

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH, COURT-II**



**IA. No. 15/2024**  
In  
**CP(IB)No. 619/MB/C-II/2022**

**Application filed under section 30(6), r/w Section 31(1) of the Insolvency & Bankruptcy Code, 2016 read with Regulation 39(4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016,**

Filed by

**Mr. Avinash Ambikaprasad Shukla,  
Resolution Professional**

**...Applicant**

*In the matter of*

**M/s. The Karnataka Bank Limited**

**...Financial Creditor**

**V/s**

**Paras Commercial Centre Private Limited**

**...Corporate Debtor**

**Order Pronounced on: - 20.12.2024**

***Coram:***

**Anil Raj Chellan  
Member (Technical)**

**Kuldip Kumar Kareer  
Member (Judicial)**



***Appearances -***

**For the Resolution Professional** : Adv. Yahya Batatawala

**ORDER**

***Per: Kuldip Kumar Kareer, Member (Judicial)***

1. The present Interlocutory application is filed by **Mr. Avinash A. Shukla**, the Applicant/Resolution Professional of **M/s. Paras Commercial Centre Private Limited** (“the Corporate Debtor”) seeking approval of the resolution plan under Section 30(6) of the Insolvency and Bankruptcy Code, 2016 (“the Code”) read with Regulation 39 (4) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (“CIRP Regulations”) submitted by Mr. Nandlal M. Thakkar & Mrs. Pratima N. Thakkar in consortium (“Successful Resolution Applicant”) which was duly approved by 100% of the Committee of Creditors (“CoC”) of the Corporate Debtor in its 10<sup>th</sup> CoC meeting held on 17.02.2024.
2. The Applicant submits that the Corporate Debtor was initiated against the Corporate Insolvency Resolution process (“CIRP”) vide Order dated 24.03.2023 passed in Company Petition No. 619/2022 filed by the Karnataka Bank Ltd. under Section 7 of the IB Code, 2016 whereby Mr. Avinash A. Shukla was appointed as Interim Resolution Professional (“IRP”).
3. The IRP made a Public Announcement inviting claims in Form ‘A’ on 29.03.2023. Based on the claims received, the CoC was constituted on 19.04.2024 comprising of one Member i.e, Karnataka Bank Ltd. The IRP convened the first



meeting of the CoC on 26.04.2023 where by the CoC, inter alia, resolved to confirm Mr. Avinash Ambikaprasad Shukla as the Resolution Professional (RP) of the Corporate Debtor.

4. Further, in pursuance of the discussions held in the 2<sup>nd</sup> and the 3<sup>rd</sup> CoC meetings held on 22.05.2023 and 15.06.2023 respectively, the Applicant published Form G in two newspapers on 17.06.2023. As many as six Eols were received by the Applicant and a provisional list of PRAs was prepared on 12.07.2023. The final list of PRAs was published on 17.07.2023.
5. In pursuance of the discussion held in the 4<sup>th</sup> CoC meeting held on 12.07.2023, the Applicant prepared the Evaluation Matrix dated 18.07.2023 and also the Information of Memorandum dated 27.06.2023. The Request for Resolution Plan (RFRP) was also prepared and circulated to the PRAs. The last date for submission of the Resolution Plans by the PRAs was 16.08.2023 which was further extended to 05.09.2023. Pursuant to the request received from the PRAs, the time for submission of the Resolution Plan was further extended up to 20.10.2023.
6. As the CIRP period of the Corporate Debtor was ending on 20.09.2023, the CoC in its 6<sup>th</sup> meeting held on 31.08.2023, decided to file an application for an extension of the CIRP period by 90 days i.e. from 21.09.2023 to 20.12.2023. This Tribunal vide order dated 06.10.2023 allowed the said application. Subsequently, in its 9<sup>th</sup> meeting held on 16.12.2023, the CoC again decided to file an application for an extension of the CIRP period by another 60 days from 20.12.2023 to 19.02.2023. Accordingly, IA.No.5839/2023 was filed which was allowed by this Authority vide order dated 02.01.2024.
7. As on the last date for submission of Resolution Plans, the Applicant received



only one Resolution Plan from the Promoters of the Corporate Debtor i.e., Mr. Nandlal M. Thakkar & Mrs. Pratima N. Thakkar, in consortium. The PRA also deposited an Earnest Money Deposit (EMD) of Rs. 50,00,000/- (Rupees Fifty Lakhs only) with the Applicant.

8. In the 8<sup>th</sup> CoC meeting on 08.11.2023, the Resolution Plan submitted by the PRA was discussed. The CoC members raised certain observations and queries to the PRA and also suggested to make certain changes in the Resolution Plan. The Applicant requested the CoC to submit a detailed observation on the Resolution Plan.
9. A revised claim dated 14.02.2024 was submitted by the sole Financial Creditor i.e. Karnataka Bank Limited by including the interest amount on the outstanding debt as on 24.03.2023, amounting to Rs.1639.58 as the interest part was not earlier taken into consideration while admitting the claim of the Financial Creditor. The applicant after due verification admitted the revised claim on 16.02.2024.
10. On 14.02.2024, a due diligence report by A M Doshi & Associates LLP confirmed that Resolution Applicants, Mr. Nandlal Thakkar and Mrs. Pratima N. Thakkar, met the eligibility criteria under Section 29A of the IBC, Code 2016, and were qualified to submit a Resolution Plan. The Corporate Debtor is an MSME.
11. On 16.02.2024, the revised claim received from the Financial Creditor was updated the same on the IBBI portal. On the same day, the PRA, submitted a revised Resolution Plan. The plan was discussed in the 10<sup>th</sup> CoC meeting on 17.02.2024, where it was approved with a 100% majority for an amount of Rs. 1,682.26 lakhs. Consequently, the consortium of Mr. Nandlal Thakkar and Mrs. Pratima N. Thakkar was declared the Successful Resolution Applicant and a



letter of intent was issued to them on 19.02.2024.

12. The Applicant submits that the ballot approving the Resolution plan was received on 19.02.2024 i.e. the last day of the CIRP period as per order passed by the Tribunal dated 02.01.2024. Thereafter, the application was prepared and filed for approval before this Tribunal. Hence, the applicant prays for condonation of the delay, if any, in filing the application for approval of the Resolution Plan before this Tribunal.

13. **Brief Background of the Corporate Debtor**

The Corporate Debtor is an MSME (UDYAM-MH-19-0053772) mainly engaged in storage and warehousing services and in renting of immovable property services.

14. **Brief Background of the Successful Resolution Applicant**

Mr. Nandlal M. Thakkar, commenced his career via the business of supply of HDPE & Jute bags to ACC limited & Cement distributor of M/s. Bagalkot Cement Co. Ltd. In 1980, he started the warehousing business providing both bonded and non-bonded storage space along with the C & F Services to the Valued Customers. Currently, he is into the business of Renting Immovable Property.

1.1.1. Mrs. Pratima Nandlal Thakkar has been involved in the same business and Mr. Nandlal Thakkar and Mrs. Pratima both also own and operate M/s. Global Logistics Pvt Ltd (GLPL), incorporated on 08.02.2005, which is engaged in the business of real estate leasing & renting, providing logistics solutions. GLPL is primarily doing the business of renting of Immovable Property. The Company owns 12 acres of land at Vashivali village, Raigad District, and have constructed a warehouse on it admeasuring 242,180

sq.ft. carpet area especially for Castrol India Ltd.

1.1.2. Presently, 170,000 sq. ft. has been leased out to Reliance Group. They started leasing the warehouse in 2020 and an area of 20,000 sq. ft. has been leased to Abhay Export since 2023. The Company also owns 5 Galas opposite Tilaknagar Station of which 3 Galas have been hired by Swiggy Pvt. Ltd. since November 2022.

## 15. SALIENT FEATURES OF THE APPROVED RESOLUTION

A. The Successful Resolution Applicant has proposed a total discharge amount of INR 1682.26 Lakhs for the resolution of the Corporate Debtor in the following manner:

(Amount in Rs. Lakh)

Sr. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan#	Amount Provided to the Amount Admitted (%)
1	CIRP Cost	CIRP Cost	7,500,000	7,500,000	7,500,000	100%
2	Secured Financial Creditors	a) Creditors not having a right to vote under sub-section (2) of section 21	-	-	-	-

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		(b) Other than (a) above:	-	-	-	-
		(i) who did not vote in favour of the resolution plan	-	-	-	-
		(ii) who voted in favour of the resolution plan	163,958,000	163,958,000	16,00,00,000	97.58%
		Total [(a)+(b)]	163,958,000	163,958,000	16,00,00,000	97.58%
3	Operational Creditors	(i) Government	28,395,000	28,39,5000	5,68,000	2%
		(ii) Other Operational Creditors	78,80,000	78,80,000	1,58,000	2%
		Total	200,233,000	200,233,000	168,226,000	84.015%
<b>Grand Total</b>			<b>200,233,000</b>	<b>200,233,000</b>	<b>168,226,000</b>	<b>84.015%</b>

**(B) Infusion of Funds**

(i) As on 31<sup>st</sup> March 2023, the Net-Worth of Gopal Logistics Pvt Ltd is estimated at INR 1183 Lakhs approx. Moreover, Resolution Applicant (RA) has various group companies having free cash-flows and owns certain properties which shall be monetized to raise funds for payment, as proposed under this plan.



### **C. Source of Funds**

The Resolution Applicant proposes to provide capital infusion from liquid investments held within the group and obtain unsecured loans from friends/ associates/relatives/ obtain secured loans. The Resolution Applicant has certain immovable assets in its own name and in the name of its group companies which may be sold to mobilise funds required for payment, as proposed under this plan.

### **D. CIRP Cost**

The total amount provided by the SRA towards CIRP cost is INR 75.00 lakhs. This amount will be paid up to the date of approval of the Resolution Plan by the Adjudicating Authority in priority to other payments. In case, the CIRP cost is higher than the estimated CIRP cost, such excess CIRP cost shall also be paid by the Resolution Applicant.

### **E. Treatment of Secured Financial Creditors**

The Successful Resolution Applicant assures that the Secured Financial Creditors shall be paid as mentioned below:

1. The Resolution Applicant proposes to pay an amount of INR 1600.00 lakhs towards the full and final settlement of secured financial creditors.
2. Furthermore, the Resolution Applicant proposes an upfront payment of INR 200.00 lakhs towards admitted claims received from the secured financial creditors. The Resolution Applicant submits that till date, INR 123.00 lakhs has been paid post commencement of CIRP from various sources (summary of payments made is as per annexure D attached with the application), and balance upfront payments shall be paid from Earnest Money Deposit (EMD) amount and infusion of funds by the RA within 90 days. Deferred payments shall be paid over





a period of 9 months from the effective date as under.

3. The payments outstanding after the 6<sup>th</sup> month from the effective date shall be paid along with a nominal interest rate of 12% p.a. based on a reducing balance basis from 7<sup>th</sup> month on or before 9 months from the effective date.

#### **F. Treatment of the Claims of other operational creditors**

The Resolution Applicant further proposes to pay an amount of INR 5.68 lakhs upfront payment towards a full and final settlement of the operational creditors being statutory dues of the Corporate Debtor.

The Resolution Applicant proposes to pay an amount of INR 1.58 lakhs upfront payment towards the full and final settlement of the other operational creditors.

#### **G. Capital Structure & Infusion of Funds**

##### **Issuance of additional equity shares/ infusion of Fresh Unsecured loans by Resolution Applicant**

The Company shall continue to have authorised share capital of INR 10.00 lakhs. The Resolution Applicant along with its Associates/ Affiliates shall introduce capital into the company in combination of equity/quasi-equity/ unsecured loans and secured loans or any other form deemed fit by the Resolution Applicant.

#### **I. Formation of Implementation and Monitoring Committee (IMC).**

1. An Implementation and Monitoring Committee shall be formed for monitoring the implementation of the Resolution Plan which will be comprising of (i) a representative from Secured Financial Creditors (as decided by CoC) (ii) the Resolution Applicant, as well as any Insolvency Professional (which may include



existing Resolution Professional) (iii) one Consultant mutually agreed by representative of the Secured Financial Creditor and the Resolution Applicant to supervise the implementation of the Resolution Plan.

### J. Timeline of Implementation

Activity	Timeline (Days)	Remarks if any
Approval by NCLT (E = Effective Date)	E	
Intimation to the MCA, CoC, IBBI, Tax Authorities and various other Statutory Authorities (as applicable)	E+2	
Intimation to all Creditors, existing shareholders and other stakeholders of the company		
Other Approvals/ filings required under the Plan filing of various documents with MCA – Other Authorities	Effective Date + 12	
Payment of CIRP Cost	Effective Date+ 3 months	
Settlement of Employees & Workmen Dues	N.A.	The proposed dues, if any, shall be paid in priority to payment to financial creditors
Repayment to Secured Financial Creditors	Effective Date + 9 months	The same is provide as payment to secured & unsecured financial creditors as per section VII. It includes upfront payment as well as deferred payment as stated in the payment summary table.
Repayment to Statutory Dues	Effective Date + 3 months	The same is provided as payment for statutory liabilities in financial proposal separately. The proposed dues, if any, shall be paid in

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		priority to payment to financial creditors
Repayment to Other Creditors	Effective Date + 3 months	The same is provided as payment to Operational Creditors as per the financial proposal separately. The proposed dues, if any, shall be paid in priority to payment to financial creditors
<b>Implementation of the Proposed Plan</b>		
Execution of Definitive Agreements with CoC/RP on approval Plan by NCLY to implement the Approved Plan	Effective Date + 3	
Settlement of Upfront Payment as per the Approved Resolution Plan	Effective Date + 3	

## Valuation

It is pertinent to mention that the value offered by the Resolution Applicant is more than the fair value of the Corporate Debtor and the summary of the liquidation and fair value of the assets of the Corporate Debtor is being reproduced hereunder.

### Valuation on Securities & Financial Assets

<b>Valuer</b>	<b>Liquidation Value (INR)</b>	<b>Fair Value (INR)</b>
Atharve Valuation (OPC Private Limited- Registered Valuer 1	90,000/-	7,71,000/-
Jayesh Parasmal Shah- Registered Valuer	90,000/-	90,000/-



### Valuation on Immovable Assets

Valuer	Liquidation Value (INR)	Fair Value (INR)
Jayesh Mohan Kamat- Registered Valuer 1	9,86,00,000/-	13,14,00,000/-
Parag Sheth- Registered Valuer 2	7,06,37,000/-	10,07,10,000/-

### K. Performance Guarantee

The Resolution Applicant proposes to provide INR 130.00 lakhs as margin money towards such performance guarantee. Amounts paid as margin money shall be adjusted against final payments under the plan.

### L. Extinguishment of Personal Guarantees

The Resolution Applicant clarifies that the personal guarantee offered by the Promoters/Directors of the Corporate Debtor for the financial assistance provided to the Corporate Debtor shall stand extinguished pursuant to the approval of the Plan by the Tribunal on the closing date i.e. on the date of payment of all the dues as proposed in this plan, without requirement of any further act or deed by the Resolution Applicants and/ or Corporate Debtor.

### M. Relief and Concessions

The Successful Resolution Applicant has sought various reliefs and concessions based on the clean slate concept laid down by the Hon'ble Supreme Court in various judgements, reliefs which are necessary to keep the Corporate Debtor as going concern, release from any and all liabilities/proceedings, disputes and



noncompliances prior to the NCLT Approval Date and extended period for renewal or revival of licenses for running the business of the Corporate Debtor.

16. The Applicant further submits that the Resolution Plan submitted is in compliance **with Section 30 (2) of the Code and Regulation 38 (A) of the CIRP Regulations**. The RP has also provided a compliance certificate in “**FORM H**” as mandated under the Code for seeking approval of the Resolution Plan from this Tribunal.

**Observations of the Adjudicating Authority.**

17. We have heard the Applicant and perused the Resolution Plan as well as the related documents submitted along with the Application.

18. As referred to in the above summary of the Resolution Plan, we are satisfied that the proposed Resolution Plan fulfils all the requirements of Section 30 (2) of the Code and no provision of the law appears to have been contravened.

19. Section 30 (4) of the Code reads as follows:

“(4) The committee of creditors may approve a resolution plan by a vote of not less than sixty-six percent 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.



20. Section 30(6) of the Code enjoins the Resolution Professional to submit the Resolution Plan, as approved by the CoC to the Adjudicating Authority. Section 31 of the Code deals with the approval of the Resolution Plan by the Authority if it is satisfied that the Resolution Plan, as approved by the CoC under section 30(4), meets the requirements provided under section 30(2) of the Code. Thus, it is the duty of the Adjudicating Authority to satisfy itself that the Resolution Plan, as approved by the CoC meets, the above requirements.
21. On perusal of the Resolution Plan, it is observed that the Resolution Plan provides for the following:
- a) Payment of CIRP Cost as specified u/s 30(2)(a) of the Code.
  - b) Repayment of Debts of Operational Creditors as specified u/s 30(2)(b) of the Code.
  - c) For management of the affairs of the Corporate Debtor, after the approval of the Resolution Plan, as specified u/s 30(2)(c) of the Code.
  - d) The implementation and supervision of the Resolution Plan by the RP and the CoC as specified u/s 30(2)(d) of the Code.
22. The Resolution Plan has been approved by the CoC in its 10<sup>th</sup> meeting with 100% votes in terms of Section 30(4) of the Code.
23. In ***K Sashidhar v. Indian Overseas Bank & Others (in Civil Appeal No.10673/2018 decided on 05.02.2019)*** the Hon'ble Apex Court held that if the CoC has approved the Resolution Plan by requisite percent of voting share, then as per section 30(6) of the Code, it is imperative for the Resolution



Professional to submit the same to the Adjudicating Authority (NCLT). On receipt of such a proposal, the Adjudicating Authority is required to satisfy itself that the Resolution Plan, as approved by the CoC, meets the requirements specified in Section 30(2). The Hon'ble Apex Court further observed that the role of the NCLT is 'no more and no less'. The Hon'ble Apex Court further held that the discretion of the Adjudicating Authority is circumscribed by Section 31 and is limited to scrutiny of the Resolution Plan "as approved" by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the Adjudicating Authority can reject the Resolution Plan is in reference to matters specified in Section 30(2) when the Resolution Plan does not conform to the stated requirements.

24. In **CoC of Essar Steel** (Civil Appeal No. 8766-67 of 2019 decided on 15.11.2019) the Hon'ble Apex Court clearly laid down that the Adjudicating Authority does not have the power to modify the Resolution Plan which the CoC in their commercial wisdom has approved. In para 42 Hon'ble Court observed as under:

*"Thus, it is clear that the limited judicial review available, which can in no circumstance trespass upon a business decision of the majority of the Committee of Creditors, has to be within the four corners of section 30(2) of the Code, insofar as the Adjudicating Authority is concerned, and section 32 read with section 61(3) of the Code, insofar as the Appellate Tribunal is concerned, the parameters of*



*such review having been clearly laid down in K. Sashidhar (supra)."*

25. In view of the discussions and the law thus settled, we are of the considered view that the instant Resolution Plan meets the requirements of Section 30(2) of the Code and Regulations 37, 38, 38(1A), and 39 (4) of the Regulations. The Resolution Plan is not in contravention of any of the provisions of Section 29A of the Code and is in accordance with law. We, therefore, allow the Application in the following terms.

**ORDER**

26. **The Application IA No. 15 of 2024 in CP (IB) No. 619/2022 is allowed.** The Resolution Plan submitted by Mr. Nandlal Thakkar and Mrs. Pratima Thakkar in consortium and passed by the CoC with the requisite majority is hereby approved. It shall become effective from this date and shall form part of this order. It shall be binding on the Corporate Debtor, its employees, members, and 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 is due, guarantors and other stakeholders involved in the Resolution Plan.
27. The Hon'ble Supreme Court in the matter of **Ghanshyam Mishra and Sons Private Limited Vs. Edelweiss Asset Reconstruction Company Limited, (Civil Appeal No. 8129 of 2019 decided on 13.04.2021)** held that as on the date of





the approval of the Resolution Plan by the Adjudicating Authority, all such claims which are not a part of the Resolution Plan, shall stand extinguished and no person will be entitled to initiate or continue any proceedings in respect to a claim which is not a part of the Resolution Plan. Accordingly, no person or authority will be entitled to initiate or continue any proceedings with respect to a claim prior to the approval of the Resolution Plan which is not a part of the Resolution Plan.

28. The approval of the Resolution Plan shall not be construed as a waiver of any future statutory obligations/liabilities of the Corporate Debtor and shall be dealt with by the appropriate Authorities in accordance with law. Any waiver sought in the Resolution Plan relating to the period after the date of this order, more particularly licenses and approvals for keeping the Corporate Debtor as a going concern, shall be subject to approval by the Authorities concerned and this Tribunal will not deter such authorities from dealing with any of the issues arising after effecting the Resolution Plan. This Tribunal, however, recommends due consideration of the revival of the Corporate Debtor.
29. The Monitoring Committee, as proposed in section IX para 4 of the Resolution Plan, shall be constituted to supervise the effective implementation of the Resolution Plan.
30. No application relating to preferential/fraudulent transactions under sections 43, 45, 50 and 66 of the IBC, 2016 is stated to be pending before this Tribunal. However, in case any such application is pending and some money is realized



as an outcome of such application(s), the same shall enure to the Financial Creditor.

31. As regards the other reliefs and concessions, as sought in the application, which exempts the Corporate Debtor from holding them liable for any offenses committed prior to the commencement of CIRP, as stipulated under Section 32A of the Code, the same is granted to the Resolution Applicants. However, as regards the exemptions, if any, sought in violation of any law in force, it is hereby clarified that such exemptions shall be construed not to have been granted.
32. The Memorandum of Association (MoA) and Articles of Association (AoA) shall accordingly be amended and filed with the concerned Registrar of Companies (RoC), for information and record. The Resolution Applicant, for effective implementation of the Resolution Plan, shall obtain all necessary approvals, under any law for the time being in force within such period, as may be prescribed. However, if any approval of shareholders is required under the Companies Act, 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 the said Act or any other law.
33. The concessions sought in relation to the stamp duty, taxes, registration charges, etc for implementation of the approved Resolution Plan are not

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granted. However, the Resolution Applicant is at liberty to approach the competent authorities for the exemptions, if permitted under the law.

34. The moratorium declared under Section 14 of the Code shall cease to have effect from this date.
35. The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with a copy of this Order for information.
36. The Applicant shall forthwith send a certified copy of this Order to the CoC and the Successful Resolution Applicant, respectively for necessary compliance.

**Sd/-**

**ANIL RAJ CHELLAN**  
**MEMBER (TECHNICAL)**

*Chandrika, LRA*

**Sd/-**

**KULDIP KUMAR KAREER**  
**MEMBER (JUDICIAL)**