

IA No. 34(AHM)/2022
IN
C.P. (I.B.) No.300 (AHM)/2018

NATIONAL COMPANY LAW TRIBUNAL
AHMADABAD BENCH
COURT- II

IA No. 34/(AHM)/2022

IN

C.P. (I.B.) No. 300(AHM)/2018

(An application filed under section 54 of the Insolvency and Bankruptcy Code, 2016)

IN THE MATTER OF:

Mrs. Bhavi Shreyans Shah
Liquidator of Rutika Creations Private Limited
Having registered office at:
C 201, Embassy Apartment,
Near Ketav Petrol Pump,
Dr. V.S. Road,
Ahmedabad-380015

...Applicant

AND

In the matter of:

CP(IB) No.300/7/NCLT/AHM/2018

[An application under section 7 of Insolvency and Bankruptcy Code, 2016]

Reliance Commercial Finance Limited
Reliance Centre, 6th Floor,
South Wing, Off. Western Express Highway,
Santacruz (East) Mumbai- 400 055

..Financial Creditor

VERSUS.

Rutika Creations Private Limited
Plot No.K1 to K5
City Industrial Estate
Udhna , Surat-394 210

...Corporate Debtor

Order Pronounced on: 20/07/2023

CORAM:

Mr. Shammi Khan,
Hon'ble Member (Judicial)

Mr. Ajai Das Mehrotra
Hon'ble Member (Technical)

APPEARANCES

For the Applicant:

Mr. Sumit Parikh, Advocate

For the Income Tax Department : Ms. Pankti Shah, for Ms. Maithli Mehta,
Advocate

ORDER

1. The Instant Application is filed by Mrs. Bhavi Shreyans Shah Liquidator of M/s. Rutika Creations Private Limited, the Corporate Debtor, under Section 54 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IB Code") with a prayer to dissolve the Corporate debtor i.e. M/s. Rutika Creations Private Limited.
2. The brief facts of the case are as under:-
 - i. The Rutika Creations Private Limited was incorporated on 07/10/2010 under the provisions of the Companies Act, 1956 bearing CIN No. U17120GJ2010PTC062545 and its registered office at Plot No. K1 to K5, City Industrial Estate, Udhna- Navsari Road, Udhana, Surat-Gujarat- 394210.

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- ii. The Financial Creditor M/s. Reliance Commercial Finance Limited had filed an application under Section 7 of the IB Code, 2016 for initiation of Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) of M/s. Rutika Creations Private Limited, which was admitted vide order dated 22/10/2019, CP(IB) No. 300/7/NCLT/AHM/2018 and CA Bhavi Shreyans Shah was appointed as Interim Resolution Professional (hereinafter referred to as “IRP”).

- iii. The Applicant submits that he has received one Resolution Plan from the Prospective Resolution Applicant on publication of the Form –G second time. In the 8th meeting of the Committee of Creditors (hereinafter referred to as ‘CoC’) held on 07.09.2020, the members of the CoC rejected the resolution plan of the Resolution Applicant because the said plan was not feasible and viable and it was resolved to initiate the liquidation process of the Corporate Debtor and it was further resolved to appoint Liquidator of the Corporate Debtor. Accordingly, Applicant has preferred an application for seeking liquidation and the order for liquidation was passed vide order dated 08.10.2020 in IA 650 of 2020 in

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CP(IB) 300 of 2018 and the Applicant i.e. CA Bhavi Shreyans Shah was appointed as the Liquidator. The copy of the minutes of the 8th meeting and Form-G are attached with the application.

- iv. The public announcement as provided under Regulation 12 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 was made by way of an advertisement on 13/10/2020 in English Newspaper “Financial Express” and in Gujarati newspaper “Gujarat Guardian”. The copy of the public announcement in Form -B is attached with the application.
- v. The Applicant prepared the list of stakeholders as per regulation 31 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and the same has been filed before this Tribunal on 22/12/2020. The Applicant had also filed a modified list of Stakeholders on 01/06/2021.

The modified list of Stakeholders is as under :-

Sr. No.	Name of the Creditors	Form	Amount Admitted
1	Reliance Commercial Financial Limited (Secured Financial Creditor)	D	3,12,72,369/-
2	Aditya Birla Finance Limited (Unsecured)	D	39,13,202/-

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	Creditor)		
3	HDFC Bank Limited (Unsecured Financial Creditor)	D	48,13,614/-
4	Shriram City Union Finance Limited (Unsecured Financial Creditor)	D	34,98,658/-
5	Magma Fincorp Limited (Unsecured Financial Creditor)	D	32,35,623/-
6	Bajaj Finance Limited (Unsecured Financial Creditor)	D	18,69,583/-
7	The Deputy Commissioner of Customs, EPCG Monitoring Cell, JNCH, Nhava, Sheva(Operational Creditor)	C	23,41,524/-

- vi. In accordance with Regulation 41 of the liquidation regulation, the applicant has opened a separate bank account in the name of Rutika Creations Private Limited ‘in liquidation’, with Kotak Mahindra Bank bearing account no. 8013717519, Navrangpura Branch, Ahmedabad. On completion of liquidation process, the said bank account has been closed and the Kotak Mahindra Bank has issued closure certificate which is placed on record by the Applicant by way of an additional affidavit.
- vii. In accordance with Regulation 35 of the IBBI (Liquidation Process) Regulations, 2016, two valuers were appointed on

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03.11.2020 for the valuation of plant & machinery of Corporate Debtor.

- viii. In accordance with Regulation 15 of the IBBI (Liquidation Process) Regulations, 2016 applicant has prepared 1st progress report dated 11/01/2021. The applicant further submitted Preliminary Report within 75 days and an Asset Memorandum, in accordance with Regulation 34 of IBBI (Liquidation Process) Regulations, 2016 before this Tribunal on 11/01/2021. The copies of the same are attached with the application.
- ix. The Applicant states that he has conducted total 12 meetings with the Stakeholders Consultation Committee and the copies of the minutes of the meetings are attached with the application.
- x. The Applicant states that Corporate Debtor has only 14 computerized embroidery machines at 1st floor, K1 to K5, City Industrial Estate, Udhana Navsari Road, Udhana, Surat.
- xi. The Applicant states that as per sub Section (f) of the Section 35 of the Code r/w Regulation 33 of the Liquidation Regulation, the application has conducted six e-auctions, and last e- auction was held on 25/09/2021. The applicant had

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received Earnest Money Deposit(EMD) from two bidders viz. M/s. B. Dobariya & Co. and Mr. Bhagwanchand Saini, wherein Mr. Bhagwanchand Saini became the Highest bidder in the said e- auction convened on 25.09.2021 for the sale of assets of the Corporate Debtor at a sale price of Rs. 60,40,000/- (Rupees Sixty Lakhs Forty Thousand only)+ GST(18%). The applicant further submits that Mr. Bhagwanchand Saini remitted the total amount of Rs. 6,00,000/- as the amount towards the EMD and Rs. 9,10,000/- on 28.09.2021. The copy of the sale confirmation certificate is annexed with the application.

- xii. Applicant has submitted progress reports as defined under Regulation 13 of IBBI(Liquidation Process) Regulation 2016. The copies of progress reports are attached with the application.
- xiii. Further, the Applicant has preferred an application under Regulation 44 seeking for extension of liquidation period. This Tribunal has allowed three months extension vide order dated 29/10/2021 from 08/10/2021. The copy of the said order is attached with the application.

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- xiv. The Applicant submits that there are no pending litigation against the Corporate Debtor before any Court/Tribunal/Forums.
- xv. It is further states that Liquidator has completed all formalities of Liquidation process and disposed of all the assets of the Corporate Debtor i.e. 14 computerized embroidery machines. There is no other asset to be utilized for recovery of dues of the creditors/stakeholders.
- xvi. The Applicant states that he has received full amount within stipulated time i.e. within 30 days from the date of auction from the successful bidder i.e. Mr.Bhagwanchand Saini i.e.Rs. 60,40,000/-+ GST = Rs. 71,27,200/-
- xvii. The Applicant has concluded the full and final distribution of amount received on sale of assets of the Corporate Debtor. The receipt has been utilized for paying for unpaid CIRP and liquidation cost, and the remaining amount has been paid to Reliance Commercial Finance Limited, being the only secured Financial Creditor who had relinquished its security interest into liquidation estate of the Corporate debtor. The instant application is filed by the Liquidator for appropriate

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order/directions under section 54 of the IB Code as nothing more is required to be done.

3. In pursuance of directions given by this Tribunal, the Applicant has served notice to the ROC and Income Tax Department on 31/01/2022. In response, the Income Tax Department issued 'No due Certificate' in relation to the Corporate Debtor. The same is placed on record by way of an additional affidavit. However, there is no reply/objection received from the ROC till date though vide order dated 24/04/2023, last chance was granted to ROC for filing its reply/objection.

4. We have heard, the Ld. Counsel for the Applicant/Liquidator and have perused the material available on record. It may be seen that Liquidation process has been conducted and is complete. There are no further assets of the Company which are required to be disposed of. The Applicant has completed all the statutory procedures as envisaged under the provisions of the IBC 2016. Thus, this Adjudicating Authority, in exercise of powers conferred under section 54(2) of the IB Code, 2016 hereby orders the dissolution of the Corporate Debtor viz., M/s. Rutika Creations Private Limited (CIN U17120GJ2010PTC062545), and from the date of this order the Corporate Debtor stands dissolved.

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5. Consequently, the Liquidator Mrs. Bhavi Shreyans Shah, is discharged from her duties and responsibilities as the Liquidator of the Corporate Debtor.
6. The Liquidator and the Registry are directed to send copy of this order within 7 days to the ROC, Gujarat.
7. A copy of this order shall also be forwarded to the IBBI, and concerned parties for their record.
8. Application is allowed in terms of the above order and stands disposed of.

SD/-

AJAI DAS MEHROTRA
MEMBER (TECHNICAL)

SD/-

SHAMMI KHAN
MEMBER (JUDICIAL)

Vaishali PS/Abhishek LRA

IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
COURT - 2

ITEM No303
IA/34(AHM)2022
in
CP(IB) 300 of 2018

Order under Section 54(1) IBC

IN THE MATTER OF:

Bhavi Shreyans Shah Liquidator of Rutika Creations Pvt LtdApplicant

.....Respondent

Order delivered on 20/07/2023

Coram:

Mr. Shammi Khan, Hon'ble Member(J)

Mr. Ajai Das Mehrotra, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open Court vide separate sheet.

SD/-

**AJAI DAS MEHROTRA
MEMBER (TECHNICAL)**

SD/-

**SHAMMI KHAN
MEMBER (JUDICIAL)**