



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**DIVISION BENCH**  
**COURT - 1**

ITEM No.137

IA/611(AHM)2022 in C.P.(IB)/74(AHM)2021

**Order under 33(2) IBC,2016**

**IN THE MATTER OF:**

Ritesh Adatiya RP For Chandra Net Ltd

.....Applicant

.....Respondent

**Order delivered on: 24/01/2023**

**Coram:**

Dr. Madan B. Gosavi, Hon'ble Member(J)

Mr. Kaushalendra Kumar Singh, Hon'ble Member(T)

**PRESENT:**

For the Applicant :

For the Respondent :

**ORDER**

The case is fixed for pronouncement of the order. The order is pronounced in open Court vide separate sheet.

-SD-

**KAUSHALENDRA KUMAR SINGH  
MEMBER (TECHNICAL)**

-SD-

**DR. MADAN B. GOSAVI  
MEMBER (JUDICIAL)**



**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
COURT 1**

**IA NO. 611/NCLT/AHM/2022 in  
CP (IB) NO. 74/NCLT/AHM/2021**

**IA NO. 611 of 2022**

[An application filed under section 33(2) of the Insolvency and Bankruptcy Code, 2016]

**Ritesh Adatiya**

Resolution Professional of:

Chandra Net Limited

Having his office at:

B – 401, The First,

Behind ITC Hotel, besides Keshavbaug Party Plot,

Vastrapur, Ahmedabad – 380015

**..... Applicant/ RP**

**In the matter of:**

**CP (IB) NO. 74 of 2021**

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

**AHA Holdings Private Limited**

Having registered office at:

404, Udyog Mandir No.2,

Mogul Lane, Mahim (West),

Mumbai – 400016

**...Financial Creditor**

**Versus**

**Chandra Net Limited**

Having registered office at:

401, Parshwa Tower,

Near Pakwan – II, S.G. Highway,

Bodakdev, Ahmedabad – 380054

**...Corporate Debtor**



**Order reserved on 16.01.2023**  
**Order pronounced on 24.01.2023**

**Coram: DR. MADAN B. GOSAVI, MEMBER (J)**  
**KAUSHALENDRA KUMAR SINGH, MEMBER (T)**

**Appearance:**

Mr. Monaal Davawala, Ld. Adv. appeared for the Applicant

**ORDER**

1. The instant application is filed by Mr. Ritesh Adatiya - the Resolution Professional of the Corporate Debtor – M/s. Chandra Net Limited under section 33 (2) of the Insolvency and Bankruptcy Code, 2016 (**IBC, 2016**) for liquidation of the Corporate Debtor - M/s. Chandra Net Limited.

2. Learned Counsel for the Applicant appeared and made the averments which are summarised as under:

I. This Adjudicating Authority by its order dated 20.09.2021 admitted the Corporate Debtor in the Corporate Insolvency Resolution Process (**CIRP**) in an application filed by the Financial Creditor – AHA Holdings Private Limited, under section 7 of the IBC, 2016. Mr. Ritesh Adatiya (the Applicant herein) was appointed as Interim Resolution Professional (“IRP”).

II. The IRP made a public announcement in Form-A in the newspapers i.e., “Financial Express” in English and Gujarati on 24.09.2021. Thereafter, the IRP collated the claims and constituted the Committee of Creditors (**CoC**) on 16.10.2021 comprising of AHA Holdings Private Limited, having 100% voting shares.



III. The first meeting was held on 16.10.2021, wherein the sole CoC member was of the opinion that an application for Liquidation be filed as the Corporate Debtor had negligible assets. However, an attempt was made for revival of the Corporate Debtor. Accordingly, the Applicant appointed registered valuers to carry out valuation of assets of the Corporate Debtor.

IV. After the publication of Form G on 06.12.2021, the Applicant received 8 Expression of Interest (**EoI**) from Prospective Resolution Applicants (**PRA**) whilst only 3 of them submitted documents within the stipulated time period. At the request of one PRA, the last date for submission of Resolution Plan was further extended upto 14.02.2022.

V. As per the valuation report received from the registered valuers, the liquidation value of the financial assets of the Corporate Debtor was only Rs. 3,85,000/- . Thereafter, none of the PRAs submitted their Resolution Plan and requested for refund of their Earnest Money Deposit (**EMD**) which was duly refunded.

VI. The fourth CoC meeting was held on 22.02.2022, wherein the resolution for dissolution of the Corporate Debtor was passed by the CoC with 100% voting. Thereafter, IA 279 of 2022 was filed by the Applicant for the dissolution of the Corporate Debtor. However, the same was duly rejected by this Adjudicating Authority vide order dated 09.05.2022 stating that such application is not maintainable under Regulation 44 to 46 of IBBI (Liquidation Process) Regulation, 2016.

VII. Thereafter, IA 551 of 2022 was filed by the Applicant for the review of order dated 09.05.2022 passed by this Adjudicating Authority. However, the same was duly rejected by this Adjudicating Authority vide order dated 05.07.2022 and the permission to proceed with Liquidation process was granted by this Adjudicating Authority.



VIII. The sixth CoC meeting was held on 08.07.2022, wherein the resolution to initiate Liquidation process of the Corporate Debtor was passed with 100% voting. Further, resolution for appointment of Applicant as the Liquidator of the Corporate Debtor was also passed with 100% voting. CoC also resolved that the fees of the Liquidator shall be paid in accordance with Regulation 4 of the IBBI (Liquidation Process) Regulation, 2016. The Applicant has given his consent to act as Liquidator along with this application.

3. We have heard the learned counsel for the Applicant and perused the material on record. It is noted that the Corporate Debtor was admitted into CIRP by the Adjudicating Authority vide order dated 20.09.2021. Mr. Ritesh Adatiya was appointed as an IRP. The CoC comprising of the sole member i.e., AHA Holdings Private Limited was constituted with 100% voting shares. The IRP was continued to act as RP. Further, the CoC in its 6<sup>th</sup> meeting dated 08.07.2022 resolved to liquidate the Corporate Debtor, since there were negligible assets and the revival of the Corporate Debtor was also not possible.

It is also noted that the CoC in its 6<sup>th</sup> meeting dated 08.07.2022 proposed the Resolution Professional to act as Liquidator and the consent of the Resolution Professional for the same is also placed on record.

4. Considering the above, we are of the view that the present application deserves to be allowed and hence by invoking the provisions of section 33 of the Insolvency & Bankruptcy Code, 2016, we allow the present application with the following directions:

(i) IA 611 of 2022 is allowed and the Corporate Debtor - M/s Chandra Net Limited is ordered to be liquidated in terms of the provisions of the IBC, 2016.

(ii) The Liquidation of the Corporate Debtor is effective from the date of this order and the moratorium declared vide order dated 20.09.2021 in CP (IB) No. 74 of 2021 henceforth ceases to exist.



(iii) As per section 34(1) of the IBC, 2016, the Applicant/Resolution Professional, Mr. Ritesh Adatiya (Registration No. IBBI/IPA-001/IP-P01334/2018-19/12013) is hereby appointed as a Liquidator of the Company –Chandra Net Limited. 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) Regulations, 2016.

(iv) Public notice shall be issued in the same newspaper i.e., “Financial Express” in English and Gujarati stating that the Corporate Debtor is in Liquidation.

(v) All the powers of the Board of Directors, key managerial persons, the partners of the Corporate Debtor, hereafter cease to exist. All these powers henceforth, vest with the Liquidator.

(vi) The peronnel(s) of the Corporate Debtor are directed to extend all co-operations to the Liquidator as required by him in managing the Liquidation process of the Corporate Debtor. Further, the Liquidator shall also provide all co-operation to the various Government agency(s)/ authority(s) in ongoing investigations/inquiry or inquiries initiated hereafter.

(vii) That once Liquidation process initiated subject to section 52 of the Code, no suit or legal proceedings shall be instituted by or against the Corporate Debtor save and except the liberty to the liquidator to institute the suit or other legal proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority as mentioned in sub-section 5 section 33 of the IBC, 2016.

(viii) 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.

(ix) The registry is directed to upload this order on the official website within two working days from the date of this order. The authenticated copy of this order be sent by the Registry to the Financial Creditor, Corporate Debtor, Registrar of Company, Resolution Professional and Liquidator by Speed-post within one week from the date of this order.

5. Accordingly, IA/611(AHM)2022 is allowed and disposed of.

**-SD-**  
**KAUSHALENDRA KUMAR SINGH**  
**MEMBER (TECHNICAL)**

**-SD-**  
**DR. MADAN B. GOSAVI**  
**MEMBER (JUDICIAL)**

Shweta Desai – LRA