/MB/2025

IN

CP(IB) No. 1108 of 2021

Under Section 30(6) read with Section
31(1) of the Insolvency and Bankruptcy
Code, 2016

In the Application of

**Sanjay B Borad (Resolution
Professional of Nirbhay Rasayan
Private Limited)**

...Applicant

In the matter of

Shree Sainath Tradelink (P) Limited

...Operational Creditor

Versus

Nirbhay Rasayan (P) Limited

...Corporate Debtor

Order Delivered On : 24.09.2026

Coram:

Sh. Prabhat Kumar
Member (Technical)

Sh. Sushil Mahadeorao Kochey
Member (Judicial)

Appearances:

For Resolution Professional:

Adv. Narendra L. Jain



ORDER

Brief Facts:

1. The present Application has been filed by Mr. Sanjay B. Borad, Resolution Professional of Nirbhay Rasayan Private Limited (“Corporate Debtor”), under Section 30(6) read with Section 31(1) of the Insolvency and Bankruptcy Code, 2016 (“Code”), Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (“CIRP Regulations”), and Rule 11 of the National Company Law Tribunal Rules, 2016. The Applicant seeks approval of the Resolution Plan dated 05.07.2024 submitted by Drona Impex Private Limited (“Successful Resolution Applicant” or “SRA”).
2. The Resolution Plan submitted by the SRA was approved by the Committee of Creditors (“CoC”) with 100% voting share through e-voting conducted from 10.07.2024 to 11.07.2024.
3. The Corporate Debtor is a private company limited by shares, incorporated on 06.03.1987 and registered with the Registrar of Companies, Mumbai. It bears CIN: U24MOMH1987PTC042810. Its authorised share capital is ₹3,00,00,000/- and its paid-up share capital is ₹2,78,86,000/-. The registered office of the Corporate Debtor is situated at N-96, MIDC, Tarapur, Boisar, Thane, Maharashtra-401506.
4. The Corporate Debtor is engaged in the manufacture of Copper Phthalocyanine Blue Crudes and Organic Pigments from its plant situated at Tarapur MIDC, Maharashtra. Its products are marketed under the brand name “NIRBHAFast” and are supplied to manufacturers of inks, paints and coatings, plastic and rubber masterbatches, dispersions, and detergents, both in India and overseas.
5. The Corporate Insolvency Resolution Process (“CIRP”) of the Corporate Debtor was commenced pursuant to the order dated 20.10.2023 passed by this Tribunal in C.P. (IB) No. 1108/MB/2021, on an application filed under Section 9 of the Code by Shree Sainath Tradelink Private Limited. By the said order, Mr. Kailash T. Shah was appointed as the Interim Resolution Professional (“IRP”).



6. Mr. Kailash T. Shah, the Interim Resolution Professional, was replaced pursuant to the order dated 13.12.2023, whereby Mr. Sanjay B. Borad, the Applicant herein, was appointed as the Resolution Professional (“RP”) of the Corporate Debtor.
7. The IRP caused a public announcement in Form A to be published on 24.10.2023, inviting creditors of the Corporate Debtor to submit their proofs of claim. Thereafter, the Committee of Creditors (“CoC”) was constituted.
8. The first meeting of the CoC was held on 11.11.2023. At the said meeting, the IRP apprised the CoC of the status of the Corporate Debtor, including the claims received from its creditors and the appointment of valuers.
9. The second meeting of the CoC was held on 26.12.2023. The RP, inter alia, discussed the appointment of a Transaction Auditor for conducting an audit under Sections 43, 45, 50 and 66 of the Code. The CoC was also apprised of the process and timeline for inviting Expressions of Interest (“EOI”) and Resolution Plans. The CoC approved the publication of Form G, pursuant to which the RP issued an invitation for EOI in the prescribed Form G on 02.01.2024.
10. At the third meeting of the CoC held on 02.02.2024, the RP informed the CoC that one prospective resolution applicant had submitted an EOI, along with the requisite earnest money deposit, on 19.01.2024 pursuant to the publication of Form G. The RP further apprised the CoC that certain additional claims had been received and were under verification.
11. The RP issued the final list of prospective resolution applicants on 13.02.2024. Thereafter, the updated Information Memorandum and Request for Resolution Plan were issued to the prospective resolution applicant on 19.02.2024. The RP further informed the CoC that letters had been issued to the debtors of the Corporate Debtor for recovery of outstanding dues. However, no response was received from any debtor, except JK Coil Coatings Private Limited, which stated that it was under liquidation. The RP also apprised the CoC of the additional claims received and admitted after his appointment. It was further noted that claims of certain operational creditors were rejected primarily to the



extent of interest claimed, as the claimants had not furnished documentary proof substantiating such interest.

12. The fifth meeting of the CoC was held on 12.04.2024, wherein the RP apprised the members that physical and electronic copies of the Resolution Plan submitted by Drona Impex Private Limited had been received on 03.04.2024.
13. The seventh meeting of the CoC was convened on 08.07.2024. At the said meeting, the RP placed before the CoC the revised Resolution Plan submitted by Drona Impex Private Limited on 05.07.2024. The CoC considered the Plan in terms of Section 30(4) of the Code and found it to be feasible and viable. The RP further informed the CoC that the Transaction Audit Report had been shared with the members of the CoC as well as the suspended Board of Directors of the Corporate Debtor.
14. It is submitted by the Applicant that, upon due deliberations, the Resolution Plan submitted by Drona Impex Private Limited was found to be feasible and viable by the CoC, having regard to the score secured by it under the Evaluation Matrix. Accordingly, the CoC approved the said Resolution Plan on 11.07.2024.
15. The list of Financial Creditors of Nirbhay Rasayan Private Limited, constituting the CoC, along with their respective voting shares, is set out below:

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for/ Dissented / Abstained)
1	Bhavi Broking Pvt. Ltd.	21.84%	Voted in Favour
2	HP Broking Pvt. Ltd.	10.00%	Voted in Favour
3	Jayshree Broking Pvt. Ltd.	10.26%	Voted in Favour
4	Savi Broking Pvt. Ltd.	15.80%	Voted in Favour
5	Oscar Chemicals Pvt. Ltd.	21.05%	Voted in Favour



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6	Usha Finstock Private Limited	-1.05%	Voted in Favour
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16. It is stated that after detailed discussion in the 6th CoC meeting dated 11th June, 2024, the members of CoC suggested some improvements / modification in the Resolution Plan Submitted by Drona Impex Private Limited. Drona Impex Private Limited made following modifications in the Resolution Plan:

- 1. Any shortfall in expense of the Monitoring Committee shall be borne by the Financial Creditor. Please note that all the expenses post approval of Resolution Plan shall be borne and paid by the Resolution Applicant.*
- 2. In case performance guarantee amount is given as Demand draft / Bank payment, the same shall be adjusted from last payment as shown in the resolution plan as per minimum criteria.*
- 3. Any recovery of funds from erstwhile promoters/directors/management of CD under the NCLT order for Preferential, Undervalued, Fraudulent or Extortionate (PUFE) transactions shall be distributed in sharing ratio of 80:20 between the stakeholders (80%) and the resolution applicant (20%).*
- 4. Trigger Date means date of receipt of the Certified copy of NCLT approval date or the date on which the order is available for download from website for intimation of order by Resolution Professional to the Successful Resolution Professional along with copy of order, whichever is earlier. Abbreviated as T*
- 5. Unutilized contingent funds shall be utilized for the purpose of litigation costs post approval of Resolution Plan.*

17. The Applicant submits that the Resolution Plan has been examined by the Applicant and the CoC and has been found compliant with the requirements of Section 30(2) of the Code, Regulation 38 of the CIRP Regulations and other applicable provisions of law. The Resolution Plan provides, inter alia, for payment of the CIRP Costs in priority and at actuals, treatment of operational



creditors in accordance with the provisions of the Code, the management and implementation of the Resolution Plan, supervision of its implementation through a Monitoring Committee, and a statement setting out the manner in which the interests of the stakeholders have been dealt with under the Resolution Plan.

18. The Applicant further submits that the Resolution Plan has been duly considered and approved by the CoC after evaluating, inter alia, its feasibility, viability, implementation mechanism and the recoveries proposed for the stakeholders. The Resolution Plan having received the requisite approval of the CoC, the same is being placed before this Tribunal for consideration and approval under Section 31 of the Code.
19. In view of the approval accorded by the CoC, the Applicant has preferred the present Interlocutory Application seeking approval of the Resolution Plan dated 05.07.2024 submitted by Drona Impex Private Limited, under Section 31 of the Insolvency and Bankruptcy Code, 2016.
20. This Tribunal, vide order dated 22.09.2025, directed the Applicant to place on record the valuation reports of the Corporate Debtor prepared by the registered valuers, along with the list of Prospective Resolution Applicants (“PRAs”). In compliance therewith, the Applicant filed an affidavit dated 26.09.2025. Thereafter, vide order dated 08.06.2026, this Tribunal observed as follows:

“Vide order dated 22.09.2025, the list of PRAs, final list of PRAs and valuation reports were directed to be filed. Accordingly, a list of documents has been filed placing on record these documents. However, while going through the valuation report it is noted that the Corporate Debtor has substantial financial assets including a physical asset in the shape of inventory which has been valued either at ‘nil’ or significantly low valuation primarily for the absence of details provided to him. When pointed out learned counsel for the Applicant seeks time to seek instructions on the issues and address us on the next occasion.”

LIMITATION:



21. Since the 180-day period of CIRP expired 17.04.2024, the Applicant IA (IBC) 2209/2024 requesting for extension of CIRP which was allowed by this tribunal and vide order dated 09.05.2024 thereby granting a further extension up to 16.07.2024. As per the DMS record, the present Application has been filed on 17.07.2024. This Tribunal vide order dated 11.09.2026 allowed the IA(I.B.C)/3992(MB)2026 filed by the Applicant thereby extending the time from Corporate Insolvency Resolution Process from 16.07.2024, till the date of filing of the Interlocutory Application for approval of the Resolution Plan on DMS Portal (i.e. 17.07.2024)

MONITORING COMMITTEE

22. The monitoring committee as stated under Clause 6.2.1 of the plan shall consist of One Representative from CoC, One Representative of Resolution Applicant and Insolvency Professional to supervise the Implementation of Plan.

Salient Features of the Resolution Plan

a. Financial Proposal:

The details of claims admitted during the CIRP and the amounts proposed for distribution under the Resolution Plan are set out below:

Sr. No.	Stakeholders	Claims Admitted	Proposed Payment as per Resolution Plan	Tenure
1	Outstanding CIRP Cost	15,00,000/-	15,00,000/-	Upfront Payment of Rs. 15,00,000 on T+30days
2	Operational Creditors —Government Dues	6,80,24,217/-	150,000/-	Upfront on T + 30 days
3	Operational Creditors —Employees	-	-	Upfront on T + 30 days
4	Operational Creditors — Other than	13,20,74,270/-	22,50,000/-	Upfront on T + 30 days



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	Government & Employees			
5	Unsecured Financial Creditors	3,77,04, 077/-	20,00,000/-	Deferred Payment Rs. 1 0,00,000 in T+90 days Rs. 1 0,00,000 in T+180 days
6	Secured Financial Creditors	-	-	Upfront Payment on T + 30 days
7	Other creditors, if any, (other than financial creditors and operational creditors)	-	-	-
8	Contingent Liabilities	-	1,00,000/-	Upfront on T + 30 days
	Total Resolution Plan Amount	23,93,02, 564/-	40,00,000/-	

b.Sources of Funds:

It is submitted that, as stated in paragraphs 4 and 4.1 of the Resolution Plan, the funds required for implementation of the Resolution Plan shall be raised through issuance of equity share capital and unsecured loans from the promoter group and its associates.

23. The fair value and liquidation value of the Corporate Debtor, as determined on the basis of the valuations conducted by Mr. Chirag Shah and Mr. Chetan Shah and arrived at by taking the average of their respective estimates, are as follows:

Fair value- Rs 3,64,190

Liquidation Value- Rs 74,502

24. The Applicant submits that the Resolution Plan submitted by the SRA is compliant with the requirements of Section 30(2) of the Code and Regulation



38(1A) of the CIRP Regulations. The Applicant has also placed on record the requisite compliance certificate in Form H.

25. The Applicant further submits that, at the seventh meeting of the CoC held on 08.07.2024, the CoC passed resolutions in terms of Regulations 39B, 39C and 39D of the CIRP Regulations. The CoC resolved that, in the event of an order of liquidation being passed by this Tribunal, Mr. Vinod Tarachand shall be appointed as the Liquidator. It was further resolved that the Liquidator's fee shall be determined in accordance with Regulation 4 of the IBBI (Liquidation Process) Regulations, 2016.

26. The Applicant has furnished the following certification:

"I hereby certify that:

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

(ii) Drona Impex Private Limited, the Resolution Applicant, has furnished an affidavit under Section 30(1) of the Code confirming its eligibility under Section 29A of the Code to submit the Resolution Plan, and the contents thereof are in order;

(iii) the Resolution Plan has been approved by the CoC in accordance with the provisions of the Code and the CIRP Regulations. It has received the approval of 100% of the voting share of the Financial Creditors, after due consideration of its feasibility, viability and other requirements stipulated under the CIRP Regulations; and

(iv) the votes of the members of the CoC were sought through an electronic voting system, which remained open for not less than 24 hours, in accordance with Regulation 26 of the CIRP Regulations."

27. Application in respect of alleged preferential, undervalued, fraudulent and extortionate transactions ("PUFE Transactions") filed by the Resolution Professional under Regulation 35A of the CIRP Regulations:



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Section	Nature of allegation	Amounts involved	Remarks
43	Preferential	2,15,18,975	Parties Involved: Champak Chemicals Private Limited; U C Colours and Intermediaries Private Limited; Ishwa Farms and Land Developers Private Limited; Mr. Champaklal shah
45	Undervalued	4,92,92,641	Transaction Involved: Undervalued transaction of sales proceeds of i. Land and Buildings; ii. Plant and Machineries iii. Other Assets

28. It is stated that, in the event the Resolution Plan is approved while the avoidance applications and/or orders thereon remain pending, the Resolution Applicant shall be entitled to pursue such proceedings before the Adjudicating Authority, in accordance with the Resolution Plan and applicable law.

29. It is stated by the RP that the Resolution Plan is not subject to any contingency.

30. RA has mentioned in the Resolution Plan that all existing Licenses and Permissions, mining approvals (if any), Environmental Clearances, Certificates, lease, leave and license agreements/ arrangements / Licenses from the Excise Department, Health Department, Municipal (Corporation (including but not limited to Mumbai Municipal Corporation) and any other business of the Corporate Debtor shall continue in full force and effect and shall remain valid and binding against the Corporate Debtor, the respective Governmental Authorities and the relevant counter-party(ies) as required for the purpose of continuing the business of the Corporate Debtor (notwithstanding that corporate insolvency resolution proceedings have been initiated against the Corporate



Debtor, a change in control/ownership of the Corporate Debtor has been effected at least for a period of one (1) year after the approval of the Resolution Plan pursuant to Section 31(4) of the IBC or within such period as provided for in relevant law whichever is later.

Statutory Compliance:

31. 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 distributed 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 prima facie 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.
- g) As per the Affidavit, the Resolution Applicant is not covered under Section 29A.

32. In compliance of Regulation 38 of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that

- a) The amount due to the Operational Creditors under Resolution Plan shall be given priority in payment over Financial Creditors.



- b) It has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors of the Corporate Debtor.
- c) 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 Adjudicating Authority in the past.
- d) The terms of the plan and its implementation schedule.
- e) The management and control of the business of the Corporate Debtor during its term.
- f) Adequate means of Supervising its implementation.
- g) The Resolution Plan Demonstrates 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

33. 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 Resolution Applicant 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.

Findings and Analysis:

34. We have considered the Resolution Plan, the submissions of the Resolution Professional, the Compliance Certificate in **Form H** and the Due Diligence Certificate placed on record. The Resolution Plan provides for payment of the Corporate Insolvency Resolution Process Costs in priority to all other debts, deals with the claims of the Operational Creditors in accordance with Section 30(2)(b) of the Code and the CIRP Regulations, provides for the management of the affairs of the Corporate Debtor after approval of the Resolution Plan, its



implementation and supervision, and does not contravene any provisions of law for the time being in force. We also note that the Resolution Professional has certified the eligibility of the Successful Resolution Applicant under Section 29A of the Code and the Due Diligence Certificate supports the said eligibility. Further, it is stated that the Resolution Plan complies with the requirements of Section 30(2) of the Insolvency and Bankruptcy Code, 2016 and the applicable provisions of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

35. 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 CIRP Regulations.
36. The RP has filed Compliance Certificate in Form-H along with the Resolution Plan. On perusal, the same is found to be in order. The Resolution Plan has been approved by the CoC by majority of 100%.
37. Pursuant to the order dated 08.06.2026, Pursuant thereto, Applicant filed an additional affidavit dated 05.07.2026, stating that all relevant and available material, as sought by the valuers, had been furnished to them. The Applicant has also sought to explain the reasons for certain assets being assigned a 'nil' value and has annexed the correspondence exchanged with the valuers in support thereof. The relevant part of the said affidavit is reproduced hereunder:

"4.On account of the fact that the stock was partially burnt and the age of the chemical was not known/identifiable, it was not feasible to assign any value to the inventory, which is why the inventory has been valued at "NIL". The cash balance of Rs. 35,950/- was also never made available to the undersigned and during the review, it was found that an amount of Rs. 30,500/- out of the above was actually deposited in a magistrate court at Surat in relation to a cheque dishonour matter and hence, not in a position to be realised. Therefore, the said asset has also been valued accordingly by the valuer. The information regarding Axis Bank deposit of Rs.1,06,993/- was provided to the effect that the amount showing in the balance sheet was actually the accrued interest on FD



Margin of Bank Guarantees/FD against BG and the same is reflected in the valuation report of Mr. Chetankumar Shah, as reflecting at page 50 of the compilation (internal page 19 of the report). As for the heading “other Advance” amounting to Rs.6,45,323/- is concerned, the detail that has been shared by the undersigned to the valuer is as follows

Other Advances	645323.00	
Abhijit Enterprises	50000.00	To be written-off . So not recoverable
Deposit with Court	30500.00	There was a cheque bounce case on us, we made payments, so then its expensed out. So not recoverable
Intech Fire Engineers	560000.00	Bills yet to booked as running bills were there, then work was closed. So not recoverable.

With regard to the TDS recoverable amount of Rs.5,98,936/-, it is to be noted that the amount was recoverable from a total of 19 distinct and separate parties and despite several attempts to connect with the parties, there was no response. This information is provided by the undersigned and is recorded in the communication shared. Hence, the undersigned has provided all possible information in this regard too. As far as the FDR (bank guarantee to MPCB) of an amount of Rs.3,60,000/- is concerned, it has been communicated by the undersigned that “original BG’s are not being provided by MPCB, BG’s are expired, and FD is to be refunded. Axis Bank require original BG.” This remark is also evident from the sheet submitted herewith. Hence, the information required in regards to the query was provided by the undersigned

5. As far as the details regarding the debtors is concerned, it is to be noted that out of a total debtor of Rs.2,50,67,655/-, an amount of Rs.2,15,18,975/- has been sought to be recovered through the application of PUFEE, filed before this Hon’ble Tribunal, as the same have been considered as preferential, being treated as transactions with “related parties”. As for as the remaining debtors are considered, upon issuing letters for confirmation, no response was received apart from the fact that most of the remaining debtors are more than 3 years old due to which, the same have been conservatively been valued at “NIL” by the valuers.”



38. The SRA has furnished an Earnest Money Deposit (“EMD”) of ₹5,00,000/- (Rupees Five Lakh only). In terms of the Resolution Plan requirements, the SRA was further required to furnish a Performance Bank Guarantee (“PBG”) equivalent to 10% of the total bid amount within seven business days from the date of issuance of the Letter of Intent by the CoC. Since the total amount proposed under the Resolution Plan is ₹40,00,000/- (Rupees Forty Lakh only), the requisite PBG, being 10% thereof, amounts to ₹4,00,000/- (Rupees Four Lakh only). Accordingly, the EMD of ₹5,00,000/- already furnished by the SRA is sufficient to satisfy the requirement of the PBG.

39. In the Resolution Plan, the SRA has sought the waivers/ reliefs/concessions stated in para 8 and para 9 of the Resolution Plans. The stated effect of the Resolution Plan and reliefs & concessions as prayed for shall be available in accordance with the principle laid down by Hon’ble Supreme Court in case of ***Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited*** {[2021] 13 S.C.R. 737} and ***Municipal Corporation of Greater Mumbai vs. Abhilash Lal and Ors.*** (2019) [ibclaw.in](#) 480 NCLAT subject to the observations or limitations in the following paras.

- a. The Applicant shall file necessary forms and pay prescribed fees, if any, in terms of provisions of the Companies Act, 2013 in relation to reduction in capital and issuance of fresh capital, however, the Registrar of Companies shall waive the additional fees, if any, payable on such filing.
- b. Any increase in the authorized capital shall be subject to payment of prescribed fee, if any applicable, and filing of prescribed forms with the Registrar of Companies.
- c. The Income Tax Department shall be at liberty to examine the tax implications arising from accounting treatment, if any, proposed in the Plan in terms of Section 2(24), Section 28 and Section 56 of the Income Tax Act, 1961 read with GAAR provisions thereunder or corresponding provisions under Income Tax Act, 2025.



- d. The SRA may approach prescribed authorities for waiver/reduction in fees, charges, stamp duty, and registration fees, if any arising from actions contemplated under the Resolution Plan and such request shall be dealt with subject to the relevant law/statute and adherence to the procedure prescribed thereunder.
- e. The SRA may file appropriate application, if required, for renewal of all Business Permits, rights, entitlements, benefits, subsidies and privileges whether under applicable Law, contract, lease or license granted in favor of the Corporate Debtor or to which the Corporate Debtor is entitled to or accustomed to, which have expired on the Effective Date, and follow the dues procedure prescribed for the purpose upon payment of prescribed fees. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under IBC and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Debtor. No action shall lie against the Corporate Debtor for any non-compliances arising prior to the date of approval of Resolution Plan, however, such non-compliances shall be cured, if necessitated to keep the approval in force, after acquisition by the Corporate Debtor within period stipulated in the Resolution Plan.
- f. The contract with third parties shall be subject to consent of such parties.
- g. No orders levying any tax, demand or penalty from the Corporate Debtor in relation to period up to approval of the Resolution Plan shall be passed by any authority and such demand, if created, shall not enforceable as having extinguished in terms of approved Resolution Plan.
- h. The carry forward of losses and unabsorbed depreciation shall be available in accordance with the provisions of Income Tax Act or Rules made thereunder, and the Income Tax Department shall be at liberty to examine the same. Further, applicability of Section 115 JB



or other provisions of Income Tax Act, 1961 or corresponding provisions under Income Tax Act, 2025 shall be subject to and in accordance with the provisions of Income Tax Act, 1961 or Rules made thereunder or corresponding provisions under Income Tax Act, 2025.

- i. Further, the concerned tax authorities shall under GST/ VAT law be at liberty to examine the carry forward of input tax credit available under Indirect Tax for its further carry forward.
- j. An application for compounding/condoning shall be filed in accordance with the procedure specified in respective law or concerned authority, however, no fine or penalty shall be imposed for non-compliances till the date of approval of this Plan or such further period as is permitted in terms of this Order.
- k. ROC shall update the records and reflect the Corporate Debtor as ‘Active’ upon filing of pending returns/forms after payment of normal fees (not additional fee). In case such filing is not permitted by the e-filing portal, the ROC shall accept such forms/returns in physical format and manage to upload the same by back-end. The Corporate Debtor shall be exempted from using the words “and reduced”.
- l. The Compliances under the applicable law for all the statutory appointments by the Corporate Debtor shall be completed within 12 months or such further period as is stipulated in the plan, where after, the necessary consequence under respective law shall follow.
- m. It is clarified that any relief, concession or waiver prayed in the Resolution Plan but not specifically dealt with in Para 40 (a) to (l) above, save as otherwise permissible in terms of ***Ghanshyam Mishra and Sons Private Limited (supra)*** or specific provisions of the Code read with the Regulations, shall be deemed to be denied or rejected.

40. The shareholding of SRA in the Corporate Debtor, directly or indirectly, shall be in excess of 50% of total issued and paid up capital of the Corporate Debtor after implementation of the Resolution Plan.



41. 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) of the Code. 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 of the Code 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) of the Code when the Resolution Plan does not conform to the stated requirements.

42. 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 CIRP 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:

43. The Resolution Plan 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 Applicant, 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 Applicant 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 Successful Resolution Applicant, for effective implementation of the Resolution Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.



IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH – 1

IA (IBC) (PLAN) No. 3 of 2025 in CP (IB) 1108 of 2021

- iv. 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.
- 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.
- vi. 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. It is clarified that the authorities shall not withhold the approval/consent/extension for the reason of insolvency of the Corporate Debtor or extinguishment of their dues up to approval of Resolution plan in terms of the approved plan. Any relief or concession as sought on the plan shall be subject to the provisions of the relevant Act.
- vii. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- viii. 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.
- ix. 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.
- x. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

Sd/-

Prabhat Kumar
Member (Technical)

Vijay Andhale

Sd/-

Sushil Mahadeorao Kochey
Member (Judicial)