

24  
30/1/25

Free of Cost Copy

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**COURT - 2**

ITEM No.302

IA(Plan)/47(AHM)2024 in C.P.(IB)/226(AHM)2023

**Orders under Section 30 r/w 31 of IBC,2016**

**IN THE MATTER OF:**

Mr.Manish Santosh Buchasia RP of M/s.Samvid Steels  
Private Limited

.....Applicant

.....Respondent

**Order delivered on: 27/01/2025**

**Coram:**

Mrs. Chitra Hankare, Hon'ble Member(J)  
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

**ORDER**

The case is fixed for pronouncement of order.

The order is pronounced in the open Court, vide separate sheet.

-sd-

**DR. V. G. VENKATA CHALAPATHY**  
**MEMBER (TECHNICAL)**

-sd-

**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**



[ ]

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD (COURT - II)**

**I.A. (Plan) 47 of 2024  
In  
C.P.(I.B.) No. 226 of 2023**

*(An application filed under Section 30 r.w Section 31 of the  
Insolvency and Bankruptcy Code, 2016)*

**IN THE MATTER OF:**

M/s Samvid Steels Private Limited

...Corporate Debtor

**MEMO OF PARTIES**

**Mr. Manish Santosh Buchasia**

Resolution Professional of  
M/s Samvid Steels Pvt. Ltd.  
2, Ashima Complex, Kadi-Kalol  
Highway, Karan Nagar, Kadi,  
Mehsana, Gujarat-382727  
Address for Correspondence  
306, 3 rd Floor, "Gala Mart",  
Nr. SOBO Centre, Above SBI/ Union Bank,  
South Bopal, Ahmedabad-380058

...Applicant

**Order pronounced on 27.01.2025**

**Coram:**

**MRS. CHITRA HANKARE  
HON'BLE MEMBER (JUDICIAL)**

**MR. VELAMUR G VENKATA CHALAPATHY  
HON'BLE MEMBER (TECHNICAL)**

**Present:**

For the Applicant  
RP

: Ms. Hirva Dave, Adv.  
: Mr. Manish Buchasia



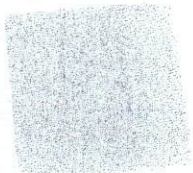
## **JUDGEMENT**

1. The present application has been filed under Section 30 read with section 31 of the Insolvency & Bankruptcy Code, 2016 (“IBC, 2016/the Code”) by the Resolution Professional of the Corporate Debtor- Samvid Steels Private Limited, *inter alia*, seeking following prayer:

*A. to approve the Resolution Plan of M/s. Kataria Energy Solutions Private Limited in consortium with M/s. Kataria Motors Private Limited.*

2. The Financial Creditor had filed an insolvency application under Section 7 of the Code for initiation of Corporate Insolvency Resolution Process (“CIRP”) against the Corporate Debtor which was admitted *vide* order dated 17.04.2024 and whereby, Mr. Manish Santosh Buchasia was appointed as IRP. The public announcement inviting the claims from creditors of the Corporate Debtor was made in Form-A dated 18.04.2024, wherein the last date for submission of claims was 01.05.2024.

3. It is stated that after receiving the claims, the IRP collated the claims and constituted the Committee of Creditors (“CoC”) on 07.05.2024. Claims were received from three financial creditors. However, four claims were received from individuals

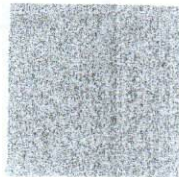


under Form-C and were related parties and hence not included in the CoC. The applicant also received claim from EPFO of Rs.379/- as unsecured operational creditor. Therefore, the CoC comprised of three financial creditors. The details of the same are as follows along with the respective voting share:

Sr. No.	Name of Member	Nature of Debt	Amount of claim admitted (Rs.)	Voting Share (%)
1.	Kataria Automobiles Pvt Ltd.	Secured Financial Creditor	8,14,19,173/-	90.04
2.	Kataria Automobiles Pvt Ltd.	Unsecured Financial Creditor	39,17,750/-	4.33
3.	Kataria Energy Solutions Pvt Ltd.	Unsecured Financial Creditor	50,93,075/-	5.63
TOTAL:			9,04,29,998/-	100

4. The 1<sup>st</sup> CoC meeting was held on 15.05.2024, wherein it was discussed to appoint Mr. Manish Santosh Buchasia, the IRP as the Resolution Professional. Accordingly, after requisite voting, Mr. Manish Santosh Buchasia was appointed as the Resolution Professional. Subsequently, the applicant appointed registered valuers for determining the value of the assets of the corporate debtor.

5. The 2<sup>nd</sup> CoC meeting was held on 12.07.2024, wherein, the members of CoC, *inter alia*, resolved to initiate the process of



inviting Expression of Interest ("EoI") by publishing Form-G; further, the CoC also approved minimum eligibility criteria, evaluation matrix for Prospective Resolution Applicants ("PRAs"), Request for Resolution Plan and Information Memorandum. Accordingly, the Resolution Professional had published Invitation for Expression of Interest in Form-G dated 17.07.2024 and the last date for receipt of Expression of Interest was stipulated as 01.08.2024.

6. During the 3<sup>rd</sup> CoC meeting dated 11.09.2024, the RP apprised the members of CoC that he has received 5 (five) EoI, however, received Resolutions Plan from only 3 (three) PRA's namely, Mr. Rajendra Dallaram Chowdhary; M/s Sunrise Industries; and M/s Kataria Energy Solutions Private Ltd. in consortium with M/s Kataria Motors Private Ltd.
7. In the 4<sup>th</sup> CoC meeting held on 01.10.2024, the RP had detailed discussion on the feasibility and viability of the Resolution Plan with the members of CoC. The CoC, unanimously, i.e., by 100% majority of the CoC members approved the Resolution Plan submitted by M/s Kataria Energy Solutions Private Ltd in consortium with M/s Kataria Motors Private Ltd wherein, M/s. Kataria Energy Solutions Private Limited is an Unsecured



Financial Creditor of the Corporate Debtor holding voting share of 5.63% in the CoC. Further, Mr. Rajendrakumar Kataria, a Director and Authorised person of Successful Resolution Applicant ("SRA") submitted affidavit in compliance of section 29A of IBC, 2016. The applicant has examined and confirmed the eligibility of the resolution applicant. The applicant has also scrutinized and vetted the plan in respect of various compliances mentioned in the Code and the CIRP Regulations as well as the RFRP. In terms of Regulation 36B(4A) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the SRA has provided 5% of the Resolution Plan amount in addition to the Earned Money Deposit ("EMD") deposited by the SRA an amount to the tune of Rs.52,40,000/- towards performance security.

8. The amount provided to the stakeholders under the plan is as under:

Sr. No.	Category of Stakeholder	Amount Admitted (Rs.)	Amount provided under plan (Rs.)
1.	CIRP Costs	NIL	7,50,000/-
2.	Workmen/Employees	NIL	NIL
3.	Secured Financial Creditors		
	a. Kataria Automobiles Pvt Ltd.	8,14,19,173/-	6,51,35,338/-
4.	Unsecured Financial Creditors		



	a. Kataria Automobiles Pvt Ltd.	39,17,750/-	7,83,550/-
	b. Kataria Energy Solutions Pvt Ltd.	50,93,075/-	10,18,615/-
5.	Dissenting Financial Creditors	NIL	NIL
6.	Operational Creditors (including workmen/employees and government dues)		
	• EPFO dues	379/-	379/-
	• Income-tax dues	12,38,30,572/-	1,23,831/-
7.	Other Stakeholders/ Creditors (other than financial creditors and operational creditors)	NIL	NIL
8.	Working Capital		50,00,000/-
	TOTAL:	21,42,60,949/-	7,28,11,713/-

As per the Resolution plan, the applicant did not receive any claim from the Income-tax department, however, as per the Information Memorandum an amount to tune of Rs.12,38,30,572/- was an outstanding demand of the department. The debt is proposed to be settled by making a payment of Rs.1,23,831/- under the approved Resolution Plan.

9. The Registered Valuers appointed by the Applicant for the asset class of Plant & Machinery and financial assets submitted their valuation reports. Average fair and liquidation value of the Corporate Debtor calculated on the basis of the said valuation reports are as follows:

S. No.	Assets	Average Fair Value	Average Liquidation Value
1	Land and Building	6,74,25,200/-	5,39,40,160/-



2.	Securities and Financial Assets	4020	4020
----	------------------------------------	------	------

10. As per Part M of the Resolution Plan, the monitoring committee shall comprise of one representative of the secured Financial Creditor and a Resolution Professional. The Resolution Professional shall continue as the monitoring professional.

11. The applicant stated that the Resolution Plan of Successful Resolution Applicant is in compliance of Section 30 of the Code and Regulation 38 (1A) of the CIRP Regulations. The applicant further submitted undertaking *qua* Section 29A among others. The applicant has also verified the eligibility of the resolution applicant in terms of Section 29A.

12. The Resolution Applicant proposed to fund the resolution plan out of their own resources. The net worth of the SRA is listed as below:

Sr. No.	Name of the Person	Net Worth (in Rs.)
1	Kataria Energy Solutions Private Limited	80,05,000/-
2	Kataria Motors Private Limited	17,05,38,000/-
	TOTAL	17,85,43,000/-

13. The applicant has also made a declaration regarding the feasibility and the viability of the plan. The Resolution

Applicant has made a statement in relation to how the



Resolution Plan has dealt with interests of all stakeholders, including financial and operational creditors of the Company.

Further, the cause of default has also been addressed.

14. The applicant has produced Form-H on record. As per the recitals, the LB average fair value is Rs. 6,74,25,200/- and LB liquidation value is Rs. 5,39,40,160/-. By and large, after going through the plan it is observed that all the compliances have been made in respect of the same and the approved resolution plan is higher than the average Fair value of the assets.

15. Perused the documents available on record.

16. In view of above, we observe that the Resolution Plan submitted by one of the COC members, M/s Kataria Energy Solutions Private Limited in consortium with M/s Kataria Motors Private Limited, being an unsecured financial creditor complies with the provisions of IBC, 2016. The Resolution Plan is in compliance of the provisions and we are satisfied in respect of the same. We find that the Resolution Plan has been approved with 100% voting share and is above the mandatory requirements and apparently from documents complies with provisions of IBC 2016. As per the CoC, the plan meets the requirement of being viable and feasible for the revival of the



Corporate Debtor and equal proportionate share has been given to all claimants. On perusal of the documents on record, we are also satisfied that the Resolution Plan is in accordance with sections 30 and 31 of the IBC and also complies with regulations 38 and 39 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

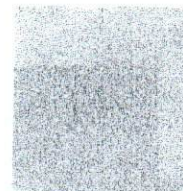
17. Hence, we pass the following order:

**ORDER**

- I. Application is allowed.
- II. The approved 'Resolution Plan' shall become effective from the date of passing of this order.
- III. The order of moratorium passed by this Adjudicating Authority under Section 14 of IBC, 2016 shall cease to have effect from the date of this order.
- IV. The Resolution Plan so approved shall be binding on the Corporate Debtor and its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.
- V. The monitoring committee as proposed in the resolution plan shall be constituted for supervising the effective implementation of the Resolution Plan and continue till the payment plan is fully realised and is distributed.



- VI. The Resolution Professional, Mr. Manish Santosh Buchasia, shall be released from the duties of the Resolution Professional of the Corporate Debtor as per the provisions of the IBC, 2016 and rules/regulations made thereunder, from the date of this order.
- VII. The Resolution Professional shall forward all records relating to the conduct of the corporate insolvency resolution process and approved Resolution Plan to the Insolvency and Bankruptcy Board of India to be recorded in its database.
- VIII. As regards various reliefs and concessions which are being sought, we hereby grant the following reliefs and concessions only as against reliefs and concessions claimed by the resolution applicant.
- IX. After the payment of the dues to the creditors, as per the resolution plan, all the liabilities/claims of the said stakeholders shall stand extinguished and other claims including Government/Statutory Authority, whether lodged during CIRP or not, shall stand extinguished after approval of the resolution plan.



- X. From the date of this order, all claims against the Corporate Debtor, except those provided in the plan of the Corporate Debtor stand extinguished as sought in terms of clause 7 of the Plan.
- XI. From the date of this order, all encumbrances on the assets of the Corporate Debtor before the Resolution Plan shall stand extinguished. No reliefs and concessions are granted to guarantee if any issued by the suspended management in an individual capacity to any of the creditors.
- XII. For reliefs and concessions sought from the Government / Statutory Authorities, we direct the resolution applicant to approach the concerned Authorities. The concerned Authorities are to consider and decide the matter as per applicable provisions of law for effective implementation of the Resolution Plan.
- XIII. As regards reliefs prayed under various provisions of the Income Tax Act, 1961, the Corporate Debtor/ Resolution Applicant may approach the Income Tax Authorities who shall take a decision on relief and concessions sought by



the resolution applicant in accordance with the provisions of the Income Tax Act, 1961.

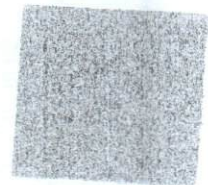
- XIV. The Resolution Applicant shall be entitled to review, revise or terminate any appointments / agreements / understanding entered into by or on behalf of the Corporate Debtor in accordance with the terms and conditions of such agreements / MoU's /contracts.
- XV. The management of the Corporate Debtor shall be handed over to the Board of Directors as may be nominated by the SRA for the proper running of the operations /business of the Corporate Debtor.
- XVI. The Board of Directors of the Corporate Debtor shall also be reconstituted and procedural compliances shall be done to give effect to such reconstitution.
- XVII. The SRA shall, pursuant to the Resolution Plan approved under Section 31(1) of the Code, obtain necessary approvals required under any law for the time being in force within a period of one year from the date of approval of the Resolution Plan vide this order or within such period as provided for in such law, as the case may be.



XVIII. All the approvals of shareholders/members of the Corporate Debtor shall be deemed to have been obtained and the provisions made in the Resolution Plan as regards the restructuring of capital shall be binding on them. The reliefs sought by way of approval of the Resolution Plan along with merger of the Corporate Debtor with the SRA under Section 230-232 of the Companies Act, 2013 will be filed a separate application after obtaining necessary approvals in this Plan.

XIX. No approval is given at this stage by way of this order regarding to merger of the Corporate Debtor with SRA and filed a separate application with Audited Financial Statements of both Companies may be submitted for the approval.

XX. With respect to the grant of license/ Government approval, if the license or approval is terminated, suspended or revoked, the resolution applicant may approach the concerned Department/ Authorities for such approval/ renewal and Government Authorities may consider the request of the resolution applicant as per applicable



provisions of law for effective implementation of the resolution plan.

XXI. A certified copy of this order be issued to all concerned parties upon compliance of all requisite formalities.

XXII. Accordingly, I.A.(Plan)No./47(AHM)/2024 in C.P. (IB) No. 226/(AHM)/2023 is disposed of.



-sd-

-sd-

**DR. V. G. VENKATA CHALAPATHY**  
**MEMBER (TECHNICAL)**

PH-LRA

**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**

Prepared by Rupal  
Signature [Signature]  
Date 29/1/25

