



**NATIONAL COMPANY LAW TRIBUNAL**  
**CHANDIGARH BENCH (COURT-I)**

**IA. NO. 17/2024**  
**IN**  
**CP (IB) No. 119/Chd/J&K/2019**

**IN THE MATTER OF:**

**Punjab National Bank**

...Petitioner

**Versus**

**Highland Automobiles Pvt. Ltd.**

...Respondent

**AND IN THE MATTER OF IA No. 17/2024:**

**Mr. Arvind Kumar**

Resolution Professional of  
Highland Automobiles Private Limited  
Address: #303, 3<sup>rd</sup> Floor, Plot No. D-90,  
Phase 8B, Sec. 74, Industrial Area,  
SAS Nagar Mohali, Punjab - 160071

...Resolution Professional/Applicant

**Judgment Delivered on: 12.08.2025**

**SECTION:** 30(6) of IBC, 2016 read with Regulation 39(4) of CIRP Regulations, 2016 read with Rule 11 of NCLT Rules, 2016

**CORAM:**

**SH. HARNAM SINGH THAKUR, HON'BLE MEMBER (JUDICIAL)**

**SH. SHISHIR AGARWAL, HON'BLE MEMBER (TECHNICAL)**

**PRESENT:**

**For the Applicant/RP :** Mr. Sumer Singh Brar, Ms. Vaishali Singla, Advocates

Mr. Arvind Kumar, RP in-person (through vc)

**For the SRA** : Mr. Atul V. Sood, Advocate



## **ORDER**

**PER: HON'BLE SH. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)**  
**HON'BLE SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)**

The IA No. 17 of 2024 preferred by Mr. Arvind Kumar, Resolution Professional of Highland Automobiles Private Limited (**"Applicant/ Resolution Professional"**) under Section 30(6) of the Insolvency and Bankruptcy Code 2016, Regulation 39(4) of the IBBI (Insolvency Resolution Process of Corporate Debtor) Regulations 2016 and Rule 11 of NCLT Rules, 2016 for approval of the Resolution plan submitted by Abhishek Jain (**"Successful Resolution Applicant" / "SRA"**).

The Applicant has made the following prayers:

- a) Allow the present Application on behalf of the Corporate Debtor through the Resolution Professional under Section 30(6) read with Section 31 of the IBC, 2016 and Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP Regulations") read with Rule 11 of the NCLT Rules, 2016, seeking approval of Resolution Plan as submitted by the Resolution Applicant, Abhishek Jain*
- b) And pass any further necessary order as deem fit in the interest of justice.*

**2.** To put briefly, the facts of the present case are that the Financial Creditor Punjab National Bank filed an application under Section 7 of IBC, 2016 for initiating CIR Process against the Corporate Debtor (CD) Highland Automobiles Private Limited. The said Application was admitted by this Tribunal vide Order dated 15.02.2024 and Mr. Arvind Kumar was appointed as the Interim Resolution Professional (IRP) of the CD.

**3.** It is submitted by the Applicant that in terms of Regulation 6(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the said



IRP made a Public Announcement in Form-A on 17.02.2024 to invite claims, publishing in the newspapers 'Financial Express' (English), 'Jansatta' (Hindi) and 'Daily Udaan' (Regional-Urdu). The said Public Announcement was uploaded on the website of Insolvency and Bankruptcy Board of India (IBBI) too. Further a corrigendum to the Form A was published in the same newspapers on 19-02-2024 for updating the email id.

4. It is further submitted that the CoC of the Corporate Debtor was constituted with 1 secured financial creditor. The details of the CoC member are stated herein below: -

S.No.	Name	Amount	%CoC
1.	Punjab National Bank, Circle Sastra Srinagar 190001 J&K.	Rs. 60,48,13,446.66	100

5. The applicant / resolution professional prepared the list of creditors and submitted the Report certifying the constitution of Committee of Creditors with the Adjudicating Authority vide IA number 945/2024 dated 09-03-2024 accordance with Regulation 17(1) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The same was duly taken on record by this Bench.

6. It is stated by the Applicant that the Committee of Creditors ("CoC") constituted under Regulation no.17(1) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016 in its 2nd meeting held on 12.04.2024 resolved to confirm the appointment of the applicant as the Resolution Professional (hereinafter referred as "RP").



7. It is stated by the Applicant that on receipt of further claims from financial creditors the Committee of Creditors was reconstituted on 13.09.2024 and the report certifying the reconstitution of the CoC was taken on record vide order dated 03.12.2024 in IA No. 2083/2024. The reconstituted CoC had approved the Plan on 22.10.2024.

8. In accordance with the Code, the initial period for completion of the corporate insolvency resolution process i.e. 180 days was scheduled to expire on 13th Day of August 2024.

9. The applicant filed an application seeking extension of 90 days in CIRP period from 13.08.2024 to 10.11.2024 vide I.A. No. 1842/2024 which was allowed by this bench vide order dated 03.12.2024.

10. It is stated by the Applicant that 'Form-G' was published on 15.04.2024. The last date of submission of EOI was 30.04.2024. The EOI was also uploaded on the website of IBBI at www.ibbi.gov.in. The Copy for FORM-G along with Information Document as prepared by RP for invitation of EOI is annexed as Annexure A-6(Colly) & Annexure A-7.

11. In terms of the Form G, the Applicant received 3 EOIs. On the basis of eligibility criterion as fixed by the CoC. The applicant shortlisted all of the 3 applicants in the final list and issued the following list of prospective resolution applicants-

Final List of Prospective Resolution APPLICANTS	
S. No.	Name of Prospective Resolution applicant
1	Mr. Abhishek Jain
2	Jagmohan Automotives Private Limited
3	Mr. Parmjit Gandhi



**12.** It is submitted by the Applicant that pursuant to the EOI, 1 Resolution Plan was submitted by the Mr. Abhishek Jain.

**13.** It is further submitted by the Applicant that the resolution plan submitted by Mr. Abhishek was presented before the CoC in 10th meeting held on 18.09.2024. The bank sought enhancement of the offer by the Resolution Applicant and after making necessary modifications the Applicant Abhishek Jain submitted the final resolution plan on 11.10.2024 which was submitted to the CoC for its consideration.

**14.** It is submitted by the Applicant that at the 11th meeting of the CoC held on 22.10.2024 held discussions on feasibility and viability of the resolution plan and detailed deliberations were held. The records of these deliberations are contained in the minutes of 11th Meeting of the CoC. Annexure A-8.

**15.** It is submitted by the applicant that after deliberations the CoC in its 11th meeting approved the resolution plan with 91.80% voting share by passing the following resolution:

**Resolution:**

*"I have gone through the contents of the resolution plan, submitted by Mr. Abhishek Jain independently; found that the plan confirms the mandatory requirements of section 30 of the Code and the regulation 37, 38 and 39 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulation 2016.*

*I have satisfied myself as to the feasibility and viability of the resolution plan and affirms that the plan addresses the cause of the default, it has provision for the effective implementation, it has provisions for approvals required and the time line for the same and the resolution applicant has the capability to implement the resolution plan. I have verified that the resolution plan identifies the specific sources of the funds to pay the Insolvency Resolution Process cost,*

*Payment to creditors as dealt with in the resolution plan. I have also considered the fact that Resolution Professional has not filed any application before the Adjudicating Authority in respect of avoidable transactions u/s 43, 66(I) and 66(2) of IBC, 2016. Based on the above said understanding, I hereby cast my **vote on the resolution:***



**"RESOLVED THAT** after considering the feasibility and viability of the resolution plan, the implementation capacity of the Resolution Applicant, and ensuring compliance with all requirements of the Insolvency and Bankruptcy Code, 2016, and the regulations thereunder, as well as the payment terms associated with the settlement of claims for all stakeholders,, the tenure of the plan, and the concessions sought by the Resolution Applicant, the resolution plan submitted by Mr. Abhishek Jain, as provided to the Committee of Creditors by the Resolution Professional, is hereby approved."

**"RESOLVED FURTHER THAT** the Monitoring Committee, as proposed by the Resolution Applicant in the resolution plan, shall consist of four members: the Resolution Professional (Chairman), one representative from the secured assenting Financial Creditor, and two representatives from the Resolution Applicant. The monthly fee for the Resolution Professional acting as Chairman of the Monitoring Committee shall be~ 25,000/- (exclusive of GST)."

**16.** The Applicant/RP has annexed the **Section 29A** Certificate of the Successful Resolution Applicant (SRA) along with the application as Annexure A-17, i.e. undertaking that the SRA is eligible under Section 29A of the Code to submit the Plan.

**17.** It is stated by the Applicant that in terms of the Regulation 36B(4A) of the IBBI (Insolvency Resolution Process of Corporate Persons) Regulations, 2016, it received from the SRA, the Performance Security deposit of Rs. 1,50,00,000/- (Rs. One Crore Fifty Lakh) in the bank account operated by the Applicant, which has been converted into a fixed deposit on 14.11.2024.

**18.** In compliance with Regulation 39(4) of the IBBI (Insolvency Resolution Process of Corporate Persons) Regulations 2016, the Applicant /RP has filed "Compliance Certificate" in Form H certifying that the present Resolution Plan duly approved by the CoC members complies with all the provisions of the IBC and IRPCP Regulations, 2016. The applicant subsequently filed the updated Form



H on 28.04.2024 vide diary no. 3510/6 The relevant portion of the same is reproduced herein for reference:

**FORM H  
COMPLIANCE CERTIFICATE**

(Under Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)

I, Arvind Kumar, an insolvency professional enrolled with IIP of ICAI and registered with the Board with registration number IBBI/PA-001/IP-P00178/2017-2018/10357, am the resolution professional for the corporate insolvency resolution process (CIRP) of Highland Automobiles Private Limited.

2. The details of the CIRP are as under:

Sl. No.	Particulars	Description
1	Name of the CD	<b>Highland Automobiles Private Limited</b>
2	Date of Initiation of CIRP	<b>15.02.2024</b>
3	Date of Appointment of IRP	<b>15.02.2024</b>
4	Date of Publication of Public Announcement	<b>17.02.2024</b>
5	Date of Constitution of CoC	<b>09.03.2024</b>
6	Date of First Meeting of CoC	<b>16.03.2024</b>
7	Date of Appointment of RP	<b>12.04.2024</b>
8	Date of Appointment of Registered Valuers	<b>28.03.2024</b>
9	Date of Issue of Invitation for EoI (In case of multiple issuance of EoI, please specify all such dates)	<b>15.04.2024</b> <b>20.05.2024</b>
10	Date of Final List of Eligible Prospective Resolution Applicants	<b>20.06.2024</b>
11	Date of Invitation of Resolution Plan	<b>25.06.2024</b>
12	Last Date of Submission of Resolution Plan	In accordance with the Request for Resolution Plan (RFRP), the original date for submitting resolution plans was 25.07.2024. However, in response to requests from resolution applicants, the Committee of Creditors, in its 6 <sup>th</sup> meeting, approved a 30-day extension. Consequently, the final date for submission of the resolution plans was <b>24<sup>th</sup> August 2024</b> .
13	Date of submission of Resolution Plan to the RP	<b>22.08.2024</b>
14	Date of placing the Resolution Plan before the CoC	<b>05.09.2024</b>
15	Date of Approval of Resolution Plan by CoC	<b>22.10.2024</b>
16	Date of Filing of Resolution Plan with Adjudicating Authority	<b>11.11.2024</b>
17	Date of Expiry of 180 days of CIRP	<b>13.08.2024</b>
18	Date of each order extending/excluding the period	<b>The Hon'ble NCLT, Chandigarh, vide order dated 03.12.2024, has granted an extension of 90 days for completion of the</b>







	of CIRP on request filed by RP	<b>Corporate Insolvency Resolution Process (CIRP).</b>
19	Date of Expiry of Extended Period of CIRP	<b>11.11.2024</b>
20	Fair Value	<b>5,98,51,694.80</b>
21	Liquidation value	<b>2,06,00,424.30</b>
22	Number of Meetings of CoC held	<b>11 (Eleven CoC meetings held up to the date of filing the Resolution Plan approval application before the Hon'ble NCLT, Chandigarh.</b>

1B. (i) Whether Application for approval of Resolution Plan filed within 180 days of CIRP initiation - **No**  
(ii) Number of days beyond 180 days taken for filing application for resolution plan – **90 days**  
(iii) Reasons for delay – **At the request of the Prospective Resolution Applicants, the Committee of Creditors (CoC) extended the deadline for submission of Resolution Plans. Additionally, the Hon'ble National Company Law Tribunal (NCLT), Chandigarh, granted a 90-day extension pursuant to its order dated 03.12.2024 in IA No. 1842/2024.**

2. I hereby certify that-

- the said Resolution Plan complies with all the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC/Code), the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) and does not contravene any of the provisions of the law for the time being in force.
- the Resolution Applicant **Mr. Abhishek Jain** has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order.
- the said Resolution Plan has been approved by the CoC in accordance with the provisions of the Code and the CIRP Regulations made thereunder. The Resolution Plan has been approved by 91.80% of voting share of financial creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.
- The voting was held in the 11<sup>th</sup> meeting of the CoC on 22.10.2024 where all the members of the CoC were present.  
Or  
I sought an electronic voting process for the members of the Committee of Creditors (CoC), which was open from 24<sup>th</sup> October 2024 at 6:00 PM until 26<sup>th</sup> October 2024 at 2:00 PM. As per regulations, the voting period was required to remain open for a minimum of 24 hours.

3. The details and documents related to the successful resolution applicant are as under:

Sl. No.	Particulars	Description
1.	Name of Successful Resolution Applicant (SRA)	Mr. Abhishek Jain
2.	Nature of Business of SRA	Sales/Services & Repair/Retail/Distribution/Consumer Service
3.	Relationship status of SRA with CD, if any	Nil
4.	Whether SRA is eligible to submit plan u/s 240A of IBC in case of MSME CD	Not Applicable
5.	Due Diligence Certificate of the RP u/s 29A of the IBC for the SRA (Please attach copy of certificate)	Attached as <b>Annexure – A1</b>

4. The details of CIRP, and resolution plan are as under:

Sl. No.	Particulars	Description
1.	Whether Corporate Debtor is an MSME, if so, Date of obtaining MSME registration (please attach copy of registration certificate)	No, the CD has not obtained MSME registration Certificate
2.	Business of the CD	Automobiles Trading







3.	Total admitted claims (Amount in ₹)				1,62,14,33,874.93
	Sl. No.	Description	Principal	Interest and penalty, if any	Total
	1.	Corporate Guarantee claims	-	-	-
	2.	Other than Corporate Guarantee claims	1,62,14,33,874.93	-	1,62,14,33,874.93
4.	Resolution Plan Value (Including insolvency resolution process cost, infusion of funds etc.) (In the case of real estate CDs, provide the monetary value of flats etc. given to allottees) (please attach copy of Resolution plan)				2,20,00,000.00
5.	Voting percentage (%) of CoC in favour of Resolution Plan (please attach copy of minutes approving resolution plan)				91.80%

5. Details of implementation of resolution plan:

Sl. No.	Particulars	Description
1	Amount of Performance Guarantee furnished by SRA (in ₹) and its validity	The successful Resolution Applicant has complied by furnishing the required performance security of ₹ 1.50 crore, comprising ₹50 lakh submitted with the resolution plan, ₹50 lakh deposited via RTGS, and the remaining ₹50 lakh provided by cheque.
2	Source of funds (in brief)	The source of fund for the total Infusion shall be from internal accruals and/or finance to be raised from internal sources of the Resolution Applicant.
3	Capital restructuring and management of CD post approval of resolution plan (in brief including shareholding proposed to be transferred in favour of SRA)	The Resolution Applicant shall along with its nominees hold 100% (one hundred percent) of share capital of the Corporate Debtor and shall be entitled to dispose of the same either fully or in parts without any obligation under the code or any regulations made thereunder.
4	Term and implementation of plan (in brief)	Implementation Part II page no. 44 to 49 of the Resolution Plan.
5	Details of monitoring committee (in brief)	1. Arvind Kumar (RP) to act as chairman of the committee. 2. Abhishek Jain, the Resolution applicant. 3. Representative of the secured Assenting Financial Creditor (PNB), the branch Head of Amirakadal Srinagar,
6	Effective date of resolution plan implementation	Effective date means on which monitoring committee is constituted which shall not be later than 15 days from the date of approval of resolution Plan by NCLT.

6. The list of financial creditors of the CD 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.	Punjab National Bank, Circle Sastra Srinagar - 190001, J&K	91.80%	Voted in favour
2.	A.B. Motor Finance Corporation	0.81%	Abstained
3.	Aadhaar Finance Corporation	0.51%	Abstained
4.	Aadhaar Motor Finance Corporation	1.03%	Abstained
5.	Aadhaar Trading Corporation	0.66%	Abstained
6.	Bhasin Auto Trades (Prop. Rama Kant Bhasin)	2.69%	Abstained
7.	Shashi Ramakant Bhasin	2.50%	Abstained
<b>Total</b>		<b>100.00%</b>	





7A. Realisable amount:

Sl. No.	Particulars	Description
1	Total Realisable amount under the plan	1,00,22,327.00
2	Fair Value	5,98,51,694.80
3	Liquidation Value	2,06,00,424.30
4	Percentage (%) of realisable amount to Fair Value	16.74%
5	Percentage (%) of realisable amount to Liquidation Value	48.65%
6	Percentage (%) of realisable amount to Principal amount	0.62%
7	Percentage (%) of realisable amount to Total admitted claims	0.62%
8	Percentage (%) of realisable amount to Other than admitted Corporate Guarantee claims	0.62%

7B. Details of Realisable amount:

Stakeholder Type	Amount(s)				Payment schedule
	Amount Claimed	Amount Admitted	Realisable amount under the plan	Amount realizable in plan to amount Claimed (%)	
<b>Secured Financial Creditors</b> (i) - Creditors not having a right to vote under sub-section (2) of section 21 - Dissenting - Assenting	- 60,48,13,446.66	- 60,48,13,446.66	- 92,85,896.22	- 1.53%	Within 180 days from the effective date.
<b>Unsecured Financial Creditors</b> -Creditors not having a right to vote under sub-section (2) of section 21 - Dissenting - Assenting	- 5,39,97,277.00	- 5,39,97,277.00	- 26,994.64	- 0.04%	Within 120 days from the effective date.
<b>Operational Creditors</b>					
(i) Government	94,39,37,281.00	94,39,37,281.00	4,71,898.68	0.04%	Within 120 days from the effective date.
(ii) Workmen - PF dues - Other dues	1,53,99,323.00	1,53,99,323.00	2,36,430.78	1.53%	Within 180 days from the effective date.
(iv) Other Operational creditors	24,60,669.00	22,13,690.27	1,106.68	0.04%	Within 120 days from the effective date.
Other Debts and Dues	10,72,857.00	10,72,857.00	0.00	0.00%	-
Shareholders	-	-	-	-	
<b>Total</b>	<b>1,62,16,80,853.66</b>	<b>1,62,14,33,874.93</b>	<b>1,00,22,327.00</b>		





## Annexure

### Declarations with respect to compliances of provisions under Code and Regulations

I Arvind Kumar hereby certify that-

(i) the said Resolution Plan complies with all the provisions of the Insolvency and Bankruptcy Code 2016 (Code), the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) including the provisions and Regulations as per the table below:

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Compliance (Y / N)	Relevant clause of resolution plan
Section 25(2)(h)	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	Clause 6 (Compliance with Section 29A of the Code) of Part II (Implementation of the Resolution Plan).
Section 29A	The Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority	Yes	Clause 6 (Compliance with Section 29A of the Code) of Part II (Implementation of the Resolution Plan).
Section 30(1)	The Resolution Applicant has submitted an affidavit stating that it is eligible as per Code	Yes	Clause 6 (Compliance with Section 29A of the Code) of Part II (Implementation of the Resolution Plan).
Section 30(2)	The Resolution Plan-		Clause 4 (IRP Cost) Part III (Settlement Proposal of the Resolution Applicant)
	(a) provides for the payment of insolvency resolution process costs	Yes	
	(b) provides for the payment to the operational creditors	Yes	Clause 5 (Operational Creditors) Part III (Settlement Proposal of the Resolution Applicant)
	(c) provides for payment to the financial creditors who did not vote in favour of the resolution plan	Yes	Clause 7.1.3 (Dissenting Financial Creditors) Part III (Settlement Proposal of the Resolution Applicant)
	(d) provides for the management of the affairs of the corporate debtor	Yes	Clause 3.1. (Management post effective Date) of Part II (Implementation of the Resolution Plan)
	(e) provides for the implementation and supervision of the resolution plan	Yes	Clause 7 (Provisions for Effective Implementation) of Part II (Implementation of the Resolution Plan) read with Schedule 2 (Implementation Provisions)
	(f) does not contravene any of the provisions of the law for the time being in force	Yes	Clause 5 of Part II (Implementation of the Resolution Plan)
Section 30(4)	The Resolution Plan	Yes	Clause 9.2. of Part II







	<p>(a) is feasible and viable, according to the CoC</p> <p>(b) has been approved by the CoC with 66% voting share</p>		(Implementation of the Resolution Plan)
Section 31(1)	The Resolution Plan has provisions for its effective implementation plan, according to the CoC	Yes	Clause 1 (Term of the Plan and its implementation schedule) and Clause 9.3 of Part II (Implementation of the Resolution Plan) read with Schedule 2 (Implementation Provisions)
Regulation 38 (1)	The amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors	Yes	Clause 5 (Operational Creditors) Part III (Settlement Proposal of the Resolution Applicant)
Regulation 38(1A)	The resolution plan includes a statement as to how it has dealt with the interests of all stakeholders	Yes	Clause 4 of Part II (Implementation of the Resolution Plan)
Regulation 38(1B)	Neither the Resolution Applicant nor any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. If applicable, the Resolution Applicant has submitted a statement giving details of any such non-implementation.	Yes	Clause 8 of Part II (Implementation of the Resolution Plan)
Regulation 38(2)	<p>The Resolution Plan provides:</p> <p>(a) the term of the plan and its implementation schedule</p> <p>(b) for the management and control of the business of the corporate debtor during its term</p> <p>(c) adequate means for supervising its implementation</p>	Yes	<p>Clause 1 (Term of the Plan and its implementation schedule) of Part II (Implementation of the Resolution Plan) read with Schedule 2 (Implementation Provisions)</p> <p>Clause 3 (Management post effective Date) of Part II (Implementation of the Resolution Plan)</p> <p>Clause 3 (Management post effective Date) of Part II (Implementation of the Resolution Plan)</p>
Regulation 38(3)	<p>The resolution plan demonstrates that –</p> <p>(a) it addresses the cause of default</p> <p>(b) it is feasible and viable</p> <p>(c) it has provisions for its effective implementation</p>	Yes	<p>Clause 9.1. of Part II (Implementation of the Resolution Plan)</p> <p>Clause 9.2. of Part II (Implementation of the Resolution Plan)</p> <p>Clause 1 (Term of the Plan and its implementation schedule) and Clause 9.3 of</p>





	<p>(d) it has provisions for approvals required and the timeline for the same</p> <p>(e) the resolution applicant has the capability to implement the resolution plan</p>		<p>Part II (Implementation of the Resolution Plan) read with Schedule 2 (Implementation Provisions)</p> <p>Clause 1 (Term of the Plan and its implementation schedule) and Clause 9.4 of Part II (Implementation of the Resolution Plan)</p> <p>Clause 9.6 of Part II (Implementation of the Resolution Plan) read with Clause 6 (Overview of the Resolution Applicant) of Part I (Overview of Corporate Debtor, Resolution Applicant, Turnaround Plan of the Resolution Applicant)</p>
Regulation 39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	The RP has carried out a detailed examination of the books of accounts to determine the avoidable transactions; however, the same could not be determined, and hence, no application for these transactions has been filed.	Clause 9 of Part III (Settlement Proposal of the Resolution Applicant)
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B)	Yes	The successful Resolution Applicant has complied by furnishing the required performance security of ₹ 1.50 crore, comprising ₹50 lakh submitted with the resolution plan, ₹ 50 lakh deposited via RTGS, and the remaining ₹ 50 lakh provided by cheque.

(ii) The resolution plan does not contravene any of the provisions of the law for the time being in force.

(iii) That the contents of this certificate are true and correct to the best of my knowledge and belief, and nothing material has been concealed therefrom.



**ARVIND KUMAR**  
Resolution Professional  
IBBI/IPA-001/IP-P00178/2017-18/10357  
#303, 3rd Floor, Plot No. D-190, Phase 8B,  
Sec. 74 Industrial Area, SAS Nagar Mohali -160071, Punjab  
Email id: [sankhvain@gmail.com](mailto:sankhvain@gmail.com)

Date: 28.04.2025  
Place: Mohali

**19.** As per the Form 'H' (IBBI), the Fair Market Value (FMV) of the Corporate Debtor is Rs. 5,98,51,649.80/- and its Liquidation Value (LV) is Rs.



2,06,00,424.30/- The details of the distribution of the Resolution Plan Amount amongst Stakeholders are given, as per which, the gross amount provided under the Resolution Plan is Rs. 2,20,00,000.00/-, which comes to approximately 106.79% of the Liquidation Value (LV) and around 36.75% of the Fair Market Value (FMV) of the Corporate Debtor. Out of this, realisable amount under the Plan is RS, 1,00,22,327/- (para 7B of Form 'H') and CIRP cost is RS. 1,19,77,673/- (Table 7 at page 28, Vol. 1 of Application).

**20.** In compliance of directions of this Tribunal vide order dated 03.12.2024 the Applicant has filed compliance of Regulation 6A and has also placed on record provisional financial statements as on insolvency commencement date i.e. 15.02.2024 and audited financial statements for the year ended 31.03.2022, 31.03.2023, and 31.03.2024.

**21.** Vide order dated 05.03.2025, it was directed by this Bench to place on record copy of lease deed in respect of the corporate debtor, reconciliation statement in form of affidavit by RP that all the assets have been included for the purpose of valuation and all the claims/liabilities have been considered in the resolution plan along with balance sheet. In compliance of the same, the Applicant has filed an updated compliance affidavit vide Diary No. 03510/7 dated 07.07.2025 and refiled on 09.07.2025. The response to clarifications sought by this Tribunal is reproduced as under:

7. That the deponent submits that the unaudited balance sheet of the Corporate Debtor dated 15.02.2024 i.e. Insolvency Commencement Date submitted by the Management of the Corporate Debtor has been prepared by the deponent based on the books of accounts (tally data) as provided by the corporate debtor. A copy of the said unaudited balance sheet as on 15.02.2024 (ICD) is annexed hereto as **Annexure A-2**.



8. That copies of Audited Financial Statements for the FY 2021-22, 2022-23 prepared by the erstwhile management are annexed hereto as Annexure A-3 and Annexure A-4 respectively.
9. That the unaudited balance sheet as on ICD, i.e., 15.02.2024 was prepared based on books of accounts (tally data) as provided by the Corporate Debtor. However, the deponent was later on provided with the requisite accounts and supporting data/documents based on which the Audited Financial statements for the FY 2023-2024 was prepared and hence, there is a difference in balances between the ICD and as on 31.3.2024. A copy of the Audited Financial statements for the FY 2023-2024 is annexed hereto as Annexure A-5.
10. That a Reconciliation cum Comparative Financial Statement with Valuation is annexed hereto as Annexure A-6.
11. That with regard to Inventories, it is clarified that the same have been valued under the category Plant & Machinery.
12. That one of the valuers ( namely Axiology Valuetech Private Limited) has valued them separately and categorized them under the subheading "Spare Parts" (IA Page 147), the other valuer has included them in the general category of Plant & Machinery as explained in Note 1 in Annexure A-6 annexed herewith.
13. That with regard to Fair And Liquidation Value of Current Assets, Loans and Advances (except for Inventories, as stated in paragraphs 11 and 12 *supra*), the Fair and Liquidation Value is tabulated as under:







	Value as on 15-02-2024	Value as on 31-03-2024 (Refer to para 9 of this Affidavit)	Fair Value	Liquidation Value	IA Page No.
<b>Securities &amp; Financial Assets</b>	12,22,92,592.00	7,10,53,744.00			
Valuer 1 Axiology Valuetech Pvt Ltd.			13,75,280.00	3,75,280.00	143
Valuer 2. Value Edge Professionals Pvt Ltd			3,75,279.59	3,75,279.59	176
<b>Total of Securities &amp; Financial Assets</b>	12,22,92,592.00	7,10,53,744.00	17,50,559.59	7,50,559.59	
<b>Average Values</b>			8,75,279.80	3,75,279.80	

14. That as regards the changes in the balances of Ansari Group (within Sundry Debtors) where the figure as on ICD was RS. 9,77,60,987/- and as on 31.3.2024 was RS. 6,28,08,748/-, the same is explained as under:

- The loan accounts of the corporate debtor had turned NPA in 2007-08 and since then it was not availing any credit facilities from any bank and all the operations were funded by Ansari Group- promoter directors with their own funds;
- These funds received were also repaid to the promoters at various points of times. There was no consistency in the entries recording these transactions. Sometimes these receipts were recorded under the head customers' bookings and, also under the heading duties and taxes. A part of the amount has also been recorded under the head dues of employees. Due to such an erroneous recording of entries there appeared receivables and payables to the same parties under different names.



- While finalizing the financial statements for the year 2023-24 many of these accounts were offset and presented as net figures. Therefore, there appeared to be movement in the balances of the debtors, especially the Ansari Group.

- It is further stated that in the current year i.e. year ending 31-03-2025 there are further credit balances of Rs. 2,60,07,700.00 which will be further reduced from the balance of Ansari Motors. These accounts of credit entries are appearing under the head duties and taxes Rs. 1,21,89,489, Customers bookings Rs. 88,18,211, and Rs. 50,00,000.00 paid to PNB towards OTS. These amounts





separately from the receivables.

- e. That the changes in the balances of the debtors between 2023 and 2024 are therefore only due to netting off of the debit and credit balances and no actual payment has been received from them.
- f. That the balances of Ansari Motor account over the last five years have been as below.

31-03-2020	31-03-2021	31-03-2022	31-03-2023	31-03-2024
6,66,97,684.75	7,35,35,788.75	6,73,33,799.02	6,92,61,478.04	3,96,15,162.31

- g. That it is clarified that after the ICD, i.e., 15.2.2024, no amount has been received from Ansari Group so as to say that any recovery has been made.

15. That it is also respectfully submitted that all the assets of the corporate debtor as on ICD have been valued and that there is no objection to valuation by any person.

16. I solemnly affirm that the contents of this affidavit are true and correct to the best of my knowledge, belief, and based on records available with me, and that nothing material has been concealed therefrom.

**22.** In pursuance of order dated 05.03.2025, the SRA has filed an affidavit vide Dairy No. 03510/3 dated 10.03.2025 whereby the SRA offered to pay the amount towards the pending dues as payable towards Provident Fund and Gratuity in accordance with the provisions of law. The SRA Affidavit is reproduced herein below: -



BEFORE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH AT  
CHANDIGARH

I.A. No. 17/2024  
In CP (IB) No. 119/Chd/J&K/2019

IN THE MATTER OF:  
Punjab National Bank

... Petitioner

Vs.

Highland Automobiles Pvt. Ltd.

... Respondent

And

In the matter of:  
Arvind Kumar

... Resolution Professional/Applicant

**AFFIDAVIT OF SUCCESSFUL RESOLUTION APPLICANT ("SRA")**

I, Abhishek Jain S/o Sh. Shreyans Kumar Jain aged about 46 years, resident of house no 64 sector 2, trikuta nagar, Jammu (J&K), do solemnly affirm and declare as under: -

1. That I am the Successful Resolution Applicant ("SRA") in the matter of CIRP of Highland Automobile Pvt. Ltd. and hence, I am conversant with facts and circumstances of the case.
2. That relevant documents have already been submitted with the Resolution Plan to show that provisions of Section 29A of Insolvency and Bankruptcy Code, 2016 ("IBC") have been complied with and also hereby confirm that the SRA is eligible in terms of Section 29A of IBC.
3. That I hereby undertake to pay the contribution and other sums due from the corporate debtor under the provisions of Employees Provident Funds and Misc. Act, 1952 or the Scheme or the Pension Scheme or the Insurance Scheme and under the Payment of Gratuity Act, 1972, as the case may be, in respect of period up to the date of approval of the resolution plan by the Adjudicating Authority, in accordance with prevailing law, without prejudice to the right of the deponent to exercise available remedies under law with respect to the treatment/levy of any such dues

Place:  
Date:

**VERIFICATION**

I, the abovenamed deponent that the contents of paragraph no. 1 to 3 above are to true and correct to the best of my knowledge and belief and no part of it is false and nothing material has been concealed there from.

Place:  
Date:

Execution Admitted Hence Attested  
NOTARY PUBLIC

04/03/26

DEPONENT



**23.** The Applicant has also indicated the brief of the financial proposal and payment terms at Pg. 28 of the Application. The brief financial proposal and payment term in the resolution plan is reproduced herein below: -

**Table 7**

28

S. No	Particular	Amount claimed	Amount Admitted	Proposed Amount in Resolution Plan	Payment Term
1.	CIRP Cost	-	-	1,19,77,673.00	Within 60 days from the effective date
2.	Secured Financial Creditors	60,48,13,446.66	60,48,13,446.66	92,85,896.22	Within 180 days from the effective date
3.	Unsecured Financial Creditors (except related party)	5,39,97,277.00	5,39,97,277.00	26,994.64	Within 120 days from the effective date
4.	Operational creditors (Employees)	1,53,99,323.00	1,53,99,323.00	2,36,430.78	Within 180 days from the effective date
5.	Operational creditors (other than Workmen and Employees and Government Dues)	24,60,669.00	22,13,690.27	1,106.68	Within 120 days from the effective date
6.	Operational creditors (Government Dues)	94,39,37,281.00	94,39,37,281.00	4,71,898.68	Within 120 days from the effective date
7.	Other creditors, (other than financial creditors and operational creditors)	10,72,857.00	10,72,857.00	NIL	



24. As regards to the term and implementation schedule, it has been proposed to implement the Resolution Plan as per the following events' schedule:

Step	Process / Activity	Indicative Timeline
1.	Approval of the Resolution Plan by the CoC.	-
2.	Constitution of the Monitoring Committee (Effective date).	T
3.	Payment of CIRP Cost	T+60 days
4.	Payment to Operational Creditors (other than workmen and employees), Statutory dues and Unsecured Financial Creditors	T+120 days
5.	Payment to Financial Creditors (secured financial creditors) and Operational Creditors (Workmen and Employees)	T+180 days

25. The net worth of SRA is stated to be Rs. 1090.05 Lakhs, the same is reproduced as follows:

Net worth Position of Mr. Abhishek Jain is as under:

Sr. No.	Asset Description	Amount (in Lacs)
1.	<b>Immovable Properties:-</b>	
	• Residential House at Trikuta Nagar J&K, House No. 64, Sector - 2, Measuring - 3267.01 Sq. ft. 12 Marla	400.00
	• Shop 3 at Talab Tillo, Bohri road, opp. Dewan Mordern Beverages	80.00
	• Plot at Main Highway Kotli Bajalia, Jammu Katra road, jammu Measuring - 8984.26 sq. ft, 1 Kanal 13 Marla, Khasra No. 735, Khewat No. 818	250.00
	<b>Total A</b>	<b>730.00</b>
2.	<b>Movable Assets:-</b>	
	a) Capital Invested	
	• Arihant Sanitation, Proprietorship	77.85
	• Vardhman Enterprises, Proprietorship	161.91
	b) Cash	2.13
	c) Bank Balances	67.21
	d) Other Investments	50.95
	<b>Total B</b>	<b>360.05</b>
	<b>NET WORTH (A+B)</b>	<b>1,090.05</b>

26. The sources of funds as mentioned in the Resolution Plan on page 453 of the Application are reproduced as under:



### 3. Sources and uses of funds

- 3.1 The Resolution Applicant will infuse **INR 2,20,00,000/-** (Rupees Two Crore and Twenty Lakhs Only) ("Total Resolution Amount") into the Corporate Debtor as equity or as unsecured loan as it may deem fit.
- 3.2 The source of fund for the Total Infusion shall be from internal accruals and/or finance to be raised from internal sources of the Resolution Applicant.

**27.** Regarding supervision and monitoring over implementation of the Resolution Plan, it has been proposed to constitute a 4 Member Monitoring Committee comprising 1 Representative of assenting Financial Creditors, 2 Representative of Resolution Applicant and the Resolution Professional as Monitoring Agent. The relevant details given in the Resolution plan are reproduced thus:

#### 3.1.1 Constitution of Monitoring Committee and its Power and Responsibilities:

On the Effective Date, a monitoring committee shall be constituted ("Monitoring Committee") which, shall comprise of 1 (one) Representative of the secured Assenting Financial Creditor, 2 (Two) Representative of the Resolution Applicant and the Monitoring Agent/ Resolution Professional/ Any insolvency professional subject to his consent (defined below). Each member of this committee shall have one (1) vote except monitoring agent. All decisions of the committee shall be taken by majority vote of the members present and voting. The Monitoring agent shall have no vote but shall have casting vote in the event of tie in the votes. The committee shall decide the frequency and the venue of the meetings to be conducted. During the term of the Resolution Plan, the Monitoring Committee shall, inter alia:

- a) Supervise the implementation of the Resolution Plan by the Resolution Applicant.
- b) Supervise and monitor the management and operations of the Corporate Debtor in the ordinary course, being undertaken by the resolution applicant, and as and when deemed fit, provide instructions to the resolution applicant in this regard.
- c) Subject to the aforesaid, the Monitoring Committee shall be entitled to do all such acts, deeds, matters and things as may be necessary in relation to implementation of the Resolution Plan by the Resolution Applicant in accordance with the terms of the Resolution Plan.
- d) The Monitoring Committee or its members or the entities nominating such members or the Monitoring Agent, shall not be liable for any act or omission in their capacity as such member or Monitoring Agent or for any act or omission Agent to ensure preserving the Corporate Debtor.
- e) All decisions of the Monitoring Committee shall be by way of a majority vote of all members present and voting.

#### 3.1.2 General Provisions

The roles, responsibilities, and protections of the Monitoring Committee and the Monitoring Agent, as outlined above, serve as the interim supervision mechanism during the implementation period, in





accordance with the provisions of the Insolvency and Bankruptcy Code and the CIRP Regulations. The management and control of the Corporate Debtor, as well as the implementation of the Resolution Plan, shall rest solely with the Resolution Applicant. However, the Monitoring Committee or Monitoring Agent shall retain the authority to oversee and supervise the day-to-day operations of the Corporate Debtor until the Resolution Plan is fully implemented. Throughout this period, the Monitoring Agency will actively oversee the company's daily affairs to ensure compliance with the approved plan.

- a) No liability shall be imposed on, or deemed to have been imposed on, or assumed by, the members of the Monitoring Committee (including the Monitoring Agent) and/ or their advisors, by virtue of the powers, duties and responsibilities being exercised in terms of the interim governance mechanism provided hereunder including, for instance, being classified as an occupier, persons in Control or officer in default etc., under any Applicable Law. Further, no suit, prosecution, or other legal proceeding shall lie against the members of the Monitoring Committee and/or the Monitoring Agent and/or their advisors, for anything which is done in good faith or intended to be done in good faith under or pursuant to the terms of the Plan and the Code or CIRP Regulations.
- b) To the extent provided under this Resolution Plan, the interim governance mechanism shall prevail over the provisions of the Companies Act 2013.

**28.** The Applicant during the CIRP process of the Corporate Debtor has not preferred any PUFEE application.

**29.** We heard the Counsel for the Applicant/RP and perused the Application, and other documents placed on record. We observe that the CoC of the Corporate Debtor, in its commercial wisdom, has duly considered and approved the instant Resolution Plan submitted by the Successful Resolution Applicant by a voting share of 91.80% in its 11th Meeting held on 26.10.2024. We also note that the plan is backed by Performance Security deposit of Rs. 1,50,00,000/- (Rs. One Crore Fifty Lakhs) already deposited by SRA in the bank account operated by the Applicant as mentioned in paragraph 29 of the Application.

**30.** The role of the Adjudicating Authority has been examined by the Hon'ble Supreme Court in Civil Appeal No. 10673 of 2018 in the matter of **"K. Sashidhar Vs. Indian Overseas Bank & Ors."**, the relevant extracts of which are reproduced below:





*“35. 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 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. 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.”*

*“38. 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 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.”*

**31.** In view of the decision of Hon’ble Supreme Court (Supra), **and many others**, it has become a settled principle of law that the scope of inquiry with the Adjudicating Authority is limited to satisfying itself whether the requirements as referred to in Section 30(2) of IBC have been met and not to sit on judgment on the commercial wisdom of the CoC. Adjudicating Authority is not required to interfere with the decision taken by the CoC in its commercial wisdom, save and except the circumstances referred to in Section 31(2) of the IBC, 2016. Considering the facts of the case along with documents and reports submitted by the RP, we are of the view that the Resolution Plan satisfies the requirements of Section 30(2) of the IBC and Regulations 37, 38 & 39 of CIRP Regulations. The RP has certified that the SRA is eligible to submit the Plan under Section 29A of the IBC.

**32.** In **view of the** to the discussion above, we **hereby** approve the Resolution Plan submitted by the Applicant to this Adjudicating Authority, as endorsed by the CoC. **We, therefore, allow the present IA and approve the COC approved Resolution Plan, placed before us by the Applicant/RP, with the following directions in respect of the Corporate Debtor:**

- a. *The Resolution Plan shall become effective from the date of passing of this Order and shall be implemented by the Monitoring Committee strictly as per the term of the Resolution Plan and Implementation Schedule given therein, i.e., within 180 days from the date of constitution of Monitoring Committee (Part II, Page 44 of the Resolution Plan);*
- b. *The Monitoring Committee for the implementation of the resolution plan shall be constituted in accordance with clause 3.1.1 of the Resolution Plan.*

*It shall consist of one (1) representative of Secured accentic Financial*



Creditor, two (2) representatives of SRA and the Resolution Professional. The Monitoring Committee will supervise and implement the Resolution Plan and perform its functions in accordance to the resolution plan as approved by Committee of Creditors (COC).

- c. It is also to be clarified that approval of the Resolution Plan shall not be construed as a waiver of any statutory obligations/liabilities of the Corporate Debtor and shall be dealt with by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan shall be subject to approval by the Authorities concerned. As regards to the reliefs sought, the Corporate Debtor has to approach the Authorities concerned for such reliefs, and we trust the Authorities concerned will do the needful. “Approval of this plan by NCLT shall be deemed to be sufficient notice which may be required to be given to any person for such matter and no further notice shall be required to be given, as per the view taken by the Hon’ble Supreme Court in the case of **Ghanashyam Mishra**.
- d. The Resolution Plan shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the resolution plan.
- e. All crystallized liabilities and unclaimed liabilities of the Corporate Debtor as on the date of this order except to the extent provided for under the plan shall stand extinguished on the approval of this Resolution Plan. Since the sundry debtors have been valued at “zero” they will be written off in the books and not carried forward and there shall be no loss carried forward for set off in future, for tax purposes, as confirmed by the RP during the hearing dated 24.07.2025.
- f. If the SRA fails to pay the amount as envisaged in the Resolution Plan to the stakeholders within the timeline fixed in the Plan, the entire amount paid by the SRA shall be forfeited.
- g. The Memorandum of Association (MoA) and the Articles of Association (AoA) shall accordingly be amended and filed with the concerned Registrar of Companies (RoC) for information and record. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals,



*under any law for the time being in force, within such period as may be prescribed.*

- h. The Performance Bank Guarantee submitted by SRA shall remain deposited with the Monitoring Committee, and shall be released after successful of implementation of the Resolution Plan.*
- i. The order of the moratorium in respect to the Corporate Debtor passed by this Adjudicating Authority under Section 14 of the IBC, 2016 shall cease to have effect from the date of passing of this Order; and*
- j. The RP shall forward all the records relating to the conduct of CIRP and Resolution Plan to IBBI for its record and database.*
- k. The Applicant shall forthwith send a copy of this Order to the CoC and the Resolution Applicant.*
- l. The Registry is directed to furnish a free copy to the parties as per Rule 50 of the NCLT Rules, 2016.*
- m. The Registry is directed to communicate this Order to the concerned Registrar of Companies, for updating the master data and also forward a copy to IBBI.*

**33.** In this regard, it is clarified that the SRAs shall be eligible to get protection as available under Section 32A of IBC, 2016.

**34.** A copy of this order shall also be sent by the Applicant to the IBBI for their record.

**35. The IA NO. 17/2024 is allowed and disposed of accordingly.**

**-Sd-**

**(Shishir Agarwal)**  
**Member (Technical)**

August 12, 2025

Japneet

**-Sd-**

**(Harnam Singh Thakur)**  
**Member (Judicial)**