

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT - 2

ITEM No.302

IA(Plan)/44(AHM)2024 in C.P.(IB)/66(AHM)2024

Proceedings under Section 30 & 31 of the IBC,2016

IN THE MATTER OF:

Mr.Sachin Dinkar Bhattbhatt RP of M/s BVM Finance Private Limited

.....Applicant

.....Respondent

Order delivered on: 06/05/2025

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 the open Court, vide separate sheet.

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

-sd-

CHITRA HANKARE
MEMBER (JUDICIAL)

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

**I.A. (Plan) 44 of 2024
In
C.P.(I.B.) No. 66 of 2024**

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

IN THE MATTER OF:

M/s. BVM Finance Private Limited

...Corporate Debtor

MEMO OF PARTIES

Mr. Sachin Dinkar Bhattbhatt
Resolution Professional of
M/s. BVM Private Limited
Block No. 457, Village: Chhatral,
Taluka: Kalol, District: Gandhinagar,
Gujarat 382729, India.

...Applicant

Order pronounced on 06.05.2025

Coram:

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

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

Present:

For the Applicant
RP

: Mr. Jaimin Dave, Adv.
: Mr. Sachin Dinkar Bhatt

JUDGEMENT

1. This is an application filed under Section 30 read with Section 31 of the Insolvency and Bankruptcy Code, 2016 (herein after referred to as "IBC") for approval of resolution plan submitted by Resolution Applicant- Mr. Deven Kanubhai Choksi with Mrs. Pragati Deven Choksi in the matter of M/s. BVM Finance Private Limited.
2. The corporate debtor M/s. BVM Finance Private Limited was admitted into CIRP *vide* order dated 08.02.2024 under Section 7 of IBC, 2016 on an application filed by M/s. Zep Infratech Limited. The applicant invited claims in accordance with the relevant provisions. After receiving the same he has constituted COC. He has appointed registered valuer thereafter published form- G on 04.04.2024.
3. The applicant received three resolution plans. In the CoC meeting the resolution applicants were asked to submit revised resolution plans. In 6th meeting of COC open auction online bidding was conducted between two prospective resolution applicants by appointing independent observer. In the process, Mr. Devan Kanubhai Chokshi jointly with Mrs. Pragati Deven Choksi has given

highest bid of Rs.7.99 crore who were declared as successful bidders on 24.07.2024.

4. In 6th meeting of COC, final resolution plan received from Mr. Devan Kanubhai Chokshi jointly with Mrs. Pragati Deven Choksi were kept for E-voting which were approved by 100% majority of COC. The successful bidder has also submitted declaration by way of affidavit under Section 29A of the IBC, in addition Mrs. Pooja Kunal Shah, Mr. Gunjan Shah partners of Titanium Ventures also submitted their declaration under Section 29A of IBC. The successful resolution applicant also given various cheques for total amount of Rs. 2 Crore towards performance security. The resolution applicant also sought certain reliefs and concessions. As per form-H list of financial creditors are as under: -

Sr. No.	Name of creditor	Voting share	Voting for resolution plan (Voted for /Dissented/Abstained)
1	Zep Infratech limited (CIRP)	97.44%	Voted for
2	Rajendra M Thakkar (Ravasia) and Sons Private Limited	1.34%	Voted for
3	Caliber Plastech Private Limited	1.22%	Voted for

5. Amount provided for stakeholders as per the Regulation 38A of the CIRP Regulation is as under: -

(Amount in lacs)

Sr. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount claimed	Amount admitted	Amount provided under the plan	Amount provided to amount claimed %
1.	Secured Financial Creditors	NIL	NIL	NIL	NIL	NIL
2.	Unsecured Financial Creditors		5697.00	5697.00	798.50	14.02
3.	Operational creditors	i. Government	663.66	663.66	0.50	0.08
		ii. Workmen				
		iii. Employees	1.30	1.30	0.00	0.00
		iv. Other creditors				
		TOTAL	664.96	664.96	0.50	0.08
4.	Other debts and dues	-	-	-	-	-
Grand Total			6361.96	6361.96	799.00	12.56

6. We examine the resolution plan; it is found that provision is made for payment of CIRP cost is NIL as the applicant submitted that the entire CIRP cost till filing of the present application has already been paid. Further the Resolution Plan states that any future CIRP costs, if incurred, will be covered through the Upfront Fund Infusion by the Resolution Applicant and adjusted against the Upfront Cash Recovery. It also clarifies that the Resolution Applicant has no claim over the Corporate Debtor's existing cash and bank

balances, which remain with the Financial Creditors. Accordingly, the Applicant informed the Resolution Applicant that the unpaid CIRP costs are estimated to be NIL.

7. The compliance of resolution plan is given as under: -

Section of the code/ Regulation	Requirement with respect to Resolution Plan	Clause of Resolution Plan	Compliance (Yes/No)
25(2)(h)	Whether the Resolution Applicant meets the criteria approved by the CoC having regard to the complexity and scale of operations of business of the CD?		Yes
Section 29A	Whether the Resolution Applicant is eligible to submit resolution plan as per final list of Resolution Professional or Order, if any, of the Adjudicating Authority?		Yes
Section 30(1)	Whether the Resolution Applicant has submitted an affidavit stating that it is eligible?		Yes
Section 30(2)	Whether the Resolution Plan-		
	(a) provides for the payment of insolvency resolution process costs?	3.1.1	Yes
	(b) provides for the payment to the operational creditors?	3.1.1	Yes
	(c) provides for the payment to the financial creditors who did not vote in favour of the resolution plan?	3.1.3.2	Yes
	(d) provides for the management of the affairs of the corporate debtor?	3.3.1	Yes
	(e) provides for the implementation and supervision of the resolution plan?	3.3.4.4	Yes

	(f) contravenes any of the provisions of the law for the time being in force?		Yes
Section 30(4)	Whether the Resolution Plan (a) is feasible and viable, according to the CoC? (b) has been approved by the CoC with 66% voting share?		Yes Yes
Section 31(1)	Whether the Resolution Plan has provisions for its effective implementation plan, according to the CoC?		Yes
Regulation 35A	Whether the resolution professional made a determination if the corporate debtor has been subjected to any transaction of the nature covered under sections 43, 45, 50 or 66, before the one hundred and fifteenth day of the insolvency commencement date, under intimation to the Board?		Yes
Regulation 38 (1)	Whether the amount due to the operational creditors under the resolution plan has been given priority in payment over financial creditors?		Yes
Regulation 38(1A)	Whether the resolution plan includes a statement as to how it has dealt with the interests of all stakeholders?		Yes
Regulation 38(1B)	(i) Whether the Resolution Applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved under the Code. (ii) If so, whether the Resolution Applicant has submitted the statement giving details of such non-implementation?		No Not Applicable
Regulation 38(2)	Whether the Resolution Plan provides: (a) the term of the plan and its implementation schedule? (b) for the management and control		Yes Yes

	of the business of the corporate debtor during its term? (c) adequate means for supervising its implementation?		Yes
38(3)	Whether the resolution plan demonstrates that - (a) it addresses the cause of default? (b) it is feasible and viable? (c) it has provisions for its effective implementation? (d) it has provisions for approvals required and the timeline for the same? (e) the resolution applicant has the capability to implement the resolution plan?		Yes Yes Yes Yes Yes
39(2)	Whether the RP has filed applications in respect of transactions observed, found or determined by him?		No
Regulation 39(4)	Provide details of performance security received, as referred to in sub-regulation (4A) of Regulation 36B		Rs.1.00 Crore Received

8. There is no Section 66 or avoidance application filed or pending.
9. Since, the resolution plan is approved by the COC with requisite majority under the law we need not go into the commercial viability of the plan. We have only to consider whether plan is complying the provision of 30(2) of the IBC read with Regulation 38 and 39 of the IBC (insolvency resolution process of corporate persons) Regulations of 2016.

10. As per clause 3.3.1 of the Resolution Plan, the monitoring committee shall comprise of two representatives of CoC, one representative of the Resolution Applicant and a Resolution professional. The Resolution Professional shall continue as the monitoring professional.
11. On perusal of Form-H, it is seen that the fair value is Rs. 42,76,352/- and liquidation value is Rs.34,56,352 /-. 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.
12. The Resolution Plan is in compliance with the mandatory compliances as stipulated under Section 30(2) of the Code. The Resolution Plan also meets the requirements of Regulations 37, 38, 38(1A) and 39 (4) of the IBBI Regulations, 2016. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law.
13. In view of above, we see no reason to reject the resolution plan. Hence, we approve the plan and proceed to pass the following orders: -

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 realized and is distributed.
- VI. The Resolution Professional, Mr. Sachin Dinkar Bhattbhatt, 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.
- 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 / 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.
- 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, IA (Plan) No./44(AHM)/2024 in CP (IB) No./66 (AHM)/2024 is disposed of.

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

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CHITRA HANKARE
MEMBER (JUDICIAL)