

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT – 2

ITEM No.301

IA/197(AHM)2026 in CP(IB) 574 of 2018

Proceedings under Section 33 & 34 of IBC,2016

IN THE MATTER OF:

Mr.Atul Mittal RP of M/s.Shrinathji Spintex Pvt Ltd

.....Applicant

.....Respondent

Order delivered on: 01/10/2026

Coram:

Mrs. Chitra Hankare, Hon'ble Member(J)

Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

This case is fixed for pronouncement of order

The order is pronounced in open court vide separate sheet

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DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

-sd/-

CHITRA HANKARE
MEMBER (JUDICIAL)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD (COURT - II)**

I.A. No.197 (AHM) 2026

in

C.P.(I.B.) 574 of 2018

[Application for liquidation under Section 33 and 34 of Insolvency and Bankruptcy Code, 2016]

In the matter of Shrinathji Spintex Private Limited

Memo of party

Mr. Atul Mittal

Resolution Professional of

M/s Shrinathji Spintex Private Limited

Having office at: 174, Balco Apartments,

Plot No. 58 - IP Extension,

Delhi-110092

... Applicant

Order pronounced on: 01.10.2026

Coram:

**MRS. CHITRA HANKARE
HON'BLE MEMBER (JUDICIAL)**

**MR. VELAMUR G VENKATA CHALAPATHY
HON'BLE MEMBER (TECHNICAL)**

Appearance:

For the Applicant : Mr. Kuldeep K Adesara. Adv.

For the Financial Creditor : Mr. Monaal Davawala, Adv.

JUDGEMENT

1. The present application is file by the Resolution Professional of the corporate debtor- Shrinathji Spintex Private Limited under section 33 and 34 of the Insolvency and Bankruptcy

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Code, 2016 seeking initiation of liquidation against the corporate debtor and appointment of applicant as liquidator.

2. The averments made in the application are as under:

a. The corporate debtor was admitted into CIRP *vide* order dated 08.05.2025 by this Tribunal in CP (IB) No. 574 of 2018 under Section 7 of IBC and the applicant was appointed as IRP. IRP made public announcement in Form A on 10.05.2025 for inviting claims from the Creditors. The IRP then constituted the Committee of Creditors as per Regulation 16 of the IBBI (Insolvency Resolution Process for Corporate Persons), 2016. The applicant was appointed as RP and subsequently issued Form G dated 17.07.2025 and 02.09.2025 with the approval of CoC inviting Expression of Interest (EOI) from prospective resolution applicants with last date for submission of EOI being 11.08.2025.

b. The Applicant submitted that pursuant to issuance of Form G dated 02.09.2025, four PRAs submitted their EOIs, and the VDR, Information Memorandum, Evaluation Matrix and Request for Resolution Plan were provided to them on 26.09.2025. It is submitted that the

last date for submission of resolution plans was 25.10.2025, no plan was received and the PRAs sought extension of time.

- c. It is submitted that 8th CoC meeting of the CD was held on 11.11.2025 wherein no resolution plans have been submitted by the PRAs within the extended time period i.e. upto 09.11.2025. The 9th CoC meeting of the CD was held on 01.12.2025 as no resolution plan was received from any PRA even within the extended submission period and the Applicant was in the process of refunding the EMD amount submitted along with EOI to the respective Prospective Resolution Applicants (PRA), in terms of Request for Resolution Plan document. It is submitted that at the 9th CoC meeting held on 1.12.2025, the resolution for publication of Form G for the third time along with revised detailed EOI was rejected by the CoC with 100% voting. It is further submitted that at the 9th CoC meeting held on 1.12.2025, CoC resolved for the initiation of the liquidation proceedings of the CD under section 33(2) of the IB Code and to appoint the applicant as the

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liquidator of the CD. It is submitted that the said resolution was passed by the CoC with 100% votes case in favor of the resolution.

d. As per Form-H annexed to the petition, Average Fair value is Rs.2,55,76,173 and Average Liquidation Value is Rs.1,85,44,880/-.

3. Heard the parties and perused the documents available on record.

4. Observations:

a. The COC in its commercial wisdom has recommended for liquidation of CD in its 9th COC meeting dated 26 Nov 2025. The intervening IA filed by one of the PRAs is disposed of.

b. We also observe that the last financial statement of the CD is of 2014 based on which the Form G was issued and COC has not received by the last date of time line any resolution plan. The Commercial Wisdom of COC to liquidate the COC hence is in order and we need not review the same as the CD appears to be not revivable by any resolution plan received and the CIRP period as per IBC has already been completed.

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5. In view of the above, we pass the following orders:

ORDER

- I. IA 197 of 2026 is allowed.
- II. The Liquidation of Corporate Debtor- Shrinathji Spintex Private Limited is effective from the date of this order and the Moratorium declared *vide* order dated 08.05.2025 in CP(IB)574 of 2018, henceforth ceases to exist from the date of the order of liquidation.
- III. We hereby appoint Mr. Darshan Bharatbhai Patel having IBBI Registration No. IBBI/IPA-001/IP-P01579/2018-2019/12442 and email id- ca.darshanbpatel@gmail.com as per the panel suggested by IBBI for this Bench as the Liquidator of the Corporate Debtor to carry the liquidation process. The Liquidator so appointed shall complete the Liquidation process as per the provisions of the Insolvency and Bankruptcy Code, 2016 r.w. Insolvency and Bankruptcy Board of India (Liquidation process) Regulation, 2016.
- IV. All the powers of the Board of Directors, key managerial persons, and the partner of the Corporate

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Debtor, as the case may be, hereafter cease to exist. All these powers henceforth vest with the Liquidator

- V. 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.
- VI. The Liquidator will charge fees for the conduct of the liquidation proceedings in proportion to the value of the liquidation estate assets as specified by IBBI and same shall be paid to the Liquidator from the proceed of the liquidation estate under section 53 of the Code.
- VII. 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.
- VIII. This liquidation order shall be deemed to be notice of discharge to the officers, employees, and workmen of

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the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.

- IX. The CoC is directed to contribute to the liquidation cost if any short fall occurs from the liquidation value of the Corporate Debtor.
- X. 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, VAT, etc., who are likely to have any claim upon the Corporate Debtor 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 workmen/employees could also be informed of this liquidation order through their association.
- XI. 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.

- XII. The present Resolution Professional is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed liquidator forthwith.
- XIII. 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 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.
- XIV. Accordingly, the present I.A. No. 197 of 2026 stands disposed of.

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DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

CHITRA HANKARE
MEMBER (JUDICIAL)