IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT - 1

ITEM No.303
IA(Plan)/41(AHM)2024
in
C.P.(IB)/251(AHM)2023

Order under Section 30 IBC

IN THE MATTER OF:

Mr. Sachin Dinkar Bhattbatt RP of M/s Gabriel Ventures India Pvt. Ltd ....**Applicant**

Order delivered on: 30/06/2025

Coram:

Mr. Shammi Khan, Hon'ble Member(J)
Mr. Sanjeev Kumar Sharma, Hon'ble Member(T)

ORDER
(Hybrid Mode)

The case is fixed for pronouncement of order. The order is pronounced in the open court, vide separate sheet.

-Sd-

SANJEEV KUMAR SHARMA
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)

BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT-I, AHMEDABAD

IA(Plan)/41(AHM)2024
In
CP (IB) NO.251/NCLT/AHM/2023

IA(Plan)41(AHM)2024

(An Application under Section 30 r/w Section 31 of the Insolvency and Bankruptcy Code, 2016 for approval of the Resolution Plan)

In the matter of: **M/s. Gabriel Ventures India Private Limited**

Mr. Sachin Dinkar Bhattbhatt,
Resolution Professional of
M/s. Gabriel Ventures India Private Limited
Having address at:
12-B, Satyapath Society,
Nr. Ghanshyam Nagar,
Ghodasar, Ahmedabad-380050

Address for correspondence:
A-604, Royal Edifice, Kunal Cross Road,
B/h. Coral Pride, Gotri, Vadodara,
Gujarat-390023.

... Resolution Professional/Applicant

Order Pronounced on 30.06.2025

C O R A M :

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)

SH. SANJEEV KUMAR SHARMA, HON'BLE MEMBER (TECHNICAL)

A P P E A R A N C E:

For Applicant : Mr. Jaimin Dave, Advocate a.w.

: Ms. Hirva Dave, Advocate a.w.
: Mr. Sachin Bhatt, Advocate

For the Respondent :

ORDER

1. The present application being IA(plan)/41(AHM)2024 has been filed by the Applicant/Resolution Professional on 05.09.2024 vide diary no. E2301 under Section 30 read with Section 31 of the Insolvency and Bankruptcy Code, 2016 (**"IBC, 2016"**) seeking the following reliefs: -

a. *YOUR LORDSHIPS' may be pleased to allow the present application;*

b. *YOUR LORDSHIPS' may be pleased to approve the Resolution Plan of Ms. Niyati K. Patel at ANNEXURE - W;*

c. *YOUR LORDSHIPS' may be pleased to hold that in accordance with Section 31(1) of the Insolvency and Bankruptcy Code, 2016, the approved Resolution Plan shall be binding on the Corporate Debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the Resolution Plan;*

d. *YOUR LORDSHIPS' may be pleased to hold that since the resolution plan results in change in the management or control of the Corporate Debtor, according to Section 32A of the Insolvency and Bankruptcy Code, 2016, notwithstanding anything to the contrary contained in this Code or any other law for the time being in force, the liability of a Corporate Debtor for an offence committed prior to commencement of the CIRP shall cease, and the Corporate Debtor shall not be prosecuted for such an offence from the date the Resolution. Plan has been approved by this Hon'ble Adjudicating Authority under Section 31 of the Insolvency and Bankruptcy Code, 2016;*

e. *YOUR LORDSHIPS' may be pleased to condone the delay caused, if any, in preferring the instant application, in the overall interest of justice;*

f. *YOUR LORDSHIPS' may be pleased to grant any other relief as may deem fit in the interest of justice;*

FACTS

2. The brief facts of this case as submitted by the Applicant and as available in the Resolution Plan, are given in this paragraph (**I to XLVI**):-

I. The Financial Creditor-M/s. Zep Infratech Limited had filed a petition on 11.10.2023, being Company Petition (I.B.) No. 251 of 2023 under Section 7 of the IBC, 2016 for initiating the Corporate Insolvency Resolution Process (**"CIRP"**) against the Corporate Debtor-M/s. Gabriel Ventures India Private Limited. This Adjudicating Authority vide its order dated 23.11.2023 admitted the Company Petition (I.B.) No. 251 of 2023 and appointed the Applicant as Interim Resolution Professional (**"IRP"**).

II. Thereafter, the Applicant invited the claims by issuing the prescribed Form-A dated 25.11.2023. In pursuance to which, the Applicant received claims from the stakeholders and constituted the Committee of Creditors (**"CoC"**) comprising of the following members.

Sr. No.	Name of the Member	Nature of Debt	Amount of Claim Admitted (in Rs.)	Voting Share (in %)

1.	Zep Infratech Limited	Unsecured	2,28,56,857/-	97.7
2.	Rajendra M Thakkar (Ravasia) and Private Limited Sons	Unsecured	5,50,000/-	2.3
		Total:	**2,34,06,857/-**	**100**

III. Thereafter, on 26.01.2024, the Applicant moved an application being I.A. No. 269 of 2024 for placing on record the report certifying the constitution of the CoC. This Adjudicating Authority vide its order dated 07.02.2024 allowed the said I.A. and took on record the report certifying the constitution of CoC.

IV. In addition to the above, the Applicant had *suo moto* admitted the outstanding claim of the Income Tax Department to the tune of Rs. 1,53,620/-, based on the information available with the Applicant through the Income-tax website and the same is duly recorded in the minutes of the 1st CoC meeting held on 22.12.2023.

V. However, subsequently an income-tax refund came to be issued in favour of the Corporate Debtor and the said outstanding claim of Rs.1,53,620/- was also removed from the Income-tax website. Hence, the claim of the Income-tax Department was removed from the list of creditors by the

Applicant, and the same is duly recorded in the minutes of the 5th CoC meeting held on 22.04.2024.

VI. The Applicant had also suo moto admitted a claim from the following entity, based on an assessment order dated 27.01.2024 passed under Section 73 of the Goods and Services Tax Act, 2017:

Sr. No.	Name of Member	Nature of Debt	Amount of Claim Admitted (in Rs.)
1.	G.S.T. Department	Unsecured Operational Creditor (Govt. Dues)	16,87,814/-
		TOTAL	**16,87,814/-**

VII. In the interregnum, the 1st meeting of CoC was held on 22.12.2023 wherein the appointment of the Applicant herein was confirmed as Resolution Professional (**"RP"**) for Corporate Debtor.

VIII. On 29.12.2023, the Applicant had appointed two registered valuers, namely, (i) M/s. Maitri Valuation LLP; and (ii) Mr. Nilesh R. Barad for determining the value of securities and financial assets of the Corporate Debtor. The appointments of the said registered valuers were ratified by the CoC in the 2nd meeting held on 18.01.2024.

IX. Further, in the said 2nd meeting of the CoC held on 18.01.2024, a unanimous resolution with regards to approval of the eligibility criteria, evaluation matrix for Prospective Resolution Applicants (**"PRAs"**), Form G and Request for Resolution Plan (**"RFRP"**) was passed by the CoC. The Applicant had published Form G on 22.01.2024. The last date for submission of Expression of Interest (**"EoI"**) for the PRAs was 07.02.2024. Till 07.02.2024, the Applicant had received EoI from only one PRA i.e., Ms. Niyati K. Patel, who had also deposited the Earnest Money Deposit (**"EMD"**). As per the said Form G dated 22.01.2024, the last date for submission of the Resolution Plan was 25.03.2024.

X. The 3rd meeting of the CoC was held on 12.03.2024 wherein a unanimous resolution was passed by the CoC for holding meetings of the CoC on a need basis, subject to at least 1 (one) meeting being held in every quarter.

XI. Thereafter, the Applicant had received the valuation reports from the aforementioned registered valuers and shared the same with the members of the CoC. The summary of the valuation of the assets of the Corporate Debtor made by the aforementioned registered valuers is as follows:

Securities and Financial Assets:

Sr. No.	Particulars of Asset	M/s. Maitri Valuation LLP (Valuer – I)		Mr. Nilesh R. Barad (Valuer – II)	
		Fair Value (in Rs.)	Liquidation Value (in Rs.)	Fair Value (in Rs.)	Liquidation Value (in Rs.)
1.	Investments	25,62,036/-	25,62,036/-	25,62,036/-	25,62,036/-
2.	Loan & Advances	NIL	NIL	NIL	NIL
3.	Cash and Bank Balance	3,91,598/-	3,91,598/-	3,91,629.26/-	3,91,629.26/-
	Total:	**29,53,634/-**	**29,53,634/-**	**29,53,665.26/-**	**29,53,665.26/-**

XII. Thereafter, the Applicant had duly received the Resolution Plan from Ms. Niyati K. Patel on 21.03.2024, i.e., prior to the last date for submission of the Resolution Plan. The Applicant evaluated the Resolution Plan received from Ms. Niyati K. Patel, ensuring the compliance thereof with the provisions of the IBC, 2016.

XIII. The 4th meeting of the CoC was held on 10.04.2024, by which time, the Applicant had received Resolution Plan only from one PRA i.e., Resolution Plan of Ms. Niyati K. Patel and the sole resolution plan left for consideration of the CoC. Thus, in the said, the Resolution Plan of Ms. Niyati K. Patel was duly discussed, and the members of the CoC were of the opinion that negotiations with the PRA were required since the financial proposal under the Resolution Plan was below the expectations of the members of the CoC.

XIV. Thereafter, the members of the CoC instructed the Applicant to obtain a convenient date of the sole PRA and arrange for a CoC meeting inviting the sole PRA for further negotiation discussion on the matter. There were minor lacunas in the Resolution Plan, which the Applicant herein had agreed to co-ordinate with the sole PRA and get it rectified.

XV. The 5th meeting of the CoC was held on 22.04.2024 wherein the members of the CoC deliberated about the Resolution Plan in great details with the PRA and intimated that the financial proposal was below the expectations of the CoC and that she should consider an increase in the financial terms. Therefore, the PRA sought time to reconsider and get back with revised financial terms to the Applicant herein latest by 25.04.2024.

XVI. Subsequent to which in the 6th meeting of the CoC held on 06.05.2024, a detailed discussion and deliberation took place on the revised financial proposal under the Resolution Plan submitted by Ms. Niyati K. Patel. In the said meeting, the CoC decided to put the final Resolution Plan received from Ms. Niyati K. Patel for e-voting from

07.05.2024 at 10:00 A.M. to 08.05.2024 at 01:00 P.M. In the said voting, the Resolution Plan submitted by Ms. Niyati K. Patel was approved by 100% majority of the members of the CoC.

XVII. Since the statutory period of 180 days was expiring on 21.05.2024 and the Resolution Plan provided for 15 days' time to the SRA to deposit the Performance Security from the date of approval of Resolution Plan by the CoC and also the drafting and filing of the instant application was under process, a 7th meeting of the CoC was called on 13.05.2024 by the Applicant, wherein it was unanimously resolved and approved by the CoC to seek an extension of 90 days from 21.05.2024 for completion of CIRP of the Corporate Debtor from this Adjudicating Authority.

XVIII. Accordingly, on 17.05.2024, the Applicant filed an Interlocutory Application being No. 833 of 2024 seeking extension of 90 days for completion of CIRP. However, this Adjudicating Authority vide its order dated 04.06.2024 granted only an extension of 30 days from the date of the order i.e., from 04.06.2024.

XIX. Thereafter, on 02.07.2024, the Applicant preferred an application being I.A. (Plan) No. 30 of 2024 seeking approval of the Resolution Plan submitted by Ms. Niyati K. Patel.

XX. On 13.08.2024, this Adjudicating Authority dismissed the said application with liberty to hold one more CoC meeting. The said order records as under:-

> *"This is an application filed by the RP under Section 30 of IB Code, 2016 seeking approval of the Resolution Plan*
>
> *At the commencement of the hearing, learned counsel for the Applicant/RP states that after a week filed present application he has gone through the application and there are certain modification required more particularly:*
>
> I. *There is no feasibility and viability check by the CoC.*
> II. *The names of the persons to be appointed in the Board of Directors and the respective 29A undertaking not placed on record.*
> III. *Reliefs and concessions has sought as per the plan have not been deliberated by the CoC and the RP and there is no consequential pleading in the main plan approval application regarding reliefs and concessions.*
>
> *Learned counsel for the Applicant/RP seeks permission to hold one more CoC in this aspect and wishes to withdraw the present application.*
>
> *Accordingly, the present application is dismissed as withdrawn with liberty to the RP to hold one more CoC who specifically dwell upon the issues as raised in this order within a period of ten days from the date of this order and to file the revised application within seven days, thereafter."*

XXI. Thereafter, the Applicant convened the 8th meeting of the CoC on 20.08.2024 in order to discuss and deliberate upon the aforementioned order dated 13.08.2024 passed by this Adjudicating Authority. In the said meeting, the members of the CoC informed the Applicant that they have already considered the feasibility and viability of the Resolution Plan in their commercial wisdom at the time of its approval and after that only the same was approved by the CoC on 06.05.2024 by 100% majority. Further, the members of the CoC also explained that in their commercial wisdom, the Resolution Plan of Ms. Niyati K. Patel is feasible and viable considering the fact that the plan value is above the liquidation value and further considering that the PRA has adequate net worth to implement the Resolution Plan. Also, the available cash and bank balance, if any, available in the account of the Corporate Debtor would be transferred to the Financial Creditors, after deduction of CIRP cost. Further, in the said meeting, the following resolution came to be passed by the members of the CoC by 100% majority:

> *"RESOLVED THAT the resolution plan submitted by Ms. Niyati K. Patel, which was approved by the COC on 6th May, 2024, is feasible and viable as per the commercial wisdom of the COC for the reasons as recorded in the earlier portion of these minutes."*

XXII. Ms. Niyati K. Patel has duly submitted a declaration by way of an affidavit dated 05.02.2024 for eligibility criteria under Section 29A of the IBC, 2016 to the Applicant.

XXIII. In addition to the above, one Mrs. Anita K. Patel, part of the Implementing Entity and a nominee shareholder of 0.01% has also submitted a declaration by way of an affidavit dated 05.02.2024 under Section 29A of the IBC, 2016 to the Applicant. Be that as it may, it has been duly provided under the Resolution Plan that the shares in the name of Mrs. Anita K. Patel will otherwise be beneficially held by Ms. Niyati K. Patel, i.e., the SRA.

XXIV. The aforementioned persons, namely, (i) Ms. Niyati K. Patel; and (ii) Mrs. Anita K. Patel would be appointed in the Board of Directors subsequent to the approval of Resolution Plan by this Adjudicating Authority and the same is duly recorded in the minutes of the 8th CoC meeting held on 20.08.2024.

XXV. At Paragraph No. 6 of the Resolution Plan, the SRA had sought the following reliefs and concessions from this Adjudicating Authority:

a. *Afford a reasonable opportunity of being heard to the jurisdictional Principal Commissioner or Commissioner in accordance with Section 79(2) of the IT Act and following such opportunity approve that all losses of the Corporate Debtor for any previous years (whether or not corporate tax return has been filed for respective financial years) shall be available to be carried forward and set off against the income of the Corporate Debtor;*

b. *Waiver from payment of fees, charges, stamp duty (whether by Department of Registration and Stamps and Governmental Authorities of Gujarat and such other states and geographies where the Corporate Debtor or the Implementing Entity carries on its business and operations or where its assets are located), transfer fees (if any payable on land leased from Industrial Development Authority due to potential change of control). registration and/or filing fees (including fees payable to the jurisdictional Registrar of Companies) for various actions contemplated under this Resolution Plan (including issuance of Equity Shares, change in control, etc.) and that the fees payable to the Registrar of Companies in respect of the increase of authorised share capital and amendment of memorandum of association and articles of association of the Corporate Debtor for allotment of fresh shares to the Implementing Entity and/or its nominees (provided each such nominee is eligible under Section 29A of the Cade to be resolution applicant) and other relevant parties be waived and the Registrar of Companies be directed to approve the relevant forms under the Companies Act and rules thereto without payment of fees in respect thereof;*

c. *The Corporate Debtor and the Implementing Entity shall be granted an exemption from all Taxes, levies, surcharges, cess, fees, transfer premiums, and surcharges that arise from or relate to various actions contemplated under this Resolution Plan (including issuance of Equity Shares, change in control, etc.).*

d. *The RP and CoC members shall ensure that there are no restrictions from existing promoters / owners/creditors in the implementation of*

Resolution Plan as well as on the Assets of the Corporate Debtor. The Resolution Applicant shall be provided adequate protection for the same.

e. *Resolution Applicant shall be entitled for all GST credit, Goodwill, receivables and all other assets of the Corporate Debtor without any restrictions except otherwise as provided in this Resolution Plan.*

f. *The Resolution Plan shall be binding on all stakeholders and on and from the Effective Date, the Corporate Debtor shall start running the business and operations on a "fresh-slate" / "clean slate" without any risk or liabilities for past acts and omissions of the Corporate Debtor. The benefit of Section 32A of the Code shall be available to the Corporate Debtor and Implementing Entity*

g. *Adverse Actions during Standstill Period:*
During the Standstill Period, the following adverse actions against the Corporate Debtor shall be prohibited:

i. *The institution of any Proceedings or continuation of any Proceedings against the Corporate Debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other Governmental Authority:*

ii. *Transferring, Encumbering, alienating or disposing off by the Corporate Debtor, any of its Assets or any legal right or beneficial interest therein save and except for any application of cash or monies of the Corporate Debtor in the ordinary course of business;*

iii. *Any action to foreclose, recover or enforce any Security Interest or Encumbrance against the Corporate Debtor or any of its Assets including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;*

iv. *The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.*

h. *During Standstill Period, Resolution Professional and CoC shall safeguard the assets of the Corporate Debtor.*

XXVI. The members of the CoC duly deliberated upon the aforementioned reliefs and concessions in the 8th CoC meeting held on 20.08.2024. Further, the Applicant duly taken a confirmation letter from the SRA when the Resolution Plan was submitted, that all the aforementioned reliefs and concessions are not conditional in nature and that the same does not affect the implementation of the Resolution Plan.

XXVII. Accordingly, the members of the CoC were of the opinion that the relief and concessions asked for by the SRA were routine in nature and are not conditions which affect the implementation of Resolution Plan. Hence, this Adjudicating Authority may grant reliefs and concessions as requested by the SRA, as per its own discretion.

XXVIII. Further, in terms of Regulation 36B(4A) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the Resolution Plan provides that 25% of the Resolution Plan amount after deduction of the EMD amount deposited by the SRA to the tune of Rs. 3,00,000/- shall be provided in the form of Demand Draft towards Performance Security.

XXIX. Accordingly, the SRA had submitted a cheque dated 07.02.2024 bearing no. 000152 drawn on Bank of Baroda for an amount of Rs. 1,00,000, a cheque dated 21.03.2024 bearing no. 000154 drawn on Bank of Baroda for an amount of Rs. 2,00,000/- and a cheque dated 11.05.2024 bearing no. 000192 drawn on Bank of Baroda for an amount of Rs. 7,00,000/- to the Applicant. Thus, a total amount of Rs. 10,00,000/- is duly provided by the SRA towards Performance Security.

XXX. Thus, the approved Resolution Plan meets with the requirements of Regulation 38 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 as well as Section 30 of the Insolvency and Bankruptcy Code, 2016. The Resolution Plan provides for payment to Financial Creditors as well as payment to Operational Creditor.

XXXI. The Resolution Applicant shall pay, an aggregate amount of Rs. 40,00,000/-. The tabular summary of the payments to the creditors contemplated to be made under the approved Resolution Plan is as follows:

Sr. No.	***Category of stakeholder***	***Amount Admitted (in Rupees)***	***Amount provided under the Plan (in Rupees)***

1.	*CIRP Costs (Refer Note 1 below]*	*NIL*	*NIL*
2.	*Workmen/Employees*	*NIL*	*NIL*
3.	*Secured Financial Creditors*	*NIL*	*NIL*
4.	*Unsecured Financial Creditors*	*2,34,06,857/-*	*39,85,000/-*
5.	*Dissenting Financial Creditors*	*NIL*	*NIL*
6.	*Operational Creditors (excluding workmen/Employees)*	*NIL*	*NIL*
7.	*Government/Statutory Dues (as Operational Creditors)*	*16,87,814/-*	*15,000/-*
8.	*Other Stakeholders/ Creditors (other than Financial Creditors and Operational Creditors)*	*NIL*	*NIL*
	TOTAL	**2,50,94,671/-**	**40,00,000/-**

Note 1: As on date of Approval of the Resolution Plan, the unpaid CIRP Cost is NIL. Further, the Corporate Debtor has a bank balance of approximately Rs. 9,00,000/-(Rupees Nine Lacs Only) i.e., after deducting the amount of performance security deposited by the Successful Resolution Applicant. It is pertinent to submit that the entire CIRP cost till filing of the present application has already been paid and the future CIRP costs till the approval of the Resolution Plan are expected to be below Rs. 9,00,000/- (Rupees Nine Lacs Only). Hence, the CIRP costs shall be paid from the existing bank balance. Further, the Resolution Plan provides that the Successful Resolution Applicant shall have no right over the existing cash and bank balance including bank term deposit balance, if any available with the Corporate Debtor and the Financial Creditors are entitled to have a right over the same. In view whereof, the Applicant herein had informed the Resolution Applicant that the unpaid CIRP costs are estimated to be NIL.

*Be that as it may, Clauses **3.1.1** and **3.1.2** under the Resolution Plan duly provides that "Any unpaid Insolvency Resolution Process Costs and Standstill Period Costs shall be paid by way of Upfront Fund Infusion made by the Resolution Applicant and shall be adjusted from the Upfront Cash Recovery." and that "The Insolvency Resolution Process Costs will be paid in priority to any payment to any Creditors."*

XXXII. Till the filing of the present application, a total amount of Rs. 9,58,380 was incurred towards the CIRP cost and the same had been duly approved or ratified by the members of the CoC and has also been paid off.

XXXIII. Accordingly, the proposed distribution to the various stakeholders of the Corporate Debtor under the Resolution Plan is as follows:

Sr. No.	Name of the Creditor	Nature of Debt	Amount of Claim Admitted (in Rs.)	Amount Proposed to be Distributed (in Rs.)
1.	Zep Infratech Limited	Unsecured Financial Creditor	2,28,56,857/-	38,93,345/-
2.	Rajendra M Thakkar (Ravasia) and Sons Private Limited	Unsecured Financial Creditor	5,50,000/-	91,655/-
3.	G.S.T. Department	Unsecured Operational Creditor (Govt. Dues)	16,87,814/-	15,000/-
		TOTAL:	2,50,94,671/-	40,00,000/-

XXXIV. Further, the Approved Resolution Plan of Ms. Niyati K. Patel provides for Implementation Steps and Schedule. The implementation plan proposed by the Resolution Applicant is as under:

<table>
<tr><th>Sr. No.</th><th>Key Steps</th></tr>
<tr><td>1.</td><td>Identification of the Implementing Entity

Implementing entity of the Resolution Plan and shareholding pattern of the Corporate Debtor on implementation of Resolution Plan shall be as follows;

<table>
<tr><th>Sr. No.</th><th>Name of Implementing entity/ Shareholders</th><th>% of Equity Shareholding on approval and implementation of Resolution Plan</th></tr>
<tr><td>1.</td><td>Ms. Niyati K. Patel</td><td>99.99%</td></tr>
<tr><td>2.</td><td>Mrs. Anita K. Patel (shares beneficially held by Ms. Niyati K. Patel)</td><td>0.01%</td></tr>
</table>
</td></tr>
<tr><td>2.</td><td>Approval of the CoC and Adjudicating Authority or any relevant appellate body

The Resolution Plan will have to be approved by the CoC.
Following receipt of the approval of the CoC, the Resolution Plan will have to be filed with the Adjudicating Authority for its approval.</td></tr>
<tr><td>3.</td><td>Approval of the Resolution Plan by the Adjudicating Authority

The Resolution Plan will have to be approved by a Plan Approval Order.</td></tr>
<tr><td>4.</td><td>Appointment of Monitoring Agent and constitution of Monitoring Committee

During the period between the Plan Approval Date and the Effective Date ("Standstill Period"), the following actions shall be taken:

<u>Monitoring Committee:</u> A Monitoring Committee shall be constituted comprising of two representatives of the CoC, one representative of the Resolution Applicant and one Resolution Professional;

<u>Board of Directors:</u> The powers of the board of directors of the Corporate Debtor shall continue to remain suspended and all powers of the board of directors shall be exercised by the Monitoring Committee; and

The Monitoring Agent and the Monitoring Committee shall oversee the business of the Corporate Debtor. All officers of the Corporate Debtor shall perform their functions and give effect to the directions of the Monitoring Committee and the Monitoring Agent.</td></tr>
<tr><td>5.</td><td>Application for seeking approvals for implementation of the Resolution Plan:

Necessary applications will be filed by the Implementing Entity or the Corporate Debtor, as the case may be, with the relevant Governmental Authorities to obtain the approvals necessary or desirable to commence the implementation of the Resolution Plan.

The Corporate Debtor, Monitoring Agent and Monitoring Committee shall provide such assistance as may be required for the purposes of obtaining such approvals.

The Resolution Applicant does not envisage requirement of any approvals from Governmental Authorities for implementation of the Resolution Plan other than as may be required in terms of Clause 3.3.2.1 of the Resolution Plan</td></tr>
</table>

(Applications and Approvals).

6. **Effective Date**

On the Effective Date, the Implementing Entity shall assume Control of the management and affairs including the assets of the Corporate Debtor

All necessary corporate actions for undertaking the actions on the Effective Date shall have been undertaken in consultation with the Resolution Applicant.

7. **Upfront Fund Infusion in Gabriel Ventures India Private Limited (GVIPL)**

The Upfront Fund Infusion shall be infused and/or cause to be infused by the Implementing Entity in the manner and form as specified in this Clause 3.3 (Implementation Steps and Schedule), The Plan Approval Order shall have deemed to approve the simultaneous issue and allotment of Securities by the Corporate Debtor for such Upfront Fund Infusion.

The Upfront Fund Infusion may be infused in the Corporate Debtor through equity or equity linked instruments and, if necessary, other financial instruments (including equity shares, preference shares, debentures and loans).

8. **Capital Reduction**

After the completion of actions listed out in Step 7 (infusion of Upfront Fund Infusion in GVIPL), the issued equity and preference share capital of GVIPL held by the existing shareholders of GVIPL (including any part of the Financial Creditor Debt which has been converted to equity) and any right to subscribe to, or be allocated such equity shares, including any employee stock options, pre-emptive subscription rights or convertible instruments held by any person; but other than the Securities that are issued to the Implementing Entity pursuant to the terms of this Resolution Plan above shall be reduced to NIL and extinguished and cancelled ("Capital Reduction"), without payment of any price to the shareholders. For avoidance of any doubt, the Securities held by the Implementing Entity pursuant to Step 7 (Equity Contribution in GVIPL) above shall not be cancelled and extinguished as part of the Capital Reduction.

The share capital of GVIPL shall stand cancelled / extinguished and the resultant amount on such cancellation extinguishment to be credited to capital reserve in the financial statements of GVIPL.

The Capital Reduction shall not require the consents of any of the creditors of GVIPL or approval of any of the shareholders of GVIPL, or any other person having security interest over such shares and the approval of the NCLT (pursuant to Section 31 of the IBC) to the Resolution Plan shall constitute approval of the reduction of share capital and shall be binding on GVIPL and its stakeholders (including its creditors and shareholders).

GVIPL shall record reduction in the issued equity share capital of GVIPL by way of cancellation of all of its existing issued share capital (which, for the avoidance of any doubt, shall not include shares which have been issued to the Resolution Applicant pursuant to Step 7 (Infusion of Equity Contribution in GVIPL) above).

The shareholding pattern of GVIPL after completion of Step 8 (Capital) Reduction) shall be:

Sr. No.	Shareholder	Shareholding Percentage
1.	Ms. Niyati K. Patel	99.99%
2.	Mrs. Anita K. Patel (shares beneficiary held by Ms. Niyati K. Patel)	0.01%

The Plan Approval Order shall have deemed to approve the increase in authorized share capital, amendment of the charter documents of the Corporate Debtor.

9.	**Repayment of Priority Dues**
	The following amounts shall be paid in priority to payments to the Financial Creditors in accordance with Clause 3 (Financial Proposal): a. Unpaid Insolvency Resolution Process Costs and the Standstill Period; and b. Payment of Upfront OC Discharge Amount, if any
10.	**Payment of the FC Discharge Amount**
	The FC Discharge Amount shall be paid to the respective Financial Creditors as specified in this Resolution Plan; Simultaneously with such payment, the Financial Creditors shall undertake the following actions: a. Each of the Financial Creditors shall issue a no dues certificate to the Corporate Debtor/Implementing Entity; b. Each of the Financial Creditors shall file or cause to be filed all relevant forms with the Registrar of Companies, CERSAI, Sub-Registrar of Assurances, if applicable, for evidencing the satisfaction of such Encumbrance.
11.	**Constitution of the new board of directors**
	The existing board of directors of the Corporate Debtor shall on the Effective Date be replaced and a new board comprising of such persons as nominated or selected by the Implementing Entity (provided each person nominated or selected is eligible under Section 29A of the Code to be resolution applicant) shall come into force and the control of the Corporate Debtor, its management and assets would move to the Implementing Entity.

It is submitted that the Resolution Plan shall be deemed to be implemented on payment of the FC Discharge Amount to the Unsecured Financial Creditors (who are last in line to receive from the resolution amount).

XXXV. The Clause 3.4 of the said Resolution Plan provides that implementation of the Resolution Plan shall commence immediately from the receipt of an order of this Adjudicating Authority approving the Resolution Plan and the SRA intends to implement the entire Resolution Plan not later than period of 90 days of receipt of a Plan Approval Order.

XXXVI. Further, Clause 4 of the Resolution Plan provides thus:

"The Resolution Applicant is keenly aware that completion of the CIRP expeditiously is key to achieving the best possible outcome for the Corporate Debtor and its various Stakeholders. In light of the above, the Resolution Applicant has proposed a straightforward implementation plan involving the acquisition of 100% of the shareholding of the Corporate Debtor. This Resolution Plan is capable of immediate implementation upon receipt of the Plan Approval Order. The steps involved in the implementation of the Resolution Plan are detailed in Section 3."

XXXVII. The Resolution Plan also provides for Performance Security as per sub-regulation (4A) of Regulation 36B of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

XXXVIII. The SRA has undertaken in the Resolution Plan that the Financial Creditors shall be entitled for all cash and bank balance including bank term deposit balance, if any available with the Corporate Debtor and the SRA shall not have any right over them.

XXXIX. Further, Clause 3.1.6 of the Resolution Plan provides for Source of Funds and mechanics of payment of funds to various creditors. The Implementing Entity/ SRA individually and also with Mrs. Anita K. Patel have sufficient net worth to implement the Resolution Plan. The following is the list indicating the net worth of the Successful Resolution Applicant and Mrs. Anita K. Patel:

Sr. No.	Name of the Person	Net Worth (in Rs.)
1.	Ms. Niyati K. Patel	3,24,90,092/-
2.	Mrs. Anita K. Patel	4,29,55,965/-
	TOTAL	**7,54,46,057/-**

XL. The Applicant had sent the relevant documents to the advocate for preparing a draft of the instant application on 25.08.2024 and the concerned advocate had shared a draft of the instant application on 28.08.2024 to the Applicant. That after vetting the draft of the instant application and subsequent to making minor corrections therein, the Applicant herein has now been able to affirm the instant application for filing the same before this Adjudicating Authority.

XLI. Thus, the present application is filed seeking approval of the Resolution Plan submitted by Ms. Niyati K. Patel for revival of the Corporate Debtor.

XLII. In accordance with Section 31(1) of the IBC, 2016, the approved Resolution Plan shall be binding on the Corporate Debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the Resolution Plan. It is clarified that neither the Corporate Debtor nor the Resolution Applicant shall be required to make any payments over and above the amount provided for under the said Resolution Plan on and from the date of approval of the Resolution Plan.

XLIII. Since the Resolution Plan results in the change in the management or control of the Corporate Debtor, according to Section 32A of the IBC, 2016, notwithstanding anything to the contrary contained in this Code or any other law for the time being in force, the liability of a Corporate Debtor for an offence committed prior to the commencement of CIRP shall cease, and the Corporate Debtor shall not be prosecuted for such an offence from the date the Resolution Plan has been approved by the Adjudicating Authority under Section 31 of the IBC, 2016 and any instrument executed by the Corporate Debtor under the Negotiable Instrument Act, 1881 including but not limited to post-dated cheques, demand promissory notes, etc. prior to the approval order passed by the Adjudicating Authority shall in no manner be the liability of the Resolution Applicant and all such instruments to be treated as null and void ab-initio.

XLIV. Furthermore, with the subscription of the Equity Shares by the Resolution Applicant and its Affiliates/ Nominees, the entire Equity Shares held by the Existing Shareholders shall stand fully extinguished as a part of this Resolution Plan.

XLV. Nothing contained in this Resolution Plan shall affect the rights of the Corporate Debtor to recover any amounts due to the Corporate Debtor from any third party including any Related Parties of the Corporate Debtor, under proceedings initiated by the Corporate Debtor and there shall be no set-off of any such amounts recoverable by the Corporate Debtor against any amount paid/ payable by the Corporate Debtor or any liability discharged, satisfied or extinguished pursuant to this Resolution Plan.

XLVI. The Applicant has not filed any other application concerning the subject matter of this application before any other Court including the Hon'ble Supreme Court of India.

3. In compliance of the order dated 25.09.2024, wherein the learned counsel for the Applicant has sought indulgence to place on record the original copy of 29A compliance as well as affidavit with verification from both the proposed Board of Directors along with DIN Number, an additional affidavit was filed by the Applicant on 06.11.2024 vide diary no. D8201. As per the said affidavit, the DIN number of Ms. Niyati K. Patel is 10803062 and that of Mrs. Anita K. Patel is 03324837.

4. Further, in compliance of the order dated 06.11.2024, wherein the learned counsel for the Applicant had sought time to file an additional affidavit detailing the position of various brought forward losses and unabsorbed depreciation, an additional affidavit was filed on 18.11.2024 vide diary no. D8379. As per the said affidavit, the Business Loss, Unabsorbed Depreciation and Long-Term Capital Loss as per the books of accounts and income-tax returns of the Corporate Debtor are as under:-

Summary of Income Tax Losses as per latest Income-Tax Return ("ITR") (Rs. In crore)

Assessment Year	Business Loss		Unabsorbed Depreciation		Long-Term Capital Loss	
	Loss as per latest ITR	Expiry of loss (Assessment Year)	Loss as per latest ITR	Expiry of loss (Assessment Year)	Loss as per latest ITR	Expiry of loss (Assessment year)
2023-24	0.02	2031.32	0.004	Indefinite Period	1.23	2031-32
	0.02		**0.004**		**1.23**	

5. During the course of hearing on 28.04.2025, this Adjudicating Authority had raised the following queries/clarifications:-

- *Information on the business carried out by the CD for the previous two years prior to the admission in the CIRP and during the CIRP and what business is proposed by the Resolution Applicant;*
- *Audited financial accounts for two years prior to the admission of the CD in the CIRP and after that till 31.03.2025;*
- *List of assets on which the IRP/RP had taken control and custody thereof;*
- *Action taken by the RP regarding collection of debt due to the corporate debtor;*
- *The number of workers and employees of the CD for each year (two years prior to the CIRP and till date afterward);*
- *Reasons for default in payment committed by the CD and how the same is dealt in the plan submitted by the RA;*
- *Whether the Resolution Plan provide for any restructuring of CD by way of merger, amalgamation and demerger;*
- *Whether the CD has any plant and machinery, if yes, details of major machinery.*
- *What is the business of the SRA and what are the plans of the SRA regarding the business of the CD;*
- *What is the year-wise business loss/brought forward depreciation of the CD as per last filed income tax return.*
- *Date of filing income tax returns of the CD for FYs 2019-2020 to 2023-2024.*
- *Sources of funds of the SRA.*

6. Accordingly, in compliance of the order dated 28.04.2025, the Applicant filed an additional affidavit on 08.05.2025 vide

Inward No. D-3033, dealing with the queries raised by this Adjudicating Authority and the response thereto herein:

Sr. No.	Query	Response
1.	Information on the business carried on by the CD for the previous two years prior to the admission in the CIRP and during the CIRP and what business is proposed by the Resolution Applicant	It is submitted that the CIRP against the CD was admitted by this Hon'ble Adjudicating Authority vide an order dated 23.11.2023 passed in C. P. (I.B.) No. 251 of 2023. **Business of CD for previous 2 (two) years prior to CIRP:** It is submitted that the CD was a part of the erstwhile promoter group of M/s. Sintex Industries Limited; M/s. Sintex Plastic Technology Limited and its subsidiary M/s. Sintex-BAPL Limited. That M/s. Sintex Industries Limited was engaged in the business of spinning and textiles. Whereas, M/s. Sintex Plastic Technology Limited through its subsidiary company M/s. Sintex-BAPL Limited was engaged in the business of manufacturing of water tanks under the name of well-known brand "SINTEX" as well as in the business of auto sector. During the F.Y.: 2021-22 and F.Y.: 2022-23, all the aforementioned companies viz. M/s. Sintex Industries Limited, M/s. Sintex-BAPL Limited and M/s. Sintex Plastic Technology Limited were admitted under CIRP. It is relevant to submit that M/s. Sintex Industries Limited was taken over by M/s. Reliance Industries. Limited and M/s. Sintex-BAPL Limited was taken over by the Welspun Group of Companies by way of a Resolution Plan. Whereas, M/s. Sintex Plastic Technology Limited

		went into Liquidation and during the Liquidation Process, M/s. Sintex Plastic Technology Limited was taken over by the Durgesh Infrastructure group. Further, it is submitted that as a part of other activity, the CD was also engaged in the business of sub-letting of immovable properties. From the said activity, during the F.Y.: 2021-22, the CD had earned a rental income of about Rs. 1.55 Crores and during the F.Y.: 2022-23, the CD had earned a rental income of about Rs. 1.57 Crores. **Business of CD during the CIRP:** It is further submitted that during the CIRP, the CD had no business activities. **Business proposed by the SRA:** It is submitted that as per the directions of this Hon'ble Adjudicating Authority, the Applicant herein had duly sought an affidavit from the SRA and in response to the query under consideration, the SRA, through an authorized signatory, in its affidavit, had responded thus: "Apropos to the query of this Hon'ble Adjudicating Authority as to what business of proposed by the Successful Resolution Applicant, it is submitted that the Successful Resolution Applicant was given to understand that the Corporate Debtor i.e., Gabriel Ventures India Private Limited had no business operations during the CIRP. However, the Corporate Debtor being part of erstwhile promoter entities of Sintex Industries Limited, which was engaged in the business of textile and yarn manufacturing, have good presence in the field of textile industry. In view whereof, the

		Successful Resolution Applicant intends to take over the Corporate Debtor in order to expand the business of textile by using existing marketing and distributing networks of the Corporate Debtor in the field of textile industry." (An original copy of the Affidavit submitted on behalf of the SRA is marked and annexed hereto as **ANNEXURE - R2**).
2.	Audited financial accounts for two years prior to the admission of the CD in the CIRP and after that till 31.03.2025	The copies of the audited financial accounts for 2 (two) years prior to the admission of the CD in the CIRP i.e., for F.Y.: 2021-22 and F.Y.: 2022-23 are marked and annexed hereto as **ANNEXURE - R3 Colly**. However, with regards to audited financial accounts for F.Y.: 2023-24 and F.Y.: 2024-25, it is submitted that the same are under the process of finalization with the statutory auditors of the CD.
3.	List of assets on which the IRP/ RP had taken control and custody thereof	It is pertinent to submit that the CD only has Securities and Financial Assets in the form of Investments and Cash and Bank Balance. Thus, there are no other fixed or tangible assets in the books of accounts of the CD.
4.	Action taken by the RP regarding collection of debt due to the corporate debtor	It is submitted that the only asset in the form of debt standing in the books of account of the Corporate Debtor was a loan advanced to one, Mr. Mukesh R. Shah (HUF) of Rs. 30 Lakhs. That the Applicant herein had duly sent letters to the said Mr. Mukesh R. Shah (HUF) for recovering the outstanding debt and had also made regular follow ups. However, there has been no response from the end of the debtor i.e., Mr. Mukesh R. Shah (HUF).
5.	The number of workers and employees of the CD for each year (two years prior to the CIRP and till date afterward)	The number of workers and employees of the CD for each year are as under: **Year** | **No of workers/employees**

		As on 31.03.2022 — NIL As on 31.03.2023 — NIL As on 31.03.2024 — NIL As on 31.03.2025 — NIL
6.	Reasons for default in payment committed by the CD and how the same is dealt in the plan submitted by the RA	It is submitted that sub-clause (n) of Clause 3.1.7.10 of the Resolution Plan duly provides as under: *"n) The Resolution Plan is feasible and viable including addressed to cause of default and Resolution Applicant and its relative having sufficient net worth to implement the Resolution Plan."* Further, in the Affidavit submitted on behalf of the SRA which is annexed hereto and marked as ANNEXURE R2, it has been stated thus: *"5. Further, with regards to the reasons for default in payment committed by the Corporate Debtor and as to how the same is being dealt with by the Successful Resolution Applicant, it is submitted that the Successful Resolution Applicant was given to understand that Gabriel Ventures India Private Limited i.e., the Corporate Debtor was part erstwhile promoter entities of Sintex Industries Limited and Sintex Plastic Technology Limited.* *6. That Sintex Industries Limited was a company engaged in the business of spinning and textiles having capacity of 6.6 lacs+ spindles. Whereas, Sintex Plastic Technology Limited was a company engaged in the business of manufacturing of water tanks under the name of well-known brand "SINTEX" as well as in the business of auto sector, through its subsidiary.* *7. It is submitted that Sintex Industries Limited was admitted under CIRP and was taken over by Reliance Industries Limited by way of a Resolution Plan which was approved by this Hon'ble Adjudicating Authority vide an order*

		dated 10.02.2023. *8. Further, Sintex Plastic Technology Limited was conducting its business of manufacturing of water tanks and auto sector through its subsidiary company, namely Sintex-BAPL Limited. That even Sintex-BAPL Limited was admitted under CIRP and was taken over by the Welspun Group by way of a Resolution Plan which was approved by this Hon'ble Adjudicating Authority vide an order dated 17.03.2023. . Thereafter, Sintex Plastic Technology Limited was also taken over by Durgesh Infrastructure group during liquidation process and this Hon'ble Adjudicating Authority had granted various reliefs and concessions to Durgesh Infrastructure group vide an order dated 08.11.2024.* *9. Subsequent to which, all the investments held by the Corporate Debtor in Sintex Industries Limited and Sintex Plastic Technology Limited were extinguished and hence, the Corporate Debtor had also started incurring losses. That on account of such losses, the Corporate Debtor was not able to survive/ cope up and was eventually admitted under CIRP by this Hon'ble Adjudicating Authority vide an order dated 23.11.2023.* *10. It is submitted that the Successful Resolution Applicant and its group are engaged in the business of textile (cotton trading). That the Corporate Debtor being erstwhile promoter entity of Sintex Industries Limited, which was engaged in the business of textile and yarn manufacturing, have good presence in the field of textile industry. In view whereof, Successful Resolution the Applicant intends to take over the Corporate Debtor in order to expand the business of textile by using existing marketing and distributing networks. of the Corporate Debtor in the field of*

		textile industry. Further, it is submitted that the Successful Resolution Applicant also proposes to infuse adequate capital in the Corporate Debtor for further growth and expansion. *11. At this juncture, it is pertinent to submit that **sub-clause (n) of Clause 3.1.7.10** of the Resolution Plan duly provides as under:* *"n) The Resolution Plan is feasible and viable including addressed to cause of default and Resolution Applicant and its relative having sufficient net worth to implement the Resolution Plan."* *12. In addition to the above, the Successful Resolution Applicant had duly addressed a letter dated 06.05.2025 to the Applicant Resolution Professional in order to specifically deal with the queries raised by this Hon'ble Adjudicating Authority. That the said letter dated 06.05.2025 may be treated as a part and parcel of the Resolution Plan. (A copy of the letter dated 06.05.2025 is annexed herewith as **ANNEXURE - B**)."*
7.	Whether the Resolution Plan provide for any restructuring of CD by way of merger, amalgamation and demerger	No, the Resolution Plan does not provide for any restructuring of the CD by way of merger, amalgamation or demerger and the same is confirmed by the SRA in its Affidavit which is annexed hereto and marked as ANNEXURE R2.
8.	Whether the CD has any plant and machinery, if yes, details of major machinery	No, the CD does not have any plant and machinery in the books of account.
9.	What is the business of the SRA and what are the plans of the SRA regarding the business of the CD	*The said query has been addressed by the SRA in its Affidavit, which is annexed hereto and marked as ANNEXURE - R2, as under:* *"14. With regards to the query of this Hon'ble Adjudicating Authority as to what is the business of the Successful Resolution Applicant and what are the plans of the Successful Resolution*

		Applicant regarding the business of the Corporate Debtor, it is submitted that the Successful Resolution Applicant and its group is engaged in the business of textile (cotton trading). *15. It is further reiterated that the Corporate Debtor being erstwhile promoter entity of Sintex Industries Limited, which was engaged in the business of textile and yarn manufacturing, have good presence in the field of textile industry. In view whereof, the Successful Resolution Applicant intends to take over the Corporate Debtor in order to expand the business of textile by using existing marketing and distributing networks of the Corporate Debtor in the field of textile industry."*
10.	What is the year-wise business loss/ brought forward depreciation of the CD as per last filed income tax return	The details of the year-wise business loss/ brought forward depreciation of the CD as per last filed income tax return have been duly filed by the Applicant herein before this Hon'ble Adjudicating Authority by way of **Additional Affidavit dated 12.11.2024**.
11.	Date of filing income tax returns of the CD for F.Y.: 2019-20 to 2023-24	The date of filing of Income-tax Returns of the CD are as under: **Financial Year** — **Date of filling** 2019-20 — 10.01.2021 2020-21 — 04.03.2022 2021-22 — 22.10.2022 2022-23 — 28.10.2023 2023-24 — 23.10.2024
12.	Sources of funds of the SRA	It is submitted that the SRA had informed the Applicant herein that they will be utilizing their own funds and not the borrowed funds in revival of the CD. In addition to the above, the said query has also been dealt with by the SRA in its Affidavit, which is annexed hereto and marked as ANNEXURE - R2, as follows: *"16. Apropos to the query qua the*

sources of funds of the Successful Resolution Applicant, it is submitted that Clause 3.1.6 of the Resolution Plan provides for source of funds and mechanics of payment of funds to various creditors. It is provided that the Successful Resolution Applicant and its relative have sufficient net worth to implement the Resolution. Plan.

17. Thus, it is submitted that the Successful Resolution Applicant and its relative are having sufficient net worth to infuse adequate funds in the Corporate Debtor for implementing the Resolution Plan submitted in the case of Gabriel Ventures India Private Limited.

18. Moreover, the Successful Resolution Applicant undertakes that they will be utilizing their own funds and not borrowed funds in revival of the Corporate Debtor. It is pertinent to submit that 25% of the Resolution Plan amount has already been deposited by the Successful Resolution Applicant in the form of performance security deposit from its own funds.

The details qua the deposit of performance security are already placed on record by the Applicant - Resolution Professional before this Hon'ble Adjudicating Authority.
19. The net worth of the Successful Resolution Applicant and its relative as per recent Chartered Accountant's certificate are as under:

Sr. No.	*Name of Partner*	*Net Worth (in Rs.)*
1.	*Ms. Niyati K. Patel*	*3,91,46,330/-*
2.	*Mrs. Anita K. Patel*	*5,88,78,403/-*
	Total :	***9,80,24,733/-***

(The copies of the latest net worth certificates are marked and annexed hereto as ANNEXURE C Colly)."

7. Shri Suresh V. Vyas, the authorised signatory of Ms Niyati K Patel, the RA, file an affidavit dated 06.05.2025. Vide letter dated 15.04.2025, she has authorised Shri Vyas as she is travelling outside India from 24.04.2025 to 31.05.2025.

8. Further, in compliance with the order dated 07.05.2025, a revised Form-H has been filed by way of additional Affidavit through Inward No. D-3125 on 13.05.2025, in the revised Format prescribed by the IBBI. Information, other than discussed above and other important information, as available in this Form, is summarized below:-

I. The SRA, namely, Ms. Niyati K Patel and its group is engaged in the business of textile (cotton trading).

II. The Members of CoC are Zep Infratech Limited (97.65% voting rights), and Rajendra M. Thakkar (Ravasia) and Sons Private Limited (2.35% voting rights).

III. The total admitted claims are of Rs.2,50,94,671/- for other than corporate guarantee claims. The Plan value results in the realisation of 15.94% of the Principal Amount and 15.94% of the total admitted claims.

IV. The Resolution Plan value is Rs.40,00,000/-, against a fair value of Rs.29,53,650/- and a liquidation value of Rs.

29,53,650/-.

V. The Plan amount of Rs.40,00,000 /- will be distributed between unsecured financial creditors (Rs 39,85,000/- and operational creditors – Government (Rs. 15,000/-) .

VI. The Plan results into realization of 17.02% of the unsecured financial creditors (members of CoC) claims of Rs.2,34,06,857/- and 0.89% of the Operational Creditor-(Government) claim of Rs.16,87,814/-.

VII. The government claims are of Rs.16,87,814/-, and the Plan provides for recovery of only Rs.15,000, which is 0.89%. After payment of these, the Plan does not leave anything for the business of Corporate Debtor.

VIII. The RP has not identified any Preferential, Undervalued, Fraudulent and Extortionate transactions.

IX. The CD has a business loss of Rs.0.02 crores and long term capital loss of Rs.1.23 crores for the assessment year 2023-2024 and the expiry year is 2031-2032.

9. The Applicant has also filed a synopsis with a convenience chart on 13.05.2025 vide diary no. D3126. We have gone through the same.

10. As per clause 3.1.1 of the Resolution Plan, the summary of proposal is as under:-

Particulars	*Amount (INR)*
Insolvency Resolution Process Costs and Standstill Period Costs	*Any unpaid Insolvency Resolution Process Costs and Standstill Period Costs shall be paid by way of Upfront Fund Infusion made by the Resolution Applicant and shall be adjusted from the Upfront Cash Recovery.* *Standstill period cost means the cost which is required to be incurred after approval of Resolution Plan by Hon'ble Adjudicating Authority till the date the Resolution Plan is fully implemented and Implementing entity take over the control of Corporate Debtor.*
Operational Debt to be permanently settled, discharged and extinguished in full and reduced to NIL by payment of:	*INR 15,000 against the claims of Operational Creditors verified and admitted by the RP shall be paid by way of Upfront Fund Infusion made by the Resolution Applicant and shall be adjusted from the Upfront Cash Recovery ("Upfront OC Discharge Amount").* *Upfront OC Discharge Amount means upfront amount to be paid to the Operational Creditors (claim of which admitted by RP) within 45 days from the date of approval of Resolution Plan by Adjudicating Authority.*
Financial Creditor Debt to be permanently settled, discharged and extinguished in full in accordance with the terms of this Resolution Plan:	*Balance of Upfront Cash Recovery i.e. Upfront Cash Recovery unpaid Insolvency Resolution Process Costs and Standstill Period Costs Upfront OC Discharge Amount available to the Financial Creditor verified and admitted by the RP shall be paid*

	*by way of Upfront Fund Infusion made by the Resolution Applicant **("Upfront FC Discharge Amount / FC Discharge Amount")**.* *Upfront Cash Recovery means total upfront payment proposed by Resolution Applicant to be paid to financial creditors and operational creditors in term of this Resolution Plan, which is INR 40,00,000.*
	Upfront FC Discharge Amount means upfront amount to be paid to the Financial Creditors (claim of which admitted by RP) within 45 days from the date of approval of Resolution Plan by Adjudicating Authority. *For example, in case unpaid Insolvency Resolution Process Costs and Standstill Period Costs is NIL (i.e. Insolvency Resolution Process Costs and Standstill Period Costs paid from the cash and bank available with Corporate Debtor) then following amount available for Financial Creditors, INR 35,00,000 (Upfront Cash. Recovery) - NIL (unpaid Insolvency Resolution Process Costs and Standstill Period Costs) INR 15,000 (Upfront OC Discharge Amount) = INR 39,85,000 (Balance amount available for Financial Creditors).*
Any residual Debt, Claims or liabilities to be permanently settled, discharged, and extinguished in full and reduced to NIL by payment of:	*NIL*

In any case, the Resolution Applicant shall not be liable to pay any amount more than Total Financial Proposal i.e. INR 40,00,000 (Rupees Forty Lakhs Only).

In order to provide more clarity following payment proposed by Resolution Applicant to each class of creditors against their admitted amount of claim;

Sr. No.	***Class of Creditors***	***Amount of claim admitted by RP (IN Rs.)***	***Amount proposed to be paid under Resolution plan (in Rs.)***
1.	*Unpaid CIRP Cost and Standstill Period Costs*	*NA*	*NIL* *(As per information provided by RP, corporate debtor is not having any unpaid CIRP cost considering the same is paid off from the amount of bank balance available with the Corporate Debtor. Further as per information provided by RP, for standstill period cost also corporate debtor having sufficient bank balance)*
2.	*Operational Creditors (including workmen and employees and Government Dues)*	*16,87,814*	*15,000*
3.	*Financial Creditors*	*2,34,06,857*	*39,85,000*
	Total	***2,50,94,671***	***40,00,000***

In addition to above as per Process Document, we undertake that Financial Creditors also entitle for all cash and bank balance including bank term deposit balance available with Corporate Debtor and we as Resolution Applicant would not have right over them.

11. As per clause 3.1.3. of the Resolution Plan, the **Proposal for Outstanding Debt** is as under:-

3.1.3.1. Summary of Outstanding Debt

As per the Information Memorandum and List of Creditors provide 1 by the RP, following are the details of the Outstanding Debt of the Corporate Debtor as of the Insolvency Commencement Date:

a) The RP has received Claims from Financial Creditors for an amount of INR 2,34,06,857 (Unsecured financial creditors) of which entire amount of INR 2,34,06,857 has been verified and admitted as Financial Debt by the RP ("Financial Creditors Debt").
b) The RP has received Claims from Operational Creditors (including workmen and employees and Government Dues) for an amount of INR 16,87,814 (Unsecured) of which entire amount of INR 16,87,814 has been verified and admitted by the RP ("Operational Debt");
c) We note that other than the Claims specified in (a) and (b) above, the RP has not admitted any other Claims.
d) As per information provided by the RP, we note that there are no contingent obligations to any Person owed by the Corporate Debtor in relation to any Financial Debt of such Person including in the form of corporate guarantees, letter of comfort, hold harmless arrangements, indemnities, put options, co-obligor arrangements, etc.

3.1.3.2. Proposal for Financial Creditors

a) The Financial Creditors (including Dissenting Financial Creditors) shall be permanently settled, discharged and extinguished upon payment of FC Discharge Amount by the Resolution Applicant.
b) As per Section 30 of the Code, the Dissenting Financial Creditors are required to be paid an amount which shall not be less than the amount to be paid to such Dissenting Financial Creditor in accordance with sub-section (1) of Section 53 in the event of a liquidation of the Corporate Debtor.
c) The Dissenting Financial Creditors, if any, shall receive the Liquidation Value payable to such Creditors from the FC Discharge Amount in full and final settlement of their claim. It is hereby clarified that the Liquidation Value proposed to the Dissenting Financial Creditors in Clause 3.1.3.2 (b) (Proposal for Financial Creditors) shall be paid, in priority to the Financial Creditors who have voted in favour of the Resolution Plan, on the Effective Date.
d) With effect from the Effective Date, all Claims of Financial Creditors shall stand discharged, settled, extinguished in full and reduced to NIL.

3.1.3.3. Proposal for Operational Creditors

The RP has received Claims from Operational Creditors (including workmen and employees and Government Dues) for an amount of INR 16,87,814 (Unsecured) of which entire amount INR 16,87,814 has been verified and admitted by the RP.

In accordance with Section 30(2)(b) of the Code, the Resolution Applicant is required to make payment to the Operational Creditors an amount equal to the higher of (i) the amount to be paid to Operational Creditors in the event of liquidation of the Corporate Debtor under Section 53 of the Code and (ii) the amount that would have been paid to Operational Creditors if the amount to be distributed under the Resolution Plan had been distributed in accordance with the order of priority in Section 53(1) of the Code.

The Resolution Applicant proposes to pay, through the Corporate Debtor, the Upfront OC Discharge Amount to settle and permanently discharge the aggregate of all Claims of the Operational Creditors. The Upfront OC Discharge Amount shall be paid in priority to the FC Discharge Amount.
With effect from the Effective Date, all Claims of Operational Creditors shall stand discharged, settled, extinguished in full and reduced to NIL.

3.1.4. The payments contemplated in this Resolution Plan shall be Resolution Applicant and the Corporate Debtor's full and final performance and satisfaction of all Claims, Debt, liabilities including contingent liabilities against it, in each case, whether or not such Claim, Debt, liabilities including contingent liabilities is reduced to judgment, fixed, equitable, matured, unmatured, disputed, undisputed, secured, unsecured, contingent, crystallised, admitted, rejected, under verification, recognized in the financial statements or not and including in relation to or pertaining to Tax whether or not contingent, recorded, assessed, unassessed, disputed, undisputed, whether or not in relation to or on account of assessment, reassessment, notice, proceedings, compounding, non-compliance, non-filling, non-preparation of documents, reports including but not limited to pursuant to any surveys or summons. No other payments or settlement (of any kind) will be made to any other person in respect of the Claims, Debt and liabilities in relation to the period prior to the Effective Date (whether arising prior or post the Effective Date) against the Corporate Debtor and all such Claims, Debt and liabilities shall stand extinguished.

3.1.5. Proposal for Shareholders

No payment is proposed to be made to the existing shareholders of Corporate Debtor and the existing paid up share capital of the Corporate Debtor, whether as equity or preference shares, along with any share application monies shall be reduced to NIL and extinguished and cancelled pursuant to the Capital Reduction contained herein.

Upon cancellation of the existing equity capital and any share application monies, the Implementing Entity shall infuse capital into the Corporate Debtor as described in Clause 3.3.1 (implementation Plan) of the Resolution Plan and become along with its group company, affiliate company, subsidiary company, parent company and/or its nominees (provided each such company and/or nominee is eligible under Section 29A of the Code to be a resolution applicant) as identified by it, the sole and 100% shareholder of the Corporate Debtor enjoying 100% of the voting rights and rights over distributable surplus, from time to time, of the Corporate Debtor. The capital instruments issued shall not be subject to any restrictions, encumbrances or agreement to create the same which were agreed by any person, other than the Resolution Applicant, prior to the Effective Date.

All rights of any person, whether such right is in any agreement, contracts, charter documents, confirmations, terms and conditions, letters, commitments, guarantees, indemnities, power(s) of attorneys, acceptances, promises, notes hypothecations, pledges, mortgages, charges, trusts and/or any other deed or document or attached to any security, to acquire or hold shares or any securities in the Corporate Debtor which may at any time and/or for any reason be converted or exchanged into shares or convertible securities, whether optionally or mandatorily or in part or in whole, or to participate in any decision making or governance of the Corporate Deutor, including by having voting rights, veto or affirmative rights or by nominating or appointing or causing the nomination and/or appointment of any director, executive, principal officer or any employee or observer in the Corporate Debtor, or to have any right to participate in the revenue or profits or any other earnings of the Corporate Debtor shall terminate and not be effective and binding any more, and all shareholder agreements, voting covenants etc. shall immediately terminate and the Corporate Debtor and the implementing Entity be released from all obligations thereto, whether express or implied.

3.1.6. Source of Funds and mechanics of payment of funds to various Creditors

The payments proposed in this Resolution Plan will be funded by the Resolution Applicant / Implementing Entity or its affiliates, associates or group entities in accordance with the terms of this Resolution Plan.

The Implementing Entity proposes to infuse the Upfront Fund Infusion into the Corporate Debtor on the Effective Date in the manner and form as specified in Clause 3.3.1 (implementation Plan) for the payment of the amounts to the Creditors in the manner as specified in the Resolution Plan.

The Resolution Applicant and its relatives having sufficient net worth to implement the Resolution Plan.

12. As per Clause 3.3.2.2 of the Resolution Plan, **the Upfront Fund Infusion in Corporate Debtor and Reduction of Current Share Capital** are as under:

3.3.2.2. Upfront Fund Infusion in Corporate Debtor and Reduction of Current Share Capital

Upon the receipt of the Plan Approval Order and on the Effective Date, the Implementing Entity will infuse and/or cause the infusion of funds of an amount equal to the Upfront Fund Infusion in the Corporate Debtor in the manner as specified in this Resolution Plan within the period of 45 days from the date of approval of Resolution Plan by Adjudicating Authority such that the Implementing Entity along with its nominees (provided each such nominee is eligible under Section 29A of the Code to be resolution applicant) holds 100% of the entire shareholding of the Corporate Debtor on the Effective Date.

Upon the receipt of the Plan Approval Order and with effect from the Effective Date, the entire share capital of the Corporate Debtor shall stand reduced to NIL and permanently discharged, extinguished and settled, such that the Implementing Entity along with its nominees (provided each such nominee is eligible under Section 29A of the Code to be resolution applicant) remains the sole shareholder on the Effective Date.

13. As per Clause 3.3.4.1 of the Resolution Plan, the **Monitoring Agent** is as under:

3.3.4.1. Monitoring Agent:

a) With effect from the Plan Approval Date or any earlier date as directed by any relevant judicial authority and till the Effective Date (the "Standstill Period"), the Monitoring Agent shall be appointed in order to oversee the operations and management of the Corporate Debtor.

b) Subject to the provisions of this Resolution Plan, the Monitoring Agent shall carry out the day-to-day operations of the Corporate Debtor with the support of the management team of the Corporate Debtor during the Standstill Period; and any actions which require the Corporate Debtor to obtain shareholders' approval or the approval of its board of directors would be undertaken solely with consent of the Monitoring Committee, which consent would be deemed to be the approval of the shareholders or the board of directors, as the case may be.

c) Unless otherwise required by the Implementing Entity, the term of the Monitoring Agent shall automatically terminate upon the earlier of (1) occurrence of the Effective Date; and (2) termination of the Resolution Plan in terms of this Resolution Plan.

d) The fee payable to the Monitoring Agent shall form part of the Standstill Period Costs. The fees of the Monitoring Agent shall be mutually agreed between the Resolution Applicant and the Monitoring Agent on or prior to the Plan Approval Date.

e) The Monitoring Agent shall perform its obligations under the supervision of the Monitoring Committee.

f) The Monitoring Agent shall perform the following obligations and shall be vested with all authority for the same:

   i. Continue with the operations and business of the Corporate Debtor;

   ii. ensure filing of relevant e-forms with the Registrar of Companies in relation to all actions required to be taken for the purpose of completion of the acquisition of the Corporate Debtor by the Implementing Entity;

   iii. pay all dues of the Corporate Debtor (including but not limited to

Tax dues, dues to Operational Creditors, dues to workmen and employees, if any) in a timely manner and in accordance with the policies of the Corporate Debtor and provisions of applicable Law;

iv. take steps to rectify non-compliances of the Corporate Debtor with applicable Law;

V. cause the Corporate Debtor to take such steps as is necessary in the opinion of the Resolution Applicant to enable the implementing Entity to implement the Resolution Plan.

14. As per Clause 3.3.4.2 of the Resolution Plan, **the Board of Directors** is as under:

3.3.4.2. Board of Directors:

a) From the Plan Approval Date, the powers of the board of directors of the Corporate Debtor shall continue to remain suspended and all powers of the board of directors of the Corporate Debtor shall be exercised by the Monitoring Committee.

b) With effect from the Effective Date, the board of directors of the Corporate Debtor shall be reconstituted in the manner specified by the Implementing Entity (such reconstitution would be with persons who are eligible under Section 29A of the Code to be resolution applicant) and on appointment such new directors the term of existing directors of the Corporate Debtor shall automatically terminate/expire on the Effective Date, without requiring any further actions on the part of the Corporate Debtor.

c) The existing Board of Directors of the Corporate Debtor shall provide all cooperation necessary for undertaking all actions for implementation of the Resolution Plan including affixing their digital signature on forms to be filed with the Registrar of Companies on the Effective Date.

15. As per Clause 3.3.4.3 of the Resolution Plan, the

Monitoring Committee is as under:

3.3.4.3. Monitoring Committee:

a) With effect from the Plan Approval Date and till the Effective date (the "Standstill Period"), the supervision of the management of the affairs of the Corporate Debtor and duty to oversee the implementation of the Resolution Plan shall inter alia vest with a steering committee ("Monitoring Committee").

b) Unless otherwise required by the Implementing Entity, the term of the Monitoring Committee shall automatically terminate upon the occurrence of the Effective Date following the reconstitution of the board of directors of the Corporate Debtor by persons identified by the Implementing Entity (provided each such person identified shall be eligible under Section 29A of the Code to be resolution applicant).

c) The Monitoring Committee shall comprise: (i) 2 representatives of the CoC (i.e. Financial Creditors); and (ii) 1 representative of the Resolution Applicant and (iii) 1 Resolution Professional. The decision-making powers of Monitoring Committee should be vest with CoC members and Resolution Applicant including Resolution Professional would not have any decision-making powers.

d) The Monitoring Committee shall also have the same role and rights as board of directors.

e) The quorum for a meeting of the Monitoring Committee would require the presence of at least 1 member representing the CoC and 1 member representing Implementing Entity.

f) The meeting of the Monitoring Committee may be conducted by way of physical, audio or audio-visual means or any combination thereof. Unless otherwise agreed by the Implementing Entity and all representatives of the Financial Creditors who are members of the Monitoring Committee, each meeting of the Monitoring Committee shall require prior notice of 3 Business Days. Meeting may be conducted at shorter notice with the consent of members of monitoring committee.

16. As per Clause 3.3.4.4 of the Resolution Plan, the Supervision of Implementation of the Resolution Plan is as under:-

a) *During the Standstill Period, the Implementing Entity shall be responsible for taking the steps for the implementation of the Resolution Plan. The Monitoring Agent, the Monitoring Committee and the Creditors shall provide such information and cooperation on the implementation of the Resolution Plan as may be requested by the Implementing Entity from time to time.*

b) *The mechanism for supervision of the payments to Stakeholders of the Corporate Debtor with effect from the Effective Date, in the manner contemplated hereunder, shall be supervised by the Implementing Entity with the co-operation of the Monitoring Agent.*

17. SOME ADDITIONAL FACTS

Information relevant to the present proceedings as available in the audited accounts of the CD for the financial years 2021-2022 is given below (The RP provided the information based on the directions issued by this Tribunal):

- The share capital of the company as on 31.03.2022 and 31.03.2021 was Rs.1 Lakh.
- Reserves and surplus of the company as on 31.03.2022 and 31.03.2021 were Rs (218.57 lakhs) and Rs (218.79 Lakhs) respectively. The figures indicate that the company has accumulated a business loss.

- Short-term borrowings as on 31.03.2022 and 31.03.2021 were Rs 715.78 Lakhs. These remained the same during the financial year 2021-2022.
- Trades payable were Rs 1.03 lakhs and Rs. 30.54 lakhs respectively as on 31.03.2022 and 31.03.2021.
- Tangible assets were of Rs.2.55 Lakhs on 31.03.2022 and NIL as on 31.03.2021.
- Non-current investments were of Rs 4.47 Lakhs as on 31.03.2022 and 31.03.2021.
- Long-term loans and advances were of Rs 158.23 Lakhs and Rs 149.18 Lakhs, respectively, as on 31.03.2022 and 31.03.2021.
- Current assets comprising trade receivables, cash and cash equivalents, short-term loans and advances were of Rs 334.00 Lakhs and Rs 375.74 Lakhs, respectively, as on 31.03.2022 and 31.03.2021.
- During the year 2020-2021, the company had total revenue of Rs 140.65 Lakhs (sub lease rent) and other expenses of Rs 141.49 Lakhs and a profit before tax of Rs 1.54 Lakhs.
- During the year 2021-2022, the CD had revenues of

Rs 155.92 lakhs (sublease rent) and expenses of Rs 115.67 lakhs, resulting in a profit of Rs 0.25 lakhs.

- As on 31.03.2022, the company had a liability of Rs 715.78 lakhs, which comprises loans from relatives of directors of Rs 266.40 lakhs, inter corporate deposit of Rs 329.38 lakhs and security deposit of Rs 120.0 lakhs.

Similarly, the information for the financial year 2022-2023 is given below:

- The share capital of the company as on 31.03.2022 and 31.03.2023 was Rs 1.00 Lakh.
- Reserves and surplus of the company as on 31.03.2022 and 31.03.2023 were Rs (218.57) Lakhs and Rs 43.65 Lakhs, respectively.
- Long-term borrowings as on 31.03.2023 were Rs 138.61 Lakhs as against Rs 595.78 Lakhs as on 31.03.2022.
- Other current liabilities were of Rs 120 lakhs as on 31.03.2022 and 31.03.2023.
- Trades payable were Rs 1.03 lakhs and Rs.0.90 lakhs respectively as on 31.03.2022 and 31.03.2023.

- Tangible assets were of Rs 2.55 Lakhs and Rs 2.06 Lakhs respectively as on 31.03.2022 and 31.03.2023.
- Non-current investments were of Rs 4.47 Lakhs as on 31.03.2022 and Nil as on 31.03.2023
- Long-term loans and advances were of Rs 129.83 Lakhs and Rs 126.00 Lakhs, respectively, as on 31.03.2022 and 31.03.2023.
- Current assets comprising of trade receivables, cash equivalents, short term loans and advances were of Rs 204.17 Lakhs and Rs.40.55 Lakh respectively as on 31.03.2022 and 31.03.2023.
- During the year 2022-2023, the company had revenue from operations of Rs 157.70 lakhs (rent income) other income of Rs 1.60 lakhs and other expenses of Rs 327.22 Lakhs (rent expenses of Rs 148.05 lakhs and sundry balances written off of Rs 167.10 lakhs) , leading to a loss of Rs 178.74 Lakhs.
- No salary and wages expenses in the years 2021-2022 and 2022-2023.

18. The Application filed by the Financial Creditor under Section 7 of the IBC, 2016, mentions that a loan of Rs

1,34,04,200 was granted to the CD on 17.11.2017 and another loan of Rs 70,00,000 on 28.05.2018. The loan was sanctioned and disbursed by Sintex Power Limited whose name was changed to Sixvents Power and Engineering Limited with effect from 31.03.2015 and this company was amalgamated with Zep Infratech Limited, and therefore, the loan receivable from the Corporate Debtor stood transferred in favour and in the name of Zep Infratech Limited (the Financial Creditor). Zep Infratech and CD entered into an MOU cum loan agreement 01.07.2018 that provided that the loan amount of Rs 1,90,47,380.47, along with a premium of 20%, would be payable on or before 30.06.2022.

16.1. As the loan was not repaid, the FC filed application under section 7 of the IBC and the CD (Mr Amit K Parikg aid to be the director of CD replied twice that, **"We would like to acknowledge outstanding dues and would like to inform you that currently we are facing financial difficulties and we are not in a position to pay the debt to Zep Infratech Limited"** and **"the Respondent admits to having defaulted in repaying the financial debt in question"**.

19. The RP got financial assets of the CD valued by two valuers, namely Maitri Valuation LLP and Shri Nilesh R Barad. Valuation Report of one valuer, namely Nilesh R Barad, had valued security or financial assets as given below:

- The non-current asset of book value of Rs 30,00,000/- was valued at NIL.
- Cash & Bank Balances of Rs.3,91,629.26 were valued at Rs.3,91,629.26 (both fair and liquidation value).
- Other current asset of Rs.25,62,036/- were valued at Rs.25,62,036/-.
- Total financial assets were valued at Rs 29,53,665.26 (both fair and liquidation value).

20. Maitri Valuation LLP provided another valuation report. This valued various assets as given below:

- Cash and bank balance: Fair value Rs 391598 and liquidation value of Rs 391598
- Refunds receivable from Income Tax due to TDS on rent and dividends: Fair value Rs 25,62,036 and liquidation value Rs 25,62,036.
- Loans and advances Rs 30,00,000 as book value but fair and liquidation value at Rs ZERO.
- The total fair value of financial assets of the company Rs 29,53, 634 and the liquidation value Rs 29,53,634.

The Records reveal that the RP had received claims from two financial creditors of Rs 2,34,06,857/-, and the same amount was admitted as a claim.

21. The income tax return filed for the assessment year 2024-2025 shows total of equity and liabilities of Rs 26,92,932 and total of assets of Rs 26,92,932. The tax return shows rent expenses of Rs 92,83,960, interest income of Rs 63,076 and profit on sale of investments. This means that the CD/RP has sold investments in the financial year 2023-

2024. A loss of Rs 1,23,32,831 for assessment year 2023-2024 is claimed to be carried forward.

22. A certificate of net worth, dated 05.10.2023, issued by Jaimin Shah and Associates, certifies the net worth of Ms Niyati Ketanbhai Patel as of 31.03.2022, at Rs 3,24,90,092.

23. This Tribunal sought some clarifications vide daily order dated 19.06.2025, and the Applicant filed replies on the DMS Portal on 25.06.2025. The information provided, as relevant, is given below:

- It has been submitted that Ms Niyati K Patel, the Resolution Applicant in the present case, has not submitted any other Resolution Plan. However, M/s Kanha Ventures, a partnership firm (in which Ms. Niyati Patel is a partner holding 50% share) had jointly submitted a resolution plan in consortium with another partnership firm, namely Deepvir Enterprise, for an amount of Rs 7,75,00,000 in the matter of M/s Zep Infratech Limited and this Adjudicating Authority has rejected the submitted plan vide order dated 23.06.2025.

- The Information Memorandum states that the company was incorporated on 23.5.2008 in the name of Sleek Electrical Private Limited and just a few months before, the name of the company is changed to Gabriel Ventures India Private Limited. The primary activity of the Company consisted of investing in shares of Sintex Industries Limited and Sintex Plastic Technology Limited, as well as leasing and sub-leasing. Since both these companies are under CIRP, the investment in these shares has been written off in the books of Gabriel Ventures India Private Limited. The primary income of the Company consisted of lease rent, interest income and dividend income. Major assets of the company as on 23.11.2023 consist of a loan receivable of Rs. 30,00,000/- and income tax refunds receivable. Apart from this, the CD has a bank balance aggregating to Rs 3 lakhs in a few current accounts.
- The trial balance for the period 1.4.2023 to 23.11.2023 shows that the assets are: Loan advanced to Mukesh R Sheth Rs 30 lakhs, cash and bank balance, Advance

tax and TDS resulting into assets of Rs 98,48,085. A unsecured loan of Rs 5,50,000 is shown in the nameof Rajendra Kumar M Thakkar (Ravasisa) & Sons Pvt. Ltd. Reserve and Surplus of Rs 4,40,96,117 is shown as on 23.11.2023.

- The trial balance also shows rent income of Rs 93,00,000 and CAM charges income of Rs 5,47,000. Lease rent expenses of over Rs 90 lakhs are claimed.
- Rajendra M Thakkar (Ravasia) and Sons Private Limited having address of 101, House of Grace, Padwal Nagar, Wagle Estate, Thane 400604 has filed a claim in Form C which shows that a loan of Rs 5,50,000 was advanced on 21.9,2023 to CD and the claim for the same is made.

24. ANALYSIS AND FINDINGS OF THIS TRIBUNAL

24.1 Before adverting to the Application filed by the RP and the submitted Resolution Plan, we consider it appropriate to highlight essential facts about the case as available in the records.

- The Corporate Debtor and the Financial Creditor filing application under section 7 belong to the Sintex Group of cases. Sintex Group companies have undergone CIRP.
- The Financial Creditor, namely Zep Infratech Limited, a Group company, had filed the

application under section 7 of the IBC, 2016, against the CD.

- M/s Zep Infratech Limited has filed applications under section 7 in at least three other cases, and all the cases are being adjudicated by this Authority.

- The above facts show that Sintex Group entities are undergoing/undergone CIRP.

- The information on various assets and liabilities as noted in the balance sheet of the CD as on 31.03.2021, 31.03.2022, and 31.03.2023 is noted in this order. There are huge liabilities, and surprisingly, none have made any claims against the CD. The CD also did not make any claims against anyone, including for a loan of Rs 30 lakhs advanced.

- The CD has been an investment company of Sintex Group, and it was also engaged in the leasing business.

- The CD has shown lease rentals received and payments, but the IM or any of the minutes of the meeting of CoC or the Resolution Plan submitted by the RA do not refer to the asset handled by the CD.

- As per the IM and valuation reports, only assets of the CD are cash and bank balance, TDS refunds receivable from the income tax department, and a loan of Rs 30 lakhs receivable.

- The CD never had any manufacturing activity and no business other than investment and subleasing.

- The CD has no tangible assets (no factory, no office, or other premises), and it has only financial assets and TDS refunds receivable. All assets are valued at Rs 29,53,634. The CD has another loan advanced of Rs 30 lakhs, but the RP has made no efforts to collect the same. Coincidentally, two independent valuers valued the financial assets at the same value.

- The CD had no employees for two years prior to the admission of the CD in the CIRP, and also during the CIRP and at present, the CD has no employees.

- The CD has a business loss, and the Resolution Plan seeks confirmation from the Principal Commissioner of Income Tax and direction from this AA that the business loss will be allowed as set off against income under section 79 of the Income Tax Act. We also see the availability of business loss or long-term capital loss, which can potentially be considered an asset and could be utilised in tax planning by entities to reduce their tax liability. However, this asset is not valued.

- The RA is seeking various relief and concessions, most of which do not apply to the facts of the case. For example, it is seeking a waiver of transfer fees on land leased from the Industrial Development Authority. Indicating that the RA does not have information that the CD has no land. The CoC also did not look into the relief and concessions sought in the Plan and the relevance of such reliefs and concessions to the actual facts of the CD.

- The RA filed a response regarding various queries raised in the form of an Affidavit, and such information was not available in the submitted Plan. For example, regarding the business proposed by the RA, the Affidavit states that the RA intends to revive the textile business by using the extensive network and presence of the Corporate Debtor in the market. But CD was never in textile business and it also has no employees who were looking after its business. This business plan has no link with the CD. When CD has no assets and no employees, then how could it be considered to have an extensive network and presence in the market? The CoC did not examine these aspects and continued to approve the resolutions with a 100% majority.

- The reasons for default by the CD as stated in the additional affidavit filed by the RA are based on the queries raised by this Tribunal to the RP.

- The RA has submitted that it will use its own funds for meeting the Plan requirements and not the borrowed funds for reviving the CD. However, it has not made any provision for equity capital or working capital. The amount of Rs 30,00,000, proposed in the Plan, is earmarked for payment to two financial creditors.

24.2 The CD had assets and liabilities in lakhs as on 31.03.2021, 31.03.2022, and 31.03.2023, as reflected in the balance sheets provided in Paragraph 17. The CoC apparently had no idea about the business of the CD and it never asked any questions or raised any doubts about the transactions undertaken by the CD. The CD was neither subjected to any forensic audit nor the transaction audit nor the transactions were referred to any auditor for identifying the preferential transactions under section 43, undervalued transactions under section 45, extortionate transactions under section 50, and fraudulent transactions under section 66 of the IBC, 2016.

24.3 And on being directed by this Adjudicating Authority, an Affidavit to reply to the queries raised has been filed, and relevant information has been discussed in this order and summarised again below:

- The RP submitted that the audited financial statements for FY 2023-2024 and 2024-2025 are under the process of finalisation with the statutory auditors of the CD.

- The RP states that the Resolution Plan is feasible and viable, but it has not demonstrated the basis thereof nor has it been deliberated by the CoC. What is feasible and viable in the circumstances that the CD has no business operations, no plant and machinery, no offices or other tangible assets, and no employees? The business of CD was to invest in the Sintex Group companies (which are group companies). It has only financial assets of whose market and liquidation value is about Rs 30 lakhs. There are no employees of the CD, and therefore, no knowledge of the business or customer information or any other intangibles, other than tax losses, are available with the CD. There is no link or nexus of the business of the CD with that of the business proposal of the RA to manufacture and sell products.

24.4 The RP has filed an affidavit and revised Form-H, based on the IBBI Notification No. IBBI/2025-26/GN/REG 124, dated 03.04.2025, in this Tribunal on 10.05.2025 (Inward Diary No. 3556). Additional information provided is extracted below:

- Date of initiation of CIRP- 23.11.2023
- Date of expiry of 180 days of CIRP: 21.05.2024
- The extended period of CIRP expired on 03.07.2024
- Fair value of CD is Rs 29,53,650.
- Liquidation Value is Rs 29,53,650.
- Total admitted claims Rs 2,50,94,671.
- Resolution Plan Value Rs 40,00,000.
- A total of 8 CoC meetings were held.
- Form H shows that CD was part of the erstwhile promoter group entities of Sintex Industries Limited and Sintex Plastic Technology Limited.
- No PUFE applications are made or pending.
- SRA has given resolution plan to take over the corporate debtor as going concern.

25. Section 31 of the IBC deals with the approval of the resolution plan. Section 31 reads as follows:

> *"31. Approval of Resolution Plan*
>
> *(1) If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors under sub-section*
>
> *(4) of section 30 meets the requirements as referred to in sub- section (2) of section 30, it shall by order approve the resolution plan which shall be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the resolution plan.*
>
> ***Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section, satisfy that the resolution plan has provisions for its effective implementation.***
>
> ***(2) Where the Adjudicating Authority is satisfied that the resolution plan does not confirm to the requirements referred to in sub-section (1), it may, by an order, reject the resolution plan.***
>
> *(3) After the order of approval under sub-section (1),—*
>
> *(a) the moratorium order passed by the Adjudicating Authority under section 14 shall cease to have effect; and*
>
> *(b) the resolution professional shall forward all records relating to the conduct of the corporate insolvency resolution process and the resolution plan to the Board to be recorded on its database.*

(4) The resolution applicant shall, pursuant to the resolution plan approved under sub-section (1), obtain the necessary approval 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 by the Adjudicating Authority under sub-section (1) or within such period as provided for in such law, whichever is later.

Provided that where the resolution plan contains a provision for combination, as referred to in section 5 of the Competition Act, 2002, the resolution applicant shall obtain the approval of the Competition Commission of India under that Act prior to the approval of such resolution plan by the committee of creditors."

26. To our understanding, section 31 requires satisfaction of the Adjudicating authority on two issues:

a) Whether the resolution plan has provisions for its effective implementation; and

b) Whether the resolution plan meets the requirements of section 30 (2) read with Regulations 38 and 39 of the CIRP Regulations.

27. Section 30 (2) of the IBC reads as below:

"30. Submission of resolution plan.

(2) The resolution professional shall examine each resolution plan received by him to confirm that each resolution plan—

(a) provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor;

(b) provides for the payment of debts of operational creditors in such manner as may be specified by the Board which shall not be less than-

(i) the amount to be paid to such creditors in the event of a liquidation of the corporate debtor under section 53; or

(ii) the amount that would have been paid to such creditors, if the amount to be distributed under the resolution plan had been distributed in accordance with the order of priority in sub-section (1) of section 53,

whichever is higher, and provides for the payment of debts of financial creditors, who do not vote in favour of the resolution plan, in such manner as may be specified by the Board, which shall not be less than the amount to be paid to such creditors in accordance with sub-section (1) of section 53 in the event of a liquidation of the corporate debtor.

Explanation 1.-For removal of doubts, it is hereby clarified that a distribution in accordance with the provisions of this clause shall be fair and equitable to such creditors.

Explanation 2.-For the purpose of this clause, it is hereby declared that on and from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019, the provisions of this clause shall also apply to the corporate insolvency resolution process of a corporate debtor-

(i) where a resolution plan has not been approved or rejected by the Adjudicating Authority;

(ii) where an appeal has been preferred under section 61 or section 62 or such an appeal is not time barred under any provision of law for the time

being in force; or

(iii) where a legal proceeding has been initiated in any court against the decision of the Adjudicating Authority in respect of a resolution plan;

(c) provides for the management of the affairs of the corporate debtor after approval of the resolution plan;

(d) the implementation and supervision of the resolution plan;

(e) does not contravene any of the provisions of the law for the time being in force;

(f) conforms to such other requirements as may be specified by the Board.

Explanation. -For the purposes of clause (e), if any approval of shareholders is required under the Companies Act, 2013 (18 of 2013) or any other law for the time being in force for the implementation of actions under the resolution plan, such approval shall be deemed to have been given and it shall not be a contravention of that Act or law."

Furthermore, Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, requires the CoC to evaluate the resolution plan based on its feasibility and viability, a responsibility that appears to have been inadequately discharged in this case, as evidenced by the lack of scrutiny over the plan's business projections and financial provisions.

28. As far as effective implementation is concerned, the Plan only provides for payment to the CoC members to be made within 45 days of the approval of the Plan by the NCLT. As discussed in detail in this order, the CD was part of promoters of Sintex Group (a group investment company). Most of the Group entities have undergone CIRP and some have been liquidated. The value of the assets of the CD is about Rs 30 lakhs as per valuation report and another advance/loan of Rs 30 lakhs is receivable. Even the CIRP cost has exceeded Rs 9 lakhs. All assets have gone bad as the value of investment in the Group entities is zero. No tangible asset and no employees and in fact the CD has become a hollow shell. There is nothing in the plan about running the Corporate Debtor by the RA except referring to its business and utilizing the CD to carry on its business of textile, whereas CD was never in business of textiles. CD was having business of sub-leasing and this fact is not covered in any of the documents of the RP, or CoC, or the RA. No plans or planning for the business. No money is provided for working capital. Therefore, the plan does not deal with the effective implementation of the Plan. In fact, there is nothing in the plan that provides for insolvency resolution of the CD or revival of the CD. It is obvious because there is nothing in the CD except its name, business losses, and financial assets having liquidation value of about Rs 29 lakhs and another receivable of loan of Rs 30 lakhs. The case has potential of misuse of the business losses and long-term capital loss for income tax purposes.

29. This Tribunal is fully conscious of the principle that judicial intervention by the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016, must be limited and restrained. As reiterated in a catena of decisions by the Hon'ble Supreme Court, including in ***K. Sashidhar v. Indian Overseas Bank [2019] 102 taxmann.com / 12 SCC 150,*** **Committee of Creditors of Essar Steel Ltd. V. Satish Kumar Gupta 8 SCC 531, Ebix Singapore (P) Ltd v. Committee of Creditors of Educomp Solutions Ltd [2021] 130 taxmann.com 208,** ***Vallal RCK v. Siva Industries &Holding Ltd*** **((2022) 9 SCC 803)**, the commercial wisdom of the CoC is not to be interfered with, save in exceptional circumstances. However, this Tribunal cannot remain a mute spectator where the very anchor of the insolvency resolution process, the bona fide, and the commercial judgment of the CoC - is corroded by patent arbitrariness and opacity.

30. Hon'ble Madras High Court in the matter of Writ Petition No. 29845 of 2022 has observed in para 52.3 as under:

> " 52.3 While the legislative intent to save the corporate debtor as a going concern may be appreciable, should it be at the cost of others, more so when the IBC offers adequate space for engineering manipulation? The larger question therefore, is why should the Parliament bend backeards to protect one corporate debtor at the risk of exposing the problic interest to peril? The present case, a case study merely, illustrates how IBC could be manipulated to defeat the interests of the undislosed creditors of the corporate debtor. Some points for the Parliament to ponder, and some legislative correction for it to make, lest the long term impact of the IBC could be disastrous, if not counter productive. Incidentally, has the Parliament taken note of the percentage of recovery generally achieved out of a successful resolution process of the Corporate Debtor?".

31. The relevant facts as discussed in this order are again summarised below:

- The Corporate Debtor had crores of assets and liabilities as on 31.03.2021, 31.03.2022, and

31.03.2023 in the balance sheet, but all are on paper because none filed a claim before the RO, and the assets and liabilities are worthless as liquidation and market value of financial assets is about Rs 30 lakhs.

- The filing of a petition under section 7 by M/s Zep Infratech Limited, coupled with the absence of claims from other significant creditors and lack of forensic audits to identify potential avoidance transactions, raises concerns about the transparency and purpose of the CIRP process, particularly in light of the immunities available under section 32A of the IBC, 2016.
- Neither the RP nor CoC recommended a forensic audit of the CD or an audit for identifying the PUFE transactions in the circumstances that the CD had transactions in of crores, including with related parties.
- RP did not follow the requirements of Regulation 6A of the IBBI Regulations for CIRP as discussed above and did not identify the real creditors.
- The RP has not demonstrated that it had taken steps to provide correct information along with full details of assets, business or the loan of Rs 30 lakhs advanced. The facts indicate that it was a very closed group that was aware of the CIRP proceedings. There are no IAs from third parties.

- The CD has carried forward business loss and long-term capital loss in crores. Though the RA has asked for a prayer from this Adjudicating Authority to approve affording a reasonable opportunity of being heard by the jurisdictional principal commissioner of income tax in accordance with section 79 (2) of the Income Tax Act, 1961, to allow carry forward of losses of the previous year. However, these intangible assets have not been considered while valuing the CD or while submitting the Resolution Plan. It is made clear that this Adjudicating Authority has no power to decide the issue of carry forward of losses/depreciation, and the same will be subjected to the provisions of the Income Tax Act, 1961.
- The CD had advanced loans to various parties, and it had huge trade receivables, but the same were not taken into account by the CoC while approving the Resolution Plan amount quoted by the SRAs.
- The Resolution Plan only provide for payments to the two unsecured financial creditors.
- Whole money provided in the Plan will go to the creditors, and there is no provision for the working capital, equity capital, and for running the expenses of the CD.
- There is no provision for CIRP cost as it will be met

by the cash available with the CD.

- The financial capacity of the RAs is not convincing. Ms Niyati Patel, the RA is a partner in a firm that has submitted a Resolution Plan in case of Zep Infratech Limited.
- There is no material in the Plan underpinning the feasibility and viability of the Resolution Plan. The plan does not address the cause of default, demonstrate feasibility and viability, provide for effective implementation, or establish the RA's capability to implement it.

32. The above facts raise serious doubts about the whole CIRP process initiated based on the application of Zep Infratech Limited. The entire exercise suggests an accommodation or collusive arrangement with the sole purpose of helping the CD obtain benefits, reliefs, and concessions under Section 32A of the IBC, 2016, and raises concerns about its alignment with the IBC's objective of genuine insolvency resolution.

33. There is no material in the Plan underpinning the feasibility and viability of the Resolution Plan.

34. The Corporate Debtor has no assets and no employees.

Currently, CD is not conducting any business and is not a going concern or in operation. None will benefit, other than the two unsecured financial creditors, who constitute the CoC, from the approval of the Plan.

35. The RP has not filed any IA before this Tribunal regarding non-co-operation from the CD. The records indicate that the CD's management provided the necessary documents and information to the RP, and no specific instances of non-cooperation were reported during the CIRP. The RP has neither proposed nor has an initiative been taken by the CoC for identifying the avoidance transaction. There are no audited accounts of the CD after 01.04.2023 and this indicates that the RP did not have the full information to be provided in the Information Memorandum. Therefore in absence of the same, the Resolution Plan submitted by the RA cannot be considered to have taken into account the full picture of the CD as on the date of submission of the Plan.

36. The fulcrum on which the Resolution Process under the Code proceeds is the full and correct knowledge of the affairs of the CD; however, in the present case, full information about the CD was not available. Therefore, the CoC could not be said to have exercised its commercial wisdom while approving the resolution.

37. Commercial wisdom of the CoC: The CoC's role is questionable, as its 100% approval of the Resolution Plan without questioning significant unclaimed liabilities, the absence of audited accounts for FY 2023-24 and 2024-25, or the plan's lack of revival strategy violates Section 30(4) of the IBC, which mandates a diligent evaluation of the plan's feasibility and viability. This arbitrary conduct, lacking prudent decision-making at arm's length, undermines the IBC's objective of maximizing value for stakeholders. The facts indicate that their decisions were motivated with the sole intention of getting the approval of this Tribunal and getting all types of benefits, reliefs and concessions available due to the approval of the plan to all involved in the transactions. There appears to be no intention to resolve the insolvency, as the CD has no ongoing business and no party is interested other than the two CoC members.

38. In the case of ***Vallal RCK v. Shiva Industries (supra)***

the Hon'ble Supreme Court has also held that:

> *" ...in our view, the adjudicating authority or the appellate authority cannot sit in an appeal over the commercial wisdom of the CoC. The interference would be warranted only when the adjudicating authority or the appellate authority finds the decision of the CoC to be wholly capricious, arbitrary, irrational and de hors the provisions of the statute or rules."*

39. In view of the facts discussed above, the CoC not only acted in a "capricious, arbitrary, irrational" manner but also approved the plans that contravene the provisions of IBC and the Regulations. In that regard, the CoC has failed to exercise its commercial wisdom in deciding on the Resolution Plan, which, in a real sense, does not take into account the ground realities of the CD and is not commercially feasible and viable. It does not lead to value maximisation from the assets of the CD.

40. Therefore, we are of the view that the resolution plan has no provisions for its effective implementation as required by Section 31 (1) of the IBC, as there is nothing in the plan except payment to CoC members and others out of the plan value of Rs 40 lakhs. The whole money goes to the stakeholders, and nothing remains for the CD, not even for equity capital contribution.

41. The Tribunal would also like to mention that the underlying purpose of a resolution plan is not merely the settlement of claims but the revival of the Corporate Debtor as a going concern in a manner that is commercially viable and legally compliant. In this regard, Regulation 38(3) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, outlines key parameters that every resolution plan must comply with. The said regulation reads as under:

> "Regulation 38(3): The resolution plan shall demonstrate 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; and
> (e) the resolution applicant has the capability to implement the resolution plan."

42. In the present case, upon a detailed consideration of the material on record, it is evident that the resolution plan fails to satisfy the criteria laid down in the above regulation. Further, section 30 (2) of the IBC, 2016 requires that the plan provides for the implementation and resolution of the Plan. The RA has no plans to provide a resolution to the corporate insolvency. As discussed in detail with cogent reasons, the Plan fail to meet the requirements of clauses (c), (d), (e), and (f) of section 30 (2) of the IBC, 2016.

43. The plan lacks financial depth and strategic clarity to justify its feasibility and viability, as it provides no working capital, equity infusion, or business projections to revive the Corporate Debtor, which has no ongoing operations, employees, or plant and machinery. The resolution applicants' net worth, including illiquid assets, does not demonstrate sufficient liquid funds to implement the plan. Moreover, there is no demonstrable vision to restart the business of the CD and no capability is shown on the part of the Resolution Applicant to implement the plan. In fact, it does not provide any information on the business projections of the CD and how it will be achieved.

44. Thus, in form and substance, the resolution plan does not comply with the provisions of Sections 30 and 31 of the IBC, 2016, and Regulation 38(3), and the CoC's approval without ensuring compliance with these essential elements raises serious questions about the integrity of the resolution process as a whole.

45. The Hon'ble Supreme Court in the case of Pratap Technocrats (P) Ltd. v. Monitoring Committee of Reliance Infratel Ltd. 10 SCC 623, under the Heading: Balancing the goals and key objectives of insolvency law in paragraph 46 of the order noted that, " since an insolvency regime cannot fully protect the interests of all parties, some of the key policy choices to be made while designing the insolvency law relate to the broad goals of the law (rescuing businesses in financial difficulty, protecting employment, protecting the interest of creditors. Encouraging the development of an entrepreneurial class) and achieving the desired balance between the specific objectives identified above.

> The Hon'ble Court in paragraph 47 further notes that, "Hence, once the requirements of IBC have been fulfilled, the adjudicating authority and the appellate authority are duty-bound to abide by the discipline of the statutory provisions. It needs to be emphasised that neither the adjudicating authority nor the appellate authority have an unchartered jurisdiction in equity. The jurisdiction arises within and as a product of a statutory framework.

46. As discussed in this order, currently there is no business in the CD, CD has no employees, the creditors other than the unsecured security creditors have not even filed any claim, all pointing to the conclusion that the plan submitted by the RA does not meet the goals of the IBC law.

47. Accordingly, and in view of the discussion above, the relying on the provisions of Sections 30 and 31 (2) of IBC, 2016 and Regulation 38 as referred above, the Resolution Plan in question is hereby rejected by this Adjudicating Authority for non-compliance with Regulation 38(3)(a), (b), (c), and (e) of the CIRP Regulations, 2016, as it fails to address the cause of default, demonstrate feasibility and viability, provide for effective implementation, and establish the resolution applicant's capability to implement the plan.

48. The provisions under Section 33(1)(b) of the Code are reproduced below: -

> ***33. Initiation of liquidation. -***
>
> *(1) Where the Adjudicating Authority, -*
>
> *(b) rejects the resolution plan under section 31 for the non- compliance of the requirements specified therein, it shall -*
>
> *(i) pass an order requiring the corporate debtor to be liquidated in the manner as laid down in this Chapter;*
> *(ii) issue a public announcement stating that the corporate debtor is in liquidation; and*
> *(iii) require such order to be sent to the authority with which the corporate debtor is registered.*

49. The Hon'ble Supreme Cort in the case of Ramkrishna Forging Ltd (supra), in paragraph 29 referred to the decisions in the cases of Innoventive Industries Ltd. v. ICICI Bank Ltd. [2017] 84 taxmann.com 320/ 1 SCC 407 and Swiss Ribbons (P) Ltd. v. Union of India [2019] 101 taxmann.com 389/4 SCC 17 in which it was explained that the Code was specifically introduced by the Parliament for ensuring quick and time bound resolution of insolvency of corporate entities in financial trouble, by first attempting to revive the Corporate Debtor, failure whereof would entail liquidation of the corporate debtor's assets.

50. As a consequence, following the rejection of the resolution plan under Section 31(2) for non-compliance with statutory requirements, and given the expiry of the extended CIRP period on 03.07.2024, the Tribunal, pursuant to Section 33(1)(b), orders the liquidation of the Corporate Debtor to maximize creditor value and conclude the insolvency process. The Corporate Debtor's lack of business operations, absence of employees, and minimal tangible assets, coupled with the resolution plan's failure to propose a viable revival strategy, render liquidation the only feasible course to maximize creditor value and achieve the IBC's objective of efficient insolvency resolution.

51. IBBI vide its circular number Liq-12011/214/2023-IBBI/840 dated 18.07.2023 in the exercise of its powers conferred under section 34(4)(b) of the Code, had recommended that an IP other than the RP/IRP may be appointed as liquidator in all the cases where liquidator (read liquidation) order is passed henceforth.

52. In view of the above, it is hereby ordered as follows: -

a) The Corporate Debtor **Gabriel Ventures India Private Limited** is admitted into liquidation in terms of the provisions of **33(1)(b)** of the Insolvency and Bankruptcy Code, 2016, to be conducted in accordance with Chapter III of the Code and the IBBI (Liquidation Process) Regulations, 2016 which shall be effective from the date of this order.

b) In terms of the above circular of IBBI and as per section 34(4)(b) of the IB Code, Mr. Rajendrakumar Radhakishan Kabra, having IBBI/IPA-001/IP-P-02385/2021-2022/13835, **E-mail ID** rajendra_kabra@rediffmail.com; 98254-12653 is hereby appointed as a Liquidator of the Corporate Debtor i.e. **Gabriel Ventures India Private Limited** as per the panel suggested by IBBI for this Bench for the period of January, 1, 2025 to June 30, 2025, as the Liquidator of the Corporate Debtor to carry the liquidation process

c) The Moratorium declared under section 14 of the Code shall cease to have effect from the date of the order of liquidation.

d) A fresh moratorium under Section 33(5) of the Code is declared, prohibiting the institution or continuation of suits or proceedings against the Corporate Debtor, except as provided under the Code, effective from the date of this order until the completion of the liquidation process.

e) The Liquidator shall take charge of the Corporate Debtor's assets, books, and records forthwith and perform all duties as prescribed under Sections 35 to 50 of the Code and the IBBI (Liquidation Process) Regulations, 2016.

f) The Liquidator is directed to file a preliminary report within 75 days of this order, as per Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016, and submit periodical progress reports to this Tribunal.

g) The Liquidator so appointed shall complete the liquidation process as per the provisions of the Code r.w. the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

h) All the powers of the Board of Directors, key managerial persons, and the partner of the Corporate Debtor, as the case may be, hereafter cease to exist. All these powers henceforth vest with the Liquidator.

i) The Creditors as well as the Personnel of the Corporate Debtor are directed to extend all cooperation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.

j) The Liquidator will charge fees for the conduct of the liquidation proceedings in proportion to the value of the liquidation estate assets as specified by IBBI and same shall be paid to the Liquidator from the proceed of the liquidation estate under section 53 of the Code.

k) Once the liquidation process is initiated, subject to section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor. The Liquidator has the liberty to institute a suit and other legal proceedings on behalf of the Corporate Debtor with the prior approval of this Adjudicating Authority, as provided in sub-section (5) of section 33 of the Code.

l) This liquidation order shall be deemed to be notice of discharge to the officers, employees, and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.

m) This Adjudicating Authority directs the Liquidator to issue a public announcement stating that the Corporate Debtor is in liquidation. The Liquidator will also serve a copy of this order to the various Government Departments such as Income Tax, GST, VAT, etc., who are likely to have any claim upon the Corporate Debtor so that the authorities concerned are informed of the liquidation order timely. The Liquidator will also provide a copy of this order to the trade unions/employee associations of the Corporate Debtor so that the workman/employees could also be informed of this liquidation order through their association.

n) The Liquidator is further directed to issue a public announcement inviting claims from all potential creditors, including those who did not file claims during the CIRP, within 30 days of this order, to ensure maximum creditor participation in the liquidation process.

o) The Liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of the provisions of Section - 35(1) of IBC, 2016 read with relevant rules and regulations, and also file its response for disposal of any pending Company Applications during the process of liquidation.

p) The Liquidator is further directed to consider commissioning a forensic audit to identify any preferential, undervalued, fraudulent, or extortionate transactions under Sections 43, 45, 50, and 66 of the IBC, given the significant asset sales and financial discrepancies noted during the CIRP.

q) The Liquidator is directed to prioritize these investigations to ensure transparency and protect creditor interests, addressing all the deficiencies noted in this order during the CIRP. The Liquidator shall coordinate with the Adjudicating Authority for any necessary approvals to institute legal proceedings, as provided under Section 33(5) of the IBC.

r) As has been discussed in this order, the CD is not carrying out any business operation, there are no plant and machinery, and no employees. The Liquidator, in consultation with the Stakeholder Consultation Committee, as constituted under the provisions of Regulation 31A, may consider the sale of financial assets with priority.

s) The present Resolution Professional is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed liquidator forthwith.

t) The Registry is directed to communicate this order to the concerned Registrar of the Companies, the registered office of the Corporate Debtor, IBBI, the Resolution Professional, and the Liquidator by speed post as well as e-mail within one week from the date of this order, after completion of all the formalities for records and necessary action, if any. The Registrar of Companies shall update the Corporate Debtor's status on the MCA portal accordingly.

u) Liberty is granted to the Liquidator to approach this Tribunal for any further directions or clarifications as may be required during the liquidation process

53. Accordingly, **IA (Plan) No. 41 of 2024** in CP(IB) No. 251 of 2023 stands **dismissed** and disposed of.

54. The Registry is also directed to send e-mail copies of the order forthwith to all the parties and their Learned Counsel for information and for taking necessary steps. Files be consigned to the record.

-Sd-

SANJEEV KUMAR SHARMA
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)

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