

February 06, 2024

The General Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C/1, Block G
Bandra - Kurla Complex,
Bandra (East)
Mumbai 400 051
NSE Symbol: MELSTAR

BSE Scrip Code: 532307

Sub. :- Effect of Approval of Resolution plan by Hon'ble NCLT Mumbai Bench.

Dear Sir,

Please refer to our letter dated 8th November, 2023 intimating the approval of Resolution Plan vide order No. IA No.467 of 2021 in CP(IB) 2839 of 2018 dated 1st November, 2023 issued by the Hon'ble National Company Law Tribunal, Mumbai (NCLT). The said order given as **Annexure A**. Also please find enclosed the approved Resolution Plan which is given as **Annexure B**.

Your attention is drawn to the following relevant extracts from the order and the Resolution Plan :

A. Extract of NCLT order : Clause No. 22 Page No.23

"22. The Application IA No. 467 of 2021 in CP (IB) 2839 of 2018 is allowed. The Resolution Plan annexed to the Application is hereby approved. It shall become effective from this date and shall form part of this order."

B. Relevant extract from Resolution Plan :

i) Related to Cancellation of the Existing Shareholding.

1. Page No.17 Chapter IV Clause C of Resolution Plan disclosing the shareholding pattern.

S.No.	Category of Shareholder	Number of Shares Held	Percentage(%)
1	Promoters & promoters Group	67,20,976	47.06%
2	Public & FI	75,62,163	52.94%
	Total	14,283,139	100.00%

2. Page no. 31 Chapter X disclosing the treatment of the existing shareholders

5 th	Shareholders	1. INR NIL will be paid against each equity share being held by Shareholders belonging to Public Category and the said shares will be cancelled 2.No amount shall be payable to Shareholders belonging to Promoter Group & Institutional shareholders of equity shares and these shares will be cancelled
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159, 5th Floor, Industry House,
Reclamation, Churchgate,
Mumbai 400 020, INDIA.
Phone : +91(22) 6235 6400
Fax : +91(22) 6235 6402
URL : www.melstar.com

ii) Related to issue of new Shares :

Page no. 17, Chapter X

B. Restructured Capital

As part of the Resolution Plan, the entire paid up share capital of MITL is proposed to be extinct

S.No.	Category of Shareholder	Number of Shares Held	Percentage (%)
1	Total Shareholder	14,283,139	100%
	Total	14,283,139	100.00%

The aforesaid restructuring shall take place in the following manner:

On the date of 1st tranche infusion, the entire existing equity share capital held by all the existing shareholders of MITL i.e. 14,283,139 Equity Shares shall be knocked off (relinquished). The Share Capital will be built up as and when the Resolution Applicant infuses capital in the company for payment of Creditors and meeting other expenses. The shares of MITL shall continue to be listed in Bombay Stock

Exchange and National Stock Exchange. The listing requirement will be complied with the Resolution Applicant.

In accordance with provisions of Approved Resolution Plan.

- i. The entire existing shareholding in the company i.e. 1,42,83,139 equity shares of face value Rs.10 each shall be extinguished forthwith without any payment.
- ii. Further the Resolution Applicant shall be issued fresh equity shares of face value of Rs.10 each as detailed below in accordance with the funds brought in by them in line with Resolution Plan.

On payment of 1st Trench of Rs.2,79,20,000/- by the Resolution Applicant in accordance with the plan the fresh equity shares to be issued as detailed below :

- i) M/s.Shivasons Solutions India Private Limited (Resolution Applicant) - 27,91,994 shares of Face value Rs.10 each.
- ii) Six representative shareholders holding One share each of Face Value Rs.10 each.

With reference to what has been discussed above we require an in-principal approval / confirmation from Stock Exchange in respect to the following :

1. Existing 1,42,83,139 Equity shares of Face value Rs.10 each shall be extinguished forthwith.
2. 27,92,000 Equity Shares of Face value Rs.10 each shall be listed as soon as they are issued to the Resolution Applicant on receipt of the funds in the Company and issue of such shares.
3. The Company shall be continued to be considered as a Listed Company.

Further we have noticed that still the trading in the shares of the Company are allowed on the exchange platform despite of the regular update on the CIRP status on exchange website which is required to be suspended forthwith as such shares are to be fully extinguished and do not carry any value.

We would also request you to kindly intimate us any other acts mandatorily required to be done from our side to ensure compliance with the order of Hon'ble NCLT Bench and implement the Resolution Plan envisaging that the equity issued to the Resolution Applicant shall be considered as listed equity and the company as Listed Company.

Thanking you.

Yours faithfully,

For Melstar Information Technologies Limited



Neehal Mahamul Pathan



Resolution Professional
(IBBI/PA-001/IP-P01561/2019-20/12406)

Encl: 1) NCLT Order as Annexure A
2) Resolution Plan as Annexure B

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IA NO.555 of 2020

IN

CP (IB) No. 2839/MB /2018

Under Section 30 (6) of the Insolvency and Bankruptcy Code, 2016 ("code") r/w Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for seeking approval of the resolution plan under the provisions of Section 31(1) of the code.

IN IA No. 467 of 2021

In the Application of

Mr Neehal Mahamul Pathan,

Resolution Professional of "Melstar Information Technologies Limited
...Applicant/Resolution Professional

IN IA NO.555 of 2020

In the matter of

Melstar Information Technologies Limited

Applicant/Corporate Debtor

Order Delivered on :- 01.11.2023

Coram:

Sh. Prabhat Kumar

(Justice) VirendraSingh G.Bisht

Hon'ble Member (Technical)

Hon'ble Member (Judicial)

Appearances:

For the Applicant
Advocate

: Manoj Kumar Mishra,

For the Resolution Applicant
Advocate

: Ms. Prachi Wazalwar,



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ORDER

Per: Justice V.G Bisht (Judicial)

1. The present application is moved by Resolution Professional **Mr Neehal Mahamul Pathan** (hereinafter called as "the Applicant") under section 30 (6) of the Insolvency and Bankruptcy Code, 2016 ("code") r/w Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for seeking approval of the resolution plan of Melstar Information Technologies (hereafter called as the "**Successful Resolution Applicant/SRA**") under the provisions of Section 31(1) of the code, for the Corporate Debtor **Melstar Information Technologies** (hereinafter called as the "**Corporate Debtor**") and for passing order/appropriate direction that this Tribunal may deem fit in the present matter.
2. The CIRP was initiated against the Corporate debtor vide Order dated 03.10.2019 and the Applicant herein was appointed as the IRP. The Interim Resolution Professional (hereinafter referred to as the IRP) made a public announcement in Form A on 03.10.2019. The IRP constituted the Committee of Creditors (hereinafter referred to as the CoC) on 28.10.2019. Subsequently, the First CoC meeting took place on 30.10.2019 wherein the IRP was appointed as the Resolution Professional and the decision to conduct forensic audit as permissible in code was approved unanimously.



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3. The Applicant is the Resolution Professional of the Corporate Debtor appointed by this tribunal vide order dated 01.10.2019.
4. The Applicant submits that till the date of filing of the present Application, a total of 8 (Eight) CoC meetings of the corporate Debtor have been held from time to time.
5. At the 2nd CoC meeting held on 3rd January 2020, the RP appointed two valuers in each class to value Financial Assets class and Plant & Machinery class of assets, separately in accordance with the requirement of the regulation. The Liquidation value of the corporate debtor as per the valuation report of Sanjoy Gupta is Rs.469.98 Lakhs and as per valuation report of Shri Debashis Nanda is Rs. 469.98 Lakhs. M/s J. Kala & Associates a Chartered Accountant firm was appointed to do the transaction audit in accordance with Section 43,45,49,50 & 66 of the code for the period of 2 years.
6. The RP circulated the Expression of interest (EOI), Form (G) and evaluation matrix and published the same on 5th January 2020 with last date of receipt of the EOI on 20th January 2020. In absence of any EOI, the publication of fresh Form G was contemplated vide email dt. 20th Jan ,2020 circulated to members of CoC. In response to revised Form G, the RP received three EOI's which were duly scrutinized in accordance with Regulation 36A (7).



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7. In 3rd CoC Meeting the RP presented the list of the parties interested and their EOI's to the CoC members. The Operational Creditors raised the apprehension as how the CD can submit the EOI as they are prohibited by Section. 29A of I.B.C 2016. The RP informed that the CD is a registered MSME and thus not barred by Section 29A of I.B.C 2016. The 3rd CoC meeting was held on 7th February 2020. The RP presented the provisional list of Resolution Applicant (RA) before the CoC on 7th February 2020. The CoC extended the time period of acceptance of EOI's from 4th February to 15th February 2020 by 100% of vote.

8. *Claims admitted as per the Code*

a. **Financial Creditor:** Various Financial Creditors have filed their claims with the Resolution Professional as financial creditors of MITL. As per the Information Memorandum shared by RP and based on latest data available total claims filed by Banks/FI's (as on Insolvency Commencement Date) amounted to INR 3.63Crores. Of this, the Resolution Professional admitted claims of Financial Creditors to the extent of INR 3.63 Crores. The detail of individual admitted claims of Financial Creditors is set out below: -

Sr. No	Name of Creditors	Amount admitted in respect of such claim (in Rs)



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1	Birla Edutech Limited	1,04,00,000/-
2	Nikola Infrastructure Technologies Limited	2,06,96,223/-
3	Yash Society	53,02,055/-
	Total	3,63,98,278

b. **Operational Creditors (Workmen/Employees)** : As per the information memorandum the total outstanding salary payable to them upto 31/03/2020 is Rs 26,90,000/-

c. **Operational Creditors (Other than Workmen/Employees):**
The Corporate Debtor has, in the course of its business and operations, incurred operational debts from Operational Creditors. As per the Information Memorandum, the following non-workmen dues have been admitted by the Resolution Professional:

Sr. No	Name of Creditors	Amount admitted in respect of such claim (in Rs)
1	Nityo Infotech Services Pvt Ltd.	2,87,82,493.58/-
2	Ami Computer Consultancy	3,51,440/-
3	Govt of Karnataka, Department of Taxes (Profession Tax)	1,80,046/-
4	Ms. Sukhada Satish Joshi	2,24,854/-
5	Abhishek Furniture	3,90,983



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6	Directorate General of GST Intelligence	1,55,80,042
7	Integrity Verification Services Pvt Ltd.	68,282/-
8	Daman Mehta	29,100/-
9	D J Mediaprint & Logistics Limited	1,67,477/-
10	GST Department	1,23,76,074
11	Prakash Salkar	66,000/-
12	Rahul Bharadwaj	82,644/-
13	S P Palaniappan	23,31,753
	Total	6,06,31,188.58/-

d. The 4th CoC meeting was held on 18th March, 2020. The RP informed the COC that subsequent to the 3rd Meeting of COC the RP has received few more claims from OC's. The RP further informed the COC that as per the code the CIRP process shall be completed within 180 days ending on 29th March 2020.

9. After deliberation in the 8th CoC meeting held on 10.11.2020, the CoC unanimously voted in favor of the Resolution Plan submitted by Mr. Shivasons Solution India Pvt Ltd. ("SRA"). The SRA proposes to make the following payments:

Particulars	in Rs Lakhs
Financial Outlay	



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Upfront Consideration (Cash) toward CIRP Cost	42.95
Payment towards Employees	13.45
Payments to Financial Creditors	325.00
Payments to Operational Creditors	51.50
Total	389.95
Source of Funds	
From Promoter of Resolution Applicant / Associates:	-
1st Tranche Infusion (to be infused within 60 days of Effective Date) in the form of shares/debentures/ unsecured loan /secured loan	225.00
2nd Tranche Infusion (to be done within 90 days of Effective Date) in the form of shares/debentures/ unsecured loan /secured loan	39.20
3rd Tranche within 24 months of Effective Date in the form of recovery from capital receipt and existing debtors cash flow.	125.75
Total	389.95

A. Synopsis of financial proposal

A synopsis of the financial proposal of the Resolution Applicant is provided below (detailed break up is provided in Chapter VIII of the Plan)



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B. Indicative %Age Recovery of Each Stakeholder

Assuming that: (i) the CIRP cost will be INR 42.95 Lakhs, (ii) Outstanding dues of Workman / Employees (other than related parties of CD), including dues of PF/Gratuity/etc. is Rs. 26.90 Lakhs (iii) Unsecured Financial Creditors is INR 363.98 Lakhs, and (iv) Operational creditors (other than Employees and Workmen) is INR 299.52 Lakhs, payment to various stakeholders shall be as under:

INR Lakhs

Particulars	Admitted Claim as on date of Resolution Plan (INR Lakhs)	Settlement Amount * Upfront Payment (INR Lakhs)	Value as %age of admitted Debt (INR Crore)		
			Deferred Payment (C)	Total (D=B+C)	%age (E=D/A)
	(A)	(B)	(C)	(D=B+C)	(E=D/A)
Unsecured Financial Creditors	363.98	225.00	100.00	325.00	89%
Workman & Employees Dues	26.90	13.45	NIL	13.45	50%
Operational Creditors	606.31	25.75	25.75	51.50	8.32%
Sub-Total	997.91	264.20	125.75	388.95	39%
Shareholders belonging to category of Public Shareholders	NIL	NIL	NIL	NIL	NIL
Shareholders belonging to category of Promoter / Promoter Group Shareholders	NIL	NIL	NIL	NIL	NIL
CIRP Cost	42.95	42.95	NIL	42.95	100%
Total	1040.14	45.64	394.29	439.94	42%



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*Settlement Amount & % age are indicative in nature

10. IMPLEMENTATION AND SUPERVISION

A. Term of the Plan

The Resolution Plan shall continue till such time the dues of the financial and operational creditors, as specified in Chapter IX Clause D herein are paid.

B. Approvals Required for the Plan

i) NCLT

The Resolution Plan of the Resolution Applicant shall be required to be approved by the NCLT under Section 31 of the IBC.

ii) Companies Act

Explanation to Section 30 (2) of the Code read with MCA circular dated October 25, 2017 bearing No. IBC/01/2017 (Modification) provides that there is no requirement of obtaining approval of shareholder/members of a company under insolvency, for a particular action, required in resolution plan, which would have been required under the Companies Act or any other law and such an approval is deemed to have been given once the resolution plan has been approved by the NCLT.

In light of the above, no shareholder's approval under Companies Act is required to be obtained by the Corporate Debtor for issue of Equity Shares to the Resolution Applicant and the procedure for issuance of shares as set out in Section 62 of Companies Act read with Rule 13 of Share Capital and Debenture Rules, 2014 shall be followed only to the extent relevant and required in light



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of Explanation to Section 30(2) of the Code read with MCA Notification.

a) Re-organization of Corporate Debtor's capital

The Resolution Plan provides for a transfer of entire share capital held by the Promoters group and institutional shareholders of Corporate Debtor to the RA and its associates. In future if there are any claims from earlier shareholders in the name of Corporate Debtor, the same shall stand null and void.

iii) **SEBI Approvals** – Waiver of SEBI permission, if any

iv) **Takeover Code Exemption** – Does not apply in case of Corporate Debtor

v) **Competition Commission of India (CCI)** – Does not apply in case of Corporate Debtor

C. Monitoring and Supervision

- i) In order to ensure that the Resolution Plan is implemented in accordance here of and that the obligations undertaken herein are adhered to in letter and spirit, an appropriate monitoring agency/entity shall be appointed.
- ii) The Committee of Creditors shall constitute the monitoring agency, which may comprise of professionally qualified person / persons as may be decided.
- iii) The monitoring agency/entity, so appointed, shall have interalia the following responsibilities:
 - a. To supervise the implementation of the Resolution Plan and ensure that the Resolution Plan is implemented as approved without any deviations;



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- b. To ensure timely disbursement of funds to the financial and operational creditors, as per the payment terms set out above;
- c. To ensure that approvals, to the extent required for implementation of the Resolution Plan, are applied for and obtained in a timely manner.
- d. To bring to the notice of NCLT, any deviations/violations, of the Resolution Plan, by any person;
- e. To provide regular updates to the NCLT, as and when required;
- f. Support the RA in Control and management of Corporate Debtor from NCLT Approval Date till the date of payment of Second Tranche within 60 days.
- g. To assist RA in case of any hurdle is raised by any operational creditor, govt/semi govt department or any other creditor which is waived by NCLT as per the resolution plan.

11. In compliance of Section 30(2) of IBC, 2016, the Resolution Professional has examined the Resolution plan of the Successful Resolution Applicant and confirms that this Resolution Plan:

- a) Provides for payment of Insolvency Resolution Process cost in a manner specified by the Board in the priority to the payment of other debts of the corporate debtor;
- b) Provides for payment of debts of operational creditor in such manner as may be specified by the board which shall not be less than



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- (i) The amount to be paid to such creditors in the event of liquidation of the corporate debtor under Section 53; or
- (ii) The amount that would have been paid to such creditors, if the amount to be distributed under the Resolution Plan had been distribute in accordance with sub-section (1) of Section 53 in the event of liquidation of the corporate debtor.
- c) Provides for management of the affairs of the Corporate Debtor after approval of Resolution Plan;
- d) The implementation and supervision of Resolution Plan;
- e) Does not prima facie contravene any of the provisions of the law for time being in force,
- f) Confirms to such other requirements as may be specified by the Board.
- g) As per the Affidavit received from each of the three members of the consortium and the further documents submitted, the Resolution Applicants are not covered under 29A.
12. In compliance of Regulation 38 of CIRP Regulations, the Resolution Professional confirms that the Resolution plan provides that



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- (i) The amount due to the Operational Creditors under resolution plan shall be given priority in payment over Financial Creditors.
 - (ii) It has dealt with the interest of all Stakeholders including Financial Creditors and Operational Creditors of the CD.
 - (iii) A statement that neither the Resolution Applicants nor any related parties have failed to implement nor have contributed to the failure of implementation of any other Resolution Plan approved by the AA in the past.
 - (iv) The terms of the plan and its implementation schedule.
 - (v) The management and control of the business of the CD during its term.
 - (vi) Adequate means of Supervising its implementation.
 - (vii) The Resolution Plan Demonstrate that it addresses
 - i. The cause of the Default
 - ii. It is feasible and viable
 - iii. Provision for effective implementation
 - iv. Provisions for approvals required and the time lines for the same.
 - v. Capability to Implement the Resolution Plan
13. The Resolution Professional has annexed Form H of the Application under Regulation 39(4) In FORM H of the CIRP Regulations to certify that the resolution plan as approved by the CoC meets all the requirements of the IBC and its Regulations:



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14. **FORM H**
COMPLIANCE CERTIFICATE

(Under Regulation 39(4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

1. **NEEHAL MAHAMULAL PATHAN** an insolvency professional enrolled with Indian Institute of Insolvency Professionals of ICAI and registered with the Board with registration number **IBBI/IPA-001/IP-P/01561/2018-19/12406**, am the resolution professional for the corporate insolvency resolution process (CIRP) of **MELSTAR INFORMATION TECHNOLOGIES LIMITED**.

2. The details of the CIRP are as under:

Sl. No.	Particulars	Description
1	Name of the CD	Melstar Information Technologies Limited
2	Date of Initiation of CIRP	1 st October 2019
3	Date of Appointment of IRP	1 st October 2019
4	Date of Publication of Public Announcement	3 rd October 2019
5	Date of Constitution of CoC	28 th October 2019 (Original CoC) 24 th December 2019 (Reconstituted CoC)
6	Date of First Meeting of CoC	30 th October 2019
7	Date of Appointment of RP	30 th October 2019
8	Date of Appointment of Registered Valuers	07 th February 2020
9	Date of Issue of Invitation for EoI	5 th January 2020 – First EOI 21 st January 2020 – Second EOI 7 th February 2020 – Third EOI
10	Date of Final List of Eligible Prospective Resolution Applicants	25 th February 2020
11	Date of Invitation of Resolution Plan	15 th February 2020
12	Last Date of Submission of Resolution Plan	25 th March 2020
13	Date of Approval of Resolution Plan by CoC	10 th November 2020
14	Date of Filing of Resolution Plan with Adjudicating Authority	15 th January 2021
15	Date of Expiry of 180 days of CIRP	29 th March 2020
16	Date of Order extending the period of CIRP	16 th October 2020
17	Date of Expiry of Extended Period of CIRP	13 th January 2021
18	Fair Value (of Enterprise on DCF method)	Rs.13,55,000/-
19	Liquidation value	Rs.4,69,98,000/-
20	Number of Meetings of CoC held	Eight (08)



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3. I have examined the Resolution Plan received from Resolution Applicant **SHIVASONS SOLUTIONS INDIA PRIVATE LIMITED** and approved by Committee of Creditors (CoC) of **MELSTAR INFORMATION TECHNOLOGIES LIMITED**

4. I hereby certify that-

- (i) the said Resolution Plan complies with all the provisions of the Insolvency and Bankruptcy Code 2016 (Code), the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) and does not contravene any of the provisions of the law for the time being in force.
- (ii) the Resolution Applicant **SHIVASONS SOLUTIONS INDIA PRIVATE LIMITED** has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order.
- (iii) the said Resolution Plan has been approved by the CoC in accordance with the provisions of the Code and the CIRP Regulations made there under. The Resolution Plan has been approved by 100% of voting share of financial creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.
- (iv) I sought vote of members of the CoC by electronic voting system which was kept open at least for 24 hours as per the regulation 26.

5. The list of financial creditors of the CD **MELSTAR INFORMATION TECHNOLOGIES LIMITED** being members of the CoC 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	Birla Edutech Limited	66.23	100.00
2	Yash Society	33.77	100.00
	TOTAL :	100.00	100.00

6. The Resolution Plan includes a statement under regulation 38(1A) of the CIRP Regulations as to how it has dealt with the interests of all stakeholders in compliance with the Code and regulations made there under.

7. The amounts provided for the stakeholders under the Resolution Plan is as under:

(Amount in Rs.

lakh)

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	Unsecured Financial Creditors	(a) Creditors not having a right to vote under sub-section (2) of section 21	206.96	206.96	193.32	93.41%
		(b) Other than (a) above: (ii) who voted in favour of the resolution plan	157.02	157.02	146.68	93.41%



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		Total[(a) + (b)]	363.98	363.98	340.00	93.41%
2	Dues to Workman / Employees (Other than related parties of CD)		31.43	31.43	13.45	42.79%
3	Operational Creditors	(a) Related Party of Corporate Debtor	NIL	NIL	NIL	NIL
		(b) Other than (a) above:	750.56	606.31	51.50	8.49%
		Total[(a) + (b)]	750.56	606.31	51.50	8.49%
Grand Total			0	1001.73	404.95	40.42%

*If there are sub-categories in a category, please add rows for each sub-category.

Amount provided over time under the Resolution Plan and includes estimated value of non-cash components. It is not NPV.]

8. The interests of existing shareholders have been altered by the Resolution plan as under:

Sl. No	Category of Share Holder	No. of Shares held before CIRP	No. of Shares held after the CIRP	Voting Share (%) held before CIRP	Voting Share (%) held after CIRP
1	Equity	14283139	14283139	100%	100%
2	Preference	-	-	-	-

9. The compliance of the Resolution Plan is as under:

Section of the Code / Regulation No.	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes / No)
25(2)(b)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?	Clause 5	Yes
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Applicants or Order, if any, of the Adjudicating Authority?	Clause 8.1	Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?	Clause 6.1	Yes
Section 30(2)	(a) provides for the payment of insolvency resolution process costs?	Clause 6.1	Yes
	(b) provides for the payment to the operational creditors?	Clause 6.1	Yes
	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	Clause 6.1	NA
	(d) provides for the management of the affairs of the corporate debtor?	Clause 6.1	Yes
Section 30(2)	(e) provides for the implementation and supervision of the resolution plan?	Clause 6.1	Yes
	(f) contravenes any of the provisions of the law for the time being in force?	Clause 6.1	Yes
		Clause 6.1	No
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC?		Yes



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	(b) has been approved by the CoC with 66% voting share?	-	Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?	-	Yes
Regulation 35A	Where the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50 or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the Board?	-	Yes
Regulation 38 (1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?	Clause 5.10	Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?	Clause 5.10	Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?	Clause 5.10	No
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?	Clause 5.10	Yes
38(3)	Whether the resolution plan demonstrates that – (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?	Clause 5.10	Yes
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?	Clause 5.10	Yes
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of regulation 36B.	-	Yes

10. The CIRP has been conducted as per the timeline indicated as under:

Section of the Code / Regulation No.	Description of Activity	Latest Timeline under regulation 40A	Actual Date [Order passed on 01.10.2019 and order received on 01.10.2019 hence CIRP date is considered as 01.10.2019]
Section 16(1)	Commencement of CIRP and Appointment of IRP	T	01.10.2019
Regulation 6(1)	Publication of Public Announcement	T+3	03.10.2019



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Section 15(1)(c)/Regulation 12 (1)	Submission of Claims	T+14	15.10.2019
Regulation 13(1)	Verification of Claims	T+21	22.10.2019
Section 26(6A)/ Regulation 15A	Application for Appointment of Authorized Representative, if necessary	T+23	NA
Regulation 17(1)	Filing of Report Certifying Constitution of CoC	T+23	24.10.2019
Section 22(1) and regulation 17(2)	First Meeting of the CoC	T+30	30.10.2019
Regulation 35A	Determination of fraudulent and other transactions	T+115	24.01.2021
Regulation 27	Appointment of two Registered Valuers	T+47	07.02.2020
Regulation 36 (1)	Submission of Information Memorandum to CoC	T+54]	14.11.2019
Regulation 36A	Invitation of EoI	T+75	07.02.2020
	Publication of Form G	T+75	07.02.2020
	Provisional List of Resolution Applicants	T+100	18.02.2020
	Final List of Resolution Applicants	T+115	25.02.2020
Regulation 36B	Issue of Request for Resolution Plan, which includes Evaluation Matrix and Information Memorandum to Resolution Applicants	T+105	07.02.2020
Section 30(6) / Regulation 39(4)	Submission of CoC approved Resolution Plan	T+165	14.01.2021
Section 31(1)	Approval of Resolution Plan	T-180	--

11. The time frame proposed for obtaining relevant approvals is as under:

Sl. No.	Nature of Approval	Name of applicable Law	Name of Authority who will grant Approval	When to be obtained
		NIL		

12. The Resolution Plan is not subject to any contingency.



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13. Following are the deviations / non-compliances of the provisions of the Insolvency and Bankruptcy Code, 2016, regulations made or circulars issued thereunder (If any deviation/ non-compliances were observed, please state the details and reasons for the same):

	Deviation/Non-compliance observed	Section of the Code / Regulation No. / Circular No.	Reasons	Whether rectified or not
1		---NIL---		
2				
3				

14. The Resolution Plan is being filed 67 days before the expiry of the period of CIRP provided in section 12 of the Code.

15. Provide details of section 66 or avoidance application filed / pending.

Sl. No.	Type of Transaction	Date of Filing with Adjudicating Authority	Date of Order of the Adjudicating Authority	Brief of the Order
1	Preferential transactions under section 43	29.01.2020 TO 26.02.2021	NA	NA
2	Undervalued transactions under section 45	No such application is required to file	NA	NA
3	Extortionate credit transactions under section 50	No such application is required to file	NA	NA
4	Fraudulent transactions under section 66	No such application is required to file	NA	NA

15A. The committee has approved a plan providing for contribution under regulation 39B as under:

- Estimated liquidation cost: Rs.4,69,98,000/-
- Estimated liquid assets available: NIL
- Contributions required to be made: Rs.4,69,98,000/-

15B. The committee has recommended under regulation 39C as under:

- Sale of corporate debtor as a going concern: Yes / No
 - Sale of business of corporate debtor as a going concern: Yes / No
- The details of recommendation are available with the resolution professional.

15C. The committee has fixed, in consultation with the resolution professional, the fee payable to the liquidator during the liquidation period under regulation 39D.]
No, will be fixed once the order is passed.

16. I (Name of Resolution Professional) hereby certify that the contents of this certificate are true and correct to the best of my knowledge and belief, and nothing material has been concealed there from.

15. On perusal of the Resolution Plan, it is observed that the Resolution Plan provides for the following:

- Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.



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- b) Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
 - c) For management of the affairs of the Corporate Debtor, after the approval of Resolution Plan, as specified U/s 30(2)(c) of the Code.
 - d) The implementation and supervision of Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.
16. The RP has complied with the requirement of the Code in terms of Section 30(2)(a) to 30(2)(f) and Regulations 38(1), 38(1)(a), 38(2)(a), 38(2)(b), 38(2)(c) & 38(3) of the Regulations.
17. The RP has filed Compliance Certificate in Form-H along with the Plan. On perusal the same is found to be in order. The Resolution Plan has been approved by the CoC in the 2nd Adjourned 25th meeting held on 13.08.2021 with 83.37% (Eighty-Three-point three seven percent).
18. One Operational Creditor I.e. M/s Nityo Infotech Services Private Limited filed an IA no. 555/2020 for the removal of M/s Birla Edutech Ltd., and M/s Yash Society from the Committee of Creditors and replacement of Shri Neehal Mahamulal Pathan as the Resolution Professional of the Corporate Debtor, alleging that M/s Birla Edutech Ltd., and M/s Yash Society are related person of the Corporate Debtor and the Resolution Professional has failed to take note of that.



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Both of these creditors are Financial Creditors of the Corporate Debtor and part of Committee of Creditors, who approved the resolution plan in consideration before this bench in IA 467 of 2022.

- (i) For this purpose, the applicant has placed reliance upon the Related Party disclosure made by M/s Birla Edutech Ltd. in the uploaded XBRL file for the FY 2015 – 2016 onwards showing that the Corporate Debtor is its related party.
- (ii) It is submitted by the Applicant that M/s Yash Society has been established by Mr. Yashovardhan Birla, who controls Yash Birla Group. The management of the M/s Yash Society is vested in the hands of Mr. Yashovardhan Birla and exercise control over the bank account. Thus, even the Yash Society is under the control of Yash Birla and is a related party to the Corporate Debtor, which is a Yash Birla Group company.
- (iii) This Bench finds that the CoC was comprised of three Financial Creditors, of which M/s Birla Edutech Ltd., and M/s Yash Society. There is a third Financial Creditor who individually holds 56.86% of CoC which voted in favor of plan. Even if these two members are considered disqualified as contented by the Applicant, there will remain one financial creditor, and such financial creditor shall still constitute a valid CoC holding 100% voting rights. If we find that the plan was approved by 100% of CoC members meaning thereby the 3rd member also voted in favor of plan. Accordingly, we do not find any prejudice having been



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caused to the applicant by the Vote of M/s Birla Edutech Ltd., and M/s Yash Society in favor of the Plan. As regards conduct of the Resolution Professional in this relation is concerned, this Bench feels that the appropriate forum to deal with such grievance is IBBI.

(iv) **In view of above, the I.A. 555/2020 is dismissed.**

19. In *K Sashidhar v. Indian Overseas Bank & Others* (in Civil Appeal No.10673/2018 decided on 05.02.2019) the Hon'ble Apex Court held that if the CoC had approved the Resolution Plan by requisite percent of voting share, then as per section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan as approved by CoC meets the requirements specified in Section 30(2). The Hon'ble Tribunal observed the role of the NCLT is 'no more and no less'. The Hon'ble Tribunal further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 and is limited to scrutiny of the Resolution Plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in reference to matters specified in Section 30(2) when the Resolution Plan does not conform to the stated requirements.



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20. In *CoC of Essar Steel* (Civil Appeal No. 8766-67 of 2019 decided on 15.11.2019) the Hon'ble Apex Court clearly laid down that the Adjudicating Authority would not have power to modify the Resolution Plan which the CoC in their commercial wisdom have approved. In para 42 Hon'ble Court observed as under:

"Thus, it is clear that the limited judicial review available, which can in no circumstance trespass upon a business decision of the majority of the Committee of Creditors, has to be within the four corners of section 30(2) of the Code, insofar as the Adjudicating Authority is concerned, and section 32 read with section 61(3) of the Code, insofar as the Appellate Tribunal is concerned, the parameters of such review having been clearly laid down in K. Sashidhar(supra)."

21. In view of the discussions and the law thus settled, the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38, 38 (1A) and 39 (4) of the Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. The same needs to be approved. Hence ordered.
22. **The Application IA No. 467 of 2021 in CP (IB) 2839 of 2018 is allowed.** The Resolution Plan annexed to the Application is hereby approved. It shall become effective from this date and shall form part of this order.



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- i. It shall be binding on the Corporate Debtor, its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force is due, guarantors and other stakeholders involved in the Resolution Plan.
- ii. 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 by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan, shall be subject to approval by the Authorities concerned.
- iii. The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the Registrar of Companies (RoC), Mumbai, Maharashtra 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.
- iv. The moratorium under Section 14 of the Code shall cease to have effect from this date.
- v. The Applicant shall supervise the implementation of the Resolution Plan and file



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status of its implementation before this Authority from time to time, preferably every quarter.

- vi. 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.
- vii. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Resolution Applicant, respectively for necessary compliance.

Sd/-

SH. PRABHAT KUMAR
MEMBER (TECHNICAL)

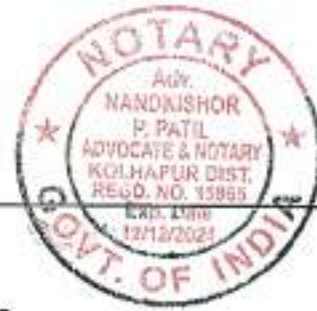
Sd/-

JUSTICE VIRENDRASINGH G. BISHT
MEMBER (JUDICIAL)



Certified True Copy
Copy Issued "free of cost"
On 06.11.2023

P. S. Sonawale
Deputy Registrar 06.11.2023
National Company Law Tribunal Mumbai Bench
01/11/23 (D-16171)



STRICTLY CONFIDENTIAL

RESOLUTION PLAN
(Dated: October 1, 2020)

*UNDER THE PROVISIONS OF THE INSOLVENCY AND
BANKRUPTCY CODE 2016*

In Relation To
**MELSTAR INFORMATION TECHNOLOGIES
LIMITED**
(Corporate Debtor)

Submitted By

Shivasons Solutions India Private Limited
(Resolution Applicant)

Submitted To

MR. NEEHAL PATHAN
(Resolution Professional)



General Information

Name and address of the Corporate Debtor	MELSTAR INFORMATION TECHNOLOGIES LIMITED(hereafter referred to as MITL) Address: 159, Industry House, Churchgate Mumbai - 400020
Phone No. of the Corporate Debtor	+91 (22) 62356400
Whether Listed	Listed with BSE and NSE
Authorised Capital(Rs)	55,00,00,000
Paid up Capital(Rs)	14,28,31,390
Date of Incorporation	12/08/1986
Contact details of the Resolution Professional	Mr. Neehal Pathan Regn No.: IBBI/PA-001/IP-P01561/2018-19/12406 Address: Id: Plot No.27, RS No.825, Sahjeevan Parisar, Near TPM Church, Behind Circuit House, Kolhapur 416003 Maharashtra State Email: lrpneehal.melstar@gmail.com
Name of the resolution applicant	Shivasons Solutions India Private Limited(referred to "Shivasons" hereafter)
Status of the applicant	Private Limited Company
Registered office	301,Aditya Apt, Sadhna Colony,Opp Hindu Colony, Navrangpura, Ahmedabad Gujarat-380009
Correspondence address of the resolution applicant:	301,Aditya Apt, Sadhna Colony,Opp Hindu Colony, Navrangpura, Ahmedabad Gujarat-380009
PAN of the resolution applicant (please enclose a copy):	AAUCS6268F
E-mail ID of the resolution applicant	shivasons@gmail.com
Phone No.:	9231383112
Relationship of the resolution applicant with the Corporate Debtor, if any:	N/A

List of the Suspended Directors of the Corporate Debtor:

Directors/Signatory De-tails		
DIN/PAN	Name	Begin date
AIWPM6333N	ASHISH RAMESH MAHENDRAKAR	29/05/2017
0005338978	ANANT SATISH PATHAK	01/02/2019
0007140094	KIRTI TRIPATHI	01/04/2019
0007229156	VINEET TRIPATHI KUMAR	01/04/2019
0008052666	SIRISH KUMAR SAHOO	01/04/2019



Disclaimer:

The obligation of the Resolution Applicant to make an investment in Melstar Information Technologies Limited (MITL) or implement the Resolution Plan proposed by its shall only arise on the Effective Date. Till such time the Resolution Plan is made effective on the Effective Date, no past, present or future action, course of conduct or failure to act in relation to the proposed investment in MITL will give rise to or serve as the basis for any obligation or other liability on the part of the Resolution Applicant.

This proposed Resolution Plan contains statements, statistics, information that are or maybe forward looking. Further the certain statements and projections (contained in this proposed Resolution Plan) are based on judgmental estimates and assumptions.

EMD: Rs 5,00,000

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PREAMBLE

This Resolution Plan (hereinafter referred to as the "Plan") is being submitted by Shivsons Solutions India Private Limited (hereinafter referred to as Resolution Applicant), a company incorporated under the Companies Act, 1956 and having its registered office at 301, Aditya Apt, Sadhna Colony, Opp Hindu Colony, Navrangpura, Ahmedabad, Gujarat- 380009

Melstar Information Technologies Limited was incorporated in 1986 and is based in Mumbai, India which was promoted by SIFA GmbH, Germany and Patel Group of Mumbai, initially as a private limited company as Sifa India Pvt. Ltd. The company was engaged in manufacturing, trading and export-import of electronic systems and computer hardware and software and was also involved in information technology including consultancy, software development, infotech services, enterprise solutions, out-sourcing and facility management, internet, E-commerce etc. In 1993, the company diversified into software exports and has been exporting mainly to USA, Italy, Switzerland etc. It further diversified into manufacture of electronic products such as calculators, blinkers, etc in 1994-95. The Company made a public issue in July 1994 and the name of the company was changed to Melstar Information Technologies Limited (MITL). The Company has been awarded the SEI-CMM Quality Level III certificate in April 2001

During the year 2009, the Yash Birla Group acquired Melstar Information Technologies.

MIT became a complete service provider of professional consulting and project services and solutions. The company also had a strong focus on the banking, financial services, and insurance sector.

"MELSTAR INFORMATION TECHNOLOGIES Limited" was placed into Insolvency Resolution Process (CIRP) by Hon'ble National Company Law Tribunal Mumbai Bench, (NCLT) Vide order No. C P (IB) No. 2839/NCLT/MB/2018 dated 01/10/2019 since One of the creditors namely Nityo Infotech Services Private Limited having a total outstanding of Rs.420.67 Lakhs (admitted claim Rs.287.83 Lakhs) filed a petition before National Company Law Tribunal (NCLT) under Section 9 of Insolvency and Bankruptcy Code, 2016

Mr. Neehal M Pathan, an Insolvency Professional having Registration Number IBBI/IPA-001/IP-P/01561/2018-19/12406 has been appointed as Interim Resolution Professional (IRP) by the National Company Law Tribunal, Mumbai Vide order No. C P (IB) No. 2839/NCLT/MB/2018 dated 01/10/2019 of Hon'ble National Company Law Tribunal Mumbai Bench, Mumbai (NCLT) in connection with the Corporate Insolvency Process of "MELSTAR INFORMATION TECHNOLOGIES Limited" and on 30.10.2019, the Committee of Creditors confirmed him as "Resolution Professional" for the Corporate Debtor under CIRP.

Consequently, the powers of the board of directors of Corporate Debtor stands suspended and are presently being exercised by Mr. Neehal Pathan the Resolution Professional appointed as per IBC.

Pursuant to the public notice dated January 05, 2020(revised to February 07, 2020), the Information Memorandum, Process Note and other documents issued by the Resolution Professional, Shivsons Solutions India Private Limited hereby submits this Plan relating to the insolvency resolution of MITL (Corporate Debtor) under the provisions of Insolvency and Bankruptcy code 2016 and the rules, regulations and circulars issued thereunder (IBC).

Pursuant there to, Shivsons submitted an EOJ to the Resolution Professional.

This now is the resolution plan proposed by the Resolution Applicant for resolution of insolvency of MITL as a going concern. It is clarified that while the resolution plan is being proposed by Shivsons. Shivsons shall be infusing funds in MITL, directly along with associates.

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II. DEFINITIONS AND INTERPRETATION

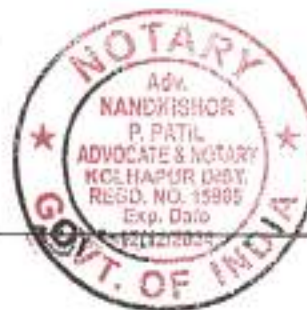
A. DEFINITIONS

In this Resolution Plan, the following words and expressions shall have the following meanings:

MITL	Means Meistar Information Technologies. Limited, having its Registered Office at 159, Industry House, Churchgate - 400020
Affiliate	Means, with respect to any Person, any other Person(s) that, directly or indirectly, controls or is controlled by or is under the common control with such Person.
Applicable Law	Means any statute, law, enactment, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, policy, consent, direction, directive, guideline, requirement or other governmental restriction, or any similar form of decision of, or determination by, or any interpretation having the force of law, by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of submission of the Resolution Plan or
Approved Resolution Plan	Means the Resolution Plan, as finally submitted by the Resolution Applicant to the Committee of Creditors (after discussions/ negotiations) and approved by the Committee of Creditors.
CIRP	Means the corporate insolvency resolution process of MITL, conducted in accordance with the Code and CIRP Regulations.
CIRP Costs	Means the insolvency resolution process costs, as defined under the Code incurred in respect of CIRP of MITL.
CIRP Period	Means the period commencing on Insolvency Commencement Date and expiring on the Effective Date.
CIRP Regulations	Means the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations 2016, as amended from time to time.
Code	Means the Insolvency and Bankruptcy Code, 2016, as amended from time to time.
Committee of Creditors	Means the committee of creditors of MITL, constituted under Section 21 of the Code.
Companies Act	Means the Companies Act, 2013, as applicable and as amended from time to time, together with any rules, regulations, notifications, circulars and removal of difficulty orders issued there under.



Control	shall mean a company holding more than 50% (fifty percent) of the voting share capital of another company or the ability to appoint majority of the directors on the board of another company or the ability of a company to direct or cause direction of the management and policies of another company, whether by operation of law or by contract or otherwise.
Corporate Debtor	Means Melstar Information Technologies Limited.
Secured Financial Creditors	Means the following whose Claims has been admitted by the Resolution Professional as the secured Financial Creditors of MITL
Effective Date	means the date of approval of this Plan by NCLT
Equity Shares	means the equity shares of MITL
Unsecured Financial Creditors	means the following whose Claims has been admitted by the Resolution Professional as the Unsecured Financial Creditors of MITL: NIL and shall include any other Person to whom the unsecured financial debt is transferred and/or assigned by such unsecured financial creditors (in whole or in part) in accordance with Applicable Law
Force Majeure	means any of the following which prevents or is likely to prevent the implementation of the Resolution Plan: war, hostilities, terrorism, revolution, riot or civil disorder; flood, storm, earthquake or another natural event; change in any Applicable Law or any change in the interpretation or enforcement of any Applicable Law; an act or order of any Governmental Authority; and or an order of any court or other judicial body.
Governmental Authority	includes (a) any national, federal, state, county, municipal, local, or foreign government or any entity exercising executive, legislative, judicial, regulatory, taxing, or administrative functions of or pertaining to government in any jurisdiction, (b) any public international organization, (c) any agency, division, bureau, department, or other political subdivision of any government, entity or organization described in the foregoing clauses (a) or (b) of this definition, (d) any company, business, enterprise, or other entity owned, in whole or in part, or controlled by any government, entity, organization, or other Person described in the foregoing clauses (a).

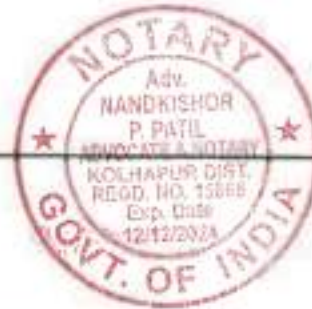


Group Companies	Means and includes (i) a company which, directly or indirectly, holds 26% (twenty six percent) or more of the share capital of the said company or (ii) a company in which the said company, directly or indirectly, holds 26% (twenty six percent) or more of the share capital or (iii) a company in which the said company, directly or indirectly, has the power to direct or cause to be directed the management and policies of such company whether through the ownership of securities or agreement or any other arrangement or otherwise or (iv) a company which, directly or indirectly, has the power to direct or cause to be directed the management and policies of the said company whether through the ownership of securities or agreement or any other arrangement or otherwise or (v) a company which is under common Control with the said company.
Information Memorandum	Means the information memorandum of MITL, prepared by the Resolution Professional under the provisions of the Code and CIRP Regulations, as provided to the Resolution Applicant.
Insolvency Commencement Date	Means October 01, 2019, being the date of order passed by the NCLT, admitting the application of company and commencing the CIRP of MITL.
Letter of Intent	Means the letter to be issued by the Resolution Professional/Committee of Creditors to the resolution applicant whose plan has been approved by the Committee of Creditors.
NCLT	Means the Hon'ble National Company Law Tribunal Mumbai Bench, (NCLT) and such other benches as may be prescribed.
NCLT Approval Date	Means the date of NCLT Approval Order.
NCLT Approval Order	Means the order passed by the NCLT, approving the Approved Resolution Plan of the Resolution Applicant under Section 31 of the Code.
Operational Creditors	Means the operational creditors (as defined under 5 (20) of the Code) of MITL, whose claims have been admitted by the Resolution Professional under the Code.
Person	Means any person (including a natural person), sole proprietorship, corporation, body corporate, partnership, joint venture, estate, trust, company, unincorporated association or organization, firm, Governmental Authority or other enterprise, association, organization or entity whether or not required to be incorporated or registered under Applicable Law.
Resolution Applicant	Means Shivasons, which shall implement the Resolution Plan directly along with associates.

Resolution Plan	Means this resolution plan, as proposed by the Resolution Applicant by way of submission of its bid to the Resolution Professional within the specified date, for resolution of insolvency of MITL as a going concern.
Resolution Professional	Means Mr.Neehal Pathan, appointed as the resolution professional of MITL by the NCLT.
RFRP	Means the Request for Proposal for Submission of Resolution Plans issued by the Resolution Professional on July 23, 2020.
SEBI	Means the Securities and Exchange Board of India.
Subsidiaries	Shall mean and include the subsidiaries (both Indian and foreign) of MITL:NIL
Concerned Authorities	Government / Semi Government / Local Authorities / Autonomous Bodies

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B. INTERPRETATION

In this Resolution Plan, unless the context otherwise requires:

1. headings and bold typeface are only for convenience and reference and shall be ignored for the purpose of interpretation and construction of the relative provisions of this Resolution Plan
2. any reference to a clause or schedule is a reference to a Clause in or Schedule to this Resolution Plan, except as expressly provided otherwise herein;
3. the Schedules annexed hereto shall constitute an integral part of this Resolution Plan;
4. words of any gender are deemed to include the other gender;
5. the singular includes the plural and vice versa and, in particular (but without limiting the generality of the foregoing), any word or expression defined in the singular has the corresponding meaning when used in the plural and vice versa;
6. the terms "hereof", "herein", "hereby", "hereto" and derivative or similar words refer to this entire Resolution Plan or specified sections of this Resolution Plan as the case may be;
7. reference to any of the words "include", "including", "for example", "such as", is not used as, nor it is to be interpreted as, a word of limitation and when introducing an example, does not limit the meaning of the word to which the example relates, to that example or examples of a similar kind;
8. any reference to a statute, ordinance, code or other law includes regulations and other instruments under it and amendments or re-enactments of any of them;
9. if a period of time is specified and dates from a given day or the day of an act or event, it is to be calculated inclusive of that day;
10. a reference to "month" shall mean an English calendar month and a reference to "year" shall mean an English calendar year, except as expressly provided otherwise in this Resolution Plan;
11. the values given herein are approx. values and the same shall be rounded off to the nearest rupee;
12. if a word or phrase is defined, parts of speech and other grammatical forms of that word or phrase shall have a corresponding meaning;
13. any reference to time is a reference to Indian Standard Time; and
14. Reference to anything including any amount is a reference to the whole and each part of it.

III. ABOUT THE RESOLUTION APPLICANT

A. Background of Shivasons Solutions India Private Limited

Shivasons Solutions India Private Limited is an Indian company incorporated on 13th June 2014 with CIN: U74140GJ2014PTC079779 under the Indian Companies Act 2013. It has been incorporated basically as an investment company whereby it takes over distressed companies and manages to turnaround the company into a profitable entity. It specializes in pooling talent and professionals in the respective field in which the target company is being taken over thereby turning the company into a profitable one.

B. Key Managerial Personnel

Name of the Director	Designation	DIN
Kaushik Gupta	Additional Director	08681225
Narayan Kulla	Additional Director	08681231
Sukumar Mandal	Additional Director	08681236



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IV. Our Understanding of Melstar Technologies Private Limited

Melstar Information Technologies Ltd., commonly called Melstar, is IT Company which was incorporated in 1986. In 2000 the company came out with an IPO and was listed on the BSE and the NSE. Melstar is a CMM Level III Assessed & ISO 9001:2008 Certified Company. Melstar has its Head Office in Mumbai with Sales/Marketing offices at Mumbai, Bangalore, Hyderabad, Chennai, Gurgaon, Pune and Kolkata.

The major offerings of the company are:-

1. Application Services
2. Legacy Migration Services
3. Portal Services
4. Testing Services
5. Application Maintenance & Support
6. Professional Services relating to staffing
7. IT Infrastructure Services



The Directors of the company are

Name of Director	Designation
Anant Satish Pathak	Non Executive & Independent Director
CS Vineet Tripathi	Non Executive & Independent Director
Sirish Sahoo	Non Executive & Non Independent Director
Kirti Tripathi	Non Executive & Independent Director

A. Current State of Affairs of MITL

The company is currently operating in two segments namely:-

Segment A – Software Services

Segment B – IT Infra projects

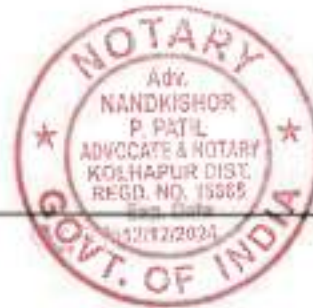
The company has been focusing on achieving task and is in process to develop and implement growth opportunities within and between organizations to expand IT business and wants to cover all over India for providing various services like IT and ITeS and other related activities. Strategy of the Company is to get higher profitability and stable cash flow generations in these markets. Satisfaction for providing services is very big challenge for the company.

As informed by the company, the major chunk of the revenue was contributed by "Shareit" (Approximately 80% of total revenue). However "Shareit" terminated its contract with MITL thereby company's major source of revenue was stopped which resulted in heavy losses to the company. The company was not able to cope with the loss of its pivotal customer and it was not successful in fetching new customers with same level of revenue generation capability. This resulted in company defaulting payments to its creditors and the creditors outstanding mounted considerably in the past few years.

In view of continuous cash losses from the year ended March 31, 2019, the company has been continuously delaying its commitment towards sundry creditors resulting in increase in Trade Payables from Rs.550 Lakhs as on March 31, 2017 to Rs.725 Lakhs as on March 31, 2019. As a result of it, one of the creditor namely Nityo Infotech Services Private Limited having a total outstanding of Rs.420.67 Lakhs (admitted claim Rs.287.83 Lakhs) filed a petition before National Company Law Tribunal (NCLT) under Section 9 of Insolvency and Bankruptcy Code, 2016. The said petition was admitted by NCLT on October 1, 2019 and Mr. Neehal Pathan was admitted as an Interim Resolution Professional.



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B. Latest Audited Financial Position

Income Statement	2017	2018	Rx. Lacs 2019
Revenue			
Software Services	2,044.17	340.85	342.72
Other Sales	57.54	-5.88	
Total Revenue – Operations	2,101.71	334.97	342.72
YoY Growth		-84%	2%
Other Income	12.27	363.59	903.51
Total Income	2,113.98	698.56	1,246.23
COGS			
Employee Benefit Expense	1,485.79	467.12	478.92
Total COGS	1,485.79	467.12	478.92
Gross Margin	615.92	-132.15	-136.20
Gross Margin %	29%	-39%	-40%
Administration & Selling Expenses	785.65	262.09	690.35
Total Administration & Selling Expenses	785.65	262.09	690.35
EBIDTA	-157.46	-30.65	76.96
Depreciation	63.43	28.47	1.09
EBIT	-220.89	-59.12	75.87
Financing Costs	165.49	194.07	85.63
EBT	-386.38	-253.19	-9.76
Provision for taxes/Deferred tax	2.19	18.57	0.35
PAT	-388.57	-271.76	-10.11
Net Margin %	-18%	-39%	-1%
Other Comprehensive Income	-4.13	-4.85	-0.91
Total Comprehensive Income for the year	(392.70)	(276.61)	(11.02)
EPS- Basic & Diluted	-2.72	-1.9	-0.07



C. Corporate Structure as on 31.03.2019

Authorized Share Capital	Rs. in Lakhs
54,950,000 Equity Shares of Rs.10 Each	5,495.00
50,000 Preference Shares of Rs.10 Each	5.00
Total	5,500.00
Issued, Subscribed and Fully Paid up Equity Shares	
14,283,139 Equity Shares of Rs.10Each	1,428.31
Issued, Subscribed and paid up	
14,283,139 Equity Shares of Rs.10 Each	1,428.31
Total	1,428.31
Total Issued, Subscribed Capital	1,428.31

S.No.	Category of Shareholder	Number of Shares Held	Percentage(%)
1	Promoters & promoters Group	67,20,976	47.06%
2	Public & FII	75,62,163	52.94%
	Total	14,283,139	100.00%

The detailed break up of shareholding pattern is as under:-

Sr No.	Name of Shareholder	No of shares	Amount of Shares (Rs in Lakh)	% of shareholding
1	Birla Bombay Private Limited	643,286	64.33	4.50
2	Godavari Corporation Pvt. Ltd.	1,747,533	174.75	12.24
3	Shearson Investment & Trading Co Pvt. Ltd.	2,101,908	210.19	14.72
4	Nirved Traders Private Limited	2,228,249	222.82	15.60
	Sub total	67,20,976	672.09	47.06%
5	Financial Institutions/Banks	100,000	10.00	0.70
6	Bodies Corporate	445,659	44.57	3.12
7	Clearing Members	62,867	6.29	0.44
8	Non-Resident Indians	184,299	18.43	1.29
9	Overseas Corporate Bodies	58,950	5.89	0.41
10	Public	6,710,388	671.04	46.98
	Sub total	75,62,163	756.22	52.94%
	Grand Total	14,283,139	1428.31	100%

D. Asset Liability as per Latest Audited Balance Sheet

Balance Sheet		Rs in Lakhs
		2019
ASSETS		
Non-Current Assets		
Fixed Assets		1.35
Non Current Investments		190.75
Other Non Current assets		29.01
Current Assets		
Trade receivables		33.18
Cash & cash equivalents		2.68
Short term loans & advances		683.77
Other current assets		237.96
TOTAL		1,378.70
EQUITY & LIABILITIES		
Shareholders' Funds		
Share Capital		1428.31
Other Equity		-1,312.86
Non-Current Liabilities		
Long Term Provisions		32.81
Current Liabilities		
Short term borrowings		247.00
Trade payables		724.95
Other current liabilities		240.51
Short term provisions		17.98
TOTAL		1,378.70



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E. Claims admitted as per the Code

1. **Financial Creditor:** Various Financial Creditors have filed their claims with the Resolution Professional as financial creditors of MITL. As per the Information Memorandum shared by RP and based on latest data available total claims filed by Banks/FI's (as on Insolvency Commencement Date) amount to INR 3.63Crores. Of this, the Resolution Professional has admitted claims of Financial Creditors to the extent of INR 3.63 Crores. The detail of individual admitted claims of Financial Creditors is set out below:-

Sr. No	Name of Creditors	Amount admitted in respect of such claim (in Rs)
1	Birla Edutech Limited	1,04,00,000/-
2	Nikola Infrastructure Technologies Limited	2,06,95,223/-
3	Yash Society	53,02,055/-
	Total	3,63,98,278

2. **Operational Creditors(Workmen/Employees) :** As per the information memorandum the total outstanding salary payable to them upto 31/03/2020 is Rs 26,90,000/-
3. **Operational Creditors (Other than Workmen/Employees):** MITL has, in the course of its business and operations, incurred operational debts from Operational Creditors. As per the Information Memorandum, the following non-workmen dues have been admitted by the Resolution Professional:

Sr. No	Name of Creditors	Amount admitted in respect of such claim (in Rs)
1	Nityo Infotech Services Pvt Ltd.	2,87,82,493.58/-
2	Ami Computer Consultancy	3,51,440/-
3	Govt of Karnataka, Department of Taxes (Profession Tax)	1,80,046/-
4	Ms. Sukhada Satish Joshi	2,24,854/-
5	Abhishek Furniture	3,90,983
6	Directorate General of GST Intelligence	1,55,80,042
7	Integrity Verification Services Pvt Ltd.	68,282/-
8	Daman Mehta	29,100/-
9	D J Mediaprint & Logistics Limited	1,67,477/-
10	GST Department	1,23,76,074
11	Prakash Salkar	66,000/-
12	Rahul Bharadwaj	82,644/-
13	S P Palaniappan	23,31,753
	Total	60631188.58/-



V. PRESENT POSITION OF MITL & TURNAROUND STRATEGY BY RESOLUTION APPLICANT

A. Reasons for the present position of the Company and the causes for the default under Regulation 38(3) (a): -

The company has incurred Loss in Investments and there is Non-recoverability of Advances and business loss and has not been able to recover receivables as well as the advances given which has resulted in company in not been able to honor the commitments towards its creditors resulting in default.

B. Proposed Turnaround Plan for making it feasible and viable under Regulation 38(3) (b): -

Background of Shivasons

As mentioned earlier Shivasons specializes in pooling talent and professionals in the respective field in which the target company is being taken over thereby turning the company into a profitable one Shivasons proposed to turnaround the company.

Turnaround Plan

Shivasons will rope in experts in Staffing Solutions and IT field which will enable them to refine the existing service portfolio of MITL. It will lay down SOP's which will ensure the services rendered are of top notch quality. Apart from that it will endeavor to fetch new clientele by adopting the following strategies:-

1. It will appoint Channel Partners which will enable MITL to spread its footprint across geographies
2. It will develop a robust marketing policy which will attract customers to use its services
3. It will develop cutting edge technology to improve the deliverables to the client
4. It will invest in developing new products after conducting a survey of the existing market situation

C. Effective Implementation and Approvals required and timeline for the same under Regulation 38(3) (c) & 38(3) (d):

MITL will be headed by experienced professionals who will enable the company to achieve milestones in a time bound manner.



VI. MANDATORY CONTENTS OF THE PLAN

A. Payment of IRP Cost (to the extent unpaid)

The IRP Costs (to the extent unpaid) shall be paid in priority to any other creditors of the Corporate Debtor. As per the information provided the estimated IRP cost upto 24.07.2020 is Rs Nil (subject to actual dues to the extent not paid). Actual IRP cost would be paid in full in priority to any other Creditor.

B. Eligibility under Section 29A of the Code

The RA confirms that, as on the date of this Plan and on the basis of the records of the RA, the RA is eligible under Section 29A of the Code to submit the Plan. That the Resolution Applicant and any 'connected person' (as defined under Section 29A of the Insolvency and Bankruptcy Code, 2016 ("Code")) or any other person covered under Section 29A of the Code:

- is not an undischarged insolvent;
- is not a willful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949;
- at the time of submission of this resolution plan has does not have any account, does not control or manage, or not the promoter of, a corporate debtor whose account has been, classified as non-performing asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 or the guidelines of a financial sector regulator issued under any law for the time being in force and at least a period of one year has lapsed from the date of such classification till the date of commencement of the corporate insolvency resolution process of the Corporate Debtor;
- has not been convicted of any offence punishable with imprisonment for two years or more under any Act specified under the Twelfth Schedule of Code or for seven years or more under any law for the time being in force
- is not disqualified to act as a director under the Companies Act, 2013;
- is not prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;
- has not been the promoter, or been in the management or control of a corporate debtor, in which a preferential transaction, an undervalued transaction, an extortionate credit transaction or a fraudulent transaction has taken place and in respect of which an order has been made by the Adjudicating Authority under the Code;
- has not executed an enforceable guarantee in favour of a creditor, in respect of a corporate debtor under insolvency resolution process or liquidation under the code an such guarantee has been invoked by the creditor and remains unpaid in full or part;
- has not been subject to any disability, corresponding to the aforesaid conditions under any law in a jurisdiction outside India.

Further, we also confirm that the proposed mutual agreement (to be formed for this purpose, as discussed in Part-IV (Implementation Schedule) shall also be compliant to Section 29A of the Code.

Details of Resolution Applicant and their connected persons and persons who will be promoters or in management or control of the business of the Corporate Debt or during implementation of this Plan have been detailed out in Chapter X and the proposed shareholding has been mentioned in the capital chart annexed.



C. The Resolution Applicant further clarifies the following details:

- The Resolution Applicant and / or any Connected Person has not been convicted of any offence in the preceding five years
- there are no criminal proceedings pending or decreed against the Resolution Applicant and / or any Connected Person
- The Resolution Applicant and any Connected Person have not been disqualified to act as a director under the Companies Act, 2013
- The Resolution Applicant and any Connected Person have not been identified as wilful defaulter by any bank or financial institution or consortium thereof in accordance with the guideline of the RBI
- The Resolution Applicant and any Connected Person have not been disqualified or debarred from accessing to or trading in the securities market under any order of the Securities and Exchange Board of India and / or any other such judicial authority
- Details of transactions between the Resolution Applicant (including any Connected Person) and the Corporate Debtor during the preceding two years: None
- Declaration to the effect that the Plan is not in contravention of provisions of the Applicable Law, the RA confirms that this Plan is not in contravention of the provisions of any Applicable Law.

VII. FINANCIAL VALUE AND PROJECTIONS

MITL shall through the new strategy will be able to garner new contracts in the IT infrastructure, Staffing Solutions and Software space considering the huge potential in the market. Also it will strategize to again capture the existing clients to whom they have already provided service in the past.

However projections of future financials will be difficult at this stage as the new management will have to implement the new systems and SOP's in place and gauge the current market scenario and catch the ongoing trends in the industry.



VIII. FUNDING PLAN, SOURCES OF FUNDS

A. FUNDING and DEPLOYMENT PLAN

Order of Priority	Nature of Creditor	Basis of Settlement & indicative amount
1 st	IRP Cost	Full amount to be paid - The CIRP Cost is estimated to be Nil as on 24.07.2020 (considering the Bank Balance available in the Company). The Resolution Applicant shall pay the unpaid IRP cost, if any, in full at actuals, in priority to any other creditors. However, if the CIRP cost exceeds the above amount such excess shall be first adjusted from the amount available from the existing bank accounts of the company.
2 nd	Unsecured Financial Creditors	The amount to be paid is INR 3,40,00,000/- in 2 parts. First tranche of 2,40,00,000 will be paid within 60 days from the date of acceptance of Resolution plan by NCLT. Balance INR 1,00,00,000 will be paid on realization of sundry debtors of Rs 4.68 crores, as and when received.
3 rd	Dues to Workman / Employees (other than related parties of CD)	As on date of submission of the Resolution Plan, Admitted Dues of Workman / Employee is INR 31,43,594/-. It is proposed to be settled at 42.78% amounting to Rs 13,45,000 and distributed in proportion to the claim submitted by the workmen/employee. No amount to be paid to Workman / Employees related to existing Promoter Group. The entire amount will be paid within 90 days from the date of acceptance of Resolution Plan by NCLT
4 th	Operational Creditors	Operational Creditors are proposed to be settled at sum of INR 51,50,000. 50% of the amount (25,75,000) will be paid within 90 days from the date of receipt of acceptance of NCLT order. Balance amount will be paid upon realization



	of Sundry Debtors. Post payment of Financial Creditors, the amount will be paid upon realisation from the debtors.
5 th Shareholders	1. INR NIL will be paid against each equity share being held by Shareholders belonging to Public Category and the said shares will be cancelled 2. No amount shall be payable to Shareholders belonging to Promoter Group & institutional shareholders of equity shares and these shares will be cancelled

IX. REPAYMENT PLAN

A. Synopsis of financial proposal

A synopsis of the financial proposal of the Resolution Applicant is provided below. Also, please refer to Chapter VIII for break up

Particulars	In Rs Lakhs
Financial Outlay	
Upfront Consideration (Cash) toward IRP Cost	Nil
Payment towards Employees	13.45
Payments to Financial Creditors	340.00
Payments to Operational Creditors	51.50
Total	389.95
Source of Funds	
From Promoter of Resolution Applicant /Associates:	-
1st Tranche infusion (to be infused within 60 days of Effective Date) in the form of shares/debentures/ unsecured loan /secured loan	240.00
2nd Tranche infusion (to be done within 90 days of Effective Date) in the form of shares/debentures/ unsecured loan /secured loan	39.20
3rd Tranche within 24 months of Effective Date in the form of recovery from capital receipt and existing debtors cash flow.	125.75
Total	389.95

B. Indicative %Age Recovery of Each Stakeholder

Assuming that: (i) the IRP cost will be NIL, (ii) Outstanding dues of Workman / Employees (other than related parties of CD), including dues of PF/Gratuity/etc. is Rs. 31.43 Lakhs (iii) Unsecured Financial Creditors is INR 363.98 Lakhs, and (iv) Operational creditors (other than Employees and Workmen) is INR 299.52 Lakhs, payment to various stakeholders shall be as under:

INR Lakhs

Particulars	Admitted Claim as on date of Resolution Plan (INR Lakhs)	Settlement Amount * Upfront Payment (INR Lakhs)	Value as %age of admitted Debt (INR Crore)		
			Deferred Payment	Total	%age
	(A)	(B)	(C)	(D=B+C)	(E= D/A)
Unsecured Financial Creditors	363.98	240.00	100.00	340.00	89%
Workman & Employees Dues	31.43	13.45	NIL	13.45	42.78%
Operational Creditors	606.31	25.75	25.75	51.50	8.32%
Sub-Total	997.91	279.20	125.75	388.95	39%
Shareholders belonging to category of Public Shareholders	NIL	NIL	NIL	NIL	NIL
Shareholders belonging to category of Promoter/Promoter Group Shareholders	NIL	NIL	NIL	NIL	NIL
CIRP Cost	NIL	NIL	NIL	NIL	NIL
Total	1001.72	279.20	125.75	404.95	40.42%

*Settlement Amount & % age are indicative in nature





C. All Other Liabilities and Debt

1. Other Liabilities including Contingent Liabilities

Except to the extent of payments to be made to the Operational Creditors and other creditors above, the Resolution Applicant and MITL shall have no liability towards any Operational Creditors and other creditors with respect to any claims (as defined under the Code) relating in any manner to the period prior to the Effective Date. Any such liability shall be deemed to be owed and due as of the Insolvency Commencement Date, the liquidation value of which is NIL and therefore no amount is payable in relation thereto. All such liabilities shall immediately, irrevocably and unconditionally stand fully and finally discharged and settled with there being no further claims whatsoever, and all forms of security created or suffered to exist, or rights to create such a security, to secure any obligations towards Operational Creditors and other creditors shall immediately, irrevocably and unconditionally stand released and discharged, and the Operational Creditors and other creditors shall waive all rights to invoke or enforce the same.

In accordance with the forgoing, all claims (whether final or contingent, whether disputed or undisputed and whether or not notified to or claimed against MITL) of all Governmental Authorities (including in relation to Taxes, and all other dues and statutory payments to any Governmental Authority) relating to the period prior to the Effective Date, shall stand fully and finally discharged and settled.

Any and all legal proceedings (including any show cause, notice, adjudication proceedings, assessment proceedings, regulatory orders etc.) initiated before any forum by or on behalf of any Operational Creditors or other creditors or Governmental Authorities, to enforce any rights or claims against MITL shall stand immediately, irrevocable and unconditionally withdrawn, abated, settled and/ or extinguished, and the Operational Creditors and other creditors shall take all necessary steps to ensure the same. Except to the extent of the payments to be made to the Operational Creditors and other creditors pursuant to paragraph 3 and 4 above, the Operational Creditors and other creditors of MITL (including Governmental Authorities) shall have no further rights or claims against MITL (including but not limited to, in relation to any past breached by MITL), in respect of the period prior to the Effective Date, and all such claims shall immediately, irrevocable and unconditionally stand extinguished.

Waiver from all the Contingent Liabilities and Other Liabilities as per Audited Balance Sheet as on 31.03.2019 as per detail below: -

The audited balance sheet of the company for the period ending 31.03.2019 has been provided to us. In the light of the above we are considering the points mentioned in the Notes of accounts for the period ending 31.03.2019.

Caveat: If there is any change in the amounts mentioned in the points below, we request for any liability arising to be NIL and request for the waiver under CIRP regulations.



Contingent Liabilities and Other Liabilities as per Audited Balance Sheet as on 31-03-2019				
Sl.No.	Nature of Contingent Liabilities	Amount (Rs. in Lakhs)	Payment Plan Under CIRP	Prayer under CIRP
1	Claims against Company not acknowledged as debt and pending before the Courts in Mumbai.	10.46	Under CIRP the amount of liability is considered to be NIL. As per information provided to RA, there are no liabilities other than those admitted by RP in the IM.	N.A.
2	Disputed ESIC Liabilities	1.36	Under CIRP the amount of liability is considered to be NIL. As per information provided to RA, there are no liabilities other than those admitted by RP in the IM. If, however any amount is determined by RP, the same shall be adjusted against amount payable to financial creditors.	N.A.

The following are the points learnt from the latest audited financial statements provided to us, which is for the year ended 31-03-2019.

Caveat: If there is any change in the amounts mentioned in the points below, we request for any liability arising to be NIL and request for the waiver under CIRP regulations

1. As per Note 17 to the signed financials, Trade Payables is Rs 724.95 Lakhs as on 31-03-2019.
 - (a) Payment Plan under CIRP: The amount payable in this regard under CIRP except what is expressly admitted by RP as operational creditors' claims is NIL
 - (b) Prayer under CIRP: As such, all liabilities except the ones expressly admitted by the RP as per the IM be waived and made null and void
2. As per Note 15 to the signed financials, Provision for employee benefits is Rs 32.81 Lakhs as on 31-03-2019.
 - (a) Payment Plan under CIRP: The amount payable in this regard under CIRP except what is expressly admitted by RP as operational creditors' claims is NIL
 - (b) Prayer under CIRP: As such, all liabilities except the ones expressly admitted by the RP as per the IM be waived and made null and void
3. As per Note 20 to the signed financials, Statutory Remittances under Other Current Liabilities is Rs 240.51 Lakhs as on 31-03-2019.
 - (a) Payment Plan under CIRP: The amount payable in this regard under CIRP except what is



expressly admitted by RP as operational creditors' claims is NIL.

(b) Prayer under CIRP: As such, all liabilities except the ones expressly admitted by the RP as per the IM be waived and made null and void.

2. Treatment of ongoing litigation and new litigation

Legal cases: From the information gathered from IM and information provided by RP we are given to understand that there are following litigations as on September 30, 2019 :-

Sr. No	Particulars	Amount (Rs in Lakhs)
1	Service Tax Dues from 01/04/2017	155.80
2	GST Payable from 01/04/2018 to 30/09/2019	76.88
	Total	232.68

Except for any cases filed by MITL or for the benefit of MITL, all inquiries and investigations, notices, causes of action, claims, disputes, litigations, arbitration or other legal, judicial, regulatory or administrative proceedings against MITL or the affairs of MITL (including proceedings by any Governmental/semi government/local Authorities/ electricity board/department etc.), pending or threatened, present or future admitted or not, due or contingent, whether or not set out in the Information Memorandum of MITL, that have been initiated or threatened to be initiated against MITL;

- all obligations, claims, liabilities (whether final or contingent, whether disputed or undisputed, and whether or not notified to or claimed against MITL) of MITL;
- all cases, litigations or claims which make MITL liable, presently or in future, for payment of amounts to third parties (including statutory authorities); and all rights or claims of any person against MITL,

in each case, relating to any period prior to the Effective Date, shall immediately, irrevocable and unconditionally stand extinguished, waived, revoked, cancelled, withdrawn, dismissed and abated (vis-à-vis, MITL or the new management of MITL) on the Effective Date pursuant to the NCLT Approval Order, and no person shall have any further rights or claims against MITL or new management in this regard.

By virtue of the order of the NCLT approving this Resolution Plan, new inquiries, investigations, notices, suits, claims, disputes, litigation, arbitration or other judicial, regulatory or administrative proceedings will not be initiated or admitted if these relate to any period prior to the Effective Date or arise on account of the acquisition of control by the Resolution Applicant over MITL pursuant to this Resolution Plan, against MITL or any of its employees or directors who are appointed or who remain in employment or directorship after the acquisition of control by the Resolution Applicant over MITL or pursuant to the implementation of the Resolution Plan.

However, the existing management, promoters, shareholders, managers, directors, officers, employees, workmen or other personnel of MITL shall continue to be liable for all the liabilities, claims, demand, obligations, penalties etc. arising out of any (i) proceedings, inquiries, investigations, orders, show causes, notices, suits, litigation etc. (including those arising out of any orders passed by the NCLT pursuant to the provisions of the Code or pursuant to any order passed/ imposed by the SEBI), whether civil or criminal, pending before any authority, court,



tribunal or any other forum prior to the acquisition of control by the Resolution Applicant over MITL, or (ii) that may arise out of any proceedings, inquiries, investigations, orders, show cause, notices, suits, litigation etc. (including any orders that may be passed by the NCLT pursuant to the provisions of the Code), whether civil or criminal, that may be initiated or instituted post the approval of the Resolution Plan by the NCLT on account of any transactions entered into, or decisions or actions taken by, such existing management, promoters, shareholders, managers, directors, officers, employees, workmen or other personnel of MITL, the new management of MITL and/ or the Resolution Applicant shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.

3. Treatment of Contractual Claims and Liabilities

While the existing contracts of MITL, shall be continued, except as stated herein, all liabilities (statutory or otherwise) of MITL, arising from any contractual arrangements entered into by MITL, any claims against MITL, or liabilities of MITL, arising or having crystallized prior to the Effective Date shall be deemed to be cancelled and written off on the Effective Date pursuant to NCLT Approval Order. Further, any claim against MITL, arising from any contractual arrangements, whether set out herein or not, whether admitted or not, due or contingent, asserted or unasserted, present or future, whether or not set out in the Information Memorandum, the balance sheet or the books of accounts of MITL, in relation to any period prior to the Effective Date, will be written off in full and will be deemed to be permanently extinguished by virtue of the NCLT Approval Order and the Resolution Applicant and its associates. MITL and/ or the new management of MITL shall, at no point, be made directly or indirectly responsible or liable for the same.

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

4. Dues of Creditors during CIRP

The dues incurred by the Resolution Professional (on behalf of MITL) during the CIRP, towards the operational creditors shall be paid in terms of agreements with such operational creditors.

The Resolution Plan has been made on the assumption that all dues incurred by the Resolution Professional (on behalf of MITL) during the CIRP and prior to the Effective Date, have been or will be paid as CIRP Costs. Therefore, except for CIRP Costs, any liabilities and/ or claims that arise between the Insolvency Commencement Date and the Effective Date shall stand waived, extinguished, abated, discharged in perpetuity as on the Effective Date, pursuant to the NCLT Approval Order.

Further, except as provided herein, no interest shall be paid for the CIRP Period, on any claim against MITL (as on the Insolvency Commencement Date) be it of the financial creditor, operational creditor or any other claim arising on account of any financial liability, operational liability or any other contingent liability or dues, demands in connection with or against MITL.



5. Treatment of Listing of Shares with BSE and NSE

The claims and or penalty, if any, imposed by BSE and NSE for any prior period be waived off. The shares of Melstar Information Technologies to be continuously listed post acceptance of Resolution Plan. The order of the NCLT approving the Resolution Plan shall operate as automatic extinguishment of all liabilities of MITL in relation to Stock Exchange, and the shares to be continuously listed, without the requirement of any further act or deed by the Resolution Applicant and/or MITL.

6. Treatment of all other Unspecified Liabilities and/or Claims

All other liabilities of MITL (to the extent not specified and/or dealt with in this Chapter), including but not limited to contingent liabilities, statutory liabilities, customer claims, supplier claims, duties, responsibilities and all other obligations of any nature whatsoever and all dues payable to the other creditors, including any claims or demands or liabilities in connection with or against MITL, whether under Applicable Law, equity or contract, whether admitted or not, due or contingent, crystallized or crystallized, known or unknown, secured or unsecured, disputed or undisputed, present or future, whether or not set out in the Information Memorandum, the balance sheet or the books of accounts of MITL, in relation to any period prior to the Effective Date shall be deemed to be owed and due as of the Insolvency Commencement Date, the liquidation value of which is NIL and therefore no amount is payable in relation thereto. All such liabilities shall immediately, irrevocably and unconditionally stand fully and finally discharged and settled with there being no further claims whatsoever (against MITL and/ or the new management of MITL) on the Effective Date pursuant to the NCLT Approval Order. The order of the NCLT approving the Resolution Plan shall operate as automatic extinguishment of all other liabilities of MITL, without the requirement of any further act or deed by the Resolution Applicant and/or MITL.

i) Treatment Of Security And Guarantee Provided By MITL

By virtue of the NCLT Approval Order, upon Second Tranche Payment, all assets of MITL, that are subject to any encumbrance, security and/or lien, whether in favour of the lenders of MITL or in favour of any third party, shall stand released and/or extinguished. This would inter alia include:

The approval of the NCLT shall be deemed to be approval of the secured creditors for release of security and the creditors shall, within a period of 60 days from the Effective Date and subject to Second Tranche Payment, take all steps, execute all documents and make appropriate filings with the Registrar of Companies for release of such security and charges created by the company will be deemed satisfied.

All corporate guarantees, indemnities, letters of comfort, undertakings provided by MITL, in respect of any third-party liability (including of Subsidiaries) shall stand revoked and extinguished on the Effective Date pursuant to approval of the Resolution Plan by the order of the NCLT, without the requirement of any further act or deed by the Resolution Applicant and/or MITL.

ii) Treatment Of Security And Guarantee Provided by Promoters



The following Bank Guarantees were given by the promoters as on September 30, 2019:-

Rs in Lakhs

Sr. No	Name of Department	Amount	Margin
1	Maharashtra State Rural Livelihoods Mission	13.45	100%
2	Ministry of Defense	0.50	100%
3	Maharashtra State Rural Livelihoods Mission	13.45	100%

The guarantees / contractual comforts / collateral provided by existing shareholders /directors / promoters/guarantors in respect of the debt of MITL shall not be extinguished by virtue of this Resolution Plan and the Banks/FIs may proceed against the said guarantees/contractual comforts/collateral. Provided however that no right of subrogation shall be available to existing shareholders/directors/promoters/guarantors (or any other person claiming through them),in case of invocation of/payment by existing shareholders/directors/promoters/guarantors under their existing guarantees/contractual comforts/collateral and all such subrogation rights shall stand permanently waived/extinguished on the Effective Date, pursuant to NCLT Approval Order.

X. RESTRUCTURING OF CAPITAL

A. Current Structure

Based on latest disclosures provided in the Information Memorandum, we understand that the shareholding pattern of MITL as on the date of IM is

S.	Category of Shareholder	Number of Shares	Percentage (%)
1	Promoters & promoters Group	67,20,976	47.06%
2	Public	75,62,163	52.94%
	Total	14,283,139	100.00%

B. Restructured Capital

As part of the Resolution Plan, the entire paid up share capital of MITL is proposed to be extinct

S.No	Category of Shareholder	Number of Shares Held	Percentage (%)
1	Total Shareholder	14,283,139	100%
	Total	14,283,139	100.00%

The aforesaid restructuring shall take place in the following manner:

On the date of 1st tranche infusion, the entire existing equity share capital held by all the existing shareholders of MITL i.e. 14,283,139 Equity Shares shall be knocked off (relinquished). The Share Capital will be built up as and when the Resolution Application infuses capital in the company for payment of Creditors and meeting other expenses. The shares of MITL shall continue to be listed in Bombay Stock

Exchange and National Stock Exchange. The listing requirement will be complied with the Resolution Applicant.



 Wondershare
PDFelement



XI. MANAGEMENT OF MITL AFTER RESOLUTION

A. Control of MITL by Resolution Applicant

The Resolution Applicant, its promoter, associates or related entities together shall hold 100% shareholding in the restructured share capital of MITL, as elaborated in Chapter X (Restructuring of Capital).

After the Second Tranche Infusion, the Resolution Applicant shall be in control and management of affairs of MITL and the business of MITL shall be carried on by the new management as appointed by the Resolution Applicant.

After the First Tranche Infusion, and no later than 30 days from the First Tranche Infusion, the Board of Directors of MITL shall be reconstituted, wherein the Nominees of the RA, shall be inducted into the Board of Directors of MITL as Additional Directors to hold office along with the existing directors (including the Independent directors). Subsequently after Second Tranche Infusion by RA and no later than 30 days from the Second Tranche Infusion, the earlier existing directors (including the independent directors) shall resign. Consequently, The New Board comprising only the nominees of the RA shall remain. The Board of MITL shall be professionally managed by experienced persons, which will be decided by the RA.

Further, whole-time key managerial personnel, if required, will be appointed as per the requirements of the Companies Act.

The Resolution Applicant shall appoint new statutory and internal auditor, subject to Applicable Laws.

In order to successfully derive the operations, the team of experts of relevant field will work under the direct supervision and control of the new management.

B. Control of Subsidiaries

N.A

C. Existing Employees

RA proposes to release all employees of the Company and make fresh appointment as and when required as per the operation of the Company.

D. FUTURE DIRECTORS OF THE MITL AFTER RESOLUTION PLAN BEING ACCEPTED

The future directors of MITL will be from persons of imminent background and having rich experience in the field of IT and software.



XII. IMPLEMENTATION AND SUPERVISION

A. Term of the Plan

The Resolution Plan shall continue till such time the dues of the financial and operational creditors, as specified in Chapter IX Clause D herein are paid.

B. Approvals Required For the Plan

1. NCLT

The Resolution Plan of the Resolution Applicant shall be required to be approved by the NCLT under Section 31 of the IBC.

2. Companies Act

However, Explanation to Section 30 (2) of the Code read with MCA circular dated October 25, 2017 bearing No. IBC/01/2017 (Modification) provides that there is no requirement of obtaining approval of shareholder/members of a company under insolvency, for a particular action, required in resolution plan, which would have been required under the Companies Act or any other law and such an approval is deemed to have been given once the resolution plan has been approved by the NCLT.

In light of the above, no shareholder's approval under Companies Act is required to be obtained by MITL for issue of Equity Shares to the Resolution Applicant and the procedure for issuance of shares as set out in Section 62 of Companies Act read with Rule 13 of Share Capital and Debenture Rules, 2014 shall be followed only to the extent relevant and required in light of Explanation to Section 30(2) of the Code read with MCA Notification.

a) Re-organization of MITL's capital

The Resolution Plan provides for relinquishment of existing shares. The new Share Capital will be built up as and when the Resolution Applicant brings in money in MITL.

In future if there are any claims from earlier shareholders in the name of MITL shall stand null and void.

3. SEBI Approvals – Waiver of SEBI permission, if any

4. Takeover Code Exemption – Does not apply in case of MITL

5. Competition Commission of India (CCI)

a) For MITL it is not applicable

b) [Control under the Competition Act means 25% or more ownership or voting rights, ability to appoint members on the board, or the contractual right to veto a company strategic decision (changes to constitutional/charter documents; approval of business plans; changes in capital structure; appointment



of senior management; reorganization of the business; entering new businesses; exiting existing businesses; etc.].)

C. Monitoring and Supervision

1. In order to ensure that the Resolution Plan is implemented in accordance here of and that the obligations undertaken herein are adhered to in letter and spirit, an appropriate monitoring agency/entity shall be appointed.
2. The Committee of Creditors shall constitute the monitoring agency, which may comprise of professionally qualified person persons as may be decided.
3. The monitoring agency/entity, so appointed, shall have interalia the following responsibilities:
 - a. To supervise the implementation of the Resolution Plan and ensure that the Resolution Plan is implemented as approved without any deviations;
 - b. To ensure timely disbursement of funds to the financial and operational creditors, as per the payment terms set out above;
 - c. To ensure that approvals, to the extent required for implementation of the Resolution Plan, are applied for and obtained in a timely manner.
 - d. To bring to the notice of NCLT, any deviations/violations, of the Resolution Plan, by any person;
 - e. To provide regular updates to the NCLT, as and when required;
 - f. Support the RA in Control and management of MITL from NCLT Approval Date till the date of payment of Second Tranche within 60 days.
 - g. To assist RA in case of any hurdle is raised by any operational creditor, govt/semi govt department or any other creditor which is waived by NCLT as per the resolution plan.

XIII. INDICATIVE TIMELINE FOR IMPLEMENTATION / IMPLEMENTATION SCHEDULE

The Resolution Plan shall be implemented in the following manner, as per the timelines stated below, subject to applicable laws:

S.No	Activity	Estimated Time Line
1	Submission of proposed Resolution Plan by the Resolution Applicant	30.09.2020
2	NCLT Approval Date	X (Effective Date)



3	Signing of Definitive Agreement	Within X + 10 days
4	1st tranche fund infusion	Within X+ 60 days
5	Payment to part FC and part OC	Within X+ 90 days
6	Payment to Workmen's/Employees	Within X+ 60 days
7	Transfer of Promoter & Institution's Shareholding to RA and release of charge on assets in favour of RA	Within X + 60 days

XIV. RELIEFS AND CONCESSIONS

A. Reliefs and Concessions

The Resolution Applicant requests the NCLT for the reliefs and concessions set out below for the successful implementation of the Resolution Plan. By approving this Resolution Plan, the NCLT shall approve the waivers, reliefs and concessions listed below:

1. Waiver from the levy of stamp duty and fees by the stamp authorities and Ministry of Corporate Affairs, applicable in relation to this Resolution Plan and its implementation, including on issuance of new Equity Shares to the Resolution Applicant.
2. MITL and the Resolution Applicant shall be granted an exemption from all taxes, levies, fees, transfer charges, transfer premiums, and surcharges that arise from or relate to implementation of the Resolution Plan.
3. Waiver of any income-tax and Minimum Alternate Tax (MAT) liability or consequences (including interest, fine, penalty, etc.) on MITL, Resolution Applicant and its shareholders on account of various steps as proposed in the Resolution Plan, including but not limited to liabilities if any under Section 41 (1), Section 56, Section 43, Section 43 B, Section 28, Section 115JB and Section 79 of the Income-tax Act, 1961, including, without limitation waiver of MAT and income tax implication arising due to write back/write off of liabilities in the books of accounts of MITL without any impact on brought forward tax and book loss / depreciation, pursuant to this Resolution Plan.
4. Any requirements to obtain waivers from any Tax Authorities including in terms of section 79 of the IT Act is deemed to have granted upon approval of this Resolution Plan on the Effective Date.
5. Any approvals that may be required from Government/semi government / local Authorities (including tax authorities) in connection with the implementation of the Resolution Plan including on account of change in ownership / control of MITL shall be deemed to have been granted on the Effective Date.
6. Upon approval of the Resolution Plan by the NCLT, all non-compliances, breaches and defaults of MITL for the period prior to the Effective Date (including but not limited to those relating to tax), shall be deemed to be waived by the concerned Authorities. Immunity shall be deemed to have been granted to MITL from all proceedings and penalties under all Applicable Laws for any non-



compliance for the period prior to the Effective Date and no interest/penal implications shall arise due to such non-compliance /default /breach prior to the Effective Date. This includes, without limitation, waiver/extinguishment of any penalties / interests on account of staggered payment of statutory liabilities of the workmen/ employees of MITL in accordance with the terms of this Resolution Plan.

7. Waiver/extinguishment of any tax (including but not limited to income-tax and MAT) and duty (including interest, fine, penalty, etc.) and legal liability pertaining for the period prior to the Effective Date such as any kind of existing and/or future litigation / assessment / scrutiny / contingency.
8. From the Effective Date, all inquiries, investigations and proceedings, whether civil or criminal, suits, claims, disputes, proceedings in connection with MITL or affairs of MITL (including those initiated by Governmental Authorities such as the SEBI an RBI), pending or threatened, present or future in relation to any period prior to the Effective Date, or arising on account of implementation of this Resolution Plan shall stand withdrawn and dismissed and all liabilities and obligations therefore, whether or not set out in the balance sheets of MITL or the profit and loss account statements of MITL will be deemed to have been written off fully, and permanently extinguished and no adverse orders passed in the said matters should apply to MITL or the Resolution Applicant. Upon approval of this Resolution Plan, all new inquiries, investigations, notices, suits, claims, disputes, litigations, arbitrations or other judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against MITL and/ or its new management in relation to any period prior to the Effective Date.
9. Except to the extent of payments to be made to the Operational and Other creditors under Chapter IX (Repayment Plan) above, the Resolution Applicant and MITL shall have no liability towards any Operational Creditors and other creditors with respect to any claims (as defined under the Code) relating in any manner to the period prior to the Effective Date. Any such liability shall be deemed to be owed and due as of the Insolvency Commencement Date, the liquidation value of which is NIL and therefore no amount is payable in relation thereto. All such liabilities shall immediately, irrevocably and unconditionally stand fully and finally discharged and settled with there being no further claims whatsoever, and all forms of security created or suffered to exist, or rights to create such a security, to secure any obligations towards Operational Creditors and other creditors shall immediately, irrevocably and unconditionally stand released and discharged, and the Operational Creditors and other creditors shall waive all rights to invoke or enforce the same.
10. Neither the Resolution Applicant nor MITL, nor their respective directors, officers and employees appointed as on or after the Effective Date shall be liable for any violations, liabilities, penalties, interests on statutory payments and/ or fines with respect to or pursuant to any order of any Governmental Authority or on account of non-compliance of Applicable Laws by MITL or due to MITL not having in place requisite approvals and licenses to undertake its business as per Applicable Law. Direction to Tax Authorities to grant an exemption from all taxes, levies, fees, transfer charges, transfer premiums, and surcharges that arise from or relate to implementation of the Resolution Plan, since payment of these amounts may make the Resolution Plan unviable. This would include waiver of MAT and income tax implication arising due to write back/write off of



liabilities in the books of accounts of MITL, without any impact on brought forward tax and book loss / depreciation, pursuant to this Resolution Plan.

11. Direction to the relevant Governmental Authority to grant exemption to the Resolution Applicant, MITL and their respective directors, officers and employees appointed as on or after the Effective Date for/ from any violations, liabilities, penalties, interests on statutory payments and/ or fines with respect to or pursuant to any order of the Governmental Authority or on account of non-compliance of Applicable Laws by MITL or due to MITL not having in place requisite approvals and licenses to undertake its business as per Applicable Law.
12. Any charge, lien, or any right or right of specific performance, created or given in favour of any person will be considered as discharged. Also, any agreement, transfer of rights or contract that hampers the assets/rights of MITL shall be considered void if the same has not been registered/presented before the concerned authority up to the date of IM.
13. Directions be given that liberty be reserved to the Corporate Debtor, Resolution Applicant and to all other persons interested in the Resolution Plan to apply to the NCLT for any direction(s) that may be necessary for the purpose of carrying out the Resolution.

XV. MISCELLANEOUS

A. Governing Law

The Company and the new management shall be governed by the laws of India giving effect to the order passed by the Hon'ble Adjudicating Authority/NCLT approving the Resolution Plan and any agreements, documents and instruments executed in connection with the Resolution Plan.

B. Accounting Treatment

1. Upon approval of the Plan by the Hon'ble Adjudicating Authority/NCLT, the Resolution Applicant be permitted to draw up the financial statements of the Company for a period ending on the Effective Date (or any date closest to that date as may be practicable) in compliance with applicable accounting standards such that it truly reflects the claims verified and the realisable, fair value of the assets as maybe determined by the board of directors of the Resolution Applicant.
2. For the above purpose, the Resolution Applicant be permitted to carryout necessary write off of assets, creation of additional liability or expenses or write back of liability or provision(as the case maybe) in the books of accounts of the Company.
3. Pursuant to the order of the Hon'ble Adjudicating Authority/NCLT approving this Plan, any debit or credit, being the balancing figure, shall be adjusted by the Company in the capital reserve at its sole discretion and the same shall be deemed to be in compliance with the applicable accounting standards.
4. The restated balance sheet of the Company certified by a chartered accountant shall be provided in due course (after all the pending information is received).This shall form an integral part of this Resolution Plan.



C. Binding Effect

This Resolution Plan once approved by the CoC and then the Hon'ble Adjudicating Authority/NCLT, along with such conditions as may be stipulated by the Hon'ble Adjudicating Authority/NCLT, shall be binding on the Company, all holders of claims, Creditors, members, promoter and all other parties in interest and each of their respective successors and assigns in accordance with Sections 31(1) and 238 of the Code. All requisite approvals and requirements of law required to give effect to the Resolution Plan shall be undertaken by the Resolution Applicant.

D. Assignment

The Resolution Applicant shall be free to undertake the implementation of the Resolution Plan and through its associates.

E. Compliance

The Resolution Plan submitted by the Resolution Applicant does not violate any provisions of law for the time being in force.

F. Withdrawal of Plan prior to Approval by Committee of Creditors

Notwithstanding anything to the contrary contained in this Resolution Plan or any other documents including any definitive documents, the Resolution Applicant agrees and confirms that there are no conditions, assumptions and/or qualifications for effectiveness of the Resolution Plan by the resolution applicant whether before approval by NCLT or thereafter until the Effective Date other than the following conditions:

1. Approval of Resolution Plan by CoC by a majority vote of sixty six percent of the members of the CoC; and
2. Final approval by the Adjudicating Authority for the Resolution Plan submitted by the Successful Resolution Applicant.

The Resolution Applicant hereby irrevocably and unconditionally agrees and undertakes to implement and give effect to the transactions contemplated in the Resolution Plan immediately upon sanction of the approvals as above.

G. Effective Date and Failure of Approved Resolution Plan

The obligations of the Resolution Applicant under the Resolution Plan (including in respect of Upfront Infusion and Deferred Funding) shall come into effect only on the Effective Date; provided however that in case the Resolution Plan is challenged before the Hon'ble National Company Law Appellate Tribunal, the Effective Date shall be extended to the date of receipt of the order of the Hon'ble National Company Law Appellate Tribunal, dismissing such appeal.

The Resolution Applicant shall not bring funds into MITL or take control or management of MITL prior to the Effective Date.



In case the Approved Resolution Plan is rejected or is not approved by the NCLT or the approval of NCLT is set aside by the appellate authorities/or any court, the Resolution Applicant will not be liable in any manner whatsoever under the Resolution Plan. In such case, all the existing liabilities, including but not limited to liability pertaining to Financial Creditors, Operational Creditors, or any dues, claims, demand, in present or in future or any contingent liability or any disputes or litigations filed by or against MITL shall continue in its name and shall not be waived or modified in any manner.

H. Assignment by Creditors

If at any time before the NCLT Approval Date, any creditor transfers/assigns its loans/debts to any other person or third party; such assignee/transferee shall be bound by the terms of this Resolution Plan. The Resolution Applicant may also assign its rights and /or obligations under this Resolution Plan.

I. Severability and right to modify

1. In the event it is determined that any provisions of the Resolution Plan is unenforceable either on its face or as applied to any claims or transaction and/or in the event any provision of the Resolution Plan becomes invalid for reasons other than by breach of any party, the new management of the Company may apply to the Hon'ble Adjudicating Authority/NCLT for appropriate modification of such provisions of the Resolution Plan, to satisfaction of the Hon'ble Adjudicating Authority/NCLT, and such invalidity and /or unenforceability of the provision of the Resolution Plan shall not render the whole Resolution Plan ineffective, unless otherwise directed by the Hon'ble Adjudicating Authority/NCLT by order.
2. In case any such modification is required in the Resolution Plan after the receipt of Hon'ble Adjudicating Authority /NCLT approval, to comply with any laws currently in force or to apply for certain approvals as required under the Resolution Plan or for any other requirements, not jeopardizing the rights of the creditors under the current plan, the new management of the Company can do so only after approval of Hon'ble Adjudicating Authority/NCLT of the NCLAT as the case maybe.

J. Standstill

After execution of the LOI, but before the date of reconstitution of the Board of MITL in accordance hereof, the Resolution Professional, the erstwhile Promoters/Directors and the Committee of Creditors shall (A) maintain status quo of MITL in the ordinary course of business; (B) not undertake any activity which has or is likely to have a material adverse impact in shareholders' value and the running of MITL (such as, sale of any material assets, assumption of any non-trade liabilities); and (C) provide unfettered access to information regarding MITL to the Resolution Applicant or any other person that the Resolution Applicant may so authorize to receive the same.

K. Confirmation and Request

1. Confirmation

The Resolution Applicants hereby confirms that:

- a. it is duly authorized to execute and submit this Plan;



- b. This Plan contains all the information mandatorily required to be provided under the IBC;
- c. This Plan is not in contravention of provisions of Applicable Law;
- d. This Plan has dealt with the interest of all stakeholders (including the Financial Creditors, Operational Creditors, Other Creditors, guarantors, members, workmen, employees and other stakeholders of the Company), in the manner set out in Para N of Chapter IX and
- e. As required under Section 29A of the IBC, the Resolution Applicants and each of its 'connected person' (as defined under IBC):
- Is not an undischarged insolvent;
 - Is not identified as a willful defaulter in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 (including by any bank or financial institution nor consortium thereof);
 - Does not have an account, or an account of a corporate debt or under its management or control or under the control of a person of whom it is a promoter, classified as nonperforming asset in accordance with the guidelines of the Reserve Bank of India issued under the Banking Regulation Act, 1949 and a period of one year or more has elapsed since the date of such notification;
 - Has not been convicted of any offence punishable with imprisonment for two years or more;
 - Is not disqualified to act as a director under Companies Act, 2013;
 - Is not prohibited by the Securities and Exchange Board of India from trading in securities or accessing the securities markets;
 - Has not been a promoter or in the management or control of a corporate debtor in which a preferential transaction, undervalued transaction, extortionate credit transaction or fraudulent transaction in respect of which an order has been made by the NCLT (or any appellate tribunal or court) under the IBC;
 - Has not executed a non enforceable guarantee in favour of a creditor, in respect of a corporate debt or under the insolvency resolution process or liquidation under the IBC;
 - Has not been subject to any of the aforesaid conditions specified under (i) to (viii) above under any law in a jurisdiction outside India; and
 - Does not have any 'connected person' not eligible under clauses (i) to (ix) above.
- 2. Request for Attendance at Meeting of the CoC**
- a. The Resolution Applicants are desirous of attending the meeting of the CoC at which this Plan would be considered. Pursuant to Section 30(5) of IBC, the CoC and the Resolution Professional are requested to provide prior written notice of such meeting(s) to the Resolution Applicants. We look forward to working with the Resolution Professional and the CoC to negotiate and finalize a resolution plan that ensures a successful insolvency resolution process in respect of the MITL and delivers maximum value for the Financial Creditors and other stakeholders of the Company.
- b. In the event that there is any change in Applicable Laws after the date of submission of the Plan, relating to, or otherwise affecting in any manner, the corporate insolvency resolution process under the IBC or the provisions of this Plan, then the Resolution Applicants may be allowed by



CoC, at any time prior to the Plan being approved by the CoC, to modify the provisions of this Plan in order to incorporate such changes.

L. Confidentiality

1. This Plan is confidential, and the Resolution Professional, the CoC, MITL, and their respective affiliates, directors, officers, workmen, employees, agents, advisers and representatives shall not, without our prior written consent, make any disclosure of any information pertaining to this Plan, or the Resolution Applicants, or any information which is provided by us or our representatives, to any person (except to their own representatives, who shall maintain confidentiality with respect to any such information), except where such disclosure or announcement is required under Applicable Law.
2. Until the date of passing of any order by the NCLT with respect to this Plan, the Resolution Applicants shall not disclose any information pertaining to this Plan or the Company and its affair or any information which is provided to them by the Resolution Professional, except where such disclosure or announcement is required under Applicable Law, or when such disclosures is made to their advisors, lenders and consultants.

M. Government Approvals

1. The implementation of this Resolution Plan requires approvals by various Statutory Authorities as set out in Chapter XIII, Timelines of the Resolution Plan. However, any approvals from any authority or other person as may be required would be deemed to have been received on the sanction/approval of the Resolution Plan by the Hon'ble Adjudicating Authority/NCLT.
2. Further, the Resolution Applicant specifically states that once the Resolution Plan is approved by the Hon'ble Adjudicating Authority/NCLT, including approval of change in management and shareholding, all approvals required from any Govt. Department or authority or autonomous body for the implementation of this Plan shall be deemed to have been received.

N. Right and Not Obligation

1. The Resolution Applicant and the Company shall be entitled to share certified copy of this Resolution Plan and the order of the Hon'ble Adjudicating Authority/NCLT approving this Resolution Plan with third parties, including Statutory Authorities.
2. Pursuant to Section 238 of the Code, the measures and declarations set-out in this Resolution Plan, and the order of the Hon'ble Adjudicating Authority/NCLT approving this Resolution Plan shall take effect notwithstanding anything inconsistent there with contained in any other law for the time being in force or any instrument having effect by virtue of any such law.

O. Amendment in Constitutional Documents of the Company

The Memorandum of Association of the Company shall stand revised in the manner determined by the RA and his associates. The amendment to the Memorandum of Association, including the revisions to the capital clause therein, shall be pursuant to the order of the Hon'ble Adjudicating Authority/NCLT and shall not require any additional approval from the shareholders or otherwise.



The Resolution Applicant may cause amendments to the Articles of Association of the Company in order to implement the Resolution Plan, upon their/its strategic partners becoming shareholders of the Company.

P. Interests of Stakeholders

The Resolution Applicant confirms that it has considered interests of all stakeholders and has provided the repayment schedule as per Para N of Chapter IX, keeping in mind the objective of keeping the Company as a going concern and adhering to the requirements set out under the Code.

Q. Currency of Payment

All payments proposed to be made pursuant to this Resolution Plan will be in Indian Rupees (INR). Each creditor's notice of claim which is not denominated in INR will be converted into INR based on the official exchange rate specified on RBI's website at the close of business as on the Effective Date.

R. No Payments to Creditors Submitting Claims After Voting on Resolution Plan

The Code and the CIRP Regulations entitle all types of creditors of a corporate debtor to submit their claims to the Resolution Professional on or prior to the date on which the resolution plan gets approved by the CoC.

In the event any other creditors of the Company submit their claims to the Resolution Professional on or prior to the date of approval of the Resolution Plan by the CoC, since the resources available under the Resolution Plan are insufficient to make full payment to the secured creditors, no amount is liable to be paid to such other creditors who had no claims pending on the date of commencement of the corporate insolvency resolution process.

S. No Interests on Dues

No interest shall be paid on the claims (both financial and operational) subsequent to the insolvency commencement date.

T. Limit of Liability

Notwithstanding anything contained in this Resolution Plan, in no event the total payments by the Company to its creditors, for claims relating to a period prior to the CIRP Commencement Date (including claims recognized in this Resolution Plan and claims that may arise in future), shall exceed the Liquidation Value.

It is also clarified that following the approval of the Resolution Plan, all liabilities (except for the liabilities in the Information Memorandum and as provided for in this Resolution Plan, of the Company) whether recorded in its books or otherwise, will be extinguished. No further claims, either against the Company or against the Resolution Applicant and his associates will be permitted to be brought once the Plan has been approved and implementation has commenced.

All claims that may arise in the future, including any claims from dues arising under any law for the time being in force and payable to the Central Government, any State Government or any local authority, resulting from a judicial proceeding or otherwise shall be subject to the limit specified in this Clause in so far as they relate to the period prior to the Effective Date.

U. Validity

This Resolution Plan is valid until the COC rejects the Plan and if the COC approves the Plan than until the Hon'ble Adjudicating Authority/NCLT has taken a decision on approval of the Resolution Plan and till the appeal, if any, pending before the Hon'ble Adjudicating Authority/NCLT with respect to approval of this Resolution Plan. On approval of the Resolution Plan, it will become effective and will be duly implemented.

Signed for and on behalf of Resolution Applicant

S d/-

Name: Maansi Gupta
Designation: Authorised Representative
Shivsons Solutions India Private Limited
Mumbai
Date:



 Wondershare
PDFelement