



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
PRINCIPAL BENCH, NEW DELHI  
CP (IBPP) NO.03 (PB)/2022**

**AN APPLICATION UNDER SECTION 54C OF THE INSOLVENCY &  
BANKRUPTCY CODE, 2016 READ WITH RULE 4 OF THE  
INSOLVENCY AND BANKRUPTCY (PRE-PACKAGED INSOLVENCY  
RESOLUTION PROCESS) RULES, 2021.**

**IN THE MATTER OF:**

AMRIT INDIA LTD.

**HAVING REGISTERED OFFICE AT:**

202, 2, COMMUNITY CENTRE, NARAINA, NEW DELHI, DELHI -110028

E-MAIL ADDRESS: AMRITINDIALTD@GMAIL.COM

**CIN: L15549DL1981PLC012918**

**PAN: AAACA1111B**

.....CORPORATE DEBTOR/ APPLICANT

**ORDER PRONOUNCED ON: 28.11.2022**

**CORAM:**

**CHIEF JUSTICE (RETD.) RAMALINGAM SUDHAKAR**

**HON'BLE PRESIDENT**

**SH. AVINASH KUMAR SRIVASTAVA**

**HON'BLE MEMBER (TECHNICAL)**

**Appearances:**

For the Corporate Applicant

: Adv. Karan Grover

**ORDER**

**PER: AVINASH KUMAR SRIVASTAVA, MEMBER (TECHNICAL)**

**Brief Facts**

1. The present application is being filed under Section 54C of the Insolvency and Bankruptcy Code, 2016 ("**the Code**") read with Rule 4 of the Insolvency and Bankruptcy (Pre-Packaged Insolvency Resolution Process) Rules, 2021 seeking initiation of Pre-Packed Insolvency Resolution Process ("**PPIRP**") under Chapter III-A of the Code with respect to the **Amrit India Ltd. ("Corporate Debtor")**.

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2. It is stated that the Corporate Debtor is a Company limited by Shares (Non-govt. Company) incorporated on 29.12.1981. The Authorised Share Capital of the Corporate Debtor is 86,50,000 and the Paid-up Share Capital of the Corporate is 85,50,000. On the date of application, the Corporate Debtor is engaged in trading & Consultancy.
3. It is stated that the Corporate Debtor is under a default of financial debt to the tune of INR 12,25,000/- (Rupees Twelve Lakhs Twenty Five Thousand Only) which is owed to Awadh Sharan Singh ("**Unrelated Financial Creditor**"). The Corporate Debtor has sanctioned a loan facility for an amount of INR 10,00,000 (Rupees Ten Lakhs Only) on 25.03.2021 for the purpose of Working Capital Requirement payable with an interest of 18% p.a. in 18 monthly instalments.
4. Copy of the Base Resolution Plan was submitted by the Applicant in the form of an Affidavit on 27.10.2022, in compliance of Order dated 11.10.2022 passed by this Hon'ble Tribunal in this matter.

**Reasons for losses**

5. The Part-II of the Base Resolution Plan deals with "*the main turnaround strategy*", as extracted below:

***{A}. Main Turnaround Strategy:***

***1. Business Re-organization***

*The Corporate Debtor believes that its financial stress will be mitigated by the proposed business reorganization.*

***2. Operational Issues***

*In the Company for the last 15-20 years except between 2-3 years didn't do any business but incurring losses on the expenditure of the following Compliances and administrative costs:*

- a) Listing Fees/Issuer Fees by CDSL, NSDL, RCMC, etc.***
- b) E-Voting Charges***
- c) Depository Fees***
- d) Huge Professional Charges paid for compliance***
- e) ROC Filing Fees***
- f) Advertising Fees***
- g) Audit Fees***

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**h) Other administrative expenses**

*All this is eroding the capital of the company and now it is in negative around 10.00 Lakhs. Further Financial Debt of Rs 11.83 Lakhs is also payable.*

**3. Turnaround Strategy**

*The turnaround strategy is as follows:*

**a)** *Reviving the trading & Consultancy business as was done earlier in the company, which couldn't be kept alive due to the Corona Pandemic for the last 2-3 years as transportation of commodities was banned.*

**b)** *Writing of whole interest up to date payable of app. Rs 2.25 Lakh for which Financial Creditor has already agreed.*

**c)** *Writing of 90% of Financial Debt of Rs 10.00 Lakhs for which the Financial Creditor has already agreed.*

**d)** *Getting it delisted from MSEI (“**Metropolitan Stock Exchange of India Limited**”) since listing with them as of 14.06.2016, not a single share has been traded. MSEI suspended its trading on 11.10.19. The continuation of listing has a cost of 4-5 lakhs p.a. which isn't needed by the shareholders as not a single share since 14.06.2016 have been traded therein.*

**e)** *As an alternative, the company can be liquidated also to save the above cost present and future. Here it is pertinent to note that as per the Guidance Note on the SEBI (Security Exchange Board of India) circular dated May 03, 2018, regarding non-compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) and the Standard Operating Procedure (SOP) for suspension and revocation of trading of specified securities read with uniform carve-outs for SOP fines levied as per the provisions of SEBI SOP circular, fines are waived off after Order of Appointment of Provisional / Official Liquidator is issued.*

**4. Capital Expenditure and Working Capital**

*As per the plan, there is no requirement for Capital Expenditure. However, Working Capital Requirements based on turnover are required for which existing Promoters shall infuse the funds.”*

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6. "The means of Resolution Plan", as extracted from the Base Resolution Plan is given below:

**"C). Means of the Base Resolution Plan**

*The Corporate Debtor, as and when required will infuse funds to meet the "PPIRP" Cost through its internal accruals and retained earnings.*

**D). A statement as to how the Corporate Debtor has dealt with the interests of all stakeholders, including financial creditors and operational creditors:**

*1. The Resolution Plan provides for compliance with all the requirements of Section 54K of IBC and the main contents of the Resolution Plan are as follows:*

*a) Payment of "PPIRP" Cost in priority to all other debts;*

*b) Payment to the Financial Creditors of only 10%*

*c) Payment to Operational Creditors Not applicable*

*d) Restart an earlier trading and consultancy business along with a reduction of expenses. Alternatively, go for Liquidation to save future costs if business plan isn't found visible.*

*2. In light of the above benefits, this Resolution Plan has dealt with the interests of all stakeholders:*

<b>Sr. No.</b>	<b>Class of Creditor</b>	<b>Protection</b>	<b>Remarks</b>
1) PPIRP Cost	100%	<i>Payment will be made within 15 days of approval of the Resolution Plan by the Hon'ble NCLT.</i>	<i>Full Payment</i>
2) Financial Creditors	100%	<i>10% Payment to unrelated Financial Creditors within 15 days from the date of approval of the Hon'ble NCLT.</i>	<i>90% Hair Cut</i>
3) Employee/ Workmen	N.A.	<i>All the existing employees and workmen will be considered for employment.</i>	<i>No Dues</i>

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**Statutory Compliances**

7. The Corporate Debtor is duly registered MSME (Micro, Small & Medium Enterprise) under The MSME Act, 2002 in the category (“**Micro Enterprise**”) and the Copy of the UDYAM (Udyog Aadhaar Memorandum) Registration Certificate dated 15.06.2022 of the Corporate Debtor is annexed as **ANNEXURE A5** with the application. Therefore, the Corporate Debtor is eligible to file this application as per Section 54A(1) of the Code.
8. A special resolution by the Members of the Corporate Debtor to initiate the “PPIRP” under Section 54A(2)(g) of the Code was passed on 15.06.2022 held at the Registered Office of the Company at 202, 2, Community Center, Naraina, New Delhi, Delhi-110028 and the same is produced as **ANNEXURE A7** with the application.
9. A copy of the declaration given by the majority of the directors of the Corporate Debtor for filing an application for initiating “PPIRP” as referred to in Section 54A(2)(f) of the Code as set out in **Form P6** of the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 dated 05.07.2022 is on record at **Page No. 88-89** and marked as **ANNEXURE A8** of the application.
10. A copy of the approval of the non-related Financial Creditor of the Corporate Debtor under Section 54A(3) of the Code for filing an application for initiating “PPIRP” in **Form P4 (Page No. 91)** along with **Form P2 (Page No. 95)** as contemplated and marked as **ANNEXURE A10 & ANNEXURE A11** after considering the formalities completed by the Corporate Debtor including submission of Base resolution Plan.
11. The non-related Financial Creditor of the Corporate Debtor under Section 54A(2)(e) of the Code, approved the appointment of Insolvency Professional, **Mr. Mukesh Kumar Jain** having *Registration No- IBBI/IPA-001/IP-P00084/2017-18/10180*. It is produced at **Page No. 93-95** as **ANNEXURE A11**, thereby complying with the provisions of Section 54A(2)(e) of IBC, 2016 read with Regulation 14(5) of the Insolvency and Bankruptcy



Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021. The said Insolvency Professional is proposed to be appointed as Resolution Professional to conduct the "PPIRP" and to discharge duties before initiation of "PIRP".

12. The Resolution Professional's written consent under Regulation 7(1) of the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 in **Form-P1** is produced at **Page No. 96-97** and marked as **ANNEXURE A12** of the application and the Resolution Professional's report dated 18.07.2022 under Section 54B(1)(a) of the Code read with Regulation 17 of the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 in **Form-P8** is produced at **Page No. 100-101** and marked as **ANNEXURE A13** of the application.
13. A copy of the declaration regarding the non-existence of avoidance transactions relating to the Corporate Debtor and its directors as per Section 54C(3)(c) of the Code read with Regulation 16(2) of the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 in **Form P7** produced at **Page No. 90** and marked as **ANNEXURE A9** of the application.
14. A copy of the affidavit stating that the Corporate Debtor is eligible under Section 29A of the Code to submit a Resolution Plan has also been filed which is produced as **ANNEXURE A6** filed with an affidavit dated 10.09.2022. Thus, the provisions of Section 54A(2)(d) of the Code are complied with.
15. The Corporate Debtor has also produced the audited financial statements of the company for the Financial Years 2020-2021, 2021-2022 along with the provisional balance sheet as on 05.07.2022 which are annexed as **ANNEXURE A17 (COLLY)** of the application. Thus the corporate Debtor has complied with the provisions of Section 54C(3)(d) of the Code.
16. The Corporate Debtor has furnished the name of the Insolvency Professional to be appointed as Resolution Professional (RP) as

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per the provision of Section 54C(3)(b) of the Code. Such RP has also given consent in writing which is in **Form-P1** is produced at **Page No. 96-97** and marked as **ANNEXURE A12** of the application.

- 17.** On perusal of the proceedings, we find that the Corporate Debtor has produced all the required documents and materials in order to comply with the provisions of the Code. The application is complete in all respects and meets all requirements of the Law. Therefore, we are inclined to admit this application under Section 54C of the Code.
- 18.** We admit this application and pass the following orders: -
- i.** The application for the Pre-Packaged Insolvency Resolution Process of **AMRIT INDIA LTD.** stands admitted under Section 54C of the Code.
  - ii.** In view of the commencement of the "PPIRP", the moratorium is declared, under Section 14 of Code for prohibiting all of the following in terms of Section 14(1) of the Code.
    - a. the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including the execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
    - b. transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
    - c. any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
    - d. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate Debtor.
  - iii.** The Resolution Professional (RP) as proposed by the financial creditor namely, **Mr. Mukesh Kumar Jain** having *Registration No-* IBBI/IPA-001/IP-P00084/2017-18/10180 is appointed as a

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Resolution Professional to conduct "PPIRP" as per the Provisions of Chapter III-A of the Insolvency Regulations. Further, the Resolution Professional shall also perform his duties and functions as per the provisions given under Section 54F of the Code.

- iv.** This Adjudicating Authority directs the RP to make a public announcement of "PPIRP" of the Corporate Debtor as per Section 54A of the Code and invite and collate the claim of the creditors.
- v.** As mentioned under Section 54F(5), the personnel of the Corporate Debtor shall extend all assistance and cooperation to RP.
- vi.** In case of non-cooperation, the RP can approach this Adjudicating Authority under Section 19(2) of the Code. The management of the Corporate Debtor shall remain vested with the Board of Directors of the Corporate Debtor as per the provisions of Section 54H subject to action under Section 54J of the Code, if any. The Board of Directors shall discharge their duties as specified under Section 54H(b) and Section 54H(c) of the Code.
- vii.** We direct Resolution Professional to file an interim report within thirty days to this Authority.
- viii.** The Registry is directed to communicate a copy of this order to the Financial Creditor, Corporate Debtor and to the Resolution Professional and the concerned Registrar of Companies, after completion of necessary formalities, within seven working days and upload the same on the website immediately after pronouncement of the order. The Registry is further directed to send a copy of the order to the IBBI also for their record.

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AMRIT INDIA LTD.

- x. Certified copy of the order may be issued to all the concerned parties, if applied for, upon compliance with all requisite formalities.

- sd

(RAMALINGAM SUDHAKAR)  
PRESIDENT

- sd

(AVINASH K. SRIVASTAVA)  
MEMBER (TECHNICAL)