

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

**IA No. of 32 of 2025**

**IN**

**CP(IB) No. 383 of 2022**

Under Section 30 (6) of the Insolvency and Bankruptcy Code, 2016 (“Code”) r/w Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for seeking approval of the Resolution Plan under the provisions of Section 31(1) of the Code.

**IA No. 24 of 2025**

**In the Application of**

Mr.Prashant Jain Resolution Professional of Best IT World India Private Limited

**...Applicant/Resolution  
Professional**

**CP (IB) No.229 of 2024**

Axis Bank Limited

**...Financial Creditor/  
Petitioner**

**Versus**

Best IT World India Private Limited

**...Corporate Debtor/  
Respondent**

**Order Delivered on :17.06.2025**

***Coram:***

Hon’ble Member (Judicial) : SH. Justice Virendrasingh G. Bisht (Retd.)  
Hon’ble Member (Technical) : SH. Prabhat Kumar

***Appearances:***

For the Resolution Professional : Ms. Mily Ghoshal, Advocate

**ORDER**

1. The Resolution Professional of Best IT World India Private Limited (“**Corporate Debtor**”), Mr. Prashant Jain (“**Applicant**”), has filed an Application bearing **IA No. 32 of 2025 in CP(IB) No. 383 of 2022** seeking approval of Resolution Plan, submitted by **Zebronics India Private Limited (“Successful Resolution Applicant/SRA”)**, for insolvency resolution of the Corporate Debtor in terms of Sec. 31 of the Insolvency and Bankruptcy Code, 2016 (“**Code**”) after the approval of its Committee of Creditors (“**CoC**”).

**Brief Facts**

2. The Corporate Insolvency Resolution Process (“**CIRP**”) was initiated against the Corporate Debtor by order dated 22.05.2024, and Mr. Rakesh Kumar Tulsyan was appointed as the Interim Resolution Professional (“**IRP**”).
3. The IRP, acting as the Outgoing Resolution Professional, published a Public Announcement in Form-A on 24.05.2024 in accordance with Regulation 6 of the CIRP Regulations, inviting claims from creditors of the Corporate Debtor.
4. Upon receipt of the claims, the Committee of Creditors (“**CoC**”) was constituted at the 1<sup>st</sup> CoC meeting held on 21.06.2024.
5. In the 2<sup>nd</sup> CoC meeting held on 05.07.2024, the IRP invited Expression of Interest (“**EOI**”) in Form G under Regulation 36A(1) of the CIRP

Regulations from the general public. The paper publication of the invitation was made on 16.07.2024, with the last date for submission of Resolution Plans fixed as 30.09.2024.

6. The last date for submission of EOIs was 07.08.2024, as of which the IRP received a total of 11 EOIs. After due verification and diligence, a provisional list containing 11 Prospective Resolution Applicants (“PRAs”) was declared. Subsequently, on 26.08.2024, the IRP published the final list containing 11PRAs.
7. In the 3rd CoC meeting held on 16.08.2024, the Evaluation Matrix and the Request for Resolution Plan (“RFRP”) were discussed, deliberated, and approved.
8. The Interim Resolution Professional received emails containing Resolution Plans from six PRAs by the last date of submission, 30.09.2024:
  - i. Zebronics India Private Limited
  - ii. Link Telecom Private Limited
  - iii. Creative Newtech Limited
  - iv. Lenus Finvest Private Limited with Mr. Varun Daga
  - v. Anand Vihar Reality Private Limited
  - vi. Setu Securities Private Limited
9. In the 5<sup>th</sup> CoC meeting held on 04.10.2024, the IRP in the said meeting discussed the Resolution Plans in the presence of the respective PRAs and CoC members about the financial proposals and key aspects of the plans were presented before the CoC.
10. An application (IA No. 4461 of 2024) was filed before this Tribunal by IDBI Bank, a CoC member, seeking the appointment of the Applicant, Mr. Prashant Jain, as the Resolution Professional of the Corporate Debtor. Upon the appointment as the Resolution Professional (“RP”), the Applicant conducted the Section 29A verification, along with

detailed legal scrutiny and RFRP compliance mapping of the six received Resolution Plans.

11. In the 6<sup>th</sup> CoC meeting held on 25.10.2024, the CoC members resolved to approve an extension of 90 days in the CIRP Period in accordance with Section 12(2) this Code till 16.02.2025.
12. In the 7<sup>th</sup> CoC meeting held on 18.11.2024, the enhancement in the financial proposals of the Resolution Plans was discussed. Subsequently, the PRAs were requested to submit revised Resolution Plans incorporating their highest bids and ensuring compliance with the applicable provisions.
13. It is stated that after expiry of 90 days from the commencement of CIRP, total three claims (i.e from **(i)** Sonesh Khandelwal (Employee); **(ii)** Deputy Commissioner of Commercial Taxes and **(iii)** Assistant Commissioner (ST); and (iii) Chintadripet Assessment Circle (Chennai) were received. Thereafter, in the 8<sup>th</sup> of CoC meeting held on 11.12.2024, the CoC resolved to include those claims in the list of Creditors of the Corporate Debtor on the recommendation of RP. The Resolution Professional also received the claim from “Jigisha Jasmine Mistry (Creditor other than Financial & Operational Creditors)”, which was categorized as accepted in accordance with Regulation 13 of the CIRP Regulation, 2016.
14. In the 10<sup>th</sup> CoC meeting held on 20.01.2025, the revised Resolution Plans submitted by the PRAs were thoroughly examined and deliberated upon by the CoC members, considering compliance with the Code and Regulations, feasibility, viability, and the terms of the Bid Evaluation Matrix. In the said meeting, it was further noted that the members of the CoC recommended the inclusion of the claim submitted by Jigisha Jasmine Mistry in the list of Creditors.

15. In the 11<sup>th</sup> CoC meeting held on 12.02.2025 the CoC discussed to file an application for a 15-day extension of the CIRP period beyond the statutory 270 days till 3.3.2025 which was allowed by this Tribunal vide order dated 12.03.2025 The extension was necessitated to enable the CoC to complete the voting process on the Resolution Plans received from the PRAs.
16. The voting process for the Resolution Plans commenced on 30.01.2025 at 04:00 P.M. and concluded on 21.02.2025 at 08:00 P.M.
17. On 21.02.2025 , The CoC approved the Resolution Plan submitted by Zebrionics India Private Limited with a majority vote of **98.45%** through e-voting.
18. Subsequently, the Resolution Professional issued a Letter of Intent (“**LoI**”) dated 22.02.2025 to the Successful Resolution Applicant (“**SRA**”), directing submission of the Performance Security by 01.03.2025, which was duly received on 25.02.2025.
19. It is submitted that the Resolution Applicant initially offered an amount of Rs. 25,00,00,000/- (Rupees Twenty-Five Crores only). However, pursuant to the challenge mechanism rounds conducted by the RP, the financial proposal was substantially enhanced to Rs. 52,00,00,000/- (Rupees Fifty-Two Crores only).
20. The Resolution Applicant has submitted an affidavit affirming their eligibility to submit a Resolution Plan and that they are not disqualified or debarred under Section 29A of the Insolvency and Bankruptcy Code, 2016.

**Salient Features of the Resolution Plan**

21. The Resolution Applicant has proposed the constitution of a Monitoring Committee comprising the Resolution Professional, who shall act as the Chairperson of the Committee, one nominee from the

Committee of Creditors to safeguard the interests of the lenders, and one representative of the Resolution Applicant, i.e., Zebronics India Private Limited.

22. It is submitted that the Resolution Applicant has offered the following financial proposal as part of the Resolution Plan.:

Sr. No.	Description	Amount in Crore	Payment terms
1.	CIRP Costs including payment as per Regulation 31A of the CIRP Regulations, 2016 (estimated up-to or at actuals)- Estimated	1	Within 30 days of Approval of resolution plan by AA
2.	Operational Creditor	0.10	Within 30 days of Approval of resolution plan by AA
3.	Workmen & Employees	0.10	Within 30 days of Approval of resolution plan by AA
4.	Secured Financial Creditor	50.70	Within 30 days of Approval of resolution plan by AA
5.	Un Secured Financial Creditor – Related`	0	Not Applicable
6.	Un Secured Financial Creditor – Unrelated	0.10	Within 30 days of Approval of resolution plan by AA
7.	Any Other liability, incl-Contingent liabilities	0.00	Not Applicable
8.	Other Creditors	0.00	Not Applicable
<b>CONSIDERATION AMOUNT</b>		<b>52</b>	

23. It is stated that the Resolution Plan approved by the Committee of Creditors also specifies the sources of funds for its implementation, as set forth in the relevant clause of the Resolution Plan, which are as follows::

*"Clause 30.1 - In this Resolution Plan: Out of total Resolution Amount of Rs. 52 Crores (Rupees Fifty-Two Crores Only) will be brought upfront by the Resolution Applicant.*

*Clause 30.2 - The Resolution Applicant confirms that it has sufficient funds to make the payments described in (b) above and/or has the ability to raise such amounts from other sources also."*

24. The Resolution Plan shall be drafted to ensure that CIRP costs are paid with priority over all other payments. Additionally, payments to operational creditors and dissenting financial creditors shall be made before any payments to consenting financial creditors.
25. The approved Resolution Plan seeks the **reliefs and waivers** from this Tribunal.

**Statutory Compliance**

26. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution Plan of the Successful Resolution Applicant and confirms that this Resolution Plan:
- a) Provides for payment of Insolvency Resolution Process cost in a manner specified by the Board in the priority to the payment of other debts of the corporate debtor;
  - b) Provides for payment of debts of operational creditor in such manner as may be specified by the board which shall not be less than
    - (i) the amount to be paid to such creditors in the event of liquidation of the corporate debtor under Section 53; or
    - (ii) the amount that would have been paid to such creditors, if the amount to be distributed under the Resolution Plan had

been distribute in accordance with sub-section (1) of Section 53 in the event of liquidation of the corporate debtor.

- c) Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;
- d) The implementation and supervision of Resolution Plan;
- e) Does not 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 29A.

27. 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 CD.
- 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 AA in the past.
- d) The terms of the plan and its implementation schedule.
- e) The management and control of the business of the CD during its term.
- f) Adequate means of Supervising its implementation.
- g) The Resolution Plan Demonstrate 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

28. The Resolution Professional has annexed 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 Code and its Regulations. The relevant extracts, as otherwise stated elsewhere in the order, are as follows -

**FORM H**

**COMPLIANCE CERTIFICATE**

*I, Mr. Prashant Jain, an insolvency professional enrolled with Indian Institute of Insolvency Professional of ICAI and registered with the Board with registration number IBBI/IPA-001/IP-P01368/2018-2019/12131, am the Resolution Professional for the corporate insolvency resolution process )CIRP( of Best IT World India Private Limited.*

2. The details of the CIRP are as under:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Description</b>
1	Name of the CD	Best IT World Private Limited
2	Date of Initiation of CIRP	22/05/2024
3	Date of Appointment of IRP	22/05/2024
4	Date of Publication of Public Announcement	24/05/2024

5	<i>Date of Constitution of CoC</i>	<i>15/06/2024</i>  <i>Report taken on record by the Hon'ble NCLT on 18/07/2024.</i>
6	<i>Date of First Meeting of CoC</i>	<i>21/06/2024</i>
7	<i>Date of Appointment of RP</i>	<i>03/10/2024</i>  <i>Order received by the RP on 09/10/2024</i>
8	<i>Date of Appointment of Registered Valuers</i>	<i>12/07/2024</i>
9	<i>Date of Issue of Invitation for EoI</i>	<i>16/07/2024</i>
10	<i>Date of Final List of Eligible Prospective Resolution Applicants</i>	<i>26/08/2024</i>
11	<i>Date of Invitation of Resolution Plan</i>	<i>16/07/2024</i>
12	<i>Last Date of Submission of Resolution Plan</i>	<i>31/08/2024</i>
13	<i>Date of Approval of Resolution Plan by CoC</i>	<i>21/02/2025</i>
14	<i>Date of Filing of Resolution Plan with Adjudicating Authority</i>	<i>01/03/2025</i>
15	<i>Date of Expiry of 180 days of CIRP</i>	<i>18/11/2024</i>

16	<i>Date of Order extending the period of CIRP</i>	<i>Extension of CIRP by 90 days beyond 180 days- 06.12.2024 (5716 of 2024)</i>  <i>Extension of CIRP by 15 days beyond 270 days is pending - Filing No:- 2709138016912025.</i>
17	<i>Date of Expiry of Extended Period of CIRP</i>	<i>After Extension of 90 days beyond 180 days - 16/02/2025</i>  <i>After Extension of 15 days beyond 270 days - 03/03/2025</i>
18	<i>Fair Value</i>	<i>INR 56,80,60,202</i>
19	<i>Liquidation value</i>	<i>INR 41,49,00,008</i>
20	<i>Number of Meetings of CoC held</i>	<i>12</i>

3. I have examined the Resolution Plan received from Resolution Applicant – Zebronics India Private Limited and approved by Committee of Creditors )CoC( of Best IT World India Private Limited.

4. I hereby certify that-

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

*)ii( the Resolution Applicant- **Zebronics India 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 the provisions of the Code and the CIRP Regulations made thereunder. The Resolution Plan has been approved by 98.45% of voting share of financial creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.*

*)iv( I sought vote of members of the CoC by electronic voting system which was kept open at least for 24 hours as per the regulation 26.*

*5. The list of financial creditors of the CD Best IT World India Private Limited being members of the CoC and distribution of voting share among them is as under:*

<b><i>Sr. No.</i></b>	<b><i>Name of Creditor</i></b>	<b><i>Voting Share )%(</i></b>	<b><i>Voting for Resolution Plan )Voted for / Dissented / Abstained(</i></b>
<i>1</i>	<i>IDBI Bank Limited</i>	<i>47.7 %</i>	<i>Voted For Approval</i>
<i>2</i>	<i>AXIS Bank Limited</i>	<i>27.08 %</i>	<i>Voted For Approval</i>
<i>3</i>	<i>HDFC Bank Limited</i>	<i>15.5 %</i>	<i>Voted For Approval</i>
<i>4</i>	<i>The Cosmos Bank Pvt. Ltd.</i>	<i>6.73 %</i>	<i>Voted For Approval</i>

5	<i>Surendra Kumar Saraogi</i>	0.48 %	<i>Voted For Approval</i>
6	<i>Premlata Saraogi</i>	0.43 %	<i>Voted For Approval</i>
7	<i>Kanishk Saraogi</i>	0.48 %	<i>Voted For Approval</i>
8	<i>Shaila Saraogi</i>	0.05 %	<i>Voted For Approval</i>
9	<i>Geeta Devi Goel</i>	0.14 %	<i>Not participate in voting</i>
10	<i>Sarthak Traders</i>	1.19 %	<i>Not participate in voting</i>
11	<i>Creative Newtech Limited</i>	0.21 %	<i>Voted against the Resolution Plan</i>
	<b>Total</b>	<b>100.00 %</b>	

6. The Resolution Plan includes a statement under regulation 38)1A( of the CIRP Regulations as to how it has dealt with the interests of all stakeholders in compliance with the Code and regulations made thereunder.

7. The amounts provided for the stakeholders under the Resolution Plan is as under:

*Amount in INR*

<i>Sr. No.</i>	<i>Category of Stakeholder</i>	<i>Sub-Category of Stakeholder</i>	<i>Amount Claimed</i>	<i>Amount Admitted</i>	<i>Amount Provided under the Plan#</i>	<i>Amount Provided to the Amount Claimed (%)</i>
1	2	3	4	5	6	7
1			NA	NA	NA	NA

	Secured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21				
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	NA	NA	NA	NA
		(ii) who voted in favour of the resolution plan	1,83,41,24,098	1,83,41,24,098	50,70,00,000.00	27.64%
		Total[(a) + (b)]	1,83,41,24,098	1,83,41,24,098	50,70,00,000.00	27.64%
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	NA	NA	NA	NA
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	2,91,78,186	2,91,78,186	5,15,312	1.77%
		(ii) who voted in favour of the resolution plan	2,74,44,190	2,74,44,190	4,84,688	1.77%
		Total[(a) + (b)]	5,66,22,376	5,66,22,376	10,00,000	1.77%

3	Operational Creditors	(a) Related Party of Corporate Debtor	NA	NA	NA	NA
		(b) Other than (a) above:				
		(i) Government	1,01,54,64,944	1,01,51,00,318	8,69,447	0.09%
		(ii) Workmen	Nil	Nil	Nil	
		(iii) Employees	4,12,18,086	2,29,59,725	10,00,000	2.43%
		(iv) Other Operational Creditors	15,24,77,655	13,95,69,608	1,30,553	0.09%
		Total[(a) + (b)]	1,20,91,60,684	1,17,76,29,651	20,00,000.00	0.17%
4	Other debts and dues		2,32,23,905	2,31,65,005	Nil	0.00%
Total			3,12,31,31,063	3,09,15,41,130	51,00,00,000.00	16.33%

**Discussion and Decision:**

29. On perusal of the Resolution Plan, we find that the Resolution Plan provides for the following:

- a) Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
- b) Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.

- c) For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified U/s 30(2)(c) of the Code.
  - d) The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.
30. 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 Regulations.
31. The RP has filed Compliance Certificate in Form-H along with the Plan. On perusal the same is found to be in order. The Resolution Plan has been approved by the CoC by majority of 98.45%.
32. This Bench observes in the present application that the CoC has approved the Resolution Plan with 98.45% voting share, hence as per the CoC, the plan meets the requirements of being viable and feasible for the reviving the Corporate Debtor. The Resolution Plan provides for a detailed implementation. schedule with specific timelines and the manner in which the management, control and supervision of the Corporate debtor would lie.
33. In *K Sashidhar v. Indian Overseas Bank & Others* (in Civil Appeal No.10673/2018 decided on 05.02.2019) the Hon'ble Apex Court held that if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan as approved by CoC meets the requirements specified in Section 30(2). The Hon'ble Apex Court further observed that the role of the NCLT is 'no more and no less'. The Hon'ble Apex Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 and is limited to scrutiny of the Resolution Plan "as approved" by



the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in reference to matters specified in Section 30(2) when the Resolution Plan does not conform to the stated requirements.

34. The reliefs & concessions as prayed in the Resolution Plan 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 subject to the observations or limitations in the following paras and judicial precedents in case of *Municipal Corporation of Greater Mumbai vs. Abhilash Lal and Ors. (2019) ibclaw.in 480 NCLAT* :

- a) Any increase in the authorized share capital shall be subject to payment of prescribed fee, if any applicable, and filing of prescribed forms with the Registrar of Companies.
- b) 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.
- c) 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 subject to the relevant law/statute and adherence to the procedure prescribed thereunder.
- d) The SRA may file appropriate application, if required, for renewal of all Business Permits, licenses, permissions, 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. The contract with third parties shall be subject to consent of such parties. It is clarified that continuance or renewal of approvals/permission/license 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.

- e) No Governmental Authority (including regulatory, judicial and quasi-judicial authority) shall issue any orders, directions, decrees, Judgments etc. that will be in contravention of the provisions of the Resolution Plan (including the financial plan). The provisions of this Resolution Plan shall prevail over the provisions of all agreements / arrangements / purchase orders / work orders, etc. entered into by the Corporate Debtor to the extent of any inconsistencies.
- f) The carry forward of losses and unabsorbed depreciation shall be available to the extent and in the manner provided under the provisions of Income Tax Act, and the Income Tax Department shall be at liberty to examine the same. Further, the concerned tax authorities shall be at liberty to examine the carry forward of input tax credit available under Indirect Tax for its further carry forward.
- g) 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".

- h)** No orders levying any tax, demand or penalty from the Corporate Debtor in relation to period upto 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.
- i)** 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.
- j)** The resolution applicant shall, 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 or within such period as provided for in such law, whichever is later.
- k)** The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations of the Corporate Debtor and may be dealt by the appropriate Authorities in accordance with law in so far as such obligation pertains to a period after the approval of the Resolution Plan unless otherwise relaxed specifically.
- l)** The Corporate Debtor and its assets shall have immunity in terms of Section 32A of the I B Code in the manner provided therein.
- m)** As regards conversion of unpaid debt to all stakeholders into non-sustainable debt and thereafter deemed conversion of such debt into equity shares of the Corporate Debtor as contemplated by the Resolution Applicant, this Adjudicating authority has no objection as long as such conversions are permissible under the Companies Act, 2013 and accounting standards notified thereunder, however, the Income Tax Department shall be at

liberty to examine the tax implications arising from such conversion in terms of Section 2(24), Section 28 and Section 56 of the Income Tax Act, 1961 read with GAAR provisions thereunder.

- n) As regards stipulation that the Upfront Contribution infused by the RA pursuant to the Resolution Plan shall be considered as payment towards outstanding interest due to financial creditors based on the audited accounts prepared in accordance with clause 15.1(1) of the Resolution Plan to avoid qualification in relation to interest not accounted for earlier, since the Resolution Applicant is granted immunity from all past non-compliance(s), we are of considered view that the Resolution Applicant cannot suggest the manner in which the amounts set aside for payment to stakeholders are to be appropriated against their claims including interest. Hence, this stipulation is meaningless and cannot be allowed to be part of the Plan.
- o) As regards stipulation that the difference in book value and fair value of the assets shall be debited to the profit & loss account of the CD and would be allowed as a deduction for computation of taxable income for tax purposes, the said stipulation shall be subject to provisions of the Income Tax Act and shall be dealt with in accordance thereto.
- p) we are of considered view that deemed approvals or consent, as stipulated in the Resolution Plan, cannot be granted, however, the RA may take up the matter with respective authorities for the same upon NCLT approving the Plan within time-line specified in 15.9 of the Resolution Plan by the RA or in this Order elsewhere, whichever is later.
- q) Right to receivables as contemplated in Clause 6.1 shall be subject to right of set off available under the law to such debtor prior to CIRP date.

35. It is stated in clause 10 of the Resolution Plan that “*The Resolution Applicant has prepared this Resolution Plan on the basis of certain reliefs and concession set out below, and has assumed that upon approval of this Resolution Plan by the NCLT, the Corporate Debtor and the Resolution Applicant, as the case be shall be entitled to the following, reliefs from the NCLT or other authority.*” The Resolution Professional has placed on record an affidavit dated 12.06.2025 from the Director of Successful Resolution Applicant clarifying that “*considering the reliefs and concession that can be allowed by the Adjudicating Authority in line with the Judgment of the Hon'ble Supreme Court in Ghanshyam Mishra and Sons Private Limited v. Edelweiss Asset Company Resolution Reconstruction Limited, the Applicant undertakes that if any relief and concession sought in the Resolution Plan is not allowed or partly allowed by this Tribunal, the Resolution Applicant undertakes that it shall still implement the Resolution Plan unconditionally.*” It has also been clarified vide said affidavit that the clause 12.2 was included to bind the third parties only and has to be read accordingly.
36. 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 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.
37. The Resolution Plan along with the Addendum thereto annexed to the Application is hereby **approved**. It shall become effective from this date and shall form part of this order with the following directions:
- i. It shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the

time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.

- ii. The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/liabilities of the Corporate Debtor and shall be dealt by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned in light of the Judgment of Supreme Court in ***Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited***, the relevant paras 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*

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*such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued.”*

- iii. The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC), Mumbai, Maharashtra for information and record. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.
  - iv. The moratorium under Section 14 of the Code shall cease to have effect from this date.
  - v. 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.
  - vi. 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.
  - vii. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.
38. The Interlocutory Application No.32/2025 in C.P.(IB)/383(MB)2022 is accordingly is allowed and disposed of.

**Sd/-**  
**Prabhat Kumar**  
Member (Technical)

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