

IN THE NATIONAL COMPANY LAW TRIBUNAL
JAIPUR BENCH

CORAM: SHRI DEEP CHANDRA JOSHI,
HON'BLE JUDICIAL MEMBER

SHRI ATUL CHATURVEDI
HON'BLE TECHNICAL MEMBER

IA(IBC) No. 215/JPR/2023
In CP No. (IB)- 02/9/JPR/2022

(Under Section 9 of the Insolvency and Bankruptcy Code, 2016 Read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016)

IN THE MATTER OF:

MR. PAWAN GARG PROPRIETOR OF M/S V.R. TRADING CO.
...Financial Creditor/Applicant

Versus

M/S SEWA STEELS PRIVATE LIMITED & ANR.

...Corporate Debtor/Respondent

IA (IBC) No. 215/JPR/2023:

MEMO OF PARTIES

MR. VIKRAM BAJAJ
Resolution Professional For
Sewa Steels Private Limited
308, 3rd Floor, Pearls Business Park,
Netaji Subhash Place, Pitampura, Delhi-110034

...Applicant

For the Applicant : Kunal Godhwani, Adv.
: Karan Pratap Singh, Adv.

Order Pronounced On: 31.07.2023

ORDER

Per: Shri Deep Chandra Joshi, Judicial Member

1. This Interim Application ('Resolution Application') is filed by Mr. Vikram Bajaj, Resolution Professional ('RP' / 'Applicant') of M/s Sewa Steels Private Limited ('Corporate Debtor') under Sections 30(6) and 31 of the Insolvency and Bankruptcy Code, 2016 ('IBC' / 'Code') read with Regulation 39 of the Insolvency and Bankruptcy Board of India (Insolvency Process of Corporate Persons) Regulations, 2016 ('CIRP Regulations') seeking approval of Resolution Plan.
2. The Insolvency Application was filed by the Operational Creditor Mr. Pawan Garg, Proprietor of M/s V. R. Trading Company under Section 9 of the Code for initiation of Corporate Insolvency Resolution Process ('CIRP') against the Corporate Debtor and the same was admitted by this Adjudicating Authority *vide* Order dated 25.05.2022 and appointed Mr. Arun Chadha as Interim Resolution Professional ('IRP'). Subsequently, the Applicant was appointed as the Resolution Professional ('RP') *vide* order dated 01.09. 2022 in IA (IBC) No. 405/JPR/2022.

3. Pursuant to the admission order by this Adjudicating Authority, the erstwhile IRP issued a public announcement as per Regulation 6 of the Regulations ('CIRP Regulations') read with Sections 13 and 15 of the Code in Form A for inviting claims from the creditors of the Corporate Debtor as envisaged in the Code.
4. The Applicant upon receipt of claims constituted the Committee of Creditors ('CoC') in compliance with Section 21 (1) of the Code. The CoC consists of the following members:

Sr. No.	Name of the Creditor	Voting Share (%)
1.	HDFC Bank Limited	91.04%
2.	Ram Alloy Casting Pvt. Ltd.	7.62%
3.	ICICI Bank	0.63%
4.	RBL Bank	0.70%
	Total	100%

5. The RP made a public announcement in Form G in two newspapers i.e., India Express (English) and Punjab Kesari (Hindi) inviting Expression of Interest ('EOI') on 04.10.2022. As per Form G, the last date for submission of an EOI for the purpose of submitting a Resolution Plan was 19.10.2022.
6. The plans were discussed in several CoC meetings and thereafter the Applicant received nine (9) prospective applicants who expressed their interest in submitting the Resolution Plan of the Corporate Debtor. The

final list of Resolution Applicants has been prepared on 29.10.2022 in the 4th CoC meeting dated 31.10.2022. Copy of the 4th COC meeting dated 31.10.2022 annexed as Annexure A-7 of the Application.

7. It is stated that in the 5th CoC meeting dated 19.11.2022 a resolution has been passed by the CoC for an extension of the CIRP period for 90 days as the CIRP period expired on 21.11.2022. Accordingly, an application was filed bearing IA No. 608 of 2022 for an extension of the CIRP period for further 90 days and the same was allowed *vide* order dated 07.12.2022. Copy of the order dated 07.12.2022 annexed as Annexure A-9 of the Application.
8. It is submitted that the 6th CoC meeting was held on 23.12.2022 wherein the Applicant informed the CoC that out of nine (9) prospective resolution applicants, only four (4) resolution applicants submitted their Resolution Plans. Copy of the 6th CoC meeting dated 23.12.2022 annexed as Annexure A-10 of the Application.
9. The said Resolution Plans were discussed in detail in the presence of CoC members. After considering the feasibility and viability of the Resolution Plan submitted by the Resolution Applicant, in the 11th CoC meeting held on 17.02.2023, the Resolution Plan of Vipul Aggarwal and Elion Mobility Pvt. Ltd. was approved by CoC with a 99.29% voting share. Copy of the

11th CoC meeting dated 17.02.2023 annexed as Annexure A-14 of the Application.

10. The Applicant RP has provided brief details of the cost of the Resolution Plan and Means of Finance in the Resolution Plan, which is as follows:

S. No.	Cost of Resolution Plan	Amount (Rs. in Lacs)
1.	Insolvency Resolution Process Cost (estimated)	25.00
2.	Settlement of dues of Financial Creditor: - a. HDFC Bank Limited = 900.00 Lakh b. Ram Alloy Casting Private Limited = 4.50 Lakh c. ICICI Bank = 3.00 Lakh d. RBL Bank = 0.50 Lakh	908.00
3.	Settlement of dues of Operational Creditor a. EPFO = 1.03 Lakh b. RIICO = 1.00 Lakh c. JVVNL = 1.00 Lakh d. Other Operational Creditors (Proportionately in the ratio of their admitted claim) = 15.00 Lakh	18.03
4.	Induction of Fresh capital	200.00
	Total Cost	1151.00

Copy of the Resolution Plan as approved by the COC is annexed as Annexeure-18 (Colly) of the Application.

11. With respect to the avoidance application under Section 43 of the IBC, 2016 notice has been issued and further the proceedings are sub-judice

before this Adjudicating Authority. The Resolution Applicant states that the CoC/Financial Creditor shall determine in what manner the avoidance application shall be pursued after the approval of the resolution plan. Further, the Resolution Applicant states that the Financial Creditor will get the amount if realised upon the adjudication of the avoidance application and at the same time incur all the expenses in pursuing of avoidance application after the approval of the Resolution Plan.

12. Pursuant to the approval of the Resolution Plan by CoC the Applicant issued a Letter of Intent dated 28.03.2023 to the Resolution Applicant for submitting an unconditional Performance Bank Guarantee. Accordingly, the Resolution Applicant has submitted a Performance Bank Guarantee dated 03.04.2023 of Rs. 95,10,000/- (Rupees Ninety-Five Lakh Ten Thousand Only). Copy of the Letter of Intent dated 28.03.2023 and Performance Bank Guarantee dated 03.04.2023 are annexed as Annexure A-15 & A-16 of the Application respectively.

13. It is further stated that the RP, in compliance with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, has prepared Form H.

14. The Liquidation value of the assets of the Corporate Debtor based on the valuation report obtained from the valuer is as follows:

S. No.	Assets	Average Fair Value	Average Liquidation Value
1.	Land and Building	7,83,05,900/-	6,08,03,300/-
2.	Plant and Machinery	87,68,500/-	62,44,000/-
3.	Securities and Financial Assets	89,68,000/-	89,68,000/-
	Total	9,60,42,400	7,60,15,300

Copy of the valuation report annexed as Annexure A-17 (Colly) of the Application.

15. The RP submitted that the CIRP period of 180 days expired on 21.11.2022 however this Adjudicating Authority extended the CIRP period for further 90 days. In the meantime, the Resolution Plans were put forth for voting before CoC, and the 270 days (180+90) period of the CIRP expired on 19.02.2023. Accordingly, a resolution has been passed in the 11th CoC meeting dated 17.02.2023 for the exclusion of the time period taken on account of the time taken by the CoC for completion of voting on the Resolution Plan.

16. Further, the RP relies on the judgment of the Hon'ble Supreme Court in the matter of *Essar Steel India Ltd. vs Satish Kumar & Sons, Civil Appeal No. 8766-67 of 2019* wherein the Hon'ble Supreme Court has observed that

“.....The effect of this declaration is that ordinarily the time taken in relation to the corporate resolution process of the corporate debtor

must be completed within the outer limit of 330 days from the insolvency commencement date, including extensions and the time taken in legal proceedings. However, on the facts of a given case, if it can be shown to the Adjudicating Authority and/or Appellate Tribunal under the Code that only a short period is left for completion of the insolvency resolution process beyond 330 days, and that it would be in the interest of all stakeholders that the corporate debtor be put back on its feet instead of being sent into liquidation and that the time taken in legal proceedings is largely due to factors owing to which the fault cannot be ascribed to the litigants before the Adjudicating Authority and/or Appellate Tribunal, the delay or a large part thereof being attributable to the tardy process of the Adjudicating Authority and/or the Appellate Tribunal itself, it may be open in such cases for the Adjudicating Authority and/or Appellate Tribunal to extend time beyond 330 days.”

17. The RP also relied on the judgment of the Hon’ble NCLAT in the matter of *Alchemist Asset Reconstruction Company Ltd. VS Chandra Prakash, Company Appeal (AT)(Ins.) No. 1026 of 2021* wherein it was held that:

“19. There are only two options available as on date, first to direct the Adjudicating Authority to take up the Application filed by the Resolution Professional for passing an order for liquidation and second to make a last effort to see as to whether any of the four plans could get the requisite number of votes i.e. 66% vote. The Resolution Process having gone such a long way, we are of the view that it should be brought to its logical end. We record our approval to the CoC decision dated 07.10.2021 to approach all the four Resolution

Applicants. Much time having lapsed, we are of the view that before the Application filed by the Resolution Professional praying for liquidation is taken by the Adjudicating Authority, we may give one more opportunity to all the four Resolution Applicants to submit their revised plan and thereafter the CoC may deliberate and vote on all the four plans. Since BBG have been returned to two Resolution Applicants, we are inclined to give opportunity to those Resolution Applicants who have withdrawn their BBG to submit fresh BBG of INR 20 Crores if they intend to get their plan considered.”

18.The RP has also certified that M/s Elion Mobility Pvt. Ltd. and Mr. Vipul Aggarwal, the Resolution Applicant have submitted an affidavit pursuant to Section 30(1) of the Code confirming its eligibility under Section 29A of the Code and Regulation 39(1) of CIRP Regulation, 2016 to submit the Resolution Plan and the contents of the said affidavit are in order. Copy of the Affidavit is annexed as Annexure A-19 of the Application.

19.The Applicant/Resolution Professional has filed written submissions *vide* Diary no. 1609/2023 dated 30.06.2023 whereby reiterated the same as mentioned in the Application.

20.We have carefully considered the submissions of the learned counsel for the RP and have also perused the record. The Corporate Debtor was incorporated on 17.04.1990 and the CIRP proceedings were initiated under Section 9 of the Code against the Corporate Debtor *vide* order dated 25.05.2022. The present application is filed for approval of the Resolution

plan submitted by M/s Elion Mobility Private Limited and Mr. Vipul Aggarwal (Successful Resolution Applicant). The approval has been sought under the provisions of Section 31 (1) of the Code.

21. We may first of all state that after receipt, verification, and collation of claims as discussed above, the IRP constituted the CoC as per the provisions of Section 21 of the Code. The details of the financial creditors, the distribution of voting share among them, and the position of voting for the Resolution Plan are as under (para No.5 of Form H) –

Sr. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for/Dissented/Abstained)
1.	HDFC Bank Ltd.	91.04%	Approved
2.	Ram Alloy Casting P. Ltd.	7.62%	Approved
3.	ICICI Bank	0.63%	Approved
4.	RBL Bank	0.70%	Abstained
	Total	100%	Approved-99.3% Abstained-0.70%

22. The details of stakeholders under the Resolution Plan are given in Para 7 of Form H: -

S. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed (Rs. In lacs)	Amount Admitted (Rs. In lacs)	Amount Provided under the Plan (Rs. In lacs)	Amount provided to the Amount Claimed (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Secured Financial Creditors (Pg. No. 231 to 233 of the Application)	(a) Creditors not having a right to vote under sub-section (2) of section 21	-	-	-	-
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan				
		(ii) who voted in favour of the resolution plan				
		HDFC Bank	1841.96	1841.96	900.00	48.86%
		ICICI Bank	15.79	12.80	3.00	23.44%
		Total[(i) + (ii)]	1857.75	1854.76	903.00	48.68%
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-	-	-	-	-

S. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed (Rs. In lacs)	Amount Admitted (Rs. In lacs)	Amount Provided under the Plan (Rs. In lacs)	Amount provided to the Amount Claimed (%)
	(Pg. No. 231 to 233 of the Application)	section (2) of section 21				
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan RBL Bank	14.16	14.16	0.50	3.53%
		(ii) who voted in favour of the resolution plan Ram Alloy Casting P Ltd.	238.02	154.25	4.50	2.91%
		Total[(i) + (ii)]	252.18	168.41	5.00	2.97%
3	Operational Creditors	(a) Related Party of Corporate Debtor	-	-	-	-

S. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed (Rs. In lacs)	Amount Admitted (Rs. In lacs)	Amount Provided under the Plan (Rs. In lacs)	Amount provided to the Amount Claimed (%)
	(Pg. No. 231 to 233 of the Application)	(b) Other than (a) above:				
		(i) EPFO	1.03	1.03	1.03	100%
		(ii) RIICO	-	-	1.00	NA
		(iii) JVVNL	-	-	1.00	NA
		(iv) Other Operational Creditor	1808.97	1594.30	15.00	0.94%
		Total[(a) + (b)]	1810.00	1595.33	18.03	1.13%
4	Other debts and dues	-	-	-	-	-
	Grand Total		3937.93	3618.50	926.03	25.59%

23. The compliance aspect of the Resolution Plan has been given in Para No.

9 of Form H, which is as follows: -

Section of the Code/Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes/No)
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and	Net worth of the Resolution Applicant is Rs. 11.06 crore as per EOI	Yes

	scale of operations of business of the CD?	documents, as against Net worth criteria of Rs. 3 crore determined by COC	
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?		Yes, Applicant is eligible and has submitted the Affidavit on Pg. No. 258-264 on the Application of Resolution Plan.
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?		Yes, Affidavit on Pg. No. 258-264
Section 30(2)	Whether the Resolution Plan-		
	(a) Provides for the payment of insolvency resolution process costs?	6.4	Yes
	(b) provides for the payment to the operational creditors?	6.3	Yes
	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	6.2	Yes
	(d) provides for the management of the affairs of the corporate debtor?	9	Yes
	(e) provides for the implementation and supervision of the resolution plan?	8	Yes
	(f) contravenes any of the provisions of the law for the	10	Yes

	time being in force?		
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC? (b) has been approved by the CoC with 66% voting share?		(a)Yes, by 99.29% voting share E-voting result is on Page no. 101 of the application
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	8	Yes
Regulation 35A	Where the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50 or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the board?	I.A No. 126/JPR/2023. The matter is adjudged and listed for the hearing on 18.08.2023 before Hon'ble NCLT-Jaipur Bench	Yes, Application has been filed by RP based on the Transactional Audit Report
Regulation 38(1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditor?	6.3	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it dealt with the interests of all stakeholder?	10/12	Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the code. (ii) If so, whether the Resolution Applicant has	10 NA	Yes

	submitted the statement giving details of such non-implementation?		
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the Corporate Debtor during its term? (c) adequate means for supervising its implementation?	7 9 8	Yes Yes Yes
38(3)	Whether the resolution plan demonstrates that - (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	5-9	Yes
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	Yes [IA-126/JPR/2023 filed for transactions under Section 43 of IBC, 2016, which is sub-judice]	Yes
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.	Bank Guarantee dated 3-4-2023 of Rs. 95310 lacs (being 10% of amount provided for creditors and CIRP Cost)	Yes

		issued by ICICI Bank.	
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24. The approval of the Resolution Plan has been sought under Section 31(1)

of the Code, which reads as follows: -

“If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors under sub-section (4) of section 30 meets the requirements as referred to in sub-section (2) of section 30, it shall by order approve the resolution plan which shall be binding on the corporate debtor and its employees, members, creditors, 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 such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the resolution plan.

Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section, satisfy that the resolution plan has provisions for its effective implementation.”

25. The conditions provided in Section 31(1) of the Code for approval of the

Resolution Plan are as follows: -

- (a) *The Resolution Plan is approved by the CoC under Section 30(4) of the Code;*
- (b) *The Resolution Plan so approved meets the requirements as referred to in Section 30(2) of the Code;*
- (c) *The Resolution Plan has provisions for its effective implementation.*

The satisfaction of the conditions is discussed below.

26. It is submitted by the RP that the Resolution Plan has been approved by a vote of 99.29% of the voting share of the financial creditors and therefore, the conditions provided for by Section 30(4) of the Code are satisfied.

27. The provisions of Section 30(2) of the Code are as follows: -

“(2) The resolution professional shall examine each resolution plan received by him to confirm that each resolution plan -

(a) provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor;

(b) provides for the payment of debts of operational creditors in such manner as may be specified by the Board which shall not be less than-

(i) the amount to be paid to such creditors in the event of a liquidation of the corporate debtor under section 53; or

(ii) the amount that would have been paid to such creditors, if the amount to be distributed under the resolution plan had been distributed in accordance with the order of priority in sub-section (1) of section 53,

whichever is higher, and provides for the payment of debts of financial creditors, who do not vote in favour of the resolution plan, in such manner as may be specified by the Board, which shall not be less than the amount to be paid to such creditors in accordance with sub-section (1) of section 53 in the event of a liquidation of the corporate debtor.

Explanation 1. — For removal of doubts, it is hereby clarified that a distribution in accordance with the provisions of this clause shall be fair and equitable to such creditors.

Explanation 2. — For the purpose of this clause, it is hereby declared that on and from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019, the provisions of this

clause shall also apply to the corporate insolvency resolution process of a corporate debtor-

- (i) where a resolution plan has not been approved or rejected by the Adjudicating Authority;*
- (ii) where an appeal has been preferred under section 61 or section 62 or such an appeal is not time-barred under any provision of law for the time being in force; or*
- (iii) where a legal proceeding has been initiated in any court against the decision of the Adjudicating Authority in respect of a resolution plan;*
- (c) provides for the management of the affairs of the corporate debtor after approval of the resolution plan;*
- (d) The implementation and supervision of the resolution plan;*
- (e) does not contravene any of the provisions of the law for the time being in force*
- (f) confirms to such other requirements as may be specified by the Board.*

Explanation. — For the purposes of clause (e), if any approval of shareholders is required under the Companies Act, 2013(18 of 2013) or any other law for the time being in force for the implementation of actions under the resolution plan, such approval shall be deemed to have been given and it shall not be a contravention of that Act or law.”

28. The compliance of Section 30(2) of the Code is given in Para No. 9 of Form

H (*supra*). The same is being further examined as under:

- a. **Section 30(2)(a):** The Resolution Plan (Para 6.4 on Page No. 250-251 of the application) states that the Resolution Applicant provide funds for payment of CIRP Cost and the CIRP Cost shall be fully paid and discharged before any payment is made to any of the creditors.

- b. **Section 30(2)(b):** The Resolution Plan (Para 6.3 on Page No. 250 of the application) states that any other liability/ claim in respect of which claims have not been received/admitted by the Resolution Professional/Adjudicating Authority on cut-off dated shall stand fully written off as on effective date. The settled dues of the Operational Creditors shall be paid, in priority to any payment to the Financial Creditors.
- c. **Section 30(2)(c):** Resolution Plan (Para 6.2 at Pg. No. 249-250 of Application) provides for the payment of the settled dues of the Financial Creditors as under:

Year	Mode of Payment	Amount (In Lacs)
1	Within 30 days of cut-off date	150
2	Within 75 days of cut-off date	758
Total		908

Dissenting Financial Creditor if any shall be paid only liquidation value, i.e., the amount receivable in the event of liquidation, in priority to any payment to consenting financial creditors.

- d. **Section 30(2)(d):** In Para 9 at Pg. No. 253 of the Resolution Plan, that the monitoring committee shall have the management and control of the Corporate Debtor during the term of the Resolution Plan and further management and control of the business of the Corporate Debtor shall

be handed over to the nominee of Resolution Applicant for proper running and operations of the business of the Corporate Debtor subject to the approval of the CoC and this Adjudicating Authority.

e. **Section 30(2)(e)**: Resolution Plan (Para 8 at Pg. No. 252 of Application) states a monitoring committee shall be constituted with the Resolution Professional and representative of the Resolution Applicant and its members. The monitoring committee shall supervise the effective implementation of the Resolution Plan.

f. **Section 30(2)(f)**: In Para 10 at Pg. No. 254 of the Resolution Plan, the RP has certified that the Resolution Plan does not contravene any of the provisions of the law for the time being in force.

29. The RP has also certified that Mr. Vipul Agrawal, the Resolution Applicant has submitted an affidavit pursuant to Section 30(1) of the Code confirming his eligibility under Section 29A of the Code to submit the Resolution Plan and the contents of the said affidavit are in order.

30. With regard to the compliance under Regulation 35A, it is stated that IA No. 126/JPR/2023 filed under section 43 of the Code, is pending before this Adjudicating Authority and the same could be continued even after approval of the Resolution Plan.

31.A perusal of Regulation 38 would clearly show that by virtue of the mandatory contents of the resolution plan as discussed in the preceding paragraphs in relation to Section 30 and Section 31 of the Code, the requirement of Regulation 38 also stands fulfilled. Thus, the Resolution Plan fulfills all the requirements of Regulation 38 of the CIRP Regulations.

32.The Resolution Plan *inter-alia* entails the following:

- a. Corporate Restructuring through the cancellation of the present share capital of the Corporate Debtor and issuance of new share capital in favour of the Resolution Applicant and its/ his/ their associates.
- b. Cancellation of any other equity-linked securities whether convertible or exchangeable and extinguishment of the same without any payment or further action.
- c. Reset financial debt and operational debt as per the parameters of the Resolution Plan.
- d. Extinguishment of any/ all claims against the Corporate Debtor along with related legal proceedings, including criminal proceedings and other proceedings which shall stand abated, settled and extinguished.
- e. Change of Board of Directors and handing over of management to the Resolution Applicant upon sanction of the Plan from the effective date,

the effective date being the date of handover by the RP to the Resolution Applicant.

- f. Continuity of business wherein the Resolution Applicant has requested that any required business permits that may not have been granted or cancelled/ terminated/ revoked/ suspended may be granted/ restored/ renewed/ reinstated. In this respect, the Resolution Applicant is directed to follow up with the concerned authorities, for maintaining/ sustaining operations as a going concern, following applicable laws, rules and procedures.
- g. The term of the Plan and its implementation schedule is envisaged to be a period of 75 days.

33. In view of the above discussion, the Resolution Plan submitted by Elion Mobility Private Limited and Mr. Vipul Aggarwal as approved by the CoC under Section 30(4) of the Code is hereby approved. The Resolution Plan so approved shall be binding on the Corporate Debtor and its employees, members, and 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 such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the Resolution Plan.

34. Under the provisions of Section 31(3) of the Code, we also direct as under:

- a. The moratorium order passed by the Adjudicating Authority under Section 14 of the Code on 25.05.2022 shall cease to have effect; and
- b. The RP shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the Board to be recorded on its database.

35. Besides that, the Applicant is seeking exclusion/extension of a period of 46 days w.e.f. 19.02.2023 to 05.04.2023 in terms of the Resolution passed by CoC in the 11th CoC meeting held on 17.02.2023. This Adjudicating Authority has the discretion to extend the timeline in exceptional circumstances so as to promote the interest of all the stakeholders by preventing the Corporate Debtor to be pushed in for Liquidation. Therefore, in the interest of justice, we hereby grant an exclusion of a period of 46 days w.e.f. 19.02.2023 to 05.04.2023.

36. In view of the foregoing, IA No. 215/JPR/2023 is disposed of.

-Sd-

**DEEP CHANDRA JOSHI,
JUDICIAL MEMBER**

-Sd-

**ATUL CHATURVEDI,
TECHNICAL MEMBER**