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

**IA(IBC)(Plan)/25/MB/2026**

**IN**

**C.P. (IB) No. 558 of 2024**

*Under Section 30(6) read with Section 31(1) of the Insolvency and Bankruptcy Code, 2016*

***In the matter of and in IA(IBC)(Plan)/25/MB/2026***

**MVK IPE LLP Resolution Professional of M/s. Maharashtra Bio Fertilisers (India) Private Limited**

…Applicant/Resolution Professional

***In the matter of***

**Royel Krishi Rasayan Private Limited**

…Operational Creditor

***Versus***

**M/s. Maharashtra Bio Fertilisers (India) Private Limited**

…Corporate Debtor

**Order Delivered on: 20.08.2026**

***Coram:***

**Shri Prabhat Kumar**
Hon'ble Member (Technical)

**Shri Sushil Mahadeorao Kochey**
Hon'ble Member (Judicial)

***Appearances:***

For the Applicant: Adv. Prashant Gawali a/w. Adv. Gaurav Devdhekar i/b. Mahalakshmi Ganapathy

ORDER

***Per: Coram***

**Brief Background**

1. The present Application is filed by Resolution Professional M/s. MVK IPE LLP ("**Applicant/Resolution Professional**") of **M/s. Maharashtra Bio Fertilisers (India) Private Limited** ("**Corporate Debtor**") under Section 30(6), 31 and 60(5) of the Insolvency and Bankruptcy Code, 2016 ("**Code**") for seeking approval of the Resolution Plan dated 04.10.2025 submitted by Nilesh Hemraj Thakkar ("**Successful Resolution Applicant/SRA**") and for passing order/appropriate direction that this Tribunal may deem fit in the present matter. The Resolution Plan has been approved by 100% majority in the 8th CoC meeting held on 08.10.2025, e-voting concluded on 30.10.2025.
2. The Corporate Debtor is a Private Limited Company under the Companies Act, 1956 incorporated on 06.05.2003 bearing CIN U24120M H2003PTC140320. Its registered office is at Shop No. 1, Plot No. 4, Gat No. 121/ 1, Mauje, Harangul (Bk), Near Railway Bridge, Barshi Road, MIDC Latur, Latur, Maharashtra - 413531.
3. The Corporate Insolvency Resolution Process ("**CIRP**") of the Corporate Debtor commenced upon admission of CP(IB)/558(MB)2024, filed under Section 9 of the Code, by this Tribunal on 21.11.2024, wherein Mr. Arun Nandlal Agrawal was appointed as the Interim Resolution Professional ("**IRP**").
4. Pursuant thereto, the IRP issued the public announcement in prescribed 'Form A' on 23.11.2024, in Free Press Journal – English (Mumbai

Edition) and Dainik Lokman (Mumbai Edition - Marathi) inviting claims from creditors. The Applicant, after verifying the claims of creditors received by him, constituted the Committee of Creditors ("CoC") of the Corporate Debtor in accordance with Section 21 of the Code. The CoC comprised solely of one CoC member, namely Janata Sahakari Bank Ltd., Pune.

5. The first meeting of the CoC was convened on 21.12.2024 wherein the CoC resolved to replace the IRP and appoint M/s MVK IPE LLP as the Resolution Professional of the Corporate Debtor.

6. In furtherance of the CIRP, the Applicant published Form G inviting Expressions of Interest on 21.03.2025 in Times of India (Chhatrapati Sambhajinagar edition) - English and Pudhari (Chhatrapati Sambhajinagar edition) - Marathi. Thereafter, the final list of Prospective Resolution Applicant ("PRA") was issued on 30.04.2025, comprising only 01 PRA, namely, Mr. Nilesh Hemraj Thakkar, Suspended Director of the Corporate Debtor. The Information Memorandum, Evaluation Matrix, and Request for Resolution Plan ("RFRP") were issued to the PRA on 06.05.2025. The last date for submission of Resolution Plans was fixed as 04.06.2025, which was extended till 04.07.2025.

7. The Resolution Plan was accordingly submitted by the PRA and was examined by the RP in terms of the Code and the CIRP Regulations. Upon scrutiny, certain clarifications were sought, and a revised plan incorporating the necessary modifications was received on 27.08.2025.

8. The CoC, in its 8$^{th}$ meeting held on 08.10.2025, considered the final Resolution Plan dated 04.10.2025, and a resolution for approval of the said plan was put to vote through e-voting. The e-voting commenced on 14.10.2025 and concluded on 30.10.2025, whereby the Resolution Plan was approved unanimously with 100% votes in favour.

9. Consequent to the approval of the Resolution Plan by the CoC, the Applicant was called upon to deposit performance security of Rs. 1 crore. The SRA deposited a partial amount and requested some time to deposit the balance amount. The CoC, in its 9th meeting held on 12.12.2025, granted an extension till 29.12.2025; however, the SRA had deposited only Rs. 50 lakhs till then. The RP thereafter issued a notice dated 07.01.2026 calling upon the SRA to explain why the approved Resolution Plan should not be cancelled and the Earnest Money Deposit and partial performance security should not be forfeited. At the request of the SRA, the CoC, in its 10th meeting held on 12.01.2026, further decided to grant an extension till 31.01.2026 for deposit of the remaining amount. The entire performance security was thereafter deposited by the SRA within the extended timeline.
10. In view of the approval of the Resolution Plan by the CoC, the Applicant has filed the present Interlocutory Application seeking approval of the Resolution Plan submitted by Mr. Nilesh Hemraj Thakkar under the provisions of the Insolvency and Bankruptcy Code, 2016.

**Limitation:**

The CIRP period of 180 days of the Corporate Debtor expired on 20.05.2025, the Applicant sought an extension of 90 days beyond the initial period of 180 days, which expired on 17.08.2025. Thereafter, a further extension of 60 days beyond 270 was sought and allowed, which expired on 17.10.2025. The e-voting for approval of the Resolution Plan concluded on 30.10.2025. Thereupon, the Resolution Applicant was called upon to deposit the performance security amount on or before 09.11.2025, which he failed to deposit within the stipulated time. The CoC thereafter granted further time up to 30.12.2025 and subsequently up to 31.01.2026. The Resolution Applicant then filed IA (IBC)

1403/2026 seeking a further extension of 137 days in the CIRP period, from 18.10.2025 to 04.03.2026, which was allowed vide order dated 30.07.2026. The present Application was filed on 04.03.2026 and, therefore, is within the extended CIRP period and within the period of limitation.

**<u>Salient Features of the Resolution Plan</u>**

a. **Financial Proposal:**

| S. No. | Particulars | Amount | Timeline |
|---|---|---|---|
| 1. | CIRP Cost | CIRP Cost including Regulatory fee at actuals (with a upper cap of INR 50.00 Lacs) as on the date of order approving the resolution plan. | Within 07 days of the Order of approval of the plan. |

| | | | |
|---|---|---|---|
| | | If the cost exceeds INR 50.00 Lacs, the same shall be adjusted and paid from the amount proposed to FC. | |
| 2. | Payment to Operational Creditors (Other than workmen and employees and Government Dues) | A lump sum amount of INR 25.00 Lacs towards the total claims admitted by Resolution Professional as per list provided, which shall be distributed on a pro-rata basis. | Within 07 days of the Order of approval of the plan by NCLT. |
| 3. | Amount to the Secured Financial Creditors | An amount of INR 18.25 crores is proposed towards the total claim of FC | As per the Schedule of payment proposed in the plan |
| | **Total** | **19,00,00,000.00** | |

**b. Sources of Funds:**

The Sources of Funds utilised for the payments are:

| S. No. | Means of Finance/ Source of Funds (Fund Infusion) | Amount [INR in Lacs] |
|---|---|---|
| 1 | Own Funds | 75,00,000 |
| 2 | Borrowings from Friends and Relatives | 2,25,00,000 |
| 3 | From sale of properties mortgaged with Bank | 13,00,00,000 |
| 4 | Internal Accruals | 3,00;00,000 |
| | **Total** | **19,00,00,000** |

The Resolution Plan further provides for the constitution of a Monitoring Committee to oversee and supervise the implementation of the Plan. The said Committee shall comprise of 03 members a) One nominee of the Financial Creditor, b) Resolution Applicant and c) Resolution Professional. The management and control of the Corporate Debtor shall, upon approval of the Plan, vest in the Monitoring Committee, which shall monitor and facilitate the implementation of the approved Plan. Upon completion of the implementation and final payment of the last tranche, the Monitoring Committee shall stand dissolved, and the management of the Corporate Debtor shall be formally handed over to the Resolution Applicant.

**Statutory Compliance:**

11. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant and confirms that this Resolution Plan:
    a) Provides for payment of Insolvency Resolution Process cost in a manner specified by the Board in the priority to the payment of other debts of the corporate debtor;
    b) Provides for payment of debts of Operational Creditor in such manner as may be specified by the board which shall not be less than
        (i) the amount to be paid to such creditors in the event of liquidation of the Corporate Debtor under Section 53; or
        (ii) the amount that would have been paid to such creditors, if the amount to be distributed under the Resolution Plan had been distributed in accordance with sub-section (1) of Section 53 in the event of liquidation of the corporate debtor.
    c) Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;

d) The implementation and supervision of Resolution Plan;

e) Does not contravene any of the provisions of the law for time being in force,

f) Confirms to such other requirements as may be specified by the Board.

g) As per the Affidavit, the Resolution Applicant is eligible under Section 29A in terms of exemption provided under Section 240A of the Code.

12. In compliance of Regulation 38 of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that -

a) The amount due to the Operational Creditors under Resolution Plan shall be given priority in payment over Financial Creditors.

b) It has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors of the Corporate Debtor.

c) A statement that neither the Resolution Applicants nor any related parties have failed to implement nor have contributed to the failure of implementation of any other Resolution Plan approved by the Adjudicating Authority in the past.

d) The terms of the plan and its implementation schedule.

e) The management and control of the business of the Corporate Debtor during its term.

f) Adequate means of Supervising its implementation.

g) The Resolution Plan Demonstrates that it addresses

i. The cause of the Default

ii. It is feasible and viable

iii. Provision for effective implementation

iv. Provisions for approvals required and the time lines for the same.

v. Capability to Implement the Resolution Plan

13. The Resolution Professional has submitted Form-H under Regulation 39(4) of the CIRP Regulations to certify that the Resolution Plan as approved by the CoC meets all the requirements of the IBC and its Regulations. The Resolution Applicant has submitted an affidavit pursuant to Section 30(1) of the Code, confirming its eligibility under Section 29A and exemption provided under Section 240A of the Code.

14. The contents of the said affidavit are in order. The relevant parts of the Form H are reproduced below:

**FORM H**

*1A. The details of the CIRP are as under:*

| S.No. | Particulars | Description |
|---|---|---|
| 1 | Name of the CD | Maharashtra Bio Fertilisers (India) Pvt. Ltd. |
| 2 | Date of Initiation of CIRP | 21/11/2024 |
| 3 | Date of Appointment of IRP | 21/11/2024 |
| 4 | Date of Publication of Public Announcement | 23/11/2024 |
| 5 | Date of Constitution of CoC | 13/12/2024 |
| 6 | Date of First Meeting of CoC | 21/12/2024 |
| 7 | Date of Appointment of RP | 18/02/2025 |
| 8 | Date of Appointment of Registered Valuers | 12/12/2024 |
| 9 | Date of Issue of Invitation for EoI (In case of multiple issuance of EoI, please specify all such dates) | 21/03/2025 |
| 10 | Date of Final List of Eligible Prospective Resolution Applicants | 30/04/2025 |
| 11 | Date of Invitation of Resolution Plan | 21/03/2025 |
| 12 | Last Date of Submission of Resolution Plan | 04/07/2025 |

| | | |
|---|---|---|
| | | [Extended date with approval of CoC; previously 04/06/2025 as per Form G published] |
| 13 | Date of submission of Resolution Plan to the RP | 04/07/2025 |
| 14 | Date of placing the Resolution Plan before the CoC | 29/08/2025 |
| 15 | Date of Approval of Resolution Plan by CoC | Meeting held on 08/10/2025<br>E-voting concluded on 30/10/2025 |
| 16 | Date of Filing of Resolution Plan with Adjudicating Authority | 02/03/2026 |
| 17 | Date of Expiry of 180 days of CIRP | 20/05/2025 |
| 18 | Date of each order extending/excluding the period of CIRP on request filed by RP | Extension of CIRP by 90 days - 17/06/2025<br>Extension of CIRP by 60 days - 30/10/2025 |
| 19 | Date of Expiry of Extended Period of CIRP | 17/10/2025 |
| 20 | Fair Value | INR 2,40,028 |
| 21 | Liquidation value | INR 1,62,868 |
| 22 | Number of Meetings of CoC held | 11 Nos. (till the date of this Form H) |

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

| **S.No.** | **Particulars** | **Description** |
|---|---|---|
| 1. | Name of Successful Resolution Applicant (SRA) | Mr. Nilesh Hemraj Thakkar |
| 2. | Nature of Business of SRA | SRA is the promoter director of the CD. He has spent more than 02 decades in the field in which CD was operating and therefore, is believed to be equipped and competent to revive the CD.<br>Having over three decades of experience in the agri-inputs sector, SRA demonstrates a strong capability to spearhead and successfully execute a new agri-inputs project. His extensive experience encompasses various aspects of the agri-input |

| | | |
|---|---|---|
| | | industry, reflecting a holistic understanding of the field. |
| 3. | Relationship status of SRA with CD, if any | Related party of CD – Promoter director of CD |
| 4. | Whether SRA is eligible to submit plan u/s 240A of IBC in case of MSME CD | Yes |
| 5. | Due Diligence Certificate of the RP u/s 29A of IBC for the SRA (pls attach copy of certificate) | Due diligence u/s 29A was conducted and a certificate certifying this RA's eligibility under section 29A was issued by RP. |

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

| S. No. | Particulars | Description |
|---|---|---|
| 1. | Whether Corporate Debtor is an MSME, if so, Date of obtaining MSME registration (pls attach copy of registration certificate) | Yes, the CD is a registered MSME categorised as Medium Enterprise as per the Udyam certificate dated 10/12/2020. |
| 2. | Business of the CD | Maharashtra Bio Fertilisers (India) Pvt. Ltd. is a company engaged in the manufacturing of Plant Growth Regulators, Mineral or Chemical fertilizers containing two or three fertilizing elements, Insecticides, Rodenticides, Fungicides, Herbicides, Anti Sprouting Products and Plant Growth Regulators and Disinfectants and similar products.<br>It is important to mention here that the CD disposed off all its tangible assets with the permission of charge holder FC – Janata Sahakari Bank Ltd., Pune in the FY 2023-24 and all the proceeds of such sale has been credited to the account of the FC for reduction of their liabilities. |
| 3. | Total admitted claims (Amount in Rs.) | |

| S. No. | Description | Principal | Interest and penalty, if any | Total |
|---|---|---|---|---|
| 1 | Corporate Guarantee claims | Nil | Nil | Nil |
| 2 | Other than Corporate Guarantee claims | 53,47,25,923.16 | 7,07,52,931.14 | 60,54,78,854.30 |
| | **TOTAL** | **53,47,25,923.16** | **7,07,52,931.14** | **60,54,78,854.30** |

| | | |
|---|---|---|
| 4. | Resolution Plan Value *(including insolvency resolution process cost, infusion of funds etc)* *(In the case of real estate CDs, provide the monetary value of flats etc. given to allottees)* (pls attach copy of Resolution plan) | **INR 19,00,00,000.00**<br><br>Out of which;<br>Towards CIRP cost — INR 50,00,000<br>Operational Creditors [Other than Government dues] — INR 25,00,000<br>Sole Financial Creditor — INR 18,25,00,000 |
| 5. | Voting percentage (%) of CoC in favour of Resolution Plan (pls attach copy of minutes approving resolution plan) | 100% |

## *5.Details of implementation of resolution plan:*

| S. No. | Particulars | Description |
|---|---|---|
| 1. | Amount of Performance Guarantee furnished by SRA (in Rs.) and its validity (attach document) | INR 1,00,00,000.00<br><br>[Deposited directly in the CIRP account maintained by Resolution Professional] |
| 2. | Source of funds (in brief) | See table below |

| S. No. | Description | Amount in INR |
|---|---|---|
| 1 | Upfront – Own Funds [Amount already deposited along with EOI and resolution plan] | 75,00,000 |
| 2 | Borrowings from friends and relatives [INR 1 crores already deposited as Performance Security] | 2,25,00,000 |
| 3 | Sale of Properties [Personal properties mortgaged with Bank] | 13,00,00,000 |

<table>
<tr><td></td><td></td><td><table><tr><td>4</td><td>Internal Accruals [Business operations of CD post-acquisition</td><td>3,00,00,000</td></tr><tr><td></td><td>TOTAL</td><td>19,00,00,000</td></tr></table></td></tr>
<tr><td>3.</td><td>Capital restructuring and management of CD post approval of resolution plan (in brief including shareholding proposed to be transferred in favour of SRA)</td><td><u>Capital restructuring:</u><br>1. The Corporate Debtor has paid up equity share capital of INR 1,79,93,540 (Rupees One Crore Seventy-Nine Lacs Ninety Thousand Five Hundred and Forty), 17,99,354 Nos. of shares of INR 10 each, which shall stand extinguished/cancelled upon approval of plan.<br>2. On the Completion Date, the Corporate Debtor shall issue and allot equity share to Mr. Nilesh Thakkar, Resolution Applicant, in consideration of total amount of INR 175.00 Lacs infused as equity share capital out of total fund infusion.</td></tr>
<tr><td>4.</td><td>Term and implementation of plan (in brief)</td><td>The Resolution Applicant proposes to implement this Resolution Plan within a period of 24 months from the date of approval of the resolution plan by the Hon'ble NCLT.<br><br>The indicative implementation schedule for this Resolution Plan is set out below:<table><tr><th>Amount</th><th>Timeline</th></tr><tr><td>Upfront amount of INR 1,75,00,000</td><td>Already paid</td></tr><tr><td>INR 3,50,00,000</td><td>Within 6 months</td></tr><tr><td>INR 13,75,00,000</td><td>Within 24 months</td></tr></table></td></tr>
<tr><td>5.</td><td>Details of monitoring committee (in brief)</td><td>A committee consisting of the following shall manage the Corporate Debtor during the Interim Period:<br>1. Resolution Professional</td></tr>
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| | | |
|---|---|---|
| | | 2. One nominee member of the CoC – sole Financial Creditor – Janata Sahakari Bank Ltd., Pune<br>3. Resolution Applicant |
| 6. | Effective date of resolution plan implementation | The implementation is to start from the date of approval of resolution plan by Hon'ble NCLT and the same shall continue till the completion date i.e. 24 months. |

*6.The list of financial creditors of the CD being members of the CoC and distribution of voting share among them is as under:*

| S. No. | Name of Creditor | Voting Share (%) | Voting for Resolution Plan (Voted for / Dissented / Abstained) |
|---|---|---|---|
| 1 | Janata Sahakari Bank Ltd., Pune | 100.00% | Voted in favour |

*7A. Realisable amount:*

| S. No. | Particulars | Description |
|---|---|---|
| 1. | Total Realisable amount under the plan | **19,00,00,000** |
| 2. | Fair Value | 2,40,028.50 |
| 3. | Liquidation Value | 1,62,868.00 |
| 4. | Percentage (%) of realisable amount to Fair Value | 79157.43% |
| 5. | Percentage (%) of realisable amount to Liquidation Value | 116658.89% |
| 6. | Percentage (%) of realisable amount to Principal amount [(19,00,00,000.00/53,47,25,923.16)*100] | 35.53% |
| 7. | Percentage (%) of realisable amount to Total admitted claims [(19,00,00,000.00/60,54,78,854.30)*100] | 31.38% |
| 8. | Percentage (%) of realisable amount to Other than admitted Corporate Guarantee claims [(19,00,00,000.00/60,54,78,854.30)*100] | 31.38% |

*7B. Details of Realisable amount:*

*(Amount in Rupees)*

| Stakeholder Type | Amount(s) | Payment schedule |
|---|---|---|

| | **Amount Claimed** | **Amount Admitted** | **Realisable amount under the plan** | **Amount realizable in plan to amount claimed (%)** | |
|---|---|---|---|---|---|
| **Secured Financial Creditors** | | | | | |
| - Creditors not having a right to vote under sub-section (2) of section 21 | - | - | - | - | - |
| -Dissenting | - | - | - | - | - |
| -Assenting | 36,47,84,675.30 | 36,47,84,675.30 | 18,25,00,000 | 50.03% | *Within 24 months from approval of resolution plan by Hon'ble NCLT* |
| **Unsecured Financial Creditors** | | | | | |
| -Creditors not having a right to vote under sub-section (2) of section 21 | - | - | - | - | - |
| - Dissenting | - | - | - | - | - |
| - Assenting | - | - | - | - | - |
| **Operational Creditors** | | | | | |
| 1.Government | 3,17,86,356.00 | 3,17,86,356.00 | 0.00 | 0% | *No amount proposed, hence, not applicable* |
| 2.Workmen<br>-PF dues<br>-Other dues | - | - | - | - | - |
| 3. Employees<br>-PF dues<br>-Other dues | - | - | - | - | - |

| | | | | | |
|---|---|---|---|---|---|
| 4. Other Operational creditors | 35,03,21,829.00 | 20,89,07,823.00 | 25,00,000.00 | 1.19% | *Within 7 days from approval of resolution plan by Hon'ble NCLT* |
| Other Debts and Dues | - | - | - | - | - |
| Shareholders | - | - | - | - | - |
| **Total** | **74,68,92,860.30** | **60,54,78,854.30** | **18,50,00,000.00** | **30.55%** | - |

**Findings and Analysis:**

15. On perusal of the Resolution Plan, we find that the Resolution Plan provides for the following:
    a) Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
    b) Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
    c) For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified u/s 30(2)(c) of the Code.
    d) The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.
16. The RP has complied with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of the CIRP Regulations.
17. The RP has filed a Compliance Certificate in Form-H along with the Resolution Plan. On perusal, the same is found to be in order. The Resolution Plan has been approved by the CoC by majority of 100%.
18. It is stated in the Resolution Plan that the Corporate Debtor has now been working on the contract manufacturing model, after disposal of its manufacturing facility, and utilises the manufacturing facilities of the various different manufacturers to meet the market requirements.

Since this plan is proposed by the promoter, it can be inferred that the business of contract manufacturing shall continue to be carried out considering the availability of expertise the promoters claim to have.

19. In Part-IV of the Resolution Plan, the SRA has sought the waivers/ reliefs/concessions. The stated effect of the Resolution Plan and reliefs & concessions as prayed for shall be available in accordance with the principle laid down by Hon'ble Supreme Court in case of ***Ghanshyam Mishra and Sons Private Limited v/s. Edelweiss Asset Reconstruction Company Limited {(2021) 13 S.C.R 737}*** & ***Municipal Corporation of Greater Mumbai vs. Abhilash Lal and Ors. (2019) ibclaw.in 480 NCLAT.*** Further, it is clarified and ordered that -
    a. Any increase in the authorized capital shall be subject to payment of prescribed fee, if any applicable, and filing of prescribed forms with the Registrar of Companies.
    b. The Income Tax Department shall be at liberty to examine the tax implications arising from the proposals contained in the plan, in terms of Section 2(24), Section 28 and Section 56 of the Income Tax Act, 1961 read with GAAR provisions thereunder.
    c. The Applicant shall file necessary forms and pay prescribed fees, if any, in terms of provisions of the Companies Act, 2013 in relation to reduction in capital and issuance of fresh capital, however, the Registrar of Companies shall waive the additional fees, if any, payable on such filing.
    d. The SRA may approach prescribed authorities for waiver/reduction in fees, charges, stamp duty, and registration fees, if any arising from actions contemplated under the Resolution Plan and such request shall be subject to the relevant law/statute and adherence to the procedure prescribed

thereunder.

e. The SRA may file appropriate application, if required, for renewal of all Business Permits, rights, entitlements, benefits, subsidies and privileges whether under applicable Law, contract, lease or license granted in favour of the Corporate Applicant or to which the Corporate Applicant is entitled to or accustomed to, which have expired on the Effective Date, and follow the dues procedure prescribed for the purpose upon payment of prescribed fees. The contract with third parties shall be subject to consent of such parties. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under Code and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Applicant. No action shall lie against the Corporate Applicant for any non-compliances arising prior to the date of approval of Resolution Plan, however, such non-compliances shall be cured, if necessitated to keep the approval in force, after acquisition by the Corporate Applicant within period stipulated in the Resolution Plan.

f. The secured and unsecured Financial Creditors shall upgrade the Account of the Corporate Debtor with Banks/Financial Institutions under the CIBIL Mechanism to “Standard Category” from NPA on the Completion Date, to the extent CIBIL Mechanism system allows. The Financial Creditors shall release all the charges on all assets of the Corporate Debtor (wherever registered) after the receipt of entire resolution amount.

g. No orders levying any tax, demand of interest/fine or penalty from the Corporate Applicant in relation to period up to approval of the Resolution Plan shall be passed by any authority and such demand, if created, shall not be enforceable as having extinguished in terms of approved Resolution Plan.

h. The carry forward of losses and unabsorbed depreciation shall be available in accordance with and subject to compliance with the provisions of Income Tax Act, and the Income Tax Department shall be at liberty to examine the same.

i. An application for compounding/condoning shall be filed in accordance with the procedure specified in respective law or concerned authority, however, no fine or penalty shall be imposed for non-compliances till the date of approval of this Plan or such further period as is permitted in terms of this Order.

j. ROC shall update the records and reflect the Corporate Applicant as 'Active' upon filing of pending returns/forms after payment of normal fees (not additional fee). In case such filing is not permitted by the e-filing portal, the ROC shall accept such forms/returns in physical format and manage to upload the same by back-end. The Corporate Applicant shall be exempted from using the words "and reduced".

k. The Compliances under the applicable law for all the statutory appointments by the Corporate Applicant shall be completed within 12 months, where after, the necessary consequence under respective law may follow.

l. The Resolution Applicant, the Corporate Debtor and the assets of the Corporate Debtor forming part of Resolution plan shall have immunity, privileges and protection, as is available in the form and manner stated in Section 32A of the Insolvency and Bankruptcy Code, 2016.

m. The relief, concession or waiver contemplated in the approved Resolution Plan under any of its section and allowed herein shall be available to the Corporate Debtor only and such relief, concession or waiver shall not extend to its subsidiaries, joint-ventures or associates/affiliates, who have not been subjected to resolution in the present CIRP process of Corporate Debtor. However, it is clarified that no claim or action shall lie against the Corporate Debtor in relation to any financial or any kind of obligation of subsidiaries, joint-ventures or associates/affiliates, whether past or arising in future.

n. It is clarified that any relief, concession or waiver, not specifically dealt with in Paras (a) to (m) above, or not permissible in terms of decision in case of *Ghanshyam Mishra (supra)* and *Abhilash Lal (Supra)* or specific provisions of the Code read with the Regulations, shall be deemed to be denied or rejected.

20. In ***K Sashidhar v. Indian Overseas Bank & Others*** (in Civil Appeal No.10673/2018 decided on 05.02.2019) the Hon'ble Apex Court held that if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per Section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan as approved by CoC meets the requirements specified in Section 30(2) of the Code. The Hon'ble Apex Court further observed that the role of the NCLT is 'no more and no less'. The Hon'ble Apex Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 of the Code and is limited to scrutiny of the Resolution Plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in

reference to matters specified in Section 30(2) of the Code when the Resolution Plan does not conform to the stated requirements.

21. In view of the discussions and the law thus settled, the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38 and 38 (1A) of the CIRP Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A and in terms of exemption provided under Section 240A of the Code. The same deserves to be approved. Hence, ordered.

## Order:

22. The Resolution Plan is hereby **approved**. It shall become effective from this date and shall form part of this order with the following directions:

    i. It shall be binding on the Corporate Applicant, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.

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

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

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

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

iii. The Memorandum of Association ("**MoA**") and Articles of Association ("**AoA**") shall accordingly be amended and filed with the Registrar of Companies ("**RoC**"), Mumbai, Maharashtra for information and record.

iv. The Successful Resolution Applicant, for effective implementation of the Resolution Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed. It is clarified that the authorities shall not withhold the approval/consent/extension for the reason of insolvency of the Corporate Applicant or extinguishment of their dues upto approval of Resolution plan in terms of the approved plan. Any relief or concession as sought on the plan shall be subject to the provisions of the relevant Act.

v. The moratorium under Section 14 of the Code shall cease to have effect from this date.

vi. The Applicant shall supervise the implementation of the Resolution Plan and file status of its implementation before this Authority from time to time, preferably every quarter.

vii. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.

viii. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

**Sd/-**
**Prabhat Kumar**
Member (Technical)

**Sd/-**
**Sushil Mahadeorao Kochey**
Member (Judicial)

*/AJ/*