



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

**IA No. 34 of 2025**

**IN**

**CP(IB) No.545 of 2022**

Under Section 30 of the Insolvency and  
Bankruptcy Code, 2016

**In the Application of**

**Mr. Shailesh Bhalchandra Desai**

...Resolution Professional/ Applicant  
Resolution Professional of M/s. Shri  
Fakirchand Enterprises Pvt. Ltd.

**In the matter of**

**M/s. Shri Fakirchand Enterprises Pvt.  
Ltd.**

...Corporate Applicant

Order pronounced on 11.07.2025

***Coram:***

Hon'ble Member (Judicial) : Sh. Justice Virendrasingh G. Bisht (Retd.)

Hon'ble Member (Technical) : Sh. Prabhat Kumar

***Appearances:***

For the Applicant : Mr. Aditya Mishra, Ld. Counsel

**ORDER**

**Brief Facts:**

1. The present Application is filed by Resolution Professional **Mr. Shailesh Bhalchandra Desai** (hereinafter referred to as the "Applicant/Resolution Professional") under Section 30 of the



Insolvency and Bankruptcy Code, 2016 (“Code”) read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for seeking approval of the Resolution Plan dated 26.09.2024, submitted by Jinesh K Sancheti, Meena K Sancheti and Anuja J Sancheti (hereinafter referred to as the “**Successful Resolution Applicant/SRA**”) and for passing order/appropriate direction that this Tribunal may deem fit in the present matter. The Resolution Plan has been approved by 69.83% of the voting share of the members of the Committee of Creditors (hereinafter referred to as 'CoC') in the 17<sup>th</sup> CoC meeting dated 20.02.2025, for **M/s. Shri Fakirchand Enterprises Private Limited** (hereinafter referred to as the “Corporate Debtor”).

2. The Corporate Debtor bearing CIN U36912MH2013PTC239672 was incorporated on 15.01.2013 having its registered address at 407, Panchratna, Opera House, Mumbai - 400004. Its Authorized share capital is Rs. 10,00,000/- and its paid-up capital is Rs. 10,00,000/-. The Corporate Debtor was incorporated to hold immovable property / assets in its name, which are located on 4<sup>th</sup> Floor of The Panchratna Co-Operative Housing Society Limited, Mama Parmanand Marg, Opera House, Mumbai- 400004.
3. The SRA is a consortium of three individuals, namely:

Name	PAN	Residential Address
Mr. Jinesh K. Sancheti	AUCPS2267D	1105/06, Navin Asha Bldg, Dada Saheb Phalke Road, Dadar (E), Mumbai - 400014
Mrs. Anuja J. Sancheti	CNBPS6231B	14 Munim Colony, Bijainagar, Masuda, Ajmer, Rajasthan - 305624
Mrs. Meena K Sancheti	AALPM4562A	

4. The Corporate Debtor is Corporate Guarantor for Antrix Diamond Exports Pvt Ltd bearing CIN 36912MH2013PTC239672 having its registered address at 407, Panchratna, Opera House, Mumbai-400004.



Corporate Guarantor failed to pay the debt which is owed to the Financial Creditor, viz. Bank of India. The Corporate Insolvency Resolution Process of Shri Fakirchand Enterprises Private Limited ("SFEPL/Corporate Applicant") was initiated pursuant to an application under Section 10 of IBC, which was allowed by this Tribunal vide its order dated 5<sup>th</sup> January 2024 appointing Mr. Shailesh Desai, as the Interim Resolution Professional ("IRP") who was later continued as Resolution Professional.

5. As per Regulation 6 of the IBBI (CIRP) Regulations, 2016, the Applicant made a public announcement vide Form A on 08.01.2024 notifying the commencement of the Corporate Insolvency Resolution Process in the matter of the Corporate Debtor and inviting the claims of Creditors. Thereafter, the Committee of Creditors ("CoC") was constituted. The Resolution Professional prepared the Information Memorandum dated 3<sup>rd</sup> April 2024, that was made available to the Resolution Applicant.
6. On 19.03.2024, in accordance with Regulation 36A(1) of the CIRP Regulations, 2016, Form G was published inviting the Expression of Interest from eligible Resolution Applicants by 03.04.2024. In response thereto, the EOI was submitted by the Consortium of Mr. Jinesh Sancheti, Mrs Anuja Sancheti, and Ms. Meena Sancheti, who was found eligible and short listed as Prospective Resolution Applicant(s). The PRA was issued Information Memorandum and submitted Resolution Plan for resolution of Corporate Debtor on 21.05.2024. The plan was revised on 06.07.2024 and final resolution plan after discussion with COC was submitted on 26.09.2024. The Resolution Plan received in the matter of the Corporate Debtor was found compliant with the IBC, accordingly, it was put for e-voting on the request of the CoC on 04.10.2024.
7. The portal for e-voting was closed on 03.12.2024, and based on the e-voting results, the resolution for the Resolution Plan could only receive 55.23% of votes in favor; therefore, it was not passed.
8. Since the Resolution Plan could not secure the requisite majority, CoC passed a resolution in its meeting on 17.12.2024 for liquidation of



Corporate Debtor by requisite majority. Consequently, the Applicant filed an application IA (Liq.) No.6/2025 seeking liquidation of Corporate Debtor. During the pendency of this Application, the Applicant filed an IA 697/2025 seeking permission for re-voting on the Resolution Plan in view of email dated 30.12.2024 received from Bank of India, one of CoC member communicating its intent to vote in favour of Resolution plan as against earlier negative vote. Accordingly, following Hon'ble NCLAT decision in *Mr. Sharad Sanghi...vs...Ms. Vandana Garg & Ors. Company Appel (AT) (Insolvency) No. 461 of 2018*, this tribunal vide order dated 18.02.2025 allowed the re-voting by all CoC members and consequently the Interlocutory Application seeking Liquidation of the Corporate Debtor, bearing No. 6 of 2025 was dismissed as infructuous.

9. 17<sup>th</sup> CoC meeting was called on 20<sup>th</sup> February, 2025 for fresh voting in compliance with the directions of this Tribunal vide order dated 10.02.2025, whereat Bank of India, State Bank of India, Central Bank of India, IDBI Bank and Indian Bank voted by voice in favour of the Plan and the remaining members voted on the plan via evoting. The results of evoting were declared on 13<sup>th</sup> March whereby the resolution for the approval of the Resolution Plan was duly approved with 68.83% votes in favor.

### **CIRP Period**

In the case CIRP commenced on 05.01.2024. Thereafter, this Tribunal granted extension of 90 days vide order dated 30.07.2024. Further, another extension of 60 days was granted vide order dated 30.11.2024. Accordingly, the period of 330 days expired on 30.11.2024. Thereafter, this Tribunal allowed an Application seeking re-voting on the plan vide order dated 10.02.2025 whereby the CIRP period of the Corporate Debtor was further extended by 30 days from the date of Order. The applicant has sought extension of period from 01.12.2024 to 09.02.2025 so as to regularize to intervening period for which no extension was on record, which was allowed by this Tribunal vide



Order dated 30.6.2025. Thereafter, another application to further regularize the period from 17.3.2025 to date of filing of application for Plan approval i.e. 25.3.2025, which was also allowed vide Order dated 9.7.2025.

#### 10. **Salient Features of the Resolution Plan**

##### **I. Total Bid Value & Distribution**

- i. The total Plan Value proposed is Rs.6.85 crore + CIRP cost at actuals.
- ii. The Plan Value proposed of Rs.6.85 crore will be used to settle claims of all Stakeholders, including Financial Creditors, Operational Creditors, Employees, and Workmen.

##### **II. The distribution is as follows:**

- i. CIRP Costs - At actuals
- ii. Financial Creditors Rs.6.75 crore (out of ₹845.49 crore admitted claims)
- iii. Operational Creditors – Rs. 0.10 crore (out of Rs. 0.88 crore admitted claims)

##### **III. Payment & Claim Settlement**

- i. The Resolution Applicant ("RA") will deposit the Total Plan Value within 60 days of the Effective Date.
- ii. Any new claims admitted after plan approval of resolution Plan by the CoC shall be considered in line with Regulation 13(1B) and 13(1C) of the CIRP Regulation. However, the total Plan amount in case of the increased claim will not increase subsequently.
- iii. Once payments are made, all debts, securities, and liabilities will be considered settled and extinguished.
- iv. The Title deeds and security documents of the Corporate Debtor will be handed over to the RA after payment.

##### **IV. Payment towards Corporate Insolvency Resolution Process Cost**



The CIRP cost, which includes the Resolution Professional's fees and related expenses, must be paid in priority under the Code. The Resolution Applicant will cover these costs on an actual basis and deposit the required funds into the designated account as per the schedule in Clause 21.2 of the Resolution Plan.

#### **V. Financial Creditors**

- i. The amount of Rs.6.75 crore is allocated to Financial Creditors against the claim of Rs.845.49 Crore, the distribution of the Total Plan Value to Financial Creditors will follow Sections 30(2) and 53(1) of the IBC, as outlined in the provided table. If new claims arise after the resolution plan is submitted for CoC approval, distributions to Dissenting Financial Creditors will be made fairly and equitably as per Sections 30(2)(b)(ii) and 30(4) of the Code.
- ii. In the Resolution Plan, the dissenting creditors are proposed to receive at least liquidation value, paid before consenting creditors.
- iii. All past liabilities, defaults, encumbrances, and security interests will be released upon full payment.
- iv. The timelines for payment to Consenting and Dissenting Financial Creditors is provided in Clause No 21.2 Resolution Plan.

#### **VI. Operational Creditors**

- i. As per the Information Memorandum there is only one Operational Creditor being Panchratna Co-operative Housing Society Ltd. having admitted claim of ₹87.93 Lakhs, against the total admitted amount an amount of ₹10 lakh is allocated towards Operational Creditors admitted claims.
- ii. The Liquidation value for Operational Creditors is estimated as NIL, and thus they will not receive any further payments.
- iii. Any pending or future claims will be deemed extinguished after the approval of the Resolution Plan.

#### **VII. Workmen & Employees**



Since no claims from Workmen & Employees have been received, no settlement for such claims is proposed. However, if any claims are admitted after the submission of the Resolution Plan, they will be settled as per the CoC's decision and paid from the Total Bid Value. All payments will be made in accordance with Section 30(2) read with Section 53 of the IBC.

#### **VIII. Shareholders**

Equity shareholders will not receive any payment, as liquidation value is estimated to be NIL.

#### **IX. Ongoing Litigations & Other Liabilities**

- i. All existing and future monetary liabilities, including ongoing litigations and regulatory proceedings, will be deemed reduced to NIL and permanently extinguished from the Effective Date.
- ii. Third-party guarantees, pledges, and subrogation rights will also be extinguished.

#### **X. Implementation & Monitoring**

- i. That upon approval of the Resolution Plan by the NCLT, a Monitoring Committee will be formed to oversee its implementation. This committee will include the Resolution Professional, a nominee from the Financial Creditors, and a nominee from the Resolution Applicant. The RP will act as the Chairman and will be responsible for managing the affairs of the Corporate Debtor during the implementation period. The committee will also handle the operation of a Designated Account, where the Total Bid Value will be deposited by the Resolution Applicant. The remuneration of the RP will remain the same, and the costs of the Monitoring Committee will be borne by the Resolution Applicant or from the resources of the Corporate Debtor. Additionally, the voting rights of existing shareholders will be extinguished.
- ii. On the Effective Date, the CoC will be dissolved, and the RP will be released from his responsibilities as per Clause 17.3 of the Resolution



Plan. The new board will be responsible for ensuring statutory compliance under the Companies Act, 2013, but will not have any liability for the past non-compliances of the previous management. Furthermore, all existing directors and key managerial personnel will be deemed to have resigned without requiring any shareholder approval.

- iii. As part of the implementation, the Resolution Professional will transfer full control and custody of the Corporate Debtor's assets, books, records, financial details, and business operations to the Resolution Applicant. This transfer will occur once the Total Bid Value has been fully paid. The RP will hand over all relevant information, including tax filings, financial records, business operations, and details of ongoing legal proceedings. Additionally, all security Interest mortgages, and encumbrances over the Corporate Debtor's assets will be discharged in accordance with the Resolution Plan.

#### **XI. RELIEFS & CONCESSIONS BOUGHT BY THE RESOLUTION APPLICANT**

Clause 12 provides that “The Resolution Applicant requests for the reliefs, concessions and dispensations set out in order for this Resolution Plan to be successful and each of these may be included in the NCLT order approving this Resolution Plan and if not expressly included, shall be deemed to be included in such order unless expressly disallowed by the NCLT. We hereby clarify that any such disallowance of the concessions, reliefs and dispensations as sought for, shall not impact the effectiveness or implementation of this Resolution Plan.” It further provides that “The grant or non-grant of the reliefs under this Resolution Plan will not affect the implementation of this Resolution Plan and the same should not be viewed as conditionalities to the implementation of this Resolution Plan or any timelines for such implementation. The Resolution Applicant will not modify the terms of this Resolution Plan (including



the quantum of payment or the terms of settlement proposed in respect of a creditor of the Corporate Debtors and the timeline within which the payment or settlement is to be made) if any concession, relief or dispensation is not granted by the relevant Adjudicating Authority.”

11. The Successful Resolution Applicant ("SRA"), in compliance with Regulation 36B(4A) of the CIRP Regulations, has submitted a Performance Bank Guarantee ("PBG") amounting to ₹1,11,65,292/- (Rupees One Crore Eleven Lakh Sixty Five Thousand Two Hundred and Ninety Two Only), issued by State Bank of India, in favor of Corporate Debtor to ensure adherence to the approved Resolution Plan. The PBG shall remain valid until 20.06.2026, the bank Guarantee shall be encashed on written demand on or before 15.03.2027. In the event of non-compliance, failure to implement the Resolution Plan, or any other default as per the approved terms, the CoC or the Resolution Professional shall have the right to invoke and encash the PBG.
12. The Resolution Applicant has submitted that the resolution plan complies with the various laws and regulations governing the terms and conditions of the resolution plan and does not contravene any of the provisions of the law for the time being in force. Further, if any provision of this Resolution Plan is held to be noncompliant, illegal, invalid, or unenforceable provision had never comprised a part thereof; the remaining provisions of the Resolution Plan will remain in full force and effect and will not be affected by the non-compliant, illegal, invalid, or unenforceable provision or by its severance therefrom.

**Statutory Compliance:**

13. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant and confirms that this Resolution Plan:
  - a) Provides for payment of Insolvency Resolution Process cost in a manner specified by the Board in the priority to the payment of other debts of the corporate debtor;



- b) Provides for payment of debts of Operational Creditor in such manner as may be specified by the board which shall not be less than
    - (i) the amount to be paid to such creditors in the event of liquidation of the Corporate Debtor under Section 53; or
    - (ii) the amount that would have been paid to such creditors, if the amount to be distributed under the Resolution Plan had been distributed in accordance with sub-section (1) of Section 53 in the event of liquidation of the corporate debtor.
  - c) Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;
  - d) The implementation and supervision of Resolution Plan;
  - e) Does not prima facie contravene any of the provisions of the law for time being in force,
  - f) Confirms to such other requirements as may be specified by the Board.
  - g) As per the Affidavit, the Resolution Applicant is not covered under 29A.
14. In compliance of Regulation 38 of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that
- a) The amount due to the Operational Creditors under Resolution Plan shall be given priority in payment over Financial Creditors.
  - b) It has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors of the Corporate Debtor.
  - c) A statement that neither the Resolution Applicants nor any related parties have failed to implement nor have contributed to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority in the past.
  - d) The terms of the plan and its implementation schedule.
  - e) The management and control of the business of the Corporate Debtor during its term.
  - f) Adequate means of Supervising its implementation.



- g) The Resolution Plan Demonstrates that it addresses
- i. The cause of the Default
  - ii. It is feasible and viable
  - iii. Provision for effective implementation
  - iv. Provisions for approvals required and the time lines for the same.
  - v. Capability to Implement the Resolution Plan

15. The Resolution Professional has submitted Form-H under Regulation 39(4) of the CIRP Regulations to certify that the Resolution Plan as approved by the CoC meets all the requirements of the IBC and its Regulations, the relevant parts of which are reproduced below:

*The list of financial creditors of the CD M/s. Shri Fakirchand Enterprises Private Limited being members of the CoC and distribution of voting share among them is as under:*

<i>Sr. No.</i>	<i>Name of Creditor</i>	<i>Amount Claimed</i>	<i>Claim Admitted</i>	<i>Voting (%)</i>
1	Canara Bank (CB)	159.05	159.05	18.81%
2	Bank of India (BOI)	123.47	123.47	14.60%
3	State Bank of India (SBI)	103.16	103.16	12.20%
4	Punjab National Bank (PNB)	99.56	99.56	11.78%
5	Central Bank of India (CBI)	78.10	78.10	9.24%
6	IDBI Bank (IDBI)	73.83	73.83	8.73%
7	Union Bank of India (UBI)	71.45	71.45	8.45%
8	Bank of Baroda (BOB)	60.50	60.50	7.16%
9	Indian Bank (IB)	47.95	47.95	5.67%
10	Indian Overseas Bank (IOB)	28.41	28.41	3.36%
	<b>Total</b>	<b>845.49</b>	<b>845.49</b>	<b>100%</b>

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

<i>Sl. No.</i>	<i>Category of Stakeholder*</i>	<i>Sub-Category of Stakeholder</i>	<i>Amount Claimed (Amt. is Rs.)</i>	<i>Amt. Admitted (Amt. is Rs.)</i>	<i>Amt. Provided under the Plan (Amt. is Rs.)</i>	<i>Amount Provided to the Amount Claimed (%)</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7)</i>
1	Secured Financial Creditors	a) Creditors not having a right to vote under sub-section (2) of section 21	Nil	Nil	Nil	Nil
		b) (b) Other than (a) above:	Nil	Nil	Nil	Nil
		(i) who did not vote in favour of the resolution Plan	Nil	Nil	Nil	Nil



IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH- I

IA(IBC)(PLAN)/34/2025 in CP(IB)/545/2022

		(ii) who voted in favour of the resolution plan	Nil	Nil	Nil	Nil
		<b>Total</b>	Nil	Nil	Nil	Nil
		<b>[(a) + (b)]</b>				
2.	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	Nil	Nil	Nil	Nil
		(b) Other than (a) above:	845,48,90,586/-	845,48,90,586/-	6,75,00,000/-	0.80%
		(i) who did not vote in favour of the resolution Plan	255,08,69,294/-	255,08,69,294/-	19922372/-	0.78%
		(ii) who voted in favour of the resolution plan	590,40,21,292/-	590,40,21,292/-	4,75,77,628/-	0.81%
		<b>Total</b>	845,48,90,586/-	845,48,90,586/-	6,75,00,000/-	0.80%
		<b>[(a) + (b)]</b>				
3.	Operational Creditors	(a) Related Party of Corporate Debtor	Nil	Nil	Nil	Nil
		b) (b) Other than (a) above:	87,93,235/-	87,93,235/-	10,00,000	11.37%
		(i) Government	Nil	Nil	Nil	Nil
		(ii) Workmen	Nil	Nil	Nil	Nil
		(iii) Employees	Nil	Nil	Nil	Nil
		<b>Total</b>	87,93,235/-	87,93,235/-	10,00,000	11.37%
		<b>[(a) + (b)]</b>				
4.	Other debts and dues	Nil	Nil	Nil	Nil	Nil
<b>Grand Total</b>			<b>846,36,83,821/-</b>	<b>846,36,83,821/-</b>	<b>6,85,00,000</b>	<b>0.81%</b>

The compliance of the Resolution Plan is as under:

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes / No)
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?	<p>Yes, the Resolution Applicant meets the criteria approved by the CoC, considering the complexity and scale of operations of the Corporate Debtor. The following points confirm this:</p> <p><b>Eligibility and Compliance with Section 29A of IBC:</b> The Resolution Applicant confirms eligibility under Section 29A of the IBC. (Page Number: 12).</p> <p><b>Resources and Financial Capability:</b> The Resolution Applicant confirms sufficient resources to implement the Resolution Plan, supported by funds from internal sources and equity infusion. (Page Number: 26).</p> <p><b>Details of Resolution Applicant:</b> The Resolution Applicant is a consortium of three individuals who have provided all necessary disclosures and affidavits as required by the CIRP Regulations. (Page Number: 11)</p>	Yes



IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH- I

IA(IBC)(PLAN)/34/2025 in CP(IB)/545/2022

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?	<p>Yes, the Resolution Applicant is eligible to submit the resolution plan as per the final list of the Resolution Professional or any order of the Adjudicating Authority.</p> <p><b><u>The eligibility is confirmed as follows:</u></b></p> <p><b><u>Eligibility Confirmation:</u></b> The Resolution Applicant confirms that they are eligible under Section 29A of the IBC to submit the Resolution Plan.</p> <p><b><u>Affidavit Submission:</u></b> Necessary affidavits and disclosures are annexed along with the Resolution Plan to ensure compliance with the eligibility criteria. (Page Number: 12).</p>	Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Affidavit u/s 29A is provided separately by the PRA to Resolution Professional	Yes
Section 30(2)	Whether the Resolution Plan-		
	(a) provides for the payment of insolvency resolution process costs?	<p>Yes, the Resolution Applicant has submitted an affidavit stating that it is eligible.</p> <p><b><u>Details of Affidavit:</u></b> The affidavit confirms that the Resolution Applicant is eligible under Section 29A of the IBC and all necessary disclosures, confirmations, and information have been provided as required by the CIRP Regulations. (Page Number: 12)</p>	Yes
	(b) provides for the payment to the operational creditors?	<p>Yes, the Resolution Plan provides for the payment to the Operational Creditors.</p> <p><b><u>Details:</u></b></p> <p>The Resolution Applicant has proposed a consideration of Rs. 10,00,000 towards the full and final settlement of the admitted claim of the Operational Creditors.</p> <p><b><u>As per the provisions of the IBC, the payment due to Operational Creditors should not be less than:</u></b></p> <p>The liquidation value payable to such Operational Creditors in the event of liquidation of the Corporate Debtor under Section 53(1) of the IBC.</p> <p>The amount that would have been paid to such Operational Creditors if the amount to be distributed under the Resolution Plan is distributed as per the order of priority in Section 53(1) of the IBC, whichever is higher.</p> <p>However, it is mentioned that the Liquidation Value due to the Operational Creditors is estimated as <b>NIL</b>.</p> <p>Payment to Operational Creditors is given priority over Financial Creditors as per Regulation 38(1) of CIRP Regulations. (Page Numbers: 21, 22).</p>	Yes
	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	<p>Yes, the Resolution Plan provides for the payment to Financial Creditors who did not vote in favor of the plan.</p> <p>The plan states that Dissenting Financial Creditors shall be paid not less than the amount payable to them in accordance</p>	Yes



		<p><i>with Section 53(1) of the IBC in the event of liquidation of the Corporate Debtor.</i></p> <p><i>The payment to Dissenting Financial Creditors shall be made in priority to the Consenting Financial Creditors.</i></p> <p><i>The distribution to the Dissenting Financial Creditors shall be conducted fairly and equitably as per Sections 30(2)(b)(ii) and 30(4) of the IBC.</i></p> <p><i>(Page Number: 19).</i></p> <p><b><u>e-Voting breakup:</u></b></p> <p><b><i>Votes in Favour through e-voting :</i></b> CoC Members mentioned in point 6 - (BOI &amp; IB)</p> <p><b><i>Votes in favour through voice vote:</i></b> CB, PNB, UOI, BOB and IOB</p> <p><b><i>Votes Against:</i></b> CoC Members mentioned in point 6 - (SBI, CBI &amp; IDBI)</p> <p><b><i>Votes Abstained:</i></b> CoC Members mentioned in point 6 - Nil</p>	
	<p><i>(d) provides for the management of the affairs of the corporate debtor?</i></p>	<p><i>Yes, the Resolution Plan provides for the management of the affairs of the Corporate Debtor.</i></p> <p><b><u>Details:</u></b></p> <p><b><u>Management and Control:</u></b> <i>The Resolution Applicant shall induct new directors, namely Mr. Jinesh K Sancheti and Mrs. Anuja J Sancheti, to successfully manage and turnaround the Corporate Debtor.</i></p> <p><b><u>Corporate Actions and Compliance:</u></b> <i>The Corporate Debtor shall undertake necessary corporate actions, including filing appropriate documents and complying with statutory requirements.</i></p> <p><b><u>Reconstituted Board:</u></b> <i>The plan provides for the reconstitution of the Board of Directors which shall act as an interim board during the implementation period.</i></p> <p><b><u>Monitoring Committee:</u></b> <i>A Monitoring Committee shall be constituted to oversee the implementation of the Resolution Plan. (Page Numbers: 35, 36, 38, 40).</i></p>	<p>Yes</p>
	<p><i>(e) provides for the implementation and supervision of the resolution plan?</i></p>	<p><i>Yes, the Resolution Plan provides for the implementation and supervision of the plan as follows:</i></p> <p><b><u>Implementation:</u></b> <i>The Resolution Plan outlines a detailed implementation schedule including key steps and timelines from the Effective Date to the Closure Date.</i></p> <p><i>Formation of the Monitoring Committee and dissolution of the CoC are among the first steps.</i></p> <p><i>Payment timelines for various stakeholders, including Operational Creditors and Financial Creditors, are also specified. (Page Numbers: 40-41).</i></p>	<p>Yes</p>



		<p><b>Supervision:</b> A Monitoring Committee is proposed which will include the Resolution Professional, one member of the Financial Creditor, and one nominee of the Resolution Applicant.</p> <p>The Monitoring Committee will oversee the implementation of the Resolution Plan and manage the affairs of the Corporate Debtor during the implementation period. (Page Number: 35).</p>	
	(f) contravenes any of the provisions of the law for the time being in force?]	The Resolution Plan states that, to the best of the knowledge of the Resolution Applicant, it is not in contravention of the provisions of any Applicable Laws for the time being in force. Additionally, if any part of the Resolution Plan is found to be unenforceable, the Resolution Applicant can apply to the NCLT for modification of such provisions	Yes
Section 30(4)	Whether the Resolution Plan		
	(a) is feasible and viable, according to the CoC?	<p>Yes, according to the CoC, the Resolution Plan is feasible and viable.</p> <p><b>Details of Feasibility and Viability:</b> The CoC has assessed the viability and feasibility of the Resolution Plan by reviewing the details mentioned under Clauses 11 &amp; 12, which include the sources of funds, proposed payment structure, and implementation plan.</p> <p>Page Numbers: 26 (Sources of Funds), 28 (Reliefs and Concessions).</p>	Yes
	(b) has been approved by the CoC with 66% voting share?	<p>Yes, the Resolution Plan has been approved by the CoC with the required 66% voting share.</p> <p>The same is approved in the CoC Meeting held on 17<sup>th</sup> CoC Meeting held on 12.03.2025.</p>	Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	<p>Yes, the Resolution Plan includes provisions for its effective implementation plan according to the CoC.</p> <p><b>Implementation Schedule:</b> The plan provides a clear implementation schedule with timelines for various actions, starting from the Effective Date to the Closure Date.</p> <p><b>Monitoring Committee:</b> A Monitoring Committee will be formed to oversee the implementation process, ensuring effective supervision and control.</p> <p><b>Approval by CoC:</b> The CoC has reviewed and approved the implementation plan as part of the overall Resolution Plan.</p> <p>Page Numbers: 15 (Clause 7.1 - Payment Schedule), 35 (Clause 15.1 - Monitoring Committee), 41 (Clause 21.2 - Implementation Schedule).</p>	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?]	<p>Yes, the amount due to Operational Creditors under the Resolution Plan has been given priority over Financial Creditors.</p> <p><b>Priority of Payment:</b> As per Clause 7.4(d), pursuant to Regulation 38(1) of CIRP Regulations, the amount due to Operational Creditors, if any, shall be provided priority in payment over Financial Creditors.</p> <p>However, the Liquidation Value due to the Operational Creditors is estimated as NIL, since the value is insufficient to cover the claims of Financial Creditors. (Page Numbers: 21, 22).</p>	Yes



<p>Regulation 38(1A)</p>	<p>Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?</p>	<p>Yes, the Resolution Plan includes a statement regarding how it has dealt with the interests of all stakeholders.</p> <p><b>Statement Addressing Stakeholders:</b></p> <p>The Resolution Plan explicitly mentions under Clauses 7.1 and 23(s) that it addresses the interests of all stakeholders, including Financial Creditors, Operational Creditors, employees, workmen, and other creditors, in a manner that is fair and equitable.</p> <p>It also clarifies that the plan aims to resolve all claims of stakeholders as per the provisions of the IBC. (Page Numbers: 15 (Clause 7.1 - Payment Distribution), 47 (Clause 23(s) - Treatment of Claims))</p>	<p>Yes</p>
<p>Regulation 38(1B)</p>	<p>(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.</p>	<p>No, the Resolution Applicant or any of its related parties have not failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code.</p> <p><b>Statement of Compliance:</b> As mentioned under Clause 3.1, the Resolution Applicant confirms that neither they nor any of their related parties have ever failed to implement or contributed to the failure of any previously approved resolution plan. (Page Number: 12).</p>	<p>Yes</p>
	<p>(ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?]</p>	<p>No, since the Resolution Applicant or its related parties have not failed to implement any resolution plan previously, there is no submission of any statement giving details of non-implementation. (Page Number: 12).</p>	<p>Yes</p>
<p>Regulation 38(2)</p>	<p>Whether the Resolution Plan provides:</p>		
	<p>(a) the term of the plan and its implementation schedule?</p>	<p>Yes, the Resolution Plan provides the term of the plan and its implementation schedule.</p> <p><b>Term of the Plan:</b> The term of the plan is defined from the Effective Date to the Closure Date, which is 60 days after the Effective Date.</p> <p>The Effective Date is the date on which the certified copy of the NCLT Approval Order is received by the Successful Resolution Applicant.</p> <p><b>Implementation Schedule:</b> A detailed implementation schedule specifying timelines for actions such as the formation of the Monitoring Committee, deposit of Total Bid Value, and distribution of funds to stakeholders is provided.</p> <p>The plan includes steps to be completed within specific periods from the Effective Date.</p> <p>(Page Numbers: 15 (Clause 7.1 - Payment Schedule), 35 (Clause 15.1 - Monitoring Committee), 41 (Clause 21.2 - Implementation Schedule)).</p>	<p>Yes</p>
	<p>(b) for the management and control of the business of the corporate debtor during its term?</p>	<p>Yes, the Resolution Plan provides for the management and control of the business of the Corporate Debtor during its term.</p> <p><b>Management and Control:</b> The Resolution Applicant proposes to induct new directors, including Mr. Jinesh K</p>	<p>Yes</p>



		<p><i>Sancheti and Mrs. Anuja J Sancheti, to manage the Corporate Debtor effectively.</i></p> <p><i>The plan outlines the reconstitution of the Board of Directors which will act as an interim board during the implementation period.</i></p> <p><i>Necessary corporate actions, statutory filings, and compliance measures are included to ensure smooth management.</i></p> <p><b><u>Monitoring Committee:</u></b></p> <p><i>A Monitoring Committee will be established to oversee the entire implementation process and manage the Corporate Debtor's affairs during the transition period. (Page Numbers: 35 (Clause 15.1 - Monitoring Committee), 36 (Clause 16.3 - Hand-over by the Resolution Professional), 38 (Clause 16.6 - Corporate Actions and Other Compliances), 40 (Clause 18 - Management and Control of Business)).</i></p>	
	<i>(c) adequate means for supervising its implementation?</i>	<p><i>Yes, the Resolution Plan provides adequate means for supervising its implementation.</i></p> <p><b><u>Monitoring Committee:</u></b> <i>A Monitoring Committee will be formed to oversee the implementation of the Resolution Plan.</i></p> <p><i>The committee will consist of the Resolution Professional, one member of the Financial Creditors, and one nominee of the Resolution Applicant.</i></p> <p><i>It will supervise the management of the Corporate Debtor and ensure compliance with the Resolution Plan.</i></p> <p><b><u>Implementation Supervision:</u></b> <i>The Monitoring Committee will monitor the implementation of the plan until the Closure Date.</i></p> <p><i>All steps of implementation are detailed with clear timelines and responsibilities. (Page Numbers: 35 (Clause 15.1 - Monitoring Committee), 41 (Clause 21.2 - Implementation Schedule)).</i></p>	Yes
38(3)	<i>Whether the resolution plan demonstrates that –</i>		
	<i>(a) it addresses the cause of default?</i>	<b><u>Addressing the Cause of Default:</u></b> <i>The CD had given a Corporate Guarantee to another group company, which had defaulted in its obligation. The CD did not conduct any business. The RA will utilize the offices at Panchratna Building for commercial use and leasing the remaining offices to generate revenue. (Page Number: 27)</i>	Yes
	<i>(b) it is feasible and viable?</i>	<b><u>Feasibility and Viability:</u></b> <i>The plan is feasible and viable based on the financial resources available to the Resolution Applicant and proposed measures for revival.</i>  <i>(Page Numbers: 26 (Sources of Funds), 28 (Reliefs and Concessions))</i>	Yes
	<i>(c) it has provisions for its effective implementation?</i>	<b><u>Provisions for Effective Implementation:</u></b> <i>Implementation steps with timelines are clearly mentioned, particularly concerning payment schedules and formation of a Monitoring Committee. (Page Numbers: 15 (Clause 7.1 - Payment Schedule), 35 (Clause 15.1 - Monitoring Committee), 41 (Clause 21.2 - Implementation Schedule))</i>	Yes
	<i>(d) it has provisions for approvals required</i>	<b><u>Approvals Required and Timeline:</u></b> <i>Required approvals and timelines are outlined under Clause 13, stating that all</i>	Yes



	<i>and the timeline for the same?</i>	<i>necessary approvals will be obtained within 12 months from the Effective Date. (Page Number: 33)</i>	
	<i>(e) the resolution applicant has the capability to implement the resolution plan?</i>	<b>Capability of the Resolution Applicant:</b> <i>Resolution Applicant confirms sufficient financial resources and readiness to implement the plan. (Page Numbers: 11 (Clause 3 - Details of Resolution Applicant), 26 (Clause 11 - Sources of Funds))</i>	Yes
39(2)	<i>Whether the RP has filed applications in respect of transactions observed, found or determined by him?</i>	<i>No. The Resolution Professional (RP) is of the opinion that since the CD neither availed any borrowings nor conducted any business, there is no likelihood of any finding any avoidance transactions</i>  <i>(Page Number: 24)</i>	Yes
Regulation 39(4)	<i>Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.]</i>	<i>The details of performance security received, as referred to in sub-regulation (4A) of Regulation 36B, are mentioned as follows:</i>  <i>The Resolution Applicant undertakes to furnish a Performance Security equivalent to 15% of the total amount offered in this Resolution Plan.</i>  <i>This will be provided in the form of a Bank Guarantee or Demand Draft (DD) issued by any scheduled commercial bank in India.</i>  <i>The performance security is to be submitted along with the acceptance of the Letter of Intent within 7 working days if the Resolution Plan is approved by the CoC.</i>  <i>Any income generated from the Performance Security will not be attributed to the Successful Resolution Applicant (SRA) but will be provided to the Corporate Debtor. (Page Numbers: 15, 48)</i>	Yes

### Discussion and Decision

16. On perusal of the Resolution Plan, we find that the Resolution Plan provides for the following:
- Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
  - Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
  - For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified U/s 30(2)(c) of the Code.
  - The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.
17. The RP has complied with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of the Regulations.



18. The RP has filed Compliance Certificate in Form-H along with the Plan. On perusal the same is found to be in order. The Resolution Plan has been approved by the CoC by majority of 69.83%.
19. In Clause 12 of the Resolution Plan, the SRA has described effect of Resolution Plan and also sought certain waivers/ reliefs/concessions, dispensations, other rights and benefits. The such stated effect of the Resolution Plan and reliefs & concessions as prayed shall be available in accordance with the principle laid down by Hon'ble Supreme Court in case of *Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited* {(2021) 13 S.C.R 737} and in the following paras.
- a. Any increase in the authorized capital shall be subject to payment of prescribed fee, if any applicable, and filing of prescribed forms with the Registrar of Companies.
  - b. The Income Tax Department shall be at liberty to examine the tax implications arising from transfer of the balancing figure to Capital Reserve, as contemplated in Clause 8 of the Plan, in terms of Section 2(24), Section 28 and Section 56 of the Income Tax Act, 1961 read with GAAR provisions thereunder.
  - c. The Applicant shall file necessary forms and pay prescribed fees, if any, in terms of provisions of the Companies Act, 2013 in relation to reduction in capital and issuance of fresh capital, however, the Registrar of Companies shall waive the additional fees, if any, payable on such filing.
  - d. The SRA may approach prescribed authorities for waiver/reduction in fees, charges, stamp duty, and registration fees, if any arising from actions contemplated under the Resolution Plan and such request shall be subject to the relevant law/statute and adherence to the procedure prescribed thereunder.
  - e. The SRA may file appropriate application, if required, for renewal of all Business Permits, rights, entitlements, benefits, subsidies and privileges whether under applicable Law, contract, lease or license granted in favour of the Corporate Applicant or to which the Corporate Applicant is entitled to or accustomed to, which have expired on the Effective Date, and follow the dues procedure prescribed for the purpose upon payment of prescribed



fees. The contract with third parties shall be subject to consent of such parties. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under Code and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Applicant. No action shall lie against the Corporate Applicant for any non-compliances arising prior to the date of approval of Resolution Plan, however, such non-compliances shall be cured, if necessitated to keep the approval in force, after acquisition by the Corporate Applicant within period stipulated in the Resolution Plan.

- f. No orders levying any tax, demand of penalty from the Corporate Applicant in relation to period up to approval of the Resolution Plan shall be passed by any authority and such demand, if created, shall not enforceable as having extinguished in terms of approved Resolution Plan.
- g. The carry forward of losses and unabsorbed depreciation shall be available in accordance with the provisions of Income Tax Act, and the Income Tax Department shall be at liberty to examine the same.
- h. An application for compounding/condoning shall be filed in accordance with the procedure specified in respective law or concerned authority, however, no fine or penalty shall be imposed for non-compliances till the date of approval of this Plan or such further period as is permitted in terms of this Order.
- i. ROC shall update the records and reflect the Corporate Applicant as 'Active' upon filing of pending returns/forms after payment of normal fees (not additional fee). In case such filing is not permitted by the e-filing portal, the ROC shall accept such forms/returns in physical format and manage to upload the same by back-end. The Corporate Applicant shall be exempted from using the words "and reduced".
- j. The Compliances under the applicable law for all the statutory appointments by the Corporate Applicant shall be completed within 12 months, whereafter, the necessary consequence under respective law shall follow.
- k. The Resolution Applicant, the Corporate Debtor and the assets of the Corporate Debtor forming part of Resolution plan shall have immunity, privileges and protection as is available in the form and manner stated in Section 32A of the Insolvency and Bankruptcy Code, 2016.
- l. It is clarified that any relief, concession or waiver, not specifically dealt



with in Para 19(a) to (k) above, shall be deemed to be denied or rejected.

20. In *K Sashidhar v. Indian Overseas Bank & Others* (in Civil Appeal No.10673/2018 decided on 05.02.2019) the Hon'ble Apex Court held that if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan as approved by CoC meets the requirements specified in Section 30(2). The Hon'ble Apex Court further observed that the role of the NCLT is 'no more and no less'. The Hon'ble Apex Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 and is limited to scrutiny of the Resolution Plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in reference to matters specified in Section 30(2) when the Resolution Plan does not conform to the stated requirements.
21. In view of the discussions and the law thus settled, the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. The same needs to be approved. Hence, ordered.
22. The Resolution Plan is hereby **approved**. It shall become effective from this date and shall form part of this order with the following directions:
- i. It shall be binding on the Corporate Applicant, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.



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

*“95. (i) Once a resolution plan is duly approved by the adjudicating authority under sub-section (1) of Section 31, the claims as provided in the resolution plan shall stand frozen and will be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority, guarantors and other stakeholders. On the date of approval of resolution plan by the adjudicating authority, all such claims, which are not a part of the resolution plan shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim, which is not part of the resolution plan;*

*(ii) 2019 Amendment to Section 31 of the I&B Code is clarificatory and declaratory in nature and therefore will be effective from the date on which the Code has come into effect;*

*(iii) consequently, all the dues including the statutory dues owed to the Central Government, any State Government or any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the adjudicating authority grants its approval under Section 31 could be continued.”*

- iii. The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC), Mumbai, Maharashtra for information and record.
- iv. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the



time being in force, within such period as may be prescribed. It is clarified that the authorities shall not withhold the approval/consent/extension for the reason of insolvency of the Corporate Applicant or extinguishment of their dues upto approval of Resolution plan in terms of the approved plan. Any relief or concession as sought on the plan shall be subject to the provisions of the relevant Act.

- v. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- vi. The Applicant shall supervise the implementation of the Resolution Plan and file status of its implementation before this Authority from time to time, preferably every quarter.
- vii. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.
- viii. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

Sd/-

**Prabhat Kumar**

Member (Technical)

MK

Sd/-

**Justice V.G. Bisht**

Member (Judicial)