

**THE NATIONAL COMPANY LAW TRIBUNAL  
PRINCIPAL BENCH, NEW DELHI  
I.A. 1613/2020  
IN  
Company Petition No. (IB) – 510(PB) /2019**

*Under Section 33(2) of the Insolvency and Bankruptcy Code,  
2016 for liquidation of the corporate debtor*

**In the matter of:**

MR. PRAWIN CHARAN DWARY

.... Applicant (RP)

VERSUS

M/s. ROYAL WOOD PRIVATE LIMITED

.... Respondent

**In the matter of:**

DENA BANK  
(PRESENTLY AS BANK OF BARODA)

.... PETITIONER/  
OPERATIONAL CREDITOR

VERSUS

M/s. ROYAL WOOD PRIVATE LIMITED

..... CORPORATE DEBTOR

**Order Pronounced on : 12.02.2021**

**CORAM:**

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

For the RP : Mr. Vikky Dang, Advocate



## **ORDER**

### **PER- HEMANT KUMAR SARANGI, MEMBER (T)**

1. This is an application filed by the Resolution Professional, under Section 33(1) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the "Code") for issuance of directions for liquidation to Corporate Debtor, M/s. Royal Wood Private Limited.
2. The facts in brief are that one of the Financial Creditors had filed an application under Section 7 of the Code, bearing number IB- 510 (PB)/2019, for initiation of Corporate Insolvency Resolution Process (CIRP), against the Corporate Debtor. The said application was admitted by this Tribunal on 24.05.2019 initiating CIRP against the Corporate Debtor and therein appointed Mr. Prawin Charan Dwary, as the Interim Resolution Professional (IRP).
3. Thereafter, the Applicant had issued public announcement in Form-A, which was published in 'The Financial Express' and 'Jansatta' , both NCR editions (Hindi Newspaper), 'Times of India' and 'Rajkot Split Edition' (English Newspaper) and in 'Kutch Mitra', Bhuj Edition (Gujrati Newspaper) on 30.05.2019, calling on the creditors to submit their proofs. On receipt of claims and their verification / collation, the Committee of Creditors (CoC) was constituted by the Applicant. The first meeting of CoC was convened on 27.06.2019,



4. In the second meeting of CoC convened on 17.07.2019, it was decided and resolved for the appointment of the applicant, Mr. Pravin Charan Dwary, as the Resolution Professional.
5. In the third meeting of CoC, held on 09.08.2019, the RP informed the members about the progress so far in the CIRP, thereafter the invitation of EoI, eligibility criteria and evaluation matrix were discussed and finalised.
6. Further, the RP informed the members of CoC that, as mandated by Regulation 27 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process of Corporate Debtor) Regulations, 2016, the following had been appointed to conduct the valuation of the assets of the Corporate Debtor:

<b>Name of the Valuer</b>	<b>Class of Assets</b>	<b>IBBI Registration Number</b>	<b>Professional Fee</b>
Mr. R. K. Patel	Land & Building	IBBI/RV/02/2018 /10304	Rs.30,000 plus out of pocket expenses and applicable taxes
Mr. R. K. Patel	Plant and Machinery	IBBI/RV/02/2018 /10304	Rs. 15,000 plus out of pocket expenses and applicable taxes
Mr. Vishal Shah	Plant and Machinery	IBBI/RV/02/2018 /10388	Rs. 12,000 plus out of pocket expenses and applicable taxes

Mr. Mital Sanghvi	Land and Building	IBBI/RV/02/2018 /10375	Rs. 30,000 Plus out of pocket expenses and applicable taxes
-------------------	-------------------	---------------------------	--

7. The valuation summary as submitted by the applicant is as follows:

**Land Valuation**

S. No.	Description	Fair Value (in Rs.)	Liquidation Value (in Rs.)
1.	Mr. R. K. Patel	1,53,16,778.00	76,58,389.00
2.	Mr. Mital Sanghvi	1,62,45,068.00	81,22,534.00

**Building Valuation**

S. No.	Description	Fair Value (in Rs.)	Liquidation Value (in Rs.)
1.	Mr. R. K. Patel	2,44,13,359	1,22,06,679
2.	Mr. Mital Sanghvi	2,25,06,385	1,12,53,193

**Plant and Machinery Valuation**

S.No	Name of Valuer	Fair Value (in Rs.)	Liquidation Value (in Rs.)
1.	Mr. R. K. Patel	7,81,000	4,29,550
2.	Mr. Vishal Shah	8,02,500	4,01,250

8. In the fourth meeting of CoC held on 12.11.2019, the Applicant RP apprised the CoC members that one EoI had been received from Mr. Hitesh Chug. Furthermore, considering that 180 days of the CIRP of the Corporate Debtor was going to end on 19.11.2019, the applicant moved an application under section 12 of the Insolvency and Bankruptcy Code, 2016 being CA No. 2541 of 2019 for extension of CIRP for 90 days. Subsequently, this bench allowed the application of the applicant vide order dated 19.11.2019.
9. In the sixth meeting of CoC held on 15.02.2020, the Applicant/ RP informed the CoC the he has received one EoI from Mr. Anand Mittal, proprietor of M/s. Shakti Timber. However, the aforesaid Resolution Applicant had not submitted the Resolution Plan, as the last date for the submission of the plan was 10.02.2020.
10. In the sixth CoC, after all the discussions and deliberations on the entire aspect, the meeting concluded that there are no other avenues left but to explore the Liquidation process for the CD and accordingly following resolutions were passed by the CoC with 100% majority:

**Resolution 2:**

***“RESOLVED THAT the Corporate Debtor be liquidated as per the provisions contained in Chapter III of the Insolvency and Bankruptcy Code,***



*2016 and applicable Regulation thereon and that the Hon'ble NCLT be informed of the decision of the Committee of Creditors of the corporate debtor.*

*"FURTHER RESOLVED THAT the Resolution Professional, Prawin Charan Dwary, having IP Registration No.*

*IBBI/IPA-002/IP-N00331/2017-18/10937 be and is hereby appointed as the liquidator of the Corporate Debtor.*

*"FURTHER RESOLVED THAT the resolution professional, Prawin Charan Dwary, having IP Registration No.*

*IBBI/IPA-002/IP-N00331/2017-18/10937 is hereby authorized to file with the Hon'ble NCLT, the decision of the Committee of Creditors to liquidate the corporate debtor*

That both of the above mentioned resolutions were approved with 100% majority.

11. In the result the application is allowed by ordering liquidation of the corporate debtor, namely M/s. Royal Wood Pvt. Ltd. with the following directions:

- a. That Mr. Pravin Charan Dwary, the Resolution Professional of the Corporate Debtor, is relieved from the present assignment as Resolution Professional.



- b. That Mr. Pravin Charan Dwary, holding IP Registration No. IBBI/IPA-002/IP-N00331/2017-18/10937, is appointed as the Liquidator in terms of Section 32(1) of the Code;
- c. 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;
- d. 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;
- e. This order shall be deemed to be notice of discharge to all the officers, employees and the workmen of the corporate debtor as per Section 33(7) of the Insolvency and Bankruptcy Code, 2016;
- f. The Liquidator is directed to proceed with the process of liquidation in the 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.
- g. 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.
- h. The liquidator shall also follow up the pending



applications for their disposal during the process of liquidation including initiation of steps for recovery of dues of the Corporate Debtor as per law.

- i. The Liquidator shall submit 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;
- j. Copy of this order be sent to the financial creditors, corporate debtor and the Liquidator for taking necessary steps;
- k. I.A. 1613 (PB)/2020 filed in IB- 510(PB)/2019 is disposed of in terms of the aforesaid terms.



**(B.S.V. PRAKASH KUMAR)**

**ACTG. PRESIDENT**

NI



**(HEMANT KUMAR SARANGI)**

**MEMBER (TECHNICAL)**

**12.02.2021**

SIDDHANT, LRA

I.A. 1613 (PB)/2020 in IB-510 (PB)/ 2019

