

Date: December 13, 2023

To

**BSE Limited**

P. J. Towers, 25th Floor,  
Dalal Street, Mumbai - 400001.  
BSE Scrip Code: 517564

***Sub: Order copy passed by NCLT in connection to CIRP of the Company.  
Ref: Reg.30 of SEBI (LODR) Regulations,2015***

Dear Sir/Madam,

We hereby informing you that the Hon'ble NCLT, Hyderabad passed an order in connection to the IA (IBC)/1717/2023 in CP (IB) #165/9/HDB/2020 dated December 05, 2023.

As per the order passed by the Hon'ble NCLT, Hyderabad, the Company is now a going concern, managed by the successful Resolution Applicant. Therefore, Monitoring committee, Chairman and Members of the Committee has been discharged.

We want to ensure that this information is shared in accordance with Regulation 30 of SEBI (LODR) Regulations, 2015.

We request you to take the above information on record and acknowledge the receipt of the same.

Yours sincerely,

**For G.R. Cables Limited**

**Nitin Kumar Mathur**

Director  
DIN #06451862

**Details pursuant to SEBI Circular No. SEBI/HO/CFD/CFD-PoD-  
1/P/CIR/2023/123 dated July 13, 2023**

#	Particulars	Applicability / Details
1.	the details of any change in the status and / or any development in relation to such proceedings.	Hon'ble NCLT, Hyderabad passed an order in connection to the successful implementation of CIRP and discharge of Monitoring Committee. The Company is now going concern, shall be managed by the Successful Resolution Applicants.
2.	in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings;	As per the approved CIRP, there shall be a capital reduction to the tune of 97.87% (100% of Existing Promoters & 97.50% of Public Shareholding) Successful Resolution Applicants shall be allotted shares for their contribution and shall be new promoters of the Company.
3.	in the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity	The Company completed its CIRP, and successfully made payments to the Financial Creditors, and have no liabilities as of now. The Successful applicants shall manage the affairs of the Company and the Capital Reduction process and new equity of shares shall be allotted to the Resolution Applicants as per the revised CIRP approved by the Hon'ble NCLT, Hyderabad in their order passed vide order # IA(IBC) #1368 of 2022 in CP(IB) #165/9/HDB/2020.

### GR Cables - Capital Reduction

<b>Particulars</b>	<b>No. of Shares</b>	<b>%</b>
<b>Pre-capital reduction</b>		
Promoters	42,82,214	14.82
Public	2,46,12,647	85.18
<b>Total - Pre-Capital Reduction</b>	<b>2,88,94,861</b>	<b>100.00</b>
Remaining Shares of Public Post reduction	6,15,316	2.13
<b>Total Capital Reduction</b>		<b>97.87</b>
<b>Post-capital reduction &amp; Fresh Allotment</b>		
New Promoters	80,00,000	92.86
Promoters - Existing	-	0.00
Public	6,15,316	7.14
<b>Total shareholding</b>	<b>86,15,316</b>	<b>100.00</b>

भारतीय गैर न्यायिक

पचास  
रुपये  
रु.50



FIFTY  
RUPEES  
Rs.50

INDIA NON JUDICIAL

*Konda Kavitha*  
N 743263

తెలంగాణ తెలంగాణ TELANGANA

Tran Id: 231204123252247356  
Date: 04 DEC 2023, 12:34 PM  
Purchased By:  
M. MADHUSUDHANA REDDY  
S/o M. R. C. REDDY  
R/o HYD  
For Whom  
\*\* SELF \*\*

KONDA KAVITHA  
LICENSED STAMP VENDOR  
Lic. No. 16-04-006/2016  
Ren.No. 16-04-030/2022  
8-2-460/64 Road No.4, Sukdev  
Nagar Banjara Hills Hyderabad  
Ph 9248325639

CERTIFIED COPY (1 SET) OF ORDER DATED (16.11.2023) IN CP (S) NO. 165/9/HDB/2020 IN  
IN THE MATTER OF G.R CABELS LTD. NO OF PAGES COMES TO (1).  
(CERTIFIED TRUE COPY ISSUED TO RP).





IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH – 1  
SPECIAL BENCH

VC AND PHYSICAL (HYBRID) MODE

ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON  
16-11-2023 AT 10.30 AM



IA (IBC) 1717/2023 in CP(IB) No.165/9/HDB/2020

u/s. 9 of IBC, 2016

**IN THE MATTER OF:**

Techno Craft

...Operational Creditor

VS

G.R. Cables Ltd

**CERTIFIED TO BE TRUE COPY  
OF THE ORIGINAL**

...Corporate Debtor

**CORAM:-**

DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)  
SH. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

**ORDER**

Mr. M. Madhusudhana Reddy, Resolution Professional present through Video Conference.

Final report by the Chairman of the monitoring committee filed, stating that the resolution plan has been implemented in its letter and spirit and the Corporate Debtor is now a going concern, managed by the Successful Resolution Applicant. The report is taken on record, in the light of the report, there is no necessity to continue the monitoring committee. We therefore, hereby discharge the Chairman as well as Members of the committee. Accordingly, this IA(IBC)/1717/2023 is allowed.

Sd/-

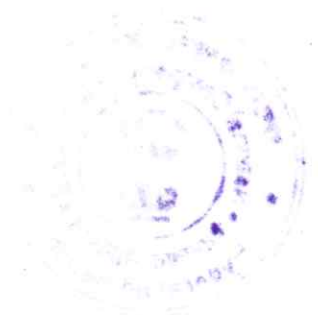
MEMBER (T)

Rajashekhar

Sd/-

MEMBER (J)

*05/12/2023*  
Deputy Registrar / Assistant Registrar / Court Officer  
National Company Law Tribunal, Hyderabad Bench



Case No. (P.115) No. 165/9/1003/2020.  
Date of Application ..... 4/12/23 .....  
No. of Pages ..... 01 .....  
Copying ..... 5/- .....  
Registration ..... 5/- .....  
Total Rs. .... 5/- .....  
Date of Receipt of Copy ..... 4/12/23 .....  
Date of Preparation of Copy ..... 5/12/23 .....  
Date of Delivery of Copy ..... 5/12/23 .....



ANNEXURE - 12

184

Ratakonda Vivek Kumar, B.Com, FCA  
Chartered Accountant  
98483-86498

To

Date: 10-10-22

CA Maligi Madhusudhana Reddy  
Resolution Professional  
M/s. G.R Cables Limited (In CIRP)

Sub: Submission of Revised Resolution Plan- M/s. GR Cables Ltd

Respected sir

Please find enclosed the revised resolution plan after duly considering the fresh list of claims furnished by your good office, in the insolvency resolution of the Corporate Debtor.

Once again, I am thankful to you and to the COC for giving me one more opportunity to revise my offer.

Thanking you

Yours Sincerely

*R. Vivek Kumar*

Vivek Kumar Ratakonda  
Authorised Signatory

*certified copy*





# REVISED RESOLUTION PLAN

UNDER SECTION 30 OF THE INSOLVENCY AND BANKRUPTCY CODE,  
2016

FOR

GR CABLES LIMITED

(Under CIRP- Corporate Debtor)

Resolution Applicant(s)

- Mr. Vivek Kumar Ratakonda- Lead Member
- Mr. Srinivas Pagadala- Member





## TABLE OF CONTENTS

CHAPTER	DETAILS	PAGE NO
CHAPTER I	DEFINITIONS AND INTERPRETATIONS	03
CHAPTER II	ABOUT THE RESOLUTION APPLICANT	04
CHAPTER III	UNDERSTANDING OF THE COMPANY	08
CHAPTER IV	FINANCIAL PROPOSAL	10
CHAPTER V	RESTRUCTURING OF CORPORATE DEBTOR	12
CHAPTER VI	MANAGEMENT OF COMPANY AFTER RESOLUTION	15
CHAPTER VII	EQUITY STRUCTURE - POST ACQUISITION/ IMPLEMENTATION OF RESOLUTION PLAN	16
CHAPTER VIII	TERM AND IMPLEMENTATION OF THE RESOLUTION PLAN	19
CHAPTER IX	MANDATORY CONTENTS OF THE RESOLUTION PLAN	20
CHAPTER X	RELIEFS AND CONCESSIONS, DIRECTIONS AND KEY ASSUMPTIONS	26
CHAPTER XI	MISCELLANEOUS	32



*R. Krishna*



## CHAPTER-I DEFINITIONS AND INTERPRETATION & BACKGROUND

### 1. DEFINITIONS:

Approval Date	Approval Date shall mean date of approval of this Resolution Plan by the NCLT under Section 31(1) of the Code by way of an Order.
CIR Regulations	Means the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process against Corporate Persons) Regulations, 2016
CoC	Means the committee of creditors that has been constituted pursuant to Section 21 of the Code by the Resolution Professional.
Code	Means the Insolvency and Bankruptcy Code, 2016;
Company and/or Corporate Debtor	Company and/or Corporate Debtor means GR Cables Limited, incorporated under the Companies Act, 1956 in India with CIN No. L31300TG1992PLC013772
Completion Date	Means the date on which all measures specified in the Resolution Plan have been implemented, being a day not later than 270 days from the Effective Date or such other date as may be mutually agreed between the Resolution Applicant and the members of the CoC who consent to this Resolution Plan;
Companies Act	Means the Companies Act, 2013
Creditors	Creditors shall mean collectively all financial and operational creditors of the Company including statutory dues.
Debt	Debt means a liability of the Company or any of the assets of the Company in respect of a claim which is due from any person and includes a financial debt and operational debt.
Effective Date	As defined in the Resolution Plan
Operational Creditors	Operational Creditors shall mean Operational Creditors within the meaning of the Code.
IC Date	Means the insolvency commencement date, i.e. 08/03/2022
Information Memorandum	Means the information memorandum prepared by the Resolution Professional Pursuant to Regulation 36 of the CIR Regulations, and made available to the Resolution Applicant;
IRP Cost(s)	Shall have the meaning assigned to 'insolvency resolution process costs' under the Code read with the CIR Regulations;
Lead Member	Means the individual designated to be the lead member by the members for submitting the Resolution Plan as their representative.
Liquidation Value"	Means the estimated realisable value of the asset of the Corporate Debtor, if the Corporate Debtor were to be liquidated and determined in accordance with Regulation 35 of the CIR Regulation".
Monitoring Agency	Means Authority who shall supervise and monitor the implementation of Resolution Plan for its term.
"NCLT" or Adjudicating Authority	Means the National Company Law Tribunal, Hyderabad Bench
Reconstituted Board	Means the board of directors in the Corporate Debtor, reconstituted in accordance with this plan
Resolution Applicant	Means Ratakonda Vijek Kumar and Srinivas Pagadala shall be collectively referred to as Applicants





<b>Resolution Plan" or "Plan</b>	Means this Revised resolution plan dated 12/08/2022 submitted to the Resolution Professional and the CoC for the proposed insolvency resolution of the Corporate Debtor in accordance with the Code;
<b>Resolution Professional</b>	Means Mr. Maligi Madhusudhana Reddy having IP Registration No: IBBI/IPA-001/IP-P00843/2017-2018/11427, who has been appointed as the resolution professional for the Corporate Debtor;
<b>SEBI</b>	Means the Securities and Exchange Board of India
<b>Stock Exchanges</b>	Bombay Stock Exchange Limited
<b>Takeover Code</b>	Means the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
<b>Upfront Amount</b>	Means the part consideration to be paid by the Resolution Applicant to Operational Creditors

## CHAPTER II – ABOUT THE RESOLUTION APPLICANT

### 1. For the purposes of this Plan, The Resolution Applicants are:

- a). Mr. Vivek Kumar Ratakonda ("Vivek"/ "Resolution Applicant"), Chartered Accountant S/o R.V.Ramana aged 60 years, R/o Flat No: 603, Polaris A Wing, Meenakshi Sky Lounge, Hitex Road, Khanamet, Hyderabad-500084, Telangana, India.
- b) Mr. Srinivas Pagadala, Chartered Accountant S/o Hanumanth Rao Naidu Pagadala, aged 52 years R/o 1-2-597/36-42, B-508, SVSS Sankalp, Indira Park Road, Lower Tank Bund, Domalguda, Hyderabad- 500080.

All above shall be hereinafter be collectively referred to as the "Resolution Applicants".

Mr. Vivek Kumar Ratakonda, is a fellow member of the Institute of Chartered Accountants of India having nearly three decades of experience in the profession of Chartered Accountants.

He has a rich blend of consulting and industry experience. His experience inter alia includes advising on transaction structuring including mergers, acquisitions, divestitures, corporate restructuring, capital restructuring, foreign investment consulting, contract structuring and negotiations. He has held leadership roles and has been in the forefront in articulating group philosophy and values and believes in a team building approach.

He has vast experience of over 30 years in leading Corporate Finance, Investor Relations, large funding, M&A and end-to-end execution of financial planning and analytics roles. His expertise includes in conceptualizing capital structures, knowledge of regulatory framework and advice on direct taxation.

**Acquisitions made by Resolution Applicant in the immediate past 5 financial years.**

Prime Applicant Mr. Vivek Kumar Ratakonda made a similar acquisition of a Company in 2021 (i.e. Proseed India Ltd) under the aegis of IBC and successfully implemented the Resolution Plan. After the turnaround of the Company, the market Capitalization of the



*R. Vivek Kumar*



Company has gone up from mere Rs. 14.45 Crore to Rs. 660.50 Crore under his able leadership and guidance.

Mr. Srinivas Pagadala is a FCA and Certified IFRS Professional, a Practicing Chartered Accountant with 25+ years of Standing, His expertise being Capital Structuring, Fund Raising, Management Consulting Including IPOs, Preferential Issues, Private Equity including Debt, Mergers and Acquisitions. Founding Director of Mitchell Martin India Pvt Ltd a BPO Company group of Mitchell Martin Inc USA. Director of Goenka Electric Motors Pvt Ltd and KETO Motors Pvt Ltd operating in Electric Mobility space. Founder Trustee of Delhi Public School, Hyderabad East, Ghatkesar.

## II. QUALITATIVE PARAMETERS

### 1. About Resolution Applicants

The Resolution Applicants intend to undertake the insolvency resolution of the Company in the following manner:

Mr. Vivek Kumar Ratakonda ('Resolution Applicant') expertise lies in successfully restructuring entities to turn around distressed assets, whereas Mr. Srinivas Pagadala has the necessary technical, management and operational expertise in the business of the Company, apart from its financial capabilities.

Hence, the Resolution Applicants believe that they jointly have the necessary wherewithal and relevant experience to turn around the Company, and by bringing in the necessary management talent, they believe that they will be able to expeditiously turn around the Company, and will thereby be able to add substantial value to the various stakeholders.

### Contribution in funds brought in for the settlement under Regulation 38(1A)

S.No	Name of the Members	Category	Contribution
1	Vivek Kumar Ratakonda	Lead Member	6%
2	Srinivas Pagadala	Member	94%
	Total		100%

The Network Certificate of the Mr. Vivek Kumar Ratakonda ('Resolution Applicant') shows the sufficiency of funds to complete the aforesaid subscription.

Mr. Vivek Kumar Ratakonda (Resolution Applicant) has deposited Rs. 1,00,00,000 (Rupees One Crore Only) vide Demand Draft No.346292 drawn on Union Bank of India dated 02/06/2022 as Earnest Money Deposit, as set out in the EOI/RFRP ("EMD") while submitting an Expression of Interest (EOI).

If Resolution Applicants become the Successful Resolution Applicant, then the EMD submitted at the time of EOI will be adjusted in resolution amount against Resolution Plan Bid Amount

If Resolution Applicant (s) has not been declared as the Successful Resolution Applicant, then the EMD (i.e.Rs.1,00,00,000) shall be returned within 7 days after the date of declaration of the Successful Resolution Applicant(s) or at the end of the Plan Validity Period, whichever is earlier.





**2. KYC DETAILS**

All KYC details, of the Resolution Applicants have been submitted with the Resolution Plan. The Resolution Applicant will provide any other details to the Resolution Professional as and when required.

**3. DETAILS OF THE RESOLUTION APPLICANT(S)**

- a. No conviction for any offence, if any, during the preceding five years: The Resolution Applicants or the Connected Persons have NOT been convicted of any offence during the preceding five years.
- b. No criminal proceedings pending: There are no criminal proceedings pending against the Resolution Applicants or the Connected Persons.
- c. No disqualification, if any, under the Companies Act, 2013, to act as a director
- d. Not identified as a wilful defaulter, if any, by any bank or financial institution or consortium thereof in accordance with the guidelines of the RBI: The Resolution Applicants or the Connected Persons have NOT been recognised as a wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines of the RBI.
- e. No debarment, if any, from accessing to, or trading in, securities markets under any order or directions of the Securities and Exchange Board of India: The Resolution Applicants or the Connected Persons have NOT been debarred from accessing to or trading in securities market under any order or directions of the Securities and Exchange Board of India.
- f. Transactions with the corporate debtor in the preceding two years: The Resolution Applicants or the Connected Persons did NOT have any dealings with the Corporate Debtor in the preceding two years

**4. NO DISQUALIFICATION UNDER SECTION 29A OF THE CODE**

The Resolution Applicants confirms that it is eligible to submit a resolution plan in accordance with Section 29A of the Code. In addition, to the best of the knowledge of the Resolution Applicants, this Resolution Plan is not in contravention of provisions of the Applicable Law.

**5. PROMOTERS OF THE CORPORATE DEBTOR**

- a. In relation to the disclosure regarding "persons who will be promoters or in control of the business of the Corporate Debtor during the implementation of the Resolution Plan", the Resolution Applicant hereby states that from the Effective Date until the appointment of the Board, the Monitoring Agent will be in the management or control of the business of the Corporate Debtor.
- b. On and after the Effective Date, the Resolution Applicant will implement the Resolution Plan and become the promoter of the Corporate Debtor and will be in control of the business of the Corporate Debtor.



*R. Vivek*



### CHAPTER III – UNDERSTANDING OF THE COMPANY

#### 1. Corporate Insolvency Process:

- a) Petition bearing C.P.(IB) No. 165/9/HDB/2022 is filed by the M/s Techno Craft (Operational Creditor) seeking to initiate a Corporate Insolvency Resolution Process(CIRP) in terms of Section 9 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The case was admitted vide its order passed dated 08/03/2022.
- b) Mr. Maligi Madhusudhana Reddy, an Insolvency Professional having Registration Number IBBI/IPA-001/IP-P00843/2017-2018/11427 has been appointed as Interim Resolution Professional (IRP) by the Hon'ble NCLT, Hyderabad Bench vide its order dated 08/03/2022. Later The COC in its meeting held on 09/04/2022 confirmed him as a "Resolution Professional" for the Corporate Debtor under CIRP

#### 2 Corporate Debtor Overview

GR Cables Ltd ("Corporate Debtor") is a public company incorporated on 29/01/19972 having CIN No. L31300TG1992PLC013772. The company is in the business of manufacturing wires and cables such as polyethylene insulated jelly-filled underground telecom cables (PTJF), switchboard cables, and domestic flexible and PVC power and control cables.

The company is not in operation for the last few years except for some maintenance activities of the plant and machinery and other administrative activities.

GR Cables Ltd ("Corporate Debtor") is a Public Listed Company and the Company's shares are listed on the Bombay Stock Exchange (BSE).

#### 3 Financial statements

As per the Information memorandum provided by the Resolution Professional, the financial statements of the Corporate Debtor are drawn till 31<sup>st</sup> March 2022 (Insolvency commencement date). There are no subsidiaries for Corporate Debtor.

#### 4 Liquidation Value

As per the Information Memorandum, the verified claim of the Operational Creditors is more than the aggregate value of the total assets of the Company and consequently, it is assumed that the liquidation value for the other stakeholders and to Shareholders is 'Nil'.

#### 5 Main reasons for the company's poor performance are

- a. Technology obsolescence
- b. Lack of Active Contracts
- c. Withdrawal of restructuring package by the Bank
- d. Promoters' inability to infuse further capital
- e. Change of technology

#### 6 MANAGEMENT

Pursuant to the CIRP Order, the management of the affairs of the Company has been vested with the Resolution Professional of the Company. Further in terms of Section 17(1)(b) of the Code, the Board of Directors has been suspended and functions of the



board of directors have been vested with the Resolution Professional as per the provisions of the Code.

## 7 CORPORATE STRUCTURE

Shareholding pattern as provided in the Information Memorandum

Category	No of shares	Amount (Rs.)	(%)
Existing Promoters	42,82,214	4,28,22,140	14.82
Public	2,46,12,647	24,61,26,470	85.18
Total	2,88,94,861	28,89,48,610	100.00

## 8 CLAIMS WERE ADMITTED AS PER THE CODE

Based on the information provided in the Information Memorandum and the list of Creditors provided by the Resolution Professional, we understand that Rs. 100,54,80,363/- represent the aggregate amount of claims made against the Company which have been verified and admitted by the Resolution Professional, and which comprise of:

S.No	Category of the Creditor	Admitted Claim (Rs.)
1	Secured Financial Creditors	70,27,56,517
2	Un-Secured Financial Creditors	Nil
3	Operational Creditors- Others	25,00,264
4	Claims of Employees	Nil
5	Operational Creditors -Government Dues	35,96,534
	Total Liabilities	70,88,53,315

## 9 Details of Material Litigation

As per the Information Memorandum, the list of material litigation filed by / or against the Company: Nil



#### CHAPTER IV – FINANCIAL PROPOSAL

Statement pursuant to Regulation 38(1A) of the CIR Regulations how the Resolution Applicant dealt with the interests of all the stakeholders including financial and operational creditors of the Corporate Debtor:

Name of the Creditor	Admitted Claim Rs.	Resolution amount Rs.	Equity Allotment	(%)	Total Settlement amount Rs.
CRIP Cost	25,00,000	25,00,000	--	100%	25,00,000
<b>Secured Financial Creditor</b>					
The Asst. Commissioner (ST)	70,27,56,517	14,45,78,050	--	20.57%	14,45,78,050
<b>Operational Creditors- Others</b>					
Techno Craft	25,00,264	50,000	--	2%	50,000
<b>Operational Creditors- Government dues</b>					
Employees State Insurance Corporation	1,07,415	2,150	--	2%	2,150
The Asst. PF Commissioner	6,79,990	13,600	--	2%	13,600
Bombay Stock Exchange	28,09,129	56,200	--	2%	56,200
<b>Total Liabilities</b>	<b>71,13,53,315</b>	<b>14,72,00,000</b>	<b>--</b>		<b>14,72,00,000</b>

**(i) Insolvency resolution process cost:**

Payment of CIRP Cost ("Estimated CIRP Costs") in priority to all other payments under this Resolution Plan;

The Insolvency Resolution Plan considers Insolvency Resolution Process Costs which have been estimated at an amount of Rs. 25,00,000/- which includes a payment to Resolution Professional and all amount of expenses incurred by RP, to the extent duly ratified or approved by the Committee of Creditors (CoC) and shall be paid in priority to all other debts by Resolution Applicant (s). The source for the amount can be identified as a commitment by the resolution applicant(s). Any higher amount over and above this (as approved by CoC) shall be borne and paid by Resolution Applicant(s) on a priority basis in addition to the proposed amount as above.

**(ii) Financial Creditors - (Commercial Tax Dept.)**

As per the revised Claims furnished by the Resolution Professional total dues payable to the Financial Creditor is Rs. 70,27,56,517/- (Rupees Seventy crore Twenty Seven Lakhs Fifty Six Thousand and Five Hundred Seventeen only).

In view of business exigencies, the Financial Creditors' dues (Commercial Tax Dept.) are proposed to be settled at Rs. 14,45,78,050 (Rupees Fourteen Crore Forty Five Lakhs and Seventy Eight Thousand and Fifty only), which will be paid upfront proportionately.





as per the schedule of payment mentioned in Chapter IV Clause (v) within 180 days of the approval of the resolution plan by the NCLT as full and final settlement.

**(iii) Operational Creditors- Others**

As per the revised list of claims furnished by the Resolution Professional total dues payable to the operational creditors (Other than Government and statutory dues) is Rs. 25,00,264/- (Rupees Twenty Five Lakhs and Two Hundred Sixty Four only)

In view of business exigencies, the Operational Creditor's dues are proposed to be settled with Rs. 50,000 (Rupees Fifty Thousand only), which will be paid upfront proportionately as per the schedule of payments mentioned in Chapter IV Clause (v) within 180 days of the approval of the resolution plan by the NCLT as full and final settlement.

**(iv) Operational Creditors- Government dues**

As per the revised list of claims furnished by the Resolution Professional total dues payable to the operational creditors (Government dues) is Rs. 35,96,534 (Rupees Thirty Five Lakhs Ninety Six Thousand and Five Hundred Thirty Four only).

In view of business exigencies, the Operational Creditors dues- Government dues consist of Employees State Insurance Corporation, Asst. PF Commissioner and Bombay Stock Exchange are proposed to be settled at Rs. 71,950 (Rupees Seventy One Thousand Nine Hundred Fifty only), which will be paid upfront proportionately as per the schedule of payment mentioned in Chapter IV Clause (v) within 180 days of the approval of the resolution plan by the NCLT as full and final settlement.

**(v) Funds for revival**

Rs. Rs. 25,00,000/- (Rupees Twenty Five Lakhs) is set aside to fund excess CIRP cost over and above as mentioned in Clause (i) of this Chapter and to cover any unforeseen contingencies immediately after the approval of the resolution Plan.

**(vi) Schedule of Payments Proposed- Financial outlay**

	Payment Schedule	Amount (Rs.)
I	Immediately after the NCLT Order- Upfront Cash Payment	50,00,000
	< 30 days of the NCLT Order	1,00,00,000
	< 60 days of the NCLT Order	2,47,00,000
	< 90 days of the NCLT Order	2,50,00,000
	< 120 days of the NCLT Order	2,50,00,000
	< 150 days of the NCLT Order	3,00,00,000
	< 180 days of the NCLT Order	25,00,000
	CIRP and RP Cost	14,72,00,000
II	Total Financial outlay to the Creditors	
	Funds for revival and to meet the contingencies till the effective date	25,00,000
III	Total funds infusion under the Resolution Plan	14,97,00,000
IV	Funds for the revival of the Business activities -Post-CIRP	2,50,00,000
V	Total Financial outlay	17,47,00,000

Page 10 of 35-001  
 M. ADHUSRI HANA REDDY  
 IBBI  
 IP-P00813  
 2017-18  
 11427  
 Insolvency Professional

B. H. S. K.



(vii) **Financial Outlay**

An outlay of Rs. 14,97,00,000/- (Rupees Fourteen Crore Ninety Seven Lakhs only) is proposed under this plan ("Total Financial Outlay") in respect of insolvency of the Company, which will comprise of:

- i. Infusion of Rs. 8,00,00,000 (Rupees Eight Crore only) by the Resolution Applicants, and to the extent equity of the Corporate debtor will be allotted;
- ii. An amount Rs. 6,97,00,000 (Rupees Two Crore only) shall be infused by the Applicants into the Company by way of a Term loan .

The Applicants have deposited an amount of Rs. 1,00,00,000 (Rupees One Crore only) as an EMD at the time of submitting the EOI. If the Applicants become successful Resolution Applicants, then the EMD shall be utilised towards the settlement of the priority amount and creditors settlement amount (defined in Chapter IV of the Resolution Plan).





## CHAPTER V – RESTRUCTURING OF OPERATIONS OF CORPORATE DEBTOR UNDER REGULATION 37 OF THE CIRP

The Coda has defined resolution plan as a plan for insolvency resolution of a corporate debtor as a going concern. Further, Regulation 37 of the CIRP Regulations permits restructuring of a corporate debtor by way of merger/consolidation or sale/transfer of assets of the corporate debtor pursuant to the resolution plan.

A resolution plan means as defined in Section 5(26) of the IBC, 2016 [ii]

*"a plan proposed by resolution applicant for insolvency resolution of the corporate debtor as a going concern in accordance with Part II.*

*Explanation.- For removal of doubts, it is hereby clarified that a resolution plan may include provisions for the restructuring of the corporate debtor, including by way of merger, amalgamation and demerger."*

Several waivers are given to facilitate such resolution to maintain the entity as a 'going concern' for maximisation of the value of the corporate debtor.

The Hon'ble National Company Law Appellate Tribunal, Delhi ('NCLAT') in the Company Appeal Next Orbit Ventures Fund v. Print House (India) Pvt Limited, has held that, if Sections 30(2) and 31 of the Code and Regulations 37, 38 and 39 of the Regulation 2016, are read together, it is evident that there is nothing in the Code which prevents a resolution applicant from changing the present line of business of the Corporate Debtor in order to add value or create 'synergy' to the existing assets and converting an obsolete line of business to a more 'viable and feasible' option.

The NCLAT further observed that the term, 'going concern' does not mean that the nature of the business cannot be changed with an objective to 'add value' or 'create synergy'. Hence, the term 'going concern' cannot be interpreted in a very narrow compass and the same falls outside the scope and objective of the Code.

### 1. Details of Business Turnaround of the Corporate Debtor

A description of the new business activities and restructuring of the Corporate Debtor including financial projections of the Corporate Debtor are enclosed.

#### 1.1 Rationale behind the change of business activities

Presently the company is in the business of manufacturing wires and cables such as polythene insulated jelly-filled under ground telecom cables (PTJF), switch board cables, domestic flexible and PVC power and control cables.

Resolution Applicant contemplates changing the business activities of the corporate debtor from the above activities to Pharmaceutical and related activities primarily because the business of manufacturing wires and cables such as polyethylene insulated jelly-filled underground telecom cables (PTJF), has no market, due to the advent of the new wireless technology, etc.

Keeping in view all these developments, Resolution Applicant proposes to carry in addition to the present activities, the Pharmaceutical and related activities. Resolution Applicants are well versed with pharmaceutical advancements and their niche areas.



R. Vinay Kumar



Opportunities are huge and the growth potential from these activities is immense. Maximizing the shareholder's wealth is the sole motto in venturing into pharmaceutical activities.

**1.2 Alteration of the Name and Object Clause in Memorandum of Association of the Corporate Debtor**

The above business activities cannot be carried out unless the Object Clause in the Memorandum of Association of the Corporate Debtor permits for the same. Hence as part of the resolution plan, the Resolution applicant proposes to alter the name and object clause in the Memorandum of Association (MOA) and Articles of Association (AOA) of Corporate debtor to pursue the envisaged new business activities.

Hence the approval under the NCLT order shall constitute adequate approval for the adoption of the New Constitutional Documents, in accordance with all provisions of Applicable Law. Accordingly, no further approval or consent shall be necessary from any other person/governmental authority and no shareholders' resolution shall be required in relation to either of these actions under any agreement, the existing Constitutional Documents of the Company, or under any Applicable Law.

**1.3 About the Indian pharmaceutical sector**

India is the largest provider of generic drugs globally. Indian pharmaceutical sector supplies over 50% of global demand for various vaccines, 40% of generic demand in the US, and 25% of all medicine in the UK. Globally, India ranks 3rd in terms of pharmaceutical production by volume and 14th by value. The domestic pharmaceutical industry includes a network of 3,000 drug companies and ~10,500 manufacturing units.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with the potential to steer the industry ahead to greater heights. Presently, over 80% of the antiretroviral drugs used globally to combat AIDS (Acquired Immune Deficiency Syndrome) are supplied by Indian pharmaceutical firms.

According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. India's domestic pharmaceutical market is at US\$ 42 billion in 2021 and likely to reach US\$ 65 billion by 2024 and further expand to reach ~US\$ 120-130 billion by 2030.

India's biotechnology industry comprises biopharmaceuticals, bio-services, bio-agriculture, bio-industry, and bioinformatics. The Indian biotechnology industry was valued at US\$ 70.2 billion in 2020 and is expected to reach US\$ 150 billion by 2025.

**1.4 Change in Name of the Corporate Debtor**

The name of the Corporate Debtor also needs to be changed suitably to another name to reflect new business activities as may be approved by the Registrar of Companies.



*[Handwritten signature]*



## CHAPTER VI – MANAGEMENT OF COMPANY AFTER INSOLVENCY RESOLUTION

### 1. CONTROL OF THE COMPANY

To ensure that the Resolution Plan is implemented in accordance hereof and that the obligations undertaken herein are adhered to in letter and spirit, an appropriate Monitoring Agent shall be appointed.

### 2. MANAGEMENT AND CONTROL OF THE COMPANY POST APPROVAL OF THE RESOLUTION PLAN

- (a) During the Implementation Period, the Company will be monitored by the Monitoring Agent, as constituted by the Resolution Applicant in concurrence with the Resolution Professional and the CoC, in carrying out the day-to-day functions of the Company.
- (b) The Monitoring Agency shall be constituted comprising of Resolution Professional, Operational Creditor and Resolution Applicant. The Monitoring Agent shall carry on its duty under the Applicable Laws. The existing directors of the Company shall vacate the office on the Effective Date and should ensure filing of the relevant forms for induction of new directors as envisaged under the Resolution Plan. However, the day to day operations and the management of the Company shall be carried out by the Monitoring Agent, as appointed.
- (c) The Monitoring Agent shall be vested with all the power of the Board of Directors as envisaged under Companies Act, 2013 (amended from time to time).

### 3. MANAGEMENT BY EXPERIENCED PROFESSIONALS

- a. **Implementation and Supervision of the Resolution Plan after the Effective Date**  
After the Effective Date, the implementation of the Resolution Plan will be supervised by a suitable management team deployed by the Resolution Applicant.
- b. **Formation of Board**  
It is proposed that upon the Resolution Applicants, acquiring control over the Company, the existing Board will be replaced by new Board of Directors constituted with adequate representation from the member of the Resolution Applicants and independent directors in compliance with Applicable Laws.
- c. **Appointment of CEO, CFO, and CS**  
The appointment of Chief Executive Officer, Chief Operating Officer and Chief Financial Officer and Other Key personnel shall be decided at the appropriate time.
- d. **Appointment of Auditors (Statutory and Internal)**  
The Resolution Applicant shall have the right to replace the existing auditors (Statutory and Internal) of the Company and appoint new auditors as deemed fit by the Resolution Applicant upon acquisition of the control over the Company by the Resolution Applicant pursuant to the Resolution Plan.





## CHAPTER VII- EQUITY STRUCTURE - POST ACQUISITION/ IMPLEMENTATION OF RESOLUTION PLAN

Equity Structure- Subsequent to the reduction of Capital, Preferential allotment to Resolution Applicants and to strategic investors against the infusion of funds

### 1. Reduction of Capital

#### a. Shareholding Pattern of Corporate Debtor-Existing

Category	No of shares	Amount (Rs.)	(%)
Existing Promoters	42,82,214	4,28,22,140	14.82
Public	2,46,12,647	24,61,26,470	85.18
Total	2,88,94,861	28,89,48,610	100.00

#### b. This Plan proposes to undertake cancellation and capital reduction of existing equity shareholding, in the following manner:

##### i. Extinguishment of Promoter Shareholding

Cancellation and extinguishment of the entire shareholding of the erstwhile promoters and promoter group of Corporate Debtor without payout out.

##### ii. Cancellation of Public Shareholding

Cancellation of the Shareholding of the Public Shareholders other than existing promoters to the extent of 97.50% of their shareholding as on Record date to be announced by the Company.

In other words, Cancellation and re-issue of one (1) equity share of Rs. 10/- each for every 40 equity shares of Rs. 10/- each held by the Public Shareholders on the Record date to be announced by the Company.

##### iii. The cancellation shall not require any payment by the Corporate Debtor to any of the shareholders except by issue of One Equity Share of Rs.10/- each for every 40 Equity Shares held by the Shareholders other than existing promoters as on the Record Date.

##### iv. The fractional entitlements if any shall be aggregated and held by the trust, nominated by the Board on their behalf, who shall sell such shares in the market at such price and distribute the net sale proceeds to the said shareholders in proportion to their holding

##### v. The equity shares issued as aforesaid to the shareholders shall rank pari-passu to the existing shares of the Company and shall be listed forthwith in the stock exchanges where it is presently listed.





**c. Shareholding Pattern of Corporate Debtor- Post Reduction**

Category	No of shares (Rs. 10/- each)	Amount (Rs.)
Existing Promoters	—	—
Public Shareholders-Post Reduction	6,15,316	61,53,160
Total	6,15,316	61,53,160

**2. Preferential allotment of Shares to the Resolution Applicants against their Infusion of funds**

As envisaged in the Resolution Plan to deal with the interests of all the stakeholders including financial and operational creditors of the Corporate Debtor an amount up to a maximum of Rs. 14,97,00,000 (Rupees Fourteen Crore Ninety Seven Lakhs only) shall be infused by Resolution Applicant(s) into the Company in the form of equity and loan funds.

In consideration of this, the Monitoring Agency on behalf of the Company will issue 80,00,000 (Eighty Lakhs) equity shares of the face value of Re. 10/- each to the Resolution Applicants against their infusion of Rs. 8,00,00,000 (Rupees Eight Crore only) towards equity allotment ("Resolution Applicants Equity Subscription Amount") in the proportion of their Contribution.

- i. The issued and paid up equity share capital of the Company after reduction of Capital as specified in above and the contemporaneous preferential issue of Shares to the Resolution Applicant(s), against their fund's infusion shall be as under:

Category	No of shares (Rs. 10/- each)	Amount (Rs.)
Existing Promoters	—	—
Resolution Applicant (s)	80,00,000	8,00,00,000
Public Shareholders - Post Reduction	6,15,316	61,53,160
Total	86,15,316	8,61,53,160

All the corporate actions (if any) required to achieve the aforesaid events shall be taken by the Monitoring Agent acting on behalf of the Company.

**3. Preferential allotment of shares to strategic investors:**

The Resolution Applicants propose to make allotment of 25,00,000 equity shares of the Company ranking pari-passu with the existing share capital of the Company on a preferential allotment basis to certain identified investors at a face value of INR 10/- per share. The above, preferential allotment shall be treated as public shareholders for the purpose of maintaining, a minimum of 5% public shareholding post-CIRP. (Proviso in Rule 19A(5) Securities Contracts (Regulation) Rules, 1957)

Further, the money raised by the Company through such preferential allotment shall be utilised for the purpose of Business Expansion and revival of the Company.

*R. V. K. K.*





- i. Upon simultaneous cancellation of existing promoters' equity shares and reduction of shares of public shareholders and preferential allotment of shares to the Resolution Applicants and to strategic investors, the shareholding pattern of the Corporate Debtor is as follows:

Category	No of shares (Rs. 10/- each)	Amount (Rs.)	(%)
Resolution Applicants	80,00,000	8,00,00,000	71.97%
Public Shareholders- Post reduction	6,15,316	61,53,160	5.54%
Allotment to strategic investor(s)	25,00,000	2,50,00,000	22.49%
Total	1,11,15,316	11,11,53,160	100%

The equity shares issued and allotted by the Corporate Debtor pursuant to the approval of the Adjudicating Authority shall be listed and admitted to trading on the Stock Exchange i.e. BSE, pursuant to this Resolution Plan and in compliance with the applicable regulations and the applicable SEBI circulars.

4. **Proviso in Rule 19A(5) Securities Contracts (Regulation) Rules, 1957**  
'Every listed company shall maintain public shareholding of at least five per cent, as a result of implementation of the resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016'

The Company is adhering to the above rule and maintaining public shareholding of more than five percent post reduction of capital/preferential allotment to the Strategic investors.





**CHAPTER VIII- TERM AND IMPLEMENTATION OF THE RESOLUTION PLAN**

**1. Term of the Plan**

The term of the Resolution Plan shall commence on the date on which the Adjudicating Authority approves the Resolution Plan in accordance with Section 31 of the Code and shall continue until the Effective Date. Notwithstanding anything to the contrary contained in this Resolution Plan, no part of this Resolution Plan shall become effective or enforceable until either (i) the Resolution Plan is approved by the Adjudicating Authority in the manner proposed by the Resolution Applicant and approved by the CoC; or (ii) if approved by the Adjudicating Authority with any variance, in the form and substance acceptable to the CoC and the Resolution Applicant.

Pursuant to Section 31 of the Code, the Resolution Plan shall, upon the approval by the Adjudicating Authority be binding on the Company and its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

**2. Implementation Agencies**

**i. Appointment of Monitoring Agent**

The Monitoring Agent shall be appointed in order to manage and control the business of the Company. The Monitoring Agent shall have the powers of the board of the Company vested in him, in trust and for the benefit of Resolution Applicant, and no other person or stakeholders and shall act in accordance with the instructions of the Monitoring Committee.

**ii. Replacement of the Board of Directors of the Company**

The Board of Directors of the Company, post the approval of the Resolution Plan by Adjudicating Authority, shall be replaced by the Monitoring Agent.

**iii. Consultation with Resolution Applicant**

Notwithstanding anything to the contrary contained in the Resolution Plan, considering the technical/ operational expertise of the Resolution Applicant, all operations related decisions shall be taken by the Monitoring Agent after due consultation with the Resolution Applicant.

**3. Sharing of Information**

i. The Monitoring Agent, Resolution Professional and the Operational Creditors shall be obliged to share/ provide all necessary information/data/ compliance support to Resolution Applicant as may be reasonably requested for the implementation of the Resolution Plan.

ii. The Monitoring Agent shall cease its functioning on the Effective Date. On and from the Effective Date, the management and control of the Company shall be vested in the Resolution Applicant.

**4. Receivables**

All receivables of the Company under its various arrangements, agreements and contracts with third parties and/or receivables arising out of refund, credit, benefits, grants, privileges provided by any Governmental Authority and/or any payments due/that will become due in the future from any third party (whether a claim for such an amount has been made or not) shall continue to exist and shall not get extinguished upon the approval of the Resolution Plan by the Adjudicating Authority unless specifically provided for in the Resolution Plan.



*R. Viree Kumar*



## CHAPTER IX – MANDATORY CONTENTS OF THE RESOLUTION PLAN

### 1. Insolvency resolution process cost

- i. As per the Code, the CIRP Costs are to be paid in priority over payments to be made to any other debt and the CIRP Costs shall, amongst other things, include the costs, fees, and charges incurred by the Resolution Professional, in running the operations of the Corporate Debtor as a going concern.
- ii. On the Effective Date, the Resolution Professional shall provide a statement, containing details of the CIRP Costs as approved by the CoC from time to time, to the Resolution Applicant, and the same will be paid in full and priority to any other creditors of the company within the timelines, given under the Code and/or CIRP Regulations, from the Effective Date.
- iii. The Resolution Applicant(s) have sufficient funds and do not envisage any challenge in terms of source for the payments.

### 2. Payment to workmen/employee dues

As per the Information Memorandum, there are no employees left in the Company. No Payments are outstanding to any employees.

### 3. Debt owed to Operational Creditors

#### i. Payment Terms:

- (i) The Operational Creditors shall be paid the amount as outlined in Chapter IV (1) of this Resolution Plan as per the schedule mentioned in Clause v after any payment towards CIRP Process Cost, and Workmen/Employees Payout if any.
- (ii) **Source of Funds:** In any event, the Resolution Applicants fund the upfront payment for Operational Creditors.
- (iii) Any encumbrance, or any other form of collateral, (whether over immovable, movable assets, fixed deposits or cash or any other rights or privileges and including without limitation, any guarantee, security, letter of credit or pledge provided by the existing promoters of the Company) that was created/granted/arranged in connection with any Operational debt or any other debt or obligation of the Company, at any time prior to the Effective Date, shall automatically be released and all liabilities and obligations of the Company and any third party (including the existing promoters) on behalf of the Company in relation to such encumbrance or other form of collateral shall stand permanently extinguished on the approval of this Resolution Plan by the Adjudicating Authority, without the requirement of any further action on part of any party. All title deeds and other documents (including charge documents, if any) held by the Creditors or on their behalf shall be immediately returned to the Company.
- (iv) Creditors shall, however, be free to proceed against guarantee as outlined in this Resolution Plan. In any such event, the guarantors shall not be entitled for any subrogation rights for the amounts paid under such guarantee obligations. Such beneficiary Creditors shall indemnify Resolution Applicant to the extent of amount received under the guarantee obligation, in the event subrogation right is upheld by any Judicial / Quasi-judicial forum.



R. Virendra Kumar



- (v) Any and all rights and entitlements of any actual or potential third party, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the Effective Date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be deemed to be permanently extinguished by virtue of the order of the Adjudicating Authority approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.

**4. Proposal for Statutory Liabilities i.e Government Dues, Tax, etc.:**

- (i) The Operational Creditors (Government dues) shall be paid the amount as outlined in Chapter IV (1) of this Resolution Plan as per the schedule mentioned in Clause v after the payment towards CIRP Process Cost, and Workmen/Employees Payout if any.
- (ii) In terms of the Code, the payment due to Operational Creditors should not be less than the liquidation value payable to the operational creditors in the event of a liquidation of the corporate debtor under Section 53 of the Code. This would imply that the Operational Creditors have the right to demand amounts that would be payable to them under a liquidation scenario. Accordingly, the Resolution Applicant seeks a waiver of the dues of operational creditors which have not been paid under this Resolution Plan.
- (iii) Upon approval of this plan by the NCLT, all dues under the provisions of Income Tax Act, and indirect taxes (including but not limited to, the Central Excise Act, 1944, the Finance Act, 1994 (Service Tax), the Customs Act, 1962, the Central Sales tax Act, 1956, the Goods and Services Tax Act, 2017) if any including taxes, penalties, interest, fines, unpaid TDS/TCS in relation to any period prior to the Completion Date, shall stand extinguished and the Corporate Debtor shall not be liable to pay any amount against such demand. All assessments/Appellate or other proceedings pending in case of the Corporate Debtor, on the date of the order of NCLT relating to the period prior to that date, shall stand terminated and all consequential liabilities, if any, stand abated and should be considered to be not payable by the Corporate Debtor. All notices proposing to initiate any proceedings against the Corporate Debtor in relation to the period prior to the date of NCLT order and pending on that date, shall stand abated and should not be proceeded against. Post the order of the NCLT, no re-assessment/ revision or any other proceedings under the provisions of the Income Tax Act shall be initiated on the Corporate Debtor in relation to period prior to acquisition of control by the Resolution Applicant and any consequential demand should be considered non-existing and as not payable by the Corporate Debtor. Any proceedings which were kept in abeyance in view of the insolvency process or otherwise shall not be revived post the order of NCLT.
- (iv) Upon approval of this resolution plan by the NCLT all liabilities (including without limitation, for any penalty, interest, fines or fees) or obligations of the Corporate Debtor in relation to: (A) any investigation, inquiry or show-cause whether civil or criminal; (B) any non-compliance of provisions of any laws, rules, regulations



R. Vivek Kumar



directions, notifications, circulars, or guidelines, shall stand permanently extinguished and the Corporate Debtor shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

- (v) Any and all other Claims or demands made by, or liabilities or obligations owed or payable to (including but not limited to any Operational Debt, any demand for any losses or damages, indemnification, principal, interest, compound interest, penal interest, liquidated damages, and other charges already accrued/ accruing or in connection with any third party Claims) any actual or potential Creditor, vendor, contracting counterparty, Governmental Authority, claimant or any other person whatsoever (including but not limited to the Operational Creditors and its promoters, directors and other related parties of the Company and/ or the Existing Promoters), whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Provisional Balance Sheet, the balance sheets of the Company or the profit and loss account statements of the Company or the List of Creditors, in relation to any period prior to the effective date or arising on account of the acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, will be written off in full and shall be deemed to be permanently extinguished by virtue of the order of the Adjudicating Authority approving this Resolution Plan and the Company or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

**5. Proposal for other Stakeholders (including other Creditors):**

In relation to any other actual or potential third parties (including creditors, existing shareholders and/or other stakeholders) whose claims have not been covered above, there will be no funds available for payment to them as the Liquidation Value is insufficient to satisfy the claims of Creditors in full. Therefore, NIL payment has been proposed under the Resolution Plan towards payment to such creditors and/or stakeholders and no source has been identified for such payment under this Resolution Plan.

**6. Treatment of amounts claimed under ongoing litigations:**

- i. All claims arising out of inquiries, investigations, notices, causes of action, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings against, the Company or the affairs of the Company, pending or threatened, present or future and the proceedings (under Section 138 of the Negotiable Instruments Act, 1881, the Operational Creditor claims and the Tax related claims or liabilities in relation to any period prior to the effective date or on account of acquisition of control by the Resolution Applicant over the Company pursuant to this Resolution Plan, shall be settled at NIL value at par with the treatment accorded to the Operational Creditors of the Company as set out in the Resolution Plan.

ii. **The attachment by the Commercial Tax Department**

Land admeasuring Acre 3.220 Cents in Sy.No. 64 Ranga Reddyguda Village, Balanagar Mandal, Mahabubnagar Dist has been attached by The Commercial



*B. Vivek Kumar*



Tax Department, Telangana vide Gazette MBNR.05/15, Mahbubnagar, dated 14<sup>th</sup> February 2015 Under Section 27 of the Revenue Recovery Act 1964 and same has been notified by District Collector, Mahbubnagar Dist. After successful resolution of this plan, the attachment order which causes encumbrance over asset shall be lifted and possession of the property shall be handed over to the Resolution Applicant.

**7. Limit on Liability**

- i. Notwithstanding anything contained in this Resolution Plan, in no event the total cash payments by the Resolution Applicant or the Corporate Debtor to its stakeholders, for claims relating to a period prior to the effective date (including claims recognised in this Resolution Plan and claims that may arise in future), shall not exceed Rs. 12,54,00,000 (Rupees Twelve Crore Fifty Four Lakhs only);
- ii. the approval of this Resolution Plan by the Adjudicating Authority, and in the case of creditors proposed to be paid pursuant to this Plan, upon the receipt by such creditors of such amounts, any and all rights and entitlements of any actual or potential creditors of the Corporate Debtor, or arising on account of the acquisition of control by the Resolution Applicant over the Corporate Debtor pursuant to this Resolution Plan, shall stand permanently extinguished and the Corporate Debtor or the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.
- iii. All claims that may arise in the future, including any claims from dues arising under any law for the time being in force and payable to any person, including a counterparty to a contract or to the Central Government, any State Government or any local authority, resulting from a contract, statute, judicial proceeding or otherwise, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, in relation to any period prior to the Completion Date, including any claims with respect to any litigation or other proceedings of the Corporate Debtor, shall stand permanently extinguished and the Corporate Debtor or the Resolution Applicant shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.

**8. CLAIMS BY THE COMPANY**

All existing and future claims by the Company and all its existing and future rights, entitlement, etc. with Governmental Authorities or any other Person (including third parties) shall not be affected and shall remain enforceable after the Effective Date and on and from the Effective Date, such claims, entitlements and rights etc., shall be deemed to vest in the Company. Nothing in this Resolution Plan shall be deemed to affect the rights of Company to recover from such asset, claims or rights against any Person and there shall be no set-off of any such amounts recoverable by the Company or any liability of third party towards the Company (as vested in Company) extinguished pursuant to this Resolution Plan

**9. ALL OTHER LIABILITIES AND DEBTS**

- i. Contingent Liabilities



R. Anil Kumar



All liability, present or future, arising on account of any contingent liability shall be extinguished automatically, as on the Effective Date, without any further action or step on the part of any parties. The Resolution Applicant shall not, in any manner whatsoever, at present or in future, be directly or indirectly responsible or liable for any such contingent liability.

ii. **New Claims**

Any new claim submitted to the Resolution Professional by any creditor, after the approval of the Resolution Plan by the Committee of Creditors shall not be eligible for consideration and/or payment under the Resolution Plan and shall be deemed to have been extinguished.

iii. **Treatment of Related Party Claims**

All claims on the Company by any related Party and all liabilities of the Company towards any related Party, as on and for the period prior to Effective Date, shall stand extinguished automatically, as on the Effective Date, pursuant to the Adjudicating Authority Approval Order, without any further action or step on the part of any Person. The Resolution Applicant shall not, in any manner whatsoever, at present or in future, be directly or indirectly responsible or liable for such claims/liabilities.

iv. **Treatment of Contractual Claims and Liabilities**

Except as otherwise provided in this Resolution Plan, all liabilities (statutory or otherwise) of the Company, arising from any contractual arrangements (including manpower contracts) entered into by the Company, any claims against the Company, or liabilities of the Company, arising or having crystallised prior to the Effective Date shall be deemed to be cancelled and written off on the Effective Date pursuant to Adjudicating Authority Approval Order.

It is clarified that all shareholders' agreements, sale purchase agreements, share subscription agreements and any other agreements governing the affairs of the Company and/ or governing the inter-se rights of the shareholders shall stand terminated, without any recourse against the Resolution Applicant.

**10. HANDOVER OF ASSETS**

All movable and immovable fixed assets and tangible inventories shall be reconciled, identified and provided for in the custody of the Resolution Applicant, free of any encumbrances.

**11. The Resolution Applicant hereby confirms that-**

- i. the Resolution Applicant or any of its related parties has not 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;
- ii. this Resolution Plan addresses the cause of default;
- iii. this Resolution Plan is feasible and viable;



R. Venkatesh



- iv. this Resolution Plan has provisions for its effective implementation;
- v. this Resolution Plan has provisions for approvals required and the timeline for the same; and
- vi. the Resolution Applicants has the capability to implement the Resolution Plan.

**CHAPTER X – RELIEFS AND CONCESSIONS, DIRECTIONS AND KEY ASSUMPTIONS**

**PART-A**

**1. RELIEFS AND CONCESSIONS UNDER INCOME TAX ACT.**

In addition to the approval sought hereinabove, the Resolution Applicant requests the Adjudicating Authority for the reliefs and concessions set out below for the successful implementation of the Resolution Plan. By approving this Resolution Plan, the Adjudicating Authority shall approve the waivers, reliefs and concessions listed below:

- (a) 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 implementation, including particularly for increase in the authorised capital and cancellation / reduction in the paid-up share capital as envisaged under the Resolution Plan.
- (b) Waiver of any income-tax and Minimum Alternate Tax (MAT) liability or consequences (including interest, fine, penalty, etc) on the Company, 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 28, Section 43, Section 50 CA, Section 56, Section 79 and Section 115JB of the Income-tax Act, 1961, including, without limitation:
  - i. Waiver of any Tax or MAT liability to the Resolution Applicant on account of purchase of Equity Shares of the Company in accordance with Chapter V;
  - ii. Waiver of MAT and income tax implication arising due to write back/write off of liabilities in the books of accounts of the Company without any impact on brought forward tax and books loss/ depreciation, pursuant to this Resolution Plan.
- (c) Any requirements to obtain waivers from any Tax Authorities including in terms of Section 79 of the Income Tax Act is deemed to have granted upon approval of this Resolution Plan on the Effective Date.

**2. RELIEFS AND CONCESSIONS UNDER COMPANIES ACT 2013**

- i. Dispensation of Shareholder's approval for the alteration of the name and object clause in the Memorandum of Association.



*R. V. K. Kumar*



Regulation 37 (1) (h) of the CIRP Regulations permits- "amendment of the constitutional documents of the corporate debtor"

Explanation to Section 30(2) of the Code- "For the purposes of clause (e), if any approval of shareholders is required under the Companies Act, 2013 or any other law for the time being in force for the implementation of actions under the resolution plan, such approval shall be deemed to have been given and it shall not be a contravention of that Act or law".

Regulation 39 (6) of the CIRP Regulations- "A provision in a resolution plan which would otherwise require the consent of the members of the corporate debtor under the terms of the constitutional documents, shareholders' agreement, or other document of a similar nature, would take effect notwithstanding that such consent has not been obtained"

The Resolution Applicant contemplates the following Corporate Actions under this Resolution, for which the Shareholders /constitutional document is deemed to have been given

**1. Reduction of Capital under Section 66 of Companies Act 2013**

- i. Extinguishment of total Promoters Shares and Cancellation and Reduction of Share capital of public shareholders as envisaged in the Chapter VII 1 (b)

The cancellation and re-issue of equity to all the shareholders shall be pursuant to the order of the NCLT and shall not require any other procedure as required under the Companies Act, including that under Section 66 of the Companies Act or regulations of the SEBI.

**i. Preferential Allotment to Resolution Applicants and to Strategic Investors**

- i. Allotment of shares to the Resolution Applicants against the infusion of funds as mentioned in the Chapter VII (2) for the settlement of claims under this plan.
- ii. Allotment of shares to the strategic investors to raise the money for the purpose of Business Expansion and revival of the Company.

**ii. Amendment to Object Clause and Name Clause in the MOA & AOA**

- i. To carry the Objects of the Corporate Debtor, as proposed in the Chapter V (2) of this Plan.
- ii. To change the name of the Company suitably to another name to reflect new business activities as may be approved by the Registrar of Companies.

In all above cases, the Corporate Debtor shall be allowed to dispense with the requirement of shareholders and regulatory authorities approval under Regulation 39 (6) of the CIRP for making alterations in the Constitutional documents of the Company as case may be necessary to give effect to the transactions contemplated in this Resolution Plan.



B. N. K. Reddy



**3. CONTINUATION OF STOCK EXCHANGE LISTING**

Corporate Debtor is a Public listed Company and its shares are listed on the BSE (Bombay Stock Exchange Ltd).

The website of the ([www.bseindia.com](http://www.bseindia.com)) BSE shows that the trading of the Company Share has been suspended due to non-payment of listing fees etc. The Annual Listing fees pending to BSE by the Corporate Debtor are refereed as 'Operational Creditor' under the Code.

Upon approval of the Resolution Plan by the Adjudicating Authority, any pending liability in respect of past dues of listing fees or any kind of fees and/or penalties to be paid for any period prior to the Effective Date (for non-compliances of corporate actions/disclosures/ corporate governance) shall be waived/extinguished without any limitation and continuation of the trading activity of the Company is allowed.

The "Corporate Debtor's listing "active" statues shall be allowed in the Bombay Stock Exchange (BSE), pursuant to the resolution plan being approved under the Code.

**4. RELIEFS AND CONCESSIONS UNDER REGULATION OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI")**

Various exemptions/reliefs/concessions have been given to the listed companies undergoing Corporate Insolvency Resolution Process ("CIRP") under the Securities Contract (Regulations) Rules, 1957, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 ("SAST Regulations"), SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

Accordingly, The Resolution Applicant prays for suitable / appropriate orders (which are permissible as stated in the above rules/regulation) from the Hon'ble Adjudicating Authority.

**i. Relief under the Securities Contracts (Regulation) Rules, 1957**

**Rule 19 A (5) of Securities Contracts (Regulation) Rules, 1957 says-**

*"Where the public shareholding in a listed company falls below twenty-five per cent, as a result of implementation of the resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016, such company shall bring the public shareholding to twenty-five per cent within a maximum period of three years from the date of such fall, in the manner specified by the Securities and Exchange Board of India:*

*Provided that, if the public shareholding falls below ten per cent, the same shall be increased to at least ten per cent, within a maximum period of Twelve months from the date of such fall, in the manner specified by the Securities and Exchange Board of India."*

Accordingly The Resolution Applicant prays for suitable / appropriate orders from the Hon'ble Adjudicating Authority to increase the public shareholding as stated in the manner in the above rules.



*R. Vivek Kumar*



ii. **SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011  
Exemption from making open offer under Takeover Regulations**

SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, exempts the acquirer from the obligation to make an open offer under Regulations 3 and 4 of the Takeover Regulations.

*Regulation 10 (1)(da)- "acquisition pursuant to a resolution plan approved under section 31 of the Insolvency and Bankruptcy Code, 2016"*

Accordingly The Resolution Applicant prays for suitable / appropriate orders from the Hon'ble Adjudicating Authority that, an exemption from the open offer be granted.

iii. **SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018  
Exemption from the preferential issue guidelines**

Regulation of 158 (2) stipulates that Chapter V of the ICDR Regulations (relating to preferential offers) shall not apply to securities issued

*"in terms of the resolution plan approved by the Tribunal under the Insolvency and Bankruptcy Code".*

Accordingly The Resolution Applicant prays for suitable / appropriate orders from the Hon'ble Adjudicating Authority that, an exemption from the requirements of Chapter VI of the ICDR Regulations (except the lock-in provisions), be granted pursuant to the resolution plan being approved under the Code.

**Part B: OTHER RELIEFS AND CONCESSIONS SOUGHT**

- (a) The relevant Governmental Authorities shall not initiate any investigations, actions or proceeding in relation to any non-compliances with Applicable Law by the Company during the period prior to the Effective Date. Neither shall the Resolution Applicant, nor the Company, nor their respective directors, officers and employee appointed on and as of the Effective Date be liable for any violations, liabilities, penalties or fines with respect to or pursuant to the Company not having in place requisite licences and approvals required to undertake its business as per Applicable Law, or any non-compliances of Applicable Law by the Company. Further, the relevant Governmental Authorities will provide a reasonable period of time after the Effective Date, for the Resolution Applicant to assess the status of any non-compliances under the Applicable Law (including with respect to applicable environmental laws, directions or orders by the Ministry of Environment and Forest, permits clearances and forest related clearances) and to procure that the Company regularises such non-compliances under the Applicable Law existing prior to the Effective Date.
- (b) The Company shall be granted waiver/exemption from compliance of provisions of Companies Act and other Applicable Laws for removal of both statutory and internal auditors of the Company and appointment of new auditors.
- (c) Upon approval of the Resolution Plan by the Adjudicating Authority, all non-



R. Vivek Kumar



compliances, breaches and defaults of the Company for the period prior to the Effective Date (including but not limited to those relating to tax), shall be deemed to be waived by the concerned Governmental Authorities. Immunity shall be deemed to have been granted to the Company from all proceedings and penalties under all Applicable Laws for any non-compliance for the period prior to the Effective Date and no interest/penal implications shall arise due to such non-compliance/default/breach prior to the Effective Date. This includes, without limitation, waiver/extinguishment of:

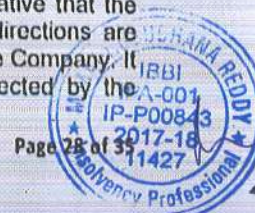
- i. Any liability, fees, penalties of any kind payable to Regulators by the Company for any non-compliance or default, breach, violation prior to the Effective Date, under Foreign Exchange Management Act, 1999, Foreign Trade Policy of the Government of India, 100% Export Oriented Unit related regulations, Companies Act, 1956;
  - ii. Liability in respect to payment of any statutory dues or amounts payable to the employees of the Company under laws relating to payment of gratuity, bonus, provident fund leave encashment and any similar amounts
- (d) From the Effective Date, all inquiries, investigations and proceedings, whether civil or criminal, suits, claims, disputes, proceedings in connection with the Company or affairs of the Company, including proceedings before any courts, tribunals, authorities, pending or threatened, present or future in relation to any period prior to the Effective Date, or arising on account of implementation of this Resolution Plan shall stand withdrawn and dismissed and all liabilities and obligations therefore, whether or not set out in the balance sheets of the Company or the profit and loss account statements of the Company will be deemed to have been written off fully, and permanently extinguished and no adverse orders passed in the said matters should apply to the Company or the Resolution Applicant. Upon approval of this Resolution Plan, all new inquiries, investigations, notices, suits, claims, disputes, litigations, arbitrations or other judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against the Company in relation to any period prior to the Effective Date.
- (e) No Governmental Authority (including regulatory, judicial and quasi-judicial authority) shall issue any orders, directions, decrees, judgments etc. that will be in contravention of the provisions of the Resolution Plan.

It is understood that the concessions, waivers and exemptions asked above are an integral part of the Resolution Plan. Hence if any of these waivers and exemptions are not granted and/or rejected the same will have an adverse impact on the business condition of the Company, its stakeholders and inter alia may result in failure of the Resolution Plan to resolve insolvency.

#### PART- C-

##### 1. KEY DIRECTIONS

The Resolution Applicant has been prepared this Resolution Plan with a view to maximise the value of the Company to resolve insolvency and improve utilisation of such resources (in line with the legislative mandate of the Code). It is imperative that the following directions are granted by the Adjudicating Authority, which directions are reasonable and just, in view of the present condition of the business of the Company. It is hereby clarified that unless a direction is specifically denied or rejected by the



*R. Vivek Kumar*



Adjudicating Authority, the same shall be deemed to have been granted.

**2. KEY ASSUMPTIONS, CONDITIONS**

This Resolution Plan has been prepared solely on the basis of the: (i) information provided in the Information Memorandum, (ii) information provided by the Resolution Professional to the Resolution Applicant, (iii) on the assumptions set out in this Chapter, (iv) acceptance of the Resolution Plan in its entirety including grant of approval for directions, reliefs and concessions by the Adjudicating Authority; (v) extinguishment of claims in the manner detailed herein.

- (a) Without prejudice to the generality of Section 3(a) above, this Resolution Plan has been prepared relying on the assumptions set forth below:
  - i. The Company has not availed of any interim finance during the CIRP period;
  - ii. All dues and payables arising in connection with the operations of the business of the Company during the CIRP Period were duly discharged in accordance with Applicable Law and agreed contractual terms pertaining to such dues and payables.
  - iii. There are no other creditors of the Company, or Persons with claims (verified, unverified, filed or not filed, admitted or not admitted, contingent or crystallised) against the Company – other than those Persons set forth in the IM and the Persons whose claims form part of CIRP Costs.
  - iv. No Force Majeure Event will occur on the Company from the date of submission of the Resolution Plan by the Resolution Applicant, until Effective Date.
  - v. All statutory obligations due to the Governmental Authorities arising due to the CIRP Period shall have been duly discharged by the Company and/or the Resolution Professional;
  - vi. All taxes relating to the Company's business and operations up to the Effective Date have been duly discharged.



*R. Vignesh Kumar*



## CHAPTER XI – MISCELLANEOUS

### 1. GOVERNING LAW

The Corporate Debtor and the new management shall be governed by the laws of India giving effect to Adjudicating Authority order approving the Resolution Plan and any agreements, documents and instruments executed in connection with the Resolution Plan

### 2. ACCOUNTING

On and after the Effective Date, to give effect to the Resolution Plan, the Resolution Applicant shall be permitted to carry out necessary write off of assets, creation of additional liability or expenses or write back of liability or provision of (as the case may be) in the books of the Company. Write back of liability or provision would be recorded in the books of the Company once first payment is made towards any of the liabilities / debt, as per approved Resolution Plan.

Pursuant to the Adjudicating Authority Order, any debit or credit, being the balancing figure, arising as a result of giving effect to the Resolution Plan, shall be adjusted by the Company directly in the capital reserve account.

### 3. EFFECTIVE DATE AND FAILURE OF APPROVED RESOLUTION PLAN

The obligation of the Resolution Applicant to take any steps towards implementation of the resolution plan proposed by it, shall only arise after the approval of the Plan by the AA.

This document constitutes a binding proposal of the Resolution Applicant in respect of resolution of the Company. However, the proposal of the Resolution Applicant is subject to negotiation with the Resolution Professional and the CoC. Therefore, the terms of the Approved Resolution Plan may be different from the terms proposed herein.

Provided further that the Resolution Applicant shall be entitled to withdraw the Approved Resolution Plan (without any liability) in case the Adjudicating Authority directs any material amendment to the Approved Resolution Plan, which results in an adverse effect or increased financial liability for the Resolution Applicant.

### 4. SEVERABILITY

In the event it is determined that any provision of the Resolution Plan is unenforceable either on its face or as applied to any claims or transaction and/or in the event any provision of the Resolution Plan becomes invalid for reasons other than by breach of any party, the new management of the Corporate Debtor may apply to the Adjudicating Authority for appropriate modification of such provisions of the Resolution Plan, to satisfaction of the Adjudicating Authority, and such invalidity and/or unenforceability of the provision of the Resolution Plan shall not render the whole Resolution Plan ineffective, unless otherwise directed by the Adjudicating Authority by order.

### 5. EFFECT OF THE ORDER OF ADJUDICATING AUTHORITY

A certified copy of the Approved Resolution Plan shall constitute conclusive evidence of the rights and entitlements of the Company as provided in the Resolution Plan and subject to making the payments as contemplated in the Resolution Plan, the settlement





of claims with the Operational Creditors proposed to be paid and discharge and extinguishment of all other claims and obligations, rights and entitlements of dissenting Operational creditors, and other creditors in accordance with the Resolution Plan by deemed satisfaction, discharge or extinguishment. A certified copy of the Approved Resolution Plan shall, where applicable, constitute conclusive evidence of any modifications or cancellation or abandonment of contractual arrangements or agreements or leases or licences as recorded in the Resolution Plan. The mere production and delivery of a certified copy of the Approved Resolution Plan shall constitute proof of amendment of any constitutional documents of the Company, the authority to create security over the assets of the Company in favour of any refinancing creditor, change in the shareholding of the Company or its loan capital, change in the management of the Company, appointments of key managerial personnel of the Company, removal of the statutory auditor of the Company or revisions in agreements or arrangements by modification or cancellation or abandonment thereof, without any further act or deed.

The mere production and lodgment of a certified copy of the Approved Resolution Plan or a notarially certified copy of the Approved Resolution Plan before any court or tribunal or regulator or government or arbitral tribunal or any administrative authority or any other authority shall be adequate and sufficient for such authorities to cause the abatement of any cause of action against the Company, or discharge or abatement of any suit or action or claim made in arbitration against the Company, or in any other judicial, quasi-judicial, regulatory, administrative or government proceedings of whatsoever nature in accordance with the approved Resolution Plan.

**6. DECLARATION TO THE EFFECT THAT THE RESOLUTION PLAN IS NOT IN CONTRAVENTION OF PROVISIONS OF ANY APPLICABLE LAW**

The Resolution Applicant declares that this Resolution Plan is not in contravention of the provisions of any applicable laws.

**7. STATEMENT IN RELATION TO HOW THE RESOLUTION PLAN HAS DEALT WITH INTERESTS OF ALL STAKEHOLDERS, INCLUDING FINANCIAL AND OPERATIONAL CREDITORS OF THE COMPANY**

As set out above in the Resolution Plan, the Resolution Plan for the Company has dealt with the interests of all the stakeholders in the Company, including all the Operational Creditors (whether consenting, dissenting or abstaining) of the Company.

Unless otherwise expressly stated in this Resolution Plan, no creditor, existing shareholder or any other stakeholder of the Company shall be entitled to receive any settlement more than the proportionate settlement payable to a similarly placed class of creditors, shareholders or stakeholders, as stated in this Resolution Plan.

**8. BINDING EFFECT**

On and with effect from the Effective Date, the Approved Resolution Plan shall be binding on the Company and all stakeholders, including all holders of claims against the Company, including creditors, Governmental Authorities, workmen and employees, promoters, shareholders and guarantors and all other parties in interest, and each of their respective assigns, successors, legal heirs and assigns.





## 9. STANDSTILL

After the date of the approval of the Resolution Plan by the CoC, but before the Effective Date, the Resolution Professional and the CoC shall not, without consulting with the Resolution Applicant, take any action or decision which: (A) is outside the ordinary course of business, or (B) has or is likely to have an impact in shareholder's value and the running of the Company (such as, sale of any assets etc).

## 10. BUSINESS PLAN

Medicine spending in India is projected to grow 9-12% over the next five years, leading India to become one of the top 10 countries in terms of medicine spending

Going forward, better growth in domestic sales would also depend on the ability of companies to align their product portfolio towards chronic therapies for diseases such as cardiovascular, anti-diabetes, anti-depressants and anti-cancers, which are on the rise.

The Indian Government has taken many steps to reduce costs and bring down healthcare expenses. Speedy introduction of generic drugs into the market has remained in focus and is expected to benefit the Indian pharmaceutical companies. In addition, the thrust on rural health programmes, lifesaving drugs and preventive vaccines also augurs well for the pharmaceutical companies

### i. Description of business proposed to be carried out:

Post-acquisition of the corporate Debtor, the Resolution Applicant, intends to carry/pursue in future the pharma and related activities

The Resolution Applicants has carried out the assessment of the tangible and intangible fixed assets, such as plant and machinery and understands that many of the assets have become obsolete and worthless.

### Income Statement Projections:

(Rs. In Lakhs)

	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Total Revenues	242.50	339.27	474.72	569.57	683.38
COGS	207.02	272.44	357.21	428.46	513.95
Gross Profit	35.48	66.83	117.51	141.10	169.43
EBITDA	32.12	63.30	113.80	137.21	165.34
PBT	24.04	54.86	104.91	127.78	155.28
PBT (%)	14.63%	19.70%	24.75%	24.77%	24.79%
PAT	17.19	39.22	75.01	91.36	111.03
PAT (%)	7.09%	11.56%	15.80%	16.04%	16.25%

### ii. Execution strategy

The strategy to turnaround the business, by running multiple objects/activities, which will generate long-term value for all the stakeholders concerned will be based on following principles:

#### 1. Adopt Strong Governance Practices





- 2. To Support Make in India Policy
- 3. Customer-Focused Sales Strategy.
- 4. Attract and invest in local talent pool
- 5. Maximise value for the stakeholders

**1. Adopt Strong Governance Practices:**

Resolution Applicant's governance structure and the effective management team will ensure that the assets are put to the maximum and most relevant use thereby benefiting all the stakeholders involved.

**2. Government initiatives:**

To achieve self-reliance and minimise import dependency in the country's essential bulk drugs, the Department of Pharmaceuticals initiated a PLI scheme to promote domestic manufacturing by setting up greenfield plants with minimum domestic value addition in four separate 'Target Segments' with a cumulative outlay of Rs. 6,940 crore (US\$ 951.27 million) from FY21 to FY30.

**3. To support Make in India Policy:**

The future expansion of capacities of the existing business will be focused towards maximising the philosophy of Make in India. The Company's further investment will have multiplier effect on the local economy contributing to the national development.

**4. Attract and invest in local talent pool:**

The Company's revival of business and investment in the infrastructure will create direct and indirect employment for more than 50 people, which will be from the local talent pool. Any expansion of the facility and services will lead to more employment opportunities in the state.

**5. Maximise value for stakeholders**

The Resolution Applicant's drives to create value for all the stakeholders involved. They never defaulted on repayment of its borrowers and creditors. The Resolution Applicant's believes in developing business models that benefits the local community with employment opportunities, Government to increase revenues, and the providers of finance to generate return on the borrowings/investments made.

**11. Compliance of the Resolution Plan with the various provisions of the Code and CIR Regulations.**

The details of status of compliance of the provisions of Section 30 of the Code and Regulation 37 of the CIR Regulations is summarized below:

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



*B. Vivek Kumar*



No.			No)
Section 30(2)	Whether the Resolution Plan- (a) provides for the payment of insolvency resolution process costs? (b) provides for the payment to the operational creditors? (c) provides for the management of the affairs of the corporate debtor? (d) provides for the implementation and supervision of the resolution plan? (e) contravenes any of the provisions of the law for the time being in force?	Chapter I (1) (i)	Yes
		Chapter I(1) (iii)	Yes
		Chapter VI	Yes
		Chapter VI	Yes
		Chapter XI (6)	Yes
Regulation 37(ca)	Cancellation or delisting of any shares of the corporate debtor, if applicable	Chapter VII(i)(b)	Yes
Regulation 37(i)	issuance of securities of the corporate debtor, for cash, property, securities, or in exchange for claims or interests, or other appropriate purpose	Not issued any shares	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders;	Chapter XI (7)	Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code	Chapter IX (14)	Yes
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule; (b) for the management and control of the business of the corporate debtor during its term; (c) adequate means for supervising its implementation;	Chapter VIII	Yes
		Chapter VIII	Yes
		Chapter VIII	Yes
38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default; (b) it is feasible and viable; (c) it has provisions for its effective implementation; (d) it has provisions for approvals required and the timeline for the same; (e) the resolution applicant has the capability to implement the resolution plan;	Chapter XI	Yes
		Chapter XI	Yes
		Chapter XI	Yes
		Chapter XI	Yes
		Chapter XI	Yes
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.	NA	No






**12. Conclusion:**

The Resolution Plan has taken into consideration the best interest of all the stakeholders involved in the Corporate Insolvency Resolution Process of the Corporate Debtor in such a way to enable maximization of the economic value of the assets of the Corporate Debtor.

The Resolution Applicant will whole heartedly commit to the resolution process and request the committee and Hon'ble Adjudicating Authority to consider and approve the Resolution Plan submitted herewith in the best interest of the all the stakeholders involved.

**For and on behalf of the Resolution Applicant (s)**

  
**Ratakonda Vivek Kumar**  
**Authorised Signatory**

Date: 10/10/2022  
Place: Hyderabad

\*\*\*





Notary

R. Vivek Kumar

**TO BE NOTARIZED****ANNEXURE - D****UNDERTAKING FOR NO DISQUALIFICATION UNDER SECTION 29A  
OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

To,  
CA Maligi Madhusudhana Reddy  
Resolution Professional  
M/s. G.R Cables Limited (In CIRP)

**Sub: Resolution Applicant's undertaking under the Insolvency and Bankruptcy Code, 2016 ("the Code") and the rules and regulations prescribed thereunder confirming no disqualification under Section 29A of the Code.**

Dear Sir,

I refer to the advertisement inviting expressions of interest dated 18.05.2022 ("**Expression of Interest**") in relation to the Corporate Insolvency Resolution Process ("CIRP") of M/s.G.R Cables Limited ("**Corporate Debtor**"). In furtherance of the Expression of Interest, I, Vivek Kumar Ratakonda being the Prospective Resolution Applicant ("**PRA**") hereby confirms that I am not ineligible under Section 29A of the Code.

Without prejudice to the generality of the foregoing, I hereby unconditionally certify and confirm as follows:

1. I am not disqualified from submitting a Resolution Plan in respect of the Corporate Debtor under the Code and rules and regulations framed thereunder, each, as amended from time to time;
2. I hereby state, submit and declare that neither the Prospective Resolution Applicant nor any other person acting jointly or in concert with us:

- (a) is an undischarged insolvent;
- (b) is a willful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949);

at the time of submission of the resolution plan has an account, of





an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as nonperforming asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (10 of 1949) or the guidelines of a financial sector regulator issued under any other law for the time being in force, and at least a period of one year has lapsed from the date of such classification till the date of commencement of the corporate insolvency resolution process of the Company;

[Note:

- i. A person shall be eligible to submit a resolution plan if such person makes payment of all overdue amounts with interest thereon and charges relating to nonperforming asset accounts before submission of resolution plan. If that is the case, please provide details of the NPAs and undertaking in relation to payment of all overdue amounts prior to submission of the resolution plan.
  - ii. This clause shall apply to a resolution applicant where such applicant is a financial entity and is not a related party to the corporate debtor.
  - iii. For the purposes of this clause,
    - the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date; and
    - where a resolution applicant has an account, or an account of a corporate debtor under the management or control of such person or of whom such person is a promoter, classified as nonperforming asset and such account was acquired pursuant to a prior resolution plan approved under the Code, then, the provisions of this clause shall not apply to such resolution applicant for a period of three years from the date of approval of such resolution plan by the Adjudicating Authority under the Code.]
- (d) has been convicted for any offense punishable with imprisonment:
- i. for two years or more under any Act specified under the Twelfth Schedule of the Code; or ii.
  - for seven years or more under any law for the time being in force;

Note: This clause shall not apply:





- i. to a person after the expiry of a period of two years from the date of his release from imprisonment: or
- ii. in relation to a connected person referred to in clause(iii) of the definition of connected person.]

(e) is disqualified to act as a director under the Companies Act, 2013 (18 of 2013);

*[Note: This clause shall not apply in relation to a connected person referred to in clause (iii) of the definition of connected persons.]*

- (f) is prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;
- (g) 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 the Code;

*[Note: This clause shall not apply if a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction has taken place prior to the acquisition of the corporate debtor by the resolution applicant pursuant to a resolution plan approved under the Code or pursuant to a scheme or plan approved by a financial sector regulator or a court, and such resolution applicant has not otherwise contributed to the preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction.]*

- (h) has executed a guarantee in favour of a creditor in respect of a corporate debtor against which an application for insolvency resolution made by such creditor has been admitted under the Code and such guarantee has been invoked by the creditor and remains unpaid in full or part;
- (i) is subject to any disability, corresponding to clauses (a) to (h) above, under any law in a jurisdiction outside India; or
- (j) has a connected person not eligible under clauses (a) to (i) above.

Unless a contrary intention appears, the terms used herein shall have the meaning assigned to such terms under the Code. Additionally, the following terms used herein shall the following meaning:

(a) "Connected person" means:

- i. any person who is the promoter or in the management or control of the Resolution Applicant; or
- ii. any person who shall be the promoter or in management or control of the business of the





corporate debtor during the implementation of the resolution plan;  
or

- iii. the holding company, subsidiary company, associate company or related party of a person referred to in clauses (i) and (ii).

Provided that: (a) nothing in clause (iii) of this definition shall apply to a resolution applicant where such applicant is a financial entity and is not a related party of the corporate debtor; and (b) the expression "related party" shall not include a financial entity, regulated by a financial sector regulator, if it is a financial creditor of the corporate debtor and is a related party of the corporate debtor solely on account of conversion or substitution of debt into equity shares or instruments convertible into equity shares, prior to the insolvency commencement date.

- (b) "**financial entity**" means the following entities which meet such criteria or conditions as the Central Government may, in consultation with the financial sector regulator, notify in this behalf, namely:

- i. a scheduled bank;
- ii. any entity regulated by a foreign central bank or a securities market regulator or other financial sector regulator of a jurisdiction outside India which jurisdiction is compliant with the Financial Action Task Force Standards and is a signatory to the International Organization of Securities Commissions Multilateral Memorandum of Understanding;
- iii. any investment vehicle, registered foreign institutional investor, registered foreign portfolio investor or a foreign venture capital investor, where the terms shall have the meaning assigned to them in regulation 2 of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 made under the Foreign Exchange Management Act, 1999 (42 of 1999);
- iv. an asset reconstruction company registered with the Reserve Bank of India under section 3 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);

- v. an Alternate Investment Fund registered with Securities and Exchange Board of India;

- vi. such categories of persons as may be notified by the Central





**Annexure - E**  
**FORM OF UNDERTAKING TO BE PROVIDED BY PROSPECTIVE**  
**RESOLUTION APPLICANT(S)**

**Prospective Resolution Applicant's Undertaking**

To,  
CA Maligi Madhusudhana Reddy  
Resolution Professional  
M/s G.R Cables Limited (In CIRP)

Dear Sir,

Sub: Prospective Resolution Applicant's undertaking in relation to the Expression of Interest in the corporate insolvency resolution process of G.R Cables Limited ("Company").

1. We/I, Vivek Kumar Ratakonda and Totakura Venkata Satyanarayana Raju ("**Prospective Resolution Applicant(s)**"), refer to the advertisement inviting expressions of interest dated 18.05.2022 ("**EOI**") submitted by us/me in relation to the captioned matter.
2. We/I hereby undertake, agree, acknowledge and confirm that:
  - a) the Prospective Resolution Applicant(s) meets the criteria specified by the committee of creditors of the Company under clause (h) of sub-section (2) of section 25 of the Insolvency and Bankruptcy Code, 2016 ("**the Code**"), relevant records in evidence of meeting the said criteria is attached herewith as;
  - b) the Prospective Resolution Applicant(s) does not suffer from any ineligibility under section 29A of the Code (to the extent applicable), relevant information and records to enable an assessment of our ineligibility are enclosed herewith as Annexure-D
  - c) the Prospective Resolution Applicant(s) shall intimate the RP forthwith if we/I become ineligible at any time during the corporate insolvency resolution process;
  - d) all the information and records provided in expression of interest is true and correct and discovery of any false information or record at any time will render the Prospective Resolution Applicant (s) ineligible to submit resolution plan and attract penal action under the Code; and
  - e) the Prospective Resolution Applicant (s) shall maintain confidentiality of the information and shall not use such information to cause an





226

undue gain or undue loss to itself or any other person and comply with the requirements under sub-section (2) of section 29 of the Code.

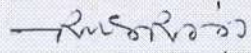
3. I further undertake and confirm that the EOI submitted by us is unconditional.

Yours Sincerely,



Vivck Kumar Ratakonda  
Designation: Individual





Totakura Venkata Satyanarayana Raju  
Designation: Individual

Place: Hyderabad  
Date: 02/06/2022