

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH - IV**

I.A. (IBC) (Plan) No. 84 of 2024

IN

C.P. (IB) No. 357/MB/2024

(Filed u/s. 30(6) of the Insolvency and Bankruptcy Code, 2016)

Mr. Rajesh Sureshchandra Sheth

Resolution Professional of Karkinos Healthcare Pvt. Ltd.

... Applicant

IN THE MATTER OF

C.P. (IB) No. 357/MB/2024

Labindia Instruments Private Limited

... Operational Creditor

v/s.

Karkinos Healthcare Private Limited

...Corporate Debtor

Order Pronounced on: 09.12.2024

Coram:

Ms. Anu Jagmohan Singh
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli
Hon'ble Member (Judicial)

Appearances:

I.A. (IBC)(Plan) No. 84 of 2024

For the Applicant RP

:

Mr. Sumesh Chawan, Ld. Counsel
for the Applicant RP. *RP present-in
person.*

For the SRA

:

Mr. Gaurav Joshi (Ld. Sr. Adv.),
Ld. Counsel for the SRA.

ORDER

1. The captioned application bearing *I.A. (IBC)(Plan) No. 84 of 2024* has been filed on 25.09.2024 by **Mr. Rajesh Sureshchandra Sheth**, the Applicant Resolution Professional (“RP / Applicant RP”) of **Karkinos Healthcare Private Limited** (“Corporate Debtor”), *u/s.* 30(6) of the Insolvency and Bankruptcy Code, 2016 (“IBC, 2016”) on behalf of the Committee of Creditors of the Corporate Debtor, seeking approval of the Resolution Plan submitted by **Reliance Strategic Business Ventures Limited** (“Successful Resolution Applicant / SRA”) *dated* 12.09.2024, and approved by 100% (one-hundred percent) of the voting share of the members of the Committee of Creditors (“CoC”) of the Corporate Debtor herein.

Brief facts of Corporate Insolvency Resolution Process

2. The brief facts of the captioned application stemming from the Corporate Insolvency Resolution Process (“CIRP”) of Karkinos Healthcare Private Limited *i.e.* the Corporate Debtor herein, are as follows:

- 2.1 Pursuant to the captioned petition bearing C.P. (IB) No. 357/MB/2024 filed by **Labindia Instruments Private Limited** (“Operational Creditor”) *u/s.* 9 of IBC, 2016; This Tribunal was pleased to initiate CIRP of the Corporate Debtor herein *vide* Order *dated* 21.05.2024. In furtherance thereof, Mr. Rajesh Sureshchandra Sheth *viz.* the Applicant herein, was appointed as the Interim Resolution Professional (“IRP”).

- 2.2 The said IRP caused a public announcement to be made in FORM-A on 06.06.2024, informing the commencement of CIRP of the Corporate Debtor and thereby invited claims from creditors to enable the constitution of Committee of Creditors (“CoC”). Following the aforesaid publication of FORM-A, several claims were received and the CoC was accordingly

constituted. The IRP subsequently submitted a report for constitution of CoC before this Tribunal, and the same was duly taken on record.

- 2.3** The First Meeting of the CoC was conducted on 01.07.2024, wherein the IRP was confirmed as the RP by the CoC, and the latter further sought to appoint Valuer(s) and Transaction Auditor. Pursuant to the same, the Applicant RP published FORM-G *i.e.* Notice inviting Expression of Interest (“**EOI**”) for submission of Resolution Plan for the Corporate Debtor in various newspapers along-with ensuring its availability on the website of IBBI, on 08.07.2024.
- 2.4** In response to the publication of the said FORM-G, only one EOI was received from a Prospective Resolution Applicant (“PRA”) and the same was duly apprised by the Applicant RP to the members of CoC. Subsequently, the CoC sought to revise the timeline to be followed for the resolution process in the Second Meeting of the CoC *dated* 26.07.2024. The Applicant RP accordingly caused the issuance of Request for Resolution Plan Document (“RFRP”) on 07.08.2024, along-with preparation of Information Memorandum and the requisite Evaluation Matrix. Following the same, the afore-mentioned PRA *viz.* Reliance Strategic Business Venture Limited, submitted its Resolution Plan on 12.09.2024.
- 2.5** The Applicant RP submits that in terms of the afore-stated revision of timeline(s), “*..the last date for submission of the Resolution Plan was scheduled to 06.09.2024 from 21.09.2024.*” In relation to the afore-said Resolution Plan, discussions and deliberations ensued thereupon during the successive Meetings of the CoC. The said Resolution Plan was taken up for voting subsequent to the Seventh Meeting of the CoC *dated* 20.09.2024, whereby the CoC sought to approve the Resolution Plan submitted by

‘Reliance Strategic Business Venture Limited’ with 100% voting share, and the said PRA was thereby declared as the Successful Resolution Applicant (“**SRA**”). The Applicant RP has thus sought to approach this Tribunal, for seeking approval of the Resolution Plan hereto.

Salient features of the Resolution Plan

3. The Applicant RP submits that the Resolution Plan on behalf of the Successful Resolution Applicant *viz.* ‘Reliance Strategic Business Venture Limited’ proposes payment of 100% of the admitted claims of the Corporate Debtor herein, amounting to INR 202,16,67,810/- (Indian Rupees Two hundred and two crores, sixteen lakhs, sixty-seven thousand, eight hundred and ten only). The same forms part of Clause {4.2} of the Resolution Plan, and has been encapsulated in Form-H and has been extracted at Page No. [9] of this Order hereto.
4. The Successful Resolution Applicant has proposed to implement the said Resolution Plan in consonance with Clauses {4.2.1}, {4.2.2}, {4.2.4}, {4.2.5} and {4.2.7} of the proposed Resolution Plan. The SRA has further proposed an ‘Indicative Implementation Schedule’ in relation to the Resolution Plan in consideration hereto, at Item {4.8} of the Resolution Plan in consideration hereto. Vide the afore-stated, the SRA has proposed to implement the Resolution Plan “..within sixty (60) days from the date of receipt of the Plan Approval Order..”.
5. The Successful Resolution Applicant, *vide* Clause {3.2} of the Resolution Plan in consideration hereto, has proposed infusion of an amount up to INR 150 Cores for: (i) meeting working capital and/or capital expenditure requirements and/or (ii) funding other operational improvements of the Corporate Debtor.

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6. The Successful Resolution Applicant *viz.* ‘Reliance Strategic Business Venture Limited’, has further confirmed that it is eligible to submit the Resolution Plan in consonance with Section 29A of IBC, 2016. An Affidavit-cum-Undertaking *dated* 06.09.2024 has been filed to the same effect, and the same forms part of the records hereto.

Viability of the Resolution Plan

21. The Applicant RP hereby submits that the Resolution Plan approved by the CoC is in compliance with the legal requirements as mandated under IBC, 2016.
22. In furtherance of integrality, we find it germane to draw reference to the Order passed by this Bench *dated* 27.08.2024, in I.A. No. 4063 of 2024. The aforementioned application was filed by the Applicant RP “..To exclude the time period of 14 (fourteen) days (from 21.05.2024 to 03.06.2024) i.e., the time period between the date of the Admission Order passed by this Hon'ble Adjudicating Authority till the actual date on which the Applicant had received admission order dated 21.05.2024, for the purpose of the counting of the Corporate Debtor's CIR Process period as envisaged under Section 12(1) of the Code, 2016.” In relation to the same, this Tribunal was pleased to grant the said exclusion and the Applicant RP thus submits that the captioned application has therefore been filed within the time-period as has been stipulated under IBC, 2016.
23. The Applicant RP has sought to place reliance on the Valuation Reports prepared by *M/s. KKCA Valuers LLP* and *M/s. AGA Advisors LLP*. Per the said reports, the (average) Fair Value and Liquidation Value as on 21.05.2024 in relation to the Corporate Debtor, are as hereunder:

(Average) Fair Value

INR 214.32 Crores

(Average) Liquidation Value

INR 167.91 Crores

24. The Applicant RP has further annexed a certificate in FORM-H to the captioned application, under Regulation 39(4) of the CIRP Regulations, 2016, to certify that the Resolution Plan approved by the CoC meets all the requirements of the IBC, 2016, and the same has been extracted as hereunder:

**FORM H
COMPLIANCE CERTIFICATE**

(Under Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016)

I, Rajesh Sureshchandra Sheth, an insolvency professional enrolled with ICSI, Institute of Insolvency Professionals and registered with the Insolvency and Bankruptcy Board of India with registration number IBBI/IPA-002/IP-NO1021/2020-21/13298, am the Resolution Professional for the Corporate Insolvency Resolution Process (CIRP) of Karkinos Healthcare Private Limited.

2. The details of the CIRP are as under:

Sl. No.	Particulars	Description
1	Name of the CD	Karkinos Healthcare Private Limited (CIN:U93090MH2020PTC342527)
2	Date of Initiation of CIRP	21.05.2024 (The order was uploaded on the NCLT website on 03.06.2024 and order copy made available to the IRP on 04.06.20s24. In view of the same, the Hon'ble Adjudicating Authority vide order dated 27.08.2024 in IA 4063/2024 excluded the period between 21.05.2024 to 03.06.2024 from the CIRP period)
3	Date of Appointment of IRP	21.05.2024 (The order was uploaded on the NCLT website on 03.06.2024 and order copy made available to the IRP on 04.06.2024. In view of the same, the Hon'ble Adjudicating Authority vide order dated 27.08.2024 in IA 4063/2024 excluded the period between

		21.05.2024 to 03.06.2024 from the CIRP period)
4	Date of Publication of Public Announcement	06.06.2024
5	Date of Constitution of CoC	25.06.2024 (Constitution of the Committee of Creditors was taken on record vide NCLT vide order dated 09.06.2024 in IA No.3516/MB/2024)
6	Date of First Meeting of CoC	01.07.2024
7	Date of Appointment of RP	05.07.2024 (CoC has approved the appointment of the IRP as RP on 05.07.2024. The Application for appointment of RP has been filed by the CoC on 25.07.2024 vide Dy No. 2709138074342024, however, the said Application is not yet numbered)
8	Date of Appointment of Registered Valuers	(i) KKCA Valuers LLP; Appointed on 09.07.2024 (ii) M/s Intelligence AGA Advisors LLP Appointed on 09.07.2024
9	Date of Issue of Invitation for EoI	08.07.2024
10	Date of Final List of Eligible Prospective Resolution Applicants	02.08.2024
11	Date of Invitation of Resolution Plan	07.08.2024
12	Last Date of Submission of Resolution Plan	Original Resolution Plan submission date: 06.09.2024 Revised Resolution Plan submission date: 13.09.2024
13	Date of Approval of Resolution Plan by CoC	21.09.2024

14	Date of Filing of Resolution Plan with Adjudicating Authority	24.09.2024
15	Date of Expiry of 180 days of CIRP	17.11.2024 (Computed 180 days from 21.05.2024. However, the NCLT vide order dated 27.08.2024 in IA 4063/2024 excluded the period between 21.05.2024 to 03.06.2024 from the CIRP)
16	Date of Order extending the period of CIRP	Not Applicable
17	Date of Expiry of Extended Period of CIRP	Not Applicable
18	Fair Value	Average Fair Value – INR 214.32 Cr
19	Liquidation value	Average Liquidation Value – INR 167.91 Cr
20	Number of Meetings of CoC held	7

3. I have examined the Resolution Plan received from Resolution Applicant - Reliance Strategic Business Ventures Limited and approved by the Committee of Creditors (CoC) of Karkinos Healthcare Private Limited.

4. I hereby certify that-

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

(ii) the Resolution Applicant - Reliance Strategic Business Ventures Limited has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order.

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

(iv) I sought vote of members of the CoC by electronic voting system which was kept open at least for 24 hours as per the regulation 26 of the CIRP Regulations. The voting on the resolution plan was kept open from 1:35 PM on 21.09.2024 and the voting line closed at 1:30 PM on 22.09.2024.

5. The list of financial creditors of the CD i.e. Karkinos Healthcare Private Limited, being members of the CoC and distribution of voting share among them is as under:

Sl. No.	Name of Creditor	Voting Share )%(	Voting for Resolution Plan)Voted for / Dissented / Abstained(
1	Tata Capital Limited	27.98%	Voted for
2	Reliance Digital Health Limited	58.22%	Voted for
3	Clix Capital Services Private Limited	09.55%	Voted for
4	CSB Bank Limited	04.25%	Voted for

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

Yes. Ref. Cl. 4.4., Section 4@Pg. 16;

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

(Amount in Rs. Crore)

Sl. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan#	Amount Provided to the Amount Claimed (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Secured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	N.A.	N.A.	N.A.	N.A.

		(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	38,27,42,132	37,59,23,467	37,59,23,467	98.21%
		Total[(a) + (b)]	38,27,42,132	37,59,23,467	37,59,23,467	98.21%
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21.	12,75,00,000	12,75,00,000	12,75,00,000	100%
		(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	52,37,42,536	52,37,42,536	52,37,42,536	100%
		Total[(a) + (b)]	168,46,83,154	65,12,42,536	65,12,42,536	100%
3	Operational Creditors	(a) Related Party of Corporate Debtor	N.A.	N.A.	N.A.	N.A.

		(b) Other than (a) above:				
		(i)Government	N.A.	N.A.	N.A.	N.A.
		(ii)Workmen	N.A.	N.A.	N.A.	N.A.
		(iii)Employees	26,79,31,342	25,75,99,798	25,75,99,798	96.14%
		(iv)Other Operational Creditors	202,51,02,718	73,69,02,009	73,69,02,009	36.38%
		Total[(a) + (b)]	229,30,34,061	99,45,01,807	99,45,01,807	43.37%
4	Other debts and dues	Other Creditors	N.A.	N.A.	N.A.	N.A.
Grand Total			436,04,59,347	202,16,67,810	202,16,67,810	46.36%

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

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

***As per Clause 4.2.7 of the Resolution Plan, the maximum amount payable by the Resolution Applicant under the Resolution Plan (including pursuant to any re-allocation or re-distribution) shall not exceed the Total Resolution Amount except when the Resolution Applicant, in its sole discretion, determines to exceed the Total Resolution Amount to the extent required to give effect to this Resolution Plan.*

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

Sl. No	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share)%(held before CIRP	Voting Share)%(held after CIRP
1	Equity	30,075	NIL	100%	NIL
2	Preference	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

Section of the Code / Regulation	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance)Yes / No(

No.			
25)2)h(	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?	After verification of EoI dated 23.07.2024 submitted by the resolution applicant and the eligibility check of the resolution applicant as per the eligibility criteria approved by the CoC in the 1 st CoC meeting dated 01.07.2024, the Resolution Applicant qualified in the Final List of Resolution Applicant and permitted to submit resolution plan for the Corporate Debtor.	Yes
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?	Undertaking and Affidavit 29A separately submitted.	Yes
Section 30)1(	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Separately submitted	Yes
Section 30)2(	Whether the Resolution Plan- (a) provides for the payment of insolvency resolution process costs?	Cl. 4.1. (Financial Proposal),	Yes

	<p>(b) provides for the payment to the operational creditors?</p>	<p>Sl. No. A (Unpaid CIRP costs) r/w Cl. 5.1.3. under Section 5 at Pg. 19.</p> <p><u>Payment to OCs:</u></p> <p>Cl. 4.1. (Financial Proposal): Sl. No. 1a (Operational Creditors – Employees and Workmen)</p> <p>Sl. No. 1b (Operational Creditors – Government and Statutory Authorities)</p> <p>Sl. No. 1c (Operational Creditors – other than workmen/ employees and Government and Statutory Authorities)</p> <p>Sub. Cl. 5.3.1. and Sub. Cl. 5.3.2. of Cl. 5.3.</p>	<p>Yes</p> <p>Yes</p>
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	<p>(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?</p> <p>(d) provides for the management of the affairs of the corporate debtor?</p> <p>(e) provides for the implementation and supervision of the resolution plan?</p> <p>(f) contravenes any of the provisions of the law for the time being in force?</p>	<p>(Treatment of Operational Creditors) under Section 5 @Pg. 22.</p> <p><u>Payment of DFCs</u> Cl. 5.2.1. of Section 5@Pg. 19.</p> <p>Cl. 6.2. at Pg. 39</p> <p>Section 6 (Implementation and Supervision of the Resolution Plan) @Pg. 37</p> <p>Cl.4.3., Section 4@Pg. 16</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>
Section 30)4(	<p>Whether the Resolution Plan</p> <p>)a(is feasible and viable, according to the CoC?</p> <p>)b(has been approved by the CoC with 66% voting share?</p>	<p>(a) Basis on the discussion and deliberation by the CoC in the 7th CoC meeting dated 20.09.2024, the Resolution Plan has been found</p>	<p>Yes</p>

		feasible and viable by the CoC as recorded in the minutes of the 7 th meeting of the CoC dated 20.09.2024. (b) E-voting on the resolution plan has been annexed with the plan approval application whereby the resolution plan has been approved by the CoC by 100% voting share.	Yes
Section 31)1(	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Cl. 8.3. (Term) under Section 8 at Pg. 45 Cl. 6.1. (Implementation Steps and Schedule)	Yes
Regulation 38)1(	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	Sub. Cl. 5.3.1. and Sub. Cl. 5.3.2. of Cl. 5.3. (Treatment of Operational Creditors) under Section 5	Yes

		@Pg. 22.	
Regulation 38)1A(	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Cl. 4.4., Section 4@Pg. 16;	Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	(i) Cl. 5.15.2 @Pg. 36; (ii) Not Applicable	(i) No (ii)NA
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?	(a) Cl. 8.3. (Term) under Section 8 at Pg. 45 and Cl. 6.1. (Implementation Steps and Schedule) (b) Cl. 6.2. at Pg. 39 (c) Section 6 (Supervision and Implementation of the Resolution Plan)	(a) Yes (b) Yes (c) Yes
38)3(	Whether the resolution plan demonstrates that –)a(it addresses the cause of default?)b(it is feasible and viable?	(a) Cl. 3.1. and Cl. 3.2., Section 3@Pg. 8-9; (b) Basis on the	Yes Yes

	<p>(c) it has provisions for its effective implementation?</p> <p>(d) it has provisions for approvals required and the timeline for the same?</p> <p>(e) the resolution applicant has the capability to implement the resolution plan?</p>	<p>discussion and deliberation by the CoC in the 7th CoC meeting dated 20.09.2024, the Resolution Plan has been found feasible and viable by the CoC as recorded in the minutes of the 7th meeting of the CoC dated 20.09.2024.</p> <p>(c) Cl. 6.1. (Implementation Steps and Schedule)</p> <p>(d) Cl. 7.1. @Pg. 43 read with Step 4 of Cl. 6.1 (Supervision of Implementation of Resolution Plan).</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>
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		(e) Section 1 of the Resolution Plan @Pg. 5	
39)2(Whether the RP has filed applications in respect of transactions observed, found or determined by him?	As per Transaction Audit Report dated 20.09.2024 of the Transaction Auditor, there is no finding on any transactions under Section 43, 45, 50 and 66. No determination on such transactions has been made by the RP.	No
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.	23.09.2024	The performance security in accordance with the sub-regulation (4A) of regulation 36B received from the SRA after the conclusion of e-voting of the 7 th CoC meeting wherein the CoC approved the

			resolution plan of Reliance Strategic Business Ventures Ltd. (“the SRA) by 100% voting share and issuance of the LoI to the SRA.
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10. The CIRP has been conducted as per the timeline indicated as under:

Section of the Code / Regulation No.	Description of Activity	Latest Timeline under regulation 40A	Actual Date
Section 16(1)	Commencement of CIRP and Appointment of IRP	T	T (04.06.2024)
Regulation 6(1)	Publication of Public Announcement	T+3	06.06.2024
Section 15(1)(c) / Regulation 12 (1)	Submission of Claims	T+14	18.06.2024
Regulation 13(1)	Verification of Claims	T+21	25.06.2024
Section 26(6A) / Regulation 15A	Application for Appointment of Authorised Representative, if necessary	T+23	N.A.
Regulation 17(1)	Filing of Report Certifying Constitution of CoC	T+23	25.06.2024
Section 22(1) and regulation 17(2)	First Meeting of the CoC	T+30	01.07.2024
Regulation 35A	Determination of fraudulent and other transactions	T+115	N.A.
Regulation 27	Appointment of two Registered Valuers	T+47	09.07.2024
Regulation 36 (1)	Submission of Information Memorandum to CoC	T+54	16.08.2024
Regulation 36A	Invitation of EoI	T+75	08.07.2024
	Publication of Form G	T+75	08.07.2024
	Provisional List of Resolution Applicants	T+100	27.07.2024
	Final List of Resolution Applicants	T+115	02.08.2024
Regulation 36B	Issue of Request for Resolution Plan, which includes Evaluation Matrix and	T+105	16.08.2024

	Information Memorandum to Resolution Applicants		
Section 30(6) / Regulation 39(4)	Submission of CoC approved Resolution Plan	T+165	24.09.2024
Section 31(1)	Approval of Resolution Plan	T+180	YET TO BE DONE BY HON'BLE ADJUDICATING AUTHORITY

11. The time frame proposed for obtaining relevant approvals is as under:

The Resolution Plan of the Resolution Applicant does not envisage any specific approvals as such.

As per Cl. 7.1.1. of the Resolution Plan, the Resolution Applicant and the Corporate Debtor, as necessary, with the assistance of the RP/ Monitoring Committee, any relevant Creditors, and the Monitoring Committee, when and where required, will submit applications with the relevant Government and Statutory Authorities related to the implementation of the Resolution Plan.

Further, as per Cl. 7.2., the Resolution Applicant does not foresee a requirement for any other approvals in relation to the Resolution Plan other than as specified in **Section 8.3 (Term)** of this Resolution Plan which as such does not entail approvals relevant for the present section.

Sl. No.	Nature of Approval	Name of applicable Law	Name of Authority who will grant Approval	When to be obtained
1				

12. The Resolution Plan is subject to any contingency/conditions

As per Cl. 8.3.1., the Resolution Plan and the obligations of the Resolution Applicant under this Resolution Plan shall be subject to the satisfaction (or waiver by the Resolution Applicant, in writing) of the following events ("**Feasibility and Viability Events**"):

- (a) Receipt of the Plan Approval Order;
- (b) The Resolution Applicant shall have received and reviewed the audited financial statements for the Financial Year 2023-24 and provisional financial statements as of the Effective Date and audited financial statements for the period from the Insolvency Commencement Date till Plan Approval Date in accordance with Regulation 36(2) of the CIRP Regulations, and the Resolution Applicant shall be entitled to make any corresponding changes to the Resolution Plan in the event of any adverse findings;
- (c) There is no stay on the implementation of the Resolution Plan imposed by a competent authority, court, or tribunal;
- (d) There exist no legal proceedings against the Plan Approval Order or any legal proceedings having been initiated before any court or tribunal seeking (a) an increase in (i) the Total Resolution Amount or (ii) any liability of the Resolution Applicant; or (b) for any material modification of the contents of this Resolution Plan;
- (e) Receipt of final 'certificate of no dues' in the format provided in **Annexure II (Form of No Dues Certificate)** from each of Rent Alpha, Capsave Finance Private Limited, Incred

- Financial Services Limited, Ugro Capital Limited, OPC and their respective lenders to the Corporate Debtor confirming the satisfaction and closure of Encumbrances created in Rent Alpha, Capsave Finance Private Limited, Incred Financial Services Limited, Ugro Capital Limited, OPC and their respective lenders favour/ for their benefit;
- (f) The withdrawal of the applications filed by the Bank of India before the NCLT, Mumbai, Rent Alpha Application and the Ugro Application;
- (g) Receipt of signed charge modification forms from the Financial Creditors / the security trustees / security agents of the Financial Creditors along with the final 'certificate of no dues' in the format provided in **Annexure II (Form of No Dues Certificate)** from the Financial Creditors to the Corporate Debtor confirming the satisfaction and closure of Encumbrances created in the Financial Creditor's favour/ for their benefit;
- (h) All title deeds and other documents held by the Financial Creditors or on their behalf relating to any Security, charge, Encumbrance, or any other form of collateral (over any assets or any other rights), shall be deposited with the Insolvency Professional. None of the Financial Creditors shall cause any delay on account of any reasons whatsoever in adhering to this stipulation.
- (i) Renewal of all the insurance policies in relation to Corporate Debtor;
- (j) Receipt of authorisation for operating a facility for generation, collection, reception, treatment, storage, transport and disposal of biomedical wastes, as required under the Bio Medical Waste Management Rules, 2016 for the Corporate Debtor's lab in Guwahati;
- (k) Receipt of registration under the Kerala Shops and Commercial Establishments Act, 1960 for the Corporate Debtor's premises in (i) Cochin, and (ii) Thiruvananthapuram;
- (l) Written intimation having been provided to the relevant state licensing authority under Drugs and Cosmetics Act, 1940 and Drugs and Cosmetics Rules, 1945, with an intimation regarding change in constitution of the Corporate Debtor;
- (m) No occurrence of any Force Majeure Event.

As per Cl. 8.3.4. of the Resolution Plan, since the implementation of the Resolution Plan is subject to the satisfaction (or waiver by the Resolution Applicant, in writing) of the aforementioned Feasibility and Viability Events, the timeline of 60 (sixty) days from the date of receipt of the Plan Approval Order for undertaking implementation of the Resolution Plan shall stand automatically extended by such number of days which are equal to such period when any of the aforementioned circumstances are subsisting and have not been either (i) waived in writing by the Resolution Applicant or (ii) cured to the satisfaction of the Resolution Applicant. Additionally, the Resolution Applicant shall not be penalised (including by invoking the performance bank guarantee provided by the Resolution Applicant under the RFRP) for any delay in implementing the Resolution Plan on account of the above.

Cl. 8.3.3. was also discussed by the CoC in the 7th meeting of the CoC dated 20.09.2024 with the Resolution Applicant.

13. Following are the deviations / non-compliances of the provisions of the Insolvency and Bankruptcy Code, 2016, regulations made or circulars issued thereunder (If any deviation/ non-compliances were observed, please state the details and reasons for the same): **NIL**

Sl. No.	Deviation/Non-compliance observed	Section of the Code / Regulation No. / Circular No.	Reasons	Whether rectified or not
1				
2				

3				
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14. The Resolution Plan is being filed **56** days before the expiry of the period of CIRP provided in section 12 of the Code.

14A. Whether the resolution professional has, in accordance with regulation 35A,-

(a) applied to the Adjudicating Authority on or before the one hundred and thirty-fifth day of the insolvency commencement date:

Not Applicable

(b) filed Form CIRP 8 with the Board on or before the one hundred and fortieth day of the insolvency commencement date: **Not Applicable**

15. Provide details of section 66 or avoidance application filed / pending.

Sl. No.	Type of Transaction	Date of Filing with Adjudicating Authority	Date of Order of the Adjudicating Authority	Brief of the Order
1	Preferential transactions under section 43	Not Applicable since no observations by the transaction auditor	N.A.	N.A.
2	Undervalued transactions under section 45	Not Applicable since no observations by the transaction auditor	N.A.	N.A.
3	Extortionate credit transactions under section 50	Not Applicable since no observations by the transaction auditor	N.A.	N.A.
4	Fraudulent transactions under section 66	Not Applicable since no observations by the transaction auditor	N.A.	N.A.

15A. The committee has approved a plan providing for contribution under regulation 39B as under:

- Estimated liquidation cost:
- Estimated liquid assets available:
- Contributions required to be made:
- Financial creditor wise contribution is as under:

Sl. No.	Name of financial creditor	Amount to be contributed (Rs.)
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1	N.A.	N.A.
2	N.A.	N.A.
Total		

*The 7th CoC meetings was held on 20th September 2024 when the above agenda as per the requirement under the Code and regulations thereunder s were put up by the RP for discussion and deliberation of the CoC. With respect to the afore-mentioned agenda items pertaining to liquidation costs, the RP and the RP team provided brief background on the said agenda items and requested the CoC members to discuss and deliberate. However, after detailed deliberations, the CoC decided to defer the said matters for a subsequent meeting of the CoC.

Hence, with the consensus of the CoC members, it was decided to defer the said matters to a subsequent meeting of the CoC, which could be scheduled post completion of e-voting on the resolution plans.

15B. The committee has recommended under regulation 39C as under:

- a. Sale of corporate debtor as a going concern:
- b. Sale of business of corporate debtor as a going concern:

The details of recommendation are available with the resolution professional.

*The 7th CoC meetings was held on 20th September 2024 when the above agenda as per the requirement under the Code and regulations thereunder s were put up by the RP for discussion and deliberation of the CoC. With respect to the afore-mentioned agenda items pertaining to liquidation costs, the RP and the RP team provided brief background on the said agenda items and requested the CoC members to discuss and deliberate. However, after detailed deliberations, the CoC decided to defer the said matters for a subsequent meeting of the CoC.

Hence, with the consensus of the CoC members, it was decided to defer the said matters to a subsequent meeting of the CoC, which could be scheduled post completion of e-voting on the resolution plans.

15C. The committee has fixed, in consultation with the resolution professional, the fee payable to the liquidator during the liquidation period under regulation 39D.

*The 7th CoC meetings was held on 20th September 2024 when the above agenda as per the requirement under the Code and regulations thereunder s were put up by the RP for discussion and deliberation of the CoC. With respect to the afore-mentioned agenda items pertaining to liquidation costs, the RP and the RP team provided brief background on the said agenda items and requested the CoC members to discuss and deliberate. However, after detailed deliberations, the CoC decided to defer the said matters for a subsequent meeting of the CoC.

Hence, with the consensus of the CoC members, it was decided to defer the said matters to a subsequent meeting of the CoC, which could be scheduled post completion of e-voting on the resolution plans.

16. I, Rajesh Sureshchandra Sheth, hereby certify that the contents of this certificate are true and correct to the best of my knowledge and belief, and nothing material has been concealed therefrom.

Name of the Resolution Professional: **Rajesh Sureshchandra Sheth**
IP Registration No: **IBBI/IPA-002/IP-NO1021/2020-21/13298**

Address as registered with the Board: **B-55, Shatdal society, 7th Floor, Azad Lane, off S.V. Road, Andheri West, Near Shoppers Stop, Mumbai City, Maharashtra ,400058 Email: rajeshshethsbi@gmail.com**

Process specific correspondence address: **Rajesh Sureshchandra Sheth, Resolution Professional,**

BDO Restructuring Advisory LLP, Level 9, The Ruby, North-West Wing, Senapati Bapat Road, Dadar (W), Mumbai 400028, Maharashtra, India

Process specific correspondence email address: **ipkarkinos@gmail.com**

Email id as registered with the Board: **rajeshshethsbi@gmail.com**

Date: 24.09.2024

Place: Mumbai

Findings of this Tribunal

25. In the circumstances mentioned hereinabove, the Applicant RP has filed this application seeking approval of this Tribunal on the Resolution Plan, submitted by the Resolution Applicant *viz.* ‘Reliance Strategic Business Venture Limited’ stating that the plan is in accordance with Section 30(2) of IBC, 2016, and other provisions laid thereunder.
26. The Applicant RP has filed the Compliance Certificate in FORM-H along with the plan. Upon perusal, the same is found to be in order. The Resolution Plan has been approved by the members of CoC in the Seventh Meeting of CoC held on 20.09.2024, with a voting percentage of 100%.
27. We note that there are certain pending litigations in relation to CIRP of the Corporate Debtor herein, post-commencement of the latter’s CIRP. The Applicant RP, *via* Affidavit *dated* 24.09.2024, has sought to file an Affidavit to this effect, in order clarify that “*..there are no pending litigations prior to the Insolvency Commencement Date i.e. 21.05.2024.*” The said Affidavit is accordingly taken on record. Notwithstanding the same and upon due perusal of the Resolution Plan in consideration hereto and more particularly so, with regards to Item {5.10} under the titular head “TREATMENT OF ON-GOING

LITIGATION AND VIOLATIONS”]; We make it expressly clear that the approval of this Resolution Plan shall **not** *ipso-facto* tantamount to abatement of such litigations/ liabilities etc., and the same may be carried on in consonance with the tenets enshrined in law.

28. The Resolution Applicant has additionally sought certain ‘**DIRECTIONS FOR EFFECTIVE IMPLEMENTATION OF THE RESOLUTION PLAN**’ per Item {8.23} of the Resolution Plan. We make it expressly clear that the approval of this Resolution Plan does not *ipso-facto* tantamount to grant/ approval of all/ any directions, reliefs, concessions and/ or dispensations that fall within the domain of other government department/authorities, and the same shall be dealt with by the respective competent authorities/fora/offices, Government (State or Central) with regard to the respective reliefs, if any. Be that as it may, the Learned Counsel for the Applicant RP has categorically affirmed on record that the implementation of the Resolution Plan is not conditional or contingent upon grant of any or all of such Directions that have been sought from this Tribunal.
29. Upon perusal of the Resolution Plan, this Bench deemed it fit to seek clarification in relation to its implementation at the backdrop of certain contingencies laid out at Para 12 of the Form-H (*as extracted at Page No. {15} of this Order*). The captioned plan-approval application was accordingly listed for clarification on 02.12.2024, 05.12.2024 and 06.12.2024 and the Ld. Counsel appearing at the behest of Resolution Professional was accordingly directed to carry out the necessary amendments and/ or addendums to the resolution-plan. In compliance with the same, the Resolution Professional has sought to file its Affidavit *dated* 05.12.2024, whereby the following has been brought on record

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3. *I say that the captioned IA was listed on 02.12.2024 for clarification, without being de-reserved, whereby this Hon'ble Tribunal directed: (a) the Resolution Applicant to submit an addendum to the Applicant for modifying certain provisions of the Resolution Plan after obtaining approval of the CoC; (b) the Applicant to place on record before this Hon'ble Tribunal the addendum along with revised Form H to reflect the changes to the Resolution Plan in terms of the addendum.*
 4. *I say that pursuant to the said directions of this Hon'ble Tribunal in the captioned IA at the hearing on 02.12.2024, an addendum making changes to the Resolution Plan was approved by the CoC by 100% voting share in the 10th meeting of the CoC dated 04.12.2024. The said addendum was filed was filed by Affidavit dated 04.12.2024.*
 5. *I say that thereafter the captioned IA was listed for clarification on 05.12.2024 at which time the addendum dated 04.12.2024 to the Resolution Plan was placed on record before this Hon'ble Tribunal. Upon considering the said addendum dated 04.12.2024, this Hon'ble Tribunal was of the view that paragraph 12 of Form H continues to refer to certain conditions to the implementation of the Resolution Plan passed by a competent authority, court or tribunal. In view thereof, this Hon'ble Tribunal granted liberty to the Resolution Professional to place on record an amended Form H and an addendum to the Resolution Plan is not subject to any conditionality and directed to list the matter on 06.12.2024.*
 6. *I say that pursuant to the above directions of the Hon'ble Tribunal, the undersigned has received the Addendum dated 05.12.2024 from the Resolution Applicant which further amends the Resolution Plan to delete clauses 4.2.4, 8.3.3 and 8.3.4 of the Resolution Plan in its entirety making the Resolution Plan unconditional. [...]*
 7. *I say that in view of the above Addendum dated 05.12.2024 having been approved by the CoC, the same be considered along with the captioned IA No. 84/2024 for approval of the Resolution Plan dated 12.09.2024 of Resolution Applicant read with Addendum dated 04.12.2024. **The Addendum dated 05.12.2024 may be treated as part and parcel of the Resolution Plan dated 12.09.2024 read with Addendum***

dated 04.12.2024 of the Resolution Applicant. It is clarified that except as set out in the Addendum dated 05.12.2024, all the other terms of the Resolution Plan shall remain unchanged.

[...]

”

In view of the afore-said, and in the interest of integrity; Para 12 of Form-H now stands modified to the extent as extracted hereunder:

11. The time frame proposed for obtaining relevant approvals is as under:

The Resolution Plan of the Resolution Applicant read with the Addendum dated 04.12.2024 and Addendum dated 05.12.2024 does not envisage any specific approvals as such which are conditions for implementation of the Resolution Plan.

12. The Resolution Plan dated 12.09.2024 read with the Addendum dated 04.12.2024 and Addendum dated 05.12.2024 is not subject to any contingency/conditions.

The Affidavit *dated* 05.12.2024 is hereby taken on record, and it is hereby reiterated that all the other terms of the Resolution Plan in consideration hereto remain unchanged.

30. Upon perusal of the Resolution Plan, it is observed that the Resolution Plan provides for the following:
- i.* Payment of CIRP Cost as specified *u/s.* 30(2)(a) of the Code.
 - ii.* Repayment of Debts of Operational Creditors as specified *u/s.* 30(2)(b) of the Code.
 - iii.* 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.
 - iv.* The implementation and supervision of Resolution Plan by the RP and the CoC as specified *u/s.* 30(2)(d) of the Code.

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31. The Applicant RP has complied with the requirements of the Code in terms of Section 30(2)(a) to 30(2)(f) of IBC, 2016, and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of CIRP Regulations.
32. In the case of *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).
33. In *CoC of Essar Steel* (Civil Appeal No. 8766-67 of 2019 decided on 15.11.2019) the Hon’ble Apex Court clearly laid down that the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom have approved. In para 42 Hon’ble Court observed as under:
- “Thus, it is clear that the limited judicial review available, which can in no circumstance trespass upon a business decision of the majority of the Committee of Creditors, has to be within the four corners of section 30(2) of the Code, insofar as the Adjudicating Authority is concerned, and section 32 read with section 61(3) of the Code, insofar as the Appellate Tribunal is concerned, the parameters of such review having been clearly laid down in **K. Sashidhar** (supra).”*
34. In view of the afore-stated 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 Regulations. The Resolution Plan is thus not in contravention with any of the provisions of the Code, and

is in accordance with law. The same needs to be approved. Ordered accordingly as hereunder.

35. The captioned application bearing I.A. (IBC)(Plan) No. 84 of 2024 in C.P. (IB) No. 357/MB/2024 is hereby **Allowed**. The Resolution Plan annexed to the Application is hereby approved. It shall become effective from this date and shall form part of this Order.

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

35.2. At the cost of re-iteration, the approval of this resolution plan shall not be construed as waiver of any statutory obligations of the Corporate Debtor, and the same shall be dealt by the appropriate authorities in accordance with law.

35.3. Further in terms of the judgment of Hon'ble Supreme Court in the matter of *Ghanshyam Mishra & Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Company Limited*; On the date of approval of the 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 a part of the Resolution Plan.

35.4. 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.

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- 35.5.** The Moratorium *u/s.* 14 of IBC, 2016, shall cease to have effect from the date of pronouncement of this Order.
- 35.6.** The Applicant shall supervise the implementation of the Resolution Plan and shall effectively file status of its implementation before this Tribunal from time to time without fail, preferably every quarter.
- 35.7.** The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the Insolvency and Bankruptcy Board of India, along-with the copy of this Order for requisite information.
- 35.8.** The Applicant shall forthwith send a Certified Copy of this Order to the CoC and the Successful Resolution Applicant, for necessary compliances thereof.

Sd/-

ANU JAGMOHAN SINGH
MEMBER (TECHNICAL)

09.12.2024

Aditya Kalia

Sd/-

KISHORE VEMULAPALLI
MEMBER (JUDICIAL)
