

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

IA No. 692 of 2020 in CP (IB) No. 171/9/NCLT/AHM/2019

**Coram: Hon'ble Mr. MADAN BHALCHANDRA GOSAVI, MEMBER (JUDICIAL)
Hon'ble Mr. VIRENDRA KUMAR GUPTA, MEMBER (TECHNICAL)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING THROUGH VIDEO CONFERENCING BEFORE THE
NATIONAL COMPANY LAW TRIBUNAL , AHMEDABAD BENCH ON 20.10.2020**

Name of the Company: Shri Kaushik Jayantilal Shah RP of
M/s. NPAT Furniture Pvt. Ltd.
V/s
M/s. M.S. Enterprise

Section: 33 of the Insolvency & Bankruptcy Code, 2016

ORDER

The case is fixed for pronouncement of order.

The Order is pronounced in the open court, vide separate sheet.


**(VIRENDRA KUMAR GUPTA)
MEMBER (TECHNICAL)**


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

Dated this the 21st day of October, 2020.

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

**I.A. No. 692 of 2020
IN
CP(IB) No. 171/9/NCLT/AHM /2019**

In the matter of :

[An Application is filed under Section 33 & 34 of the Insolvency & Bankruptcy Code, 2016]

AND

In The Matter Of:

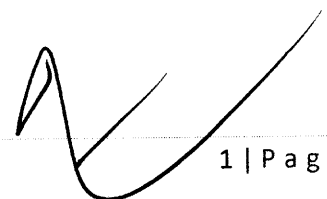
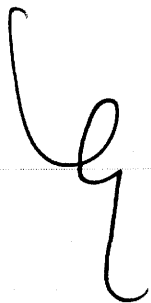
Shri Kaushik Jayantilal Shah
Resolution Professional of
M/s. NPAT furniture Private Limited
Plot No.263 Jinmangal Co-operative Housing Society Ltd.
Vibhag-2, Simandhar Tower- A/704,
Ahmedabad- Gujarat-380054,
factory at:
228/1/1 Dantali Industrial Area,
Nr. Deepkiran Food Facotry,
Ognaj-Vdsar road, Dantali,
Gandhinagar-Gujarat-382721

...Applicant

V/s.

M/s. M.S. Enterprise
63, Silver Industrial Estate-2,
Opp. HOF Nr Nova Petrochemicals,
Moraiya, Changodar
Ahmedabad -382213

....Respondent



Order Reserved on: 19th October, 2020
Order Pronounced on: 21st October, 2020

Coram: MADAN B GOSAVI, MEMBER(J)
VIRENDRA KUMAR GUPTA, MEMBER (T)

Appearance:

Learned Counsel Mr. Ishan Shah appeared for the Applicant.

O R D E R

[Per: VIRENDRA KUMAR GUPTA, Member (T)]

1. The present Interlocutory Application is filed by the Resolution Professional seeking for passing an Order of liquidation under Section 33 & 34 of the Insolvency & Bankruptcy Code, 2016 for initiation of Liquidation Process of **M/s. NPAT Furniture Private Limited.**, the Corporate Debtor.
2. The facts, in brief, are that :
 - I. This Adjudicating Authority admitted Corporate Debtor in to Corporate Insolvency Resolution Process vide its order dated 18th December, 2019 and appointed the Mr. Shri Kaushik Jayantilal Shah as "IRP". IRP has made the Public announcement in terms of Section 15 of

the Insolvency & Bankruptcy Code, 2016 on 14th January, 2020 in Form A of the schedule in Economics Times, English Newspaper and Loksata Jansaa, Gujarati Newspaper and also on the website of the IBBI.

- II. Learned Counsel for the Petitioner submitted that a report certifying the list of creditors and constitution of Committee of Creditors was filed on 04.02.2020 in compliance of Section 21(1) of the Code r.w. regulation 13 (2) (d) by the IRP. The CoC was constituted on 04.02.2020 with Sole Financial Creditor i.e. Oriental Bank of Commerce (Now as a Punjab National Bank) having 100% voting rights.
- III. In the first meeting of the Committee of Creditors dated 10.02.2020 IRP briefed about the progress of Corporate Insolvency Resolution Process and CoC has appointed IRP as Resolution Professional.
- IV. In the Second meeting of CoC dated 11.03.2020 Resolution Professional proposed to issue

expression of interest in Form G, however, CoC rejected the proposal of publication of Form G as unit was not going concern since last two years. Hence, no EoI has been invited.

- V. In the **Third meeting of CoC** dated **23.07.2020**, the Committee of Creditors passed Resolution with **100% voting** to initiate Liquidation Process against the Corporate Debtor and Resolution Professional was Authorised to file the Application before this Adjudicating Authority under Section 33 of the Insolvency & Bankruptcy Code, 2016.
- VI. Learned Counsel for the Applicant appeared and narrated these basic facts. In addition to this, he drew our attention to the required resolutions passed by the CoC in terms of provisions of IBBI (Liquidation Process) Regulations, 2016. Considering to the facts of the case, we are of the view that liquidation is the only option. The CoC has also held so. It appears that there were no significant assets value, the required resolutions

have been passed and compliance report in Form-H has also been filed. The Corporate Debtor is also not going concern, accordingly, we hold that the Corporate Debtor needs to be liquidated and thus we pass following order:

ORDER

1. We hereby pass the order of liquidation of the Corporate Debtor Company **M/s. NPAT Furniture Private Limited.** We allow IA No. 692 of 2020. The Liquidation of the Corporate Debtor is effective from the date of this order.
2. The Moratorium declared vide order dated 18.12.2019 in CP(IB) No.171/9/NCLT/AHM/2019, henceforth, ceases to exist.
3. As per the Section 34(1) of the I.B. Code, the Applicant/ Resolution professional, **Mr. Kaushik Jayantilal Shah (Registration No. IBBI/IPA-002/IP-N00143/2017-18/10379)** residing at 305, Hrishikesh II, Opp. Municipal School, Nr, Navrangpura Bus Stand, Navrangpura, Ahmedabad- 380009, e-mail ID-

kjshahco@yahoo.com is hereby appointed as a 'Liquidator' of the Company **M/s. NPAT Furniture Private Limited** which has been duly approved by CoC in its 3rd meeting dated 23.07.2020.

4. 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.
5. The Liquidator will charge fees for conduct of the liquidation proceedings in proportion to the value of the liquidation estate assets as specified by IBBI and the same shall be paid to the Liquidator from the proceeds of the liquidation estate under Section 53 of the Code.
6. That once having liquidation process initiated, subject to Section 52 of the Code, no suit or other legal proceedings shall be instituted by or against the Corporate Debtor save and except the liberty to the liquidator to institute suite or other legal proceeding on behalf of the corporate debtor with

prior approval of this Adjudicating Authority as mentioned in Sub-Section 6 of Section 33 of the I.B. Code.

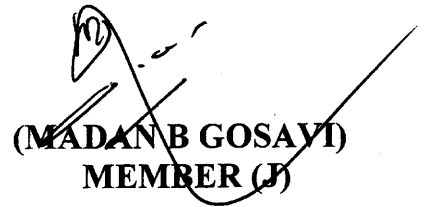
7. The Liquidator shall take necessary legal action to recover the trade receivables and other credits such as loans and advances from the parties which are reflected in the latest balance sheet of the Corporate Debtor, if any. This direction is hereby given in concurrence of the jurisdiction prescribed under Section 33(5) of the Code.
8. 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.
9. The Registry is directed to upload this order on the Official Website within maximum two working days from the date of this order. The authenticated copy of this order also be sent by the registry to

the Financial Creditor, Corporate Debtor, Registrar
of the Company, Resolution Professional cum
Liquidator by Speed-post within one week from
this order.

10. **Accordingly, I.A. No. 692 of 2020 is allowed
and stands disposed of a.w. main CP(IB) No.
171 of 2019.**



**(VIRENDRA KUMAR GUPTA)
MEMBER (T)**



**(MADAN B GOSAVI)
MEMBER (J)**

Signed on this, the 21st October, 2020

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