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

ITEM No.302
IA(Plan)/25(AHM)2024 in
C.P.(IB)/257(AHM)2023

Order under Sections 30 & 31 IBC

IN THE MATTER OF:

Sachin Dinkar Bhattbhatt RP of Opel Securities 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)/25(AHM)2024
IN
C.P.(IB)/257/7/(AHM)2023

IA(Plan)25(AHM)2024

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

In the matter of: *Opel Securities Private Limited.*

Mr. Sachin Dinkar Bhattbhatt
Resolution Professional of
Opel Securities Private Limited
Shop No. 102, Riddhi Siddhi Avenue,
Village: Chhatral, Taluka: Kalol,
Gandhinagar-382 729, Gujarat, India.
Address for correspondence:
A604, Royal Edifice,
Kunal Cross Road,
B/h. Coral Pride, Gotri,
Vadodara, Gujarat 390 023, India.

... 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 the Applicant/RP	: Mr. Jaimin Dave, Advocate
	: Ms. Hirva Dave, Advocate
	: Mr. Sachin Bhatt, Advocate

ORDER
[Per: Bench]

1. The application being IA/25(AHM)2024 filed on 10.06.2024 vide diary no. E1469 by the Applicant/Resolution Professional (Shri Sachin Dinkar Bhattbhatt) of Opel Securities Private Limited under Sections 30 and 31 of the Insolvency and Bankruptcy Code, 2016 (for short **"Code"**), seeks the following prayers: -

> a. *YOUR LORDSHIPS' may be pleased to allow the present application;*
>
> b. *YOUR LORDSHIPS' may be pleased to approve the Resolution Plan of M/s. Deepvir Enterprise dated 03-05-2024 at ANNEXURE - Q;*
>
> 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 grant any other relief as may deem fit in the interest of justice;

BRIEF BACKGROUND

2. M/s. Zep Infratech Ltd. had filed a company petition on 15.10.2023 bearing CP(IB) No. 257 of 2023 through its Resolution Professional (as Zep Infratech admitted to the CIRP), seeking the initiation of the Corporate Insolvency Resolution Process ("CIRP") against the Corporate Debtor – M/s. Opel Securities Pvt. Ltd. This Adjudicating Authority vide its order dated 27.10.2023 admitted the Corporate Debtor in CIRP and appointed Mr. Sachin Dinkar Bhattbhatt, as Interim Resolution Process ("IRP"), as proposed by the Applicant. Thereafter, on 01.12.2023, the IRP was confirmed as the Resolution Professional (RP). The RP filed an application, being IA(Plan)/16(AHM)2024, seeking approval of the resolution plan. However, during the hearing on 01.05.2024, learned counsel for the Applicant sought withdrawal of the said application with a liberty to file a revised application. Accordingly, this Adjudicating Authority vide order dated 01.05.2024 disposed of the application.

3. Thereafter, an application being IA/836(AHM)2024 was filed under Section 12(2) read with Section 60(5) of the IBC Code also read with Rule 11 of the NCLT Rules, 2016 seeking extension of CIRP period for further 90 days stating that the CoC in its 6th meeting held on 06.05.2024 approved the resolution plan and further approved for extension of CIRP period for another 90 days as revised resolution plan has been received, which is now being filed before this Tribunal. Considering the same, this Adjudicating Authority vide its order dated 04.06.2024 extended the CIRP period by 30 days from 04.06.2024.

4. Accordingly, the instant application being IA(Plan)25(AHM)2024 has been filed on seeking approval of the resolution plan.

FACTS

5. Some relevant facts as available in the Plan Application are summarised below:

I. The Application under section 7 of the IBC, 2016 was filed on 15.10.2023. An affidavit dated 25.10.2023 was filed by Shri Amit Ashokbhai Sompura, the Director of Opel Securities Private Limited, affirming, "**the respondent admits to**

having defaulted in repaying the financial debt". This Adjudicating Authority vide its order dated 27.10.2023 admitted the Corporate Debtor into CIRP and appointed the Applicant as IRP. The IRP invited claims from creditors in the prescribed Form A, dated 04.11.2023. After receiving the claims, the Applicant constituted the Committee of Creditors ("CoC") comprising 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	7,80,00,000/-	98.73
2.	Rajendra M. Thakkar (Ravasia) and Sons Private Limited	Unsecured	10,00,000/-	1.27
		TOTAL	**7,90,00,000/-**	**100**

It has been stated that no other claims were received as of the day of the first CoC meeting.

II. The **1st meeting of CoC** was held on 01.12.2023 wherein the IRP was confirmed as RP. In the said meeting, RP informed the CoC that apart from 2 claims i.e., M/s. Zep Infratech Limited and M/s. Rajendra M. Thakkar (Ravasia) and Sons Private Limited, no other claims were received.

III. Subsequent thereto, the Applicant appointed two registered valuers, namely, (i) M/s. Nilesh R. Barad, and (ii) M/s. Maitri Valuation LLP for determining the value of securities and financial assets of the Corporate Debtor.

IV. The **2nd meeting of CoC** was held on 26.12.2023, wherein the unanimous resolutions with regards to the approval of Eligibility Criteria, Evaluation Matrix for Prospective Resolution Applicants (**"PRAs"**), Form-G and Request for Resolution Plan (**"RFRP"**) were passed. Accordingly, the Applicant published Form-G dated 28.12.2023 in two newspapers, one in the English Language and the other in Gujarati Language, with the last dates for submissions of Expression of Interest ("EoI") and resolution plan being 13.01.2024 and 28.02.2024, respectively. Till 13.01.2024, the Applicant had received EoI from 3 PRAs. However, till the last date for submission of the plan, i.e. till 28.02.2024, only one PRA, i.e., M/s. Deepvir Enterprise had submitted a resolution plan. Therefore, the Earnest Money Deposit (**"EMD"**) of the two PRAs came to be refunded by the Applicant.

V. The 3rd meeting of the CoC was held on 11.03.2024, and up to that date, the Applicant had received only one resolution plan, with the resolution plan of the sole RA pending consideration by the CoC. The Applicant evaluated the plan received from the PRA and informed the CoC that there were minor lacunas in the plan. The resolution plan of M/s. Deepvir Enterprise was duly discussed. Since the financial proposal under the plan fell below the expectations of the CoC, the members of the CoC were of the opinion that negotiations with the PRA were required and instructed the Applicant to obtain a convenient date with the sole PRA and arrange a meeting to invite the sole PRA for further negotiation and discussion.

VI. Thereafter, the Applicant received the valuation reports from two valuers, namely, Mr. Nilesh R Barad and M/s. Maitri Valuation LLP. As per Mr. Nilesh R Barad, the Fair Value and Liquidation value of the CD were Rs.7,27,241.58/- and 7,27,241.5/- respectively and as per M/s. Maitri Valuation LLP, the Fair Value and Liquidation value were Rs.7,27,240/- and Rs.7,27,240/- respectively. The Applicant shared these reports with the CoC.

VII. The **4th meeting of CoC** was held on 16.03.2024, wherein the CoC deliberated about the plan with the representative of the PRA and intimated regarding the financial proposal. The representative of PRA sought time to discuss the same with superiors and provided a revised financial proposal by 20.03.2024. The revised financial proposal received from M/s.

Deepvir Enterprise was shared by the Applicant with the CoC members.

VIII. The **5th meeting of CoC** was held on 26.03.2024, wherein the revised financial proposal was discussed and it was decided to put the final resolution plan received from M/s. Deepvir Enterprise for e-voting from 28.03.2024 to 30.03.2024. In the said voting, the said resolution plan was approved by a 100% majority of the members of CoC.

IX. On 18.04.2024 i.e., on 174th day of CIRP, the Applicant preferred an application being IA(Plan) No. 16 of 2024 seeking approval of the plan received from M/s. Deepvir Enterprise. However, subsequent to the filing of the said application, it came to the knowledge of the stakeholders that there was ambiguity with respect to specific provision/terms contained under the approved plan and, hence, a modification/revision thereof was required. On 01.05.2024, the Applicant sought liberty of this Adjudicating Authority to file a better application and the same was allowed with liberty to convene one more CoC meeting within a period of 7 days for seeking changes, if any, in terms of the resolution plan.

X. In compliance with the same, on 06.05.2024, the Applicant duly convened the **6th meeting of CoC**. In the said meeting, the CoC unanimously resolved to seek extension of 90 days for completion of CIRP, commencing from 25.04.2024, as the statutory period of 180 days had expired on 24.04.2024. Accordingly, the Applicant filed IA No. 836 of 2024 seeking an extension of 90 days. This Adjudicating Authority vide its order dated 04.06.2024 granted an extension of 30 days from 04.06.2024. In the said meeting, the CoC decided to put the modified plan for e-voting from 07.05.2024 to 08.05.2024. In the said voting, the said resolution plan was approved by a 100% majority.

XI. In terms of Regulation 36B (4A) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the resolution plan provides that an amount of Rs. 10,00,000/- in addition to the EMD amount to the tune of Rs. 5,00,000 shall be provided in the form of Demand Draft towards performance security. Accordingly, the Successful Resolution Applicant had submitted a Demand Draft dated 09.01.2024 bearing no. 506495 drawn on ICICI Bank for an amount of Rs. 5,00,000/- and a Demand Draft dated 26.02.2024 bearing no. 506718 drawn on ICICI Bank for an amount of Rs. 10,00,000/- to the Applicant herein.

Thus, a total amount of Rs. 15,00,000/- is duly provided by the Successful Resolution Applicant towards performance security. Further, the M/s. Deepvir Enterprise has duly submitted affidavit dated 22.03.2024 for eligibility criteria under Section 29A of the Code. The Application notes that 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 of Financial Creditors, in as much as there are no other creditors of the Corporate Debtor.

XII. The Resolution Applicant shall pay, an aggregate amount of Rs. 80,00,000/-. 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	7,90,00,000/-	80,00,000/-
5	Dissenting Financial Creditors	NIL	NIL
6.	Operational Creditors (excluding Workmen, Employees)	NIL	NIL
7.	Government Statutory Dues (as Operational Creditors)	NIL	NIL
8	Other Stakeholders Creditors (other than Financial Creditors and Operational Creditors)	NIL	NIL
	TOTAL:	7,90,00,000/-	80,00,000/-

XIII. Till the filing of the present application, a total amount of Rs 6,95,050/- was incurred towards the CIRP cost, and the same has been paid off. Accordingly, the proposed distribution to the 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	7,80,00,000/-	78,98,734/-
2.	Rajendra M. Thakkar	Unsecured Financial Creditor	10,00,000/-	1,01,266

	(Ravasia) and Sons Private Limited			
		TOTAL	**7,90,00,000/-**	**80,00,000/-**

XIV. The Application states that the CoC approved resolution plan of M/s. Deepvir Enterprise provides for Implementation Steps and a Schedule of implementation. The implementation plan proposed by the RA is as under:-

<table>
<tr><th>Sr. No.</th><th>Key Steps</th></tr>
<tr><td>1.</td><td>Identification of the implementing Entity</td></tr>
<tr><td></td><td>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>Deepvir Enterprise</td><td>100%</td></tr>
</table>
Considering Corporate Debtor is Private Limited Company hence in order to fulfil the minimum 2 members requirements as per the provision of the Companies Act, 2013/1956, existing partner of Deepvir Enterprise i.e., Mr. Kunal Virang Shah shall hold one equity share as nominee of Deepvir Enterprise. It is clarified that 100% beneficial shareholders of Corporate Debtor post implementation of Resolution Plan is Deepvir Enterprise.</td></tr>
<tr><td>2.</td><td>Approval of the CoC and Adjudicating Authority or any relevant appellate body</td></tr>
<tr><td></td><td>The Resolution Plan will have to be approved by the CoC.
Following receipt of the approval of the CoC, the Resolution Plan</td></tr>
</table>

	will have to be filed with the Adjudicating Authority for its approval.
3.	**Approval of the Resolution Plan by the Adjudicating Authority**
	The Resolution Plan will have to be approved by a Plan Approval Order.
4.	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: Monitoring Committee: A Monitoring Committee shall be constituted comprising of two representatives of the CoC, one representative of the Resolution Applicant and one Resolution Professional; Board of Directors: 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.
5.	**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 (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 Star Line Leasing Limited (OSPL)**	
	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 OSPL), the issued equity and preference share capital of OSPL held by the existing shareholders of OSPL (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 OSPL) above shall not be cancelled and extinguished as part of the Capital Reduction. The share capital of OSPL shall stand cancelled / extinguished and the resultant amount on such cancellation / extinguishment to be credited to capital reserve in the financial statements of OSPL. The Capital Reduction shall not require the consents of any of the creditors of OSPL or approval of any of the shareholders of OSPL, 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 OSPL and its stakeholders (including its creditors and shareholders). OSPL shall record reduction in the issued equity share capital of OSPL 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 OSPL) above). The shareholding pattern of OSPL after completion of Step 8 (Capital Reduction) shall be:	

Sr. No.	Shareholder	Shareholding Percentage
1.	Deepvir Enterprise	100%

	Considering Corporate Debtor is Private Limited Company hence in order to fulfil the minimum 2 members requirements as per the provision of the Companies Act, 2013/1956, existing partner of Deepvir Enterprise i.e., Mr. Kunal Virang Shah shall hold one equity share as nominee of Deepvir Enterprise. It is clarified that 100% beneficial shareholders of Corporate Debtor post implementation of Resolution Plan is Deepvir Enterprise. 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.	

The resolution plan shall be deemed to be implemented on payment of the FC discharge Amount to the Unsecured Financial Creditor.

XV. 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 Successful Resolution Applicant intends to implement the entire Resolution Plan within a period of 90 (ninety) days of receipt of a Plan Approval Order.

XVI. It is submitted that even 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."*

XVII. 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. The Corporate Debtor has made an investment of Rs. 9,41,06,250/- in M/s. BVM Finance Private Limited and has also provided an unsecured loan of Rs. 47,40,80,137/- to M/s. BVM Finance Private Limited. However, CIRP proceedings are going on against M/s. BVM Finance Private Limited and therefore, the Applicant herein has duly lodged the claim of M/s. Opel Securities Private Limited with the IRP/RP of M/s. BVM Finance Private Limited, which is duly admitted.

XVIII. The Resolution Plan provides that any recoveries made from the CIRP proceedings of M/s. BVM Finance Private Limited would go to the Unsecured Financial Creditors, upto a maximum amount of claims of such Financial Creditors admitted by the Applicant herein less the amount recovered by such Financial Creditors under the Resolution Plan and the cash and bank balance. That any amount recovered in addition to the amount of claims of the Financial Creditors shall be retained by the Corporate Debtor/ Resolution Applicant. Also, the Successful Resolution Applicant has undertaken in the resolution plan that the Financial Creditor shall be entitled for all cash and bank balance including bank term deposit balance available with the Corporate Debtor and the Successful Resolution Applicant shall not have any right over them.

XIX. Clause 3.1.6 of the resolution plan provides for the source of funds and the mechanics of payment of funds to various creditors. It is provided that the partners of the Resolution Applicant have sufficient net worth to implement the resolution plan. The following is the list indicating the net worth of the partners of the RA:-

Sr. No.	***Name of the Partner***	***Net Worth (in Rs.)***
1.	*Kunal Virang Shah*	*4,83,56,959/-*
2.	*Deepti Virang Shah*	*4,04,95,780/-*
3.	*Virang A. Shah*	*50,98,500/-*
	TOTAL:	*9,39,51,239*

XX. 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.

XXI. Since the Resolution Plan results in the change in the management or control of the Corporate Debtor, according to Section 32A of the Code, 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 Code 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*.

XXII. 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. That 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.

6. This Adjudicating Authority vide its order dated 01.07.2024 directed the Applicant to hold another CoC meeting to rectify the defects as noticed by this Adjudicating Authority. Accordingly, in compliance of the same, an affidavit bearing diary No. D6310 dated 09.08.2024 is filed. In the said affidavit, the applicant has submitted that:-

I. The Applicant herein convened **7th CoC meeting on 06.07.2024**. During the course of the said meeting, the members of CoC have discussed the feasibility and viability of the resolution plan. After deliberating on the feasibility and viability, the CoC with 100% voting share has resolved that resolution plan is feasible and viable.

II. It was also discussed that as per averments on page no. 175 of the application, SRA has agreed to transfer available cash and bank balance (if any) and recoveries from CIRP proceedings of BVM Finance Private Limited (if any) after deduction of CIRP cost to the Financial Creditors. However, the recoveries from CIRP proceedings of BVM Finance Private Limited (if any) cannot be quantified at this stage since the CIRP of BVM Finance Private Limited is still under process. The cash and bank balance available with the Applicant was of Rs. 8,71,015/. The said amount is utilized towards CIRP Cost and as on date the cash and bank balance available with the Corporate Debtor is NIL. Therefore, as on date no amount over and above CIRP cost is available in shape of security and financial assets. Furthermore, recoveries made from the CIRP proceedings of BVM Finance Private Limited will be distributed amongst the financial creditors in proportion to their voting share.

III. The RA has not relinquished any rights over the shares of BVM Finance Private Limited, and CoC does not claim any rights over the shares of BVM Finance Private Limited. However, RA has relinquished its rights over any recoveries that may be made from CIRP proceedings of BVM Finance Private Limited, in terms of the requirement of RFRP and the decision of CoC in the 1st CoC meeting held on 01.12.2023. In the 7th CoC meeting on 06.07.2024, it was resolved that the CoC will pursue the proceedings for recoveries from CIRP proceedings of BVM Finance Private Limited, If any, in terms of their decision in the first CoC meeting held on 01.12.2023 and in terms of requirement of RFRP. Furthermore, it was resolved that expenses related to these proceedings, if any, will be borne by the financial creditors. It was further resolved that the recoveries that may be made from the CIRP proceedings of BVM Finance Private Limited will be distributed among the financial creditors in proportion to their voting shares.

IV. In compliance with the direction issued by this Adjudicating Authority, the applicant hereby produces copy of demand draft of Rs. 20,00,000/-

received towards performance security.

7. Further, in compliance of the order dated 04.10.2024, the applicant filed an additional affidavit on 06.11.2024 vide diary no. D8190. In the said affidavit, it is stated that:-

I. In compliance of the aforementioned order dated 04.10.2024, the Applicant duly convened 8th meeting of the CoC on 09.10.2024. In the said meeting, the DIN numbers of the proposed Board of Directors were duly minutised. The following are the details of the proposed Board of Directors to be appointed, along with their respective DIN numbers:

(a) Deepti Virangbhai Shah having DIN: 10229449; and

(b) Kunal Virang Shah having DIN: 09172776.

II. At Paragraph No. 6 of the Resolution Plan, the Resolution Applicant 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 the 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.

III. The members of the CoC had duly deliberated upon the aforementioned reliefs and concessions in the 8th CoC meeting held on 09.10.2024. Further, the Applicant has duly taken a confirmation letter from the Resolution Applicant 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.

IV. The CoC were of the opinion that the reliefs and concessions asked for by the Successful Resolution Applicant were routine in nature and are not conditions which affect the implementation of the Resolution Plan. Hence, this Hon'ble Adjudicating Authority may be pleased to grant reliefs and concessions as requested by the Successful Resolution Applicant, as per its own discretion.

V. Apropos to the details sought qua M/s. BVM Finance Private Limited, it is relevant to submit that the Request for Resolution Plan ("RFRP") duly provided thus:

"2. If any recovery is made from BVM Finance Private Limited at any stage or after the approval of resolution plan, the entire proceeds of these recovery would belong to the financial creditors and not the PRA."

In view of the foregoing scenario, the Resolution Plan submitted by M/s. Deepvir Enterprise provides thus:

> *"....Further, RP of Corporate Debtor had submitted claim under IBC proceedings of BVM Finance Private Limited. In this case recoveries under IBC proceedings from BVM Finance Private Limited shall be transferred to Financial Creditors and we as Resolution Applicant would not have right over them....."*

Thus, the Resolution Applicant had already relinquished its rights over any recoveries that could be made from the CIRP proceedings of M/s. BVM Finance Private Limited.

VI. In the 8th meeting, the Applicant duly informed the members of the CoC that as per the Resolution Plan received for M/s. BVM Finance Private Limited, the Corporate Debtor i.e., M/s. Opel Securities Private Limited, being a related Financial Creditor, is not getting any sum from the Resolution Plan of M/s. BVM Finance Private Limited. Hence, the Applicant confirmed to the members of the CoC that there shall be no recovery of any funds from M/s. BVM Finance Private Limited and the CoC had duly taken note of the same in the said 8th meeting of the CoC held on 09.10.2024. Also, in view of holding the 8th meeting of the CoC on 09.10.2024 pursuant to the order passed by this Adjudicating Authority on

04.10.2024, the Applicant herein begs to annexe a revised Form II dated 12.10.2024 along with the present affidavit.

8. Thereafter, in compliance with the order dated 06.11.2024, the applicant filed an additional affidavit on 18.11.2024 vide diary no. 8377 giving the details of the business loss stating that:-

I. 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:-

II. The applicant also filed a copy of the Income-tax Return for the A.Y. 2023-24 along with the present affidavit.

9. In compliance with this Tribunal order dated 28.04.2025, an additional affidavit is filed on 06.05.2025 vide diary no. D3017 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 27.10.2023 passed in C. P. (I.B.) No. 257 of 2023. **<u>Business of CD for the previous 2 (two) years prior to CIRP:</u>** 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. However, 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.

On account of the foregoing scenario, the CD did not have any business operations during the F.Y.: 2021-22 and F.Y.: 2022-23and the annual revenue from the business activities was NIL.

<u>Business of CD during the CIRP:</u>
It is further submitted that during the CIRP, the CD had no business activities.

<u>Business proposed by the SRA:</u>
It is submitted that as per the directions of this Hon'ble Authority, the Applicant herein had duly sought an affidavit from the SRA and in response to the query under consideration, the SRA, 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., Opel Securities Private*

		Limited had no business operations in the F.Y.: 2022-23 and F.Y.: 2021-22 and even during the CIRP. However, the Corporate Debtor being erstwhile promoter entity of Sintex Group, have extensive network and presence in the market. In view whereof, the Successful Resolution Applicant intends to revive the Corporate Debtor through its entrepreneurship skill and further intends to expand the business of manufacturing of vehicle bodies, frames, panels, boxes, etc. by using the extensive network and presence of the Corporate Debtor in the market." *(An original copy of the Affidavit submitted by 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 company's books of accounts.

<table>
<tr><td>4.</td><td>Action taken by the RP regarding collection of debt due to the corporate debtor</td><td>It is submitted that the CD had an outstanding receivable from one, M/s. BVM Finance Private Limited. However, M/s. BVM Finance Private Limited was admitted under CIRP by this Hon'ble Adjudicating Authority vide an order dated 08.02.2024.

Thus, the Applicant herein had duly submitted a Claim Form for such outstanding receivable during the CIRP of M/s. BVM Finance Private Limited and the same was admitted as a related party claim.</td></tr>
<tr><td>5.</td><td>The number of workers and employees of the CD for each year (two years prior to the CIRP and till date afterward)</td><td>The number of workers and employees of the CD for each year are as under:
<table>
<tr><th>Year</th><th>No o workers/employe</th></tr>
<tr><td>As on 31.03.2022</td><td>NIL</td></tr>
<tr><td>As on 31.03.2023</td><td>NIL</td></tr>
<tr><td>As on 31.07.2024</td><td>NIL</td></tr>
<tr><td>As on 31.03.2025</td><td>NIL</td></tr>
</table></td></tr>
<tr><td>6.</td><td>Reasons for default in payment committed by the CD and how the same is dealt in the plan submitted by the RA</td><td>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 their partners having sufficient net worth to implement the Resolution Plan. Net worth certificate of partners are submitted with RP separately demonstrating Resolution Applicant in position to implement the Resolution Plan."

Further, in the Affidavit submitted by the SRA which is annexed hereto and marked as ANNEXURE R2, it has been</td></tr>
</table>

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 Opel Securities Private Limited i.e., the Corporate Debtor was erstwhile promoter entity 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 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 27.10.2023.

10. It is submitted that the Successful Resolution Applicant proposes to infuse adequate working capital funds in the Corporate Debtor and intends to revive the Corporate Debtor through its entrepreneurship skill and further intends to expand the business of manufacturing of vehicle bodies, frames, panels, boxes, etc. by using the extensive network and

			presence of the Corporate Debtor in the market. *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 their partners having sufficient net worth to implement the Resolution Plan. Net worth certificate of partners are submitted with RP separately demonstrating Resolution Applicant in position to implement the Resolution Plan."* *12. In addition to the above, the Successful Resolution Applicant had duly addressed letter dated 03.05.2025 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 03.05.2025 may be treated as a part and parcel of the Resolution Plan. (A copy of the letter dated 03.05.2025 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 machinery of major	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 is a partnership firm and as per the partnership deed, the primary business activity of the firm is manufacturing of vehicle bodies, frames, panels, boxes, etc.* *15. It is further reiterated that the Corporate Debtor being erstwhile promoter entity of Sintex Group, have extensive network and presence in the market. In view whereof. The Successful Resolution Applicant intends to revive the Corporate Debtor through its entrepreneurship skill and further intends to expand the business of manufacturing of vehicle bodies, frames, panels, boxes, etc. by using the extensive network and presence of the Corporate Debtor in the market."*
10.	What is the year-wise business loss/ brought forward depreciation of	The details of the year-wise business loss/ brought forward depreciation of the CD as per

	the CD as per last filed income tax return	last filed income tax return have been duly filed by the Applicant herein before this Hon'ble Adjudicating Authority by way of Further **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 / 15.02.2021 2020-21 / 15.03.2022 2021-22 / 20.10.2022 2022-23 / 31.10.2023 2023-24 / 15.11.2024
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 for reviving 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 partners of the Successful Resolution Applicant have sufficient net worth to implement the Resolution Plan.* *17. Thus, it is submitted that the three partners of the Successful Resolution Applicant sufficient net worth are to having infuse adequate funds in the Corporate Debtor for reviving the business of the Corporate Debtor. Moreover, the Successful*

<table>
<tr>
<td></td>
<td></td>
<td>Resolution Applicant undertakes that they will be utilizing their own funds and not borrowed funds for reviving the Corporate Debtor.
18. The net worth of the three partners as per recent Chartered Accountant's certificate are as under:
<table>
<tr><th>Sr. no.</th><th>Name of partner</th><th>Net Worth (in Rs)</th></tr>
<tr><td>1.</td><td>Kunal Virang Shah</td><td>4,37,09,246/-</td></tr>
<tr><td>2.</td><td>Deepti Virang Shah</td><td>4,07,94,190/-</td></tr>
<tr><td>3.</td><td>Virang A. Shah</td><td>52,28,190/-</td></tr>
<tr><td></td><td>TOTAL:</td><td>8,97,31,626/</td></tr>
</table>
(The copies of the latest net worth certificates are marked and annexed hereto as ANNEXUREC Colly).</td>
</tr>
</table>

10. As directed by this Tribunal vide order dated 07.05.2025, the Applicant has filed Form H in the revised Format prescribed by the IBBI on 03.04.2025. Information, other than discussed above and other important information, as available in this Form, is summarised below:-

I. The RA, namely Deepvir Enterprise is engaged in the business of vehicle bodies, frames, panels, boxes etc.

II. Members of CoC are Zep Infratech Limited (98.70% voting rights), and Rajendra M. Thakkar (Ravasia) and sons Private Limited (1.30% voting rights).

III. The total admitted claims are of Rs 7,90,00,000/- for other than corporate guarantee claims. The Plan value results in the realisation of 10.13% of the Principal Amount and 10.13% of the total admitted claims.

IV. The Resolution Plan value is Rs. 80,00,000/-, against a fair value of Rs. 7,27,241/- and a liquidation value of Rs. 7,27,241/-.

V. The Plan amount of Rs 80,00,000/- will be distributed between unsecured financial creditors (Rs 80,00,000/-), and operational creditors (Nil).

VI. The Plan results in the realisation of 10.13% of the unsecured financial creditors (members of CoC) claims of Rs 7,90,00,000/-.

VII. The government claims are NIL. The full Plan amount is proposed to be utilized to pay the unsecured financial creditors, and the Plan leaves nothing for the Corporate Debtor or the proposed business of the corporate debtor.

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

IX. The CD has a business loss of Rs 0.08 crores and long-term capital loss of Rs 629.55 crores for the assessment year 2023-2024, and the expiry year for use of the same is 2031-2032.

X. CoC held eight meetings before approving the Plan.

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

Summary of Proposal

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:	*As per recent information provided by RP, the Corporate Debtor not having any outstanding Operational Creditor or no claim received from any operational creditors including no outstanding due of Government.*

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.* *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 80,00,000 (Upfront Cash Recovery) - NIL (unpaid Insolvency Resolution Process Costs and Standstill Period Costs) - INR 80,00,000 (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*
Upfront Fund Infusion	*Monies to be infused by the Resolution Applicant at the time of implementation of the Resolution Plan for discharge of unpaid Insolvency Resolution Process*

	Costs, Standstill Period Costs Upfront OC Discharge Amount within the period of 45 days from the date of approval of Resolution Plan by Adjudicating Authority

In any case, the Resolution Applicant shall not be liable to pay any amount more than the Total Financial Proposal, i.e. INR 80,00,000 (Rupees Eighty 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.*
2.	*Operational Creditors (including workmen and employees and Government Dues)*	*NIL*	*NA*
3.	*Financial creditors*	*7,90,00,000*	*80,00,000*
4	***Total***	***7,90,00,000***	***80,00,000***

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 if any is available with Corporate Debtor and we as Resolution Applicant would not have right over them. Further, RP of Corporate Debtor had submitted claim under IBC proceedings of BVM

Finance Private Limited. In this case recoveries under IBC proceedings from BVM Finance Private Limited shall be transferred to Financial Creditors and we as Resolution Applicant would not have right over them. However, maximum amount to be transferred to Financial Creditors shall be upto the amount of claims of Financial Creditors admitted by RP less amount recovered from this Resolution Plan as part of FC discharge amount and cash & bank balance i.e. maximum cap for amount to be transferred to Financial Creditors is upto haircut taken by Financial Creditors as pet this Resolution Plan. Any amount is received /recovered from the IBC proceedings of aforesaid Companies which is over and above of haircut amount undertaken by Financial Creditors, the same shall be retained by Corporate Debtor / Resolution Applicant.

12. 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 provided by the RP, following are the details of the Outstanding Details of the Corporate Debtor as of the Insolvency Commencement Date:

a) *The RP has received Claims from Financial Creditors for an amount of INR 7,90,00,000 (Unsecured financial creditors) of which entire amount of INR 7,90,00,000 has been verified and admitted as Financial Debt by the RP ("Financial Creditors Debt").*
b) *The RP has not received any Claims from any Operational Creditors (including workmen and employees and Government Dues) ("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 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 not received any Claims from any Operational Creditors (including workmen and employees and Government Dues).

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,*

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

Debtor, 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 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 partners of Resolution Applicant having sufficient net worth to implement the Resolution Plan.

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

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 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 remains the sole shareholder on the Effective Date.*

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

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.*

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

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.*

16. As per Clause 3.3.4.3 of the Resolution Plan, the **Monitoring Committee** is as under:

"...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......".

17. 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.*

18. <u>SOME ADDITIONAL FACTS</u>

- The Form G titled, (Invitation for Expression of Interest for Opel Securities Private Limited **not having any business activity at present**) dated 28.12.2023 stated that the company does not have any fixed assets, and its other assets are located in Gujarat. The Company has no material business operations in the last financial year, and it has zero employees.
- Information relevant to the present proceedings,

as available in the audited accounts of the CD for the financial year 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 1.75 crores. It is not known who the shareholders are? But company belongs to Sintex Group.
- Reserves and surplus of the company as on 31.03.2022 and 31.03.2023 were Rs (192.30 crores) and Rs (194.05 crores) respectively. The figures indicate that the company has accumulated a business loss of about Rs 200 crores.
- Long-term borrowings as on 31.03.2022 and 31.03.2021 were Rs 255.32 crores. These remained the same during the financial year 2021-2022. None of these lenders have filed claims before the RP.
- Trade payables were Rs 8.41 lakhs and 12.73

lakhs respectively as on 31.03.2022 and 31.03.2021. But, none of the creditors have filed a claim before the RP.

- Tangible assets were of Rs 90,340 and Rs 93,990 respectively as on 31.03.2022 and 31.03.2021. Indicating that the CD has negligible tangible assets.
- Non-current investments were of Rs 11.85 crores and 17.35 crores respectively as on 31.03.2022 and 31.03.202.
- Long-term loans and advances were of Rs 40.16 crores and Rs 26.78 crores, respectively, as on 31.03.2022 and 31.03.2021.
- Current assets comprising current investments, cash and cash equivalents, short-term loans and advances, and other current assets were of Rs 11.08 crores and Rs 17.91 crores, respectively, as on 31.03.2022 and 31.03.2021.
- During the year 2020-2021, the company had total revenue of Rs 3.99 crores, other expenses of

Rs 1.18 crores and a profit before tax of Rs 2.75 crores.

- During the year 2022-2023, the company had other income of Rs 15.92 lakhs and other expenses of Rs 224.70 crores, leading to a loss of Rs 224.55 crores.
- The company made a loss on the sale of investments of Rs 3.77 crores in the FY 2022-2023 and Rs 226.83 crores in FY 2020-2021.
- Other expenses in the year 2022-2023 included loss on surrender/redeemed investments of Rs 82.06 crore and Rs 141.94 crores as loss on sale/transfer of investments.
- During FY 2020-2021, the company made a profit on the sale of investments of Rs 3.72 crores.
- The company had made intercorporate loans of Rs 255.32 crores as on 31.03.2021 and 31.03.2022.

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 1.75 crores.
- Reserves and surplus of the company as on 31.03.2022 and 31.03.2023 were Rs 192.30 crores and Rs 60.92 crores, respectively.
- Long-term borrowings as on 31.03.2022 were Rs 255.32 crores and NIL respectively.
- Trade payables were Rs 8.41 lakhs and 1.32 lakhs respectively as on 31.03.2022 and 31.03.2023.
- Tangible assets were of Rs 90,340 and Rs 43,030 respectively as on 31.03.2022 and 31.03.2023.
- Non-current investments were of Rs 11.85 crores and 10.48 crores respectively as on 31.03.2022 and 31.03.2023
- Long-term loans and advances were of Rs 40.16 crores and Rs 43.47 crores, respectively, as on 31.03.2022 and 31.03.2023.
- Current assets comprising of current

investments, cash and cash equivalents, short term loans and advances, and other current assets were of Rs 11.08 crores and 8.72 cores respectively as on 31.03.2022 and 31.03.2023.

- During the year 2021-2022, the company had other income of Rs 3.98 crores and other expenses of Rs 2.33 crores and a profit before tax of Rs 1.63 crores.
- During the year 2022-2023, the company had other income of Rs 15.92 lakhs and other expenses of Rs 224.70 crores, leading to a loss of Rs 224.55 crores.
- The company made sales/reduction in investments of Rs 10.35 crores in the FY 2021-2022 and Rs 226.23 crores in FY 2022-2023.
- No salary and wages expenses in the years 2021-2022 and 2022-2023.
- Other expenses in the year 2022-2023 included loss on surrender/redeemed investments of Rs 82.06 crore and Rs 141.94 crores as loss on

sale/transfer of investments.

19. Sintex Power Limited granted a loan to the Corporate Debtor in the year 2014. The name of Sintex Power Limited was changed to Sixvents Power and Engineering Limited and Sixvents Power was amalgamated with Zep Infratech Limited; therefore, the loan receivable from the Corporate Debtor stood transferred in favour of and in the name of Zep Infratech Limited (the Financial Creditor). Zep Infratech and CD entered into an MOU on 01.07.2018 that provided that the loan amount of Rs 6.50 crores, along with a premium of 20%, would be payable on or before 30.06.2022. It is noted that the MOU is not on a stamp paper.

19.1. As the loan was not repaid by the CD, the FC filed application under section 7 of the IBC and the Corporate Debtor replied twice that, "**We 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".

19.2. The Valuation Report of one valuer, namely Nilesh R Barad, had valued security or financial assets as given below:

- Investments of book value of Rs 9,41,26,461 were valued at Rs 20 211.39
- Long-term loans and advances of Rs 47,40,80,137 were valued at NIL.
- Cash and bank balance of Rs 7,07,028 was valued at the same amount.

19.3. Maitri Valuation LLP provided another valuation report, which is similar to the one provided by Mr. Barad. The assets have been valued exactly at the same amount as was done by Mr. Barad. The Records reveal that the RP had received claims from two financial creditors of Rs 7,90,00,000, and the same amount was admitted as a claim. No claims were received from operational creditors, employees, and workmen.

20. As full information was not available in the Application seeking approval of the Plan therefore this Tribunal sought some clarifications vide order dated 19.06.2025. The information provided by the RP through the additional affidavit filed on 26.06.2025, to the extent helpful in taking a decision about the Plan, is given below:

- The Resolution Applicant is a partnership firm, namely M/s Deepvir Enterprises. It has been submitted that M/s Deepvir Enterprise, in consortium with M/s Kanha Ventures, had jointly submitted the Resolution Plan for an amount of Rs 7,75,00,000 in the case of M/s Zep Infratech Limited in CP (IB) 69 of 2023, which is the Applicant in the section 7 Application.
- The RP has submitted that it had not issued any communication to the creditors as required by Regulation 6A of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. The RP has submitted that the trial

balance drawn as on the date of CIRP, the CD did not have any material creditors except the unsecured FC, as well as the auditors of the company/CD. Both the unsecured creditors (M/s Zep Infratech Limited and M/s Rajendra M Thakkar (Ravasia) and Sons Private Limited had already submitted their claims. The RP has further submitted that there was regular verbal communication with the auditors of the CD, who had been duly made aware of the initiation of the CIRP against the CD, and even their services were also kept ongoing. The RP had also made communication with the GST and Income Tax authorities. The RP has additionally submitted that there were no material creditors as per the last books of account of the CD which needed to be communicated in terms of Regulation 6A.

- Both the unsecured financial creditors, who have filed their claims, and the CD are not related party as per the provisions of section 5 (24) of the

IBC, 2016.

- As directed by this Tribunal, the RP has also provided a copy of the Information Memorandum, which was not the part of the Plan Application filed by the RP for the approval of the Resolution Plan and not available on the DMS Portal. The IM states that the last audited accounts of the CD have been prepared for FY 2022-2023. Up to date books of accounts are being maintained on a regular basis. The IM notes that the provisional trial balance of the current year as on the CIRP commencement date is given in Annexure. A list of creditors is given in Annexure. As per trial balance as on 23.11.2023, the CD has no dues payable or receivable from the related party. The CD has no permanent employees. Major assets of the company as on 27.10.2023 consist of loan receivable from BVM Finance Private Limited of Rs 47.41 crores and investment in equity shares of BVM Finance

Private Limited of Rs 9.41 crores. Apart from this the CD has a bank balance of Rs 7 lakhs in two current accounts.

- The Company was incorporated on 08.11.1995 under the name of Opel Securities Private Limited, and the primary activity of the company consisted of investment in shares of Sintex Industries Limited and Sintex Plastics Technology Limited, since both these companies are under CIRP, the investment in these shares has been written off in the books of OSPL.
- The Information Memorandum refers to trial balance as on CIRP commencement date but the copy of IM provided to this Tribunal does not have any trial balance.
- A copy of claim forms received from M/s Zep Infratech Limited, and M/s Rajendra M. Thakkar and Sons Private Limited, having the address of 101, House of Grace, Padwal H, Bagle Estate Thane, 400604, are provided. The documents

provided show that M/s Rajendra M. Thakkar & Sons provided an inter-corporate loan of Rs 10,00,000 only on 30.09.2023, whereas the application under section 7 was filed on 15.10.2023.

- This non-compliance with Regulation 6A of the CIRP Regulations, which requires the RP to issue a public notice to creditors within 14 days of appointment, potentially deprived other creditors of the opportunity to file claims, thereby compromising the transparency and inclusivity of the CIRP process. This lapse further supports the Tribunal's concerns regarding the integrity of the resolution process.

21. ANALYSIS AND FINDINGS OF THIS TRIBUNAL

20.1 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 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.

- The CD has also filed an application under section 7 against BVM Finance Limited, a Group company, and BVM Finance Private Limited is also undergoing CIRP. Though the CD initiated proceedings against BVM Finance Private Limited, it may not get anything from the CIRP proceedings, being a related party.

- M/s Zep Infratech Limited has filed applications under section 7 in at least three other cases (Gabriel Ventures India Pvt. Ltd, Kolon Investments Pvt. Ltd, and Star Line Leasing Limited), and the resolution plans are filed in those cases and the same 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 except BVM Finance Private Limited or recover any amount.

- The CD has no business for the two years prior to the admission to the CIRP, and also not during the period of the CIRP.

- The CD has no tangible assets (no factory, no office, or other premises), and it has only financial assets, and those are valued at about Rs 7 lakhs. 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 huge business loss, long-term capital 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 relevance 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 Corporate Debtor through its entrepreneurship skills and further intends to expand the business of manufacturing of vehicle bodies, frames, boxes etc. by using the extensive network and presence of the Corporate Debtor in the market. 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 claims of the Resolution Applicant are not supported by reality on the ground and lack substance. 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 80,00,000, proposed in the Plan, is earmarked for payment to two financial creditors.

- The net worth of three partners (Shri Kunal Virang Shah, Smt Deepti Virang Shah, and Shri Virang Shah) of the RA (a partnership firm) is shown to have a net worth of Rs 8,97,31,626. This net worth also includes immovable properties, such as a residential bungalow, and movable properties, like cars. M/s Deepvir Enterprise had also submitted a Resolution Plan for Zep Infratech Limited.

21.2 The CD had assets and liabilities in hundreds of crores as on 31.03.2021, 31.03.2022, and 31.03.2023. 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.

21.3 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 Rs 7 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.

21.4 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. 3558). Additional information provided is extracted below:

- Date of initiation of CIRP- 27.10.2023
- Date of expiry of 180 days of CIRP: 24.04.2024
- The extended period of CIRP expired on 03.07.2024
- Fair value of CD is Rs 7,27,241
- Liquidation Value is Rs 7,27,241.

- Resolution Plan Value Rs 80,00,000.
- A total of 8 CoC meetings were held.
- Form H shows that CD was part of erstwhile promoter group entities of Sintex Industries Limited and Sintex plastic Technology Limited.
- No PUFE applications are made or pending.

22. 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."

23. 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.

24. 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.

25. As far as effective implementation is concerned, the Plan only provides for payment to the CoC members to be made within 30 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 7 lakhs. Even the CIRP cost has exceeded Rs 7 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 Ras except referring to its business and utilizing the CD to carry on its business of manufacturing. 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 7 lakhs. The case has potential of misuse of the business losses and long-term capital loss for income tax purposes.

26. 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.

27. Hon'ble Madras High Court in the matter of S.V. Ramani v.

Union of India (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 backcards 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?".

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

- The Corporate Debtor had hundreds of 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 7 lakhs.
- The filing of a petition under section 7 by M/s Zep Infratech Limited is apparently not for the

resolution of corporate insolvency but to help legally assist the CD get immunities as provided in 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 hundreds 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. The facts indicate that it was a very closed group that knew about the CIRP proceedings. There are no IAs by the third parties.
- The CD has carried forward business loss and long-term capital loss in hundreds of crores. Though the SRA 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, as the same is governed by the provisions of the Income Tax Act, 1961, and the Resolution Applicant's request for such a direction is irrelevant to the resolution process under the IBC, further highlighting the plan's misalignment with statutory objectives.

- 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. However, the CD had advanced long-term loans and advances of Rs. 43.47 crores and had trade payables of Rs. 1.32 lakhs as on 31.03.2023 (as per Paragraph 18), but these were not taken into account by the CoC while approving the Resolution Plan amount of Rs. 80,00,000 quoted by the SRA, indicating a lack of due diligence in maximizing creditor value.
- Whole money provided in the Plan will go 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. As discussed in this order, the net worth certificates of three individuals (partners of the firm) also include immovable property and other illiquid assets, which will not be available for the CD. The RA has also submitted a plan in the case of M/s Zep Infratech Limited.

29. The above facts raise serious doubts about the whole CIRP process initiated based on the application of Zep Infratech Limited. The whole exercise suggests an accommodation or collusive arrangement with the sole purpose of helping the CD get benefits of 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. These circumstances warrant an investigation under Section 65 of the IBC to determine whether the CIRP was initiated with fraudulent or malicious intent. The Liquidator is directed to examine this aspect as part of the financial investigation under Section 35(1)(l) of the IBC.

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

31. 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.

32. The RP has not filed any IA before this Tribunal regarding non-co-operation from the CD. The RP has neither proposed nor has an initiative been taken by the CoC for identifying the avoidance transaction. There are no 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 and 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.

33. 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.

34. Commercial wisdom of the CoC: The role of CoC is questionable. The decision of the CoC to approve everything put up to it with a 100% majority and without raising any pertinent questions/clarifications on anything during the whole CIRP indicates a behaviour not of prudent decision makers and at arm's length. The CoC's approval of the resolution plan with a 100% majority, without questioning significant transactions undertaken, financial discrepancies, or the absence of audited accounts for FY 2023-24 and FY 2024-25, reflects arbitrary and irrational conduct. Such failure to exercise due diligence violates the CoC's duty to maximise value under Section 30(4) and undermines the IBC's objectives. 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 two CoC members.

35. 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."*

36. 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.

37. 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 plan value of Rs 80 lakhs. The whole money goes to the stakeholders, and nothing remains for the CD, not even for equity capital contribution.

38. 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."

39. 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.

40. 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 does not provide any information on the business projections of the CD and how will it be achieved.

41. Thus, in substance and spirit, the resolution plan does not comply with the provisions of Sections 30(2)(c), (d), (e), and (f) and Section 31 of the IBC, 2016, and Regulation 38(3) of the CIRP Regulations, as it fails to provide for the management of the CD's affairs, effective implementation, compliance with applicable laws, and demonstrates the RA's capability to implement the plan.

42. 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.

43. 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.

44. 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.

45. 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.

46. 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.

47. As a consequence, following the rejection of the resolution plan under Section 31(2) for non-compliance with statutory requirements, and given the mandatory requirement under Section 33(1)(b) to initiate liquidation upon failure to approve a resolution plan within the CIRP period (expired on 03.07.2024), the Tribunal orders the liquidation of the Corporate Debtor to maximize creditor value and conclude the insolvency process.

48. 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.

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

a) The Corporate Debtor **Opel Securities 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, **Bimal Ashok Desai**, having Reg. No. IBBI/IPA-001/IP-P00748/2017-2018/11281, E-mail ID; bimal.a.desai@icai.org, Mobile No. 93762-10286 is hereby appointed as a Liquidator of the Corporate Debtor i.e. **Opel Securities 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

50. Accordingly, **IA (Plan) No. 25 of 2024** in CP(IB) No. 257 of 2023 stands **dismissed** and disposed of.

51. 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- -Sd-

SANJEEV KUMAR SHARMA
MEMBER (TECHNICAL)

SHAMMI KHAN
MEMBER (JUDICIAL)

RAJEEV SEN