



IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT - 2

ITEM No.302

IA(Plan)/13(AHM)2024 in CP(IB)/70(AHM)2021

Proceedings under Section 30(6) & 31 of the IBC,2016 r/w the Reg 39(4) of IBB
Reg,2016

IN THE MATTER OF:

CA Dhaval JitendraKumar Mistry RP of Gajanand
Corporation Private Limited

.....Applicant

.....Respondent

Order delivered on: 14/05/2025

Coram:

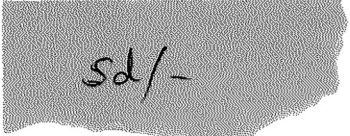
Mrs. Chitra Hankare, Hon'ble Member(J)
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.


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


CHITRA HANKARE
MEMBER (JUDICIAL)



**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH (COURT-II)**

**IA (Plan) No./13(AHM)/2024
IN
CP (IB) No./70(AHM)/2021**

[Under Section 30(6) of the Insolvency & Bankruptcy Code, 2016]

CA Dhaval Jitendrakumar Mistry,
Resolution Professional of
Gajanand Corporation Private Limited

...Applicant

IN THE MATTER OF:

Eco Green Products Private Limited

...Operational Creditor

Versus

Gajanand Corporation Private Limited

...Corporate Debtor

Order pronounced on 14.05.2025

Coram:

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

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

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**MEMO OF PARTIES**

CA Dhaval Jitendrakumar Mistry,
Resolution Professional of
Gajanand Corporation Pvt. Ltd,
Having Registered office at:
9-B, Vardan Complex,
Near Vimal House, Lakhudi Circle,
Navrangpura, Ahmedabad,
Gujarat-380014

...Applicant**Appearance:**

For the Applicant : Mr. Atul Sharma, Adv.

JUDGMENT

1. The present application has been filed under Section 30(6) of the Insolvency & Bankruptcy Code, 2016 ("IBC, 2016/the Code") by the Resolution Professional of the corporate debtor inter alia seeking following prayer:

a) Your lordship may be pleased to approve the Revised Resolution Plan dated 16.08.2022 along with its addendum dated 26.02.2024 submitted by the Resolution Applicants M/s. Timbor Furnitech Private Limited (Formerly known as Thakurji International Private Limited) as agreed upon by the requisite majority of the CoC by 67.88% votes as per the provisions of the Code in the CIRP of M/s. Gajanand Corporation Private Limited;

Sd/-

Sd/-



b) To approve the Resolution Plan approved by the Committee of Creditor in compliance with Section 30(6) and 31(1) of the Code read with Regulation 39 of the IBBI (Insolvency Resolution Process for Corporate Person) Regulation, 2016.

2. The Operational Creditor had filed an insolvency application under Section 9 of the Code for initiation of Corporate Insolvency Resolution Process ("CIRP") against the Corporate Debtor which was admitted vide Order dated 22.02.2022 and whereby Mr. Dhaval Jitendrakumar Mistry was appointed as IRP. The public announcement inviting the claims from creditors of the Corporate Debtor was made in Form-A on 28.02.2022 wherein the last date for submission of claims was 11.03.2023.

3. It is stated that after receiving the claims, the IRP collated the claims and constituted the Committee of Creditors ("CoC") on 17.03.2022. Subsequently, the IRP had received several claims after constituting the CoC hence the IRP had filed the report of re-constitution of committee of creditor on 25.04.2022, 17.06.2022 and 17.08.2022. The CoC comprised of the following Financial Creditors alongwith their respective voting shares:

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Sr. no.	Name of Financial Creditors	Nature of claim	Amount Claimed	Amount Admitted	Voting Share
1.	ICICI Bank	Secured	5,50,20,794	5,50,20,794	67.88
2.	TVS Credit Services Ltd	Secured	29,91,891	29,91,891	3.69
3.	Deutsche Bank AG	Unsecured	24,93,172	24,93,172	3.07
4.	SM Iron Traders Pvt Ltd	Unsecured	32,50,000	32,50,000	4.01
5.	Vasudha Corporation Pvt Ltd	Unsecured	1,73,03,204	1,73,03,204	21.35
Total			8,10,59,061	8,10,59,061	100%

4. The 1st CoC meeting was held on 25.03.2022, wherein it was discussed to appoint Mr. Dhaval Jitendrakumar Mistry, the IRP as the Resolution Professional. Accordingly, after requisite voting, Mr. Dhaval Jitendrakumar Mistry was appointed as the Resolution Professional. The 2nd CoC meeting was held on 11.05.2022 wherein the members of CoC inter alia resolved to initiate the process of Expression of Interest ("EoI"); further the CoC also approved minimum eligibility criteria and evaluation matrix and draft Request for Resolution Plan.

5. During the 3rd CoC meeting dated 11.07.2022, the RP apprised the members of CoC that he has received three (3) EoI from the Prospective Resolution Applicants ("PRAs") namely M/s. Shlok Enterprise, M/s. Thakurji International Private Limited and

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M/s. Avadh Infra. Out of them, two (2) PRAs had submitted the Resolution Plans namely i.e. M/s. Shlok Enterprise and M/s. Thakurji International Private Limited. Further, the 4th CoC meeting was held on 10.08.2022 wherein members of CoC had detailed discussion on the Resolution Plan received from PRA i.e. M/s. Shlok Enterprise and M/s. Thakurji International Private Limited. That in the said meeting, RP as well as CoC members had requested to the PRA to increase their Financial Bid and submit revised Resolution Plan on or before 16.08.2022. The applicant further stated that in the said meeting, the RP apprised the CoC members that he had received Transaction Audit Report on 20.07.2022 for the period between 01.04.2017 till 22.02.2022 from the Forensic Auditor i.e. V CAN & Co.

6. During the 5th CoC meeting dated 18.08.2022, the RP apprised the members of CoC that he has received two Revised Resolution Plan from Prospective Resolution Applicants i.e. M/s. Shlok Enterprise and M/s. Thakurji International Private Limited. That in the said meeting, the RP had detailed discussion on the feasibility and viability of the Revised

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Resolution Plan with the members of CoC. Subsequently, the revised Resolution Plan of PRAs were put up for e-voting whereby Revised Resolution Plan dated 16.08.2022 submitted by M/s. Thakurji International Private Limited came to be approved by the member of CoC by 67.88% votes in favor.

7. Vide affidavit dated 12.06.2023, the Successful Resolution Applicant i.e. M/s. Thakurji International Private Limited has placed its balance sheet on record and also disclosed the source of funds. The applicant has earlier filed IA no. 733 of 2022 seeking approval of the Resolution Plan which was rejected by this Tribunal, vide Order dated 02.11.2023, since some statutory dues were not addressed properly.

8. The applicant has produced the minutes of the 6th CoC meeting dated 11.03.2024 wherein the RP appraised the members about the receipt of addendum to the revised resolution plan dated 16.08.2022 on 26.02.2024 in compliance of the Order dated 15.02.2024 passed by the Hon'ble NCLAT, New Delhi. The changes proposed in resolution plan through addendum are as follows:

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1. Para 1.2 Insolvency Resolution Process Cost paragraph is replaced As per addendum, RA stated that RA has proposed Rs. 10,00,000/- as CIRP cost. However, RA he will pay the actual cost of CIRP as approved by COC or Rs. 10,00,000/- whichever is higher and the same to be paid by RA upfront.
2. Para 1.5.1 with respect to Statutory Liabilities is replaced As per Addendum, RA has proposed payment of EPFO dues of Rs. 35,716 to be paid in full. Whereas, RA has proposed payment of Rs. 15,000/- towards claims of Income Tax Department and claim of GST department, which is over and above the estimated liquidation value of the Corporate Debtor as assessed by RA.

The said addendum along with revised resolution plan dated 16.08.2022 was approved by the members of the CoC with 67.88% voting share. Additionally, it was also resolved to sale the corporate debtor as a going concern.

The amount provided for stakeholders under the plan is as under:

Amount Proposed by	Amount claimed	Amount admitted	Amount provided in	Payout as % of admitted
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Resolution Applicant			plan	amount
A. Payment to the Financial Creditors				
(i) Secured financial creditors				
1. ICICI Bank	5,50,20,794	5,50,20,794	10,43,270	1.90 %
2. TVS Credit Services Ltd	29,91,891	29,91,891	56,730	1.90 %
Total	5,80,12,685	5,80,12,685	11,00,000	
B. Unsecured financial creditors				
1. Deutsche Bank AG	24,93,172	24,93,172	10,061	0.40%
2. SM Iron Traders Pvt Ltd	32,50,000	32,50,000	13,115	0.40%
3. Indiraben Patel	16,94,714	-	0	
4. Vasudha Corporation Pvt Ltd	1,73,03,204	1,73,03,204	69,824	0.40%
Total	2,47,41,090	2,30,46,376	93,000	
B. Payment towards the Operational Creditors (excluding Statutory Dues)				
	28,64,85,213	21,41,65,657	5,000	0.002%
C. Statutory dues				
1. EPFO, Ahmedabad	35,716	35,716	35,716	100%
2. Income Tax Department	13,02,070	13,02,070	15,000	0.06%
3. GST Department	2,44,36,496	2,44,36,496		
Total	2,57,74,282	2,57,74,282	50,716	
D. Employees and Workmen				
	4,37,529	3,17,806	1,000	-
Total	39,54,50,799	32,13,16,806	12,49,716	
E. Payment of CIRP Cost				
			10,00,000	100%
Payment to Existing Shareholders of the Corporate Debtor	NIL	NIL	NIL	
Working Capital Introduction			10,00,000	
TOTAL			32,49,716	

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9. As per clause 3.1.1 of the Resolution Plan, the monitoring committee shall comprise of one member of the Resolution Applicant, one representative of the Financial Creditors and a monitoring professional. The Resolution Professional shall continue as the monitoring professional.
10. The applicant stated that the Resolution Plan of Successful Resolution Applicant is in compliance of Section 30(2) 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. The applicant has already received EMD alongwith the EOI. The applicant has further deposited an amount of Rs.1,12,500/- towards Performance Bank Guarantee.
11. As per Clause 4.8 of the Resolution Plan, the Resolution Applicant proposed to fund the plan from internal accruals, liquid assets and borrowings. 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

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all stakeholders, including financial and operational creditors of the Company. Further, the cause of default has also been addressed.

12. The applicant has produced Form H on record. As per the recitals, the fair value is Rs. 24,22,749/- and liquidation value is Rs. 20,01,621/-. There are pending applications filed under Section 43 & 66 which are yet to be adjudicated and as per the clause 4.9 of the plan they will be taken ahead by the Resolution Applicant. 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 Fair value of the assets.

13. In view of above, we observe that 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 67.88% voting share and is above the mandatory requirements. As per the CoC, the plan meets the requirement of being viable and feasible for the revival of the Corporate Debtor. On perusal of the documents on record, we are also satisfied that the Resolution Plan is in accordance with

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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.

14. It is further observed from the Resolution Plan submitted by the SRA that the dues of workmen/employees – shown as Rs.3,18,000/- of which only Rs.1,000/- was considered as mentioned above. The applicant has filed additional affidavit dated 02.04.2025 and submitted that the amount has been increased to Rs.31,800/- by the SRA and approved vide resolution passed in 7th CoC meeting dated 3.03.2025 by vote of 67.88% of COC members. However, there has been no proper reasoning given for the increase, or non-consideration of the wages claims of the employees in full nor the exact amount and period when the amount was due. The IBC 2016 only stipulates for the wages and salaries of employees who form part of operational creditors to be paid in conformity with Sec. 53 (1)(b)(ii) and does not differentiate whether they were related party. However, the resolution plan should not consider paying any of the suspended management who have been specifically denied certain rights after the CIRP is initiated in terms of

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Sec.29A on their eligibility. We find that there are no details provided and in no way the claim of the workmen can be ignored subject to compliance with the Sec. 53 (b) and(c). SRA may also ensure that there is no Sec. 19 of IBC 2016 filed against these employees being part of suspended management. Therefore this application is to be allowed subject to the SRA making a provision for the entire amount of claim of Rs.31,800/- and make the payment to employees in conformity with the relevant provisions.

15. Hence, we pass the following order:

ORDER

- I. Application is allowed. The SRA is directed to comply with Sec. 53 (b) and (c) and make a provision for payment of Rs.31,800/- to employees after verification of the period of wages due on approval of this resolution plan.
- 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.

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- 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. Dhaval Jitendrakumar Mistry, 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

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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.
- 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

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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 / MoUs / 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.



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- 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.

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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, IA (Plan) No./13(AHM)/2024 in CP (IB) No./70(AHM)/2021 is disposed of.

Sd-

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

Sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

GP-LRA