

**THE NATIONAL COMPANY LAW TRIBUNAL  
CHANDIGARH BENCH, CHANDIGARH  
(Exercising powers of Adjudicating Authority under  
the Insolvency and Bankruptcy Code, 2016)  
(through web-based video conferencing platform)**

**I.A. No. 1616/2023**

**in**

**CP (IB) No. 116/Chd/Hry/2017**

**(Admitted)**

**Under Section 7 & 60(5) of IBC, 2016**

**In the matter of:**

**State Bank of India**

...Petitioner/Financial Creditor

Vs.

**Castex Technologies Limited**

...Respondent/Corporate Debtor

**And In the matter of I.A. No. 1616/2023**

**State Bank of India**

Authorized representative of Asset Monitoring Committee,  
having its office at:

State Bank of India, SAMB-1, 12th Floor,  
Jawahar Vyapar Bhawan, 1 Tolstoy Marg,  
Janpath, New Delhi- 110001

...Applicant

Vs

**Castex Technologies Limited  
(Now known as Revant Metalcast Limited)**

Having its registered office at:  
Unit II, Begumpur Khataula,  
P.O. – Khandsa, Gurgaon, Haryana – 122101

...Respondent

**Order delivered on: 06.06.2024**

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)  
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

**Present:**

**For the Applicant : Ms. Munisha Gandhi, Senior Advocate, with J.S. Bhatia, Advocate**

**For the Respondent : Mr. Anand Chhibbar, Senior Advocate with Mr. Sumer Singh Brar, Advocate**

**Per: Sh. Harnam Singh Thakur, Member (Judicial)**  
**Sh. Subrata Kumar Dash, Member (Technical)**

**ORDER**

The present application has been filed by State Bank of India (hereafter referred to as the “**Applicant Bank**”) the authorized representative of Asset Monitoring Committee of Revent Metalcast Limited (formerly Castex Technologies Limited, hereinafter referred to as the “**Corporate Debtor**”), under Section 60(5) of The Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “**the Code**”) seeking an extension of the AMC Period, which expired on 21.07.2023 as stipulated under the approved resolution plan by a period of 12 (twelve) months, w.e.f. 22.07.2023 to 22.07.2024 to complete the sale process of the Corporate Debtor as per the approved Resolution Plan.

2. It is averred in the application:
  - i. The Corporate debtor was admitted for CIRP by this Adjudicating Authority vide its order dated 20.12.2017 under Section 7 of the Code.
  - ii. After appointment of the Resolution professional, and pursuant to subsequent expression of interest, Deccan Value Investors L.P. and DVI PE (Mauritius) Ltd. (hereafter referred to as the “**Successful**”

**Resolution Applicant/DVI**) submitted its Resolution Plan on 17.01.2020 with three subsequent addendums dated 07.02.2020, 18.02.2020 and 09.03.2020 respectively. The said Resolution Plan was approved by the Committee of Creditors (**CoC**) with 71.77% voting percentage on 16.03.2020 and by this Adjudicating Authority vide its order dated 15.12.2020.

- iii. It was stated in the approved Resolution Plan that debt of the Corporate Debtor shall be settled through the infusion of funds by DVI and available funds of the Corporate Debtor in the form of assets.
- iv. In order to realize/monetize the assets, AMC was constituted on 21.01.2022, comprising of 6 members, i.e., the erstwhile RP, four AMC lenders and a nominee of DVI, for a period of 18 months from the closing date, i.e., 21.01.2022 and scheduled to expire on 21.07.2023, the purpose of which was to manage and supervise the sale, liquidation, or disposal of the assets, the proceeds of which would be used for the satisfaction of the debt of the lenders as per paragraph 1.6(iv), part IV of the Resolution Plan.
- v. As per clause 1.8 of the Resolution Plan, the AMC was to function for a total of 18 (eighteen) months from the Closing Date, i.e., from 21.01.2022 to 21.07.2023 ("AMC Period"). Post the expiration of the AMC Period, the SRA would be given control over the sale of the Assets and must affect the sale within 3 months of the date of the expiration period.

- vi. Since the sale of the Assets could not be effected before the expiration of the AMC Period, due to multiple factors, especially the non-cooperation of the Corporate Debtor, the Applicant filed the instant Application for the extension of the AMC Period.
- vii. AMC took various steps for the sale of assets, which are identified as:
  - a. Land, building, plant and machinery of the Palwal Manufacturing facility (“**the Palwal asset**”);
  - b. Land and building of Baddi manufacturing facility (“**the Baddi asset**”);
  - c. Land and building of the Rikem JV manufacturing facility (“**the Bhiwadi asset**”);
  - d. Land of the Gurgaon machining plant facility (“**the Gurgaon asset**”), collectively referred to as “**Real Estate Assets**”:

(The issues related to the sale of the above mentioned assets are summarised in the later part of the order.)

- 3. The Respondent filed its reply dated 23.08.2023 vide diary no. 02372/4 stating that the period of 18 months of the AMC started on 21.01.2022 and lapsed on 21.07.2023. The present application came up for hearing before this Tribunal on 26.07.2023, rendering the application as non-maintainable. It is alleged by the Respondent that the Applicant, by way of the present application, seeks to amend the terms of the Resolution Plan. The Hon'ble Apex Court as well as the Hon'ble NCLAT have held time and again that once the plan has been accepted and implemented, the NCLT has no powers

whatsoever to amend the same, as the NCLT has been rendered *functus officio*. Thus, the NCLT in fact, can only approve or reject a resolution plan. Therefore, on this count alone the instant application deserves a dismissal.

- i. The Respondent submitted that it was not present at the 13th meeting of the AMC, wherein the applicant states the principal approval for filing the present application was granted. The Respondent further submitted that in the 14th meeting of the AMC, the Respondent raised a specific objection to the decision of filing a present application on the basis of the terms and conditions of the plan specifically expressed its disapproval for the same. It was further submitted by the Respondent that it will be gravely prejudiced if the extension is granted as it will gravely impact the day-to-day functioning of the company, as the AMC is using the resources of the company for its functioning, thereby diverting manpower and resources of the company.
- ii. It is further pointed out by the Respondent that the failure of the AMC to dispose off the assets in spite of having taken 18 months is leading to grave difficulties for the Respondent as it is being forced to carry the assets (and corresponding liability) on its books at inflated values, despite the lenders (lead members of the AMC) being aware that the realizable value is much lower and has adversely affected the credit rating of the Respondent, which is further adversely impacting the access to credit facilities from banks/ financial institutions to effectively run operations of the Company.

- iii. It is averred that it is the AMC which has itself delayed the sale of the assets as the process advisor to the AMC was only appointed in the month of June, 2022 i.e., after a delay of 5 months, as the AMC came into being in January 2022. The Applicant in its application has identified 4 land parcels that are to be monetised, and the funds so generated further to be used for settling the debt of the Financial Creditors. The Applicant has pointed out various issues that the same has faced in disposing these assets and has blamed the respondent towards the delay faced in monetising the same. The issues with the said assets are summarized in the later part of the order.
4. To the reply of the Respondent, the Applicant submitted in its rejoinder dated 21.09.2023, filed vide diary no. 02372/5 that the present application, which was filed on 18.07.2023, was filed prior to the expiration of the AMC period, which is 21.07.2023.
  - i. The applicant further submitted that the Respondent was under an obligation to cooperate with AMC members for consummating the sales of the assets where he has defaulted. As per the approved plan, the amount realized from consummating the sale of the assets must be disbursed to the lenders only and no prejudice would be caused to the Respondent if the AMC period is extended. Further, the decision to file the present application was taken by way of majority in the 13th and 14th meeting of the AMC.
  - ii. The issues pertaining to the sale of the Real Estate Assets of the Corporate Debtor are summarized hereunder:

Sr. NO .	Asset	Applicant's Contentions	Respondent's Contentions
1.	Palwal Asset	I. Emergence of the title dispute which hampered the sale of the asset. The Corporate Debtor failed to provide the clear title of the property. Since the said issue could not be resolved in time, the AMC had to refund the EMD deposited with it by the successful bidder.	The selected bidder is willing to withdraw from purchasing the said asset. Further, the erstwhile RP had full knowledge of the challenge related to the disposal of this asset.
2.	Bhiwadi Asset	<p>RMCL, vide email dated 15.11.2022 informed that Riken JV had a right to keep its equipment, plants, machinery, and other utilities on the land, and therefore, the AMC must cease and desist from selling the asset. To this, the process advisor vide email dated 09.12.2022 clarified that an unexecuted sub-lease agreement was annexed to the joint venture agreement and the same was never executed between the parties and therefore does not confer any sublease rights to Riken JV.</p> <p>Post the first auction, vide email dated 23.03.2023, Riken Corporation objected to the sale notice issued for the property and claimed that AMC would be responsible for any diminishment to the value of the JV assets lying on the property. As of</p>	The Land was leased to Riken JV wherein Castex is holding only 15% of the equity and 35% is held by one JMT Auto Limited (under IBC) and the rest 50% by Riken. Riken has filed a petition for liquidation of the Company and the petition is sub-judice. The Respondent is the minority shareholder in the Joint Venture with Riken Corporation and therefore cannot influence the decision making process.

		08.02.2024, the plant and machinery of Riken JV is still kept on site and there is no cooperation from Riken Corporation or RMCL.	
3.	Baddi Asset	Vide email dated 05.08.2022, AMC requested Revent Precision Engineering Ltd. (" <b>Revent</b> ") and Metalyst Forgings Ltd. (" <b>Metalyst</b> ") to remove the various plants and machinery within 21 days, failing which the AMC would have the right to deal with the same. However, the plant and machinery has not been removed as of date. Due to the stay granted by the Civil Court of Nalagarh, a legal impediment was created and the third round of auction was cancelled, hence, hindering the process. While a map has been requested by AMC to the Corporate Debtor for the demarcation of the asset, the same has not been provided.	AMC was not able to get a bidder for the property and was asking for sale of the plot held by Amtek Auto (now Revent Precision Engineering Ltd) along with the plot in the name of Castex. Though Amtek Auto is under no obligation to sell its plot along with the same, it agreed to sell the plot to facilitate and to get a prospective bidder for the Baddi Unit. However, no prospective bidder was found by the AMC and Amtek Auto Ltd. (now known as Revent) has closed its operation on the plot adjacent to the plot for sale by AMC and proposed to monetise its closed unit.
4.	Gurgaon Property	It has an operational plant which was to be moved by the Respondent to another land within 6 months, but failed to do so, because of which the potential bidders did not participate in the e-auction.	It was advertised for two times in July 2022, and in June 2023 but no prospective bidder came forward on account of the high price quoted by the AMC. This Tribunal has passed an order dated 26.07.2023, wherein the Applicant can carry out the sale, but cannot issue the sale certificate.



			This property was acquired by the CD in 1996 under a Scheme of Merger from Amtek Gears Limited and the title to this property is still in the name of the Amtek Gears Limited.
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5. The Applicant filed its written submission dated 20.02.2024 vide diary no. 02372/7. The Respondent filed its written submission dated 26.07.2023, 16.02.2024 and 21.02.2024 vide diary no. 02372/01, 02372/6 and 02372/7 respectively.
6. During the course of arguments, the Ld. Counsel for the Applicant submitted that that the argument of the Respondents that the Resolution Plan once approved by the Tribunal, cannot be modified, as the Tribunal has been rendered *functus officio*, and that it can only accept or reject the Resolution Plan falls flat against the judgment of the Hon'ble Appellate Tribunal in ***GP Global Energy Private Limited v. Sandeep Mahajan Monitoring Professional for Allied Strips Limited [Company Appeal (AT) (Insolvency) No. 954 of 2021***, wherein the Hon'ble Appellate Tribunal had held that the prayer for extension of time for making payments does not amount to modification of the resolution plan, especially if such a timeline has been approved by the Tribunal. It further upheld the power of the NCLT and observed that when the NCLT had itself granted revised timelines, the observation that it has no powers to amend the approved resolution plan is not justified and uncalled for.

- i. Similarly, the judgment of the Hon'ble Appellate Tribunal in ***Tricounty Premier Hearing Service Inc. v. State Bank of India [Company Appeal (AT) (Ins.) No. 1038 of 2021]*** lends further credence to the above-mentioned proposition. This judgment underscores the authority of the Hon'ble Tribunal in granting an extension of the timeline to comply with various commitments as stipulated in the resolution plan, holding that such an extension would not amount to modification of the resolution plan.
- ii. Additionally, the Hon'ble Supreme Court in ***Kridhan Infrastructure Private Limited v. Venkatesan Sankaranarayanan and Ors. [(2021) 6 SCC 94]*** granted extension of timeline stipulated in the resolution plan for upfront payment even though the resolution plan had already been approved by the Hon'ble Tribunal.
- iii. Reference has also been made to the authorities laid down in the case of ***Noble Marine Metals Co. WLL vs. Kotak Mahindra Bank Limited & Ors., 2023 SCC OnLine NCLAT 83*** and ***Reliance Projects & Property Management Services Ltd. vs. CoC of Reliance Infratel Limited, 2022 SCC OnLine NCLT 203*** to assert that the extension of the timeline stipulated for the implementation of the resolution plan does not amount to modification of the resolution plan. Therefore, in the instant case, the Application of the AMC does not amount to an amendment to the Resolution Plan as the relief sought is the extension of the AMC period, whose purpose is to sell off the assets and satisfy the debt of the lenders, which is nothing but

the implementation of the Resolution Plan. Further, no prejudice would be caused to the SRA (who is also a member of the AMC) as the money that would be realized from the sale of assets would be utilized for the satisfaction of the debt of lenders only.

7. Refuting the contentions of the Ld. Counsel for the Applicant, the Ld. Counsel for Respondent asserted that once the plan has been accepted and implemented, the NCLT has no powers whatsoever to amend the same, as the NCLT has been rendered *functus officio*. The NCLT, in fact, can only approve or reject a resolution plan and relied upon the following authorities in support of its claim:

**a. SREI Multiple Asset Investment Trust Vision India Fund vs. Deccan Chronicle Marketeer and Ors., 2023 SCC ONLINE SC 298.**

**b. Mathuraprasaa C. Pandey & Ors vs. Partiv Parikh RP Of M.V.Omni Projects India Ltd. 2022 SCC ONLINE NCLAT 1608.**

**c. Bank of Baroda & Anr vs. MBL Infrastructure Ltd & Ors., 2022 SCC ONLINE SC 48.**

**d. EBIX Singapore Pvt. Ltd. vs. Committee of Creditors of Educomp Solutions Ltd & Anr. ,2021 SCC ONLINE SC 707.**

**e. Swiss Ribbons Pvt. Ltd. & Ors vs. Union of India & Ors., 2019 4 SCC 17**, wherein, it has been observed by the Authorities that once the plan has been accepted and implemented, the NCLT has no powers whatsoever to amend the same, as the NCLT has been rendered *functus officio*.

8. We have heard the Ld. Counsels for the parties. After a careful perusal of the records and the facts and circumstances of the present case, it may be noted that a two months time period was given to the parties vide order dated 09.11.2023, to settle the matter.
9. It is a settled law that, no doubt, once a Resolution Plan is approved, it cannot be amended. However, the extension of timeline does not amount to modification of the Resolution Plan. The authorities (supra) relied upon by the Ld. Counsel of the Respondents are not applicable to the facts and circumstances of the case at hand, as there is no amendment or modification to the approved resolution plan, extension of time, if any, is granted to the Applicant AMC to conclude the process already commenced.
10. As per clause 1.8 of the Resolution Plan, the AMC was to function for a total of 18 (eighteen) months from the Closing Date, i.e., from 21.01.2022 to 21.07.2023. After the expiration of the AMC period, the SRA would be given control over the sale of the assets and must consummate the sale within 3 months of the date of the expiration period.

Although it is alleged by the Ld. Counsel for the Applicant AMC that SRA has not facilitated cooperation in the sale and monetization of the assets/properties, yet, there is no cogent and tangible evidence to that effect, although some correspondence has been brought on record. Be that as it may, the plain fact is that the Applicant AMC could not consummate the sale and monetization of the assets in 18 months, i.e., by 21.07.2023, except for the Gurgaon Asset/property, due to various reasons owing to non-cooperation by the SRA. Even thereafter, for almost eleven months, on

the expiration of its stipulated tenure of 18 months, the Applicant AMC has failed to monetise the assets of the Corporate Debtor. Thus, no further extension beyond the stipulated period is justified and reasonable.

11. The Ld. Counsel for the Petitioner has stated that the earlier auction purchaser has shown its willingness to purchase the property at Palwal, the title of which was updated in the name of “KAC Casting Limited,” and the directors have also agreed to execute the conveyance/sale deed in favor of the successful bidder, i.e., Ram Dass Trading Co. As stated in the affidavit dated 14.03.2024 filed vide diary no. 02372/8 by the Petitioner AMC, the said transaction of the sale of the Gurgaon Asset/Property was to be completed within 60 days, however, no effective steps were taken to sell the said property to the successful bidder. Further, the property at Gurugram was sold via auction dated 24.07.2023, the sale certificate of which was put on hold by this Bench to be issued by the Applicant to the purchaser, vide its order dated 26.07.2023.
12. In the backdrop of these facts, the Applicant AMC’s arguments with respect to “extension of the AMC period” are insubstantial.
13. As a sequel to the discussion above, the present application bearing no. I.A. 1616/2023 is dismissed and disposed of, however, without any order as to costs.

**Sd/-**  
**(Subrata Kumar Dash)**  
**Member (Technical)**

June 06, 2024  
ASG

**Sd/-**  
**(Harnam Singh Thakur)**  
**Member (Judicial)**