IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH-I

IA (IBC) (PLAN) No. 11 of 2026
IN
CP (IB) 102 of 2025

Under Section 30 (6) of the Insolvency and Bankruptcy Code, 2016, r/w. Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for seeking approval of the Resolution Plan under the provisions of Section 31(1) of the Code; And

In the matter of
Vivek Satyaprakash Jalan
RESOLUTION PROFESSIONAL OF
M/s Ark Industries Private Limited
…Resolution Professional/Applicant

And In the matter of
Irabati Tie-Up Private Limited
…Financial Creditor/Applicant
Versus
ARK Industries Private Limited
…Corporate Debtor/Respondent

Order pronounced on 04.09.2026

Coram:

Shri. Prabhat Kumar
Hon'ble Member (Technical)

Shri Sushil Mahadeorao Kochey
Hon'ble Member (Judicial)

Case Citation: (2026) ibclaw.in 3445 NCLT

Appearances:

For the Resolution Professional : Adv. Nausher Kohli a/w Adv. Subash Gupta and Adv. Aishwarya Khare

ORDER

1. The present Application has been filed by Mr. Vivek Satyaprakash Jalan, the Resolution Professional ("Applicant"/"Resolution Professional"/"RP"), under Section 30(6) read with Section 31(1) of the Insolvency and Bankruptcy Code, 2016 ("Code") and Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, seeking approval of the Resolution Plan dated 02.01.2026 ("Resolution Plan") in respect of Ark Industries Private Limited ("Corporate Debtor"), submitted by Mr. Sanjay Punglia along with the person acting in concert, Farmswipe Private Limited ("Successful Resolution Applicant"/"SRA"). The Resolution Plan was placed before the Committee of Creditors ("CoC") at its 10th meeting held on 12.01.2026 and was approved with 100% voting share through e-voting conducted from 15.01.2026 to 29.01.2026.
2. This Tribunal, vide order dated 08.01.2025 ("Admission Order"), admitted the Corporate Debtor into the Corporate Insolvency Resolution Process ("CIRP") and appointed Mr. Vivek Satyaprakash Jalan as the Interim Resolution Professional ("IRP") of the Corporate Debtor.
3. Pursuant to the Admission Order, the IRP issued a public announcement on 10.05.2025, inviting the creditors of the Corporate Debtor to submit their claims, with 23.05.2025 being the last date for submission thereof. Upon verification of the claims received, the Committee of Creditors ("CoC") was constituted in accordance with Section 21 of the Code on 30.05.2025. The constitution of the CoC was taken on record by this Tribunal vide order dated 04.08.2025.
4. Canara Bank, being the principal secured financial creditor, held a voting share of 99.06% in the CoC, whereas Irabati Tie-Up Private Limited, an unsecured financial creditor, held a voting share of 0.94%. It is further stated that the Goods and Services Tax Department, being an operational creditor whose admitted claim

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exceeded 10% of the total debt of the Corporate Debtor, was issued notice of the CoC meetings and permitted to participate therein in accordance with the provisions of the Code.

5. At the 1st meeting of the CoC held on 06.06.2025, the CoC resolved to confirm the appointment of the Applicant, who was then acting as the IRP, as the Resolution Professional ("RP") of the Corporate Debtor.

6. At the 2nd meeting of the CoC held on 01.07.2025, the CoC resolved, inter alia, to publish Form G inviting Expressions of Interest ("EOIs") for submission of resolution plans. The CoC further resolved to appoint a transaction auditor and registered valuers for the respective asset classes, namely, land and building, securities and financial assets, and plant and machinery.

7. Pursuant to the decision taken at the 2nd CoC meeting, the Applicant appointed R.N.D. & Co. LLP as the Transaction Auditor to review and analyse the books of account and transactions of the Corporate Debtor. The Applicant thereafter published Form G on 07.07.2025.

8. In response to the publication of Form G, five EOIs were received. Upon scrutiny and due diligence, the Applicant issued the provisional list of Prospective Resolution Applicants ("PRAs") on 01.08.2025 and invited objections thereto. Since no objections were received within the stipulated period, the Applicant issued the final list of PRAs on 15.08.2025, comprising: (i) Oakridge Energy; (ii) Mr. Sanjay Punglia; and (iii) Mr. Rajendra Chaudhari. The Request for Resolution Plan ("RFRP") was issued on 16.08.2025.

9. At the 4th meeting of the CoC held on 16.09.2025, the Applicant informed the members of the CoC that the Information Memorandum ("IM") had been shared with the PRAs on 21.08.2025. The valuation reports submitted by the registered valuers were also placed before the CoC.

10. The Applicant received the resolution plans on 20.09.2025. In accordance with the terms of the RFRP, the Resolution Applicants had deposited a sum of ₹5,00,000/- along with their respective EOIs and a further sum of ₹10,00,000/- at the time of submission of their resolution plans. Thus, each Resolution Applicant deposited an aggregate amount of ₹15,00,000/- towards Earnest Money Deposit ("EMD").

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11. At the 5th meeting of the CoC held on 25.09.2025, the Applicant apprised the members of the receipt of resolution plans and the requisite EMDs from the following two PRAs: (i) Mr. Sanjay Punglia, along with the person acting in concert ("PAC"), Farmswipe Private Limited; and (ii) Mr. Ashwin Akoliya, the authorised representative of Mr. Rajendra Dallaram Choudhary. The resolution plans were opened and placed before the members of the CoC, who took note thereof.

12. At the 6th meeting of the CoC held on 14.10.2025, the Applicant presented an overview of the commercial, financial, legal and structural aspects of the resolution plans before the members of the CoC. The PRAs who had submitted their respective plans were invited to make presentations before the CoC. Mr. Sanjay Punglia attended the meeting and presented his resolution plan. However, neither Mr. Rajendra Dallaram Choudhary nor his representative, Mr. Ashwin Choudhary, attended the meeting.

13. At the 7th meeting of the CoC held on 20.10.2025, the Applicant informed the members that, pursuant to the feedback and suggestions of the CoC, the Resolution Applicants had submitted their revised resolution plans on 17.10.2025 and 18.10.2025, respectively, within the stipulated timeline. The Applicant also invited Mr. Sanjay Punglia, Mr. Rajendra Dallaram Choudhary and the latter's representative, Mr. Ashwin Choudhary, to explain the modifications incorporated in their respective revised resolution plans.

14. Thereafter, with the approval of the CoC, the Applicant filed IA (IBC) No. 5215 of 2025, seeking an extension of the CIRP period by 90 days. The said Application was allowed by this Tribunal vide order dated 13.11.2025, thereby extending the CIRP period until 03.02.2026.

15. At the 8th meeting of the CoC held on 04.12.2025, the Applicant informed the CoC that Mr. Choudhary had not submitted an amended resolution plan and, vide email dated 19.11.2025, had sought a refund of the EMD, having expressed his intention not to submit any further revised plan or participate further in the resolution process. The revised resolution plan submitted by Mr. Sanjay Punglia along with the PAC was thereafter reviewed and examined by the members of the

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CoC, including with respect to its compliance with the relevant provisions of the Code and the CIRP Regulations.

16. At the 9th meeting of the CoC held on 18.12.2025, the members of the CoC further discussed and deliberated upon the feasibility and viability of the resolution plan submitted by Mr. Sanjay Punglia along with the PAC. Pursuant to the opportunity granted by the CoC, Mr. Sanjay Punglia submitted an updated Resolution Plan dated 02.01.2026, which was circulated among the members of the CoC on 03.01.2026 and subsequently placed before them at the 10th CoC meeting held on 12.01.2026. The Applicant apprised the members of the salient features of the updated Resolution Plan and informed them that, following the withdrawal of Mr. Rajendra Dallaram Choudhary from the process, the Resolution Plan submitted by Mr. Sanjay Punglia along with the PAC was the sole resolution plan available for consideration by the CoC.

17. Upon evaluation of the Resolution Plan, the CoC placed the same for e-voting, which was conducted from 15.01.2026 to 29.01.2026. The Resolution Plan was approved by the CoC with 100% voting share.

18. The Resolution Professional placed before the CoC the compliance status of the Resolution Plan, his assessment as to its feasibility and viability, and the statutory compliance certificate in Form H. Mr. Vivek Satyaprakash Jalan, the Resolution Professional, has certified that the contents of Form H are true and correct to the best of his knowledge and belief and that no material information has been concealed therefrom. Hence, the present Application.

SALIENT FEATURES OF THE RESOLUTION PLAN:

19. The amounts proposed to be realised by the stakeholders under the Resolution Plan are set out below:

Sl. No.	Particulars	Description
1.	Total Realisable amount under the plan *(In case of real estate CDs, provide the monetary value of flats etc. given to allottees)*	Rs. 11,004,300 /-
2.	Fair Value	Rs. 10, 44, 524
3.	Liquidation Value	Rs. 10,44,524

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4.	Percentage (%) of realisable amount to Fair Value	1053.52%
5.	Percentage (%) of realisable amount to Liquidation Value	1053.52%
6.	Percentage (%) of realisable amount to Principal amount	2.56%
7.	Percentage (%) of realisable amount to Total admitted claims	0.51%
8.	Percentage (%) of realisable amount to Other than admitted Corporate Guarantee claims	0.51%

20. The detailed break-up of the financial proposal and the treatment of the stakeholders under the Resolution Plan are set out below:

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	Rs, 1,152,615,200/-	Rs. 1,152,615,200/-	Rs. 10,896,763/-	0.95%	T+90 days in accordance with the definition of Upfront Payment as set out on Page No. 5 of Resolution Plan
Unsecured Financial Creditors -Creditors not having a right to vote under sub-section (2) of section 21 - Dissenting -Assenting	Rs. 10,920,000/-	Rs, 10,920,000 /-	Rs. 103,237/-	0.95%	T+90 days in accordance with the definition of Upfront payment as set out on Page No. 5 of Resolution Plan
Operational Creditors					
(i) Government	Rs. 954,509,614/-	Rs. 954,509,614/-	Rs. 2000/-	0.00%	T+90 days in accordance with the definition of Upfront payment as set out on Page No. 5 of Resolution Plan

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(ii) Workmen - PF dues - Other dues					
(iii) Employees - PF dues - Other dues					
(iv)Other Operational creditors	Posco International India Private Limited: Rs. 76,039,195/- Arya Ship Industries Company Private Limited: Rs. 1,724,940/-	Rs,34,171,039/- Rs.1,724,940/-	Rs. 2,249/- Rs. 51/-	0.00% 0.00%	T+90 days in accordance with the definition of Upfront payment as set out on Page No. 5 of Resolution Plan
Other Debts and Dues					
Shareholders					All the Existing Equity Shares Held by shareholders i.e.48,50,000 shares of Rs 10 each shall stand extinguished and balance of Extinguished Share Capital amount of these shares shall be transferred to Capital reduction account as proposed in the resolution plan.
Total	Rs.2,195,808,949/-	Rs.2,153,940,793/-	Rs. 11,004,300/-		

21. It is stated that an amount of ₹25,00,000/- has been earmarked under the Resolution Plan towards the CIRP costs and shall be paid in priority to all other payments. However, the said amount has not been included in the aforesaid table. In the event the actual CIRP costs are less than ₹25,00,000/-, the unutilised balance shall be distributed among the financial creditors in proportion to their respective admitted claims. Conversely, if the actual CIRP costs exceed ₹25,00,000/-, the amounts payable to the financial creditors shall stand reduced proportionately to the extent of such excess. The Resolution Plan further provides for an infusion of

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₹2,00,00,000/- towards the working capital requirements of the Corporate Debtor, as and when required

22. **Details of carry-forward of income-tax losses under Section 79(2)(c) of the Income-tax Act, 1961:** The Resolution Plan seeks appropriate enabling directions in respect of the carry-forward and set-off of accumulated business losses, unabsorbed depreciation and other related tax benefits, subject to the applicable provisions of law. It is stated that the income-tax return ("ITR") has been filed only for Financial Year ("FY") 2018–19, corresponding to Assessment Year ("AY") 2019–20. The said return reflects a carried-forward business loss of ₹68,28,789/- under Schedule CFL and unabsorbed depreciation of ₹68,28,789/- under Schedule UD. However, it is noted that the same amount has been reflected under both schedules.

It is further stated that the losses recorded in the audited financial statements for FY 2018–19 are higher than those reflected in the ITR. The carry-forward and/or set-off of business losses and unabsorbed depreciation shall, however, be governed by the records of the Income-tax Department and shall remain subject to strict compliance with the applicable provisions of the Income-tax Act, 1961.

It is further stated that the ITRs for FY 2019–20 and the subsequent financial years have not been filed, although the statutory audits for the said financial years have been completed.

Limitation:

23. The initial period of 180 days of the CIRP expired on 04.11.2025. Accordingly, the Applicant filed IA (IBC) No. 5215 of 2025, seeking an extension of the CIRP period by 90 days. The said Application was allowed by this Tribunal vide order dated 13.11.2025, thereby extending the CIRP period until 03.02.2026. The present Application, having been filed on 03.02.2026, is therefore within the extended CIRP period.

24. The Applicant submits that Monitoring Committee shall be constituted consisting of;

a) 1 representative of the CoC;

b) 2 representatives of the Resolution Applicant;

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25. **Source of Funds:** Out of total plan amount of Rs. 1,35,04,300/-, the Resolution Applicant proposes to fund the Amount of INR 50,00,000/- from its own sources and Rs. 85,04,300/- by of Unsecured loans from relatives and funds.

26. **Performance Guarantee:** The Resolution Applicant has already deposited 15,00,000/- as Earnst Money Deposit at the time of submission of Resolution Plan, which satisfy the said requirement. Accordingly, no further performance Security or Performance Bank Guarantee is required, and the EMD shall be treated as Performance Security under the RFRP.

27. **Treatment of PUFE Proceedings and Recoveries:** The Resolution Plan provides that all pending or future proceedings under Sections 43, 45, 47, 49 and 50 of the Code, and any recoveries, refunds or other benefits arising therefrom, shall be shared between the Successful Resolution Applicant and the Committee of Creditors in the ratio of 50:50. It is, however, stated that the Resolution Professional, upon examination of the transactions of the Corporate Debtor, formed an opinion that no preferential, undervalued, fraudulent or extortionate credit transaction was disclosed or identified. Accordingly, no avoidance application has been filed.

28. The Resolution Applicant, under the section pertaining to concessions and reliefs, has incorporated a provision to the effect that all assets, claims and rights appearing in the balance sheet of the Corporate Debtor as on the Effective Date shall continue to vest in the Corporate Debtor and may be dealt with by the Resolution Applicant at its sole discretion. Clause 11.27 of the Resolution Plan further provides that the Resolution Applicant shall be entitled to pursue and recover such assets, claims and rights in accordance with law.

29. The Resolution Plan provides for the settlement of dues and demands under the Goods and Services Tax laws and seeks appropriate directions for the extinguishment of all GST dues, interest and penalties pertaining to the period prior to the Effective Date, together with the consequential updating of the records maintained on the GST portal. The Resolution Plan further seeks permission for the Corporate Debtor to carry forward and utilise the Input Tax Credit ("ITC")

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reflected as available on the GST portal, without such ITC being appropriated or adjusted against any liability pertaining to the period prior to the Effective Date.

30. The Resolution Plan proposes payment of ₹1,000/- towards the full and final settlement of the income-tax demands reflected on the Income-tax portal for the period prior to the Effective Date and seeks consequential directions for updating the outstanding demands reflected thereon. The Resolution Plan further seeks enabling directions permitting the Corporate Debtor to file or regularise the statutory returns and filings under the Income-tax laws that could not be filed earlier and, to the extent permissible under applicable law, to treat the same as compliant for the relevant prior periods. Additionally, the Resolution Plan seeks appropriate directions concerning the carry-forward and set-off of accumulated business losses, unabsorbed depreciation and other related tax benefits, subject to the provisions of applicable law.

Statutory Compliance:

31. 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;

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d) The implementation and supervision of Resolution Plan;
e) Does not prima facie contravene any of the provisions of the law for time being in force,
f) Confirms to such other requirements as may be specified by the Board.
g) As per the Affidavit, the Resolution Applicant is not covered under Section 29A.

32. 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

33. 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

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eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order.

34. The Resolution Professional has certified as under:

"I hereby certify that-

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

b. *The Resolution Applicant Sanjay Badirlal Punglia along with PAC has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order.*

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

d. *The voting was held in the 10th meeting of the CoC on January 12, 2026*

I sought vote of members of the CoC by electronic voting system which was kept open at least for 24 hours as per regulation 26 and the voting ended on January 29, 2026."

35. The Applicant submits that the approved Resolution Plan complies with the requirements of Section 30 of the Code and Regulation 38 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. It is further submitted that the Resolution Plan provides for payment of the CIRP costs in full and in priority to all other payments and also

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provides for payment to the operational creditors and dissenting financial creditors in the manner and priority prescribed under the Code and the CIRP Regulations.

Findings and Analysis:

36. This Tribunal observed that debtors and short-term loans and advances, aggregating to approximately ₹88 crore have been valued at NIL by the Valuer and no concrete answer has been given except that he has undertaken actions in accordance with the provisions of law, accordingly, the Resolution Professional, vide order dated 09.04.2026, was directed to look to the matter and specific clarification by way of an Additional Affidavit be filed within 10 days. Pursuant to that, an affidavit dated 29.04.2026 was placed on record detailing the status of recovery from the parties from these amounts were recoverable. On perusal of said affidavit, the predecessor Bench further observed on 15.06.2026 that *The Applicant thereafter, has filed an affidavit dated 29.04.2026, wherein at para 6, page 8 details in tabulated form has been made wherein it has been attempted to be projected that adequate efforts were made to recover the outstanding amount, however, such tabulated figure only total to Rs. 10.11 crore.*

37. On perusal of said affidavit, it is noted that a sum of Rs. 47.86 crores is recoverable from A. S. Enterprise, became operationally dysfunctional due to the COVID-induced market cascade effect and the Resolution Professional Applicant conducted physical site visits at the addresses recorded on the GST portal as well as those mentioned on the letterhead of A.S. Enterprises, as provided by the Corporate Debtor finding that (i) At 5/17, Malad Co-operative Housing Society, Malad (East), Mumbai, was found to be residential in nature, with no business activity of A.S. Enterprises; (ii) At B-20, Deora Building, Malad (East), Mumbai, y is no longer operating from the said premises, which is currently occupied by another company named EduConnectIn. Innovate Education Technology." Further, a sum of Rs. 13.25 crores approx. was receivable from two parties, both of whom were admitted into CIRP prior to commencement of CIRP in case of corporate debtor and sold as going concern therein. In respect of sum of Rs. 8,12,79,685/- due from one of debtor, the demand notice was served in July, 23

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however, no steps was taken thereafter. Further, a sum of Rs. 7,20,82,391/- is stated to be barred by limitation. It is stated by the Resolution Professional that he made concentrated and diligent efforts to trace all the debtors and demanded payment of dues outstanding against the Corporate Debtor, however, the majority of such debtors remained untraceable, and in the absence of any material information and having regard to the inaction with respect to the recovery of debts that had remained due for a period exceeding five years, the said debts have become time-barred under the applicable law. It is further stated that the Registered Valuer, having been duly apprised by him of the incorrect observations recorded in its report regarding the non-availability of data and the alleged inability to perform an ageing analysis, acknowledged the said error and subsequently issued an addendum to its valuation report after due reconsideration of all information and documents furnished by the Applicant herein. I state that the Valuer reportedly affirmed that there is no substantial change in the valuation of the securities and financial assets of the Corporate Debtor.

38. We are of the considered opinion that, upon noticing the non-recovery of the debts due from the entities mentioned at Sr. Nos. 1 to 4 of Table at Para 6, Sl. No. 2 of table at Para 8 and outstanding from A.S. Enterprises, as disclosed in the affidavit dated 29.04.2026, the Resolution Professional ought to have examined the nature and genuineness of the underlying transactions in detail. However, the aforesaid, in our view, does not constitute an impediment to the approval of the Resolution Plan at this stage. The same, nevertheless, raises an issue concerning the conduct and discharge of duties by the Resolution Professional and no bearing on the approval of the resolution plan considering the opinion of Resolution Professional also that these balances are not recoverable despite his best efforts.

39. We have considered the Resolution Plan, the submissions of the Resolution Professional, the Compliance Certificate in **Form H** and the Due Diligence Certificate placed on record. The Resolution Plan provides for payment of the Corporate Insolvency Resolution Process Costs in priority to all other debts, deals with the claims of the Operational Creditors in accordance with Section 30(2)(b) of the Code and the CIRP Regulations, provides for the management of the affairs

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of the Corporate Debtor after approval of the Resolution Plan, its implementation and supervision, and does not contravene any provisions of law for the time being in force. We also note that the Resolution Professional has certified the eligibility of the Successful Resolution Applicant under Section 29A of the Code and the Due Diligence Certificate supports the said eligibility. Further, it is stated that the Resolution Plan complies with the requirements of Section 30(2) of the Insolvency and Bankruptcy Code, 2016 and the applicable provisions of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

40. 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.

41. The RP has filed 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%.

42. In the Resolution Plan, the SRA has sought the waivers/ reliefs/concessions stated in Chapter 11 of the Resolution Plans. 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) ibclaaw.in 480 NCLAT.*** Further, it is clarified and ordered that -

a. Accounting treatment or adjustments as contemplated in Resolution Plan pursuant to approval thereof shall be permissible in accordance and to the extent allowed under Companies Ac, 2013 and applicable accounting standards to corporate debtor or any other law applicable to such treatment or adjustment read with provisions of Companies Ac, 2013 and applicable accounting standards.

b. 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.

c. 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.

d. The Income Tax Department shall be at liberty to examine the tax implications arising from accounting treatment, if any, proposed 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 or corresponding provisions under Income Tax Act, 2025.

e. 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 dealt with subject to the relevant law/statute and adherence to the procedure prescribed thereunder.

f. 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 favor of the Corporate Debtor or to which the Corporate Debtor 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. It is clarified that continuance of approvals shall not be refused on account of extinguishment of any dues under IBC and extension or renewal thereof shall not be denied on account of past insolvency of the Corporate Debtor. No action shall lie against the Corporate Debtor 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 Debtor within period stipulated in the Resolution Plan.

g. The contract with third parties shall be subject to consent of such parties.

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

i. The carry forward of losses and unabsorbed depreciation shall be available in accordance with the provisions of Income Tax Act or Rules made thereunder, and the Income Tax Department shall be at liberty to examine the same. Further, applicability of Section 115 JB or other provisions of Income Tax Act, 1961 or corresponding provisions under Income Tax Act, 2025 shall be subject to and in accordance with the provisions of Income Tax Act, 1961 or Rules made thereunder or corresponding provisions under Income Tax Act, 2025.

j. Further, the concerned tax authorities shall under GST/ VAT law be at liberty to examine the carry forward of input tax credit available under Indirect Tax for its further carry forward.

k. 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.

l. ROC shall update the records and reflect the Corporate Debtor 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 Debtor shall be exempted from using the words "and reduced".

m. The Compliances under the applicable law for all the statutory appointments by the Corporate Debtor shall be completed within 12 months or such further period as is stipulated in the plan, where after, the necessary consequence under respective law shall follow.

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n. It is clarified that any relief, concession or waiver prayed in the Resolution Plan but not specifically dealt with in Para (a) to (l) above, save as otherwise permissible in terms of ***Ghanshyam Mishra and Sons Private Limited (supra)*** or specific provisions of the Code read with the Regulations, shall be deemed to be denied or rejected.

43. 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.

44. In view of the discussions and the law thus settled, the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the CIRP Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. The same needs to be approved. Hence, ordered.

Order:

45. 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

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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."

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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.
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.

iv. 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.

v. 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.

vi. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed. It is clarified that the authorities shall not withhold the approval/consent/extension for the reason of insolvency of the Corporate Debtor or extinguishment of their dues up to 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.

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

viii. 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.

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ix. 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.

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

Sd/-	**Sd/-**
Prabhat Kumar	**Sushil Mahadeorao Kochey**
Member (Technical)	Member (Judicial)

Vijay Andhale

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