

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**MUMBAI BENCH COURT III**

**I.A. 69/2024**

**In**

**C.P. No. (IB) 935/MB/C-III/2020**

*Under Section 30(6) of the Insolvency and  
Bankruptcy Code, 2016*

**Bhrugesh Amin**

*Resolution Professional of Smaaash  
Entertainment Private Limited  
Having office at:*

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

**... Applicant/Resolution Professional**

**Vs**

**Nazara Technologies Limited**

51-54, Maker Chamber, Nariman Point,  
Mumbai, Maharashtra - 400021

**... Respondent/Successful Resolution  
Applicant**

*In the matter of*

**Edelweiss Asset Reconstruction  
Company**

*... Financial Creditor*

**Vs**

**Smaaash Entertainment Private  
Limited**

*... Corporate Debtor*

**Order pronounced on: 07.05.2025**



**Coram:**

Sh. Hariharan Neelakanta Iyer  
Member (Technical)

Ms. Lakshmi Gurung  
Member (Judicial)

**Appearances:**

*For the Applicant/RP* : Mr. Pradeep Sancheti, Sr. Adv. a/w Adv.  
Shyam Kapadia, Adv. Kunal Kaul, Adv.  
Fatema Kachwala

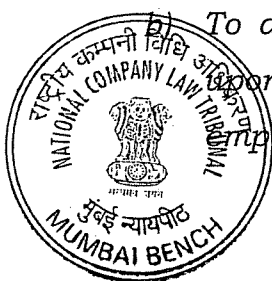
*For the SRA* : Adv. Madhav Kanoria a/w Adv. Surabhi  
Pareek, Adv. Karthika Sanjay i/b Cyril  
Amarchand Mangaldas

**Per: Ms. Lakshmi Gurung, Member (Judicial)**

**ORDER**

1. The present application was filed by Mr. Bhrugesh Amin, Resolution Professional of Smaaash Entertainment Private Limited (**Corporate Debtor**) on 10.08.2024 under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 (**Code**) seeking approval of the Resolution Plan for the Corporate Debtor submitted by Nazara Technologies Limited (**Successful Resolution Applicant/SRA**) which was approved by the Committee of Creditors (CoC) by 99.59% voting at its 30<sup>th</sup> Meeting which was held on 26.07.2024. The prayers in the present application are extracted below:

- a) *To approve the Resolution Plan submitted by Nazara Technologies Limited i.e. Successful Resolution Applicant, as approved by the CoC of the Corporate Debtor with a majority of 99.59% by way of e-voting;*



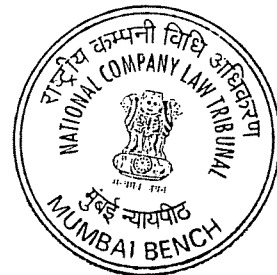
*To declare that Nazara Technologies Limited's Resolution Plan, on its approval shall be binding on the Corporate Debtor and its employees, members, creditors, guarantors and other*

stakeholders involved in the Nazara Technologies Limited's Resolution Plan;

- c) To consider and grant such reliefs as sought by the Resolution Applicant under the Resolution Plan;
- d) To pass such other order or orders as this Tribunal may deem fit and thus render justice.

**Facts of the Case, in brief:**

2. Upon an application under section 7 of the Insolvency and Bankruptcy Code, 2016 (**'the Code'**) filed by Edelweiss Asset Reconstruction Company, the Corporate Insolvency Resolution Process (**'CIRP'**) of Smaaash Entertainment Private Limited/Corporate Debtor was initiated by this Tribunal vide Order dated 06.05.2022 and Mr. Bhrugesh Amin (**Applicant**) was appointed as the Interim Resolution Professional (**'IRP'**).
3. **Constitution of Committee of Creditors (CoC)**
  - 3.1 The IRP made public announcement on 11.05.2022 under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (**'CIRP Regulations'**) inviting claims from the creditors of the Corporate Debtor.
  - 3.2 Accordingly, the Committee of Creditors (CoC) was constituted on 03.06.2022 and the IRP, in compliance with Regulation 17(1) of the CIRP Regulations, filed the report certifying the constitution of Committee of Creditors.
  - 3.3 The latest list of members of the CoC as stated in the application is as follows:



(Amount in Rupees)

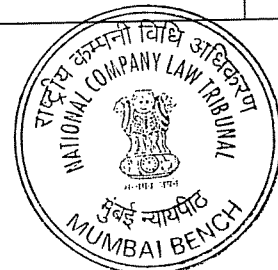
Sr. No.	Name of the Financial Creditor	Amount Claimed	Admitted Claim	Voting %
1	Edelweiss Asset Reconstruction Company Limited (EARC)	3,68,77,90,594	3,68,77,90,594	86.38%
2	Mabella Investment Advisors LLP	33,40,05,451	33,40,05,451	7.82%
3	Small Industries Development Bank of India	23,06,83,949	23,00,42,364	5.39%
4	Yes Bank Limited	1,07,71,26	1,07,71,226	0.25%
5	Sadhana Nitro Chem Ltd.	73,56,898	68,18,566	0.16%
	<b>Total</b>	<b>4,27,06,08,118</b>	<b>4,26,94,28,201</b>	<b>100%</b>

3.4 Further, in the 1<sup>st</sup> CoC Meeting held on 09.06.2022, the Applicant/IRP was confirmed as the Resolution Professional (RP) of the Corporate Debtor and was subsequently appointed as RP on 15.06.2022.

#### 4. Valuation of Corporate Debtor

4.1 The RP/Applicant, in accordance with Regulation 35 of the CIRP Regulations, 2016 appointed Registered Valuers for determining the Fair Value and Liquidation Value of the Corporate Debtor with the approval by the CoC as follows:

Valuer	Fair Value (In Rs.)	Liquidation Value (In Rs.)	Average Category wise Fair Value (In Rs.)	Average Category wise Liquidation Value (In Rs.)
Adroit Appraisers and	108.57	64.94	108.32	65.77



Research Private Limited				
K. G. Somani	108.07	66.60		

5. **Appointment of Transaction Auditor**

5.1 The RP, after consultation of the CoC in the 2<sup>nd</sup> CoC meeting held on 14.07.2022, appointed M/s G. D. Apte & Co. as the Transaction Auditor to conduct transaction audit of the accounts of the Corporate Debtor to determine any avoidable transactions under sections 43, 45, 50 and 66 (**PUFE Transactions**) of the Code. The details of the PUFE transactions determined by the Auditor/RP is discussed in the later part of the order.

6. **First Expression of Interest**

6.1 In terms of Section 25(2)(h) of the IBC, the RP made public announcement inviting Expression of Interest (EoI) on 20.07.2022 in *Economic Times (English Language)* and *Navakal (Marathi Language)*. The Last Date of receipt of EoI was 13.08.2022.

7. **Second Expression of Interest**

7.1 Since it was felt there were contingencies involved due to condition precedents in the Resolution Plans submitted in pursuance of the First Form G, the CoC in its 9<sup>th</sup> CoC Meeting held on 25.11.2022 approved for re-issuance of Form G. Accordingly, the RP published the revised Form G on 16.12.2022 in *Economic Times (English Language)* and *Navakal (Marathi Language)* and the last date for submitting EoIs was fixed at 31.12.2022.

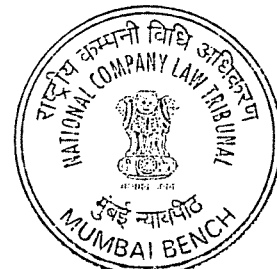


8. **Third Expression of Interest**

- 8.1 It is to be noted that while the captioned Company Petition was pending adjudication, the suspended directors assigned the Brand "Smaaash" to Fun Gateway Arena Private Limited (FGAPL) vide Assignment Deed dated 19.04.2022.
- 8.2 Subsequently, when the Corporate Debtor was admitted to CIRP vide order dated 06.05.2022, the RP filed IA/2115/2022 seeking cancellation and annulment of the Assignment Deed dated 19.04.2022. This Tribunal vide order dated 22.11.2023 allowed IA/2115/2022 and directed for cancellation of the Assignment Deed.
- 8.3 In pursuance thereof, the CoC in its 19<sup>th</sup> CoC Meeting held on 01.12.2023 once again approved for re-issuance of Form G. Accordingly, the RP published the revised Form G on 08.12.2023 in *Economic Times (English Language)* and *Navakal (Marathi Language)*. A corrigendum was issued on 11.12.2023. Thereafter, the Invitation of EoI was re-issued on 28.12.2023 and the last date for submitting EoIs was fixed at 10.01.2024.

9. **Request for Resolution Plan (RFRP)**

- 9.1 The RP on 07.02.2024, issued the Request for Resolution Plan (RFRP) and the Evaluation Matrix, as approved by the CoC at its 21<sup>st</sup> CoC Meeting held on 16.01.2024.
- 9.2 As per the RFRP, the Prospective Resolution Applicants (PRAs) had to provide Earnest Money Deposit (EMD) of Rs. 5,00,00,000/- (Rupees Five Crores Only) by way of demand draft/bank guarantee/direct deposit in favour of the RP on behalf of the Corporate Debtor.



10. **Resolution Plans submitted for the Corporate Debtor**

10.1 Pursuant to the issuance of Form G, the RP received EoIs from Prospective Resolution Applicants (PRAs). The last date for submission of resolution plans was 12.04.2024.

10.2 At the 25<sup>th</sup> CoC Meeting held on 15.04.2024, the RP placed before the CoC the Resolution Plans submitted by the following PRAs:

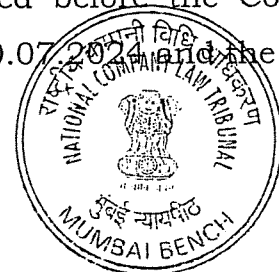
- (i) Nazara Technologies Limited
- (ii) Consortium of Resurgent Property Ventures Private Limited and Sanjay Lodha.

10.3 The Resolution Applicants were invited and the CoC had negotiations on commercial and technical terms and subsequently, the Resolution Applicants were given time to submit modified/revised plans.

10.4 Thereafter, modified resolution plan was received from Nazara Technologies Limited whereas the Consortium of Resurgent Property Ventures Private Limited and Sanjay Lodha expressed their inability to make a higher offer as proposed by the CoC. The CoC took note of the same at its 28<sup>th</sup> CoC Meeting held on 12.06.2024.

11. **Approval of the Resolution Plan by CoC**

11.1 The RP submits that the CoC was of the view that since the Consortium of Resurgent Property Ventures Private Limited and Sanjay Lodha had declined to revise the offer, their Resolution Plan need not be put for voting. Accordingly, at the 30<sup>th</sup> CoC Meeting held on 26.07.2024, the modified resolution plan of Nazara Technologies Limited was placed before the CoC for approval. The e-voting commenced on 30.07.2024 and the same remained open till 05.08.2024.



- 11.2 The Resolution Plan submitted by Nazara Technologies Limited (**Successful Resolution Applicant/SRA**) was approved by the CoC by 99.59% of voting. Copy of the Resolution Plan is enclosed as Annexure 'AW'. Accordingly, the RP issued a Letter of Intent dated 03.04.2023 which has been duly and unconditionally accepted by the SRA.

**Resolution Plan of M/s Nazara Technologies Limited - SRA**

12. **Brief background of the SRA:**

- 12.1 The Resolution Plan states that the Successful Resolution Applicant is a leading diversified gaming and sports media platform company with presence in India and across emerging and developing markets such as Africa and North America.

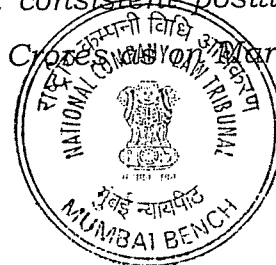
- 12.2 It is submitted that the Successful Resolution Applicant is not barred by Section 29A of the Code and an affidavit in this regard is also submitted by the Successful Resolution Applicant along with the Resolution Plan.

13. **Salient Features of Resolution Plan:**

- 13.1 The RP submits that as per Regulation 36B(4A) of the CIRP Regulations, the SRA deposited an amount of Rs. 20,00,00,000 (Rupees Twenty Crores Only) as performance guarantee in the form of Bank Guarantee from Standard Chartered Bank on 09.08.2024. The Bank Guarantee is valid upto 09.08.2025. The Resolution Plan value as provided in the Plan is **Rs. 126,00,00,000/-** (Rupees One Hundred and Twenty-Six Crores Only).

- 13.2 Source of Funds as provided in the Resolution Plan:

*"The SRA has a strong balance with consistent positive cash accruals. It has net worth of Rs. 1,316 Crores as on 31st March 2023*





alongwith cash and bank balance of Rs. 329,00,00,000 (Rupees Three Hundred and Twenty-Nine Crores) in March 31, 2023. Further the Corporate Debtor has investment in mutual funds to the tune of Rs. 267,00,00,000 (Rupees Two Hundred and Sixty-Seven Crores). Thus, adequate funding arrangement has been made to meet the upfront funds obligations as per Resolution Plan.

The Resolution Applicant reserves the right to infuse its funds, either directly or through any other Implementing Entity or through tie-up of any other funding arrangements into the CIRP Account.

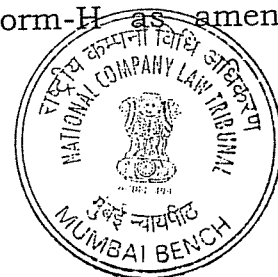
The Resolution Applicant declares that all companies through which funds in the Corporate Debtor shall be infused shall be in all-time be eligible as required under Section 29A of the Code.

The Resolution Applicant undertakes that any infusion/arrangement of funds as required for working capital and capital expenditure requirement of the Corporate Debtor, shall be compliant with the following:

- (a) Debt shall be arranged with no obligations on members of the CoC to provide such funds; and
- (b) Equity shall be in the form of fresh issuance of equity shares of the Corporate Debtor, or equity like instruments.”

### 13.3 **Financial Outlay under the Resolution Plan**

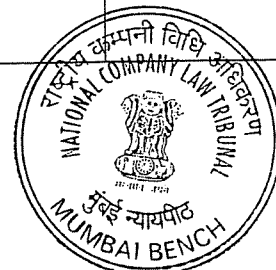
- 13.3.1. The RP has filed the Compliance Certificate in Form H on 08.08.2024. In pursuance to the IBBI Notification dated 03.04.2025 notifying the amended Form H, the RP was directed on 11.04.2025 to file the new Form-H as amended on



03.04.2025. In compliance thereof, the RP placed the new Form-H dated 29.04.2025 on record vide affidavit dated 30.04.2025.

13.3.2. In accordance with Regulation 38(1-A) of the IBBI Rules, 2016, the statement showing the treatment given to the stakeholders as stated in the revised Form H dated 29.04.2025 is given below:

Sr. No.	Particulars	Amount Admitted (in Lakh)	Amount under Plan# (In Lakh)	Settlement %
1	<b>Secured Financial Creditors</b>			
	(a) Creditors not having a right to vote under section 21(2)	--	--	--
	(b) Creditors other than (a):			
	(i) who did not vote in favour of the resolution plan	1,07.71	107.71*	100%
	(ii) who voted in favour of the resolution plan	42,518.38	12,447.98	29.27%
	<b>Total</b>	<b>42,626.51</b>	<b>12,468.00</b>	<b>29.50%</b>
2	<b>Unsecured Financial Creditors</b>			
	(a) Creditors not having a right to vote under section 21(2)			
	(b) Creditors other than (a):			
	(i) who did not vote in favour of the resolution plan	68.19	Nil	0%
	(ii) who voted in favour of the resolution plan	--	--	--



	<b>Total</b>	<b>68.19</b>	<b>Nil</b>	<b>0%</b>
<b>3</b>	<b>Operational Creditors</b>			
	(a) Related Party	--	--	--
	(b) Other than (a) above:	678.21	28.00	1.79%
	(i) Government dues	1,389.48	58.00	2.97%
	(ii) Workmen	--	--	--
	(iii) Employees	44.02	44.02	100%
	<b>Total</b>	<b>2111.71</b>	<b>110.00</b>	<b>3.08%</b>
<b>4</b>	Other debts and dues (Other Creditors)	512.76	21.00	2.17
	<b>Grand Total</b>	<b>45,318.95</b>	<b>12,600.00</b>	<b>26.90%</b>

\*The amount of margin money available with them i.e. Rs. 1,07,00,000 (Rupees One Crore and Seven Lakh) would be adjusted against the admitted claims in relation to such non-fund-based facilities.

### 13.3.3. **CIRP Costs**

- (i) The estimated CIRP Costs as on 25.07.2024 is Rs. 97,76,000. The Resolution Plan has provided for payment of entire CIRP Costs at actuals. It is further stated that the cash flows generated by the Corporate Debtor during the CIRP Period will be utilized to pay the CIRP Costs.
- (ii) The Resolution Plan states in the event the existing cash balance of the Corporate Debtor is insufficient to meet the unpaid CIRP Costs, such costs shall be met from the Total Resolution Amount.
- (iii) It is stated that the CIRP Costs shall be paid in priority over payments to any other Creditors and there is a



portion of CIRP Costs which is contingent/disputed as on the Effective Date, then out of the Total Resolution Amount, an amount equivalent to such Contingent IRP Cost shall be deposited in a separate account (**Contingent CIRP Account**). The funds lying in the Contingent CIRP Account shall be utilized on the Closing Date as per the instructions of the CoC.

13.3.4. **Financial Creditors**

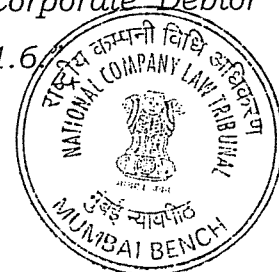
- (i) The Resolution Plan states that the total admitted claims of the Financial Creditors of the Corporate Debtor is Rs. 426,94,28,201. It is proposed that the Financial Creditors who do not vote in favour of the Resolution Plan shall receive such amount as they would be entitled to receive in accordance with section 53(1) of the Code in the event of liquidation of the Corporate Debtor, in cash in priority to the Financial Creditors who vote in favour of the Resolution Plan.
- (ii) After payment of the Mandatory Dissenting Financial Creditor Payments, the balance amount will be paid to the Approving Financial Creditors.
- (iii) The Resolution Plan proposes a total of Rs. 124.47 crores towards the claims of the Secured Financial Creditors of the Corporate Debtor. The sole unsecured Financial Creditor, Sadhana Nitro Chem Limited, who did not vote on the resolution plan, is getting *Nil* as per the Resolution Plan.
- (iv) Dissenting Financial Creditors:
  - a. We note that Yes Bank Limited, secured financial creditor, having a voting share of 6.25%, and Sadhana



Nitro Chem Limited, unsecured financial creditor, having a voting share of 0.16%, did not vote on the Resolution Plan.

- b. As already noted above, Sadhana Nitro Chem Limited, being the unsecured Financial Creditor of the Corporate Debtor, is getting Nil according to the Resolution Plan.
- c. As regards the claim of Yes Bank Limited which is a secured Financial Creditor, it is stated in the Resolution Plan as follows:

*“7.6.7 As mentioned in Schedule 2 (List of Financial Creditors), the Resolution Applicant understands that there are non-fund-based facilities including bank guarantees of Rs. 1,07,00,000 (Rupees One Crores and Seven Lakh) which has been secured with margin money as on CIRP Date in relation to which claims have been submitted with the Resolution Professional. The amount of margin money towards such existing non-fund-based facilities i.e. Rs. 1,07,00,000 (Rupees One Crores and Seven Lakh) would be adjusted against the admitted claims in relation to such non-fund-based facilities. On the Closing Date, the margin money maintained towards the said bank guarantee in form of fixed deposit, term deposit or any form after adjusting the admitted claim outstanding along with interest if any, shall be free from all Encumbrances (as applicable) of Financial Creditors, and any amount lying therein shall be forthwith released to the Corporate Debtor and distributed as per Clause 6.1.6*



- d. During the hearing on 24.02.2025, the Bench directed the RP to clarify on the treatment of stakeholders who have abstained from voting.
- e. Accordingly, the RP filed affidavit dated 08.03.2025 and submitted as follows:

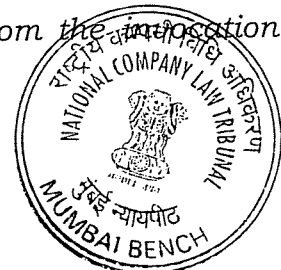
**"MANNER OF DEALING WITH THE AMOUNT PROVIDED TO STAKEHOLDERS WHO ABSTAINED FROM VOTING"**

11. I state that Yes Bank Limited ("YBL") is the sole financial creditor within the CoC of the Corporate Debtor that abstained from voting on the Resolution Plan submitted by the Respondent. YBL holds a voting share of 0.41% within the CoC.

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13. I say that clause Para 7.6.7 of the Resolution Plan (at page 810, Vol. VI of the Application) addresses the treatment of contingent liabilities arising from bank guarantees issued on behalf of the Corporate Debtor. Specifically, it pertains to the Bank Guarantee of Rs. 1,07,71,226/- (Rupees One Crore Seven Lakhs Seventy-One Thousand Two Hundred and Twenty-Six only) furnished by YBL to the Customs Department for the Export Promotion Capital Goods License (EPCG).

14. I say that YBL issued a bank guarantee on behalf of the Corporate Debtor in favour of the Customs Department for the EPCG license. In exchange, the Corporate Debtor provided YBL with a fixed deposit of equivalent amount as collateral. This fixed deposit is earmarked exclusively to cover potential liabilities arising from the imposition of the bank guarantee.



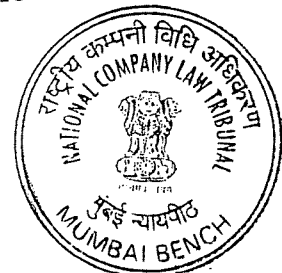
15. The bank guarantee is a non-fund-based facility as there is no actual outflow of funds from YBL or the Corporate Debtor. The fixed deposit serves as an asset, ensuring YBL's exposure is fully secured.

16. I say that there is no financial outflow for the Corporate Debtor or YBL unless the bank guarantee is invoked. However, in the event the bank guarantee is invoked, YBL retains the right to encash the fixed deposit to recover the amount, resulting in no net financial impact on either party.

17. I clarify that the Customs Department has not filed any claim during the CIRP of the Corporate Debtor. I say that despite this, the Resolution Plan accounts for the contingent liability of the bank guarantee. In the event of invocation, YBL is fully protected by the fixed deposit, which can be liquidated immediately to satisfy the obligation. Further, the Resolution Plan explicitly stipulates that interest accrued on the fixed deposit shall be distributed to the secured financial creditors as part of the resolution proceeds.

18. I therefore say that the liability under the bank guarantee is contingent and adequately secured by the fixed deposit, ensuring compliance with the IBC. I say that the fixed deposit collateralises the bank guarantee, eliminating any risk to YBL. The Resolution Plan ensures that even if the bank guarantee is invoked, YBL's financial position remains unaffected."

The affidavit dated 08.03.2025 and the submissions of the RP are taken on record.



13.3.5. **Operational Creditors**

**A. Employee and Workmen Dues**

- (i) It is stated in the Resolution Plan that the amount of Rs. 44,22,402 as Employees claim has been admitted by the RP. An Amount of Rs. 24,00,000 has been proposed to be paid under the Resolution Plan.
- (ii) When the matter was listed for hearing on 02.04.2025, this Bench suggested the RP to discuss with the CoC Members the possibility to pay the entire 'Workmen and Employees Dues' i.e. to revise the amount proposed from Rs. 24,00,000 to Rs. 44,22,402.79/-.
- (iii) Subsequently, the RP conducted the 35<sup>th</sup> CoC Meeting on 07.04.2025 wherein the CoC decided to pay the entire 'Workmen and Employees Dues' of Rs. 44,22,402.79/- which shall be paid out of and by way of a proportionate reduction in the balance total resolution plan amount proposed to be paid in relation to the Financial Creditor Payments. The RP further submitted that the total Resolution Plan value i.e. Rs. 126 crores shall remain unchanged.

**B. Government Dues**

The admitted Government Dues is Rs. 13,89,47,870 and the Resolution Plan provides for payment of Rs. 58,00,000.

**C. Operational Creditors - Others**

The admitted claim of other Operational Creditors is Rs. 6,78,20,828. It is stated that the SRA proposes to pay Rs. 28,00,000 towards the claims of these operational creditors.





13.3.6. **Provident Fund, ESI & Gratuity Dues**

- (i) It is stated in the Resolution Plan that there are no outstanding dues in respect of Provident Fund as well as ESI Dues. However, an amount of Rs. 16,24,460.27 is to be paid towards Gratuity Payment.
- (ii) The Resolution Plan provides for the following treatment of the aforementioned dues:

**“7.2.9 Workmen and Employee Benefit Contributions**

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(ii) It is expected that the Corporate Debtor and the Resolution Professional shall have taken all steps as may be required to ensure compliance with Applicable Law including for contributions with regard to the Workmen and Employee Benefit Contributions, prior to and during the CIRP Period. The Resolution Applicant confirms that the amounts of any existing Workmen and Employee Benefit Contributions made by the Corporate Debtor, or the Resolution Professional are not assets of the Corporate Debtor, but assets held by the Corporate Debtor in trust for their beneficiaries and shall be distributed to the respective beneficiaries in accordance with the Applicable Law. On and from the Effective Date till the Closing Date, the Monitoring Committee shall take all steps as may be required to ensure compliance with the Applicable Law relating to the Workmen and Employee Benefit Contributions.

(iii) Provided however that if the Corporate Debtor or the Resolution Professional have not made any Workmen and Employee Benefit Contributions for



any period up to the Closing Date including without limitation any time prior to the CIRP Date ("Outstanding Contributions"), then such Outstanding Contributions shall be paid out of the Cash Balance as on the Closing Date, provided if the Cash Balance is not sufficient to pay the Outstanding Contributions, then the same shall be paid put of the Total Resolution Amount.

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(v) It is clarified that under no circumstances shall the Resolution Applicant be made liable to make payments over and above the Total Resolution Amount to make payments towards the Outstanding Contributions."

(iii) The above explanation that the Outstanding Contributions are not assets of the Corporate Debtor but are assets held by the Corporate Debtor in trust for their beneficiaries and that the same shall be distributed to the respective beneficiaries in accordance with law, is taken on record, and the RP as well as the SRA are bound by the same.

**13.3.7. Other Creditors**

The admitted claim of other creditors is Rs. 5,12,76,002 of which the SRA proposes to make payment of Rs. 21,00,000.

**13.3.8. Manner of Distribution**

(i) The Resolution Plan states that "the manner of distribution of the Total Resolution Amount shall be determined by the CoC including in any manner in deviation from the manner proposed by the Resolution Applicant, in accordance with the Applicable Law."



(ii) It is further stated as follows:

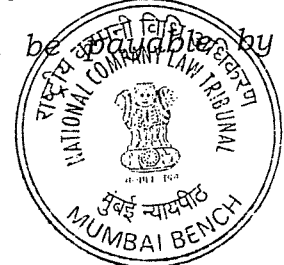
*“6.1.2 ...Without prejudice to the generality of the foregoing and subject to the mandatory payments required to be made to the relevant creditor/class of creditors as contemplated in the Code (and related rules and regulations), the CoC shall have the discretion to determine the distribution of the Total Resolution Amount:*

- (i) Between and amongst Secured Creditors (including but not limited to Financial Creditors and Operational Creditors), other creditors and other stakeholders;*
- (ii) Between and amongst Secured Creditors inter se;*
- (iii) Between and amongst unsecured Financial Creditors inter se;*
- (iv) Between and amongst unsecured Operational Creditors inter se;*
- (v) Between and amongst other creditors inter se, if any; and*
- (vi) Between and amongst all other stakeholders inter se, if any.*

*It will be the responsibility of the Monitoring Committee to distribute the abovementioned amount to various creditors in terms of the distribution mechanism as approved by CoC.*

*xxx*

*6.1.4 In the event that any additional claims are made against the Corporate Debtor as part of this CIRP whether by way of admission by the Resolution Professional or due to operation of law or by any order of any tribunal or court, no amount in addition to the Total Resolution Amount shall be payable by the*



*Resolution Applicant. Further, if any additional claims are admitted the Total Resolution Amount shall be taken as a whole and re-distributed to ensure compliance with the Applicable Law.”*

- (iii) It is settled that the CoC is empowered to decide, in its commercial wisdom, on the *inter se* distribution of amount, and we are supported by the observations of the Hon’ble NCLAT in **Devi Trading & Holding Pvt. Ltd. Vs. Mr. Ravi Shankar Devarakonda RP and Ors. [Company Appeal (AT) (Ins) No. 308/2023]**, decided on 16.10.2023, wherein it was held that: -

*“19. A deliberated ‘Business Decision’ of the CoC includes deliberations on the feasibility and viability, the financial and operational aspects of the Corporate Debtor, and therefore, the question of only ‘considering’ the proposal put forth by the Resolution Applicant cannot be viewed in a ‘rigid manner’. The CoC is a pivotal decision-making body which decides all critical decision-making functions regarding Resolution Plans, Liquidation, Management etc., essential to the success of the CIRP. Though the IBC does not have a specific Provision that uses the term ‘Business Decision’ of the CoC, the Code contains several provisions that detail the powers and functions of the CoC, which encompass various decision-making responsibilities relating to the Insolvency Resolution Process, which definitely includes distribution methodology of the Resolution Plan. To say that only the Resolution Applicant should ‘propose’ the distribution and the CoC can only ‘consider’ it, is viewing the ‘Business*



*Decision' making capacity of the CoC in its commercial wisdom, in a very 'narrow compass,' thereby defeating the very scope and objective of the Code."*

**13.3.9. Cash Balance**

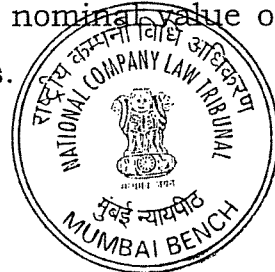
It is stated that as the Cash Balance as on the Closing Date, after payment of the unpaid IRP Costs and payments towards Outstanding Contributions, as per this Resolution Plan, shall accrue to the benefit of and shall be paid to the secured Financial Creditors on the Closing Date, in the manner as determined at the sole discretion of the CoC.

**13.3.10. Treatment with respect to wholly owned subsidiaries**

- (i) The Resolution Plan proposes to transfer the equity investment of the Corporate Debtor in subsidiaries on an "as is where is whatever there is and without recourse basis" to a trust to be settled by the Corporate Debtor with Financial Creditors as beneficiaries of such trust on the Effective Date.
- (ii) It is further stated that on and from the Effective Date, the Corporate Debtor shall no longer be promoter of subsidiaries from the Effective Date.

**13.3.11. SLL Litigation**

- (i) It is noted from the Resolution Plan that SLL had allotted 93 Class B equity shares for a consideration of Rs. 930 to Fun Gateway Arena Private Limited, which is a related party of the Corporate Debtor. Further, on 10.01.2022, SLL also offered to issue 2 million compulsorily convertible warrants to Fun Gateway at a nominal value of Rs. 10 each on private placement basis.



- (ii) It is stated that through these transactions, SLL is attempting to transfer its ownership and voting rights from its holding company i.e. Corporate Debtor to Fun Gateway. Consequently, the RP has filed application under section 66 of the Code for declaration of such transaction as fraudulent.
- (iii) The Resolution Plan provides that the investment of the Corporate Debtor in SLL shall be treated in the same manner as that of the wholly-owned subsidiaries.

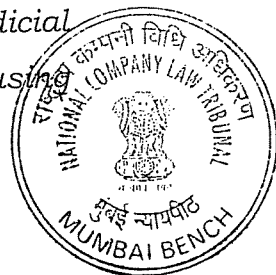
13.3.12. **Payment Schedule**

- (i) The **Effective Date** is defined as *“the date of receipt of the order of the NCLT by the Resolution Applicant approving this Resolution Plan”*.
- (ii) As per Clause 8 of Part B of Schedule I that pertains to the ‘Indicative Activity Schedule’ of the Implementation Schedule’, the timeline provided for the settlement of claims of the stakeholders of the Corporate Debtor is the ‘Closing Date’.
- (iii) The Resolution Plan defines **Closing Date** as:

*“The date on which all actions as envisaged under Schedule I (Implementation of the Resolution Plan) to the Resolution Plan are consummated which shall in any case not be later than 30 (thirty) calendar days from the Effective Date*

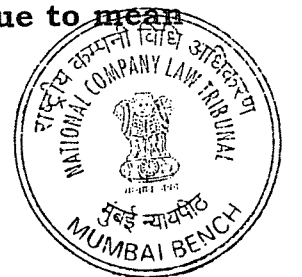
*Provided that if at any time prior to the completion of the 30 (thirty) days period mentioned above if:*

*(a) any order or direction is passed by any judicial or quasi-judicial authority resulting or causing*



*increase in the Total Resolution Amount or liability of the Resolution Applicant or for any material modification of the contents of the Resolution Plan before any court or tribunal against the decision of the NCLT approving the Resolution, then subject to (b) below, the Resolution Applicant and the Monitoring Committee shall mutually agree on the next steps for accomplishing the Effective Date; (b) there is a stay on the implementation of the Resolution Plan by any appellate court or tribunal, then only the period of such stay shall be excluded from the period of 30 (thirty) days and the counting of days shall resume from the date on which such stay is vacated. Notwithstanding anything contained hereinabove, that the maximum amount payable by the Resolution Applicant under this Resolution Plan shall not exceed the Total Resolution Amount under any circumstances.”*

- (iv) We note that the Proviso Clause (a) in the definition of the ‘Closing Date’ states that in case of any judicial intervention in the Resolution Plan post approval due to which there is increase in the Resolution Plan Amount, or liability on the SRA or modification in the Plan, then the SRA and Monitoring Committee shall mutually agree on the next steps for accomplishing the Effective Date.
- (v) We are of the considered view that such a clause which provides for no specific time period cannot be permitted. Therefore, as far as clause (a) in the Proviso is considered, **we hold that the Closing Date shall continue to mean 30 days from the Effective Date.**



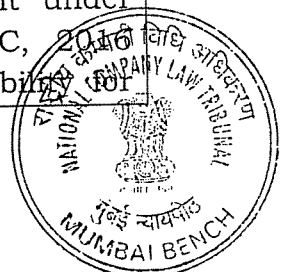
- (vi) As far as clause (b) in Proviso, which states about exclusion of the time period in the event a stay is imposed in the implementation of the Resolution Plan, the same is an operation of law and does not require any specific approval.

**Compliance Certificate in Form - H**

14. Pursuant to Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the Resolution Professional has prepared a Compliance Certificate dated 08.08.2024 in **Form H** which is annexed to the Application. Thereafter, the RP has also prepared the amended Form H as notified by the IBBI on 03.04.2025 and placed on the record the same vide affidavit dated 30.04.2025.

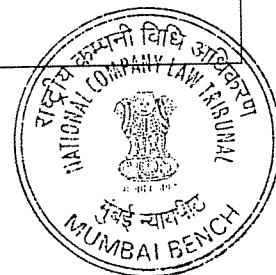
15. Compliance of mandatory requirements under the Insolvency & Bankruptcy Code, 2016:

Sr. No.	Particulars	Compliance
1	<b>Section 25:</b> Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the Corporate Debtor?	Yes.
2	<b>Section 29A:</b> Whether Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?	Yes. Format IIIA
3	<b>Section 30:</b> (1) Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Yes. The Resolution Applicant had submitted to the RP, an affidavit under section 29A of IBC, 2016 confirming his eligibility.



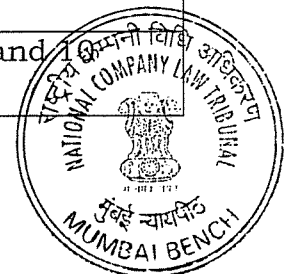


		submission of Resolution Plan. (Format IIIA)
	<b>(2)(a)</b> Whether the Resolution Plan provides for payment of insolvency resolution process costs?	Yes. Clause 7.1
	<b>(2)(b)</b> Whether the Resolution Plan provides for the payment of the debts of operational creditors?	Yes. Clauses 7.2, 7.3, 7.4 and 7.5
	<b>(2)(b)</b> Whether the Resolution Plan provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	Yes. Clause 7.6.3
	<b>2(c)</b> Whether the Resolution Plan provides for the management of the affairs of the Corporate Debtor?	Yes. Clause 15
	<b>2(d)</b> Whether the Resolution Plan Provides for implementation and supervision of the resolution plan?	Yes. Clause 9.1 and 9.2 and Part B of Schedule I
	<b>(2)(e)</b> Whether the resolution plan contravenes any of the provisions of the law for the time being in force?	Clause 16(a)
	<b>(4)(a)</b> Whether the Resolution Plan is feasible and viable, according to the CoC?	Yes.
	<b>(4)(b)</b> Whether the Resolution Plan has been approved by the CoC with 66% voting share?	Yes. The Resolution Plan has been approved with 99.59% voting.
<b>4</b>	<b>Section 31(1):</b> Whether the Resolution Plan has provisions for its effective implementation Plan, according to CoC	Yes. Part A Schedule I
<b>5</b>	<b>Section 35A:</b> Whether the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50, or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the Board?	Yes



16. Compliance under mandatory requirements under IBBI (Insolvency Resolution Process of Corporate Debtors) Regulations, 2016

<b>Regulation 38</b>		
<b>1</b>	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	Yes. Clause 7.24, 7.3.5, 7.4.5, 7.6.4 (i)
<b>1A</b>	Whether the resolution plan includes a statement as to how it has dealt with the interest of all stakeholders?	Yes. Clause 17
<b>1B</b>	<p>i) Whether the Resolution Applicant or any of its related parties has failed to implement or contribute to the failure of implementation of any resolution plan approved under the Code?</p> <p>ii) If so, whether Resolution Applicant has submitted the statement giving details of such non-implementation?</p>	<p>i) Clause 16(b)</p> <p>ii) --</p>
<b>2(a)</b>	Whether the Resolution Plan provides the term of the plan and its implementation schedule?	Yes. Clause 9.1 and Part B of Schedule I
<b>2(b)</b>	Whether the Resolution Plan provides for the management and control of the business of the corporate debtor during its term?	Yes. Clause 15.1
<b>2(c)</b>	Whether the Resolution Plan provides adequate means for supervising its implementation?	Yes. Clause 9.2
<b>3</b>	Whether the Resolution Plan demonstrates that -	
<b>(a)</b>	It addresses the cause of default?	Yes. Clause 20.3
<b>(b)</b>	It is feasible and viable?	Yes. Clause 7.6.4 (e), Part B of Schedule I
<b>(c)</b>	It has provisions for its effective implementation?	Yes. Clause 21.2 and 7.12
<b>(d)</b>	It has provisions for approvals required and the time for the same?	Yes. Clause 4, 5 and



(e)	The Resolution Applicant has the capacity to implement the Resolution Plan?	Yes. Clause 4, 5 and 10
<b>Regulation 39</b>		
2	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	Yes
4	Provide details of performance security received as referred to in sub-regulation (4A) of Regulation 36.	Performance Guarantee by way of Bank Guarantee of Rs. 20,00,00,000 submitted by the SRA on 09.08.2024 (the Performance Guarantee is valid till 09.08.2025)

17. **Implementation and Supervision of the Plan:**

- (i) The Manner of Implementation of the Resolution Plan provided in Part A and the Implementation Schedule laid down in Part B of Schedule I provides a detailed descriptive on the implementation of the Resolution Plan.
- (ii) Part 15 of the Resolution Plan provides for constitution of a Monitoring Committee to supervise the implementation of the Resolution Plan. It is stated that the Monitoring Committee shall be comprised of the following members:
- 2 (two) Representatives of the Financial Creditors;
  - 2 (two) Representatives of the SRA (Implementing Entity); and
  - The Resolution Professional acting in the capacity of a Monitoring Agent.
- (iii) Clause 1.9 in Part 15 states that, “Any costs reasonably incurred during the period between the Effective Date and Closing Date (both days inclusive) to maintain the Corporate Debtor as a going concern, including costs reasonably incurred by Monitoring Committee for appointing advisors, with the prior consent of the



Resolution Applicant/Implementing Entity, to assist in the day to day management and operation of the Corporate Debtor, any liabilities incurred by the Corporate Debtor from the Effective Date to the Closing Date (**Interim Management Costs**), as duly verified by the Monitoring Agent, shall be funded on a monthly basis from the cash flows of the Corporate Debtor. In the event such cash flows are insufficient, the Unpaid Interim Management Costs shall be paid in accordance with Clause 7.1.4 of the Resolution Plan. It is clarified that nothing contained in this sub-clause shall result in change in the amount of Total Resolution Amount or the obligations of the Resolution Applicant, as provided herein.

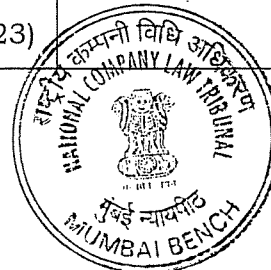
- (iv) For ease of reference, Clause 7.1.4 of the Resolution Plan is reproduced below:

*“7.1.4 On and from the date of the NCLT Order approving the Resolution Plan till the Closing Date, the Interim Management Cost shall be funded on a monthly basis from the cash flows of the Corporate Debtor. Any Unpaid Interim Management Costs as on the Closing Date shall be borne by the Resolution Applicant over and above the Total Resolution Amount at actuals.”*

## 18. Details on Fraudulent and Avoidance Transactions

- 18.1 The list of applications filed by the RP under sections 43, 45, 50 and/or 66 of the Code, as stated in Form H, is as follows:

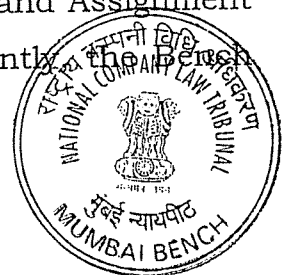
Sr. No.	Type of Transaction	Date of filing & IA No.	Date of Order
1	Preferential Transactions u/s 43	(i) 25.07.2022 (IA/2115/2022)  (ii) 15.02.2023 (IA/1019/2023)	22.11.2023   24.10.2024



2	Undervalued Transactions u/s 45	(i) 25.07.2022 (IA/2115/2022)	22.11.2023
3	Extortionate Credit Transactions u/s 50	--	--
4	Fraudulent Transactions u/s 66	(i) 25.07.2022 (IA/2115/2022)  (ii) 16.03.2023 (IA/4888/2023)  (iii) 16.03.2023 (IA/285/2024)	22.11.2023   20.02.2025  NA

### 18.2 **Brand Content Assignment - IA/2115/2022**

- (i) While the CIRP of the Corporate Debtor was ongoing and the business of the Corporate Debtor being vested with the RP, the suspended directors of the Corporate Debtor had transferred the Brand Content of the Corporate Debtor to Fun Gateway Arena Private Limited (FGAPL) vide Assignment Deed dated 19.04.2022.
- (ii) Consequently, the RP filed Interlocutory Application No. 2117/2022 seeking to cancel, annul and set aside the said Assignment Deed of Brand Content dated 19.04.2022 and to further restrain FGAPL, in any manner, to claim or exercise any rights in respect of or dealing in any manner with the trademarks and / or all allied intellectual property as described in the Assignment Agreement.
- (iii) This Tribunal vide order dated 22.11.2023 allowed IA/2117/2022 and thereby held the Brand Assignment as a fraudulent transaction. Consequently, the Bench



directed for cancellation and annulment of the Assignment Deed dated 19.04.2022.

18.3 **IA/1019/2023**

- (i) This IA was filed under section 43 of the Code seeking to reverse the transaction between the Corporate Debtor and Tata Capital.
- (ii) During the pendency of the Resolution Plan Application, IA/1019/2023 came to be dismissed vide order dated 24.10.2024 for being excluded under section 43(2) of the Code.

18.4 **IA/4888/2023**

- (i) This IA was filed under section 66 of the Code seeking reversal of the transaction of Rs. 8.42 crores between the suspended directors of the Corporate Debtor and FGAPL.
- (ii) During the pendency of the Resolution Plan Application, IA/4888/2023 was decided and allowed vide order dated 20.02.2025 and the transaction was held to be a fraudulent transaction under section 66 of the Code.

18.5 The treatment regarding the receivables of PUFEE Transactions is given under Clause 7.9 of the Resolution Plan. The relevant extract is reproduced below:

*“7.9.2 In the event any transaction is avoided/set aside by the Adjudicating Authority in present or in future, in terms of Sections 43, 45, 47, 49, 50 or 66 of the Code, based on any petitions filed and any amount is received by the Resolution Professionals of the Corporate Debtor in furtherance thereof, whether*



*prior to the Effective Date or after the Effective Date or prior to the Closing Date or after the Closing Date, such sums shall be solely for the benefit of the Financial Creditors.”*

18.6 It is further stated that no liabilities, claims or obligations of any nature shall arise in respect of the Corporate Debtor or the SRA who shall not have any obligation or liability or duty in relation thereto to any stakeholder.

18.7 It is also stated in the Plan that after the Closing Date, the Financial Creditors or such authorized persons shall conduct and pursue the PUF E Applications and the costs and expenses in relation thereto shall be borne by the Financial Creditors.

19. **Proposal of suspended director for Revival of Corporate Debtor**

- (i) We note that the Corporate Debtor is an MSME and the RP vide affidavit dated 30.04.2025, has placed on record the Udyam Registration Certificate dated 23.09.2021 confirming that the Corporate Debtor falls under the category of MSME.
- (ii) We note from the Minutes of the 3<sup>rd</sup> CoC Meeting held on 08.09.2022 that the suspended directors of the Corporate Debtor expressed interest in the revival of the Corporate Debtor.
- (iii) Further, perusal of the Minutes of the 8<sup>th</sup> CoC Meeting shows that the Hon'ble Supreme Court had directed the suspended directors to deposit a sum of Rs. 50 crores to show their *bona fide* in reviving the Corporate Debtor, however, the suspended directors failed to do so. In the said 8<sup>th</sup> CoC Meeting, Edelweiss ARC, being a major CoC Member, expressed its disinterest in providing further time to the suspended directors considering the time-bound process of CIRP as envisaged in the Code.



- (iv) Thereafter, the Resolution Plans were discussed and deliberated by the CoC and the Resolution Plan of the SRA was approved by 99.59% of voting. Subsequently, the suspended director has moved IA/1658/2025 objecting to the approval of the Resolution Plan submitted by the SRA and also prayed for consideration of its proposal submitted for revival of the Corporate Debtor.
- (v) However, during the hearing on 01.05.2025, the suspended director sought to withdraw IA/1658/2025. Thus, there are at present no objection applications pending before us for consideration. Though it was mentioned during the course of hearing that the suspended director has filed another application objecting the Resolution Plan of the SRA, however, the same is not yet listed before us.
- (vi) Be that as it may be, this Tribunal had partially heard IA/1658/2025 in which Ld. Counsel for the suspended directors submitted that they are ready to offer a Plan Value of Rs. 200 crores which is more than the Resolution Plan Amount i.e. Rs. 126 crores.
- (vii) However, at this juncture, it is important to look into the eligibility of the suspended directors to submit a resolution plan/bid for the Corporate Debtor.
- (viii) The Hon'ble NCLAT in **Namdev Hindurao Patil vs. Virendra Kumar Jain [Company Appeal (AT) (Ins) No. 858 of 2023]**, decided on 23.04.2024, while upholding that an ex-director of an MSME is ineligible to submit a resolution plan if he is declared a wilful defaulter, has observed that:

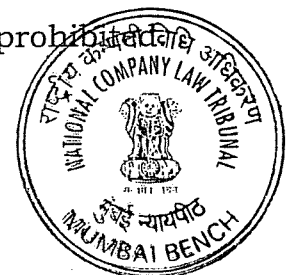
*"67. ...The objective of the Code is for Resolution of the Corporate Debtor and not for liquidation of the Corporate Debtor, hence these two exemptions*



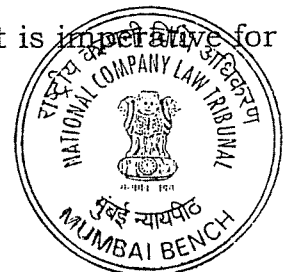



*MSME were granted w.r.t. Section 29A of the Code.*  
68. *We have earlier discussed that the Promoters of MSME are exempted only from sub-section (c) and (h) of the 29A of the Code and other eligibility criteria as stipulated under section 29A of the Code will be applicable i.e., Section 29A(b) is not carved out.”*

- (ix) Thus, as per section 240A of the Code, the bar under clauses (c) and (h) of section 29A are not applicable to MSMEs, however, the ineligibility under clauses other than the above—stated clauses continues to be applicable even in case of a Promoter of an MSME. What needs consideration is the applicability of other clauses of section 29A in the present case.
- (x) It is to be noted that the Bench had, in IA/2115/2022 and IA/4888/2023, reversed transactions made by the suspended directors for being fraudulent in nature under section 66 of the Code. This order of holding the transactions as fraudulent attracts the provision of clause (g) of section 29A which clause renders a person ineligible to submit a resolution plan if such person *“has been a promoter or in the management or control of a corporate debtor in which a preferential transaction, undervalued transaction, extortionate credit transaction or **fraudulent transaction** has taken place and in respect of which an order has been made by the Adjudicating Authority under this Code”*.
- (xi) It is settled law that the ineligibility under section 29A attracts on the date of submission of resolution plan. As the Applicant has become ineligible under section 29A(g) as on 22.11.2023 when order in IA/2115/2023 was passed, thus, any subsequent attempt by the Applicant to submit a resolution plan under the pretext of settling the dues of the creditors is prohibited.



20. On perusal of Form-H as reproduced in Paragraphs 15 & 16 above, it is seen that the Resolution Plan is in compliance with the mandatory compliances as stipulated under Section 30(2) of the Code. The Resolution Plan also meets the requirements of Regulations 37, 38, 38(1A) and 39 (4) of the IBBI Regulations, 2016.
21. As regards the applicability of Section 29A of the Code, this Tribunal has vide order dated 24.02.2025, directed the RP to place on record the Compliance Affidavit under section 29A of the Code. The RP by way of affidavit dated 08.03.2025, placed on record the Compliance Affidavit dated 26.07.2024. Thus, the Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law.
22. We note from the Resolution Plan that the SRA proposes to infuse funds from third parties and the SRA has undertaken that the same shall be in accordance and in compliance with the Code, particularly, section 29A of the Code. The SRA shall be bound by the undertaking.
23. We also note that the Resolution Plan states that the SRA proposes to infuse amount in addition to the total Resolution Plan Amount towards capex.
24. The submissions of the Ld. Counsel for RP and SRA were heard at length and after a careful analysis of the same together with the material placed on record, we are of considered opinion that the resolution plan is in conformity of section 30(2) of the Code read with the applicable regulations of the CIRP Regulations.
25. We refer to the judgment of **K Sashidhar v. Indian Overseas Bank & Others (2019) 12 SCC 150**, wherein the Hon'ble Apex Court held that if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per section 30(6) of the Code, it is imperative for

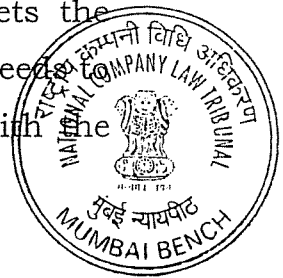




the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan, as approved by CoC, meets the requirements specified in Section 30(2). The Hon'ble Apex Court further observed that the role of the NCLT is 'no more and no less'. The Hon'ble Apex Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 and is limited to scrutiny of the Resolution Plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in reference to matters specified in Section 30(2) when the Resolution Plan does not conform to the stated requirements.

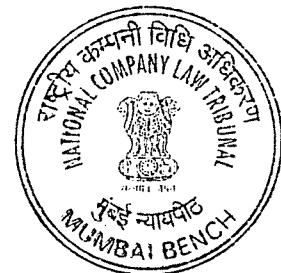
26. It can be seen from the provisions of the I&B Code as well as in a catena of judgements that the commercial wisdom of the CoC in approving a resolution plan is given paramount importance and the scope of this Tribunal is limited to the extent of provisions under section 31 of IBC.
27. **In Committee of Creditors of Essar Steel India Limited through Authorised Signatory Vs. Satish Kumar Gupta & Ors (2020) 8 SCC 531**, the Hon'ble Apex Court clearly laid down that the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom has approved.
28. In view of the law laid down by Hon'ble Supreme Court, the commercial wisdom of the COC is to be given paramount importance for approval / rejection of the resolution plan. As the Resolution Plan meets the requirements of the Code and the IBBI Regulations, the same need to be approved. Accordingly, the Resolution Plan is approved with the following directions:

- i) **The Resolution Plan submitted by M/s Nazara Technologies Limited read with the affidavits dated 08.03.2025,**

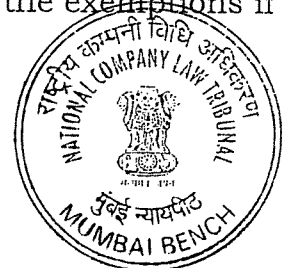


**08.04.2025 and 30.04.2025 is hereby approved.** The additional affidavits dated 08.03.2025, 08.04.2025 and 30.04.2025 and the clarification by the RP and SRA shall form integral part of the Resolution Plan and together, they shall form part of this order. As per section 31 of the Code, the Resolution Plan shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.

- ii) No person will be entitled to initiate or continue any proceedings in respect to a claim prior to CIRP which is not a part of the Resolution Plan.
- iii) The Applicant/Resolution Professional shall stand discharged from his duties as the Resolution Professional of the Corporate Debtor with effect from the date of this Order, save and except those duties that are enjoined upon him for implementation of the approved Resolution Plan, as Monitoring Agent.
- iv) The Resolution Professional is further directed to handover all records, premises / documents to Resolution Applicant to finalise further line of action required for starting of the operation as contemplated under the Resolution Plan. The Resolution Applicant shall have access to all the records premises / documents through Resolution Professional to finalise further line of action required for starting of the operations.



- v) The Monitoring Committee shall supervise the implementation of the Resolution Plan and shall review operational performance of the Corporate Debtor.
- vi) The Closing Date shall mean 30 days from the Effective Date.
- vii) It is to be noted that Regulation 31A of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 provides that a regulatory fee calculated at the rate of 0.25 percent of the realisable value to creditors under the resolution plan approved under section 31, shall be payable to the Insolvency and Bankruptcy Board of India, where such realisable value is more than the liquidation value. In the present case, the Liquidation value is Rs. 65.77 crores while the Resolution Plan value is Rs. 126 crores. Hence, considering the mandate of Regulation 31A, the SRA is directed to pay the applicable Regulatory Fee.
- viii) **Reliefs and Concessions:**
- a) Approval of the Resolution Plan shall not be a ground for termination of any existing consents, approvals, licenses, concessions, authorizations, permits or the like that has been granted to the Corporate Debtor or for which the Corporate Debtor has made an application for renewal, grant permissions, sanctions, consents, approvals, allowances, exemptions etc.
- b) Any Exemption as sought for in relation to the payment of registration charges, stamp duty, taxes and fees arising out of the implementation of the Resolution Plan is not granted but the Resolution Applicant is at liberty to approach Competent Authorities for the exemptions if permitted under the law.





- c) For past non-compliances of the Corporate Debtor under applicable laws, the Resolution Applicant shall not be liable for any liabilities and offences committed prior to the commencement of CIRP and subject to Section 32A of IBC, 2016.
- d) It is hereby clarified that in terms of the Judgement of Hon'ble Supreme Court in the matter of **Ghanshyam Mishra and Sons Private Limited Vs. Edelweiss Asset Reconstruction Company Limited**, on the date of approval of the Resolution Plan by the Adjudicating Authority, all such claims which are not a part of Resolution Plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect of a claim which is not a part of the Resolution Plan.
- e) With regard to other concessions and reliefs, most of them are subsumed in the reliefs granted above. The relief which is not expressly granted above, shall not be construed as granted. The exemptions if any sought in violation of any law in force, it is hereby clarified that such exemptions shall be construed as not granted.
- ix) The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.
- x) The Moratorium imposed under section 14 of the Code shall cease to have effect from the date of this order.



- xi) The Resolution Professional/Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this Order for information.
- xii) Liberty is granted for moving any appropriate application, if required in connection with the implementation of this Resolution Plan.
- xiii) The Resolution Professional/Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

29. Accordingly, the Resolution Plan in IA/69/2024 is hereby **allowed** and **approved**. The IA/69/2024 is accordingly **disposed of**.

Sd/-

**Hariharan Neelakanta Iyer**  
**Member (Technical)**

Uma, LRA

Sd/-

**Lakshmi Gurung**  
**Member (Judicial)**



**Certified True Copy**  
**Copy Issued, "free of cost"**  
**On 08/05/2025**

*P Singh 08/05/25*

**Deputy Registrar**  
**National Company Law Tribunal Mumbai Bench**