

IN THE NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD  
DIVISION BENCH  
COURT - 1

ITEM No.301- IA/27(Plan) (AHM) 2024  
In  
C.P.(IB)/123(AHM)2022

Order under Section 30 IBC

IN THE MATTER OF:

Mr. Vinod Tarachand Agrawal  
RP of M/s. Jay Formulation Limited

.....Applicant

.....Respondent

Order delivered on: 05/05/2025

Coram:

Mr. Shammi Khan, Hon'ble Member(J)  
Mr. Sanjeev Kumar Sharma, Hon'ble Member(T)

PRESENT:

For the Applicant :  
For the Respondent :

ORDER  
(Hybrid Mode)

The case is fixed for pronouncement of the order. The order is pronounced in the open Court, vide separate sheet.

-sd-

SANJEEV KUMAR SHARMA  
MEMBER (TECHNICAL)

-sd-

SHAMMI KHAN  
MEMBER (JUDICIAL)



**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH, COURT-I, AHMEDABAD**

**IA/27(PAN)/AHM/2024  
IN  
C.P.(IB)/123(AHM)2022**

*[An application under Sections 30 and 31 of the Insolvency and Bankruptcy Code, 2016 r/w Regulation 39 of the IBBI (IRPCP) Regulations, 2016]*

**In the matter of: Jay Formulations Limited.**

**Vinod Tarachand Agrawal,**  
Resolution Professional of Jay Formulation Ltd.,  
Having office at:  
204, Wall Street-1, Near Gujarat College,  
Ellisbridge, Ahmedabad-380006.

**.... Applicant/RP**

**Order Pronounced On: 05.05.2025**

**C O R A M:**

**SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)  
SH. SANJEEV KUMAR SHARMA, HON'BLE MEMBER (TECHNICAL)**

**APPEARANCE:**

For the Applicant/RP : Mr. Jaimin Dave, Adv a.w. Mr. Vinod Agarwal,  
RP in person  
For the Respondents : Mr. Nipun Singhvi, Adv. a.w. Mr. Mayur



Jugtawat (IA/1249(AHM)2024) dissenting  
FC/SIDBI

: Ms. Ritu Guru, Adv. for State Tax Dept.

: Mr. Nitin Mehta, Adv. for FC/SBI

**ORDER**  
**[Per: Bench]**

1. The is an application being IA/27(AHM)2024 filed on 27.06.2024 vide diary no. E1598 by the Applicant/Resolution Professional of Jay Formulations Ltd., under Sections 30 and 31 of the Insolvency and Bankruptcy Code, 2016 (for short "**Code**"), seeking the following prayers: -

- a. YOUR LORDSHIPS may be pleased to allow the present application;
- b. YOUR LORDSHIPS, may be pleased to approve the Resolution Plan of M/s. Aquatic Remedies Limited dated 26.04.2024 at ANNEXURE -Q;
- c. YOUR LORDSHIPS, may be pleased to hold that in accordance with Section 31(1) of the Insolvency and Bankruptcy Code, 2016, the approved Resolution plan shall be binding on the Corporate Debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the Resolution Plan;
- d. YOUR LORDSHIPS, may be pleased to hold that since the resolution plan



results in change in the management or control of the Corporate Debtor, according to Section 32A of the Insolvency and Bankruptcy Code, 2016, notwithstanding anything to the contrary contained in this Code or any other law for the time being in force, the liability of a Corporate Debtor for an offence committed prior to commencement of the CIRP shall cease, and the Corporate Debtor shall not be prosecuted for such an offence from the date the Resolution plan has been approved by this Hon'ble Adjudicating Authority under Section 31 of the Insolvency and Bankruptcy Code, 2016;

- e. YOUR LORDSHIPS, may be pleased to grant any other relief as may deem fit in the interest of justice.

2. In support of the application, it is stated that: -

- i) Jay Formulations Limited – Corporate Debtor under CIRP is a company having registered address at 13, 1<sup>st</sup> Floor, Hari-Krishna Complex, Behind City Gold, Ashram Road, Ahmedabad-380009.
- ii) An application was filed under Section 7 of the Code by the State Bank of India vide CP(IB) No. 123 of 2022, which was allowed by the order of this Adjudicating Authority dated 26.09.2023 ordering commencement of Corporate Insolvency Process (CIRP) against M/s Jay Formulations Ltd, the Corporate Debtor (CD) by appointing the applicant as Interim Resolution Professional (for short **"IRP"**). Thereafter, the said IRP was confirmed as Resolution Professional (**"RP"**) on 26.10.2023 by the Committee of Creditors (**"CoC"**).
- iii) The Applicant invited claims in accordance with the relevant provisions of the Code, and Regulations framed thereunder, by



issuing the prescribed Form-A dated 28.09.2023 in the newspapers. Pursuant to which the Applicant received the claims from the stakeholders and as on 18.10.2023, and constituted the Committee of Creditors ("CoC") in the following manner: -

<i>Sr. No.</i>	<i>Name of the Member</i>	<i>Nature of Debt</i>	<i>Amount of Claim Admitted (in Rs.)</i>	<i>Voting Share (in %)</i>
1.	State Bank of India	Secured	80,10,32,427/-	92.07
2.	SIDBI	Secured	6,89,63,154/-	7.93
<b><i>TOTAL:</i></b>			<b>86,99,95,582/-</b>	<b>100</b>

- iv) On 20.11.2023, after the first meeting of the COC, the Applicant published Form-G for EOI in English and vernacular daily.
- v) Subsequently, on 07.11.2023, the Applicant appointed the following valuers for determining the value of the assets of the Corporate Debtor:

<i>Sr. No.</i>	<i>Name of the Valuer</i>	<i>Particulars of the Asset to be valued</i>
1.	Parth Shah	Land & Building
2.	Paresh Shah	Land & Building
3.	Devang Shah	Plant & Machinery
4.	Vishal Shah	Plant & Machinery
5.	Chirag Shah	Securities & Financial Assets
6.	Chetan Shah	Securities & Financial Assets

- vi) Thereafter, 2<sup>nd</sup> CoC meeting was held on 11.12.2023 wherein, the CoC was reconstituted as under: -



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Sr. No.	Name of the Member	Nature of Debt	Amount of Claim Admitted (in Rs.)	Voting Share (in %)
1.	State Bank of India	Secured	80,10,32,427/-	90.75
2.	SIDBI	Secured	6,89,63,154/-	7.86
3.	TATA Capital Financial Services Limited	Secured	1,22,31,027/-	1.30
TOTAL:			88,27,01,868/-	100

- vii) The appointments of all registered valuers were approved by the CoC in the 2<sup>nd</sup> CoC meeting held on 11.12.2023. During the said meeting, Applicant also apprised the members of CoC regarding the finalisation of a Request for Resolution Plan (RFRP) and Evaluation Matrix in accordance with Regulation 36 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- viii) Pursuant to publication of Form-G, the Applicant received 46 EoIs as on 11.12.2023. On 16.12.2023, Applicant published a list of Prospective Resolution Applicants ("**PRAs**") which included the following seven persons meeting with the eligibility criteria: -

Sr. No.	Name	Entity Type
1	Adi Impex Infra Services	Partnership Firm
2	Amatya Enterprise Private Limited	Company
3	Aquatic Remedies Limited	Company
4	Galactica Corporate Services Limited	Company
5	Hasmukh Tarachand Agrawal	Individual
6	HR Commercial Private Limited CROWN Steels Sunrise Industries	Consortium (Company & Partnership Firm)
7	Pacific Pipes Systems Private Limited	Company

- ix) Furthermore, the CoC approved the Request for Resolution Plan and Evaluation Matrix and further approved the appointment of



Mukesh Kumar Jain & Co as a Transaction Auditor.

- x) The 4<sup>th</sup> meeting of the CoC was held on 06.02.2024 wherein the Applicant apprised the CoC about the claims received from various creditors post 3<sup>rd</sup> CoC meeting, but before issuance of RFRP, and claims received post issuance of RFRP, which is as under:-

Claims received from various creditors post third CoC meeting but before issuance of Request for Resolution Plan					
Sr. No.	Name of the Creditor	Category of Creditor	Amount Claimed	Amount Admitted	Under Verification
1	Poonawalla Fincorp Ltd	Unsecured Financial	18,57,990	2,80,701	NIL
2	Bajaj FinServ. Ltd	Unsecured Financial	9,16,430	8,57,611	NIL
3	Yes Marketing	Operational (Other than Employees and Govt Dues)	1,93,877	1,06,200	NIL
4	43 Claims in the capacity of Employees or Workmen	Employees & Workmen	1,19,08,820	NIL	1,19,08,820/-
Claims received from various creditors post issuance of Request for Resolution Plan					
1.1	HFL Finance Ltd MAS Financials Services Ltd	Financial	95,27,001	NIL	95,27,001
1.2	Mercedes Benz Financial				
1.3	Services India Pvt Ltd				
2	Commissioner of Customs, NS-IT, JNCH, Nhava Seva	Operational	2,90,47,880	NIL	2,90,47,880
3	11 Claims in the capacity of Employees or Workmen	Employees & Workmen	38,38,700	NIL	38,38,700

The CoC was also informed about the filing of an application to condone the delay in claims received from various creditors.

- xi) In accordance with the above-mentioned claims, the CoC was reconstituted as under:-



Sr. No.	Name of the Member	Nature of Debt	Amount of Claim Admitted (in Rs.)	Voting Share (in %)
1.	State Bank of India	Secured	80,10,32,427/-	90.63
2.	SIDBI	Secured	6,89,63,154/-	7.86
3.	TATA Capital Financial Services Limited	Secured	1,22,31,027/-	1.38
4.	Bajaj FinServ Ltd	Unsecured	8,57,611/-	0.10
5.	Poonawalla Fincorp Ltd	Unsecured	2,80,701/-	0.03

- xii) The 6<sup>th</sup> CoC meeting was held on 07.03.2024 wherein the CoC unanimously resolved to file an appropriate application before this Tribunal to extend the CIRP period. Furthermore, the Applicant appraised CoC about receipt of claim from one U-Grow Capital and requirement of filing an IA in accordance with Regulation 13(1C)(b)(ii) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons), Regulations, 2016 with respect to the said claim.
- xiii) Accordingly, the Applicant filed an application, I.A. No. 508 of 2024, with this Adjudicating Authority seeking an extension of the CIRP period. This Adjudicating Authority, vide its order dated 01.04.2024, allowed the extension for a period of three months from 24.03.2024.
- xiv) In the meantime, the Applicant has also filed an application, bearing IA No. 476 of 2024, before this Adjudicating Authority to condone a cumulative delay of 60 days in filing claims and re-constitution of CoC, which was allowed by this Adjudicating



Authority vide its order dated 23.03.2024.

- xv) In accordance with said order, the CoC was reconstituted as under:-

Sr. No.	Name of the Member	Nature of Debt	Amount of Claim Admitted (in Rs.)	Voting Share (in %)
1.	State Bank of India	Secured	80,10,32,427/-	88.11%
2.	SIDBI	Secured	6,89,63,154/-	7.64%
3.	TATA Capital Financial Services Limited	Secured	1,22,31,027/-	1.88%
4.	Bajaj FinServ Ltd	Unsecured	8,57,611/-	0.10%
5.	Poonawalla Fincorp Ltd	Unsecured	2,80,701/-	0.03%
6.	HFL Finance Limited	Unsecured	13,02,517/-	0.14%
7.	Mercedes Benz Financial Services India Private Limited	Unsecured	49,98,430/-	0.33%
8.	MAS Financial Services Limited	Unsecured	29,77,892/-	0.55%
9.	Moneywise Financial Services Pvt Ltd	Unsecured	11,05,983/-	0.12%
10.	UGROW Capital	Secured	1,00,73,425/-	1.11%

- xvi) Thereafter, the Applicant evaluated the resolution plans received from the PRAs, ensured their compliance with the provisions of the Code, and informed members of CoC.
- xvii) The 7<sup>th</sup> meeting of CoC was held on 08.04.2024, wherein the Applicant informed the CoC that post challenge mechanism, revised resolution plans were received from the following PRAS:-

Sr. No.	Name of PRA
1.	Aquatic Remedies Limited
2.	Adi Impex Infra Services
3.	Hasmukh Tarachand Agrawal
4.	HR Commercials Private Limited Crown Steels & Sunrise Industries

So far as HR Commercials Private Limited, Crown Steels &



Sunrise Industries are concerned, due to non-participation in the challenge mechanism, the last plan submitted by them was taken into consideration. After understanding the terms and commercial offer under the various plans, CoC decided to discuss the resolution plans with the Resolution Applicants.

- xviii) On 12.04.2024, an interaction meeting was held between the members of CoC and the PRAs, wherein PRAs were given an opportunity to improve their offer. In accordance with this opportunity, M/s Aquatic Remedies Limited has revised the payment period without any changes in total outlays. Thereafter, on 19.04.2024, Mr. Hasmukh Tarachand Agrawal informed the Applicant about the withdrawal of the resolution plan submitted by him. Under the circumstances, the plans submitted by the following three RAs remained under consideration: -

Sr. No.	Name of PRA
1.	Aquatic Remedies Limited
2.	Adi Impex Infra Services
3.	HR Commercials Private Limited Crown Steels & Sunrise Industries

- xix) The 8<sup>th</sup> CoC meeting was held on 30.04.2024, wherein the Applicant apprised CoC about the valuation reports, valuation summary, evaluation matrix and NPV summary. In light of the above-mentioned information, CoC discussed and deliberated upon the feasibility and viability of each plan. After considering

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each plan at length, the CoC decided to put the plans for voting. The Resolution Plan submitted by Aquatic Remedies Ltd., was approved by a majority of CoC members having 90.13% voting share. A copy of the pre- and post-voting minutes of the meeting of the 8th CoC held on 30.04.2024 is annexed at Annexure-M.

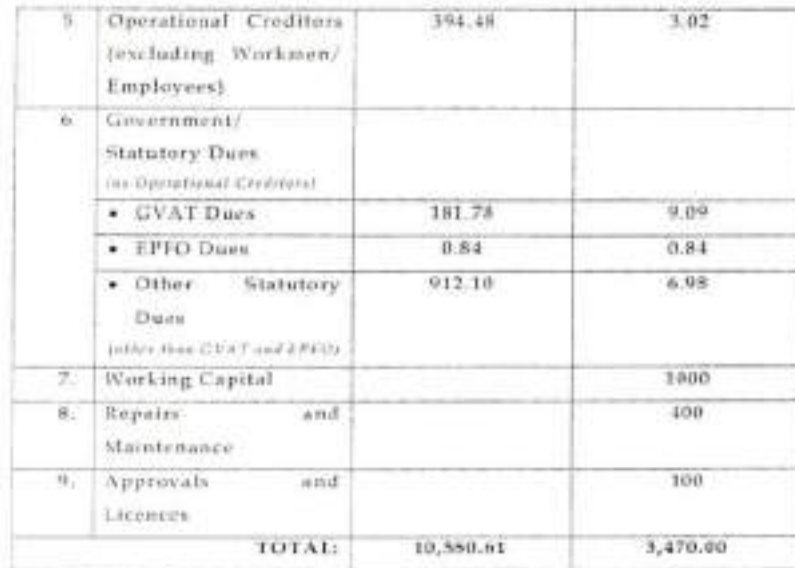
- xx) According to the valuation reports received from the various valuers, the CD's Fair Value and liquidation value are Rs. 44,85,45,562/—and Rs 17,08,60,905/, respectively.
- xxi) Thereafter, on 12.06.2024, the Applicant has issued a Letter of Intent to M/s Aquatic Remedies Ltd and called upon them to submit Performance Security in terms of Regulations of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- xxii) Clause VI (Step VI at Pg. No. 26 of Request for Resolution Plan) provides that an amount of Rs 3,00,00,000/- in addition to the EMD amount to the tune of Rs. 10,00,000/- with EoI and Rs. 25,00,000/- with Plan shall be paid towards Performance Security. Accordingly, the Successful Resolution Applicant has paid Rs. 3,00,00,000/-by way of UTR No. KKBKR52024061800792831. The SRA has also paid EMD for an amount of Rs.10,00,000/- with EoI and Rs . 25,00,000/- with plan on 06.12.2023 and 29.01.2024, respectively.
- xxiii) M/s Aquatic Remedies Ltd., has duly submitted a declaration by



way of an Affidavit dated 06.12.2023 for eligibility criteria under Section 29A of the Code to the Applicant.

- xxiv) The Resolution plan meets with the requirements of Regulation 38 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution process for Corporate persons) Regulations, 2016 as well as Section 30 of the Code. The Resolution plan provides for the payment of Financial Creditors, inasmuch as there are no other creditors of the Corporate Debtor.
- xxv) The RA shall pay/invest an aggregate amount of Rs 34,70,00,000/-. The tabular summary of the payments to the creditors contemplated to be made under the CoC approved resolution plan and proposed distribution to the stakeholders of the Corporate Debtor under the plan is as follows:-

Sr. No.	Category of Stakeholder	Amount Admitted (Rupees in lacs)	Amount provided under the Plan (Rupees in lacs)
1.	CIRP Costs	-	62.00
2.	Workmen/ Employees	NIL	<i>(estimated CIRP Cost)</i> 1.05
3.	Secured Financial Creditors	8975.94	1885.87



Name of Creditor	Amount Admitted	Amount Payable (In lakhs)	% amount receivable
<b>Secured Creditors</b>			
State Bank of India	8010.32	1683.00	21.01%
SIDBI	694.38	145.88	21.01%
Tata Capital Financial Services Ltd.	170.49	35.82	21.01%
UGROW Capital	100.73	21.16	21.01%
<b>Unsecured Creditors</b>			
Bajaj Finserv Ltd.	8.81	0.09	1%
Poonawala Fincorp Ltd.	2.81	0.03	1%
HFL Financial Ltd.	13.03	0.13	1%
Mercedes Benz Financial Service India Private Limited	29.78	0.30	1%
MAS Financial Services Limited	49.98	0.50	1%





Moneywise Financial Services Pvt Ltd	11.11	0.11	1%
<b>Operational Creditors</b>			
NIL	NIL	NIL	NIL
<b>Employees and Workmen</b>			
Employees and Workmen	Nil	1.05	1%
<b>Statutory Dues</b>			
GVAT Dues	181.78	9.09	5%
EPFO Dues	0.84	0.84	100%
Other Statutory Dues (other than GVAT and EPFO)	912.10	6.98	0.77%

xxvi) The Applicant has also examined the Resolution Plan and the compliance. The compliances of the Resolution Plan are as under:-

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance Yes / No
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?	Yes	Yes
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?	RA has submitted an undertaking conformity his eligibility for submission of plan.	Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Yes	Yes
Section 30(2)	Whether the Resolution Plan: (a) provides for the payment of insolvency resolution process costs? (b) provides for the payment to the operational creditors? (c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	Pg no 41 Note (i)  Page No 63  Page No 65-66  Page No 67	Yes



	(d) provides for the management of the affairs of the corporate debtor? (e) provides for the implementation and supervision of the resolution plan? (f) contravenes any of the provisions of the law for the time being in force?	Page No 67-71 Declaration at Page 27 B - (7)	
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC? (b) has been approved by the CoC with non-voting share?	Pg. no. 70	Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Table 29 Pg no 77- 79	Yes
Regulation 38(1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	Pg no 65 Read with Pg no. 77	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Pg no. 66 read with Table no 28 Sr.no A to E Page no.70 to 73	Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code.  (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	Table 27 Section 5 Page no.67	Yes
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	Pg no 67-71 Section 5A Table no.27	Yes
38(3)	Whether the resolution plan demonstrates that -  (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	Page No 17 Page No 71 Page No 72 Page No 72 Page No 72	Yes
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	Yes	Yes
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.]	INR 3 Crore as performance	Yes (Deposited by

	e guarantee according to the RFRP clause.	the RA)
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xxvii) Furthermore, Table No. 29 on Page. No. 76 of the said Resolution



Plan provides that implementation of the Resolution Plan shall commence immediately from the receipt of an order of this Adjudicating Authority approving the Resolution Plan and the Successful Resolution Applicant intends to implement the entire Resolution Plan within a period of 9 (nine) months of receipt of a Plan Approval Order.

xxviii) The Applicant herein states and submits that the Resolution Plan also provides for Performance Security as per sub-regulation (4A) of Regulation 36B of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, which is duly received as indicated herein-above.

xxix) As per Section 7(B)(i) of the Resolution Plan, any applications filed under Sections 43,45,47,49,50, and 66 will be pursued by RP and/or Coc, and any recoveries made from such applications will be for the benefit of the Financial Creditors.

xxx) Sections 3 and 4 of the Resolution Plan provide for the Source of Funds and the mechanics of payment to various creditors. It is provided that SRA has sufficient net worth to implement the resolution plan.

3. The Applicant filed an additional affidavit on 01.08.2024 vide diary no. D6135. In the said affidavit, it is stated that:-

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- I. The claims of the Statutory Authorities amounting to Rs.912.10 Lakh are as under:-

Name of Creditor	Nature of Dues	Claim Admitted (laks)
SGST Department (Gujarat-GST Dues)	Operational Creditor	830.90
SGST Department (Gujarat - GST Dues)	Operational Creditor	81.20
		<b>912.10</b>

It is submitted that these statutory claims for part of the application are detailed on pages 430 and 19 of the resolution plan. The claim form submitted by these authorities is annexed to Annexures "R1" and "R2."

- II. The Applicant herein sought clarification from the Successful Resolution Application. The Successful Resolution Application has issued a letter dated 18.07.2024 and provided several clarifications. A copy of the letter dated 18.07.2024 is annexed at Annexure - "R3"
- III. In compliance of order dated 10.07.2024, the 11<sup>th</sup> CoC meeting was held on 18.07.2024 wherein CoC has discussed feasibility and viability of the Resolution Plan submitted by the RA. The CoC members with 90.56% approved feasibility and viability of plan.
- IV. In view of this clarification letter dated 18.07.2024, the Applicant convened the 11th CoC meeting. In the 11th CoC meeting, it was



resolved that the unsecured creditor will be paid in the first tranche under the resolution plan. The SRA will increase the amount payable in the first tranche to 1,15,000/—, and the same will be adjusted against the total payout in the last tranche. The said resolution is duly approved by CoC members having 98.20% of the voting shares.

- V. Furthermore, the Applicant sought clarification with respect to the difference in total payment to be made to the secured financial creditors. The Resolution Applicant was called upon to clarify that which of the two amounts out of amount mentioned on Page No. 451 of the Application where there is a table which provides for total payment of Rs. 2,585.87 lakhs to secured financial creditor and immediately thereafter there is another table which provides payment of Rs. 1,885.87 lakhs to financial creditors was correct. The Resolution Applicant has clarified that the table showing the total payment to the secured financial creditor, which amounted to Rs 2585.87lakhs was wrongly drafted, where the amount of net working capital of Rs 700 lakh in the last trench was wrongly added towards the secured financial creditor.
- VI. It was pointed out that email for evaluation matrix was shared with the members of the CoC on 22.05.2024 and CoC confirmed that before approval of the plan, above evaluation as per matrix is followed. The evaluation matrix with the marking of CoC members



is reproduced in the minutes of the meeting of the 11th CoC dated 18.07.2024.

- VII. The Applicant has preferred an application under Sections 43 and 66 of the Insolvency and Bankruptcy Code, 2016. An application under Sections 43 and 66 of the Insolvency and Bankruptcy Code, 2016 was filed on 22.06.2024 vide filing Nos. 2401105015792024 and 2401105015812024, respectively. These applications were registered as I.A. No 987 of 2024 and I.A. No 1064 of 2024 respectively.
- VIII. In compliance with the order dated 10.07.2024, the Successful Resolution Applicant has submitted additional performance security to the tune of Rs. 47,00,000/- on 24.07.2024. A statement indicating receipt of Rs 47,00,000/- from SRA is annexed at Annexure-R7.
- IX. A copy of net worth certificates and liquidity certificates is marked and annexed hereto as Annexure "R8." Vide certificate dated 18.07.2024, Vishal H Shah & Associates, Chartered Accountants, have duly certified that Aquatic Remedies Limited holds total liquid assets amounting to Rs. 28.32 crores (Rupees Twenty-Eight Crore and Thirty-Two Lakhs) as of 18.07.2024.
- X. The Applicant has considered the judgment of the Hon'ble Supreme Court in the matter of Rainbow Papers, read with the judgment in the matter of **Raman Ispat**. The Applicant states and submits




that the distribution under the resolution plan is in compliance with the aforementioned judgments. Detailed Calculation given in Minutes of the 11th meeting of CoC is annexed at Annexure R5.

XI. The Applicant further states and submits that, as stated in the resolution plan, dissenting creditors are paid a minimum amount in accordance with Section 30 (2) (b) read with Section 53 (1) of the Insolvency and Bankruptcy Code, 2014.

4. In compliance with the order dated 02.08.2024, an additional affidavit has been filed by the Applicant on 30.08.2024 vide diary no. D6685. In the said affidavit, it is stated that: -

I. Vide order dated 02.08.2024, this Adjudicating Authority had directed the deponent herein to conduct proper voting through the e-voting process by holding another meeting of the CoC within 10 (ten) days. In compliance of the same, the deponent herein had duly conducted a 12<sup>th</sup> CoC meeting on 09.08.2024 by putting up various resolutions for e-voting.

II. This Adjudicating Authority had directed the Applicant to provide a copy of the application to the Counsel of the GVAT Department. In compliance with this order, the Applicant's advocate duly served a copy of the captioned application to Ms. Ritu Guru via an Email dated 06.08.2024.

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- III. This Adjudicating Authority was pleased to observe that the CoC had not given any clear mandate as to the feasibility and viability of the Resolution Plan. In view whereof, in the said 12th meeting of the CoC held on 09.08.2024, the following resolution was put to e-voting:

*"RESOLVED THAT pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016 and the Rules and Regulations thereunder the members of the Committee of Creditors hereby approves' and confirm that feasibility and viability of the resolution plan is checked as mention under the provision of Section 30(4) of the code and under the regulation of 39(3) of CIRP regulations, 2016 and resolution plan approved by CoC is Feasible and Viable."*

The resolution described above was approved by a majority of members of CoC holding 90.56% of the voting share.

- IV. In view of holding of 12<sup>th</sup> CoC meeting on 09.08.2024 pursuant to the order passed by this Adjudicating Authority on 02.08.2024, the Applicant herein annexed a revised Form H dated 24.08.2024 as Annexure-R4.
5. The Applicant also filed an additional affidavit on 30.09.2024 vide diary no. D7456. In the said affidavit, it is stated that: -
- I. I. According to Regulation 36B (1) of CIRP Regulations, the Applicant is under an obligation to issue the IM, evaluation



matrix and a RFRP to every resolution applicant within five days of the date of issue of the final list under sub-regulation (12) of Regulation 36A. In compliance with the said regulation, after publication of a final list of resolution applicants on 27.12.2023, the Applicant herein issued the evaluation matrix criteria along with the Information memorandum and RFRP to each resolution applicant on 30.12.2023.

- II. Thereafter, Applicant received resolution plans from the resolution applicants before 31.01.2024. All the resolution plans were opened before the CoC in the 4<sup>th</sup> CoC meeting dated 06.02.2024 after obtaining verification of all the members of CoC.
- III. The Applicant called 5<sup>th</sup> the CoC meeting on 26.02.2024 wherein CoC interacted with the resolution applicants and discussed/ deliberated on the key aspects of the resolution plans. Thereafter, in the 6<sup>th</sup> CoC meeting held on 07.03.2024, the CoC decided to use the challenge mechanism as per Regulation 39 (1A) of the CIRP Regulation to improve the resolution plan. Accordingly, the process of the challenge mechanism was held on 14.03.2024, and all the prospective resolution applicants were requested to submit a revised resolution plan in line with the challenge mechanism process.
- IV. In 7<sup>th</sup> CoC meeting held on 08.04.2024, the CoC decided to



interact with all prospective resolution applicants before taking a decision on the resolution plans. Thereafter, on 11.04.2024, the Applicant shared the draft evaluation matrix through email with all the members of CoC. Pursuant thereto, members of CoC requested the Applicant to assist them in marking of the resolution plans as per the evaluation matrix criteria as all the quantitative and qualitative criteria are based on contents and annexures of resolution plans only.

- V. Thereafter, on 12.04.2024, Applicant arranged meeting of CoC members with prospective resolution applicants as per the decision taken in 7<sup>th</sup> CoC meeting held on 08.04.2024.
- VI. After the meeting with prospective resolution applicants, the Applicant herein assisted members of CoC in marking of resolution plans as per evaluation matrix. That various discussions/deliberations were made between the Applicant and member of CoC for the purpose of marking on evaluation matrix. After taking input of member of CoC and eliminating marking for one PRA who withdrew his plan on 19.04.2024, the Applicant shared the final evaluation matrix with all the members of CoC on 29.04.2024 and 22.05.2024.
- VII. Pursuant thereto, on 30.04.2024, the 8<sup>th</sup> CoC meeting was held, and all the plans were put to e-voting. The resolution plan of M/s. Aquatic Remedies Limited was approved by members of



CoC on 10.06.2024 with a 90.13% voting share.

VIII. In the 12<sup>th</sup> Coc meeting dated 09.08.2024, the members of CoC have confirmed that marking on the resolution plan was done as per the evaluation matrix. The above-mentioned circumstances clearly indicate that the marking on the resolution plan was done as per the evaluation matrix by all the members of CoC.

6. Further, in compliance with the order dated 22.10.2024, the Applicant filed an additional affidavit on 27.11.2024 vide diary no. D8590. In the said affidavit, it is stated that: -

- I. Since the reliefs and concessions as sought in the Resolution Plan were not specifically dealt with by the CoC, vide an order dated 22.10.2024, this Adjudicating Authority had granted a liberty to the deponent herein to call for a meeting of the CoC to dwell upon the issue with regards to the reliefs and concessions as well as other issues, if any.
- II. In compliance whereof, the Applicant herein had convened a 14<sup>th</sup> meeting of the CoC on 19.11.2024. That in the said 14<sup>th</sup> meeting of the CoC held on 19.11.2024, a letter dated 13.11.2024 addressed by the Successful Resolution Applicant i.e., M/s Aquatic Remedies Limited to the Applicant herein proposing the names of the directors to be appointed, along with their respective DIN numbers were placed before the members of the CoC and the same is duly minutised. The following are the



details of the proposed Board of Directors to be appointed, along with their respective DIN numbers:

- (a) Mr. Darshan Bhogilal Mehta having DIN: 00580858
- (b) Mr. Hitendra Nyalchand Mehta having DIN: 0058562 and
- (c) Mr. Hemant Bhogilal Mehta having DIN: 00580653

III. At Section 8 (at Page Nos. 506 to 528 of the captioned application) of the Resolution Plan, the Successful Resolution Applicant had sought various reliefs and concessions from this Adjudicating Authority.

IV. It is pertinent to submit that the members of the CoC had duly deliberated upon the aforementioned reliefs and concessions in the 14<sup>th</sup> CoC meeting held on 19.11.2024. That in the said meeting, it was categorically discussed that under Section 8(A) of the Resolution Plan it has been duly provided thus:

*"Referring to the aforementioned judgments of the Hon'ble Supreme Court, reliefs and concessions/ waivers as mentioned below are sought by the RA from the Hon'ble Adjudicating Authority with respect to the CD. However, **non-approval of any of the reliefs & concessions sought from the NCLT shall not make the implementation of the plan conditional. In the event any or all of the above-mentioned reliefs are not granted by the Adjudicating Authority, the RA confirms that it will still proceed with the implementation of the Resolution Plan without any impact to the timelines or quantum of payments specified herein.***

V. Moreover, vide a letter dated 14.11.2024, the Successful Resolution Applicant had also submitted a confirmation to the



Applicant that all the aforementioned reliefs and concessions are not conditional in nature and that the same does not affect the implementation of the Resolution Plan. Further, the SRA has undertaken that they shall implement the resolution plan without any condition and within the time limit as provided in the resolution plan. The said letter dated 14.11.2024 was also placed before the CoC in the 14<sup>th</sup> meeting held on 19.11.2024 and the same as well is duly minuted.

- VI. Not only that, it is relevant to submit that the SRA had also provided a summary of the reliefs and concessions sought under the Resolution Plan, along with brief comments for the kind consideration of the members of the CoC. The said summary was duly placed before the members of the CoC in the said 14<sup>th</sup> meeting of the CoC held on 19.11.2024.
- VII. Accordingly, after deliberating upon the reliefs and concessions sought under the Resolution Plan, the members of the CoC were of the opinion that the reliefs and concessions asked for by the Successful Resolution Applicant were routine in nature and are not conditions which affect the implementation of the Resolution Plan. Hence, this Adjudicating Authority may be pleased to grant reliefs and concessions as requested by the Successful Resolution Applicant, as per its own discretion.
- VIII. Also, in view of holding of 14<sup>th</sup> meeting of the CoC on 19.11.2024



pursuant to the order passed by this Adjudicating Authority on 22.1.0.2024, the Applicant herein begs to annex a revised Form - H dated 19.11.2024 along with the present affidavit.

IX. Furthermore, the Applicant had duly produced the net worth certificate as well as the liquidity certificate of the SRA along with Additional Affidavit dated 31.07.2024 at Annexure-R8.

7. In compliance with the order dated 27.11.2024, the revised additional affidavit was filed by the Applicant/RP on 06.12.2024 vide diary no. D8796. In the said reply, it is stated that:-

- I. Since the reliefs and concessions as sought in the Resolution Plan were not specifically dealt with by the CoC, vide an order dated 22.10.2024, this Adjudicating Authority had granted a liberty to the deponent herein to call for a meeting of the CoC to dwell upon the issue with regards to the reliefs and concessions as well as other issues, if any.
- II. In compliance whereof, the Applicant herein had convened a 14<sup>th</sup> meeting of the CoC on 19.11.2024. That in the said 14<sup>th</sup> meeting of the CoC held on 19.11.2024, a letter dated 13.11.2024 addressed by the SRA i.e., M/ s. Aquatic Remedies Limited to the Applicant herein proposing the names of the directors to be appointed, along with their respective DIN numbers were placed



before the members of the CoC and the same is duly minutised. The following are the details of the proposed Board of Directors to be appointed, along with their respective DIN numbers:

- (d) Mr. Darshan Bhogilal Mehta having DIN: 00580858
- (e) Mr. Hitendra Nyalchand Mehta having DIN: 0058562 and
- (f) Mr. Hemant Bhogilal Mehta having DIN: 00580653

- III. Subsequent to which, the aforementioned proposed Board of Directors have also individually submitted their Affidavits under Section 29A of the Insolvency and Bankruptcy Code, 2016.
- IV. Further, it is submitted that at Section 8 (at Page Nos. 506 to 528 of the captioned application) of the Resolution Plan, the Successful Resolution Applicant had sought for various reliefs and concessions from this Adjudicating Authority. The reliefs and concessions sought by the SRA are produced at page no. 3 to 24 to this application.
- V. It is pertinent to submit that the members of the CoC had duly deliberated upon the aforementioned reliefs and concessions in the 14th CoC meeting held on 19.11.2024. That in the said meeting, it was categorically discussed that under Section 8(A) of the Resolution Plan it has been duly provided thus:

*"Referring to the aforementioned judgments of the Hon'ble Supreme Court, reliefs and concessions/ waivers as mentioned below are sought by the RA from the Hon'ble Adjudicating Authority with respect to the CD. However, non-approval of any of the reliefs & concessions sought from the NCLT shall not make the implementation*



*of the plan conditional. In the event any or all of the above-mentioned reliefs are not granted by the Adjudicating Authority, the RA confirms that it will still proceed with the implementation of the Resolution Plan without any impact to the timelines or quantum of payments specified herein."*

- VI. Moreover, vide a letter dated 14.11.2024, the Successful Resolution Applicant had also submitted a confirmation to the Applicant that all the aforementioned reliefs and concessions are not conditional in nature and that the same does not affect the implementation of the Resolution Plan. Further, the Successful Resolution Applicant has undertaken that they shall implement the Resolution Plan without any condition and within the time limit as provided in the Resolution Plan. The said letter dated 14.11.2024 was also placed before the CoC in the 14<sup>th</sup> meeting held on 19.11.2024 and the same as well as duly minuted.
- VII. Not only that, it is relevant to submit that the SRA had also provided a summary of the reliefs and concessions sought under the Resolution Plan along with brief comments for kind consideration of the members of the CoC. The said summary was duly placed before the members of the CoC in the said 14<sup>th</sup> meeting of the CoC held on 19.11.2024.
- VIII. Accordingly, after deliberating upon the reliefs and concessions sought under the Resolution Plan, the members of the CoC were of the opinion that the reliefs and concessions asked for by the Successful Resolution Applicant were routine in nature and are



not conditions which affect the implementation of the Resolution Plan. Hence, this Adjudicating Authority may be pleased to grant reliefs and concessions as requested by the Successful Resolution Applicant, as per its own discretion.

IX. Also, in view of holding of 14<sup>th</sup> meeting of the CoC on 19.11.2024 pursuant to the order passed by this Adjudicating Authority on 22.1.0.2024, the Applicant herein begs to annex a revised Form - H dated 19.11.2024 along with the present affidavit.

X. Furthermore, the Applicant duly produced the SRA's net worth and liquidity certificates along with an Additional Affidavit dated 31.07.2024 at Annexure-R8.

8. In compliance of the order dated 02.08.2024, an affidavit in reply is filed on behalf of the State Tax Officer on 09.12.2024 vide diary no. D8852. The claims of the State Tax Department have been dealt with separately by this Adjudicating Authority vide an order dated 05.05.2025 in IA No. 435 of 2025.

## 9. RESOLUTION PLAN

I. As per Section 2, Tale No. 14 (pages -25 and 26) of the Resolution Plan, the details of **Earnest Money Deposit and Performance Bank Guarantee** are as under:-



Earnest Money Deposit	<p>Rs. 10.00 lakhs paid at the time of EOJ submission [By Kotak Bank Demand Draft bearing No. 398355 issued on 06.12.2023]</p> <p>Rs. 25.00 lakhs bearing RTGS UTR No. KK8KR52024012900821053 on January 29, 2024 at the time of Resolution Plan submission</p> <p>The EMD of the RA shall be returned to the RA within 30 days from the date of rejection of Resolution Plan. Further, if the RA is selected as the Successful RA, then the EMD of Successful RA shall be adjusted in first payment schedule provided by the RA. In case the Resolution Plan submitted by Successful RA is not approved by Adjudicating Authority, then the EMD shall be refunded within 15 (fifteen) working days</p>
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	once the rejection order is passed by Adjudicating Authority.
Performance Bank Guarantee	<ol style="list-style-type: none"> <li>1. To be furnished within 7 working days of issuance of LOI by the Committee of Creditors.</li> <li>2. Quantum – 10% of the Resolution Plan amount or 300 lakhs, whichever is higher.</li> <li>3. Period –Until full &amp; final payment of Resolution Plan Amount is made as per this Resolution Plan</li> <li>4. Return – Once full &amp; final payment of Resolution Plan Amount is made as per this Resolution Plan</li> </ol> <p>The PBG shall be valid from the date of issuance of the LOI by the CoC to the Successful RA, for (A) a period of 12 (twelve) months; or (B) the date of completion of the implementation of the Resolution Plan (as determined by the Resolution Professional and the CoC), whichever is later; and shall be subject to re-issuance or extension by the Successful RA.</p>

II. Section 5, Table No. 27 of the Resolution Plan provides the details regarding the **Management and Control of**



**the Business** during its term. However, the Applicant has filed an affidavit on 06.12.2024 under diary no. D8796 providing the affidavit u/s 29A and the details of the proposed Board of Directors to be appointed a.w. their respective DIN numbers under:-

- a. **Mr. Darshan Bhogilal Mehta having DIN: 00580858**
- b. **Mr. Hitendra Nyalchand Mehta having DIN: 0058562 and**
- c. **Mr. Hemant Bhogilal Mehta, having DIN: 00580653**

III. As per Table 28, sub table-2 of the Plan, the Term and Implementation Schedule is as under:-

**"TABLE-2-TERM AND IMPLEMENTATION SCHEDULE**

*"The Resolution Plan would be effective from the date of approval of the Resolution Plan by the Adjudicating Authority under Section 31 of IBC, 2016 [i.e. NCLT Approval Date]. The Resolution Plan will be concluded on the 9<sup>th</sup> month from the NCLT Approval Date. The scheme period is 9 months, during which full and final settlement of all the agreed liabilities would be made for Rs. 1,970.00 Lakhs, and Rs. 1,500.00 Lakhs shall be infused for the revival of the company. However, RA will resume production from the NCLT Approval Date."*

IV. As per Table No. 29 of the Plan (page 487 – 489), **the Indicative Timeline** is as under:-

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Table No.29

INDICATIVE ACTIVITY SCHEDULE		
Sr. No.	Activity	Timeline
<b>PHASE I</b>		
1.	Date of receipt of Certified copy of NCLT / NCLAT / SC order approving the Resolution Plan and / or RP is in a position to give possession, custody and control over the unit and assets of the CD without any hindrance from any third-party occupants/free from any encumbrance, whichever is later (NCLT Approval Date)	E
2.	Notice on the Company's Website	Within E+14 days
3.	Intimation to the CoC, IBB, MCA, Tax authorities and various other statutory authorities (as applicable)	
4.	Intimation to all creditors, existing shareholders and other stakeholders of the Company	
5.	Other approvals and filings required under the plan	
	- RBI (if any)	

INDICATIVE ACTIVITY SCHEDULE		
Sr. No.	Activity	Timeline
	- Income-tax Act	Within E+ 12 month
	- Filing of various documents with MCA	
	- Other Authorities	
PHASE II - SETTLEMENT OF CREDITORS		
5.	Payment of CIRP Costs as approved by CoC, if any	Within E + 1 month
7.	Payment to Operational Creditors	
	Company to pay Rs. 9.09 Lakhs as an upfront payment to GVAT in full and final settlement in compliance to Section 30 (2) of the Code.	Within E + 1 month
	Company to pay Rs. 0.84 Lakhs as an upfront payment to EPFO in full and final settlement in compliance to Jet Airways Judgement and Section 30 (2) of the Code.	Within E + 1 month
	Company to pay Rs. 1.05 Lakhs as an upfront payment to Workmen & Employees in full and final settlement in compliance to Section 30 (2) of the Code.	Within E + 1 month
	Company to pay Rs. 6.36 Lakhs & Rs. 0.62 Lakhs as an upfront payment to GST in full and final settlement in compliance to Section 30 (2) of the Code.	Within E + 1 month
8.	Payment to Other Sundry Creditors dues	
	-Company to pay Rs. 3.02 Lakhs as an upfront payment to Other Creditors in full and final settlement	Within E + 1 month
9.	Payment to Financial Creditors	
	-Company to pay Rs. 447.03 Lakhs as an upfront payment to Secured Financial Creditors as part payment after adjusting of CIRP Cost, if there is any difference in estimated CIRP Cost and actual CIRP Cost	Within E+1 month
	-Company to pay Rs. 525.00 Lakhs to Secured Financial Creditors as part payment after adjusting of CIRP Cost, if there is any difference in estimated CIRP Cost and actual CIRP Cost	Within E+ 3 months
	-Company to pay Rs. 525.00 Lakhs to Secured Financial Creditors as part payment after adjusting of CIRP Cost, if there is any difference in estimated CIRP Cost and actual CIRP Cost	Within E + 6 months
	-Company to pay Rs. 388.84 Lakhs to Secured Financial Creditors as part payment after adjusting of CIRP Cost, if there is any difference in estimated CIRP Cost and actual CIRP Cost	Within E + 9 months



INDICATIVE ACTIVITY SCHEDULE		
Sr. No.	Activity	Timeline
	-Company to pay Rs. 1.15 Lakhs a balance payment to Unsecured Financial Creditors in full and final settlement after adjusting CIRP Cost, if there is any difference in estimated CIRP Cost and actual CIRP Cost	Within E + 9 month
<b>PHASE II - IMPLEMENTATION OF PROPOSED PLAN</b>		
10	Cancellation / Reduction of existing equity of Erstwhile shareholders and issue of new shares	Within E + 1 month
11	Infusion of Funds and subscription of equity shares by RA	Within E + 1 month
12	Infusion of Funds for repairs	Within E + 3 months
13	Infusion of funds through Unsecured Loans – Working Capital, Repairs & Maintenance	Within E + 1 month to E + 9 month
14	Change in Memorandum and Articles of Association and other documentation if required under the proposed plan.	Within E + 60 days
<b>Management of Company:</b>		
15	- The erstwhile Board of Directors and KMPs of the CD shall be retired	Within E+1 month
	- Appointment of key managerial personnel, if required	Within E+1 month
	- RA shall appoint statutory and internal auditors of their choice, subject to applicable regulations.	Within E+1 month

V. Clause C, Section 6 of the plan deals with **the Issue of new Shares** in the following manner:-

*"...With cancellation 20,43,121 shares, new shares of Rs.2,00,00,000 (Rupees Two Crores Only) shall be issued at face value of Rs 10 each through fresh issue of 20,00,000 equity shares within 30 days from the NCLT Approval Date to the RA and others.....*

*That fresh issue of 20,00,000 equity shares carrying a face value of Rs. 10 each shall be issued in the name of Aquatic Remedies Ltd."*

VI. As per Clause B of Section 7 of the plan, the effect of



the order on the proceeding under the Preferential Transaction will be as follows:-

- i. *In the event any transaction is termed as avoided, fraudulent or preferential or set aside by the Adjudicating Authority in terms of Sections 43, 45, 47, 49, 50 or 66 of the IBC, and any application/proceedings have been initiated by the RP, such proceedings/ litigation shall be pursued to by the RP/COC. The RA or the CD shall at any point of time shall not be held liable for continuation of any such proceedings before or after the approval of resolution plan by AA.*
- ii. *Further, any amount if received by the Resolution Professional in furtherance thereof, such sums shall be for the benefit of the Financial Creditors and shall be accorded treatment as a pass-through amount to the Financial Creditors. Further, all the cost/fees in continuing such proceedings (including in any appeal or related matters) shall be borne by the Financial Creditors and any liability or obligation arising on the CD in relation to such proceedings of the CD will be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan. For avoidance of doubt, the liability of third parties under such proceedings shall continue and shall not be affected by this Resolution Plan.*

7. As per the revised Form-H dated 29.11.2024: -

- I. The Fair Value and Liquidation Value have arrived at Rs.44,85,45,562/- and Rs.17,08,60,905/- respectively.



II. The list of Financial Creditor of the CD (Jay Formulation Limited), being members of the CoC and distribution of voting share among them is as under: -

5. The list of financial creditors of the CD (Jay Formulation Limited) being members of the CoC and distribution of voting share among them is as under:

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
1	State Bank of India	88.11%	Assent
2	SIDBI	7.64%	Dissent
3	Tata Capital Financial Services Limited (TATACap)	1.88%	Assent
4	Bajaj Finance Ltd (Bajaj)	0.10%	Dissent
5	Poonawala Fincorp Ltd (Poonawala)	0.03%	Abstain
6	Ugrow Capital Ltd (Ugrow)	1.11%	Abstain
7	Mercedes Benz Financial Services Pvt Ltd (Mercedes)	0.33%	Abstain
8	Mas Financial Services Ltd (Mas)	0.55%	Abstain
9	IIFL Finance Limited (IIFL)	0.14%	Assent
10	Moneywise Financial Services Pvt. Ltd. (Moneywise)	0.12%	Abstain

III. The amounts provided for the stakeholders under the Resolution Plan are as under: -

(Amount in Rs. Lakh)



(Amount in Rs. lakh)						
Sl. No.	Category of Stakeholder or*	Sub-Category of Stakeholder	Amount Claimed (in Rs.)	Amount Admitted (in Rs.)	Amount Provided under the Plan#	Amount Provided to the Amount Admitted (6/7) (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Secured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of sec 21	-	-	-	-
		(b) Other than (a) above:	<b>SIDBI-</b> 6,94,38,414/-	<b>SIDBI-</b> 6,94,38,414/-	<b>SIDBI-</b> 1,45,88,000/-	<b>SIDBI-</b> 21.01%
			<b>UGROW</b> 1,03,15,837/-	<b>UGROW</b> 1,00,73,426/-	<b>UGROW</b> 21,16,000/-	<b>UGROW</b> 21.01%
		(i) who did not vote in favour of the resolution Plan	<b>7,97,54,251/-</b>	<b>7,95,11,840/-</b>	<b>1,67,05,000/-</b>	<b>21.01%</b>
			<b>SBI</b> 80,15,09,145/-	<b>SBI</b> 80,10,32,427/-	<b>SBI</b> 16,83,00,000/-	<b>SBI</b> 21.01%
		(ii) who voted in favour of the resolution plan	<b>Tata</b> 1,76,41,572/-	<b>Tata</b> 1,70,49,417/-	<b>Tata</b> 35,82,000/-	<b>Tata</b> 21.01%
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of sec 21	-	-	-	-
		(b) Other than (a) above:	<b>Bajaj</b> 9,16,431/-	<b>Bajaj</b> 8,81,161/-	<b>Bajaj</b> 9000/-	<b>Bajaj</b> 1.00%
			<b>Poonawala</b> 18,57,990/-	<b>Poonawala</b> 2,80,701/-	<b>Poonawala</b> 3000/-	<b>Poonawala</b> 1.00%
		(i) who did not vote in favour of the resolution Plan	<b>Mercedes</b> 29,77,892/-	<b>Mercedes</b> 29,77,892/-	<b>Mercedes</b> 30000/-	<b>Mercedes</b> 1.00%
			<b>Mas</b> 49,98,430/-	<b>Mas</b> 49,98,430/-	<b>Mas</b> 50000/-	<b>Mas</b> 1.00%
		(ii) who voted in favour of the resolution plan	<b>Moneywise</b> 11,10,705/-	<b>Moneywise</b> 11,05,983/-	<b>Moneywise</b> 11,000/-	<b>Moneywise</b> 1.00%
3	Operational Creditors	(a) Related Party of Corporate Debtor	-	-	-	-
			<b>1,18,61,448/-</b>	<b>1,02,44,167/-</b>	<b>1,03,000/-</b>	<b>1.00%</b>
			<b>IIFL</b> 15,50,677/-	<b>IIFL</b> 13,02,518/-	<b>IIFL</b> 19000/-	<b>IIFL</b> 1.00%
Total[(a) + (b)]			<b>1,34,12,125/-</b>	<b>1,15,46,685/-</b>	<b>1,10,000/-</b>	<b>1.00%</b>



	(b) Other than (a) above:				
	(i) Government*	16,45,67,104/-	10,94,71,987/-	16,91,000/-	1.54%
	(ii) Workmen	NA	NA	NIL	-
	(iii) Employees	1,03,60,279/-	NIL	1,65,000/-	1.01%
	(iv) Other than FC, Statutory Dues, Employee and workmen	8,14,04,723/-	3,94,47,507/-	3,82,000/-	0.76%
	Total(a) + (b)	25,63,32,106/-	14,89,19,494/-	20,98,000/-	1.41 %
4	Other debts and dues	-	-	-	-
	Grand Total	116,86,49,199/-	1,05,80,59,863/-	19,08,00,000/-	18.03 %

- \* Government Dues includes claim of Sales Tax Department of Rs 182.48 Lakh and Claim of PF department of Rs 0.84 Lakh and offered payment of Rs 9.09 Lakh (5%) and 0.84 Lakh (11%) respectively.

\*If there are sub-categories in a category, please add rows for each sub-category.

# Amount provided over time under the Resolution Plan and includes estimated value of non-cash components. It is not NPV.]

#### IV. The Resolution Plan has altered the interests of existing shareholders as under: -

8. The interests of existing shareholders have been altered by the Resolution plan as under:

Sl. No	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity	20,43,121	-	100 %	-
2	Preference	10,000	-	-	-

#### V. The Compliance of the Resolution Plan is as under: -



9. The compliance of the Resolution Plan is as under:

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes / No)
25(2)(b)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the C2?	Yes	Yes
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?	RA has submitted an undertaking conformity his eligibility for submission of plan.	Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Yes	Yes
Section 30(2)	Whether the Resolution Plan- (a) provides for the payment of insolvency resolution process costs? (b) provides for the payment to the operational creditors? (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) contravenes any of the provisions of the law for the time being in force?	Pg no 41 Note (ii) Page No 65 Page No 66 Page No 67 Page No 67-71 page 27 (R.7)	Yes
Section 30(4)	Whether the Resolution Plan	-	Yes

	(a) is feasible and viable, according to the CoC? (b) has been approved by the CoC with 66% voting share?		
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Table 29 Pg no 77- 79	Yes
Regulation 38(1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	Pg no 67 Section 5A Table 27	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Table no 28 Sr.no A to E Page no 70 to 73	Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	Table 27 Section 5 Page no 67	Yes
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	Pg no 67 -71 Section 5A Table no.27	Yes
38(3)	Whether the resolution plan demonstrates that - (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	Page No 17 Page No 71 Page No 72 Page No 72 Page No 72	Yes
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	Yes	Yes
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.]	INR 3 Crore as performance guarantee according to the RFRP clause.	Yes (Deposited by the RA)

VI. The details of Section 66 or avoidance application filed/pending are as under: -

15. Provide details of section 66 or avoidance application filed / pending.

Sl. No.	Type of Transaction	Date of Filing with Adjudicating Authority	Date of Order of the Adjudicating Authority	Brief of the Order
1	Preferential transactions under section 43	21.06.2024	NA	NA
2	Undervalued transactions under section 45	NA	NA	NA
3	Extortionate credit transactions under section 50	NA	NA	NA
4	Fraudulent transactions under section 66	21.06.2024	NA	NA

8. **IA 1249 of 2024**

I. This Interlocutory Application was filed by the SIDBI, one of the Financial creditors of the CD, seeking the following reliefs:

- a) Your Lordship may be pleased to allow the present application;
- b) Your Lordship may be pleased to remand back the resolution plan submitted by M/s Aquatic Remedies Limited to CoC and direct the Resolution Professional to:
  - i. To provide distribution in compliance with Section 30(2)(b) of the IBC read with Section 53 of the IBC in consultation with the members of CoC;
  - ii. Direct RP to quantify the amount payable to dissenting financial creditors in the event of approval of resolution plan submitted by M/s Aquatic Remedies. Limited by Hon'ble Adjudicating Authority.



OR

- c) To reject the Resolution plan submitted by M/s Aquatic Remedies Limited as it does not meet the requirement of Section 30(2)(b) of the IBC read with Section 53 of the IBC and pass appropriate order for liquidation of Corporate Debtor under Section 33(1)(b) of the IBC.
- d) Your Lordship may be pleased to grant any other relief or reliefs as may be deemed fit in the interest of justice;

9. This Adjudicating Authority has decided this IA filed by the SIDBI vide its separate order of 05.05.2025 in IA No. 1249 of 2024. The Resolution Professional is directed to give effect of the decision of this Adjudicating Authority as per the order.

10. **ANALYSIS AND FINDINGS OF THIS TRIBUNAL**

- 1) Perusal of the revised Form-H reveals that in compliance with Regulation 39(4) of CIRP Regulations, an amount of Rs. 3 Crore as performance guarantee has duly been received.
- 2) The revised Form-H also shows that the Corporate Debtor's liquidation value is Rs17,08,60,905/-, and the corresponding Fair Value is Rs 44,85,45,562/-. Further, as per plan, the total amount of the Resolution Plan is Rs. 34.70/- Cr. (including the CIRP cost of Rs. 62 lakhs and the cost of Revival of Rs. 15 Cr.)



- 3) In so far as the approval of the Resolution Plan is concerned, based on the information provided, we have carefully considered the present application seeking approval of the resolution plan submitted by the Resolution Applicant-M/s Acquatic Remedies Limited.
- 4) It is seen that the CoC in its 8<sup>th</sup> meeting held on 30.04.2024 approved the resolution plan submitted by Resolution Applicant-M/s. Aquatic Remedies Limited with 90.13% voting share. As per Clause 6(A) of the minutes of 8<sup>th</sup> CoC meeting, the said resolution plan was approved by the CoC members in the following manner: -

Sr. No.	Name and Address	Assent/Dissent/Abstain	Voting Share Assent	Voting Share Dissent	Voting Share Abstain
1.	SBI	Assent	88.11%	-	-
2.	SIDBI	Dissent	-	7.64%	-
3.	Tata Capital Financial Services Limited	Assent	1.88%	-	-
4.	Bajaj Finance	Dissent		0.10%	-
5.	Poonawala Fincorp	Abstain	-	-	0.03%
6.	Ugrow Capital	Abstain	-	-	1.11%
7.	Mercedes Benz Financial Services India Private Limited	Abstain	-	-	0.33%
8.	Mas Financial Services Limited	Abstain	-	-	0.55%
9.	IIFL Finance	Assent	0.14%	-	-



	Limited				
10.	Moneywise Financial Services Pvt. Ltd.	Abstain	-	-	0.12%
<b>TOTAL</b>			<b>90.13%</b>	<b>7.74%</b>	<b>2.13%</b>

- 5) While reviewing the resolution plan as aforesaid, we have taken into account the Judgment of Hon'ble Supreme Court in the matter of **K. Sashidhar -Vs- Indian Overseas Bank (2019) 12 SCC 150**, wherein in para 19 and 62 it is held as follows;

*"19..... In the present case, however, our focus must be on the dispensation governing the process of approval or rejection of resolution plan by the CoC. The CoC is called upon to consider the resolution plan under Section 30(4) of the I&B Code after it is verified and vetted by the resolution professional as being compliant with all the statutory requirements specified in Section 30(2).*

*And in Paragraph 35 of the judgment that-*

*"The discretion of the Adjudicating Authority (NCLT) is circumscribed by Section 31 limited to scrutiny of 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.*

*2. ....In the present case, however, we are concerned with the provisions of I&B Code dealing with the resolution process. The dispensation provided in the I&B Code is entirely different. In terms of Section 30 of the I&B Code, the decision is taken collectively after due negotiations between the financial creditors who are constituents of the CoC and they express their opinion on the proposed resolution plan in the form of votes, as per their voting share. In the meeting of the CoC, the proposed resolution plan is placed for discussion and after full interaction in the presence of all concerned and the Resolution Professional, the constituents of the CoC finally proceed to exercise their option (business/commercial decision) to approve or not to approve the proposed resolution plan. In such a case, non-recording of reasons would not per-se vitiate the collective decision of the financial creditors. The legislature has not envisaged challenge to the "commercial/business*



decision" of the financial creditors taken collectively or for that matter their individual opinion, as the case may be, on this count."

- 6) Further the Supreme Court in the matter of **K. Sashidhar v. Indian Overseas Bank and Ors.** (2019) 12 SCC 150 has lucidly delineated the scope and interference of the Adjudicating Authority in the process of approval of the Resolution Plan and held as follows;

*"55. Whereas, the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan "as approved" by the requisite per cent 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. Reverting to Section 30(2), the enquiry to be done is in respect of whether the resolution plan provides: (i) the payment of insolvency resolution process costs in a specified manner in priority to the repayment of other debts of the corporate debtor, (ii) the repayment of the debts of operational creditors in prescribed manner, (iii) the management of the affairs of the corporate debtor, (iv) the implementation and supervision of the resolution plan, (v) does not contravene any of the provisions of the law for the time being in force, (vi) conforms to such other requirements as may be specified by the Board. The Board referred to is established under Section 188 of the I&B Code. The powers and functions of the Board have been delineated in Section 196 of the I&B Code. None of the specified functions of the Board, directly or indirectly, pertain to regulating the manner in which the financial creditors ought to or ought not to exercise their commercial wisdom during the voting on the resolution plan under Section 30(4) of the I&B Code. The subjective satisfaction of the financial creditors at the time of voting is bound to be a mixed baggage of variety of factors. To wit, the feasibility and viability of the proposed resolution plan and including their perceptions about the general capability of the resolution applicant to translate the projected plan into a reality. The resolution applicant may have given projections backed by normative data but still in the opinion of the dissenting financial creditors, it would not be free from being speculative. These aspects are completely within the domain of the financial creditors who are called upon to vote on the resolution plan under Section 30(4) of the I&B Code.*



58. Indubitably, the inquiry in such an appeal would be limited to the power exercisable by the resolution professional under Section 30(2) of the I&B Code or, at best, by the adjudicating authority (NCLT) under Section 31(2) read with Section 31(1) of the I&B Code. No other inquiry would be permissible. Further, the jurisdiction bestowed upon the appellate authority (NCLAT) is also expressly circumscribed. It can examine the challenge only in relation to the grounds specified in Section 61(3) of the I&B Code, which is limited to matters "other than" enquiry into the autonomy or commercial wisdom of the dissenting financial creditors. Thus, the prescribed authorities (NCLT/NCLAT) have been endowed with limited jurisdiction as specified in the I&B Code and not to act as a court of equity or exercise plenary powers."

(emphasis supplied)

7) The Supreme Court in its recent decision in **Jaypee Kensington Boulevard Apartments Welfare Association & Ors. v. NBCC (India) Ltd. & Ors.**, in Civil Appeal no. 3395 of 2020 dated 24.03.2021 has held as follows;

"..76. The expositions aforesaid make it clear that the decision as to whether corporate debtor should continue as a going concern or should be liquidated is essentially a business decision; and in the scheme of IBC, this decision has been left to the Committee of Creditors, comprising of the financial creditors. Differently put, in regard to the insolvency resolution, the decision as to whether a particular resolution plan is to be accepted or not is ultimately in the hands of the Committee of Creditors; and even in such a decision making process, a resolution plan cannot be taken as approved if the same is not approved by votes of at least 66% of the voting share of financial creditors. Thus, broadly put, a resolution plan is approved only when the collective commercial wisdom of the financial creditors, having at least 2/3rd majority of voting share in the Committee of Creditors, stands in its favour.

77. In the scheme of IBC, where approval of resolution plan is exclusively in the domain of the commercial wisdom of CoC, the scope of judicial review is correspondingly circumscribed by the provisions contained in Section 31 as regards approval of the Adjudicating Authority and in Section 32 read with Section 61 as regards the scope of appeal against the order of approval.



77.1. Such limitations on judicial review have been duly underscored by this Court in the decisions above-referred, where it has been laid down in explicit terms that the powers of the Adjudicating Authority dealing with the resolution plan do not extend to examine the correctness or otherwise of the commercial wisdom exercised by the CoC. The limited judicial review available to Adjudicating Authority lies within the four corners of Section 30(2) of the Code, which would essentially be to examine that the resolution plan does not contravene any of the provisions of law for the time being in force, it conforms to such other requirements as may be specified by the Board, and it provides for: (a) payment of insolvency resolution process costs in priority; (b) payment of debts of operational creditors; (c) payment of debts of dissenting financial creditors; (d) for management of affairs of corporate debtor after approval of the resolution plan; and (e) implementation and supervision of the resolution plan.

77.2. The limitations on the scope of judicial review are reinforced by the limited ground provided for an appeal against an order approving a resolution plan, namely, if the plan is in contravention of the provisions of any law for the time being in force; or there has been material irregularity in exercise of the powers by the resolution professional during the corporate insolvency resolution period; or the debts owed to the operational creditors have not been provided for; or the insolvency resolution process costs have not been provided for repayment in priority; or the resolution plan does not comply with any other criteria specified by the Board

77.6.1. The assessment about maximisation of the value of assets, in the scheme of the Code, would always be subjective in nature and the question, as to whether a particular resolution plan and its propositions are leading to maximisation of value of assets or not, would be the matter of enquiry and assessment of the Committee of Creditors alone. When the Committee of Creditors takes the decision in its commercial wisdom and by the requisite majority; and there is no valid reason in law to question the decision so taken by the Committee of Creditors, the adjudicatory process, whether by the Adjudicating Authority or the Appellate Authority, cannot enter into any quantitative analysis to adjudge as to whether the prescription of the resolution plan results in maximisation of the value of assets or not. The generalised submissions and objections made in relation to this aspect of value maximisation do not, by themselves, make out a case of interference in the decision taken by the Committee of Creditors in its commercial wisdom



78. To put in a nutshell, the Adjudicating Authority has limited jurisdiction in the matter of approval of a resolution plan, which is well defined and circumscribed by Sections 30(2) and 31 of the Code read with the parameters delineated by this Court in the decisions above referred. The jurisdiction of the Appellate Authority is also circumscribed by the limited grounds of appeal provided in Section 61 of the Code. In the adjudicatory process concerning a resolution plan under IBC, there is no scope for interference with the commercial aspects of the decision of the CoC; and there is no scope for substituting any commercial term of the resolution plan approved by the CoC. Within its limited jurisdiction, if the Adjudicating Authority or the Appellate Authority, as the case may be, would find any shortcoming in the resolution plan vis-à-vis the specified parameters, it would only send the resolution plan back to the Committee of Creditors, for re-submission after satisfying the parameters delineated by Code and expounded by this Court.

- 8) Also, the Supreme Court of India in the matter of **Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta and Ors.** (2020) 8 SCC 531, after referring to the decision in K. Sashidhar (supra) has held as follows;

"73. There is no doubt whatsoever that the ultimate discretion of what to pay and how much to pay each class or sub-class of creditors is with the Committee of Creditors, but, the decision of such Committee must reflect the fact that it has taken into account maximising the value of the assets of the corporate debtor and the fact that it has adequately balanced the interests of all stakeholders including operational creditors. This being the case, judicial review of the Adjudicating Authority that the resolution plan as approved by the Committee of Creditors has met the requirements referred to in Section 30(2) would include judicial review that is mentioned in Section 30(2)(e), as the provisions of the Code are also provisions of law for the time being in force. Thus, while the Adjudicating Authority cannot interfere on merits with the commercial decision taken by the Committee of Creditors, the limited judicial review available is to see that the Committee of Creditors has taken into account the fact that the corporate debtor needs to keep going as a going concern during the insolvency resolution process; that it needs to



*maximise the value of its assets; and that the interests of all stakeholders including operational creditors has been taken care of. If the Adjudicating Authority finds, on a given set of facts, that the aforesaid parameters have not been kept in view, it may send a resolution plan back to the Committee of Creditors to re-submit such plan after satisfying the aforesaid parameters. The reasons given by the Committee of Creditors while approving a resolution plan may thus be looked at by the Adjudicating Authority only from this point of view, and once it is satisfied that the Committee of Creditors has paid attention to these key features, it must then pass the resolution plan, other things being equal.*

*(emphasis supplied)*

- 9) The Hon'ble Supreme Court, in the case of **Ramkrishna Forgings Limited vs. Ravindra Loonkar, Resolution Professional of ACIL Limited & Anr** in Civil Appeal No. 1527 of 2022, also reiterated that CoC wisdom is supreme.
- 10) The CIRP against the CD was initiated on 26.09.2023 and the CIRP period of 180 days expired on 24.03.2024. The first extension of CIRP period of 90 days was allowed w.e.f. 24.03.2024 by this Adjudicating Authority vide order dated 01.04.2024 passed in IA/508(AHM)2024. The instant application seeking approval of the Plan was filed on 08.07.2024 which is beyond the CIRP period of 270 days and there is delay of approximately 16 days in filing the application. The issue was discussed during hearing of the Plan. Considering that the Application in this case under section 7 was filed after 16.08.2019 and therefore total time taken in the CIR Process is less than 330 days allowed



under the provisions of the second proviso to section 12 (3) of the IBC, 2016.

- 11) In this regard, we rely upon the judgment of the Hon'ble Supreme Court in the case of **Kalyani Transco Vs M/s Bhushan Steel & Others in Civil Appeal No. 1808 of 2020 delivered on 02.05.2025**. The relevant paragraph of the said judgment is reproduced as under:-

"55. At this juncture, it may be noted that this Court in a subsequent judgment in **ESSAR Steel India Ltd. Committee of Creditors Vs. Satish Kumar Gupta** had dealt with the two provisos subsequently inserted in Section 12 by the Act 26 of 2019, which came into effect from 16.08.2019, and had observed as under: -

*"127. ....Thus, while leaving the provision otherwise intact, we strike down the word "mandatorily" as being manifestly arbitrary under Article 14 of the Constitution of India and as being an excessive and unreasonable restriction on the litigant's right to carry on business under Article 19(1)(g) of the Constitution. The effect of this declaration is that ordinarily the time taken in relation to the corporate resolution process of the corporate debtor must be completed within the outer limit of 330 days from the insolvency commencement date, including extensions and the time taken in legal proceedings. However, on the facts of a given case, if it can be shown to the Adjudicating Authority and/or Appellate Tribunal under the Code that only a short period is left for completion of the insolvency resolution process beyond 330 days, and that it would be in the interest of all stakeholders that the corporate debtor be put back on its feet instead of being sent into liquidation and that the time taken in legal proceedings is largely due to factors owing to which the fault cannot be ascribed to the litigants before the Adjudicating Authority and/or Appellate Tribunal, the delay or a large part thereof being attributable to the tardy process of the Adjudicating Authority and/or the Appellate Tribunal itself, it may be open in such cases for the Adjudicating Authority and/or Appellate Tribunal to extend time beyond 330 days. Likewise, even under the newly added proviso to Section 12, if by reason of all the aforesaid*



*factors the grace period of 90 days from the date of commencement of the Amending Act of 2019 is exceeded, there again a discretion can be exercised by the Adjudicating Authority and/or Appellate Tribunal to further extend time keeping the aforesaid parameters in mind. It is only in such exceptional cases that time can be extended, the general rule being that 330 days is the outer limit within which resolution of the stressed assets of the corporate debtor must take place beyond which the corporate debtor is to be driven into liquidation".*

- 12) On hearing the submissions made by the Ld. Counsel for the Resolution Professional, and by perusing the record, we find that the Resolution Plan has been approved with a majority of 90.13% voting share. As per the CoC, the plan is viable and feasible for reviving the Corporate Debtor. By and large, all the compliances have been done by the RP and the RA to make the plan effective after approval by this Bench. On perusal of the documents on record, we are of the view that the Resolution Plan satisfies the requirements of Sections 30 and 31 of the IBC and Regulations 37,38 &39 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- 13) The Corporation Debtor is in the pharmaceutical business, and the SRA is also in the same line of business; therefore, we believe that the SRA will be able to take out the CD out of insolvency.
- 14) As far as the question of granting time to comply with the statutory obligations/seeking sanctions from governmental authorities is concerned, the Resolution Applicant is



directed to do the same within one year as prescribed under Section 31(4) of the Code.

- 15) The Resolution Plan in question is hereby approved by this Adjudicating Authority, subject to this order's observations and conditions. The Resolution Plan shall form part of this order. The Resolution Plan, along with annexures forming part thereof, 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.
- 16) All crystalized liabilities and unclaimed liabilities of the Corporate Debtor as on the date of this order shall stand extinguished on the approval of this Resolution Plan.
- 17) The Resolution Applicant has sought various reliefs and concessions from this Authority. The granting or non-granting of these reliefs/concessions is based on the provisions of section 32A of the IBC, 2016 and the "clean slate principle" laid down by the Hon'ble Supreme Court in the case of Ghanshyam Mishra and Sons Private Limited Versus Edelweiss Asset Reconstruction Company Limited in Civil Appeal No. 8129/2019 with Civil Appeal No. 1554/2021 and 1550-1553/2021 decided on 13.04.2021



(2021) 9SCC 657. The Resolution Applicant has given an undertaking that the submission of the Resolution Plan is unconditional, and the granting or refusal of the relief/concessions will not affect the implementation of the Plan.

18) The SRA has requested the grant of the various **Concessions and Reliefs** from this Adjudicating Authority. The RP has sought these concessions and reliefs on behalf of the SRA. As can be seen from this order (following pages) that the RA has sought these reliefs in various combinations for not only relevant matters but also many concessions which are theoretical in case of the SRA. The power of this Adjudicating authority cannot not go beyond section 32A and the decision of the Hon'ble Supreme Court in the case of Ghanshyam Mishra as discussed above. Keeping these limitations in mind, the last column gives the decision against each relief/concession sought.

Sr. No.	Particulars	Concessions / Reliefs / Directions sought	Orders thereon
1	Waiver of the dues of the Financial Creditors	i. The RA has made provision for the Financial Creditors being secured and seeks waiver for the balance of the admitted amount as stipulated in its financial proposal in Table No. 15 (Executive Summary).	Granted
		ii. The RA seeks discharge of	Partly-Granted. As far



		liabilities towards the outstanding principal amount, interest, penal interest, late payment charges, penalties, damages and any other amount due to the Financial Creditors, claimed or not claimed, admitted or rejected, pertaining to the period prior to CIRP commencement date, other than what has been provided for in the Resolution Plan and amount provided for under the Resolution Plan shall be deemed to be payment of the same in terms of Section 43B of the Income Tax Act, 1961.	as the applicability section 43 B is concerned that is not within the power of this Authority and the matter may be taken up with the appropriate authority.
		iii. On receipt of final payment, State Bank of India, i.e., one of the Secured Financial Creditor, will hand over the Original Title Documents of the assets being (a) "All that piece of leasehold Factory Land and Building at Plot No. 1301, Kerala GIDC Industrial Estate, Nr. Sahyog Hotel, Bavla Bagodara Highway, Kerala, Taluka Bavla, District Ahmedabad admeasuring 1,400 sq. mtrs"; (b) "All that piece of	<b>Granted. In case the charge is not removed the applicability of the provisions of section 53 will be subject to section 52 of the IBC.</b>



		leasehold Factory Land and Building at Plot No. U-I, Kerala GIDC Industrial Estate, Nr. Sahyog Hotel, Bavla Bagodara Highway, Kerala, Taluka Bavla, Dist: Ahmedabad admeasuring 7,350.46 sq. mtrs".	
		iv. Furthermore, State Bank of India i.e., one of the Secured Financial Creditor shall release the charge on primary security being: (a) "Hypothecation of company's entire current assets including stocks of raw materials, stocks in process, finished goods, stores and spares/receivables and other current assets purchased out of bank finance both present and future" on payment of first instalment of Resolution Plan Amount; and (b) 'Hypothecation of Plant & Machinery purchased out of bank finance and other unencumbered plant and machinery" on full& final payment of the Resolution Plan Amount to State Bank of India.	<b>Granted. In case the charge is not removed the applicability of the provisions of section 53 will be subject to section 52 of the IBC.</b>
		V. It is reiterated that State Bank of India shall	<b>Granted. In case the</b>



		release the charges (on current assets and non-current assets) accordingly in accordance with this resolution plan. This will enable RA to implement the Resolution Plan in its total strength.	<b>charge is not removed the applicability of the provisions of section 53 will be subject to section 52 of the IBC.</b>
		vi. On receipt of entire Resolution Plan Amount, Small Industries Development Bank of India i.e. one of the Secured Financial Creditor shall release the charge on the following hypothecated assets. However, charge on current assets shall be released on payment first instalment of Resolution Plan Amount in accordance with this resolution plan.	<b>Granted. In case the charge is not removed the applicability of the provisions of section 53 will be subject to section 52 of the IBC.</b>
		vii. On receipt of full and final payment of the Resolution Plan Amount in accordance with this resolution plan., Tata Capital Financial Services Limited i.e. one of the Secured Financial Creditor shall release the charge on the following hypothecated assets being machinery purchased out of TCFSL Funds.	<b>Granted. In case the charge is not removed the applicability of the provisions of section 53 will be subject to section 52 of the IBC.</b>



		viii. Furthermore, as per IM and VDR (till 08.03.2024), it is observed that certain assets are hypothecated by the Axis Bank Limited and ECL Finance Limited due to which they have created a charge on the same, however, till date neither Axis Bank Ltd nor ECL Financial Ltd have filed their claim with the Resolution Professional.	<b>Not part of pleadings.</b>
		ix. On receipt of the pay-out amount to UGRO Capital as stipulated in financial proposal in Table No. 15 (Executive Summary) and Table No. 21 (Secured Financial Creditors) all and any charge or hypothecation created on any assets of the Corporate Debtor shall be released and the Resolution Applicant will not be liable to pay any other amount other than that which has been mentioned in Table No. 21 (Secured Financial Creditors	<b>Granted. In case the charge is not removed the applicability of the provisions of section 53 will be subject to section 52 of the IBC.</b>
		x. On receipt of the payout amount as stipulated in	<b>Granted</b>



		the financial proposal in Table No. 15 (Executive Summary) shall be considered as full & final settlement of their dues as on the CIRP commencement date, and the balance amount over & above the said amount will be written off/ waived off in totality.	
		xi. The extinguishment of the charge filed on the aforesaid hypothecated assets, plant & machinery, raw materials etc irrespective of claim filed are of utmost importance for RA to restart the production in its full capacity	<b>Not relevant</b>
		xii. Further, as per our due diligence it is observed that the CD has procured certain motor vehicles, deposits, margin money, security deposits, fixed deposits, however, the same is not mentioned in the IM. The RA herein submits that all the assets of the CD shall be handed over to RA on the NCLT Approval Date.	<b>Not granted. If the RA had any such information, it should have been shared with the RP for necessary action as per law.</b>
		xiii. On or from the NCLT Approval Date, all accounts of the CD shall stand regularised and their asset classification shall be considered as	<b>Granted subject to the provisions under the banking and RBI laws.</b>



		"standard", emphasis on Vifay Pitamber Lulla, Resolution Professional of ETCO Industries Pvt Ltd (CP (IB) No' 1111/MB/C-II/2019). passed by NCLT - Mumbai	
2.	<b>Waiver of any/all liability incurred and accrued before CIRP commencement date on account of services rendered by Workmen &amp; Employees:</b>	i. As per IM, VDR (as on 08.03.2024) and updated list of claims (as on 08.03.2024), it is observed that no claims of Workmen & Employees has been admitted by the Resolution Professional	<b>No comments</b>
		ii. However, the RA proposes to apportion Rs. 1.05 Lakhs towards the claimed amount which shall be paid in priority i.e within 1 month from the NCLT Approval Date against full and final settlement of their dues as on the CIRP commencement date. The proposed payout is envisaged in the aforementioned table No.26.	<b>No comments</b>
		iii. The Employees & Workmen shall have deemed to have provided a no dues confirmation to the CD, with respect to their claims	<b>No comments</b>
		iv. The CD shall have no liability (whether disclosed or undisclosed) towards any of the Employees &	<b>No comments</b>



		Workmen relating to the Period until the insolvency commencement date or such period as may be approved by the NCLT.	
		v. As per Jet Aircraft Maintenance Engineers Welfare Association v Ashish Chhawchharia, Resolution Professional of Jet Airways. (India) Limited and Others [Company Appeal (AT) (Insolvency) Number 752 of 2021] ("Jet Airways Judgement"), the workmen and employees dues (including EPF & ESIC dues) shall be paid in priority. Therefore, the RA proposes to pay the entire debt of Rs. 83,558 towards EPFO dues in priority.	No comments
		vi. Any contingent claims of Workmen shall be written off in full if not crystallised on or before the NCLT Approval Date.	No comments
		vii. Other than the Workmen Dues and Employees' Dues (including the EPF and ESIC dues), any and all rights, entitlements, claims or demands made by, or liabilities or obligations owed or payable to, (including any demand for any losses or damages, or interest, back wages, compensation, penal interest, liquidated	No comments



		damages already accrued/accruing or in connection with any claims) any present or past, direct or indirect, permanent or temporary employee and/or workman of the CD, whether admitted or not, due or contingent, asserted or unasserted, crystallized or crystallised, known or unknown, disclosed or undisclosed, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the IM, the balance sheets of the CD or the profit and loss account statements of the CD or the list of creditors, in relation to any period prior to the NCLT Approval Date, will be written off in full and shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the CD and/or the RA and/or the Implementing Entity shall at no point of time be directly or indirectly held responsible or liable in relation thereto, or have any obligation, liability or duty in relation thereto.	
		viii. Other than what has been provided for in the	<b>To be dealt by the concerned</b>



		Resolution Plan, the RA seeks explicit waiver of any penal amount, penalty and other charges due to the Workmen and Employees Dues being ESIC Dues, PF Dues and any dues, payments, penalties, arrears etc under Employee State Insurance Act, 1948, Provident Fund Act, Payment of Bonus Act, Contract Labour Act, 1973, Industrial Disputes Act, 1947, Minimum Wages Act, Equal Remuneration Act, 1776, Factories Act, 1948, Gratuity Act, 1972, etc whether claimed or not claimed, admitted or rejected or contingent or admitted at a nominal value of Rs. 1, for the period prior to the NCLT Approval Date but which may prejudice the terms and implementation of this Resolution plan of CD pursuant to the NCLT Approval Date.	<b>authorities.</b>
3.	<b>Waiver of the amount due to Statutory Authorities over and above what is proposed in the plan</b>	The RA has made provision for the statutory dues as stipulated in its financial proposal in Table 15(Executive Summary), and the same shall be treated as a full and final settlement towards their claim.	<b>To be dealt by the concerned authorities.</b>



		ii. RA seeks absolute waiver of the defaults claims made by the authorities over and above what is proposed to be paid in the resolution plan as stipulated in Table 15 (Executive Summary).	<b>To be dealt by the concerned authorities.</b>
		iii. Other than what is proposed to be paid by RA in this Resolution Plan, all other operational dues, statutory dues, taxes, penalties, penal interest, demands, etc. on such operational dues of the CD, whether claimed or not claimed, admitted or rejected or contingent or admitted at a nominal value of Re. 1, for the period prior to the NCLT Approval Date, but which may jeopardize the terms and implementation of this resolution plan, are deemed to be fully waived off and the RA may be assured that no such claim from any person or	<b>To be dealt by the concerned authorities.</b>



		authority shall disturb/affect the process of resolution of CD as proposed by the RA in this Resolution Plan.	
4.	<b>Waiver of the dues of the other Sundry Operational Creditor and other current liabilities:</b>	i. The RA has made provision for the other Sundry Operational dues as stipulated in its financial proposal in Table 15 (Executive Summary) and the same shall be treated as a full and final settlement towards their claim.	<b>To be dealt by the concerned authorities.</b>
		ii. Any operational creditors of the CD, by virtue of any contracts/agreements/notes/ obligations entered into between such Operational creditor and the CD and binding on all the parties to such contracts/agreements/ obligations, other than those mentioned in this Resolution Plan, whether known or unknown, admitted or unadmitted, contingent or rejected shall be waived off in full. The RA shall have a liberty to decide on such contracts/agreements/obligations with such parties. Irrespective to such decision, any past liability for the period prior to the NCLT Approval Date under such contract shall be	<b>To be dealt by the concerned authorities.</b>



		waived in its entirety.	
5.	<b>Waiver of all the Contingent Liabilities arising out of any Acts or Actions of the CD done before the Approval of the Resolution Plan by the NCLT:</b>	i. As per the IM, information available at VDR and data available at public domain the pending litigations / investigations/ appeals etc are already mentioned in the Table No. 13.	<b>To be dealt by the concerned authorities.</b>
		ii. Any claim by an Operational Creditor and statutory dues after the approval of the Resolution Plan by CoC shall not be honoured /entertained or taken cognizance of the same and it shall be deemed to be settled / NIL/ waived off totally.	<b>To be dealt by the concerned authorities.</b>
		iii. Any pending liabilities/ inquiries/ investigations/ suits/legal/civil/ criminal/ assessment/ claims/disputes/ litigations/ arbitral award, etc. shall be deemed to be settled on the approval of the Resolution Plan.	<b>To be dealt by the concerned authorities.</b>
		iv. All cases, disputes, proceedings pending or instituted against the Company and/or its assets shall stand withdrawn and are deemed to be withdrawn upon approval of the Resolution Plan and the respective stakeholders shall co-operate and do all	<b>Granted</b>



		such acts and deeds necessary to comply with the same.	
		v. Any Amount over and above what is proposed as pay-out in this plan shall be waived off in entirety and the litigation shall be disposed-off completely/quashed.	<b>Granted</b>
		vi. The RA also seeks waiver of any liability arising out of any other investigations, appeals, enquiries and the litigations being initiated under any applicable laws including but not limited labours laws, Income Tax Act 1961, Civil Procedures Code, before the CIRP commencement date and more specifically pending litigation, investigation, appeals etc before Labour Tribunal, Income Tax Tribunal and National Faceless Appeal Centre or any court/tribunal/judicial body having jurisdiction. shall be disposed-off completely/quashed by virtue of the NCLT order approving this Resolution Plan. Emphasis on the matter of Leo Edibles & Flats Ltd. [(2018) 407 ITR 369] passed by Andhra Pradesh High Court, wherein it was held that the revenue	<b>To be dealt by the concerned authorities.</b>



		authorities cannot claim any such priority in respect of past tax dues. Emphasis on the matter of Adhunik Metaliks Ltd Vs. State of Odisha – Before Orissa High Court at Cuttack – WP (c) No. 1553 of 2022 passed on 04.01.2022, the Hon'ble High Court quashed all demands being prior to the date of commencement of the Resolution Plan.	
6.	<b>Waiver from all Corporate Guarantees given by the company / Bank Overdrafts availed by the Company before NCLT approval of the Resolution Plan</b>	i. Any claim/demand/liability that may be filed in the future or which may occur or crystallize against any guarantee, if any extended or given by the CD shall not be admitted/taken into consideration. Only the final consideration as provided in Executive Summary (Table No. 14) of the Resolution Plan would be paid/payable.	<b>To be dealt by the concerned authorities.</b>
		ii. Corporate Guarantee if any given by the CD shall stand withdrawn/revoked/ cancelled after approval of the Resolution Plan by the Adjudicating Authority.	<b>To be dealt by the concerned authorities.</b>
		iii. Further, any dues towards the Bank overdrafts (including interests) availed by the company before the CIRP commencement date,	<b>To be dealt by the concerned authorities.</b>



		whether claimed or not claimed, admitted or rejected or contingent or admitted at a nominal value of Re. 1, shall be extinguished. The RA seeks waiver of entire liability arising out of such overdraft facilities availed by the CD before the CIRP period and shall in no way be made liable for payment of such amount, over and above the financial proposal as mentioned in the Executive Summary (Table No. 15) by virtue of the NCLT order approving this Resolution Plan. Further, any encumbered assets or inventories (whether in progress or finished) of the RA shall be discharged with effect from NCLT Approval Date.	
		iv. To ensure that no rights of subrogation or action against the CD survives, on and from the date of approval of Plan by Adjudicating Authority, all liabilities of the CD (whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallized, known or unknown, disclosed or undisclosed, disputed or undisputed, present or future) relating to any	<b>To be dealt by the concerned authorities.</b>



		<p>period prior to the date of approval of Plan by Adjudicating Authority in relation to any guarantee or other third party security of any nature, in respect of which such third parties may have rights against the CD, which may have been provided or issued by any person in support of, for the benefit of, or at the behest of the CD or for any other reason whatsoever, shall stand cancelled and terminated without any liabilities accruing to the CD and will be treated as settled at NIL and extinguished by virtue of the order of the NCLT approving this Resolution Plan. It is clarified that the issuer of any guarantees issued in support of, for the benefit of, or at the behest of the CD, will do all acts and execute all agreements/documents as may be necessary to record the extinguishment of the subrogation rights of such guarantor of the CD, if required by the CD or the RA, as the case may be. Without prejudice to the aforesaid, if any liability is imposed on or accrues to the CD on account of any right of subrogation</p>	
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		exercised by any third party, upon invocation of any third party security provided by such third party, the beneficiary of such third party security shall hold the CD harmless and shall be responsible/liable to make all the requisite payments (including costs, interest, expenses) to the relevant third party, without any recourse to the CD.	
7.	<b>Waivers for any / all liabilities arising due to non-compliance under Companies Act 1956 and the Companies Act 2013/RBI/Labour laws / Import Export Code / Factory Act, 1948/Central Excise / Central Sale Act Taxation laws/ GST / Employees' Provident Fund Organisation / Value Added Tax Act / Customs Act, 1962 etc. as applicable on the CD:</b>	Upon approval of the Resolution Plan by the Adjudicating Authority, all non-compliances, breaches and defaults of the CD for the period prior to the NCLT Approval Date (including but not limited to those relating to Tax), shall be deemed to be waived by the concerned Governmental Authorities. Immunity shall be deemed to have been granted to the CD from all proceedings and penalties under all Applicable Laws for any non-compliance for the period prior to the date of approval of the Plan by the Adjudicating Authority and no interest/penal implications shall arise due to such non-compliance /default/breach prior to	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



		the date of approval of the Resolution Plan by the Adjudicating Authority. This includes, without limitation, waiver/extinguishment of:	
		i. Upon approval of the Resolution Plan by the Adjudicating Authority, all non-compliances, breaches and defaults of the CD for the period prior to the NCLT Approval Date (including but not limited to those relating to Tax), shall be deemed to be waived by the concerned Governmental Authorities. Immunity shall be deemed to have been granted to the CD from all proceedings and penalties under all Applicable Laws for any non-compliance for the period prior to the date of approval of the Plan by the Adjudicating Authority and no interest/penal implications shall arise due to such non-compliance /default/breach prior to the date of approval of the Resolution Plan by the Adjudicating Authority. This includes, without limitation, waiver/extinguishment of:	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
		ii. All the liabilities, penalties, charges, fees, etc. arising	To approach concerned



		out of non-compliance of requirements, if any, of RBI's Regulations, Rules, Circulars, Notifications, etc. for the period prior to date of approval of the Resolution Plan by the Adjudicating Authority shall be treated as waived off/extinguished.	<b>Authorities who may pass orders keeping in view the object of IBC, 2016.</b>
		iii. All the liabilities, penalties, notice fee, transfer fee, premium, renewal fee, Education Cess, charges, fees, municipal tax, arrears, etc. arising out of non-compliance or non-payment of taxes in respect to Property Tax, Transfer Fee etc on immoveable assets of the CD, thereunder, if any, of Gujarat Industrial Development Act 1962, Regulations, Rules, Circulars, Notifications, etc., for the period prior to date of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be treated as waived off/extinguished.	<b>To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.</b>
		iv. All the liabilities, penalties, notice fee, Education Cess, charges, fees, municipal tax,	<b>To approach concerned Authorities who may pass orders</b>



		arrears, etc. arising out of non-compliance or non-payment of taxes in respect to Property Tax on immoveable assets of the CD, thereunder, if any, of Gujarat Land Revenue Code 1879, Regulations, Rules, Circulars, Notifications, etc. for the period prior to date of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be treated as waived off/extinguished.	keeping in view the object of IBC, 2016.
		v. All the liabilities, arrears, society dues, property tax, penalties, notice fee, Education Cess, charges, fees, municipal tax, arrears, etc. arising out of non-compliance or non-payment of taxes in respect to Corporation Tax on immoveable assets of the CD, thereunder, if any, Gujarat Municipalities Act, 1963/Gujarat Panchayat Act, 1993, Regulations, Rules, Circulars, Notifications, etc. for the period prior to date of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



		treated as waived off/extinguished.	
		vi. All the liabilities, interest, penalties, charges, fees, etc. in any form arising out of non-compliance of the requirements of any of the Labour laws like Employee State Insurance Act, 1948, Provident Fund Act, Payment of Bonus Act, Contract Labour Act, 1973, Industrial Disputes Act, 1947, Minimum Wages Act, Equal Remuneration Act, 1776, Factories Act, 1948, Gratuity Act, 1972, etc. for the period prior to date of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this resolution plan, shall be treated as waived off/extinguished and all/any pending litigation in case of above labour laws shall stand abated.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
u		vii. All the liabilities, penalties, charges, fees, etc. payable to the regulators by the CD arising out of non-compliance, default, breach, violation of the requirements of the applicable law including provisions of FEMA & FERA Regulations, Trade	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



		Policy of the Government of India, Export Oriented Unit Regulations, Rules, Circulars, Notifications, etc. for the period prior to date of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this Resolution Plan shall be treated as waived off/extinguished.	
		viii. All the liabilities, pending dues, penalties, charges, fees etc arising out of non-compliance or non-payment of the requirement of Electricity Act, 2003, Regulations, Rules, Circulars, Notifications etc for the period prior to date of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be treated as waived off/extinguished.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
		ix. All the liabilities, penalties, charges, fees, etc. arising out of non-compliance of the requirements of any of Import Export Code Regulations, Rules, Circulars, Notifications, etc. and DGFT regulations for the period prior to date	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



		of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be treated as waived off/extinguished.	
		x. All the liabilities, penalties, charges, fees, etc. arising out of non-compliance of the requirements of payment towards any statutory dues or amounts payable to the employees of CD under laws relating to payment of gratuity, bonus, provident fund, leave encashment and any similar amounts.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
		xi. All the liabilities, penalties, charges, fees, etc. arising out of non-compliance of the requirements of any of Factories Act, Regulations, Rules, Circulars, Notifications, etc. for the period prior to date of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be treated as waived off/extinguished.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
		xii. All the liabilities, penalties, charges, fees, etc. arising out of non-compliance of the	To approach concerned Authorities who may pass orders



		requirements of any of Environment Protection Act, 1986, Water Act, 1974, Air Act, 1981, Indian Boiler Act, 1923, Noise Rules 2000, Regulations, Rules, Circulars, Notifications, etc. for the period till date of approval of the Resolution Plan by the Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be treated as waived off/extinguished.	keeping in view the object of IBC, 2016.
		xiii. All the liabilities, interest, penalties, charges, fees, etc. in any form arising out of non-compliance of the requirements of any of the Taxation laws like Income Tax Act, 1961, GST, Finance Acts, Securities Transaction Tax, Credit Information Companies (Regulation) Act, 2005, etc. such as existing/future litigation, assessment, scrutiny, contingency for the period prior to approval of the Plan by Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be treated as waived off/extinguished and all/any pending litigation in case of above labour	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



		laws shall stand abated. Nothing other than what is provided in Resolution Plan would be paid payable.	
		xiv. All the liabilities, penalties, charges, fees, etc. arising out of non-compliance of the requirements of any of Customs Act, 1962, Regulations, Rules, Circulars, Notifications, etc. for the period prior to approval of the Resolution Plan by Adjudicating Authority, as per the terms and implementation of this Resolution Plan, shall be treated as waived off/extinguished.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
8.	<b>To grant waiver as per the executive summary elaborated in Section 2 Table 15 Executive Summary of this Resolution Plan</b>	To grant waiver as per the executive summary elaborated in Section 2 Table 15 Executive Summary of this Resolution Plan. The amount provided under this Resolution Plan and stated therein shall be the full and final settlement amount.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
9.	<b>Waivers of Income-Tax, MVAT, CDBT and MAT liability arising on plan implementation</b>	Waiver of any Income-tax and Minimum Alternate Tax (MAT) liability or consequences (including interest, fine, penalty, etc) on the Company, RA and its shareholders on account of various steps as	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



		proposed in the Resolution Plan, including but not limited to liabilities if any under Section 28, Section 41 for write back of liabilities, Section 43, Section 50C, Section 50 CA, Section 56 for fair valuation/deeming provisions, Section 79, Section 115JB of the Income-tax Act, 1961, including, without limitation:	
		<b>A.</b> Waiver of any Tax or MAT liability to the RA on account of purchase of Equity share of the company in accordance with section 6 of the Resolution Plan;	<b>To approach concerned Authorities.</b>
		<b>B.</b> waiver of MAT and income tax implication arising due to hiving off of surplus/ obsolete assets or selling for raising money to make Balance Payment,	<b>To approach concerned Authorities.</b>
		<b>C.</b> waiver of MAT and income tax implication arising due to write back,/ write off of liabilities in the books of accounts of the Company without any impact on brought forward tax and book loss / depreciation, pursuant to this Resolution Plan	<b>To approach concerned Authorities.</b>
		<b>D.</b> waiver of any Tax on account of any transactions contemplated	<b>Not Granted</b>



		under this Resolution Plan or arising out of implementation of this Resolution Plan, and any other tax implication arising pursuant to the implementation of the transactions contemplated under this Resolution Plan.	
		<p><b>E.</b> Waiver of waiver to the CD/RA/Implementing Entity with respect to compliance with section 269SS and section 269T of the Income Tax Act for any steps pursuant to implementation under the Resolution Plan, and the CD/RA/Implementing Entity shall not be held liable under Section 271D and Section 271E of the Income Tax Act.</p> <p>The above waiver was approved by the NCLT Mumbai Bench in the case of Print House (India) Private Limited page 91 and 95 therein (CP (IB) 82/(MB)/2018).</p> <p>In reference to Writ Petition No. 25827 of 2019 The Sirpur Paper Mills Limited &amp; Another Vs Union of India &amp; Two others passed by Hon'ble Telangana High Court The Hon'ble Telangana High Court opined that from the date</p>	<b>Not Granted</b>



		of approval of the Resolution Plan by the Tribunal, the same would prevail over the claims of the Income Tax Department and such claims which are outside the Resolution Plan for the period covered by the Resolution Plan would stand extinguished. The same was held while quashing notices sent by Income Tax Department.	
10.	<b>Waiver of obligations</b>	The RA seeks waiver from any penalties, demand, fees or any liability due to non-compliance of any obligations/conditions prior to the NCLT Approval Date. Nothing other than provided in Resolution Plan would be paid/payable by RA/CD.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
11.	<b>Waiver for unknown liabilities/off balance sheet transactions:</b>	The RA/CD shall not be liable to pay any hidden unknown. liabilities/off balance sheet transactions surfacing at any future date after approval of Resolution Plan by Adjudicating Authority. Nothing other than provided in Resolution Plan would be paid / payable by RA/CD.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
12.	<b>Waiver from payments to Creditors submitting claims</b>	The Code, the CIRP Regulations and the relevant judgements entitle all creditors of a CD to	To approach concerned Authorities who may pass orders



	<b>after approval of the Resolution Plan by the Committee of Creditors:</b>	submit their claims to the Resolution Professional on or prior to 90 days from CIRP commencement date and/or until the date on which the Resolution Plan gets approved by the CoC on the direction of the Adjudicating Authority. As a result, in the event any Creditor of the Company does not submit its claims to the Resolution Professional prior to the date of approval of the Resolution Plan by CoC, then in such case, the said Creditor will not be entitled to receive any payments under the Resolution Plan. No legal action can be lodged against the said claim against RA/CD and their claim shall be deemed to have been waived off without any further action on the part of RA.	keeping in view the object of IBC, 2016.
13.	<b>Waiver from payments under any financial instruments</b>	All the outstanding negotiable instruments issued by the CD or any person on behalf of the CD including promissory notes, post-dated cheques and Letter of Credits, shall stand cancelled and the CD's liability under such instruments shall stand extinguished.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



14.	<b>Waiver from stamp duty implications</b>	Waiver from the levy of stamp duty and fees by the stamp authorities and Ministry of Corporate Affairs, applicable in relation to this Resolution Plan and its implementation, including an increase in Authorized Share Capital of the CD and in relation to transfer of Investments, Real Estate and other assets as contemplated in this Resolution Plan (if required for implementation of Resolution Plan) and issuance of new Equity Shares to the RA and/or the Financial Creditors, as contemplated in this Resolution Plan.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
15.	<b>Waiver with respect to Business Permits</b>	All Business Permits, authorisations, registrations, quotas, allotments, all kinds of approvals, consents, privileges, liberties, advantages, easements, exemptions, incentives including in relation to any taxes and all the rights, title, interests, benefits, entitlement, advantages, privileges receivable under applicable law, whether statutory or otherwise or in terms of certain schemes or policies including by the Central or any State	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



	<p>Government or other local authority, or any foreign government or body, contract, lease or license granted in favour of the CD or to which the CD is entitled to or accustomed to, that may have lapsed, expired or been terminated, on account of non-payment of any statutory dues or filing fees as the case may be, shall be renewed by the respective Governmental Authorities with effect from NCLT Approval Date, without any additional cost to the RA. For the avoidance of doubt, it is hereby clarified that all aforesaid documents, which have lapsed, expired or been terminated on or prior to the NCLT Approval Date, as the case may be, shall be renewed by the relevant Governmental Authority on an expedited basis and pending receipt of such renewed documents, the RA shall be permitted to continue to operate its business as a going concern without disruption for the benefit of the RA for a period of 12 months.</p> <p>During the aforementioned 12 months period or until</p>	
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		renewed by the relevant Governmental Authority, whichever is later, the RA and the CD shall have immunity from any actions and penalties under any Applicable Law for any non-compliance of Applicable Law in relation to the CD as well as with the terms of any agreement or arrangement entered into with the CD which was existing as on NCLT Approval Date and which continues for a period of 12 months from the date of acquisition of control by the RA.	
16.	<b>Waiver with respect to contractual obligations</b>	Upon approval of the Resolution Plan by the Adjudicating Authority, all non-compliances breaches and defaults of the CD for the period prior to NCLT Approval Date shall be deemed to be waived by all the concerned customers (including government, semi-government, third party and public sector undertakings) with whom the CD, its Affiliates, subsidiaries and associate company has entered into contract for supply of goods and/or services and immunity shall be deemed to have been granted to the CD along with its Affiliates,	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



	<p>subsidiaries and associate company from all proceedings, penalties, black listing or any action under the contracts entered into by the CD along with its Affiliates, subsidiaries and associate company with any of its customer and under all the Applicable Laws for any breach default or non-compliance for the period prior to NCLT Approval Date and no interest/penal or any negative action shall arise due to such breach/default/non-compliance prior to NCLT Approval Date.</p> <p>The CD and the RA shall be exempted and shall have no obligation to: (a) implement from retrospective effect, any past settlement agreements, arrangements or engagements agreed or entered with workmen, employees, or any labours (contractual or otherwise) individually or through unions; and (b) enter into any new settlement agreements, arrangements or engagements with workmen, employees, or any labourers (contractual or otherwise), individually or through unions for</p>	
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		<p>period prior to NCLT Approval Date.</p> <p>Notwithstanding anything written above, in case of any adverse finding/ruling / adjudication by any competent court / tribunal / authority/judicial or quasi-judicial body, then the CoC and RP shall not be responsible for the same. However, if any such payments are to be made by the CD or the SRA, the same shall be deducted from the Resolution Plan Amount and will not be over and above the Resolution Plan Amount such that the Resolution Plan Amount proposed by the SRA along with time-line for payment proposed shall remain intact and unaffected.</p>	
17.	<b>B. DIRECTIONS</b>  <b>The Adjudicating Authority (NCLT) is requested to approve the following:</b>	<p>i. To direct the Secured and Unsecured Creditors, statutory authority and its departments to release the property attached including assets and Bank Accounts attached, if any and issue No-Dues Certificate in favour of CD and release the security interest or encumbrances in any of the assets not limited to movable, immovable, tangible, intangible, mortgaged or</p>	<p>To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.</p>



		pledged etc.	
		ii. To direct that on and with effect from the NCLT Approval Date, all encumbrances, security interests, liens and/or attachments including pursuant to Applicable Law and particularly Section 281 of Income Tax Act, 1961 and Section 81 of Central Goods and Services Tax Act, 2017 created or suffered to exist over the Assets of the Cd, whether by contract or by Applicable Law, whether or not in favour of Persons receiving settlement under this Regulation Plan, shall stand unconditionally and irrevocably released and all enforcement proceedings commenced by any Person over any of the Assets of the CD or any subsidiary of the CD shall stand released and reversed, without the requirement of any further deed or action or part of the RA or the CD.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
		iii. To direct all movable properties of the CD including tax refunds with the government as applicable, investments in shares and any other	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



		securities, sundry debtors, future receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits with government, semi government, local, private bodies or any other institution, shall without any further act, instrument or deed, become the property of the RA and shall stand transferred to the RA pursuant to the Resolution Plan post the NCLT Approval Date. Further, such movable properties shall not be appropriated by the CD or any person or entity on behalf of the CD for any purpose for the period from the CIRP commencement date to the NCLT Approval Date.	
		iv. To direct the Financial Creditors to classify the CD's bank accounts under the category of standard account.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
		v. To direct that the CD be permitted to revise and/or file returns pertaining to the CD including but not	To approach concerned Authorities who may pass orders keeping in view



		limited to annual returns, income tax returns tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax/VAT/GST returns, and other returns filed with the government and other statutory or regulatory authorities as may be required. Such returns may be revised and/or filed notwithstanding that the statutory period for such revision and/or filing might have expired and the same must be processed by the relevant statutory / regulatory authority without the payment of any costs or penalty thereto.	the object of IBC, 2016.
		vi. To direct the Principal Commission of Income Tax of the said jurisdiction to allow the CD to carry forward its accumulated tax losses for a period of 8 years and unabsorbed depreciation, if any, for infinite period, to be filed after NCLT Approval Date for the previous year's returns not filed, without prejudice to the rights available in law and CD shall be permitted recourse to the third proviso to Section 79 of the IT Act	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.



		and Section 115JB of the Act	
		vii. To direct that the write off of assets for giving effect to the Resolution Plan shall be allowed as business expenditure u/s 36 and 37 of Income Tax Act, 1961.	To approach concerned Authorities who may pass orders keeping in view the object of IBC, 2016.
		viii. To give or issue necessary directions, instructions to the Central Board of Direct Taxation ("CBDT"), Central Board of Indirect Taxes, Customs, Value Added Tax authorities, State Governments Tax authorities to grant the reliefs/exemptions/waivers from applicability of Section 170 and Section 281 of the Income-tax Act, 1961, for the purposes of implementation of this Resolution Plan.	To approach the appropriate authority
		ix. This Tribunal to issue a summons/notice on the first day of hearing to the Principle Commissioner or Commissioner having jurisdiction over the CD u/s 79 of the Income Tax Act, 1961 to Income Tax Department to give sufficient opportunity of being heard to Income Tax Department to allow the carry forward of business	Not Granted

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		<p>loss for a period of 8 years from the NCLT Approval Date and allow the unabsorbed depreciation loss to be carry forward for indefinite period. as per Income-Tax Act, 1961.</p> <p>Emphasis on Writ Petition No. 25827 of 2019 The Sirpur Paper Mills Limited &amp; Another Vs Union of India &amp; Two others passed by Hon'ble Telangana High Court The Hon'ble Telangana High Court opined that from the date of approval of the Resolution Plan by the Tribunal, the same would prevail over the claims of the Income Tax Department and such claims which are outside the Resolution Plan for the period covered by the Resolution Plan would stand extinguished.</p> <p>The same was held while quashing notices sent by Income Tax Department.</p>	
		x. To explicitly direct the relevant statutory authorities that all pending assessments be waived and neither the CD nor the RA be subject to any tax liability on account of such pending assessments.	<b>The issue will be decided by the concerned authorities, considering the provisions of the IBC, 2016 and the</b>



		<p>Further, post the approval of the Resolution Plan by the Adjudicating Authority no re-assessment/revision or any other proceedings under the Income Tax Act, 1961 and other statutes governing indirect taxes (including but not limited to sales tax, VAT, goods and services tax, excise duty, customs duty, GAAR etc.) shall be initiated whatsoever against the CD/RA in relation to the period prior to the date of approval of Plan by Adjudicating Authority in case no claims have been submitted by the authorities in this regard. Any such consequential demand shall be considered non-existing and not payable by the CD/RA. Any proceedings kept in abeyance in view of CIRP shall not be revived post the date of approval of Plan by Adjudicating Authority.</p>	<p><b>decision of the Hon'ble Supreme Court in the case of Ghanshyam Mishra based on the clean slate principle, as discussed in the order.</b></p>
		<p>xi. To grant permission to the RA to use the brand, logo, name, tradename, trademark, software, whether registered or unregistered in color or black and white, owned, licensed, sub-licensed or otherwise of the CD</p>	<p><b>Granted</b></p>



		without any fees, for a period of 12 months from the NCLT Approval Date only for the purpose of the implementation of this transaction. The CD shall crystallize all costs and expenses with respect to the brand, logo, name, tradename, trademark prior to the NCLT Approval Date.	
		xii. To direct that all Business Permits, authorisations, registrations, quotas, allotments, all kinds of approvals, consents, privileges, liberties, advantages, easements, exemptions, incentives including in relation to any taxes and all the rights, title, interests, benefits, entitlement, advantages, privileges receivable under applicable law, whether statutory or otherwise or in terms of certain schemes or policies including by the Central or any State Government or other local authority, or any foreign government or body, contract, lease or license granted in favour of the CD or to which the CD is entitled to or accustomed to, as on the CIRP commencement date,	<b>Approach relevant authorities.</b>



		stand transferred to the RA pursuant to the Resolution Plan post the NCLT Approval Date.	
		xiii. To direct that the financial statements prepared in accordance with the provisions of this Resolution Plan be binding on all stakeholders (including but not limited to Income tax Department, Goods and Service Tax Departments, Sales Tax Department, other tax departments, RoC, RBI and all other Governmental Authorities).	<b>Approach relevant authorities.</b>
		xiv. To direct that the financial statements prepared in accordance with the provisions of this Resolution Plan be binding on all stakeholders (including but not limited to Income tax Department, Goods and Service Tax Departments, Sales Tax Department, other tax departments, RoC, RBI and all other Governmental Authorities).	<b>Approach relevant authorities.</b>
		xv. To direct the GIDC that no transfer fees/premium charges shall be levied by GIDC or any other authority in case of change of the ownership of CD as per the terms of this Resolution Plan.	<b>To approach the appropriate authority</b>



		xvi. To direct the GIDC to grant waiver of any of the GIDC dues as on the NCLT Approval Date.	To approach the appropriate authority
		xvii. To direct the GIDC to re-connect the water supply (if supply was disconnected due to default/ failure in payments) for all the Units and offices of the CD on payment of their entire dues as per the terms of this Resolution Plan and keep the security deposits kept by the CD intact.	To approach the appropriate authority
		xviii. To direct the Uttar Gujarat Vij Company Ltd to re-connect the Electricity connections (if supply was disconnected due to default in payments) for all the Units and offices of the CD and keep the security deposits kept by the CD intact.  Emphasis on NCLAT Judgement of Swatik Aqua Ltd & Anr Vs. Jharkhand Bijli Vitran Nigam Ltd & Anr, wherein it was stated that not having filed claim of electricity dues of pre-CIRP in CIRP, it is not entitled to recover pre-CIRP dues and electricity cannot be disconnected.	To approach the appropriate authority
	1	xix. To direct that all the dues including statutory	



		dues owed to the Central or State Government or local authority shall stand extinguished and no proceedings in respect of such dues shall be continued.	
		xx. To direct that all agreements which require consent of any third party for any change of control of the CD or transfer of any asset of the CD shall be deemed to have been provided by such third parties with effect from the NCLT Approval Date to the CD.	<b>To approach the appropriate authority</b>
		xxi. To direct extension of moratorium imposed under Section 14 of the IBC until the NCLT Approval Date. However, such moratorium shall not apply to transactions contemplated in this Resolution Plan.	<b>The Moratorium under section 14 ends on the date of passing this order.</b>
		xxiii. The statutory authorities including but not limited to ROC to be directed to allow the RA to file any returns/forms relating to period prior to the NCLT Approval Date in case compliance is not made in the past without any late filing fees, penalty, interest or any other dues. Further, after the above compliance, the CD's	<b>To approach the Appropriate Authority</b>



		account may be treated as regular and it may be allowed to take all benefits available under these statutes.	
		xxiv. To direct that all benefits including on account of any carried forward tax losses, exemptions, deductions, rebates, reliefs, input tax credits, etc. available to the CD under any tax laws in India, including but not limited to Income Tax Act, 1961, the Customs Act, 1962, GST law and such other tax laws, shall not lapse pursuant to the Resolution Plan and shall be available post the NCLT Approval Date.	<b>To approach the appropriate authority</b>
		xxv. Notwithstanding anything contained in the Income Tax Act, 1961, the Adjudicating Authority to direct that the CD be allowed to file past income tax returns for the period prior to the NCLT Approval Date and no penalty, interest, charge should be levied for the same. Further, all losses, exemptions, deductions, rebates, reliefs, input tax credits, etc. available to the CD available in such returns filed shall not lapse pursuant to the	<b>To approach the appropriate authority</b>



		Resolution Plan and shall be available post the NCLT Approval Date.	
		xxvi. The CD and the RA shall be granted an exemption from all taxes, levies, fees, transfer charges, transfer premiums, and surcharges that arise from or relate to the implementation of the Resolution Plan, since payment of these amounts may make the Resolution Plan unviable. Foregoing reference to Taxes shall include the following: i. Transaction cost: Any transfer premiums or charges, change of ownership/ control charges payable in connection with the implementation of this Resolution Plan and the consequent change in ownership and control of the CD; ii. Relevant Governmental Authority includes but is not limited to the relevant authorities of the states in which the CD and RA undertake business.	<b>Approach the relevant authorities.</b>
		xxvii. To direct that upon the approval of Resolution Plan, the RA be granted time period of 12 months from the date on which the Adjudicating Authority	<b>To approach the appropriate authority</b>



		approves the Resolution Plan, to ensure compliances in relation to the non-compliances of Applicable Laws by the CD pertaining to any period up to the date on which the Adjudicating Authority approves the Resolution Plan.	
		xxviii. To direct the jurisdictional ROC to take on record the Resolution Plan, upon approval of the Plan by the Adjudicating Authority, without any further compliances.	<b>To approach the Appropriate Authority</b>
		xxix. To direct the jurisdictional ROC to maintain the status of the CD from the NCLT Approval Date as ACTIVE Compliant in terms of Rule 25A of the Companies (Incorporation) Rules, 2014, in its records without the requirement of any other filing or action to be undertaken in this regard.	<b>To approach the Appropriate Authority</b>
		xxx. To direct the employees [including KMps], workmen and suspended Directors of CD to handover following on NCLT Approval Date <ul style="list-style-type: none"><li>• The password of the Machinery,</li><li>• Software &amp; manuals of Machinery,</li></ul>	<b>Granted</b>



		<ul style="list-style-type: none"><li>• Dossier Data Base</li><li>• Stability Report</li><li>• Any other data or report essential for running the unit and</li><li>• Or any other data/document sought by RA.</li></ul>	
		xxxii. To direct that the pledge created over the assets of the CD in favour of the Financial Creditors be immediately released upon full and final settlement of dues of the Financial Creditors under the Resolution Plan.	<b>Granted</b>
		xxxiii. To direct that 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.	<b>Not granted</b>
		xxxiv. To direct that all employee stock option plans, or similar incentive schemes of the CD be extinguished in such a manner that RA or CD do not have to incur additional cost post take over.	<b>Not granted</b>
		xxxv. To direct that any inquiries, investigations, notices, show cause notices,	<b>To approach the appropriate</b>



		suits, settlement agreements, claims, disputes, criminal proceedings, arbitration, litigation, tax proceedings or any other judicial, regulatory or administrative proceedings, in connection with the CD or the affairs of the CD including proceedings before any judicial/quasi-judicial body including proceedings before the Debt Recovery Tribunal, Magistrate's Court, High Court, Supreme Court, Consumer Courts, RBI, SEBI, Stock Exchange, Registrar of Companies, Regional Director, or any judicial or quasi-judicial authority or any rating agency against the CD, pending or threatened, present or future in relation to any period prior to the date on which the Adjudicating Authority approves the Resolution Plan, from any Person or Governmental Authority, or arising on account of implementation of this Resolution Plan shall stand withdrawn and dismissed and all liabilities and obligations therefore, whether or not set out in the balance sheets of the CD or the profit and loss account	authority
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		<p>statements of the CD will be deemed to have been permanently extinguished and no adverse orders passed in the said matters should apply to the CD or the RA. Upon approval of this Resolution Plan, all new inquiries, investigations, notices, suits, Claims, disputes, litigations, arbitrations or other judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against the CD, in relation to any period prior to the date on which the Adjudicating Authority approves the Resolution Plan.</p> <p>Emphasis on Paramjit Gandhi Vs. Ashwini Mehra, Chairman Monitoring Committee of Educomp Infrastructure &amp; School Management Ltd &amp; Ors (2023) 228 NCLAT, wherein it was held that the Section 32A being a statute regarding liability for prior offences, as and when such occasion arises, it is always open for the Appellant to seek protection under Section 32A in accordance with law.</p>	
		xxxv. To direct that the CD be granted	To approach the



		waiver/exemption from compliance of compounding under Section 143(12) and any other relevant provisions of the Companies Act, 2013 and other applicable laws for the removal of both statutory and internal auditors of the CD and appointment of new auditors (if required).	<b>appropriate authority</b>
		xxxvi. To direct that any inquiries, investigations, notices, show cause notices, suits, settlement agreements, claims, disputes, criminal proceedings, arbitration, litigation proceedings with respect to workmen and employee whether filed in individual capacity or filed through a union, shall stand withdrawn and dismissed and no adverse orders passed in the said matters apply to the CD or the RA in relation to any period prior to the date on which the Adjudicating Authority approves the Resolution Plan.	<b>To approach the appropriate authority</b>
		xxxvii. To direct that any approvals that may be required from Governmental Authorities or third parties (including but not limited to tax authorities, BSE, NSE, ROC, SEBI and RBI) in connection with the	<b>To approach the appropriate authority</b>



		implementation of the Resolution Plan including on account of change in ownership control of the CD, shall be deemed to have been granted on the date of approval of the Resolution Plan by the Adjudicating Authority.	
		xxxviii. To direct the Food & Drugs Control Administration and Commissioner of State Excise to keep the licenses, permits and their services along with the security deposits intact.	<b>To approach the appropriate authority</b>
		xxxix. To direct the Employees/ Contract Labourers/ Operational Creditors/ Labour Union/ other stakeholders for complete co-operation at the time of resolution of CD as per the terms of implementation of this Resolution Plan.	<b>To approach the appropriate authority</b>
		xl. To direct the appropriate authority to grant / renew licences required for the running of the unit without any penalty, interest, damages for any past non-compliances.	<b>To approach the appropriate authority</b>
		xli. To direct that, subject to timely payments being made in respect thereof, the Company and all its facilities to continue to receive supply of essential	<b>To approach the appropriate authority</b>



		supplies, goods and services (as defined under the IBC and the CIRP Regulations) on an uninterrupted basis and no contracts for supply of essential goods to be terminated on account of the initiation of corporate insolvency resolution process/ bankruptcy proceedings involving the CD, appointment of the Resolution Professional, change in control / constitution of the CD pursuant to the terms of this Resolution Plan, and in respect of any pecuniary liability that is being settled in terms of the Resolution Plan To direct that neither the RA, nor any of its affiliates or connected persons, be disqualified from or considered ineligible under the Code for proposing and/or implementing a plan in relation to the insolvency resolution of any person (other than the CD), merely on account of the implementation of this Resolution Plan by the RA.	
0		xlii. In case of any adverse finding ruling adjudication by any competent court / tribunal / authority / judicial or quasi-judicial body, then the CoC and RP	To approach the appropriate authority

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		shall not be responsible for the same. However, if any such payments are to be made by the CD or the SRA, the same shall be deducted from the Resolution Plan Amount and will not be over and above the Resolution Plan Amount such that the Resolution Plan Amount proposed by the SRA along with time-line for payment proposed shall remain intact and unaffected."	
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- 19) In this case, the RP had filed Interlocutory Applications under sections 43 and 66 of the IBC based on the report received from the Transaction Auditor. These IAs have been decided by this Tribunal, and orders have been passed. These orders are listed in the following paragraph. The RP has been directed to give effect to these orders.
- 20) In this case, various Interlocutory Applications were filed, and this Adjudicating Authority has considered all of them, none is now pending and orders have been passed. It is directed that all the orders must be given effect to as per Law. The details of these IAs are given below:

IA No.	Date of filing	Filed by	Matter	Date of Order
IA/461(AHM)2024	12.03.2024	RP	Vinod Tarachand Agrawal IRP for M/s Jay Formulations Limited & Ors. V/s Rakshit Ashwinbhai	02.09.2024



			Patel & Ors. [Sec- 60(5) IBC, 2016, Rule 11 of NCLT rules]	
IA/987(AHM)2024	04.07.2024	RP	Vinod Tarachand Agrawal IRP for M/s Jay Formulations Limited & Ors. V/s Rakshit Ashwinbhai Patel & Ors. [Sec- 43,44,60(5)]	29.04.2025
IA/1064(AHM)2024	18.07.2024	RP	Vinod Tarachand Agrawal IRP for M/s Jay Formulations Limited & Ors V/s Rakshit Ashwinbhai Patel & Ors. [Sec- 66,67,60(5)]	21.04.2025
IA/1249(AHM)2024	02.08.2024	SIDBI	Small Industries Development Bank Of India V/s Vinod Tarachand Agrawal RP for Jay Formulation Ltd [sec- 60(5)]	05.05.2025
IA/435(AHM)2025	15.03.2025	State Tax Officer	State Tax Officer V/s Shri Vinod Tarachand Agrawal IRP for M/s Jay Formulations Limited & Ors (Sec- 60(5) IBC r/w Rule 11 NCLT)	05.05.2025

- 21) The RA is directed to pay the entire Resolution Plan amount within the time period stipulated under the Resolution Plan. Failing this, the entire amount paid by the Resolution Applicant (including the Performance Bank Guarantee, if any) as of the said date would be automatically forfeited without any recourse to this Tribunal.
- 22) It is hereby ordered that the Performance Bank Guarantee furnished by the Resolution Applicant shall remain in force till the amount proposed to be paid to the creditors under this plan is fully paid off and the plan is fully implemented.



- 23) The Memorandum of Association and Articles of Association shall accordingly be amended and filed with the Registrar of Companies, Ahmedabad, for information and record.
- 24) The Resolution Applicant shall obtain all necessary approvals under any law for the time being in force within such period as may be prescribed to effectively implement the Plan.
- 25) The moratorium under Section 14 of the IBC shall cease to have effect from the date of this order.
- 26) The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with a copy of this order for information.
- 27) The Applicant shall forthwith send a copy of this order to the CoC and the Resolution Applicant.
- 28) The Registry is directed to communicate this order to the Registrar of Companies, Ahmedabad for updating the master data and also forward a copy to IBBI.
- 29) A certified copy of this Order shall be issued on demand to the concerned parties upon due compliance.

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- 30) Liberty is hereby granted for moving any application if required in connection with implementing this Resolution Plan.
- 31) Accordingly, **IA(Plan)/27(AHM)2024** stands **allowed** and **disposed off**.
- 32) The Monitoring Committee must file a status report 180 days after the Resolution Plan's approval.
- 33) The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Learned Counsel for information and for taking necessary steps. Files be consigned to the record.

-Sd-

**SANJEEV KUMAR SHARMA**  
**MEMBER (TECHNICAL)**

-Sd-

**SHAMMI KHAN**  
**MEMBER (JUDICIAL)**

SEN/ST