



**INSOLVENCY PROFESSIONAL AGENCY
OF INSTITUTE OF COST ACCOUNTANTS OF INDIA**

Casebook Issue

**Corporate
Insolvency
Resolution
Process Journey
of
J.D. Aneja Pvt. Ltd.**

**INSOLVENCY
UNCOVERED**

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About J.D. Aneja Edibles Private Limited

J.D. Aneja Edibles Private Limited is a private limited company incorporated on January 3, 2005, and is registered in Sriganga Nagar, Rajasthan, India. Its registered office is located at 335-336, Phase-II, Udyog Vihar, Sriganga Nagar-335002. The company has a Corporate Identification Number (CIN) of U15142RJ2005PTC020089. As a privately held entity, the company is limited by shares, with an authorized and paid-up share capital of ₹34,00,000 (34 lakhs).

The management team as recorded during the commencement of insolvency proceedings consisted primarily of the Aneja family, including Mr. Rahul Aneja (director since incorporation), Ms. Ruchika Aneja (director since 2014), and Mr. Pawan Aneja, who served as the manager. The company's core business revolves around the manufacturing and trading of food products, prominently mustard oil and mustard cake, operating within the agro-based edible oil sector. Before insolvency, J.D. Aneja Edibles Private Limited was a closely held company, largely funded and managed by related parties and the promoter family, who oversaw operations from the registered office.

At the time the Corporate Insolvency Resolution Process (CIRP) was initiated in 2018, the company was an active small-scale industrial unit undergoing financial distress due to default on payments to its financial creditors. The insolvency petition was filed primarily by the financial creditors, with the company recognized as the corporate debtor for the purpose of the proceedings. This background and operational profile provide a comprehensive foundation to understand the circumstances leading to the insolvency and subsequent resolution process involving J.D. Aneja Edibles Private Limited.

CIRP of J.D. Aneja Edibles Private Limited

Admission of Petition and Appointment of IRP

On 4 June 2018, upon a Section 7 petition filed by Oriental Bank of Commerce (OBC), Corporate Insolvency Resolution Process (CIRP) was initiated against J.D. Aneja Edibles Private Limited and public announcement was made on 06 July 2018. Mr. Madhusudan Sharma (IBBI Registration No. IBBI/IPA-003/IP-L00046/2017-18/10395) was appointed as the Interim Resolution Professional (IRP) vide NCLT order dated 04.06.2018 in application no. IB-517/(ND)/2017.

Constitution of CoC and Appointment of RP

Pursuant to public invitation, six claims from Financial Creditors and three from Operational Creditors were received by 18 June 2018.

OBC, as the sole non-related Financial Creditor, constituted the Committee of Creditors (CoC) with 100% voting power; all other financial claims were from related parties/shareholders.

At the CoC's first meeting (2 July 2018), the IRP was confirmed as Resolution Professional (RP) on 26.07.2018.

CoC Meeting Timeline

Date	CoC Meeting No.	Major Decisions and Events
02.07.2018	1st Meeting	IRP (Madhusudan Sharma) confirmed as Resolution Professional (RP) by the sole CoC member (Oriental Bank of Commerce).
08.08.2018	2nd Meeting	Appointment of two registered valuers (Crust Capital Group Pvt. Ltd. & Adroit Technology Service Pvt. Ltd.). Approval for publication and inviting Expressions of Interest (EOIs) with defined eligibility criteria. RP placed preliminary report on potential avoidance/fraudulent transactions before CoC.

11.09.2018	3rd Meeting	CoC deliberated on three EOIs received (Rahul Aneja & Pradeep Kumar Dawra Consortium; Rahul & Ruchika Consortium; Sukh Shanti Estates Pvt. Ltd.).
18.10.2018	4th Meeting	EOI of Sukh Shanti Estates Pvt. Ltd. rejected (did not comply with Section 29A & other document requirements). Evaluation Matrix and Information Memorandum issued to remaining two. No resolution plan submitted; deadline extended to 29.10.2018.
30.10.2018	5th Meeting	Only one resolution plan was received. RP directed to check compliance, permit applicants to rectify deficiencies, and extend time to 12.11.2018 for revised submission.
17.11.2018	6th Meeting	Revised resolution plan submitted and discussed. CoC decided to seek a 90-day CIRP extension to allow further plan modifications and clarification on funding and implementation schedules.
17.12.2018	7th Meeting	Further discussions on submitted plans. CoC instructed applicants for additional improvements in the resolution plan.
14.01.2019	8th Meeting	Additional plan improvements and clarifications discussed between applicants and CoC.
30.01.2019	9th Meeting	Final resolution plan (dated 25.12.2018 with revision on 13.01.2019) approved unanimously by CoC (OBC, 100% vote).

Public Announcement and Calls for Resolution Applications

Following regulations, claims were publicly invited, and the process followed CIRP Regulation 27 for asset valuation with appointment of two registered valuers.

Various EoIs were received (Rahul Aneja & Pradeep Kumar Dawra Consortium, Rahul & Ruchika Consortium, Sukh Shanti Estates Pvt. Ltd). After initial screening, only two were eligible and invited to submit resolution plans.

Information Memorandum

In accordance with Regulation 36 of the CIRP Regulations, the RP prepared and published the Information Memorandum (IM) on 18th October 2018. The IM included critical information such as the financial position of the company, assets and liabilities, litigation status, and operational performance. The IM served as a basis for prospective applicants to assess the viability and prospects of J.D Aneja Edibles Private Limited as a going concern.

Expression of Interest to invite Prospective Resolution Applicant(s)

The RP invited Expressions of Interest (EOI) from prospective resolution applicants to submit a resolution plan. The first invitation was issued on 08.08.2018 and three EPI's were received by 03.09.2018 namely from The Rahul Aneja and Pradeep Kumar Dawra Consortium, Rahul and Ruchika Consortium and Sukh Shanti Estates Pvt. Ltd. expressed their interest, and the first provisional list of eligible Prospective Resolution Applicants (PRA) was prepared but the M/s Sukh Shanti Estates Pvt. Ltd. did not respond to the request and reminders for documents and details as required under Section 29(A) of IBC, 2016 as well as other details as were required.

In the circumstances, the EOI of Sukh Shanti Estates Pvt. Ltd. was rejected, Considering rejection, request for resolution plan including Evaluation Matrix Information Memorandum were issued to the other two prospective Resolution Applicants and up to 17.10.2018, no resolution plan in Form- G was received from even these two proposed Resolution Applicants.

Time was extended till 29.10.2018 and then only one resolution plan was received by CoC in 5th CoC meeting held on 30.10.2018 and the compliance check was decided by the CoC to be done by RP.

Submission and Approval of Resolution Plan

Revised resolution plans were discussed and improved upon with extensive CoC involvement.

Final Resolution Plan, dated 25 December 2018 (with a supplementary version dated 13 January 2019), submitted by Rahul and Ruchika Consortium, was approved by the CoC (100% OBC vote) on 30 January 2019.

Resolution Plan – Key Features

CIRP Cost: ₹15 lakh (to be paid within 1 month).

Operational Creditors (Other than Related Parties): ₹156 lakh (within 2 months).

Secured Financial Creditor (OBC): ₹361 lakh principal + ₹18 lakh interest (within 3 months).

Unsecured Financial Creditors (Related Parties & CIRP Applicants): ₹56 lakh (to be paid over 5 years).

Other Related Unsecured Financial Creditors and Creditors: To be paid after all other dues.

Equity Shareholders: ₹10 lakh (within 3 months).

Statutory dues: To be paid as per applicable laws and planned timelines.

Tables of distribution and schedule are attached under, demonstrating priority to CIRP costs, operational creditors, and secured creditor, with deferred payment for related/unsecured creditors and shareholders.

Sr. No.	Particulars	Amount (In Rs. Lakh)	Timelines
1.	CIRP Cost	15	Within one month

2.	Operational Creditors other than related parties including to those who did not submit claim	156	Within two months
3.	Secured Financial Creditor	361	Within three months
4.	Interest to Secured Financial Creditor	18	Within three months
5.	Unsecured Financial Creditors- Related parties and CIRP Applicants	56	In Five Years
6.	Operational Creditors- Related Parties of the Resolution Applicant	20	After payment to all other creditors
7.	Unsecured Financial Creditors- Related party of Resolution Applicant	101	After payment to all other creditors
8.	Payment to Equity shareholders	10	Within three months
	Sub Total	737	

Dissent and Objections

IA No. 57/JPR/2019 & 58/JPR/2019: Objections were raised by dissenting related-party Financial Creditors (including the initial CIRP applicants) on grounds of non-admittance/full admission of their claims, especially for interest components.

Tribunal Observations: Tribunal noted no reliable evidence for the contested interest rates, with limitation issues considered. Related-party financial creditors, as per IBC, have no voting rights in CoC, and their claims were treated consistently in the plan.

Monitoring, Implementation and Special Directions

Upon plan approval, existing directors continued the board, with a Monitoring Agency formed (Mr. Sandeep Kumar Jain, CS & IP, and OBC representative) to supervise implementation.

The Monitoring Agency was specifically directed to investigate unresolved preferential, undervalued, or fraudulent transactions as previously flagged under Section 43, 45, 50, and 66 of the Code.

Specific directions were given to ensure dissenting related-party financial creditors would be paid their principal before any payment to equity shareholders.

Liquidation/Other Key Orders

The Tribunal did not order liquidation, with the approved resolution plan setting the roadmap for revival and settlement of debts.

Moratorium under Section 14 to cease upon order; all CIRP records to be handed to the Monitoring Agency and, post-implementation, to the Resolution Applicant.

Application regarding avoidance (preferential/fraudulent transactions) kept in abeyance; the Monitoring Agency to file its investigation report within three months.

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