



**THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-I**

I.A. 5164 OF 2024

Under Section 60(5) of Insolvency &
Bankruptcy Code, 2016

Mr. Jigar Tarunkumar Bhatt,
The Resolution Professional

...Applicant

In the matter of

RCP (IB) 7 / MB / 2023

Connected to

CP (IB) 1049 /MB/ 2019

Bank of Baroda

. Financial Creditor

Vs.

Sanghvi Land Developers Private Limited

...Corporate Debtor

Order delivered on: 28.11.2024

Coram:

Shri Prabhat Kumar
Hon'ble Member (Technical)

Justice Shri V.G. Bisht
Hon'ble Member (Judicial)

Appearances:

For the Applicant

: Mr. Bhupendra Dave,
Advocate



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ORDER

1. This Application IA 5164/2024 was filed by the Mr. Jigar Tarunkumar Bhatt, (the Resolution Professional) under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("Code") in the CIRP proceedings of Sanghvi Land Developers Private Limited ("Corporate Debtor") seeking permission of this Bench for issuance of Fresh Form-G inviting expression of interest.

1.1. The Section 7 application was admitted by this Tribunal, vide Order No. RCP (IB) 7 /MB/2023 Connected to CP (IB) 1049 (MB)/2019 dated 29th January, 2024. In compliance with Section 15 of the Insolvency and Bankruptcy Code, 2016, the IRP made a public announcement on 1st February 2024, inviting creditors to submit claims against the Corporate Debtor in Form A. At the first meeting of the CoC, the CoC passed a resolution for appointing the Applicant as the Resolution Professional and this Tribunal confirmed the same vide order date 10th July 2024.

1.2. In compliance with Regulation 36A (1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the First Form G, inviting Expression of Interest (Eoi) from prospective resolution applicants, was published on 29th March 2024 in Business Standard and Mumbai Lakshadweep. In the Third Meeting of the CoC held on 22nd April 2024, the CoC resolved to provide an additional opportunity for prospective applicants who had shown interest in submitting their EOIs after the initial Form G. Consequently, it was



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resolved to reissue the Form G. Pursuant to the resolution of the CoC, the Second Form G was published on 24th April 2024, inviting prospective applicants to submit their EOIs.

1.3. As per the timelines in the Second Form G issued on 24th April 2024, the last date for submission of the Resolution Plan by the Prospective Resolution Applicants was 8th July 2024. However, in light of further interest shown by potential resolution applicants, the Committee of Creditors (CoC) resolved to extend the deadline for submission of the Resolution Plan till 23rd July 2024. However, no Resolution Plans were received from any party till the last date of submission.

1.4. During the Sixth Meeting of the Committee of Creditors (CoC), held on 26th August 2024, several crucial discussions were conducted regarding the status of the CIRP and future course of action. In this meeting, the Resolution Professional apprised the CoC of the various steps taken so far. The CoC, after extensive discussions, noted that there had been ongoing interest from one investor who had expressed interest in bidding for the Corporate Debtor but had not yet submitted a formal Expression of Interest (Eoi). In view of this, the CoC decided to provide this investor with an opportunity to participate in the CIRP process.

1.5. The Resolution Professional, in accordance with Regulation 36A(4A) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons)



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Regulations, 2016, apprised the members that any modification to the invitation for expression of interest (EoI) can only be made in the same manner as the initial invitation, with such modification permitted only once. The Resolution Professional further informed that directions from the Adjudicating Authority are required for the publication of the Third Form G. Given the constraints on the available timeline under the Corporate Insolvency Resolution Process (CIRP), the Resolution Professional suggested obtaining letters of commitment or intent from new interested parties to ensure their genuine interest and seriousness, proposing a refundable deposit of Rs. 10 Lakhs to be remitted to the CIRP Bank Account of the Corporate Debtor. The Resolution Professional also noted that the application seeking permission to publish the modified Form G would be filed only after receipt of letters of commitment/intent from the interested parties. A period of five days was decided for the submission of any fresh EoIs along with a refundable earnest money deposit (EMD).

1.6. It was resolved in the Sixth CoC Meeting to issue a Third Form G to invite further Expressions of Interest (EoI) from prospective resolution applicants subsequent to receipt of Letter of commitment/intent from the interested parties. The CoC agreed that providing additional opportunities to interested investors would maximize the chances of receiving a robust and competitive resolution plan for the revival of the Corporate Debtor, which would ultimately serve the interests of all stakeholders, including the financial creditors.



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- 1.7. That on 04th September 2024, an interested party, having expressed its intent to participate in the Resolution Plan submission process for the Corporate Debtor, duly remitted a refundable deposit of Rs. 10 Lakhs. This payment was made in accordance with the agreed terms discussed in prior meetings, where it was proposed that any new interested party would be required to submit a letter of commitment or intent, along with the remittance of a refundable deposit, to demonstrate their genuine interest and seriousness in participating in the Corporate Insolvency Resolution Process. The amount was credited to the CIRP Bank Account of Corporate Debtor, thereby fulfilling the condition precedent for the interested party to formally engage in the next stages of the Resolution Plan process.
2. Heard the learned Counsel for the Applicant and perused the material on records.
3. In this case, the CIRP commenced on 29.01.2024 and the FORM-G was published for the first time on 29.03.2024 and thereafter revised Form-G was published on 24.04.2024 setting the deadline for date of submission of Resolution Plan as 08.07.2024, which was later on extended to 23.07.2024. It is noted that Seven (7) persons have shown interest at that time, but none of them filed Expression of Interest and no plan was received till the extended date. The RP called a 6th CoC meeting on 26.08.2024, thereafter to consider the publication for Form-G for third time. The minutes of the 6th CoC meeting records that “*Mr. Sanjay Sawant, Representative of the*



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Financial Creditor, Cosmos Co-Operative Bank Limited, stated that there are one or two interested parties willing to submit their fresh Expression of Interest (EoI) and participate in the Resolution Plan submission process for the Corporate Debtor. The Chairman, considering the constraint on available CIR Process time period, suggested that a letter of commitment or intent should be obtained from any new interested party to ensure their genuine intent and seriousness in participating in the process. It was proposed that a refundable deposit of Rs. 10 Lakhs be required, to be remitted to the CIRP Bank Account of the Corporate Debtor". It is stated that a sum of Rs.10.00 Lakhs was received on 04.09.2024 from one Neelkamal Enterprises as evidenced from the Statement of Bank account of the Corporate Debtor. On 30.10.2024, during the course of hearing, this Bench asked the learned counsel for the Applicant "whether the amount deposited by the interested party shall stand forfeited, if such party does not participate in the Resolution Process after publication of Form-G third time" and directed the Applicant to file affidavit in this regard. However, the Applicant has not filed any affidavit pursuant to the order dated 30.10.2024.

4. It is pertinent to note that the extended deadline for submission of Resolution Plan expired on 23.07.2024 and the 6th Meeting of the CoC was held after a lapse of one month wherein the issue of publication for the third time was deliberated. The CIRP is a time bound process and already a period of 236 days has expired as on the date of filing of application i.e. 21.09.2024. In the earlier prime period 7 parties had shown interest but didn't file any plan. The Applicant has not filed any affidavit in relation to bonafide of the offer of Neelkamal Enterprises. The said offer if bonafide can be



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considered even in the liquidation process for sale of the Corporate Debtor as a going concern prior to looking for other options.

5. In view of above facts, we are of the considered view that the payment of token money by Neelkamal Enterprises does not bind it in any manner is no more than a device to further delay the commencement of liquidation process which became evident on expiry of extended deadline for submission of Resolution Plan pursuant to second publication of Form-G i.e. 23.07.2024. Further, the extended CIRP period of 270 days expired on 27.10.2024 and there is no application before this Tribunal seeking further extension.
6. Accordingly, we consider it appropriate to pass an order liquidating the Corporate Debtor in terms of provision of Section 33(1)(a)
 - a. Mr. Sanjay Ramdas Mahajan, having Registration No. IBBI/IPA-001/IP-P-02122/2021-2022/13523, Mob:- 9820134530, email sanjaymahajan@hotmail.com is hereby appointed as the Liquidator as provided under Section 34(1) of the Code.
 - b. That the Liquidator for conduct of the liquidation proceedings would be entitled to the fees as provided in Regulation 4(2)(b) of the IBBI (Liquidation Process Regulations), 2016.
 - c. The Liquidator appointed in this case to initiate liquidation process as envisaged under Chapter-III of the Code by following the liquidation process given in the Insolvency &



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Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

- d. The Liquidator appointed under section 34(1) of the Code. All powers of the board of directors, key managerial personnel and the partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested with the liquidator.
- e. That the Corporate Debtor to be liquidated in the manner as laid down in the Chapter by issuing Public Notice stating that the Corporate Debtor is in liquidation with a direction to the Liquidator to send this order to the ROC under which this Company has been registered.
- f. That the personnel of the Corporate Debtor are directed to extend all co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- g. That on having liquidation process initiated, subject to Section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except the liberty to the liquidator to institute suit or other legal proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority.
- h. This liquidation order u/s 33(7) shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor except to the extent of the business



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of the Corporate Debtor continued during the liquidation process by the Liquidator.

- i. The liquidator shall be at liberty to pursue pending the Interlocutory Application pertaining to avoidance transactions, if any.

With the above directions, the I.A. No.5164/2024 is disposed of in view of aforesaid directions.

Sd/-
Prabhat Kumar
Member (Technical)

Sd/-
Justice V.G. Bisht
Member (Judicial)