

Date: 17/08/2023

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

BSE Scrip Code: 533107

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,
G Block, Bandra Kurla Complex,
Bandra (E) Mumbai - 400 051

NSE Symbol: RNAVAL

Subject: Order regarding extension of making upfront payment for a period of 45 days from 1st August, 2023 by the Adjudicating Authority (National Company Law Tribunal, Ahmedabad)

Dear Sir(s),

Reliance Naval and Engineering Limited was admitted under Corporate Insolvency Resolution Process (CIRP) as per the provisions of the Insolvency and Bankruptcy Code, 2016 w.e.f. January 15, 2020 (intimation was given vide letter dated 20th January, 2020 about the initiation of CIRP).

The resolution plan submitted by Successful Resolution Applicant (SRA) in the CIRP of the corporate debtor was approved by the Hon'ble NCLT vide order dated 23rd December, 2022. The last date for payment of upfront amount, as per the plan was 23.03.2023. On the specific request of the SRA, with no objection from the CoC, the Hon'ble NCLT had extended the time period by four months i.e. up to 23.07.2023 vide our order dated 20.06.2023.

Further, the record date was set for 14th July, 2023, which, till date, remains unchanged. However, the SRA filed an interlocutory application for further extension of time to make the upfront payment. The Hon'ble NCLT, by order dated 01.08.2023, granted a period of 45 days from the date of the order i.e., up to 15.09.2023 to make the upfront payment, subject to fulfillment of certain conditions as mentioned in the order. A copy of the order dated 01.08.2023 is annexed hereto for your information and record. .

Reliance Naval and Engineering Limited
(Formerly Reliance Defence and Engineering Limited)
Pipavav Port, Post Uchhaiya Via-Rajula, Dist. Amreli
365 560, Gujarat

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www.maval.co.in

You are requested to take the above on record.

Yours Truly,

For Reliance Naval & Engineering Limited



Sudip Bhattacharya - Chairman
On Behalf of Monitoring Committee
Reliance Naval & Engineering Limited
IBBI-Reg. No. IBBI/PA03/N-00080/10703

Sudip Bhattacharya

On Behalf of the Monitoring Committee

Project E-mail: mc.rnel@kroll.com

IBBI Registration no.: IBBI/PA-003/IP-N00080/2017-18/10703

**IBBI Registered Address: 903 Queensgate CHS, Hiranandani Estate,
Off Ghodbander Road. Thane-West, Mumbai – 400607**

IBBI Registered E-mail: resolutionsudip@gmail.com

IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
COURT - 2

Item No.211 – IA 794 of 2023
In
CP(IB) 418 of 2018

Proceedings under Section 7 IBC

IN THE MATTER OF:

IDBI

.....Applicant

V/s

Reliance Naval and Engineering Ltd

.....Respondent

Order delivered on 01/08/2023

Coram:

Mr. Shammi Khan, Hon'ble Member(J)

Mr. Ajai Das Mehrotra, Hon'ble Member(T)

PRESENT:

For the Applicant	: Mr. Shalin Mehta, Sr. Adv. a/w. Mr. Parth Contractor Adv., Mr. Pranjal Buch Adv., Mr. Amir Arsiwala Adv., Mr. Piyush Deshpande Adv.
For the Respondent	: Mr. Devang Nanavati, Senior Adv.a/w. Mr. Anugrah Robin Frey Adv., Mr. Kamendra Pratap Singh Adv., Mr. Yasaschandra Devarakonda Adv., Mr. Tirth Nayak Adv., Mr. Manmeet Singh Adv.

ORDER

01. Learned counsel Mr. Pranjal Buch and Mr. Amir Arsiwala appeared for the applicant SRA. Learned senior counsel Mr. Devang Nanavati appeared for the CoC. It is already recorded in our order dated 26.07.2023 that CoC will not object to the extension by 45 days subject to payment of portion of upfront payment amount and subject to charging of interest on the outstanding amount. In response thereto, the learned senior counsel Mr. Shalin Mehta, who had appeared on 31.07.2023, had stated that since the funds are coming from single source, the entire investment will be available at one go. Therefore, they are not able to commit anything on the upfront amount.

02. Regarding higher rate of interest, he submitted that interest is already provided in the resolution plan and higher rate of interest may not be levied for the upfront payment. We had directed the learned senior counsel for the applicant to take instructions regarding payment of some upfront amount. Today, learned counsel Mr. Amir Arsiwala states that the SRA is not able to commit any amount as portion of upfront amount to be paid in shorter period.
03. We heard both the sides extensively. The resolution plan was approved on 23.12.2022. The last date for payment of upfront amount, as per the plan was 23.03.2023. On the specific request of the SRA, with no objection from the CoC, we had extended the time period by four months vide our order dated 20.06.2023. The operative part of the said order is given in Para 7, which is reproduced below:-

“07. After hearing the senior counsels for SRA, RP and COC and after going through the record, we make the following order:-

- (a) SRA to pay further Rs. 10 Crores by 30.06.2023 to ensure that the Corporate Debtor continues to run as going concern.*
- (b) Extension for making upfront payment is allowed till 23.07.2023 subject to Payment of interest at State Bank of India MCLR + 200 Basis Points with effect from 23.06.2023 till the making of full upfront payment.*
- (c) SRA to maintain Performance Bank Guarantee (PBG).”*

Through the present IA, the SRA is seeking further extension of 60 days. After hearing both the sides and considering no objection given by the CoC, in the interest of resolution of the corporate debtor as opposed to liquidation, and in the interest of the stake holders we make the following order:-

- 1) SRA to continue to pay further Rs. 10 Crore every month to ensure that corporate debtor remains as a going concern.

Learned senior counsel Mr. Navin Pahwa appearing for the RP, at this stage stated that they have already received sufficient funds for the

time being and requests that the next installment be paid as and when called for by the RP in writing to be paid within seven days of the demand. Our directions are modified to this extent.

- 2) Extension for making upfront payment is allowed till 45 days from today subject to fulfilment of following conditions: -
- (i) payment of interest SBI MCLR+200 Basis points with effect from 23.06.2023 on unpaid upfront amount, till the making of full upfront payment.
 - (ii) payment of token amount of Rs. 10 crore towards portion of upfront payment within seven days, i.e. on or before 08.08.2023.
 - (iii) SRA to maintain Performance Bank Guarantee.

With these directions, IA 794 of 2023 is disposed of.

-Sd-

AJAI DAS MEHROTRA
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)