



**NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH (COURT-II), CHANDIGARH**

IA(I.B.C)(PLAN)/1(CH)2026
In
CP(IB) No.676/CHD/PB/2019
(Admitted)

[An Application under sub-section (6) of section 30 of the Insolvency and Bankruptcy Code, 2016, read with Regulation 39 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016]

In the matter of IA(I.B.C)(PLAN)/1(CH)2026,

Mr RAJNISH GUPTA,

Resolution Professional of Safari Bikes Limited

(Undergoing Corporate Insolvency Resolution Process)

Registration No. IBBI/IPA-001/IP-P00701/2017-2018/11221

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... APPLICANT/RESOLUTION PROFESSIONAL

In the matter of CP(IB) No.676/CHD/PB/2019

(An Application under section 9 of the Insolvency & Bankruptcy Code, 2016)

IN THE MATTER OF:

EMM AAR TRADERS

...OPERATIONAL CREDITOR

Versus

SAFARI BIKES LIMITED

... CORPORATE DEBTOR

Order delivered on: 11.06.2026

**Coram: Mr Kaushalendra Kumar Singh, Hon'ble Member (Technical)
Mr Khetrabasi Biswal, Hon'ble Member (Judicial)**



Present:

For the Applicant/RP : Mr Arora Vishwas Kumar, Advocate

For the SRA : Mr Nahush Jain, Advocate

ORDER

The present Application has been filed on 25.12.2025 by Mr. Rajnish Gupta, Resolution Professional (hereinafter referred to as the **“Applicant”** or **“RP”**) under sub-section (6) of section 30 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the **“Code”** or **“IBC”**), read with Regulation 39 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, for, inter alia, seeking approval of the Resolution Plan of **Consortium of ‘Investrekk Global Research Private Limited’ and ‘NVR and Associates Limited’** (hereinafter referred to as the **“Successful Resolution Applicant”** or **“SRA”**), in respect of **Safari Bikes Limited** (hereinafter referred to as the **“Corporate Debtor”**).

FACTS:

2. The averments made by the Applicant in the present Application and as presented by the Ld. Counsel for the RP are summarised as follows:

- (i) The Corporate Debtor is a Public Limited Company incorporated on 05.12.1995 under the Companies Act, 1956 (bearing CIN: U35921PB1995PLC017379) having its registered office at E-650 Phase-V Focal Point, Ludhiana, Punjab 141010. The Corporate Debtor



is stated to be an MSME and a copy of the MSME certificate has been annexed as Annexure A-36 to the Application.

(ii) The Corporate Debtor was incorporated as a 100% Export Oriented Unit. Initially engaged exclusively in exports, the Company earned goodwill through consistent quality standards. Thereafter, in 2001, it entered the domestic market and established itself as a reputed supplier of bicycles to various State Governments, having supplied more than one million bicycles under government tenders.

(iii) An Application under Section 9 of the Code for the initiation of the Corporate Insolvency Resolution Process ("CIRP") of the Corporate Debtor was filed by the Operational Creditor, namely Emm Aar Traders, bearing CP(IB)No.676/Chd/Pb/2019, and the same was admitted *vide* Order dated 27.07.2022. *Vide* the said Order dated 27.07.2022, Mr Rajnish Gupta was appointed as Interim Resolution Professional ("IRP"). On 25.08.2022, the 1st Committee of Creditors (hereinafter referred to as the "**CoC**") meeting of the Corporate Debtor was held, wherein the CoC approved the continuation of the IRP as the RP and thereafter, the same was approved by this Adjudicating Authority.

(iv) The CoC comprised solely of the State Bank of India, whose claim of Rs. 54,48,78,052/- was admitted to the extent of Rs. 54,10,72,485/-, thereby constituting 100% voting share in the CoC.



(v) As against the total claim received at Rs. 54,51,85,162/-, the RP admitted the claim to the extent of Rs. 54,13,79,595/-.

(vi) Pursuant to the publication of Form G for inviting Expression of Interest (EOI) thrice on 12.10.2022, 28.10.2022 and 23.12.2022 in the course of the CIRP, 3 (three) Resolution Plans were received from Prospective Resolution Applicants, namely from **(a) B&B Global Enterprise, (b) Investrekk Global Research Private Limited (consortium), and (c) Sunrise Industries**. The CoC considered the feasibility and viability of the Resolution Plans in its 10th, 11th, and 12th meetings; however, the representatives of the State Bank of India stated that internal approval was still awaited and sought deferment, while acknowledging the statutory mandate to conclude the CIRP before 11.06.2023. In the absence of any voting by the sole member of the CoC on the Resolution Plans placed before it, no Resolution Plan could be approved under Section 30 of the Code. Consequently, in view of the absence of an approved Resolution Plan and pursuant to the commercial decision taken by the CoC in its 13th Meeting, the RP proceeded to file a liquidation Application bearing **IA(IBC)1627(CH)/2023** under subsection (1) of Section 33 of the Code before this Adjudicating Authority.

(vii) During the pendency of the Liquidation Application, one of the Resolution Applicants, namely, Investrekk Global Research Private Limited, a member of the consortium of Resolution Applicants, filed an



Application bearing **IA(I.B.C)/2957(CH)/2023** seeking directions to the CoC to consider its Resolution Plan on merits. It was contended that liquidation would result in value erosion, and the Resolution Plan, having been submitted within the extended timelines, warranted consideration under sub-section (3) of Section 30 of the Code and Regulation 39 of the CIRP Regulations. Since the CoC had not voted upon the available Resolution Plans, this Adjudicating Authority, *vide* Order dated 18.03.2025, directed the CoC to consider the Resolution Plan and place its report on record, thereby keeping the resolution process open despite the pendency of the liquidation proceedings.

(viii) Accordingly, at the 17th and 18th meetings of the CoC, the Committee reconsidered the Resolution Plans in compliance with the Adjudicating Authority's Order dated 18.03.2025. After deliberation, the CoC found that the plans were commercially unviable and incapable of implementation. The CoC further resolved that no extension of the CIRP period was warranted and, accordingly, resolved to proceed with liquidation of the Corporate Debtor under Section 33 of the Code.

(ix) Subsequently, **IA(I.B.C)/2957(CH)2023** was again taken up, whereby it was contended that although the CoC Meeting was conducted pursuant to this Adjudicating Authority's earlier Order dated 18.03.2025 directing reconsideration of the pending plans within two weeks, Applicant was not allowed to present its enhanced financial



offer before the CoC, despite having communicated its willingness to revise the proposal and having deposited the earnest money as required. Upon hearing the parties, this Adjudicating Authority, *vide* Order dated 08.07.2025 directed the RP and the CoC to provide an opportunity to the Applicant to present its enhanced offer and further directed that a similar opportunity be extended to the other PRAs desirous of improving their Resolution Plans, with directions to convene a fresh CoC meeting accordingly.

(x) In the 19th meeting of the CoC, the Committee reconsidered the revised Resolution Plan in compliance with the Adjudicating Authority's directions and examined its feasibility, viability, and overall commercial terms. The RP informed that all three Resolution Applicants had expressed willingness to enhance their plans; however, within the extended timelines approved by SBI, only Investrekk Global Research Private Limited submitted a revised Resolution Plan along with the requisite EMD. The CoC thereafter deliberated upon the revised Resolution Plan and sought further clarifications from the Resolution Applicant, observing that upon receipt of the Addendum, the Plan would be placed before the higher authorities for approval.

(xi) 20th Meeting of the CoC was convened on 06.12.2025, wherein the CoC considered the revised Resolution Plan submitted by the consortium of Investrekk Global Research Private Limited and NVR & Associates Limited. After detailed deliberations, the CoC approved the



Resolution Plan along with the addendum dated 06.12.2025 with 100% voting share, whereby the Resolution Applicant undertook to bear the ongoing CIRP expenses from 01.10.2025 onwards and recognised the CIRP costs incurred up to 30.09.2025. Consequently, the CoC directed the RP to file an Application under subsection (6) of section 30 of the Code for approval of the Resolution Plan and withdrawal of the pending liquidation Application. This Adjudicating Authority, *vide* Order dated 19.12.2025, disposed of IA(IBC)1627(CH)/2023 as infructuous in view of the approval of the Resolution Plan by the CoC.

(xii) The RP filed the present Application on 25.12.2025 seeking approval of the Resolution Plan. The initial period of 180 days of the CIRP ended on 23.01.2023. Thereafter, the CIRP period was extended from time to time *vide* Orders dated 13.02.2023, 17.03.2023, and 29.05.2023. The extended CIRP period ultimately ended on 11.06.2023.

(xiii) On the basis of the Valuation Reports, the average fair value and average liquidation value of the Corporate Debtor have been arrived at as Rs. 6,30,68,408 /- and Rs. 4,32,54,205 /- respectively.

(xiv) The Resolution Plan value amounts to **Rs. 5,31,02,227**, including the CIRP cost of Rs. 40,00,000. The SRA has proposed payment of the said amount to the stakeholders within 180 days from the date of approval by this Adjudicating Authority.



(xv) The Resolution Plan provides for the payment of Rs. 5,31,02,227/- to the various Stakeholders (Inclusive of Rs. 40,00,000/- towards the CIRP cost (₹20,00,000 by RA) plus ₹20,00,000 from the amount proposed to the Financial Creditor (SBI) in terms of discussions held in the 20th CoC meeting). Also, Rs. 1,00,000 per month towards RP Fee and Cost (CIRP Cost) shall be payable wef. 01.10.2025. The details in this regard are given in the Table below:

Particulars	Amount Claimed (In Rs.)	Amount Admitted (In Rs.)	Realisable amount under the Plan (In Rs.)	Amount realisable in plan to the admitted claim in (%)
(i) CIRP Cost	-	-	40,00,000	
Financial Creditors				
(ii) Secured Financial Creditors				
State Bank of India	54,48,78,052	54,10,72,485	4,90,00,000/- (5,10,00,000-20,00,000 = 4,90,00,000/-)*	9.36%
(iii) Unsecured Financial Creditors	-	-	-	-
Operational Creditors				
(iv) Government Dues				
(a) Employee Provident Fund Organisation (EPFO)	2,227	2,227	2,227	100%
(b) Workmen Dues	Nil	Nil	Rs. 100/- per person (for unfiled Claims, if any)	
(c) Employees Dues	Nil	Nil	Rs. 100/- per claimant (for unfiled Claims, if any)	



(d) Other Operational Creditors	3,04,883	3,04,883	1,00,000	32.80%
(v) Other Debts and Dues	Nil	Nil	Nil (Rs. 100 per claimant will be payable for any belated claim raised during implementation.)	
Total	54,51,85,162	54,13,79,595	5,31,02,227	

* The CIRP cost proposed under the Resolution Plan is Rs. 20,00,000. Remaining CIRP Cost of Rs. 20,00,000 (i.e., Rs. 40,00,000 - Rs. 20,00,000 payable under Plan) shall be payable from the payment proposed to the Financial Creditor. Apart from that, the Resolution Applicant shall additionally pay Rs. 1,00,000 per month w.e.f. 01.10.2025 towards RP Fee and Cost (CIRP Cost).

(xvi) The RP has examined the Resolution Plan and required compliances thereon. For ready reference, the compliance examined by the RP is reproduced in the Table below:

Section of the Code/Regulation No.	Requirement with respect to the Resolution Plan	Compliance (Yes/No)	Relevant clause/Page No. of Resolution Plan
Section 25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of the business of the CD?	Yes	The Resolution Applicant meets the criteria approved by the members of the CoC
Section 29A	Whether the Resolution Applicant is eligible to submit a resolution plan as per the final list of the Resolution Professional or Order, if any, of the Adjudicating Authority?	Yes	As per the Affidavit annexed as Annexure A-32 to the Main Application
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Yes	As per the Affidavit annexed as Annexure A-32 to the Main Application.
Section 30(2)	Whether the Resolution Plan— (a) Provides for the payment of Insolvency Resolution Process Cost (b) Provides for the payment to the operational creditors	Yes	(a) Clause 4.2(A) provides for payment of CIRP Cost (refer to Page 31 of the Plan) r/w Clause 5(A) of the Addendum to the Plan dated 06.12.2025. (b) Clause 4.2(B) deals with workmen and employees.



	(c) Provides for the payment to the Financial Creditors who did not vote in favour of the resolution plan (d) Provides for the management of the affairs of the corporate debtor? (e) Provides for the implementation and supervision of the Resolution Plan (f) does not contravene any of the provisions of the law for the time being in force	Yes Yes Yes Yes Yes	Clause 4.2(C) deals with operational creditors other than employees and statutory dues. Clause 4.2(D) deals with governmental/statutory dues (Refer to Pages 31-33 of the Plan) read with Clause 5(B) of the Addendum. (c) Clause 4.2(E) deals with payment to the Financial Creditors. (d) Clause 4.2(H) ("Treatment with Equity Share Capital Directorship") provides that on approval of the plan the entire existing equity share capital shall stand extinguished and that the Resolution Applicant shall subscribe to 25,00,000 equity shares at par, setting out the post-plan shareholding and the appointment of new directors (Mr. Narinder Kumar Gaba, Mr. Vijay Kumar Gaba, and Mrs. Radhika Gaba). Refer to pages 37-38 of the Plan. (e) Clause 4.2(i) titled "Supervision and implementation of the Resolution Plan - Monitoring Committee". Refer to pages 38-39 of Plan. (f) Clause 4.2(J)(1) (under "Declaration") states in express terms that the "Resolution Plan does not contravene any of the provisions of the law for the time being in force." Additionally, Part D Conclusion, clause 4, records that all terms of the Resolution Plan are in conformity with the provisions of the IBC, 2016, including statutory requirements under section 30(2)(e). Refer Page39-40, & 50.
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC	Yes	20th CoC Minutes attached as Annexure A-31 to the Main Application.



	(b) has been approved by the CoC with 66% voting share	Yes	20th CoC Minutes attached as Annexure A-31 to the Main Application.
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC	Yes	Clause 4.2(I) on Page 38-39 of Plan.
Regulation 38(1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors	Yes	Clause 4.2(C) on Page 32-33 of Plan.
Regulation 38(1A)	Whether the Resolution Plan includes a statement as to how it has dealt with the interest of all stakeholders	Yes	Clause 4.2(G) on Page 37 of Plan.
Regulation 38(1B)	Neither the Resolution Applicant nor any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. If applicable, the Resolution Applicant has submitted a statement giving details of any such non-implementation	No	Clause 4.2(J) on Page 39-40 of Plan.
Regulation 38(2)	The Resolution Plan provides: (a) the term of the plan and its implementation schedule	Yes	Clause 4.2 (O) on Page 46 of plan
	(b) for the management and control of the business of the corporate debtor during its term	Yes	Clause 4.2 (H) on Page 37 of the plan.
	(c) adequate means for supervising its implementation	Yes	Clause 4.2(I) on pages 38-39 of the plan.
Regulation 38(3)	The Resolution Plan demonstrates that—		
	(a) it addresses the cause of default	Yes	Clause 2.2 on Page 19 of the plan.
	(b) it is feasible and viable	Yes	Clause 4.2 on Page 31 of plan.
	(c) it has provisions for its effective implementation.	Yes	Clause 4.2 (O) on Page 46 of the plan.
	(d) it has provisions for approvals required and the timeline of the same	Yes	Clause 4.2 (O) on Page 46 of the plan.
	(e) the resolution applicant has the capability to implement the resolution plan	Yes	Clause 4.2(P) on Page 47 of the plan.



Regulation 39(2)	Whether the RP has filed an Application in respect of transactions observed, found, or determined by him?	No	-
Regulation 39(4)	Provide details of performance security received as referred to in sub-regulation (4A) of Regulation 36B	Yes	The RA furnished a total of performance deposit/guarantee of INR 1.25 Crores. Bifurcation is mentioned below: -Rs. 25 Lakhs Through RTGS / NEFT dated 04.08.2025 (deposited as EMD, before voting on the Plans). -Rs. 35 Lakhs RTGS I NEFT dated 16.12.2025. -Rs. 65 Lakhs Bank Guarantee dated 19.12.2025. Copy Attached. Note: The amount transferred by the SRA in the account of Safari Bikes Limited has been kept in the form of Fixed Deposit. Performance PBG is at Page 494 of the main Application and Performance Security (FDR) is at Page 498 of the main Application.

3. During the course of hearing, *vide* Order dated 07.04.2026, this Adjudicating Authority directed compliance on three aspects, namely, exclusion of the CIRP period, clarification regarding ESIC dues, and issuance of notice to the Income Tax Authorities in relation to the reliefs sought under the Resolution Plan.

3.1 In respect of exclusion/extension of the CIRP period, Learned Counsel for the RP filed IA(IBC)No.569(CH)/2026 seeking exclusion of the period commencing from 11.06.2023, being the date of expiry of the CIRP period, to 25.12.2025, being the date of filing of the present Application seeking approval of the Resolution Plan. It was submitted that owing to the absence of voting by the sole member of the CoC on the Resolution Plans, no plan could initially be approved, and, consequently, a liquidation Application



came to be filed. Thereafter, pursuant to Orders dated 18.03.2025 and 08.07.2025 passed by this Adjudicating Authority in IA No. 2957/2023, the Resolution Plans were reconsidered, and the successful Resolution Plan along with its addendum was approved by the CoC in its 20th Meeting held on 06.12.2025. Considering that continuation of the process beyond the prescribed timeline resulted in successful resolution of the Corporate Debtor and prevented its liquidation, and further noting that the CoC had approved the exclusion with a 100% voting share in its 21st Meeting dated 17.04.2026, this Adjudicating Authority, *vide*, Order dated 27.04.2026, allowed exclusion of the period from 11.06.2023 to 25.12.2025 from computation of the CIRP period and disposed of the Application accordingly.

3.2 In respect of ESIC dues, it was noted from Form H and the proposed distribution mechanism that although the admitted claim of EPFO amounting to Rs. 2,227/- had been proposed to be paid, there was no disclosure regarding dues, if any, payable towards ESI. In compliance thereof, an Affidavit was filed, *vide* Diary No. 03426/1, stating that upon verification of the books of account and records of the Corporate Debtor, no dues towards ESIC were reflected as payable and no claim had been submitted by the ESIC before the IRP or the RP during the CIRP of the Corporate Debtor.

3.3 In respect of the relief sought relating to carried-forward losses under Section 79(1)(c) of the Income Tax Act, 1961, notice/intimation was issued to the office of the Principal CIT, Ludhiana, on 21.04.2026, informing that the



Resolution Plan contemplated a change in shareholding and sought the benefit of carry-forward and set-off of accumulated losses and unabsorbed depreciation in terms of the corresponding provisions of the Income Tax Act, 2025. The copy of the said notice/intimation has been annexed as Annexure A-1 to the Affidavit. The Successful Resolution Applicant further undertook that the reliefs relating to carryforward and setoff of losses, as well as compliance concerning MAT, shall be governed by the corresponding provisions of the Income Tax Act, 2025, without affecting the commercial viability or financial commitments under the Resolution Plan. The copy of the said Affidavit has been annexed as Annexure A-2 to the Affidavit. It is further noted that an updated Form H was filed, *vide* Diary No. 03426/3, incorporating the corresponding provisions of the Income Tax Act, 2025.

4. We have considered the submissions made by the Learned Counsel for the RP and have carefully perused all the pleadings placed on the records. It is noted that the CoC approved the Resolution Plan of the **Consortium of 'Investrekk Global Research Private Limited' and 'NVR and Associates Limited'** by 100% of the votes, and as such, it is not necessary for us to go into details of the commercial wisdom of the CoC. We, therefore, proceed to examine the plan in light of provisions contained in sections 30(2) and 31 of the Code r.w. Regulation 38 of the IBBI (CIRP of the Corporate Persons) Regulations, 2016. The RP has placed on record the compliance certificate in Form-H. It shows that the fair value of the assets of the Corporate Debtor is Rs. 6,30,68,408/-, whereas the liquidation value of the Corporate Debtor is



Rs. 4,32,54,205/-. The Resolution Plan value as proposed by the SRA is **Rs.5,31,02,227/-** (Plus additional payment towards CIRP Cost at Rs. 1,00,000 per month w.e.f. 01.10.2025)

5. In order to obtain the approval of the Adjudicating Authority, the Resolution Plan should adhere to the following requirements as per section 30(2) of the Code and Regulation 38 of the CIRP Regulations thereunder:

(i) The Resolution Plan should provide for the payment of Corporate Insolvency Resolution Process costs in priority to the repayment of other debts of the Corporate Debtor.

[Section 30(2)(a)];

(ii) The repayment of the debts of Operational Creditors should not be less than the amount to be paid to such creditors in the event of liquidation of the corporate debtor under section 53 of the Code or the amount that would have been paid to the said creditors if the amount to be distributed under the resolution plan had been distributed in accordance with section 53(1) of the Code.

Moreover, the payment to the Operational Creditor is to be made in priority over the Financial Creditor;

Further, the repayment of the debts of dissenting Financial Creditors should not be less than the amount that would have been paid to such creditors in the event of liquidation of the corporate debtor under section 53 of the Code, and the payment to said dissenting Financial Creditor is to be made in priority to the consenting financial creditors.



[Section 30(2)(b) read with CIRP Regulation 38(1)(a) & 38(1)(b)];

- (iii) Provides for the management of the affairs of the Corporate Debtor after approval of the Resolution Plan.

[Section 30(2)(c) read with CIRP Regulation 38(2)(b)];

- (iv) The implementation and supervision of the Resolution Plan.

[Section 30(2)(d) read with CIRP Regulation 38(2)(c)]

- (v) The Resolution Plan does not contravene any of the provisions of the law for the time being in force.

[Section 30(2)(e)];

- (vi) The Resolution Plan conforms to such other requirements as may be specified by the Board.

[Section 30(2)(f)]

Such other requirements of the Resolution Plan as detailed in IBBI (Resolution Process for Corporate Person) Regulations, 2016 which are not covered above, are as follows:

- (a) The Resolution Plan should include a statement as to how it has dealt with the interests of all stakeholders, including financial creditors and operational creditors of the corporate debtor.

[CIRP Regulation 38 (1A)]

- (b) The Resolution Plan should include a statement giving details as to whether the Resolution Applicant or any of its related parties has at any time failed to implement or caused the failure



of implementation of any other Resolution Plan which was approved by the Adjudicating Authority.

[CIRP Regulation 38 (1B)]

(c) A Resolution Plan cannot assign undisclosed avoidance, fraudulent, or wrongful trading transactions unless they were included in the information memorandum and informed to all prospective resolution applicants before the last date for submission of resolution plans.

[CIRP Regulation 38(2A)]

(d) The Resolution Plan should contain the term of the plan and its implementation schedule.

[CIRP Regulation 38(2)(a)]

(e) The Resolution Plan should also demonstrate that it addresses the cause of default, is feasible and viable, has provisions for its effective implementation, and has provisions for the required approval and a timeline for the same. Further, the resolution applicant has the capability to implement the Resolution Plan.

[CIRP Regulation 38(3)]

6. In view of the provisions of the Code as summarised hereinabove in paragraph 5, the Resolution Plan is examined as follows:

(i) The Resolution Plan provides for payment of CIRP costs aggregating to Rs. 40 lakhs. It has been submitted that an amount of



Rs. 20 lakhs is payable under the Resolution Plan, while the remaining amount of Rs. 20 lakhs shall be adjusted from the distribution proposed towards the Financial Creditor, namely, the State Bank of India. It has further been submitted that the Resolution Applicant shall additionally pay Rs. 1,00,000 per month w.e.f. 01.10.2025 towards RP fee and CIRP costs, which shall be settled within 30 days from approval of the Resolution Plan. Accordingly, the requirement under Section 30(2)(a) of the Code stands complied with.

(ii) The Committee of Creditors consists solely of the State Bank of India, being a secured Financial Creditor holding a 100% voting share. The said sole member of the CoC has approved the Resolution Plan with a 100% voting share, and, accordingly, there are no dissenting Financial Creditors.

The operations of the Corporate Debtor came to a halt in the year 2021. Thereafter, State Bank of India, being the sole lender of the Corporate Debtor, took physical possession of the plant of the Corporate Debtor in exercise of its rights under the SARFAESI proceedings. Since then, no workmen or employees have been engaged by the Corporate Debtor; and as such, there are no claims from workmen/employees for that period. Further, as against the total admitted dues of Operational Creditor (other than workmen, gratuity, and PF dues) at Rs. 3,04,883/-, the Resolution Plan provides for payment of an amount of Rs. 1,00,000/-, which is 32.80% of their



admitted claim. As provided under Section 30(2)(b) of the Code, the repayment of debts of an Operational Creditor should not be less than the amount to be paid to such Creditor under Section 53 of the Code or the amount that would have been paid to such Creditor if the amount distributed under the Resolution Plan had been distributed in accordance with Section 53(1) of the Code.

In the present case, the liquidation value of the Corporate Debtor is Rs. 4,32,54,205/-, whereas the Resolution Plan value is Rs. 5,31,02,227/- against the total admitted claim of Rs. 54,13,79,595/-, including a debt of Rs. 54,10,72,485 admitted in favor of the Secured Financial Creditor (SBI) alone. Even if this Liquidation Value or the plan value were to be distributed strictly in accordance with the priority set out under Section 53 of the Code, the entire amount would be fully absorbed by the higher-priority stakeholders, particularly the Secured Financial Creditors, leaving no residual amount for the Operational Creditors. Despite this, the Resolution Plan provides for payment to the Operational Creditors (other than workmen dues, PF and gratuity), though the amount is quite nominal at Rs. 1,00,000/-, which is 32.80% of their admitted claim. Thus, as regards the payment of the Operational Creditor, the Resolution Plan is compliant with the provisions of Section 30(2)(b) read with Regulations 38(1)(a) and 38(1)(b) of the CIRP Regulations.



(iii) The plant of the Corporate Debtor is a closed unit. Upon approval of the Resolution Plan by this Adjudicating Authority, the entire existing equity share capital of Safari Bikes Ltd. shall stand extinguished and the Resolution Applicant, being the consortium of Investrekk Global Research Private Limited and NVR & Associates Limited, shall infuse fresh equity by subscribing to 25,00,000 equity shares of face value Rs. 10/- each, thereby acquiring 100% shareholding and control of the Corporate Debtor. Consequent thereto, the existing directors of the Corporate Debtor shall cease to hold office, and the management and control of the Corporate Debtor shall vest in the Resolution Applicant, which proposes to appoint Mr Narinder Kumar Gaba, Mr Vijay Kumar Gaba, and Ms Radhika Gaba as directors. Thus, we find that adequate provisions have been made for the management of the affairs of the Corporate Debtor after approval of the Resolution Plan, and as such, the provisions of Section 30(2)(c) of the Code r/w CIRP Regulation 38(2)(b) of the CIRP Regulations have been complied with.

(iv) The Resolution Plan also provides that the supervision and implementation of the Resolution Plan shall be undertaken by the Monitoring Committee. Upon the Effective Date, a Monitoring Committee shall be constituted for supervision and implementation of the Resolution Plan, comprising the Resolution Professional as Chairperson, one nominee of the Financial Creditor, and one



representative of the Resolution Applicant. The Resolution Applicant shall pay a sum of Rs. 50,000/- per month towards the fee of the Chairperson of the Monitoring Committee and shall further bear all expenses incurred by the Monitoring Committee, including legal expenses, if any. As such, the provisions of Section 30(2)(d) r/w Regulation 38(2)(c) are complied with.

(vi) The RP has submitted that the plan does not contravene any provisions of law. We also noted that the plan does not contravene any provisions of the law for the time being in force. Thereby, the provisions of Section 30(2)(e) have been complied with.

(vii) The Resolution Plan also conforms to other IBBI Regulations as given hereunder:

(a) The Resolution Plan adequately deals with the interests of all stakeholders, including Financial Creditors and Operational Creditors of the Corporate Debtor. Thereby, the plan is in compliance with Regulation 38(1A) of the CIRP Regulations.

(b) It is submitted that neither the Resolution Applicant nor any of its related parties has at any time failed to implement or contributed to the failure of implementation of any other Resolution Plan which was approved by the Adjudicating Authority. Thereby, the plan is in compliance with CIRP Regulation 38(1B) of the CIRP Regulations.

(c) The Resolution Applicant has submitted that no avoidance

transactions under Sections 43, 45, 49, 50 or 66 of the Code were identified during the CIRP and, accordingly, compliance with Regulation 38(2A) of the CIRP Regulations does not arise.

(d) The Resolution Applicant proposes to implement this Resolution Plan within a period of 180 Days from the date of Approval of the Resolution Plan by this Adjudicating Authority (Effective Date). The term of the plan and its implementation schedule have been provided in Clause 4.2 (O) of the Resolution Plan, which is as follows:

Category of Stakeholder	Realisable Amount under the Plan (Rs.)	Payment Timeline
CIRP Costs	40,00,000*	Within 30 days from NCLT Approval Date (Clause 4.2 (A) at Page 80 of Plan and Clause 5 (A) in addendum at Page 106 of IA (Plan))
Secured Financial Creditor (State Bank of India)	4,90,00,000	Resolution Applicant proposes payment of (a) Rs. 1,00,00,000 within 15 days from the NCLT Approval date. (b) Rs. 1,50,00,000 within 90 days from NCLT Approval date (c) Rs. 2,60,00,000 within 180 days from NCLT Approval. (Clause 4.2 (E) in Resolution plan at pg 83)
Operational Creditors (Government dues - EPFO)	2,227	Within 15 days from the NCLT Approval Date. (Clause 5(B) addendum at pg. 106 of Plan)
Operational creditors (Others - EMM AAR Traders)	1,00,000	Within 15 days from the NCLT Approval Date. (Clause 4.2(C) at pg. 81 of Plan)
Workmen Dues	Rs. 100/-	Within 30 days of Demand (Clause

		4.2 (B) at pg. 80 of Plan)
Other debt and Dues (Unfiled/Unaccepted Claims)	Rs. 100/-	Within 30 days of Demand (Clause 4.2 (B) at pg 80 of Plan)
Equity Shareholders	Nil	Within 30 days of Demand (Clause 4.2 (F) at pg 85 of Plan)
Total Resolution Payment	5,31,02,227	

*NOTE: Total CIRP cost up to 30.09.2025 is Rs. 40,00,000. The CIRP Cost proposed under the Resolution Plan is Rs. 20,00,000. Remaining CIRP Cost of Rs. 20,00,000/- (i.e., Rs. 40,00,000 - Rs. 20,00,000 payable under Plan) shall be payable from the payment of Rs. 5,10,00,000/- proposed to the Financial Creditor. Apart from the same, the Resolution Applicant shall additionally pay Rs. 1,00,000 per month w.e.f. 01.10.2025 towards CIRP Cost and RP Fee in terms of the Addendum dated 06.12.2025.

(e) The primary reason for default is stated to be substantially reduced operations in the factory of the Corporate Debtor, owing to which its financing arrangements with State Bank of India became irregular and remained unpaid. Consequently, the said Financial Creditor took physical possession of the unit of the Corporate Debtor on 13.12.2021 under the SARFAESI proceedings. The Resolution Plan provides for the infusion of fresh funds to improve the operational efficiency of the Corporate Debtor. The Resolution Applicant submits that the Resolution Applicant shall fund the Corporate Debtor in order to make the payment to the entitled creditors under this Resolution Plan from its own sources/own funds, which are readily available with the Resolution Applicant (Consortium). Thus, Regulation 38(3) of the CIRP Regulations has been complied with.



8. It is noted that the Resolution Plan has been jointly submitted by a consortium comprising Investrekk Global Research Private Limited, holding a 51% shareholding, and NVR & Associates Limited, holding a 49% shareholding. It has been submitted that the aforesaid entities are owned and controlled by the Gaba family, based in Delhi. It is further noted that Narendra Kumar Gaba, Director in both the consortium entities, possesses substantial experience in the field of electric vehicle manufacturing.

9. The Reliefs are sought by the Resolution Applicant in Clause 4.2 (K) of the Resolution Plan. The Resolution Applicant is seeking certain reliefs, which are in the nature of a prayer and not a condition precedent for the implementation of the Resolution Plan. The Reliefs so sought by the SRA are summarised here as follows:

(i) Upon approval of the Resolution Plan by this Adjudicating Authority, all liabilities, claims, dues, and obligations of the Corporate Debtor pertaining to the period prior to the approval date, whether admitted, contingent, crystallized, disputed, known, or unknown, shall stand extinguished and satisfied in terms of the Resolution Plan, and no further liability shall devolve upon the Resolution Applicant or the Corporate Debtor beyond the amounts proposed under the Resolution Plan;

(ii) All liabilities and claims not forming part of the books of account of the Corporate Debtor or not admitted by the Resolution Professional, including claims of financial creditors, operational creditors,



Government Authorities, workmen, and employees shall stand extinguished and abated;

(iii) Reliefs under the Income Tax Act in relation to the carry forward and set off of accumulated losses and unabsorbed depreciation, MAT benefits, and waiver/extinguishment of tax liabilities, assessments, reassessments, proceedings, notices, and consequential demands pertaining to the period prior to approval of the Resolution Plan have been sought;

(iv) All pending or prospective proceedings, recovery actions, arbitral claims, show cause notices, litigations, and criminal proceedings against the Corporate Debtor in relation to liabilities arising prior to approval of the Resolution Plan, including those initiated by Governmental or Statutory Authorities, shall stand withdrawn, abated, or extinguished;

(v) The existing shareholding of the Corporate Debtor shall stand extinguished without any further procedure or payment to existing shareholders, and the restructured shareholding under the Resolution Plan shall come into effect upon approval of the Resolution Plan;

(vi) In the event of non-cooperation by the erstwhile management in the finalisation or signing of past financial statements, the Monitoring Committee shall be entitled to finalise and sign the same on behalf of the Corporate Debtor, without prejudice to the rights of the statutory authorities to proceed against the erstwhile management for past



non-compliances or misstatements. The Resolution Applicant and incoming management shall not be liable for acts, omissions, or irregularities pertaining to the period prior to handover of control;

(vii) All agreements, contracts, leases, subleases, memoranda, and other arrangements executed by or in favor of the Corporate Debtor shall continue to remain valid and enforceable notwithstanding the change in management or shareholding pursuant to approval of the Resolution Plan.

10. We have considered the prayers so made with regard to the Reliefs and Waivers as sought for and stated in Clause 4.2 (K) of the Resolution Plan.

10.1 The unpaid liabilities after the approval of the Resolution Plan and the claims not filed at all with the RP during the CIRP and those which are not included in the Resolution Plan shall be extinguished. The reliance has been placed upon the judgment of the Hon'ble Supreme Court in the case of ***Ghanshyam Mishra and Sons Private Limited vs. Edelweiss Asset Reconstruction Company Limited and Ors. Reported in MANU/SC/0273/2021***, which reads as follows:

86. ".....The legislative intent behind this is to freeze all the claims so that the resolution applicant starts on a clean slate and is not flung with any surprise claims. If that is permitted, the very calculations on the basis of which the resolution applicant submits its plans, would go haywire and the plan would be unworkable.

87. We have no hesitation to say that the word "other stakeholders" would squarely cover the Central Government, any State Government or any local authorities. The legislature, noticing that on account of obvious omission, certain tax authorities were not abiding by the mandate of I&B Code and



continuing with the proceedings, has brought out the 2019 amendment so as to cure the said mischief....”

10.2 After the Corporate Debtor is taken over by the new management, no inquiry, investigation, litigation, etc. will be made against it in relation to the period prior to the CIRP.

10.3 As regards allowing carryforward losses, it is to be noted that following the process of the CIRP and on extinguishment of the unpaid liabilities, the financial accounts are to be recasted by providing suitable accounting entries whereby the extinguished liabilities, together with the extinguished share capital of the previous management, would get converted into the Capital/General Reserve, and as such, the accumulated losses, if any, will have to be, first of all, set off against such a reserve. For the balance amount, if any, the SRA can approach the Income Tax Authorities.

10.4 As regards other reliefs and concessions sought by the Resolution Applicant, we direct the said SRA to approach the concerned statutory authorities for those concessions, and those authorities will consider the same as per the provisions of law under the relevant Acts, keeping in view the intent and object of the Code.

10.5 The relief, which is not specifically provided, should not be treated as being allowed. Even if no relief or concessions are granted by the authorities concerned, then also SRA is bound to implement the Resolution Plan effectively without taking shelter of refusal by the authorities concerned by the non-implementation of the plan. Nevertheless, the SRA will also have



liberty to file an appropriate Application, if so required, for seeking any specific relief which is not granted hereinabove and/or denied by the concerned authority.

CONCLUSION:

11. In view of the discussions and findings as made hereinabove, this Adjudicating Authority is satisfied that the Resolution Plan has complied with the provisions with regard to its effective implementation. Therefore, we are satisfied that the Resolution Plan in question meets the requirements as referred to in sub-section (2) of section 30 of the IBC and the Resolution Plan also contains the provisions for its effective implementation. As a result, we accord our approval to the Resolution Plan as approved and recommended by the CoC, which was submitted by **Consortium of 'Investrekk Global Research Private Limited' and 'NVR and Associates Limited'** for the Corporate Debtor with the following directions:

- (i) The Resolution Plan 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 approved 'Resolution Plan' shall become effective from the date of this Order.



(iii) The Order of moratorium dated **27.07.2022** passed by this Adjudicating Authority under section 14 of the Code shall cease to have effect from the date of this Order.

(iv) The Resolution Professional shall forthwith send a copy of this Order to the participants and the Resolution Applicant(s).

(v) The Resolution Professional shall forward all records relating to the conduct of the Corporate Insolvency Resolution Process and Resolution Plan to the Insolvency and Bankruptcy Board of India to be recorded in its database.

12. As a result, the Application bearing **IA(I.B.C)(PLAN)/1(CH)2026** in **CP(IB) No.676/CHD/PB/2019** stands allowed.

Sd/-
Khetrabasi Biswal
Member (Judicial)

Sd/-
Kaushalendra Kumar Singh
Member (Technical)
Gitesh