



**NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, CHANDIGARH**

Item 26

IA No. 1883/2023

In

CP(IB) No. 2/CHD/Chd/2019

(Admitted)

Under Section 9, & 12(A), IBC 2016

In the matter of:-

M/s. Cotton Impex

Vs.

.....Petitioner/Operational Creditor

Cheema Spintex Ltd.

....Respondent/Corporate Debtor

Present :

Mr. Vaibhav Sharma, Advocate for the applicant-IRP.

Mrs. Munisha Gandhi, Senior Advocate with Ms. Akansha Gupta, Advocate for the Suspended Board of Directors.

Mr. Mayank Mathur, Advocate for the petitioner-operational creditor in main CP.

Ms. Salina, proxy counsel for Mr. Harsh Garg, Advocate for IDBI Bank.

IA No. 1883/2023

Heard. This application has been filed by the applicant-IRP under Section 12A of the Code read with Regulation 30A of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and Rule 11 of NCLT Rules, 2016 seeking withdrawal of CIRP and further passing the order clarifying whether IRP should proceed for constitution of COC during the pendency of the instant application. Since, this application is being decided today so, the relief under Clause (b) renders infructuous. Section 12A of the Code provides for withdrawal of the petition as Form-FA and emails exchanged/received from the operational creditors are on record. The COC has not been constituted so far. It is stated by learned Senior Counsel for the Suspended Board of Directors that the entire claimed amount has been settled. This fact is corroborated by learned counsel for the applicant. It is further stated by learned counsel for the



applicant-IRP that IRP has been paid the entire amount of expenses as mentioned in Annexure A-2 and email dated 11.08.2023 at Page 27.

Although Ms. Salina, proxy counsel for Mr. Harsh Garg, Advocate for IDBI Bank, the other financial creditor of respondent-corporate debtor has orally objected for withdrawal as another application under Section 7 filed by the IDBI Bank is pending against the same corporate debtor. At present, no objection application has been filed before this Bench and even pendency of the other application against the respondent-corporate debtor cannot be a stumbling block for withdrawal of the present CIRP initiated vide order dated 25.07.2023.

Keeping in view the facts and circumstances mentioned in the application and in view of the submissions made by the counsels, IA No. 1883/2023 is allowed and CIRP ordered is withdrawn. Therefore, CP(IB) No. 2/CHD/Chd/2019 is dismissed as withdrawn. As a consequence moratorium declared under Section 14 of the Code comes to an end and the corporate debtor is discharged from the claims in lieu of the said petition and is free from the rigours of the Code and Regulations made thereunder. Henceforth, the IRP is discharged and the Board of Directors is restored to its original position. Thus, IA No.1883/2023 is disposed of accordingly.

Sd/-

(Subrata Kumar Dash)
Member (Technical)

August 17, 2023
VN

Sd/-

(Harnam Singh Thakur)
Member (Judicial)