



NEUEON TOWERS LIMITED

Date: November 25, 2024

To

The Listing Compliance Department

M/s. BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street

Mumbai- 400001

Scrip code: **532887**

The Listing Compliance Department

M/s. National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1, G Block,

Bandra Kurla Complex, Bandra (E),

Mumbai 400 051

Scrip symbol: **NTL**

Dear Sir/Madam,

Sub: Intimation of the Resolution Plan of the Company approved by the Hon'ble NCLT, Hyderabad bench vide its Order dated October 23, 2024 in IA (Plan) No. 17 of 2024 in CP (IB) No. 679/7/HDB/2018

Pursuant to the provisions of Regulation 30 and other applicable regulations of the SEBI (LODR) Regulations, 2015, we wish to inform that the Resolution Plan of the Company was approved by the Hon'ble NCLT, Hyderabad bench vide its Order dated October 23, 2024 in IA (Plan) No. 17 of 2024 in CP (IB) No. 679/7/HDB/2018. Enclosed are the approved Resolution Plan and the Hon'ble NCLT, Hyderabad bench Order.

This is for the information of all the stakeholders of the Company.

Thanking you,

Yours sincerely,

For Neueon Towers Limited

Sudheer Rayachoti

Managing Director

DIN: 01914434

Encl: A/a.

 **Regd. Office:**
Survey No.321, Turkaia Khanapur(V),
Hatnur (M), Medak Dist. Telangana-502201

 **Corp & Admin. Office :**
#24, Nagarjuna Hills, Punjagutta,
Hyderabad, Telangana-500082



DATED 24th May 2024

THE RESOLUTION PLAN

IN THE MATTER OF:
NEUEON TOWERS LIMITED

SUBMITTED BY:

(A) M/s. PRECA SOLUTIONS INDIA PRIVATE LIMITED (PRECA)

(B) DR. MADALA SRINIVASU (MS)

AND

(C) MS. MADALA ANITHAA (MA)



TABLE OF CONTENTS

PART I – INTRODUCTION OF THE RESOLUTION APPLICANTS.....**3**

PART II – SUMMARY OF THE BROAD TERMS OF THE RESOLUTION PLAN**8**

1. DEFINITIONS AND INTERPRETATION.....**11**

2. OUR UNDERSTANDING OF THE CORPORATE DEBTOR**22**

3. PAYMENTS BY THE RESOLUTION APPLICANTS.....**23**

4. SOURCES OF FUNDS AND TRANSACTIONS.....**34**

5. MANAGEMENT AND CONTROL OF AFFAIRS OF THE CORPORATE DEBTOR**38**

6. TERM, IMPLEMENTATION AND SUPERVISION OF THE RESOLUTION PLAN**40**

7. OTHER RELEVANT PROVISIONS.....**43**

8. EFFECT OF THE RESOLUTION PLAN**49**

9. RELIEFS AND CONCESSIONS**58**

 SCHEDULE – 1**64**

 SCHEDULE – 2**66**

 COMPLIANCE CHECK LIST AGAINST MANDATORY CONTENTS OF THE RESOLUTION PLAN
 AS PER THE CODE AND THE CIRP REGULATION.....**66**

 SCHEDULE – 3: PROPERTY LANDS**69**

 Exhibit.....**70**



RESOLUTION PLAN

To,
Dr. M.S. Sankar,
Resolution Professional,
In the matter of Neueon Towers Limited,
A 1206 S&S Sarvam,
200 Feet Pallavaram Thuraipakkam Radial Road
Pallikaranai, Chennai 600 100

Dear Sir,

Sub: Resolution Plan for Neueon Towers Limited in respect of its Corporate Insolvency Resolution Process.

PART I – INTRODUCTION OF THE RESOLUTION APPLICANTS

1. RESOLUTION APPLICANTS

1.1 We, PRECA SOLUTIONS INDIA PRIVATE LIMITED (hereinafter referred to as "PRECA"), DR. MADALA SRINIVASU (hereinafter referred to as "MS") and MS. MADALA ANITHAA (hereinafter referred to as "MA"), the resolution applicants, ("Resolution Applicants") hereby submit this comprehensive resolution plan ("Resolution Plan") under the Insolvency and Bankruptcy Code, 2016 ("IBC") as amended from time to time. PRECA shall be the lead Resolution Applicant and MS & MA shall be a co-applicant and financial sponsor for the purposes of payments contemplated under the Resolution Plan, in accordance with the terms hereof.

1.2 PRECA, MS and MA have entered in Consortium Agreement.

1.3 PRECA/MS/MA are collectively referred to as "Resolution Applicants" and Individually as "Resolution Applicant".

2. INTRODUCTION OF PRECA SOLUTIONS INDIA PRIVATE LIMITED

2.1 Corporate Background:

Preca Solutions India Private Limited, incorporated on 28th July 2008, having its Registered Office at Plot # 6, D.No 2-9/5/6, Greenland Colony, Gachibowli, Hyderabad TG 500019, is engaged in the business of designing, detailing, manufacturing, supplying, and erection of Prestressed Precast Concrete building structures of all ranges. Preca Solutions India Pvt. Ltd. provides turnkey solutions for executing various challenging structures using advanced and proven engineering technologies. Preca Solutions India Pvt. Ltd. has its State-of-the Art European technology equipped precast factories at Hyderabad & Cuttack. Preca Solutions India Pvt. Ltd. has the unique capabilities for civil engineering projects by offering Quality, Innovative & Economic solutions at faster timelines in comparison to traditional



construction methods. Preca Solutions India Pvt. Ltd. has a team of 400 plus employees at various levels of expertise across a variety of profiles. Preca Solutions India Pvt. Ltd. has a technical team with global experience of having engineered, designed, manufactured and executed large scale civil engineering projects in countries of Israel and Gulf regions.

2.2 Overview of the Credentials of PRECA:

Preca is a pioneer in the precast industry in India. Preca provides Turnkey Engineering Solutions for Civil Structures from Design to Delivery. Preca has an in-house team of expert professionals, with vast experience in design and detailing, engineering and execution of precast construction in India and across the world.

Preca's Main Plant is located in West Hyderabad, 30 km from Hitech cluster in a plot size of 16 acres. Preca's Main Plant Built up factory area is 2,40,000 sft. Preca's Project Specific Plant is located at Cuttack, Odisha of plot size of 4 acres. Preca's Project Specific Plant Built area is 50,000 sft. Preca's factories are equipped with best in class European machinery. Key machinery are made by Prensoland (Spain), Bianchi (Italy), Moldtech (Spain). Preca is a Certified ISO 9001: 2015 Precast Company. Preca delivered 110 plus complex and challenging projects of all the building segments. Preca is successfully implementing the standard practices of Quality Management Systems and Industrial Safety practices for all the functional areas.

2.3 Board of Directors:

Name	Profile
VEERAVENKATA SATISH GOTTIPATI	Qualified Chartered Accountant and Cost Accountant, Business experience in the field of manufacturing, infrastructure, and real estate sectors across global companies. Successful business association with reputed international business groups in implementing various projects.
KERTESZ URIEL	A Hungarian / Israeli, civil engineer by profession, an entrepreneur, and an accomplished administrator of international repute. Over 41 years of experience and has managed and supervised the execution of various building / civil engineering projects, ranging from residential to commercial and industrial buildings and from roads to other infrastructure development projects in Israel, Hungary, Cameroon, and Nigeria.
OLWOLAFE OLATUNJI KAYODE	Chairman of various Nigerian Companies involved in manufacturing, infrastructure, metro rail, medical facilities, real estate, etc. He owns Nigeria's largest Infrastructure Company and has investments in many companies with financial and technical partners around the World. He is also a qualified MBBS Doctor and has deep expertise in medical infrastructure.
NITHIN CHENNUPATI	Qualified Civil Engineer with more than 12 years of expertise in the Construction Industry.



2.4 Shareholding Pattern:

S. No.	Name	Number of equity shares held as on March 31, 2023	Percentage of shareholding in the total issued, subscribed and paid-up equity share capital of PRECA
1.	Preca Green Holdings Private Limited	89,99,999	99.999
2.	Gottipati Veeravenkata Satish (Nominee Shareholder of Preca Green Holdings Private Limited)	1	0.001
Total		90,00,000	100.00

2.5 Past experience in acquisition / turnaround of stressed assets:

NIL

2.6 Overall Management Strength:

The Management of PRECA consists of two senior management people with rich experience in their respective fields.

i. Shridhar CN (Associate Director – Technical & Marketing)

Mr. Shridhar is a qualified Civil Engineer with Masters in Prestressed Concrete Structures. He has more than 18 years' experience in design and detailing of large scale Precast Structures. He has substantial experience in design of various major projects in Dubai and Saudi Arabia. He is a life member of Indian Concrete Institute (ICI) and was guest faculty at organisations like NAC, NCB, ESCI to educate the engineers in Precast Technology. He served at several levels of design process in various large scale organizations in Gulf region and is knowledgeable about various international design codes. He has served various responsibilities and has proven track record in providing solutions to clients, consultants and municipal authorities in precast technology. He has good experience in the design aspects of setting up of precast factories and their expansions. He is a good leader with ability to motivate and guide the team towards the success of the company. He is eager to adopt new developments in the precast technology.

ii. Nadav Shachaf (General Manager-Technical)

Since 1976 Nadav has been associated with the Prestressed element manufacturing industry and has held various positions in leading prestressed element manufacturing companies such as Spancrit Palmmachim Limited, Spancrit Celal Beton and Spancrit Limited - Israel. Nadav is a qualified mechanical engineer. He was the Managing Director at Spancrit Celal Beton during the period 2002-2003 and the Managing Director of Spancrit Limited during the period 2004 -2007. He also

assisted Shay – Gil Projects Limited a leading Israel company in setting up a new prestressed concrete element manufacturing facility in the capacity of an advisor. Nadav with his rich experience in manufacturing Prestressed Elements and managing precast industries would be responsible for the technical operations at Preca along with a team of experts. He is a keen follower of new trends in the Precast Industry specifically in manufacture of Hollow Core Roofs.

a. Financial Snapshot:

(in Lakhs INR)

Particulars	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
Revenue	11,547.13	10,214.70	7,487.04	6,999.60
EBITDA	1,275.67	1,250.00	1,012.65	933.20
PAT	357.40	275.13	22.16	15.55
Net Worth	3457.82	3,100.42	2,825.29	2,803.13
Tangible Assets	6037.66	5,236.61	5,589.06	5,928.64

3. INTRODUCTION OF DR. MADALA SRINIVASU

a. Background:

Name	Dr. Madala Srinivasu
Residential Address	4/211, Villa No.7, Dr. MGR Road, Palavakkam Chennai 600041 TN
Date of Birth	15-08-1961
Permanent AccountNumber (PAN)	ACQPM0732K

b. Overview of the Experience:

Dr. Madala Srinivasu is a Medical Graduate (MBBS) from Government Medical College, Guntur, Andhra Pradesh, India (GMC- 1979-1984).

Dr. M. Srinivasu has over 3 decades of experience and has wide exposure and networking with business houses and strategic JV projects in infrastructure, Logistics, I C T and Entertainment sectors.

c. Financial Snapshot:

(in INR Lakh)

Particulars	FY 2021-22
Net worth	1312.00



d. Details of the major business operations of Dr. Madala Srinivasu ("MS"):

1. After Medical Graduation in 1984, Dr. Madala Srinivasu established Coastal Diagnostic Services Private Limited-a chain of Medical Facilities in Andhra Pradesh. He also promoted a Corporate Hospital in Hyderabad during the period 1987-89.
2. Dr. Madala Srinivasu was the first Entrepreneur to bring the concept of Public Private Partnership in East coast / minor ports in Andhra Pradesh. Krishnapattanam Port, Kakinada Deep water Port Development Operation & Management, Joint venture tic up Master plan, Integrated Railroad and Logistic park Development and creation of first integrated supply and support base for KG basin off shore drilling activity.
3. Dr. Madala Srinivasu is a mentor for Apeiron Healthcare Private Ltd, which is promoted by renowned Medical Professionals with more than three and half decades of Medical and corporate experience. Apeiron is a new age start-up that aims to be the flag-bearer of Make in India Initiative in Health-Tech domain with a vision to provide New Age Innovative Medical Technologies to cater to the Global markets, with expertise in Remote Primary Health Care Services.
4. Dr. Madala Srinivasu is a promoter of MSA Ventures which serves clients in Financial Management Services, Infrastructure, Information Technology, Business Development, Agriculture and Healthcare.
5. Dr. Madala Srinivasu in consortium with Mrs. Madala Anithaa has acquired M/s IND-BARATH POWER GENCOM LIMITED, a Company which was under liquidation, as a going concern (along with its NRRRA) under Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016.

4. INTRODUCTION OF MS. MADALA ANITHAA ("MA")

a) Background:

Name	Madala Anithaa
Residential Address	4/211, Villa No.7, Dr. MGR Road, Palavakkam Chennai 600041 TN
Date of Birth	17-07-1967
Permanent AccountNumber (PAN)	AFJPM9284L

b) Overview of the Experience:

Mrs. ANITHAA MADALA is a Commerce Graduate from Nagarjuna University, Andhra Pradesh and a Diploma holder in Public Relations. During the past decade of her active involvement in the affairs of the various companies, she has learnt the nuances of business & Industries & has contributed to the growth of the clientele



base, business volumes and earnings of the Companies.

c) Financial Snapshot:

(in INR Lakh)

Particulars	FY 2021-22
Net worth	1679.60

d) Details of the major business operations of MA:

1. Ms. ANITHAA MADALA is a promoter of M S A Ventures Pvt. Ltd., ever since the commencement of operations. She has strategized the company's planned investments in various fields, viz., Engineering, Infrastructure, Construction, Medical, Realty and Hospitality, Software, Consultancy Services, etc.
2. She has been associated with social service Organizations and NGOs in Andhra Pradesh through Chirala Mahila Mandali, she has closely interacted with the rural and semi urban people on a continuous basis for over a decade, identifying their strengths, weaknesses, requirements, etc.
3. Realizing the need for provision of adequate and quality medical care at affordable costs to rural masses, she had coordinated with various corporates & industries engaged in the manufacture of medical products, equipments, leading to the establishment of M/S. Apeiron Healthcare Pvt. Ltd., for manufacturing of such products and for provision of requisite infrastructure.
4. Mrs. Madala Anithaa in consortium with Dr. Madala Srinivasu has acquired M/s IND-BARATH POWER GENCOM LIMITED, a Company which was under liquidation, as a going concern under Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016.

PART II – SUMMARY OF THE BROAD TERMS OF THE RESOLUTION PLAN

We, the Resolution Applicants, hereby submit and propose to implement the Resolution Plan as per the structure described in this Resolution Plan. The contents of this Resolution Plan have been prepared on the basis of the details of the Corporate Debtor as set out in the Request for Resolution Plan Submission dated 16th Aug 2023 (and as amended from time to time), issued by the Resolution Professional of the Corporate Debtor, and the information of the Corporate Debtor as made available by the Resolution Professional from time to time.

The Resolution Applicant through this Resolution Plan aims to resolve the insolvency of the Corporate Debtor to enable it to continue its business as a going concern by creating a sustainable and financially healthy capital structure that will enable the Corporate Debtor to turnaround and support its operations going forward on a viable basis.



The key terms and conditions of this Resolution Plan are as follows:

1. This Resolution Plan contemplates a total resolution plan amount of INR 101,50,00,000/- (Rupees One Hundred One Crore Fifty Lacs Only) to be contributed in the manner set out in paragraphs 2 to 4 herein below ("Total Resolution Plan Amount").
2. Out of the aforesaid amount, an amount of INR 25,37,50,000/- (Rupees Twenty Five Crore Thirty Seven Lacs Fifty Thousand Only) ("Upfront Cash") shall be paid/ contributed by the Resolution Applicants and/or their Nominees within 30 days of Trigger Date (defined hereinafter) and shall be utilized as per the terms of this Resolution Plan. It is clarified that the amount of the EMD (i.e. Rs. 10 lakhs) shall be adjusted against the lasted tranche Payment only.
3. The total resolution plan amount shall be a total amount of INR 101,50,00,000/- (Rupees One Hundred One Crore Fifty Lacs Only), out of which an amount of INR 25,37,50,000/- (Rupees Twenty Five Crore Thirty Seven Lacs Fifty Thousand Only), out of which Outstanding and unfunded CIRP Costs, if any, shall be paid upfront from the Upfront Cash, subject to provisions of Clause 3.6.2. Further, an amount of INR 76,12,50,000/- (Rupees Seventy Six Crore Twelve Lacs and Fifty Thousand Only) shall be contributed by the Resolution Applicants and/or their Nominees from their internal accruals/ own sources for payment to the Financial Creditors ("Deferred Cash").
4. Further, the following amounts will be contributed by the Resolution Applicants and/or their Nominees to the Corporate Debtor on need basis from 545 days (18th month) to 36th Month of Trigger Date:
 - (a) an amount of INR 25,00,00,000/- (Rupees Twenty Five Crore only) towards capital expenditure requirement of the Corporate Debtor on need basis;
 - (b) an amount of INR 10,00,00,000/- (Rupees Ten Crore only) towards start-up cost of the Corporate Debtor on need basis;
 - (c) an amount of INR 10,00,00,000/- (Rupees Ten Crore only) towards cash loss funding requirement of the Corporate Debtor in the initial years on need basis; and
 - (d) Working capital support for an amount of INR 20,00,00,000/- (Rupees Twenty Crore only) towards working capital requirements of the Corporate Debtor for the initial 3 (three) years on need basis;
5. On need basis, the Resolution Applicants may also raise additional working capital loans in the Corporate Debtor which will enable the Corporate Debtor to improve its overall operations.
6. This Resolution Plan also contemplates Standalone Capital Reduction (hereinafter defined), Face Value Reduction (hereinafter defined) of the Corporate Debtor, and thereafter issuance/ allotment of Equity Shares of the Corporate Debtor to the Resolution Applicants and their Nominees on or before the 30 days of Trigger Date or Handover date or on a best effort basis, as part of this Resolution Plan.



7. After Standalone Capital Reduction and Face Value Reduction, the Corporate Debtor shall issue/ allot such number of the Equity Shares of face value of INR 1/- each, to PRECA/MS/MA directly or their identified Nominees to ensure that PRECA/MS/MA together with their Nominees shall own and hold 90% (ninety per cent) of the total issued, subscribed and paid – up equity share capital of the Corporate Debtor. Post the Standalone Capital Reduction, Face Value Reduction and subscription of Equity Shares of the Corporate Debtor by PRECA/MS/MA and/or its Nominees, the public shareholding in the Corporate Debtor shall be 10% (ten per cent) of the total issued, subscribed and paid – up equity share capital of the Corporate Debtor.
8. The implementation of this Resolution Plan is subject to the requisite approval/s of the Committee of Creditors of the Corporate Debtor and thereafter by the National Company Law Tribunal.
9. The projected business plan ("Projected Business Plan") for the Corporate Debtor has been appended/enclosed by the Resolution Applicants with this Resolution Plan and marked as 'EXHIBIT' hereto. The Projected Business Plan is in consonance with the Resolution Plan, and in the event of any inconsistency between the Projected Business Plan and the Resolution Plan, the terms of the Resolution Plan shall supersede and prevail over the Projected Business Plan to the extent of such inconsistency. It is hereby clarified that the Projected Business Plan has been prepared on 'best efforts basis' by the Resolution Applicants on the basis of the RFRP and the information of the Corporate Debtor as made available by the Resolution Professional of the Corporate Debtor.

The compliance with the mandatory content requirements specified under Section 30 of the Code and / or Regulation 38 of the CIRP Regulations, is set out in Schedule – 2 hereto.

The detailed terms and conditions of this Resolution Plan are set out hereinafter.

C.S.O.



1. DEFINITIONS AND INTERPRETATION

1.1 Unless otherwise defined in this Resolution Plan, the following capitalized terms shall have the following meanings, unless repugnant to the subject, matter or context thereof:

Definitions/ Abbreviations	Meaning
Additional Indebtedness	<p>shall mean any indebtedness for or in respect of:</p> <ul style="list-style-type: none"> (a) moneys borrowed. (b) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialised equivalent. (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument. (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with applicable accounting standards, be treated as a finance or capital lease, and which for the avoidance of doubt excludes an operating lease. (e) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing under applicable accounting standards. (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be considered); (g) shares which are expressed to be redeemable or shares which are the subject of a put option or any form of guarantee. (h) any obligation under any put option in respect of any shares, debentures or other securities. (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and (j) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (i) above.
Adjudicating Authority	shall mean the NCLT, acting in its capacity as the adjudicating authority under the Code or any appellate authority or higher court which approves this Resolution Plan.
Affiliates	in relation to any Person, shall mean any other Person that, either directly or indirectly through one or more intermediate Persons and whether alone or in combination with one or more other Persons, Controls, is Controlled by or is under common Control with that Person.

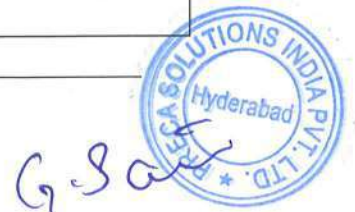


Applicable Laws	shall mean any statute, treaty, law, code, regulation, ordinance, rule, judgment, order, decree, bye-law, approval of any Governmental Authority, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of or determination by, or any interpretation or administration having the force of law, of any of the foregoing by any Governmental Authority having jurisdiction over the matter in question at any time including but not limited to the Code, CIRP Regulations, Companies Act, Competition Act and FEMA each as amended from time to time.
Approvals	shall include all approvals, licenses, permissions, clearances, no-objection certificates, grants, permits, consents, authorizations, exemptions, sanction plans, clearance certificates, completion certificates, operation certificates (by whatever name called), etc. of Governmental Authorities, as may be required for the conduct and operation of the business by the Company from time to time as per the requirements of Applicable Laws.
Board or Board of Directors	shall mean the board of directors of the Corporate Debtor.
Business Day	shall mean a day which is: (a) not a public holiday under Section 25 of the Negotiable Instruments Act, 1881 (26 of 1881) as applicable at Hyderabad; or (b) a day, other than a Sunday or a public holiday, on which banks are generally open for regular banking at Hyderabad; or (c) not any other day when the clearing facility offered by the RBI is unavailable.
CIRP Cost	shall mean the corporate insolvency resolution costs incurred during the CIRP Process of the Corporate Debtor and up to the NCLT Approval Date, as per the provisions of the Code, which shall include all going concern costs (whether incurred, accrued, approved, to be accrued and/or outstanding) by the Corporate Debtor or the Resolution Professional for managing the affairs of the Corporate Debtor. Provided that, after submission of this Resolution Plan for approval under Section 31 of the Code, the Resolution Professional shall not incur any such cost without a prior written approval of the COC



The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

CIRP Process	shall mean the corporate insolvency resolution process of the Corporate Debtor which has been commenced as per the provisions of the Code from the ICD.
CIRP Regulations	shall mean Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 as amended from time to time.
CIRP Period	shall mean the period of one hundred and eighty days from the ICD or such other extended period as per order by the NCLT, as per the provisions of the Code.
COC Approval Date	shall mean the date of approval of this Resolution Plan by the COC.
Code or IBC	shall mean the Insolvency and Bankruptcy Code, 2016 as amended from time to time.
Companies Act	shall mean the erstwhile Companies Act 1956, Companies Act, 2013 as amended from time to time and all rules, regulations, notifications and circulars issued pursuant thereto from time to time.
Competition Act	shall mean the Competition Act, 2002 as amended from time to time and all rules, regulations, notifications, and circulars issued pursuant thereto from time to time.
Committee of Creditors or COC	shall mean a committee of creditors of the Corporate Debtor constituted by the Resolution Professional in accordance with the provisions of the Code.
Constitutional Documents	shall mean the memorandum of association and the articles of association of the Corporate Debtor.
Control	(together with its correlative meanings, "controlled by" and "under common control with") in relation to an entity, means (i) the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such entity whether through legal or beneficial ownership directly or indirectly of more than 50% of the voting securities or other interest of such entity or partnership or other ownership interests whether through contract or otherwise; (ii) controlling, directly or indirectly, the majority of the composition of the board of directors of the entity by way of contract or otherwise; (iii) the power to direct the management or policies of such entity by contract or otherwise; or (iv) the ability to control the affairs and policies of such entity in any manner. The terms "controlling" and "controlled" shall be construed accordingly. For the purposes of this definition, Control may be exercised either directly or indirectly through one or more intermediate persons and alone or in combination with one or more other Persons.



The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

Corporate Debtor or Company	Shall mean Neueon Towers Limited, a company within the meaning of the Companies Act, with Corporate Identification Number (C.I.N.) L40109TG2006PLC049743.
Consortium Agreement	Consortium Agreement means agreement entered between PRECA, MS & MA and PRECA has been designated as Lead Consortium Member.
Creditors	shall mean all creditors of the Corporate Debtor including the Secured Financial Creditors, the Unsecured Financial Creditors, the Operational Creditors and the Other Creditors.
Debt	shall mean as to any Person, any indebtedness for or in respect of (without limitation) any moneys borrowed, any amounts admitted (in writing including in the books) to be owed and due, any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent, any amount raised pursuant to issue of bonds, notes, debentures, loan stock or any similar instrument, any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing, any obligation, whether conditional or otherwise, in respect of any instruments or securities (whether debt or equity or otherwise), which incorporates an assured return, and the amount of any crystallized liability in respect of any guarantee, letter of comfort, underwriting, hedging, indemnity or any similar assurance or undertaking.
Definitive Agreements	shall mean the binding agreement(s), to be entered into by the Resolution Applicants with respect to various matters contained in this Resolution Plan, pursuant to approval of the Resolution Plan by the COC and the NCLT including the following: (a) Letter releasing the charge/security by the Financial Creditors; and (b) Such other documents as may be required by the Resolution Applicants and/ or the COC.
Deferred Cash	Shall have the meaning prescribed to it under Clause 3.1.5 below.
Demerger	Shall mean the Demerger from the Corporate Debtor ("Demerged Company") of the following two undertakings of the Corporate Debtor to 2(two) new Resulting Companies to be incorporated as Wholly owned subsidiaries of the Corporate Debtor after the last tranche payment in accordance with this Resolution Plan (i) factory undertaking at Plot no.159 B&C, Survey No.172/A, IDA Bollaram, Jinnaram Mandal, Sanga Reddy Dist.,Telangana and at Plot No. 128/A, Survey No. 172/B, IDA Bollaram, Jinnaram Mandal, Sanga Reddy Dist.,Telangana (" Demerged Undertaking-1")



G-Save

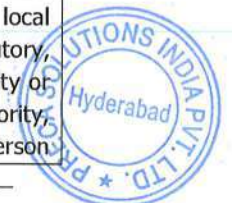
The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

	and (ii) factory undertaking at Survey No. 321, Turkala Khanapur, Hathnoora Mandal, Medak Dist, Telangana ("Demerged Undertaking-2")
Dissenting Financial Creditors	shall mean all the Financial Creditors who do not vote in favour of the Resolution Plan as per provisions of IBC.
Employees	shall mean the Employees of the Corporate Debtor.
Employees Dues	shall mean the Operational Debt outstanding and payable by the Corporate Debtor to the Employees of the Corporate Debtor.
Encumbrance	shall mean any right, title or interest existing or created or purported to be created in any manner whatsoever including by way of or in the nature of a sale, agreement to sell, assignment, co-ownership, attachment, pledge, hypothecation, charge, lien, option or right of pre-emption, entitlement to ownership (including usufruct and similar entitlements) and any other interest or right held, or any statutory liability recoverable by sale of property, or any claim, right or lien whatsoever that could be raised or exercisable by a third party and the term "Encumber" shall be construed accordingly.
Equity Share	shall mean equity share(s) of the Corporate Debtor.
Existing Current Assets	shall mean the existing current assets of the Corporate Debtor as per the balance sheet as on the NCLT Approval Date.
Existing Fixed Assets	shall mean the existing fixed assets of the Corporate Debtor as per the fixed asset register as on the NCLT Approval Date.
Existing Personal Guarantees	shall mean all the personal guarantees given to all the Financial Creditors by any person including the Existing Promoters of the Corporate Debtor in association with the Financial Debt of the Financial Creditors.
Existing Promoter	shall mean the existing promoters and promoter group of the Corporate Debtor as per the regulatory or stock exchange filings at any point of time, prior to the NCLT Approval Date.



The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

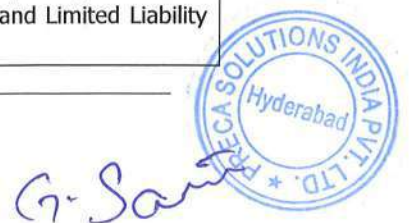
Existing SecurityInterest	shall mean all mortgages of fixed assets and current assets, pledges, hypothecations of all movable assets, pledge of shares, corporate guarantees, personal guarantees, leasehold rights, collateral securities including third party securities, assignments, deposit arrangement, Encumbrances, lien (statutory or other), trust arrangement, preference, priority or other security agreement of any kind or nature whatsoever, created by the Corporate Debtor or any other person/ entity in favour of the Financial Creditors, including, without limitation, (i) any conditional sale or other title retention agreement, any financing or similar statement or notice filed under any recording or notice statute, and any lease having substantially the same effect as any of the foregoing; and (ii) any designation of loss payees or beneficiaries or any similar arrangement under any insurance contract; and shall include all the rights, title, interest, benefits, claims and demands whatsoever of the Secured Financial Creditors on each of the aforesaid arrangements and security interest.
Existing Shareholders	shall mean the Persons holding the Equity Shares and Preference Shares issued upto the Insolvency Commencement Date as set out in Paragraph 2.4 below.
FEMA	shall mean the Foreign Exchange Management Act, 1999 as amended from time to time and all rules, regulations, notifications and circulars issued pursuant thereto from time to time.
FinancialCreditors	shall mean all Creditors of the Corporate Debtor to whom any FinancialDebt is owed by the Corporate Debtor.
Financial Debt	shall mean all the amounts of the Debt (secured and unsecured) outstanding or payable to the members of the COC or any other Financial Creditor disclosed by the Resolution Professional.
Financial Year or FY	shall mean the accounting period commencing from April 1 of each year till March 31 of next year.
Force Majeure	shall mean any of the following events or combination of such events or circumstances which adversely affects the Resolution Applicants ability to perform its obligations under this Plan on account of: (a) acts of God, comprising lightning strikes, cyclones, drought, flood, earthquake, epidemics, pandemics and other disasters; (b) lockdowns, acts of war (whether declared or undeclared), invasion, armed conflict or act of foreign enemy, blockade, embargo, and terrorist attacks;
GovernmentalAuthority	shall mean any national, supranational, regional or local government, or governmental, semi-governmental, statutory, regulatory, administrative, fiscal, judicial, revenue authority or government-owned body, department, commission, authority, tribunal, agency or entity, or central bank (or any Person



C. J. Saini

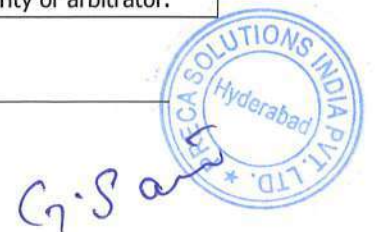
The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

	whether or not government owned and howsoever constituted or called, that exercises the functions of the central bank).
Handover Date	"Handover Date" shall mean the date of issuance of fresh shares to PRECA/MS/MA or its subsidiary(ies)/ special purpose vehicle(s)/ limited liability partnership/ nominees of the Resolution Applicant, as the case maybe, for the capital infused by PRECA/MS/MA or its subsidiary(ies)/ special purpose vehicle(s)/ limited liability partnership/ nominees of the Resolution Applicants or date of delivering of documents as per clause 5.3 whichever is later.
ICD or Insolvency Commencement Date	shall mean insolvency commencement date of the Corporate Debtor being June 03, 2019.
INR or Rs.	shall mean Indian Rupees, the lawful currency of India.
Licenses and Permissions	shall mean any consent, license, approval, permit, registration, ruling, exemption, no – objection certificate or other authorization or permission
	of whatsoever nature which is required to be obtained from and / or granted by any Governmental Authority required from time to time.
Liquidation Value	shall mean the net estimated realizable value of the assets of the Corporate Debtor, if the Corporate Debtor were to be liquidated on the Insolvency Commencement Date, computed for the relevant Creditors of the Corporate Debtor, in accordance with Regulation 35 of the CIRP Regulations and Section 53 of the Code. Provided wherever the word 'Liquidation Value' is used for any payment to any Creditor or stakeholder under this Resolution Plan, it would mean their respective entitlement from the total Liquidation Value of the Corporate Debtor if such Liquidation Value is to be apportioned amongst all stakeholders of the Corporate Debtor as per Section 53 of the IBC.
Monitoring Professional	IP appointed by CoC for the purpose of monitoring the Resolution Plan and he will be Chairman of the Monitoring Committee.
Monitoring Committee	Shall mean the committee formed including the Monitoring Professional, two members from FCs and one from the RA to oversee the implementation of the approved resolution plan.
Nominees	shall mean such person nominated by the Resolution Applicants (as the case may be) who is eligible under Section 29A of the Code to be Resolution Applicant and is a related party of a Resolution Applicant (as the case may be) and shall include any of their subsidiary companies, associate companies, special purpose vehicle (SPV) and Limited Liability Partnerships (LLP).



The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

NCLT	shall mean the Hon'ble National Company Law Tribunal, Hyderabad Bench.
NCLT Approval Date or ApprovalDate	shall mean the date of approval of this Resolution Plan by the NCLT under Section 31 (1) of the Code.
NCLT ApprovalOrder	shall mean the order issued by the NCLT under Section 31 (1) of the Code, for approval of this Resolution Plan.
OperationalDebt	shall have the meaning assigned to the term under the provisions of the Code as per Section 5(21). that the said definition includes payment of dues under any Applicable Law for the time being in force as Statutory Dues as defined in this Resolution Plan.
OperationalCreditor	shall have the meaning assigned to the term under the provisions of the Code.
OutstandingCIRP Cost	shall mean the CIRP Cost, which is unpaid and outstanding as on the Trigger Date.
Other Creditors	shall mean any Creditor of the Corporate Debtor, other than the OperationalCreditors and the Financial Creditors.
Other Operational Creditors	shall mean all Operational Creditors excluding the Statutory Dues Creditors, the Workmen and Employees.
Outstanding debt	Admitted claim in CoC (same to be restored on failure of implementation of the plan)
Payment Default	shall mean a default in payment of the respective tranche of the Deferred Cash on the specified payment date as per the Deferred Cash payment schedule in Clause 3.6.1 of this Resolution Plan, by the Resolution Applicants and/or their Nominees to the Financial Creditors.
Person	shall mean an individual, a partnership firm, an association, a corporation, a limited company, a trust, a body corporate, bank or financial institution or any other body, whether incorporated or not.
Public Shareholders	shall mean the public shareholders of the Company, defined in the SEBI Delisting Regulations.
PreferenceShares	shall mean the preference share(s) of the Corporate Debtor.
Proceeding	shall mean any action, arbitration, audit, examination, investigation, hearing, litigation, claims or suit (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, and whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any Person, Governmental Authority or arbitrator.



The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

Property Lands	shall mean the various properties of the Corporate Debtor set out in Schedule - 3, which form a part of the Undertaking of the Corporate Debtor.
RBI	shall mean the Reserve Bank of India.
RFRP	shall mean the Request for Resolution Plan dated August 16, 2023 and as amended from time to time, issued by the Resolution Professional with respect to the Corporate Debtor.
Related Party	shall have the meaning of such term under Section 5(24) of the Code.
Resolution Plan	shall mean this Resolution Plan including all Annexures, Schedules, Annexes and Exhibits hereto.
Resolution Professional or RP	An insolvency professional shall be appointed as a resolution professional for a corporate insolvency resolution process of a corporate debtor appointed by adjudicating authority as per Insolvency and Bankruptcy Board 2016.
Remaining Resolution plan amount	Shall mean the amount outstanding payable by the Resolution Applicant towards the Financial Creditors.
ROC	shall mean the Registrar of Companies.
SEBI Laws	shall mean the Securities and Exchange Board of India Act, 1992 and rules, regulations, notifications, circulars, orders, etc. issued under or pursuant to the said act.
Secured Financial Creditors	shall mean all creditors of the Corporate Debtor to whom any Secured Financial Debt is owed by the Corporate Debtor, but excluding any Related Party Creditors. For the avoidance of any doubt, where the Secured Financial Debt has been claimed by authorized representatives of Financial Creditors of the Corporate Debtor as per the provisions of the Code and the CIRP Regulations, such term shall include a reference to the Financial Creditors and their duly authorized representatives.
Secured Financial Debt	shall mean all the amounts of the secured Financial Debt outstanding or payable to the Secured Financial Creditors as disclosed by the Resolution Professional.
EMD	shall mean Earnest Money Deposit for an amount of Rs. 10,00,000/- (Rupees Ten Lacs only) which has been deposited by Resolution Applicant as EMD (Earnest Money Deposit), as per the terms and conditions of the RFRP.
SPV	shall mean any legal entity in the form of a company or limited liability partnership or trust or any other form permitted under the Applicable Law.



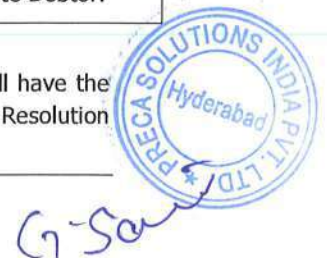
The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

Stock Exchanges	shall mean BSE Limited and the National Stock Exchange of India Limited.
Subsidiaries and Associates	shall mean the subsidiaries and associate companies of the Corporate Debtor, as of the date of this Resolution Plan, if any.
Statutory Dues	shall mean all amounts due and/or payable to the Governmental Authorities under or pursuant to any Applicable Law including all Taxes, by the Corporate Debtor for any activity/period, whether admitted or not, due or contingent, asserted or unasserted, assessed or unassessed, crystallized or un-crystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future.
Statutory Dues Creditors	shall mean the Operational Creditors claiming the Statutory Dues.
Taxation Laws	shall mean all laws, rules, regulations, notifications, circular and directions with respect to Taxes.
Taxes	shall mean and include any and all foreign, central, state, municipal and local (or equivalent) taxes of any country, assessments and other governmental charges, customs duties, duties, impositions and liabilities, including taxes based upon or measured by gross receipts, income, profits, sales, service, use and occupation, and value added, ad valorem, stamp duty, withholding, excise, customs and property taxes, together with all interest, penalties, fines and additions imposed with respect to such amounts and any obligations under any agreements or arrangements with any other Person with respect to such amounts or any amount imposed by or payable to a Governmental Authority, including any liability for Taxes of a predecessor entity.
Title Deeds	shall mean all conveyance deeds, sale deeds, title documents, lease deeds, property deeds/documents, ancillary documents, undertakings, etc. evidencing the title of the relevant person on the property and shall include all other documents submitted by such person to the concerned Financial Creditor at the time of creation of security over such property with respect to the Existing Security Interest.

G-Saw


Transfer	shall mean (i) any, direct or indirect, transfer or other disposition of any property, or voting interests or any interest therein; (ii) any, direct or indirect, sale, assignment, redemption, conversion or other disposition of any property including without limitation shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity; (iii) any swap, re-organization, re-arrangement, merger, amalgamation or other restructuring arrangement of any kind, or other agreement or any transaction that directly or indirectly transfers, in whole or in part, any economic interest or the beneficial ownership in any shares or securities; and / or (iv) the granting of any Encumbrance in, or extending or attaching to, such property, shares, securities or voting interests or any interest therein, and the word "Transferred" shall be construed accordingly.
Trigger Date	shall mean the later of the following: a) date on which the certified copy of the NCLT Approval Order is received by the Resolution Applicants and no stay/injunction is granted by any court/tribunal with respect to this Resolution Plan; or b) date on which any stay/injunction granted on the implementation of this Resolution Plan is vacated by the relevant court/tribunal.
Undertaking	Shall mean the entire business undertaking of the Corporate Debtor at the Property Lands including all assets and liabilities thereto as may arise from time to time.
Unsecured Financial Creditors	shall mean all creditors of the Corporate Debtor to whom any Unsecured Financial Debt is owed by the Corporate Debtor.
Unsecured Financial Debt	shall mean all the amounts of the unsecured Financial Debt outstanding or payable to the Unsecured Financial Creditors as disclosed by the Resolution Professional.
Workmen	shall mean the Workmen of the Corporate Debtor.
Workmen Dues	shall mean the Operational Debt outstanding and payable by the Corporate Debtor to the Workmen of the Corporate Debtor.

1.2 All other capitalized terms defined hereinafter in the Resolution Plan shall have the respective meaning ascribed thereto, wherever such term is used in the Resolution Plan.



2. OUR UNDERSTANDING OF THE CORPORATE DEBTOR

- 2.1 Our understanding of the Corporate Debtor is based on the information provided to us by the Resolution Professional. Based on such information, our broad understanding of the Corporate Debtor is as follows.

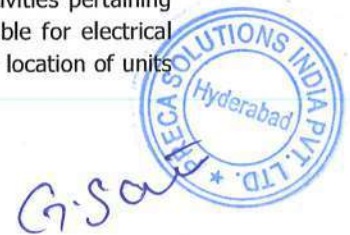
Registered Office	SURVEY NO. 321, TURKALA KHANAPUR VILLAGE HATNUR MANDAL, HYDERABAD, MEDAK DISTRICT, TELANGANA, INDIA, 502201
Admin Office	PLOT NO.24,MUNCIPAL NO. 8-2-248/1/7/24, MIDDLE WING,2ND FLOOR, NAGARJUNA HILLS,PUNJAGUTTA,, HYDERABAD, TELANGANA, INDIA, 500082
Date of Incorporation	April 06, 2006
Nature of Establishment	Public listed company within the meaning of such term under the Companies Act
Corporate Identification Number (C.I.N.)	L40109TG2006PLC049743
Major Business Operations	Engaged in the business of Design, Manufacture, supply and execution of EPC Contracts for Distribution and Transmission Towers, suitable for electrical transmission lines up to 1200 KV, Telecom Towers, etc.

- 2.2 The powers of board of directors of the Corporate Debtor are suspended during the CIRP Period from the ICD, as per the provisions of the Code and vest with the Resolution Professional. The list of the suspended board of directors of the Corporate Debtor is as follows:

Name	Director Identification Number (D.I.N.)
Hanumantha Rao Sandepudi (Since deceased)	00118801
Srinivasa Raju Gottumukkala	00132249
Venkata Bhaskara Rao Maddala	01526381
Lanka Visweswar Rao	02754292

* Source: RoC, MCA, IM

- 2.3 The Corporate Debtor has manufacturing units in Sanga Reddy Dist., & MedakDist., of Telangana, where the Corporate Debtor is undertaking various activities pertaining to the manufacture of Structural Steel, Transmission Towers suitable for electrical transmission lines up to 1200 KV, telecom towers etc, the details of location of units which are set out in Schedule – 3 hereto.



2.4 Equity Shareholding Pattern:

Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	Percentage of the total Equity Shareholding (%)	Total Face Value of the Shares (Rs.)
Promoter and Promoter Group	9	21,074,443	37.27	210,744,430
Public Shareholding	21,181	35,470,109	61.73	354,701,090
Total	21,190	56,544,552	100.00	565,445,520

(as per BSE database)

- 2.5 The shareholding pattern as set out above in Paragraph 2.4 of this Resolution Plan shall not be altered prior to implementation of this Resolution Plan except pursuant to this Resolution Plan.
- 2.6 As per Information Memorandum, The authorized capital is Rs.100,00,00,000/- (Rs. 100 Crore) its paid up capital is Rs.57,81,28,749/- (Paid up equity share capital of Rs.56,54,45,520/- and Redeemable cumulative preference share capital of Rs.1,26,83,229/-).

3. PAYMENTS BY THE RESOLUTION APPLICANTS

3.1 Total Resolution Plan Amount- INR 101.50 Cr.

3.1.1 LIST OF CLAIMS OF WORKMENS & EMPLOYEES, OPERATIONAL CREDITORS, EPF AUTHORITY, FINANCIAL CREDITORS AND CIRP COST.

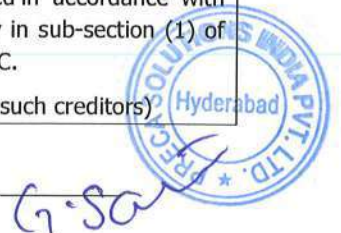
S. No.	Stakeholders	Claimed	Admitted	Proposed
1.	LIST OF CLAIMS FROM WORKMENS & EMPLOYEES	61,93,170.00	61,93,170.00	10,00,000.00
2.	LIST OF CLAIMS FROM OPERATIONAL CREDITORS	44,80,73,671.00	44,80,73,671.00	25,00,000.00
3.	LIST OF CLAIMS FROM EPF AUTHORITY	47,28,242.00	47,28,242.00	47,28,242.00
4.	LIST OF CLAIMS FROM FINANCIAL CREDITORS	3407,25,26,645.77	3407,25,26,645.77	98,48,68,913.00
5.	CIRP COST (via email dated 13th March 2024)			2,19,02,845.00
			Total	101,50,00,000.00



3.1.2 Upfront Cash: The Resolution Applicants and/or their Nominees shall contribute an amount of INR 25,37,50,000/- (Rupees Twenty Five Crore Thirty Seven Lacs Fifty Thousand Only) as Upfront Cash, which will be utilized in the following order of priority:

A.

S. No.	Use of Upfront Cash	Amount (in Rs.)
1.	<p>Payment of Outstanding & Unfunded CIRP Costs.</p> <p>Notes:</p> <p>In the event, the Outstanding CIRP Costs are higher than INR 2,19,02,845/- the excess amount of such Outstanding CIRP Cost shall be adjusted from the Upfront Cash being proposed to be paid to the Financial Creditors and the Upfront Cash payable to the Financial Creditors shall stand reduced to the extent of such excess amount of such Outstanding CIRP Costs. In case the Outstanding CIRP costs is lower than INR 2,19,02,845/- the balance amount shall be utilized towards Financial Creditors payable .</p>	<p>INR 2,19,02,845/- (Rupees Two Crore Nineteen Lacs Two Thousand Eight Hundred Forty Five Only)</p>
2.	<p>Payment to the Workmen and the Employees towards discharge of the Workmen Dues and the Employees Dues in full and final settlement thereof. This amount shall be distributed among the Workmen and the Employees in proportion to their Claims, if any.</p>	<p>Higher of the following:</p> <p>(a) Rs. 10,00,000 (Rupees Ten Lakhsonly);</p> <p>(b) the amount to be paid to such creditors in the event of a liquidation of the Corporate Debtor under Section 53 of the IBC; or</p> <p>(c) the amount that would have been paid to such creditors, if the amount to be distributed under this Resolution Plan had been distributed in accordance with the order of priority in sub-section (1) of Section 53 of the IBC.</p> <p>(Fair & Equitable to such creditors)</p>



S. No.	Use of Upfront Cash	Amount (in Rs.)
3.	<p>Payment to the Other Operational Creditors, the Statutory Dues Creditors and Other Creditors towards discharge of their Operational Debt in full and final settlement thereof. This amount shall be distributed among the Other Operational Creditors, the Statutory Dues Creditors and Other Creditors dues in proportion to their Claims. Payment of debt i.e., due from corporate debtor w.r.t. related parties shall be treated as NIL.</p> <p>Note: Exclusively an amount of INR 47,28,242/- (Rupees Forty Seven Lacs Twenty Eight Thousand Two Hundred Forty-Two Only) shall be allocated to EPF Authority and any amount reduced herein post negotiation with EPF Authority, shall be paid to Financial Creditors.</p>	<p>Higher of the following:</p> <p>(a) Rs. 25,00,000 (Rupees Twenty Five Lakhs only) excluding EPF Authority</p> <p>(b) the amount to be paid to such creditors in the event of a liquidation of the Corporate Debtor under Section 53 of the IBC; or</p> <p>(c) the amount that would have been paid to such creditors, if the amount to be distributed under this Resolution Plan had been distributed in accordance with the order of priority in sub-section (1) of Section 53 of the IBC.</p> <p>(Fair & Equitable to such creditors)</p>
4.	<p>Payment to the Financial Creditors on proportionate basis.</p> <p>Note: It is clarified that the Dissenting Financial Creditors shall be paid each time proportionately while making payments as per tranche payment structure in priority to the Assenting Financial Creditors.</p>	<p>The balance of the Upfront Cash (i.e. after payment of amounts as contemplated above).</p>
	TOTAL	INR 25,37,50,000/- (Rupees Twenty Five Crore Thirty Seventy Lacs Fifty Thousand Only).

3.1.3 The Upfront Cash shall be infused by the Resolution Applicants and/or their Nominees as a mix of Equity Share Capital/ investor loans/ quasi equity/ other debt instruments (in their sole discretion and as may be applicable) in the Corporate Debtor and the money shall be deposited in a bank account designated by the Resolution Professional. It is further clarified that the designated bank account shall be maintained only for the purpose of receiving the Upfront Cash as per this Resolution Plan.

3.1.4 The Upfront Cash will be contributed by the Resolution Applicants and/or their Nominees on or before the 30 days of Trigger Date.



3.1.5 Deferred Cash: The Resolution Applicants and/or their Nominees shall pay an amount of INR 76,12,50,000/- (Rupees Seventy Six Crore Twelve Lacs and Fifty Thousand Only) to the Financial Creditors on deferment basis, being the Remaining resolution plan amount, to be issued by the Corporate Debtor to the Financial Creditors.

3.1.6 Further, the following amounts will be contributed by PRECA/MS/MA and/or their Nominees on need basis from 545 days (18th month) to 36th Month of Trigger Date: to the Corporate Debtor:

- (a) an amount of INR 25,00,00,000/- (Rupees Twenty Five Crore only) towards capital expenditure requirement of the Corporate Debtor on need basis;
- (b) an amount of INR 10,00,00,000/- (Rupees Ten Crore only) towards start-up cost of the Corporate Debtor on need basis;
- (c) an amount of INR 10,00,00,000/- (Rupees Ten Crore only) towards cash loss funding requirement of the Corporate Debtor in the initial years on need basis; and

3.2 Working capital support for an amount of INR 20,00,00,000/- (Rupees Twenty Crore only) towards working capital requirements of the Corporate Debtor for the initial 3 (three) years on need basis;

Payment of the Outstanding CIRP Cost

3.2.1 In terms of Section 30(2) (a) of the IBC, the CIRP Costs are to be paid in priority to any other creditor of the Corporate Debtor. .

3.2.2 The Outstanding CIRP Costs as intimated by the Resolution Professional shall firstly, be paid from the internal accruals of the Corporate Debtor during the CIRP Period and to the extent that the internal accruals are not adequate, the balance amounts of the Outstanding CIRP Costs shall be paid by the Resolution Applicants from the Upfront Cash. The Upfront Cash shall be utilised for the payment of the Outstanding CIRP Costs in priority to the payment of other Debts of the Corporate Debtor.

3.3 Payment of the Operational Creditors being Workmen Dues and Employees Dues

3.3.1 In terms of Section 30 (2) (b) of the IBC, the Workmen and Employees being the Operational Creditors are required to be paid an amount which is not less than the higher of the following (a) the Liquidation Value available for their Claims in the event of a liquidation of the Corporate Debtor under Section 53 of the IBC; and (b) the amount that would have been paid to such creditors, if the amount to be distributed under this Resolution Plan had been distributed in accordance with the order of priority in sub-section (1) of Section 53 of the IBC.

3.3.2 In terms of Regulation 38(1) of the CIRP Regulations, the payments due to Operational Creditors are to be paid in priority to financial Creditors of the Corporate Debtor.

3.3.3 From the Upfront Cash, the Resolution Applicants shall pay to the Workmen and the Employees an amount of which is higher of the following: (a) Rs.



10,00,000 (Rupees Ten Lacs only); (b) the Liquidation Value available for their Claims in the event of a liquidation of the Corporate Debtor under Section 53 of the IBC; and (c) the amount that would have been paid to such creditors, if the amount to be distributed under this Resolution Plan had been distributed in accordance with the order of priority in sub-section (1) of Section 53 of the IBC, in priority to other Creditors of the Corporate Debtor, out of the Upfront Cash. The said amount shall be distributed to the Workmen and Employees in proportion to their Claims.

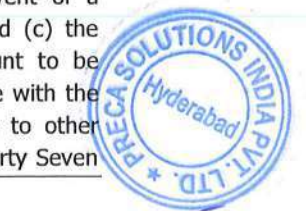
3.3.4 The payment set out in Paragraph 3.3.3 above, shall be deemed to be in full and final settlement / discharge of the liabilities pertaining to the Workmen Dues and Employees Dues in compliance with the Applicable Law.

3.3.5 Other than the aforesaid payments, any and all liabilities and all amounts due and / or payable by the Corporate Debtor whether admitted or not, due or contingent, asserted or unasserted, assessed or unassessed, crystallized or uncrystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future, in relation to the Workmen and Employees of the Corporate Debtor, shall stand settled, extinguished and written off as of the NCLT Approval Date pursuant to the NCLT Approval Order and neither the Corporate Debtor nor the Resolution Applicants shall be responsible and / or liable, directly or indirectly, for the same.

3.4 Payment due to the Other Operational Creditors, the Statutory Dues Creditors and Other Creditors:

In terms of Section 30 (2) (b) of the IBC, the Operational Creditors are required to be paid an amount which is not less than the higher of the following (a) the Liquidation Value available for their Claims in the event of a liquidation of the Corporate Debtor under Section 53 of the IBC; and (b) the amount that would have been paid to such creditors, if the amount to be distributed under this Resolution Plan had been distributed in accordance with the order of priority in sub-section (1) of Section 53 of the IBC. In terms of Regulation 38(1) of the CIRP Regulations, the payments due to Operational Creditors are to be paid in priority to Financial Creditors of the Corporate Debtor. Provided that INR 47,28,242/- (Rupees Forty Seven Lacs, Twenty Eight Thousand Two Hundred Forty-Two Only) shall be allocated to EPF Authority and any amount reduced herein post negotiation with EPF Authority, shall be paid to Financial Creditors.

From the Upfront Cash, the Resolution Applicants shall pay to the Other Operational Creditors, the Statutory Dues Creditors and the Other Creditors excluding payment of debt i.e., due from corporate debtor w.r.t. related parties, which is higher of the following: (a) Rs. 25,00,000 (Rupees Twenty-Five Lacs only); (b) the Liquidation Value available for their Claims in the event of a liquidation of the Corporate Debtor under Section 53 of the IBC; and (c) the amount that would have been paid to such creditors, if the amount to be distributed under this Resolution Plan had been distributed in accordance with the order of priority in sub-section (1) of Section 53 of the IBC, priority to other Creditors of the Corporate Debtor including INR 47,28,242/- (Rupees Forty Seven



G. S. O. M.

Lacs, Twenty Eight Thousand Two Hundred Forty-Two Only) to be allocated and pay to EPF Authority, out of the Upfront Cash. The said amount shall be distributed to the Other Operational Creditors, the Statutory Dues Creditors and the Other Creditors in proportion their Claims.

The payment set out in Paragraph 3.1.2 above, shall be deemed to be in full and final settlement / discharge of the liabilities pertaining to the Other Operational Creditors'Operational Debt, the Statutory Dues and Other Creditors' Debt including EPF Authority in compliance with the Applicable Law.

The amount due to the Operational Creditors from the Upfront Cash under this Resolution Plan shall be given priority in payment over the Financial Creditors.

Other than the aforesaid payments, any and all liabilities and all amounts due and / or payable by the Corporate Debtor whether admitted or not, due or contingent, asserted or unasserted, assessed or unassessed, crystallized or un-crystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future, in relation to the Statutory Dues Creditors, Other Operational Creditors and Other Creditors of the Corporate Debtor, shall stand settled, extinguished and written off as of the Approval Date pursuant to the NCLT Approval Order and neither the Corporate Debtor nor the Resolution Applicants shall be responsible and / or liable, directly or indirectly, for the same.

3.5 Payment to the Existing Shareholders

The Corporate Debtor shall continue to be listed on the Stock Exchanges and the Monitoring Professional shall be responsible for making the necessary disclosures/intimations to the Stock Exchanges as per Applicable Law till such time that the new board is constituted.

3.5.1 This Resolution Plan provides for the Standalone Capital Reduction of the entire Equity Shares held by the Existing Promoters and extinguishment entire Preference Shares held by the Preference Shareholders and Face Value Reduction of the Equity Shares on or before 30 days of Trigger Date on the best effort basis, to be completed by the Resolution Applicant with the supervision of Monitoring Professional/ Monitoring Committee.

3.5.2 The Resolution Applicants shall not be required to pay any amounts to the Existing Promoters, Preference Shareholders, Public Shareholders or any other Shareholders of the Corporate Debtor towards the Standalone Capital Reduction and Face Value Reduction. The Resolution Applicants have assumed the Liquidation Value payable to all such shareholders is NIL. Accordingly, the Resolution Applicants propose to make NIL payment towards full and final settlement/discharge of any liability of the Corporate Debtor towards all the Existing Promoters, Preference Shareholders, Public Shareholders and other shareholders of the Corporate Debtor, under this Resolution Plan on account of the Standalone Capital Reduction and Face Value Reduction.

3.5.3 In addition to the aforesaid, any and all liabilities and all amounts due and / or payable by the Corporate Debtor whether admitted or not, due or contingent,



asserted or unasserted, assessed or unassessed, crystallized or un-crystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future, in relation to the Existing Shareholders, shall stand settled, extinguished and written off as of the Approval Date pursuant to the NCLT Approval Order and neither the Corporate Debtor nor the Resolution Applicants shall be responsible and / or liable, directly or indirectly, for the same.

3.6 Payment to the Stakeholders:

3.6.1 The Resolution Plan contemplates a total payment of INR 101,50,00,000/- (Rupees One Hundred One Crore Fifty Lacs Only) payable in 4 tranches, to the stakeholders payable as follows:

Particulars	*Upfront on or before 30th day from Trigger Date (1st Tranche)	on or before 90th day from Trigger Date (2nd Tranche)	on or before 180th day from Trigger Date (3rd Tranche)	on or before 270th day from Trigger Date (4th Tranche)	Total
Cash instalment payment to stakeholders	25,37,50,000	25,37,50,000	25,37,50,000	25,37,50,000 (25,37,50,000 - 10,15,00,000) (Performance Guarantee in form of deposit, if any and Inclusive of EMD)	1,01,50,00,000
Total payment to stakeholders	25,37,50,000	25,37,50,000	25,37,50,000	25,37,50,000	1,01,50,00,000

*It is clarified that the Upfront amount of INR 25,37,50,000/- has been calculated on the assumption that the CIRP Costs shall not exceed INR 2,19,02,845/- (Rupees Two Crore Nineteen Lacs Two Thousand Eight Hundred Forty Five Only), amounts payable to Workmen and the Employees towards discharge of the Workmen Dues and the Employees Dues shall not exceed Rs. 10,00,000/- and amounts payable to Other Operational Creditors, the Statutory Dues Creditors and Other Creditors excluding payment of debt i.e., due from corporate debtor w.r.t. related parties, towards discharge of their Operational Debt shall not exceed Rs. 25,00,000/- and post negotiation amount upto INR 47,28,242/- payable to EPF Authority . In the event any of the excess amounts in upfront cash payment after payment of CIRP Cost, Workmen and the Employees and Other Operational Creditors (including EPF Authority), it shall be paid to the Financial Creditors. Accordingly, the Upfront Cash payable to the Financial Creditors shall stand increased to the extent of such excess amount of such costs and the Financial Creditors shall be paid such balance amount as per Clause 3.1.1 of this Resolution Plan.



- 3.6.2 The Stakeholders shall be paid an amount of INR 25,37,50,000/- (Rupees Twenty Five Crore Thirty Seventy Lacs Fifty Thousand Only) less (i) any Unfunded and Outstanding CIRP Costs INR 2,19,02,845/- (if any), (ii) any amounts payable towards Workmen Dues and Employee Dues in excess of Rs. 10,00,000/- (if any); and (iii) any amounts payable to Other Operational Creditors, the Statutory Dues Creditors and Other Creditors excluding payment of debt i.e., due from corporate debtor w.r.t. related parties towards discharge of their Operational Debt in excess of Rs. 25,00,000/- (if any), as per the provisions of Clause 3.1.1 of this Resolution Plan, from the Upfront Cash for the payment of the Financial Debt on proportionate basis.
- 3.6.3 Exclusively an amount of INR 47,28,242/- (Rupees Forty Seven Lacs Twenty Eight Thousand Two Hundred Forty-Two Only) shall be allocated to EPF Authority and any amount reduced herein post negotiation with EPF Authority, shall be paid to Financial Creditors.
- 3.6.4 In addition to the payment from the Upfront Cash, the Deferred Cash amount of INR 76,12,50,000/- (Rupees Seventy Six Crore Twelve Lacs and Fifty Thousand Only) will be payable to the Financial Creditors on deferment basis, remaining resolution plan amount.
- 3.6.5 It is clarified that the Dissenting Financial Creditors shall be paid proportionately in priority to the Assenting Financial Creditors in every instalment of the aforesaid redemption.
- 3.6.6 Other than the aforesaid payments, any and all liabilities and all amounts due and / or payable by the Corporate Debtor whether admitted or not, due or contingent, asserted or unasserted, assessed or unassessed, crystallized or un-crystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future, in relation to the Financial Creditors, shall stand settled, extinguished and written off as of the NCLT Approval Date pursuant to the NCLT Approval Order and the Corporate Debtor and/ or the Resolution Applicants shall not be responsible and / or liable, directly or indirectly, for the same.
- 3.6.7 In case the Financial Creditors have issued certain bank guarantees and letters of credit on behalf of or for the benefit of the Corporate Debtor, which have not been invoked and/or remain undeveloped at present ("Undeveloped BGs and LCs"). The Resolution Applicants perceive that the Undeveloped BGs and LCs are necessary or required for maintaining the Corporate Debtor as going concern. Therefore, the Resolution Professional, the Financial Creditors and the Monitoring Committee shall take all such steps as may be necessary to prevent the invocation, revocation, cancellation or extinguishment of the Undeveloped BGs and LCs and shall ensure that the Undeveloped BGs and LCs are renewed, extended or rolled over till the time the Resolution Applicants can find suitable replacements of the same after the NCLT Approval Date provided such renewal, extension and/or roll over shall not be less than 1 (one) year from the NCLT Approval Date. It is expressly stated that the Resolution Applicants or the Corporate Debtor shall neither be liable to honour or make payment towards the Undeveloped BGs and LCs to the Financial Creditors nor



shall they be liable to contest or defend any claims that are raised by the beneficiary thereunder. The satisfaction or payment by the Financial Creditors upon receipt of any claims in connection with the Undeveloped BGs and LCs shall not be construed as a default on part of the Corporate Debtor and, any modifications required in the Undeveloped BGs and LCs documents to reflect such arrangement shall be made prior to the NCLT Approval Date. The amounts payable to the Financial Creditors shall be considered in full and final settlement of all liabilities of the Corporate Debtor towards Financial Creditors and there shall not be any increase in payment towards Financial Creditors for any payment made by the Financial Creditors to the respective third-party beneficiaries as and when such payment is made by the Financial Creditors in future towards the Undeveloped BGs and LCs.

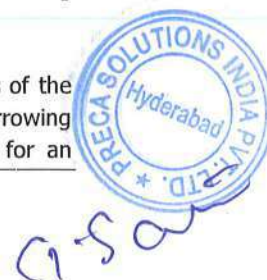
3.6.8 The details of the existing security structure in favour of the Financial Creditors is as follows:

S. No.	Unit Name	Owned / Leased	Land area (in Acres)	Existing Security in favour of the Financial Creditors
1	Unit3 (Bollaram)	Owned	2.25	Financial Creditors have first charge on pari-passu basis on all fixed assets of the Company and all Current assets of the Company.
2	Unit4 (Bollaram)	Owned	1.00	
3	Unit5 (Khanapur)	Owned	42.59	

Particulars of the Assets	Type of Asset	Release of Securities
Plant & Machinery all units	Plant & Machinery	On payment of last Tranche of payment
Unit-IV: Rolling Mill (Plot no.159 B&C, Survey No.172/A, IDA Bollaram, JinnaramMandal, Sanga Reddy Dist.,Telangana)	Land & Building	
Unit-V (Khanapur)	Land & Building	
Unit-III: Galvanizing (Plot No. 128/A, Survey No. 172/B, IDA Bollaram,JinnaramMandal, Sanga Reddy Dist.,Telangana)	Land & Building	

3.6.9 The Financial Creditors shall release/ relinquish their first pari-passu charge on the payment of last tranche of payment of the Deferred Cash to the Financial Creditors as set out below:

- 3.6.10 On and from the NCLT Approval Date, in the event, any new fixed asset(s) of the Corporate Debtor is to be funded by a new term loan lender, such new lender, shall have the exclusive first charge over such new fixed assets. Further, it is expressly clarified that there shall not be a requirement to obtain a no-objection certificate from the existing Financial Creditors for creation of the aforesaid charges.
On and from the NCLT Approval Date, in the event of last tranche of payment, the Corporate Debtor shall incorporate two wholly owned subsidiaries for demerger of Bollaram and Khanapur units from the Corporate Debtor, in accordance with clause 8.4 below.
- 3.6.11 On and from the NCLT Approval Date, all the future current assets that are financed from the funding support provided by the Resolution Applicants and/or their Nominees and/or by any new working capital lenders/sponsors, shall be charged exclusively to the concerned party(ies) who has funded the same. Further, it is expressly clarified that there shall not be a requirement to obtain a no-objection certificate from the existing Financial Creditors for creation of the aforesaid charges.
- 3.6.12 The Resolution Applicants shall be entitled to carry out such corporate actions with respect to the Corporate Debtor as may be necessary for improving their cost rationalization, better capacity utilization, optimizing processes, etc., and no prior permission of the Financial Creditors shall be required for the same. It is clarified that none of the aforesaid actions shall in any way cause an alteration in the Deferred Cash as set out above.
- 3.6.13 Upon the occurrence of a Payment Default, the Resolution Applicants shall have 60 (sixty) days to cure such Payment Default ("Cure Period"). In the event the Payment Default is not rectified by Resolution Applicants within the Cure Period, the Financial Creditors shall have the right to invoke the PBG. Additionally (after the expiry of cure period of 60 days), at the option of the Financial Creditors, the admitted claim of FCs and entire security interest of Financial Creditors against the Corporate Debtor will automatically be reinstated to its original position of outstanding debt along with all security interest.
- 3.6.14 Upon payment of the last tranche of payment of Deferred Cash, each of the Financial Creditors shall handover the Existing Financing Documents pertaining to such part of the security along with the relevant Title Deeds of the Existing Security Interest (excluding all the personal guarantees given by third parties including existing promoters in association with the Outstanding Financial Debt of Financial Creditors ("Personal Guarantees") and collateral securities given by existing promoters on certain properties held by them exclusively to Financial Creditors) to PRECA/MS/MA at the time of releasing/relinquishing the charge, immediately on last cash payment date. Simultaneously, each of the Financial Creditors shall issue letters releasing the charge/security on the corresponding Existing Security Interest (except the Existing Personal Guarantees).
- 3.6.15 The Resolution Applicants understand from the Audited Financial statements of the Company for the Financial Year ending March 31, 2021, that an unsecured borrowing exists from the Existing Promoters contribution as per the CDR schedule for an



amount of Rs. 12,297.10 Lakhs. It is hereby clarified that, on and from the NCLT Approval Date, the aforesaid unsecured Promoter borrowing shall stand written off by the Corporate Debtor/Resolution Applicants and no amounts shall be payable to the Existing Promoters for the same.

- 3.7 Payment to the Financial Creditors who do not vote in favour of the Resolution Plan
- 3.7.1 All the Financial Creditors who do not vote in favour of the Resolution Plan shall be paid such amount which shall be equal to the amount to be paid to such Financial Creditors in accordance with sub-section (1) of Section 53 of the IBC in the event of a liquidation of the Corporate Debtor. The determination of the said amount payable to the said Financial Creditors shall take into account the order of priority amongst the creditors as set out in sub-section (1) of Section 53 of the IBC including the priority. It is clarified that the Dissenting Financial Creditors shall be paid each time proportionately while making payments as per tranche payment structure in priority to the Assenting Financial Creditors.
- 3.7.2 Other than the aforesaid payments, any and all liabilities and all amounts due and / or payable by the Corporate Debtor whether admitted or not, due or contingent, asserted or unasserted, assessed or unassessed, crystallized or un-crystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future, in relation to the Financial Creditors who do not vote in favour of the Resolution Plan, shall stand settled, extinguished and written off as of the Approval Date pursuant to the NCLT Approval Order and the Corporate Debtor and/ or Resolution Applicants shall not be responsible and / or liable, directly or indirectly, for the same.

3.8 Additional Claims

- 3.8.1 Any Claims that are not admitted or any Debt which arises over and above the amounts set out in the Information Memorandum, and if such amounts are determined to be settled and/or payable by the Resolution Applicants or the Corporate Debtor whether by a court order or otherwise, then such amounts shall be paid out of the Upfront Cash and/or the Deferred Cash (as the case may be) without any further/additional liability/obligation on the Resolution Applicants or the Corporate Debtor. It is clarified that for such additional Claims/Debt, the Creditors of such Claims shall be entitled to receive only from the amounts agreed to be paid under this Resolution Plan as per the relevant category such Creditors fall under as per the provisions of this Resolution Plan and the amounts payable to that category of Creditors shall stand adjusted accordingly proportionately. For example, if the Creditor of such additional Claim/Debt is a Workman, such Workman shall be payable from the amounts set out in Paragraph 3.3 above on proportionate basis.

Notwithstanding anything contained in this Resolution Plan, it is clarified that the Resolution Applicants shall not be required to make any payments over and above the Upfront Cash and the Deferred Cash as agreed to be paid under this Resolution Plan, towards settlement of all Claims whether admitted or not, due or contingent, asserted or unasserted, assessed or unassessed, crystallized or un-crystallized, known or unknown, secured or unsecured, disputed or undisputed.



4. SOURCES OF FUNDS AND TRANSACTIONS

Regulation 37 of the CIRP Regulations provides that a resolution plan may provide for various measures, as may be necessary, for insolvency resolution of the corporate debtor for maximization of value of its assets. Accordingly, the Resolution Applicants propose the measures set out here in under.

4.1 Summary of the Sources of Funds

4.1.1 The Upfront Cash shall be brought in by the Resolution Applicants and/or their Nominees from their own sources and shall be contributed to the Corporate Debtor by the Resolution Applicants and/or their Nominees as follows:

Name of contributor	Method of contribution
PRECA/MS/MA and/or SPV/ LLP/QIB/QIP and/or its nominees	Equity, quasi equity, investor loans, other debt instruments, etc.

4.1.2 The Deferred Cash shall be paid by the Corporate Debtor from its internal accruals/ Resolution Applicants own sources, which shall be contributed to the Corporate Debtor as equity, quasi equity, investor loans, other debt instruments (as may be applicable in clause 4.1.1) etc.

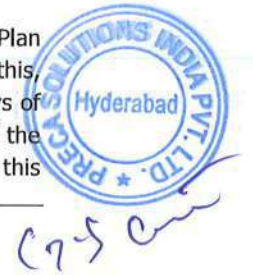
4.1.3 The contribution towards working capital, capital expenditure, start-up cost and cash loss funding requirement shall be brought in by the Resolution Applicants and/or their Nominees and/or SPV/ LLP/QIB/QIP from their own sources.

4.1.4 The source of funds towards Total Resolution Plan Amount is as under:

- (a) PRECA/MS/MA (equity/ quasi equity/ investor loan/ other debt instruments as per clause 4.1.1) – INR 101,50,00,000/- (Rupees One Hundred One Crore Fifty Lacs Only)

In addition to the above, PRECA/MS/MA their Nominees shall provide working capital support for the operations of the Corporate Debtor upto an amount of Rs. 25 Crore, by way of either equity /quasi equity/trade credit/investor loan/ other debt instruments/by way of supply of raw materials, etc. (PRECA/MS/MA will decide as the case maybe), on a need basis, within a period of three (3) years from the 545 days of Trigger Date. On account of the intensive working capital nature of the business of the Corporate Debtor, the Resolution Applicants shall seek financial assistance from the scheduled commercial banks for providing working capital support towards implementation of the ResolutionPlan.

The Resolution Applicants shall have the right to implement this Resolution Plan through a subsidiary/ associate Company/ an SPV/LLP and/or its Nominees. For this, the Resolution Applicants shall identify or incorporate an SPV/ LLP within 30 days of Trigger Date, which shall be compliant with the requirements of Section 29A of the Code. The SPV/LLP may contribute any payments required to be made under this



Resolution Plan. Further, the shareholding or any other investment in the Corporate Debtor may also be acquired or done through the SPV/LLP/its Nominees.

4.2 Treatment of the Existing Shareholders and Issuance of Equity Shares to the Resolution Applicants

4.2.1 As an integral part of this Resolution Plan,

Currently, Corporate Debtor's paid-up capital is Rs.57,81,28,749/- [Paid up equity share capital (Rs. 10 per share) of Rs.56,54,45,520/- and Redeemable cumulative preference share capital of Rs.1,26,83,229/-]

As an integral part of this Resolution Plan:

(i) The entire Preference Shares held by the Existing Preference Shareholders in Master data of MCA21 shall stand fully extinguished as a part of this Resolution Plan ("Standalone Capital Reduction");

(ii) the face value of the existing issued, subscribed and paid-up Equity Share capital of the Company stand reduced from Rs.10/- per share to Re. 1/- per share ("Face Value Reduction");

(iii) After face value reduction, the outstanding share capital of the company as on date will be reduced to 5,65,44,552 (about 10% of existing shares); and

(iv) Remaining 50,89,00,968 share capital (about 90% of existing shares) will be issued and allotted to PRECA/MS/MA and/or its Nominees after the NCLT Approval.

The face value of the Equity Shares and the Preference Shares so cancelled/reduced shall stand transferred to the capital reserve of the Corporate Debtor. For the said Standalone Capital Reduction and Face Value Reduction, the Resolution Applicants shall not be required to make any payment to the Existing Shareholders.

PRECA/MS/MA and/or its Nominees shall mutually discuss with Monitoring Professional for Standalone Capital Reduction, Face Value Reduction, Reduction of public shareholding to extent 10% and issue/allotment of shares to Resolution Applicants or its Nominees to extent 90%.

4.2.2 Once the Standalone Capital Reduction and Face Value Reduction is completed, the PRECA/MS/MA and/or its Nominees shall invest an amount upto Rs. 10,00,00,000/- (Rupees Ten Crores Only) or such other amount as may be required towards the equity subscription of the Corporate Debtor and the Corporate Debtor shall issue the relevant number of the Equity Shares of a face value of Re. 1/- (Rupee One only) each to PRECA/MS/MA and/or its Nominees such that the PRECA/MS/MA and/or its Nominees shall own and hold 90% (ninety percent) of the total issued, subscribed and paid – up equity share capital of the Corporate Debtor. .

4.2.3 Accordingly, with PRECA/MS/MA and/or its Nominees holding 90% of the Equity Shares of the Corporate Debtor, the public shareholding shall stand reduced to 10% (ten per cent) of the total issued, subscribed and paid – up equity share capital of



the Corporate Debtor. The Corporate Debtor shall continue to remain listed on the stock exchanges as per the terms of this Resolution Plan. As per the provisions of the Regulation 19A of the Securities Contracts (Regulation) Rules, 1957, 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 IBC, 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 SEBI. Further, the suspension on trading of shares imposed by stock exchanges on the trading of shares of Corporate Debtor, shall stand lifted forthwith on the Trigger Date and no separate procedure shall be required to be complied with by the Corporate Debtor for lifting of suspension by the stock exchanges wherever the equity shares of Corporate Debtor are listed and the order passed by the Adjudicating Authority approving the Resolution Plan shall be binding on the stock exchanges.

- 4.2.4 The Corporate Debtor shall not be required to make any separate application before the Hon'ble NCLT for the Standalone Capital Reduction and/or the Face Value Reduction of the Equity Shares under the provisions of the IBC and that the approval of this Resolution Plan by the Hon'ble NCLT shall be treated as if the necessary approvals required to have been obtained under the Companies Act, including consent of shareholders or creditors of the Corporate Debtor and applications to any other appropriate authority, as required under the Companies Act, together with the process laid down under the Companies Act, have been obtained and duly complied with.
- 4.2.5 No further approval of the Hon'ble NCLT will be required to give effect to the Standalone Capital Reduction and/or the Face Value Reduction under the Companies Act and there shall be no requirement to add "and reduced" in the name of the Corporate Debtor as the approval of the Resolution Plan by the Hon'ble NCLT shall be deemed to be an order under Section 66 of the Companies Act along with other applicable provisions of the Companies Act, sanctioning and approving the Standalone Capital Reduction and all matters hereto. The procedural formalities for carrying out such Face Value Reduction (including the procedure relating to sub-division of shares) under the Companies Act, shall be deemed to be dispensed with.
- 4.2.6 The Standalone Capital Reduction and the Face Value Reduction shall be approved and implemented pursuant to the provisions of the IBC, specifically, Regulation 37 of the CIRP Regulations read with Section 31 of the IBC. The compliance with the provisions of the Resolution Plan in relation to Standalone Capital Reduction and the Face Value Reduction shall be deemed to be in accordance with and constitute compliance with any and all provisions of Applicable Law that would have otherwise applied to a similar standalone reduction of capital under the Companies Act, the Income Tax Act 1961 and/ or under rules/ circulars/ regulations issued thereunder.
- 4.3 Treatment of the Financial Debt
- 4.3.1 On or before 30 days of Trigger Date, upon payment of Upfront Cash, the balance Resolution Plan amount of INR 76,12,50,000/- (Rupees Seventy Six Crore Twelve Lacs and Fifty Thousand Only) shall be paid in in 3 tranches.



4.3.2 All the corporate guarantees provided by the Corporate Debtor to any Person, including the corporate guarantees (if any) provided by the Corporate Debtor on behalf of Subsidiaries and Associates, step down Subsidiaries, joint venture companies and third party companies shall stand extinguished upon payment of the Upfront Cash, with effect from the NCLT Approval Date.

4.3.3 The Corporate Debtor/ Resolution Applicants / their Nominees will pay an aggregate amount of INR 76,12,50,000/- (Rupees Seventy Six Crore Twelve Lacs and Fifty Thousand Only) being the Remaining Resolution Plan amount, as Deferred Cash to the Financial Creditors.

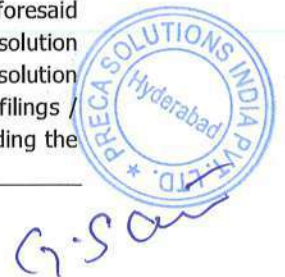
4.3.4 The payment schedule of the Deferred Cash* shall be as follows:

(Rs in crore)

Particulars	On or before 90 days from Trigger Date (2 nd Tranche)	On or before 180 days from Trigger Date (3 rd Tranche)	On or before 270 days from Trigger Date (4 th Tranche)	Total
Deferred Cash	INR 25,37,50,000/-	INR 25,37,50,000/-	INR 25,37,50,000/- (Inclusive of deposit (If any) in the form of PBG amount of Rs. 10.15 Crore)	INR 76,12,50,000/-

4.3.5 It is further clarified that the repayment schedule indicated above has been arrived at on the basis of the projections of the Resolution Applicants. In the event, the Resolution Applicants are able to turnaround the Corporate Debtor including the refinancing (if any) in a lesser time frame, the Resolution Applicants shall have a right to alter/prepone the repayment/redemption schedule, without the payment of any prepayment penalty, at the sole discretion of the Resolution Applicants by way of net present value method or any other method mutually agreed between the Resolution Applicants and the Financial Creditors. It is further clarified by Resolution Applicants that the aforesaid shall be the discretionary right of the Resolution Applicants and the Resolution Applicants shall not be obligated to prepay the deferred payments of Financial Creditors.

4.3.6 The Corporate Debtor shall file necessary ROC forms recording the aforesaid treatment of the Financial Debt, as per the terms and conditions of this Resolution Plan. Within 30 days of last tranche payment, as contemplated under this Resolution Plan, the relevant Concerned Financial Creditors shall file necessary forms/ filings / reports in CERSAI, CIBIL/NESL and other credit information companies recording the restructuring/closure of the Financial Debt as aforesaid.



- 4.4 Requirement of submission of the Security Deposit and Performance Bank Guarantee
- 4.4.1 The Resolution Applicants have already provided a EMD of Rs. 10,00,000/- (Rupees Ten Lacs Only) ("EMD") by way of a bank transfer as per the terms of the RFRP and as prescribed by the Resolution Professional.
- 4.4.2 The EMD shall be adjusted against the last tranche payment only.
- 4.4.3 In the event that the Resolution Applicants are not declared as the 'successful resolution applicant' in accordance with the terms of the RFRP, the EMD shall be unconditionally released/ refunded to PRECA/MS/MA.
- 4.4.4 In the event this Resolution Plan is approved by the COC, the Resolution Applicants would submit a performance bank guarantee in the form of a Bank Guarantee / Demand Draft/Fixed Deposit or any acceptable form within 3 days from the date of the date of CoC approval of Resolution Plan for an amount of INR 10,15,00,000/- (Rupees Ten Crore Fifteen Lacs Only) ("Performance Bank Guarantee" or "PBG"), which has been fixed at 10% of the total amount proposed to be paid to the FCs as per this Plan, i.e. 10% of INR 101,50,00,000/- (Rupees One Hundred One Crore Fifty Lacs Only) in accordance to the terms as prescribed by the Resolution Professional.
- 4.4.5 If the plan is approved by Adjudicating Authority, then the amount of PBG if in form of FD or DD, shall be adjusted towards the last tranche payment of INR 25,37,50,000/- (Rupees Twenty Five Crore Thirty Seven Lacs Fifty Thousand Only) and an amount of INR 15,22,50,000/- shall only be paid by the Resolution Applicants as last and final tranche payment. If the plan is approved by Adjudicating Authority, then the amount of PBG if in form of bank guarantee, then all Bank guarantee executed documents to be returned to Resolution Applicants within 10 days of last and final tranche payment. In the event, after the COC Approval Date, the Resolution Applicants are not declared as the Successful Resolution Applicants by Adjudicating Authority, then the PBG shall be unconditionally returned to the Resolution Applicants.

Manner of Payments

- 4.4.6 The Resolution Applicants shall make payment of various components of the Upfront Cash Payment. The Upfront Cash shall be utilised in the order of priority set out in Paragraph 3 of this Resolution Plan.

5. MANAGEMENT AND CONTROL OF AFFAIRS OF THE CORPORATE DEBTOR

- 5.1 From the date of COC Approval Date upto the NCLT Approval Date:
- 5.1.1 From the submission of this Resolution Plan up to the NCLT Approval Date, the Resolution Professional shall continue to manage the business and operation of the



Corporate Debtor to his best effort as per the requirement of Section 23(1) (proviso) of the IBC.

- 5.2 If CoC considers the requirement of monitoring committee as per Regulation 38(4) of IBBI (Insolvency Resolution Process for Corporate Persons,2016) then the monitoring committee is formed to supervise the implementation of the plan as per Regulation 38(4) of IBBI (Insolvency Resolution Process For Corporate Persons,2016) from NCLT Approval Date till the plan is implemented.

(i) The Monitoring Professional shall undertake the necessary steps for conducting the Standalone Capital Reduction and Face Value Reduction of the Equity Shares of the Corporate Debtor, including all corporate actions in connection therewith, passing necessary resolutions and filing the requisite forms with the ROC.

(ii) The Resolution Applicant with the supervision/support of Monitoring professional will comply with all the procedural requirements in connection with the aforesaid actions like intimation to stock exchanges to active listing status of Corporate Debtor, removal of suspension of trading by stock exchanges, adoption and filing of financial statements, GST Returns, Tax Returns, PF, ESI & PT returns, renewal of licenses, other necessary returns for all preceding financial years, 2021-22, 2022-23 & 2023-24 (including amending and filing of the constitutional documents with the SEBI, NSE, BSE, NSDL, CDSL, RTA, ROC, RBI, IT, GST, DGFT, PF & ESI Departments etc.)

5.2.2 It is further clarified that the aforesaid steps shall move simultaneously, however, the Resolution Applicants (in their sole discretion) shall have a right to the all financial assets of the Corporate Debtors to reorganize the steps in the order as may be required for successful implementation of the plan but not limited to without the requirement to obtain any further approvals whether statutory or otherwise and the Monitoring Professional shall accordingly proceed with the steps as reorganized by the Resolution Applicants.

- 5.3 Reconstitution of the Board and other matters

5.3.1 Within 40 days of Trigger Date on best effort basis, the Resolution Applicants shall reconstitute the Board of Directors of the Corporate Debtor ("Reconstituted Board"). The Reconstituted Board shall not be liable for any non-compliance/breaches/violations of whatsoever nature that has occurred prior to them being on the Board of the Corporate Debtor.

5.3.2 Immediately after formation of the Reconstituted Board, the Corporate Debtor shall be managed by the Reconstituted Board. Thereafter, the day – to – day operation and management of the Corporate Debtor shall be responsibility of the Resolution Applicants, in accordance with the terms and conditions of this Resolution Plan.

- 5.4 Existing workmen and employees of the Corporate Debtor

On acquisition of the Corporate Debtor by the Resolution Applicants in accordance with this Resolution Plan, the Resolution Applicants propose that the Workmen and



Employees of the Corporate Debtor will be employed by the Resolution Applicants on their suitability and as per operational requirements. Suitable augmentation of human resources to implement the Resolution Plan will be undertaken by the Resolution Applicants. The Resolution Applicants reserve the right to replace/remove existing employees to bring in operational efficiencies in the operations. The Resolution Applicants may also enter into appropriate agreements with the employees of the Corporate Debtor in respect of their terms of employment in compliance with the existing labour laws.

- 5.5 Amendment of the Constitutional Documents of the Corporate Debtor
- 5.5.1 For the purpose of effective implementation of the Resolution Plan and management of the Corporate Debtor, the authorised share capital of the Corporate Debtor shall stand increased or decreased to such extent as may be required to enable restructuring of the paid-up share capital of the Corporate Debtor, if applicable. The said increase/ decrease shall take effect by virtue of the sanction of this Resolution Plan.
- 5.5.2 The Monitoring Professional on behalf of the Corporate Debtor shall file necessary ROC forms and stock exchanges recording the aforesaid modification of the Constitutional Documents, which fall within the Monitoring Professional Actions as per the terms and conditions of this Resolution Plan within the timelines under the Applicable Laws.

6. TERM, IMPLEMENTATION AND SUPERVISION OF THE RESOLUTION PLAN

- 6.1 Supervision of the Corporate Debtor from the COC Approval Date till the appointment of the Monitoring Committee
- 6.1.1 On and from the COC Approval Date till the time the Monitoring Committee (defined hereinafter) is formed in accordance with Paragraph 6.2 below and begins supervision of the Resolution Plan shall be done by the monitoring Professional.
- 6.2 Supervision of the Resolution Plan upon formation of the Monitoring Committee
- 6.2.1 The Monitoring Committee will supervise and to ensure that mandatory contents of the resolution plan inter alia including its implementation schedule, management, and control of the business of the CD during its term and adequate means for supervising its implementation of the plan. Implementation mechanism is proposed to ensure effective implementation of the approved resolution plan and effective management of the CD during the transitional phase. Once the Monitoring Committee is formed, the SRA will ensure smooth functioning of the corporate debtor with the supervision of the Monitoring Committee.
- 6.2.2 The expenses/ reimbursements of the Monitoring Committee shall be met from the internal accruals of the Corporate Debtor in the first instance. Any shortfall shall be met by the Resolution Applicants. COC shall fix the fee for the Monitoring Professional which shall be borne by the SRA / CD upon approval of the Resolution



Plan by NCLT.

- 6.2.3 The Monitoring Committee shall continue in existence till the entire Deferred Cash is paid by the Resolution Applicants. Once the Deferred Cash is fully paid by the Resolution Applicants and underlying securities are released by all Financial Creditors, the tenure of Chairperson of Monitoring Committee and Monitoring Committee shall cease to exist after filing closure report with Hon'ble NCLT. It is hereby clarified that on and after the Handover Date
- 6.2.4 , the Corporate Debtor shall solely be managed by the Resolution Applicants/Reconstituted Board and the Monitoring Committee shall not interfere with the management of the Company nor shall any consent of the Monitoring Committee be required for any action to be taken by the Resolution Applicants/Corporate Debtor except as set out in Clause 6.2.1 above.
- 6.2.5 Immediately after formation of the Monitoring Committee, the Monitoring Committee of the Corporate Debtor shall take over the control and management of the Corporate Debtor till the Reconstituted Board takes over. The powers of the existing board of Directors shall continue to remain suspended and the existing board of Directors shall be deemed to have resigned as directors from the Board of the Corporate Debtor when the Reconstituted Board takes over. Any actions taken by or agreed to be taken by the previous management of the Corporate Debtor which has been not otherwise addressed in this Resolution Plan, shall stand abated and will not be binding on the Resolution Applicants and/or the Corporate Debtor. The existing Board and the members of the Monitoring Committee shall be subject to and bound by the terms of this Resolution Plan. The members of the Monitoring Committee shall function under the overall supervision of the NCLT. All filings required to be made to the Registrar of Companies (ROC) as per the provisions of the Companies Act for change in composition of board of directors shall be by the new management under the supervision of the Monitoring Committee.
- 6.3 Term of the Resolution Plan and Implementation Schedule
- 6.3.1 In terms of Section 31(1) of the IBC, this Resolution Plan shall become binding on the Corporate Debtor and its employees, members, shareholders, creditors, guarantors and other stakeholders including the Tax authorities, stamp duty authorities, any other Governmental Authority involved in this Resolution Plan on the date on which this Resolution Plan is approved by the NCLT and no separate approval/actions shall be required from any of the stakeholders.
- 6.3.2 The Resolution Plan shall not be subject to any expiry and shall remain valid and binding on the Corporate Debtor, the Resolution Applicants and all other stakeholders of the Corporate Debtor on and from the NCLT Approval Date.
- 6.3.3 In the event a Force Majeure event occurs on or prior to the NCLT Approval Date or remains continuing upon 30 days of Trigger Date, the Resolution Applicants shall have the right to renegotiate/revise the payment obligations set out in this Resolution Plan and approach the NCLT or relevant Adjudicating Authority with such revised terms. On and from the 30 days of Trigger Date, during the implementation of this Resolution Plan, if any Force Majeure event affects the implementation of the



Resolution Plan, the Resolution Applicants shall have the right to discuss with the COC/Monitoring Committee and shall have the right to modify the Resolution Plan to reflect the revised scenario at that point in time towards the implementation of the plan of the Corporate Debtor subject to prior approval from the Adjudication Authority

- 6.3.4 It is hereby clarified that the Resolution Applicants shall not be required to fulfil any obligations set out under the Plan during such Force Majeure period. Upon the occurrence of a Force Majeure event at any time, the period during which the Force Majeure subsists shall be excluded from any timelines (including any payment timelines contemplated under the Resolution Plan) and the timelines for such obligations/payment shall accordingly stand extended by such period/duration for which the Force Majeure subsists with prior approval of the Adjudication Authority.
- 6.3.5 The list of activities to be undertaken as part of the resolution process and the timelines for implementation of this Resolution Plan upon becoming effective is as set out in Schedule – 1.
- 6.3.6 Execution of the following Definitive Agreements shall form a part of the implementation of this Resolution Plan:
- (a) Letter releasing the charge/security by the Financial Creditors; and
 - (b) Such other documents as may be required by the Resolution Applicants and/or the COC.
- 6.3.7 The Resolution Applicants, the Financial Creditors and the Corporate Debtor shall enter into the aforesaid respective Definitive Agreements to implement the transactions within the timelines set out in Schedule – 1 hereto.
- 6.3.8 In the event after the approval of this Resolution Plan by the Adjudicating Authority, the implementation of the Plan is unsuccessful due to extraneous reasons beyond the reasonable control of Resolution Applicants or otherwise fails on account of the Plan being rejected by the courts/tribunals, then the entire amount paid by the Resolution Applicants under this Plan until that stage shall be duly refunded to the Resolution Applicant. Further, on the happening of any such event, the performance bank guarantee/ Earnest Money Deposit / money deposited during EoI submission (as the case may be) furnished/ deposited by the Resolution Applicants for the purpose of submission of this Plan, shall also be duly returned to the Resolution Applicants. However, in case Resolution Applicants not able to implement the plan, as per the terms and conditions of this Resolution Plan, due to its own fault, which is within the control of Resolution Applicants, the amount paid by the Resolution Applicant to the Financial Creditors will be forfeited without giving any right on the assets of the Corporate Debtor to Resolution Applicants.
- 6.3.9 The Resolution Applicants shall have the liberty to change the name of the Corporate Debtor to achieve its long term business objective without affecting any clause of the resolution plan. However, this shall be undertaken after the last tranche of payment is made as per the Approved Resolution Plan.



- 6.4 Compliances for appointment of the Reconstituted Board, issuance of shares to PRECA/MS/MA, Standalone Capital Reduction, Face Value Reduction etc.

The approval of this Resolution Plan by the Hon'ble NCLT shall be treated as if the necessary approvals required to be obtained for the appointment of the Reconstituted Board, issuance of shares to PRECA/MS/MA , Standalone Capital Reduction, Face Value Reduction and amendment of the Constitutional Documents, under the Companies Act and / or under any other Applicable Laws, including consent of Existing Shareholders and the Creditors of the Corporate Debtor, as required under the Companies Act and / or under any other Applicable Laws, together with the process laid down under the Companies Act and / or any other Applicable Laws, have been obtained and duly complied with.

- 6.5 However, any actions in clause 6 shall not impact payments to financial creditors as per Resolution Plan.

7. OTHER RELEVANT PROVISIONS

- 7.1 Statement in relation to dealing with all stakeholders of the Corporate Debtor

We, the Resolution Applicants, state that this Resolution Plan for the Corporate Debtor has dealt with the interest of all stakeholders of the Corporate Debtor including financial creditors and operational creditors, as per the terms set out in this Resolution Plan. The treatment of each stakeholder has been set out in Paragraphs 3.2 to 3.8 hereinabove.

- 7.2 Working Capital

- 7.2.1 PRECA/MS/MA /their affiliates shall provide working capital support for the operations of the Corporate Debtor an amount of Rs.25 Crore on need basis, by way of either equity /quasi equity/trade credit/investor loan/ other debt instruments/ by way of supply of raw materials, etc., on a need basis, within a period of three (3) years from the 545 days of Trigger Date. On a need basis, the Resolution Applicants may also raise additional working capital loans in the Corporate Debtor which will enable the Corporate Debtor to improve its overall operations.
- 7.2.2 The Upfront Cash and any subsequent cash infusion including the aforesaid working capital infusion shall be contributed to the Corporate Debtor as a combination of equity share capital/ various instruments of quasi equity/ investor loan/ other debt instruments by the Resolution Applicants /their Nominees and affiliates (which shall be compliant with the requirements of Section 29A of the Code).

- 7.3 Subsidiaries

This Resolution Plan is being submitted only for the Corporate Debtor. This Resolution Plan has not considered settlement/ modification/ waiver/ concession/ release of any



liability of any of the Subsidiaries, Associates and/or any other company. The Subsidiaries and Associates shall continue to be investments of the Corporate Debtor.

It is clarified that once the Resolution Applicants take over the Corporate Debtor, the Resolution Applicants may at their discretion deal with the shares / securities of the subsidiaries and Associates of the Corporate Debtor being held by the Corporate Debtor and the Resolution Applicants may take any action with respect to the subsidiaries and Associates as they may deem fit (including liquidating the shares / securities held by it in the said subsidiaries and Associates of the Company, slump sale, business transfer, etc.) in accordance with the Applicable Laws of India and of the jurisdiction of such subsidiaries. No consent or approvals shall be required for the implementation of this Plan from the subsidiaries, joint venture companies, associate companies of the Corporate Debtor and their respective shareholders, and all pre-emptive rights including leasehold rights, transfer restrictions or other limitations applicable to the Company in respect of its subsidiaries, joint venture companies and associate companies shall immediately, irrevocably and unconditionally stand waived, and the Corporate Debtor shall have no liability to any person in this regard.

7.4 Assumptions and Qualifications

7.4.1 This Resolution Plan has been prepared on the basis of the RFRP and the information of the Corporate Debtor as made available by the Resolution Professional of the Corporate Debtor and the following assumptions:

- (a) All the claims for the entire Financial Debt of the Corporate Debtor have been duly made and submitted by all the Financial Creditors of the Corporate Debtor to the Resolution Professional and all of them are true, correct, complete, accurate and not misleading in any respect, and there are no other claims or any other Financial Debt of the Corporate Debtor apart from what is stated hereto.
- (b) All the claims of the Operational Creditors including the statutory creditors and other creditors duly claimed and admitted by the Resolution Professional and approved by the COC are true, correct, complete, accurate and not misleading in any respect, and there are no other claims or any other Operational Debt of the Corporate Debtor apart from what is stated hereto.
- (c) There are no Persons including any Operational Creditors and claims who have the benefit of any 'security interest' (as defined under Section 3(31) of the Code) against the Corporate Debtor or over any of its assets or rights, other than the Secured Financial Creditors and their claims thereto.
- (d) No Proceeding should have been initiated by any Person, whereby the Resolution Applicants' obligations and/or liability under this Resolution Plan stands increased or the Resolution Applicants are required to contribute any amount over and above the Total Resolution Plan Amount, which are in full and final settlement of all Debt, liabilities and obligations of the Corporate Debtor.

7.5 Remedial Actions



- 7.5.1 In the event, any other stakeholder or Person does not cooperate with the Resolution Applicants in implementation of this Resolution Plan, execution of the necessary documents, handing over the management, affairs and assets, books and records of the Corporate Debtor and/or with respect to any other matter required in connection with or with respect to implementation of this Resolution Plan, the Resolution Applicants shall be entitled to make necessary applications to the Hon'ble NCLT for necessary directions/order in this regard or take such other remedial actions as the Resolution Applicants may deem fit.
- 7.5.2 In the event, that any difficulty or ambiguity arises in interpretation of any provision of this Resolution Plan or otherwise, the Resolution Applicants shall be entitled to make necessary applications to the Hon'ble NCLT to remove such difficulty or ambiguity.
- 7.6 Declarations regarding mandatory requirements under the Code and the CIRP Regulations
- 7.6.1 As per the requirement of Section 30(2) (e) of the IBC, the Resolution Applicants hereby declare that this Resolution Plan is not in contravention of the provisions of any Applicable Laws including the Competition Act.
- 7.6.2 As per the requirements of Regulation 38(1B) of the CIRP Regulations, the Resolution Applicants hereby declare that the Resolution Applicants and / or any of the Related Parties of the Resolution Applicants have not failed to implement nor contributed to the failure of implementation of any other resolution plans approved by the NCLT at any time in the past.
- 7.6.3 As per the requirements of Regulation 38(3) of the CIRP Regulations, the Resolution Applicants hereby state as follows:

The cause of default:

The Corporate Debtor has been facing financial crunch which adversely influenced the performance. Some of the factors as mentioned in Annual Report 2021 of the Corporate Debtor are listed below:

Operations stood at an all-time low, since the inception of the Company. Notwithstanding positive market conditions, Corporate Debtor is unable to capitalize on them due to the financial constraints. Its inability to complete the existing contracts on hand is also acting as an impediment in procuring new contracts. However, all these are expected to be obliterated once the present debt-restructuring initiative gets completed. Most of the production capacity of the Company remains unutilized for want of resources.

With a view of expansion, PRECA/MS/MA is keen in acquiring the Corporate Debtor under the IBC. PRECA engaged in business of designing, detailing, manufacturing, supplying, and erection of Prestressed Precast Concrete building structures of all ranges. PRECA/MS/MA is planning to expand its market capitalization at group level



to USD 100 Million, and expand its group presence globally in next five years. It envisages to professionally turnaround the business, infuse fresh capital whenever required and run all the plants with experienced sector experts.

The Resolution Applicants will execute its turnaround plan basing on following four pillars:

1. Strong Corporate Governance:

The reason for failures of most companies despite having very sound business strategy is the poor corporate governance. This holds true across all the industries and sizes of organisations. Setting a high bar for the corporate governance in a company has advantages, both in terms of economics and brand equity.

PRECA/MS/MA shall ensure that the board composition and the people drafted to manage the affairs on a daily basis are of excellent track record and integrity of highest order.

2. Experienced O&M Team:

As mentioned in the information provided by Resolution Professional, at present one unit is operational on job work basis and other two units are not operational. Therefore, by recruiting an experienced operations team, Resolution Applicant shall revive all the units resulting in improved efficiency, effectiveness, and profitability. The team has strong experience of project execution and ability to turn around assets. The operations team shall have strong capabilities to manage any risk arising out at project execution stage to help in revival of the company.

3. Strong Distribution Channels:

PRECA provide turnkey solutions for executing various challenging structures using advanced and proven engineering technologies. PRECA has its State-of-the Art European technology equipped precast factories at Hyderabad & Cuttack. PRECA has the unique capabilities for civil engineering projects by offering Quality, Innovative & Economic solutions at faster timelines in comparison to traditional construction methods.

4. Financial Support:

PRECA/MS/MA are adequately backed up by the lenders/QIB/QIP and Foreign Direct Investments for financial support for financial support.

- a. Benefits of Resolution of Corporate Debtor and implementation of Plan: Employment generation: The Resolution Applicant has plans for capacity expansion post the successful resolution of the Company in Rerolling mill, NTL will be able to generate 2000 jobs, with about 30% to be direct employment. This can lead to the growth of MSME's in the surrounding areas which can generate further growth and employment in the area.
- b. It is feasible and viable – Please refer to the four pillars of the turnaround plan of the Resolution Applicants. Also, please refer to the Business Plan attached to this Resolution Plan.
- c. It has provisions for its effective implementation - Please refer to Paragraph 6 (Term, Implementation and Supervision of the Resolution Plan) of this Resolution



Plan.

- d. The Resolution Applicants have the capability to implement the resolution plan: Please refer to the background of the Resolution Applicants.

7.7 Severability and right to modify

Notwithstanding anything contained in Paragraph 9.1 below, any part, provision, representation or assumption of this Resolution Plan which is prohibited, or which is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. Any part, provision, representation or assumption of this Resolution Plan which is prohibited or unenforceable or is held to be void or unenforceable in any jurisdiction shall be ineffective and void. However, this shall in no manner affect the remaining parts of the Resolution Plan approved as per the NCLT Approval Order.

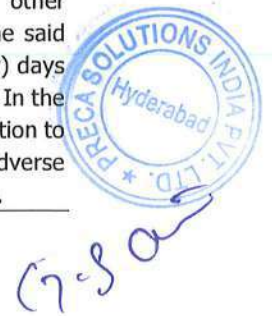
7.8 Implementation during Legal Proceedings

- 7.8.1 During the pendency of any stay/injunction order of any court/tribunal on the implementation of this Resolution Plan post NCLT Approval Date, the Resolution Applicants shall not be liable to implement the terms and conditions of this Resolution Plan.

- 7.8.2 During implementation of the Plan, if any order for stay/ injunction affecting the right of the Resolution Applicants regarding implementation of the Plan is passed by any court/ tribunal, including but not limited to any of the following set out in point (a) to (c) below, then the Resolution Applicants shall not be bound or otherwise liable to implement the terms and conditions of the Resolution Plan:

- (a) Any injunction or stay is granted / continuing affecting the implementation of the Plan in accordance with its terms;
- (b) Any order is passed / operative, which requires the Resolution Applicants to pay any amount in excess of the Total Resolution Plan Amount with respect to implementation of the Plan; and
- (c) Any order, in respect of any application filed by the promoters / guarantors / any third party of the Corporate Debtor, affecting the rights of the Resolution Applicants under the Plan / implementation of the Plan, is passed by any court of law / authority.

- 7.8.3 In the event of a final and non-appealable order setting aside the Resolution Plan, any amounts paid by the Resolution Applicants in the course of implementation of the Resolution Plan, to any of the Creditors, the Corporate Debtor and any other stakeholder of the Corporate Debtor shall be refunded in full to the Resolution Applicants by each of such Creditors, the Corporate Debtor and/or the other stakeholders of the Corporate Debtor who have received such payments. The said refund shall be made to the Resolution Applicants within a period of 30 (thirty) days from the said final and non-appealable order setting aside the Resolution Plan. In the event that any dispute, difference and / or Proceedings are commenced in relation to the terms and conditions of this Resolution Plan, the same shall not have any adverse effect on the continued operations of the Undertaking of the Corporate Debtor.



7.9 Accounting Treatment

7.9.1 On or after the NCLT Approval Date, the Resolution Professional shall cause the senior management of the Corporate Debtor to draw-up audited statement of accounts for:

(i) all the previous financial years where the audited financials have not been prepared; and (ii) for the financial year immediately subsequent to the NCLT Approval Date, and provide the same to the Resolution Applicants within 30 days of Trigger Date. The statement of accounts shall include details of statutory dues and payments of taxes under Applicable Laws, and accrued liabilities as provided for in the books of accounts of the Corporate Debtor.

7.9.2 Pursuant to the NCLT Approval Order, any debit or credit, being the balancing figure, arising as a result of giving effect to this Resolution Plan, shall be adjusted by the Corporate Debtor in the capital reserve at its sole discretion and the same shall be deemed to be in compliance with the applicable accounting standards.

7.10 Corporate Actions

The Corporate Debtor, pursuant to the provisions of this Resolution Plan and the authority contained herein, shall cause its officers to take steps for implementation of the provisions of the Resolution Plan, which inter alia include (i) execution of appropriate agreements including, loan agreements, modifications of previous documents for creating security and filing of appropriate forms under the Applicable Laws with the relevant Government Authorities; (ii) After the Reconstitution of Board, the Resolution Applicants may require the Company to and/or by itself undertake any corporate actions or restructurings including mergers, demergers, amalgamations, capital reorganization, slump sale, business transfer, etc.; (iii) issuance of shares and instruments as provided in this Resolution Plan; and (iv) other compliances as per the Applicable Law. The Corporate Debtor shall file the NCLT Approval Order with the ROC or any other relevant Government Authority and all other stakeholders, as may be required, in place of board resolutions or the shareholder resolutions, that would have otherwise been required for actions that are affected through the NCLT Approval Order, and the same shall be sufficient compliance by the Corporate Debtor. The Corporate Debtor shall have the right to merge/ amalgamate the Third-Party Units with the Corporate Debtor as per the Applicable Laws subject to approval of Monitoring Committee/NCLT.

7.11 Receivables/Cash & Bank Balance

All the receivables (receivables as on the date of approval of Resolution Plan) shall be assigned to resolution applicant for INR 1,50,00,000/- (Rupees One Crore Fifty Lacs Only) within 10 days from the date of last tranche of payment by execution of mutually agreed and accepted Assignment Agreement between financial creditors, resolution applicant and corporate debtor as confirming party. It is understood that post approval of the resolution plan, Monitoring Professional/Monitoring Committee or Financial Creditor shall not take any legal proceedings to realize receivables (existing on the date of approval of Resolution Plan), which will disrepute NTL and



its existing and new customers.".. Draft of the proposed Assignment will be decided before the last tranche payment.

7.12 Currency of Payment

All payments proposed to be made pursuant to this Resolution Plan will be in Indian Rupees only. All liabilities of the Corporate Debtor denominated in foreign currency have been converted by the Resolution Professional and the Resolution Applicants will settle at the same amount so converted into Indian currency. Any fluctuation in foreign currency shall not be accounted for and no provision for additional payment has been made in this regard.

7.13 Conflict

In the event of any repugnancy or inconsistency between this Resolution Plan and any other documents, the provisions contained in this Resolution Plan shall prevail for all purposes and to all intents, subject to the provisions of the Code.

7.14 Binding Effect

7.14.1 In terms of Section 31(1) of the IBC, the NCLT Approval Order approving this Resolution Plan will create a binding obligation on the Resolution Applicants, the Corporate Debtor and on all the stakeholders in the resolution process including but not limited to its employees, members, shareholders, Creditors, guarantors, tax authorities, stamp duty authorities and other Governmental Authorities, on and from the NCLT Approval Date, with respect to the provisions of this Resolution Plan and the Code. However, refusal to grant any relief as sought under this Plan will tantamount to modification of the Plan, which will entitle the Resolution Applicants to take appropriate actions.

7.15 However, any corporate actions in clause 7 shall not impact payments to financial creditors as per resolution plan

8. EFFECT OF THE RESOLUTION PLAN

8.1 In terms of Section 31(1) of the IBC, this Resolution Plan shall be binding on the Corporate Debtor and its employees, members, shareholders, creditors, guarantors and other stakeholders including the tax authorities, stamp duty authorities, all other Governmental Authorities on and from the NCLT Approval Date.

8.2 Upon approval of this Resolution Plan by the NCLT, save and except as specifically set out in this Resolution Plan, the following settlements shall be deemed to have been approved by the NCLT and be binding on all stakeholders of the Corporate Debtor including its employees, members, shareholders, creditors, guarantors, Tax authorities, stamp duty authorities and any other Governmental Authorities:

- a. With effect from the NCLT Approval Date, any and all claims or demands made by or liabilities or obligations owed or payable to (including any demand for any losses or damages, principal, interest, compound interest, penal



G. Sai

interest, liquidated damages, notional or crystallised mark to market losses on derivatives and other charges already accrued / accruing or in connection with any third party claims) any actual or potential Creditors of the Corporate Debtor, any actual or potential Statutory Dues of the Corporate Debtor or in connection with any existing Debt of the Corporate Debtor (including any transactions in derivatives), any future claim or demand arising out of any exercise of subrogation rights in future by any person with respect to any payment made by such person for existing Debt of the Corporate Debtor, whether admitted or not, due or contingent, asserted or unasserted, assessed or unassessed, crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the list of Creditors, the balance sheets of the Corporate Debtor or the profit and loss account statements of the Corporate Debtor, in relation to any period prior to the NCLT Approval Date (except for the Debts disclosed by the Resolution Professional to the Resolution Applicants) shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Corporate Debtor or the Resolution Applicants shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

- b. With effect from the NCLT Approval Date, any and all claims, demands, penalties, charges, fees, etc. that may be made or arising against the Corporate Debtor in relation to any payments required to be made by the Corporate Debtor in relation to any breach, contravention or non-compliance of any Applicable Law including but not limited to the property laws, labour laws i.e. the Employee State Insurance Act, the Provident Fund Act, the Industrial Disputes Act, the Payment of Bonus Act, the Contract Labour Act, the Minimum Wages Act, the Equal Remuneration Act, the Factories Act, the Gratuity Act, etc. (whether or not such claim was notified to or claimed against the Corporate Debtor at such time, and whether or not such Government Authority was aware of such claim at such time), in relation to the period prior to the NCLT Approval Date, shall be deemed to be permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Corporate Debtor or the Resolution Applicants shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto.
- c. With effect from the NCLT Approval Date, all liabilities, obligations including payment obligations of the Corporate Debtor arising out of any Proceedings, inquiries, investigations, orders, show causes, notices, suits, litigation etc. in respect of the Corporate Debtor, whether civil or criminal, pending before any authority, court, Tribunal or other forum prior to the NCLT Approval Date including which are already crystallised or may crystallize subsequent to the NCLT Approval Date in respect of on-going or potential Proceedings at all levels, shall stand settled and extinguished, and the Corporate Debtor shall have no liability in respect of such liabilities, obligations and payment obligations including all non-compliances, liabilities, penalties, fines, arising out of Proceedings, with / by the revenue authorities with respect to the



GSO

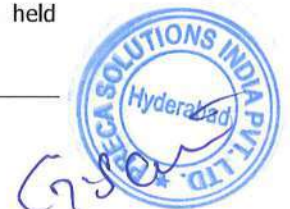
existing use of the Property Lands forming part of Undertaking and held by the Corporate Debtor. However, all Proceedings, inquiries, investigations, orders, show causes, notices, suits, litigation etc. initiated by the Corporate Debtor in respect of claiming a certain amount shall remain outstanding, and the Corporate Debtor shall be entitled to pursue the same for recovery of such amounts claimed. For the avoidance of any doubt and without prejudice to the generality of the foregoing, it is expressly clarified that no liabilities, claims or obligations whatsoever arising out of or in relation to any of the Proceedings, shall arise in respect of the Corporate Debtor or the Resolution Applicants who shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation thereto. If any criminal Proceedings are initiated against any of the officers of the Corporate Debtor prior to the NCLT Approval Date which cannot be disposed of by the NCLT under Applicable Law, the same shall continue against such officers and any liability accruing to the Corporate Debtor in relation to any criminal Proceedings against the officers of the Corporate Debtor shall be deemed to have been extinguished permanently by the NCLT Approval Order.

- d. With effect from the NCLT Approval Date, any invocation or appropriation or other enforcement action or Proceedings (initiated before any forum) and all liabilities, obligations including payment obligations of the Corporate Debtor arising out of all inquiries, investigations, whether civil or criminal, notices, causes of action, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative or other Proceedings by any Person against, or in relation to, or in connection with the Corporate Debtor or the affairs of the Corporate Debtor, pending or threatened, present or future, in relation to any period prior to the NCLT Approval Date, whether or not set out in the financial statements of the Corporate Debtor, shall be deemed to have been permanently extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Corporate Debtor and the Resolution Applicants shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
- e. With effect from the NCLT Approval Date, other than the Existing Security Interest (excluding all the personal guarantees given by third parties including existing promoters in association with the Outstanding Financial Debt of Financial Creditors ("Personal Guarantees") and collateral securities given by existing promoters on certain properties held by them exclusively to Financial Creditors), any liabilities, claims, demands, capital contributions or any other form of financial commitment, including but not limited to pledge of shares or any security interest created or provided, whether guaranteed or contractually agreed in writing or otherwise by the Corporate Debtor on behalf of or for its subsidiary companies, step-down subsidiaries, associate companies, group companies and / or their respective affiliates, shareholders / associates, as the case maybe, which are in existence prior to the NCLT Approval Date and which may be invoked prior to the NCLT Approval Date or at any time thereafter, shall stand irrevocably and unconditionally settled and extinguished.



(Signature)

- f. With effect from the NCLT Approval Date, in the event any Person who has any claim(s) against the Corporate Debtor (including Financial Creditors, Operational Creditors, Other Creditors, Governmental Authorities, or otherwise) pertaining to a period prior to the NCLT Approval Date, either has not submitted its claim(s) (whether or not it was aware of such claim at such time), or if the claim(s) filed by any such Person has been rejected by the Resolution Professional, then: (i) all such obligations, claims and liabilities of the Corporate Debtor (whether crystallised or uncrystallised, known or unknown, secured or unsecured, disputed or undisputed, whether or not set out in the financial statements of the Corporate Debtor); (ii) all liabilities, obligations including payment obligations of the Corporate Debtor arising out of any and all Proceedings initiated before any forum by or on behalf of such Person to enforce any rights or claims against the Corporate Debtor or enforce or invoke any security interest over the assets of the Corporate Debtor; and (iii) all claims of such Persons against the Corporate Debtor, in each case, relating to the period prior to the NCLT Approval Date, shall immediately, irrevocably and unconditionally stand extinguished and settled by virtue of the order of the NCLT approving this Resolution Plan and the Corporate Debtor or the Resolution Applicants shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.
- g. With effect from the NCLT Approval Date, the Corporate Debtor and its directors, key managerial personnel, officers and employees appointed after the NCLT Approval Date shall not be held liable in respect of all statutory/regulatory non-compliances having occurred prior to the NCLT Approval Date, including with respect to various provisions of Applicable Laws including but not limited to the Companies Act, 1956 and/or Companies Act, 2013 and/or the Taxation Laws and also of non-preparation and non-approval of financial statements for any of the Financial Years prior to the NCLT Approval Date.
- 8.3 With effect from the NCLT Approval Date, except as provided in this Resolution Plan, the Corporate Debtor and the Resolution Applicants shall be entitled to terminate all existing contracts entered into by the Corporate Debtor prior to the NCLT Approval Date, including the contracts which are entered into with Related Parties of the Corporate Debtor, the Corporate Debtor shall have no liability or obligation to pay the relevant counterparty to such contracts any sums payable for period prior to the NCLT Approval Date, nor shall the Corporate Debtor or the Resolution Applicants be liable to pay damages to the relevant counterparty and prior approval of the counterparties of any contract, agreement, shall not be required to be obtained for change in control / ownership / constitution of the Corporate Debtor, pursuant to the terms of this Resolution Plan and all claims (whether pending, contingent or otherwise) made against the Corporate Debtor by the counterparties to such contracts / arrangements / purchase orders / work orders in relation to period up to the NCLT Approval Date shall stand settled and/or extinguished by virtue of the order of the NCLT approving this Resolution Plan and the Corporate Debtor or the Resolution Applicants shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.



- a. With effect from the NCLT Approval Date, all the Preference Share shall stand cancelled and extinguished notwithstanding any restriction under the SEBI Laws and such cancellation and extinguishment shall be deemed to have been done in compliance with the requirement of the SEBI Laws. The cancellation of existing Preference share capital, face value of the existing issued, subscribed and paid-up Equity Share capital of the Company stand reduced from Rs. 10/- per share to Re. 1/- per share, increase in authorised share capital of the Corporate Debtor, appointment of statutory auditor, issuance or allotment of Equity Shares to hold 90% (ninety percent) of the total issued, subscribed and paid – up equity share capital of the Corporate Debtor, amendment of the memorandum of association and articles of association of the Corporate Debtor, appointment of new directors on the Board of the Corporate Debtor and implementation of various other actions and matters contemplated in this Resolution Plan, shall not require any corporate action by the Corporate Debtor or any other approvals by the Corporate Debtor from any Government Authorities including under SEBI Laws, after approval of this Resolution Plan by the Hon'ble NCLT as per Section 30(2) of the IBC. With effect from NCLT Approval Date, CBDT, Central Board of Indirect Taxes and Customs, and Value Added Tax authorities to exempt income/gain/profits, if any, arising as a result of giving effect to the Resolution Plan and from being subjected to income tax in the hands of the Corporate Debtor under the provisions of Value Added Tax, Customs, Octroi, Excise duty, Service Tax, Goods & Service Tax, Income Tax Act, 1961 including but not limited to any income tax and Minimum Alternate Tax (MAT) liability arising on account of the Standalone Capital Reduction, Face Value Reduction in Corporate Debtor, write off/ write back/ write down of current amounts due to employees, vendors, Financial Creditors/ Lenders and other Operational Creditors, value of assets, value of inventories, etc. without any impact on brought forward tax and loss/ book loss / unabsorbed depreciation and waive all liabilities whether crystallised or not in respect of Taxes (including interest and penalty) arising in respect of periods upto the NCLT Approval Date. Further, on account of debt restructuring and capital restructuring there maybe notional book profit, which shall not be subject to income tax under the Income Tax Act, 1961. The Corporate Debtor has not/may not have found/received any income by debt restructuring or capital restructuring and these are part and effect of the Resolution Plan in order to provide continuity of business of and employment in the Corporate Debtor as a going concern. The said notional book profits shall not be subject to income tax under the provisions of Section 28(iv), Section 41(1), Section 56, Section 115 JB, and Section 170 of the Income Tax Act, 1961 and no liability shall arise to pay income tax on such notional profit; and Any requirements to obtain waivers from any Tax Authorities including affording a reasonable opportunity of being heard to Jurisdictional Principal Commissioner in terms of Section 79 of the Income Tax Act, 1961 shall be deemed to have been granted upon approval of this Resolution Plan on the NCLT Approval Date;
- b. With effect from the NCLT Approval Date, notwithstanding any change in control/management restriction under the Income Tax Act, 1961, the



Corporate Debtor shall be entitled to carry forward and set off all the past losses and unabsorbed depreciation of the Corporate Debtor, at any time after the NCLT Approval Date.

- c. The Financial Creditors of the Company shall regularize all the loan accounts of the Company in their books with effect from the 30 days of last tranche of payment. Further, any process initiated against the Corporate Debtor by any entity including the Financial Creditors of the Corporate Debtor under any of the Applicable Laws including with respect of declaration of the Corporate Debtors as a wilful defaulter in terms of the applicable guidelines / circulars of the Reserve Bank of India, shall stand withdrawn. Further, the Financial Creditors shall ensure that the Corporate Debtor shall not be declared / classified as a wilful defaulter upon the NCLT Approval Date.
- d. With effect from the NCLT Approval Date, all term/security deposits of the Corporate Debtor, shall remain available with the Corporate Debtor and will be used for the purposes of operations of the Corporate Debtor.
- e. With effect from the NCLT Approval Date, all the domain names, servers, websites etc., currently being used by the Corporate Debtor to the extent not owned by the Corporate Debtor shall continue to be available for use by the Corporate Debtor for a period of 6 (six) months from the NCLT Approval Date.
- f. The Resolution Applicant is not aware of any application filed by the Resolution Professional under Section 43, 45, 66 of the Code. However, if any application is filed by the Resolution Professional which is pending at the time of approval of the Resolution Plan, the Resolution Applicant may persuade with the Adjudicating Authority the same and recover any proceedings for the same and the said amounts recovered by the Resolution Applicant shall be utilized towards the working capital requirement of the Corporate Debtor.

8.4 **DEMERGER:** As an integral part of the Resolution Plan, the factory unit at Bollaram and Khanapur shall stand demerged to 2(two) wholly-owned subsidiaries and such demerger shall take place only upon payment of the last tranche as per clause 3.6.10. Without any further act, deed or document, from the date of incorporation of 2(two) new wholly-owned subsidiaries, the factory along with land and building at Bollaram shall stand transferred to the first wholly owned subsidiary i.e. "Resulting Company-1" and the factory along with land and building at Khanapur shall stand transferred to the second wholly- owned subsidiary i.e. "Resulting Company-2" Further, it is expressly clarified that the Corporate Debtors is not required to prepare any scheme of Demerger for Bollaram and Khanapur units and is neither required to file any scheme with regulatory authorities. Below are the broad contours of Demerger:

- a. For the purpose of "Demerger", the 'Appointed Date' shall be the Trigger Date and the 'Effective Date' shall be the date on which the last tranche payment is made to FCs. The Demerger shall be effective from the



- Appointed Date but operative from the Effective Date.
- b. "Demerged Company" shall mean the Corporate Debtor
 - c. "Demerged undertaking-1" shall mean the factory unit of the Demerged Company situated at Bollaram.
 - d. "Demerged undertaking-2" shall mean the factory unit of the Demerged Company situated at Khanapur.
(The Demerged undertaking-1 & Demerged Undertaking-2 shall be collectively referred to as "Demerged Undertakings")
 - e. "Resulting Company-1" shall mean the wholly owned subsidiary to be incorporated in accordance with the plan, to which the Demerged Undertaking-1 will be transferred.
 - f. "Resulting Company-2" shall mean the wholly owned subsidiary to be incorporated in accordance with the plan, to which the Demerged Undertaking-2 will be transferred.
(The Resulting Company-1 and Resulting Company-2 shall be collectively referred to as "Resulting Companies")

i. Demerged Undertaking-1 shall stand transferred/demerged and be vested with the Resulting Company-1 as under:

a. All immovable property including land, buildings and any other immovable property, of the Demerged Undertaking-1 of the Demerged Company, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall stand vested in the Resulting Company-1, without any act or deed done by the Demerged Undertaking-1 or the Resulting Company-1, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Resulting Company-1 shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Resulting Company-1 by the appropriate authorities pursuant to the sanction of the Scheme by the Tribunal in accordance with the terms hereof. The Demerged Undertaking-1 shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Resulting Company-1.

b. All assets of the Demerged Undertaking-1 of the Demerged Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall stand vested in the Resulting Company-1, and shall become the property and an integral part of the Resulting Company-1. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties upon its transfer and vesting in Resulting Company-1.



c. All the debts, borrowings and liabilities, present or future, whether secured or unsecured of the Demerged Undertaking-1 of Demerged Company as on the Appointed Date.

d. All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including but not limited to contracts / agreements with vendors, customers, government etc.), government schemes, all other rights (including but not limited to right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of Demerged Undertaking-1 of Demerged Company as on the Appointed Date.

e. All staff, workmen, and employees engaged in Demerged Undertaking-1 of Demerged Company as on the Appointed Date.

f. All records, files, papers, information, computer programs, manuals, data, catalogues, quotations, sales advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records, whether in physical form or electronic form of Demerged Undertaking-1 of Demerged Company as on the Appointed Date.

g. All earnest monies and/or security or public deposits, tax credits, subsidies, grants, tax incentives, indirect tax credit, TDS, GST credit, Merchandise Exports from India Scheme (MEIS) incentives, etc. in connection with or relating to the Demerged Undertaking-1 of the Demerged Company as on the Appointed Date.

ii. Demerged Undertaking-2 shall stand transferred/demerged and be vested with the Resulting Company-2 as under:

a. All immovable property including land, buildings and any other immovable property, of the Demerged Undertaking-2 of the Demerged Company, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall stand vested in the Resulting Company-2, without any act or deed done by the Demerged Undertaking-2 or the Resulting Company-2, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Resulting Company-2 shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Resulting Company-2 by the appropriate authorities pursuant to the sanction of the Scheme by the



Tribunal in accordance with the terms hereof. The Demerged Undertaking-2 shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Resulting Company-2.

b. All assets of the Demerged Undertaking-2 of the Demerged Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall stand vested in the Resulting Company-2, and shall become the property and an integral part of the Resulting Company-2. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties upon its transfer and vesting in Resulting Company-2.

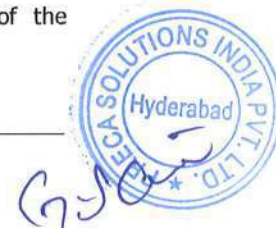
c. All the debts, borrowings and liabilities, present or future, whether secured or unsecured of the Demerged Undertaking-2 of Demerged Company as on the Appointed Date.

d. All statutory licenses, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts / agreements (including but not limited to contracts / agreements with vendors, customers, government etc.) government schemes, all other rights (including but not limited to right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of Demerged Undertaking-2 of Demerged Company as on the Appointed Date.

e. All staff, workmen, and employees engaged in Demerged Undertaking-2 of Demerged Company as on the Appointed Date.

f. All records, files, papers, information, computer programs, manuals, data, catalogues, quotations, sales advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records, whether in physical form or electronic form of Demerged Undertaking-2 of Demerged Company as on the Appointed Date.

g. All earnest monies and/or security or public deposits, tax credits, subsidies, grants, tax incentives, indirect tax credit, TDS, GST credit, Merchandise Exports from India Scheme (MEIS) incentives, etc. in connection with or relating to the Demerged Undertaking-2 of the Demerged Company as on the Appointed Date.



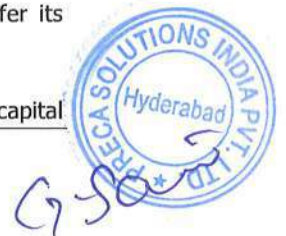
- h. The Resulting Companies shall, if required, file relevant intimations, e-forms, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorisations of the Demerged Undertakings of the Demerged Company
- i. In consideration of the Demerger, no new equity shares are proposed to be allotted since, the Resulting Companies are the wholly-owned subsidiaries of the Demerged Company.
- ii. Upon approval of the Resolution Plan by the Hon'ble NCLT, no further proceedings and/or formalities shall be required to be undertaken in respect of the Demerger under the Companies Act and/or SEBI Regulations or under any other law and the respective authority shall take cognizance of it on receipt of this Resolution Plan. Further, issuance of any notice for calling of the meeting of creditors and/or equity shareholders for the approval of Demerger, shall not be required and the approval of the Resolution Plan by the Hon'ble NCLT shall be deemed to be approval of the Demerger of the Corporate Debtor.
- iii. Upon approval of the Resolution Plan, the newly appointed Board of Directors of the Corporate Debtor may make any modifications or amendments to the terms of the Demerger (as set out above) which may be considered necessary, desirable or appropriate and solve all difficulties that may arise for carrying out the Demerger and do all acts, deeds and things necessary for putting the Demerger into effect.

However, any actions related to clause 8 shall not impact payments to financial creditors as per Resolution Plan. The process of demerger shall be undertaken only upon the last tranche of payment.

9. RELIEFS AND CONCESSIONS

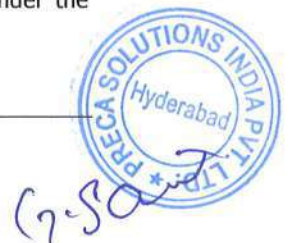
For effective implementation of this Resolution Plan for the benefit of all stakeholders of the Corporate Debtor, the Hon'ble NCLT is humbly requested to kindly consider and grant the following reliefs and concessions without affecting the Resolution Plan and payment to financial creditors:

- 9.1 On and from the NCLT Approval Date upto 30 days of Trigger Date or on the best effort basis, the Monitoring Professional and the COC/Monitoring Committee (as may be applicable) shall ensure that Corporate Debtor shall:
- (i) Carry on the business with reasonable diligence and business prudence;
- (ii) Not incur any Additional Indebtedness, encumber its assets or Transfer its assets, except with prior written consent of the Resolution Applicants;
- (iii) Except as provided in the Resolution Plan, not make any change in capital



structure of the Corporate Debtor either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of the Corporate Debtor, except with prior written consent of the Resolution Applicants; and Except with prior written consent of the Resolution Applicants, not alter or expand the Corporate Debtor's business, or undertake (i) any material decision in relation to its business and affairs and operations other than that in the ordinary course of business; (ii) any agreement or transaction (other than an agreement or transaction in the ordinary course of business); and (iii) any new business, or discontinue any existing business or change the capacity of facilities other than that in the ordinary course of Business.

- (iv) Other than at the request of the Resolution Applicants, not amend, terminate, cancel or release any contracts or work orders or other arrangements relating to the Corporate Debtor, otherwise than in the ordinary course of business;
- (v) Except as provided in the Resolution Plan, not write down or write up the value of, or revalue any assets of the Corporate Debtor, except with prior written consent of the Resolution Applicants;
- (vi) Except with prior written consent of the Resolution Applicants, not grant to any third party, any rights, privileges or licenses over any Assets or rights in relation to the Corporate Debtor which would adversely affect the ability of the Resolution Applicants to receive the benefits of such assets or rights under the Resolution Plan;
- (vii) Except with prior written consent of the Resolution Applicants, not initiate or settle any litigations in relation to the assets, or make any submissions under any pending dispute or litigation, or undertake any additional obligations pertaining to the assets of the Corporate Debtor;
- (viii) (i) Not acquire shares in or invest in any other Person, whether through subscription or purchase or otherwise in relation to Corporate Debtor; (ii) create partnerships, subsidiaries or joint ventures in relation to the Corporate Debtor; (iii) make business arrangements in the nature of revenue sharing, profit sharing or assets sharing in relation to the Corporate Debtor; or (iv) make modifications to, termination of arrangements (falling within the aforementioned categories) existing as on the date of this Resolution Plan or subsequently effected in relation to Corporate Debtor except with prior written consent of the Resolution Applicants;
- (ix) Not repay any loans, advances or any other amounts that may be required to be repaid, set-off, redeemed, prepaid or reimbursed except with prior written consent of the Resolution Applicants, save and except for amounts specifically required to be repaid, set-off, redeemed, prepaid or reimbursed under the Resolution Plan (including the CIRP Costs);



- (x) Other than at the request of the Resolution Applicants, not appoint, transfer, remove, or determine the terms of employment of any employees and any significant changes in the terms of employment of the employees of the Corporate Debtor as compared to the terms as existing on the NCLT Approval Date;
- (xi) Other than at the request of the Resolution Applicants, not enter into or modify the terms of existing contracts (including schemes or collective bargaining agreements) with any trade/labour/employee unions, or recognize any new trade/labour/employee unions, in relation to the Corporate Debtor;
- (xii) Other than at the request of the Resolution Applicants, not enter into any contract, transaction or assignment of the intellectual property pertaining to the Corporate Debtor other than in the ordinary course of business or modifying or terminating any existing contracts in relation to the same;
- (xiii) Not enter into (i) contracts or arrangements which can reasonably be determined to be loss-making over the planned term of such contract; (ii) contracts or arrangements with unusual or onerous terms; or (iii) contracts or arrangements which are not on arms-length basis provided however that, nothing contained in this paragraph shall be deemed to apply to execution of contracts or entering into arrangements with customers in the ordinary course of business, with respect to the Corporate Debtor, except with prior written consent of the Resolution Applicants;
- (xiv) Other than at the request of the Resolution Applicants, not approve or incur any capital expenditure or commitment in relation to the Corporate Debtor;
- (xv) Other than at the request of the Resolution Applicants, not incur, issue, assume, extend, or guarantee any new or additional obligations or enter into new banking or payment channels with respect to the Corporate Debtor;
- (xvi) Not amend the charter documents of the Corporate Debtor except as specified in this Resolution Plan;
- (xvii) Not pay, discharge or satisfy any material claim, liability or obligation of the Corporate Debtor other than in the ordinary course of business, except with prior written consent of the Resolution Applicants;
- (xviii) Not shift the registered office of the Corporate Debtor outside the state in India, in which such office is currently located, without the prior written consent of the Resolution Applicants;
- (xix) Not merge, restructure, consolidate, amalgamate, liquidate, wind up or dissolve the Corporate Debtor, or commence any proceedings without the prior written consent of the Resolution Applicants;
- (xx) Not utilise the security deposits/ margin money deposited by Corporate Debtor with Banks/ Government Authorities/ third parties for various purposes inter



alia including security deposits for certain performance obligations, obtaining guarantees, etc; and

- (xxi) Not utilise the security deposits deposited by third parties for various purposes with Corporate Debtor inter alia including security deposits for performance obligations, etc., except any security deposits deposited by any other Resolution Applicant(s), as part of IBC process, who are declared unsuccessful and such deposits are liable to be returned to those Resolution Applicants, if any.

Though these reliefs and concessions are sought for smooth operation of the company, they will not affect the schedule of payment.

9.2 that the requirement of obtaining a no objection certificate under Section 281 of the Income Tax Act, 1961 shall not be applicable and the transaction contemplated under the Resolution Plan shall not be considered as void under Section 281 of the Income Tax Act, 1961;

9.3 that the Hon'ble NCLT be pleased to give or issue necessary directions, instructions to the Central Board of Direct Taxes ("CBDT"), Central Board of Indirect Taxes and Customs, Value Added Tax authorities, State Governments Tax authorities to grant the reliefs/exemptions/waivers from applicability of Section 28(iv), Section 41(1), Section 56, Section 115 JB, Sections 79, 170, 281 of the Income Tax Act, 1961 for not charging to tax notional profit on write off/ write down of share capital/ financial debt/ operational creditors/ statutory dues, for the purposes of implementation of this Resolution Plan including the exemption from the tax deducted at source (TDS) requirement of the Income Tax Act, 1961 for a period of one (1) year from the NCLT Approval Date;

9.4 Appropriate directions from the Adjudicating Authority that any liabilities, interest, fees, penalties of any kind payable to various Regulators under applicable laws including but not limited to the Foreign Exchange Management Act, 1999, Foreign Trade Policy of the Government of India, Rules and Regulations relating to 100% Export Oriented Units, Securities Exchange Board of India Act, 1992 and the regulations made thereunder, Companies Act, 1956 and Companies Act, 2013 by the Corporate Debtor for any non-compliance, default, breach or violation prior to the NCLT approval date shall be waived, extinguished or exempted and the Corporate Debtor or the Resolution Applicants shall not be responsible towards any such liability.

9.5 Upon approval of the Resolution Plan by the Adjudicating Authority, 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 the suspension of trading of shares shall be deemed to have been lifted upon the approval of Resolution Plan and the continuation of the trading activity of the Company shall be allowed on both the Stock Exchanges i.e. BSE and NSE.

9.6 that all existing legal proceedings including but not limited to those under the



PMLA Act, 2002 initiated in relation to the Company shall stand extinguished from and on the NCLT Approval Date. Further, the approval of this Plan shall protect the assets of the Corporate Debtor from any future liability on account of past actions of the erstwhile promoters of the Corporate Debtor including any distress in the nature of attachment, sale, etc. levied on the assets of the Corporate Debtor in terms of the PMLA Act.

9.7 that all the creditors (including the Financial Creditors) of the Company shall with draw all legal proceedings commenced against the Company in relation to Claims including proceedings under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and Recovery of Debts and Bankruptcy Act, 1993 and shall quash all criminal proceedings against the Company including proceedings under Section 138 of the Negotiable Instruments Act, 1881 immediately after the NCLT Approval Date.

9.8 A Demerger is contemplated in the Resolution Plan for demerging the factory units at Bollaram and Khanapur from the Corporate Debtor. The said Demerger shall stand approved from the date of approval of the Resolution Plan by the Hon'ble NCLT in terms of Regulation 37 of the Code and no other approval shall be required to be obtained by the Corporate Debtor under the provisions of any other law. Further, for the transfer of assets pursuant to the Demerger, no capital gains taxes whatsoever shall ever arise.

9.9 that the Hon'ble NCLT be pleased to give or issue necessary directions, instructions to all relevant Governmental Authorities to grant relief/concessions from payment of fees, charges, stamp duty, registration fees (including fees payable to the jurisdictional ROC) for various actions contemplated under this Resolution Plan (including for the Standalone Capital Reduction, Face Value Reduction, increase in authorised share capital, issuance of Equity Shares as contemplated in this Resolution Plan) and that the fees payable to the ROC in respect of the increase of authorised share capital and amendment of memorandum of association and articles of association of the Corporate Debtor for allotment of fresh shares to the Resolution Applicants and/or its Nominees and other relevant parties be waived and the ROC be directed to approve the relevant forms under the Companies Act and rules thereto without payment of fees in respect thereof.

It is hereby clarified that in the event the NCLT does not grant any general or specific relief / effects of the Resolution Plan as sought under this Plan, the Resolution Applicants shall be entitled to file appropriate applications/appeal before any court/tribunal to seek those reliefs / take such necessary action to safeguard the interests of the Resolution Applicants.



Though these reliefs and concessions are sought for smooth operation of the company, the clauses mentioned in 9 shall not impact payments proposed as per the Resolution Plan.

Your Faithfully,

Signature: G. Sate

Name: Mr. Veera venkata Satish Gottipati

Designation: Director

Date: 24th May 2024

PRECA SOLUTIONS INDIA PRIVATE LIMITED (Lead Partner) has been affixed in my presence pursuant to the resolution of the Board of Directors of PRECA SOLUTIONS INDIA PRIVATE LIMITED dated 23rd Sep 2023.

Signature: G. Sate

Name: Mr. Veera venkata Satish Gottipati

Designation: Director

Date: 24th May 2024

Witness:
1. Srinidhi



(Signature)
Name: Srinidhi B

SCHEDULE – 1
TIMELINES AND IMPLEMENTATION SCHEDULE

Step	Process	Timeline
1.	Approval of the Resolution Plan by the COC	-
2.	Issuance and Acceptance of the LOI	After COC Approval Date
3.	Receipt of the certified copy of the order of the NCLT sanctioning the Resolution Plan and fulfilment of conditions prescribed, if any, by NCLT in its said order.	-
4.	Appointment of the Resolution Professional as the Monitoring Professional.	On the NCLT Approval Date
5.	Payment of the requisite amounts by the PRECA/MS/MA /its identified Nominees to the Corporate Debtor towards subscription/ allotment of 90% Equity Shares to PRECA/MS/MA or it's Nominees.	Within 30 days of Trigger Date but only after the Standalone Capital and Face Value Reduction has been completed by the Monitoring Professional or Monitoring Professional shall put his best efforts
6.	<p>Monitoring Professional to undertake:</p> <p>(a) Standalone Capital Reduction;</p> <p>(b) Face Value Reduction;</p> <p>(c) issuance/ allotment of Equity Shares of the Corporate Debtor to PRECA/MS/MA (directly or through its identified Nominees);</p> <p>(d) Corporate Debtor to be listed on the Stock Exchanges and suspension of trading to be lifted</p> <p>(e) execution of MOU with lessors;</p> <p>(f) other Monitoring Professional Actions.</p> <p>Monitoring Professional to undertake these steps only after all the orders of stay/ injunction is vacated (if any) is disposed off to the satisfaction of the Resolution Applicants by passing a written final order but within 30 days of Trigger Date or Monitoring Professional shall put his best efforts.</p>	On or before 30 days of Trigger Date or

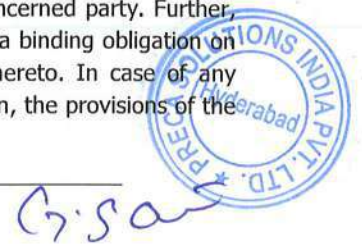


The Resolution Plan dated May 24th 2024 submitted by Lead Consortium Member PRECA

	<p>It is hereby clarified that the aforesaid steps shall move simultaneously, however, the Resolution Applicants (in their sole discretion) shall have a right to reorganize the steps in the order as may be required for successful implementation of the plan without the requirement to obtain any further approvals whether statutory or otherwise and the Monitoring Professional shall accordingly proceed with the reorganized steps by the Resolution Applicants.</p>	
7.	Appointment of the Monitoring Committee	Within 1 day of the completion of the actions in point 6 above or on the best effort basis.
8.	<p>(a) Payment of Upfront Cash by the Resolution Applicants.</p> <p>(b) The Resolution Applicants shall reconstitute the board of directors of the Corporate Debtor.</p> <p>It is hereby clarified that the aforesaid steps shall move simultaneously, however, the Resolution Applicants (in their sole discretion) shall have a right to reorganize the steps in the order as may be required for successful implementation of the plan without the requirement to obtain any further approvals whether statutory or otherwise.</p>	Within 30 days of Trigger Date
9.	Payment of other amounts and discharge of other obligations of the Corporate Debtor/ Resolution Applicants.	As per terms of the Resolution Plan

All the days set out above are calendar days only.

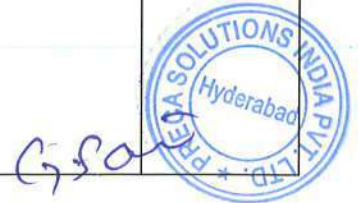
Disclaimer: The above steps are broad in nature and do not include minutiae involved in implementation of these steps. These steps may be carried out simultaneously or in any other order as deemed fit by the Resolution Applicants/ Monitoring Professional / any other concerned party. Further, the timelines are merely indicative in nature and shall not in any manner create a binding obligation on any party to take any of the aforesaid steps within the timelines provided thereto. In case of any inconsistency between the aforesaid table and the contents of the Resolution Plan, the provisions of the Plan shall prevail for all purposes and effect.



SCHEDULE – 2

COMPLIANCE CHECKLIST AGAINST MANDATORY CONTENTS OF THE RESOLUTION PLAN AS PER THE CODE AND THE CIRP REGULATIONS

Section / Regulation	Requirement	Paragraph / Page No. of the Resolution Plan	Compliance (Yes / No)
Section 29 of the Code	As per provisions contained in the Section 29A of the Code.	Requisite details / Information / Documents pertaining to compliance with Section 29A of the Code have been provided by the Resolution Applicants as part of the Resolution Plan / expression of interest and / or as part of the supporting documents with the Resolution Plan / expression of interest.	Yes.
Section 30(2)(a) of the Code	(2) The Resolution professional shall examine each resolution plan received by him to confirm that each resolution plan – (a) Provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of the other debts of the Corporate Debtor;	Please refer to Paragraph 3.2 of the Resolution Plan.	Yes.
Section 30(2)(b) of the Code	(b) Provides for the payment of debts of operational creditors in such manner as may be specified by the Board which shall not be less than the amount to be paid to the operational creditors in the event of	Please refer to Paragraphs 3.3 and 3.4 of the Resolution Plan.	Yes.



The Resolution Plan dated May 24th, 2024 submitted by Lead Consortium Member PRECA

	liquidation of the corporate debtor under Section 53;		
Section 30(2)(c) of the Code	(c) Provides for the management of the affairs of the Corporate Debtor after approval of the Resolution Plan;	Please refer to Paragraph 5 of the Resolution Plan.	Yes.
Section 30(2)(d) of the Code	(d) The implementation and supervision of the Resolution Plan;	Please refer to Paragraph 6 of the Resolution Plan.	Yes.
Section 30(2)(e) of the Code	(e) Does not contravene any of the provisions of the law for the time being in force;	Please refer to Paragraph 7.6.1 of the Resolution Plan.	Yes.
Section 30(2)(f) of the Code	(f) Conforms to such other requirements as may be specified by the Board	Please refer to the terms and conditions of the Resolution Plan.	Yes.
Regulation 38(1) of the CIRP Regulations	The amount due to the operational creditors under the Resolution Plan shall be given priority in payment over financial creditors.	Please refer to Paragraphs 3.3 and 3.4 of the Resolution Plan.	Yes.
Regulation 38(1A) of the CIRP Regulations	(1A) A resolution plan shall include a statement as to how it has dealt with the interests of all stakeholders, including financial creditors and operational creditors, of the corporate debtor	Please refer to Paragraph 7.1 of the Resolution Plan.	Yes.
Regulation 38 (2) (d)	provides for the manner in which proceedings in respect of avoidance transactions, if any, under Chapter III or fraudulent or wrongful trading under Chapter VI of Part II of the Code, will be pursued after the approval of the resolution plan and the manner in which the proceeds, if any, from such proceedings shall be distributed	Please refer to Paragraph 8 of the Resolution Plan	Yes



The Resolution Plan dated May 24th, 2024 submitted by Lead Consortium Member PRECA

Regulation 38(1B) of the CIRP Regulations	(1B) A resolution plan shall include a statement giving details if the resolution applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past.	Please refer to Paragraph 7.6.2 of the Resolution Plan.	Yes.
Regulation 38(2)(a) of the CIRP Regulations	A resolution plan shall provide: (a) the term of the plan and its implementation schedule;	Please refer to Paragraph 6 of the Resolution Plan.	Yes.
Regulation 38(2)(b) of the CIRP Regulations	(b) the management and control of the business of the Corporate Debtor during its term; and	Please refer to Paragraph 5 of the Resolution Plan.	Yes.
Regulation 38(2)(c) of the CIRP Regulations	(c) adequate means for supervising its implementation.	Please refer to Paragraph 6 of the Resolution Plan.	Yes.
Regulation 38(3)(a) of the CIRP Regulations	A resolution plan shall demonstrate that – (a) it addresses the cause of default;	Please refer to Paragraph 7.6.3.(a) of the Resolution Plan.	Yes.
Regulation 38(3)(b) of the CIRP Regulations	(b) it is feasible and viable;	Please refer to Paragraph 7.6.3.(b) of the Resolution Plan.	Yes.
Regulation 38(3)(c) of the CIRP Regulations	(c) it has provisions for its effective implementation;	Please refer to Paragraph 7.6.3.(c) of the Resolution Plan.	Yes.
Regulation 38(3)(d) of the CIRP Regulations	(d) it has provisions for approvals required and the timeline for the same; and	Please refer to Paragraph 6 of the Resolution Plan.	Yes.
Regulation 38(3)(e) of the CIRP Regulations	(e) the resolution applicant has the capability to implement the resolution plan.	Requisite details / Information / Documents pertaining to eligibility/capability of the Resolution Applicants have been provided by the Resolution Applicants as part of the Resolution Plan under Part-1	Yes.



The Resolution Plan dated May 24th, 2024 submitted by Lead Consortium Member PRECA

		expression of interest and / or as part of the supporting documents with the Resolution Plan / expression of interest.	
--	--	--	--

SCHEDULE – 3: PROPERTY LANDS

Unit	Location	Activity
III	Plot No. 128/A, Survey No. 172/B, IDA Bollaram, Jinnaram Mandal, Sanga ReddyDist., Telangana	Galvanizing
IV	Plot no.159 B&C, Survey No.172/A, IDA Bollaram, Jinnaram Mandal, Sanga ReddyDist., Telangana	Rolling Mill producing Angles & Channels
V	Survey No. 321, Turkala Khanapur, HathnooraMandal, Medak Dist, Telangana	Fabrication and Galvanizing



EXHIBIT PROJECTED BUSINESS PLAN

Projected Balance Sheet:

(Rs. In Crore)

Year	31-03-2026	31-03-2027	31-03-2028	31-03-2029	31-03-2030	31-03-2031
Share Capital	55.00	55.00	55.00	55.00	55.00	55.00
Reserves & Surplus	-2.09	-12.95	-19.84	-21.21	-4.63	61.11
Equity	52.91	42.05	35.16	33.79	50.37	116.11
Long Term Borrowings	107.94	159.91	200.07	241.34	287.86	320.38
Current Liabilities						
Trade Payables	2.36	4.61	8.06	13.44	20.16	30.23
Other Current Liabilities	0.40	0.44	0.48	0.53	0.59	0.64
Total Current Liab.	2.76	5.05	8.55	13.97	20.74	30.88
Equity + Liabilities	163.61	207.00	243.77	289.10	358.97	467.36
Fixed Assets	132.94	154.50	153.91	147.98	132.98	117.98
Current Assets	132.94	154.50	153.91	147.98	132.98	117.98
Trade Receivables	21.00	40.95	71.66	107.49	161.24	241.86
Inventory	3.38	5.60	11.52	19.20	28.79	43.19
Other Current Assets	1.30	0.44	0.63	7.77	28.62	56.27
Cash of Hand	5.00	5.50	6.05	6.66	7.32	8.05
Total Current Assets	30.68	52.49	89.86	141.12	225.97	349.38
Total Assets	163.61	206.99	243.78	289.10	358.95	467.36

C. S. S. S.



Projected Profit & Loss Statement:

(Rs. In Crore)

Year	31-03-2026	31-03-2027	31-03-2028	31-03-2029	31-03-2030	31-03-2031
Revenue	30.0	58.5	102.4	153.6	230.3	345.5
Cost of Sales	13.5	26.3	46.1	76.8	115.2	172.8
Gross Profit	16.5	32.2	56.3	76.8	115.2	172.8
Operating Expenses						
Administrative Expenses	2.1	4.1	7.2	13.8	20.7	31.1
Selling Expenses	3.6	7.0	12.3	15.4	23.0	34.6
Total Operating Expenses	5.7	11.1	19.5	29.2	43.8	65.6
Operating Profit/EBITDA	10.8	21.1	36.9	47.6	71.4	107.1
Depreciation	6.7	11.7	13.6	15.0	15.0	15.0
Interest on Term Loan	13.0	18.3	21.80	22.47	21.98	-
Interest on WC Loan	8.2	2.0	8.3	11.5	17.9	26.4
Total Non-Operating Exp.	27.9	31.9	43.7	49.0	54.8	41.4
Profit Before Tax	-17.1	-10.9	-6.9	-1.4	16.6	65.7
Taxation	-	-	-	-	-	-
Profit After Tax	-17.1	-10.9	-6.89	-1.4	16.6	65.7

G. S. S. S.



Projected Cash Flow statement:

(Rs. In Crore)

Year	31-03-2026	31-03-2027	31-03-2028	31-03-2029	31-03-2030	31.03.2031
Cash Flows from Operating Activities						
Cash Profit	-10.4	0.8	6.7	13.6	31.6	80.7
Decrease/(Increase) in Working Capital	-27.0	-48.4	-81.2	-119.9	-177.2	-262.9
Cash Flows from Investing Activities						
Investment in Fixed Assets	-49.6	-33.3	-13.1	-9.1	-	-
Cash Flows from Financing						
Margin Money from Resolution Appl.	11.6	7.4	5.0	0.9	-0.7	-
Term Loan from Banks / Fin. Inst.	103.9	54.1	-	-	-	-
Working Capital Loan from Banks	82.1	19.8	83.1	115.0	178.5	263.6
Repayment of Claims	-110.5					
Repayment of Term Loan	-	-	-	-	-31.6	-80.7
Repayment of Working Capital Loan	-	-	-	-	-	-
Net Cash Flows	0.0	0.5	0.6	0.6	0.6	0.8
Opening Cash Balance	5.0	5.0	5.5	6.1	6.7	7.3
Closing Cash Balance	5.0	5.5	6.1	6.7	7.3	8.1

(Signature)





తెలంగాణ తెలంగాణ TELANGANA

Tran Id: 241108163510404307

Date: 08 NOV 2024, 04:37 PM

Purchased By:

A HARITHA

D/o A CHANDRASHEKAR

R/o HYD

For Whom

B HARINATH RAO S/O LATE VEERAAIAH R/O HYD

39AA 418674

A.NAVEEN

LICENSED STAMP VENDOR

Lic. No. 15-27-007/2015

Ren.No. 15-13-010/2024

Society Counter Ranga Reddy

District Court Complex, L.B.Nagar

Of Ranga Reddy District Of Ranga

Reddy District

Ph 8374833020

CERTIFIED COPIE (1 SETS) OF ORDER DATED (23.10.2024) IN IA (PLAN) NO. 17 OF 2024

IN CP(IB) NO. 679/7/HDB/2018IN IN THE MATTER OF NEUEON TOWWERS LTD.

NO OF PAGES COMES TO (27) (CERTIFIED COPY ISSUED TO COUNSEL FOR THE APPLICANT).

**NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH-I**

I.A. (Plan) No. 17 OF 2024

IN

C.P.(IB) No. 679/7/HDB/2018

Application Under Section 30(6) of The Insolvency and Bankruptcy Code 2016,
R/w. Regulation 39(4) of the Insolvency and Bankruptcy Board of India
(Insolvency Process of Corporate Persons) Regulations, 2016.

IN THE MATTER OF IDBI BANK LIMITED VS M/S NEUEON TOWERS LIMITED

Filed by

Dr. Madurai Sundaram Sankar,
Resolution Professional of
M/s. Neueon Towers Limited
A 1206, S & S Sarvam, 200 Feet Radial Road,
Pallikaranai, Chennai-600100, Tamilnadu

**..Applicant/
Resolution Professional**

Date of order: 23.10.2024

Coram:

Dr. N. Venkata Ramakrishna Badarinath, Hon'ble Member Judicial
Shri Charan Singh, Hon'ble Member Technical

Appearance:

For Applicant: Shri B. Harinath Rao, Advocate



PER: BENCH
ORDER

1. The present Application is filed by the Resolution Professional i.e. the Applicant herein (hereinafter referred to as the "Resolution Professional" or the "Applicant") under Section 30(6) read with Regulation 39 (4) of IBBI (CIRP) Regulations 2016, seeking approval of the Resolution Plan submitted jointly by M/s. Preca Solutions India Private Limited, Dr. Madala Srinivasu and Ms. Madala Anithaa, as approved by the Committee of Creditors (COC) with 95.89% of voting share.

2. FACTS AS AVERRED IN THE APPLICATION: -

2.1 **ADMISSION OF THE PETITION AND APPOINTMENT OF INTERIM RESOLUTION PROFESSIONAL / RESOLUTION PROFESSIONAL:**

M/s Neueon Towers Limited/Corporate Debtor is undergoing Corporate Insolvency Resolution Process (CIRP) by virtue of order dated 03.06.2019 passed in CP(IB) No. 679/7/HDB/2018 by this Tribunal. Mr. Dr. Madurai Sundaram Sankar the Applicant herein is appointed as the Interim Resolution Professional (IRP).

2.2 **BRIEF OVERVIEW OF THE CIRP PROCESS**

• **ISSUE OF PUBLIC ANNOUNCEMENT**

The IRP issued Public Announcement in FORM – A in Financial Express and Namasthe Telangana on 05.06.2019 as per Section 15 of Insolvency



and Bankruptcy Code, 2016 Read with Regulation 6 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, inviting claims from the creditors.

- **CONSTITUTION OF COC :**

The Committee of Creditors (COC) was constituted on 24-06-2019 with Nine Financial Creditors, having an aggregate claim amounting to Rs. 3407, 25,26,645-77 Ps. on the basis of claims received by the IRP.

- **CONDUCT OF FIRST COC MEETING AND APPOINTMENT OF REGISTERED VALUERS:**

The first COC meeting was held on 01-07-2019 and all the COC members have approved the appointment of the Applicant herein as RP in terms of Section 22 of the Code (**the Resolution Professional**).

In the second COC held on 23-07-2019, the COC resolved to appoint six valuers as per Regulation 27 of IBBI (Corporate Insolvency Resolution Process for Corporate Persons) Regulations 2016 to value the assets of the Corporate Debtor, viz., Land and Building, Plant and Machinery and Financial Assets to determine the fair value and liquidation value of the Corporate Debtor in accordance with Regulation 35 of the Regulations. Further in the said meeting the expression of interest, evaluation matrix etc., were also approved.

- **TRANSACTION AUDIT:**

The Transaction Audit was carried out by M/s. Rao & Rao, Chartered Accountants, Hyderabad, to determine if there were any transactions



falling within the purview of Section 43, 45, 50 and 66 of IBC, 2016 with a coverage period ranging from 01-04-2019 to 03-06-2019.

• **LIST OF PROVISIONAL RESOLUTION APPLICANT**

4 th COC Meeting	13-09-2019	Provisional resolution applicants were approved
5 th COC Meeting	27-09-2019	Final list of prospective resolution applicants was approved. Tax auditors were appointed for completing the tax audit of the Corporate Debtor

• **EXTENSIONS/EXCLUSIONS GRANTED BY THIS TRIBUNAL:**

Date	IA No.	Extensions/Exclusions granted
22.11.2019	IA 1047/2019	Extension of 90 days granted beyond 180 days w.e.f. 01.12.2019
02.03.2020	IA 206/2020	Extension of 60 days w.e.f. 29.02.2020
30.07.2020	IA 523/2020	Exclusion of lockdown period from CIRP
10.02.2021	IA 1045/2020	Exclusion of 37 days

• **APPROVAL OF RESOLUTION PLAN BY THE COC/ LETTER OF INTENT**

M/s. Longview Resources (HK) Limited has submitted the final plan
Dated: 07.10.2020 and the Applicant herein after satisfying that the



appointed one Sri. Ramchander Rao Bikumalla having Registration No. IBBI/IPA-001/IP-P00740/2017-18/11261 as Liquidator as per Section 34 (4) of the Code and to follow up the Procedure as laid down in the Code.

Sri. Ramachander Rao Bikumalla, the liquidator appointed by this Hon'ble Tribunal by Order dated 14-10-2021 in I.A. No. 1114 of 2020 in CP(IB) No. 679/7/HDB/2018 was allowed to retire on medical grounds vide order passed in I.A. No. 1313 of 2022 in CP(IB) No. 679/7/HDB/2018 dated 17-11-2022 by this Tribunal and appointed Sri. CA Sai Ramesh Kanuparthi as Liquidator of the Corporate Debtor.

2.3 APPEAL FILED BEFORE HON'BLE NCLAT, CHENNAI

The said order dated 14.10.2021 in IA No. 1114 of 2020 has been set aside by the Hon'ble NCLAT, Chennai in an Appeal filed by one of the Operational Creditors / Puissant Towers India Pvt. Limited being Company Appeal (AT) (CH)(Ins) No. 181 of 2022 vide order dated 12.06.2023. The operative portion of the Appellate Tribunal at Para No. 12 is extracted below for sake of convenience.

“For all the afore noted reasons, this Company Appeal Company Appeal (AT) (CH)(Ins) No. 181 of 2022 is allowed and the Order of the Adjudicating Authority directing “Liquidation” is set aside and the matter is remanded to the Adjudicating Authority for approval of the Resolution Plan under Section 31(1) of the IBC Code, 2016. As precious time has lapsed and the IA is of the year 2020, it is hoped and requested that the Adjudicating Authority shall decide the matter of approval of Resolution Plan with ‘one week’ from the date of this Order. All parties shall appear before the Adjudicating Authority on



resolution plan is in conformity with the provisions of the Code and the Regulations, circulated the same with the COC members vide E-mail Dated: 10.10.2020 and the same was placed in the 27th COC meeting held on 19.10.2020. The e-voting was held from 28.10.2020 to 04.11.2020. The said Resolution Plan was approved with 98.70% voting share.

Pursuant thereto, the Applicant herein has issued Letter of Intent dated 05.11.2020, to the Resolution Applicant and the Resolution Applicant has furnished a Bank Guarantee for Rs. 5,40,93,314/- (Rupees Five Crores Forty Lakhs Ninety-Three Thousand Three Hundred and Fourteen Only), towards Performance Bank Guarantee vide Bank Guarantee of Bank of India No. 862420110000957 dated 12.11.2020 by way of foreign remittance from its sister concern M/s. SAWP Steels Limited, Hong Kong, to be kept as guarantee deposit till the Resolution Plan Period.

In pursuance of the approval of the said Resolution Plan by the COC members under Section 30(4) of the Code, the Applicant herein filed I.A. No. 1114 of 2020 in CP(IB) No. 679/ 7/HDB/2018 for approval of the Resolution Plan submitted by Longview Resources (HK) Limited and Invent Assets Securitization & Reconstruction Private Limited, in terms of Section 31(1) of the Code and Regulation 39(4) of the CIRP Regulations.

However, this Tribunal rejected the Resolution Plan submitted by the successful SRA by Order dated 14-10-2021 and ordered liquidation in the manner laid down in Chapter III of the Code and consequently



14-06-2023. No further 'Notice' is required in this matter. Connected pending Interlocutory Applications, if any, are 'closed'.

- 2.4** Mr. CA Sai Ramesh Kanuparthi, Liquidator has informed the Applicant herein about order dated 12.06.2023 passed by the Hon'ble NCLAT, Chennai in Company Appeal (AT) (CH)(Ins) No. 181 of 2022.
- 2.5** Pursuant to the above order, Mr. Sai Ramesh Kanuparthi, Liquidator, Members of the COC have attended this Tribunal on 14.06.2023 and this Tribunal has posted IA No. 1114 of 2020 on 19.06.2023 for hearing afresh.
- 2.6** In the interregnum, consequent to rejection of the Resolution Plan vide order dated 14.10.2021 in IA No.1114 of 2020 in CP(IB) No. 679/7/HDB/2018, the Successful Resolution Applicant (SRA) filed IA No. 760 of 2021 in CP (IB) No. 679/7/HDB/2018 for refund of EMD/PBG of Rs. 5,40,93,314/- and Security Deposit of Rs. 50 lakhs. Vide order dated 03.01.2022, which the Tribunal allowed directing the Liquidator to refund the same and file compliance report. The Applicant however averred that in pursuance of order dated 03.01.2022, the Liquidator has refunded the EMD, however, security deposit of Rs. 50 lakhs, is still lying with the Corporate Debtor.
- 2.7.** In pursuance of order dated 12.06.2023 of the Hon'ble NCLAT, the Applicant herein has sent emails dated 14.06.2023, 17.06.2023, 21.06.2023 and 27.06.2023 requesting the erstwhile SRA to remit the entire amount of EMD/PBG, to enable the Resolution Plan getting approved by the Tribunal. However, the SRA did not respond.



2.9. FRESH PROCESS OF ISSUANCE OF FORM-G (EXPRESSION OF INTEREST/EOI)

- The Applicant has filed IA No.1124 of 2023 in IA No. 1114 of 2023 seeking permission to
 - (a) Withdraw IA No. 1114 of 2020
 - (b) Extend CIRP for a further period of 180 days beyond 330 days and
 - (c) To issue Fresh Form-G

This Tribunal vide order dated 24.07.2023 has allowed the said IA No. 1124 of 2023 in IA No. 1114/2020, subject to condition that valuation of assets, issuance of fresh Form-G and completion of process be done within 120 days.

- Complying the above said Order dated 24-07-2023, the Applicant herein conducted meeting on 25-07-2023 to discuss on the issuance of Fresh Form-G duly placing the calendar, for completion of CIRP within 120 days and as per the decision taken by the COC, the Fresh Form-G was published in Business Standards, Financial Express (Southern Edition) and Namasthe Telangana on 11-08-2023. The said calendar is extracted below: -

Sl. No.	Event	Dates
1.	Invitation of Eol- Form G	26-07-2023
2.	Submission of Eol (giving 15 full days)	11-08-2023
3.	Date of issue of provisional list of prospective resolution applicants (though RP is entitled for 10 days he reduced to facilitate the timelines)	15-08-2023



4.	Last date for submission of objections to provisional list	20-08-2023
5.	Final list of Ras by RP	25-08-2023
6.	Issue of RFRP including Evaluation Matrix and IM	25-08-2023
7.	Receipt of Resolution Plans	25-09-2023
8.	Submission of CoC approved Resolution Plan to AA	31-10-2023
9.	Approval of Resolution Plan by AA	20-11-2023

- On 15-08-2023, the Resolution Professional received three Resolution Plans from (1) M/s. Preca Solutions India Private Limited, (2) M/s. Gurupreeth Galvanising Private Limited and (3) M/s. Suguna Metals Limited along with EMD of Rs.10 Lakhs each and the Provisional list of Prospective Resolution Applicants were declared and placed in the website of the Corporate Debtor.
- The Applicant made all out efforts to adhere to the 120-day time limit given by this Tribunal, conducted COC meetings as under:-
 - **37th Meeting on 25.08.2023**
 - **38th Meeting on 22.09.2023**
 - **39th Meeting on 04.10.2023**
 - **40th Meeting on 12.10.2023**
 - **41st Meeting on 17.10.2023**
- It is further submitted that at a meeting held on 27-10-2023, the COC has appointed agency for conducting due diligence on the RAs. According to the Applicant, as the original RFRP did not pass on the



receivables to the Resolution Applicant, the COC members in the said meeting have decided to modify the RFRP (Request for Resolution Plan), and in order to modify the same as per Regulation 13(B)(5), fresh 30 days' time needs to be given to the PRAs to submit their plans. Accordingly, 90 days' time was extended from 22-11-2023 vide order passed in I.A.No.1783 on 17-11-2023, with a direction to the Resolution Professional to complete the CIRP within the extended period and directed not to seek further extension of time.

- While matter stood thus, one of the Resolution Applicants namely Suguna Metals sent a mail dated 02-12-2023 to the Applicant expressing their intention to withdraw from the fray. Further as per the Due Diligence report received on 30-12-2024 from SignalX, one of the Resolution Applicant namely Preca Solutions India Private Limited did not qualify in terms of Section 29-A of IBC since a company petition has been filed against the said Resolution Applicant by M/s. Binjusaria Ispat Private Limited in CP(IB)8/2023 and the same is pending before Court-2 Hyderabad for adjudication and the said case was listed on 19-01-2024 before the special bench and the same was adjourned to 27-02-2024 to be placed before the regular bench. It is further submitted that basing on the said report this Applicant has rejected the plan submitted by M/s. Preca Solutions India Pvt, U/s.29-A of IBC, as such the RA being aggrieved by the same has filed I.A.No.145 of 2024 and this Hon'ble Tribunal after hearing the parties concerned has passed Orders dated 27-02-2024 directing the Resolution Professional to consider the



Resolution Plan submitted by M/s. Preca Solutions India Private Limited,
if it is otherwise as per the law.

- The CIRP period was further extended as under:-
 - 60 days** (beyond 210 days) which was allowed by order dated 20.02.2024 in IA No. 420 of 2024.
 - 45 days** vide order passed in I.A. No. 827 of 2024 dated 30-04-2024
 - 30 days** (beyond 315 days) vide order dated 11.06.2024 in IA No. 1186/2024,
 - 21 days** vide order dated 09.07.2024 in IA No. 1381 of 2024 as the administrative approvals of the FCs on the voting of the Resolution Plans was awaited.
- While matter stood thus, the following developments took place.
 - (a) Aggrieved by the email and letter dated 21-08-2023 issued by the Applicant/RP herein in rejecting its claim to include the outstanding Annual Listing Fee (ALF) with interest payable by the CD for the Financial Year 2020-21 to 2023-24 (4 financial years) aggregating to Rs.13,64,242/- in the CIRP Costs, the Bombay Stock Exchange (BSE) Limited, has filed an Application in I.A. No. 2026 of 2023 in CP(IB) No. 679/76/HDB/2018 against the Applicant and after hearing both sides this Tribunal partly allowed the IA vide order dated 16-04-2024, holding that the ALF is payable only for 3 financial years i.e. 2020-21, 2021-22, 2023-24 and not for 4 financial years, as claimed by BSE, without any interest and directed the BSE to raise a revised invoice of ALF for the above said 3 financial years without levying any interest



within one week from the date of order and further directed the Applicant/RP herein to include the same in CIRP costs and pay it immediately from the available funds.

- (b) The Municipal Council, Bollaram Municipality has seized and locked the part of the premises {i.e. Unit IV vide Assessment Door No. 16-62 (PTIN No. 1242103625)} belonging to the Corporate Debtor (erstwhile name M/s. Sujana Steel Unit IV) situated at Bollaram Industrial Area, Bollaram Municipality, Bollaram, Sanga Reddy District, Telangana State, for non payment of property tax for the period from 2021-22 to 2023-24, as such the Applicant/RP herein has filed I.A.No.668 of 2024 in CP(IB)No.679/7/HDB/ 2018 which was allowed vide Order dated 05-04-2024 directing the RP to remit Rs. 2,00,000/- to the Revenue Officer of the Bollaram Municipality, B Sridhar, and further directing the RP to pay the balance amount of arrears of tax on approval of the Resolution Plan. It was further directed that the Municipality on receipt of the said amount shall file compliance memo. Complying the above directions, the Applicant/RP herein has handed over the said amount of Rs. 2,00,000/- by way of Demand Draft/Bankers Cheque bearing No. 030424, dated 30-03-2024 drawn on Bank of India, Kukatpally Branch.

- 2.10 The Resolution Applicant viz., M/s. Preca Solutions India Private Limited., having entered into a Consortium Agreement dated 09-08-2023 with Dr. Madala Srinivasu and Ms. Madala Anithaa, has submitted the



final resolution plan dated 24-05-2024 and the Applicant herein after being satisfied that the resolution plan is in conformity with the provisions of the Code and the Regulations, has circulated the same with the COC members vide E-mail dated 25-05-2024 and the same was placed in the COC meeting held on 29-05-2024. The e-voting was held from 15-06-2024 to 06-07-2024 and the results were declared on 07-07-2024, wherein the COC members have approved the Resolution Plan submitted jointly by **M/s. Preca Solutions Private Limited** Dr. Madala Srinivasu and Ms. Madala Anithaa, with 95.89% of the voting share of COC in favour of it.

2.11 It is further submitted that, the SRA as per the Letter of Intent on 07-07-2024 furnished a performance bank guarantee of ICICI Bank dated 10-07-2024 for Rs.10,15,00,000/- (Rupees Ten Crores Fifteen Lakhs Only).

3. **CONTOUR OF RESOLUTION PLAN:**

(A) The Successful Resolution Applicants (SRA) **M/s. Preca Solutions India Private Limited** (U45204TG2008PTC060318), incorporated on 28th July 2008, having its Registered Office at Plot No. 6, D.No 2-9/5/6, Greenland Colony, Gachibowli, Hyderabad TG 500019, is engaged in the business of designing, detailing, manufacturing, supplying, and erection of Prestressed Precast Concrete building structures of all ranges.

DR. Madala Srinivasu is a Medical Graduate from Govt. Medical College Guntur. He along with Ms. Madala Anitha has acquired M/s Ind Barath Power Gencom Limited (under Liquidation).



Ms. Madala Anithaa is a promoter of MSA Ventures (P) Ltd. She along with DR. Madala Srinivasu has acquired M/s Ind Barath Power Gencom Limited (under Liquidation).

(B) The COC comprised of the following Financial creditors and distribution of voting share among them is as under: -

Sl. No.	Name of Creditor	Voting Share (%)	Voting for Resolution Plan (Voted for / Dissented / Abstained)
1.	IDBI BANK LIMITED	27.43	Voted for
2.	CENTRAL BANK OF INDIA	25.40	Voted for
3.	PUNJAB NATIONAL BANK	20.91	Voted for
4.	UCO BANK	09.01	Voted for
5.	ANDHRA BANK	08.61	Voted for
6.	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED	03.21	Voted for
7.	INVENT ASSETS SECURITISATION AND RECONSTRUCTION PRIVATE LIMITED	02.81	Dissented
8.	EXPORT IMPORT BANK OF INDIA	01.32	Voted for
9.	SREI EQUIPMENT FINANCE LIMITED	01.30	Did not vote
	TOTAL	100.00	95.89% Voted for

(C) The Financial Plan and proposed distribution of the Resolution Plan



approved by the CoC is mentioned below.

Amount in lakhs

Sl. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan#	Amount Provided to the Amount Claimed (%)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Secured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	NIL	NIL	NIL	NIL
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	14014.50	14014.50	403	2.88
		(ii) who voted in favour of the resolution plan	326710.77	326710.77	9403	2.88
		Total[(a) + (b)]	3407,25.27	3407,25.27	9806	2.88
2	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	NIL	NIL	NIL	NIL
		(b) Other than (a) above:				
		(i) who did not vote in favour of the resolution Plan	NIL	NIL	NIL	NIL
		(ii) who voted in favour of the resolution plan	NIL	NIL	NIL	NIL



		Total[(a) + (b)]	NIL	NIL	NIL	NIL
3	Operational Creditors	(a) Related Party of Corporate Debtor	NIL	NIL	NIL	NIL
		(b) Other than (a) above:				
		(i)Government	1819.51	1819.51	10.14	0.56
		(ii)Workmen	0.00	0.00	0.00	0.00
		(iii)Employees	61.93	61.93	10.00	16.15
		(iv) OTHERS	2665.88	2665.88	14.86	0.56
		Total[(a)+ (b)]	4547.32	4647.32	35.00	0.75
4	Other debts and dues		NIL	NIL	NIL	NIL
Grand Total			3452,72.59	3452,72.59	9841.00	2.85

(D) Summary of Source of Funds

The Upfront Cash would be brought in by the Resolution Applicants and/or their Nominees from their own sources and shall be contributed to the Corporate Debtor by the Resolution Applicants and/or their Nominees as follows:

Name of contributor	Method of contribution
PRECA/MS/MA and/or SPV/LLP/QIB/QIP and/or its nominees	Equity, quasi equity, investor loans, Other debt instruments, etc.

The Deferred Cash shall be paid by the Corporate Debtor from its internal accruals/ Resolution Applicants own sources, which shall be contributed





to the Corporate Debtor as equity, quasi equity, investor loans, other debt instruments (as may be applicable in clause 4.1.1) etc.

The contribution towards working capital, capital expenditure, start-up cost and cash loss funding requirement shall be brought in by the Resolution Applicants and/or their Nominees and/or SPV/ LLP/QIB/QIP from their own sources.

The source of funds towards Total Resolution Plan Amount is as under:

(PRECA/MS/MA (equity/quasi equity/investor loan/other debt instruments as per clause 4.1.1)– INR 101,50,00,000/- (Rupees One Hundred One Crore Fifty Lacs Only).

In addition to the above, PRECA/MS/MA their Nominees shall provide working capital support for the operations of the Corporate Debtor up to an amount of Rs. 25 Crore, by way of either equity/ quasi equity/ trade credit/ investor loan/other debt instruments/by way of supply of raw materials, etc. (PRECA/MS/MA will decide as the case maybe), on a need basis, within a period of three (3) years from the 545 days of Trigger Date. On account of the intensive working capital nature of the business of the Corporate Debtor, the Resolution Applicants shall seek financial assistance from the scheduled commercial banks for providing working capital support towards implementation of the Resolution Plan.

The Resolution Applicants shall have the right to implement this



Resolution Plan through a subsidiary/ associate Company/ an SPV/LLP and/or its Nominees. For this, the Resolution Applicants shall identify or incorporate an SPV/ LLP within 30 days of Trigger Date, which shall be compliant with the requirements of Section 29A of the Code. The SPV/LLP may contribute any payments required to be made under this Resolution Plan. Further, the share holding or any other investment in the Corporate Debtor may also be acquired or done through the SPV/LLP/its Nominees.

(E) IMPLEMENTATION SCHEDULE

The Resolution Plan contemplates a total payment of Rs. 101,50,00,000/- payable in four tranches to the stakeholders payable as follows:-

Particulars	Upfront on or before 30 th day from Trigger date (1 st Tranche)	On or before 90 th day from Tigger Date (2 nd Tranche)	On or before 180 th day from Trigger Date (3 rd Tranche)	On or before 270 th day from Trigger Date (4 th Tranche)	Total
Cash instalment payment to stakeholders	25,37,50,000/-	25,37,50,000/-	25,37,50,000/-	25,37,50,000/- (25,37,50,000-10,15,00,000 performance guarantee in form of deposit, if any and inclusive of EMD-	1,01,50,00,000/-
Total payment to stakeholders	25,37,50,000/-	25,37,50,000/-	25,37,50,000/-	25,37,50,000/-	1,01,50,00,000/-

(F) MONITORING COMMITTEE



A monitoring Committee comprising of two lead members from COC and one Member from the Resolution Applicant and the Resolution Professional as Chairman shall be constituted to supervise the implementation of the resolution plan.

(G) Compliance of mandatory contents of Resolution Plan under the Code and Regulations.

The Applicant has conducted a thorough compliance check of the Resolution Plan in terms of the Code as well as Regulations 38 & 39 of the Insolvency and Bankruptcy Board of India (Corporate Insolvency Resolution Process) Regulations, 2016 and has filed Form 'H' prescribed under Regulation 39(4) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The fair value and Liquidation value as submitted in Form-H is Rs. 135.88 Crores and Rs. 94.56 crores respectively.

4. In the above backdrop we heard Mr. B. Harinath Rao, Ld. Counsel for the Resolution Professional. He submits that the Resolution Plan meets the requirement of Section 30 (2) of the Code, as under: -

Section	Provisions of 30 (2) of the IBC	Relevant clause / page no. of Resolution Plan document
Section 30 (2) (a):	Whether the plan provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor;	(Clause3.2.2). The Resolution Plan considers payment of the CIRP Costs of Rs. 10,58,57,349/- for the period from 03.06.2019 to 30.06.2024 and has also approved further expenses that would be incurred from 01.07.2024 till the



		date of approval, on priority over other dues, as ratified by the COC members with 90.09% voting in the 53 rd COC meeting held on 29.05.2024.
Section 30 (2) (b)	Whether the plan provides for the payment to the Operational Creditors	(Clauses 3.3 & 3.4 of the Resolution Plan): The plan provides for payment of Rs. 35 lakhs to operational creditors (including workmen/employees/statutory dues excluding EPF authority)
Section 30 (2) (c)	Payment to Financial creditors who did not vote in favour of the resolution plan	Clause 3.6.5 of the Resolution Plan: The dissenting Financial Creditor shall be paid proportionately in priority to the Assenting Financial Creditors in every instalment of the aforesaid redemption.
Section 30 (2)(d)	Management of the affairs of the Corporate Debtor after approval of the resolution plan	Clause 5 of the Resolution Plan.
Section 30 (2)(e)	Whether the plan provides for the implementation and supervision of the resolution plan	Clause 6 of the Resolution Plan
Section 30 (2)(f)	That the plan does not contravene any of the provisions of the law for the time being in force	Clause 7.6.1 of the Resolution Plan. Declaration by the Resolution Applicant that the plan does not contravene any of the provisions of the applicable laws for the time being in force. (page 45 of the Resolution Plan)

The Resolution Plan is in compliance of Regulation 38 of the Regulations in the following manner:

CIRP	Provisions of CIRP Regulations	Relevant clause / page no. of
------	--------------------------------	-------------------------------

(Handwritten signature)



(Handwritten flourish)

Regulation		Resolution Plan document
Regulation 38(1)(a)	The amount payable under the resolution plan to the operational creditors, shall be paid in priority over financial creditors.	Yes. Clause 3.3 & 3.4 of the Resolution Plan.
Regulation 38(1A)	The resolution plan shall include a statement as to how it has dealt with interest of all stakeholders including Financial Creditors and Operational Creditors of the Corporate Debtor.	Clause 7.1 of the Resolution Plan. Declaration by the Resolution Applicant that the Resolution Plan has considered the interest of all the stakeholders of the Corporate Debtor, keeping in view the objectives of the Code. The treatment of each stakeholder has been set out in clauses 3.2 to 3.8.
Regulation 38(1B)	The Resolution Plan shall include a statement giving details if the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any other resolution plan approved by the Adjudicating Authority at any time in the past.	Clause 7.6.2 of the Resolution Plan. Declaration by the Resolution Applicant that neither the Resolution Applicant nor any of its related party has either failed or contributed to the failure of the implementation of any Resolution Plan approved under the Code. (page 45 of the Plan)

5. At the outset we refer to the following judgements: -

- (a) Hon'ble Apex Court in *re Sashidhar v. Indian Overseas Bank & Others* (in Civil Appeal No. 10673/2018) held that



"if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per Section 30 (6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority. On receipt of such proposal, the Adjudicating Authority (NCLT) is required to satisfy itself that the resolution plan as approved by CoC meets the requirements specified in Section 30(2). No more and no less".

- (b) The Hon'ble Supreme Court has further held at para 35 of the above judgement that:

[Handwritten signature]

[Handwritten signature]

the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the adjudicating authority can reject the resolution plan is in reference to matters specified in Section 30(2), when the resolution plan does not conform to the stated requirements.

- (c) The Hon'ble Supreme Court in **Committee of Creditors of Essar Steel India Limited Vs. Satish Kumar Gupta & Ors**, held that:-

"the limited judicial review available to AA has to be within the four corners of section 30(2) of the Code. Such review can in no circumstance trespass upon a business decision of the majority of the CoC. As such the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom have approved".

- (d) The Hon'ble Supreme Court of India, in the recent ruling in re **Vallal RCK vs M/s Siva Industries and Holdings Limited & Ors**, has held as under:-

21. This Court has consistently held that the commercial wisdom of the CoC has been given paramount status without any judicial intervention for ensuring completion of the stated processes within the timelines prescribed by the IBC. It has been held that there is an intrinsic assumption, that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts. A reference in this respect could be made to the judgments of this Court in the cases of *K. Sashidhar v. Indian Overseas Bank and Others*, *Committee of Creditors of Essar Steel India Limited through Authorised Signatory v. Satish Kumar Gupta and Others*, *Maharashtra Seamless Limited v. Padmanabhan Venkatesh and Others*, *Kalpraj Dharamshi and Another v. Kotak Investment Advisors Limited and Another*, and *Jaypee Kensington Boulevard Apartments Welfare Association and Others v. NBCC (India) Limited and Others*.

27. This Court has, time and again, emphasized the need for minimal judicial interference by the NCLAT and NCLT in the framework of IBC.



[Handwritten signature]

[Handwritten signature]

We may refer to the recent observation of this Court made in the case of Arun Kumar Jagatramka v. Jindal Steel and Power Limited and Another:

“95. However, we do take this opportunity to offer a note of caution for NCLT and NCLAT, functioning as the adjudicatory authority and appellate authority under the IBC respectively, from judicially interfering in the framework envisaged under the IBC. As we have noted earlier in the judgment, the IBC was introduced in order to overhaul the insolvency and bankruptcy regime in India. As such, it is a carefully considered and well thought out piece of legislation which sought to shed away the practices of the past. The legislature has also been working hard to ensure that the efficacy of this legislation remains robust by constantly amending it based on its experience. Consequently, the need for judicial intervention or innovation from NCLT and NCLAT should be kept at its bare minimum and should not disturb the foundational principles of the IBC.....”

6. According to the Applicant from the date of commencement of CIRP to till date of filing this instant application a total of 53 COC meetings were convened.
7. It is further observed that when the instant IA came up for hearing on 13.09.2024 along with IA No. 433 of 2024 filed by the Applicant against the Assistant Commissioner (ST) and others, the Bench sought clarification as to when the Resolution Applicants will vacate/ remove the plant and machinery from the lease hold land admeasuring Ac 1-00 Gts situated at Bollaram, belonging to M/s Tirumala Re-rolling Mills Private Limited (over which the Assistant Commercial (ST) and other have issued notices for non-payment of commercial tax dues) over which the Corporate Debtor is in possession by way of lease, though the said land is not included in the Resolution Plan. Accordingly, the Applicant sent a mail to the Resolution Applicant on 13.09.2024. The



issue was discussed in the COC meeting on 18.09.2024 and the Resolution Applicants sought time for a period of four months from the date of approval of the Resolution Plan by this Tribunal, to vacate the leased premises.

8. It is further observed from the Form-H compliance report filed by the Resolution Professional that the total resolution amount provided by the Resolution Applicant is Rs. 101,50,00,000/- and the amount provided to the stakeholders is Rs 9141.00 lakhs as against the admitted amount of Rs. 3452,72.59 lakhs (hair cut of 97.15%).
9. Therefore, the resolution plan, when tested on the touch stone of the aforesaid facts and the rulings, we are of the view that the instant resolution plan satisfies the requirements of Section 30 (2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the Regulations. We also find that the Resolution Applicant is eligible to submit the Resolution Plan under Section 29A of the Code.
10. We therefore, hereby approve the Resolution Plan submitted by M/s Preca Solutions India Private Limited, Mr Madala Srinivasu and Ms. Madala Anithaa jointly ("Successful Resolution Applicant") along with annexures, schedules forming part of the Resolution Plan annexed to the Application and order as under:-
 - (a) The Resolution Plan along with annexures and schedules forming part of the plan shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the



- payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.
- (b) All crystallized liabilities and unclaimed liabilities of the Corporate Debtor as on the date of this order shall stand extinguished on the approval of this Resolution Plan.
- (c) The approval of the Resolution Plan shall not be construed as waiver of any statutory obligations/ liabilities of the Corporate Debtor and shall be dealt with by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned as held by Hon'ble Supreme Court in the matter of ***Ghanashyam Mishra & Sons Private Limited Versus Edelweiss Asset Reconstruction Company Limited in CIVIL APPEAL NO.8129 OF 2019 dated 13.04.2021.***
- (d) It is hereby ordered that performance bank guarantee of Rs. Rs.10,15,00,000/- /- furnished by the Resolution Applicant shall remain as performance Guarantee till the amount proposed to be paid to the creditors under the plan, is fully paid off and the plan is fully implemented.
- (e) The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC) Hyderabad for information and record. The Resolution Applicant, for effective implementation of the Plan, shall obtain all necessary approvals, under any law for the time being in force, within such period as may be prescribed.



- (f) Henceforth, no creditors of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to supra.
- (g) The moratorium under Section 14 of the Code shall cease to have effect from this date.
- (h) The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with copy of this order for information.
- (i) The Successful Resolution Applicant is hereby granted four month's time to vacate the lease hold land at the Bollaram facility belonging to M/s Tirumala Re-Rolling Private Limited situated at Jinnaram bearing Plot No. 159 B in Survey No. 172/A admeasuring Ac.1.00 IDA Bollarum Jinnaram Mandal as agreed vide their letter dated 13.09.2024.
- (j) The Resolution Professional immediately on receipt of this order of approval of the Resolution Plan is directed to remit the balance amount of arrears of tax to the Revenue Officer of the Bollaram Municipality, B Sridhar and file compliance report to the Registry.
- (k) As regards the relief of demerger of the factory units at Bollaram and Khanapur from the Corporate Debtor, we direct the SRA to approach this Tribunal, if it wish so, through a separate application giving details of the demerger plan, after making payment of the 1st Tranche payment.
- (l) The Applicant is directed to refund the Security Deposit of Rs. 50 lakhs lying in the account of Corporate Debtor, to the Unsuccessful Resolution Applicant, in compliance of the order of this Tribunal in IA No. 760/2021 dated 03.01.2022.



- (m) The Applicant shall forthwith send a copy of this order to the CoC and the Resolution Applicant.
- (n) The Registry is directed to furnish free copy to the parties as per Rule 50 of the NCLT Rules, 2016.
- (o) The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data and also forward a copy to IBBI.
- (p) Accordingly, IA (plan) 17/2024 stands disposed of.


23-10-2024

(CHARAN SINGH)
Member (Technical)

Binnu


23/10/24

(DR. N. VENKATA RAMAKRISHNA BADARINATH)
Member (Judicial)




12/11/24
Deputy Registrar / Assistant Registrar / Court Officer
National Company Law Tribunal, Hyderabad Bench

Case No. CP (NR) No. 679/7/HDR/2018
Date of Application 8/11/24
No. of Pages 27
Copying Fee Rs. 1/-
Registration & Postage Fee
Total Rs. 876/-
Date of Receipt & Record of Copy 8/11/24
Date of Preparation of Copy 17/11/24
Date of Delivery of Copy 19/11/24