



IN THE NATIONAL COMPANY LAW TRIBUNAL  
COURT-I, KOLKATA BENCH  
KOLKATA

I.A. (IB) No. 525/KB/2023  
in  
CP (IB) No. 1837/KB/2019

*Application under section 30(6) and section 31(1) of the  
Insolvency & Bankruptcy Code, 2016 read with regulation 39(4) of the  
Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for  
Corporate Persons) Regulations, 2016 for approval of Resolution Plan.*

*In the matter of:*

UCO Bank

... Financial Creditor

Versus

Limtex (India) Limited

... Corporate Debtor

*And*

*In the matter of:*

Pratap Mukherjee, Resolution Professional of

**Limtex (India) Limited**

... Applicant

**Date of pronouncement: 04 October 2023**

*Coram:*

Shri Rohit Kapoor, Member (Judicial)

Shri Balraj Joshi, Member (Technical)

*Appearances (via hybrid mode):*

For the Applicant/RP

1. Ms. Manju Bhuteria, Advocate
2. Ms. Rakhi Purnima Paul, Advocate
3. Ms. Vedika Sureka, Advocate
4. Mr. Pratap Mukherjee, Resolution Professional

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019

For the Successful Resolution Applicant

1. Ms. Shreya Choudhary, Advocate

**ORDER**

***Per: Rohit Kapoor, Member (Judicial)***

1. This Court convened through hybrid mode.

**Preliminary**

2. I.A. (IB) No. 525/KB/2023 is an application under section 30(6) of the Insolvency and Bankruptcy Code, 2016, after approval of the resolution plan by the Committee of Creditors (“CoC”).
3. This application was filed by Mr. Pratap Mukherjee, Resolution Professional of **Limtex (India) Limited (CIN: U01132WB1992PLC054383)**, by invoking the provisions of section 30(6) of the Insolvency and Bankruptcy Code, 2016 (“**the Code**” or “**IBC**”) read with regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (“**CIRP Regulations**”) for approval of a Resolution Plan in respect of Limtex (India) Limited (“**Corporate Debtor**”).
4. The underlying Company Petition in C.P. (IB) No. 1837/KB/2019 was filed by UCO Bank, the Financial Creditor to initiate Corporate Insolvency Resolution Process (“**CIRP**”) against Limtex (India) Limited, the Corporate Debtor, under section 7 of the Insolvency and Bankruptcy Code 2016, which was admitted *vide* order dated 13 June 2022.
5. Initially, Mr. Sandip Mitra, was appointed as the Interim Resolution Professional (**IRP**). At the 1<sup>st</sup> meeting of the CoC held on 15 July 2022, the CoC resolved to appoint Mr. Pratap Mukherjee (Regn. No. IBBI/IPA-001/IP-P02515/2021-2022/13851) as the Resolution Professional and the same was confirmed by this Adjudicating Authority on 29 July 2022.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

***In Re Resolution Plan of Limtex (India) Ltd.*  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019**

6. The period of 90 days from 10 December 2022 till 10 March 2023 was extended *vide* order dated 07 December 2022 in I.A. (IB) No. 1490/KB/2022.

**Constitution of CoC**

7. The IRP made public announcement on 15 June 2022 in *Financial Express (English) (Kolkata Edition)*, *Aajkal (Bengali) (Kolkata Edition)* and *Jansatta (Hindi) (Kolkata edition)* newspapers regarding initiation of Corporate Insolvency Resolution Process and called for proof of claims from the financial and operational creditors, workers and employees of the corporate debtor in the specified forms till 27 June 2022.
8. The CoC was constituted and a report of constitution of CoC, was filed before the Adjudicating Authority on 09 July 2022. The CoC constituted of two financial creditors *viz.* CFM Asset Reconstruction Private Limited having voting percentage 89.36% and UCO Bank having voting share 10.64%.
9. The Applicant states that a total of nine CoC meetings have been held during CIRP period, which are as follows:

<b>Particulars</b>	<b>Date of CoC meeting</b>
1 <sup>st</sup> CoC Meeting	15.7.2022
2 <sup>nd</sup> CoC Meeting	23.08.2022
3 <sup>rd</sup> CoC Meeting	03.09.2022
4 <sup>th</sup> CoC Meeting	20.10.2022
5 <sup>th</sup> CoC Meeting	30.11.2022
6 <sup>th</sup> CoC Meeting	13.01.2023
7 <sup>th</sup> CoC Meeting	30.01.2023
8 <sup>th</sup> CoC Meeting	22.02.2023
9 <sup>th</sup> CoC Meeting	06.03.2023

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



**Collation of claims**

10. The amounts claimed and admitted are summarised below:

**Amount in INR**

<b>Nature of creditor</b>	<b>Amount claimed</b>	<b>Amount admitted</b>
<b>Financial Creditors</b>		
CFM Asset Reconstruction Private Limited	Rs.1,60,49,00,000/-	Rs.1,60,49,00,000/-
UCO Bank	Rs.19,10,53,799/-	Rs.19,10,53,799/-
<b>Operational Creditors</b>		
Rajasthan State Food and Civil Supplies Corporation Limited	Rs.64,00,065/-	Rs.64,00,065/-
ESI, Regional Office, Kolkata I	Rs.29,987/-	Rs.29,987/-
<b>Total</b>	<b>Rs.180,23,83,851/-</b>	<b>Rs.180,23,83,851/-</b>

**CIRP and compliances**

11. The Applicant submits that in terms of the provisions of section 25(2)(h) of the Code read with regulation 36A(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, invitations in Form 'G' for Expressions of Interest ("EoI") from potential resolution applicants was issued on 26 October 2022 in *Business Standard, (English) (Kolkata edition), Aajkal (Bengali) (Kolkata edition)*, newspapers wherein the last date of receiving EoI was 10 November 2022.

12. The notice was also published on the website of the Insolvency and Bankruptcy Board of India (IBBI).

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

***In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019**

---

- 
13. In response to the invitation for EoI published on 26 October 2022, several EoIs were received. The provisional list of prospective Resolution Applicants was issued on 20 November 2022 and the Final list of eligible Resolution Applicants was issued on 28 November 2022. The RP then shared the Information Memorandum, Evaluation Matrix and Request for Resolution Plan (**RFRP**) with the Prospective Resolution Applicants on 25 November 2022.
14. As per regulation 35(2) of the CIRP Regulations, after receipt of the Resolution Plan, the RP informed the fair value and liquidation value of the Corporate Debtor to the CoC in the 7<sup>th</sup> CoC meeting held on 30 January 2023.

**Evaluation and voting**

15. The Resolution Professional received only one Resolution Plan from Pushapdham Heights Private Limited on 09 January 2023. The Resolution Plan was opened by the Resolution Professional in the presence of the CoC. The Resolution Plan was further discussed by the CoC in the 7<sup>th</sup> CoC meeting held on 30 January 2023.
16. After due discussions by the CoC, the said Resolution Plan was put up for e-voting, the e-voting started on 02 February 2023 and concluded on 24 February 2023, wherein the Resolution Plan submitted by Pushapdham Heights Private Limited (**“Successful Resolution Applicant”**) having CIN: U51100WB2014PTC201464 was approved 100% voting share.
17. In accordance with regulation 36B(4A) of the CIRP Regulations, the Successful Resolution Applicant deposited the Performance Security Deposit of Rs.30,00,000/- (Rupees Thirty Lakh only) through four Bank Demand Drafts being Nos. 607129, 607130, 607131 and 607132 dated 01 March 2023.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

***In Re Resolution Plan of Limtex (India) Ltd.***  
**I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019**

**Compliance of the approved Resolution Plan with various provisions**

18. The Applicant has filed a Compliance Certificate in prescribed form, i.e., Form 'H' dated 02 March 2023<sup>1</sup> in compliance with regulation 39(4) of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
19. The Applicant has submitted details of various compliances as envisaged within the Code and the CIRP Regulations which a Resolution Plan should adhere to, as reproduced hereunder:

**I. Submission of Resolution Plan in terms of sub-section (2) of section 30 of the Code:**

<b>Clause of s.30(2)</b>	<b>Requirement</b>	<b>How dealt with in the Plan</b>
1.	Plan must provide for payment of CIRP cost in priority to payment of other debts of CD in the manner specified by the Board.	Clause 9.1. of Part C at Page 35 of the Resolution Plan.
2.	(i) Plan must provide for payment of debts of OCs in such manner as may be specified by the Board which shall not be less than the amount payable to them in the event of liquidation u/s 53;  (ii) Plan must provide for payment of debts of OCs in such manner as may be specified by the Board which shall not be not less than amount that would have been paid to such creditors, if the amount to be distributed under the resolution plan had been distributed in accordance with the order of	Clause 9.3 (c) of Part C at Page 37 of the Resolution Plan.  Clause 9.3 of Part C at Pages 36-39 of the Resolution Plan.

<sup>1</sup> Annexure O at Pages 309-318 of the I.A.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

*In Re Resolution Plan of Limtex (India) Ltd.*  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Clause of s.30(2)	Requirement	How dealt with in the Plan
	priority in sub-section (1) of section 53, whichever is higher;  (iii) provides for payment of debts of financial creditors who do not vote in favour of the resolution plan, in such manner as may be specified by the Board.	Clause (i) of Part C at Page 40 of the Resolution Plan.
(c)	Management of the affairs of the Corporate Debtor after approval of the Resolution Plan.	Clause 20 of Part F at Pages 74-75 and Clause 22 of Part G at Pages 78 of the Resolution Plan.
(d)	Implementation and Supervision	Clause 24 of Part H at Page 84 of the Resolution Plan.
(e)	Plan does not contravene any of the provisions of the law for the time being in force.	Clause 5.5. of Part B at Page 28 of the Resolution Plan.
(f)	Conforms to such other requirements as may be specified by the Board.	Not mentioned in the Resolution Plan.

**II. Measures required for implementation of the Resolution Plan in terms of regulation 37 of CIRP Regulations:**

Particulars	Relevant Page of the Revised Resolution Plan dealing aforesaid compliance with Regulation
A resolution plan shall provide for the measures, as may be necessary, for insolvency resolution of the corporate debtor for maximisation of value of its assets, including but not limited to the following: -	
(a) transfer of all or part of the assets of the corporate debtor to one or more persons;	Not proposed by the Resolution Applicant.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



<b>Particulars</b>	<b>Relevant Page of the Revised Resolution Plan dealing aforesaid compliance with Regulation</b>
(b) sale of all or part of the assets whether subject to any security interest or not;	Not proposed by the Resolution Applicant.
(ba) restructuring of the corporate debtor, by way of merger, amalgamation and demerger;	Not proposed by the Resolution Applicant.
(c) the substantial acquisition of shares of the corporate debtor, or the merger or consolidation of the corporate debtor with one or more persons;	Clause 14.1(d)(i) of Part D at Page 58; Clause 18(2)(b) of Part E at page 71 and Clause 23 of Part G at page 83 of the Resolution Plan.
(ca) cancellation or delisting of any shares of the corporate debtor, if applicable;	Clause 9.5. of Part C at page 48 of the Resolution Plan.
(d) satisfaction or modification of any security interest;	clause 9.3 of Part C at Pages 36-45 of the Resolution Plan.
(e) curing or waiving of any breach of the terms of any debt due from the corporate debtor;	clause 9.3 of Part C at Pages 36-45 of the Resolution Plan.
(f) reduction in the amount payable to the creditors;	“Payment Terms” of Part C at Pages 40-45 of the Resolution Plan
(g) extension of a maturity date or a change in interest rate or other terms of a debt due from the corporate debtor;	Not proposed in the Resolution Plan.
(h) amendment of the constitutional documents of the corporate debtor;	Not proposed in the Resolution Plan.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Particulars	Relevant Page of the Revised Resolution Plan dealing aforesaid compliance with Regulation
(i) issuance of securities of the corporate debtor, for cash, property, securities, or in exchange for claims or interests, or other appropriate purpose;	Clause 14.1 at pages 58-59 of the Resolution Plan
(j) change in portfolio of goods or services produced or rendered by the corporate debtor;	Not proposed by the Resolution Applicant
(k) change in technology used by the corporate debtor; and	Not proposed by the Resolution Applicant
(l) obtaining necessary approvals from the Central and State Governments and other authorities.	Clause 15 (f) and clause 15 (g) at pages 61-63 of the Resolution Plan.
(m) sale of one or more assets of corporate debtor to one or more successful resolution applicants submitting resolution plans for such assets; and manner of dealing with remaining assets.	Not proposed by the Resolution Applicant

***III. Mandatory contents of Resolution Plan in terms of regulation 38 of CIRP Regulations:***

Ref to relevant Reg.	Requirement	How dealt with in the Plan
38(1a)	The amount payable to the operational creditors under a	Clause 9.2 at Pages 35-45 of the Resolution Plan.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



<b>Ref to relevant Reg.</b>	<b>Requirement</b>	<b>How dealt with in the Plan</b>
	resolution plan shall be given priority in payment over financial creditors.	
38(1b)	The amount payable to the financial creditors, who have right to vote and did not vote in favour of the resolution plan, shall be paid in priority over financial creditors who voted in favour of the plan.	Clause 9.3 at Pages 36-45 of the Resolution Plan.
38(1A)	A resolution plan shall include a statement as to how it has dealt with the interests of all stakeholders, including financial creditors and operational creditors of the corporate debtor.	Clause 9 of Part C at Pages 35-53 of the Resolution Plan.
38(1B)	A resolution plan shall include a statement giving details if the resolution applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past.	Page 98 of the Resolution Plan.
38(2)	A resolution plan shall provide:	
	(a) the term of the plan and its implementation schedule;	Clause 25 of Part H at Pages 85-86 of the Resolution Plan

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

*In Re Resolution Plan of Limtex (India) Ltd.*  
**I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019**



<b>Ref to relevant Reg.</b>	<b>Requirement</b>	<b>How dealt with in the Plan</b>
	(b) the management and control of the business of the corporate debtor during its term; and	Clause 20 of Part F at Pages 74-75 and Clause 22 of Part G at Pages 78 of the Resolution Plan.
	(c) adequate means for supervising its implementation.	Clause 24 of Part H at Page 84 of the Resolution Plan
	(d) Provides for the manner in which proceedings in respect of avoidance transactions, if any, will be pursued after the approval of the resolution plan and the manner in which the proceeds, if any, from such proceedings shall be distributed.	Clause 5.2 (h) of Part B at page 27 of the Resolution Plan.
38(3)	A resolution plan shall demonstrate that –	
	(a) it addresses the cause of default;	Clause 5.2 (f) & (g) at Pages 26-27 of the Resolution Plan.
	(b) it is feasible and viable;	Part C at Page 31-32 of the Resolution Plan.
	(c) it has provisions for its effective implementation;	Clause 20.2 at Page 75 and clause 24 at page 84 of the Resolution Plan.
	(d) it has provisions for approvals required and the timeline for the same; and	Clause 17 at pages 65-70 of the Resolution Plan

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

***In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019**



Ref to relevant Reg.	Requirement	How dealt with in the Plan
	(e) the Resolution Applicant has the capability to implement the resolution plan.	Clause 14 at Pages 58-59 and clause 22.1 (b) at page 78 of the Resolution Plan

20. The Resolution Applicant has submitted affidavit of eligibility under section 29A of the Code, affirmed on 07 January 2023<sup>2</sup>.

**Details of Resolution Plan/Payment Schedule**

21. The Successful Resolution Applicant had filed a Resolution Plan on 09 January 2023.

22. The relevant information with regard to the amount admitted and the amount proposed to be paid by the Successful Resolution Applicant, *i.e.*, Pushapdham Height Private Limited under the said Resolution Plan dated 09 January 2023, is tabulated hereunder:

Nature of creditor	Amount admitted	Amount proposed	%
CIRP Cost	---	Rs.5,00,000/-	--
Financial Creditors			
CFM Asset Reconstruction Private Limited	Rs.160,49,00,000/-	Rs.1,94,06,013/-	1.08%
UCO Bank	Rs.19,10,53,799/-		
Operational Creditors			
Rajasthan State Food and Civil	Rs.64,00,065/-	Rs.64,000/-	1%

<sup>2</sup> Pages 48-50 of the I.A.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Nature of creditor	Amount admitted	Amount proposed	%
Supplies Corporation Limited			
ESI, Regional Office, Kolkata I	Rs.29,987/-	Rs.29,987/- <sup>3</sup>	100%
<b>Total</b>	<b>Rs.180,23,83,851/-</b>	<b>Rs.2,00,00,000/-</b>	<b>---</b>

23. The payment schedule as proposed in the Resolution Plan is given hereunder:

Nature of Cost	Proposed Treatment
<b>CIRP Cost</b>	Rs.5,00,000/- (Rupees Five Lakh only) shall be paid within 30 days from the effective date.  The actual amount, if higher will be deducted from the amount payable to the Secured Creditors.
<b>Secured Financial Creditors</b>	Rs.39,06,013/- (Rupees Thirty Nine Lakh Six Thousand and Thirteen only) shall be paid within 30 days from the effective date.  Rs.1,55,00,000/- (Rupees One Crore Fifty-Five Lakh only) shall be paid in the following manner: <ul style="list-style-type: none"> <li>• Rs.35,00,000/- payable within 60 days from the effective date.</li> <li>• Rs.1,20,00,000/- to be paid by four monthly instalments of Rs.30,00,000/- each commencing within 90 days from the date of the NCLR order.</li> </ul>

<sup>3</sup> As per the norm laid down in Jet Aircraft Maintenance Engineers Welfare Association v. Ashish Chhawchharia, C.A. (AT) (Ins.) Nos. 752, 643, 792, 801, 915 of 2021 & 361,771 and 987 of 2022.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

***In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019**



<b>Nature of Cost</b>	<b>Proposed Treatment</b>
<b>Operational Creditors who are Employees</b>	Rs.29,987/- (rupees Twenty Nine Thousand Nine Hundred and Eighty Seven only) shall be paid within 30 days from the effective date.
<b>Operational Creditors</b>	Rs.64,000/- (rupees Sixty Four Thousand) shall be paid within 30 days from the effective date.
<b>Working capital</b>	Rs.1,00,00,000/- (Rupees One Crore only) within six months from the date of final payment as envisaged in the Resolution Plan.
<b>Total</b>	<b>Rs.3,00,00,000/-</b>

24. In the 9<sup>th</sup> CoC meeting held on 06 March 2023, the Successful Resolution Applicant undertook to pay Rs.8,33,517/-<sup>4</sup> towards payment of gratuity over the resolution plan amount i.e. Rs.2,00,00,000/-, which was approved by the CoC in its 9<sup>th</sup> CoC meeting.
25. The Resolution Plan defines “**Effective Date**” as “*the date on which this Resolution Plan is approved by the NCLT*”.

**Details on Management/Implementation and Reliefs as per the Resolution Plan – Salient Features**

26. The Resolution Plan also provides for –
- a. Management of company after resolution in Clause 20 of Part F at Pages 74-75 and Clause 22 of Part G at Pages 78 of the Resolution Plan.
  - b. Term of the resolution plan in Clause 25 of Part H at Pages 85-86 of the Resolution Plan.

<sup>4</sup> Annexure C at Pp. 44-45 of the I.A.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

***In Re Resolution Plan of Limtex (India) Ltd.***  
**I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019**

- c. Implementation and Supervision of the resolution plan in Clause 24 of Part H at Page 84 of the Resolution Plan.

**Relinquishment/Waiver of liabilities and Approvals**

27. The Reliefs, Exemptions and Waivers sought by the Resolution Applicant from the Adjudicating Authority are set out below for the successful implementation of the Resolution Plan.

<b>Sl. No.</b>	<b>Relief, concessions and approvals sought</b>
1.	<p><b>Consents and approvals, authorizations etc.</b> [clause 17 (a) of Resolution Plan]</p> <p>Upon approval of this Resolution Plan by the NCLT, all actions stated in this Resolution Plan shall be deemed to be approved. Accordingly, any action or implementation of this Resolution Plan shall not be a ground for termination of any consents, approvals, concessions, authorizations, permits or the like that has been granted to the Corporate Debtor or for which the Corporate Debtor has made an application for renewal or grant. A detailed list of consents, approval and authorization are provided under Schedule 15.</p>
2.	<p><b>License/ Approvals/ contractual Right and benefits</b> [clause 17 (b) of Resolution Plan]</p> <p>(i)The Resolution Applicant has assumed that upon approval of this Resolution Plan by the NCLT and since the Resolution Applicant will acquire the Corporate Debtor, which, at present, is not a going concern, all subsisting consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the Corporate Debtor or to which the Corporate Debtor is entitled or accustomed to shall, notwithstanding any provision to the contrary in their terms, be deemed to continue without disruption for the benefit of the Corporate Debtor.</p>

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Sl. No.	Relief, concessions and approvals sought
	<p>(ii) For the avoidance of doubt, it is hereby clarified that all consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the Corporate Debtor or to which the Corporate Debtor is entitled or accustomed to, which have expired as of the Completion Date, shall be deemed to continue without disruption for the benefit of the Corporate Debtor for a period of 12 months or until renewed by the relevant authorities, whichever is later. Without any liability for the non-compliance during the time specified above, the Resolution Applicant undertakes to cause the Corporate Debtor to expeditiously identify such expired consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the Corporate Debtor or to which the Corporate Debtor is entitled or accustomed to, evaluate the steps required to address the same and take steps to remedy the same to the extent practically possible.</p> <p>(iii) Upon approval of this Resolution Plan by the NCLT, any claims by any person (whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future) against the Corporate Debtor accruing due to the commencement or pendency of insolvency proceedings against the Corporate Debtor, whether arising under the terms of subsisting consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the Corporate Debtor or any contractual arrangements entered into by the Corporate Debtor, shall, notwithstanding any provision to the contrary in their terms, stand extinguished without any recourse in conformity with Hon'ble Supreme Court judgment in the matter of <b>Ghanashyam Mishra and Sons Pvt. Ltd. Through Authorised Signatory Vs. Edelweiss Asset Reconstruction Company Ltd.</b> Civil Appeal No. 8129 of 2019 and other appeals.</p>

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Sl. No.	Relief, concessions and approvals sought
3.	<p>During the Interim Period, neither the Resolution Professional nor any creditor (including any Financial Creditor and Government agency) or any stakeholder involved in this Resolution Plan or otherwise connected with this Resolution Plan, the CoC, the Monitoring Agency nor the Corporate Debtor shall: [refer to clause 17 (c).</p> <p>(i) Take any of the actions specified in Section 28 of the Code without the approval of the NCLT.</p> <p>(ii) take any action or omission that could reasonably be expected to have a material adverse impact, directly or indirectly, on the Resolution Plan or its successful implementation; or</p> <p>(iii) Institute or continue any proceedings against the Corporate Debtor or transfer, encumber, alienate, or dispose of any of the assets or interests of the Corporate Debtor or enforce any encumbrance or security interest created by the Corporate Debtor or on the securities of the Corporate Debtor.</p>
4.	<p><b>Liability for past actions or omissions</b> [clause 17 (d) of Resolution Plan]</p> <p>(i) The Resolution Applicant will acquire control over the Corporate Debtor pursuant to the order of the NCLT by the Completion Date and not pursuant to the usual acquisition process which would ordinarily include a detailed due diligence and representation, warranties, and indemnities in relation to the affairs of the Corporate Debtor from its existing promoters. Therefore, the Resolution Applicant may take some time to discover any non-compliance that may exist in relation to the Corporate Debtor on the date of acquisition of control by the Resolution Applicant over the Corporate Debtor. As such the Resolution Applicant may take some time to identify such non-compliances and to address them.</p> <p>(ii) In light of this, the Resolution Applicant and the Corporate Debtor shall have immunity from any actions and penalties (of</p>

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Sl. No.	Relief, concessions and approvals sought
	<p>any nature) under any laws for any non-compliance of laws in relation to the Corporate Debtor or by the Corporate Debtor, as well as with the terms of any agreement or arrangement entered into by the Corporate Debtor, which was existing as on the Completion Date and which continues for a period of up to 12 months after the acquisition of control by the Resolution Applicant over the Corporate Debtor. Without any liability for the non-compliance during the time specified above, the Resolution Applicant undertakes to cause the Corporate Debtor to expeditiously identify such non-compliances, evaluate the steps required to address such non-compliances and take steps to remedy such non-compliances to the extent practically possible. The Resolution Applicant and the Corporate Debtor shall be entitled to apply to and approach the NCLT for relief for continued implementation of the approved Resolution Plan before or after any coercive action is taken against the Corporate Debtor or the Resolution Applicant, especially in view of the limited due diligence offered to the Resolution Applicant.</p> <p>(iii) This Resolution Plan will be implemented pursuant to an order of the NCLT, and all actions stated in this Resolution Plan shall be deemed to be approved by the NCLT. Accordingly, any action or implementation of this Resolution Plan shall not be a ground for termination of any contracts entered into by the Corporate Debtor.</p>
5.	<p><b>Inquiries, investigations etc.</b> [clause 17 (e) of Resolution Plan]</p> <p>Upon approval of this Resolution Plan by the NCLT, all inquiries, investigations and proceedings, whether civil or criminal, notices, causes of action, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings against, or in relation to, or in connection with the Corporate Debtor or the affairs of the Corporate Debtor, pending or threatened, present or future, (including without limitation, any investigation, action, proceeding, prosecution, whether civil or criminal, by the Central</p>

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re Resolution Plan of Limtex (India) Ltd.*  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Sl. No.	Relief, concessions and approvals sought
	<p>Bureau of Investigation, the Enforcement Directorate or any other regulatory or enforcement agency), in relation to any period prior to the Completion Date or arising on account of the acquisition of control by the Resolution Applicant over the Corporate Debtor pursuant to this Resolution Plan shall stand withdrawn or dismissed and all liabilities or obligations in relation thereto, whether or not set out in the balance sheets of the Corporate Debtor or the profit and loss account statements of the Corporate Debtor, will be deemed to have been written off in full and permanently extinguished and the Corporate Debtor or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto notwithstanding any adverse order that may be passed in respect of the same by any authority prior to or after the Completion Date. Upon approval of this Resolution Plan by the NCLT, all new inquiries, investigations, whether civil or criminal, notices, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against the Corporate Debtor in relation to any period prior to the acquisition of control by the Resolution Applicant over the Corporate Debtor or on account of the acquisition of control by the Resolution Applicant over the Corporate Debtor pursuant to this Resolution Plan.</p> <p>A detailed list of all the pending inquiries and investigations against the Corporate Debtor are provided under Schedule 17.</p>
6.	<p><b>Tax exemptions</b> [clause 17 (f) of Resolution Plan]</p> <p>(i) With the approval of this Resolution Plan by the NCLT, it is assumed that an exemption shall be deemed to have been granted to the Corporate Debtor from the obligation to pay taxes in accordance with the exemptions granted under the Finance Act 2021.</p> <p>(ii) The Corporate Debtor shall be entitled to carry forward the unabsorbed depreciation and accumulated losses under</p>

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Sl. No.	Relief, concessions and approvals sought
	Income tax and minimum alternate tax and to utilize such amounts to set off future tax obligations as applicable under Income tax act.
7.	<p><b>Anti-corruption provisions and immunity</b> [clause 17 (g) of Resolution Plan]</p> <p>(i) As the Resolution Applicant will acquire control over the Corporate Debtor pursuant to the order of the NCLT and not pursuant to the usual acquisition process which would ordinarily include a detailed due diligence and representation, warranties and indemnities in relation to the affairs of the Corporate Debtor from its existing promoters, the Resolution Applicant may take some time to discover all the non-compliances that may exist in relation to the Corporate Debtor on the date of acquisition of control by the Resolution Applicant over the Corporate Debtor.</p>
8.	<p><b>Contracts</b> [clause 17 (h) of Resolution Plan]</p> <p>(i) For a period of 6 months from the Completion Date, all subsisting contracts and arrangements entered into by the Corporate Debtor shall continue to be in subsistence, including but not limited to the following:</p> <p>(ii) For a period of 6 months from the Completion Date, the Corporate Debtor shall have a right to review and terminate any contract that was entered into prior to the Completion Date.</p> <p>(iii) If during such review, the Corporate Debtor terminates any contracts then the Corporate Debtor shall not be liable towards any claims with respect to termination of such contracts, including but not limited to any claims, penalty, damages (liquidated or otherwise), arbitration claims or claims for specific performance.</p>

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Sl. No.	Relief, concessions and approvals sought
	<p>(iv) All contracts between the Corporate Debtor and related parties as defined in Section 5(24) of the Code shall stand terminated with effect from the Completion Date unless otherwise notified by the Resolution Applicant by the Completion Date, and the Corporate Debtor shall not be liable towards any claims with respect to termination of such contracts, including but not limited to, any claims, penalty, damages (liquidated or otherwise), arbitration claims, claims for specific performance or claims for interim relief.</p> <p>All financial obligations under any contract to which the Corporate Debtor is a party, relating to a period prior to the Completion Date, if not provided for under this Resolution Plan, shall stand extinguished.</p>
9.	<p>The Resolution Applicant requests the State Government of Odisha to grant it suitable tax and financial incentives as per the prevailing policy of the State Government or any other policy for revival of distressed companies, considering the revival of the Corporate Debtor in order to achieve financial viability of the Corporate Debtor.</p> <p>[clause 17 (i) of Resolution Plan]</p>
10.	<p>On the basis of information provided by the Resolution Professional, this Resolution Plan assumes that, on the Completion Date the Corporate Debtor will not have any realizable gross current assets (inventory, receivables and cash).</p> <p>[clause 17 (j) of Resolution Plan]</p>
11.	<p>The Resolution Applicant has assumed that since this is a NCLT approved plan under a statutory process and is binding on all stakeholders under Sections 31(1) and 238 of Code, all concerned regulators, including RBI, shall give expeditious</p>

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019



Sl. No.	Relief, concessions and approvals sought
	approvals to facilitate the Resolution Plan of the Corporate Debtor and its implementation. [clause 17 (k) of Resolution Plan]

Orders

28. On hearing the submissions made by the Resolution Professional, and perusing the record, we find that the Resolution Plan filed by Pushapdham Heights Private Limited has been approved with 100% voting share. As per the CoC, the plan meets the requirement of being viable and feasible for revival of the Corporate Debtor. By and large, all the compliances have been done by the Resolution Professional and the Resolution Applicant for making the plan effective after approval by this Bench.
29. On perusal of the documents on record, we are 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.
30. As far as the question of granting time to comply with the statutory obligations or seeking approvals from authorities is concerned, the Resolution Applicant is directed to do so within one year from the date of this order, as prescribed under section 31(4) of the Code.
31. We have perused the reliefs, waivers and concessions as sought and as given in Clause 17 at Pages 65-70 of the Resolution Plan, in this regard, we refer to section 31 of the Code and rely upon the law laid down by the Hon'ble Supreme Court in **Ghanashyam Mishra and Sons Pvt Ltd v Edelweiss Asset Reconstruction Company Ltd**,<sup>5</sup> wherein the Hon'ble Supreme Court has held that once a resolution plan is duly approved by the

<sup>5</sup> 2021 SCC OnLine SC 313 decided on 13.04.2021.

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re Resolution Plan of Limtex (India) Ltd.*  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019

---

Adjudicating Authority under sub-section (1) of section 31, the claims as provided in the resolution plan shall stand frozen and will be binding on the Corporate Debtor and its employees, members, creditors, including the Central Govt, any State Govt or any local authority, guarantors and other stakeholders.

The relevant part of the **Ghanshyam Mishra judgment(supra)** in this regard is given below:

**61.** *All these details are required to be contained in the information memorandum so that the resolution applicant is aware, as to what are the liabilities, that he may have to face and provide for a plan, which apart from satisfying a part of such liabilities would also ensure, that the Corporate Debtor is revived and made a running establishment. The legislative intent of making the resolution plan binding on all the stake-holders after it gets the seal of approval from the Adjudicating Authority upon its satisfaction, that the resolution plan approved by CoC meets the requirement as referred to in sub-section (2) of Section 30 is, that after the approval of the resolution plan, no surprise claims should be flung on the successful resolution applicant. The dominant purpose is, that he should start with fresh slate on the basis of the resolution plan approved.*

**62.** *This aspect has been aptly explained by this Court in the case of Committee of Creditors of Essar Steel India Limited through Authorised Signatory (supra).*

**107.** *For the same reason, the impugned NCLAT judgment [Standard Chartered Bank v. Satish Kumar Gupta, 2019 SCC OnLine NCLAT 388] in holding that claims that may exist apart from those decided on merits by the resolution professional and by the Adjudicating Authority/Appellate Tribunal can now be decided by an appropriate forum in terms of Section 60(6) of the Code, also militates against the rationale of Section 31 of the Code. A successful resolution applicant cannot suddenly be faced with “undecided” claims after the resolution plan submitted by him has*

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re Resolution Plan of Limtex (India) Ltd.*  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019

---

*been accepted as this would amount to a hydra head popping up which would throw into uncertainty amounts payable by a prospective resolution applicant who would successfully take over the business of the corporate debtor. All claims must be submitted to and decided by the resolution professional so that a prospective resolution applicant knows exactly what has to be paid in order that it may then take over and run the business of the corporate debtor. This the successful resolution applicant does on a fresh slate, as has been pointed out by us hereinabove. For these reasons, NCLAT judgment must also be set aside on this count.”*

32. We also place reliance on the recent judgement of Hon'ble High Court of Rajasthan in the matter of **EMC v. State of Rajasthan** wherein it has been *inter-alia* held that :

*“Law is well-settled that with the finalization of insolvency resolution plan and the approval thereof by the NCLT, all dues of creditors, Corporate, Statutory and others stand extinguished and no demand can be raised for the period prior to the specified date.”*

On the date of approval of resolution plan by the Adjudicating Authority, all such claims, which are not a part of resolution plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim, which is not part of the resolution plan. The Hon'ble Supreme Court also held that all the dues including the statutory dues owed to the Central Govt, any State Govt or any local authority, if not part of the resolution plan, shall stand extinguished and no proceedings in respect of such dues for the period prior to the date on which the Adjudicating Authority grants its approval under section 31 could be continued.

IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II

*In Re Resolution Plan of Limtex (India) Ltd.*  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019

- 
33. With respect to the waivers sought in relation to guarantors, the judgment of *Lalit Kumar Jain v Union of India & ors*,<sup>6</sup> wherein the Hon'ble Supreme Court held in para 133 that sanction of a resolution plan and finality imparted to it by section 31 does not *per se* operate as a discharge of the guarantor's liability shall apply.
34. In view of the above position of law, the Resolution Plan approved by CoC and being approved by this Adjudicating Authority shall be binding on the Corporate Debtor and other persons, authorities etc. as specified in section 31 of the Code.
35. With respect to the reliefs and waivers sought for all inquiries, litigations, investigations and proceedings shall be granted strictly as per the section 32A of the Code.
36. The Resolution Plan has to be consistent with extant law. The Resolution Applicant shall make necessary applications to the concerned regulatory or statutory authorities for renewal of business permits and supply of essential services, if required, and all necessary forms along with filing fees etc. and such authority shall also consider the same keeping in mind the objectives of the Code, which is essentially the resolving of the insolvency of the Corporate Debtor.
37. In case of non-compliance of this order or withdrawal of Resolution Plan, the payments already made by the Resolution Applicant shall be liable for forfeiture.
38. Subject to the observations made in this Order, the Resolution Plan is hereby **APPROVED** by this Bench. **The Resolution Plan shall form part of this Order and shall be read along with this order for implementation.** The Resolution Plan thus approved shall be binding on the Corporate Debtor and other stakeholders involved in terms of section 31 of the Code, so that revival of the Debtor Company shall come into force with immediate effect.

---

<sup>6</sup> 2021 SCC OnLine SC 396 decided on 21.05.2021.

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH, COURT-II**

***In Re* Resolution Plan of Limtex (India) Ltd.  
I.A. (IB) No. 525/KB/2023 in CP (IB) No. 1837/KB/2019**

---

39. The Moratorium imposed under section 14 of the Code shall cease to have effect from the date of this order.
40. The Resolution Professional shall submit copies of the records collected during the commencement of the proceedings to the Insolvency & Bankruptcy Board of India for their record and also return to the Resolution Applicant or New Promoters.
41. Liberty is hereby granted for moving any application if required in connection with implementation of this Resolution Plan.
42. A copy of this Order is to be submitted to the Registrar of Companies, West Bengal.
43. The Resolution Professional shall stand discharged from his duties with effect from the date of this Order, save and except the duties envisaged in the Resolution Plan.
44. The Resolution Professional is further directed to handover all records, premises/factories/documents to the Resolution Applicant to finalise the further line of action required for starting of the operation. The Resolution Applicant shall have access to all the records and premises of the corporate debtor through the Resolution Professional to finalise the further line of action required for starting of the operation.
45. In view of the above the **I.A. (IB) No. 525/KB/2023 in C.P. (IB) No. 1837/KB/2019 shall stand disposed of accordingly.**
46. C.P. (IB) No. 1837/KB/2019 shall be listed along with the pending connected I.A.s.
47. The Registry is directed to send e-mail copies of the order forthwith to all the parties for information and for taking necessary steps.
48. Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

**Balraj Joshi**  
**Member (Technical)**

**Rohit Kapoor**  
**Member (Judicial)**

Order signed on the 4<sup>th</sup> day of October 2023.

GGRB\_LRA