

**NATIONAL COMPANY LAW TRIBUNAL**  
**MUMBAI BENCH COURT VI**

Item No. P-1

IA(IBC)(PLAN)/29(MB)2025      IN      C.P. (IB)/264(MB)2020

CORAM

**SHRI SAMEER KAKAR**  
**HON'BLE MEMBER (TECHNICAL)**

**SHRI NILESH SHARMA**  
**HON'BLE MEMBER (JUDICIAL)**

ORDER SHEET OF HEARING (HYBRID) DATED **18.06.2025**

NAME OF THE PARTIES :      **CFM Asset Reconstruction Private Limited**  
**VS**  
**Vidarbha Industries Power Limited**

**Under Section 7 of the IBC.**

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**ORDER**

The case is fixed for pronouncement of the order. The order is pronounced in the open court *vide* separate sheet. In the result, the above **IA(IBC)(PLAN)/29(MB)2025 is allowed**. Resolution Plan is approved. Detailed order will be uploaded on the NCLT portal.

Sd/-  
**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**

Sd/-  
**NILESH SHARMA**  
**MEMBER (JUDICIAL)**

//SS//

**IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI - BENCH-VI**

**IA (I.B.C) (Plan) No. 29/MB/2025**

**in**

**CP (IB) No. 264/MB-VI/2020**

*[Under Sections 30(6) and 31 of the Insolvency and Bankruptcy Code, 2016 r/w Regulation 39(4) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016]*

**MR. BIMAL KUMAR AGARWAL,**

**[Registration No. IBBI/IPA-001/IP-P01409/2018-19/12186]**

**RESOLUTION PROFESSIONAL OF**

**VIDARBHA INDUSTRIES POWER LIMITED**

Having his registered address at:

B-234, Kalpataru Towers, Akurli Road,

Kandivali East, Mumbai-400101.

**...Applicant**

IN THE MATTER OF:

**CFM ASSET RECONSTRUCTION PRIVATE LIMITED**

**...Financial Creditor**

V/s

**VIDARBHA INDUSTRIES POWER LIMITED**

**...Corporate Debtor**

**Pronounced On: 18.06.2025**

**CORAM:**

**HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)**

**HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)**

**Appearances: Physical**

For the Applicant: Sr. Adv. Gaurav Joshi a/w Counsel Mr. Pulkit Sharma, Adv. Shriraj Khambete, Aditya Vikram Singh, Shreya Chandak and Rounak Doshi i/b Saraf & Partners. RP present on V-C.

For the CoC: Adv. Madhav Kanoria a/w Surbhi Pareek and Ms. Parnika Jain.

**ORDER**

***[PER: BENCH]***

**1. BACKGROUND**

1.1 The present Interlocutory Application ('IA') has been filed by **Mr. Bimal Kumar Agarwal**, the Applicant/Resolution Professional of **Vidarbha Industries Power Limited** ('Corporate Debtor') for approval of the Resolution Plan under Section 30(6) read with Section 31(1) of the Insolvency and Bankruptcy Code, 2016 ('the Code') read with Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ('CIRP Regulations'). The Applicant has sought the following reliefs in the IA: a) *Admit and allow the present application; b) Approve the Resolution Plan of the Successful Resolution Applicant i.e., Adani Power Limited, in exercise of powers under Section 31(1) of the Insolvency & Bankruptcy Code, 2016, and declare that the same shall be binding on the Corporate Debtor, its employees, members, creditors (including governmental authorities), guarantors and other stakeholders; c) Grant the reliefs and concessions, as sought in Section 6 of the Resolution Plan; and d) Pass any order(s) which this Hon'ble Adjudicating Authority may deem fit considering the facts and circumstances of the case.*

1.2 The Resolution Plan submitted by **Adani Power Limited** was unanimously approved in the 10<sup>th</sup> CoC meeting held on 19.02.2025 after which the above-named Resolution Applicant was declared as the Successful Resolution Applicant ('SRA') on 21.02.2025, and the Letter of Intent ('LOI') was issued on 24.02.2025 which was accepted by the SRA on the same day. Thereafter, the Performance Security was submitted by the SRA on 27.02.2025.

## **2. CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP):**

2.1 Axis Bank Limited ("Original Lender No.01") and State Bank of India ("Original Lender No.02") filed company petition bearing CP(IB) No. 264/MB/2020 and CP(IB) No. 1234/MB/2022 on 17.01.2020 and 05.11.2022 respectively, under Section 7 of the Code for initiation of Corporate Insolvency Resolution Process ('CIRP') of the Corporate Debtor. Subsequent thereto, the Original Lender No.01 and the Original Lender No.02 assigned their debts to CFM Asset Reconstruction Private Limited vide Assignment Agreement dated 17.08.2023, as a result of which the above-named assignee became the Petitioner in the above-captioned Company Petition. The Company Petition bearing No. 264 of 2020 was admitted by the Adjudicating Authority vide Order dated 30.09.2024 ('Admission Order'), u/s 7 of the Code as a result of which the CIRP of the Corporate Debtor commenced and the Applicant was appointed as the Interim Resolution Professional ('IRP') of the Corporate Debtor. The Admission Order came to be rectified on 08.10.2024 by this Tribunal due to certain clerical errors in it.

2.2 The IRP made a Public Announcement in Form 'A' on 04.10.2024 inviting claims from the creditors of the Corporate Debtor. As per the said Public Announcement, the last date for submission of claims was 15.10.2024. Pursuant thereto, the Applicant proceeded to collate and verify the claims received and accordingly, a list of creditors was prepared and released by the Applicant on 23.10.2024.

2.3 In accordance with the verified list of claims received, the Applicant constituted the CoC consisting of CFM Asset Reconstruction Private Limited as the sole member on 23.10.2024 in terms of Section 21(1) of the Code read with Regulation 17(1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ["CIRP Regulations"]. Consequently, the Applicant (i.e. the IRP at that point of time) filed IA No. 5606/2024 to take on record the list of creditors as on 23.10.2024 and IA No. 5604/2024 to bring on record the report certifying the constitution of CoC before this Tribunal on 24.10.2024. This Tribunal allowed the aforesaid applications on 02.12.2024 taking on record the list of creditors as on 23.10.2024 and the report constituting the CoC.

2.4 After constituting the CoC, the IRP convened the 01<sup>st</sup> CoC meeting from 29.10.2024 to 30.10.2024. In this meeting, the CoC resolved, *inter alia*, to confirm the IRP-Mr. Bimal Kumar Aggarwal, as the Resolution Professional ('RP') of the Corporate Debtor in terms of Section 22(2) and 22(3)(a) of the Code. Accordingly, the Applicant filed IA No. 5656/2024 to communicate the decision of the CoC to continue the Applicant as the RP of the Corporate

Debtor. This Tribunal was pleased to allow IA No. 5656/2024 vide Order dated 04.12.2024.

2.5 The Applicant made publication in Form G on 31.10.2024 in terms of Section 25(2)(h) of the Code, inviting Expression of Interest ('EOI') from the Prospective Resolution Applicants ('PRAs'). The detailed invitation for EOI was issued in terms of the eligibility criteria approved by the CoC in the 01<sup>st</sup> CoC meeting. The Applicant notified that the last date for submission of EOI as 15.11.2024.

2.6 Pursuant to Form G, the Applicant received several requests for extension of time for submission of EOI. Since no EOI was received until 13.11.2024, the Applicant requested the CoC for extension of the last date for submission of EOI till 19.11.2024. The extension prayed for by the Applicant was duly granted by the CoC vide email dated 14.11.2024. Accordingly, the revised Form G was published on both, the Corporate Debtor's website and the IBBI website and all the PRAs were promptly informed by the Applicant.

2.7 Pursuant to the revised Form G, the Applicant received EOIs from 10 PRAs. Following the receipt of EOIs, the Applicant conducted the due diligence based on the materials on record in accordance with sub-regulations (8) and (9) of Regulation 36A of the CIRP Regulations. Pursuant thereto, the Applicant released a provisional list of PRAs in terms of Regulation 36A (10) of the CIRP Regulations on 20.11.2024 to the CoC and to all the PRAs. Subsequently, the final list of PRAs was released by the Applicant on 26.11.2024, and the CoC was apprised that all the 10 PRAs were eligible in terms of the detailed

Invitation for EOI, which was published. The final list of PRAs released by the Applicant is as follows:

- a. Adani Power Limited ('APL');
- b. Capri Global Holding Private Limited ('Capri');
- c. CESC Limited;
- d. Hindustan Thermal Projects Limited;
- e. Jindal Power Limited;
- f. JSW Energy Limited;
- g. NTPC Limited ('NTPC');
- h. Orissa Metaliks Private Limited ('OMPL');
- i. Shrinivas Spintex Industries Private Limited;
- j. Vedanta Limited ('Vedanta').

2.8 In the 03<sup>rd</sup> CoC meeting held on 25.11.2024, the CoC passed resolutions, *inter-alia*, to approve the issuance of the Request for Resolution Plan and the Evaluation Matrix. Accordingly, the Request for Resolution Plan ('RFRP') along with the Evaluation Matrix ('EM') and the updated Information Memorandum ('IM') containing certain relevant information relating to the Corporate Debtor were released by the Applicant on 26.11.2024. Further, the Applicant provided the access to a virtual data room ('VDR') to facilitate sharing of information with the Resolution Applicants ('RAs') for the due diligence process. In terms of RFRP, the last date for submission of resolution plans by PRAs was 26.12.2024.

2.9 The Applicant convened 04<sup>th</sup> CoC meeting held on 24.12.2024 wherein the CoC rejected all requests for extension of time for submission of resolution plans, which was duly conveyed to the PRAs by the Applicant. However, to enable the PRAs to file the physical copies of their resolution plans, an

alternate to submit the hard copies at a specified address in Delhi was agreed upon if the Mumbai address was not feasible in view of the approaching deadline. In the 04<sup>th</sup> CoC meeting, the Applicant further apprised the CoC that in the continued process of verification and collation of claims, a new claim has been received from Pallas Holdings Ltd on 23.12.2024. The Applicant informed that the claim was subsequently verified and admitted to the list of claims. This admission brought the total financial creditors' claim from INR 4,954 crores to INR 5,322 crores. The Applicant also apprised the CoC that certain vendor claims have also been received which were being updated by the Applicant. The Applicant has filed the updated list of creditors before this Tribunal vide I.A. No. 1376/MB/2025, which has been taken on record and disposed of on 04.04.2025. Thereafter, the Applicant filed another application i.e. IA No. 1959 of 2025 attaching therewith the updated list of creditors as of 18.02.2025 and requested for taking the same on record. The updated list of creditors referred-to-above was taken on record by this Bench on 07.05.2025.

2.10 The Applicant convened the 05<sup>th</sup> CoC meeting from 27.12.2024 to 28.12.2024, wherein the Applicant apprised the CoC that as on 26.12.2024, only four (4) resolution plans have been received out of the 10 EOIs received. The list of Resolution Applicants ('RAs') who submitted the resolution plans is as follows: a) NTPC; b) Vedanta; c) Capri; and d) APL. The Applicant in the said meeting mentioned that all the four resolution plans were received in physical copy along with password protected soft copies of the same before the due date, which was 26.12.2024. The Applicant then opened the sealed envelopes in the presence of CoC members and the respective RAs. The



Applicant also informed the members of the CoC that he was in receipt of email from OMPL requesting an extension of timeline for submission of resolution plan due to its inability to furnish bank guarantee on account of ongoing festive season. However, since the said request was received after opening of the resolution plan submitted by NTPC, the CoC opined that the extension to OMPL cannot be granted.

- 2.11 Pursuant to the preliminary review of the resolution plans, the Applicant informed the CoC, *inter-alia*, regarding the financial proposals received under each of the resolution plans, and the CIRP costs, which were primarily based on preliminary estimates and the actual expenses could vary over the period of time and the actual incidence of these costs as and when incurred. Such costs include revival and regulatory costs especially w.r.t installation of Flue Gas Desulphurization ('FGD') unit as mandated by the Ministry of Environment, Forest and Climate Change. It was also informed to the CoC that the unit revival expenses were towards onetime expenses involving capex and some components of which were essential for making the unit ready for production besides improving upon the efficiency parameters of the Plant going forward. It was further informed by the Applicant to the CoC that the financial proposals of the RAs do not indicate clear amount towards different categories of stakeholders/creditors and the CIRP costs. The CoC too opined that the commercial offers contained in all four resolution plans were distinct, making it challenging for the CoC to compare them. Therefore, the CoC enquired if there was a method to standardise and make the plans comparable,

enabling the CoC to assess them using the same criteria to achieve value maximisation.

2.12 The Applicant then suggested that basis his experience in other matters, the RAs can be asked to submit their offers in a uniform format which shall be provided by the Applicant, for the CoC to compare the resolution plans. The CoC concurred with this and advised the Applicant to formulate a Process Note which would provide an opportunity to all the four RAs to submit their commercial proposals against each specified criterion to address the issues. Accordingly, the Applicant released the Process Note on 29.12.2024, which was approved by the CoC vide email dated 30.12.2024, and all the RAs were given time until 03.01.2025 to submit their proposals in the format prescribed in the Process Note.

2.13 The major provisions of the Process Note are as reproduced below: -

*"4. As per the provisions of the Request for Resolution Plan dated November 26, 2024 ("RFRP"), the COC has the right to decide any method or process for negotiations with the Resolution Applicant(s) in its commercial wisdom in order to maximize the value of the assets of the Corporate Debtor.*

*5. In order to maximize the value of the assets of the Corporate Debtor, including the Identified Recoveries (as defined hereinbelow), to ensure that each stakeholder receives a clear and certain amount and/or cashflow with no deductions or set-off, and to ensure transparency in negotiation with the Resolution Applicants, each Resolution Applicant is hereby being given an opportunity to submit its commercial offer as per the format of letter prescribed in the Appendix hereto. Amongst others, the Resolution Applicant shall provide for*

*the following and all of the following shall be deemed to be part of the resolution plan submitted by the relevant Resolution Applicant:*

*(a) The Insolvency Resolution Process Costs and the other Costs (as such term is defined in the RFRP) shall be borne by the Resolution Applicant and shall be paid at actuals in priority to any payments to be made to any Operational Creditors, Other Creditors and Financial Creditors, without any deduction whatsoever to the amount payable to any stakeholder in terms of the Resolution Plan. It may be noted that the Resolution Professional has provided estimated Insolvency Resolution Process Costs in the Data Room to all the Resolution Applicants. However, the actual Insolvency Resolution Process Costs may vary depending on the requirements of the Corporate Debtor. The Resolution Applicant shall pay Insolvency Resolution Process Cost (as may be approved by the CoC) at actuals without any deduction to the amount payable to any stakeholder in terms of the Resolution Plan;*

*(b) The Corporate Debtor has certain recoveries from past period regulatory matters, including pursuant to the judgment dated November 3, 2016 passed by the Appellate Tribunal for Electricity in Appeal No. 192 of 2016 wherein Maharashtra Electricity Regulatory Commission ("MERC") has been directed to pay certain amounts ("Identified Recoveries") to the Corporate Debtor. The same has been challenged by MERC in Supreme Court (being Civil Appeal No. 372 of 2017) which is currently pending adjudication. The gross recoveries from such Identified Recoveries at actuals (which includes carrying cost, etc.) on the date of recovery (whether such recovery happens prior to or after implementation of the Resolution Plan) shall be passed on to the Secured Financial Creditors at actuals without any deductions/set-off whatsoever. For the avoidance-of doubt; it is clarified that any past period liabilities or associated risks (if any) shall not be adjusted/set-off against such Identified Recoveries and the Identified Recoveries shall be transferred to the Financial Creditors at actuals without any deductions/set-off whatsoever. It is further clarified that any adverse*

*orders in such matters shall not be to the account of the Secured Financial Creditors. The Corporate Debtor shall ensure that it will not withdraw from the matters related to the Identified Recoveries, shall keep the Financial Creditors informed of progress and shall follow such reasonable directions of the Financial Creditors as received from time to time in relation to the Identified Recoveries;*

*(c) In addition to the Upfront Cash Recovery, the Secured Financial Creditor shall be allotted 26 % of the equity shares of the Corporate Debtor.*

*6. The Resolution Applicants shall submit their commercial offer (as per the format of letter prescribed in the Appendix) latest by 6:00 pm IST on January 3, 2025 ("Submission Due Date"). The Resolution Applicant shall specify the amount payable to each class of creditor in accordance with the format of letter prescribed in the Appendix and shall not provide a comprehensive amount. To the extent there is any inconsistency between the terms of the Resolution Plan and the Appendix, the Appendix shall prevail.*

*9. The commercial offer submitted as per the format of letter prescribed in Appendix shall supersede the relevant financial proposal contained in the resolution plan submitted by the relevant Resolution Applicant on December 26, 2024 and shall be binding upon the said Resolution Applicant.*

*10. By participating in the process in accordance with this Process Note, each Resolution Applicant shall be deemed to have accepted all the terms and conditions of the Process Note and that it has clearly understood the effect and implication of the Process Note, including its rationale, reasonableness and fairness of the terms and proposed timeline and steps thereof. The present process aims to provide equal opportunity to the Resolution Applicants to participate in the resolution process and if any of the Resolution Applicant chooses not to take part in the process or withdraws, the last Resolution Plan submitted by such Resolution*

*Applicant shall be considered as final for evaluation and voting by COC, subject to such Resolution Plan being a compliant resolution plan.*

*12. This Process Note shall form an integral part of the RFRP. Except as provided herein, the RFRP shall continue to be applicable and have full force and effect and should any contradiction arise between the RFRP and this Process Note, the terms of this Process Note shall prevail. It is clarified that subject to the COC's rights under law to vote any compliant Resolution Plan as a successful resolution plan based on its commercial wisdom, the CIRP shall continue as per the terms of the RFRP (including without limitation clause 4.4.6 and 4.4.7)."*

NTPC objected to the belated issuance of Process Note after all the resolution plans were opened. All the objections pertaining to the Process Note were responded to by the Applicant on 01.01.2025. The issue of prescribing a uniform offer format was discussed in the 05<sup>th</sup> CoC meeting wherein it was opined that in terms of the provisions contained in the RFRP, the CoC has the right to decide any method of process for negotiations with the Resolution Applicants in its commercial wisdom to attain value maximisation.

2.14 The date for submitting the revised resolution plans in terms of the Process Note was extended to 10.01.2025 on 04.01.2025 and further to 27.01.2025 on 09.01.2025. All the aforesaid extensions were granted after due consideration by the CoC. In the 06<sup>th</sup> CoC meeting held on 15.01.2025, the need to raise interim finance to the tune of INR 85 crores was discussed and deliberated upon. On 23.01.2025-24.01.2025, the Applicant convened the 07<sup>th</sup> CoC meeting, wherein the CoC decided to raise interim finance from Corporate International Financial Services Limited ('CIFSL') for INR 85 crores for meeting the urgent estimated CIRP costs of the Corporate Debtor. Further, the timeline

for submission of revised unsigned resolution plan and revised commercial bid offer was extended till 05.02.2025 by the CoC on 25.01.2025.

2.15 On 04.02.2025-05.02.2025, NTPC communicated vide letter and email that they would not be revising their commercial offer as per the Process Note and instead, they sought an extension for submission of unsigned resolution plan, which was granted in the 08<sup>th</sup> CoC meeting. Following the extension granted by the CoC, NTPC submitted its unsigned resolution plan on 11.02.2025 adhering to the revised deadline. In the 08<sup>th</sup> CoC meeting convened on 06.02.2025 and 07.02.2025, the Applicant apprised the CoC that revised commercial offers as per the Process Note dated 29.12.2024, have been received from Vedanta, APL and Capri. The Applicant then opened the sealed envelopes in the presence of respective RAs, who then presented the brief contours of their revised commercial offers.

2.16 On 07.02.2025, in the re-convened 08<sup>th</sup> CoC meeting, the CoC members in addition to the Process Note released on 29.12.2024, decided on the following:

- a. Challenge Process Decision: To maximise value and protect stakeholders' interest, a Challenge Process will be conducted amongst the RAs. This process aimed to facilitate a comparative best value proposition for all stakeholders, enabling RAs to submit an all-inclusive offer, including upfront cash recovery to financial creditors, payment of CIRP costs at actuals, other costs and mandatory payments to Operational Creditors within 30 days of the approval of the Adjudicating Authority.

- b. Challenge Process Structure: The Challenge Process Structure will include an anchor bid, with all eligible RAs required to submit a revised financial proposal with a mark-up of at least INR 50 crores over the anchor bid. The anchor bidder will then have the opportunity to match or improve the highest challenge bid submitted by other RAs.

2.17 Accordingly, the Applicant issued the Challenge Process Document to all the RAs on 09.02.2025. On 14.02.2025-15.02.2025, the Applicant convened the 09<sup>th</sup> CoC meeting wherein the Applicant, *inter-alia*, provided the following updates:

- a. As per the Challenge Process Document dated 07.02.2025, all three RAs viz. Vedanta, NTPC and Capri, submitted their revised financial proposals to the RP vide emails.
- b. The Anchor Bidder i.e. Adani Power Limited, was given the opportunity to submit a revised financial proposal within 06 hours of the declaration of the Highest Challenge Bid, either matching or improving the Highest Challenge Bid. The revised financial proposal was submitted and the brief contours of the bid were informed to the CoC members.

2.18 The 09<sup>th</sup> CoC meeting was held on 14.02.2025. In terms of the Challenge Documents, the CoC informed the Applicant to request the RAs to submit their final resolution plans after incorporating the final commercial offer submitted by them during the Challenge Process and addressing the comments/observations by the legal counsels, by 6 p.m. on 18.02.2025. Pursuant thereto, the Applicant convened the 10<sup>th</sup> CoC meeting on 19.02.2025 and 21.02.2025 for evaluation of the final signed resolution plans submitted by

the RAs and voting thereupon for declaration of the Successful Resolution Applicant ('SRA'). The Evaluation Matrix Scoring Chart, as attached to the Minutes of the 10<sup>th</sup> CoC Meeting as Annexure 3, is reproduced in the table below to show the revised final bids received from the four Resolution Applicants who submitted their resolution plans and how they were evaluated by the CoC:

<b>Annexure 3: Evaluation Matrix – Scoring</b>										
Sr. No.	Parameters	Score	NTPC		Adani Power		Vedanta		Capri Global	
A	Quantitative Parameters		Value	Score	Value	Score	Value	Score	Value	Score
I	Upfront Cash Recovery to Financial Creditors within 30 days of approval of the resolution plan by the NCLT	85	2,123.37	71.38	2,528.43	85.00	2,478.88	83.33	1,928.88	64.84
II	Upfront payment to operational creditors including statutory creditors	5	6.06	5.00	1.00	0.83	0.55	0.45	0.55	0.45
	Sub Total (A)	90		76.38		85.83		83.79		65.30
B	Qualitative Parameters									
I	Ability of Resolution Applicant and group companies to turnaround distressed thermal power companies, managerial competence & technical capabilities related to thermal power companies, track record of key managerial personnel in operating thermal power companies and track record of and implementing turnaround of thermal power companies	5	-	5.00	-	5.00	-	3.00	-	0.00
II	Financial standing of Resolution Applicant and group companies / external rating of Resolution Applicant / adherence to financial discipline by Resolution Applicant / record of regulatory compliance by Resolution Applicant	3	-	3.00	-	3.00	-	2.00	-	0.00
III	Feasibility and viability of the resolution plan	2	-	2.00	-	2.00	-	2.00	-	0.00
	Sub Total (B)	10		10.00		10.00		7.00		0.00
A+B	Parameters (Quantitative and Qualitative)	100		86.38		95.83		90.79		65.30

2.19 Accordingly, the members of the CoC casted their votes on the submitted resolution plans and unanimously approved the Resolution Plan of Adani Power Limited, declaring it as the SRA. Thereafter, the Applicant issued the Letter of Intent ('LOI') dated 24.02.2025 to the SRA wherein the SRA was called upon to submit the Performance Security of INR 100 crores within three business days from the issuance of LOI as per Clause 3.3 of the RFRP. The



LOI came to be accepted by the SRA on 24.02.2025 and the Performance Security was submitted by it on 27.02.2025.

### **3. VALUATION OF ASSETS OF CORPORATE DEBTOR:**

3.1 The Resolution Professional of the Corporate Debtor, vide Engagement Letter dated 15.11.2024, had appointed two registered valuers as follows: a) For Land & Building- Fintech Valuation Advisory Ltd and Mr. Surendra Bhaurao Gordey; b) For Plant & Machinery- Fintech Valuation Advisory Ltd and Mr. Pranav Ambaselkar; and c) For Securities and Financial Assets- S. Dehaleesan and Ms. Medha Kulkarni.

3.2 The **Fair Value** of the CD's assets is mentioned in Form 'H' as **INR 1,718.89 crores** and the **Liquidation Value** of the CD's assets is **INR 1,263.50 crores**, which were determined as follows:

Particulars	Fair Value (in INR)			Liquidation Value (in INR)		
	Valuer 1	Valuer 2	Average	Valuer 1	Valuer 2	Average
Land & Building	566,20,73,546.59	563,13,00,000	564,66,86,773.30	400,45,89,720.95	422,35,00,000	411,40,44,860.47
Property, Plant & Equipment	1131,74,64,831.85	1125,64,00,000	1128,69,32,415.93	848,19,58,391.88	846,29,00,000	847,24,29,195.94
Securities/ Financial Assets	28,67,17,000	22,38,00,000	25,52,58,500	4,84,51,000	4,85,00,000	4,84,75,500
TOTAL	1726,62,55,378.44	1711,15,00,000	1718,88,77,689.22	1253,49,99,112.83	1273,49,00,000	1263,49,49,556.42

### **4. BRIEF BACKGROUND OF CD:**

4.1 The Corporate Debtor i.e. Vidarbha Industries Power Limited, is a company incorporated on 27<sup>th</sup> December, 2005 under the Companies Act, 1956. The registered office of the Corporate Debtor is in Mumbai, Maharashtra. Its authorised share capital is INR 1000,00,00,000/- (Rupees One Thousand Crores) and the

total paid-up capital is INR 14,91,63,000/- (Rupees Fourteen Crores Ninety-One Lakhs Sixty-Three Thousand Only).

4.2 The Corporate Debtor operates as a power distribution and power plants development company. It offers power generation, operation, maintenance, distribution and power sale services. It has a domestic coal-based project with a capacity of 600 MW (2X300 MW) at the Butibori Industrial Area in Nagpur, Maharashtra.

## **5. BRIEF BACKGROUND OF SRA**

5.1 The SRA has over 20 years of experience in power sector. Adani Power Limited was incorporated in 1996. The company commissioned its first thermal power unit in Mundra in 2009. The SRA is a part of Adani Group, which has 11 listed entities on the Indian Stock Exchanges including Adani Power Limited ('APL') i.e. the Successful Resolution Applicant ('SRA'). The SRA along with its affiliates and subsidiaries, is today India's largest private power producer with total installed thermal power capacity of 17,510 MW.

5.2 Over the past few years, the SRA has developed strong capabilities in Engineering, Procurement, Construction, Commissioning, Operations and Maintenance and Transmission of large supercritical units. It has also built expertise in construction and operations of large capacity, high voltage Alternate Current (AC) and Direct Current (DC) transmission lines. APL also owns and operates Bitta Solar Plant (40 MW) at Gujarat making the total installed capacity of 17,550 MW.

**6. SALIENT FEATURES OF PLAN APPROVED BY COC**

6.1 The SRA has proposed a Total Resolution Amount of INR 4000,00,00,000/-

(Rupees Four Thousand Crores only) for the resolution of the Corporate

Debtor in the following manner:

Sr. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan	Amount Provided to the Amount Admitted (%)
1.	CIRP Cost (Estimated Accrued and Unpaid)	N.A.	-	-	292,91,00,000	-
2.	Secured Financial Creditors	(b)(ii) who voted in favour of the resolution plan	6200,04,83,387	6200,03,83,387	3706,09,00,000	59.78%
3.	Unsecured Financial Creditors	N.A.	-	-	-	-
4.	Operational Creditors	(b)(iii) Employees	8,99,34,232	5,26,15,968	1,00,00,000	0.18%
		(b)(iv) Other Operational Creditors	564,13,35,217	548,62,27,485		
		Sub-Total	569,63,35,136	553,88,43,453		
5.	Other debts and dues	-	-	-	-	-
<b>Total</b>			<b>67,73,17,52,836/-</b>	<b>67,53,92,26,840/-</b>	<b>4000,00,00,000/-</b>	

6.2 **Infusion of Funds**: On or before the Effective Date i.e. within 30 days of the approval of resolution plan by NCLT, the SRA will infuse funds in one or more tranches into the Corporate Debtor by way of equity, quasi equity, and/or shareholder debt or a combination thereof, as may be determined by the SRA in its sole and absolute discretion which shall be utilised for funding the Total Resolution Amount. Further, the SRA, at its sole discretion, may infuse such additional amounts as may be required post the Effective Date, for improving the business operations of the Corporate Debtor. On the Effective Date and following the Capital Reduction, the SRA and/or its Affiliates/Nominee shall subscribe to 1,00,000 equity shares of the Corporate Debtor of INR 10 each or any other amount as determined by the SRA in its sole discretion ("Upfront Equity Infusion") such that they will hold 100% of the Share Capital of the Corporate Debtor and acquire control of the Corporate Debtor.

6.3 **Source of Funds**: (i) The fund infusion of the Total Resolution Amount and Performance Security shall be funded from the internal accruals of the Successful Resolution Applicant and/or its Affiliates (which entities shall be eligible u/s 29-A of the Code). The SRA reserves its right to raise/arrange such amounts in the form of equity shares, quasi-linked, quasi equity, debt, convertible debt, external commercial borrowings and/or preference shares and/or availing financial indebtedness including creating any encumbrance to secure it.

6.4 **CIRP Cost**: (i) Based on the information available in the Virtual Data Room as on January 31 2025, the SRA understands that the total paid CIRP cost is INR 30.51 crores and that the estimated/projected CIRP cost would be INR 1,470.57 crores.

The SRA understands that the final CIRP costs to be paid will be based on the CIRP Costs incurred till the NCLT Approval Date. In accordance with the provisions of Section 30(2)(a) of the Code, the unpaid CIRP costs shall be paid in full and in priority over all the other debts of the Corporate Debtor. Any CIRP costs which remains unpaid as of the NCLT Approval Date, will be paid out of the Total Resolution Amount on the Effective Date. The amounts to be paid towards CIRP costs shall be determined by the Resolution Professional of the Corporate Debtor and shall be communicated by the Resolution Professional of the Corporate Debtor to the SRA as soon as practicable and in any event not later than 20 days from the NCLT Approval Date.

6.5 Any Interim Period Costs from the NCLT Approval Date till the Effective Date shall be paid from the Total Resolution Amount as on the Effective Date. The amounts to be paid toward Interim Period Costs (including the unpaid Interim Period Costs) shall be determined by the Implementation and Monitoring Committee ('IMC') and shall be indicated by the Insolvency Professional and confirmed to the SRA at least 5 days prior to the Effective Date. The Interim Period Costs shall always be incurred on a reasonable basis with the approval of the IMC. For the sake of clarity, any interest accrued on the interim finance availed by the Corporate Debtor during the period from the NCLT Approval Date till the Effective Date shall be paid as part of Interim Period Cost by the SRA on the Effective Date.

**6.6 Treatment of Financial Creditors:**

- i. Post the payment of unpaid CIRP costs, unpaid Interim Period Costs, Other Operational Creditors, Workmen, Employees and Government and

Statutory Authorities & Other Creditors provisioned amount and other mandatory payments in accordance with the terms of this Resolution Plan, the Financial Creditors shall be paid the balance Total Resolution Amount towards full and final settlement and discharge of the Admitted Financial Creditor Debt. On the Effective Date, signed No Dues Certificate shall be provided by the Financial Creditors to the IMC.

- ii. For avoidance of doubt, it is clarified that bank guarantees issued by the Financial Creditors, whether invoked or uninvoked, whether claimed or not, shall be treated in accordance with the terms of this Resolution Plan applicable to the Admitted Financial Creditor Debt and any rights of the issuers or the sureties of such guarantees including any right of reimbursement, indemnity and/or subrogation, shall stand permanently extinguished as of the Effective Date on and with effect from the NCLT Approval Date. The Financial Creditors who have issued such guarantees will not have any further recourse to the SRA and/or the Corporate Debtor under the law of contract or tort or any other remedy, other than receiving payments in terms of this Resolution Plan. If any amount is realised by the Corporate Debtor subsequent to the Effective Date in relation to the said bank guarantees, then such amount shall belong to the Corporate Debtor/SRA.
- iii. Inter-se creditor distribution of any amount payable to the Financial Creditors shall be at the discretion of the CoC. NIL payment is proposed to be paid to the Financial Creditors classified as Related Party of the Corporate Debtor, if any.

- iv. The Admitted Financial Creditor Debt less the Financial Creditor Payments (being the Balance Admitted Financial Creditor Debt) except the Admitted Financial Creditor Debt of the Financial Creditors under ECB Category shall stand converted into equity shares of the Corporate Debtor and shall be simultaneously subjected to Capital Reduction as specified in Section 3 (Acquisition as a Going Concern) of this Resolution Plan, without any further action or deed required from the Corporate Debtor. Further, the Balance Admitted Financial Creditor Debt of the Financial Creditors under ECB Category shall be extinguished and shall become Nil without any further action or deed required from the Corporate Debtor.
- v. The Resolution Plan shall not affect the validity and enforceability of (i) the personal guarantees executed by persons in the Promoter Group; (ii) the corporate guarantees executed by third parties; (iii) any security created by a third party, as of the CIRP Commencement Date, for securing the debt of the Corporate Debtor and the secured Financial Creditors shall be entitled to take all steps and remedies and recourse available to them under the applicable laws for recovery of unrecovered debt from such guarantors under their respective security documents.

**6.7 Treatment of Operational Creditors:**

- i. As per the List of Creditors as on December 30 2024, based on information available in the Virtual Data Room ('VDR'), claims of Operational Creditors aggregating to approximately INR 569,63,35,136/- have been submitted for the purpose of CIRP to the RP, out of which the claims aggregating to INR 551,40,76,068 have been verified and admitted and INR 14,49,40,805/- is

currently under verification for the purposes of the CIRP by the RP as on December 31, 2024 ("Admitted Operational Creditor Debt").

- ii. In the Resolution Applicant's assessment, the Liquidation Value is insufficient to even satisfy the claims of the Financial Creditors in full and therefore, the amounts payable to the Operational Creditors in compliance with Section 30(2)(b) would be NIL.
- iii. As per the List of Creditors as on December 30 2024, based on information available in the VDR, claims of Employees have been filed for an amount of INR 8,99,34,232/- out of which claim of INR 5,26,15,968/- has been admitted by the RP ("Admitted Employees Debt") and a claim of INR 3,73,18,264/- has not been admitted by the RP. In the Resolution Applicant's assessment, the Liquidation Value is insufficient to even satisfy the claims of the Financial Creditors in full and therefore, the amounts payable to the Employees-Operational Creditors in compliance with Section 30(2)(b) would be NIL.
- iv. Inter-se distribution of the amounts payable to the Operational Creditors shall be at the discretion of the CoC.
- v. The SRA confirms that the amounts of existing PF contributions are not assets of the Corporate Debtor, but assets held by the Corporate Debtor in trust for their beneficiaries and shall be distributed to the respective beneficiaries in accordance with the applicable laws. The SRA further understands that the Corporate Debtor may have outstanding contributions to be made under the provisions of Provident Fund Act and the Payment of Gratuity Act, 1972. Outstanding contribution, if any, pertaining to the period



prior to the Effective Date shall be made from the Total Resolution Amount or if due subsequently, would be met in ordinary course.

**6.8 Treatment of Workers' Dues:** As per the IM and the List of Creditors provided by the RP, no claims have been made yet by any workmen. Therefore, NIL amount is currently proposed to be paid to workmen.

**6.9 Payment towards the Statutory Dues:** As per the IM and the List of Creditors provided by the RP, no claims have been made yet by any Government and Statutory Authorities. Therefore, NIL amount is currently proposed to be paid to Government and Statutory Authorities.

**6.10 Payment to Other Creditors:** As per the List of Creditors as on December 31 2024, based on information available in the Virtual Data Room ('VDR'), claims of Other Operational Creditors have been filed for an aggregate amount of INR 560,64,00,904 out of which claims aggregating to INR 546,14,60,100 have been verified and admitted by the RP and the claims aggregating to INR 14,49,40,805/- are under verification. In the Resolution Applicant's assessment, the Liquidation Value is insufficient to even satisfy the claims of the Financial Creditors in full and therefore, the amounts payable to the Other Operational Creditors in compliance with Section 30(2)(b) of the Code would be NIL. However, out of the Total Resolution Amount, the Resolution Applicant proposes to pay Other Operational Creditors & Workmen and Employees & Government and Statutory Authorities & Other Creditors Provisioned Amount as adjusted for any amounts (which shall be at the discretion of the CoC) to be made to Employees and Workmen, Government and Statutory Authorities and Other Creditors towards Admitted Employees Debt, Admitted Workmen Debt,

Admitted Government and Statutory Authorities Debt and Other Creditors Debt as provided for under subclauses 1.2.1 (5), 1.2.1 (6) and 1.2.1 (7), respectively, as an ex gratia payment ("Other Operational Creditors Payments") towards full and final satisfaction and discharge of Admitted Other Operational Creditors Debt.

6.11 **Capital Reduction, extinguishment and re-issue of shares:**

- i. Under the Resolution Plan, no payment is proposed to be made to the existing shareholders of the Corporate Debtor.
- ii. Unless otherwise specified in the Resolution Plan, any Financial Debt, Operational Debt and Other Debt whether or not appearing in the books of account of the Corporate Debtor, whether admitted, rejected or kept under verification, whether or not set out in the Information Memorandum, VDR or the balance sheets of the Corporate Debtor, in relation to any period till the Effective Date shall stand converted into equity shares of the Corporate Debtor and shall simultaneously and permanently stand cancelled and extinguished pursuant to the Capital Reduction, without any further action or deed required from the Corporate Debtor. It is clarified that no consent shall be required from such creditors.
- iii. The pre-CIRP issued equity share capital of the Corporate Debtor existing as on the Effective Date together with the equity shares that are issued pursuant to conversion of any convertible instruments held by shareholders of the Corporate Debtor shall be entirely cancelled and extinguished for NIL consideration. In other words, the Capital

Reduction shall not require any payment by the Corporate Debtor or the SRA to any existing shareholders of the Corporate Debtor.

- iv. The Capital Reduction shall not require consents of any of the shareholders or creditors of the Corporate Debtor or of any other person having security interest over such shares, and the approval of NCLT to the Resolution Plan u/s 31 of the Code shall constitute approval of the reduction of share capital and shall be binding on the Corporate Debtor and its stakeholders. Further, there shall be no requirement to add “and reduced” in the name of the Corporate Debtor.

6.12 **Formation of Monitoring Committee**

- i. Upon the occurrence of the NCLT Approval Date, a committee shall be constituted which shall comprise of one nominee on behalf of the Designated Lender (i.e. CFM Asset Reconstruction Pvt Ltd), the Insolvency Professional and one nominee of the SRA (“Implementation and Monitoring Committee).
- ii. On and from the NCLT Approval Date and till the Effective Date, the management and affairs of the Corporate Debtor shall be managed by the Implementation and Monitoring Committee (‘IMC’). The IMC shall stand dissolved on and from the Effective Date without any further action or deed required from the Corporate Debtor.
- iii. Implementation of the Resolution Plan shall commence from the NCLT Approval Date, provided there is no stay on the implementation of the Resolution Plan by any Appellate Authority or Tribunal or Court. In the event there is any stay by any Appellate Authority or Tribunal or Court

on the implementation of this Resolution Plan, then the implementation shall commence from the date on which the said stay is vacated ("Stay Vacation Date"). Post the NCLT Approval Date, the SRA will take necessary steps to implement the Resolution Plan, which shall not be later than 30 days from the NCLT Approval Date or the Stay Vacation Date, as the case may be ("Effective Date").

- iv. On and from the NCLT Approval Date till the Effective Date, the powers of the existing suspended Board of Directors of the Corporate Debtor shall continue to remain suspended. On the Effective Date, the suspended Board of Directors of the Corporate Debtor shall be dissolved and all directors of the suspended Board of Directors of the Corporate Debtor shall be deemed to have resigned without any further act or deed from any other person, and the Resolution Applicant shall reconstitute the Board of the Corporate Debtor on such date in accordance with Applicable Law.
- v. The Implementation and the Monitoring Committee shall be vested with powers and shall be responsible for the actions as set out in this Resolution Plan. By virtue of the NCLT approving this Resolution Plan, the Implementation and Monitoring Committee of the Corporate Debtor shall have the (i) right to remove and appoint the statutory auditor of the Corporate Debtor; (ii) conduct audit of the Corporate Debtor; (iii) to approve the financials of the Corporate Debtor, without any obligation to obtain consent for the above mentioned actions under (i), (ii) and (iii)

from any existing shareholders of the Corporate Debtor and any other authority under the Companies Act.

- vi. The terms of appointment of the members of the Implementation and Monitoring Committee (including the Insolvency Professional), and details of the functioning of the Implementation and Monitoring Committee and appointment of any advisors (including insolvency professional entity) to the Implementation and Monitoring Committee (if required) will be finalized by the Designated Lender and the Resolution Applicant jointly at the first meeting of the Implementation and Monitoring Committee after the NCLT Approval Date.
- vii. Any costs relating to such appointments and the operation of the Corporate Debtor as a going concern and any legal fees in respect thereof (i.e. Interim Period Costs) shall be paid on the Effective Date, out of the Total Resolution Amount. All discussions between the members of the Implementation and Monitoring Committee shall be minutised.
- viii. All the decisions of the implementation and Monitoring Committee including its decisions pursuant to the powers rendered in sub-section 7.1.8 of the resolution plan, shall be taken through affirmative voting. Each member of the Implementation and Monitoring Committee shall have one vote each and the mandate for any particular decision shall be decided by way of majority, without any casting vote.
- ix. Notwithstanding the provisions of this Section 7 (Management of Corporate Debtor After NCLT Approval) of the Resolution Plan,

pursuant to this Resolution Plan and by virtue of the NCLT order, on and from the Effective Date, the Successful Resolution Applicant shall be entitled to exercise sole and absolute control over the affairs of the Corporate Debtor in accordance with Applicable Law.

6.13 **Implementation of the Resolution Plan:**

- i. Upon being declared as successful, Resolution Applicant shall pursuant to the approval granted to the Resolution Plan, obtain the necessary approval required under any law for the time being in force in accordance with Section 31(4) of the Code within a period of 1 (one) year from the NCLT Approval Date or within such period as provided for in such Applicable Law, whichever is later. It is clarified that as per the assessment of the Resolution Applicant, the approval of the NCLT is the only approval required for the purpose of implementation of the Resolution Plan.
- ii. As per the Resolution Applicant's assessment, the approval from Competition Commission of India ("CCI") is not required. However, if such approval is required, the Resolution Applicant shall obtain the requisite approval from CCI for implementation of the Resolution Plan. The CCI approval, in accordance with the judgement of Arcelor Mittal India Pvt. Ltd. vs Abhijit Guhathakurta, Resolution Professional of EPC Constructions India Ltd. & Ors., in Company Appeal (AT) (Insolvency) No. 524 of 2019 pronounced by the Hon'ble NCLAT, New Delhi Bench, will need to be provided by the CCI before the approval of the Resolution Plan by the NCLT.

- iii. The implementation of this Resolution Plan by the Resolution Applicant shall not be conditional upon satisfaction of any conditions except for the occurrence of the NCLT Approval Date. The Resolution Applicant further undertakes and confirms that, on and from the NCLT Approval Date, all obligations and commitments, financial or otherwise, undertaken by it under this Resolution Plan towards the Financial Creditors, and any other stakeholders, shall be binding on it, and shall subsist and be in full force and effect irrespective of whether any reliefs, waivers or concessions sought by the Resolution Applicant are granted by the NCLT, NCLAT, the Supreme Court of India, or any other judicial, quasi-judicial, regulatory or administrative entity, department or authority.

iv. **Timeline for Implementation**

<b><u>Actions</u></b>	<b><u>Timelines</u></b>
Plan Approval Date and Formation of MC	T
Upfront Equity Infusion and payment of Total Resolution Amount	E=T+30 days
Payment of CIRP Costs, Interim Period Costs, Financial Creditor Payments, Other Operational Creditors & Workmen and Employees & Government and Statutory Authorities & Other Creditors Provisioned Amount and all other mandatory payments from the Total Resolution Amount required to be made in accordance with the Code.	E
Handover of No Dues Certificate simultaneously with the payment of the Total	E

Resolution Amount and Return of Performance Bank Guarantee.	
Issuance and allotment of equity in accordance with Clause 3.2 of Section 3 (Acquisition as a Going Concern) of the Resolution Plan and Capital Reduction.	E
Both the IMC and the existing Suspended Board of the Corporate Debtor shall be dissolved and the SRA will constitute a new Board of the Corporate Debtor.	E, but after payments/settlement of dues payable to Financial Creditors.

6.14 **Additional Affidavit dated 27.03.2025**: The learned RP/Applicant has, pursuant to the directions issued by this Tribunal at the hearing held on 20.03.2025, filed an Additional Affidavit dated 27.03.2025, placing on record the following:

- a. A list containing the admitted claims of operational creditors (including employees) as on 18.02.2025-Annexure 'A'. As per the List of Creditors at Annexure 'A' to the Additional Affidavit, with respect to the Operational Creditors (other than Employees), the Amount Claimed is INR 5,64,13,35,217/- and the Amount of Claim Admitted is INR 5,48,62,27,485/- and with respect to the Operational Creditors (Employees), the Amount Claimed is INR 8,99,34,232/- and the Amount of Claim Admitted is INR 5,26,15,968/-. The learned Senior Counsel Mr. Gaurav Joshi appearing for the RP has made a statement across the bar that all claims other than those admitted are deemed to have been rejected.



- b. It is stated in the aforementioned Additional Affidavit that the claims pertaining to Provident Fund and Gratuity dues were not separately filed. However, such claims form part of the overall employees claims. Considering that the claims pertaining to Provident Fund and Gratuity dues are subset of the claims filed by employees, the RP has derived the claims pertaining to Provident Fund and Gratuity dues respective to each employee from the Corporate Debtor's records. A list containing detailed break-up of Provident Fund and Gratuity dues owed to respective employees of the Corporate Debtor is annexed to the Additional Affidavit and marked as Annexure B. As per the said list, the amount of Employees Provident Fund Dues for the period from March 2023 to September 2024 is INR 24,83,544/- and the amount of gratuity due to the employees as per the policy is INR 30,55,049/-.
- c. The Affidavit dated 25.03.2025, has been deposed by the SRA, addressed to the RP of the Corporate Debtor stating that any revival/repair/maintenance/ upgradation cost will be borne by the SRA in addition to the amounts offered under the resolution plan. The copy of the said affidavit is attached to the Additional Affidavit dated 27.03.2025 and marked as Annexure C. The relevant extracts of the said affidavit are reproduced hereinbelow:

*"5. I state that, as per the Plan, the SRA acknowledges that the estimated cost provided for revival, maintenance, repair and upgradation of the plant is only an estimated cost (forming part of estimated CIRP cost), which may not be incurred completely during the ongoing CIRP process. In this regard, I affirm and clarify that the revival, maintenance,*

*repair and upgradation cost, to the extent required after the SRA takes over the Corporate Debtor upon approval of the Plan by the Hon'ble Tribunal, will be paid by the SRA out of its own resources and in addition to the Plan offer of INR 4,000 crores.*

*6. I also clarify that the balance sum out of the estimated CIRP cost indicated in the VDR that has not been incurred on revival, maintenance, repair and upgradation of the plant as on the approval of the Plan by the Hon'ble Tribunal, will accrue in favour of the Financial Creditors. The Plan offer of INR 4,000 Crore is towards the resolution of the Corporate Debtor and its acquisition by the SRA in the manner stated in the Plan on "as is what is and whatever available" and "without recourse basis".*

*7. Therefore, I clarify that, in the event the entirety of the estimated CIRP Cost is not incurred as on date of the Hon'ble Tribunal approving the SRA's Plan, the SRA undertakes to not raise any issue or take any recourse in this regard."*

- d. The details of duly approved CIRP cost and the basis for initially estimating the CIRP costs of INR 1,470 crores and thereafter substantial reduction of the same, is annexed as a note on estimated cost and utilization thereof, marked as Annexure D to the Additional Affidavit. The relevant portion of the same are reproduced below:

*"4. As the tender was awarded for 2 years to the O&M agency, through its assessment, the agency estimated costs under three major buckets, being (a) Plant revival so that power generation from units can commence; (b) sustainable operation of the Plant (infrastructure, reliability and capital spares) and (c) improvement to achieve key performance indicators of the Plant. The broad estimation is as below:*

*a. Plant Revival: As priority was defined to make the units operative, therefore, the O&M agency executed the works related to revival of both the units with which units could safely start generation. Towards achieving the aforesaid objective, INR 156.90 Crore*

*(approximately) has been already incurred as of date. The scope of work undertaken for revival is explained in Appendix A. At present both the units are in ready-to-operate condition and awaiting statutory approval like Consent to Operate and permission from Petroleum and Explosives Safety Organisation.*

*b. Sustainable Operation, Works related to revival of infrastructure which are related to sustainable operations were envisaged to be taken up after units' operations. Moreover, the execution period for establishing sustainable operation and revival of infrastructure of a thermal power plant varies from 9 to 12 months, expenses were estimated to the tune of INR 513 Crore (approximately). While the work is continuing, however until approval of resolution plan by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), the balance work is in progress.*

*Major items in this category consist of the following:*

- i. Infrastructure items such as OHC/Admin/Canteen building: INR 85 Crore (approximately);*
- ii. Reliability and Sustenance consisting of the following work: INR 276 Crore (approximately) a. C&I and electrical system upgradation which includes DCS/ PLC/ Charges/ GCB etc. b. Mechanical system like Mill rejects, AHP & CHP systems, Service & Fire water lines etc.*
- iii. Capital spares and vital spares for inventory build-up related to BTG & BOP: INR 152.50 Crore (approximately).*

*c. Besides, for performance improvements, cost of INR 66 Crore (approximately) has been estimated. This scope of work relates to improvement of 'Heat Rate' and auxiliary power consumption mainly through change of cooling tower fills, air preheater basket and measures to control high energy drain to achieve the key performance indicators of the Plant.*

*d. Further, a contingency cost of INR 120 Crore (approximately) has been taken in the estimate. This is contingent upon any work required in GT, generator rotor, HIP rotor, LP turbine rotor, etc. or any major work in raw water system, CHP and AFIP after inspection and trial.*

*5. In addition to the above, the Fuel Gas Desulphurization plant ("FGD") was required to be installed at the Plant, to comply with environmental norms. A cost of INR 480 Crore (approximately) was estimated on this count as a regulatory capex requirement. However, as per the amended notification dated 30.12.2024 issued by the Ministry of Environment, Forest & Climate Change, the deadline for installation of FGD, has been extended by three years. Hence, this is unlikely to be incurred during the CIRP period.*

*Conclusion:*

*6. As such, out of the total estimated cost of INR 856.60 Crore towards one-time unit's revival cost (as explained in paragraph no. 4 above) and INR 480 Crore towards FGD erection and installation (as explained in paragraph no. 5 above), aggregating to INR 1,336 Crore, the O&M agency successfully completed the plant revival and certain other work at a cost of INR 157.46 Crore (as detailed in paragraph no. 4(a). Further, the balance work is ongoing.*

*7. The above costs are in addition to an amount of INR 88.50 crores estimated for services provided by O&M Agency during the process (from date of appointment w.e.f. 01.11.2024 till March, 2025) in terms of the O&M Contract. However, basis the work done in terms of the contract, the O&M agency raised an invoice of INR 66.50 crores until March, 2025.*

e. Certification from the RP providing details of CIRP cost approved, paid and remaining unpaid as on the date of the order i.e. 20.03.2025 is annexed hereto and marked as Annexure E to the Additional Affidavit. The details of

estimated, paid and unpaid CIRP cost till 20<sup>th</sup> March, 2025 as contained in Annexure E to the additional affidavit are reproduced below:

Vidarbha Industries Power Limited Note on Estimated Paid & Unpaid CIRP Cost till March 2025 Amount in INR crore					
Sl. No.	Particulars	Estimated CIRP Cost (in INR cr)	Paid (in INR cr)	Estimated Accrued & Unpaid (in INR cr)	Remarks
1	O&M Monthly charges	88.50	-	66.55	Estimated based on actual invoices received till date
2	Interim Finance Repayment (incl. interest)	27.32	-	38.85	Based on drawdown till date and estimated interest till 31st March 2025
3	IBBI Regulatory Fees	-	-	10.00	Estimated at 0.25% of INR 4000 Cr. However, actual amount payable will be based on the payments to creditors after deduction of CIRP Costs.
4	Coal Freight	7.60	-	5.33	The invoice is raised based on the coal delivered and is an ongoing process. The amount was estimated for the lifting of the entire stock and currently lifting has not been completed.
5	O&M Reimbursement	3.58	-	7.86	Based on information provided as on date by O&M agency for coal freight, electricity, and license fees incurred on behalf of VIPL.
6	Process related costs	3.58	0.52	3.87	Refer Annexure 1
7	Electricity	1.97	-	3.12	The estimated unpaid is based on the actual consumption of electricity and the bills received
8	Employee Costs	0.54	0.33	0.23	Estimated for the month of March-25
9	Statutory Payments (TDS, PF, GST, PT)	-	0.23	-	
10	Admin expenses & Miscellaneous Cost	0.88	0.41	0.16	
A	Estimated CIRP Cost	133.97	1.48	135.97	
1	One-time unit revival costs	856.60	-	156.94	This is based on the preliminary estimates provided by the O&M agency encompassing significant material and service costs. Some of these costs have been incurred at site, however a large part remains outstanding as various licenses such as consent to operate, railway clearance, water and irrigation and factories license are yet awaited. The final liability will be crystallised closer to the disbursement date of the resolution plan proceeds to the creditors.
2	FGD Costs	480.00	-	Nil	In the original estimated CIRP costs an amount of ~ INR 480 Cr was towards the installation of Flue Gas Desulfurization plant (FGD), a regulatory Capex requirement. As per the amended notification dated 30th December 2024 issued by Ministry of Environment, Forest & Climate Change, the deadline for installation of FGD, has been extended by three years. Hence this is unlikely to be incurred during the CIRP period.
B	Estimated CIRP Cost (one time unit revival costs)	1,336.60	-	156.94	
	Total	1,470.57	1.48	292.91	
<b>Notes</b> 1: INR 27.32 Cr has been paid towards Coal Procurement & INR 10.40 Cr has been paid towards EMD for Coal Auction. However, since these have been paid from Interim Finance, the same have not been shown above as part of Paid 2: Invoices for monthly payments have been estimated till 31st March 2025 3: Apart from the above payments of INR 1.48 Cr, an amount of INR 3.35 Cr has been made till 31st Jan'25. 4: Above numbers are based on estimates and information available with the RP as on date and are subject to updation on receipt of final invoices.					

f. The revised Form H, reflecting the pay-outs to the secured financial creditors and other stakeholders, after consideration of the updated CIRP cost as of 20.03.2025, is annexed hereto and marked as Annexure F.

6.15 **Additional Affidavit dated 02<sup>nd</sup> April, 2025**: The learned RP of the Corporate Debtor has sworn in and placed on record a further Additional Affidavit dated 02.04.2025, which states as under:

- i. The learned RP states that he received an email from the SRA on 01.04.2025 proposing an alteration in the resolution plan, exercising its right provided under Clause 3.7.1 of the Resolution Plan, qua the treatment of dues of the Operational Creditors of the Corporate Debtor.
- ii. The learned RP states that as per the terms of clause 1.2.1(4) to clause 1.2.1(6) read with clause 2.3.5, 2.3.8(viii) and (ix), clause 2.3.9 (v) and (vi), clause 2.3.10 (vii) and (viii) and clause 3.3(v) to (vi) of the Resolution Plan, the remaining/ balance debt of the Operational Creditors after payment to such Operational Creditors as per the Resolution Plan was required to be converted into equity shares of the Corporate Debtor and simultaneously subjected to capital reduction. However, as per the alteration/ modification communicated by the SRA vide email dated 01.04.2025, such remaining debt of the Operational Creditors shall now be extinguished without any conversion of such debt into equity shares.
- iii. Considering the urgency of the instant application which was then listed for hearing on 04.04.2025, a notice via email dated 01.04.2025 was circulated to the members of the CoC for convening 11<sup>th</sup> CoC meeting to be held on 01.04.2025 to discuss and deliberate upon the alteration/ modification proposed by the SRA in the Resolution Plan as also to ratify the delay in the notice of the 11<sup>th</sup> CoC meeting.

- iv. Accordingly, the 11<sup>th</sup> CoC meeting was held on 01.04.2025 at 7:15 PM, wherein the CoC deliberated on the modification proposed by the SRA in the Resolution Plan and unanimously approved it. The CoC noted that in light of clause 3.7.1 of the Resolution Plan, the SRA is permitted to alter the Resolution Plan unless such alteration impacts the timeline and pay-out to the stakeholders of the Corporate Debtor.
- v. The SRA also submitted an affidavit/undertaking dated 02.04.2025, containing the details of the alteration/ modification proposed by it in view of deliberation of CoC in its 11<sup>th</sup> meeting and in terms of the email dated 02.04.2025 of the RP in pursuance of the deliberation in the 11<sup>th</sup> CoC meeting. The extracts of the resolution passed in the 11<sup>th</sup> CoC meeting are reproduced hereunder:

*“Update on CIRP: The RP informed the members that the approved resolution plan of Adani Power Limited was filed with Hon’ble NCLT Mumbai and the matter was heard on 20<sup>th</sup> March, 2025.*

*The RP and the legal counsels updated the members on the hearing and further informed them that as per the order dated 20<sup>th</sup> March 2025, the Ld. Tribunal directed the RP to file an additional affidavit within 7 days. This affidavit was filed on 27<sup>th</sup> March, 2025.*

*The RP informed the members that the detailed update of the hearing, the order dated 20<sup>th</sup> March 2025, and the additional affidavit filed on 27<sup>th</sup> March 2025 have been shared with the CoC members for their reference and records. Further, the next date of hearing is scheduled on 4<sup>th</sup> April, 2025.*

**Email received from the Successful Resolution Applicant (SRA):**

*The RP informed the members that he had received an email dated 01<sup>st</sup> April, 2025 from the SRA. The said email was shared with the CoC members for their perusal. Considering the next date of hearing is 04<sup>th</sup> April 2025, the CoC members requested RP to hold a meeting of the CoC as soon as possible to discuss the aforesaid communication from the SRA.*

*In the aforesaid email, the SRA stated that in exercise of their right under Clause 3.7.1 of the Resolution Plan, they would like to modify the treatment of the Operational Creditors. The SRA has confirmed that they shall extinguish the remaining debt of the OCs (post adjustment of the amount proposed under the Resolution Plan) without any conversion of debt into equity followed by capital reduction. Further, they confirmed that this is only a change in the acquisition structure and the amounts receivable by any stakeholder of the Corporate Debtor along with the timelines as envisaged under the Resolution Plan remains unaltered. They had requested the CoC to grant an approval for the same.*

*The CoC members requested the legal counsels to advise if such a request from the SRA can be considered by the CoC and whether such an update is allowed under the IBC after submission of the resolution plan to the Hon'ble NCLT.*

*The legal counsels informed the members that as per the terms of the resolution plan, the SRA has reserved the right to make any alteration in the acquisition structure without affecting the commercials or timelines with the approval of the CoC. Further, the proposed modification is not affecting any commercials w.r.t stakeholders or any timelines as envisaged in the approved resolution plan and the Total Resolution Amount remained the same. Further there are past precedence whereby the SRA has made similar modification after the NCLT approval, while in this case, the proposed alteration is prior to the NCLT approval. Hence, NCLT should be kept informed of the same.*



*The CoC members noted that basis the discussions held during the meeting and as informed by the legal counsels, this proposed modification has no financial impact on any stakeholders. Further, the SRA is well within their rights to make this updation as per clause 3.7.1 of the resolution plan. Hence, the CoC members informed the RP that they do not have any objections to this alteration.*

*The CoC members and the legal counsels agreed that that the SRA shall be requested to submit an undertaking/ affidavit in relation to the alteration and the same be placed before the Hon'ble NCLT by way of an affidavit by the RP.*

*Other matters: The RP informed the members that since the company has recently participated in auctions and procured coal, the company has expressed its willingness to participate in a tender issued by Adani Energy Solutions Limited through Powerpulse Trading Solutions Limited for supply of 540MW of power from the company's thermal power station.*

*The RP then informed the members that the 10<sup>th</sup> CoC meeting was held on 14<sup>th</sup> February, 2025. The minutes of the 10<sup>th</sup> CoC meeting were circulated to the CoC members. No comments have been received subsequent to circulation of the minutes from the CoC members. Accordingly, the same was ratified by the members.*

*The RP also informed the members that the 11<sup>th</sup> CoC meeting was held basis an urgent request received from CoC members. Hence, the RP requested the ratification of the short notice for the current meeting. The CoC members ratified the same.*

*There being no other business to transact, the meeting concluded with a vote of thanks to the Chair."*

6.16 The Applicant has also filed a Praecipe to bring on record additional documents in the CIRP of the Corporate Debtor in order to satisfy the queries posed by the Bench. The said Praecipe was filed at the time of the hearing

held on 04.04.2025 when the matter was reserved for order and the documents annexed thereto have been taken on record. Under the said Praecipe, the Applicant has brought on record the following documents: 1) The notification dated 07.03.2024 issued by the Ministry of Corporate Affairs; 2) The Performance Bank Guarantee dated 24.02.2025 issued by the Successful Resolution Applicant; 3) Valuation Report of the Corporate Debtor submitted by Fintech Valuation Advisory Private Limited; 4) Valuation Report of the Corporate Debtor submitted by S Dehaleesan, Chartered Accountant & Registered Valuer; 5) Valuation Report of the Corporate Debtor submitted by Medha Kulkarni, Reg. No. IBBI/IPA-001/IP-P00121/2017-2018/10263; 6) Valuation Report of the Corporate Debtor submitted by Pranav Ambaselkar, Reg. No. IBBI/RV/02/2019/11944; and 7) Valuation Report of the Corporate Debtor submitted by Surendra Gordey, Reg. No. IBBI/RV/02/2020/012877. During the course of hearing, the learned RP has satisfied us that the prior approval of the Competition Commission of India ('CCI') is not required under the provisions of the Competition Act, 2002. Ld. Sr. Counsel appearing for the RP has apprised the Bench of the Notification dated 07<sup>th</sup> March, 2024 vide S.O. 1131(E), by virtue of which the acquisition of the Corporate Debtor by the SRA is exempted from the application of Competition Act, 2002 and thus, no prior approval of CCI is required for approving this resolution plan.

6.17 The relevant extract of the aforesaid Notification is reproduced as under:

MINISTRY OF CORPORATE AFFAIRS

NOTIFICATION

New Delhi, the 7th March, 2024.

**S.O. 1131(E).**— In exercise of the powers conferred by clause (a) of section 54 of the Competition Act, 2002 (12 of 2003), the Central Government, in public interest, hereby exempts the enterprises being parties to —

- (a) any acquisition referred to in clause (a) of section 5 of the Competition Act;
- (b) acquiring of control by a person over an enterprise when such person has already direct or indirect control over another enterprise engaged in production, distribution or trading of a similar or identical or substitutable goods or provision of a similar or identical or substitutable service, referred to in clause (b) of section 5 of the Competition Act; and
- (c) any merger or amalgamation, referred to in clause (c) of section 5 of the Competition Act,

where the value of assets being acquired, taken control of, merged or amalgamated is not more than rupees Four hundred and fifty crore in India or turnover of not more than rupees One thousand two hundred and fifty crore in India, from the provisions of section 5 of the said Act for a period of two years from the date of publication of this notification in the Official Gazette.

**7. ADDITIONAL AFFIDAVIT DATED 08.05.2025:**

7.1 Concerns were raised with respect to the Process Note and the clarifications sought by NTPC were responded to by the Applicant vide his Letter dated 08.01.2025. The concerns raised and clarifications sought by NTPC were in relation to: a) Transparency of the Process Note; b) Treatment of resolution plans in a situation the requisites prescribed under Paragraph 5(a) - (c) are not complied with; c) Allotment of 26% equity shares, as requested by secured financial creditors; d) Reasoning for providing treatment of receivables in relation to Civil Appeal No. 372 / 2017 filed by Maharashtra Electricity Regulatory Commission ("MERC"); and e) Alleged material change in the RFRP process.

7.2 This Bench had, vide Order dated 07.05.2025, de-reserved the IA(IBC)(Plan) No. 29(MB)/2025, which was reserved vide Order dated 04.04.2025, and

sought the following clarifications, additional information, explanations and documents in support thereto:

- a. In case the CFM ARC has issued any Security Receipts (SR) for debt acquisition from erstwhile lenders or to any other entity, share the details and explain the relationship, if any, between the SR holders and the SRA/others.*
- b. Whether any communication sent by the RP to other PRA's regarding notification dated 31.12.2024 of Government of India regarding deferment of requirement of installing FGD? Submit proof, if any.*
- c. Explain rationale of decision of spending Rs. 1470 crore as affirmed by COC in meeting dated 24.01.2025, when on 28.03.2025 CIRP period of 180 days was expiring, and no extension was ever sought from this Tribunal for extending CIRP period.*
- d. Whether RP intimated all the PRAs regarding reduction in CIRP cost from Rs. 1470 crores to nearly Rs. 300 crores? Submit proof, if any.*
- e. Submit the copy of all plans received in the CIRP of the Corporate Debtor.*
- f. Whether issue of process note dated 29.12.2024 adheres to the requirements as laid down in CIRP Regulations, more particularly Regulation 36(B)(3)(5) & (7). Explain.*
- g. Provide the minutes of the COC meeting where cost of repairs/revival was approved as claimed in the Application.*
- h. Provide copy of COC minutes where COC approved withdrawal of appeal before APTEL filed against Adani Electricity Mumbai Ltd.*
- i. Clarify whether shorter notice/agenda for 11<sup>th</sup> COC meeting meets the Regulation 18 and 19 of CIRP Regulations.*

7.3 In response to the above queries and to address the concerns, the learned RP has filed an Additional Affidavit dated 08.05.2025 giving answers and

explanations to the clarifications sought by the Bench, the contents of which are summarised hereinbelow:

- a. In response to query (a), the learned RP states that he issued an email to CFM Asset Reconstruction Private Ltd. ("CFM") in pursuance of order dated 07.05.2025 of this Tribunal. In response thereto, CFM, vide email dated 08.05.2025, provided the names of the four SR holders i.e. (i) AL Maha Investment Fund PCC - ONYX Strategy, (ii) Coeus Global Opportunities Fund, (iii) Old Compton Holdings Ltd. and (iv) CFM. Basis the said email, the RP issued an email to the SRA seeking a confirmation/affidavit whether it is a related party to any of the SR holders. In response thereto, the SRA provided an affidavit dated 08.05.2025 confirming that it is not a related party or a connected person with any of the SR holders. The said affidavit is attached as Annexure A-4 to the said Additional Affidavit dated 08.05.2025.
- b. In response to query (b) above, the learned RP states that the notification dated 30.12.2024 issued by the Ministry of Environment, Forest and Climate Change, Government of India was issued after the resolution plans were originally submitted by the RAs on 26.12.2024. The notification was publicly available and widely reported in the media. However, in the interest of sharing information and keeping the RAs informed, **the notification was uploaded on the VDR on 22.01.2025, and the same was not individually sent to any RA, including the SRA.** A copy of the notification dated 30.12.2024 and the VDR Log evidencing the upload and access by the participants is annexed to the Additional Affidavit.

c. In response to query (c) above, the RP states that he had already filed an Additional Affidavit dated 27.03.2025 in compliance with the Tribunal's Order dated 20.03.2025. In the said additional affidavit, at Annexure D therein (page no. 20 of the said Additional Affidavit), the justification for the CIRP cost of INR 1,470 Crore has already been submitted. The RP has further stated the following:

- I. The CIRP costs were initially estimated keeping in mind that the average period of CIRP process in FY 2023-24 was reported to be 716 days, and therefore, the attempt was to ensure that the power plant is repaired and revived to make it attractive for the bidders thereby mitigating further degradation of the plant which may erode its value and pose difficulties in achieving value maximization in terms of the Code.
- II. In this regard, the initial estimate as per the assessment of the O&M agency was under three major buckets, being (a) Plant revival costs to the tune of INR 156.90 Crore (approx.); (b) sustainable operation of the Plant (infrastructure, reliability and capital spares): to the tune of INR 513 Crore (approx.) and (c) improvement to achieve key performance indicators of the Plant: to the tune of INR 66 Crore (approx.).
- III. Besides the above costs, the cost of FGD installation was estimated at INR 480 Crore, which was not undertaken in view of extension by the Government of India vide Notification dated 30.12.2024. Accordingly, the work towards revival of plant was completed with

the expense of INR 157 Crores (approx.). With the efforts undertaken, at present, both the units of the power plant are in ready-to-operate condition and awaiting statutory approval like Consent to Operate and permission from Petroleum and Explosives Safety Organization.

- IV. Thus, the remaining amount out of the estimated cost for completion of work towards sustainable operation of the Plant (infrastructure, reliability and capital spares), and improvement work to achieve key performance indicators of the Plant could not be undertaken to the extent envisaged and estimated.
- V. The learned RP states that the said cost was an estimate, and the actual CIRP cost was subject to actual work and services carried out upto the period of CIRP. Moreover, even in the estimates uploaded on the VDR for perusal of the RAs, it was always clarified by way of a note in the excel sheet for estimate that the costs were merely an estimate. The RP states that the one-time unit revival expenses were based on broad estimates and the RAs were kept informed that the actual expenses could vary over the actual incidence of costs as and when incurred. In the present case, since the offers were received from the market leaders in the field of power generation, such as NTPC, Adani Power and Vedanta, the COC in its commercial wisdom was able to approve the plan within the prescribed period of 180 days, and no extension for CIRP period was sought.

d. In response to query (d), it is stated that the cost of CIRP is dynamic as it keeps accruing with time and thus, there is a likelihood of such cost to further increase subject to work and services utilized during the process for running the CIRP. Therefore, the cost of INR 300 Crore computed as of 20.03.2025 was to apprise the Tribunal about the actual cost incurred/accrued by the deponent as of the said date out of the estimated CIRP cost. The initial CIRP cost was estimated basis the possible expenses that could occur in view of the average length of the CIRP and envisaged plan of action towards repair and revival of the power plant. Further, the FGD related relaxation / deferment in deadline for installation was known to all the RAs and also informed through the VDR, which had the impact of downward revision of the estimated CIRP cost. It is submitted that since the aggregate CIRP cost incurred is determined at the end of the process when the actual work is concluded and invoices are collected towards the process cost, the utilized/incurred/accrued cost was uploaded in the VDR from time to time as CIRP costs status update, although they were not individually informed. I state that, all along, the RAs were informed that the estimated cost of revival and repair is an 'estimate', which may or may not be actually incurred during the CIRP period. In fact, the latest estimated and paid CIRP cost was informed to all the RAs by an upload on the VDR on 31.01.2025. The VDR access log along with the excel sheet uploaded on the VDR is annexed and marked as Annexure D (colly) to the Additional Affidavit.



- e. In response to query (e), the copies of the final resolution plans received by the RP from Vedanta Limited is marked as Annexure E-1, the resolution plan submitted by Capri Global Holding Private Limited is marked as Annexure E-2 and that of NTPC Limited is marked as Annexure E-3, and attached to the Additional Affidavit.
- f. In response to query (f), the learned RP states that the Process Note dated 29.12.2024 adheres to the requirements laid down in the CIRP Regulations. Clause 4.2.4 of the RFRP issued on 26.11.2024 provides that the COC has the right to decide the method or process of negotiation with the RAs regarding the resolution plan received prior to voting. Further, the right of the COC members to negotiate with the RAs is also recognized in terms of Clause 4.3.7, Clause 4.4.5 (a), Clause 4.4.6 (c) & (d) of the RFRP. It would also be pertinent to note that, prior to issuance of the Process Note, the COC in its 5<sup>th</sup> meeting held on 27.12.2024 (see page 345, Annexure - 19 of the Application) was of the view that all the four resolution plans were different and therefore it will be difficult to compare them to each other as the commercial offers were different. Thus, the Process Note issued on 29.12.2024 was merely a mechanism devised by the COC to negotiate with the respective RAs in the interest of value maximization and since the plans received by the RAs were not comparable as per the COC. In this regard, when clarifications on the Process Note were sought by the RAs, the RP clarified in the following terms:
- i.....it is clear that the COC has not placed any specific requirement on the resolution applicants and has only invited them to bid in the suggested... format. The

Process Note clearly states that if an applicant does not participate in such a format, their bids as per resolution plan will be considered.

ii..... please do note that the process the process note itself provides that if a resolution applicant chooses not to take part in the process, the last resolution plan submitted by such resolution applicant shall be considered for evaluation and voting by COC, subject to such resolution plan being a compliant resolution plan.

It is, thus, clear that the Process Note was issued as part of negotiation mechanism and it aimed at making evaluation more objective with ensuring flexibility to the RAs. It would also be pertinent to note that, prior to issuance of the Process Note, the COC in its 5th meeting held on 27.12.2024 (see page 345, Annexure - 19 of the Application) was of the view that all the 4 resolution plans are different and it will be difficult to compare them to each other as the commercial offers were different.

Therefore, according to the Applicant, there is no infirmity in terms of the CIRP Regulations [more particularly regulation 36B (3), (5) & (7)] as the Process Note was merely a tool of negotiation representing the value maximization and negotiation mechanism for a better commercial offer for resolution of the Corporate Debtor, and not a modification of the RFRP.

g. In response to query (g), the discussion on the estimate of CIRP cost of repair and revival of the plant was discussed and approved by the COC from time-to-time, in the following meetings:

- i. the 4<sup>th</sup> COC meeting held on 24.12.2024, more specifically voting item no. 2 contained in the minutes (see page nos. 333 and 335, 336, Annexure -17 of the Application);
- ii. the 5<sup>th</sup> COC meeting held on 28.12.2024 (see page no. 345, Annexure - 19 of the Application);

- iii. the 6<sup>th</sup> COC meeting held on 15.01.2025 (see page no. 377, Annexure -28 of the Application) and
  - iv. the 10<sup>th</sup> COC meeting held on 19.02.2025 (see page no. 413, Annexure - 37 of the Application).
- h. In response to query (h), it is stated that the appeal in question that was withdrawn by the RP on behalf of the Corporate Debtor is the Civil Appeal bearing No. 37/2021, which was pending before the Hon'ble Supreme Court of India. The said Civil Appeal was filed by the Corporate Debtor against the Order dated 03.11.2016 of the Hon'ble Appellate Tribunal for Electricity ("APTEL"). The Hon'ble APTEL had upheld the termination of Power Purchase Agreement by Adani Electricity Mumbai Limited. The matter was discussed in the 2<sup>nd</sup> COC meeting held on 06.11.2024 (see page no. 137, Annexure -9 of the Application) and based on the decision of the COC, the RP instructed the Advocate on Record of the Corporate Debtor to withdraw the Civil Appeal. The learned RP submits that from the minutes of the 02<sup>nd</sup> CoC meeting held on 06.11.2024, it is evident that the CoC has taken note of and approved the action of the RP in withdrawing the Civil Appeal. Further, the COC was updated after the withdrawal in the 3<sup>rd</sup> COC meeting held on 25.11.2024 (page no. 153, Annexure -13 of the Application).
- i. In response to query (i), it is stated that the 11<sup>th</sup> CoC meeting was held on 01.04.2025 on a requisition by one of the members of the CoC viz. CFM Asset Reconstruction Private Limited having 94.06% of voting share. In terms of Regulation 18(2) of the CIRP Regulations, it is submitted that a

resolution professional shall convene a meeting of the COC if it is requisitioned by a member of the COC having at least 33% of the voting rights. Accordingly, in the interest of urgency, the 11<sup>th</sup> meeting of the COC was convened at a shorter notice. The COC also ratified the meeting conducted at short notice (see page no. 16, Annexure D of the Additional Affidavit dated 02.04.2025). It is further clarified that the representative of CFM, in light of the next date of hearing in the Application on 04.04.2025 before the Tribunal, required the RP to convene the meeting urgently, marking a copy to the other member of the COC (i.e., Pallas Holdings Limited having 5.94% of voting share in the COC) (page no. 7, Annexure B, Additional Affidavit dated 02.04.2025). Moreover, further to the meeting of the COC and ahead of the hearing fixed in the Application before the NCLT on 04.04.2025, merely two days were available. In order to ensure that filing of relevant affidavit and alteration to the SRA's plan is duly placed before the NCLT for its consideration at the time of hearing the Application, the meeting was convened at short notice.

## **8. PERFORMANCE SECURITY**

8.1 As per Clause 3.3.1 of the RFRP, the SRA shall furnish or cause to be furnished, an unconditional and irrevocable performance security for an amount of INR 100 crores within 3 (three) business days of the issuance of the Letter of Intent ('LOI') to the SRA and in any case simultaneous to acceptance of the Letter of Intent, in any of the following forms:

- a. an irrevocable and unconditional bank guarantee issued by any scheduled commercial bank in India or a foreign bank, acceptable to the Beneficiary,

which shall be in favour of the Beneficiary (in its capacity as an agent of the CoC (and acting on behalf of the CoC)) in accordance with Format VIII-A of this RFRP; or

- b. by way of a direct deposit by way of the real time gross settlement system into a bank account held by the Company, the details of which shall be shared separately with the Successful Resolution Applicant.

8.2 The Performance Security shall be valid, till the date of completion of the implementation of the Resolution Plan (as determined by the Resolution Professional and the CoC); and if the CoC as a body does not subsist, by financial creditors having more than 51 % (fifty one percent) voting share in the CoC certifying that the Resolution Plan(s) has been effected to the satisfaction of the CoC ("Performance Security Validity Period"). It is clarified that if the Performance Security is submitted as a Bank Guarantee ("PBG"), the same may be issued for initial period of 12 months provided that shall be subject to re-issuance or extension by the Successful Resolution Applicant as may be required by the CoC (as assisted by the Resolution Professional) during the Performance Security Validity Period. Notwithstanding the aforementioned, the PBG shall provide an additional period of at least 1 (one) year subsequent to the Performance Security Validity Period for making claims. The PBG shall be renewed/ extended by the Successful Resolution Applicant before 60 (sixty) days of its expiry, failing which the CoC shall have the right to invoke the PBG without any notice to the Successful Resolution Applicant.

8.3 The Applicant issued the Letter of Intent ('LOI') dated 24.02.2025 to the SRA wherein the SRA was called upon to submit the Performance Security of INR 100 crores within 3 business days from the issuance of LOI as per Clause 3.3 of the RFRP. The LOI came to be accepted by the SRA on 24.02.2025, the Performance Bank Guarantee ('PBG') for a guarantee amount of INR 100 crores was issued by the State Bank of India to CFM Asset Reconstruction Pvt. Ltd. on 24.02.2025 vide Guarantee Number 0896525BG0Y00122. The said PBG is valid for a period of one year and thus, it expires on 23.02.2026, or till the date of completion of the implementation of the Resolution Plan with an additional claim period of one year from the last date of PBG Validity Period, as discussed.

8.4 As per Clause 3.3.13 of the RFRP, the Performance Security shall be returned to a Successful Resolution Applicant (without any interest) on a best endeavour basis within a period of 10 (ten) days (based on the request received from the Successful Resolution Applicant) of implementation of the Resolution Plan (as determined by the Designated Lender on the concurrence of the financial creditors that had 51% (fifty one percent) voting share in the CoC).

8.5 As per Clause 3.3.14 of the RFRP, the Performance Security shall not be set-off against or used as part of the consideration that a Successful Resolution Applicant proposes to offer in relation to the Corporate Debtor, even if expressly indicated as such by the Successful Resolution Applicant in the Successful Resolution Plan.

9. The interests of existing shareholders have been altered by the Resolution Plan as under:

<u>Sr. No.</u>	<u>Category of Shareholder</u>	<u>No. of Shares held before CIRP</u>	<u>No. of Shares held after CIRP</u>	<u>Voting Shares (%) held before CIRP</u>	<u>Voting Share (%) held after CIRP</u>
1.	Equity	1,49,16,260	0	100%	0
2.	Preference	0	0	0%	0

10. **Compliances:** The Compliances of the Resolution Plan are stated to be as under:

<u>Section of the Code/ Regulation No.</u>	<u>Requirement with respect to Resolution Plan</u>	<u>Clause of Resolution Plan</u>	<u>Compliance (Yes/ No)</u>
Section 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?	Brief Background of the Resolution Applicant and Schedule 1 (Business Plan)	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?	Covering Letter for Submission of Resolution Plan (Paragraph 6(a))	Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Format IIIA	Yes
Section 30(2)	Whether the Resolution Plan- (a) provides for the payment of insolvency resolution process costs? (b) provides for the payment to the operational creditors? (c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan? (d) provides for the management of the affairs of the corporate debtor?	Section 2.1 (Payment of CIRP Costs) and Clause 1 of the Table under Para 1.2.1. Section 2.3 (Treatment of Operational Creditors) and Clause 4,5,6 and 7 of the Table under Para 1.2.1. Section 2.4 (Treatment of Financial Creditors)	Yes

	(e) provides for the implementation and supervision of the resolution plan? (f) contravenes any of the provisions of the law for the time being in force?	and Clauses 3(a) to (g) of the Table under Para 1.2.1. Section 7 (Management of the Corporate Debtor after NCLT Approval); Covering Letter. Section 8.8 (Indicative Activity Schedule-Part II). Para 6(e) of the Covering Letter for Submission of Resolution Plan dated 18.02.2025.	
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?	Schedule 1 (Business Plan) and Section 3 (Acquisition as a Going Concern)	Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	Section 8.8 (Regulatory Approvals and Implementation of the Resolution Plan) and Section 7 (Management of Corporate Debtor After NCLT Approval)	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?	Section 2.3 (Treatment of Operational Creditors) and Clause 4,5,6 and 7 of the Table under Para 1.2.1. Para 8.8 (CIRP Costs, Interim Period Costs, Other Operational Creditors, Workmen and Employees, Government and Statutory Authorities and Other Creditors have been proposed to be paid within a period of 30 days from the approval of the Resolution Plan by the AA).	Yes
Regulation 38 (1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Section 2 (Treatment of Stakeholders)	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?	Section 1.6.2 (Other information as required by the Code, CIRP Regulations or RFRP).	No.  Not Applicable
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?	Section 1.5 (Term of the Resolution Plan), Section 8.8 (Regulatory Approvals and Implementation of the Resolution Plan) and Section 7 (Management of Corporate Debtor After NCLT Approval). Para 2 of the Business Plan (Schedule I).	Yes
Regulation 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?	Schedule 1 (Business Plan)-Section 3 (Cause of Default), Section 5-Business Plan, Section 7 (Management of Corporate Debtor after NCLT Approval), Schedule III of Business Plan/Schedule I. Section 8 (Regulatory Approvals and Implementation of the Resolution Plan), and Brief Background of Qualified Resolution Applicant. Para 8.1 provides for the timeline for taking the approvals required.	Yes
Regulation 39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?		No
Regulation 9(4)	Provide details of performance security received, as referred to in	Performance Security received on February 24,	Yes

	sub-regulation (4A) of Regulation 36B.	2025 in form of bank guarantee from State Bank of India for Rs. 1,000,000,000 at Mumbai and an amendment thereto received on February 27, 2025.	
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**11. RELIEFS AND CONCESSIONS:** The Applicant has sought several reliefs and concessions in Section 6 of the Resolution Plan. The details of such reliefs along with the decision of this Tribunal with respect to the same are stated in a table which is given in the subsequent part of this Order.

**12. ANALYSIS AND FINDINGS**

12.1 We have heard the Ld. Counsel for the RP and the COC and also perused the Plan and related documents submitted along with the present Application.

12.2 It is seen from the revised Form H that the Liquidation value of the Corporate Debtor is arrived at INR 1,263.50 crores and the corresponding Fair value is arrived at INR 1,718.89 crores. The Resolution Plan is for an amount of INR 4,000 crores. Further it is seen from revised Form H that presently no application under Section 43, 45, 49, 50 and 66 of IBC, 2016 in the present matter is pending on the file of this Tribunal.

12.3 The sourcing and utilisation of funds is as follows:

<u>Particulars</u>	<u>Amount (INR in Crores)</u>	<u>Amount (INR in Crores)</u>	<u>Comments</u>
Inflow: Total Resolution Amount		4,000.00/-	On or before the Effective Date, the Resolution Applicant and/or its Affiliates/Nominees (which entity shall be eligible under Section 29A of the Code) will infuse funds, in one or more tranches, into the Corporate Debtor by way of equity, quasi equity, and/or shareholder debt or a combination thereof as may be determined by the Resolution Applicant in its sole and absolute discretion which shall be utilized for funding the Total Resolution Amount.
Less: Proposed Payments under the Resolution Plan			
1) Unpaid Estimated Accrued CIRP Costs	(292.91)		Payments to be made on or before the Effective Date.
2) Secured Financial Creditors	(3,706.09)		Payments to be made on or before the Effective Date.
3) Operational Creditors	(1.00)		Payments to be made on or before the Effective Date.
Sub-Total	(4,000.00)	(4,000.00)	
Gross Total		NIL	
Add: Upfront Equity Infusion		0.10	1,00,000 Equity Shares of INR 10/- each to be brought on the Effective Date.
Net Flow	TOTAL	0.10	

12.4 In so far as the approval of the Resolution Plan is concerned, this Authority is convinced on the decision of the Committee of Creditors, following the Judgment of Hon'ble Supreme Court of India in the matter of **K. Sashidhar –Vs– Indian Overseas Bank** (2019) 3 S.C.R. 845, wherein in para 19 and 62 it is held as follows:

*“19……. In the present case, however, our focus must be on the dispensation governing the process of approval or rejection of resolution plan by the CoC. The CoC is called upon to consider the*

*resolution plan under Section 30(4) of the I&B Code after it is verified and vetted by the resolution professional as being compliant with all the statutory requirements specified in Section 30(2).”*

*“62. ....In the present case, however, we are concerned with the provisions of I&B Code dealing with the resolution process. The dispensation provided in the I&B Code is entirely different. In terms of Section 30 of the I&B Code, the decision is taken collectively after due negotiations between the financial creditors who are constituents of the CoC and they express their opinion on the proposed resolution plan in the form of votes, as per their voting share. In the meeting of the CoC, the proposed resolution plan is placed for discussion and after full interaction in the presence of all concerned and the Resolution Professional, the constituents of the CoC finally proceed to exercise their option (business/commercial decision) to approve or not to approve the proposed resolution plan. In such a case, non-recording of reasons would not per-se vitiate the collective decision of the financial creditors. The legislature has not envisaged challenge to the “commercial/business decision” of the financial creditors taken collectively or for that matter their individual opinion, as the case may be, on this count.”*

12.5 Further the Hon’ble Supreme Court in the matter of K. Sashidhar (supra) has lucidly delineated the scope and interference of the Adjudicating Authority in the process of approval of the Resolution Plan and held as follows:

“21. .... If the CoC had approved the resolution plan by requisite percent of voting share, then as per Section 30(6) of the I&B 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 (NCLT) is required to satisfy itself that the resolution plan as approved by CoC meets the requirements specified in Section 30(2). No more and no less.** This is explicitly spelt out in Section 31 of the I&B Code, which read thus (as in October 2017) ....” (Emphasis Supplied)

“35. Whereas, the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan “as approved” by the requisite per cent 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), when the resolution plan does not conform to the stated requirements. Reverting to Section 30(2), the enquiry to be done is in respect of whether the resolution plan provides: (i) the payment of insolvency resolution process costs in a specified manner in priority to the repayment of other debts of the corporate debtor, (ii) the repayment of the debts of operational creditors in prescribed manner, (iii) the management of the affairs of the corporate debtor, (iv) the implementation and supervision of the resolution plan, (v) does not contravene any of the provisions of the law for the time being in force, (vi) conforms to such other requirements as may be specified by the

*Board. The Board referred to is established under Section 188 of the I&B Code. The powers and functions of the Board have been delineated in Section 196 of the I&B Code. None of the specified functions of the Board, directly or indirectly, pertain to regulating the manner in which the financial creditors ought to or ought not to exercise their commercial wisdom during the voting on the resolution plan under Section 30(4) of the I&B Code. The subjective satisfaction of the financial creditors at factors. To wit, the feasibility and viability of the proposed resolution the time of voting is bound to be a mixed baggage of variety of plan and including their perceptions about the general capability of the resolution applicant to translate the projected plan into a reality. The resolution applicant may have given projections backed by normative data but still in the opinion of the dissenting financial creditors, it would not be free from being speculative. These aspects are completely within the domain of the financial creditors who are called upon to vote on the resolution plan under Section 30(4) of the I&B Code.*

(Emphasis Supplied)

*38. Indubitably, the inquiry in such an appeal would be limited to the power exercisable by the resolution professional under Section 30(2) of the I&B Code or, at best, by the adjudicating authority (NCLT) under Section 31(2) read with Section 31(1) of the I&B Code. No other inquiry would be permissible. Further, the jurisdiction bestowed upon the appellate authority (NCLAT) is also expressly circumscribed. It can examine the challenge only in relation to the grounds specified in*

*Section 61(3) of the I&B Code, which is limited to matters “other than” enquiry into the autonomy or commercial wisdom of the dissenting financial creditors. Thus, the prescribed authorities (NCLT/NCLAT) have been endowed with limited jurisdiction as specified in the I&B Code and not to act as a court of equity or exercise plenary powers.”*

(Emphasis Supplied)

12.6 The Hon’ble Supreme Court in its decision in **Jaypee Kensington Boulevard Apartments Welfare Association & Ors. v. NBCC (India) Ltd. & Ors.** [2021 INSC 206] has held as follows:

*“77. In the scheme of IBC, where approval of resolution plan is exclusively in the domain of the commercial wisdom of CoC, the scope of judicial review is correspondingly circumscribed by the provisions contained in Section 31 as regards approval of the Adjudicating Authority and in Section 32 read with Section 61 as regards the scope of appeal against the order of approval.*

*77.1. Such limitations on judicial review have been duly underscored by this Court in the decisions above-referred, where it has been laid down in explicit terms that the powers of the Adjudicating Authority dealing with the resolution plan do not extend to examine the correctness or otherwise of the commercial wisdom exercised by the CoC. The limited judicial review available to Adjudicating Authority lies within the four corners of Section 30(2) of the Code, which would essentially be to examine that the resolution plan does not contravene any of the provisions of law for the time being in force, it conforms to such other requirements as may be specified by the Board, and it provides for: (a) payment of insolvency resolution process costs in priority; (b) payment*

*of debts of operational creditors; (c) payment of debts of dissenting financial creditors; (d) for management of affairs of corporate debtor after approval of the resolution plan; and (e) implementation and supervision of the resolution plan.*

*77.2. The limitations on the scope of judicial review are reinforced by the limited ground provided for an appeal against an order approving a resolution plan, namely, if the plan is in contravention of the provisions of any law for the time being in force; or there has been material irregularity in exercise of the powers by the resolution professional during the corporate insolvency resolution period; or the debts owed to the operational creditors have not been provided for; or the insolvency resolution process costs have not been provided for repayment in priority; or the resolution plan does not comply with any other criteria specified by the Board.*

*77.6.1. The assessment about maximisation of the value of assets, in the scheme of the Code, would always be subjective in nature and the question, as to whether a particular resolution plan and its propositions are leading to maximisation of value of assets or not, would be the matter of enquiry and assessment of the Committee of Creditors alone. When the Committee of Creditors takes the decision in its commercial wisdom and by the requisite majority; and there is no valid reason in law to question the decision so taken by the Committee of Creditors, the adjudicatory process, whether by the Adjudicating Authority or the Appellate Authority, cannot enter into any quantitative analysis to adjudge as to whether the prescription of the resolution plan results in maximisation of the value of assets or not. The generalised*



*submissions and objections made in relation to this aspect of value maximisation do not, by themselves, make out a case of interference in the decision taken by the Committee of Creditors in its commercial wisdom.*

*78. To put in a nutshell, the Adjudicating Authority has limited jurisdiction in the matter of approval of a resolution plan, which is well defined and circumscribed by Sections 30(2) and 31 of the Code read with the parameters delineated by this Court in the decisions above referred. The jurisdiction of the Appellate Authority is also circumscribed by the limited grounds of appeal provided in Section 61 of the Code. In the adjudicatory process concerning a resolution plan under IBC, there is no scope for interference with the commercial aspects of the decision of the CoC; and there is no scope for substituting any commercial term of the resolution plan approved by the CoC. Within its limited jurisdiction, if the Adjudicating Authority or the Appellate Authority, as the case may be, would find any shortcoming in the resolution plan vis-à-vis the specified parameters, it would only send the resolution plan back to the Committee of Creditors, for re-submission after satisfying the parameters delineated by Code and expounded by this Court.”*

12.7 Thus, from the catena of judgments rendered by the Supreme Court on the scope of approval of the Resolution Plan, it is amply made clear that only limited judicial review is available for the Adjudicating Authority under Section 30(2) and Section 31 of IBC, 2016 and this Adjudicating Authority cannot venture into the commercial aspects of the decisions taken by the Committee of Creditors.

12.8 A perusal of the revised Form H reveals that the position of claims as under:

<u>Category of Stakeholder</u>	<u>Amount Claimed</u>	<u>Amount Admitted</u>	<u>Amount Provided under the Plan</u>	<u>Amount Provided to Amount Claimed.</u>
Secured Financial Creditors who voted in favour of the Resolution Plan.	62,00,04,83,387	62,00,03,387	37,06,09,00,000	59.78%
Operational Creditors (For details refer para 6.1)	5,73,12,69,449	5,53,88,43,453	1,00,00,000	0.18%
	67,73,17,52,836	67,53,92,26,840	37,07,09,00,000	54.89%

As per the above details, in the revised Form H, which is the Final Compliance Certificate and is dated 27.03.2025, the entire claims received and admitted/rejected by the RP have been captured.

12.9 On perusal of records, we find that the CIRP costs were initially estimated at INR 1,470.57 crores and the same were to be deducted from the payments out of the total resolution amount to be made to the Secured Financial Creditors. Therefore, in the original resolution plan as also in the initial Form 'H' annexed to the application, the amount provided under the plan to the Financial Creditors was approximately INR 2,528.43 crores. Whereas, pursuant to the revised Form 'H' filed to the Additional Affidavit dated 27.03.2025 filed by the Applicant, the amount payable to the Secured Financial Creditors is INR 3706.09 crores. The increase of INR 1,177.66 crores in the amount provided for Secured Financial Creditors in the revised Resolution

Plan is on account of the fact that the estimated CIRP costs have dropped by INR 1,177.66 crores from the initial estimate of INR 1,470.57 crores to estimated accrued and unpaid CIRP costs of INR 292.91 crores.

12.10 The learned Sr. Counsel for the RP has drawn our attention to the Note on One Time Unit Revival Cost & FGD Cost of Plant and Other Process Costs annexed as Annexure 'D' to the Additional Affidavit dated 27.03.2025, to explain the reasons for the drastic fall in the estimated CIRP cost. As per the said Note, the estimate of one-time unit revival costs which now remains accrued and unpaid is INR 156.94 crores as against the total estimated cost of INR 856.60 crores. Furthermore, the Fuel Gas Desulphurisation ('FGD') Costs, which were initially estimated at INR 480 crores, need not be incurred during the CIRP period because as per the amended notification dated 30.12.2024, issued by Ministry of Environment, Forest and Climate Change, the deadline for installation of FGD has been extended by three years and hence, this is unlikely to be incurred during the CIRP period. We find the above explanations to be satisfactory in justifying the reasons for the drastic fall in the estimated CIRP cost. Even otherwise, now since the SRA has undertaken that any repair/maintenance/ revival/upgradation cost will be borne by the SRA in addition to the amounts offered under the resolution plan, we refrain to comment any further.

12.11 We also notice that the learned RP has filed an Additional Affidavit dated 08.05.2025 giving answers and explanations to the clarifications sought by the Bench vide Order dated 07.05.2025. The learned RP has been able to

satisfy us as to why there has been a reduction in the CIRP Cost from an initial estimate of INR 1470 crores to nearly INR 300 crores of actual accrued cost as on 20.03.2025. With respect to communicating the reduction in the estimates of CIRP costs to the RAs from time to time, the learned RP has stated that the estimates pertaining to the CIRP costs including the Notification dated 31.12.2024 (supra) for non-installation of FGD plant were uploaded on the VDR for perusal of RAs. However, these estimates were not individually communicated to any of the RAs including the SRA. In our considered view, uploading the estimates of CIRP costs on VDR satisfies the Bench that the RAs were intimated from time to time with respect to the change in the estimates, thereby ensuring that the CIRP of the Corporate Debtor was fair and transparent to all the bidders/RAs. Thus, no further explanation is called for. The learned RP in the aforementioned affidavit has also clarified that out of the four security receipt holders, none of them is related to the SRA and he has obtained an undertaking/affidavit dated 08.05.2025 from the SRA to that effect. We are satisfied with the answers, information, clarifications and explanations given by the learned RP.

12.12 We also hereby make it clear that the Employees Provident Fund dues of INR 24,83,544/- and the Gratuity dues of INR 30,55,049/-, as provided by the Applicant in the Annexure 'B' to the additional affidavit dated 02.04.2025, being the statutory dues, are required to be paid in full and the same shall not be subject to the outer limit of INR 1 crores earmarked by the SRA in the Resolution Plan for the Operational Creditors including the Employees.

12.13 We take note of the fact deposed by the Applicant in the Additional Affidavit dated 02.04.2025, which *inter-alia* states that as per the original Resolution Plan, remaining/ balance debt of the Operational Creditors after payment to such Operational Creditors as per the Resolution Plan was required to be converted into equity shares of the Corporate Debtor and simultaneously subjected to capital reduction. However, as per the alteration/ modification communicated by the SRA vide email dated 01.04.2025, **such remaining debt of the Operational Creditors shall now be extinguished without any conversion of such debt into equity shares.**

12.14 In the instant case, the Corporate Debtor is not operational since 2019 and therefore, it has no turnover since then. As the turnover of the Corporate Debtor is not more than INR 1,250 crores, the proposed acquisition of the Corporate Debtor by way of this Resolution Plan is exempt from the purview of the Competition Act, 2002 by virtue of the aforesaid notification. Further, since the proposed acquisition has taken place after the insolvency commencement date (i.e. 30.09.2024) but before the expiry of 06.03.2026 (which is two years from 07.03.2024), it is squarely covered by the aforesaid Notification dated 07<sup>th</sup> March, 2024. In view of the aforesaid, we are satisfied that the proposed acquisition of the Corporate Debtor by the SRA by way of this Resolution Plan does not require prior approval of the CCI. Hence, in our considered view, there is no impediment under the proviso to Section 30(4) of the Code in approving this Resolution Plan.

12.15 On hearing the submissions made by the Ld. Counsel for the Resolution Professional, and perusing the record, we find that the Resolution Plan has been approved with 100% voting share. As per the CoC, the plan meets the requirement of being viable and feasible for the revival of the Corporate Debtor. By and large, all the compliances have been done by the RP and the Resolution Applicant for making the plan effective after approval by this Bench. On perusal of the documents on record, we are also satisfied that the Resolution Plan is in accordance with sections 30 and 31 of the IBC and also complies with Regulations 38 and 39 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. We also observe that none of the stakeholders in the process of CIRP have come forward before this Tribunal with an application objecting to the approval of this Resolution Plan.

12.16 As far as the question of granting time to comply with the statutory obligations/seeking sanctions from governmental authorities is concerned, the Resolution Applicant is directed to do the same within one year as prescribed under Section 31(4) of the Code.

12.17 The Resolution Plan in question is hereby **Approved** by this Adjudicating Authority, subject to the observations made in this order. The Resolution Plan shall form part of this Order. The Resolution Plan is binding on the Corporate Debtor, its employees, members, creditors, guarantors and other stakeholders.

12.18 The Applicant has sought several reliefs and concessions in Section 6 of the Resolution Plan. The details of such reliefs along with the decision of this Tribunal with respect to the same are stated in the table below:

<b>Sr. No.</b>	<b>Details of Reliefs and Waivers sought</b>	<b>Decision of this Tribunal</b>
i.	On and from the NCLT Approval Date, by order of the NCLT sanctioning this Resolution Plan, a restraint on, and prohibition of, all Adverse Actions shall be deemed to be declared until the Effective Date.	Granted. (In order to allow the SRA to implement and give effect to the approved Resolution Plan).
ii.	On and from the NCLT Approval Date, by order of the NCLT sanctioning this Resolution Plan, all counter-party(ies) including any Government and Statutory Authorities to the Company Contracts shall be deemed to have given their approval for change in ownership of the Corporate Debtor with effect from the Effective Date, without any further action on part of the Corporate Debtor or Resolution Applicant and any penalty or other monetary liabilities and any Non-Compliance in relation to such change in ownership shall be deemed to have been waived off.	Penalties, Prosecution and monetary liabilities, if any, shall be waived off to the extent the same relate to the period prior to the insolvency commencement date ('ICD') or arising from a default committed by the Corporate Debtor prior to the ICD in terms of the Judgment of Hon'ble Supreme Court in Ghanshyam Mishra & Sons Pvt. Ltd, Citation-[2021] 13 S.C.R. 737 and also as per the provisions of Section 32A of the IB Code. Further, the SRA to approach respective authorities, who in turn, may consider granting the approvals sought keeping in mind the objectives of IBC, 2016.
	On and from the NCLT Approval Date, by order of the NCLT sanctioning this Resolution Plan, all Related Party contractual arrangements entered into by the Corporate Debtor shall be deemed to be terminated, with such Termination being effective from the NCLT Approval Date. Any claims or liabilities arising as a consequence of such Termination shall	Granted in terms of the Judgment of Hon'ble Supreme Court in Ghanshyam Mishra & Sons Pvt. Ltd, Citation- [2021] 13 S.C.R. 737.

	be deemed to be relinquished, cancelled and written-off on the NCLT Approval Date.	
	Pursuant to the approval of the Resolution Plan by the Adjudicating Authority, the Corporate Debtor shall be deemed to have been granted extension for Environmental Clearance and such other approval or clearance as may be required for operations of the Corporate Debtor.	SRA to approach respective authorities who in turn may consider granting permission/ approvals/clearances keeping in mind the objectives of IBC, 2016.
	On and from the NCLT Approval Date, by order of the NCLT sanctioning this Resolution Plan, the Resolution Applicant and the Corporate Debtor shall be deemed to have received a waiver from all actions, Proceedings or penalties under any Applicable Law for any Non-Compliance, including in connection with any transfer of assets, contracts or business by Corporate Debtor.	Penalties, Prosecution and monetary liabilities, if any, shall be waived off to the extent the same relate to the period prior to the insolvency commencement date ('ICD') or arising from a default committed by the Corporate Debtor prior to the ICD in terms of the Judgment of Hon'ble Supreme Court in Ghanshyam Mishra & Sons Pvt. Ltd, Citation-[2021] 13 S.C.R. 737 and also as per the provisions of Section 32A of the IB Code.
	On and from the NCLT Approval Date, by order of the NCLT sanctioning this Resolution Plan, the implementation of the Resolution Plan by the Resolution Applicant and any change in control occurring pursuant thereto shall not impact or breach the validity of any such agreements, contracts etc., to which the Corporate Debtor is a party.	Granted as once the Resolution Plan is approved, it is binding on all stakeholders.
	Any stamp duty liabilities or Tax liability arising pursuant to the transactions contemplated under this Resolution Plan shall be exempted or waived off. No cost, fee, charges and expenses (including any taxes and duties) shall be payable by virtue of the fact that while approving the Resolution Plan, NCLT has also exempted and waived off the payment of such costs, fee and duties.	Liabilities, if any, shall be waived off to the extent the same relate to the period prior to the insolvency commencement date ('ICD') in terms of the Judgment of Hon'ble Supreme Court in Ghanshyam Mishra & Sons Pvt. Ltd, Citation-



		[2021] 13 S.C.R. 737. Further, the SRA to approach respective authorities, who in turn, may consider granting the exemptions and waivers sought keeping in mind the objectives of IBC, 2016.
	All liabilities, costs, expenses, fees, duties, stamp duty, charges, transfer charges, etc., that may be payable to any counter parties/ Government and Statutory Authorities on account of change in control/management of the Corporate Debtor or transfer of land, leases on account of Acquisition of the Corporate Debtor pursuant to the Resolution Plan, under any contract, agreement, deed including lease deed with private party, shall stand abated, waived off and permanently extinguished on and from the Effective Date.	Liabilities, if any, shall be waived off to the extent the same relate to the period prior to the insolvency commencement date ('ICD' in terms of the Judgment of Hon'ble Supreme Court in Ghanshyam Mishra & Sons Pvt. Ltd, Citation-[2021] 13 S.C.R. 737. Further, the SRA to approach respective authorities, who in turn, may consider granting the waivers, abatement and extinguishment sought keeping in mind the objectives of IBC, 2016.
	All liabilities, expenses, costs with regards to the payment of premium to the any authorities either local, State and Central for change of land use or conversion of land shall be waived off and permanently extinguished on and from the Effective Date.	Liabilities, if any, shall be waived off to the extent the same relate to the period prior to the insolvency commencement date ('ICD' in terms of the Judgment of Hon'ble Supreme Court in Ghanshyam Mishra & Sons Pvt. Ltd, Citation-[2021] 13 S.C.R. 737. Further, the SRA to approach respective authorities, who in turn, may consider

		granting the waivers, abatement and extinguishment sought keeping in mind the objectives of IBC, 2016.
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The SRA has clarified in the Resolution Plan that the non-grant of any of the aforementioned reliefs or reliefs specifically sought anywhere else in the Resolution Plan shall not be considered as modification of any of the other terms contained in the Resolution Plan, which shall continue to have the binding effect in terms of the Resolution Plan.

12.19 It is hereby clarified by this Bench that any relief or concession sought in the Resolution Plan other than in its Section 6, shall be available to the SRA/CD to the extent that the same relates to waiver of any penalties, prosecution and monetary liabilities, to the extent the same relates to the period prior to the insolvency commencement date ('ICD') or arising from a default committed by the Corporate Debtor prior to the ICD in terms of the Judgment of Hon'ble Supreme Court in Ghanshyam Mishra & Sons Pvt. Ltd, Citation- [2021] 13 S.C.R. 737 and also as per the provisions of Section 32A of the IB Code. Further, the SRA to approach the respective authorities for grant of any other waiver or exemption, who in turn, may consider granting the same considering the objectives of the IB Code, 2016.

12.20 The Resolution Applicant is directed to make payment of the entire Resolution Plan amount within the time period stipulated under the Resolution Plan, failing which the entire amount paid by the Resolution Applicant

(including the Performance Bank Guarantee) as on the said date would stand automatically forfeited, without any recourse to this Tribunal.

12.21 Certified copy of this Order be issued on demand to the concerned parties, upon due compliance.

12.22 Liberty is hereby granted for moving any application if required in connection with the implementation of this Resolution Plan.

12.23 A copy of this Order is to be submitted to the concerned Office of the Registrar of Companies.

12.24 Accordingly, IA(IBC)(Plan) No. 29/MB/2025 stands **disposed** of.

12.25 The Monitoring Committee is directed to file a status report after 90 days from the approval of the Resolution Plan.

12.26 The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Learned Counsel for information and for taking necessary steps. Files be consigned to the record.

**Sd/-**  
**SAMEER KAKAR**  
**MEMBER (TECHNICAL)**  
LRA Sunny

**Sd/-**  
**NILESH SHARMA**  
**MEMBER (JUDICIAL)**