

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

**I.A. (I.B.C) No. 1085/MB/2023**

**in**

**CP (IB) No. 1171/MB/2021**

*[Under Sections 30(6) and 31 of the Insolvency and Bankruptcy Code, 2016 r/w Regulation 39(4) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016]*

**Ordered on: 24.04.2026**

**MR. ROHIT RAMESH MEHRA**

**[Registration No. IBBI/IPA-001/IP-P00899/2017-18/11374]**

**RESOLUTION PROFESSIONAL OF RAJESH BUSINESS  
& LEISURE HOTELS PRIVATE LIMITED**

Tower A-3403, Oberoi Woods, Oberoi Garden City  
Goregaon (East), Mumbai-400063, Maharashtra.

**...Applicant**

IN THE MATTER OF:

**ICICI BANK LIMITED**

**...Financial Creditor**

V/s

**RAJESH BUSINESS AND LEISURE HOTELS  
PRIVATE LIMITED**

**...Corporate Debtor**

**CORAM:**

**HON'BLE SHRI ASHISH KALIA, MEMBER (JUDICIAL)**

**HON'BLE SHRI SANJIV DUTT, MEMBER (TECHNICAL)**

**Appearances: Hybrid**

**Applicant/RP:** Adv. Shweta Dubey a/w. Adv. Kanishka Prasad i/b. SDPS  
Partners LLP

**Successful Resolution Applicant (SRA):** Sr. Adv. Gaurav Joshi a/w. Adv.  
Sagar Bansal, Adv. Saurabh Gandhi and Adv. Harsh  
Behany i/b. HN Legal

**ORDER*****[PER: ASHISH KALIA, MEMBER (JUDICIAL)]*****1. BACKGROUND**

1.1 This **IA (I.B.C) No. 1085/MB/2023** in CP(IB) No. 1171/MB/2021 (hereinafter referred to as “Company Petition”) was filed on 11.03.2023 by Mr. Rohit Ramesh Mehra, the Applicant/Resolution Professional (hereinafter referred to as “the RP”) on behalf of the Committee of Creditors (hereinafter referred to as “the CoC”) of Rajesh Business and Leisure Hotels Private Limited, (hereinafter referred to as “the Corporate Debtor”), for seeking approval of the Resolution Plan dated 17.02.2023 (hereinafter referred to as “the Plan”), under Section 30(6) read with Section 31 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) and Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Process for Corporate Persons) Regulations 2016 (hereinafter referred to as “CIRP Regulations”), submitted by the consortium of Rare Asset Reconstruction Limited (hereinafter referred to as “Rare ARC”) and Check-Inn Hotels Private Limited (hereinafter referred to as “Check-Inn Hotels”), i.e., Successful Resolution Applicant (hereinafter referred to as “the SRA”) and duly approved by 100% voting share of the CoC in 14<sup>th</sup> CoC meeting dated 24.02.2023. The result of e-voting was concluded on 10.03.2023.

1.2 Pursuant to the approval of the Resolution Plan by the CoC, the suspended Directors of the Corporate Debtor as well as Sankalp Recreation Private Limited, an Unsuccessful Resolution Applicant (hereinafter referred to as

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“Sankalp”), challenged the said Resolution Plan on ground of material irregularities, and later, this Tribunal, *vide* its order dated 10.07.2024 in IA Nos. 1085/2023, 1466/2023 and 1478/2023 of CP(IB) No. 1171/2021 (hereinafter referred to as “Plan Rejection Order”), rejected the aforesaid Resolution Plan on ground of Check Inn Hotels Private Limited not a part of the Final List of Prospective Resolution Applicants, etc and granted liberty to the RP/CoC to re-run the CIRP in accordance with the Code as well as granted liberty of four months for the same.

1.3 To challenge the Plan Rejection Order, the SRA, CoC as well as the RP filed their Appeals before Hon’ble NCLAT wherein the Hon’ble NCLAT, *vide* its order dated 25.09.2025, allowed the aforesaid appeals and it not only set aside the Plan Rejection Order but also restored the aforesaid Company Petition to original position. The decision dated 25.09.2025 of Hon’ble NCLAT was challenged by Sankalp before Hon’ble Supreme Court. However, it was upheld by Hon’ble Apex Court *vide* its order dated 03.11.2025 wherein it was stated that the Hon’ble NCLAT had not committed any error in law or fact by allowing the aforesaid appeals. Pursuant to the setting aside of the Plan Rejection Order, the aforesaid IA for approval of Resolution Plan was also restored to its original position before this Tribunal.

## **2. CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)**

2.1 This Adjudicating Authority *vide* order dated 20.04.2022, in C.P.(IB) No.1171/MB/2021, admitted the Corporate Debtor into Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) filed by the ICICI Bank

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Limited as Financial Creditor under Section 7 of the Code. The proposed Interim Resolution Professional (hereinafter referred to as "IRP"), Mr. Rohit Ramesh Mehra was appointed as the IRP and later confirmed as the Resolution Professional (hereinafter referred to as "RP") of the Corporate Debtor for conducting the CIRP of the Corporate Debtor in the 1<sup>st</sup> CoC meeting dated 20.05.2022.

2.2 Public announcement as per Regulation 6(1) of the CIRP Regulations in Form A was made on 27.04.2022, for inviting claims from stakeholders of the Corporate Debtor under Section 15 of the Code, with 04.05.2022 as the last date for receipt of claims. The Form A was published in 'Business Standard' (English) and 'Navshakti' (Marathi) having circulation in Mumbai and in 'Financial Express' (English) and 'Loksatta' (Marathi) having circulation in Pune. Pursuant to receipt of claims from various creditors, the Applicant constituted the CoC on 11.05.2022 and reported the same before this Tribunal. The CoC, initially comprised of three secured Financial Creditors, namely ICICI Bank Limited, Union Bank of India Limited and Bank of Baroda.

2.3 Pursuant to second and third CoC meeting dated 03.06.2022 & 23.06.2022 respectively, the Applicant/RP published the 1<sup>st</sup> Form G on 29.06.2022 regarding invitation for Expression of Interest (hereinafter referred to as "EoI") with 19.07.2022 as the last date of submitting the EoI and 02.09.2022 as the last date for submission of the Resolution Plan. Later, the Applicant/RP sought CoC's approval for publication of revised Form G in 4<sup>th</sup> CoC meeting dated 18.07.2022 which was done on 21.07.2022. Consequently, the Applicant/RP published the 2<sup>nd</sup> Form G on 22.02.2022 with the revised dates of submitting

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the EoI and the Resolution Plan on 02.08.2022 and 16.09.2022 respectively.

The RP published the Final list of Prospective Resolution Applicants (hereinafter referred to as "PRA") on 27.08.2022. Meanwhile, the CoC in its 5<sup>th</sup> meeting dated 12.08.2022, approved the issuance of the Request for the Resolution Plan (hereinafter referred to as "RFRP") and the Evaluation Matrix.

2.4 In the 6<sup>th</sup> CoC meeting dated 16.09.2022, the CoC approved the resolution for extension of CIRP period from 16.09.2022 to 17.10.2022 with 100% voting. In the said meeting, the CoC recommended for a 90-day extension of the CIRP and this Tribunal allowed the same *vide* its order dated 11.10.2022 in IA No. 2857/2022.

2.5 To allow the PRAs for submission of the Resolution Plans, the CoC allowed the extension of deadline for submitting the Resolution Plans on 10.11.2022 and later 25.11.2022 in its 7<sup>th</sup> and 8<sup>th</sup> CoC meetings dated 17.10.2022 and 07.11.2022 respectively. On 25.11.2022, one of the PRAs named Rare ARC submitted its Resolution Plan and it had indicated in the Resolution Plan that it would be bringing an investor as well as acquiring the debt of the Secured Financial Creditors.

2.6 It was also submitted that in the 9<sup>th</sup> CoC meeting dated 28.11.2022, the Applicant/RP apprised the CoC about receipt of Resolution Plans from 6 PRAs by 25.11.2022. In the said meeting, the PRAs gave a brief overview of their experience as well as financial proposals. Later, the CoC, in its 10<sup>th</sup> meeting dated 16.12.2022, approved the resolution with 100% voting for extension of CIRP period by 60 days beyond 270 days which was allowed by this Tribunal *vide* order dated 04.01.2023.

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- 2.7 In the 10<sup>th</sup> CoC & 11<sup>th</sup> meeting dated 16.12.2022 & 15.01.2023, on appraising the CoC about the details of the PRAs along with key issues of their resolution plans as well as various negotiation mechanisms to be adopted after receiving the compliant resolution plans and later, it approved the issuance of the challenge process with the tentative timeline for completion of CIRP process. The Challenge Process was commenced in the 13<sup>th</sup> CoC meeting dated 09.02.2023 and by the end of 13 rounds, mere 3 PRAs had submitted their Resolution Plans i.e., Rare ARC, Shri Ram Multicom Private Limited (hereinafter referred to as "SMPL") and Sankalp Recreation Private Limited in consortium with Globe Ecologistics Private Limited had submitted their resolution Plans.
- 2.8 The Applicant/RP submits that the HDFC Bank issued its letters dated 12.02.2023 wherein it gave in principle approval for the project and working capital financing of Rs. 250 Crores as well as confirmed that an amount of Rs. 498 Crores is standing to the credit of Check-Inn Hotels Private Limited, i.e., strategic investor in consortium with Rare ARC. Later, on 17.02.2023, Rare ARC and Check-Inn Hotels Private Limited executed the Consortium Agreement in which Rare ARC was identified as the lead member of the consortium and its scope was strictly limited to the acquisition of debt of the Financial Creditors under the Resolution Plan, if required while the scope of Check-Inn Hotels was to bring funds as well as takeover the management of the Corporate Debtor for implementing the Resolution Plan.
- 2.9 The proposed Resolution Plans of Rare ARC, Sankalp and SMPL were put for voting in the 14<sup>th</sup> CoC meeting dated 24.02.2023. At the end of voting, the

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Resolution Plan submitted by the Rare ARC in consortium with Check-Inn Hotels Private Limited was approved with 100% voting by the CoC while that of Sankalp and SMPL were rejected by the CoC with 79.39% respectively against their Resolution Plans. Thus, the Consortium of Rare ARC and Check-Inn Hotels Private Limited was declared as the Successful Resolution Applicant. During the 14<sup>th</sup> CoC meeting dated 24.02.2023, the Resurgent India Limited provided the summary of the compliant Resolution Plans provided by the SRA, SMPL and Sankalp in which the scores of their proposed Resolution Plans as per the Evaluation Matrix was 89.30, 64.06 and 48.58 respectively.

2.10 As per Clause 10(4)(ii) of the SRA's Resolution Plan, the SRA proposed to issue 5% equity shares to assenting Secured Financial Creditors out of the restructured equity share capital of the Corporate Debtor in the ratio of their admitted claims. The said proposal had a lock-in period of 2 years and at the end of it, the price of 5% equity shares was Rs. 30 Crores which was to be purchased by Check-Inn Hotels Private Limited. The said Call option was exercised by the SRA *vide* its letter dated 28.02.2023, wherein it stated that the Check-Inn Hotels shall exercise the call option upfront by making a payment of Rs. 30 Crores within 60 days from the Approval Date by this Tribunal.

2.11 The Applicant/RP issued Letter of Intent (hereinafter referred to as "LOI") dated 10.03.2023, in favour of the SRA and mentioned that the SRA must deposit Rs. 30,00,00,000/- in the form of Performance Bank Guarantee as Performance Security for implementation of the Resolution Plan as per Clause 18.18 of the RFRP. In accordance with Clause 18.19 of the RFRP and

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Regulation 36B(4A) of the CIRP Regulations, the SRA submitted the Performance Bank Guarantee of Rs. 30 Crores on 11.03.2023 which was duly accepted by the Applicant/RP on 11.03.2023.

2.12 The Ld. Counsel for the Applicant/RP further states that the Applicant has produced the Affidavit dated 02.02.2026 towards applicable regulatory fee in terms of Regulation 31A of the CIRP Regulations and the same has been placed on record *vide* its Additional Affidavit dated 31.01.2026.

2.13 On account of certain queries raised by this Tribunal regarding the features of the Resolution Plan, it was listed for clarification *vide* order dated 06.04.2026. Pursuant to this, the Applicant filed the Additional Affidavit dated 09.04.2026 wherein it clarified the discrepancies of the Resolution Plan provided in the I.A. as well as its Additional Affidavit dated 31.01.2026.

2.14 The RP has complied with the requirements under Section 30(2)(a) to (f) of the Code and Regulations 38(1)(a), 38(1A), 38(2)(a) to (c) and 38(3) of the CIRP Regulations. The RP has also provided the "FORM H" dated 31.01.2026 as mandated under Regulation 39(4) of the CIRP Regulations, for seeking approval of the Plan by us.

### **3. VALUATION OF ASSETS OF CORPORATE DEBTOR AND CLAIMS RECEIVED**

3.1 The RP submitted that, to ensure proper valuation of the Corporate Debtor's properties, two Registered Valuers were appointed by the CoC. The Fair Value of the Corporate Debtor's assets is mentioned in Form H as per the Applicant's Additional Affidavit dated 31.01.2026 as Rs. 429.09 Crores and the Liquidation Value of the Corporate Debtor's assets is Rs. 277.09 Crores. The Applicant

placed the copies of the Valuation Reports prepared by the Registered Valuers on record through its Additional Affidavit dated 09.04.2026 and the average Fair Value and Liquidation Value were determined as follows:

<b>Sr. No.</b>	<b>Valuer</b>	<b>Fair Value (In Crore Rs.)</b>	<b>Liquidation Value (In Crore Rs.)</b>
1.	GAA Advisory LLP	434.56	284.94
2.	Mr. Raseek Bhagat (Land & Building) Mr. Jayesh Parasmal Shah (Securities or Financial Assets) Mr. Anil Bhaskar (Movable Assets)	423.62	269.23
Average Value		<b>429.09</b>	<b>277.09</b>

3.2 As on 11.02.2026, the list of Corporate Debtor's creditors, uploaded on the website of Insolvency and Bankruptcy Board of India (hereinafter referred to as "IBBI"), based on the claims received by the Applicant/RP is as under:

<b>Sr. No.</b>	<b>Creditors</b>	<b>Claim Amount (Rs.)</b>	<b>Claim Amount Admitted (Rs.)</b>	<b>No. of received Claims</b>
1.	Secured Financial Creditors belonging to any class of creditors	NIL	NIL	NIL

2.	Unsecured Financial Creditors belonging to any class of creditors	NIL	NIL	NIL
3.	Secured Financial Creditors (Other than Financial Creditors belonging to any class of creditors)	616,45,77,263	616,45,77,263	2
4.	Unsecured Financial Creditors (Other than Financial Creditors belonging to any class of creditors)	676,74,56,778	659,12,64,996	7
5.	Operational creditors (Workmen)	NIL	NIL	NIL
6.	Operational creditors (Employees)	4,29,45,693	2,73,36,232	31
7.	Operational creditors (Government Dues)	75,61,18,635	15,05,65,512	5
8.	Operational creditors (Other than Workmen, Employees and Government Dues)	62,49,63,280	40,15,89,404	44
9.	Other creditors, if any, (other than	NIL	NIL	NIL

	Financial Creditors and Operational Creditors)			
<b>TOTAL</b>		<b>1435,60,61,649</b>	<b>1333,53,33,407</b>	<b>89</b>

#### **4. BRIEF BACKGROUND OF CORPORATE DEBTOR**

4.1 The Corporate Debtor was incorporated on 21.10.2005 and was engaged in the business of construction activity of hotel business. The CIN of the Corporate Debtor is U55100MH2005PTC156935 and its registered address is 139, Seksaria Chambers, 2<sup>nd</sup> Floor, N.M. Road, Fort, Mumbai-400023, Maharashtra. As per its MCA Master Data, the directors of the Corporate Debtor were Mr. Ajay Patel Narsidas, Mr. Harish Raghavji Patel, Mr. Rajesh Raghavji Patel, Mr. Priyal Raghavji Patel and Mr. Ashwin Ramesh Manshramani.

4.2 The Applicant submits that the Corporate Debtor was constructing a hotel, located at LBS Marg, near Cine Vista Studio, Kanjur Marg (West), Mumbai since September, 2006 and had envisaged that the hotel shall be operated by the Radisson Hotels under their brand and it had obtained the External Commercial Borrowing (hereinafter referred to as "ECB") of 53.30 Million US Dollars in first round. However, due to time overrun and cost overrun, the Corporate Debtor fell short of funding and it further borrowed ECB of 20 Million US Dollars in second round. The Corporate Debtor was unable to complete the construction of hotel premises despite 10 years of beginning of construction, and the hotel was not operational at the present stage. The said

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hotel was being constructed over the net land area of 9442.12 sq. mtr which is a freehold land.

4.3 Meanwhile, in 2016, there was disconnect between the Radisson Blu and the Corporate Debtor wherein the former terminated the contract. Pursuant to the cancellation of contract, the Corporate Debtor entered into agreement with GHM Hotels with the brand name given to said hotel as "Hotel Chedi". However, due to construction issues, etc, the hotel was not constructed and due to inability to repay on the financial obligations, the ICICI filed the aforesaid Company Petition which led to the Admission order for initiating the CIRP against the Corporate Debtor.

## **5. BRIEF BACKGROUND OF SRA**

5.1 The SRA submits that it is a consortium comprising of Rare ARC with Check-Inn Hotels Private Limited. It is submitted that the Rare ARC is registered with the Reserve Bank of India as a securitisation company and reconstruction company under Section 3 of the SARFAESI Act and has turned around various companies under the Code including Haldia Coke, Aparant Iron & Steel Private Limited, etc.

5.2 It is also submitted that Check-Inn Hotels Private Limited is a wholly owned subsidiary of Shree Naman Group and serves as a strategic investor while Shree Naman group is an established entity in real estate sector with over two decades of experience and has developed landmark properties in Mumbai. Shree Naman group has also significant experience in hospitality sector and

constructed various hotels including Sofitel (Mumbai) and Lemon Tree (Kalina, Mumbai), etc.

5.3 To highlight its financial viability, the SRA has produced the balance confirmation certificate dated 15.02.2023, issued by HDFC Bank wherein it was stated a balance of Rs. 498 Crores is standing to the Credit of Check-In Hotel's account. The SRA has also placed the HDFC Bank's letter dated 15.02.2023 issued in favour of the Applicant/RP on record in which the said Bank has gave in-principal approval for project and working capital financing of around Rs. 250 Crores. The net worth of the SRA is Rs. 1350 Crores.

## **6. SALIENT FEATURES OF PLAN APPROVED BY COC**

6.1 The SRA has proposed to make an upfront payment on effective date (within 60 days from the NCLT Approval date) of Rs. 479,14,00,000/- (Four Hundred Crores Seventy-Nine Crore Fourteen Lakhs Rupees) as per the Resolution Plan which are as follows:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Claim Amount Submitted (In Crore Rs.)</b>	<b>Claim Amount Admitted (In Crore Rs.)</b>	<b>Proposed Upfront Payment (In Crore Rs.)</b>
1.	CIRP Cost		12,14,00,000	12,14,00,000
2.	Secured Financial Creditors	621,14,97,686	621,14, 97,686	461,00,00,000
3.	Unsecured Financial Creditors	672,05,36,355	654,43,44,573	Nil

4.	Operational Creditors (Employees and Workmen)	4,29,45,693	2,73,36,232	6,00,00,000
5.	Operational Creditors (Including Government Dues)	138,10,81,915	55,21,54,916	
6.	Infusion of working Capital and Capex	Nil	Nil	250.86 (as per requirement and on a need basis)
	<b>Total Resolution Amount</b>	<b>1435,60,61,649</b>	<b>1345,67,33,407</b>	<b>730,00,00,000</b>

6.2 Part III of the Plan read by the SRA dated 17.02.2023, summarises the treatment of claims from various creditors in the following manner:

- a) CIRP Cost:** It is stated that as per the data available in the Virtual Data Room (hereinafter referred to as "VDR") as on 17.01.2023, the CIRP costs is estimated to be Rs. 12.14 Crores and that the final amount to be paid would be based on the actual CIRP costs in accordance with the Code. In the Resolution Plan, the SRA proposed to pay the amount of Rs. 12.14 Crores towards payment of CIRP costs and stated that in the event of CIRP costs increased beyond Rs. 12.14 Crores, the excess

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amount above Rs. 12.14 Crores shall be paid by bringing additional funds into the Corporate Debtor out of its net worth or other sources.

**b) Secured Financial Creditors:** The SRA proposes to make the payment of Rs. 461 Crores as full and final settlement towards dues of secured Financial Creditors out of funds infused by the Strategic Investor i.e., Check-Inn Hotels Private Limited and the payment shall be made in proportion to their admitted claims. Clause 10.4 of the Resolution Plan states that in line with the requirement of the Process Document, the available cash balances in the books of the Corporate Debtor on the Approval Date shall accrue to the Assenting Secured Financial Creditors in addition to the amounts offered to the relevant Financial Creditors in the Resolution Plan.

**c) Unsecured Financial Creditors:** The aggregate admitted claim of the Unsecured Financial Creditors is Rs. 654.43 Crores. Since the Unsecured Financial Creditors comprised of the related parties of the Corporate Debtor, the SRA proposes to make payment of 'Nil' Amount towards their claims whether admitted or under verification. Upon the Approval Date, the entire debt due to the Unsecured Financial Creditors shall stand satisfied, settled and extinguished with respect to the Corporate Debtor and no Claims whatsoever shall subsist qua the Corporate Debtor and/ or the SRA.

**d) Dissenting Secured Financial Creditor:** In the event, any Secured Financial Creditor dissents to the Resolution Plan, then such Dissenting Secured Financial Creditor shall be paid liquidation value due to it/ them

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in accordance with the Code. It is hereby clarified that the entitlement of such Dissenting Financial Creditors (in compliance with the provisions of the Code) shall be paid in priority over the secured financial creditors who have assented/voted in favour of the Resolution Plan in line with the provisions of the Code.

**e) Operational Creditors:** As per the SRA, the estimated liquidation value due to the Operational Creditors' claims including that of employees and statutory authorities is NIL. However, the SRA proposes to make payment of Rs. 6,00,00,000/- towards the claims of the Operational Creditor. The upfront payment of the Operational Creditors shall be first made towards the dues of the provident fund, gratuity and other employees benefit (if any) in accordance with the decision of Hon'ble NCLAT in *Association of Aggrieved Workmen of Jet Airways (India) Limited vs. Jet Airways (India) Limited and Others.*, [Company Appeal (AT) (Insolvency) No. 643 of 2021 and IA No. 1700 of 2021]. Thereafter, the remaining amount shall be paid to other operational creditors including admitted Claims and contingent claims, on pro-rata basis as per the provisions of the Code read with the CIRP Regulations. Clauses 12.7 to 12.9 of the Resolution Plan deals with the claims of statutory Authorities as Operational Creditors wherein it was stated that upon the aforesaid treatment to the statutory authorities in line with other operational creditors pursuant to approval of the Resolution Plan, all the liabilities towards property tax, energy charges, etc and any other dues of the statutory authorities prior to the Insolvency Commencement Date,

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shall stand permanently extinguished and all litigations and/ or any other proceedings ongoing/ stayed against the Corporate Debtor shall become infructuous. Clause 12.11 of the Resolution Plan clarified that the Customs Department shall not restrict the Corporate Debtor from issuing fresh EPCG licenses, as per applicable laws, to the Corporate Debtor due to non-payment of full Claims of the Customs Department.

6.3 All payments are proposed to be made within 60 days from the date of approval of the Resolution Plan by this Tribunal. The CIRP cost, payments to the Operational Creditors and the dissenting financial Creditors shall be made prior to the payment of the assenting financial creditors.

6.4 The terms and conditions for the effective implementation have been provided in Clause 15 of the Resolution Plan wherein the Effective Date of the Resolution Plan is the 60 days from the date of approval of the Resolution Plan by this Tribunal. Further, pursuant to payment made to various stakeholders within 60 days from the Approval date, the re-constitution of the Corporate Debtor's Board of Directors and setting up of management team and control systems shall commence from 3 months from the Approval Date while the completion of definitive documents, engagement of architect, resumption in the construction of hotel building, etc shall be done from the 4<sup>th</sup> month onwards from the Approval Date.

6.5 As far as the source of funds for the implementation of the Plan is concerned, it is submitted that as per Clause 6.10 of the Resolution Plan, the net worth of the Strategic Investor's holding company i.e., Shree Naman Group is Rs. 1,176

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Crores and is further making upfront payment to the financial and other creditors delinking hotel with any financial risk. Further, the Strategic Investor has estimated for Project Cost I working capital of around Rs. 250 Crores for completion of the remaining construction and other cost of this hotel premises, as per the actual requirement during construction. The Strategic Investor believes that funds less than Rs. 250 Crores shall not be enough for completion of the hotel and for improving operations of the hotel. Therefore, the Strategic Investor have made provisions of around Rs. 250 Crore to make the Resolution Plan feasible and viable operationally and the Resolution Applicant/Strategic Investor desire that, in no event, the construction should again get stuck after payments to the creditors. The SRA shall not only ensure pay out to the creditors but also shall ensure that the hotel premises are complete and the Corporate Debtor is revived in line with the objectives of the Code. Also, the Strategic Investor shall infuse an unsecured loan through debt or any other instrument upto Rs. 470 Crores by itself or through SPV/any other group entity/SRA for the purpose of making upfront payments towards dues of the creditors in terms of the Resolution Plan.

6.6 Clause 6.12 of the Resolution Plan stated that the Corporate Debtor shall allot 1,00,00,000 equity shares of Rs. 10/- each to the strategic investor upon infusion of Rs. 10 Crores into the Corporate Debtor towards equity shares after the Approval Date. The Strategic Investor shall be free to bring in this amount or any other funds at par or at premium and such number or types of shares. It is further submitted that in accordance with the MCA's General Circular No. IBC/01/2017 bearing No. 30/14/2017, approval of the shareholders/members

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of the Corporate Debtor/company, which would have been required under Companies Act, 2013 or any other law if the resolution plan was being considered outside the scope of the Code, shall not be required for cancellation and issuance of shares and any other action under the Resolution Plan for its implementation.

## **7. MANAGEMENT OF CORPORATE DEBTOR**

9.1 The SRA will constitute the IMC (Implementation and Monitoring Committee) which is in line with the RFRP. The IMC comprised of the RP of the Corporate Debtor, one representative of the SRA and one member of the Secured Financial Creditors. The IMC would be tasked with monitoring funds and implementation of plan from the NCLT Approval date to the Effective Date.

9.2 Clause 16.4 of the Resolution Plan provides for the terms of appointment of the members and details of the functioning of the IMC wherein it will be finalised by the Assenting Secured Financial Creditors and the SRA jointly, and, any related costs relating to such appointments, and terms thereof, shall be borne by the Corporate Debtor. Any costs related to the functioning of the Implementation and Monitoring Committee shall be borne by the Resolution Applicant in case of any shortfall in the cash flows of the Corporate Debtor.

## **8. PUFEE TRANSACTIONS**

8.1 As far as the Preferential, Undervalued, Fraudulent, and Extortionate (hereinafter referred to as "PUFEE") transactions are concerned, the Applicant/RP submits that he had filed the IA No. 2952/2022 under Section 43

of the Code on 11.10.2022, against the suspended directors of the Corporate Debtor for the amount of Rs. 39,50,000/-. The said IA is currently pending before this Tribunal.

8.2 It is submitted that as per Clause 10.16 of the Resolution Plan, upon approval of the Resolution Plan, the CoC shall pursue the PUFEE application and any recoveries made under such application shall be passed to the Financial Creditor. The distribution of the proceeds of PUFEE recovery shall be made within 10 days of receipt of such proceeds by the Corporate Debtor in a manner deemed fit by the CoC or as directed by the Adjudicatory Authority.

## **9. PERFORMANCE GUARANTEE**

9.1 It is submitted that pursuant to the issuance of Lol, the SRA has furnished a performance bank guarantee of Rs. 30,00,00,000/- (Thirty Crores Rupees) in terms of Regulation 39(4) of CIRP Regulations in compliance with Clause 18.19 of the RFRP.

9.2 The SRA, *vide* its Additional Affidavit dated 09.04.2026, has produced the copy of Performance Bank Guarantee dated 10.03.2023 on record, issued by HDFC Bank in favour of Check-Inn Hotels Private Limited, wherein the new expiry date of the Performance Guarantee is 09.06.2026 while the new claim date is 09.06.2027. The said Performance Guarantee was duly accepted by the RP on 11.03.2023.

**10. RELIEFS AND CONCESSIONS**

10.1 The SRA has sought various reliefs and concessions as mentioned in Part V of the Resolution Plan which refers to the reliefs and waivers sought by the SRA to manage the affairs of the Corporate Debtor and ensure its running as a going concern. The SRA has sought various reliefs and concessions based on the clean slate concept laid down by the Hon'ble Supreme Court in various judgements, which are necessary to keep the Corporate Debtor as a going concern; release the Corporate Debtor from any and all liabilities/proceedings, disputes and noncompliance prior to the date of approval of the Plan by us and extended period for renewal or revival of licences for running the business of the Corporate Debtor.

10.2 The SRA has also sought waiver from payment of fees, stamp duty, etc., regarding the Plan as well as renewal & extension of all the licenses and approvals held by the Corporate Debtor which expired prior to the Approval Date or within a period of six months by the relevant government authorities and the SRA shall be permitted to operate the Corporate Debtor's business and assets.

10.3 Other reliefs sought by the SRA includes non-lapse of any brought forward losses of the Corporate Debtor on account of change in shareholding as well as credit in respect of Minimum Alternate Tax paid by the Corporate Debtor to be continued with the Corporate Debtor as a going concern and the same shall be available to the SRA.

## **11. ANALYSIS AND FINDINGS**

11.1 We have heard the Ld. Counsel for the RP and perused the Plan and related documents submitted along with the I.A.

11.2 The CoC has considered the feasibility and viability of the Plan and approved the same by 100% of the voting shares of the CoC. We notice that the Plan is in compliance of Section 30 of the Code in that it provides for-

- a) priority of payment of CIRP cost to the payment of other debts of the Corporate Debtor;
- b) payment of debts of the Operational Creditors;
- c) the management of the affairs of the Corporate Debtor after approval of the Plan; and
- d) the implementation and supervision of the Plan.

11.3 In *K Sashidhar Vs. Indian Overseas Bank and Ors.* (Civil Appeal No. 10673/2018), the Hon'ble Supreme Court held that if the committee of creditors approves a resolution plan by the requisite percentage of voting share under section 30(6), it is imperative for the resolution professional to submit the plan to the Adjudicating Authority. The Adjudicating Authority is then required to satisfy itself that the resolution plan, as approved by the CoC, meets the requirements specified in Section 30(2) of the Code. The law is now settled that the role of the Adjudicating Authority is no more and no less than the above. The role of the Adjudicating Authority with respect to a resolution plan is limited to matters specified in Section 30(2) of the

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Code. Further, the Adjudicating Authority is not required to interfere with the commercial wisdom of the CoC.

11.4 We find that the Plan meets the requirements under Section 30(2) of the Code and that it is not in violation of provisions of any law for the time being in force. Further, in *Kalpraj Dharamshi & Anr. Vs. Kotak Investment Advisors Ltd & Anr.*, [Civil Appeal Nos. 2943-2944 of 2019], the Hon'ble Supreme Court also held that the commercial wisdom of CoC must be adhered to unless the adjudicating authority is satisfied that the requirement of Section 30(2) of the Code has not been complied with.

11.5 In the case of *Committee of Creditors of Essar Steel India Limited through Authorised Signatory Vs. Satish Kumar Gupta and Ors*, [Civil Appeal No. 8766-67 of 2019], the Hon'ble Apex Court clearly held that the Adjudicating Authority would not have the power to modify the Resolution Plan which the CoC in their commercial wisdom has approved. The Hon'ble Supreme Court in the matter of *Ghanshyam Mishra and Sons Private Limited Vs. Edelweiss Asset Reconstruction Company Limited*, [Civil Appeal No. 8129 of 2019] held that on the date of the approval of the 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 a part of the resolution plan.

11.6 In view of the discussions and the law thus settled, we are of the considered view that the 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 Plan is

not in contravention of any of the provisions of Section 29A of the Code, as undertaken by the SRA, and is in accordance with the law. We are satisfied that the Plan has provisions for its effective implementation. As discussed above, we find that the present IA deserves to be allowed.

**ORDER**

The **IA (I.B.C.) No. 1085/MB/2023 in C.P.(IB) No. 1171/MB/2021 is allowed** and the Resolution Plan submitted by the consortium of Rare ARC and Check-Inn Hotels is hereby **approved** in terms of Section 31(1) of the Code.

- I. The Plan shall become effective from the date of this Order and shall form part of this Order. 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 owed, guarantors and other stakeholders involved in the Plan.
- II. Accordingly, no person or authority shall be entitled to initiate or continue any proceedings with respect to a claim prior to the approval of the Plan which is not part of the Plan.
- III. The approval of the Plan shall not be construed as a waiver of any future statutory obligations/liabilities of the Corporate Debtor and shall be dealt with by the appropriate authorities in accordance with law. Any waiver sought in the Plan relating to the period after the date of this order, more particularly licenses and approvals for keeping the Corporate Debtor as a going concern,

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shall be subject to approval by the Authorities concerned and this Tribunal will not deter such Authorities from dealing with any of the issues arising in giving effect to the Plan. This Tribunal, however, recommends due consideration of the revival of the Corporate Debtor. The Corporate Debtor may obtain necessary approval required under any law for the time being in force from the Appropriate Authority within a period of one year from the date of approval of the Plan.

- IV. If any application(s) relating to preferential/fraudulent transactions under Sections 43 and 66 of the Code is pending before the Tribunal, the same shall be pursued by the Corporate Debtor at its costs and expenses. However, the recovery, if any, shall be distributed to the Financial Creditors of the Corporate Debtor.
- V. The capital structure and contribution of the Corporate Debtor shall be transferred and restructured to the SRA without any further procedure required.
- VI. The IMC as proposed in the Plan shall be constituted to supervise and implement the Plan. The RP, who is part of the IMC, shall submit quarterly progress reports to this Tribunal as regards the implementation of the Plan.
- VII. Other reliefs and concessions not covered in the aforesaid paragraphs including exemption from levy of stamp duty, fees and registration charges that may be applicable in relation to this Plan and its implementation are not granted.
- VIII. The moratorium declared under Section 14 of the Code shall cease to have effect on and from the date of this Order.

- IX. Accordingly, MoA and AoA of the Corporate Debtor shall be amended and filed with the Registrar of Companies, Mumbai (Maharashtra) for information and record as prescribed. While approving the Resolution Plan as mentioned above, it is clarified that the SRA shall, pursuant to the Plan approved under section 31(1) of the Code, obtain all the necessary approvals as may be required under any law for the time being in force within the period as provided under law.
- X. The Applicant/RP shall stand discharged from his duties with effect from the date of this Order. However, he shall perform his duties in terms of the Plan as approved by us.
- XI. The SRA shall have access to all the Corporate Debtor's records, documents, assets and premises with effect from the date of this Order.
- XII. The Applicant/RP is further directed to hand over all records, documents and properties of the Corporate Debtor to the SRA to enable it to carry on the business of the Corporate Debtor.
- XIII. Liberty is granted to the parties for moving any application, if required, in connection with implementation of this Plan.
- XIV. The Applicant/RP shall forward all records relating to the conduct of the CIRP and the Plan to the IBBI along with a copy of this Order for information and record.
- XV. The Applicant/RP shall forthwith send a certified copy of this Order to the CoC and the SRA respectively for necessary compliance.

- XVI. In case of non-compliance with this Order or withdrawal of the Plan, in addition to other consequences which follow under law, the CoC shall forfeit the Performance Security, already paid by the SRA.
- XVII. The Registry is directed to send electronic version of the Order to all the parties and their Ld. Counsel, including the IBBI for record.
- XVIII. **I.A. (I.B.C) No. 1085/MB/2023** in **C.P.(IB) No. 1171/MB/2021** is **allowed** and the **Plan is approved**. The I.A. is decided in terms of the above.

**Sd/-**  
**SANJIV DUTT**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**ASHISH KALIA**  
**MEMBER (JUDICIAL)**

//LRA-Tanmay Jain//