

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – 1, AHMEDABAD

ITEM No.311- IA/1544(AHM)2025
In
CP(IB) 249 of 2020

Under Section 60(5) IB Code, 2016 r.w. Rule 11 of NCLT Rules, 2016

IN THE MATTER OF:

Alap Pradeepkumar Gadhvi Successful Bidder of M/s Balaji Fibre Reinforce Pvt. LtdApplicant

V/s

Ashish A Shah Liquidator of Balaji Fibre Reinforce Pvt. LtdRespondent

Order delivered on: 11/05/2026

C O R A M:

MR. SHAMMI KHAN, HON'BLE MEMBER (J)
MR. SANJEEV 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 SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)

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



**IA/1544(AHM) 2025
In
CP(IB)No.249/NCLT/AHM/2020**

*[An application filed under Section 60(5) of the Insolvency and
Bankruptcy Code, 2016]*

In the matter of: M/s. Balaji Fiber Reinforce Private Limited

**Alap Pradeepkumar Gadhvi
Successful Bidder of
Balaji Fiber Reinforce Private Limited**

Having address at:
57, Sursangram Society,
Mulik Tenament,
B/h PT Qtrs, Jodhpur,
Ahmedabad 380015

...Applicant

VERSUS

**Ashish A Shah
Liquidator of
Balaji Fiber Reinforce Private Limited**

Having Registered office of IP (with IBBI) at:
Ashish Shah & Associates
402, Shaival Plaza, Nr. Gujarat College,
Ellisbridge, Ahmedabad,
Gujarat, 380006

.... Respondent

Order Pronounced on 11.05.2026

C O R A M:

**SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)
SH. SANJEEV SHARMA, HON'BLE MEMBER (TECHNICAL)**



APPEARANCE:

For the Applicant : Mr. Atul Sharma, Adv
For the Respondent/Liq. : Mr. Yashraj Champawat, proxy
Adv. for Mr. Tirth Nayak

ORDER [Per: Bench]

1. This Interlocutory Application is being filed by the Applicant, Alap Pradeep Kumar Gadhavi, under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 32(e) and 32A of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and Rule 11 of the National Company Law Tribunal Rules, 2016, seeking approval of the reliefs and concessions, inter alia, as prayed for hereinbelow:

- A. *Allow the present application and pass appropriate orders in favour of the Applicant.*
- B. *Grant and allow the reliefs and concessions sought by the Applicant, being the Successful Bidder, as more particularly set out in paragraph of the present application, in order to enable the continuation/running the Corporate Debtor as a going concern.*
- C. *Pass such other and further orders as this Hon'ble Adjudicating Authority may deem fit, proper and necessary in the interest of justice, equity and good conscience, and in furtherance of the objectives of the Insolvency and Bankruptcy Code, 2016.*

2. The facts leading to the present application are as follows:-



- 2.1. The Applicant submits that the present application falls within the jurisdiction of this Hon'ble Tribunal. It is stated that C.P. (I.B.) No. 249/NCLT/AHM/2020 was admitted by this Hon'ble Tribunal on 11.05.2022 initiating CIRP of the Corporate Debtor Balaji Fiber Reinforce Private Limited and thereafter, a liquidation order was passed on 16.02.2024. Accordingly, the subject matter of the present application is within the jurisdiction of this Hon'ble Tribunal.
- 2.2. The Applicant respectfully submits that he is an individual purchaser who has acquired the Corporate Debtor as a going concern through a duly conducted e-auction under Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016, in accordance with the orders of this Hon'ble Tribunal. The acquisition was made for a total consideration of Rs. 15,55,28,482/-, comprising Rs. 15,30,00,000/- towards principal and Rs. 25,28,482/- towards interest, pursuant to the e-auction held on 28.08.2025.
- 2.3. The Applicant respectfully submits that this Hon'ble Tribunal, vide order dated 11.05.2022 passed in C.P. (I.B.) No. 249/NCLT/AHM/2020, admitted the Corporate Debtor into Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 and appointed Mr. Jignesh Ajit Ganatra (Reg. No. IBBI/IPA-001/IP-P01506/2018-2019/12393) as the Interim Resolution Professional (IRP) of the Corporate



Debtor. A copy of the CIRP admission order dated 11.05.2022 is annexed herewith as **Annexure A**.

- 2.4. The Applicant respectfully submits that the Committee of Creditors (CoC), in its meeting, inter alia, resolved to replace the Interim Resolution Professional with Ms. Bhavi Shreyas Shah (Reg. No. IBBI/IPA-001/IP-P00915/2017-18/11521) as the Resolution Professional of the Corporate Debtor. Pursuant thereto, this Hon'ble Tribunal, vide order dated 31.07.2023 passed in I.A. No. 798 of 2023 in C.P. (I.B.) No. 249/NCLT/AHM/2020, confirmed her appointment. A copy of the said order is annexed herewith as **Annexure B**.
- 2.5. The Applicant submits that the CoC, in its meeting held on 21.12.2023, approved the Resolution Plan; however, due to failure of the Successful Resolution Applicant to deposit the mandatory Performance Security, this Hon'ble Tribunal rejected the plan and, vide order dated 16.02.2024 in I.A. No. 2 of 2024 in C.P. (I.B.) No. 249/NCLT/AHM/2020, ordered liquidation of the Corporate Debtor and appointed Mr. Ashish A. Shah (Reg. No. IBBI/IPA-002/IP-N00214/2017-18/10666) as Liquidator. A copy of the said order is annexed herewith as Annexure C.
- 2.6. The Applicant respectfully submits that pursuant to the liquidation order dated 16.02.2024, the Liquidator assumed charge of the Corporate Debtor and, in discharge of his duties under the Code and IBBI



(Liquidation Process) Regulations, 2016, issued an e-auction sale notice dated 22.07.2025 for sale of the Corporate Debtor as a going concern. The said process was conducted in accordance with the applicable statutory framework. A copy of the e-auction sale notice is annexed herewith as **Annexure D**.

2.7. The Applicant respectfully submits that he participated in the e-auction conducted on 28.08.2025 for sale of the Corporate Debtor as a going concern and was declared the highest and successful bidder with a bid of Rs. 15,30,00,000/-. Pursuant thereto, the Liquidator issued a Letter of Intent (LoI) dated 02.09.2025 confirming the Applicant's selection as the Successful Bidder. A copy of the LoI is annexed herewith as **Annexure E**.

2.8. The Applicant respectfully submits that, in compliance with the terms of the e-auction process, the Applicant deposited the entire sale consideration, comprising Rs. 15,30,00,000/- towards principal and Rs. 25,28,482/- towards interest, within the prescribed timelines. Upon full and final payment, the Liquidator issued a Sale Certificate dated 01.12.2025 in favour of the Applicant, thereby completing the sale of the Corporate Debtor as a going concern, along with handover of possession. Copies of the Sale Certificate, possession documents and related records are annexed herewith as **Annexure F**.

2.9. The Applicant respectfully submits that pursuant to the sale of the Corporate Debtor as a going concern under



Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016, the Applicant has lawfully acquired the Corporate Debtor and stepped into its position as a continuing enterprise with all rights, titles and interests. It is further submitted that such acquisition is free from all past encumbrances, claims, liabilities, or proceedings of any nature whatsoever, whether known or unknown, asserted or unasserted, contingent or crystallised, arising prior to the liquidation commencement date, except as otherwise provided under the Code.

2.10. The Applicant respectfully submits that Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016 permits sale of the Corporate Debtor as a going concern to preserve its status as a live economic entity, maximise value, and safeguard stakeholder interests. In the present case, the Applicant has acquired the Corporate Debtor as a going concern, which is akin to a resolution in substance. It is therefore just, equitable and in furtherance of the objectives of the Code that this Hon'ble Tribunal grant the necessary reliefs and concessions to enable continued and sustainable operation of the Corporate Debtor as a going concern.

2.11. The Applicant respectfully submits that in view of the aforesaid facts and having acquired the Corporate Debtor as a going concern under the Code and applicable regulations, the Applicant has approached this Hon'ble Tribunal seeking necessary reliefs, concessions and



directions to facilitate effective consummation of the sale and to enable revival and continued operation of the Corporate Debtor as a going concern. It is submitted that such reliefs are essential to achieve value maximisation and to fulfil the objectives of the Code.

2.12. The Applicant respectfully submits that in ***Shiv Shakti Inter Globe Exports (P.) Ltd. vs. KTC Foods (P.) Ltd., reported in [2022] 138 taxmann.com 511 (NCLAT, New Delhi)***, it has been held as under:

i). Adverting to the contention of the Learned Counsel for the Appellant that the Adjudicating Authority has erred in denying the sale of the 'Corporate Debtor' as a 'going concern' to the Appellant without including any contingent liabilities, we hold that it is a settled law that when the sale proceeds of a 'Corporate Debtor' are duly distributed in the Order of priority and in the manner prescribed under section 53 of the Code, claims of any other Creditor cannot be entertained contrary to the provisions



entailed under section 53; subsequent to the distribution of proceeds under section 53 no other entity including Government entity can claim any past unpaid or outstanding against the Appellant who has purchased the 'Corporate Debtor Company' as a 'going concern'. It is significant to mention that the second Respondent/Liquidator has specifically submitted that even these claims by the Uttar Haryana Bijili Vitran Nigam were not submitted in the prescribed form either during the CIRP Process or at the Liquidation stage. We are of the considered view that at this stage subsequent to the sale of the 'Corporate Debtor Company' as a 'going concern', these claims cannot be foisted upon the Appellant. The scope and objective of the Code is to extinguish all claims specifically the ones which were not even made during the CIRP or in the Liquidation stage, to aid the purchaser of the Company as a 'going concern' to start on a 'clean slate'. The Hon'ble Supreme Court in 'Ghanashyam Mishra & Sons (P.) Ltd.' (supra), and in 'CoC of Essar Steel India Ltd.' (supra) has laid down the proposition that the purchaser of the Company even in the Liquidation stage cannot be burdened with past liabilities when it is not mentioned in the 'Sale Notice'.

ii). It is no longer *res Integra* that while approving a 'Corporate Debtor' sale as a 'going concern' in Liquidation Proceedings without its dissolution in terms of regulation 32(e) of the Liquidation Process Regulations, 2016, it is essential to see that the 'Corporate Debtor' is not burdened by any past or remaining unpaid outstanding liabilities prior to the sale of the Company as a 'going concern' and after payment of the sale proceeds distributed in accordance with section 53 of the Code. The Impugned Order in I.A. 889 of 2020 is modified to the extent that

the sale of the first Respondent as a 'going concern' is upheld and the direction sought for in prayer (c) & (e) in CA No. 1189 seeking extinguishment of past/remaining unpaid outstanding liabilities including contingent liabilities, prior to the 'going concern', after payment of sale proceeds distributed in accordance with section 53 of the Code, is allowed.

2.13. The Applicant respectfully submits that in ***RMY Industries LLP v. Apple Industries Pvt. Ltd. (through its Official Liquidator), Company Appeal (AT) (Insolvency) No. 1114 of 2022***, the Ld. Adjudicating Authority had rejected an application seeking reliefs, waivers and exemptions, which was challenged before the Hon'ble NCLAT. Upon consideration, the Hon'ble NCLAT, relying on the aforesaid judgment, was pleased to observe as under:



"2. Appellant was the Successful Auction Purchaser in the liquidation proceeding where assets were sold as going concern on 'as is where is' basis. In the application I.A. No. 880 of 2022, the Appellant in Para 28 has claimed about 30 reliefs and concessions. The Adjudicating Authority has rejected application observing that no relief and concession can be granted.

3. Learned counsel for the Appellant has relied on judgment of this Tribunal in "Company Appeal (AT) (Ins.) No. 650 of 2020, Shiv Shakti Inter Globe Exports Pvt. Ltd. v. KTC Foods Private Limited". In the aforesaid case with regard to liquidation sale as going concern Liquidator has filed application for certain relief which was related to the past dues and prayer for extinguishment of past/remaining unpaid outstanding liabilities, which was permitted.

4. We are of the view that the Adjudicating Authority is empowered to consider any application filed by the Successful Auction Purchaser, which may arise with regard to terms and conditions of auction sale or sale as going concern as per the Liquidation Regulation. We, thus, are of the view that equity of justice be served in giving liberty to the Appellant to file an appropriate application before the Adjudicating Authority, which may arise from the terms and conditions of the auction sale or sale as going concern, which may be considered by the Adjudicating Authority. The Appeal is disposed of with liberty aforesaid."

2.14. The applicant therefore seeks the following reliefs/ concessions/ relaxations/and permission from this Hon'ble Tribunal to run the corporate debtor smoothly as a 'going concern':

- a. All the agreements/ documents entered into by the Company with the Secured creditors shall be deemed to be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts extinguished on payment of the amount as stipulated under this sale as going concern and the Company and the Applicant or its nominee's/ successors/ partners/acquirers shall at no point of time, directly or indirectly, have any




obligation, liability or duty in relation to such agreements/ documents.

- b. Secured Creditors shall upon payment of all the amount as stipulated under sale as going concern issue necessary no due certificate to enable the company to satisfy all changes registered with the office of the Registrar of Companies and or office of sub-registrar/mamlatdar and sign such form/document as is required by such authority in order to satisfy/cancel the charge over the properties of the Company with in stipulated time provided under the relevant provisions of law.
- c. Secured Creditors shall upon payment of all the amount as stipulated under this Sale as going concern of CD shall release all the original title deeds, documents and papers held by them in respect of the Company.
- d. Claimants shall upon distribution of sale proceeds by the Liquidator in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016 shall withdraw all litigations filed by the Claimant against the Company with any judicial/ quasi-judicial/ arbitration or any such other forum.
- e. The claims of the Employees whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, shall



stand settled and to the extent of the remaining dues, shall stand permanently extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the Company.

- f. The claims of the Financial Creditors, Operational Creditors, Workers, Guarantors if any and any other class of claimants including foreign liabilities or liabilities of subsidiary companies whether Indian or Foreign Companies or firms, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future shall stand permanently extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the company. Purchaser or its nominee's/successors/acquires shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation to such unsecured Financial Creditors.
- g. The Financial Creditors shall ensure that all "Red Flagging", or "Fraud", or "Default" or "NPA" or such other negative classification on the Corporate Debtor, as applicable, shall stand withdrawn, including from the records of CRILIC, ROC, CERSAI, TransUnion, CRISIL, and Credit



Information Bureau (India) Limited (CIBIL).

- h. All the claims of the Operational Creditors and Statutory Creditors whether filed or not with the liquidator, whether admitted or not by the liquidator, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, shall stand settled and to the extent of the remaining dues, shall stand permanently extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the Company. Operational Creditors and Statutory Creditors shall not have any further right or claim against the Company, in respect of any claim or dues against the Company related to the period prior to the acquisition of the Corporate Debtor as Going Concern basis.
- i. All the agreements/ understanding/ communication entered into by the Company with the Operational creditors and statutory creditors will be deemed to be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts extinguished on payment of the amount as stipulated under this sale as going concern of CD and the company and the purchaser or its



nominee's/successors/acquirers shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation to such agreements/documents.

- j. The constitutional documents of the Corporate Debtor including the Memorandum of Association and Article of Association shall stand revised. The amendment to the Memorandum of Association, including the revision of capital clause therein, shall be pursuant to the approval of these reliefs and shall not require any additional approval from the shareholder or otherwise. The purchaser may cause amendments to the Article of Association of the Company, upon the authorized persons who will be part of the managing and operating the affairs of the company are identified.
- k. Upon extinguishment and cancellation of the entire existing share capital of the Corporate Debtor, the entire existing issued and paid-up share capital shall be reduced to Nil upon the Sale as going concern of CD being sanctioned by NCLT, and the amount of existing paid-up share capital shall be adjusted in the Capital Reserve account of the Corporate Debtor. Such reduction of share capital of the Company shall be affected as an integral part of the Sale as going concern of CD and the orders of the NCLT sanctioning the Sale as going concern of



CD shall be deemed to be an order under Section 66 of the Act confirming the reduction and no separate sanction under section 66 of the Act will be necessary. The Company shall not be required to add the words “and reduced” as a suffix to its name consequent upon such reduction.

1. The Department of Registration and stamps of the relevant State and Ministry of corporate Affairs shall exempt the Applicant(s) and the corporate debtor, from the levy of stamp duty and from fees applicable in relation to issue of shares including any financial arrangements pursuant to this Application.
- m. Consequent to the said reduction, the existing share certificates issued by the Company shall stand cancelled and will not have any effect after the Sale as going concern of CD.
- n. Without any further application, act or deed, the company shall issue and allot Equity Shares, at such value as the new Board of Directors, of the Company to Successful bidder or their nominees, as proposed by the Applicant, on the date to be fixed by the newly constituted Board of directors. It is clarified that approval of this Sale as going concern of CD by the NCLT shall be deemed to be the due compliance of the provisions of Section 42 and/or 62(1)(c) of the Act and the other relevant and



applicable provisions of the Act for the issue and allotment of equity shares by the CD and no separate resolution or approval of the Company would be required to be passed by the Company for the said issue and allotment of such Equity Shares.

- o. The Waiver of principal Loan amount/and/or waiver of any other creditors (operational/financial/unsecured. loan/other liabilities) as well as waiver of interest as appearing in the books of accounts of the Company as on the date of approval of the Sale as going concern of CD by NCLT and such written back amount will be credited to the capital reserve in the books of accounts following approval of the sale as going concern of CD by NCLT and shall not be taxed as perquisite or benefits under Section 28(iv) and cessation of liability under Section 41(f) or any other relevant sections/ rules/regulations of the Income Tax Act and shall not be liable for MAT tax under the provisions of Income Tax Act, 1961.
- p. The Corporate Debtor shall draw its financial statements in subsequent year(s) so as to reflect the true and fair value of its assets by writing-off the book value of its assets including but not limited to book-debts, inventories etc. and such write-off shall be claimed as losses under the provisions of the Income Tax Act, 1961: 38.



- q. The Corporate Debtor shall be entitled to dispose of its assets, current or non-current; in the manner as it deems fit and losses incurred on disposal of such assets shall be claimed as loss under the provisions of the Income Tax Act, 1961.
- r. The existing license i.e. BIS, Import Export No., GST, Factory Licence, Labour Licence, Pollution License held by the Corporate Debtor shall continue to remain in force and shall be treated as valid for the next twelve (12) months from the date of the Order of Relief and Concession issued by this Hon'ble Tribunal.
- s. The Electricity Board to restore/continue the supply of electricity on the premises of the Corporate Debtor/ grant a fresh electricity connection to the Corporate Debtor without insisting on clearance of past dues, or charges relating to the period prior to acquisition of Corporate Debtor as Going Concern.
- t. The Successful Bidder/ New Management seeks direction that the Gujarat Pollution Control Board shall not raise demand or enforce any liability, penalty, charge, or dues pertaining to the period prior to acquisition of Corporate Debtor as going Concern and that all such claims shall stand extinguished in accordance with Section 31 of the Insolvency and Bankruptcy Code, 2016. Further, any show cause notice and/or closure notice, if any,



issued by Gujarat Pollution Control Board shall stands revoked and/or withdrawn, without following any process.

- u. The New Management will pursue all the pending matters in relation to the Arbitration & Conciliation, in relation to the existing Matter and the Outcome/benefits of the said award will be availed by the new Management.
- v. The new board of directors of the Corporate Debtor shall consist of following person:
 - a. Ajay Manhardan Gadhavi (PAN No. BPRPG6121D)
 - b. Karan Hitendrasinh Gadhavi (DIN: 10982677)
 - c. Gadhavi Ajitdan Jibhai (PAN No. AIKPR8258F)
 - d. Gadhavi Hanubha Govindbhai (DIN: 09336729)
- w. Immediately upon acquisition and approval of the relief by the Hon'ble NCLT, appointment of above-named directors shall be deemed to be ratified and existing Directors shall deemed to have resigned from the Board of the Company from the date of issuance of sale certificate and newly appointed Directors shall file cessation of existing directors with the Registrar of Companies along with copy of the order of the Hon'ble NCLT and without being required to obtain individual resignation of the directors.
- x. The Registrar of Companies shall not prosecute



additional fees or penalties for offence committed under the provisions of Companies Act, 2013, prior to the date of approval of the relief and concession by NCLT.

- y. The existing statutory Auditors would be deemed to have resigned as Auditors of the Company and Purchaser would be entitled to appoint alternate Auditors. Company would comply with necessary filing with the office of Registrar of Companies in this regard.
- z. All notices, assessments, appellate or other proceedings pending or threatened of any statutory departments pending in any department/court/tribunal under any law for the time being in force in relation to the Company, in relation to any period prior to the approval of relief and concession by NCLT shall stand terminated and withdrawn and all consequential liabilities, if any, shall, stand extinguished and be considered as not payable by the Company on approval of this relief and concession by the NCLT and any re-assessment, revision or other proceedings would be deemed to be barred in relation to any period prior to the NCLT Approval Date, by virtue of the order of the Adjudicating Authority approving this relief and concession and the Company and new management shall at no point of time be, directly or indirectly,



held responsible or liable in relation thereto.

- aa. If any suit, writ petition, appeal, revision, claim, litigation, disputes or other proceedings of whatsoever nature against the company by any of the existing creditors or statutory department like Income Tax/GST/sales tax/PF/ESIC labour laws or any other law for the time being in force and are pending before any court or any authority under any Act the same shall be terminated on the effectiveness of the sale as going concern of CD and the rights, obligations and liabilities of the creditors under the sale as going concern of CD shall be governed by the terms of this sale as going concern of CD. The proceedings in the above clause means legal proceedings against the company, its new directors, new officers or any other person which may arise directly/Indirectly from non-payment of dues by the Company.
- bb. All liabilities (whether contingent or crystallized) in relation to any corporate guarantees, indemnities, extension and all other forms of credit support provided by the Company prior to the Upon approval of the Sale as going concern of CD by NCLT shall stand extinguished. However, it is clarified that all the liabilities, personal guarantee, corporate guarantee provided by the erstwhile promoters/directors/guarantee of the Company



shall be in subsistence and financial creditors shall have the right to continue and proceed against the erstwhile promoters/ directors/guarantors which shall not include company or new management. The Powers of Attorney (POA) and/or other authorizations or mandates (including the sub-delegations of POA, if any, by the Attorneys), in whatsoever form, issued by the Company prior to the approval of the Sale as going concern of CD by NCLT to any person to enable such person to carry out various functions of the Company shall stand revoked and rescinded.

cc. All consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license granted in favor of the company or to which the company entitled or accustomed to shall, notwithstanding any provisions to the contrary in their terms and notwithstanding that they may have already lapsed or expired due to any non-compliance or efflux of time, be deemed to continue without disruption for the benefit of the Company. Upon approval of the relief and concession by the NCLT, the liquidator of the Company shall hand over peaceful possession of all the properties and assets of the Company whether moveable or immovable, so far not disposed off, alienated or transferred.



- dd. Any claims, liabilities, demands, penalties, non-compliances etc. of whatsoever nature of any provisions of any law, rules, regulations, order, notification, circular, master circular, master directions, guidelines, policies, licenses, approvals, consents, permissions etc. including the Foreign Exchange Management Act, 1999 and the Companies Act, 2013 before any government, ministry, department, authority etc. including Reserve Bank of India, Registrar of Companies for the investments made in any share, security, property, asset etc. by the Corporate Debtor or its sale, transfer, write-off etc. by the Corporate Debtor for any period prior to the date of passing the order shall be deemed to be extinguished without any further deed, act or compliance required in this regard. Consequentially, such government, ministry, department, authority etc. including Reserve Bank of India, Registrar of Companies be directed to remove the name of the Corporate Debtor from the list of defaulters, non-compliant entity etc. without any further compliance of period prior to allowing of this Application.
- ee. Creditors of the corporate debtor which include creditors in any form or category including statutory authorities i.e. GST or Income Tax or any other statutory dues shall stand extinguished qua



the Approval of these reliefs as sought by the Purchaser. The Statutory Authority will have authority to receive their dues in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016 from the Liquidator.

ff. The purchaser seeks support and assistance of the Liquidator for the smooth functioning of the corporate debtor to complete the entire process of transfer for purchasing the corporate debtor as a going concern.

gg. As on the liquidation commencement date, all outstanding negotiable instruments, issued by the company or any person on behalf of the company shall be deemed to have been cancelled /shall stand terminated and no liability arise on the same.

2.15. Upon approval of the Resolution Plan, the Corporate Debtor, its assets, and the Successful Resolution Applicant along with the new management shall be entitled to all immunities and protections under Section 32A of the Insolvency and Bankruptcy Code, 2016, and shall not be liable for any acts or omissions of the Corporate Debtor prior to commencement of CIRP.

2.16. Upon approval of the Resolution Plan, the existing Board of Directors of the Corporate Debtor shall stand vacated without any further act or deed and without payment of any compensation. The Successful Resolution Applicant



shall be entitled to appoint a new Board of Directors.

2.17. Upon approval of the Resolution Plan, the new Board shall, without any further approvals, be authorized to issue and allot equity shares of the Corporate Debtor to such persons and on such terms as it deems fit. The consideration received under the Resolution Plan may be treated as equity or loan, as determined by the new Board.

2.18. All assets and statutory benefits of the Corporate Debtor, including tax losses, TDS claims, GST input credit and other fiscal incentives shall continue and shall not lapse due to prior non-compliances. The Successful Resolution Applicant may file pending returns or statements for prior periods, and no penalty, interest or additional liability shall arise on account of such past defaults.

Incidental Reliefs and Concessions

- a. The status of the Corporate Debtor in the MCA portal shall be converted as "Active" from the status of "liquidation".
- b. The bid submitted by the Applicant be considered to be a resolution plan for all purposes under the Income Tax Act, 1961.
- c. It is submitted that Applicant is proposing to acquire the Corporate Debtor as a going concern which is similar to resolution/revival of the Corporate Debtor. In light of the same, Applicant



prays for the customary reliefs and concessions set out in aforesaid mentioned paragraphs for the successful implementation of this acquisition done by the Applicant.

d. All indemnity or protection or relief or concession as available for a Resolution Plan under Section 32A of the Insolvency and Bankruptcy Code, 2016 shall be extended to the present acquisition.

2.19. The Applicant submits that the present Application is filed bona fide and in good faith, in accordance with the provisions and spirit of the Insolvency and Bankruptcy Code, 2016 and the regulations framed thereunder; further, no other application on the same subject matter has been filed or is pending before any Tribunal, Forum or Court, including the Hon'ble Supreme Court of India; and the Applicant craves leave of this Hon'ble Tribunal to add, amend, alter or modify the present Application, if so required.

3. This Adjudicating Authority Vide Order dated 05.01.2026 directed the Liquidator to file a reply along with the **auction process and tender documents** to be placed on record. The liquidator filed his reply on 07.02.2026. The Respondent/Liquidator has set out the facts in the following manner:

3.1. It is submitted that this Hon'ble Adjudicating Authority



(“AA”), vide order dated 11.05.2022 passed in CP(IB) No. 249 of 2020, admitted the Corporate Debtor into the Corporate Insolvency Resolution Process (“CIRP”) and appointed Mr. Jignesh Ajit Ganatra as the Interim Resolution Professional (“IRP”); a copy of the said CIRP admission order is annexed to the present Application as Annexure–A.

- 3.2. It is submitted that the Committee of Creditors (“CoC”), in its meeting held on 05.07.2023, inter alia, resolved to replace the IRP with Ms. Bhavi Shreyas Shah as the Resolution Professional (“RP”) of the Corporate Debtor; pursuant thereto, this Hon’ble Adjudicating Authority, vide order dated 31.07.2023 passed in IA No. 798 of 2023, was pleased to appoint Ms. Bhavi Shreyas Shah as the RP, and a copy of the said order is annexed to the present Application as Annexure–B.
- 3.3. It is submitted that the CoC, in its meeting dated 21.12.2023, approved a resolution plan, pursuant to which IA (Plan) No. 2 of 2024 was filed for its approval; however, due to failure of the Successful Resolution Applicant to deposit the Performance Security, this Hon’ble Adjudicating Authority, vide order dated 16.02.2024, rejected the plan, ordered liquidation of the Corporate Debtor, and appointed the Applicant as Liquidator; a copy of the said order is annexed as Annexure–C.
- 3.4. It is submitted that pursuant to the liquidation order



dated 16.02.2024 passed by this Hon'ble Adjudicating Authority, the Applicant published a public announcement in Form B under the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016 on 19.02.2024 inviting claims from the stakeholders of the Corporate Debtor; a copy of the said public announcement is annexed hereto as Annexure-D.

- 3.5. It is submitted that pursuant to the public announcement, claims were received from various stakeholders of the Corporate Debtor and, upon verification and collation, the Applicant prepared the list of stakeholders and constituted the Stakeholders' Consultation Committee ("SCC"), which was placed before this Hon'ble Adjudicating Authority in IA No. 691/2024 and taken on record vide order dated 30.04.2024; thereafter, a revised list of stakeholders and reconstitution of the SCC was filed on 10.10.2024 and taken on record vide order dated 23.10.2024 passed in IA No. 1611/2024, and copies thereof are annexed as Annexure-E.
- 3.6. It is submitted that pursuant to the liquidation order dated 16.02.2024 and in accordance with the discussions and consultations held from time to time in the meetings of the Stakeholders' Consultation Committee, the Applicant conducted the auction process of the Corporate Debtor, and the last auction notice was published on 23.07.2025 in Financial Express (All India –



English) and Financial Express (All Gujarat – Gujarati), setting out the relevant lot(s) and reserve price(s).

Lot	Description of Asset to be Sold	Reserve Price (₹)
1	Sale of Corporate Debtor as going concern	15,30,00,000/-
2	Land situated at Survey No.: 293, 293p, 289 of Village Poicha, Tal-Savli, Dist- Vadodara, ad-measuring 21,725 sq. mtrs along with building(s) constructed thereon; Plant & Machinery for manufacturing of FRP, GRP, Fiber and other related items located at below premise; Stock in the nature of Finished/Semifinished Goods lying at the below premise	14,54,00,000/-
3	Plant & Machinery for manufacturing of FRP, GRP, Fiber and other related items located at below premise; Stock in the nature of Finished/Semifinished Goods lying at the below premise location: S. No. 293, Sakarda-Badva Road, Nr. S D Finechem, Village- Poicha, Ta-Savli, Vadodara- 391 780	5,67,00,000/-

3.7. That pursuant to the above sale notice, following was the timeline / activity schedule:

Activity	Schedule (On or before)
Publication of Sale Notice	23.07.2025
Issuance of Process Document	23.07.2025
Submission of documents by bidders on auction platform and inspection of assets/due diligence of assets by eligible bidders	22.08.2025
Payment of EMD	25.08.2025
Commencement of E-Auction Bidding	28.08.2025 at 1:00 PM
Conclusion of E-Auction Bidding	28.08.2025 at 3:00 PM
Due Diligence of H1 Bidder on compliance	29.08.2025 to 31.08.2025

3.8. It is submitted that pursuant to the e-auction sale notice dated 23.07.2025, the auction was scheduled on



28.08.2025, and a tender document bearing No. Balaji/2025/004 was also issued for the sale of the Corporate Debtor as a going concern as well as other lot(s); a copy of the said e-auction notice along with the tender document is annexed hereto as Annexure-F.

- 3.9. It is submitted that pursuant to the sale notice dated 23.07.2025, the Applicant was the sole participant who submitted the EMD and eligibility documents and participated in the e-auction held on 28.08.2025; upon conclusion of the said e-auction for sale of the Corporate Debtor as a going concern, the Applicant was declared the highest bidder (H1) with a bid of ₹15,30,00,000/-, and a copy of the bid history report is annexed hereto as Annexure-G.
- 3.10. It is submitted that in accordance with the terms of the e-auction process, a Letter of Intent (“LOI”) dated 02.09.2025 was issued in favour of the Applicant confirming its selection as the successful bidder, and a copy thereof is annexed as Annexure-H; further, as per the tender document bearing No. Balaji/2025/004 and the said LOI, the Applicant deposited the entire sale consideration of ₹15,30,00,000/- along with interest of ₹25,28,482/-, upon receipt of which a sale certificate dated 01.12.2025 was issued to the Applicant, and a copy of the same is annexed as Annexure-I.
- 3.11. It is submitted that out of the realizations, an amount of ₹15,56,31,090/- has been distributed to the stakeholders



in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016, and the summary of such distribution is as follows:

Sl. No.	Name of Stakeholder	Amount (INR)
1	EPFO	1,10,417
2	Union Bank of India	13,46,51,891
3	Mantena	85,32,047
4	SIDBI	1,23,36,735
	Total	15,56,31,090

- 3.12. In view of the aforesaid, it is most respectfully prayed that this Hon'ble Adjudicating Authority may be pleased to pass such orders as it deems fit and proper in the facts and circumstances of the present case and grant the reliefs sought herein; the Applicant further craves leave to file a further and more detailed affidavit, if so required.
4. Further, **written submissions** have been filed by the Applicant/Auction Purchaser on 06.04.2026 vide Inward Diary No. D-3011 and the same are hereby taken on record.
5. This Tribunal vide order dated 06.04.2026 noted that the compliance declaration affidavit has already been filed and forms part of Annexure-F (page 75 onwards). The Applicant/Auction Purchaser has proposed the following persons for appointment to the Board of Directors, as stated at page 19, paragraph V: (i) Ajay Manhardan Gadhavi (PAN No. BPRPG6121D), (ii) Karan Hitendrasinh Gadhavi (DIN:



10982677), (iii) Gadhavi Ajitdan Jibhai (PAN No. AIKPR8258F), and (iv) Gadhavi Hanubha Govindbhai (DIN: 09336729).

6. The Applicant was directed to place on record the **names and addresses of the shareholders**, their respective shareholding, and their eligibility under Section 29A of the Insolvency and Bankruptcy Code, 2016. The same has been duly filed as an affidavit to that effect on 16.04.2026 and the relevant extract of the said document is reproduced hereinbelow:-

6.1. It is submitted that, pursuant to the acquisition of the Corporate Debtor as a going concern, the proposed shareholding structure of the Corporate Debtor stands crystallized and is placed on record hereinbelow. The following proposed shareholders shall constitute the entire shareholding of the Corporate Debtor, along with their respective shareholding as set out below:

Sr. No.	Name of the Proposed Shareholder	Address	Proposed Shareholding
1	Alap Pradeepkumar Gadhavi	57, Sursangram Society, Mulik Tenament, B/h. PT Qtrs., Jodhpur, Ahmedabad - 380 015	50%
2	Ajay Manhardan Gadhavi	2-32, Gadhvi Vas, Village Dhedhal, Ta. Bavla, Dist. Ahmedabad, Gujarat - 382 220	20%
3	Karan Hiten-	401, Alishan Apartment, In-	10%



	drasingh Gadhavi	dira Circle, Rajkot, Ta., Dist. Rajkot, Gujarat - 360 001	
4	Ajitdan Jibhai Gadhavi	C-4568, Shantinagar-1, Nr. Sjri Ji Hall, Kalyabad, Bhavnagar, Gujarat - 364 002	10%
5	Hanubha Go-vindbhai Gadhavi	357/256, Bhuj Madhapar Ring Road, Bh. Shivam Park, Bhuj Bus Stand, Bhuj, Kutch, Gujarat - 370 001	10%

6.2. It is submitted that the proposed shareholders are the same individuals as the proposed directors, as set out in Paragraph V at Page 19 of the Interlocutory Application, thereby constituting the ownership and management of the Corporate Debtor. It is further submitted that the Applicant/Alap Pradeepkumar Gadhavi and Ajay Manhardan Gadhavi have been inducted as Directors w.e.f. 15.12.2025 and 31.12.2025 respectively, as per MCA records, and a copy of the Master Data is annexed hereto as Annexure-A.

6.3. It is submitted that declarations/affidavits under Section 29A have already been duly executed and filed in respect of all the proposed directors/shareholders, and a tabulated reference of the same is provided hereinbelow:

Sr. No.	Name of the Proposed Shareholder	Declaration/Affidavit u/s 29A of IBC, 2016 (Page No. in IA)
1	Alap Pradeepkumar Gadhavi	Pg. 75-77
2	Ajay Manhardan Gadhavi	Pg. 78-79
3	Karan Hitendrasingh Gadhavi	Pg. 80-81
4	Ajitdan Jibhai Gadhavi	Pg. 82-83



5	Hanubha Govindbhai Gadhavi	Pg. 84-85
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- 6.4. It is submitted that since the proposed shareholders and proposed directors are identical, the requirement of filing affidavits under Section 29A stands duly satisfied and no separate affidavits are required.
- 6.5. It is further submitted that the Applicant has complied with the directions of this Hon'ble Tribunal by placing on record all requisite particulars, including details of shareholders, shareholding pattern and their eligibility under Section 29A of the Insolvency and Bankruptcy Code, 2016.
- 6.6. Accordingly, the present affidavit is filed to place the complete and consolidated factual position on record, and it is most respectfully prayed that this Hon'ble Tribunal may be pleased to take the same on record as compliance of its order dated 06.04.2026 and pass such further orders as deemed fit in the interest of justice
7. Vide order dated 17.04.2026, the Applicant/Auction Purchaser was directed to file an **additional affidavit** setting out the exact list of relevant reliefs and concessions essential to the facts of the case; the same has been filed on 28.04.2026. The relevant portion is extracted below:-

Sr. No.	Ref. Para of IA	Particulars of Relief / Concession	Whether Pressed
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1	a	Agreements with secured creditors deemed terminated without liabilities upon payment under going concern sale. All the agreements/ documents entered into by the Company with the Secured creditors shall be deemed to be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts extinguished upon payment of the amount as stipulated under this sale as going concern and the Company and the Applicant or its nominee's/ successors/ partners/acquirers shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation to such agreements/ documents.	Not Pressed at this stage (Linked with Sr. no. 9)
2	b	Secured creditors to issue no-dues certificates and assist in satisfaction of charges. Secured Creditors shall upon payment of all the amount as stipulated under this Sale as going concern issue necessary no due certificate to enable the Company to satisfy all charges registered with the office of the Registrar of Companies and or office of sub-registrar/mamlatdar and sign such form/ documents as is required by such authority in order to satisfy/ cancel the charge over the properties of the Company within stipulated time provided under the relevant provisions of law.	Essential
3	c	Secured creditors to release original title deeds and documents. Secured Creditors shall upon payment of all the amount as stipulated under this Sale as going concern of CD shall release all the original title deeds, documents and papers held by them in respect of the Company.	Essential
4	d	Claimants to withdraw all litigations upon distribution under Section 53. Claimants shall upon distribution of sale proceeds by the Liquidator in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016 shall withdraw all litigations filed by the Claimant against the Company with any judicial/ quasi-judicial/ arbitration or any such other forum.	Essential (Linked with Sr. no. 26 & 27)
5	e	Employee claims to stand settled and extinguished. The claims of the Employees whether admitted or not, due or contingent, asserted	Essential (Linked with Sr.



		or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, shall stand settled and to the extent of the remaining dues, shall stand permanently extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the Company.	no. 6, 8 & 31)
6	f	Claims of the Financial Creditors, Operational Creditors, Workers, Guarantors if any and any other class of claimants including foreign liabilities or liabilities of subsidiary companies whether Indian or Foreign Companies or firms, whether admitted or not, due or contingent, asserted or unasserted, crystallised or uncrystallised, known or unknown, disputed or undisputed, present or future, shall stand permanently extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the Company. Purchaser or its nominee's/ successors/ acquirer shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation to such Unsecured Financial Creditors.	Essential (Linked with Sr. no. 5, 8, 30 & 31)
7	g	Removal of red flag/NPA/default classifications from records (CIBIL, etc.). The Financial Creditors shall ensure that all "Red Flagging", or "Fraud", or "Default" or "NPA" or such other negative classification on the Corporate Debtor, as applicable, shall stand withdrawn, including from the records of CRILC, ROC, CERSAI, TransUnion, CRISIL, and Credit Information Bureau (India) Limited (CIBIL).	Essential
8	h	Claims of the Operational Creditors and Statutory Creditors of any nature whether its filed, admitted, contingent, disputed, crystallised, present or future, shall stand settled and to the extent of the remaining dues, shall stand permanently extinguished and no proceedings on the basis of any such claims or dues shall be carried out or survive or continue against the Company.	Essential (Linked with Sr. no. 5, 6 & 31)
9	i	Agreements with operational/statutory creditors deemed terminated. All the agreements/ understanding/ communication entered into by the Company with the Operational creditors and Statutory Creditors will be deemed to	Not Pressed at this stage (Linked with Sr.



		be terminated without any liabilities, claims or obligations whatsoever arising out of or in relation to such contracts extinguished on payment of the amount as stipulated under this Sale as going concern of CD and the Company and the Purchaser or its nominee's/ successors/ acquirers shall at no point of time, directly or indirectly, have any obligation, liability or duty in relation to such agreements/ documents.	no. 1)
10	j	The constitutional documents of the Corporate Debtor including the Memorandum and Articles of Association shall stand revised. The amendment to the Memorandum of Association, including the revision of capital clause therein, shall be pursuant to the approval of these reliefs and shall not require any additional approval from the shareholder or otherwise. The purchaser may cause amendments to the Articles of Association of the Company, upon the authorized persons who will be part of managing and operating the affairs of the company are identified.	Not Pressed at this stage
11	k	Upon extinguishment and cancellation of the entire existing share capital of the Corporate Debtor, the entire existing issued and paid-up share capital shall be reduced to Nil upon the Sale as going concern of CD being sanctioned by NCLT, and the amount of existing paid-up share capital shall be adjusted in the Capital Reserve account of the Corporate Debtor. Said reduction of share capital of the Company shall be affected as an integral part of the Sale as going concern of CD and the orders of the NCLT sanctioning the Sale as going concern of CD shall be deemed to be an order under Section 66 of the Act confirming the reduction and no separate sanction under section 66 of the Act will be necessary. The Company shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.	Essential (Linked with Sr. no. 13 & 14)
12	l	Department of Registration and stamps of the relevant state and Ministry of corporate Affairs shall exempt the Applicant(s) and the corporate debtor, from the levy of stamp duty and from fees applicable in relation to issue of shares including any financial instruments	Not Pressed at this stage



		pursuant to this Application.	
13	m	Consequent to the said reduction, the existing share certificates issued by the Company shall stand cancelled and will not have any effect after the Sale as going concern of CD.	Not Pressed (Linked with Sr. no. 11)
14	n	Without any further application, act or deed, the company shall issue and allot Equity Shares, at such value as the new Board of Directors, of the Company to Successful bidder or its nominees, as proposed by the Applicant, on the date to be fixed by the newly constituted Board of directors. It is clarified that approval of this Sale as going concern of CD by the NCLT shall be deemed to be due compliance of the provisions of Section 42 and/or 62(1)(c) of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the CD and no separate resolution or approval of the Company would be required to be passed by the Company for the said issue and allotment of such Equity Shares.	Essential (Linked with Sr. no. 11 & 36)
15	o	Waiver of principal loan amount and/or waiver of any other creditors (operational/financial/unsecured loan/other liabilities) as well as waiver of interest as appearing in the books of accounts of the Company as on the date of approval of the Sale as going concern of CD by NCLT and such written back amount will be credited to capital reserve in the books of account following approval of the Sale as going concern of CD by NCLT and shall not be taxed as per provisions of section 28(iv) and cessation of liability under section 41(1) or any other relevant sections / rules/regulations of the Income Tax Act and shall also not be liable for MAT tax under the provisions of Income Tax Act, 1961.	Essential
16	p	The Corporate Debtor shall draw its financial statements in subsequent year(s) so as to reflect the true and fair value of its assets by writing-off the book value of its assets including but not limited to book-debts, inventories etc. and such write-off shall be claimed as losses under the provisions of the Income Tax Act, 1961.	Not Pressed
17	q	The Corporate Debtor shall be entitled to dis-	Not



		pose of its assets, current or non-current, in the manner as it deems fit and losses incurred on disposal of such assets shall be claimed as loss under the provisions of the Income Tax Act, 1961.	Pressed
18	r	The existing licence i.e. BIS, Import Export No., GST, Factory Licence, Labour Licence, Pollution License held by the Corporate Debtor shall continue to remain in force and shall be treated as valid for the next twelve (12) months from the date of the Order of Relief and Concession issued by this Hon'ble Tribunal.	Essential (Linked with Sr. no. 29)
19	s	The Electricity Board to restore/continue the supply of electricity on the premises of the Corporate Debtor/ grant a fresh electricity connection to the Corporate Debtor without insisting on clearance of past dues, or charges relating to the period prior to acquisition of Corporate Debtor as Going Concern.	Essential
20	t	The Gujarat Pollution Control Board not to enforce any past liability, penalty, charge, or dues pertaining to the period prior to acquisition of Corporate Debtor as Going Concern and all such claims shall stand extinguished in accordance with Section 31 of the Insolvency and Bankruptcy Code, 2016. Further, any show cause notice and/or closure notice, if any, issued by Gujarat Pollution Control Board shall stand revoked and/or withdrawn, without following any process.	Essential
21	u	The New Management will pursue all the pending matters in relation to the Arbitration & Conciliation, in relation to the existing Matter and the Outcome/benefits of the said award will be availed by the New Management.	Essential
22	v	The new board of directors of the Corporate Debtor shall consist of following person: 1. Ajay Manhardan Gadhavi (PAN No. BPRPG6121D) 2. Karan Hitendrasingh Gadhavi (DIN: 10982677) 3. Gadhavi Ajitdan Jibhai (PAN No. AIKPR8258F) 4. Gadhavi Hanubha Govindbhai (DIN: 09336729)	Essential
23	w	Immediately upon acquisition and approval of the relief by the Hon'ble NCLT, appointment of above-named directors shall be deemed to be ratified and existing Directors shall deemed to	Essential



		have resigned from the Board of the Company from the date of issuance of sale certificate and newly appointed Directors shall file cessation of existing directors with the Registrar of Companies along with copy of the order of the Hon'ble NCLT and without being required to obtain individual resignation of the Directors.	
24	x	The Registrar of Companies shall not prosecute or charge additional fees or penalties for offence committed under the provisions of Companies Act, 2013, prior to the date of approval of the relief and concession by NCLT.	Essential
25	y	The existing statutory Auditors would be deemed to have resigned as Auditors of the Company and Purchaser would be entitled to appoint alternate Auditors. Company would comply with necessary filing with the office of Registrar of Companies in this regard.	Not Pressed
26	z	All notices, assessments, appellate or other proceedings pending or threatened of any statutory departments pending in any department/court/tribunal under any law for the time being in force in relation to the Company, in relation to the period prior to the approval of relief and concession by NCLT shall stand terminated and withdrawn and all consequential liabilities, if any, shall stand extinguished and be considered as not payable by the Company on approval of this relief and concession by the NCLT and any re-assessment, revision or other proceedings would be deemed to be barred in relation to any period prior to the NCLT Approval Date, by virtue of the order of the Adjudicating Authority approving this relief and concession and the Company and new management shall at no point of time be, directly or indirectly, held responsible or liable in relation thereto.	Essential
27	aa	If any suit, writ petition, appeal, revision, claim, litigation, disputes or other proceedings of whatever nature against the Company by any of the existing creditors or statutory department like Income tax/GST/sales tax/PF/ESIC/labour laws or any other law for the time being in force are filed or pending before any Court or any authority under any Act (the same shall be terminated on the effectiveness of the sale as going concern of CD	Essential



		and the rights, obligations and liabilities of the creditors under the sale as going concern of CD shall be governed by the terms of this sale as going concern of CD. The proceedings in the above clause means legal proceedings against the company, its new directors, new officers or any other person which may arise directly/Indirectly from non-payment of dues by the Company.	
28	bb	All liabilities (whether contingent or crystallised) in relation to any corporate guarantees, indemnities, extension and all other forms of credit support provided by the Company prior to the approval of the Sale as going concern of CD by NCLT shall stand extinguished. However, it is clarified that all the liabilities, personal guarantee, corporate guarantee provided by the erstwhile promoters/directors/guarantee of Company shall be in subsistence and financial creditors shall have the right to continue and proceed against erstwhile promoters/directors/guarantors which shall not include company or new management. The Powers of Attorney (POA) and/or other authorizations or mandates (including the sub-delegations of POA, if any, by the Attorneys), in whatsoever form, issued by the Company prior to the approval of the Sale as going concern of CD by NCLT to any person to enable such person to carry out various functions of the Company shall stand revoked and rescinded.	Essential
29	cc	All consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license vested in favour of the Company or which the Company is entitled or accustomed to shall, notwithstanding any provisions to the contrary in their terms and notwithstanding that they may have already lapsed or expired due to any non-compliance or efflux of time, be deemed to continue without disruption for the benefit of the Company. Upon approval of the relief and concession by NCLT, the Liquidator of the Company shall handover peaceful possession of all the properties and assets of the Company whether movable or immovable, so far not disposed of, alienated or transferred.	Essential



30	dd	Any claims, liabilities, demands, penalties, non-compliances, etc. of whatsoever nature of any provisions of any law, rules, regulations, order, notification, circular, master circular, master directions, guidelines, policies, licenses, approvals, consents, permissions etc. including the Foreign Exchange Management Act, 1999 and the Companies Act, 2013 before any government, ministry, department, authority etc. including Reserve Bank of India, Registrar of Companies be directed to remove the name of the Corporate Debtor from the list of defaulters, non-compliant entity etc. without any further compliance for period prior to allowing of this Application.	Essential
31	ee	Creditors of the corporate debtor which include creditors in any form or category including statutory authorities i.e. GST or Income Tax or any other Statutory Dues shall stand extinguished qua the approval of these reliefs as sought by the Purchaser. The Statutory Authority will have authority to receive their dues in accordance with Section 53 of Insolvency and Bankruptcy Code, 2016 from the Liquidator.	Essential
32	ff	The purchaser seeks support and assistance of the Liquidator for the smooth functioning of the corporate debtor to complete the entire process of transfer for purchasing the corporate debtor as a going concern.	Essential
33	gg	As on the liquidation commencement date, all outstanding negotiable instruments, issued by the company or any person on behalf of the company shall be deemed to have been cancelled/ shall stand terminated and no liability arise on the same.	Essential

Additional Reliefs:-

Sr. No.	Ref. Para of IA	Particulars of Relief / Concession	Whether Pressed
34	i (a)	Immunity under Section 32A – The Corporate Debtor, its assets, the new management and the Bidder(s) shall be granted all the immunities/ waivers/ concessions in all applicable respects under Section	Essential (Linked with Sr. no. 24 & 37)



		32A of the Insolvency and Bankruptcy Code, 2016.	
35	ii (b)	Vacation of existing Board and appointment of new directors – The existing members as appearing on the Board of Directors of the Corporate Debtor be removed without any amount payable to them in any name including any severance compensation payable to them.	Essential (Linked with Sr. no. 22 & 23)
36	iii (c)	Allotment of fresh shares and loan – Without any further application, act or deed, the new Board of Directors shall issue such number of Equity Shares of the Company of such nominal value at such value, to such persons, as the new Board of Directors may determine, on the date to be fixed by the new Board of directors, without any other approval or consent or resolution which would have been otherwise required under any other law for such issuance. The new Board shall be entitled to treat the sale consideration paid under auction either as share capital or loan into the Company as per their own commercial wisdom.	Not Pressed at this stage (Linked with Sr. no. 14)
37	iii (d)	No liability for past filing defaults – No tangible or intangible, corporeal or financial assets of the Company including losses under the Income Tax; TDS Claims; GST Input Tax Credit; Export benefits; shall be lapsed, diminished or waived for delay in filing of any return wrongly or lately for the period prior to allowing of the present application. The Bidder shall be entitled but not obliged to file pending financial statements or/and the Income Tax Return(s) for the prior period in its sole discretion. However, no liability/late fee/additional fee shall arise upon the Company/new management and the Bidder for any omissions or incorrect disclosures which happened while preparing those prior period related Financial Statements or Income Tax Return(s) and the Financial Statements, Returns, Income Tax Audit, Income Tax Return shall be taken on record by the respective authorities as if the same were filed well in time.	Essential
38	iii (e)	Incidental Reliefs and concessions – The	Essential



		status of the Corporate Debtor in the MCA portal shall be converted as “Active” from the status of “Liquidation”.	
39	iii (f)	The bid submitted by the Applicant be considered to be a resolution plan for all purposes under the Income Tax Act, 1961.	Essential
40			Not Pressed at this stage
41	iii (g)	It is submitted that Applicant is proposing to acquire the Corporate Debtor as a going concern which is similar to resolution/revival of the Corporate Debtor. In light of the same, Applicant prays for the customary reliefs and concessions set out in aforesaid mentioned paragraphs for successful implementation of this acquisition to be done by the Applicant.	Essential
	iii (h)		

7.1. It is submitted that, for the assistance and convenience of this Hon’ble Tribunal, and without prejudice to the classification already set out hereinabove, the aforesaid reliefs may be broadly categorized based on their nature, purpose and underlying objective. Though detailed in the Application, the reliefs substantially fall within limited and identifiable heads, each aimed at ensuring a clean transfer, continuity of operations and effective functioning of the Corporate Debtor as a going concern. For ease of reference, such broad classification of reliefs, along with the corresponding reliefs covered therein, is set out in the table below:-

Sr. No.	Broad Category of Relief	Reliefs Covered (Sr. Nos. of Table Above)
1	Extinguishment of Past Liabilities /	Sr. Nos. 5, 6, 8, 30, 31



	Clean Slate	
2	Termination / Abatement of Proceedings & Litigations	Sr. Nos. 4, 26, 27
3	Continuity of Business, Licenses & Rights	Sr. Nos. 18, 20, 29
4	Essential Services & Operational Continuity	Sr. Nos. 19, 32
5	Secured Creditor Compliance & Release of Charges/Documents	Sr. Nos. 2, 3
6	Transition of Management & Control	Sr. Nos. 22, 23, 35
7	Statutory Protection / Immunity (including Section 32A)	Sr. Nos. 24, 34, 37
8	Corporate Restructuring / Share Capital	Sr. Nos. 11, 13, 14, 36
9	Financial / Tax Treatment	Sr. Nos. 15, 16, 17
10	Ancillary / Incidental Reliefs	Sr. Nos. 7, 21, 25, 33, 38, 39

8. We have heard the learned counsels for the parties, perused the material of record, and considered the legal position under the IBC, 2016, the Liquidation Regulations, and the cited judicial precedents.

9. **The observations of this Tribunal are as under: -**

6.1 The present Interlocutory Application has been filed by the Applicant, Mr. Alap Pradeepkumar Gadhvi, the Successful Bidder of M/s Balaji Fiber Reinforce Private Limited (in liquidation), under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 32(e) and Regulation 32A of the IBBI (Liquidation Process) Regulations, 2016, seeking various reliefs, concessions and directions to facilitate implementation of the sale of the Corporate Debtor as a



going concern and to enable the Applicant to effectively operate the Corporate Debtor under the new management on a clean slate basis.

- 6.2 The factual position emerging from the record is that the Corporate Debtor, namely M/s Balaji Fiber Reinforce Private Limited, was admitted into Corporate Insolvency Resolution Process (“CIRP”) by this Tribunal vide order dated 11.05.2022 passed in CP (IB) No. 249 of 2020 and Mr. Jignesh Ajit Ganatra was appointed as the Interim Resolution Professional
- 6.3 It is further evident from the material on record that subsequently, pursuant to the decision of the Committee of Creditors, this Tribunal vide order dated 31.07.2023 passed in IA No. 798 of 2023 replaced the erstwhile IRP and appointed Ms. Bhavi Shreyas Shah as the Resolution Professional of the Corporate Debtor.
- 6.4 The record reveals that though a Resolution Plan was approved by the Committee of Creditors in its meeting held on 21.12.2023, the Successful Resolution Applicant failed to deposit the Performance Security and comply with the terms of the approved Resolution Plan. Consequently, this Tribunal vide order dated 16.02.2024 rejected the Resolution Plan and ordered liquidation of the Corporate Debtor under Section 33 of the Insolvency and Bankruptcy Code, 2016, appointing Mr. Ashish A. Shah as the Liquidator of the Corporate Debtor.



- 6.5 It is further evident from the record that during the liquidation process, the Liquidator issued an E-Auction Sale Notice dated 22.07.2025 inviting bids for sale of the Corporate Debtor as a going concern in accordance with Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016. The reserve price for the sale of the Corporate Debtor as a going concern was fixed at Rs.15,30,00,000/-.
- 6.6 Pursuant thereto, the e-auction was conducted on 28.08.2025, in which the Applicant herein participated and emerged as the Successful Bidder with a bid amount of Rs.15,30,00,000/- (Rupees Fifteen Crores Thirty Lakhs Only) for acquisition of the Corporate Debtor as a going concern.
- 6.7 After declaration of the Applicant as the Successful Bidder, the Liquidator issued a Letter of Intent dated 02.09.2025 in favour of the Applicant and upon payment of the entire sale consideration together with applicable interest aggregating to Rs.15,56,31,090/-, the Liquidator issued a Sale Certificate dated 01.12.2025 confirming the sale of the Corporate Debtor as a going concern in favour of the Applicant.
- 6.8 The Applicant has submitted that pursuant to acquisition of the Corporate Debtor as a going concern under Regulation 32(e) and Regulation 32A of the Liquidation Regulations, the Applicant has stepped into



the position of the Corporate Debtor with a view to revive and continue its business operations. It is contended that certain reliefs, concessions and directions from this Adjudicating Authority are necessary to effectively operationalise the Corporate Debtor under the new management and to ensure that the Corporate Debtor is not burdened with past liabilities, claims and encumbrances.

6.9 The Liquidator has filed a detailed reply affidavit confirming that the Applicant was duly declared as the Successful Bidder in the e-auction conducted on 28.08.2025 and that the entire sale consideration has been received in the liquidation estate. The Liquidator has further confirmed that out of the sale realisations, an amount of Rs.15,56,31,090/- has been distributed amongst the stakeholders in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016.

6.10 The Liquidator has also submitted that the reliefs sought by the Applicant are substantially intended to facilitate smooth implementation of the going concern sale and continuation of the Corporate Debtor under the new management.

10. The Liquidator through the reply affidavit has placed on record the E-Auction Sale Notice dated 22.07.2025, E-Process Memorandum, Letter of Intent dated 02.09.2025



issued in favour of the Applicant and the Sale Certificate dated 01.12.2025 issued upon receipt of the entire sale consideration

11. The Liquidator has also placed on record the Sale Certificate dated 01.12.2025 (Pages 82 to 88) of the Reply issued in favour of the Applicant. The sale certificate records that:-

- Sale Certificate is issued in favour of Mr. Alap Pradeepkumar Gadhvi, the Successful Bidder of the Corporate Debtor.
- Sale Certificate has been issued for sale of the Corporate Debtor, M/s Balaji Fiber Reinforce Private Limited (Under Liquidation), as a going concern on an “AS IS WHERE IS BASIS”, “AS IS WHAT IS BASIS”, and “WHATEVER THERE IS BASIS”.

12. The Applicant has purchased the Corporate Debtor as a going concern under Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016. The Applicant has filed affidavit on 16.04.2026 placing on record the proposed shareholding pattern, details of the proposed management and declarations regarding eligibility under Section 29A of the



Insolvency and Bankruptcy Code, 2016. The proposed shareholders comprise Mr. Alap Pradeepkumar Gadhvi, Mr. Ajay Manhardan Gadhvi, Mr. Karan Hitendrasingh Gadhvi, Mr. Ajitdan Jibhai Gadhvi and Mr. Hanubha Govindbhai Gadhvi with their respective shareholding details disclosed on affidavit.

13. The Applicant has further filed an affidavit on 28.04.2026 categorising the reliefs and concessions sought into those pressed as essential for operational continuity and those not pressed at this stage.
14. The principal issue for consideration before this Adjudicating Authority is **whether the reliefs, concessions and directions sought by the Successful Bidder can be granted in exercise of jurisdiction under Section 60(5)(c) of the Insolvency and Bankruptcy Code, 2016** so as to enable effective operationalisation and revival of the Corporate Debtor as a going concern.
15. It is clarified that the jurisdiction of this Adjudicating Authority under Section 60(5)(c) of the Code is **residual and facilitative** in nature and does not extend to granting



blanket statutory exemptions or overriding substantive provisions of other enactments except to the limited extent expressly recognised under Sections 31, 32A and 238 of the Insolvency and Bankruptcy Code, 2016 and judicial precedents extending clean slate principles to going concern sales under Regulation 32(e) of the Liquidation Regulations.

- 16.** The legal position is now well settled that sale of a Corporate Debtor as a going concern during liquidation proceedings is a recognised mode of revival under the Insolvency and Bankruptcy Code and such sale must necessarily ensure that the Corporate Debtor is capable of continuing business operations without being burdened by past liabilities once the sale proceeds are distributed in accordance with Section 53 of the Code.
- 17.** The present going concern sale has enabled revival of the Corporate Debtor after failure of the CIRP resolution process and has resulted in value maximisation for stakeholders. The Liquidator has further confirmed that distribution of the sale proceeds has been undertaken in accordance with Section 53 of the Insolvency and Bankruptcy Code, 2016.



18. The Hon'ble Supreme Court in ***Arun Kumar Jagatramka vs. Jindal Steel & Power Ltd. (2021 SCC OnLine SC 220)*** has categorically recognized sale of a Corporate Debtor as a going concern in liquidation as one of the **three statutory modes** of revival under the Code.
19. Further, the Hon'ble Supreme Court in ***Ghanshyam Mishra & Sons Pvt. Ltd. vs. Edelweiss Asset Reconstruction Co. Ltd. [6 2021 SCC OnLine SC 313]*** has laid down that once claims are dealt with in accordance with the Code, all past claims stand extinguished, and no creditor or authority can resurrect such claims against the Corporate Debtor or the successful acquirer.
20. The Hon'ble NCLAT, in multiple decisions including ***Shiv Shakti Inter Globe Exports Pvt. Ltd. vs. KTC Foods Pvt. Ltd. [Company Appeal (AT) (Insolvency) No.650 of 2020]*** and ***RMV Industries LLP vs. Apple Industries Pvt. Ltd., [Company Appeal (AT)(Insolvency) No.1114 of 2022]*** has held that: this Adjudicating Authority is empowered to grant appropriate reliefs in a going concern sale, and denial of essential reliefs would defeat the very object of value maximization and revival.



21. However, it is equally well settled that a sale of the Corporate Debtor as a going concern under Regulation 32(e) of the Liquidation Regulations is fundamentally distinct from approval of a Resolution Plan under Section 31 of the Insolvency and Bankruptcy Code, 2016. A Resolution Plan is formulated during the CIRP stage, is subject to approval by the Committee of Creditors under Section 30(4), and upon approval by the Adjudicating Authority under Section 31, attains statutory finality and binding effect upon all stakeholders including Central and State Governments and statutory authorities. The binding nature and “clean slate” consequences under Section 31 flow expressly from the statutory scheme of Chapter II of the Code.

22. In contrast, a going concern sale under Regulation 32(e) takes place during liquidation after failure of CIRP and is governed by Chapter III of the Insolvency and Bankruptcy Code read with the Liquidation Regulations. Such sale is conducted by the Liquidator in terms of the E-Auction Process Memorandum and the sale proceeds are distributed strictly in accordance with Section 53 of the Code. While the object of such sale is revival and value maximisation, it does



not carry all statutory attributes of a Resolution Plan approved under Section 31.

- 23.** This Tribunal, while exercising jurisdiction under Section 60(5) of the Insolvency and Bankruptcy Code, 2016, cannot import the legal fiction or consequences expressly attached to a Resolution Plan into a liquidation sale except to the limited extent recognised by judicial precedents applying the clean slate principle after distribution under Section 53 of the Code.
- 24.** Therefore, though certain principles such as extinguishment of past claims upon completion of the Section 53 waterfall may apply to a going concern sale, the sale cannot be deemed to be a Resolution Plan, nor can it result in automatic statutory overrides, blanket immunities, or exemptions beyond what is expressly contemplated under the Code, including Section 32A and Section 238. The scope of relief in liquidation remains facilitative and not plenary.
- 25.** It is equally settled law that: this Tribunal cannot grant **blanket or omnibus waivers** under statutes such as the Income Tax Act, GST laws, FEMA, environmental laws etc.,



where statutory authorities are required to examine issues independently, reliefs can only be granted **to the** extent they flow from the IBC, Liquidation Regulations and binding judicial precedents, and statutory compliances prospectively cannot be waived.

26. This Tribunal does not exercise plenary jurisdiction over statutory authorities under special enactments, except to the limited extent recognized by the Insolvency and Bankruptcy Code and binding judicial precedents.
27. We have carefully considered the provisions of section 32A of the IBC, 2016 and the judgments of the Hon'ble Supreme Court in the cases of Ghanshyam Mishra & Sons (P) Ltd. V. Edelweiss Asset Reconstruction Co. Ltd., (2021) 9SCC 657 and Committee of Creditors of Essar Steel India Limited v. Satish Kumar Gupta, (2020) 8SCC 531; and Embassy Property Development Private Limited Vs. State of Karnataka & Ors. Civil Appeal No. 9170 of 2019.
28. The Applicant will be entitled to file appropriate application before various statutory authorities, regulatory authorities, government department, statutory bodies seeking various



relief and concessions having acquired the assets of the liquidation estate as a going concern. These Departments, who have not been noticed, have their own Acts, Rules and Regulations which may require certain procedural compliances and such procedural compliances are required to be considered by the competent authority under the relevant statute. NCLT is the adjudicating authority in respect of the IBC, 2016. The Applicant is entitled to utilize the asset as a going concern seeking necessary relief and concessions that are sector specific to be dealt by the department/authority concerned to keep the going asset as going concern. All authorities may keep in mind that unrealistic demands, process, liability claim, that will defeat the object of the Code should be avoided and refrain from raising such claims, demands, liability etc. which got extinguished after distribution of the liquidation estate under section 53 of the IBC, 2016. The department/authorities should deal with such relief and concessions, taking into consideration the clean slate principle enshrined in the IBC, 2016.

29. The Applicant shall be entitled to all such reliefs and



concession/ waivers that are available/permissible to it under section 32A of the IBC and as per other applicable provisions of the IBC, 2016. The Applicant shall comply with all applicable provisions of the Insolvency and Bankruptcy Code, 2016, the IBBI (Liquidation Process) Regulations, 2016 and other applicable laws while implementing the going concern sale.

- 30.** On a careful examination of the reliefs sought and the revised affidavits filed by the Applicant, this Tribunal finds that: reliefs relating to extinguishment of past claims, liabilities, proceedings and encumbrances after distribution under Section 53 of the Insolvency and Bankruptcy Code, 2016 are legally permissible; reliefs relating to change in shareholding, cancellation/reduction of existing share capital and issuance/allotment of fresh shares are incidental and necessary to effectuate the going concern sale and operational continuity of the Corporate Debtor; and reliefs relating to continuation of licenses, statutory registrations and operational permissions deserve consideration in accordance with law keeping in view the objectives of the Insolvency and Bankruptcy Code, 2016. However, prayers



seeking blanket tax exemptions, automatic waiver of statutory liabilities, deemed compounding of offences or unrestricted immunity under all laws cannot be granted in sweeping terms and the Applicant shall be required to approach the competent statutory authorities in accordance with applicable law. Further, non-grant of any particular relief or concession sought in the present Application shall not invalidate the sale of the Corporate Debtor as a going concern already concluded in favour of the Applicant.

31. Therefore, the reliefs sought deserve to be partly allowed with suitable clarifications and limitations so as to balance the objectives of the Insolvency and Bankruptcy Code with statutory discipline and regulatory compliance.

32. In view of the aforesaid facts, circumstances and legal position, the present Interlocutory Application is **partly allowed** in the following terms: -

A. GOING CONCERN SALE:

- i. The sale of the Corporate Debtor M/s Balaji Fiber Reinforce Private Limited (Under Liquidation) as a going concern in favour of the Applicant Mr. Alap Pradeepkumar Gadhvi, pursuant to the e-auction



conducted on 28.08.2025 for a total consideration of ₹15,30,00,000/-, culminating in issuance of Sale Certificate dated 01.12.2025, stands confirmed.

- ii. The Corporate Debtor shall continue to exist as a legal entity and the ownership and control of the Corporate Debtor shall vest in the Applicant and the shareholders as submitted by the Applicant and stated in this order.
- iii. The Applicant shall be entitled to operate and manage the Corporate Debtor as a going concern in accordance with applicable laws.
- iv. The Applicant is at liberty to approach the Registrar of Companies for updating the status of the Corporate Debtor from “Under Liquidation” to “Active” and the Registrar shall consider the same in accordance with law, keeping in view this order confirming sale as a going concern.
- v. It is clarified that a going concern sale under Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016 is distinct from approval of a resolution plan under Section 31 of the Insolvency and Bankruptcy Code, 2016 and shall not be treated as equivalent thereto.

B. EXTINGUISHMENT OF PAST CLAIMS:

- i. Upon distribution of sale proceeds by the Liquidator in accordance with Section 53 of the IBC: -
 - a) All claims, demands, liabilities and dues of Financial



Creditors, Operational Creditors, employees, workmen, statutory authorities, whether admitted or not, due or contingent, asserted or unasserted, crystallized or uncrystallized, known or unknown, disputed or undisputed, and other stakeholders relating to the period prior to 01.12.2025 and dealt with under Section 53 of the Code and remaining unpaid shall stand **extinguished.**

- b) No person or authority shall initiate or continue any proceedings in respect of such extinguished claims against the Corporate Debtor.
- c) Any claim which has not been filed or admitted during CIRP or liquidation proceedings, or which has not been dealt with under Section 53 of the Code, shall stand permanently extinguished and shall not be capable of revival in any forum in view of the principles laid down by the Hon'ble Supreme Court in Ghanshyam Mishra & Sons Pvt. Ltd. v. Edelweiss Asset Reconstruction Co. Ltd..
- d) The Applicant shall at no point in time, directly or indirectly, have any obligation, liability or duty in relation to such creditors.
- e) All outstanding negotiable instruments issued by the company or any person on behalf of the company shall be deemed to have been cancelled subsequent to issuance of the Sale Certificate.



- ii. This order shall **not affect** the rights of creditors to proceed against **personal guarantors** or third parties other than the Corporate Debtor.

C. IMMUNITY UNDER SECTION 32A:

- i. The Corporate Debtor and new management shall be entitled to protection under Section 32A of the Code **only in respect of offences committed prior to the liquidation commencement date**, subject strictly to the conditions under Section 32A (1) and (2), and
- ii. Such immunity shall not extend to civil liabilities, contractual obligations, or regulatory actions not covered within the scope of Section 32A.

D. SHARE CAPITAL AND MANAGEMENT:

- i. The existing share capital of the Corporate Debtor shall stand cancelled/extinguished as an integral part of the going concern sale in exercise of powers under Section 60(5) read with Section 238 of the Insolvency and Bankruptcy Code, 2016 and shall be given effect to by the Registrar of Companies without requiring a separate petition under Section 66 of the Companies Act, 2013, subject to filing of necessary forms and compliances.
- ii. The Corporate Debtor shall not be required to add the words “and reduced” as suffix to its name consequent upon such reduction.



iii. The new Board of Directors of the Corporate Debtor shall comprise the following persons: -

- a) Mr. Ajay Manhardan Gadhavi
- b) Mr. Karan Hitendrasingh Gadhavi
- c) Mr. Ajitdan Jibhai Gadhavi
- d) Mr. Hanubha Govindbhai Gadhavi

Subject to compliance with applicable provisions of the Companies Act, 2013.

- iv. Immediately upon acquisition and approval of the present reliefs, appointment of the aforesaid directors shall be deemed to have been approved and the existing directors shall be deemed to have resigned from the Board of the Corporate Debtor.
- v. The Applicant shall be entitled to issue and allot fresh equity shares as provided in this order without requiring separate approval, consent or meeting of the erstwhile shareholders of the Corporate Debtor, subject to compliance with applicable provisions of the Companies Act, 2013 and filing of requisite forms before the Registrar of Companies.
- vi. The newly appointed Directors shall be entitled to file requisite forms regarding cessation of erstwhile directors and appointment of new directors before the Registrar of Companies without requirement of obtaining individual resignation letters from previous directors.

E. STATUTORY AUTHORITIES AND TAX RELIEFS:



- i. Reliefs relating to tax exemptions, carry forward of losses, GST input tax credit, waiver of penalties, compounding of offences, or any statutory benefits shall be subject to examination and approval by the respective statutory authorities in accordance with applicable law.
- ii. Nothing in this order shall be construed as granting blanket exemption or waiver under the Income Tax Act, 1961, GST laws, FEMA, environmental laws or any other special statute.
- iii. However, no tax demand shall be enforceable in respect of claims arising prior to 01.12.2025 which stand extinguished under Section 53 read with Section 238 of the Code.
- iv. Any deposits or amounts lying with statutory authorities or utilities shall continue to remain deposits of the Corporate Debtor and may be adjusted/restored in accordance with applicable law.

F. LICENSES, REGISTRATIONS & APPROVALS:

- i. All licenses, registrations, permissions, consents and approvals which are subsisting, valid and transferable as on the date of issuance of Sale Certificate dated 01.12.2025 shall continue in favour of the Corporate Debtor subject to compliance with applicable statutory provisions and governing conditions.
- ii. Where any statute, rule or regulatory framework requires prior approval, intimation or fresh authorization upon



change in management or control, the Applicant shall make appropriate applications before the concerned authority. Such authority shall consider the same in accordance with law keeping in view that the Corporate Debtor has been transferred as a going concern pursuant to proceedings under the Insolvency and Bankruptcy Code, 2016.

- iii. The Corporate Debtor shall have full right to recover/proceed against any party whose amount is recoverable in the books of the Corporate Debtor as on the date of issuance of Sale Certificate.
- iv. This order shall not be construed as granting automatic renewal, revival or transfer of any license or approval which has expired, lapsed by efflux of time, been cancelled or is expressly non-transferable under applicable law.
- v. Banks and financial institutions shall effect change of authorised signatories upon completion of statutory filings.
- vi. The status of the Corporate Debtor on the MCA portal shall be updated in accordance with this order and applicable procedures.

G. LEGAL PROCEEDINGS & STATUTORY ACTIONS:

- i. All proceedings, suits, appeals, recovery actions or enforcement proceedings against the Corporate Debtor in relation to claims arising prior to the date of transfer,



which stand extinguished upon distribution under Section 53 of the Code, shall be rendered infructuous and non-maintainable.

- ii. All notices, assessments, appellate or other proceedings pending by any statutory authorities/ department/court/tribunal under any law covered by section 32A of the IBC, 2016, in relation to period prior to the issue of sale certificate stand terminated and all consequential liabilities, if any, stand extinguished.
- iii. This order shall not preclude statutory authorities from taking action in accordance with law in respect of post-transfer obligations or compliances of the Corporate Debtor.

H. Credit Records & Classification:

- i. The Financial Creditors and concerned authorities shall take necessary steps to remove, regularise or update any “Red Flagging”, “Fraud”, “Default”, “NPA” or similar adverse classification of the Corporate Debtor from the records of CIBIL, CRILC, CERSAI and other credit information agencies to the extent such classifications pertain to liabilities and defaults arising prior to the going concern sale and extinguished under Section 53 of the Insolvency and Bankruptcy Code, 2016.

I. ELECTRICITY CONNECTION AND POLLUTION CONTROL AUTHORITIES:



- i. The concerned Electricity Distribution Company shall consider restoration/continuation of electricity supply and processing of fresh or transferred electricity connection in favour of the Corporate Debtor without insisting upon payment of past dues extinguished under Section 53 of the Insolvency and Bankruptcy Code, 2016, subject to compliance with current statutory requirements and payment of prospective charges.
- ii. The concerned Pollution Control Authorities shall consider applications for continuation, transfer or renewal of consents, permissions and licenses of the Corporate Debtor in accordance with law without insisting upon satisfaction of extinguished past dues/liabilities, subject to fulfilment of current environmental and statutory compliances by the new management.

J. AMENDMENTS TO THE CONSTITUTIONAL DOCUMENTS OF THE CORPORATE DEBTOR:

- i. The Memorandum of Association and Articles of Association of the Corporate Debtor may be amended to reflect the new shareholding, management and capital structure, subject to compliance with the Companies Act, 2013 and filing of requisite forms with the Registrar of Companies.
- ii. The Registrar of Companies shall take on record such amendments and filings without insisting upon compliance relating to prior period defaults, which stand



extinguished in terms of this order, except where specifically required under law.

K. RESIGNATION OF EXISTING AUDITORS

- i. The existing statutory auditors of the Corporate Debtor, if any, shall be deemed to have ceased to hold office consequent upon the going concern sale.
- ii. The new management shall be at liberty to appoint statutory auditors in accordance with the Companies Act, 2013 and applicable rules.
- iii. Necessary filings in this regard shall be made with the Registrar of Companies within the prescribed timelines.

L. ENCUMBRANCES, CHARGES AND RELEASE OF DOCUMENTS

- i. All encumbrances, charges and security interests over the assets/properties of the Corporate Debtor shall stand satisfied and released upon distribution under Section 53 of the Insolvency and Bankruptcy Code, 2016.
- ii. The secured creditors shall issue necessary no due certificates and execute/sign all documents, forms and writings as may be required before the office of Registrar of Companies, Sub-Registrar, Mamlatdar or any other competent authority for satisfaction/release of charges and cancellation of encumbrances created over the properties/assets of the Corporate Debtor.
- iii. All creditors shall, upon receipt of distribution under



Section 53 of the Insolvency and Bankruptcy Code, 2016, release all original title deeds, pledge documents, records and papers held by them in relation to the Corporate Debtor.

M. MISCELLANEOUS:

- i. The Applicant shall not be held liable for any non-compliances, defaults or violations of law committed by the Corporate Debtor prior to the date of transfer except to the extent expressly provided under the Insolvency and Bankruptcy Code, 2016.
- ii. All agreements entered into by the Corporate Debtor with past promoters/directors which are inconsistent with implementation of the going concern sale shall stand terminated.
- iii. The Liquidator shall extend all necessary cooperation for smooth handover of records, assets and control of the Corporate Debtor.
- iv. We note that the sale of the Corporate Debtor as a going concern was without conditions. All other reliefs sought, which are inconsistent with statutory provisions or seek blanket exemptions and are not specifically dealt with in this order, are not granted and rejected.
- v. The Corporate Debtor shall be permitted to prepare its financial statements and books of accounts prospectively to reflect the effect of the going concern sale in accordance with applicable accounting standards and



law.

- vi. The Liquidator shall hand over all books of account, statutory records, electronic data and other documents relating to the Corporate Debtor to the Applicant within fifteen days.

33. Accordingly, **IA/1544(AHM)2025 in CP(IB) No. 249 of 2020** **allowed and disposed of** as per the reliefs and concessions granted above.

34. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities. No order as to costs.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Aditi/LRA

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)