

**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH**

C.P. (IB) No.137/BB/2019
U/s 7 of IBC, 2016
R/w Rule 4 of I&B (AAA) Rules, 2016

&

I.A. No.454 of 2020 in
C.P. (IB) No.137/BB/2019
U/s 31(1) of IBC, 2016
R/w Rule 11 of NCLT Rules, 2016

Mr. Giridhari Lal Sharma
Resolution Professional of
Noble Ispat & Energies Limited

- Applicant / Resolution Professional

In the matter of:

**Indian Renewable Energy
Development Agency Limited**
Regd. Off: India Habitat Centre,
East Court, Core 4-A,
1st Floor, Lodhi Road,
New Delhi – 110 003.

- Petitioner / Financial Creditor

Versus

M/s. Noble Ispat & Energies Limited
Regd. Off: Behind Monsanto India Ltd.,
Moka Road, Sirivar Bellary,
Karnataka – 583 103.

- Respondent / Corporate Debtor

Order Pronounced on: 19th March, 2021

Coram: 1. Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
2. Hon'ble Shri Ashutosh Chandra, Member (Technical)

Parties/Counsels Present (Through Video Conference):

For the Applicant / RP : Mr. Hemanth R. Rao, Advocate



ORDER

Per: Ashutosh Chandra, Member (Technical)

1. I.A. No.454 of 2020 in CP (IB) No.137/BB/2019 is filed by Mr. Giridhari Lal Sharma, Resolution Professional of M/s. Noble Ispat & Energies Limited (hereinafter the 'Applicant / RP') under Section 31(1) of the I&B Code, 2016 read with Rule 11 of the NCLT Rules, 2016, by *inter alia* seeking to approve the Resolution Plan dated 06.10.2020 submitted by M/s. SLD Steels Private Limited.
2. Brief facts of the application, which are relevant to the issue in question, are as follows:
 - (1) Initially, C.P. (IB) No.137/BB/2019 filed by M/s. Indian Renewable Energy Development Agency Ltd. ('Petitioner / Financial Creditor') U/s 7 of I&B Code, 2016 R/w Rule 4 of the I&B (AAA) Rules, 2016 seeking to initiate CIRP in respect of Corporate Debtor-M/s. Noble Ispat & Energies Limited, was admitted by the Adjudicating Authority vide Order dated 26.08.2019, by appointing Mr.Rajendra Prasad Tak bearing Regn. No.IBBI/IPA-001/IP-P00526/2017-18/10951 as the IRP, imposed moratorium in terms of Sec.14 of the Code and to carry out the functions as mentioned under the Code and Rules framed thereunder, etc.
 - (2) Pursuant to Regulation 6 of the IBBI (IRP for Corporate Persons) Regulations, 2016, the Interim Resolution Professional had made Public Announcement in Form-A in 'Financial Express' & 'Kannada Prabha' on 07.09.2019 inviting the Creditors of the Corporate Debtor to submit their claims with proof on or before 19.09.2019. Subsequently, the IRP has constituted the Committee of Creditors consisting of two Financial Creditors, namely, *Canara Bank* with 83.15% of voting share and *Indian Renewable Energy Development Agency Limited* with 16.85% of voting share. The Committee of Creditors (CoC) in its 1st meeting held on 04.10.2019 took note of the said constitution and the percentage of voting rights. The Adjudicating Authority vide Order dated 27.11.2019 passed

in I.A. No.562 of 2019 has appointed Shri Giridhari Lal Sharma as the RP by replacing the existing IRP.

- (3) CoC in its 3rd meeting held on 20.12.2019 was apprised about the Information Memorandum prepared by the RP and further the Committee has approved the appointment of two Valuers for each Asset class i.e. Land & Building and Plant & Machinery for valuation in terms of Regulation 27 of IBBI Regulations. The Valuers for Land & Building are Mr. Puneet Tyagi and Mr. Sunil Agarwal, and for Plant & Machinery are Mr. Dharam Pal Bhatia and Mr. Ramanjeet Sethi.
- (4) CoC in its 4th meeting held on 03.01.2020 was apprised about the finalization of Invitation of Expression of Interest in terms of provisions of Regulation 26A of IBBI (IRP for Corporate Persons) Regulation, 2016 and also approved the draft Evaluation Matrix after certain changes. Committee has also approved for publication of invitation for Expression of Interest (EOI) in Form-G in Financial Express (English daily) and Vaartha Bharathi (Kannada daily).
- (5) CoC in its 5th meeting held on 24.01.2020 was apprised about the valuation of assets of Corporate Debtor and EOI published in said Newspapers in Form-G on 04.01.2020, with the last date for submission of interest as 18.01.2020 and on the website of IBBI. In response thereto, RP had received EOIs from 3 PRAs along with refundable EMD amount of Rs.5 Lakhs each. The RP further informed that date of issue of Evaluation Matrix, RFRP and Information Memorandum is 28.01.2020 and last date for submission of Resolution Plan is 26.02.2020 and the estimated date for submission of Plan to Adjudicating Authority for approval is 03.03.2020. Since there is no much time left with the RP and CoC members for consideration of Resolution Plans, pursuant to Sec. 12(2) of the Code, the CoC approved the extension of CIRP period by 60 days.
- (6) Subsequently, the Adjudicating Authority, vide Order dated 18.02.2020 passed in I.A. No.94 of 2020, has extended the CIRP by a further period of 60 days i.e. till 22.04.2020. The RP received requests from all 3 PRAs on 24th/25th February, 2020 for extension in time period for submission of Resolution Plan by 15 days. Accordingly, CoC in its 6th meeting held on 26.02.2020 has extended the period for submission of Resolution Plans by 15 days i.e. till 12.03.2020. Only one of

- the PRAs, M/s. SLD Steels Private Limited, submitted its Resolution Plan to RP on 12.03.2020. RP scheduled 8th CoC meeting on 11.08.2020, wherein, no decision on the Resolution Plan was taken by CoC members due to the prevailing lockdown situation and thus needed more time to evaluate the same and also decided to seek exclusion of period from 08.06.2020 till 14.08.2020.
- (7) Accordingly, the Adjudicating Authority vide Order dated 07.09.2020 passed in IA Nos.315 and 316 of 2020, has granted further exclusion of sixty eight days period. A letter received from Resolution Applicant on 22.09.2020, which was in the nature of OTS, was mailed to all CoC Members. The Committee was further informed that 2 of the PRAs i.e. M/s. Radha Smelters Pvt. Ltd. and M/s. MS Agarwal Foundries Pvt. Ltd. had not submitted the Resolution Plan and hence the amount of Rs.5 lakhs each have to be refunded in terms of RFRP document.
- (8) Further, CoC in its 10th meeting held on 03.10.2020 informed that the revised Resolution Plan, in the nature of OTS proposal, is still under consideration, and they expect to decide on the same by 05.10.2020, whether CoC will go for OTS or Resolution Plan. During the 11th CoC meeting held on 06.10.2020, it was reiterated to the Committee that CIRP period is already over as per the orders for exclusion granted by the Adjudicating Authority. Further, the observations on the Resolution Plan were again reiterated to the CoC and the representative of Resolution Applicant (RA). The representative of RA assured that they will submit the revised Resolution Plan by 09.10.2020.
- (9) Subsequently, the CoC in its 12th meeting held on 27.10.2020, after considering the Resolution Plan submitted by M/s. SLD Steels Private Limited, has unanimously (100%) approved the said Resolution Plan through e-voting. The Resolution Plan dated 06.10.2020 submitted by M/s. SLD Steels Pvt. Ltd. has been placed on record as Annexure-A to this Application.
- (10) The RP vide Memo dated 29.01.2021 has submitted the Valuation Reports given by Mr. Sunil Agarwal and Mr. Dharam Pal Bhatia and the brief of the same are as under:



Sr. No.	Name of the Registered Valuer	Market / Fair Value (In Rs.)	Liquidation Value (In Rs.)
1.	Sunil Agarwal (Land & Building)	19,30,787/-	0
2.	Dharam Pal Bhatia (Plant & Machinery)	13,08,71,000/-	9,16,09,400/-

(11) The brief of the approved Resolution Plan is stated hereunder:

A. Brief about the Resolution Applicant:

The Resolution Applicant, namely, M/s. SLD Steels Private Limited, is a Company incorporated on 13.07.2011 under the Companies Act, 1956, with the objective of setting up of a manufacturing of Sponge Iron, Iron & Steel products, trading in Coal, Steels, Iron, Iron Ore and other related activities. The Company has constructed billet plant with installed capacity of 150 tpd Induction Furnace Plant (IF Plant-Billet Plant) in 5.88 acres of industrial land at Sirivar Village, Ballari Taluka & District Ballari, Karnataka. Currently, the Company is producing Steels Billets in its Induction Furnace Plant by procuring Sponge Iron as key raw material from local market. The Steel Billets is used as raw material for the production of TMT bars. The Company has a wide customer base and some of its major customers include Padhmanaba Ispat Pvt. Ltd., Mahamanav Ispat Pvt. Ltd., Shirdi Sai Steels Pvt. Ltd., Maharishi Alloys Pvt. Ltd., Kanika Ispat, Kanishk Steel, etc.

Its Promoter Directors include Shri Kodiganti Venkatramana Prasad, who is aged 38 years, is also being inducted as Shareholder Director in the Company considering his business experience/expertise. He has been inducted as a stake holder in the back drop of the Company's expansion plan. He belongs to a family which was traditionally engaged in Iron & Steel Industry and therefore he has evinced keen interest in joining this venture keeping in mind its high future potential. His experience in various fields include IBM India, Brickworks India, SMO-India, etc.

Shri E. Srinivas, is a Promoter and Additional Director of the Company. He is an Engineering (BE Mech.) graduated with similar expertise in mining industry expertise. He is the Managing Director of M/s. Shirdi Sai Steels Pvt.



Ltd. engaged in Sponge Iron industry since last 3 years. He is also a well-known personality in the Iron & Steel Industry at Bellary.

B. Overview of the Corporate Debtor:

The Corporate Debtor – M/s. Noble Ispat and Energies Limited (*Formerly known as Noble Distilleries & Powers Ltd.*) is a Company incorporated on 02.07.1999 under the Companies Act, 1956 with ROC, Bangalore, with its registered office situated at Behind Monsanto India Limited, Moka Road, Sirivar Bellary-583103, Karnataka.

C. Treatment to various stakeholders:

The Resolution Applicant has considered the interest of all the Stakeholders and accordingly has proposed to make payment in the following manner to the Stakeholders:

Type of Stakeholder	Amount of debt in INR	Proposed Repayment Amount in INR	Proposed repayment as % to outstanding
Financial Creditors	3,18,74,02,710	47,45,00,000	14.89% (14.89% to IREDA and 14.89% to Canara Bank)
Operational Creditors**	-	-	-
Total Outstanding / Settlement Amount – A	3,18,74,02,710	47,45,00,000	
Working Capital reserved for resuming Resolution Plan	8,00,00,000	8,00,00,000	100%
CIRP Cost including Interim finance availed during CIRP period#	30,00,000	30,00,000	100%
Total provisions made – B	8,30,00,000	8,30,00,000	-
Total (A+B)		55,75,00,000	

#CIRP Cost as per Actual expenses incurred and ratified by CoC.

** As per Information Memorandum, there were two claims from Dy. Commission of Commercial Tax and Asst. Commissioner of Commercial Tax together amounting to Rs.13.35 Crores for the FYs from 2006-07 to 2009-10 which had not been admitted by IRP/RP. In case any liability arises, it will be settled.

D. Salient terms of the Resolution Plan:

- a. Rs.8,00,00,000/- (Rupees Eight Crores only) to IREDA, being 14.89% of total claim.
- b. Rs.39,45,00,000/- (Rupees Thirty-Nine Crores Forty-Five Lakhs only) to Canara Bank, being 14.89% of the total claim.
- c. Rs.8,00,00,000/- (Rupees Eight Crores only) reserved by the Applicant to use as Working Capital on resumption of business.
- d. Rs.30,00,000/- (Rupees Thirty Lakhs only) towards CIRP costs.
- e. No employee dues/operational creditors' dues as per the Information Memorandum (as the unit was closed for the last 7 years due to non-availability of iron-ore)
- f. Resolution Applicant has undertaken to settle any dues arising from claims related to Commercial Tax.

E. The Resolution Applicant has proposed to implement the Plan in the following manner:

- a. Upfront payment of Rs.6,00,00,000/- (Canara Bank – Rs.5,00,00,000/- and IREDA – Rs.1,00,00,000/-). The amount shall be deposited in Escrow Account within seven working days from approval of Resolution Plan in CoC. This amount shall be considered an EMD. This amount shall be appropriated by FC once the RA is approved by NCLT. Out of this amount Rs.1,00,00,000/- can be considered as PBG as stated in RFRP.
- b. Upon approval of the Plan, a payment of Rs.9,49,00,000/- (20% of Resolution amount of Rs.47,45,00,000/-) within 30 days.
- c. Balance payment shall be made within 12 months from the date of approval of the Resolution Plan.
- d. The Corporate Debtor shall merge with the Resolution Applicant within three months.
- e. The Resolution Professional shall supervise and monitor the implementation of the Plan till the final payment by the Applicant.
- f. The Management of the affairs of the Corporate Debtor shall be with Resolution Applicant.



g. The Resolution Plan is compliant with respect to the applicable provisions of I&B Code, 2016 and IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

F. The Resolution Plan also provides for Source & Distribution of Funds, which is given hereunder:

Sl. No.	Payments to be made	Amounts Payable (INR Lakhs)	Source of Funds	Description of Proposal
1.	CIRP Cost	30,00,000	Net owned funds of Resolution Applicant	100% shall be paid upfront within 1 month of receipt of order of NCLT (CIRP Cost as per Actual expenses incurred and ratified by CoC)
2.	Employees' Dues	-	-	-
3.	Financial Creditors	47,45,00,000 <ul style="list-style-type: none"> • IREDA – It is proposed to pay 14.89% of total claim admitted i.e. Rs.8,00,00,000/- • Canara Bank – It is proposed to pay 14.89% of total claim admitted i.e. Rs.39,45,00,000/- 	Net owned funds of Resolution Applicant post-merger and borrowings from the financial institutions (Rs.35 crores shall be arranged as loan from financial institutions while balance money of Rs.12.45 crores shall be arranged by promoter from own source)	As described in Point No.1 and 5 of Executive Summary – proposed resolution plan on page no.4 & 5 of this RA.
4.	Operational Creditor	-	-	-
5.	Working Capital reserved for implementation of resolution plan	8,00,00,000	Borrowings from the financial institutions	It will be arranged within 3 months from the date takeover of the plant (i.e. from the date of approval from the NCLT)

G. It is further stated that the Resolution Applicant is eligible under Section 29A of the Act and the Resolution Plan is not in contravention of any law including the I&B Code, 2016 and applicable Regulations. Affidavit of the Resolution Applicant declaring its eligibility u/s 29A of the Act has been placed on record as Annexure-B to the Application.

- H.** In terms of provisions of Regulation 36B(4A), the Resolution Applicant has undertaken to provide performance security in the form of Bank Guarantee for an amount of Rs.1 Crore or equivalent amount within a period of 7 days of approval of Resolution Plan by CoC.
- I.** As regards the Waivers, Reliefs and Exemptions in respect of Companies Act, ROC/MCA, it is inter alia stated in the Plan that the approval of this Plan by the NCLT shall be deemed to have waived all the procedural requirements in terms of Sec. 66, Sec. 230 to 232 of the NCLT (Procedure for Reduction of Share Capital) Rules, 2016, the Companies (CAA) Rules, 2016 and all other applicable provisions of Companies Act, 2013 for the extinguishment/cancellation of the existing Share Capital and further merger of the Corporate Debtor with the Resolution Applicant. The RD (SER) and ROC, Karnataka, to take on record and implement the Plan, upon approval of the Plan by NCLT, without any further compliances.
- J.** As regards the Taxes (Direct & Indirect) and Stamp Duty, it is stated that the relevant tax authorities to consider providing relief from applicability of and payment of taxes under provisions of all indirect tax laws which may arise as a result of implementation of the Plan either on the Resolution Applicant or the Corporate Debtor or any other person who is likely to be impacted due to implementation of the Plan. And also relief from payment of stamp duty for transfer of Land & Buildings and Plant & Machinery of the Corporate Debtor.
- K.** As regards Corporate Debtor Specific Laws, it is stated that the approval of this Plan shall be deemed to have waived all the non-compliances under any sector specific laws/statutes/Regulations that were applicable to the CD before commencement of the CIRP.
- L.** As regards the Extinguishment of Claims, it is stated that all proceedings, investigations, inquiries, etc., made, commenced or initiated by any Person against the CD in relation to the period prior to the date of implementation of the Resolution Plan shall irrevocably and unconditionally stand abated,



withdrawn, settled and/or extinguished, and the RA shall have no liability in this regard after merger of the Corporate Debtor.

- M.* As regards the Business Plan, it is stated that the proposed Business Plan has been worked out on the basis of inherent know-how and expertise of the Steel industry gained over many years of experience of the Resolution Applicant in the said field. The Resolution Applicant has made careful analysis of demand momentum and steel consumption growth in the Country, initiatives taken by the Government, amendments made to Mines and Minerals Development and Regulations which resulted in business opportunities, market size, and Raw Material (Iron Ore) availability. The detailed business plan along with Projections of P&L, Balance Sheet as at 31.03.2021 to 31.03.2025, have been placed on record as Annexure-V of the Resolution Plan.
3. Heard Mr. Hemanth R. Rao, learned Counsel for the Resolution Professional, through Video Conference. We have carefully perused the pleadings of Party and extant provisions of the Code and the Rules/Regulations made thereunder. We have also gone through the detailed Resolution Plan and the details of the proceedings gone through during the CIRP, and the reports of the CoC submitted from time to time.
 4. Mr. Hemant Rao, Ld. Counsel for the RP, while reiterating various averments made in the Application / Petition, has further submitted that the Resolution Plan in question as approved by the CoC satisfies all requisite conditions as per the provisions of the I&B Code, and the same is approved with requisite majority, and thus urged the Adjudicating Authority to approve the said Resolution Plan.
 5. The RP has furnished Minutes of the 12th CoC Meeting of M/s. Noble Ispat & Energies Limited (Corporate Debtor), held on 27.10.2020, wherein, the Resolution Plan submitted by M/s. SLD Steels Private Limited, was considered in depth and approved. He has also submitted the proceedings of the CoC held on various dates and also annexed the Compliance Certificate in Form-H, under Regulation 39(4)



of the IBBI (CIRP) Regulations, 2016 along with the said Resolution Plan by *inter alia* furnishing all the requisite details.

6. In order to approve a Resolution Plan U/s 31(1) of the Code, the RP shall examine each Resolution Plan as prescribed *inter alia* under Section 30(2) of the Code, as mentioned below:

- a) *provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor;*
- b) *provides for the payment of debts of operational creditors in such manner as may be specified by the Board, which shall not be less than the amount to be paid to the operational creditors in the event of a liquidation of the corporate debtor under Section 53;*
- c) *provides for the management of the affairs of the corporate debtor after approval of the resolution plan;*
- d) *the implementation and supervision of the resolution plan;*
- e) *does not contravene any of the provisions of the law for the time being in force;*
- f) *confirms to such other requirements as may be specified by the Board.*

As detailed supra, that in compliance with the said requisite conditions, the RP has submitted various documents and statements as per provisions of the Code and the Rules made thereunder. These compliances are briefly mentioned out as under:

- (1) The RP has filed the Compliance Certificate in Form-H under Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- (2) The Fair Value and the Liquidation Value as per Form-H - Compliance Certificate are Rs.1330.11 Lakhs and Rs.885.25 Lakhs respectively.
- (3) The Resolution Professional also certified that:
 - i. The said Resolution Plan complies with all the provisions of the Insolvency and Bankruptcy Code 2016 (Code), the IBBI (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 M/s. SLD Steels Private 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 provisions of the Code and the CIRP Regulations made thereunder. The Resolution Plan has been approved by 100% of voting share of two financial creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.
 - iv. The voting was sought from Members of the COC by electronic voting system which was kept open at least for 24 hours as per Regulation 26.
- (b) 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.
- (c) 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
		(b) Other than (a) above: (i) who did not vote in favour of the resolution Plan (ii) who voted in favour of the resolution plan (Indian Bank)	31874.03	31874.03	4745.00	14.89
		Total [(a) + (b)]	31874.03	31874.03	4745.00	14.89
2.		(a) Creditors not having a right to vote under sub-section (2) of section 21				

	Unsecured Financial Creditors	(b) Other than (a) above: (i) who did not vote in favour of the resolution Plan (ii) who voted in favour of the resolution plan Total [(a) + (b)]				
3.	Operational Creditors	(a) Related Party of Corporate Debtor (b) Other than (a) above: (i) Government (ii) Workmen (iii) Employees (iv)	1335.11	-	@	-
		Total [(a) + (b)]				
4.	Other debts and dues					
Grand Total						

@ 2 claims from Dy. Commissioner of Commercial Tax and Asst. Commissioner of Commercial Tax for the financial years from 2006-07 to 2009-10 which had not been admitted by IRP/ RP. In case any liability arises, it will be settled.

(d) The interests of existing shareholders have been altered by the Resolution plan as under:

Sl. No.	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1.	Equity	80,00,000	-	100%	-
2.	Preference	-	-	-	-

(e) The compliance of the Resolution Plan is as under:

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes / No)
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?	Annexure-III of Resolution Plan	Yes
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?	Page No.128 of Resolution Plan dated 12.3.2020	Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Same as above	Yes
Section 30(2)	Whether the Resolution Plan-	Clause No. V(a)	Yes

35
Yes

	<p>(a) provides for the payment of insolvency resolution process costs?</p> <p>(b) provides for the payment to the operational creditors?</p> <p>(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?</p> <p>(d) provides for the management of the affairs of the corporate debtor?</p> <p>(e) provides for the implementation and supervision of the resolution plan?</p> <p>(f) contravenes any of the provisions of the law for the time being in force?</p>	<p>2 claims from Dy. Commissioner of Commercial Tax and Asst. Commissioner of Commercial Tax for the FYs from 2006-07 to 2009-10 which had not been admitted by IRP/RP. In case any liability arises, it will be settled. Clause-V Both the FCs have voted in favour of resolution plan. Hence this clause is not applicable.</p> <p>Clause XI(2) of Resolution Plan</p> <p>Clause XI(3) of Resolution Plan</p> <p>None</p>	<p>Yes</p> <p>-</p> <p>Yes</p> <p>Yes</p>
Section 30(4)	<p>Whether the Resolution Plan</p> <p>(a) is feasible and viable, according to the CoC?</p> <p>(b) has been approved by the CoC with 66% voting share?</p>	<p>Annexure III of the modified Resolution Plan dated 06.10.2020</p> <p>Approved by 100% voting. The minutes of 12th CoC meeting along with results of e-voting as attached with the application for approval of resolution plan.</p>	<p>Yes</p> <p>Yes</p>
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Clause XIII of the modified Resolution Plan dated 06.10.2020	Yes
Regulation 35A	Where the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50 or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the Board?	The Plant/Business Operations of the CD are shut for over 10 years. Hence, such determinations were not applicable.	Yes
Regulation 38 (1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	2 claims from Dy. Commissioner &Asst. Commissioner of Comm. Tax for the FYs from 2006-07 to 2009-10 which had not been admitted by IRP/RP in the absence of books of accounts as the operations of the CD are closed for over 10 years. In case any liability arises, it will be settled. Clause - V	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Clause IX of the modified Resolution Plan dated 06.10.2020	Yes



Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	Page no.39 of modified Resolution Plan dated 06.10.2020 NA	Yes
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	Clause No. XII of the modified Resolution Plan dated 06.10.2020	Yes
38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	Clause IV and Ann. III of the modified R-Plan dt.6.10.2020 Ann. III of the modified R-Plan dt.6.10.2020 Clause XIII of the modified R-Plan dt.6.10.2020 Ann. VI of the modified R-Plan dt.6.10.2020 Ann. III of the modified R-Plan dt.6.10.2020	Yes Yes Yes Yes Yes
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	The Plant/Business operations of the CD are shut for over 10 years. Hence, such determinations were not applicable.	
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.	Executive Summary 1(c) of the modified Resolution Plan dated 06.10.2020	Yes

7. On perusal of the Resolution Plan filed before us, and as discussed above, it appears that the said Plan as duly approved by the CoC on 27.10.2020 for Noble Ispat & Energies Limited, submitted by M/s. SLD Steels Private Limited, satisfies all the requisite conditions for its approval under Section 31(1) of the Code. Details of the Sources & Distribution of Funds from which the Resolution Applicant shall arrange the same have been provided in the Resolution Plan. The same provides for the creditors in the distribution table filed with the Plan, and provides adequate details of the infusion of funds required as working capital as well as for payment

of debts. Considering also the past experience in similar business and credentials of the Directors and Promoters of the Resolution Applicant, as mentioned in the Resolution Plan, we are satisfied about the viability of the same. The Resolution Plan also proposed to appoint the Resolution Professional to act as Supervisor for monitoring the implementation of Resolution Plan. Affidavit under Section 29A of the Resolution Applicant has also been submitted along with the said Resolution Plan. The Resolution Plan is approved by members of the CoC with 100% voting share in accordance with law. No prejudice would be caused to any party, if the same is approved. Therefore, we are of the considered opinion that the said Resolution Plan is fit to be approved under Section 31(1) of the Code.

8. Accordingly, by exercising the powers conferred on this Adjudicating Authority, under Section 31(1) of the I&B Code, 2016, both the C.P. (IB) No.137/BB/2019 and I.A. No.454 of 2020 are disposed of with the following directions:

- (1) *The Resolution Plan of M/s. SLD Steels Private Limited ('Resolution Applicant'), as approved by the Committee of Creditors with 100% voting share, is hereby approved by declaring that the said Resolution Plan shall be binding on the Corporate Debtor - M/s. Noble Ispat & Energies Limited, 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, such as authorities to whom statutory dues are owed, guarantors, and other stakeholders involved in the Resolution Plan.*
- (2) *The said Resolution Plan shall come into force from the date of pronouncement of this Order.*
- (3) *The moratorium imposed vide Order dated 26.08.2019 passed in the Company Petition shall cease to have effect from the date of communication of the order.*
- (4) *The Resolution Professional is directed to handover the management control of all the assets, documents / records in physical and/or digital form*



on an as is where is basis to the Resolution Applicant immediately, and the Resolution Professional will cease to be Resolution Professional.

- (5) *The Resolution Professional shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the Board to be recorded on its database.*
- (6) *The Resolution Applicant shall pursuant to the Resolution Plan approved under sub-section (1) obtain the necessary approval required under any law for the time being in force within a period of one year from the date of approval of the Resolution Plan by the Adjudicating Authority under sub-section (1) or within such period as provided for in such law, whichever is later.*
- (7) *The Resolution Applicant is at liberty to file any miscellaneous application seeking for clarification, if any, in the implementation of the terms and conditions to the Resolution Plan.*
- (8) *In view of the above, pending IAs / Review Applications, if any, also automatically stand disposed of.*

No order as to costs.

**ASHUTOSH CHANDRA
MEMBER, TECHNICAL**

**RAJESWARA RAO VITTANALA
MEMBER, JUDICIAL**

Krishna