

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

ITEM No.303 - IA(Plan)/13(AHM)2025

in

C.P.(IB)/239(AHM)2023

Under Section 30 IBC

IN THE MATTER OF:

Mrs . Neha Bhasin
Authorized Representative and Director of
Primus Insolvency Resolution and Valuation Pvt. Ltd
RP for Banwari Enterprises Pvt. Ltd

.....Applicant

Order delivered on: 26/11/2025

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
NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, COURT-I, AHMEDABAD**

**IA(PLAN)/13(AHM)2025
IN
C.P.(IB)/239(AHM)2023**

*[An application under Section 30 (6) of the Insolvency and
Bankruptcy Code, 2016 for approval of Resolution Plan]*

In the matter of: Banwari Enterprises Pvt. Ltd.

Mrs. Neha Bhasin

Authorized Representative and Director of
Primus Insolvency Resolution and Valuation Pvt. Ltd.,
Resolution Professional for

Banwari Enterprises Pvt. Ltd

Having its address at:
C-4E/135, Janakpuri,
New Delhi - 110058

..... Applicant/RP

Order Pronounced On: 26.11.2025

C O R A M:

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

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

A P P E A R A N C E:

For the Applicant	: Mr. Monaal Davawala, Adv.
For the Income Tax Dept	: Mr. Nandan Soni, Adv.
For the State Tax Dept	: Ms. Somya Jain, Proxy Adv. for Ms. Ritu Guru, Adv. a. w. Mr. Akash Patel, Officer in person

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ORDER
[Per: Bench]

1. An application being IA(Plan)/13(AHM)2025 is filed on 24.06.2025 vide inward no. E-1387 by the Mrs. Neha Bhasin (Authorized Representative and Director of Primus Insolvency Resolution and Valuation Pvt. Ltd., Resolution Professional for Banwari Enterprises Pvt. Ltd., - the Corporate Debtor) under Sections 30(6) of the Insolvency and Bankruptcy Code, 2016 (hereinafter, also “**the Code**”) seeking the following prayers: -

- a. *To approve the Resolution Plan dated 19.05.2025 of the Successful Resolution Applicant, i.e. Consortium comprising of Mr. Kailash Thanmal Shah & M/s. Nova Dyestuff Industries Pvt. Ltd., submitted u/s 30(6) of the Insolvency and Bankruptcy Code 2016 , and be further pleased to order & declare under Section 31 of the Code that that said Resolution Plan is binding on the Corporate Debtor, its employees, members, creditors including the Central Government, the State Government, the Local Authority and other authorities, the guarantors, and all other stakeholders involved in the Resolution Plan;*
- b. *To pass any such other and further order(s) that Tribunal may deem fit in the facts and circumstances of the case.*

2. Some relevant facts as available in the submitted Plan Application are summarized below:

- I. This Tribunal vide its order dated 05.07.2024, passed in the captioned Company Petition, being CP(IB) No. 239 of

2023 filed by M/s. Drip Capital Inc – the Financial Creditor under Section 7 of the Code, admitted the Corporate Debtor in the Corporate Insolvency Resolution Process (“CIRP”) and the appointed the Applicant as the Interim Resolution Professional (“IRP”) for the Corporate Debtor.

- II. The Applicant/IRP issued public announcement under Form A on 07.07.2024 intimating the public at large about the commencement of CIRP w.r.t Corporate Debtor and inviting proof of claims from the creditors of the Corporate Debtor in the manner prescribed under the Code.
- III. In furtherance of the public announcement, the Applicant-IRP received only one claim from Financial Creditor, i.e. from M/s. Drip Capital Inc. Thereafter, the Applicant constituted the Committee of Creditors (“CoC”) comprising of sole Financial Creditor. The Applicant prepared a report dated 28.07.2024 certifying constitution of CoC and filed through I.A. No. 1353/AHM/2024 in the captioned company petition before this Tribunal which was taken on record vide order dated 02.09.2024.
- IV. Being aggrieved with the order dated 05.07.2024 passed by this Tribunal, an appeal bearing Company Appeal (AT) (Ins.) No. 1637 of 2024 was preferred by the Suspended Director of the Corporate Debtor, i.e. Mr. Sahil Kamal Agarwal, before the Hon’ble NCLAT wherein

vide order dated 20.09.2024, the Hon'ble NCLAT granted a stay on the constitution of CoC in the CIRP of Corporate Debtor. However, the said stay was vacated by the Hon'ble NCLAT vide subsequent order dated 18.10.2024 in light of the fact that the CoC was already constituted by the Applicant before the order of Hon'ble NCLAT dated 20.09.2024.

V. The **1st CoC meeting** was convened on 05.08.2024 wherein, the Applicant apprised the CoC about having received only one claim i.e., by the sole member of the CoC whose claim was admitted in entirety amounting to Rs.1,35,60,984, and that accordingly, the Applicant has constituted the Committee of creditors based on the claims received as on 28.07.2024. The Applicant apprised the CoC about non-cooperation from the Suspended Board of Management of the Corporate Debtor ("SBOM") in providing all the documents/information qua the Corporate Debtor and that therefore, the Applicant was in the process of filing application u/s 19 (2) of the Code before this Tribunal against SBOM. In the said meeting, the Applicant was appointed as Resolution Professional ("RP")

VI. The **2nd meeting of the CoC** on 06.11.2024 noted that Hon'ble NCLAT vide its order dated 26.10.2024 passed in Company Appeal (AT) (Ins.) No. 1637 of 2024 has vacated the stay on the CIRP proceedings. Hence, the CIRP can be proceeded with. The Applicant further

apprised the CoC that as per Regulation 36A (1) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016 (“CIRP Regulations”), the Applicant has to publish Form - G within 60 days of commencement of CIRP, i.e. by 05.09.2024. However, due to the earlier stay granted by the Hon’ble NCLAT vide order dated 20.09.2024, the timelines for publishing the FORM G couldn’t be adhered to. After discussing on it twice, decision was deferred by CoC till next COC Meeting. Further, the resolution with respect to appointment of Transaction & Forensic Auditor presented by the RP for the purpose of conducting the same as per Regulation 35A of the CIRP Regulations was also deferred by the CoC to next meeting. However, the resolution regarding appointment of registered valuers for the valuation of different class of Assets of CD was passed by the CoC as follows:-

S. No.	Name of valuer	Professional Fees (in INR.)	Category of Asset to be valued by Valuer
1.	Raseek Bhagat	40,000	Land and Building
2.	Karan Rajendra Mody	40,000	Plant and Machinery
3.	Mr. Jayesh Kumar Shah	35,000	Securities & Financial Assets
4.	Sachin R. Salunkhe	40,000	Land and Building
5.	Alok Kumar Gupta	40,000	Plant & Machinery
6.	Alok Kumar Gupta	30,000	Securities & Financial Assets

VII. The **3rd CoC meeting** was held on 22.11.2024 wherein the Applicant apprised the CoC regarding the need for filing an application for exclusion of time period of the time period of stay granted by the Hon'ble NCLAT, i.e. time period of 20.09.2024 to 18.10.2024, from the Corporate Insolvency Resolution Process of the Corporate Debtor and that the 180th day of completion of CIRP period would be 01.01.2025. The CoC, thereafter, advised that the said exclusion can be sought along with an application for extension of CIRP period by 90 days (beyond 180 days) and the same was noted by the Applicant. In the said meeting, the resolution was passed by the CoC approving the Eligibility Criteria for inviting Resolution Plans from Prospective Applicants and for publication of Form-G, drafts of which were presented by the Applicant to the CoC. Further, the CoC passed a resolution to appoint M/s. Bansal R. Kumar & Associates as Transaction & Forensic Auditor for the purpose of conducting the same w.r.t Corporate Debtor.

VIII. The Form - G was published in Financial Express (English & Gujarati) and Dainik Bhaskar (Hindi) on 26.11.2024 thereby inviting Resolution Applicants to submit the Resolution Plan with last date of submission dated as 09.02.2025. The same was uploaded on IBBI portal as well as CIRP website of Corporate Debtor.

IX. An application, i.e. I.A. No. 77/AHM/2025, was filed by the RP under Section 19(2) of the Code on 18.12.2024

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due to non-cooperation by the SBOM wherein this Tribunal issued notice vide order dated 21.01.2025 while directing the SBOM to render their cooperation during the pendency of said application. The said IA was listed from time to time. However, during the hearing on 03.06.2025, the said application being IA No. 77 of 2025 was withdrawn.

- X. The **4th meeting of the CoC** was held on 27.12.2024 wherein, the Applicant apprised the CoC –
- i. Regarding the updates on the pending applications before this Tribunal qua the CIRP of Corporate Debtor.
 - ii. Regarding the preparation of the Information Memorandum on the basis of information available on public domain and further requested the CoC to share confidential undertaking in order to share the Information Memorandum.
 - iii. About publication of Form – G dated 26.11.2024 in newspapers, of preparation & uploading of Process Memorandum on website of Corporate Debtor by Applicant, and thereafter proposed for publication of Revised Form – G/ addendum to Form G dated 26.11.2024 to extend the time lines for submission of Plans/EoIs by Resolution Applicants till 13.01.2025. Accordingly, the CoC passed a resolution approving the republication of Form G.

- iv. The COC passed a resolution approving the extension of CIRP period by 90 days beyond 180 days and further authorising the Applicant to file an application for the same before this Tribunal.
- XI. The Applicant published revised Form – G/Addendum to Form G, dated 27.12.2024, thereby inviting EoIs and extending the timeline thereby stating the last date of submission of EOI as 13.01.2025.
- XII. An application being I.A. No. 103/AHM/2025 was filed on 09.01.2025 thereby seeking an extension of the CIRP period for 90 days (beyond 180 days) and also seeking an exclusion of 53 days from the CIRP period on grounds of stay granted by Hon'ble NCLAT. The said I.A. was allowed by this Tribunal vide order dated 27.01.2025 passed in the captioned Company Petition.
- XIII. The **5th CoC meeting** was held on 24.01.2025 wherein, the Applicant apprised the CoC about updates on the applications filed before this Tribunal as follows –
- a. Subsequent to filing of I.A. No. 77/AHM/2025 u/s 19(2) of the Code against SBOM, notice was issued by this Tribunal, after which, it was apprised by SBOM that no assets of Corporate Debtor existed and that an affidavit w.r.t the same would be filed before this Tribunal.
 - b. That I.A. 103/AHM/2025 was filed before this Tribunal for extension of CIRP period by 90 days &

for exclusion of stay period from the CIRP period and that the same was pending adjudication.

- i. The Applicant apprised the CoC with respect to further information gathered w.r.t Corporate Debtor after its visit to the registered office of Corporate Debtor.
- ii. The Applicant apprised the CoC about freezing of Bank Account of Corporate Debtor maintained with Punjab National Bank, holding a balance of Rs. 20,00,000, by the Crime Branch of Gandhinagar in connection to criminal proceedings initiated by the GST Department, and about its further updates.
- iii. The Applicant apprised the CoC about having received no EoI after republication of Form-G dated 27.12.2024 within the specified time frame. Accordingly, the Applicant proposed to the CoC publication of another Revised Form-G/addendum to Form G dated 26.11.2024 thereby extending the last date of submission for the same as 31.01.2025, and the same was approved by the CoC via mail dated 23.01.2025 (1 day before 5th CoC Meeting). The CoC deliberated in detail and thereafter, passed a resolution approving/ratifying the same.
- iv. The Applicant presented draft Request for

Resolution Plan (“RFRP”) including an evaluation matrix, to the CoC which was already circulated to it via email in advance and a resolution was passed by the CoC approving the same.

XIV. The discussion and decision taken in 5th CoC Meeting, the Applicant published the Revised Form – G/Addendum to Form G, dated 23.01.2025, thereby extending last date of submission of EoI till 31.01.2025. A copy of the revised Form G/Addendum to Form G dated 23.01.2025 published by the Applicant is hereto marked and annexed as **ANNEXURE A**.

XV. The **6th CoC meeting** was convened on 25.03.2025 wherein–

- i. The Applicant apprised the CoC about updates on the non-cooperation application which is pending before this Tribunal and further apprised the CoC about abovementioned extension of CIRP period by 90 days and the exclusion of 53 days from CIRP period of the Corporate Debtor, thereby effectively extending CIRP period till 24.05.2025.
- ii. The Applicant briefed the CoC about the steps taken post 5th meeting of the CoC, i.e., the visit to the registered office at Surat on regular basis, issuance of Final List of Prospective Resolution Applicants (“PRA”) on 19.02.2025 containing the name of sole PRA, i.e. Consortium of Mr. Kailash

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Shah and Nova Dyestuff Industries Pvt. Ltd., and issuance of Information Memorandum, Evaluation Matrix, RFRP to the said PRA on 20.02.2025. The Applicant also apprised the CoC that the Transaction Auditors is unable to conclude observations due to lack of data.

- iii. The Applicant had also sent an invite to all 6 Valuers, i.e., 2 each for each class of assets to explain the methodology being adopted to arrive at valuation to the members of the committee before computation of estimates. The Registered Valuers shared the methodology for the valuation and also gave a brief on their challenges and difficulties being faced to carry on the valuation due to a paucity of data. The valuers were requested to prepare the reports based on available data and to share the draft at the earliest.
- iv. The CoC passed a resolution thereby extending the last date of submission of resolution plan by 1 month, i.e. till 21.04.2025, in light of the request made by the abovementioned PRA to the Applicant which was accordingly intimated to the CoC in the present meeting.
- v. The CoC passed a resolution appointing M/s. Sanvi Legal as consultant for conducting compliance of resolution plan under Section 29A of the Code.

XVI. The **7th CoC meeting** was convened on 09.05.2025 wherein –

- i. The Applicant apprised the CoC about the updates on the noncooperation application preferred against the SBOM. The Applicant also apprised the CoC that substantial portion of required data had been received from SBOM but certain data is still to be received.
- ii. The Applicant had also invited the Transaction Auditor, who had provided its draft report to the Applicant, for discussion and accordingly, the said draft report was discussed extensively with the members. Thereafter, it was decided to send the observations in report to the SBOM for its comments, post which final report would be shared.
- iii. The Applicant had invited the abovementioned sole PRA for discussion on the Resolution Plan submitted by it and accordingly, the same was discussed & negotiated upon in the meeting. However, the COC being unhappy with the value offered in the Plan, had requested the PRA to submit revised Resolution Plan after clearing all deficiencies, with an enhanced offer.

XVII. The **8th CoC meeting** was convened on 19.05.2025 wherein –

- i. The Applicant apprised that the PRA had submitted its revised offer which was presented by the Applicant to the CoC. Thereafter, the CoC passed a resolution approving the revision version of the Resolution Plan submitted by the consortium of Mr. Kailash Shah and Nova Dyestuff Industries Pvt. Ltd. ("SRA") and further authorizing the Applicant to file the same before this Tribunal for its approval by this Tribunal:

"RESOLVED THAT the Resolution Plan submitted by Mr. Kailash Shah and Nova Dyestuff Industries Private Limited in the CIRP of Banwari Enterprises Private Limited be and is hereby approved as per Section 30(4) of the Insolvency and Bankruptcy Code, 2016.

RESOLVED FURTHER THAT Resolution Professional, be and is hereby authorized to issue a Letter of Intent (LOI) in terms of RFRP to Mr. Kailash Shah and Nova Dyestuff Industries Private Limited after the approval of the resolution plan by the committee of creditors.

RESOLVED FURTHER THAT Resolution Professional is authorized to submit the Resolution Plan of Mr. Kailash Shah and Nova Dyestuff Industries Private Limited as approved by the Committee of Creditors to the Adjudicating Authority."

- ii. The CoC passed resolution appointing M/s. Chandiwala Virmani & Associates (CA Firm) as Statutory Auditors for Corporate Debtor for conducting statutory audit of Corporate Debtor's Financial Statements for F.Y. 2023-24 & 2024-2025.

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iii. The CoC voted on the Resolution Plan by signing the Ballot Paper on 21.05.2025 and approved the revised Resolution Plan dated 19.05.2025. It is further submitted that vide the same ballot paper, the CoC also approved the agenda for appointment of Statutory Auditor and Legal Counsel on consolidated basis. Thereafter, the Applicant issued Letter of Intent on 27.05.2025 to the SRA.

3. Before getting into the key features of the Resolution Plan, some relevant information about the corporate debtor and resolution applicant/resolution plan is given below:

- i. The Applicant had issued Information Memorandum and RFRP to the PRA. Copy of the same is annexed at Annexure-19 (colly)
- ii. The Applicant has also obtained copy of the Final Transaction Audit Report dated 15.05.2025 from the CA Firm appointed by the CoC. Copy of the Transaction Audit Report dated 15.05.2025 submitted by M/s. Bansal R. Kumar and Associates to the Applicant is annexed at Annexure-20
- iii. The SRA is a consortium comprising of Mr. Kailash Thanmal Shah, who is a CA and stated to having good acumen in Textile Industry, and of Nova Dyestuff Industries Pvt. Ltd., which is a company engaged in manufacturing of metal & chemical products while also being engaged in textile industry by itself and

through its sister concerns.

iv. The CD was engaged into the business of trading & export of textile goods. Accordingly, the SRA has proposed the following for revival of business operations of CD as follows –

- a. The SRA may identify the target customers for revival of import export business and SRA may also explore reviving the existing orders.
- b. After ascertaining the existing and new order values for existing business, the need based working capital shall be infused by SRA through its own sources or working capital limits from the banking system by way of creation of Charge on the assets of Corporate Debtor. No charge on assets of Corporate Debtor will be created till the complete payment to Financial Creditor is not done.
- c. The SRA shall have the complete control on business of corporate debtor during the implementation period and role of IMC during the implementation period shall be restricted to monitor the financial commitments under clause 6.1 of this Resolution Plan.
- d. As the registered office of the corporate debtor is not owned by it, SRA shall also shift the Registered office of Corporate Debtor at such place in India as

it may desire, after effective date.

- e. The Resolution Professional will make its best efforts to recover money from the debtors of the Corporate Debtor and if not found it feasible SRA will write them off in the books.
- v. As per the master data of the Corporate Debtor, the last balance sheet which was filed by it was on 31.03.2022. Therefore, it's audited financial statements for 2 years prior to initiation of CIRP is not available. Copy of the master data of the Corporate Debtor is annexed at Annexure-21.
- vi. The last ITR filed by the Corporate Debtor for A.Y. 2020-21, A.Y. 2021-22 & A.Y. 2022-23, it had suffered losses in A.Y. 2020-21 only. Copies of the ITRs, with computation, filed by the Corporate Debtor for A.Y. 2020-21, A.Y. 2021-22 & A.Y. 2022-23. Copy of the same is annexed at Annexure-22 (colly)
- vii. The Corporate Debtor's default could be attributed to shortfall in cash flows from debtors thereby leading to inadequate cash flows for servicing its liabilities. Accordingly, the SRA has proposed to address the same through better management control, infusion of additional funds for working capital and bringing down the total debt to sustainable level, thereby endeavoring to turn around the Corporate Debtor by improving its top-line and bottom-line.

viii. The SRA does not propose any restructuring of the Corporate Debtor by way of merger or amalgamation or demerger.

4. The key features of the Resolution Plan are summarized below :-

Amount of claim	Amount proposed in plan	Time-line	Recovery	Clause of resolution plan
Payment of CIRP Cost - Estimated Cost	5 lacs <i>(difference to be adjusted from amount proposed to paid to Unsecured Financial</i>	T + 30 days		Clause 6.1 @ Pg. No. 13 of the Resolution Plan &

	<i>Secured Creditor, with total outlay of Plan fixed at INR. 15,00,000)</i>			Clause 7 @ Pg. No. 21 of Resolution Plan
Payment to the Secured Financial Creditors – No claim filed	N/A	N/A		
Payment of the Unsecured Financial Secured Creditors Total claim of unsecured financial creditor – INR. 1,35,60,984	10,00,000	T + 30 days		Clause 6.1 @ Pg. No. 13 of the Resolution Plan
Payment towards the Operational Creditors (excluding workmen & employee) – No claim filed	Any Operational Creditor, irrespective of having filed claim or not, will be issued compulsory convertible debenture at Face Value of Rs. 10/- & Premium of Rs. 99,990/- which would be converted to 1 Equity Share of Corporate Debtor after 20 years from the effective date.	T + 30 days	N/A	Clause 7 @ Pg. No. 21-22 & Pg. No. 26-27 of Resolution Plan
Payment Toward Employees and Workmen – No claim filed	N/A	N/A	N/A	
TOTAL BID AMOUNT – No claim filed	INR. 15,00,000			Clause 6.1 @ Pg. No. 13 of Resolution Plan

- i. **Payment of CIRP Cost** – The SRA has estimated the CIRP cost of INR. 5,00,000/- which is to be paid within a period of 30 days from the effective date (*i.e. date of receipt of the Tribunal's approval order in present I.A. by the SRA*) and which would include regulatory fees of IBBI, other statutory payments and payments pertaining to any litigation till the date of approval of the Plan by the Tribunal.
- ii. **Cancellation of existing equity share capital & issuance of fresh equity** – The SRA has provided for cancellation of entire existing equity share capital of corporate debtor without any payment to existing shareholders, and for issuance of fresh equity in favour of SRA or their nominees or friends or family or relatives or Special Purpose Vehicle (“**SPV**”) The Plan also provides for deemed approval of transfer of shares by existing shareholders as per the Ministry of Corporate Affairs Circular bearing ref IBC/01/2017, and also provided for constitution of SPV comprising of Mr. Kailash Shah, Mrs. Aruna Shah, Mr. Shreyans Shah, Mrs. Krishna Shah, along with any other members which the SRA would consider suitable.

SOURCE OF FUND

- XVIII. The SRA has proposed to infuse the funds from its own source, i.e. Cash & Bank Balances, which is supported by the respective parties' net worth certificates.

IMPLEMENTATION & MONITORING COMMITTEE

(SECTION 6, CLAUSE 6.2 @ P.G. NO. 16 OF RESLUTION)

XIX. The SRA has proposed the constitution of Implementation & Monitoring committee comprising of:-

- iv. *One Representative of Financial Creditors to be decided in the CoC meeting;*
- v. *One Representative of Financial Creditors to be decided in the CoC meeting;*
- vi. *Either SRA or One Representative of SRA*

XX. The SRA has also proposed lumpsum payment of Rs. 25,000/- to the Applicant/Resolution Professional for the role of the chairman of the Monitoring Committee.

XXI. The sole COC Member, **in the 08th CoC Meeting, had approved the Resolution Plan of the SRA through voting with 100%** vote in SRA's favour as per Section 30(4) of the Code which reads as follows-

"30. Submission of Resolution Plan-

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(4) The committee of creditors may approve a resolution plan by a vote of not less than sixty-six per cent. of voting share of the financial creditors, after considering its feasibility and viability, the manner of distribution proposed, which may take into account the order of priority amongst creditors as laid down in sub-section (1) of section 53, including the priority and value of the security interest of a secured creditor and such other requirements as may be specified by the Board:

Provided that the committee of creditors shall not approve a resolution plan, submitted before the commencement of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2017 (Ord. 7 of 2017), where the resolution applicant is ineligible under section 29A and may require the resolution professional to invite a fresh resolution plan where no other resolution plan is available with it:

Provided further that where the resolution applicant referred to in the first proviso is ineligible under clause (c) of section 29A, the resolution applicant shall be allowed by the committee of

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creditors such period, not exceeding thirty days, to make payment of overdue amounts in accordance with the proviso to clause (c) of section 29A:

Provided also that nothing in the second proviso shall be construed as extension of period for the purposes of the proviso to sub-section (3) of section 12, and the corporate insolvency resolution process shall be completed within the period specified in that sub-section]; Provided also that the eligibility criteria in section 29A as amended by the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018 shall apply to the resolution applicant who has not submitted resolution plan as on the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Ordinance, 2018.

.....”

XXII. The Applicant has preferred this application in furtherance to his duties as the Resolution Professional of the Corporate Debtor and has complied with all the applicable Regulations towards discharge of his functions as the Resolution Professional of Corporate Debtor. The Applicant further submits that the Resolution Plan has been approved by the COC with requisite majority in favour of the SRA and therefore, humbly prays before the Tribunal that the same be made absolute by allowing the present I.A. and approving the said Resolution Plan of SRA.

5. In compliance of the order dated 13.06.2025 wherein the Applicant/RP has sought liberty to file revised amended Form-H in view of the instruction issued by the IBBI with a liberty to convene a meeting of CoC, if so required, an additional affidavit was filed on 04.07.2025 vide inward no.

D4172 thereby placing on record the following documents:

- I. Copy of minutes of 9th CoC meeting dated 20.06.2025 (Annexure-2)
- II. Revised Form-H (Annexure-3a)
- III. Information Memorandum (Annexure-3b)
- IV. RFRP-Request for Resolution Plan (Annexure-3c)
- V. Copies of Valuation Reports (Annexure-3d)
- VI. 29A Due Diligence Report (Anexure-3e)
- VII. Legal and Compliance Report of the Resolution Plan (Annexure-3f)

6. This Tribunal vide its order dated 13.08.2025 had directed the Applicant to collect the notice from the Registry and serve upon the Resolution Applicant.

7. Thereafter, this Tribunal vide its order dated 02.09.2025 observed as under:-

"In pursuance of the notice issued by this Tribunal, the Applicant/Resolution Professional has appeared today and filed a memo of appearance with an undertaking to file the vakalatnama in due course.

Upon perusal of the application as well as the revised Form-H, it is observed that the extended CIRP period expired on 24.05.2025. However, it is noted that this Resolution Plan Approval Application was affirmed on oath after the expiry of the CIRP period i.e. on 29.05.2025, and was subsequently filed beyond the said period through e-mode on 03.06.2025.

The applicant is directed to file copies of all the CoC meeting minutes.

Additionally, to file details of communications sent to the creditors, indicating the names and addresses of the creditors, the date of

dispatch, and the mode of communication, in compliance with Regulation 6(a) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

A copy of the balance sheet, profit and loss account, along with the notes to accounts for the Financial Year 2018-19 up to the date of filing of the PUFEE application, also be submitted.

All the above documents shall be filed within 10 days by way of additional affidavit..”.

8. In compliance of the order dated 02.09.2025, a compliance affidavit was filed on 18.09.2025 vide inward no. D6372 to place on record :

- a) Copies of details of communication sent to the creditors, indicating their names and addresses, the date of dispatch and the mode of communication (at Annexure-R1)
- b) Copy of balance sheet, profit and loss account along with notes to accounts for the FY 2019-20, FY 2020-21, FY 2021-22 & FY 2022-23 (At annexure – R2)

9. During the hearing on 24.09.2025, this Tribunal deemed it appropriate to issue the notice to the Income Tax Department. Further, SRA who had volunteered to appear in the matter was also given liberty to file its affidavit of explanation.

10. In compliance of the order dated 24.09.2025, the SRA filed an affidavit on 17.10.2025 vide inward no. D-6969. In the said affidavit, it is stated that:

- I.** The SRA has given a resolution plan for the revival of the Corporate Debtor. The intention of the SRA to acquire the

Corporate Debtor as a going concern is that the Corporate Debtor was in export business and has good history and goodwill in its export business.

- II.** The SRA is in the business of textile manufacturing and is desirous of exporting its textiles in international market and therefore, the goodwill of the Corporate Debtor will help the SRA in expanding and flourishing its business.
- III.** The shareholding of the Corporate Debtor after approval of the resolution plan will be as follows:-

<i>Sr. No.</i>	<i>Name of Shareholder</i>	<i>Percentage of holding</i>
<i>1.</i>	<i>Kailash Shah</i>	<i>90%</i>
<i>2.</i>	<i>Nova Dyestuff Industries Private Limited</i>	<i>10%</i>
	Total	100%

IV. The Information Memorandum did not contain the information with regards to the applications filed u/s. 43 and 66 IB Code. However, during the course of negotiation, the Resolution Professional of Corporate Debtor informed the SRA about the pendency of such applications before this Adjudicating Authority. The SRA has given its resolution plan after considering future receivables of such applications.

- 11.** In compliance of the order dated 15.10.2025 wherein this Tribunal has directed the State Tax Department to file reply, an affidavit in reply was filed on 03.11.2025 vide inward no. D7237 stating that:-

4 I. The State Tax Department, Gujarat has conducted a diligent

search for any pending liabilities pertaining to the taxpayer Banwari Enterprises Private Limited, bearing GSTIN 24AAICB5390F1ZQ on the GST portal.

II. The Banwari Enterprises Private Limited was registered under GST in the year 2019. Accordingly, no liabilities exist under the pre-GST regime of CST and VAT.

III. Upon through examination of the records, no pending liabilities or dues have been found against Banwari Enterprises Private Limited as of the date of this affidavit, being 28th October 2025 on GST portal.

12. A report of the Income Tax Department was uploaded on 30.10.2025 on the DMS portal showing outstanding dues of Rs.20,40,710/- for the Assessment Year 2022-23.

13. The order of this Tribunal dated 03.11.2025 records as under:-

“A report of the Income Tax Department has been uploaded on 30.10.2025 in the DMS portal with a copy to the Ld. Counsel for the Applicant/ Resolution Professional showing outstanding dues of Rs.20,40,710/- against the Corporate Debtor as on date u/s. 143(3) of the I.T. Act for the Assessment Year 2022-23, the same is taken on record.

Ld. Proxy Counsel for the State Tax Department states that the State Tax Department has also filed reply on 31.10.2025 on DMS portal through e-mode and Mr. Akash Patel officer in person states that no outstanding liabilities against the present corporate debtor as GST, CST or VAT as on date. The same reply of the State Tax Department is also taken on record.

Further, the Applicant/ RP has also filed an affidavit on 31.10.2025, vide Inward Diary No. D-7213, the same is taken on record.

However, in para 4 of the said affidavit stated that no

communication was made with the RBI regarding the outstanding of the receivables from the foreign parties/debtors. Further, the debtors were found to be fictitious entries in the books of Accounts of the Corporate Debtor.

The said paragraph No. 4 of the compliance affidavit is reproduced as under:

"I say and submit that no communication was made with the Reserve Bank of India regarding the outstanding of the receivables from the foreign parties/debtors. Further, the Debtors were found to be fictitious entries in the Books of Accounts of the Corporate Debtor."

Further, stated that the decision to this effect has been arrived only after taking the forensic audit report from the forensic auditor and for these fictitious entries application under Section 43 & 66 has already been filed against the suspended management through IA No. 808 of 2025 & IA No.807 of 2025, which is pending consideration before this Adjudicating Authority.

Moreover, the RA has also filed one affidavit on 17.10.2025, vide Inward Diary No. D-6966, explaining the reason for acquiring the corporate debtor as a going concern and also disclosed the shareholding of the corporate debtor in case of approval of the resolution plan in Para 4 of the said affidavit. The same is also taken on record.

We have heard Ld. Counsel for the RP, SRA, Income Tax Department proxy counsel as well as concern State Tax Department and perused the record

The order is reserved."

14. The Resolution Plan, as approved by the CoC, contains following information:

2. The Corporate Debtor - Banwari Enterprise Private Limited was incorporated under Companies Act, 1956 on 08.08.2019. It is a non-government/ an unlisted Company and registered with Registrar of Companies, Ahmedabad currently engaged in the business of manufacturing of other textiles.

4.1. Resolution Applicants are as under: -

M/s Novadyestuff Industries Private Limited was incorporated on 13.03.1989 and is being engaged in manufacturing of metal & Chemical Product. The NOVA

group is engaged in textile industry as well through its sister concerns.

5.1. Overview of Claims

As per information received from Resolution Professional, below are the summary of claims received and admitted by RP during the CIR process:

Summary of Claims- BANWARI ENTERPRISES PRIVATE LIMITED			
(Amount in Rs.)			
S.No.	Type of Creditor	Amount Claimed	Amount Admitted
1	Financial Creditors	1,35,60,984.00	1,35,60,984.00
2	Operational Creditors*	0	0
3	Employees	0	0
4	Workmen	0	0
5	Other creditors	0	0
	Total	1,35,60,984.00	1,35,60,984.00

Further, on scrutiny of list of creditors, it has been observed that claim of financial creditor include following:

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Name of Financial Creditor	Secured	Amount Claimed	Amount Admitted	Related Party or not
Drip Capital Inc.	Unsecured	1,35,60,984.00	1,35,60,984.00	No

The claim of Drip Capital Inc. has not been secured by way of security interest.

5.2. CIRP Cost

As per information provided by RP, the resolution applicant herein has estimated a CIRP cost of Rs. 5 Lakhs.

6. RESOLUTION PLAN OVERVIEW

The current resolution plan envisages the settlement of all the liabilities of corporate debtor in the manner provided under this resolution plan. The Resolution Plan further proposes reviving corporate debtor operations by restarting the business of the Corporate Debtor.

This resolution plan provides for cancellation of entire existing equity share capital of corporate debtor and issuance of fresh equity in favor of Resolution Applicant, their nominees, friends, family, relatives and associates concerns and repayment of admitted debts of corporate debtor in the manner provided in this resolution plan by infusion of funds by Resolution Applicant.

A detailed financial proposal under this Resolution Plan is as follows:-

6.1. Financial Outlay under Resolution Plan

Amount in INR

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Sr. No.	Type of Creditor/ Claim	Total amount to be paid under Resolution Plan	Terms of Payment
1.	CIRP Cost	5,00,000/-	Amount to be paid within 30 days out of funds infused by RA. This CIRP costs include regulatory fees of IBBI and any other statutory payments including payment pertaining to any litigations up to the approval of the Resolution Plan by NCLT. The payment pertaining to CIRP costs and Unsecured Financial Creditors will be done within 30 days of the approval of the Resolution Plan.
2.	Secured Financial Creditors	--	
3.	Unsecured Financial Creditors	10,00,000/-	
4.	Operational Creditors including workmen & employees	--	
5.	Other Contingent Claims	--	
Total		15,00,000.00/- (Fifteen lakh rupees)	

6.2. Monitoring and Implementation of Resolution Plan

For successful implementation of Resolution Plan, an Implementation and Monitoring committee (IMC) is being proposed by Resolution Applicant which shall have following members:

- 1. One Representative of Financial Creditors to be decided in the CoC meeting;**
- 2. One Insolvency Professional or other professional as maybe mutually decided by CoC and RA who shall act as chairperson of the committee;**
- 3. Either RA or One Representative of Resolution Applicant.**

IMC shall oversee the implementation of the resolution plan and it shall report any deviation in timelines or breach of terms of Resolution Plan to NCLT after due consultation in their meeting of the IMC. Resolution Professional will be paid lumpsum payment of Rs. 25,000/- for the role of chairman of the Monitoring Committee.

6.3.1. Induction of New Board

Corporate debtor shall be managed under the leadership and guidance of the Monitoring Committee. Immediately after the effective date, all the existing board of directors shall cease to have effect and new board to be constituted having members as nominated by the Resolution Applicant in its sole and absolute discretion. The RA hereby undertakes that the individuals who will act as directors of the new board of the CD will be 29A compliant.

6.3.2. Cancellation of existing shareholding and issue of fresh equity shares

Immediately after effective date, all the existing share of corporate debtor shall stand cancelled without any payment to existing shareholders. Corporate debtor shall issue to the Resolution Applicant or its nominees or friends or relatives or SPV such number of fresh equity shares as may be suitable on the basis of capital structure requirement of the company. In terms of the circular (ref IBC/01/2017) dated 25 October 2017 issued by the Ministry of Corporate Affairs, India approval of the erstwhile shareholders of the corporate

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debtor to the transaction contemplated under the instant Resolution Plan, including the transfer of the existing share capital, shall deemed to have been given without any further act and deed immediately upon sanction of the Resolution Plan by the Hon'ble National Company Law Tribunal. The SPV's constitution is sole discretion of the RA and the RA can bring strategic investors or partners as and when needed.

The Special Purpose Vehicle (SPV) shall comprise Mr. Kailash Shah, Mrs. Aruna Shah, Mr. Shreyans Shah, Mrs. Krishna Shah, and any other member the Resolution Applicant (RA) considers suitable. Furthermore, we undertake that any strategic investors or SPV entities or member of SPV entity will also be eligible as per Section 29A.

6.4. Term of Resolution Plan & its Implementation Schedule

S. No.	Particulars	Timeline
1.	Effective date or date of approval of Resolution Plan by NCLT	T
2.	Cessation of existing directors and Induction of new board	T+30 Days
3.	Cancellation of existing equity shares and acquisition of 100% shares by RA	T+45 Days
4.	CIRP cost to be paid	T+30 Days
5.	Payment to employees, workers, operational creditors	T+30 Days
6.	Payment to Unsecured Financial Creditors	T+30 Days
7.	Completion of term of Resolution Plan	T+30 Days

It is hereby clarified that after completion date, RA/CD shall be entitled to exercise any powers as per provisions of companies act' 2013 & other laws and any document issued by RP/CoC containing clauses contrary to provisions of companies act 2013 and other applicable laws shall not restrain RA/CD to exercise such powers including capital restructuring, operational restructuring, debt restructuring, etc. as provided under companies act' 2013 and other applicable laws.

6.5. Source of funds under Resolution Plan

The RA has sufficient net worth and liquid asset to finance the Resolution Plan. In case any shortfall arises, RA shall explore taking unsecured loans from relatives and friends for implementing the Resolution Plan. However, in order to implement the Resolution Plan, RA has the following liquid asset available at disposal

S. No.	Source	Amount (In INR)
1.	From own sources Cash and Bank Balances	15,00,000/-

The net worth certificates of the Resolution applicants support the same.

15. In clause 8 of the Resolution Plan, various reliefs and concession have been sought.

SOME ADDITIONAL FACTS

- 16.** Banwari Enterprises Private Limited, the Corporate Debtor, is engaged in the business of manufacturing of other textiles. However, we note that the CD did not carry out any manufacturing and the financial statements show that it carried out only trading activity. As per Form H, the CD is trading and exporting whole sale of textiles, clothing and footwear.
- 17.** The CD had assigned its two export invoices to Drip Capital Inc. and Drip Capital Inc. paid USD 131,62 to the CD and these assignments of invoices were on full recourse basis. The buyer had failed to pay the invoices. Based on these facts, the application of Drip Capital Inc. filed under section 7 of the IBC, 2016 was admitted. The FC had submitted that it is an offshore company based in the United States of America and it does not have a permanent account number in India.
- 18.** Information relevant to the current proceedings, from revised Form-H (filed in view of the IBBI Notification dated 26.04.2025) , is given below:

- Date of initiation of CIRP: 05.07.2024
- Date of constitution of CoC: 28.07.2024

- Date of publication of Public Announcement: 07.07.2024
- Date of expiry of 180 days of CIRP: 01.01.2025
- Fair value of CD: Rs.35,99,500/-
- Liquidation value of CD: Rs.34,08,000/-
- Number of meetings of CoC held: 9
- The total admitted claim is Rs.1,35,60,984/-
- The SRA (Mr. Kailash Thanmal Shah and M/s. Nova Dyestuff Industries Pvt. Ltd.) was incorporated on 13.03.1989 and is engaged in the manufacturing of metal & chemical product. Mr. Kailash Thanmal Shah is a CA with good acumen in textile industry.
- Nova Dyestuff Industries Pvt. Ltd. – engaged in manufacturing metal and chemical product with group company being engaged in textile industry.
- Total plan value is Rs.15,00,000/-. Percentage of realizable amount to total admitted claims -11.06%
- Performance Guarantee – Rs.3,75,000/- by way of NEFT.
- Source of Fund of the Resolution Applicant : own source of SRA i.e., Cash & Bank Balances
- The Resolution Plan has been filed 333 days after the commencement of CIRP.
- Preferential Transaction u/s 43 – Clause 6.1 at page 16 of the plan provides that the benefit accruing from the avoidance transaction application will be retained by the SRA.
- Fraudulent Transaction u/s 66 – Clause 6.1 at page 16 of the plan provides that the benefit accruing from the avoidance transaction will be retained by the SRA.
- The RP has certified that the said Resolution Plan

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complies with all the provisions of the IBC, 2016, IBBI Regulations 2106 and does not contravene any of the provisions of law for the time being in force.

- The Resolution Applicant has filed an affidavit confirming its eligibility under section 29A of the Code to submit a resolution plan. The RP has also filed a due diligence certificate under section 29A of the IBC for the SRA.
- The said resolution plan has been approved by the CoC with 100% voting after considering its feasibility and viability and other requirements specified by the CIRP Regulations.
- Effective date of resolution plan implementation: 30 days from approval of Resolution Plan by NCLT.
- An application under section 43 and 66 of the IBC, 2016 is filed on 19.06.2025 and as per Clause 6.1 at page 16 of the plan the benefit accruing from the avoidance transaction will be retained by the SRA.
- The Resolution Plan is not subject to any contingency/condition.
- Details of Monitoring Committee (in brief) : For successful implementation of the Resolution Plan, an Implementation and Monitoring Committee (IMC) is being proposed which shall have following members:
 - i. One Representative of Financial Creditors to be decided in CoC meeting.
 - ii. One Insolvency Professional or other professional may be mutually decided by CoC and RA who shall act as Chairperson of the Committee

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iii. Either RA or One Representative of RA.

- The Unsecured Financial Creditor will be paid Rs.10,00,000/-
- Two IAs are pending.
- The Committee has recommended under section 39C as:
 - (i) Sale of CD as a going concern- NA.
 - (ii) Sale of the business of the corporate debtor as a going concern- NA.

19. The other information relevant to the current proceedings, from revised Form-H, is given below

- I. The RA, namely, Mr. Kailash Thanmal Shah with Nova Dyestuff Industries Pvt. Ltd., is engaged in manufacturing of metal and chemical product with Group Company being engaged in textile industry.
- II. The Members of CoC is Drip Capital Inc (100% voting rights).
- III. The total admitted claim is Rs.1,35,60,984/-. Other than Drip Capital Inc., no other person/entity has filed claims.
- IV. The total realizable amount under the plan is Rs.15,00,000/- against Fair Value of Rs.35,99,500/- and Liquidation Value of Rs.34,08,000/-.
- V. The Plan amount of Rs.10,00,000/- will be distributed between unsecured financial creditors which is only Drip Capital Inc.
- VI. The CIRP cost will be paid of Rs.5,00,000/-.
- VII. The RP has identified one Preferential and one Fraudulent

transaction.

20. MORE ADDITIONAL FACTS

20.1 The Information Memorandum prepared by the RP and approved by the CoC has following relevant additional information:

- Information/documents relating to the debtors, creditors, closing stock etc. have been sought from the suspended Board of Directors of the CD, which are pending to be verified by the RP.
- Authorised capital is Rs 5,00,00,000 but paid-up capital is only Rs 1,00,000.
- Date of last balance sheet 31.03.2022.
- The company has two directors: (1) Sahil Kamal Agarwal; and (2) Subodh Kumar Sharma. We note that the same persons are directors in M/s Girdhari International Private Limited.
- As on 31.03.2022, the short-term borrowings are of Rs 3.03 crores and trade payable are of Rs 25.77 crores.
- As on 31.03.2022 (for FY 2021-2022), the stock purchase was of Rs51.82 crores and revenue was of Rs 53.13 crores.

- The CD has two shareholders namely Bhikhubhai Gopal Bhai Patel and Sahil Kamal Agarwal each holding 50% equity amounting to Rs 50,000 each. We note that M/s Girdhari International Private Limited also has the same two shareholders. However, the audited accounts for FY 2022-2023 shows that Sahil Kamal Agarwal holds only 1 share and 9999 shares are held by Mahamaya Multinational Limited. There is no information about change/transfer of shareholding.

20.2 Information relevant to the present proceedings, as available in the audited accounts of the CD for the financial years 2021-2022 and 2022-2023, is given below (The RP provided the information based on the directions issued by this Tribunal):

- The Corporate Debtor was incorporated on 8.8.2019.
- The share capital of the company as on 31.03.2022 and 31.03.2021 was Rs. 1 Lakh.
- During FY 2020-2021, the trades payable and receivables were of Rs 37,69,58,453 and Rs 2,09,87,634 respectively.
- During FY 2021-2022, the revenue from operations is Rs 5313 lakhs (during FY 2020-2021- Rs 328.58 lakhs) and

profit before tax is Rs 68.48 lakhs.

- Reserves and surplus of the company as on 31.03.2021 and 31.03.2022 were Rs11.36 Lakhs and Rs.61.02 Lakhs respectively.
- Trades payable were Rs.2,576.50 Lakhs and Rs.376.36 Lakhs respectively as on 31.03.2022 and 31.03.2021.
- The company had investments in property as on 31.03.2022 (Flat A3, 104 Vasant Vihar Township Rs 25.43 lakhs and Flat B-3, 104 Vasant Vihar of Rs 18.75 lakhs.
- As on 31.03.2022, the company had trade receivables of Rs 1914.69 lakhs mainly from foreign parties.
- The RP has submitted a copy of provisional balance sheet as on 01.07.2024 which shows that the company has assets and liabilities of Rs 110,34,15,925 each. It provides the name and amount receivables from debtors (mostly foreign parties) and these are of Rs 108,34,20,004.
- GSTIN number of the CD is 24AAICB5390F1ZQ. That means PAN is AAICB5390F. There are no pending GST liabilities as on 28.10.2025.
- The RP sent communications to ICICI Bank, Saraswat Bank, Punjab National Bank, and TICC Container Line Limited,

informing them of initiation of CIRP, however, no claims were received from these entities.

- The RP had appointed M/s Chandiwala Virmani and Associates for carrying out the statutory audit of the CD for financial years 2023-2024 and 2024-2025 but no such audit report is on record. The minutes of eight CoC meeting held on 19.05.2025 noted that the Chairman (RP) stated that M/s Chandiwala Virmani and Associates were also appointed in the sister concern- Girdhari International Limited, and fees as proposed by them were further negotiated. We note that the audit reports in case of M/s Girdhari International Private Limited are also not on record.
- The transaction audit report has identified preferential transactions under section 43 of the IBC, 2016 of Rs 8,98,61,100 and fraudulent transactions of Rs 102,47,08,766. The Resolution Plan provides that benefits accruing from these transactions will be retained by the SRA.

21. The Valuation Report for immovable assets conducted by SR Valuers valued the Fair Value and Liquidation value as NIL.

However, the valuation report encloses an Exhibit A which is

a copy of sale deed dated 09.04.2024 between Naresh Anandilal Agarwal (Purchaser) and M/s Banwaril Enterprises Limited as seller for sale of a property (shop no.1036) in village Umarwada for Rs 17.65 lakhs. This document notes that the age of Mr. Sahil Kamal Agarwal is 21 years. Further, the valuation report of Raseek Bhagat shows the Fair Value and Liquidation Value of immovable properties, as on 05.07.2024, as NIL. These reports are based on the undertaking given by Mr. Sahil Kamal Agarwal that the CD has no assets. The report states that there are no assets available with the corporate debtor. It appears that the RP and valuers did not seek information on the flats booked by the company which are disclosed in the annual accounts.

- 22.** The valuation report of Mr. Jayesh Parasmal Shal (asset valued for securities and financial assets) shows that the Fair Value and Liquidation Value, as on 05.07.2024, is of Rs. 35.64 Lakh. The book value of securities and financial assets were of Rs 11,033.72 lakhs: Deferred tax assets of Rs 0.73 lakhs, Long term loans and advances of Rs 32 lakhs, trade receivables of Rs 10,834 lakhs, cash and cash

equivalent of Rs 21.85 lakhs (in bank accounts), and other current assets of Rs 144.95 lakhs. The value of deferred tax assets, long term loans and advances, trade receivables, and other current assets is valued at NIL (except IGST Refund of Rs 15.52 lakhs against book value of Rs 56.79 lakhs) because these are unascertainable. Only the bank account book value of Rs 20.13 lakhs and IGST Refunds are the assets that are valued. The report notes that due to non-availability of the details and clarity on the recoverability from said assets, the valuer has not been able to value the said assets. The other valuer Shri Karan Rajendra Mody has also provided similar valuation report.

- 23.** Page no. 312 and 313 of the Affidavit filed by the RP (Part of valuation report of Mr. Alok Kumar Gupta shows that, as on 01.07.2024, the CD had inventories of Rs 268.95 lakhs, stock in trade of Rs 319.403 lakhs, trade receivables of Rs 10,783.75 lakhs, RBI A/C Commissioner of Customs, NHAVA SHEVA A/C Rs 27 lakhs, IGST Refundable of Rs 56.79 lakhs, Duty Drawback Receivable of Rs 13.61 lakhs, and TDS Receivable of Rs 133.73 lakhs. Most of these assets are valued at NIL in absence of the information provided by

the RP and the suspended management.

- 24.** Office of the Addl Director General of Police (CID Crime and Railways) vide letter dated 01.06.2024 informed the Punjab National Bank that the account investigated by him had transactions with the bank accounts of Banwari Enterprises Private Limited and Girdhari International Private Limited.
- 25.** The provisional balance sheet of the CD as on 01.07.2024 (pages 336 to 339) shows that the CD sundry creditors of Rs 103,73,31,977. It had unsecured loans from Bodra Kailash G., Saraswati Textiles totaling to Rs 2,29,11,815, however, none of these filed any claims with the RP. The CD had advanced loans and advances of Rs 5 lakhs to Mahalaxmi Overseas and deposit of Rs 27,00,000 with customs department, but these are not valued. The CD had sundry debtors of Rs 108,34,20,004 (mostly foreign parties) but nothing is on record for reasons on non-collection of these amounts.
- 26.** The balance sheet as on 31.03.2023 shows property, plant and equipment at Rs 23,27,513. The details show that company had an office, vehicles, furniture but no value is determined by the valuer.

ANALYSIS AND FINDINGS OF THIS TRIBUNAL

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

- The corporate debtor was incorporated on 8.8.2019 and was engaged in trading activity.
- There are no immovable assets with the company. The Balance Sheet as on 31.03.2022, shows investments in two flats. Records show that RP did not inquire about these investments and valuers have relied on the letter from the suspended management that CD has no immovable property.
- The company had trade receivables of Rs 10,834 lakhs as on 05.07.2024 mostly from foreign parties and valuer valued the same at NIL stating the value is unascertainable.
- The CD had bank balance of Rs 21.85 lakhs as on 05.07.2024.
- The fair and liquidation value of financial assets is Rs 35,99,500 and Rs 34,08,000. The plan value is Rs 15,00,000.
- The RP has submitted that there are fictitious entries in the books of account based on the forensic audit report.
- There were receivables of Rs 10,834 lakhs in July 2024 and mostly from foreign parties and the RP has informed that no communication is made with the RBI regarding the receivables.
- It is surprising that no person other than Drip Capital Inc. filed claims though the CD has payables in crores of rupees.

- The GST Department had initiated criminal proceedings, but no claims are made.
- The company had no employees, no assets, no running business and the suspended directors did not provide any material information requested by the RP.
- Mr. Sahil Kamal Agrawal is shown director of this company and M/s Girdhari International Private Limited. An application for approval of the plan has been filed in that case. The facts in that case are more or less same. Trading business and export to foreign parties and no collection.
- There are two more companies of the Group and M/s Mahamaya International is 99.99% shareholder of this CD.

28. The RP has filed an affidavit and revised Form-H. Additional information provided is extracted below:

- Date of initiation of CIRP- 05.07.2024
- Date of expiry of 180 days of CIRP: 01.01.2025
- Fair value of CD is Rs 35,99,500/-
- Liquidation Value is Rs 34,08,000/-
- Resolution Plan Value Rs 15,00,000.
- A total of 8 CoC meetings were held.
- Two PUFEE applications are made.

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

“31. Approval of Resolution Plan

(1) If the Adjudicating Authority is satisfied that the resolution plan as approved by the committee of creditors under sub-section

(4) of section 30 meets the requirements as referred to in sub-section (2) of section 30, it shall by order approve the resolution plan which shall be binding on the corporate debtor and its employees, members, creditors, including the Central Government, any State Government or any local authority to whom a debt in respect of the payment of dues arising under any law for the time being in force, such as authorities to whom statutory dues are owed, guarantors and other stakeholders involved in the resolution plan.

Provided that the Adjudicating Authority shall, before passing an order for approval of resolution plan under this sub-section, satisfy that the resolution plan has provisions for its effective implementation.

(2) **Where the Adjudicating Authority is satisfied that the resolution plan does not confirm to the requirements referred to in sub-section (1), it may, by an order, reject the resolution plan.**

(3) After the order of approval under sub-section (1),—

(a) the moratorium order passed by the Adjudicating Authority under section 14 shall cease to have effect; and

(b) the resolution professional shall forward all records relating to the conduct of the corporate insolvency resolution process and the resolution plan to the Board to be recorded on its database.

(4) The resolution applicant shall, pursuant to the resolution plan approved under sub-section (1), obtain the necessary approval required under any law for the time being in force within a period of one year from the date of approval of the resolution plan by the Adjudicating Authority under sub-section (1) or within such period as provided for in such law, whichever is later.

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

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

- a) Whether the resolution plan has provisions for its effective implementation; and
- b) Whether the resolution plan meets the requirements of section 30 (2) read with Regulations 38 and 39 of the CIRP Regulations.

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

“30. Submission of resolution plan.

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

- (a) provides for the payment of insolvency resolution process costs in a manner specified by the Board in priority to the payment of other debts of the corporate debtor;*
- (b) provides for the payment of debts of operational creditors in such manner as may be specified by the Board which shall not be less than-*
- (c) the amount to be paid to such creditors in the event of a liquidation of the corporate debtor under section 53; or*
- (d) the amount that would have been paid to such creditors, if the amount to be distributed under the resolution plan had been distributed in accordance with the order of priority in sub-section (1) of section 53,*

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

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


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

- (i) where a resolution plan has not been approved or rejected by the Adjudicating Authority;*
- (ii) where an appeal has been preferred under section 61 or section 62 or such an appeal is not time barred under any provision of law for the time being in force; or*
- (iii) where a legal proceeding has been initiated in any court against the decision of the Adjudicating Authority in respect of a resolution plan;*
- (e) provides for the management of the affairs of the corporate debtor after approval of the resolution plan;*
- (f) the implementation and supervision of the resolution plan;*
- (g) does not contravene any of the provisions of the law for the time being in force;*
- (h) conforms to such other requirements as may be specified by the Board.*

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

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

- 32.** AS far as effective implementation is concerned, the Plan only provides for payment of CIRP cost of Rs 5 lakhs and payment to the financial creditor of Rs 10 lakhs. The value fair value and liquidation value of the assets of the CD is about Rs 35 lakhs. With no tangible assets, no manufacturing, and no employees, the CD has become a hollow shell, except for some financial assets in the form of mainly bank balance. There are trade receivables of Rs 108.34 crores mainly from foreign parties due to export of goods. There is nothing in the plan regarding the efforts that would be made to collect the trade receivables. The RP has also not made any efforts in this regard. There is nothing in the CD which requires resolution of the corporate insolvency. None is going to benefit from the resolution plan.

 The records show that the company was passing fictitious

entries. Therefore, the plan does not deal with the resolution of the insolvency and effective implementation of the Plan. In fact, the plan does not provide for the insolvency resolution of the CD or its revival. It is obvious because there is nothing in the CD except its name, and financial assets having a liquidation value of about Rs 35 lakhs. Further, there are trade receivables of Rs 108.34 crore and not received from foreign parties. As per RBI Regulations these should be realized within six months of export. The company was incorporated on 8.8.2019 and business closed in the year 2022-2023. It is difficult to state what type of business the CD was actually carrying on. The record shows that the company was engaged in fictitious entries.

- 33.** This Tribunal is fully conscious of the principle that judicial intervention by the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016, must be limited and restrained. As reiterated in a catena of decisions by the Hon'ble Supreme Court, including in ***K. Sashidhar v. Indian Overseas Bank [2019] 102 taxmann.com / 12 SCC 150, Committee of Creditors of Essar Steel Ltd. V. Satish Kumar Gupta 8 SCC 531, Ebix Singapore (P) Ltd v.***

Committee of Creditors of Educomp Solutions Ltd [2021]
130 taxmann.com 208, Vallal RCK v. Siva Industries & Holding Ltd ((2022) 9 SCC 803), the commercial wisdom of the CoC is not to be interfered with, save in exceptional circumstances. However, this Tribunal cannot remain a mute spectator where the very anchor of the insolvency resolution process, the bona fide, and the commercial judgment of the CoC - is corroded by patent arbitrariness and opacity.

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

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

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35. The facts as discussed in this order and summarized in paragraph 27 raise serious doubts about the whole CIRP process initiated based on the application of M/s Drip Capital Inc. The entire exercise suggests an accommodation or collusive arrangement with the sole purpose of helping the CD obtain benefits, reliefs, and concessions under Section 32A of the IBC, 2016, particularly regarding non-recovery of export proceeds which is violation of the provisions of the Foreign Exchange Management Act, 1999. It raises concerns about its alignment with the IBC's objective of genuine insolvency resolution. There is no material in the Plan underpinning the feasibility and viability of the Resolution Plan. The plan does not address the cause of default, demonstrate feasibility and viability, provide for effective implementation.

36. The Corporate Debtor has no business assets and no employees. Currently, CD is not conducting any business and is not a going concern or in operation. None will benefit, other than the promoters and erstwhile management of the company from the offences committed by the company.

37. The fulcrum on which the Resolution Process under the Code proceeds is the full and correct knowledge of the affairs of the CD; however, in the present case, full information about the CD, particularly assets and the reasons for non-recovery of trade receivables of Rs 108.34 crores was not available. Most of the assets have been valued at NIL as these are not ascertainable. We are unable to understand the reasons for non-collection of more than Rs 100 crores for exports made by the company. Why the CoC or the RO questioned about these facts to the suspended management. Mr Sahil Agrawal is stated to be only 21 years as per sale deed of property in 2024. Does that mean that while the company was incorporated in 2019, he was not major. He is shown the director in at-least two companies in whose case plan applications have been filed with similar fact pattern. Even the Resolution Applicant in both cases is same. Therefore, the CoC could not be said to have exercised its commercial wisdom while approving the resolution plan. It appears that the CoC did not inquire into these aspects.

38. Commercial wisdom of the CoC: The CoC's role is questionable, as its 100% approval of the Resolution Plan

without questioning significant unclaimed receivables, the plan value while balance in the bank is far more than plan value, the issue of fictitious entries in the accounts, absence of audited accounts for FY 2023-2024 to 2024-25, or the plan's lack of revival strategy violates Section 30(4) of the IBC, which mandates a diligent evaluation of the plan's feasibility and viability. This arbitrary conduct, lacking prudent decision-making at arm's length, undermines the IBC's objective of maximizing value for stakeholders. The facts indicate that their decisions were motivated with the sole intention of getting the approval of this Tribunal and some recovery for the FC, getting all types of benefits, reliefs and concessions available due to the approval of the plan to all involved in the transactions. There appears to be no intention to resolve the insolvency, as the CD has no ongoing business and no party is interested other than the CoC member to recover its dues.

39. In the case of ***Vallal RCK v. Shiva Industries (supra)*** the Hon'ble Supreme Court has also held that:

"...in our view, the adjudicating authority or the appellate authority cannot sit in an appeal over the commercial wisdom of the CoC. The

interference would be warranted only when the adjudicating authority or the appellate authority finds the decision of the CoC to be wholly capricious, arbitrary, irrational and de hors the provisions of the statute or rules.”

40. In view of the facts discussed above, the CoC not only acted in a “capricious, arbitrary, irrational” manner but also approved the plans that contravene the provisions of IBC and the Regulations. In that regard, the CoC has failed to exercise its commercial wisdom in understanding the real facts and financial information about the corporate debtor and deciding on the Resolution Plan, which, in a real sense, does not take into account the ground realities of the CD, particularly the non-recovery and valuing the export sales of more than Rs 100 crores, and is not commercially feasible and viable. It has been claimed that entries in the book of account are fictitious. But which entries are fictitious and whether the suspended management has been questioned on that. It does not lead to value maximization from the assets of the CD.

41. Therefore, we are of the view that the resolution plan has no provisions for its effective implementation or resolution of the insolvency as required by Section 31 (1) of the IBC,

as there is nothing in the plan except payment of Rs 10 lakhs to CoC member out of plan value of Rs 15 lakhs. The entire amount goes to the stakeholders, and nothing remains for the CD, not even for the equity capital contribution.

42. The Tribunal would also like to mention that the underlying purpose of a resolution plan is not merely the settlement of claims but the revival of the Corporate Debtor as a going concern in a manner that is commercially viable and legally compliant. The Plan should result into contribution to the economic growth of the country, generation of employment, use of assets etc., but there is nothing in this case. As per valuation report there are only liquid assets of about Rs 35 lakhs and these can be liquidated and distributed to the stakeholders and there is no requirement of continuing the CD. In this regard, Regulation 38(3) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, outlines key parameters that every resolution plan must comply with. The said regulation reads as under:

“Regulation 38(3): The resolution plan shall demonstrate that -

(a) it addresses the cause of default;

- (b) it is feasible and viable;
- (c) it has provisions for its effective implementation;
- (d) it has provisions for approvals required and the timeline for the same; and
- (e) the resolution applicant has the capability to implement the resolution plan.”

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

44. The plan lacks financial depth and strategic clarity to justify its feasibility and viability, as it provides no working capital, equity infusion, or business projections to revive the Corporate Debtor, and the efforts that the RA will make to collect the receivables of Rs 108.34 crores from foreign parties which has no ongoing operations, and no employees. Moreover, there is no demonstrable vision to restart the business of the CD and no capability is shown on the part of

the Resolution Applicant to implement the plan. In fact, it does not provide any information on the business projections of the CD and how will it be achieved.

45. Thus, in substance and spirit, the resolution plan does not comply with the provisions of section 30 and 31 of the IBC, 2016 and the Regulation 38(3), and the manner in which the CoC has approved it without these essential elements being satisfied raises serious questions about the integrity of the resolution process as a whole.

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

between the specific objectives identified above.

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

- 47.** As discussed in this order, currently there is no business in the CD; the CD has no employees, and the creditors, other than the sole financial creditor, have not even filed any claim, pointing to the conclusion that the plan submitted by the RA does not meet the goals of the IBC law.
- 48.** Accordingly, and in view of the discussion above, the relying on the provisions of Sections 30 and 31 (2) of IBC, 2016 and Regulation 38 as referred above, the Resolution Plan in question is hereby rejected by this Adjudicating Authority for non-compliance with Regulation 38(3)(a), (b), (c), and (e) of the CIRP Regulations, 2016, as it fails to address the cause of default, plan for the recovering of huge debts, demonstrate feasibility and viability, provide for effective implementation, and establish the resolution applicant's capability to

implement the plan.

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

33. Initiation of liquidation. -

(1) Where the Adjudicating Authority, -

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

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

the corporate debtor's assets.

51. As a consequence, following the rejection of the resolution plan under Section 31(2) for non-compliance with statutory requirements, the Tribunal, pursuant to Section 33(1)(b), orders the liquidation of the Corporate Debtor to maximize creditor value and conclude the insolvency process. The Corporate Debtor's lack of business operations, absence of employees, and no tangible assets, and financial assets being mainly cash in the bank accounts, coupled with the resolution plan's failure to propose a viable revival strategy, render liquidation the only feasible course to maximize creditor value and achieve the IBC's objective of efficient insolvency resolution.

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

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

b) In terms of the above circular of IBBI and as per section

34(4)(b) of the IB Code, **Mr. Jigar Tarunkumar Bhatt**, Having Registration No. IBBI/IPA-001/IP-P-01917/2019-2020/13005, Address: 1010, Shilp - Zaveri, Shyamal Cross Roads, Satellite, Ahmadabad, Gujarat ,380015, E-mail ID: jigarb.jigarb@gmail.com is hereby appointed as a Liquidator of the Corporate Debtor i.e. **Banwari Enterprises Pvt.**, as per the panel suggested by IBBI for this Bench for the period of July, 1, 2025 to December 31, 2025, as the Liquidator of the Corporate Debtor to carry the liquidation process

- c) The Moratorium declared under section 14 of the Code shall cease to have effect from the date of the order of liquidation.
- d) **A fresh moratorium under Section 33(5) of the Code is not declared in this case** because the Corporate Debtor is not a going concern and in view of the amended IBBI (Liquidation Process) Regulations, 2016 [Notification No. IBBI/2025-26/GN/REG dated 14th October, 2025 effective 14.10.2025) due to which Regulation 30 (e), 30 (f), and 32A of the IBBI (Liquidation Process) Regulations, 2016 have been omitted] neither the Corporate Debtor can be sold as a going concern nor its business can be sold as a going concern and therefore the CD does not require any protection from institution or continuation of suits or proceedings against the corporate debtor. The Customs Department, GST Department, and the RBI may inquire

into matters noted in this order which may not be consistent with the extant rules and regulations.

- e) The Liquidator shall take charge of the Corporate Debtor's assets, books, and records forthwith and perform all duties as prescribed under Sections 35 to 50 of the Code and the IBBI (Liquidation Process) Regulations, 2016.
- f) The Liquidator is directed to file a preliminary report within 75 days of this order, as per Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016, and submit periodical progress reports to this Tribunal.
- g) The liquidator is directed to fully cooperate with the authorities and seek assistance from the suspended management to respond to the inquiries, if any
- h) The Liquidator so appointed shall complete the liquidation process as per the provisions of the Code r.w. the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- i) All the powers of the Board of Directors, key managerial persons, and the partner of the Corporate Debtor, as the case may be, hereafter cease to exist. All these powers henceforth vest with the Liquidator.
- j) The Creditors as well as the Personnel of the Corporate Debtor are directed to extend all cooperation to the Liquidator as required by him in managing the

liquidation process of the Corporate Debtor.

- k) The Liquidator fee will be based on the provisions of IBC, 2016, IBBI (Resolution Process for Corporate Persons) Regulations, 2016 and the IBBI (Liquidation Process) Regulations, 2016.
- l) Once the liquidation process is initiated, subject to section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor. The Liquidator has the liberty to institute a suit and other legal proceedings on behalf of the Corporate Debtor with the prior approval of this Adjudicating Authority, as provided in sub-section (5) of section 33 of the Code.
- m) This liquidation order shall be deemed to be notice of discharge to the officers, employees, and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.
- n) This Adjudicating Authority directs the Liquidator to issue a public announcement stating that the Corporate Debtor is in liquidation. The Liquidator will also serve a copy of this order to the various Government Departments such as Income Tax, GST, Reserve Bank of India etc., who are likely to have any claim upon the Corporate Debtor or have any proceedings with them, so that the authorities concerned are informed of

the liquidation order timely. The Liquidator will also provide a copy of this order to the trade unions/employee associations of the Corporate Debtor so that the workman/employees could also be informed of this liquidation order through their association.

- o) The Liquidator is further directed to issue a public announcement inviting claims from all potential creditors, including those who did not file claims during the CIRP, within 30 days of this order, to ensure maximum creditor participation in the liquidation process.
- p) The Liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of the provisions of Section - 35(1) of IBC, 2016 read with relevant rules and regulations, and also file its response for disposal of any pending Company Applications during the process of liquidation.
- q) The Liquidator is further directed to consider commissioning a forensic audit to identify any preferential, undervalued, fraudulent, or extortionate transactions under Sections 43, 45, 50, and 66 of the IBC, given the significant asset sales and financial discrepancies noted during the CIRP.
- r) **The Liquidator shall specifically investigate the investments in Flat A3, 104 Vasant Vihar Township (Rs. 25.43 lakhs) and Flat B-3, 104 Vasant Vihar (Rs. 18.75**

lakhs) as per the audited balance sheet dated 31.03.2022, including title verification and recovery, and report compliance within the preliminary report under Reg. 13.

- s) The Liquidator is directed to take immediate steps for collection of export receivables (Rs. 108.34 crores, primarily from foreign parties as on 01.07.2024), including communication with RBI under FEMA, 1999, within 30 days, and seek assistance from DGFT/ED, if required, reporting progress in the preliminary report under Reg. 13.**
- t) The Liquidator is directed to prioritize these investigations to ensure transparency and protect creditor interests, addressing all the deficiencies noted in this order during the CIRP. The Liquidator shall coordinate with the Adjudicating Authority to obtain any necessary approvals for instituting legal proceedings, as provided under Section 33(5) of the IBC.
- u) The present Resolution Professional is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed liquidator forthwith.
- v) The Registry is directed to communicate this order to the concerned Registrar of the Companies, the registered office of the Corporate Debtor, IBBI, the Resolution

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Professional, and the Liquidator by speed post as well as e-mail within one week from the date of this order, after completion of all the formalities for records and necessary action, if any. The Registrar of Companies shall update the Corporate Debtor's status on the MCA portal accordingly.

- w) The Registry is also directed to send a copy of this order to the Ahmedabad office of the Reserve Bank of India, for necessary action regarding non-receipt of export proceeds under FEMA, within 15 days.
- x) Liberty is granted to the Liquidator to approach this Tribunal for any further directions or clarifications as may be required during the liquidation process.

53. Accordingly, **IA(Plan)/13(AHM)2025** in CP(IB) No. 239 of 2023 stands **dismissed** and disposed of.

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

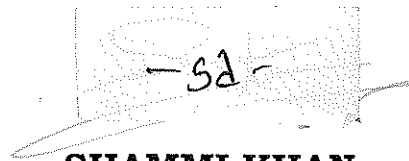
55. We also note that an application IA (Plan)/12 (AHM) of 2025 is filed on 24.06.2025. In that case, the Financial Creditor/sole CoC member, shareholders, directors, the

Resolution Applicant are same as in this case. That corporate debtor was also incorporated in 2019, involved in similar business, export sales have been made to the customers of the countries as in this case, in that case also the export proceeds are not received, and there is no running business. We have also decided that application today.



**SANJEEV SHARMA
MEMBER (TECHNICAL)**

RAJEEV SEN



**SHAMMI KHAN
MEMBER (JUDICIAL)**