

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL**  
**PRINCIPAL BENCH: NEW DELHI**

**Company Appeal (AT) (Insolvency) No. 1710 of 2025**

(Arising out of the Order dated 16.10.2025 passed by the  
'Adjudicating Authority' (National Company Law Tribunal,  
Mumbai Bench) in IA No. 33/MB/2024 in CP(IB) No.  
1790/2017)

**IN THE MATTER OF:**

**Taguda Pte. Limited**

Having its address at:

1, Magazine Road,  
#04-11, Central Mall, Singapore – 059567

**...Appellant**

**Versus**

1. **State Bank of India**

Having its address at:

Stressed Assets Resolution Group, 2<sup>nd</sup> Floor,  
World Trade Centre, Cuffe Parade,  
Mumbai – 40000

**...Respondent No.1**

2. **Trupal Kumar Patel**

Liquidator of the Corporate Debtor C/505,  
The First B/h ITC Narmada, Near Keshav  
Baug Party, Plot Vastrapur Ahmedabad,  
Gujarat – 380015

**...Respondent No.2**

**Present:**

**For Appellant** : Mr. T. Gowthaman, Sr. Advocate with Mr. Vivek Jain, Mr. Sadiq Noor, Mr. Angad Pathak, Mr. Mehul Khare, Mr. Padmesh Mishra and Ms. Ginni Med, Advocates

**For Respondent** : Mr. Krishnendu Data, Sr. Advocate with Mr. Yugal Jain, Mr. Vaijyant Paliwal, Ms. Charu Bansal, Mr. S. Biswas and Ms. Kirti Gupta, Advocates for R-1/SBI.

Mr. Kumar Shubham and Mr. Arpan Behl,  
Advocates for R-2.

Mr. Eshaan S. Advocate for CD.

**J U D G M E N T**  
**(Hybrid Mode)**

**[Per: Arun Baroka, Member (Technical)]**

The Present Appeal is filed by the Appellant challenging the Impugned Liquidation Order dt.16.10.2025 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench (hereinafter referred to as "the Hon'ble Tribunal") in the Interlocutory Application No. 33 of 2024 in the Company Petition (IB) No. 1790 of 2017 filed under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("the Code") read along with Rule 11 of the National Company Law Tribunal Rules, 2016 ("the NCLT Rules"). The Hon'ble Tribunal vide Impugned Order dated 16.10.2025 had allowed the Liquidation of Ushdev International Limited, the Corporate Debtor, without hearing the Interlocutory Application No. 4253 Of 2025 filed by the Appellant with a proposal to make a one-time, unconditional Payment of the entire Resolution Plan Amount thereby dismissing the said Interlocutory Application.

**2. Brief relevant facts are as follows:**

| Date       | Particulars                                                                                                                                                                 |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 17.05.2018 | NCLT passed an order initiating CIRP against the Corporate Debtor and appointed Subodh Kumar Agarwal as IRP, later confirmed as RP.                                         |
| 06.02.2019 | CoC rejected Taguda's resolution plan (77.61% votes) and authorized RP to file liquidation application under Section 33 of the Code.                                        |
| 07.02.2019 | RP filed Liquidation Application (I.A. No. 626/2019). Taguda filed I.A. No. 762/2019 seeking approval of its rejected resolution plan.                                      |
| 07.11.2019 | NCLT dismissed Liquidation Application and approved Taguda's resolution plan ('NCLT Order').                                                                                |
| 29.11.2019 | NCLAT stayed NCLT Order in Company Appeal No. 1377/2019 filed by SBI. During the pendency of this appeal, RA filed the revised resolution plan ('Revised Resolution Plan'). |
| 08.04.2021 | NCLAT granted 6 weeks to CoC to consider Taguda's revised resolution plan.                                                                                                  |

|                            |                                                                                                                                                                                                                                             |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 31.05.2021                 | NCLAT extended time for CoC consideration till 25.06.2021.                                                                                                                                                                                  |
| 22.06.2021                 | CoC approved the revised resolution plan submitted by Taguda with 91.06% votes. RP filed I.A. No. 1447/2021 seeking NCLT approval under Section 31.                                                                                         |
| 03.02.2022                 | NCLT approved Taguda's Revised Resolution Plan ('Plan Approval Order').                                                                                                                                                                     |
| 15.03.2022                 | First IMA meeting held; Radha Rawat appointed as authorized signatory for regulatory approvals.                                                                                                                                             |
| 18.04.2022<br>& 01.06.2022 | IMA discussed SEBI and RBI approvals. SRA's application through PNB to RBI remained pending.                                                                                                                                                |
| 08.09.2022                 | IMA noted SRA's duty to obtain approvals expeditiously; over 7 months elapsed without RBI approval.                                                                                                                                         |
| 14.10.2022                 | Taguda filed I.A. Nos. 887/2022 and 1606/2022 before the Ld. NCLT seeking modification of Plan Approval Order. NCLT granted 6-month extension for implementation.                                                                           |
| 01.03.2023                 | SBI wrote to SRA citing Section 31(4) and Clause 3.1 of RFRP (1-year approval deadline; RP/CoC not responsible for approvals), urging expedited implementation.                                                                             |
| 31.03.2023                 | SRA responded stating implementation awaits RBI approval                                                                                                                                                                                    |
| 13.04.2023                 | SBI sent follow-up letter noting non-implementation despite expiry of 1-year deadline and additional 6-month extension.                                                                                                                     |
| 28.04.2023                 | SBI filed I.A. No. 1857/2023 seeking: (i) direction for immediate implementation; (ii) 10% p.a. interest on resolution amount; (iii) failing implementation, initiation of fresh CIRP; (iv) interim deposit of resolution amount in escrow. |
| 10.08.2023                 | RBI directed PNB to approach overseas investment divisions regarding FEMA compliance issues relating to erstwhile management's guarantee.                                                                                                   |
| 23.08.2023                 | NCLT directed SRA and IMA to pursue RBI for early decision.                                                                                                                                                                                 |
| 11.09.2023                 | IMA wrote to RBI seeking early disposal per NCLT Order dated 23.08.2023.                                                                                                                                                                    |
| 14.09.2023                 | Per RBI instructions, IMA authorized Radha Rawat to sign and submit Form-FC through AD Bank.                                                                                                                                                |
| 08.12.2023                 | NCLT directed SRA to implement Revised Resolution Plan within 2 months (by 08.02.2024), noting all prerequisites rest with SRA ("December Order").                                                                                          |
| 19.12.2023                 | SRA emailed SBI regarding undertakings required by its financier, ANZA Capital.                                                                                                                                                             |
| 03.01.2024                 | ANZA Capital wrote to SBI seeking undertakings/confirmations regarding Corporate Debtor.                                                                                                                                                    |
| 11.01.2024                 | 19 <sup>th</sup> IMA meeting: SRA assured upfront payment of entire resolution amount and proposed depositing foreign creditors' share in designated account. IMA clarified ANZA clarifications are SRA's responsibility.                   |

|                         |                                                                                                                                                                                                                                                                                             |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16.01.2024              | Instead of implementing its upfront payment proposal, SRA filed present Appeal against Impugned Order.                                                                                                                                                                                      |
| 06.02.2024              | 20 <sup>th</sup> IMA meeting: SRA confirmed providing clarifications to ANZA and sought one week's extension.                                                                                                                                                                               |
| 07.02.2024              | SRA emailed SBI seeking waiver of certain conditions and one-month extension for implementation.                                                                                                                                                                                            |
| 08.02.2024              | Two-month deadline for implementation expired. Joint lender meeting decided: (i) SRA failed to implement despite 2+ years; (ii) invoke BBG (₹5 Cr) and PBG (₹11.50 Cr); (iii) liquidation is only viable option; (iv) authorized SBI to invoke guarantees and file liquidation application. |
| 08.02.2024              | SBI informed SRA of lenders' decision to deny further extension and proceed with invoking BBG and PBG.                                                                                                                                                                                      |
| 09.02.2024              | SBI invoked and forfeited BBG and PBG totaling ₹18.13 Cr.                                                                                                                                                                                                                                   |
| 05.07.2024              | NCLAT directed SRA to deposit ₹225.14 Cr in SBI Singapore/UAE branch within one week.                                                                                                                                                                                                       |
| 10.07.2024              | SBI furnished Singapore and UAE (DIFC) branch details to SRA for compliance with NCLAT Order dated 05.07.2024.                                                                                                                                                                              |
| 16.07.2024              | SBI followed up seeking update on account opening and fund deposit.                                                                                                                                                                                                                         |
| 16.07.2024              | SRA proposed letter of comfort from UAE financier instead of deposit, citing time-consuming account opening process.                                                                                                                                                                        |
| 24.07.2024              | SBI DIFC requested documents/information for account opening formalities.                                                                                                                                                                                                                   |
| 29.07.2024              | SRA proposed bank guarantee for acquisition instead of depositing funds as directed.                                                                                                                                                                                                        |
| 01.08.2024              | NCLAT granted 15-day extension to SRA to deposit ₹225 Cr per NCLAT Order dated 05.07.2024.                                                                                                                                                                                                  |
| 05.09.2024              | SRA communicated meeting minutes with SBI Dubai, however, on contrary to NCLAT Order dated 05.07.2024 it proposed different fund source.                                                                                                                                                    |
| 06.09.2024              | SRA disclosed fund source as ANZA Capital Investment LLC, UAE (owned by H.H. Shaikh Mohammed Bin Sultan Bin Hamdan).                                                                                                                                                                        |
| 25.09.2024              | SBI DIFC informed SRA that DFSA regulations prohibit accepting deposits sourced from UAE state market; urged immediate transfer per NCLAT Order dated 05.07.2024.                                                                                                                           |
| October 2024 – May 2025 | SRA continued seeking adjournments in NCLAT proceedings, further delaying Liquidation Application and deteriorating Corporate Debtor's asset value.                                                                                                                                         |
| 30.05.2025              | NCLAT dismissed SRA's appeal (NCLAT Order) and directed NCLT to decide Liquidation Application within 3 months.                                                                                                                                                                             |
| 23.07.2025              | Supreme Court dismissed Taguda's challenge to NCLAT Order.                                                                                                                                                                                                                                  |

|            |                                                                                                                                                                                                                                                                                     |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16.10.2025 | The Impugned Order was passed by the Ld. NCLT in the Liquidation Application, <i>vide</i> which the Ld. NCLT was pleased to allow the liquidation of the Corporate Debtor, and dismissed I.A. No. 4253/2025 filed by Appellant with a proposal to make a one-time payment proposal. |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Submissions of the Appellant-SRA**

3. The Hon'ble Tribunal *vide* impugned Order dated 16.10.2025 directed liquidation of the Corporate Debtor without granting the Appellant an opportunity of being heard in its Interlocutory Application No.4253 of 2025, wherein the Appellant had proposed to make a one-time, unconditional Payment of the entire Resolution Plan Amount.

4. The Corporate Debtor went into CIRP *vide* order dated 17.05.2018 in CP(IB) No. 1790/2017. The Resolution Plan of the Appellant was approved by 100% vote *vide* order dated 11.03.2022 and the Interim Monitoring agency was constituted thereafter. Though the Appellant was fully ready to set the Resolution Plan into motion and sourced the requisite funds for the same, it did not fructify owing to want of various approvals, including RBI approvals. In spite of the Appellant approaching the RBI by itself and through IMA, the approval did not come through.

5. The Appellant also filed a Writ Petition Writ Petition (L) No. 34990 of 2025 before the Hon'ble Bombay High Court to secure the approvals but the final orders have not been passed in the same.

6. In the meanwhile, Respondent No. 1 SBI, being part of the IMA and CoC, filed IA No. 1857 of 2023 in CP(B) No. 1790/MB/CII/2017 before the Hon'ble NCLT seeking implementation of the Resolution Plan, which came to

be allowed vide Order dated 08.12.2023, directing implementation of the Plan within two months.

7. The Appellant preferred Company Appeal (AT) (Insolvency) No. 351 of 2024 before the Hon'ble NCLAT, citing the approval issues, which was dismissed vide Order dated 30.05.2025 with a direction to the Hon'ble NCLT to dispose of the liquidation application within three months.

8. The Appellant thereafter approached the Hon'ble Supreme Court of India, which dismissed the challenge vide Order dated 23.07.2025. It is pertinent to note that the proceedings before the Hon'ble Supreme Court arose out of the Order directing implementation of the Resolution Plan and did not involve any order of liquidation, contrary to the case now sought to be advanced by Respondent No. 1.

9. Thereafter, the Appellant, with much difficulty, moved an alternate source and managed to mobilize the funds required for the implementation of the Resolution Plan which was approved and eventually directed by the NCLT and confirmed up to the Hon'ble Supreme Court. It bears mention at this juncture that the Appellant/Successful Resolution Applicant was not merely expressing willingness to implement the Resolution Plan, but was fully ready and financially equipped to immediately disburse the entire Resolution Plan amount in accordance with direction of the Hon'ble Supreme Court. The Appellant has already deposited ₹15 Crores with the Official Liquidator and was ready to make payments aggregating to ₹153 Crores, in addition to the

₹18 Crores already lying as Performance Bank Guarantee and Bid Bond Guarantee and the ₹41 Crores cash balance available with the Corporate Debtor, thereby fully securing and accounting for the entire Resolution Plan amount of ₹227 Crores.

10. The plan value that the Appellant herein undertook to pay upfront is more than the liquidation value and the fair market value which is evident from the Form-H filed by the RP before the Ld. Adjudicating Authority u/r 39(4) of IBBI Regulation, 2016. The liquidation value of the CD has been evaluated to ₹71.28 Cr and the fair value was evaluated as ₹105.06 Cr.

11. In order to show the bonafide of the Appellant, the Appellant has filed the Writ Petition (L) No. 34990 of 2025, seeking directions to the RBI to grant the requisite Approvals to the Appellant, eventuating in the implementation of the Resolution Plan. This act of the Appellant, further strengthens its the stance, proving its willingness and eagerness to implement the said Resolution Plan.

12. The following payments with respect to the Resolution Plan have already been effectuated:

| AMOUNT      | HEADING                                           |
|-------------|---------------------------------------------------|
| ₹ 18 Crores | Performance Bank Guarantee and Bid Bond Guarantee |
| ₹ 41 Crores | Cash Balances                                     |
| ₹ 15 Crores | Deposited in the Official Liquidator's Account    |

13. Over and above the same, Pay Orders amounting to ₹153 Crores are readily available with the Appellant. The aforesaid amounts equate to the Resolution Plan amount of ₹227 Crores.

14. The Appellant is ready and amenable to disburse the entire funds to the Bank Account of State Bank of India, the lead bank of the Consortium of lenders, for it to distribute it amongst all the financial creditors of the Corporate Debtor. Alternatively, Taguda is also ready to disburse the entire funds along with the aforementioned Pay Orders issued to the account of the Official Liquidator to facilitate the distribution amongst the Financial Creditors of the Corporate Debtor.

15. The Appellant has demonstrated its bona fides before the Hon'ble Tribunal by unequivocally undertaking to release the funds forthwith upon permission being granted for implementation of the Resolution Plan. In fact, inspection of the said Pay Orders has already been provided to the Respondents, clearly evidencing that the funds are readily available and capable of immediate disbursal to the Financial Creditors without any uncertainty or delay.

16. In such circumstances, when the entire consideration under the approved Resolution Plan stands secured and available for immediate payment, pushing the Corporate Debtor into liquidation would be wholly contrary to the objectives of the Insolvency and Bankruptcy Code, 2016,

which prioritizes value maximisation and revival of the Corporate Debtor as a going concern.

17. The Official Liquidator's Report shows the Net Total Liquidation Value as INR 1,67,84,69,168/-. However, it is pertinent to record that the said liquidation value includes the Investments (4.49% in unlisted shares of Uttam Galva Ferrous Ltd.) amounting to INR 75,77,62,779/-. This investment seems to be unrealizable in 2018 as per Resolution Professional conducted valuation but it seems to have increased to INR 75.78 crores in liquidation process.

Apart from that, the major concerns in the company are as follows:

- Uttam Galva Ferrous Limited has zero revenue;
- Karnataka Government allotted land for steel project in 2013 and 2015 but till date project remain unexecuted;
- The company belong to now insolvent group well known to lenders. The land held by the company is at the risk of resumption by the government due to continuous delays in the project. The said entity itself is under severe financial distress, has negligible operational revenue and its purported asset base remains speculative and unrealized. The alleged appreciation in valuation of the Uttam investment despite the company being effectively insolvent and commercially unviable is wholly illusory and cannot form the basis to justify liquidation of the Corporate Debtor.

18. It is also pertinent to note that the depreciated value of the machinery has not been taken into consideration and the capital value of the machinery has been taken to arrive at the value of the same.

19. Thus, the liquidation valuation of the Corporate Debtor is highly inflated in an attempt to draw it closer to the Resolution Plan Amount and to justify the decision of the SCC to refuse to exercise commercial wisdom that any prudent man would be able to apprehend. The attempt to portray liquidation as commercially beneficial is founded upon an artificially inflated valuation exercise undertaken during liquidation.

20. It can be straightaway seen that the liquidation value of the Corporate Debtor is substantially lower than the Resolution Plan amount offered by the Appellant/Successful Resolution Applicant and, therefore, the implementation of the approved Resolution Plan would result in significantly greater value maximisation for all stakeholders. Even as per the figures placed on record, the original liquidation value assessed during CIRP was only ₹71.28 Crores, whereas the Resolution Plan amount aggregates to Rs. 227 Crores, which is far in excess of both the liquidation value and the fair value of the Corporate Debtor.

21. The following table reflects the difference in the amounts in the Liquidation Plan and the Resolution Plan as per the inflated amounts mentioned by the Liquidator in his Report filed before this Hon'ble Tribunal:

| <b>Details of Liquidation Values (Indian Rupees)</b>              | <b>Liquidation Value by Resolution Professional (2018)</b> | <b>Liquidation Value by Liquidator (2026)</b> | <b>Resolution Plan Amounts</b> |
|-------------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------|--------------------------------|
| Land & Building                                                   | 71,28,00,000                                               | 30,72,62,162                                  | 1,73,20,49,563                 |
| Plant & Machinery                                                 |                                                            | 7,54,93,790                                   |                                |
| Investments (4.49% in Unlisted shares of Uttam Galva Ferrous Ltd) |                                                            | 75,77,62,779                                  |                                |
| Cash and Bank Balances                                            |                                                            | 45,46,89,116                                  | 45,46,89,116                   |
| Trade Receivables                                                 |                                                            | 5,11,63,321                                   | 5,11,63,321                    |
| Other Current Assets                                              |                                                            | 3,21,25,000                                   | NIL                            |
| <b>Total Liquidation Value</b>                                    | <b>71,28,00,000</b>                                        | <b>1,67,84,69,168</b>                         | <b>2,27,00,00,000</b>          |

22. In both the abovementioned scenarios, the Resolution Plan amount is substantially higher than the Liquidation Value.

23. The strong resolve of the Stakeholders Consultation Committee (“SCC”) to initiate Liquidation of the Corporate Debtor over implementation of the Resolution Plan is unintelligible and indecipherable since the present scenario the liquidation amount is lesser than the Resolution Plan amount and instead the Creditors and stakeholders shall suffer huge losses if the Liquidation is proceeded with.

24. The Resolution of the Corporate Debtor shall benefit not just the Creditors, but also the employees of the Corporate Debtor and the economy at large since the implementation will facilitate running of the Corporate Debtor as a going concern.

25. Thus, the stubborn stance of the SCC to liquidate the Corporate Debtor, when the Appellant/Successful Resolution Professional is ready with the entire amount of ₹227 crores immediately that have already been issued by way of Pay Orders/Demand Drafts in favour of the Official Liquidator, inspection of which has already been provided to the Respondents, is not just detrimental to the benefit of the SCC members but also to the other stakeholders upon whom the commercially incoherent decision of the SCC is being thrust.

26. The offer of the Appellant could be rejected on two counts - a) If third party interests had set into the assets of the Corporate debtor by virtue of a full or even a partial sale of its assets and/or if the value that is offered by the Appellant is lesser than the realizable liquidation value of the assets. In the present case, the Report filed by Respondent No.2, the Official Liquidator, clearly discloses the fact that no asset of the Corporate Debtor has been subjected to Sale or alienation to create any third-party rights. As set out in detail herein above, the value offered by the Appellant for the assets is more than twice the assessed fair value of the assets. Therefore, both the scenarios under which the offer of the Appellant could be rejected stand nullified.

27. Since the liquidation process has not reached an irreversible stage, the implementation of the Corporate Debtor can be very well achieved at this point of time.

28. In fact, the said Report also states that the Corporate Debtor is being run as a going concern and the same shall be continued if the liquidation of the Corporate Debtor is not proceeded with.

29. The Appellant/Successful Resolution Applicant has already deposited INR 15,00,00,000/- to the account of the Official Liquidator and has Pay Orders/Demand Drafts amounting to INR 1,53,00,00,000/- in favour of the Official Liquidator, thus completing the payments of the entire Resolution Plan amount.

30. The inspection of the said Pay Orders/Demand Drafts were presented to the Respondents and the same are ready to be disbursed amongst the Creditors as soon as the Implementation of the Resolution Plan is acceded to by the SCC and the Liquidation of the Corporate Debtor is stayed.

31. However, for reasons best known to the Respondents, they are obstinately bound on the liquidation of the Corporate Debtor when a much more commercially beneficial and a more solid proposal is served to them, which shall consequently also benefit the government ex-chequer.

32. However, the firm and incomprehensible stance of SBI giving preference to liquidation over the resolution of the Corporate Debtor only raises a question as to the lack of Commercial Wisdom that is being exercised by the SCC Members overruling the commercial wisdom exercise by the CoC by approving the Resolution Plan with 100% approval. The SCC merely acts in

an advisory and facilitative capacity and remains subservient to the commercial wisdom and decisions of the CoC.

33. The Respondent No.1, SBI relied on the Judgement of “**Asha Chopra & Ors. v/s M/s. Hind Motors India Limited**” dated 29.08.2024 wherein inter alia this Hon’ble Appellate Tribunal decides the question of whether CIRP proceedings can be withdrawn after the commencement of Liquidation of the Corporate Debtor. However, the crucial element of the said Judgement that SBI has failed to take into consideration is that in the said Judgement the Appeal before this Hon’ble Appellate Tribunal was with respect to the liquidation order of the Corporate Debtor that was confirmed upto the Hon’ble Supreme Court, while in the subject Company Appeal filed by the Appellant, the Order was only for the implementation of the Resolution Plan of the Appellant. Therefore, the Judgement of Asha Chopra does not apply to the present matter and has been wrongly relied upon by the Respondent No.1.

34. The judgment in **State Bank of India & Ors. v. Consortium of Mr. Murari Lal Jalan & Anr.** concerned the persistent and repeated failure of the Successful Resolution Applicant to comply with the essential terms and timelines of the Resolution Plan despite multiple opportunities granted by the judicial forums, ultimately resulting in the Hon’ble Supreme Court invoking its powers under Article 142 to direct liquidation of Jet Airways. The Supreme Court emphasized that once a Resolution Plan is approved, the Successful Resolution Applicant is bound to strictly comply with its obligations and that

repeated defaults and uncertainty in implementation cannot be permitted to continue indefinitely.

35. However, the said judgment is clearly distinguishable from the present case both on facts and in law. In the present matter, the Appellant/Successful Resolution Applicant is not seeking any modification, withdrawal, renegotiation or dilution of the approved Resolution Plan, unlike the circumstances in the Jet Airways matter. On the contrary, the Appellant is unequivocally ready and willing to implement the approved Resolution Plan in its entirety and has already secured the entire Resolution Plan amount of ₹227/- Crores, including deposits already made and Pay Orders kept ready for immediate disbursal. Further, no irreversible steps in liquidation have taken place in the present case, no third-party rights have been created, and the Corporate Debtor continues to remain a going concern. The present proceedings therefore concern preservation and implementation of an already approved Resolution Plan which offers substantially higher and certain value to creditors than liquidation.

36. The Respondent No. 1 has in fact failed to exercise not just commercial wisdom but no wisdom at all. It is therefore fair, necessary and in the interest of justice and equity to all the creditors that this Hon'ble Tribunal be pleased to accept the Resolution Plan, particularly when the amount of ₹227/- Crores being ready and available for disbursement immediately rather than permit a time-drawn and uncertain process of liquidation that is invariably

accompanied by its own vagaries, more so when the value offered by the Appellant is more than twice the value of the assets.

37. In view of the aforesaid submissions, it is most respectfully prayed that this Hon'ble Tribunal may be pleased to allow this Appeal, set aside the impugned order dated 16.10.2026 and direct the Resolution Plan to be accepted and thus render justice.

**Submissions of the R1/SBI**

38. *Vide* the Impugned Order, the Ld. NCLT has rightly directed initiation of the liquidation process of the Corporate Debtor, while observing that despite approval of Taguda's Resolution Plan on 03.02.2022, the same remained unimplemented for over three years due to Taguda's failure to obtain necessary regulatory approvals and funds from the foreign investor.

39. The present appeal is barred by finality and principles of res judicata. The Appellant's core pleas vis-a-vis, implementation of Resolution Plan being delayed due to RBI approvals, readiness to park funds offshore, and grant of further indulgence for implementation, have already been squarely considered and rejected by this Hon'ble Tribunal while dismissing Company Appeal (AT) (Ins.) No. 351 of 2024 on 30.05.2025 ('NCLAT Order') – that too with a specific request to the Ld. NCLT to decide the pending liquidation application expeditiously.

40. Taguda's challenge against the NCLAT Order met with dismissal by the Hon'ble Supreme Court on 23.07.2025, which categorically recorded that although the resolution plan had been approved on 03.02.2022, it remained

unimplemented even after three years because the SRA/Taguda failed to obtain the necessary clearances. The present appeal is thus an impermissible collateral attack on orders inter partes that have attained finality and deserves to be dismissed at this very threshold. In any case, the Impugned Order merely gives effect to the NCLAT's 30.05.2025 direction, affirmed by the Hon'ble Supreme Court, to bring the matter to closure, which is consistent with the Code's time-bound objective.

41. Further, the Appellant's attempt to find a 'natural justice' plea based on I.A. No. 4253 of 2025 is misconceived. The Ld. NCLT has recorded on 08.10.2025 that the application was filed after arguments were concluded and orders reserved in the liquidation application, wherein post-reservation any application does not confer a right to reopen hearings.

**The instant appeal is barred by finality**

42. The issues raised by the Appellant in the present Appeal are substantially the same as those that were squarely raised and decided against the Appellant in Company Appeal (AT) (Ins.) No. 351 of 2024, which was dismissed by this Hon'ble Tribunal *vide* the NCLAT Order dated 30.05.2025. This Hon'ble Tribunal had specifically held that no grounds were made out to interfere with the December Order and requested the Ld. NCLT to decide the pending Liquidation Application expeditiously, preferably within three months. The Hon'ble Supreme Court, *vide* order dated 23.07.2025, dismissed the Appellant's Civil Appeal No. 7648 of 2025 against the NCLAT Order, recording that the resolution plan was approved on 03.02.2022 but remained unimplemented even after three years because the SRA failed to get the

necessary clearances. The present Appeal is therefore an impermissible attempt to re-litigate issues that have been conclusively decided against the Appellant and attained finality.

43. Further, the Ld. NCLT has correctly exercised jurisdiction under Section 60(5) of the Code to adjudicate and dispose of the Liquidation Application. The Impugned Order merely gives effect to the directions of this Hon'ble Tribunal itself and the Hon'ble Supreme Court to bring finality to these protracted proceedings, consistent with the Code's time-bound objective. As otherwise, the SRA would endlessly delay implementation and cause insufferable value erosion of the Corporate Debtor, leaving lenders remediless, thus, defeating entire object of the Code.

**There was inordinate delay on part of the Appellant in taking any effective steps towards implementing the Resolution Plan**

44. The main plank of the present Appeal is that the Appellant has been making sincere efforts to implement the Resolution Plan and has also been pursuing the matter of RBI Approvals, despite which the Impugned Order has directed liquidation of the Corporate Debtor. However, the assertion is absolutely wrong, as no effective steps were taken towards implementation of the resolution plan by the Appellant despite categorical directions by the Ld. NCLT *vide* the December Order and also this Hon'ble Appellate Tribunal *vide* the NCLAT Order. It is undisputed that the Resolution Plan itself, as voluntarily submitted by the Appellant, expressly contemplated the requirement of obtaining certain regulatory approvals, including approvals from the Reserve Bank of India, for the benefit of the Appellant and its

proposed foreign investor. Having consciously incorporated these conditions into its own Resolution Plan, the Appellant cannot now seek to evade its statutory and contractual obligations by taking shelter behind its own failure to secure such approvals.

45. Section 31(4) of the Code unequivocally mandates that the Successful Resolution Applicant shall obtain all approvals required under applicable laws for implementation of the Resolution Plan within a period of one year from the date of approval of the Resolution Plan. A plain and purposive reading of Section 31(4) leaves no manner of doubt that the timelines prescribed therein are mandatory and not directory. The deliberate use of the word “shall” by the legislature is of critical significance and reflects a clear legislative intent to impose a binding and non-negotiable obligation on the Successful Resolution Applicant to secure all requisite approvals within the stipulated timeframe. In the present case, the mandatory statutory obligation under Section 31(4) was further reinforced by Clause 3.1 of the RFRP issued in respect of the Corporate Debtor, which expressly stipulates that the Resolution Applicant is required to obtain all approvals, including approvals from the Reserve Bank of India, necessary for implementation of the Resolution Plan within a period of one year from the date of approval of the Resolution Plan. The RFRP categorically clarifies that neither the Resolution Professional nor the members of the CoC bear any responsibility for procuring such approvals, thereby placing the obligation squarely and exclusively upon the Appellant.

46. Even if the Appellant had initiated an application before the RBI, such

a step, by itself, does not amount to compliance with Section 31(4) of the Code or Clause 3.1 of the RFRP. The Appellant was required to take all necessary and legally permissible steps to ensure that the requisite approval was actually obtained within the prescribed period. Mere pendency of an application cannot be used as a shield to indefinitely postpone implementation of the Resolution Plan. In the present case, the Appellant failed to obtain the requisite approvals despite the lapse of more than three (3) years since the passing of the Plan Approval Order. This prolonged inaction clearly evidences that the Appellant has used the pendency of regulatory approval as a ruse to delay and ultimately avoid implementation of the Resolution Plan.

47. By way of the NCLAT Order dated 05.07.2024, this Hon'ble Court directed the SRA to deposit a sum of ₹225.14 crores with SBI in Singapore/UAE, and adjourned the matter to 01.08.2024, recording the Appellant's submission that it was willing to park the balance amount abroad to allay the apprehensions of the lenders. Instead of depositing the amount as directed, the Appellant, by an email dated 16.07.2024, sought to deviate from the NCLAT Order dated 05.07.2024 by proposing, as an interim arrangement, to furnish a letter of comfort through its UAE-based financier, citing delays in account opening, which was contrary to the express directions of this Hon'ble Court. Despite this non-compliance, this Hon'ble Court on 01.08.2024 granted a further 15 days' time to the Appellant to deposit the balance amount and adjourned the matter to 21.08.2024. The impasse

continued when, on 25.09.2024, SBI, DIFC, specifically informed the Appellant that under the regulatory framework of the Dubai Financial Services Authority (DFSA), it was not permitted to accept deposits where the source of funds originated from the UAE state market, and called upon the Appellant to immediately transfer the balance amount in terms of the NCLAT Order dated 05.07.2024.

48. In these circumstances, the Ld. NCLT has rightly taken note of the Appellant's dilatory conduct and correctly directed to initiate liquidation *vide* the Impugned Order, to avoid further erosion of the value of the Corporate Debtor, which is fully in consonance with the scheme of the Code.

**The Impugned Order is rightly passed in furtherance of the objectives of the Code and to preserve the value of the Corporate Debtor**

49. The Impugned Order directing liquidation of the Corporate Debtor on account of the Appellant's persistent and inordinate failure to implement the approved Revised Resolution Plan is in full consonance with the foundational objectives of the Code. While the Code undoubtedly prioritises resolution over liquidation, such preference is neither absolute nor unconditional. The overarching aim of the Code is value maximisation through a time-bound process, and not the perpetuation of an unworkable or illusory resolution at the cost of continuous value erosion. The Ld. NCLT has correctly recognised that endless indulgence under the guise of resolution, where implementation remains uncertain and repeatedly deferred, defeats the very purpose of the Code.

50. The Ld. NCLT rightly exercised jurisdiction under Section 33 of the Code, which mandates initiation of liquidation where the resolution process has failed or the approved resolution plan is not implemented within a reasonable and time-bound framework. In the present case, the Appellant failed to take effective steps towards implementation for more than three years after plan approval, including failure to secure mandatory regulatory approvals such as RBI permissions.

51. The necessity of liquidation is further underscored by tangible evidence of ongoing and irreversible value destruction. Financial creditors continue to suffer weekly interest losses, while the Corporate Debtor's principal businesses, being ferrous metal trading and wind power generation, are asset-intensive and particularly susceptible to degradation over time. More than three years have gone by post-approval, creditors have received no value, and the Corporate Debtor's estate stands materially impaired. In these circumstances, the Appellant's conduct does not inspire confidence and demonstrates a pattern of delay rather than *bona fide* efforts towards implementation. Where the successful resolution applicant itself frustrates the process through inaction, liquidation becomes not only permissible but necessary to preserve value and bring finality. The Ld. NCLT has correctly relied upon the judgment of the Hon'ble Supreme Court in **State Bank of India v. Consortium of Murari Lal Jalan and Florian Fritsch, 2024 SCC Online SC 3945**, wherein it was recognised that while resolution is preferred, it cannot be pursued endlessly to the detriment of stakeholders and erosion

of value, and that liquidation is warranted where resolution becomes impracticable or illusory.

**Erroneous and misleading claim of multiple payment proposals by the Appellant**

52. The Appellant's contention that it had proposed payment of the entire resolution amount upfront is patently misleading and factually untenable. No such proposal, whether for an upfront payment or for any modification in the payment structure, was ever placed before the lenders and/or the erstwhile CoC, who alone are competent to consider and approve any variation to the terms or timelines of an approved Resolution Plan. The so-called 'upfront payment' construct was never subjected to commercial scrutiny by the lenders nor approved in accordance with the statutory framework. Instead, this offer was advanced for the first time in IA No. 4253/2025, filed unilaterally before the Ld. NCLT. Such a post facto and unilateral submission before the Ld. NCLT cannot cure the Appellant's admitted non-compliance with the Revised Resolution Plan as approved, nor can it substitute the mandatory approval of the lenders for any alteration to the commercial terms of the plan. The NCLT is not a forum for entertaining *ex-parte* renegotiation or restructuring of payment mechanics under an approved resolution plan, particularly after the Resolution Applicant has defaulted on material milestones. It is well settled that the sanctity of the CoC's commercial wisdom and the finality of the approved plan cannot be undermined through collateral applications before the NCLT.

53. Significantly, the Appellant's IA was filed only after the Ld. NCLT had

extensively heard the Liquidation Application and had reserved orders therein. The timing itself betrays the lack of *bona fides* and reinforces that the alleged proposal was a belated afterthought, intended solely to stave off the inevitable consequences of prolonged non-implementation. A proposal that is neither approved by the lenders nor placed before the competent stakeholders, and which surfaces only after conclusion of hearings, does not merit consideration in law. Having admittedly failed to implement the Revised Resolution Plan within the prescribed and extended timelines, the Appellant cannot rely on an unapproved, procedurally infirm, and post-hoc “proposal” to avoid the legal consequences of its own default. The Impugned Order, therefore, rightly rejected such belated attempts and directed liquidation, in consonance with the statutory scheme and settled jurisprudence.

54. Even after the Impugned Order dated 16.10.2025 directing liquidation, the Appellant has continued with its dilatory tactics. Pursuant to an order dated 23.03.2026 passed by this Hon’ble Tribunal, the SRA submitted a fresh offer to the financial creditors and operational creditors on 07.04.2026, which was placed before the Stakeholders’ Consultation Committee (‘SCC’) for deliberation in its 6th SCC Meeting held on 20.04.2026. The SCC, after extensive deliberations, rejected the SRA’s offer and decided to proceed with the liquidation process with an overwhelming majority of 81.778%. The grounds for rejection included: (i) consistent pattern of delay by the SRA over the past several years; (ii) failure to deposit actual funds, with only scanned copies of demand drafts/pay orders aggregating to Rs.135 crore being shared

via email without physical instruments or realizable funds being received; (iii) lack of clarity on source of funds and timeline for implementation; (iv) the SRA's reliance on the Corporate Debtor's own cash balance accumulated during CIRP and liquidation as part of the amount to be paid to financial creditors; and (v) absence of demonstrated intent through actual fund infusion despite multiple opportunities granted by the Hon'ble NCLT, NCLAT, and Supreme Court.

55. Thus, in view of the foregoing submissions, the Respondent No. 1 submits that the captioned Appeal has no merit and shall be dismissed with exemplary costs. The Appellant's consistent failure to implement the Revised Resolution Plan for over three years, coupled with its repeated dilatory tactics, has frustrated the core objectives of the Code. The Impugned Order rightly brings finality to this protracted process, prioritizing value preservation over an endless and illusory resolution. The Appeal is, therefore, a misuse of process and deserves to be dismissed with exemplary costs.

**Submissions of R2/Liquidator**

56. Respondent No. 2 is the Liquidator of the Ushdev International Limited ("Corporate Debtor"). The Corporate Debtor was admitted into Liquidation vide order dated 16.10.2025 ("Liquidation order"),<sup>1</sup> passed by the National Company Law Tribunal, Mumbai Bench – II, ("Ld. NCLT") in CP (IB) No. 1790/MB/2017 ("Petition"), pursuant to which, the Respondent No. 2 was appointed as the Liquidator.

57. Taguda Pte. Limited (“Appellant”) was the Successful Resolution Professional of the Corporate Debtor, whose revised Resolution Plan was approved by the Ld. NCLT vide order 03.02.2022 (“Plan Approval Order”). As per the payment scheme enumerated under the Appellant’s Resolution Plan, it was required to remit a payment of INR 227 Crore, in five (5) tranches (“total plan value”), to the creditors and other stakeholders of the Corporate Debtor. Pertinently, an amount of INR 225 Crore out of the total plan value was to be disbursed in favour of the financial creditors.

58. However, the Appellant repeatedly failed to perform its obligations under the Resolution Plan and, despite lapse of more than two (2) years from the Plan Approval Order, failed to disburse the entire amount contemplated thereunder, notwithstanding the numerous opportunities granted by the financial creditors, including State Bank of India (“**Respondent No.1**”). Pursuant to such non – implementation of the Resolution Plan by the Appellant, the Respondent No. 1 filed IA No. 33 of 2024 before the Ld. NCLT in the aforesaid Petition, seeking initiation of liquidation proceedings against the Corporate Debtor, which was subsequently allowed vide the Liquidation Order. The captioned Appeal has been filed by the Appellant, assailing the Liquidation Order passed by Ld. NCLT.

59. During the pendency of the liquidation proceedings of the Corporate Debtor, the Appellant had proposed to make a one-time payment of the entire amount contemplated under the Resolution Plan, for fulfilment of its obligation. However, the Appellant’s proposal has been rejected by the

Stakeholders Consultation Committee (“**SCC**”) in the 6<sup>th</sup> and 7<sup>th</sup> SCC meeting, who are opinion that they have no faith in the Appellant, and that the proposal made by the Appellant is merely a delaying tactic without actual deposit of amount in liquidation account, without any intent to perform even after four (4) years from the date of Plan Approval Order.

60. In view of the above, it is submitted that the Appellant had remitted merely an amount of INR 15 Crore in the liquidation account of the Corporate Debtor in January, 2026, against the total plan value of INR 227 Crore. No further amount has been remitted by the Appellant in the liquidation account of the Corporate Debtor.

61. It is further submitted that so far, the Respondent No. 2 has taken the following steps qua the liquidation proceedings of the Corporate Debtor:

- i. Respondent No. 2 undertook the process of examination, verification and admission/rejection of claims submitted by various stakeholders and updated list of stakeholders, along with the composition of the SCC as on 23.04.2026;
- ii. The status of claims admitted, has been duly circulated to the SCC members and filed before the Ld. NCLT on 30.04.2026.
- iii. An updated Asset Memorandum dated 28.04.2026, based on valuation reports received, has also been prepared and filed before the Ld. NCLT on 30.04.2026.

62. The valuation process of the assets of the Corporate Debtor has been completed, and further steps in the liquidation process are presently underway. Pursuant thereto, the average current market value of the total assets of the Corporate Debtor has been assessed at **INR 2,41,49,15,893/-**, while the average liquidation value total assets of the has been determined at **INR 2,02,58,85,165/-**. However, the State bank of India and the Canara bank have not relinquished their charge on Windmill and land located in Satara and Theni respectively. Therefore, the average market value of the liquidation estate of the Corporate Debtor has been assessed at **INR 1,99,72,71,229/-**, whereas the liquidation value of the liquidation estate of the corporate debtor has been assessed at **INR 1,67,84,69,169/-**.

63. Pursuant to the decision taken in the 7th SCC meeting dated 18.05.2026, an amount of **INR 41,05,08,625/-**, out of surplus fund of INR 50.93 crore held in FDR being the proceeds generated from the business operations of the Corporate Debtor, came to be disbursed amongst the secured financial creditor members of the SCC after paying CIRP and Liquidation cost on 20.05.2026.

#### **Analysis and Evaluation**

64. The Corporate Insolvency Resolution Process (“CIRP”) of Ushdev International Limited (“UIL”) a Company incorporated under the Companies Act, 1956, (“Corporate Debtor”) commenced vide order dated 17.05.2018 passed by the Hon’ble Tribunal. The Appellant, Taguda Pte. Limited herein is the Successful Resolution Applicant of Ushdev International Limited (“UIL”) the Corporate Debtor, herein. In the Present filed by the Appellant it

challenges Impugned Liquidation Order dt.16.10.2025 passed by the Hon’ble National Company Law Tribunal, Mumbai Bench (hereinafter referred to as “*the Hon’ble Tribunal*”) in the Interlocutory Application No. 33 of 2024 in the Company Petition (IB) No. 1790 of 2017 filed under Section 7 of the Insolvency & Bankruptcy Code, 2016 (“*the Code*”) read along with Rule 11 of the National Company Law Tribunal Rules, 2016 (“*the NCLT Rules*”). NCLT vide Impugned Order dated 16.10.2025 allowed the Liquidation of Ushdev International Limited, the Corporate Debtor.

65. We observe that Taguda Pte. Limited (“Appellant”) was the Successful Resolution Professional of the Corporate Debtor, whose revised Resolution Plan was approved by the Ld. NCLT vide order 03.02.2022 (“Plan Approval Order”). As per the payment scheme enumerated under the Appellant’s Resolution Plan, it was required to remit a payment of INR 227 Crore, in five (5) tranches (“total plan value”), to the creditors and other stakeholders of the Corporate Debtor. Pertinently, an amount of INR 225 Crore out of the total plan value was to be disbursed in favour of the financial creditors. However, the Appellant repeatedly failed to perform its obligations under the Resolution Plan and, despite lapse of more than two (2) years from the Plan Approval Order, failed to disburse the entire amount contemplated thereunder, notwithstanding the numerous opportunities granted by the financial creditors, including State Bank of India (“Respondent No. 1”).

66. Pursuant to such non – implementation of the Resolution Plan by the Appellant, the Respondent No. 1 filed IA No. 33 of 2024 before the Ld. NCLT

in the aforesaid Petition, seeking initiation of liquidation proceedings against the Corporate Debtor, which was subsequently allowed vide the Liquidation Order. The captioned Appeal has been filed by the Appellant, assailing the Liquidation Order passed by Ld. NCLT.

67. While analyzing the relief sought, it will be appropriate to delve into the background in which during the pendency of the liquidation proceedings of the Corporate Debtor, the Appellant had proposed to make a one-time payment of the entire amount contemplated under the Resolution Plan, for fulfilment of its obligation by filing an Interlocutory Application No. 4253 of 2025 dated 31.07.2025 with a proposal to make a one-time, unconditional Payment of the entire Resolution Plan; the gist of the repayment plan is as extracted below:

| <b>Date</b> | <b>Amount (INR)</b>                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 15.08.2025  | ₹98,14,00,000/- equivalent to the first 2 tranches of payment under the terms of the Resolution Plan.<br><br>After adjusting amount of performance guarantee and bid guarantee of ₹18,00,00,000/- appropriated by Financial Creditors and an amount of ₹41,00,00,000/- cash balances with Corporate Debtor which are available to the Appellant as per provision of the Resolution Plan.<br><br>The balance amounting to ₹39,14,00,000/-. |
| 31.10.2025  | ₹ 500,000,000/-                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 30.11.2025  | ₹ 500,000,000/-                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 31.12.2025  | ₹ 270,000,000/-                                                                                                                                                                                                                                                                                                                                                                                                                           |

68. However, the Appellant's proposal has been rejected by the Stakeholders Consultation Committee in the 6<sup>th</sup> and 7<sup>th</sup> SCC meeting, who were of the opinion that they have no faith in the Appellant, and that the proposal made by the Appellant is merely a delaying tactic without actual deposit of amount in liquidation account, without any intent to perform even after four (4) years from the date of Plan Approval Order.

69. In this background we observe that it is the prayer in this appeal that payment plan was not considered by the Adjudicating Authority and without any bona fide reason the Adjudicating Authority dismissed the interlocutory application and the impugned order was passed by the Adjudicating Authority in IA No. 33/MB/2024 CP(IB) No. 1790/MB/2017, thereby ordering for the liquidation of the Corporate Debtor.

70. We note that the appellant has prayed for setting aside the impugned liquidation order dated 16.10.2025, also requested to remand the Interlocutory Application No.253 of 2025 in the Interlocutory Application No. 33 of 2024 in Company Petition (IB) No. 1790 of 2017 to ensure that a fair hearing of the said Interlocutory Application is conducted and also requested to accept the Appellant's one-time unconditional payment proposal towards the resolution plan.

71. Basis the material placed on record, we now delve into the merits of the reliefs sought by the Appellant.

72. Before considering the reliefs sought in detail, we observe that despite approval of Appellant-SRA-Taguda's Resolution Plan on 03.02.2022, the same remained unimplemented for over three years due to appellant-SRA- Taguda's failure to obtain necessary regulatory approvals and funds from the foreign investor.

73. We further observe that the Appellant's core pleas vis-a-vis, implementation of Resolution Plan being delayed due to RBI approvals, readiness to park funds offshore, and grant of further indulgence for implementation, were squarely considered and rejected by this Appellate Tribunal while dismissing Company Appeal (AT) (Ins.) No. 351 of 2024 on 30.05.2025 ('NCLAT Order') – and also with a request to the Ld. NCLT to decide the pending liquidation application expeditiously.

74. The Appellant-SRA-Taguda's challenged the order of this appellate tribunal, which was met with dismissal by the Hon'ble Supreme Court on 23.07.2025, which categorically recorded that although the resolution plan had been approved on 03.02.2022, it remained unimplemented even after three years because the SRA/Taguda failed to obtain the necessary clearances.

75. The issues raised by the Appellant in the present Appeal are substantially the same as those that were squarely raised and decided against the Appellant in Company Appeal (AT) (Ins.) No. 351 of 2024, which was dismissed by this Appellate Tribunal vide the NCLAT Order dated 30.05.2025. This Appellate Tribunal had specifically held that no grounds were made out to interfere with the December Order and requested the Ld. NCLT to decide

the pending Liquidation Application expeditiously, preferably within three months. The Hon'ble Supreme Court, vide order dated 23.07.2025, dismissed the Appellant's Civil Appeal No. 7648 of 2025 against the NCLAT Order, recording that the resolution plan was approved on 03.02.2022 but remained unimplemented even after three years because the SRA failed to get the necessary clearances. We find that the present Appeal is an impermissible attempt to re-litigate issues that have been conclusively decided against the Appellant and attained finality. It is an impermissible collateral attack on orders inter partes that have attained finality. We further observe that the Impugned Order gives effect to the NCLAT's 30.05.2025 direction which was even affirmed by the Hon'ble Supreme Court, to bring the matter to closure, which is consistent with the Code's time-bound objective. Thus, in our view, the present appeal is barred by finality and principles of res judicata.

76. We further observe that the appellants attempt to seek natural justice based on I.A. 4253 of 2025 is misconceived. Adjudicating authority has recorded on 08.10.2025 that the application was filed after arguments were concluded and orders reserved in the liquidation application, wherein post-reservation any application does not confer a right to reopen hearings. The timing of the filing of the IA by the Appellant - after the NCLT had extensively heard the Liquidation Application and had reserved orders therein- itself betrays the lack of bona fides and reinforces that the alleged proposal was a belated afterthought, intended solely to stave off the inevitable consequences of prolonged non-implementation. In our view a proposal that is neither approved by the lenders nor placed before the competent stakeholders, and

which surfaces only after conclusion of hearings, does not merit consideration. Having admittedly failed to implement the Revised Resolution Plan within the prescribed and extended timelines, the Appellant cannot rely on an unapproved, procedurally infirm, and post-hoc “proposal” to avoid the legal consequences of its own default. We find that filing of such an interlocutory application is a dilatory tactic and an attempt to derail the process of liquidation and would endlessly delay the implementation and cause insufferable value erosion of the Corporate Debtor, leaving lenders remediless, thus, defeating entire object of the Code. The Impugned Order, therefore, rightly rejected such belated attempts and directed liquidation, in consonance with the statutory scheme and settled jurisprudence.

77. It is also brought on record by Respondent No.1 that even after the Impugned Order dated 16.10.2025 directing liquidation, the Appellant has continued with its dilatory tactics. Pursuant to an order dated 23.03.2026 passed by this Appellate Tribunal, the SRA submitted a fresh offer to the financial creditors and operational creditors on 07.04.2026, which was placed before the Stakeholders’ Consultation Committee (‘SCC’) for deliberation in its 6th SCC Meeting held on 20.04.2026. The SCC, after extensive deliberations, rejected the SRA’s offer and decided to proceed with the liquidation process with an overwhelming majority of 81.778%. The grounds for rejection included: (i) consistent pattern of delay by the SRA over the past several years; (ii) failure to deposit actual funds, with only scanned copies of demand drafts/pay orders aggregating to ₹135 crore being shared via email without physical instruments or realizable funds being received; (iii) lack of clarity on

source of funds and timeline for implementation; (iv) the SRA's reliance on the Corporate Debtor's own cash balance accumulated during CIRP and liquidation as part of the amount to be paid to financial creditors; and (v) absence of demonstrated intent through actual fund infusion despite multiple opportunities granted by the Hon'ble NCLT, NCLAT and Supreme Court.

78. We note that the main argument canvassed by the appellant is that it has been making sincere efforts to implement the resolution plan and has also been pursuing the matter of RBI approvals. Despite that the Adjudicating Authority has passed the impugned order for liquidation of the corporate debtor. We observe that the Resolution Plan itself, expressly contemplated the requirement of obtaining certain regulatory approvals, including approvals from the Reserve Bank of India, for the benefit of the Appellant and its proposed foreign investor. Having incorporated these conditions into its own Resolution Plan, the Appellant cannot now seek to evade its statutory and contractual obligations by taking shelter behind its own failure to secure such approvals. The Appellant may be making efforts but we note that these were not effective steps towards implementation of the resolution plan despite categorical directions by the Ld. NCLT *vide* the December Order and also this Appellate Tribunal's orders.

79. We further observe that per Section 31(4) of the Code, the Successful Resolution Applicant shall obtain all approvals required under applicable laws for implementation of the Resolution Plan within a period of one year from the date of approval of the Resolution Plan. In the present case, the mandatory

statutory obligation under Section 31(4) was further reinforced by Clause 3.1 of the RFRP issued in respect of the Corporate Debtor, which expressly stipulates that the Resolution Applicant is required to obtain all approvals, including approvals from the Reserve Bank of India, necessary for implementation of the Resolution Plan within a period of one year from the date of approval of the Resolution Plan. The RFRP categorically clarifies that neither the Resolution Professional nor the members of the CoC bear any responsibility for procuring such approvals, thereby placing the obligation squarely and exclusively upon the Appellant.

80. We also agree with the arguments of the respondents that even if the Appellant had initiated an application before the RBI, such a step, by itself, does not amount to compliance with Section 31(4) of the Code or Clause 3.1 of the RFRP. The Appellant was required to take all necessary and legally permissible steps to ensure that the requisite approval was actually obtained within the prescribed period. Mere pendency of an application cannot be used as a shield to indefinitely postpone implementation of the Resolution Plan. In the present case, the Appellant failed to obtain the requisite approvals despite the lapse of more than three (3) years since the passing of the Plan Approval Order. This prolonged inaction clearly evidences that the Appellant has used the pendency of regulatory approval as a ruse to delay and ultimately avoid implementation of the Resolution Plan.

81. Briefly looking at the opportunities provided to the appellant for the implementation of the resolution plan, we observe that vide NCLAT Order

dated 05.07.2024, this Appellate Tribunal directed the SRA to deposit a sum of ₹225.14 crores with SBI in Singapore/UAE, while recording the Appellant's submission that it was willing to park the balance amount abroad to allay the apprehensions of the lenders. Instead of depositing the amount as directed, the Appellant, by an email dated 16.07.2024, sought to deviate from the NCLAT's Order dated 05.07.2024 by proposing, as an interim arrangement, to furnish a letter of comfort through its UAE-based financier, citing delays in account opening, which was contrary to the express directions of this Appellate Tribunal. Despite this non-compliance, this Appellate Tribunal on 01.08.2024 granted a further 15 days' time to the Appellant to deposit the balance amount. The impasse continued when, on 25.09.2024, SBI, DIFC, specifically informed the Appellant that under the regulatory framework of the Dubai Financial Services Authority (DFSA), it was not permitted to accept deposits where the source of funds originated from the UAE state market, and called upon the Appellant to immediately transfer the balance amount in terms of the NCLAT Order dated 05.07.2024. In these circumstances, the Adjudicating authority has rightly taken note of the Appellant's dilatory conduct and correctly directed to initiate liquidation *vide* the Impugned Order, to avoid further erosion of the value of the Corporate Debtor, which is fully in consonance with the scheme of the Code.

82. We also take note of the fact that the Appellant had remitted merely an amount of INR 15 Crore in the liquidation account of the Corporate Debtor in January, 2026, against the total plan value of INR 227 Crore. No further

amount has been remitted by the Appellant in the liquidation account of the Corporate Debtor. On the contrary Respondent No.1-SBI brings to our notice that the Appellant's contention that it had proposed payment of the entire resolution amount upfront is patently misleading and factually untenable. No such proposal, whether for an upfront payment or for any modification in the payment structure, was ever placed before the lenders and/or the erstwhile CoC, who alone are competent to consider and approve any variation to the terms or timelines of an approved Resolution Plan. The so-called 'upfront payment' construct was never subjected to commercial scrutiny by the lenders nor approved in accordance with the statutory framework. Instead, this offer was advanced for the first time in IA No. 4253/2025, filed unilaterally before the Ld. NCLT. We agree with the contention of Respondent No.1-SBI that such a post facto and unilateral submission before the Ld. NCLT cannot cure the Appellant's admitted non-compliance with the Revised Resolution Plan as approved, nor can it substitute the mandatory approval of the lenders for any alteration to the commercial terms of the plan. We also agree with the contention of Respondent No.1-SBI that the NCLT is not a forum for entertaining *ex-parte* renegotiation or restructuring of payment mechanics under an approved resolution plan, particularly after the Resolution Applicant has defaulted on material milestones. The sanctity of the CoC's commercial wisdom and the finality of the approved plan cannot be undermined through collateral applications before the NCLT.

83. We further observe that the Impugned Order directing liquidation of the Corporate Debtor on account of the Appellant's persistent and inordinate failure to implement the approved Revised Resolution Plan is in full consonance with the foundational objectives of the Code. While the Code undoubtedly prioritizes resolution over liquidation, such preference is neither absolute nor unconditional. The overarching aim of the Code is value maximization through a time-bound process, and not the perpetuation of an unworkable or illusory resolution at the cost of continuous value erosion. Endless indulgence under the guise of resolution, where implementation remains uncertain and repeatedly deferred, defeats the very purpose of the Code. Where the resolution process has failed or the approved resolution plan is not implemented within a reasonable and time-bound framework the jurisdiction under Section 33 of the Code, mandating initiation of liquidation is rightly exercised by the AA and it cannot be faulted. In the present case, the Appellant failed to take effective steps towards implementation for more than three years after plan approval, including failure to secure mandatory regulatory approvals such as RBI permissions. The necessity of liquidation is further underscored by tangible evidence of ongoing and irreversible value destruction. Financial creditors continue to suffer weekly interest losses, while the Corporate Debtor's principal businesses, being ferrous metal trading and wind power generation, are asset-intensive and particularly susceptible to degradation over time. More than three years have gone by post-approval, creditors have received no value, and the Corporate Debtor's estate stands materially impaired. In these circumstances, the Appellant's conduct does not

inspire confidence and demonstrates a pattern of delay rather than *bona fide* efforts towards implementation. Where the successful resolution applicant itself frustrates the process through inaction, liquidation becomes not only permissible but necessary to preserve value and bring finality.

84. Even the Hon'ble Supreme Court in **State Bank of India v. Consortium of Murari Lal Jalan and Florian Fritsch, 2024 SCC Online SC 3945**, has recognized that while resolution is preferred, it cannot be pursued endlessly to the detriment of stakeholders and erosion of value, and that liquidation is warranted where resolution becomes impracticable or illusory. Thus, we find that the Impugned Order is rightly passed in furtherance of the objectives of the Code and to preserve the value of the Corporate Debtor.

85. The Appellant has canvassed another argument that the Resolution Plan amount is more than double the value of the Liquidation of the Corporate Debtor. Therefore, implementation of the Plan shall greatly benefit not just the Corporate Debtor, but also the Stakeholders, the Financial Creditors, the employees, the management, etc. Liquidation is a long-drawn and value-destructive process, wherein recoveries are uncertain. Thus, in these circumstances, the implementation of the Resolution Plan, as opposed to the Liquidation of the Corporate Debtor would maximise the recovery scale of the Financial Creditors, while also enabling the continuity of the business and maintenance of the Stakeholder value. The appellant also contends that the liquidation valuation of the Corporate Debtor is highly inflated in an attempt to draw it closer to the Resolution Plan Amount and to justify the decision of

the SCC to refuse to exercise commercial wisdom that any prudent man would be able to apprehend. The attempt to portray liquidation as commercially beneficial is founded upon an artificially inflated valuation exercise undertaken during liquidation. The strong resolve of the Stakeholders Consultation Committee (“SCC”) to initiate Liquidation of the Corporate Debtor over implementation of the Resolution Plan is unintelligible and indecipherable since the present scenario the liquidation amount is lesser than the Resolution Plan amount and instead the Creditors and stakeholders shall suffer huge losses if the Liquidation is proceeded with. The appellant also claims that the stubborn stance of the SCC to liquidate the Corporate Debtor, when the Appellant/Successful Resolution Professional is ready with the entire amount of ₹227/- crores immediately is not just detrimental to the benefit of the SCC members but also to the other stakeholders upon whom the commercially incoherent decision of the SCC is being thrust. Vehemently, opposing such arguments the liquidator has brought to our notice that during the pendency of the liquidation proceedings of the Corporate Debtor, the Appellant had proposed to make a one-time payment of the entire amount contemplated under the Resolution Plan, for fulfilment of its obligation. However, the Appellant’s proposal has been rejected by the Stakeholders Consultation Committee in the 6<sup>th</sup> and 7<sup>th</sup> SCC meeting, who are of the opinion that they have no faith in the Appellant, and that the proposal made by the Appellant is merely a delaying tactic without actual deposit of amount in liquidation account, without any intent to perform even after four (4) years from the date of Plan Approval Order.

86. Reliance placed by the Appellant on the judgments with respect to **State Bank of India (supra)** and **Asha Chopra & Ors. (supra)** are of no assistance to the Appellant as the facts are distinguishable in the present case.

**Orders**

87. In the facts and circumstances of the case, we find that the Appellant's consistent failure to implement the Revised Resolution Plan for over three years, coupled with its repeated dilatory tactics, has frustrated the core objectives of the Code. The Impugned Order rightly brings finality to this protracted process, prioritizing value preservation over an endless and illusory resolution and therefore we do not find any infirmity in the impugned order. Accordingly, the appeal is dismissed. All related IA's are also disposed of accordingly. We further find that the appellant has wasted precious judicial time in multiple appeals and has not allowed the proceedings under the Code to move on swiftly and has thus has misused the judicial process and deserves to be dismissed with a cost of ₹5 Lakhs, to be deposited in Prime Minister Care Fund.

**[Justice N. Seshasayee]**  
**Member (Judicial)**

**[Arun Baroka]**  
**Member (Technical)**

**New Delhi.**  
**July 06, 2026.**

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