



**THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, COURT-I, CHANDIGARH**

*(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)*

**IA (IBC) (PLAN) No. 3 of 2024
in
CP(IB) No. 254/Chd/Hry/2020
(Admitted)**

*Under Sections 30(6) and 31 of the Insolvency
and Bankruptcy Code, 2016, read with
Regulation 39 of IBBI Regulations, 2016*

In the matter of :

Induskleed Exports Private Limited

...Petitioner/Operational Creditor

Vs

Pala Decor Private Limited

...Respondent/ Corporate Debtor

And in the matter of IA (IBC) (PLAN) No.3 /2024:

Nisha Malpani

Resolution Professional of: M/S. Pala Decor Private Limited

Registered Office at:

C /O Regus 9th Floor, Tower A-1,

Spaze i- tech park, sector- 49

Gurugram, Haryana

.....Applicant

Order delivered on: 06.11.2025

Coram: HON'BLE MR.KHETRABASI BISWAL, MEMBER (JUDICIAL)

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

Present :-

For the Resolution Professional:

For Income Tax Department :

Mr. Anurag Bhatt, Advocate

**Mr. Varun Issar, Senior Standing
Counsel**

PER: SH.KHETRABASI BISWAL, MEMBER (JUDICIAL)

SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)



ORDER

1. The instant Application bearing **IA (IBC) (Plan) No. 3 of 2024** is being filed on behalf of Ms Nisha Malpani (hereinafter referred to as “Applicant”), the Resolution Professional for **Pala Decor Private Limited** (hereinafter referred to as “Corporate Debtor”) filed under Section 30(6) and Section 31 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “Code”) for seeking approval of the Resolution Plan submitted by Successful Resolution Applicant (hereinafter referred to as “SRA”) **Ms. Geeta Jain** approved in the 8th CoC meeting.
2. The Company Petition bearing **CP(IB)No.254/Chd/Hry/2020** was filed by **Induskleed Exports Private Limited**, the Operational Creditor against the Corporate Debtor which was admitted by this Adjudicating Authority vide Order dated 15.03.2023. Mr. Naveen Singal, was appointed as the Interim Resolution Professional of the Corporate Debtor to carry out the insolvency resolution process of the Corporate Debtor.
3. The Committee of Creditors (“CoC”) was duly constituted by the Interim Resolution Professional, comprising the sole financial creditor, Privy Capital Limited. The first meeting of the CoC was held on 15.04.2023, wherein Mr. Kailash Chand Gupta was appointed as the Resolution Professional, whose appointment was subsequently confirmed by this Hon’ble Tribunal vide order dated 28.04.2023. Owing to personal difficulties, Mr. Gupta sought to be relieved, and in the 2nd CoC meeting held on 23.05.2023, the CoC, with 100%



voting share, resolved to replace him with Ms. Nisha Malpani as the Resolution Professional, whose appointment was confirmed by order dated 02.06.2023.

4. The 3rd CoC meeting was held on 01.07.2023 to deliberate upon the affairs of the Corporate Debtor, wherein it was resolved to invite Expressions of Interest in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016. Further, in view of the personal inability of Mr. Gupta, the Committee of Creditors also resolved to seek an exclusion of 47 days from the CIRP period. Accordingly, this Adjudicating Authority, vide order dated 16.08.2023, granted the said exclusion for the period from 28.04.2023 to 14.06.2023.
5. The Resolution Professional published Form G on 04.07.2023 inviting Resolution Plans, pursuant to which two prospective Resolution Applicants submitted their Expressions of Interest within the prescribed timelines and a few after the due date. To ensure maximum value realization, the Committee of Creditors, in its 4th meeting held on 12.08.2023, resolved to extend the timeline for submission of EOIs, and accordingly, the revised Form G was republished on 17.08.2023. Pursuant thereto, EOIs were received from four prospective Resolution Applicants, namely, Mr. Puneet Jolly (Director of the Corporate Debtor), Mr. Som Nath, Ms. Geeta Jain, and the Consortium of Rupanshu Jain Creations Pvt. Ltd. and Shubhlaxmi Investment Advisory Pvt. Ltd. One additional EOI from SSPS Infrastructure was not considered as the EMD amount was not deposited. Subsequently, in view of the expiry of the CIRP period on 28.10.2023, the Committee of Creditors, in its 5th meeting held



on 09.10.2023, resolved to seek an extension of 90 days. Accordingly, upon filing of IA No. 2549/2023 by the Resolution Professional, this Adjudicating Authority, vide order dated 27.10.2023, was pleased to extend the CIRP period by a further 90 days.

6. The Resolution Professional, in accordance with the provisions of the Code, invited Resolution Plans from the prospective Resolution Applicants, namely, Mr. Puneet Jolly (Director of the Corporate Debtor), Mr. Som Nath, Ms. Geeta Jain, and the Consortium of Rupanshu Jain Creations Pvt. Ltd. and Shubhlaxmi Investment Advisory Pvt. Ltd. However, the said Consortium subsequently expressed its inability to submit a Resolution Plan. Thereafter, Resolution Plans were received from three applicants—Mr. Puneet Jolly, Mr. Som Nath, and Ms. Geeta Jain. Upon scrutiny, Mr. Puneet Jolly was found ineligible under Section 29A of the Code, and accordingly, his plan was not placed before the Committee of Creditors. The remaining two plans were opened before the CoC in its 6th meeting held on 06.12.2023, wherein certain deficiencies were observed regarding the mandatory contents prescribed under the Code. The Resolution Professional accordingly communicated detailed observations to the respective applicants on 11.12.2023, and pursuant to the extension granted by the CoC in its 7th meeting held on 09.01.2024, the revised Resolution Plans were submitted thereafter.
7. The revised Resolution Plans submitted by Ms. Geeta Jain and Mr. Som Nath were placed before the Committee of Creditors for consideration and voting in



its 8th meeting held on 23.01.2024. During the said meeting, Ms. Geeta Jain submitted an addendum to her Resolution Plan, whereby the amount payable towards Provident Fund dues was enhanced and adjusted against the amount payable to the Financial Creditor. After detailed deliberations, the Committee of Creditors resolved to approve the Resolution Plan submitted by Ms. Geeta Jain, which was duly recorded in the minutes of the 8th meeting of the Committee of Creditors. The relevant extract of the minutes of the 8th meeting of Committee of Creditors approving the Resolution Plan of Ms. Geeta Jain is reproduced as under:-

“RESOLVED THAT, resolution plan submitted, by Geeta Jain on 20th Jan 2024 along with submitted on 23rd Jan 2024, in response to the request for resolution plan and laid before COC, be and is hereby approved” .

8. The Hon'ble Tribunal vide its order dated 10.06.2025 directed the Resolution Professional to convene a meeting of the CoC and place the Addendum to the Resolution Plan before the CoC, and thereafter to conduct voting. The CoC, in its meeting held on 12.07.2025, approved the Addendum to the Resolution Plan by the requisite majority as required under the Code. The said Addendum now forms an integral part of the Resolution Plan. A copy of the voting results and resolution passed by the CoC is annexed with the Affidavit dated 28/07/2025 as **Annexure A-2 (Colly)**. The Addendum does not alter the commercial viability or fairness of the plan and is in conformity with the provisions of the Code and Regulations



framed thereunder. A copy of the Addendum to the Resolution Plan is annexed with the Affidavit dated 28/07/2025 as **Annexure A-3**. True Copy of Form- H is annexed with the Affidavit dated 28/7/2025 as **Annexure A- 4**. In the addendum of the Resolution plan, the plan value is enhanced from Rs. 50,08,754 to Rs. 53,65,900/-

9. Upon approval of the Resolution Plan submitted by Ms. Geeta Jain, the Committee of Creditors, in the same meeting, directed the Resolution Professional to issue a Letter of Intent to the successful Resolution Applicant. In compliance with the said direction, the Resolution Professional issued the Letter of Intent on 24.01.2024, which was unconditionally accepted by Ms. Geeta Jain on the same date. A copy of the letter of intent is annexed with the Application as **Annexure A-18**.

10. The salient features of the Resolution Plan, submitted by Ms. Geeta Jain/ Successful Resolution Applicant ("SRA") which has been approved by the COC of the Corporate Debtor is as follows:

- i. **Brief background of the SRA:** The Resolution Applicant Ms. Geeta Jain is an individual having experience in the field of textile industry for more than 8 years and has an immense exposure of the field of business of the Corporate Debtor and understands the manner in which the said business can be expanded and be put to growth.
- ii. **Net Worth Certificate of SRA:**



NET WORTH OF SMT. GEETA JAIN AS ON 22.08.2023		
(Rs. In Lacs)		
SR NO.	PARTICULAR	AMOUNT
IMMOVABLE PROPERTY		
	Land measuring 13 k-06M-03SR situated at village Sewaha Panipat	54.61
	Land measuring 02 k-10m situated at village Sewaha Panipat	11.48
	Land measuring 12 K-10M situated at village Sewaha Panipat	100.29
	Land measuring 07 k-12m situated at village Sewaha Panipat	60.97
	Land measuring 14 k-06M-05SR situated at village Sewaha Panipat	21.11
MOVABLE PROPERTY		
2	Cash & Bank	0.94
Total Net Worth		249.38
This Net Worth statement is issued as per books of accounts & other relevant documents produced before us. The values mentioned above are taken as per original investment shown in books of accounts.		
This is to further confirm that our firm or Signatory does not stand liable for any liability if arises due to issuance of this certificate.		
FOR DINESH K. JAIN & ASSOCIATES CHARTERED ACCOUNTANTS		
(CA. DINESH JAIN) PARTNER		
Membership No. : 090638 FRN No:0116666N UDIN:23090638BGZPXG7400		

- iii. The financial outlay and implementation schedule as mentioned in the addendum to the resolution plan filed with the affidavit dated 28/07/2025 is shown in the table given below. The CIRP cost is Rs. 15,00,000/-.



Particulars	Amount (INR) Proposed	Schedule of Payment (Day) from Effective Date						Total
		30	60	90	120	150	180	
CIRP Cost	15,00,000/-	15,00,000/-						15,00,000/-
Operational Creditors (other than related party)	2,00,000/-	2,00,000/-						2,00,000/-
Operational Creditors (related party)	NIL							NIL
Unsecured Financial Creditors	10,17,190/-		10,17,190					10,17,190/-
Employees and Workmen	NIL							NIL
Statutory Dues	2,00,000/-	2,00,000/-						2,00,000/-
PF Dues	20,91,564/-	20,91,564/-						20,91,564/-
Gratuity	3,57,146/-	3,57,146/-						3,57,146/-
Total	53,65,900/-	43,48,710/-	10,17,190/-					53,65,900/-

- iv. **Management of the Corporate Debtor and Supervision** : As per the Resolution Plan, as on the plan completion date, the Resolution Applicant shall take control of the management of the Corporate Debtor and shall manage the affairs of the Corporate Debtor thereafter. The Resolution Applicant in the Resolution Plan proposes to appoint a Monitoring Committee for a period of 60 days from the effective date (as defined in the Chapter of Definitions, Abbreviations and interpretation of the Resolution Plan) having four members as



follows:- (i) Resolution Professional (Chairperson) (ii) One representative of Resolution Applicant (iii) One representative of the Financial Creditor.

- v. **Source of Funds:** The Resolution Applicant shall make payment under the Resolution Plan through its own funds. The Resolution Applicant has the requisite funds available by way of its assets and also through cash in hand. The Resolution Applicant has a large asset base and through which the Resolution Applicant proposes to make the payment under the Resolution Plan.
- vi. **Compliance of mandatory contents of Resolution Plan under IBC and CIRP Regulations:** The Applicant is stated to have conducted a thorough compliance check of the Resolution Plan in terms of Section 30(2)(a), (b) & (c) of IBC as well as Regulations 38 & 39 of the CIRP Regulations, and has submitted Form-H under Regulation 39(4). A copy of the Form-H as well as the updated/ True copy of Form H has also been filed. The **Fair Value** and **Liquidation Value** as submitted in Form H are stated to be Rs.8,702,149 and Rs.4,652,949 respectively.
- vii. **Reliefs & Concessions:** Besides seeking approval of the Resolution Plan submitted by the SRA, the Applicant has also prayed in Section X of the Resolution Plan for the grant of reliefs, waivers, and concessions to the Resolution Applicant.



11. Regarding the PUFÉ transactions, the applicant has filed an application before the tribunal which is pending as defective. The matter will be decided in due course when the defects are removed.

12. In the letter of intent issued to the successful resolution applicant, it was asked to furnish or cause to be furnished bank guarantee (having validity upto the period of implementation of resolution plan) to the tune of 20% of resolution plan ("Performance Bank Guarantee"). The Performance Bank Guarantee shall be liable to be invoked at any time in accordance with the request for resolution plan and also in case there is any breach of this Letter. Thereafter in the 10th CoC meeting, it was mentioned that "Fixed deposit created from the performance guarantee by the SRA is attached as Annexure 2." In the Form H attached, the Applicant has certified the Compliance of performance security received, as referred to in sub-regulation (4A) of regulation 36B.] The payment of performance security was made by the SRA to the RP of Rs. 11,00,000/- .Performance Security paid is annexed at page 26 to 27 of Affidavit dated 21.04.2025 filed vide Dairy no. 00358/6.

13. In compliance with Regulation 39(4) of the IBBI(Insolvency Resolution Process of Corporate Persons) Regulations 2016, the Applicant/RP has filed Revised "Compliance Certificate" in Form-H stating that the Resolution Plan is compliant with the provisions of the Code. The Form-H duly signed by the



Applicant, being the compliance certificate is annexed as **ANNEXURE A- 4** with the affidavit dated 28/07/2025 . The relevant portion of the same is reproduced :

FORM II
COMPLIANCE CERTIFICATE

(Under Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016
I, Nisha Malpani, an insolvency professional enrolled and registered with the Board with registration number IBBI/IPA-001/IP-P00058/2017-18/10136, am the Resolution Professional for the Corporate Insolvency Resolution Process (CIRP) of Pala Décor Private Limited.

2. The details of the CIRP are as under:

Sl. No.	Particulars	Description
1	Name of the CD	Pala Décor Pvt. Ltd.
2	Date of Initiation of CIRP	15.03.2023
3	Date of Appointment of IRP	15.03.2023
4	Date of Publication of Public Announcement	17.03.2023
5	Date of Constitution of CoC	07.04.2023
6	Date of First Meeting of CoC	15.4.2023
7	Date of Appointment of RP	Date of NCLT order for appointment of RP dated 28.04.2023 and 02.06.2023
8	Date of Appointment of Registered Valuers	13.07.2023
9	Date of Issue of Invitation for EoI	04.07.2023 and 17.8.2023
10	Date of Final List of Eligible Prospective Resolution Applicants	26.09.2023
11	Date of Invitation of Resolution Plan	17.08.2023
12	Last Date of Submission of Resolution Plan	31.10.2023
13	Date of Approval of Resolution Plan by CoC	23.01.2024
14	Date of Filing of Resolution Plan with Adjudicating Authority	27.01.2024
15	Date of Expiry of 180 days of CIRP	11.09.2023
16	Date of Order extending the period of CIRP	16.08.2023 and 27.10.2023
17	Date of Expiry of Extended Period of CIRP	27.01.2024
18	Fair Value	8,702,149
19	Liquidation value	4,652,949
20	Number of Meetings of CoC held	10 meetings

3. I have examined the Resolution Plan received from Resolution Applicant Mrs. Geeta Jain and approved by Committee of Creditors (CoC) of Pala Décor Pvt. Ltd.



4. I hereby certify that-

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

(ii) The Resolution Applicant Mrs. Geet 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.

(iii) The said Resolution Plan has been approved by the CoC in accordance with the provisions of the Code and the CIRP Regulations made thereunder. The Resolution Plan has been approved by 100% of voting share of financial creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.

(iv) The voting was held in the meeting of the CoC on 23.01.2024 and all the members of the CoC were present.

5. The list of financial creditors of the CD Pala Décor Private Limited being members of the CoC and distribution of voting share among them is as under:

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
1.	Privy Capital Limited	100	Voted for

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

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

S. No.	Category of Stakeholder*	Amount Claimed	Amount Admitted	Amount Provided under the Plan	Amount Provided to the Amount Claimed (%)
1.	Secured Financial Creditors			NA	NA
2.	Unsecured Financial Creditors	18,00,464/-	18,00,464/-	10,17,190	56.49
3.	Operational Creditors	1,29,04,268	1,22,17,133	2,00,000	1.63
	Government (Statutory Dues)	-	-	2,00,000	
	Provident Fund	-	-	20,91,564 (along with interest and penalty applicable if any as per law)	100
	Workmen	-	-	-	-
	Employees	3,77,012	3,71,221	NIL	
	Gratuity			3,57,146	100



4.	Other Debts and Dues	46,584,294	46,584,294	NIL	
Total		61,666,038	60,973,112	38,65,900	

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

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

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

Sl. No	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity				
2	Preference				

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

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes / No)
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?		Yes
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?		Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?		Yes
Section 30(2)	Whether the Resolution Plan: (a) provides for the payment of insolvency resolution process costs? (b) provides for the payment of the debts of operational creditors? (c) provides for the management of the affairs of the Corporate debtor? (d) provides for the implementation and supervision of the resolution plan? (e) contravenes any of the provisions of the law for the time being in force?	Section IV Clause 1.2(B) Section IV Clause 1.2 (B) Section XII Section IV	Yes
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC? (b) has been approved by the CoC with 66% voting share?	100%	Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Section V	Yes
Regulation 35A	Where the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50 or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the Board?		Yes
Regulation 38 (1)	Whether the Resolution Plan identifies specific sources of funds that will be used to pay the - (a) insolvency resolution process costs? (b) liquidation value due to operational creditors?	Section IV Clause 1.2(A)	Yes



	(c) liquidation value due to dissenting financial creditors?	NA	
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Section IV	Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?]	Section V	No Yes
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	Section XII	Yes
Regulation 38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	Section III	Yes
Regulation 39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?		Yes
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.]		Yes

14. In Compliance of Order dated 07.05.2025, the SRA has filed an affidavit dated 05/06/2025 whereby the SRA undertook to pay the entire due amount of PF along with penalty and interest if any, which is payable as per law.

15. The tribunal in its order dated 01.01.2025 directed to file the audited balance sheet as of the date of the CIRP i.e. 15.03.2023 to 31.03.2023. The copy of the balance sheet was filed by the Applicant vide affidavit dated 08.04.2025.

16. The Income Tax Department has furnished a report dated 08.10.2025 with respect to the carry forward of losses. It is stated that for the Assessment Year



2024–25, there is a business loss of Rs. 16,14,37,936, as reflected in the balance sheet filed along with the Income Tax Return. However there was no clarity regarding the exact amount allowable to be carried forward for set off pursuant to the approval of the Resolution Plan. Therefore, the Tribunal in its order dated 14.10.2025 directed the applicant to approach the Income Tax Department for necessary clarification and decision with respect to the allowability of carry forward of losses, and the Department shall take an appropriate decision in accordance with law. Further, with respect to the loans and advances shown as receivable as on the date of commencement of CIRP, amounting to Rs. 1,01,95,147/-, which have been valued at Nil, it was confirmed by RP vide hearing dated 07/08/2025 that this amount shall be written off in the books of accounts and not carried forward.

17. The Successful Resolution Applicant has submitted an undertaking stating that the Resolution Applicant is eligible under Section 29A of the Code.

18. We have carefully considered the present application seeking approval of the Resolution Plan submitted by the Successful Resolution Applicant.

19. While reviewing the Resolution Plan as aforesaid, we have taken into account the judgment in the case of **K. Sashidhar vs. Indian Overseas Bank**¹, where the Hon'ble Supreme Court has held that:

¹ In K. Sashidhar v. Indian Overseas Bank & Others (in Civil Appeal No. 10673/2018) decided on 05.02.2019: **(2019) 12 SCC 150**



“If CoC had approved the Resolution Plan by the 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. On receipt of such a proposal, the Adjudicating Authority (NCLT) is required to satisfy itself that the resolution plan as approved by CoC meets the requirements specified in Section 30(2). No more and no less”.

And held further in para 35 of the judgement that –

“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”.

20. The Hon’ble Supreme Court reiterated this view in the case of **Essar Steel**² by holding that:

“...it is clear that the limited judicial review, which can in no circumstances trespass upon a business decision of the majority of the CoC, has to be within the four corners of section 30(2) of the Code, in so far as the Adjudicating Authority is concerned....”.

² Committee of Creditors of Essar Steel India Limited Vs. Satish Kumar Gupta & Ors. in Civil Appeal No.8766 67/2019, decided on 15.11.2019: **(2020) 8 SCC 531**



21. Reinforcing the above, the Hon'ble Supreme Court more recently has held in

Vallal RCK vs. M/s Siva Industries³, that:

“21. This Court has consistently held that the commercial wisdom of the CoC has been given paramount status without any judicial intervention for ensuring completion of the stated processes within the timelines prescribed by the IBC. It has been held that there is an intrinsic assumption, that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts.”

Emphasizing yet again, that

“27. This Court has, time and again, emphasized the need for minimal judicial interference by the NCLAT and NCLT in the framework of IBC.”

and, by referring to an earlier judgment in the case of **Arun Kumar Jagatramka⁴**, added a note of caution that

“...However, we do take this opportunity to offer a note of caution for NCLT and NCLAT, functioning as the adjudicating authority and appellate authority under the IBC respectively, from judicially interfering in the framework envisaged under the IBC. As we have noted earlier in the judgment, the IBC was introduced in order to

³ Vallal RCK vs M/s Siva Industries and Holdings Limited & Ors. in Civil Appeal No.1811-1812/2022, decided on 03.06.2022: **(2022) 9 SCC 803**

⁴ Arun Kumar Jagatramka v. Jindal Steel & Power Ltd. (2021) 7 SCC 474] : (SCC p. 533, para 95)



overhaul the insolvency and bankruptcy regime in India. As such, it is a carefully considered and well thought out piece of legislation which sought to shed away the practices of the past. The legislature has also been working hard to ensure that the efficacy of this legislation remains robust by constantly amending it based on its experience. Consequently, the need for judicial intervention or innovation from NCLT and NCLAT should be kept at its bare minimum and should not disturb the foundational principles of the IBC.....”

22. The Compliance of the Resolution Plan as per Form-H attached as **Annexure A-4** with the Affidavit dated 28/07/2025 complies with relevant provision of IBC, 2016. As per the Amended Resolution Plan, the Resolution Applicant proposes to make a total payment of Rs. 53,65,900/- along with the amount of interest and penalty which may be levied upon by the PF department as per law, read with the Implementation Schedule given under this Resolution Plan. The CIRP cost given under the Plan is Rs. 15,00,000. The Distribution among various stakeholders is mentioned in the True Copy of Form H that is attached with the Affidavit dated 28.07.2025.

23. Firstly, we will refer to cardinal provisions in the Code with reference to submission and approval of the resolution plan. In this regard, provisions of Section 30 of the Code deals with the issue of submission of resolution plan and that of Section 31 deals with approval of Resolution plan. Provisions of section 30 inter-alia stipulate that : A resolution applicant may submit a resolution plan 1



[along with an affidavit stating that he is eligible under section 29A] to the resolution professional prepared on the basis of the information memorandum. (2) The resolution professional shall examine each resolution plan received by him to confirm that each resolution plan - (a) provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the 2 [payment] of other debts of the corporate debtor; 3 [(b) provides for the payment of debts of operational creditors 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 a 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 the order of priority in sub-section (1) of section 53, whichever is higher, and provides for the payment of debts of financial creditors, who do not vote in favour of the resolution plan, in such manner as may be specified by the Board, which shall not be less than the amount to be paid to such creditors in accordance with sub-section (1) of section 53 in the event of a liquidation of the corporate debtor etc . Provisions of Section 31 of the Code inter-alia stipulate that : If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors under sub-section (4) of section 30 meets the requirements as referred to in sub-section (2) of section 30, it shall by order approve the resolution plan which shall be binding on the corporate debtor and its employees, members, creditors, other stakeholders else it can reject the Plan.



24. 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/concessions 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 and Sons Private Limited Versus Edelweiss Asset Reconstruction Company Limited in Civil Appeal No.8129/2019 with Civil Appeal No.1554/2021 and 1550-1553/2021, decided on 13.04.2021.: (2021) 9 SCC 657.***

25. The above facts clearly establish that the instant Application has been filed duly following the provisions of Section 31 of Code making the Resolution plan in question is eligible to be approved, and it is also in conformity with settled position of law as stated supra. Therefore, we are satisfied that the instant Application deserves to be allowed as prayed for.



26. With the above remarks, we hereby approve the Resolution Plan submitted by Mrs. Geeta Jain as approved by the members of Committee of Creditor in its 8th meeting;

- i. The Resolution Plan shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the resolution plan.
- ii. All crystallized liabilities and unclaimed liabilities of the Corporate Debtor except as provided in the Plan as on the date of this order shall stand extinguished on the approval of this Resolution Plan.
- iii. 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.
- iv. It is hereby ordered that the Performance Bank Guarantee furnished by the Resolution Applicant shall remain in force till the amount proposed to be paid to the creditors under this plan is fully paid off and the plan is fully implemented.



- v. 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.
- vi. Henceforth, no creditors of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to in the Resolution Plan.
- vii. The moratorium under Section 14 of the IBC shall cease to have effect from the date of this Order.
- viii. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with a copy of this order for information.
- ix. The Applicant shall forthwith send a copy of this Order to the CoC and the Resolution Applicant.
- x. The Registry is directed to furnish a free copy to the parties as per Rule 50 of the NCLT Rules, 2016.
- xi. 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.



8. Accordingly, ***I.A. (IBC) (PLAN) No. 3 of 2024*** in CP (IB) No. 254/Chd/Hry/2020 is ***allowed*** and stands ***disposed of***.

Sd/-

(Shishir Agarwal)
Member (Technical)

November 07, 2025
Sudesh

Sd/-

(Khetrabasi Biswal)
Member (Judicial)