



**IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH
IA (IB) No. 283/CB/2023
IN
CP (IB) No. 34/CB/2021**

*(An Application filed under Section 30(6) read with section 31(1) of the
Insolvency and Bankruptcy Code, 2016 read with Regulation 39(4) of
the Insolvency and Bankruptcy Board of India (Insolvency Resolution
Process for Corporate Persons) Regulations, 2016)*

In the matter of:

STATE BANK OF INDIA

.... Financial Creditor

Vs

ARSS INFRASTRUCTURES PROJECTS LIMITED

.... Corporate Debtor

And

In the matter of:

UDAY NARAYAN MITRA

RESOLUTION PROFESSIONAL OF

ARSS INFRASTRUCTURES PROJECTS LIMITED

Having Registered office address at:

72/1, Dawnagazi Road, Bally, Howrah - 711201, West Bengal.

.....Applicant/Resolution Professional

DATE OF PRONOUNCEMENT: 29.08.2025

CORAM: DEEP CHANDRA JOSHI, MEMBER (JUDICIAL)

BANWARI LAL MEENA, MEMBER (TECHNICAL)

APPEARANCE:

FOR APPLICANT: JOY SAHA, Senior Advocate

SAHASRANSHU SOURAV, Advocate

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ORDER

1. The present application i.e. **IA(IB) 283/CB/2023** has been filed by Uday Narayan Mitra , the Resolution Professional ("**Applicant/RP**") of **ARSS Infrastructure Projects Limited** the Corporate Debtor ("**CD**") on 18.09.2023 under the provisions of Section 30(6) of the Insolvency & Bankruptcy Code, 2016 ("**The Code/IBC**") read with Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("**CIRP Regulations**") for approval of the Resolution Plan u/s **31(1) of the code** submitted by **Ocean Capital Market Limited, Successful Resolution Applicant ("hereinafter SRA")** and **approved by the Committee of Creditors u/s 30(4)**

2. Ld. Senior Advocate Joy Saha appeared along with Sahasrahsu Sourav, Ld. Counsel of the Applicant.

3. We have heard the Ld. Senior counsel and the counsel on record and have perused the contents of the plan and documents brought on record. Before we assess the requisite compliances of the plan with the applicable laws to make it binding as per the code, it is imperative to skim through the whole corporate insolvency process of the corporate debtor commencing from the insolvency commencement date till the filing of the present application.

SUMMARY OF CORPORATE INSOLVENCY RESOLUTION PROCESS:

4. The Corporate Debtor was incorporated on 17.05.2000 having its **registered office** at Plot No.38, Sector A, Zone D, Mancheswar Industrial Estate, Bhubaneswar. The **authorized capital** is Rs. 55,00,00,000/- (Rupees Fifty-Five Crores) and **Paid-Up capital** is Rs.22,73,79,660/- /- (Rupees Fifty-Five Crores). It is involved in infrastructure construction including **highways**, buildings, and railways.

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• **COMMENCEMENT OF CIRP AND APPOINTMENT OF RP:**

5. State Bank of India, ("**Financial Creditor**") filed a petition i.e. **CP (IB) NO. 34/CB/2021** under section 7 of The Code r/w rule 4 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for seeking initiation of CIRP against CD and this adjudicating authority admitted CD into Corporate Insolvency Resolution Process ("**CIRP**") vide order dated **30.11.2021** (hereinafter "**Insolvency Commencement Date/ICT**") and accordingly the Applicant was appointed as Interim Resolution Professional ("**IRP**") in terms of Section 16 of the code. The **applicant was confirmed as RP in the 3rd meeting of the COC held on 09.02.2022** with 100% vote share.

• **INVITATION OF CLAIMS BY PUBLICATION OF FORM-A:**

6. The applicant after being appointed as IRP **issued a public** announcement in Form-A in terms of Regulation 6(1) of the CIRP Regulations, 2016 intimating the public about the commencement of CIRP against the CD and inviting the creditors to submit their claims. The announcement in **Form-A was published on 04.12.2021** in two newspapers i.e. **Business Standard (English)** and **Pratidin (Odia)** specifying the **last date for submission of claims as 16.12.2021**.

• **COLLATION OF CLAIMS AND CONSTITUTION OF COC:**

7. The applicant, in terms of Section 18(b) read with Regulation 13(1) of CIRP Regulations, 2016, **verified the claims of the creditors** based on the documents and information submitted by creditors and after verifying the same prepared the list of creditors. **List of creditors**, whose claims were received within the stipulated timeline, was filed before this Adjudicating Authority in compliance of Regulation 13(2)(d) of CIRP Regulation, 2016 and the applicant in term of Regulation 17(1) of CIRP Regulation, 2016 constituted Committee of Creditors ("**CoC**") and filed its **report certifying the constitution of COC** vide report

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dated 26.12.2021 and the same was taken on record. It is pertinent to mention that the change List of Creditors and change in CoC was duly informed by the applicant time to time to the Adjudicating Authority

• **INCLUSION OF CLAIM OF DEVIKA PROPERTIES PRIVATE LIMITED:**

8. The applicant convened the **1st CoC meeting on 03.01.2022** wherein it brought on record the list of admitted claims for the perusal of the CoC. In the **2nd CoC meeting convened on 31.01.2022** the CoC was informed regarding the admission of a claim in full of an Operational Creditor i.e. **Devika Properties Private Limited** to the tune of Rs.10,25,000/- and informed that the **claim of SREI Equipment Finance Limited** as a secured Financial Creditor **was rejected by the applicant** as the same was not reflected in the books of accounts of the CD.

9. The applicant convened the **3rd CoC meeting** on 09.02.2022 wherein, as stated above, the IRP was confirmed as RP and **the same was communicated to the Adjudicating Authority as required Section 22(3)(a) of the Code on 22.04.2022 by filing the minutes** of the 3rd CoC meeting which reflects the applicant was confirmed as RP with 100% Votes.

• **APPOINTMENT OF TWO VALUERS AND TRANSACTION AUDITOR:**

10. In terms of Regulation 27 of the CIRP Regulations, 2016 the applicant appointed **Two Registered valuers** i.e. (i) **Resolute Valuers and Consultants and consultants** having registration id- **IBBI/RV-E/01/2019/111** and (ii) **RSBA Valuation Advisors LLP**, having registration id- **IBBI/RV-E/05/2019/110** who were selected by the CoC in the 3rd CoC meeting to carry out the valuation of the assets of the CD. The applicant upon the approval of the CoC in the same meeting also appointed **One Transaction Auditor** i.e. **Mazars** to carry

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out Forensic Audit and report transactions violative of section 43,45,50 and 66 of the Code.

- **INCLUSION OF CLAIMS OF 3 OPERATIONAL CREDITORS:**

11. The **4th CoC meeting** was convened on 07.03.2022 wherein the applicant informed the CoC that **claims of 3 (Three) Operational Creditors** i.e. **(i) Sharma Roadlines, (ii) A.R. Khan and Sons and (iii) Sales Tax Officer, Royapettah Assessment Circle, Tamil Nadu has been admitted and the list of claims has been revised.**

- **ADMISSION OF CLAIM OF EDELWEISS ARC AND APPROVAL OF DRAFT FORM-G, EM AND IM BY CoC:**

12. The CoC approved the draft Form-G and chose two widely circulated newspapers i.e. **Business Standard** (All India Edition in English) and **Oriya Bhaskar (Odia)** to publish the same.

In the **5th COC meeting** held on 29.03.2022 upon the proposal of State Bank of India the EoI process documents, Evaluation Matrix ("**EM**") and Form-G was amended and the same was approved by COC. The CoC also approved the Request for Resolution Plan ("**RFRP**"). Further it was decided that the Form-G will also be published in a Hindi Daily and for which, **Dainik Bhaskar (North India Edition)** was selected by the CoC. In the 5th meeting the applicant reconstituted the CoC after **admitting the claim to the tune of RS. 4,19,50,79,968/- of Edelweiss ARC (assignee of EXIM Bank Ltd).** The applicant informed the CoC that, in compliance of Regulation 36 of the CIRP Regulation, 2016 read with Section 25 (2)(g) of the Code and Section 29, he has prepared **Information Memorandum ("IM")** based on the information available but the same will be circulated to members of COC only upon signing a confidentiality agreement. The CoC also resolved that the IM and EM will be circulated with the PRAs within 5 days from the issuance of the Provisional list of PRAs.

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• **EXTENSION OF CIRP BY 90 DAYS UP TO 27.08.2022:**

The CoC with 71.90% vote also resolved to seek an extension of 90 days from the Adjudicating Authority as the CIRP period was due to expire on 29.05.2022. The applicant filed **IA(IB) No. 103/CB/2022** seeking extension and the same was allowed by this Adjudicating Authority, **extending the CIRP Period to 27.08.2022** vide order dated 10.05.2022.

• **PUBLICATION OF FORM-G:**

13. The applicant in compliance with Regulation 36A (1) of CIRP Regulations **published Form-G on 13.04.2022** in newspaper namely **Business Standard** (All India Edition in English), **Oriya Bhaskar** (Odia) and **Dainik Bhaskar** (North India Edition) (Hindi) respectively for Expression of Interest ("EOI") wherein the **last date to receive EOI from interested Prospective Resolution Applicant (PRA) was 28.04.2022** and to issue Provisional List of PRAs and Final List of PRAs was 13.05.2022 and 23.05.2022 respectively. **The last date to submit a resolution plan was 12.06.2022.**

• **PUBLICATION OF PRA LIST:**

14. The applicant convened the **6th CoC Meeting** on 23.05.2022 wherein it was informed that **8 (Eight) Eols have been received** and accordingly in accordance with Regulation 36A (10) of CIRP the **provisional PRA list has been issued on 08.05.2022** and the PRAs has been issued the IM and EM on 13.05.2022 the **Final PRA list was issued on 23.05.2022.**

The **Final PRA List** is as follows:

Sl No.	Name	Address
1.	RKG Fund- 1 Scheme of RKG Trust	A 1/25, Ground Floor, Paschim Vihar, New Delhi-110063

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2.	Asset Reconstruction (Indian) Limited	10 th Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai-400 028
3.	Ocean Capital Market limited	A/6 Commercial Estate, Civil Township, Rourkela-769004, Odisha
4.	Kundan Care Products Limited	E-22, Industrial Area, Bahadrabad, Haridwar-249402, Uttarakhand
5.	PNC Infratech Limited	NBCC Plaza, Tower 2, IV Floor, Pushp Vihar, Sector-5, Saket, New Delhi-110017
6.	Gaursons India Private Limited	Office No.-F 101, First Floor, Plot No.2/3, Asish Commercial Complex, LSC, New Rajdhani Enclave, Delhi-110092
7.	Kalyan Toll Infrastructure Limited	15/3, Manoramaganj Indore-452001, Madhya Pradesh
8.	Jhajharia Nirman Limited	WZ 688A, Shiv Nagar Extension, Jail Road, Janakipuri, New Delhi-110058

• **RECEIPT OF VALUATION REPORTS AND PLAN FROM THE SRA:**

15. The **7th CoC Meeting** was held on 22.06.2022 in which the applicant appraised the CoC regarding the receipt of only one Resolution plan from the present SRA and the same was opened **from a sealed** envelope in the meeting, in the presence **of a representative** of SRA. The Valuation reports received from the two valuers were shared with the CoC Members who had signed the confidentiality agreement.

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→ Valuation of the assets of CD as per the two registered valuers:

Sl No	NAME OF VALUER (IBBI REGISTRATION ID) (DATE OF REPORT)	CATEGORY	FAIR VALUE (IN INR) (IN CRORES)	LIQUIDATION VALUE (IN INR) (IN CRORES)
1.	RESOLUTE VALUERS & CONSULTANTS PRIVATE LIMITED (IBBI/RV-E/01/2019/111) (13.06.2022)	Land & Building	42.3619	35.7709
		Plant & Machinery	20.3899	15.2924
		Financial Assets	137.0524	116.9545
2	RBSA VALUATION ADVISORS LLP (IBBI/RV-E/05/2019/110) (16.08.2022)	Land & Building	14.69*	8.81**
		Plant & Machinery	26.8098	16.10
		Financial Assets	194.47	122.4538

* Revised from 14.28 Crores to 14.69 Crores vide addendum dated 16.08.2022 and reflected at Pg No. 290 of Application.

**Revised from 8.65 Crores to 8.81 Crores vide addendum dated 16.08.2022 and reflected at Pg No. 290 of Application.

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→ **Appointment of 3rd Valuer for Land & Building and Valuation**

Details:

16. There was 'significant' difference in the liquidation value of "*Land and Building*" in terms of explanation to clause (b) of Regulation 35(1) of CIRP regulations and hence a third valuer i.e. **Mr. Bibhu Bhusan Rath (IBBI/RV/11/2021/13883)** was appointed to provide valuation of Land and Building of the CD. **The valuation of the land parcels owned by the CD as valued by the 3rd Valuer is as follows:**

Sl No.	Description of Asset	Fair Value (INR)	Liquidation Value (INR)
1.	Property at Tipampatti, Tamil Nadu	22,74,000	19,40,000
2.	Property at Champajhara, Khurda, Odisha	21,00,000	14,70,000
3.	Property at Kharabhuian & Baisipada, Boudh, Odisha	24,80,000	21,08,000
4.	Property at Chhatrama, Khurda, Odisha	72,30,000	61,40,000
5.	Property at Badapada, Bhanjanagar, Ganjam	32,37,000	27,52,000
6.	Property at Berhampur, Ganjam	39,87,000	33,89,000
7.	Property at Mancheswar, Bhubaneswar, Odisha	6,68,00,000	5,68,00,000
8.	Property at Jujomura, Sambalpur, Odisha	54,00,000	45,97,000
Total		9,35,08,000	7,91,96,000

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→ **Average Fair Value and Average Liquidation Value of CD:**

17. The **average Fair value and average Liquidation value** of different category of assets and of **the CD** as per Regulation 35(1)(c) of CIRP Regulations is as follows:

Sl No.	Category	Average Fair Value (In INR) (IN CRORES) (Rounded off)	Average Liquidation Value (In INR) (IN CRORES) (Rounded off)
1	Land & Building	12.02	8.36
2	Plant & Machinery	23.60	15.70
3	Financial Assets	165.76	119.70
Average Valuation of CD		201.38*	143.76

**As per Form-H the Fair Value of the CD has been stated to be Rs. 235.56 Crores*

18. It is noted that the **RP in Form-H as submitted has stated the Average Fair Value of the CD to be Rs. 235.56 Crores but upon our assessment the same is found to be incorrect** and the Average fair value as indicated above is Rs 201.38 crores. The Ld. Counsel for the RP has acknowledged the error and has stated it to be inadvertent and a computation error; be that as it may the Fair Value is higher than than the liquidation value and the incorrect computation did not have any detrimental impact on the resolution or maximisation of value of the corporate debtor.

The RP is cautioned to be more careful and diligent while making submissions in Form-H which is a statutory document and the court relies on it with a 'presumption of accuracy' as it is filed by the RP who is an officer of the court.

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• **ADMISSION OF CLAIMS OF 2 OPERATIONAL CREDITORS & 1 FINANCIAL CLAIM OF ICICI BANK PRIVATE LIMITED AND RECONSTITUTION OF CoC:**

19. The **8th CoC Meeting** was convened by the applicant on 29.06.2022, wherein the RP informed the **CoC that three claims i.e. (i) ICICI Bank Limited, (ii) The Assistant Commissioner of GST and Central Excise, & (iii) Bhubaneswar-II Division and CT & GST Office, Bhubaneswar-III** has been admitted in light of the order of the Adjudicating Authority in **IA(IB) No. 154/CB/2022, IA(IB) No. 106/CB/2022 and IA(IB) No. 143/CB/2022**. The CoC was also **re-constituted** with inclusion of ICICI Bank Limited.

In the same meeting the applicant also apprised **the SRA that its plan was not in compliance with the amendment incorporated by the IBBI (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2022** and the SRA assured due compliance.

• **REPORT OF TRANSACTION AUDITOR:**

20. The **9th CoC Meeting** was held on 05.08.2022 wherein the CoC deliberated on the key features of the submitted resolution plan and concerns regarding the valuation report. The applicant also apprised the CoC regarding the **report of the Transaction Auditor**. As per the Transaction Audit, there were no extortionate or fraudulent transactions u/s 50 and 66 of IBC, 2016 and the following transactions were found to be prohibited u/s 43, 45 and 49 of the Code:

Sl No.	DETAILS OF TRANSACTION	VALUE OF TRANSACTION (INR)	NATURE OF TRANSACTION

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1.	Interest free loan/advance to related party North West Sales & Marketing.	1.25 Crores	Preferential Transactions u/s 43 of IBC
2.	Fixed Asset (Bolero Campers) sold to related Pary SCPL at blanket rate.	0.70 Crore	
3.	Fixed Asset valuing Rs. 6.03 Crores sold to KIPPL (having SK Singla as a past common director) at a loss of Rs. 1.50 Crores	1.50 Crores	
4.	Rent not recovered in advance as per payment terms for 5 crusher plants given to related party SCPL.	6.03	
5.	Income from Railway Work allotted by RVNL directly received in sub contractor's SCPL bank account no. from RVNL	28 Crores	
6.	Cash sales of Fixed Assets (Tippers) valuing Rs.1.26 Crores at lower than realizable metal scrap value at a loss of Rs. 0.50 Lakhs	0.50 Lakhs	Undervalued Transactions u/s 45 of IBC
7.	Fixed Asset valuing Rs. 6.03 Crores sold to KIPPL (having SK Singla as a past common director) at a loss of Rs. 1.50 Crores. No value determination of 2 major crusher plants	1.50 Crores	
8.	TDS Receivable of Rs.10.90 Crores written off as bad debts without any evidence	10.90 Cores	

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	of recovery efforts to justify the write off.		Transactions
9.	Subsequent receipt of Rs.3.26 Crores (out of the above 10.90 Crores) from TDS defaulting party Niraj Cement Structural Limited was returned forfeiting TDS due amount of Rs. 2.70 Crores	3.26 Crores	defrauding Creditors u/s 49 of IBC

• **EXTENSION OF CIRP BY 60 DAYS UP TO 26.10.2022:**

21. In the **9th Meeting the CoC** with requisite votes also resolved to seek an extension of CIRP period by 60 days and the same was allowed by this Adjudicating Authority in **IA(IB) 227/CB/2022** vide order dated 26.08.2022 and the **CIRP period was extended up to 26.10.2022.**

• **CONDONATION OF DELAYED CLAIM OF SEFL BY HON'BLE NCLAT:**

22. In the **10th CoC Meeting** held on 19.09.2022 the applicant informed the CoC regarding an order of Hon'ble NCLAT in relation to a claim filed by **SREI Equipment Finance Limited ("SEFL")** wherein Hon'ble NCLAT vide order date 30.08.2022 had set aside the claim rejection order dated 11.05.2022 of the Adjudicating Authority passed in **IA (IB) No. 64/CB/2022** on the ground of Limitation, but the order did not clearly directed the applicant to admit the claim and hence it was resolved to seek clarification from Hon'ble NCLAT in regard to its order dated 30.08.2022.

• **EXTENSION OF CIRP BY 30 DAYS UP TO 25.11.2022:**

In the **11th, 12th and 13th, Meetings of CoC** convened on 29.09.2022 10.10.2022 and 16.11.2022 respectively the CoC deliberated on the contents of the plan and the addendum submitted by the SRA. In the 12th CoC meeting it was resolved that an extension of 30 days may be

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sought from the Adjudicating Authority on account of pending litigation before Hon'ble NCLAT and the same was allowed, with retrospective effect from 27.10.2022, by the Adjudicating Authority vide order dated 14.11.2022 in **IA (IB) No. 284/CB/2022** and the **CIRP period was extended till 25.11.2022.**

- **EXCLUSION OF 45 DAYS AND CIRP EXTENDED UP TO 08.01.2023:**

23. In the **13th CoC Meeting convened on 16.12.2022**, the **Plan submitted by the SRA was put to vote** but since the CIRP period was due to expire on 25.11.2022 and it was difficult for CoC to cast their vote within the small time window it was resolved to seek exclusion of 45 days from the CIRP period on account of time lost due to litigation and in pursuance of the same **IA (IB) No.315/CB/2022** which was allowed vide order dated 22.11.2022 and in consequence the **CIRP period got extended to 08.01.2023.**

- **VOTING ON PLAN BY CoC (1st CoC PLAN VOTING):**

24. The **14th CoC** meeting was convened on 25.11.2022 wherein the applicant informed the CoC that though the plan was put to vote since 17.11.2022 but the same was suspended on account of the fact that the SRA informed the applicant that it is willing to pay Rs.10 Crores on account of receivables from Arbitration Claims. Subsequently the plan was put to vote again with revised timeline as follows:

- a. Placing of Resolution plan with addendum: 28.11.2022
 - b. Voting on Resolution plan will open on : 29.11.2022
 - c. Voting on Resolution plan will end on : 20.12.2022
 - d. Submission of Resolution plan with : 23.12.2022
- CoC voting Result.

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• **Admission of Claim of SREI Infrastructure Private Limited (SIFL) and Reconstitution of CoC:**

25. The 15th CoC meeting was held on 08.12.2025 wherein CoC voted and gave requisite approvals for smooth running of the corporate Debtor.

The 16th CoC Meeting was convened by applicant on 28.12.2022, wherein the applicant informed the CoC that the Adjudicating Authority vide order dated 20.12.2022 in **IA (IB) 83/CB/2023 has admitted the claim of SREI Infrastructure Private Limited (SIFL)** and in consequence the **CoC has been reconstituted on 27.12.2022**. The SRA in the meeting declined to enhance the **proposed** plan value but accepted to change the distribution pattern considering inclusion of new claim and the CoC allowed the same and directed the SRA to submit the updated distribution pattern by 29.12.2022. It was also resolved that the amended distribution pattern shall form part of the plan that was put to vote in the previous meeting and the voting deadline was extended from 31.12.2022 to 04.01.2023. *(when was e-voting deadline was extended from 20.12.222 to 31.12.2022 is indeterminable from minutes, it might have been done through email communication between the CoC Members and the applicant)*. In the same meeting the CoC held discussions regarding the compliances required under Regulation 39B, 39C and 39 D of the CIRP regulation and declined to make any consideration with respect to Regulation 39B and 39C and voted in favour of selling the CD as a going concern in case the resolution plan does not get requisite Approval.

• **REJECTION OF PLAN BY NCLT, CUTTACK AND ORDER OF LIQUIDATION:**

26. The 17th CoC meeting was convened by the applicant on 13.01.2023 where the progress of the CIRP was discussed and it was informed to the CoC that **IA(IB) No. 29/CB/2023** had been **filed before the Adjudicating Authority seeking approval of the plan** which was

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approved by the CoC by 76.67% votes. In the meanwhile, this Adjudicating Authority vide order dated 18.04.2023, rejected the resolution plan and ordered for liquidation of the Corporate Debtor, based on the objections raised through IA(IB) No. 39/CB/2023, IA(IB) No. 55/CB/2023 and IA(IB) No. 62/CB/2023 by 3 dissenting financial creditors i.e. Punjab National Bank, Bank of India, and Kotak Mahindra Bank respectively.

• **STAY ON THE ORDER OF LIQUIDATION BY HON'BLE NCLAT:**

27. The **18th CoC meeting** was convened 29.04.2023 wherein it was informed to the CoC that the Hon'ble NCLAT had stayed the order of the Adjudicating Authority dated 18.04.2023 and in the **19th CoC Meeting** on 26.06.2023 it was informed to the CoC that the SRA has undertaken before the Hon'ble NCLAT to make necessary amendments in the plan to address the objections and in pursuance of the same the SRA filed an affidavit on 20.02.2023.

• **REMISSION OF RESOLUTION PLAN BY HON'BLE NCLAT TO CoC FOR CONSIDERATION OF THE ADDENDUM TO THE RESOLUTION PLAN:**

28. The Hon'ble NCLAT in **CA(AT)(Ins) No. 514/2023** vide order dated 09.08.2023 passed the following directions and remanded the plan back to CoC:

(i) The Successful Resolution Applicant may submit an Addendum to Resolution Plan incorporating the undertaking as given in Affidavit dated 20.02.2023 within a period of two weeks from today'

(ii) The Resolution Professional shall place the Addendum for consideration of the CoC, which proceeding be completed within period of four weeks.

(iii) The Resolution Professional, two weeks thereafter, shall submit an appropriate application for approval, in

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case, the Addendum is also approved with the sufficient majority, before the Adjudicating Authority for consideration'

(iv) The Adjudicating Authority shall consider the said application filed by the Resolution Profession for approval of plan as well as Addendum, expeditiously.

• **CONDONATION AND ADMISSION OF BELATED CLAIM OF DY. COMMISSIONER, C.T. & GST, DHENKANAL:**

29. The 20th CoC meeting was convened on 09.08.2023 wherein the order of Hon'ble NCLAT was placed before the CoC and in the 21st CoC Meeting convened on 28.08.2023 the addendum submitted by the SRA pursuant to the direction of Hon'ble NCLAT order was discussed and deliberated upon. The 21st meeting was adjourned and reconvened on 04.09.2023 wherein the addendum was put to vote and the same was approved by the CoC by 99.36% votes. In the interregnum, this Adjudicating Authority vide order dated 29.08.2023 in IA(IB) No. 120/CB/2023 condoned the delay on part of Deputy Commissioner of Commercial Taxes & GST, C.T. & GST Circle, Dhenkanal and the applicant admitted the claim.

• **FILING OF IA(IB) No. 283/CB/2023 SEEKING APPROVAL OF PLAN ALONG WITH ADDENDUM:**

30. Subsequently the applicant filed the present application i.e. IA(IB) No. 283/CB/2023 was filed on 18.10.2023 seeking approval of the Resolution plan approved by the CoC with 76.67% vote and the addendum thereto approved by the CoC with 99.36%.

• **DE-RESERVING IA(IB) No. 283/CB/2023 FOR CLARIFICATION:**

31. This application was initially reserved for orders vide order dated 29.11.2023 but subsequently the same was deserved, for clarification, vide order dated 09.01.2024 and was listed for clarification on

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10.01.2024. The relevant portion of the order dated 10.01.2024 is reproduced hereinbelow:

*3. It is noted that earlier this Adjudicating Authority had rejected the Plan which as placed for approval by the Resolution Professional in IA No. 29 of 2023, even after the same was approved by the CoC with voting of 76.67% for the reasons that the plan proposed for release of personal guarantees/corporate guarantees etc. in the favour of Resolution Applicant. Punjab National Bank (having voting share of L6.47oh), Kotak Mahindra Bank (having voting share of 0.640/o) had voted against the **plan**. Bank of India (having voting share of 3.16%) had abstained from voting whereas SREI Infrastructure Finance Limited (having voting share of 3.16%) was absent".*

4. Before the Hon'ble NCLAT, the counsel appearing for the dissenting financial creditors namely, Punjab National Bank, Bank of India and Kotak Mahindra Bank had stated that in the event, by addendum the clause which require assignment of securities of dissenting financial creditors to the Resolution Applicant is modified, the objection of the respondents shall be satisfied.

5. It is noted that the Punjab National Bank, Bank of India and SREI Infrastructure Finance Limited, has voted in favour of the addendum whereas Kotak Mahindra Bank still voted against it. In the facts of these case the Bank of India, Punjab National Bank and SREI Infrastructure Finance Limited will have to be considered having given their assent to the modified Resolution Plan. As such they would also be in the category of assenting creditors. The only dissenting creditors remain is Kotak Mahindra Bank. This would require the distribution amongst the various financial creditors keeping in view the aforesaid financial creditors namely Punjab National Bank, Bank of India, and SREI Infrastructure Finance Limited also in the category of assenting financial creditors. However, following the voting of the addendum, this aspect has not been considered by the

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CoC. During the course of hearing, it has been presented as if Punjab National Bank, Bank of India etc. still remain to be dissenting financial creditors and thereby the payment to them equivalent to the liquidation value has been proposed to be paid to them.

6. In view of the above facts, the matter is placed for seeking clarification as to whether proposal need to be sent back for distribution amongst the various financial creditors considering the Punjab National Bank, Bank of India and SREI Infrastructure Finance Limited as assenting financial creditors. Of course, there could be now a two category of assenting financial **creditors: one** who have assigned their right over the personal guarantee and the corporate guarantee etc. onto the Successful Resolution Applicant and the others who have not assigned it.

7. Accordingly, the matter is released for ascertaining the view of the applicant, Resolution Professional and his learned counsel on the matter.

• **ASSIGNMENT OF PNB'S DEBT TO CFM ASSET RECONSTRUCTION PRIVATE LIMITED:**

32. The applicant convened the **22nd CoC meeting** on 27.02.2024 wherein the CoC was apprised about the order dated 09.01.2024 of Hon'ble NCLAT and the interim order dated 10.01.2024 of this Adjudicating Authority. In compliance with the order of the Hon'ble NCLAT, SEFL was made part of the CoC with 18.62% vote share and the voting shares were altered proportionately. It is also noted that the **PNB was replaced by its assignee CFM Asset Reconstruction Private Limited ("CFM ARC")** in the 22nd CoC meeting.

• **ASSIGNMENT OF EDELWEISS ARC'S DEBT TO CFM ASSET RECONSTRUCTION PRIVATE LIMITED:**

33. The Applicant convened **23rd, 24th, 25th CoC and 26th meetings** on 21.03.2024, 22.04.2024, 22.05.2024 and 07.06.2024 to update the CoC on the CIRP process and to seek necessary approvals to run the

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Corporate Debtor. In the 26th CoC Meeting the applicant informed the CoC that the **exposure of Edelweiss Asset Reconstruction Company was taken over by CFM ARC.**

• **ASSIGNMENT OF SIFL'S AND SEFL'S DEBT TO CFM ASSET RECONSTRUCTION PRIVATE LIMITED:**

34. The **27th CoC meeting** was held on 25.06.2024 wherein the applicant apprised the CoC that **two creditors i.e. SIFL and SEFL have been assigned their debt portfolios to Invent Assets Securitisation and Reconstruction Private Limited. ("Invent ARC")**. Invent ARC was assigned 21.11% of voting share replacing both SIFL and SEFL.

35. The **28th, 29th, 30th, 31st and 32nd CoC meetings** were convened by the applicant on 05.07.2024, 25.07.2024, 30.08.2024, 27.09.2024 and 21.10.2024 to take necessary approvals of CoC for the unhindered operations of the CD and to apprise regarding matters incidental to the CIRP.

• **ADMISSION OF CLAIM OF SEFL AND RECONSTITUTION OF CoC:**

36. In the meantime, **SREI Equipment Finance Limited ("SEFL")** filed **IA(IB) No. 34/CB/2024, IA(IB) No. 65/CB/2024 and IA(IB) No. 66/CB/2024** seeking reconstitution of the CoC and rejection of the plan. It is pertinent to mention that the claim of SEFL was originally rejected by this Adjudicating Authority in IA (IB) No. 64/CB/2022 as being time barred, which was set aside by the Hon'ble NCLAT in CA(AT) Ins No. 640/2022 with a direction to the applicant to consider the admission of claim, without getting influenced by the order of Hon'ble NCLAT afresh and claim was again rejected by the applicant. Hence a contempt petition was filed by SEFL before NCLAT vide Contempt Case No. 30/2022, wherein this Adjudicating Authority was directed to adjudicate on the plea of SEFL. This Adjudicating Authority again rejected the claim of SEFL in vide order dated 18.04.2023 in **IA(IB) No.**

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11/CB/2023. The same was set aside by Hon'ble NCLAT in CA(AT) Ins No. 770/2024 and IA No. 26944/2023 and the applicant was directed to admit the entire claim of SEFL to the tune of Rs. 919,78,94,038/-.

37. Since the loan of SEFL was assigned to Invent Assets Securitisation and Reconstruction Private Limited (in short '**Invent ARC**') and Invent ARC filed **IA(IB) No. 193/CB/2024, IA(IB) No. 194/CB/2024 and IA(IB) No. 195/CB/2024** for substitution of the name i.e., Invent Assets Securitisation & Reconstruction Pvt. Ltd. in the application IA (IB) No. 34/CB/2024, , IA(IB) No. 65/CB/2024 and IA(IB) No. 66/CB/2024 filed by the SREI Equipment Finance Ltd and the same was allowed by this Adjudicating Authority vide order dated 19.07.2024.

• **MODIFICATION OF PLAN BY SRA AND RECONSIDERATION BY THE RECONSTITUTED CoC:**

38. This Adjudicating Authority, based on the submissions of the parties and the undertaking given by SRA (*who was allowed to be arrayed as a party in IA(IB) No. 65/CB/2024 vide order dated 28.05.2024 in IA (IB) No. 136/CB/2024*), vide **order dated 22.11.2024** directed the applicant to reconvene the CoC Meeting by reconstitution the CoC for the approval of the resolution plan along with the addendum, afresh along and bring it on record through an additional affidavit. The relevant paragraphs of order dated 22.11.2024 is reproduced hereinbelow for brevity:

IA(IB) No. 283/CB/2023

.....

9. *Having considered the facts as narrated by the learned senior counsel for the RP and also taking note of the submissions made by the learned counsel appearing for the Invent in applications IAs 65, 66 & IA (IB) No. 196(CB) of 2024, we direct the RP to convene the, meeting of reconstituted CoC to consider for the approval of the modified*

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Resolution Plan (on inclusion of the addendums), afresh at the earliest and submit the modified Resolution Plan, together with the CoCs resolution thereon by way of additional affidavit. 10. **10.** Accordingly, list the matter for further consideration on 05.12.2024.

IA (IB) No. 34/CB12024, IA (IB) No. 65/CB/2024, IA (IB) No. 661CE,12024, IA (IB) No. 196/CB|2024

1. The Invent Assets Securitisation and Reconstruction Pvt Ltd ("Invent") is the Applicant in all these applications. During the course of the arguments, learned counsel appearing for the Applicant (Invent) submitted that in case the Resolution Plan is sent back to the CoC in terms of the prayer (b) of IA 34 of 2024, wherein Invent has prayed, that the approved Resolution Plan pending before this Adjudicating Authority be remitted back to the CoC for reconsideration by the Reconstituted CoC, then he would not press for the prayers (a), (c) & (d) of IA 34 of 2024. He also submitted that in that case, applications IAs 65, 66 & IA (IB) No. 196/(CB) of 2024 would be withdrawn by him with the liberty to file a fresh application in case any cause of action arises.

2. Since in the matter of approval of the Resolution Plan IA 28gtCBI2023, we have already directed the RP to convene the meeting of the reconstituted CoC for considering the modified Resolution Plan, as would be placed by inserting the proposed addendum by the Resolution Applicant, the prayer (b) of IA 34 of 2024 stands allowed, whereas other prayers made therein are treated as withdrawn. In view of the submissions so made by the learned counsel appearing for the Invent the application in IAs 65,66 & IA (IB) No. 196/(CB) of 2024 also stands disposed of as being withdrawn. 3. With this, these applications IA 34/CBI2024, IA 65/CB/2024, IA 66/CB/2024 & IA 196/CB/2024 stand disposed of.

• **SUBMISSION OF REVISED PLAN ON 22.11.2024 BY SRA:**

39. The **33rd and 34th meeting of the CoC** was held on 05.12.2024 and 24.12.2024 wherein the applicant updated the CoC regarding the status of hearing of the present application and other ancillary applications. In in the 34th CoC meeting the applicant apprised the

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CoC that in compliance with the direction of this Adjudicating Authority dated 22.11.2024 the SRA submitted had revised plan on 24.12.2024 by incorporating all addendums and the same was circulated with all the CoC members for evaluation.

• **ASSIGNMENT OF SBI'S DEBT TO CFM ASSET RECONSTRUCTION PRIVATE LIMITED AND VOTING ON THE MODIFIED RESOLUTION PLAN BETWEEN 25.01.2025 & 08.02.2025:**

40. The 35th CoC meeting was convened by the applicant on 17.01.2025 wherein the applicant informed the CoC that the **State Bank of India has assigned its debts to CFM ARC** and consequently the voting share of the CoC has been altered with the voting share of CFM ARC increased to 70.45%. In this meeting the revised plan of the SRA was discussed and deliberated upon extensively by the CoC as indicative from the minutes of the meeting. Subsequent to the 35th Meeting the plan was put to vote **through an E-voting** mechanism and the same was concluded on 08.02.2025 at 8PM.

• **FINAL LIST OF CREDITORS AS ON THE 35TH CoC MEETING:**

41. Since the publication of Form-A till the date of final voting the applicant had **received claims** to the tune of **Rs. 6057,41,27,554/-** out of which claims to the tune of **Rs. 5314,08,05,380 was admitted**. At the 35th CoC meeting after multiple litigations, belated claim admissions and debt assignments the list of Creditors their admitted claim details and CoC with their voting percentage stood as follows:

Sr. No	Name of the Financial Creditor	Claim Amount (in INR)	Claim Amount Admitted (in INR)	Voting (%)
1.	State Bank of India	23,985,267,728	23,985,267,728	48.55
2.	Bank of India	1,269,526,010	1,269,526,010	2.57
3.	IDBI Bank Limited	2,173,740,472	2,173,740,472	4.40

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4.	Punjab National Bank	6,621,985,414	6,621,985,414	13.41
5.	Kotak Mahindra Bank	257,138,904	257,138,904	0.52
6.	Edelweiss Asset Reconstruction Company	4,19,50,79,968	4,19,50,79,968	8.49
7.	ICICI Bank Private Ltd	46,99,84,395	46,99,84,395	0.95
8.	SREI Infrastructure Finance Ltd.	866,25,10,707	123,07,80,360	2.49
9.	SREI Equipment Finance Ltd.	919,78,94,038	919,78,94,038	18.62
	Total Secured Financial Creditors	5683,31,29,636	4940,13,99,289	100.00
10	Claim from Unsecured Financial Creditors	NIL	NIL	NIL

Sl No	Name of the Operational Creditor	Claim Amount (in INR)	Claim Amount Admitted (in INR)	Voting %
	Government Departments			
1.	Commissioner of Commercial Tax, Government of West Bengal	56,960,336	56,960,336	NA
2.	Sales Tax Officer, Royapettah, Assessment Circle, Tamil Nadu	33,83,250	33,83,250	NA

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3.	Assistant Commissioner of GST and Central Excise, Bhubaneswar-II, Division	3,59,60,05,453	3,59,60,05,453	NA
4.	CT& GST Officer, Bhubaneswar-III	5,91,58,976	5,91,58,976	NA
5.	Deputy Commissioner of CT& GST Circle, Dhenkanal	2,12,06,447	2,12,06,447	NA
Total Claim from Government Departments		3,73,67,14,462	3,73,67,14,462	NA
NON-GOVERNMENTAL CREDITORS				
6.	Devika Properties Private Ltd.	10,25,000	10,25,000	NA
7.	Sharma Road Lines	23,32,418	12,54,654	NA
8.	A.R. Khan and Sons	9,26,038	4,11,975	NA
Total Claim from Non- Government Departments		42,83,456	26,91,629	NA
Total Claim from Operational Creditors		3,74,09,97,918	3,73,94,06,091	NA

Category of Creditors	Claim Amount (in INR)	Claim Amount Admitted (in INR)
Financial Creditors	5683,31,29,636	4940,13,99,289
Operational Creditors	374,09,97,918	3,73,94,06,091
TOTAL CLAIM AGAINST CORPORATE DEBTOR	6057,41,27,554	5314,08,05,380

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• **VOTE SHARE OF CoC MEMBERS AND E-VOTING RESULT AS DECLARED
ON 08.02.2025:**

42. The Modified plan was considered by the members of CoC and was put to e-vote between 25.01.2025 till 08.02.2025 (8PM). The modified plan including all the revisions and addendums till the 35th CoC Meeting was **approved by 96.91% vote** with only **Kotak Mahindra Bank dissenting with 0.52% vote.**

Bank of India who had 2.57% vote did not participate in the voting process making it equivalent to a dissenting Financial Creditor. The voting percentage of the CoC members (post assignment of debts) and the result of the e-voting follows:

Sl No	Details Member of Committee of Creditors		Voting % as on 35 th CoC Meeting	Assent/ Dissent/ Abstained / Absent
1.	CFM Asset Reconstruction Private Limited	Assignee of State Bank of India (48.55%)	70.45 %	Assent
		Assignee of Punjab National Bank (13.41)		
		Edelweiss Asset Reconstruction		

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		Company (8.49)		
2.	Bank of India		2.57%	Abstained
3.	IDBI Bank Limited		4.40%	Assent
4.	Kotak Mahindra Bank		0.52%	Dissent
5.	ICICI Bank Private Ltd		0.95%	Assent
6.	Invent Assets Securitisation and Reconstruction Private Limited	Assignee of SREI Infrastructure Finance Ltd. (2.49%) Assignee of SREI Equipment Finance Ltd. (18.62%)	21.11%	Assent
Total			100%	Assent- 96.91%
				Dissent- 0.52%
				Absent- 2.57%

43. The plan after getting duly approved by the CoC u/s 30(4) has been brought before us for approval. We have gone through the entire plan. The salient features of the plan and a summary of proposal made in the plan is as follows:

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➤ **SALIENT FEATURES OF THE PROPOSALS MADE IN PLAN:**

44. The CoC approved plan is submitted by, **M/s. Ocean Capital Market Limited (CIN- U65900OR1996PLC014016)**, is a Public Company incorporated on 16 February 1996 bearing PAN - AAACO3018K. It is classified as Indian Non-govt. Company and is registered at Registrar of Companies, Odisha, Cuttack. Its authorized share capital is INR 52,900,000/- and its paid-up capital is INR 52,893,000/-. It is involved in financial intermediation. The Promoters/directors of Ocean Capital Market Limited (OCML) are Dipti Ranjan Patnaik, Indrani Patnaik, Anshuman Patnaik, Sushil Kumar Mohanty, Mansi Mehta and Dolly Prasad.

Dipti Ranjan Patnaik along with his wife Ms Indrani Patnaik are one of the largest iron ore mine owners of the country with a cumulative net-worth of approximately Rs. 4,000 Crores. Mr Patnaik has formed Altrade Group of entities which have business interests in Mining, Iron and Steel, Hospitality, Health Care, Exports, Cement, Infrastructure, etc. The group has recently resolved one of the Non-Performing Assets in Odisha namely Maithan Ispat Limited and have turned a sick-company into profitable operations.

45. The Successful Resolution Applicant has proposed to pay an amount of **Rs. 459.09 crores (approx) as Total Plan Amount.**

The plan proposes a **Resolution Amount of Rs. 218.17 Crores (approx) against the total admitted claim of Rs. 5314.08 Crores (approx) and the total amount claimed of Rs. 6057.14 Crores** leading to a **haircut in** respect of amount admitted by the RP and leading to a **recovery of 3.61% in respect of the 'claimed amount'** and leading to a **recovery of 4.11% in respect of 'admitted amount'.**

It is noted that the RP in Form-H has stated the total Resolution Amount to be Rs.190.4735 Crores, which is incorrect and seems

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like a typographical error as in the same tabulation the other proposed plan amount for financial creditors and resolution creditors are found to be correct.

• **SUMMARY OF FINANCIAL PROPOSAL:**

46. The plan proposes a total financial proposal of **Rs. 459.09 Crores** (approximately) which includes the following:

Sl No.	Purpose	Amount Proposed (INR in Crores)
	Settlement for Financial Creditors	217.69
	Settlement for Operational Creditors	0.4735
	Capital Infusion and Capital Expenditure	178.33
	To secure Bank Guarantees	62.60
Total Financial Proposal		459.0935

→ **Financial Proposal for Claims of Creditors:**

SL No.	PARTICULARS	AMOUNT CLAIMED (INR) (IN LAKHS)	AMOUNT ADMITTED (INR) (IN LAKHS)	AMOUNT PROPOSED IN PAYMENT (INR) (IN LAKHS)	PAYMENT SCHEDULE
1.	CIRP Cost	NA	NA	As per Actuals	90 days from the Effective Date.
2.	Secured Financial Creditor	553064.6 5	478747.3 4	20325.18	90 days from the Effective date

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	(Assenting)				
3.	Arbitration Proceeds to Assenting Secured Financial Creditors			1000	Within One Year from Effective Date.
TOTAL PAYMENT TO ASSENTING FINANCIAL CREDITORS IN CASH:				21325.18	
4.	Secured Financial Creditor (Dissenting /Abstained /Absent)	15266.85	15266.65	444.23	90 days from the Effective Date
5.	Unsecured Financial Creditor	NIL	NIL	NIL	
TOTAL PAYMENT TO FINANCIAL CREDITORS IN CASH:				21769.41	
	Operational Creditors- Suppliers of Goods and Services	42.83	26.92	2.09	90 days from the Effective Date

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Operational Creditors- Govt. Dues/Regulatory Dues	37367.14	37367.14	45.26	90 days from the Effective Date
Operational Creditors- Workmen and Employees	NIL	NIL	NIL	90 days from the Effective Date
TOTAL PAYMENT TO CREDITORS IN CASH			21816.76	20769.40
			+	Lakhs and
			CIRP	CIRP Cost to
			COST	be paid within
				90 Days from
				Effective
				Date.
				Equity Upside
				of Rs.1.5
				Crores to be
				allotted
				between 91 to
				180 days
				from
				Effective
				Date.
				and
				10 Crores
				from
				anticipated
				arbitration
				proceeds to be

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		paid within 1 Year.
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→ **Allotment Equities to Assenting Equity Financial Creditors:**

Equity Upside for Assenting Financial Creditors	150 Lakhs	91 to 180 days from the effective date
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→ **Financial Proposal for Revival of the Corporate Debtor:**

Capital Expenditure	Rs.4500 LAKHS	NO TIMELINE
Fresh Working Capital Infusion	Rs.13333 LAKHS	NO TIMELINE

→ **Payment of CIRP Cost:**

47. As per **clause 2.1 (e) to (j) of Chapter-VIII** of the Plan, the CIRP cost is being met form the revenue of the CD but the CIRP costs remaining unpaid on the 'closing date' shall be paid from the Up-Front cash contribution proposed in the plan and will be paid in full in priority to any other creditors within 90 Business days from the Effective Date.

→ **Financial proposal for Assenting Secured Financial Creditors:**

48. As per **Clause 2.2 (c) (i) and (ii) of Chapter-VIII** the total debt of all the secured financial creditors (assenting + dissenting) will be settled for Rs.207,69,40,893/- in proportion to their voting rights or any other sharing ratio as decided by CoC. As per the information provided under Form-H the Assenting FCs will be paid Rs. 203.25 Crores (approximately). The same will be paid directly to the FCs within 90

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days from the Effective date on assignment of the entire debt along with the entire security interest to the RA.

49. As Per **Clause 2.2. (c) (iv) of Chapter-VIII** of the plan, the RA will pursue and recover the arbitration claims of the CD within 5 Years from the Effective Date and 50% of the Arbitration Receipts awarded in favour of the CD will be shared with the Assenting FCs but the SRA will not be bound to pay any amount to creditors after 3 years from Effective Date.

50. SRA will pay Rs.10 Crores at the end of the first year from the Effective Date towards the share arbitration receipts even though the same may not have been received by the and the same will be adjusted from the total share of Arbitration Receipts of the creditors (i.e. 50% of total Arbitration receipts) and the remaining shall be distributed amongst the Assenting Financial Creditors.

51. It is further proposed that pendency of the payment or Arbitration receipts shall not make the plan unimplemented if all other terms of plan are complied.

→ Financial proposal for Dissenting Secured Financial Creditors:

52. As Per **Clause 2.2. (v) of Chapter-VIII** of the plan Dissenting FCs shall be paid in priority over other assenting FCs and in accordance with section 30(2)(b) and 53(1) and FCs who did not vote will be paid in accordance with Regulation 38(1)(b) of CIRP Regulations 2016 and as per the information provided under Form-H the dissenting FCs will be paid Rs. 44.42 Crores (approximately).

→ Guarantee and Security Provided by Third Party:

53. The settlement envisaged through this plan will not prohibit the Dissenting FCs to invoke, exercise and appropriate proceeds from any guarantee or security provided by any third party, however, such third

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party shall not be entitled to exercise subrogation rights against the CD of SRA in respect of such guarantees or securities.

→ **Financial Proposal for continuing the Bank Guarantees provided by ICICI Bank Private Ltd:**

54. As per **Clause 4 of Chapter XIII of the plan** (@Page 73 of the Plan) it is proposed that ICICI Bank is presently extending various bank guarantee facilities to the corporate debtor to the tune of **INR 62.60 crores**. As per sanctioned terms, Bank guarantee commission is being charged on annual basis. Bank Guarantee commission on existing bank guarantees for the unexpired bank guarantees will be payable as and when due. The Bank security to various employers where projects are undertaken and since as per sub section (31) of section 3 of the Insolvency and Bankruptcy Code, 2016 the Bank Guarantees do not constitute security interest hence the Resolution Applicant proposes that the corporate debtor will pursue the same line of business, the Bank Guarantee facility from ICICI Bank will continue even after the Resolution Plan is implemented.

→ **Payment proposal for Operational Creditors- Suppliers of Goods and Services:**

55. As per **Clause 2.6 of Chapter-VIII** of the plan it is proposed that the payment will be made from the Up-front Cash contribution and will be paid in full within 90 days from the Effective Date or transfer of management control of the company, whichever is later, out of the Up-front amount. The SRA also proposed that as per section 30(2)(b) the OCs are entitled to a minimum amount that they would have received in the event of liquidation, hence any such liquidation amount will paid out in 30 days and the balance amount will be paid within 90 days from the Effective Date or transfer of management control of the company, whichever is later

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→ **Payment proposal for Operational Creditors - Govt.**

Dues/Regulatory Dues:

56. As per **Clause 2.7 of Chapter-VIII** of the plan the SRA proposes to pay Rs. 45,25,769/- to settle the statutory liability of Rs.3,73,67,14,462/-.

→ **Payment proposal for Operational Creditors- Workmen and Employees:**

57. As per **Clause 2.5 of Chapter-VIII** of the plan there exist no claim from any employees or work men but salary and wages if due for the periods mentioned in the IBC and applicable regulations framed thereunder within 90 days from the Effective Date

→ **Payment proposal for Other Creditors:**

58. **Clause 2.8 of Chapter-VIII** of the plan states that the plan amount is not sufficient to settle the claims of the financial creditors in entirety, hence no payment is proposed for any claim other than financial and operational creditors but in case any liquidation value becomes payable, in the event of they being identified as operational creditors, then such liquidation value will be paid to such creditors within a period of 30 days.

→ **Payment proposal for Contingent Liabilities:**

59. As per **Clause 2.9 of Chapter-VIII** of the plan, no proposal is being made for any contingent claim as the IM does not reflect any such record of contingent liabilities and in the event any contingent liability crystallises relating to the period prior to insolvency commencement date, no payment will be made in respect of such liabilities.

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• **FRAMEWORK OF IMPLEMENTATION OF THE FINANCIAL PROPOSAL:**

→ **Acquisition and Restructurisation Proposal of the Corporate Debtor Proposed in the Plan:**

60. The SRA has explained the proposed restructuring of the corporate debtor in **Clause 3 of Chapter VIII** and **Clause 1 of Chapter-IX** of the Plan to implement the financial proposal. The plan proposes:

→ **Suspension of Share Trading:**

61. The trading of the shares of the CD at NSE and BSE will be suspended immediately and for which the ***SRA shall be exempted from complying with applicable SEBI rules and regulations/ or any other regulatory norms to effectuate the said suspension.***

→ **Cancelling the Shares of the Existing Promoters to NIL:**

62. The plan proposes to reduce the shareholding of the existing promoter group to Zero and the rights attached therewith the shares shall stand transferred to on the effective date and hence the promoters will stop enjoying any rights subsequent to the plan approval by the Adjudicating Authority.

→ **Infusion of Upfront- Amount in consideration of Equity:**

63. The SRA or its affiliates/nominees/assigns/AIF/SPV (complied with 29A) will bring in an upfront consideration of Rs.3,00,00,000/- ("**Upfront Amount**") in an account controlled by the Monitoring Committee and this Upfront amount will be utilised for subscribing 30,00,000 (Thirty Lakh) equity shares, ranking *pari pasu*, having face value of Rs.10 each to be issued to the SRA or its affiliates/nominees/assigns/AIF/SPV (complied with 29A) with a lock-in period of 18 months and will be listed in both BSE and NSE.

64. The SRA being an NBFC upon payment of the aggregate consideration of Rs.207.69 Crores (except the proposed 10 crores from

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Arbitration proceeds) the assenting FCs will assign all the securities and guarantees in relation with the Corporate Debtor to the SRA and the dissenting FCs will renounce their securities but will be allowed to keep the guarantees provided to them against the debt.

65. Entire pre-CIRP existing issued and subscribed share capital of the Company, excluding Public Shareholding, shall be reduced to NIL without any consideration paid to share/warrant holders of the CD or to such instrument holders including any dues towards any dividend outstanding. The Asset/Book losses of the CD will be suitably impaired for such capital reduction. ***Such write off shall be adjusted with Securities premium/ Capital reserve available in the books of the CD without routing it through Profit and Loss Account of the CD.***

→ **Conversion of Unsustainable Debt to Equity:**

66. Out of the total Assigned debt **the “Unsustainable Debt” to the tune of Rs.46,75,74,001/-** i.e. *difference between the Admitted Claim of Secured FCs (excluding ICICI Bank Limited's Claim) and Amount proposed for the Secured FCs* will be converted into 7,50,00,000 Equity Shares at a premium of Rs.613.39/share and fraction amount, if any, shall be written off upon conversion of debt into equity.

67. Out of these **7,50,00,000 shares, 15,00,000 shares (worth RS. 1.50 Crores)** will be **provided to the assenting FCs**, pro rata and **balance shall be issued to the SRA** or its affiliates or nominees or its assign/AIF/SPV with a lock-in period for 3 years.

→ **Proposed Shareholding Pattern post implementation of the plan:**

Name of Shareholder	No. of Shares (Proposed)	Percentage (%)
Existing Shareholder- Public	1,21,18,498	13.45

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Existing Shareholder-Promoters	0	0
Assenting FCs	15,00,000	1.66
SRA or its affiliates / nominees/ assigns/ AIF/ SPV (Pursuant to payment of Up-Front Amount)	30,00,000	3.33
SRA or its affiliates / nominees/ assigns/ AIF/ SPV (Pursuant to Conversion of debt into Equity)	7,35,00,000	81.56
TOTAL	9,01,18,498	100.00

→ **Waivers sought with respect to the proposed Capital Restructuring:**

68. The shares as described above can be issued either in physical form or DEMAT form and upon issuance of physical form requirement of issuance of DEMAT Form for limited company ***shall be dispensed with.***

69. It is also proposed that the certified copy of the resolution plan shall be deemed to be the comprehensive requirement for the issuance of the shares under Companies Act 2013, but shall be subject to the compliance with applicable regulations. It is also proposed that the need for process for preferential allotment under Companies Act 2013 or any other rules shall be ***deemed to be dispensed with*** including but not limited to the requirement of separate account and resolution for preferential treatment.

70. It has been proposed that, since the resolution plan upon approval by the Adjudicating Authority is binding on the Company and all its stakeholders hence the issuance of new equity shares and conversion of unsustainable debt into equity to the SRA or its affiliates

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*shall not require the consent of any of the creditors of the company or approval of the shareholders of the company or **approval under SEBI (Substandard Acquisition of Shares and Takeovers) Regulation, 2011 or any other applicable regulations of SEBI, Stock Exchange etc.***

71. The plan seeks directions to the **effect SEBI or the stock exchanges shall not insist on any previous compliances or charger or fine or penalties in respect of listing compliances** and the plan also **seeks direction to SEBI to give 3 years' time to the SRA to bring the public shareholding to the required threshold of minimum 25%.**

→ **Proposal of Future Merger:**

72. It is proposed in the plan that upon implementation of the plan SRA or its affiliates/ nominees/assigns/AIF/SPV may choose to amalgamate the CD with itself (Merger) or amalgamate any other investee company with the CD (Reverse Merger) and though the proposed merger or reverse merger is not an integral part of the resolution plan the approval of the resolution plan will deem to mean that, **in principle, the said scheme of Merger or Reverse Merger also stands approved.** Furthermore, it is also proposed that if the scheme of Arrangement **is filed within one year from the effective date then the meetings of shareholders and creditors shall be dispensed with.**

• **SOURCE OF FUNDS:**

73. The SRA proposes to sell all non-core assets of the Corporate Debtor as provided in **Schedule-7** of the plan and such non-core assets which are damaged, obsolete and in scrap condition. Clause 1 and Clause 4 of Chapter VIII, the proposed financial amount proposed in the plan will be secured by the SRA in the following manner:

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Sl. No.	Source	Amount
1	Upfront Contribution by SRA against Equity	208,16,76,191/-
2	Cash Credit from Banks	100,00,00,000/-
3	Term Loans from Banks/FIIs	30,00,00,000/-
4	Equity/Quasi Equity/Unsecured Loan from RA or its Nominee or Affiliates/AIF/SPV	48,33,00,000/-
Total		387,99,76,191/-

• **EFFECT OF APPROVAL OF THE PLAN ON CLAIMS:**

→ **Treatment of Financial Creditors on matters that are Sub-Judice**

74. Secured and Unsecured Financial Creditors shall withdraw all enforcement actions, notices under the Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002, the Negotiable Instrument Act 1881 (as amended in 2002), suits and cases filed by them against CD.

75. If claim come out of litigation filed by the financial creditors in lieu of rejection of claim by the RP (a) all such Claims (whether final or contingent (whether crystallized or not), whether disputed or undisputed, and whether or not notified to or claimed against the Company); (b) all outstanding disputes or legal proceedings in respect of such Claims; and (c) all rights or claims of such persons against the Company; in each case, relating to the period prior to the effective date, shall immediately, irrevocably and unconditionally stand extinguished and/or settled at NIL value on the effective date.

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→ **Treatment of Sub-Judice claims of Operational creditors:**

76. It is proposed that matters set out in the Information Memorandum (and the corresponding claims against the CD), together with all other claims against the CD which may be pending or sub-judice before any forum as on the Closing Date (whether or not such claims are included in the list of claims of Operational Creditors as set out in the Information Memorandum, and, including but not limited to any proceedings in relation to Statutory Dues, Regulatory Dues and Taxes initiated against the CD) are collectively referred to as "Sub Judice Claims".

- ◆ The full amount of such Sub Judice Claims shall be deemed to be owed and due as of the Effective Date, the liquidation value of CD is assumed as NIL and therefore, no amount is payable in relation thereto. All such Sub Judice Claims shall immediately, irrevocably, and unconditionally stand fully and finally discharged and settled
- ◆ All legal proceedings initiated before any forum by or on behalf of any Operational Creditor or any other creditor to enforce any rights or claims against the CD shall immediately, irrevocably and unconditionally stand withdrawn, abated, settled and/ or extinguished and the operational Creditors of the CD shall have no further rights or claims against the CD in respect of the period prior to the Closing Date, and all such claims shall immediately, irrevocably and unconditionally stand extinguished.
- ◆ The order of the NCLT approving this Resolution Plan, new inquiries, investigations, notices, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings will not be initiated or admitted if these relate to any period prior to the Effective Date or

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arise on account of the acquisition of control by the Resolution Applicant over CD pursuant to this Resolution Plan, against CD or any of its employees or directors who are appointed or who remain in employment or directorship after the acquisition of control by the Resolution Applicant over CD or pursuant to the implementation of the Resolution Plan.

→ **Treatment of the liabilities of the FCs:**

- ◆ Upon settlement of dues as stated in this Plan, the Financial Creditors shall issue 'No Dues Certificate' and release all the securities of CD and file necessary documents for the satisfaction of charge with the Registrar of Companies.
- ◆ The approval of the NCLT shall be deemed to be approval of the Financial Creditors for release modification / revision of the Underlying Company Security for the purpose of securing / guaranteeing the FC Payment and upon payment the Underlying Company Security shall stand irrevocably released.
- ◆ Further claims of Financial Creditors relating to the period prior to the Closing Date are verified and/ or are admitted, then the FC Payment amount shall be re- distributed pro rata to include such further claims, without increasing the total FC Payment
- ◆ Inconsideration of the FC Payment, all litigations / proceedings by Financial Creditors under Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (SARFAESI) or any other law or before any court, tribunal or any other recovery suits

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/ actions initiated by the Financial Creditors against the Company before any forum shall stand quashed as on the effective date.

- ◆ Any and all Claims made by or liabilities / obligations owed or payable to any actual or potential financial creditor of CD (including for any losses or damages, principal, interest, compound interest, penal interest, charges or commissions), which relate to a period prior to the Insolvency Commencement Date, shall be written off in full and shall be deemed to be permanently extinguished and/or settled at NIL value on the effective date by virtue of the NCLT Approval Order.
- ◆ Except for Financial Creditors to the extent of FC Payment amount, no person, claiming to be a present or future financial creditor of the Company shall have the right to demand any amounts or any security or asset from the Company or the Resolution Applicant, in respect of such claims, demands, liabilities or obligations, which relate to a period prior to the Closing Date and;
- ◆ As of the effective date, any debt owed by CD to any creditor, which is barred by limitation stand extinguished, waived and withdrawn on and from the Closing Date.

→ **Treatment of Contingent Liability:**

77. It is proposed in the plan that since Contingent Liability is a "claim" and "debt", each as defined under the IBC, and would consequently qualify as "operational debt" (as defined under the IBC) and therefore, the full amount of such Contingent Liabilities shall be deemed to be owed and due as of the Closing Date, the liquidation value of CD is assumed as NIL and therefore, no amount is payable in relation

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there to. All such Contingent Liabilities relating to the period prior to the Effective Date or even accruing after the Effective Date, but arising out of matters or actions arising prior to the Effective Date, shall stand fully and finally discharged and settled.

→ **Treatment of Statutory liabilities:**

78. It is proposed in the plan that all such Statutory Liabilities (including but not limited to admitted claim of (i) Commissioner of Commercial Taxes, Directorate of Commercial Taxes, Government of West Bengal, (ii) Employees' State Insurance Corporation (iii) The Commissioner, Central/State Goods & Service Tax and Central Excise), shall immediately, irrevocably, and unconditionally stand fully and finally settled at the amount proposed to be paid by the Resolution Application as contemplated under this Plan,

79. **All forms of security created or suffered to exist, or rights to create such a security, to secure any obligations towards the Statutory Liabilities (whether by way of guarantee, bank guarantee, letters of credit, letter of comfort, or otherwise) shall immediately, irrevocably, and unconditionally stand released and discharged.**

→ **Income Tax, Indirect Tax (GST, VAT, Sales Tax, Commercial Tax, Entry Tax, Excise Duty, etc.), Municipal Tax, Labour Taxes (PF, ESI, etc) Assessment:**

80. As per the plan all dues of the respective Tax departments qualify as "operational debt" and the full amount of such claims shall be deemed to be owed and due as of the CIRP Date. **No further assessment / reassessment of such taxes up to the FY 2020-21 should be done by respective Tax Departments.** Further, upon approval of the Plan by NCLT, the SRA would not be liable to pay any tax pertaining to period up to the CIRP date.

- ◆ All pending dues under the provisions of Income Tax Act, 1961 (IT Act), including taxes, duties, penalties, interest,

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finances, cesses, unpaid TDS/TCS, **shall stand extinguished by virtue of the order of the NCLT approving this plan**

- ◆ All assessment/reassessment/revision/ penalty/ appellate or other proceedings pending in the case of the Corporate Debtor as on the Effective Date, relating to the period prior to that date, **shall stand terminated**
- ◆ All notices issued under the provisions of the respective Acts to initiate any proceedings viz. assessment/reassessment/revision/penalty/etc. against Corporate Debtor in relation to the period prior to the Effective Date **shall be considered withdrawn.**
- ◆ **No notices should be issued** against the Corporate Debtor in relation to the period prior to the Effective Date.
- ◆ Any proceedings which were kept in abeyance in view of insolvency process or otherwise **shall not be revived post the order of the NCLT.**
- ◆ **No further demand for a period prior to the Effective Date shall be raised** by respective Departments.
- ◆ **Adjudicating Authority to pass necessary orders/ give appropriate directions to direct tax authorities/ Principal Commissioner of Income-tax to not apply/ invoke section 79 of IT Act on implementation of the Resolution Plans and allow benefit of carry forward and set-off of losses of Corporate Debtor existing and arising pursuant to implementation of Resolution Plan post change in majority shareholding**
- ◆ **Adjudicating Authority to pass necessary orders/ give appropriate directions to direct tax authorities to grant waiver from getting No Objection Certificate from direct tax authorities as contemplated under section 281 of IT Act.**

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- ◆ All tax litigations, pending or threatened against the Corporate Debtor or whose outcome adversely affects the Corporate Debtor arising prior to or after the Date of approval of plan, shall be **deemed to have been withdrawn or dismissed and will be deemed to have been barred with effect from the Date of approval of plan.**
- ◆ Adjudicating Authority to **pass necessary orders/ give appropriate directions for Waiver of any past liabilities** irrespective whether claimed or unclaimed from any authority including but not limited from direct tax authority/ indirect tax authority/ land revenue authority/ gram panchayat or any other revenue authority on settlement of dues as per Resolution Plan. It is further proposed that without nay prejudice to above, **the Adjudicating Authority shall give specific directions** to Ministry of Corporate Affairs, Government of India, Provident Fund, Sales Tax Authorities, commercial tax authorities, VAT authorities, Service Tax authority, GST authority, Excise Duty Authorities, Fringe Benefit Tax authorities, Wealth tax authorities, etc. **to waive demand, interest and penal charges for past dues pertaining to period up to date of approval of plan.**
- ◆ Adjudicating Authority **to pass necessary orders/ give appropriate directions for waiver of any liabilities/ penalty/ prosecution arising from non-compliance in relation to not filing return relating to Direct Tax/ Indirect Tax for period prior to date of approval of resolution plan.**

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→ **Dues of Creditors during CIRP:**

81. The plan proposes the following regard to the costs incurred towards creditors during CIRP:

- Dues incurred by the Resolution Professional (on behalf of CD) during the CIRP, towards the operational creditors to maintain the CD as a going concern shall be paid in terms of agreements with such Operational Creditors.
- Resolution Plan has been made on the assumption that all dues incurred by the Resolution Professional (on behalf of CD) during the CIRP and prior to the Effective Date, have been or will be paid as CIRP Costs. Therefore, except for CIRP Costs, any liabilities and/or claims that arise between the Insolvency Commencement Date and the Effective Date shall stand waived, extinguished, abated, discharged in perpetuity as on the Effective Date, pursuant to the NCLT Approval Order and after making the payment proposed under the plan
- No interest shall be paid for the CIRP Period, on any claim against CD (as on the Insolvency Commencement Date) be it of the financial creditor, Operational Creditor or any other claim arising on account of any financial liability, operational liability or any other contingent liability or dues, demands in connection with CD.

→ **Treatment of Liabilities of Operational Creditor:**

82. It is proposed in the plan that since the liquidation value of the Company is not known to the SRA while preparation of the plan, it is assumed that the payment proposed to Operational Creditors (other than Workmen and Employees) as aforesaid is in accordance with Section 30(2) (b) of the Code. However, in case the RP determines that the payment proposed to Operational Creditors (other than Workmen and Employees) is less than the minimum amount that they would be

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to under Section 30 (2)(b) of the Code ("Minimum Amount"), the Resolution Applicant shall pay such Minimum Amount to the Operational Creditors (other than Workmen and Employees). However, any such additional payment shall at be adjusted/deducted from the payment to be made to Financial Creditors without increasing the overall payout for the Resolution Applicant.

83. All the litigations/ proceedings by Operational Creditors (or any person claiming to be an operational creditor) before any court, tribunal, arbitration tribunal for non-payment of any dues/ contribution shall stand quashed on the Closing Date and except as provided herein, the Corporate Debtor or the SRA shall no longer be required to make any payments to the Operational Creditors.

84. Any claim disclosed/ undisclosed, claimed/ unclaimed and all other Claims made by or liabilities/ obligations owed or payable to any actual or potential related party of CD which relate to a period prior to the effective date, shall be deemed to be permanently extinguished and/or settled at NIL value on the effective date, by virtue of the NCLT Approval Order,

→ Treatment of Corporate Guarantee and like Instrument issued by the Corporate Debtor:

85. All Corporate Guarantee, Indemnities, Letter of Comfort, Undertakings provided by the Corporate Debtor, in respect of any third-party liability shall stand extinguished on the effective date pursuant to the approval of the Resolution Plan by the order of NCLT, without requirement of any further Act or Deed by the Resolution Applicant and/ or Corporate Debtor.

→ Treatment of workmen/Employees dues:

86. No employee of the Corporate Debtor shall have any claim whatsoever against the Corporate Debtor pertaining to the period prior

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to the Effective Date except to the extent provided for payment by the Successful Resolution Applicant in this Resolution Plan.

87. The existing employees of the CD will be re-engaged for the continuity of the operations of the CD and there will not be any discontinuity of services.

→ **Other liabilities as per IM**

88. It is proposed that any and all claims of such a person, whether final or contingent and all outstanding disputes or legal proceedings in respect of such claims are settled at NIL value as on the Effective Date.

→ **Related Party Transactions**

89. Resolution Applicant / CD shall have the right to terminate all related party transactions (whether known or unknown), entered between the Company and its related parties. However, in case any amounts are due from any related party as on effective date, the company shall retain all rights to recover.

→ **All other Liabilities:**

90. Except to the extent of payments to be made under Resolution Plan by the Resolution Applicant, and CD shall have no liability towards any Person with respect to any Claims, liabilities, or obligations due to such Person, which relates in any manner to the period prior to the effective date and the same shall be deemed to have been settled at **NIL** Value.

Except for the above, no amounts are proposed to be paid (at any time in future) against any direct or indirect contingent liabilities of the Company, including as mentioned in the audited/unaudited financial statements of the Company which relate to a period prior to the effective date.

91. All Claims (whether present or arising in future) of all Governmental Authorities (including in relation to Taxes, and all other

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dues and statutory payments to any Governmental Authority) relating to the period prior to the effective date, shall be deemed to be permanently extinguished and/or settled at NIL value on the effective date, by virtue of the NCLT Approval Order.

→ **Treatment of debts barred by limitation:**

92. As of the Effective Date, any debt owed by the CD to any Operational Creditor, which is barred by limitation under the Applicable Laws, shall immediately, irrevocably and unconditionally stand extinguished, waived and withdrawn on and from the Effective Date, various Collateral Securities (owned directly/ indirectly by the original promoters and their affiliates) pledged / mortgaged / hypothecated to Financial Creditors of the CD; the Successful Resolution Applicant proposes to acquire such securities as detailed in the financial offer in the Resolution Plan.

→ **Litigation:**

93. All legal suits, proceedings, certificate proceedings and/or quasi-legal proceedings that have been initiated against the Corporate Debtor up to the Effective Date (whether filed prior to CIRP commencement date or filed during CIRP Period ***shall be deemed to have been quashed upon approval of the Resolution Plan by the NCLT.***

94. Directions from the NCLT, by way of approval of this Resolution Plan would ***result in the quashing of all legal proceedings for recovery of any debt from the Corporate Debtor or enforcement of any existing security interest against the Corporate Debtor.***

95. ***By virtue of the order of the NCLT approving this Resolution Plan, new inquiries, investigations, notices, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings*** will not be initiated or admitted, disclosed or un-disclosed and/or in India or anywhere outside India if these relate to any period prior to the Effective Date or even accruing



after the Effective Date, but arising out of matters or actions arising prior to the Effective Date or arise on account of the acquisition of control by the Resolution Applicant over CD pursuant to this Resolution Plan, ***against CD or any of its employees or directors who are appointed after the acquisition of control by the Resolution Applicant over CD or pursuant to the implementation of the Resolution Plan.***

• **MONITORING, SUPERVISION, AND IMPLEMENTATION OF THE PLAN:**

96. A Monitoring Committee will be constituted on the Effective date comprising of the following members:

- Resolution Professional- Chairman
- Two Representatives of the Financial creditors.

97. The Monitoring Committee shall stand dissolved on the Closing date. The Committee will run the Corporate Debtor between the Effective Date and Closing Date. On and from the Closing Date the new reconstituted Board of the SRA will control and manage the company and the Monitoring committee shall only be responsible to supervise the payments to be made to the Creditors.

98. It is proposed that any amount incurred by the Monitoring Committee relating to the Corporate Debtor will be met out of the accruals of the company.

99. The Monitoring Committee will be **reconstituted after the implementation date** for overseeing the Arbitration Receipts. The reconstituted Monitoring Committee will include the following members:

- ❖ 3 Representatives from the SRA
- ❖ 3 representatives from the Assenting FCs.



• **PROPOSED IMPLEMENTATION SCHEDULE:**

<u>Sr. No.</u>	<u>Activity</u>	<u>Indicative Timeline</u>
1	Approval of this Resolution Plan by the NCLT	Effective Date
2	Appointment of the Monitoring Agency under the sole guidance and instruction of the Monitoring Committee until the Closing Date	2 days from Effective date
3	Intimation to the Governmental Authorities, if required in terms of the Applicable Law	10 days from effective date
4	Intimation to all stakeholders of the Corporate Debtor	10 days from effective date
5	Execution of material Agreements giving effect to the Plan, if any	15 days from effective date
6	Infusion of equity in the Corporate Debtor	90 days from the effective date
7	Replacement of Suspended Board with new Board	Immediate on conclusion of the meeting constituting the monitoring committee.
8	Payment of CIRP Costs in priority to any other payment under the Plan	90 days from the effective date
9	Payment to the operational creditors in priority to Financial Creditors	90 days from the effective date
10	Upfront Payment to the Financial Creditors in accordance with the Plan	90 days from the effective date
11	Assignment of Debt to RA	90 days from the effective date
12	Taking over management of the of the Company	meeting constituting the monitoring committee.
13	Dissolution of Monitoring Committee	Immediately after final payment by the resolution applicant

ASSESSMENT AND OBSERVATIONS:

• **SCOPE OF ASSESSMENT OF THIS ADJUDICATING AUTHORITY:**

100. The plan consists of two parts- one is the commercial aspect and the other is the statutorily required compliance aspect. The commercial



aspect of the plan such as its feasibility and viability, the manner of distribution proposed, the order of priority amongst creditors, priority and value of the security interest of a secured creditor has been approved by the CoC by requisite no. of votes as required u/s 30(4) of the code.

101. Hence the assessment of this Adjudicating Authority is limited only to the statutory compliance as required under the code and applicable regulations and the scope of the assessment has been clearly demarcated by the Hon'ble Apex Court in a plethora of judgements. Hence, this Adjudicating Authority is bound by the judgement of the Hon'ble Supreme Court of India in **K. Sashidhar vs. Indian Overseas Bank and Ors.** reported in (2019) 12 SCC 150: MANU/SC/0189/2019, wherein it is held that:

"35. [...] 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. [...]. To wit, the feasibility and viability of the proposed resolution 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 Added)

102. Further, the Hon'ble Apex Court in **Jaypee Kensington Boulevard Apartments Welfare Association and Ors. vs. NBCC (India) Ltd. and Ors.** reported in (2022) 1 SCC 401: MANU/SC/0206/2021 at Para 216, has laid down that:

“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. 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 Committee of Creditors.”

(Emphasis Added)

103. Further, in **Committee of Creditors of Essar Steel India Limited vs. Satish Kumar Gupta** reported at (2020) 8 SCC 531: MANU/SC/1577/2019, the Hon'ble Apex Court has propounded that:

“38. This Regulation fleshes out Section 30(4) of the Code, making it clear that ultimately it is the **commercial wisdom of the Committee of Creditors** which operates to approve what is deemed by a majority of such creditors to be the best resolution plan, which is finally accepted after negotiation of its terms by such Committee with prospective resolution applicants.”

(Emphasis Added)

104. Reinforcing the above, the Hon'ble Apex Court in **Vallal RCK vs. Siva Industries and Holdings Limited** reported in MANU/SC/0753/2022, has held that:

“21. This Court has consistently held that the commercial wisdom of the CoC has been given paramount status

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without any judicial intervention for ensuring completion of the stated processes within the timelines prescribed by the IBC. It has been held that there is an intrinsic assumption, that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts."

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"27. This Court has, time and again, emphasized the need for minimal judicial interference by the NCLAT and NCLT in the framework of IBC. We may refer to the recent observation of this Court made in the case of Arun Kumar Jagatramka v. Jindal Steel and Power Limited and Anr. (2021) 7 SCC 474:

95. However, we do take this opportunity to offer a note of caution for NCLT and NCLAT, functioning as the adjudicatory authority and appellate authority under the IBC respectively, from judicially interfering in the framework envisaged under the IBC. As we have noted earlier in the judgment, the IBC was introduced in order to overhaul the **insolvency and bankruptcy regime in India**. As such, it is a **carefully considered and well thought out piece of legislation which sought to shed away the practices of the past**. The legislature has also been working hard to ensure that the efficacy of this legislation remains robust by constantly amending it

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based on its experience. Consequently, the need for judicial intervention or innovation from NCLT and NCLAT should be kept at its bare minimum and should not disturb the foundational principles of the IBC."

(Emphasis Added)

• **COMPLIANCE OF SECTION 30(1) AND 30(2) OF THE CODE:**

105. The compliance of Section 30(1) and 30(2) of the Code is given in Para-No. 9 of Form H. The same is being further examined as under:

a. Section 30(1):

Yes, **affidavit dated 18.4.2022** declaring eligibility u/s 29 A of the code is filed **by Dipti Ranjan Patnaik, the Managing Director of the SRA**. The affidavit is almost more than 3 years old but the plan was originally submitted way back in June 2022 and as per section 29A the eligibility of an SRA needs to be assessed at the time of the submission of the resolution plan. Hence it is held to be complied.

b. Section 30(2)(a):

As per **Clause 5 and Clause 2.1(b)(i)(a) of Chapter VIII** of the Plan the Resolution Applicant undertakes to make payment of the actual CIRP cost incurred and approved by the COC in priority over payments to any other Creditors.

c. Section 30(2)(b) read with Regulation 38(1)(a) and 38(1)(b):

The Resolution plan at **Clause 5 and Clause 2.1(b)(i)(b) of Chapter VIII** of the Plan states that as per assessment of the SRA the liquidation amount is not sufficient to settle the dues of the

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financial creditors and hence as per section 53 the Operational creditors are entitled to NIL amount but the SRA has proposed to pay Rs. 47,35,298/- as against admitted claims to the tune of Rs 3,73,94,06,091/- and the same will be paid in priority over the financial creditors in compliance with Regulation 38(1)(a).

As per **Clause 2.2(c)(v) of chapter VIII** of the plan, dissenting financial creditors will be paid in priority over the assenting financial creditors in terms with Regulation 38(1)(b) of CIRP regulations.

d. Section 30(2)(c) read with Regulation 38(2)(b):

Clauses 4(iii)(f) and 4(vi) of Chapter-XI of the plan states that the management of the company will be under the control of the Monitoring committee from the Effective date i.e. Plan Approval Date till the Closing Date.

As per Chapter-X of the Plan and Clause 4(iv) of Chapter-XI On and from the Closing Date, describes the proposal made for reconstitution of board and change in management personnel of the corporate debtor after successful completion of resolution of insolvency of the corporate debtor. The plan makes adequate measures for smooth transition in management of the corporate debtor post-acquisition.

e. Section 30(2)(d) read with Regulation 38(2)(c):

In the Resolution plan at **Clause 4 of Chapter XI** it has been envisaged that an Implementation and Monitoring Committee comprising 3 (three) Persons of which Resolution Professional-Chairman and two Representatives of the Financial creditors will be constituted without any further action required from the corporate debtor and it will discharge its responsibilities & duties as specified in the plan till the Closing date. The cost incurred for

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the functioning of the monitoring committee and effective implementation of the plan shall be met by the accruals of the corporate debtor and if in case it falls short, the deficit shall be borne by the SRA.

f. Section 30(2)(e):

The SRA at **Clause 5 of Chapter XV** of the Plan states that the plan does not contravene any provisions of law for the time being in force and is in compliance with the Code. The applicant has also in **Para 4, Clause (i) of Form H** has also certified that the Resolution Plan does not contravene any of the provisions of the law for the time being in force.

g. Compliance u/s 30(2)(f):

i. Compliance u/s 29A:

Yes, affidavit dated 18.4.2022 declaring eligibility u/s 29 A of the code is filed by Dipti Ranjan Patnaik, the Managing Director of the SRA. The affidavit is almost more than 3 years old but the plan was originally submitted way back in June 2022 and as per section 29A the eligibility of an SRA needs to be assessed at the time of the submission of the resolution plan. Hence it is held to be complied.

ii. Compliance under Regulation 35A:

It is stated by the applicant at **Para 14A of Form-H** that the applicant had failed to abide by the timeline as required under Regulation 35A but the RP has stated that two applications in respect of avoidable Transactions i.e. IA(IB) No. 243/CB/2022 and IA(IB) No. 244/CB/2022 have been filed before the Adjudicating Authority is currently pending and at **Clause 4(ix) of Chapter XI** the Plan that applications

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have already been filed before the Tribunal and is sub judice and the same shall be pursued by the SRA.

iii. Compliance under Regulation 37- (a) to (m):

In regard to **Clause (a) and (b) of Regulation 37** it is proposed at **Clause 4 (ii) and (iii) of Chapter XIII** of the plan that the SRA, will undertake sale of non-core assets of the corporate debtor on prior payment of sale value of such assets to the security holders and release of any charge encumbrance or lien on such assets for completion of the transaction and also sell all non-core assets of the corporate debtor which are damaged, obsolete and in scrap condition

The plan proposes a complete capital restructuring of the company but as specified under **Regulation 37(ba)** there is no proposal for any amalgamation/merger/ demerger which forms an integral/necessary part of the plan proposed by the SRA

In regard to **Regulation 37(c)**, the plan at Clause 3 of Chapter VIII states that the SRA shall replace the Existing Promoter and accordingly, shareholding of OCML shall only be treated as Promoter Shareholding and OCML (including the nominees and assigns) shall constitute the Promoter Group for the Corporate Debtor.

In regard to **Regulation 37(ca)** , the plan does not propose any cancellation and delisting proposed under the Resolution Plan. However, at the Trading of shares shall be suspended for a period of Six months from the effective date

The Resolution Plan in regard to **Regulation 37(d)** proposes assignment of the entire debt to the SRA. Hence, the entire security interest shall be transferred to the assignee.

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The debts of various categories of creditors are proposed to be settled, restructured / waived as provided under this Resolution Plan as per **Regulation 37(e)**.

The resolution amount proposed by the RA shall result in partial recovery of the dues of the creditors as detailed in the financial plan as per **Regulation 37(f)**.

The Resolution Plan Proposes assignment of the entire Debt to RA. Hence there are no changes proposed at this stage in the terms of the Debt due from the Corporate Debtor as per **Regulation 37(g)**.

The Memorandum and Article of association of the CD are proposed to be amended without further reference to the board of directors or the shareholders of the corporate debtors as per **Regulation 37(h)**.

The resolution plan in consonance with **Regulation 37(i)** at Clause 1 of Chapter XI proposes issuance of 30,00,000 of equity shares of INR 10/ each amount to INR 3,00,00,000 (Indian Rupees Three Crore) by way of cash contribution towards resolution amount and proposes that the unsustainable debt to the tune of Rs. 46,75,44,74,001.00 shall be treated as unsustainable Debt and shall be converted into equity shares of 7,50,00,000 nos. equity shares (face value of INR 10 each) with a premium of INR 613.39 per share.

No proposition has been in respect with **Regulation 37(j)**. The plan proposes to upgrade the equipment and technology of the corporate debtor and a provision to that effect is made at **Clause 2.1 (C) of chapter - VIII** of the plan in accordance with **Regulation 37(k)**.



In regard to obtaining necessary approvals from concerned government authorities as specified in **Regulation 37(l)** the SRA in the plan has undertaken to obtain necessary approvals from the respective authorities and renew any sanctioned, permission, regulatory approval that may have expired in the Interim period on the basis of certified copies of the Resolution plan approved by this Adjudicating Authority.

In regard to **Regulation 37(m)** this plan is submitted by a single resolution applicant hence there is no proposition of sale of assets of the CD to different resolution applicants and furthermore the resolution plan proposes to take over the entire corporate debtor as going concern. So, sales of one or more assets do not arise barring the sale of non-core assets that is already stated above.

iv. Compliance under Regulation 38(1A):

The plan at Clause 16 of Chapter XIII states that the plan has dealt with interests of all the stakeholders of the corporate debtor and a holistic perusal of the plan indicates that the plan has addressed the interests of various stakeholders their outstanding claims and the impact the plan will have on their interests/relationship with the corporate debtor.

v. Compliance under Regulation 38(1B):

The SRA at Clause 5 of Chapter XV of the Plan states that it or its related parties have never failed to implement or contribute to the failure of implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past under the code.

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vi. Compliance under Regulation 38(2)(a):

As per Clause-1 of Chapter -XI of the plan the term of the plan will continue till such time the dues of the creditors are completely paid off as per the financial proposal made at Chapter VIII of the plan. It is also noted that in the introductory paragraph in Chapter-XII of the plan it is stated that the term of the plan shall be 90 days from the effective date or until all payments contemplated in the plan are made, whichever is earlier.

Hence upon conjoint reading of both the clauses of the plan it is imperative that the upper limit of the implementation period as per the plan is 90 days from the effective date

vii. Compliance under Regulation 38(2)(b)&(c):

Yes complied as observed above

viii. Compliance under Regulation 38(2)(d):

The SRA in its plan at **Clause 4(ix) of Chapter-VIII** has clearly stated that any proceeds arising out of the pending proceedings in relation to avoidable transactions shall be the assets of the CD only and will not be shared with any creditors.

ix. Compliance under Regulation 38(3)- (a) to (e):

The Plan at **Clause 2 of Chapter VII**, in compliance with Regulation 38(3)(a) analyses the weakness of the company and the **reason for the default** and also elaborates on the strength and opportunities to turn around the economic & financial prospects of the corporate debtor.

Regarding the **feasibility and viability of the plan**, the RP has stated that the plan is feasible and viable and even the

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CoC in its minutes has recorded their satisfaction about the feasibility and viability of the plan.

The plan in Chapter XI has elaborated on the **modality and timeline of the implementation of the plan** in compliance with Regulation 38(3)(c).

In respect to **Regulation 38(3)(d)**, the SRA in **Clause 2 of Chapter XI** of the plan has stated that as per the code and accompanying circular of MCA there is no requirement of any separate approvals required under the Companies Act, 2013 in regard to the capital restructuring, which forms an integral part of the plan and hence no timeline is specified. There is no timeline specified for seeking approval from Competition Commission of India as the **SRA falls under the category of 'de minimis exemption' and hence there is no requirement of any approval from the CCI** in respect of the acquisition.

The SRA in the plan has stated that it will list the new equity shares within 60 days of payment. The SRA has **sought waiver in regard to the compliances/approvals required from SEBI** as required for listing its new shares. Hence no timeline is proposed for seeking approval from SEBI and the Stock exchanges.

The aspect regarding waiver sought by the SRA is dealt separately in the later part of this order

In compliance with **Regulation 38(3)(e)** the SRA in the plan has given a detailed overview regarding its financial worthiness, its experience in turning around stressed assets and provided information about SRA's Key managerial personnel to demonstrate their deep experience

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in managing different kinds of businesses other than just the SRA. The SRA has also provided a detailed financial and business plan which it seeks to undertake to turnaround the health of the corporate debtor.

h. Compliance under Regulation 39(1)(c):

As per the requirement of **Regulation 39(1)(c) the SRA at Clause 13 of Chapter XV** has undertaken that that every information and records provided in connection with or in the Resolution Plan is true and correct and discovery of any false information and record at any time will render the applicant ineligible, forfeit the Earnest Money, and attract penal action under the IBC. A separate undertaking to that effect is also attached with the **plan document as Annexure-D.**

i. Compliance under Regulation 38(4):

As per the requirement of **Regulation 39(4)** of the CIRP Regulations for submission performance security as required under regulation 36B , it is stated in Form- H by the RP that the SRA has provided a Performance Bank Guarantee to the tune of Rs.18,00,00,00/- but the RP has not filed the same with this present application and hence the same cannot be verified by this Adjudicating Authority. Furthermore, it is also noted that at per Clause 1.9 of RFRP, the SRA is required to provide unconditional irrevocable Bank Guarantee to the tune of 10% of the Resolution Amount, and as already noted the resolution amount proposed is Rs.218.17 Crores and 10% of which Rs. 21.80 Crores. Hence, it is **not complied with in its entirety.**

Furthermore, the plan was not submitted within the stipulated timeline as required under Regulation as the CIRP period ended on 08.01.2023 and this plan in its original form was filed before this adjudication authority on 06.01.2023 but the delay stands condoned.

• **RELIEFS, WAIVERS AND CONCESSIONS SOUGHT IN THE PLAN:**

106. We have perused the reliefs, waivers and concessions as sought in the Resolution Plan. **It is observed that that the SRA has devoted a specific chapter i.e. Chapter XIV in the plan which enumerated the Reliefs and Concessions sought by the SRA and there are certain reliefs and concessions that do not form of Chapter XIV but forms part of the plan being proposed in other parts of the plan.** This Adjudicating Authority has the power to grant only such reliefs, waivers and concessions that are directly in tune with the I&B Code and the Companies Act (within the powers of the NCLT). The reliefs, waivers and concessions that pertain to other governmental authorities/departments may be dealt with by the respective competent authorities/forums/offices, Government or Semi-Government of the State or Central Government concerning the respective reliefs, waivers and concessions, whenever sought for. The competent authorities including the Appellate authorities may consider granting such reliefs, waivers and concessions keeping in view the spirit of the I&B Code, 2016 and the Companies Act, 2013.

107. The Resolution plan seeks certain reliefs, waivers, and concessions for implementation of the resolution plan. It is stated in the plan the denial of the reliefs, waiver or concession sought in the plan shall not affect the implementation of the plan, whatsoever. In the interest of brevity, the reliefs, waivers, and concessions sought **in Chapter XIII of the Plan** and the direction of the Adjudicating Authority in respect of such are enumerated hereinbelow:



Sl No.	Reliefs, Waivers and Concessions Sought in Chapter XIII of the Plan	Directions thereto
1.	Resolution Applicant has first submitted the Resolution Plan on 22nd May, 2022 which is sub judice for a period of last two years changing the business dynamics as most of the Pre-Qualification eligibility have lapsed during these two years. Upon approval of the Resolution Plan, the Pre-Qualification criteria and other Eligibility norms as existing on March 31, 2022 shall be continued for future bidding of the projects by the Corporate Debtor.	Not Granted In case this is imperative to ensure quicker revival of the corporate debtor a separate application may be filed by the SRA which shall be dealt as per merits.
2.	The Corporate Debtor and the Resolution Applicant (as its shareholder) shall be entitled to modify contracts which: i) are entered into with parties prior to the Insolvency Commencement Date, and ii) impose onerous conditions hindering the resolution process / turn around process, day-to-day operations for the Corporate Debtor;	Granted to the extent permissible under the Code and other applicable acts, rules, and regulations.
3.	Resolution Applicant and the Corporate Debtor after the successful acquisition by the Resolution Applicant shall not be responsible for any	Granted to the extent permissible

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	defaults for the period prior to effective date any nature under any law as may be applicable from time to time including but not limited to ED/ RBI / SFIO/ CBI/ CVC/ PMLA/ FEMA/ FERA, customs, excise, Value Added Tax, Goods & Service Tax, Service tax, Central Sales Tax/ Octroi, Property Tax/ ROC/RD and any other law/ enforcement agencies even if not mentioned here.	under Section 32-A of the Code.
4.	The unit of the CD is to be treated as New Enterprise and all the benefits accrued to a new enterprise in terms of the various Central Government Policies including but not limited to Direct and Indirect Taxation policy etc. shall also be available to the CD.	To be decided by Appropriate Authority
5.	Reliefs and concessions from NCLT and from the other relevant government authorities- In terms of the third proviso to Sec.79 of the Income Tax Act, 1961, the resolution applicant is not required to comply with the provisions of Sec. 79 for carry forward and set off loss of the corporate debtors. Reasonable opportunity of being heard may be provided to the Jurisdictional Principal	Not Granted

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	Commissioner or Commissioner of Income Tax as required under the said provisions of the IT Act. • Allow setting off losses and unabsorbed depreciation for the purpose of computation of book profit as permitted under section 115JB of Income Tax Act, 1961. • Exemption from any tax liability arising due to implementation of the Resolution Plan both in computing total income under the normal provisions of the IT Act and in the computation of book profit u/s 115JB of the IT Act. • Allow filing return of income and/or revised return of income, for the Assessment Years prior to the Effective Date, → If the said returns have not been filed within the due date of filing the said returns; or	Granted to the extent permissible under IBC,2016 and Income Tax Act,1963. This is for CBDT and concerned Income Tax Authorities to decide subject to the provisions of Income Tax Act, 1961 and keeping in mind the objective of IBC,2016. This is for CBDT and concerned Income Tax Authorities to decide subject to the provisions of Income Tax Act, 1961 and
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	→ Have been filed on the basis of financial statements prepared by the Corporate Debtor in violation of the provisions of Sec. 129 and Sec. 134 of the Companies Act, 2013. • An order approving the Resolution Plan shall be a deemed order for disposal of all appeals pending before the Commissioner of Income Tax (Appeal) without any liability. Reasonable opportunity of being heard may be provided to the Commissioner of Income Tax (Appeal) as required under the Law. • Any Income Tax refund receivable by the Company from the Income Tax department on account of the return of income previously filed by the Company shall be available to the Company without any adjustment of past liabilities. • The brought forward Business Loss as on the Effective Date shall be deemed to be the Business Loss for the previous	keeping in mind the objective of IBC,2016. Not Granted Not Granted Not Granted
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	year in which the Effective Date falls.	
6.	Waiver of any income-tax and Minimum Alternate Tax (MAT) liability or consequences (including interest, fine, penalty, etc.) on CD., Resolution Applicant and its shareholders on account of various steps as proposed in the Resolution Plan , including but not limited to liabilities if any under Section 41(1), Section 56, Section 43, Section 43 B, Section 28, Section 115 JB and Section 79 of the Income-tax Act, 1961, including, without limitation waiver of MAT and income tax implication arising due to write back/write off of liabilities in the books of accounts of CD without any impact on brought forward tax and book loss/ depreciation, pursuant to this Resolution Plan.	Not Granted
7.	Any requirements to obtain waivers from any Tax Authorities including in terms of section 79 of the IT Act is deemed to have been granted upon approval of this Resolution Plan on the Closing Date.	Not Granted
8.	Without prejudice to the other provisions of the Resolution Plan, it is prayed that the Taxes which may arise for the period prior to the Effective Date or	This is for CBDT and appropriate tax authorities to decide.

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	pursuant to implementation of this Resolution Plan (including but not limited to Tax under Sections 56, 41(1) and 28 of the IT Act upon settlement of Financial and Operational Creditors pursuant to implementation of this Resolution Plan) either on the Resolution Applicant or the Corporate Debtor and/or its successors or any other Person who is likely to be impacted due to the implementation of this Resolution Plan shall be waived and shall stand extinguished, as such Taxes and duties, if required to be paid, or impacting any business losses and unabsorbed depreciation will render the Resolution Plan unviable. Additionally, any write-offs shall be allowed as a tax deduction in the year of such write-off.	
9.	The CBDT, relevant Tax authorities and its enforcing officers and/or agencies (including but not limited to the Assessing Officer, Commissioner of Income Tax, Commissioner of Income Tax (Appeals) and Income Tax Appellate Tribunal) to: (i) not void the transactions contemplated under this Plan under Section 281 of the Income Tax Act, 1961;	This is for CBDT and appropriate tax authorities to decide as per Income Tax Act, 1961.

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	(ii) exempt the Resolution Applicant from any liability pursuant to Section 170 of the Income Tax Act, 1961; and (iii) not initiate any prosecution proceedings against the new management of the Corporate Debtor for the non-compliance with the provisions of IT Act for the period before the Effective Date; (iv) condone the delay in filing any compliances / returns during the period from ICT till Effective Date. The Central Board of Excise and Customs to not void the transactions contemplated under this Plan under Section 81 of the Central Goods and Service Tax Act, 2017 and not impose any successor liability on the Resolution Applicant and the Company.	
10.	The CBDT to allow the Corporate Debtor to enjoy and avail in future any Tax Benefits, deductions, exemptions as per the relevant provisions of the Applicable Law which the Corporate Debtor was entitled to as on the Effective Date for the balance period as per the relevant provisions of the Applicable Law.	This is for CBDT and appropriate tax authorities to decide

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11.	Any approvals that may be required from Governmental Authorities (including tax authorities) in connection with the implementation of the Resolution Plan including on account of change in ownership/control of CD shall be deemed to have been granted on the Effective Date	Not Granted. Necessary applications shall be made before appropriate authorities.
12.	The Corporate Debtor & Resolution Applicant be allowed to re-build the Human Capital as per the requirement without any obligations.	Granted to the extent permissible under the code and applicable Laws.
13.	All Government Authorities to waive the Non-Compliances of the Corporate Debtor prior to the effective date;	This is to be decided by the concerned government departments keeping in view the objectives of IBC, 2016.
14.	Post-acquisition of CD, the new management shall require 12 months for appointment of Auditors, Company Secretary, and other Statutory Compliances. The SRA should therefore be allowed 12 months' time from the effective date to comply with all statutory approval and	Granted to the extent permissible under the Code and other applicable laws.

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	requirements including but not limited to filing of Balance Sheet, without any charges, penalties, interest, etc.	
15.	Since the Successful Resolution Applicant has been provided with limited information in relation to the Business Permits and their current status, it is probable that certain of the Business Permits / Statutory Approvals of the Corporate Debtor have lapsed, expired, suspended, cancelled, revoked or terminated or the Corporate Debtor has Non-Compliances in relation thereto. Accordingly, all Government Authorities (i) to provide reasonable time period of at least 12 months after the effective Date in order to enable Resolution Applicant to assess the status of these Business Permits/Statutory Approvals and ensure that the Corporate Debtor is compliant with the terms of such Business Permits / Statutory Approvals and Applicable Law (ii) should not initiate any investigations, actions, or proceedings in relation to such Non-Compliances,	This is to be decided by the appropriate government Authority.

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	(iii) should cooperate with the CD to renew/ obtain for such permits/approvals, (iv) permit the Resolution Applicant to continue to operate the business of the Corporate Debtor pending such permits / approvals at least till a period of 12 months from the Effective Date and (v) not to charge any charges, penalty, interest, etc. till the time such Permits/ Approvals are received. The Resolution Applicant shall, pursuant to approval of the resolution plan by the Adjudicating Authority obtain the necessary approvals required under any law for the time being in force within a period of one year from the date of such approval or within such period as provided for in such law, whichever is later,	
16.	Neither the Resolution Applicant, nor any of its Affiliates or connected persons, will be disqualified from or considered ineligible under the Code for proposing and/or implementing a plan in relation to the insolvency resolution of any Person (other than the Corporate Debtor), merely on account of the	Granted to the extent permissible under IBC,2016

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	implementation of this Plan by the Resolution Applicant;	
17.	It is assumed from the effective Date, all accounts of the Corporate Debtor shall stand regularized and their Asset Classification is "Standard" for the purpose of Applicable RBI Laws.	RBI shall decide as per applicable laws and keeping in view the objective of IBC.
18.	On Discharge of all the liabilities to the secured financial creditors, all the charges registered with ROC to be satisfied.	To be decided by the Concerned authority be keeping in view the objectives of IBC,2016.
19.	Any other charge created, if any, registered with ROC which may not be the part of the claim admitted shall be satisfied by the ROC by virtue of this NCLT Order.	To be decided by the Concerned authority be keeping in view the objectives of IBC,2016.
20.	The Central Board of Direct Taxes to i) not void or take any other actions with respect to the transactions contemplated under this Plan under Section 281 of the IT Act ii) exempt the Resolution Applicant from any liability pursuant to Sections 56 and 170 of the IT Act ; and iii) not levy any Tax (including minimum alternate tax) arising as a	Not Granted

result of giving effect to, or otherwise in relation to, the Plan, in the hands of Corporate Debtor or the Resolution Applicant.

The Central Board of Excise and Customs to not void or take any other actions with respect to the transactions contemplated under this Plan (including the Merger and the sale of Collateral) under **Section 81** of the Central Goods and Services Tax Act, 2017 and **not to impose any successor liability** on the Resolution Applicant and the Corporate Debtor;

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| <p>21. Neither the Resolution Applicant nor CD, nor their respective directors, officers and employees appointed as on or after the Effective Date shall be liable for any violations, liabilities, penalties, interests on statutory payments and/ or fines with respect to or pursuant to any order of any Governmental Authority or on account of non-compliance of Applicable Laws by CD or due to CD not having in place requisite approvals and licences (excluding the Pollution Control Board approval for which the necessary steps</p> | <p>Granted to the extent permissible under section 32-A of IBC,2016 and other applicable laws and the judgment of Hon'ble Apex Court in Ajay Kumar Radheyshyam Goenka vs. Tourism Finance</p> |
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	will be taken by RA) to undertake its business as per Applicable Law.	Corporation of India Ltd.
22.	All Government Authorities (including the RBI) to grant any relief, concession or dispensation as may be required for Implementation of the transactions contemplated under the Plan in accordance with Its term and conditions;	To be decided by the Concerned authority be keeping in view the objectives of IBC,2016.
23.	The jurisdictional Registrar of Companies to take on record the plan approved by Hon'ble NCLT	Granted
24.	Approval of the plan shall be deemed approval for dispense with the meetings of Shareholders to increase the authorized share capital of the company from INR 40,00,00,000.00 (Rupees Forty Crores) divided into 4,00,00,000 equity shares to INR 110,00,00,000.00 (Rupees One Hundred Ten Crores Only) consisting of 11,00,00,000 no of Equity Shares.	Not Granted
25.	Approval of the plan shall be deemed approval for dispense with the meeting of Shareholders and/or creditors for change of name of the company. RA shall file the necessary forms with the ROC / stock exchanges to give effect of the above said name change	Granted

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26.	Approval of the plan shall be the deemed approval for dispense with the meetings of Shareholders and Creditors in a Scheme of Arrangement filed with one year from the effective date to merge the CD with the RA	Not Granted. To be applied for separately.
27.	All Designated Authorized Dealer Category Banks to grant any approval or dispensation as may be required for actions contemplated under the Plan in accordance with its terms and conditions	Granted to the extent as permissible under IBC,2016
28.	There might be certain litigations/proceedings against the CD regarding the CD may have conducted its business in breach of certain applicable laws; and an adverse outcome of such proceedings would interrupt the business of the CD as a going concern. Accordingly, all such proceedings should be extinguished / dropped immediately on approval of the Plan by the Adjudicating Authority.	Granted to the extent as permissible under the code and the judgment of the Hon'ble Apex Court in Ghansyam Mishra V Edelweiss ARC
29.	All domain names, servers, being currently used by the CD shall continue to be available for use by the CD.	Granted
30.	There is no adverse effect on the rights of the CD over its immovable properties.	Granted

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31.	Upon approval of this Resolution Plan by NCLT, the rights of any person (whether exercisable now or in the future), either directly or indirectly, and whether contingent or not, to call for the allotment, issue, sale or transfer of shares of the CD or whether through any exchange or otherwise, shall stand unconditionally and irrevocably extinguished. All employee stock options shall stand extinguished.	Granted to the extent as permissible under IBC and applicable Laws.
32.	All concerned state revenue or stamp authorities to waive penalties for non-registration and inadequate or non-stamping of documents executed by the Corporate Debtor.	Not Granted
33.	All Departments and Authorities, including but not limited to Government/ Semi-Government / PSUs/ Non-Government/ Research & Development Centers /Subsidiaries/Division/Zones/ Workshop/ Sheds or any other entities not mentioned here, shall allow the Corporate Debtor to submit their offers/ Proposal/ tenders etc., for the period of 3 (three) years from the effective date, without insisting for the details on past revenue, profitability	Granted to the extent as permissible under IBC and applicable Laws.

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	records, net worth and supply and performance records or any other credentials, as Resolution Applicant will be starting the business for the Products of the Corporate Debtor afresh as there had been discontinuity in the business for past few years.	
34.	All Government Authorities to waive the Non-Compliance of the Corporate Debtor prior to the effective date	To be decided by the Concerned authority be keeping in view the objectives of IBC,2016.
35.	Resolution Applicants shall not be liable and will be kept indemnified financially or otherwise against any of the negative impact / observation/findings of Forensic Audit and/or transaction audit. Further neither the Corporate Debtor nor any member of the New Promoters or New Promoters group shall be made party to any of the legal cases arising out of such forensic audit.	Granted to the extent as permissible under IBC and applicable Laws.
36.	Waiver from the levy of stamp duty and fees by the stamp authorities and Ministry of Corporate Affairs, applicable in relation to this Resolution Plan and its	Not Granted

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	implementation , including an increase of authorized capital and issuance of Equity Shares to Successful Resolution Applicant.	
37.	Waiver from the levy of stamp duty and fees by the stamp authorities and Industrial Development Co Ltd, applicable in relation to transfer of Land of the IDCO plot no- 38, Sector A, Zone -D, Mancheswar Industrial Estate, Rasulgarh, Bhubanesawar.	Not Granted
38.	CD and the Resolution Applicant shall be granted an exemption from all taxes, levies, fees, transfer charges, transfer premiums, and surcharges that arise from or relate to implementation of the Resolution Plan, since payment of these amounts may make the Resolution Plan unviable.	Not Granted
39.	Any requirements to obtain reliefs/ exemptions/ waivers from any Tax Authorities including in terms of Sections 170 and 281 of the Income-tax Act is deemed to have granted upon approval of this Resolution Plan on the effective date.	Not Granted
40.	Approval of this plan shall be deemed approval for change of existing	Granted to the extent as permissible

	promoters shareholding into Public shareholding	under IBC and applicable Laws
41.	Approval of this plan shall be deemed approval of the structure control acquisition proposed under the Resolution Plan.	Granted
42.	Approval of this plan shall be deemed approval for conversion of debt into equity as proposed under the Resolution Plan	Granted to the extent as permissible under IBC and applicable Laws

108. The various waiver, reliefs and concessions sought by the SRA which does not form part of Chapter XIII of the plan and the orders thereto are as follows:

Sl No.	Relief, Waiver and Concession Sought	Orders/Directions thereto
1	Exemption sought from compliance with SEBI rules and regulations in Chapter VIII of the plan and which is discussed in Para 61 of this order	Not Granted. Necessary application shall be made to appropriate authorities.
2	Relief sought in regard to adjustment of write offs in Chapter VIII of the plan and which is discussed in Para 65 of this order	Not Granted. Necessary application shall be made to appropriate authorities.
3	Waivers/Approvals sought at Clause 2 of Chapter XI in regard to the proposed capital	Granted to the extent it is permissible under the



	restructuring and discussed at Para 68 to 71 of this order.	code and Companies Act, 2013
4	Relief/ waiver sought in relation to the proposed future merger which is not an integral part of the plan as discussed at Para 72 of this order	Not Granted.
5	Waivers/Reliefs sought and discussed at para 80 of this order with respect to Tax Authorities.	This is for CBDT and other appropriate authorities to decide keeping in mind the objective of IBC.
6	Reliefs sought in regard to pending litigation and discussed at Para 93 of this order	Granted to the extent permissible under section 32-A of the Code and the judgment of Hon'ble Apex Court in Ajay Kumar Radheyshyam Goenka vs. Tourism Finance Corporation of India Ltd.

SUB-JUDICE APPLICATIONS BEFORE THIS ADJUDICATING AUTHORITY FILED BY OR AGAINST THE CORPORATE DEBTOR:

109. During preparation of this order, it was observed that multiple interlocutory applications either filed against the Corporate Debtor or by the Corporate Debtor (through the RP i.e. the present Applicant) are pending before this Adjudicating Authority in relation to the main

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petition i.e. **C.P (IB) No.34/CB/2021**. The list of pending interlocutory applications are as follows:

Sl No	Case No.	Parties	Prayer
1.	IA(IB) No. 243/CB/2022	Uday Narayan Mitra Vs Kapilash Infrasel Projects Pvt. Ltd. & Others	The application seeks to reverse and void several "undervalued transactions" made by the Corporate Debtor and its former management. The Resolution Professional is requesting that the Tribunal declare these transactions as undervalued and direct the responsible parties to return the funds to the Corporate Debtor's accounts.
2.	IA(IB) No. 244/CB/2022	Uday Narayan Mitra Vs North West Sales & Marketing Limited & Others	The application seeks to reverse or reconstitute preferential and undervalued transactions that were identified in a transaction audit report. The transactions involve several related parties and suspended directors of the company. The application was filed on August 25, 2022, following approval from the Committee of Creditors.
3.	IA(IB) No. 260/CB/2022	Uday Narayan Mitra Vs Assistant Director Of Income Tax Cpc Bengaluru	This is an application filed by Uday Narayan Mitra, the Resolution Professional for ARSS Infrastructure Projects Limited, a Corporate Debtor, against the Assistant Director of Income Tax, CPC, Bengaluru & Anr.. The case concerns the illegal appropriation of a tax refund of ₹5,57,97,680 by the Income Tax Department. The refund was due to the Corporate Debtor for the Assessment Year 2021-22, but the department adjusted the entire amount against outstanding demands from a period prior to the commencement of the Corporate Insolvency Resolution Process (CIRP). The applicant contends that this



		action is a violation of the moratorium imposed under Section 14 of the Insolvency and Bankruptcy Code, 2016. The applicant seeks an order directing the respondents to refund the amount of ₹5,57,97,680 to the Corporate Debtor's account.
4.	IA(I.B.C)/ 207/CB/ 2023	Uday Narayan Mitra Vs Jaipur Development Authority Application filed by Uday Narayan Mitra, the Resolution Professional for ARSS Infrastructure Projects Limited (the Corporate Debtor), against the Jaipur Development Authority (Respondent). The Corporate Debtor was declared the L-1 bidder for a tender invited by the Jaipur Development Authority. However, following the initiation of the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor on November 30, 2021, the company withdrew its bid. Subsequently, the Jaipur Development Authority forfeited the bid security of Rs. 3,00,00,000 and debarred the company from participating in future bids for six months. The applicant seeks to set aside the order of the Respondent dated June 6, 2023.
5.	IA(I.B.C)/ 203/CB/ 2023	Uday Narayan Mitra Vs Jaipur Development Authority The applicant is Uday Narayan Mitra, the Resolution Professional of ARSS Infrastructure Projects Ltd., and the respondent is the Jaipur Development Authority (JDA). The case concerns an application filed by the Resolution Professional to challenge the JDA's decision to forfeit a bid security of Rs. 3,00,00,000 and debar the Corporate Debtor from participating in future bids for six months. The Corporate Debtor had withdrawn its bid after the

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		initiation of the Corporate Insolvency Resolution Process (CIRP) on November 30, 2021, arguing that its insolvency disqualified it from participating in the tender. The applicant is seeking to set aside the JDA's order dated June 6, 2023.
6.	IA(IB) No. 209/CB/2024 Uday Narayan Mitra Vs Srei Equipment Finance Ltd.	Uday Narayan Mitra, the Resolution Professional for ARSS Infrastructure Projects Ltd., has filed an application against SREI Equipment Finance Ltd. & Ors. as respondents. The application seeks details on the status of 13 arbitration claims, collectively valued at approximately Rs. 1071.22 crores, which were assigned by the Corporate Debtor to Respondent No. 1 via an Assignment Deed dated March 29, 2017. The Assignment Deed was terminated by the respondent on June 15, 2019, which led to the revival of the corporate debtor's loans. Since the claims of the respondents have been admitted by the applicant, the receivables from these arbitration claims should be remitted back to the Corporate Debtor, as they are considered part of its assets. The applicant seeks an order directing Respondent No. 1 to provide the details and status of the Arbitration Claims listed under ANNEXURE-C in a timely manner.
7.	IVN(IB) No. 4/CB/2024 J. Sathya Kumar Vs State Bank Of India	This is an application filed by J. Sathya Kumar, a proposed intervener, before the National Company Law Tribunal (NCLT) in Cuttack. J. Sathya Kumar, who is a decree holder in three different suits against ARSS Infrastructure Projects Limited, seeks to be impleaded as a necessary party in the Corporate Insolvency Resolution Process (CIRP). His

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			execution proceedings were dropped after ARSS Infrastructure Projects Limited informed the court that it was under a moratorium due to the pending CIRP. The applicant seeks to intervene in the Company Proceeding (IB) No. 34/CB/2021 as a necessary party.
8.	IVN(IB) No. 1/CB/20 25	Kalpataru Pal Vs ARSS Infrastructure Projects Limited	M/s Kalpataru Pal, a contractor and supplier, has filed an intervention petition against ARSS Infrastructure Project Ltd. and State Bank of India before the National Company Law Tribunal, Cuttack Bench. Kalpataru Pal claims that ARSS Infrastructure Projects Ltd. has an outstanding bill amount of Rs. 35,46,290.00 for soil supply work orders from 2017 and 2018. The intervener was unable to submit his claim to the liquidator, Miss Payal Agrawal, by the May 19, 2023 deadline due to a serious illness from which he was suffering between May 10, 2023 and December 24, 2023. He is requesting that the tribunal condone the delay in filing his claim. The applicant seeks an order directing the Corporate Debtor, through the liquidator, to pay the balance bill amount of Rs. 35,46,290 to the intervener.

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9. IA(IB) No. 145/CB/2025	Assistant Commissioner of Income Tax Vs Uday Narayan Mitra	An application was filed by the Assistant Commissioner of Income Tax, Central Circle-1, Bhubaneswar against Mr. Udaya Narayan Mitra, the Resolution Professional, before the National Company Law Tribunal (NCLT) in Cuttack. The application, filed under Section 60(5) of the Insolvency & Bankruptcy Code, 2016, sought the condonation of a 238-day delay in filing a claim for an operational debt of Rs. 1,95,02,32,461/- against ARSS Infrastructure Projects Limited. The Resolution Professional had rejected the claim because it was not submitted within the 90-day period from the insolvency commencement date and was not in the prescribed format. The applicant prays to pass an order condoning the 238-day delay in filing the claim.
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110. Upon perusal of the pending interlocutory applications, it is noted that **IA(IB) No.243/CB/2022** and **IA(IB) No.244/CB/2022** pertains to PUFEE transactions identified by the RP and as an established principle of law as per **Tata Steel BSL Vs Venus Recruiters** reported at **2023/DHC/000257** that the pendency of such applications is no bar to the approval of a resolution plan and the same will be pursued by the SRA as stated in the plan.

111. **IA(IB) No. 260/CB/2022, IA(IB) No. 207/CB/2023, IA (IB) No. 203/CB/2023 and IA(IB) No. 209/CB/2024** are applications filed by the Resolution Professional in the interest of the CD and the outcome of these applications will not depreciate the assets of the corporate

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debtor or hinder in the implementation of the resolution plan and hence the same can continue even after the approval of the resolution plan.

112. IVN(IB) No. 4/CB/2024 has in effect become infructuous on the applicant seeks to intervene in the main petition i.e. CP (IB) No. 34/CB/2021 which was allowed vide order dated 30.11.2021 **and IVN(IB) No. 1/CB/2025** has in effect become infructuous on account of non-pursuance by the applicant.

113. In regard to **IA(IB) No. 145/CB/2025** it is noted that this application seeking condonation of delay was filed on 23.05.2025 whereas the present application was reserved for orders vide order dated 20.05.2025. Hence the application prima facie is filed after an inordinate delay. It is also noted from the daily orders dated 11.07.2025 and 12.08.2025 that this application was not actively pursued by the applicant, hence this application prima facie lacks any merit, be that as it may, even if the same is allowed in favour of the applicant, the claim will be entertained in terms of the plan.

114. Hence it is noted that none of the applications' outcome will have any deterring impact on the effective implementation of the resolution plan and hence their pendency in no way restricts this Adjudicating Authority on passing order in the present application.

FINAL ORDER:

115. As already noted, that the Performance Bank Guarantee is less than 10% of the resolution plan amount. The Applicant is directed to procure a fresh performance bank guarantee from the Successful Resolution Applicant complied with the condition laid down at clause 1.9 of the RFRP, **within 15 bank working days from the date of this order** and submit an affidavit bringing the same on record before this

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adjudicating authority, in the capacity of chairperson of the monitoring committee within 3 weeks of the date of this order.

116. The plan proposes that the SRA or its affiliates/nominees/assignees/AIF/SPV can make necessary payments as proposed in the plan and it will be ensured that the entity is compliant u/s 29A of the Code. **It is directed to the applicant that as the Chairperson of the monitoring committee, the applicant shall ensure that, if any other entity, other than the SRA makes any payment in terms of the plan, the entity shall be compliant u/s 29A of the Code and the concerned entity/entities (other than SRA) shall submit an affidavit declaring that it is not ineligible u/s 29A of the code and the applicant shall also verify the same and issue a certificate certifying their eligibility.**

117. The applicant has not brought on record the Letter of Intent issued by him to the SRA and its unconditional acceptance on record. The Court presumes the same has already been done but has not been brought on record. **The applicant is directed to bring on record the letter of intent issued to the SRA and the unconditional acknowledgement of the same of the SRA through an affidavit within one week from the date of this order.**

118. All reliefs, waivers or concessions sought in the plan which are not expressly granted/allowed in this order **shall be deemed to be NOT-GRANTED.**

119. In the light of the enumerations, observations and directions made in this Order supra and subject to the compliance of the directions given thereto we hereby **APPROVE** and **FINALLY SANCTION** the **Revised Resolution Plan** submitted by **OCEAN CAPITAL MARKET LIMITED (OCML)**, the Successful Resolution Applicant, subject to the conditions and directions given above.



120. 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 its employees, members, creditors, including the Central Government, any State Government, or any local authority in terms of Section 31 of the I&B Code, so that the revival of the Corporate Debtor Company shall come into force with immediate effect without any delay.

121. The Moratorium imposed under section 14 of the Code by virtue of the order initiating the CIR Process, shall cease to have effect from the date of this order.

122. The Resolution Professional shall submit the records collected during the commencement of the proceedings to the Insolvency & Bankruptcy Board of India for their record and also return them to the Resolution Applicant or New Promoters.

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

124. A copy of this Order is to be submitted to the Registrar of Companies (RoC) to whom the company is registered, by the Resolution Professional.

125. A copy of this Order be served upon the Insolvency and Bankruptcy Board of India (IBBI) by the RP.

126. The Resolution Professional is further directed to hand over all records, premises/ factories/ documents to the Resolution Applicant to finalise the further line of action required for starting the operation. The Resolution Applicant shall have access to all the records/ premises/

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factories/ documents through the Resolution Professional to finalise the further line of action required for starting the operation.

127. The Resolution Professional shall stand discharged from his duties with effect from the date of this Order. However, he is required to comply with our direction given in respect of PUFÉ application.

128. The **Registry** is directed to send e-mail copies of the order forthwith to all the parties and their Learned Counsels for information and for taking necessary steps.

129. In terms of the view above, the interlocutory application being **I.A. (Plan) No. 283/CB/2023** is **ALLOWED** and stands **DISPOSED OF** accordingly.

130. Certified copy of the orders, if applied for with the Registry, be supplied to the parties upon compliance with all requisite formalities.

BANWARI LAL MEENA
MEMBER (TECHNICAL)

DEEP CHANDRA JOSHI
MEMBER (JUDICIAL)

This Order is signed on 29th Day of August 2025