

**THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI
I.A. 621/2020
IN
Company Petition No. (IB) – 818 (PB) /2018**

*Under Section 33(1) of the Insolvency and Bankruptcy Code, 2016
for liquidation of the corporate debtor*

In the matter of:

Reliance Commercial Finance Limited

.... Financial Creditor

VERSUS

M/s Shree Raj Mahal Jewellers Ltd.

.... Corporate Debtor

AND

In the matter of:

Mr Nishant Gaurav Gupta

.... Applicant / Resolution
Professional

Order Pronounced on: 08.09.2020

CORAM:

**SHRI. B.S.V PRAKASH KUMAR,
HON'BLE ACTG. PRESIDENT
SHRI. HEMANT KUMAR SARANGI,
HON'BLE MEMBER (TECHNICAL)**

For the Applicant: Ms. Namrata Ranga & Ms. Nishi Chaudhary
Advocates on behalf of R.P

For the Respondent:



ORDER

PER- HEMANT KUMAR SARANGI, MEMBER (T)

1. This is an application filed by the Resolution Professional, under Section 33(1) & 33(2) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred as the "Code"), for issuance of directions for liquidation to Corporate Debtor, M/s. Shree Raj Mahal Jewellers Private Limited.

2. The facts in brief are that, one of the Financial Creditor, M/s Reliance Commercial Finance Limited, had filed an application under Section 7 of the Code bearing number IB-818(PB)/2018, for initiation of Corporate Insolvency Resolution Process (CIRP), against the Corporate Debtor. The said application was admitted by this Tribunal on 24.04.2019, thereby, initiating CIRP against the Corporate Debtor and there in, appointed Mr. Nishant Gaurav Gupta, as the Interim Resolution Professional (IRP).



3. Thereafter, in terms of Regulation 6(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations), the Interim Resolution Professional made the public announcement inviting claims from the creditors of the corporate debtor. Consequently, in compliance with Section 21 of the Code read with Regulation 17 of the CIRP Regulations, a Committee of Creditors was constituted.
4. Thereafter, the first CoC meeting was held on 23.05.2019 and the IRP was appointed as Resolution Professional of the Corporate Debtor. Subsequently, after approval of CoC the invitation for Expression of Interest was published by the applicant in two-newspaper named Financial Express (English) and Jansatta (Hindi Edition) of Delhi-NCR Edition, with the last date for submission of claims as 13.08.2019. However, no EOI was received from any prospective resolution applicant.



5. Thereafter, the CoC with the 100% voting shares decided to extend the CIRP period by 90 days and the second EOI was published on 21.09.2019, with the last date of EOI on 06.10.2019. However, no EOI was received from any prospective applicant.
6. Thereafter, the Applicant during the first CoC meeting was confirmed as RP and further submitted that would update the list of claims as when received from the creditors. However the RP has received the claims, from Secured Financial Creditors amounting to Rs. 24,28,321,105/- and from the Unsecured Financial Creditors received the amount of Rs. 4,39,72,123/- and further from the Operational Creditor received the amount of Rs. 33,26,74,030/-.
7. As per the submissions of the Applicant, after the third publication of EOI made on date 13.11.2019, with the last date for receipt of EoI being 28.11.2019. Applicant further states that, Two parties had sought details of EOI namely,

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M/s. One Group developers and M/s Panchtatva Promoters Private Limited but on 02.12.2019, M/s. One group developers had withdrawn their name to take part in EOI. Therefore, M/s Panchtatva Promoters Private Limited have remained the only final resolution applicant.

8. As per the Applicant, after verification of their eligibility, RP with the approval of CoC, furnished the information memorandum, Evaluation Matrix and Request for Resolution Plan (RFRP), to the M/s. Panchtatva Promoters Private Limited and fixed the last for the submission of the Resolution plan as 06.01.2020. But the Prospective Resolution Applicants did not submit the Resolution plan till date. That they have confirmed via email to RP on 07.01.2022.

9. However, in the 6th CoC meeting held on 13.01.2020. It was decided by the CoC with the 98.12% voting that an application for liquidation of corporate debtor under section 33(1) (a) should be filed before this Tribunal, since



no resolution plan has been received in the matter.

10. Further, in the same meeting the RP has informed the CoC that the two valuers namely Mr. Sumit Dadda and Mr. Naveen Singhal have submitted their reports of for average fair Liquidation Value that has follows:

(Amounts in Rs.)

Valuer Name	Fair Value	Liquidation value
Mr. Sumit Dadda	49,86,343/-	34,71,490/-
Mr. Navveen Singhal	52,80,141/-	33,05,177/-
AVERAGE	51,33,242/-	3,338,333.5/

11. In the factual background of the present case, the Resolution Professional discloses that no potential assets, including intangible assets, remain for realisation with the corporate debtor, against which the resolution process is to be carried out, hence neither valuation of the assets can be done nor expression of interest can be invited.

12. Therefore, in the absence of any approved resolution plan; there is no other alternative left but to order in conformity with the decision of the Committee of

Creditors, for liquidation of the corporate debtor under Section 33 of the Code.

13. In the result the application is allowed by ordering liquidation of the corporate debtor, namely M/s Shree Raj Mahal Jewellers Private Limited in the manner laid down in the Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016 along with following directions:

- a. The Mr. Nishant Gaurav Gupta, holding
Registration No.
IBBI/IPA-002/IP-N00572/2017-2018/11739,
having email-cirp.rajmahal@outlook.in and
Mobile No. 7840003243 is appointed as the
Liquidator in terms of Section 32(1) of the
Code;
- b. Registry is directed to communicate this Order
to the Registrar of Companies, NCT of Delhi &
Haryana and to the Insolvency and
Bankruptcy Board of India;



- c. The Order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and a fresh Moratorium under Section 33(5) of the Insolvency and Bankruptcy Code shall commence;
- d. This order shall be deemed to be a notice of discharge to the officers, employees and the workmen of the corporate debtor as per Section 33(7) of the Insolvency and Bankruptcy Code, 2016;
- e. The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016 and in accordance with the relevant rules and regulations.
- f. The Liquidator shall follow up and continue to



investigate the financial affairs of the Corporate Debtor in accordance with provisions of Section 35(1) of the Code.

- g. The liquidator shall also follow up the pending applications, if any, for their disposal during the process of liquidation including initiation of steps for recovery of dues of the Corporate Debtor as per law.
- h. The Liquidator shall submit a Preliminary Report to the Adjudicating Authority within seventy-five days from the liquidation commencement date as per Regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016;
- i. Copy of this order be sent to the financial creditors, corporate debtor and the Liquidator for taking necessary steps;



j. IA. 621(PB)/2020 filed in IB 818/(PB)/2018 is
disposed of in terms of the aforesaid terms.

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(B.S.V. PRAKASH KUMAR)
ACTG. PRESIDENT

—sd—

(HEMANT KUMAR SARANGI)
MEMBER (TECHNICAL)