

**BEFORE THE ADJUDICATING AUTHORITY  
(NATIONAL COMPANY LAW TRIBUNAL)  
AHMEDABAD BENCH  
AHMEDABAD**

IA 199 of 2019 in  
C.P. (I.B) No.7/NCLT/AHM/2018

Coram: **Hon'ble Mr. HARIHAR PRAKASH CHATURVEDI, MEMBER (JUDICIAL)**  
**Hon'ble Mr. PRASANTA KUMAR MOHANTY, MEMBER (TECHNICAL)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH OF  
THE NATIONAL COMPANY LAW TRIBUNAL ON 03.09.2019**



Name of the Company: C A Sunit Jagdishchandra Shah, RP for  
Neeru Cotton Pvt. Ltd.

V/s.

Neeru Cotton Pvt. Ltd. through its  
Suspended Management & Anr.

Section of the Companies Act: Section 33(1) & 33 (2) of the Insolvency and  
Bankruptcy Code

S.NO.	NAME (CAPITAL LETTERS)	DESIGNATION	REPRESENTATION	SIGNATURE
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1.	Jaimin R. Dave	ADV.	Suspended Management	
2.	Tirth Navak Gurjun Shah	Adv	RP	

**ORDER**

The Parties are represented through their respective Learned Counsel(s).


The present IA, i.e. IA 199 of 2019, is filed under Section 33(1) & 33(2) of the Insolvency & Bankruptcy Code, 2016, for liquidation of the Corporate Debtor company. The Ld. Counsel appearing for the Suspended Management fairly concedes that they are having no objection if an order of Liquidation for the Corporate Debtor company is passed.

Heard the counsels for the parties in respect of the present application.

The present IA, i.e. IA 199 of 2019 is allowed. Accordingly, stands disposed of.

The order in detail <sup>is</sup> recorded separately.

  
(PRASANTA KUMAR MOHANTY)  
MEMBER (TECHNICAL)

  
(HARIHAR PRAKASH CHATURVEDI)  
MEMBER (JUDICIAL)

Dated this the 3rd day of September, 2019.

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

IA No.199 of 2019  
in  
CP (IB) No.7/7/NCLT/AHM/2018

**In the matter of:**

Mr.Sunit Jagdishchandra Shah  
Resolution Professional of  
Neeru Cotton Private Limited  
1719, Dhobi Ni Khadki  
Kapadiwad  
O/s. Raipur Gate  
Ahmedabad-380 001

...Applicant

*Versus*

Neeru Cotton Private Limited  
Through its Suspended Management

... Respondent No.1

*And*

Committee of Creditors of  
Neeru Cotton Private Limited

... Respondent No.2

Order delivered on 3<sup>rd</sup> September, 2019.

**Coram: Hon'ble Mr. Harihar Prakash Chaturvedi, Member (J)**

**And**

**Hon'ble Mr. Prasanta Kumar Mohanty, Member (T)**

**Appearance:**

Mr.Ankit M. Talsania, Advocate, for Resolution Professional.  
Mr. Jaimin R. Dave, Advocate, for Suspended Management.

**ORDER**

[Per: Mr. Harihar Prakash Chaturvedi, Member (J)]

- 1) The present application is filed by the Resolution Professional, Mr.Sunit Jagdishchandra Shah, under Section

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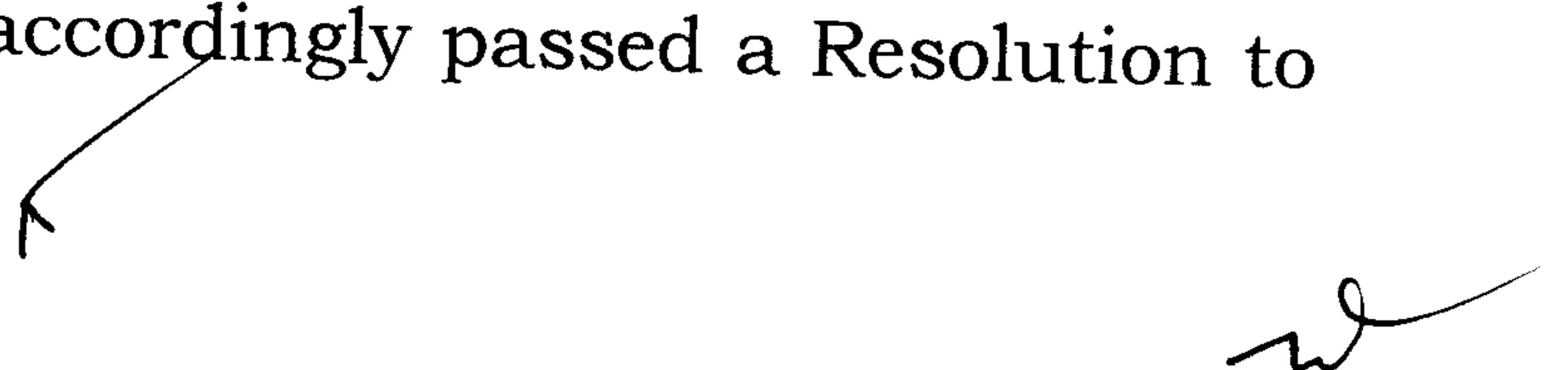


33(1) & 33(2) of the Insolvency & Bankruptcy Code, 2016 (hereinafter referred to as I & B Code) with following prayers;

(a) **To pass an order for liquidation of Corporate Debtor M/s. Neeru Cotton Private Limited under Section 33(1) & 33(2) of the Insolvency & Bankruptcy Code, 2016; and**

(b) **To appoint Mr. Sunit Jagdishchandra Shah as the "Liquidator" of M/s. Neeru Cotton Private Limited as resolved by the Committee of Creditors in its Fifth Meeting held on 04.02.2019.**

- 2) The applicant-RP in support of the above prayer has stated that this Adjudicating Authority, on the basis of petition filed by **Indiabulls Housing Finance Ltd.** (Financial Creditor) under **Section 7** of the Insolvency & Bankruptcy Code, has admitted the petition and commenced the Corporate Insolvency Resolution Process (CIRP) by appointing Interim Resolution Professional (IRP) in respect of **M/s. Neeru Cotton Pvt. Ltd.** on 07.08.2018.
- 3) The CoC in its **5<sup>th</sup> meeting** dated **04.02.2019** has resolved, stating, *inter alia*, that the Company did not receive any Resolution Plan, therefore, the members of CoC have decided to go for **Liquidation of the Corporate Debtor company** and accordingly passed a Resolution to



go for the liquidation of the Corporate Debtor company and further resolved to keep continue the present Resolution Professional, **Mr.Sunit Jagdishchandra Shah** as '**Liquidator**'. The CoC further authorized the Resolution Professional to file the present application before this Adjudicating Authority for the above stated purpose.

- 4) We have gone through the contents of the present application and perused the documents annexed therewith. The grounds seeking liquidation are described in the minutes of meeting of the Committee of Creditors dated 04.02.2019, at page no.51. Therefore, we are of the considered view that liquidation can be passed in respect of M/s. Neeru Cotton Private Limited-Corporate Debtor. Therefore, such resolution has been passed by the CoC with its 100% voting by recommending for liquidation of the Corporate Debtor company, because no resolution plan was received.
- 5) Hence, this Adjudicating Authority, in exercise of power conferred to it under Section 33(2) read with 33(1) (i) pass an order for liquidation of the Corporate Debtor M/s. Neeru Cotton Pvt. Ltd., in the manner as laid down in Chapter III (Liquidation process of I & B Code).

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- 6) It is hereby further declared that the order of Moratorium in respect of the Corporate Debtor (now under Liquidation) shall cease to have effect from the date of present liquidation order, as per the proviso of Section 14(4) of the I& B code, 2016, same is read as under;

*“(4) The order of moratorium shall have effect from the date of such order till the completion of the corporate insolvency resolution process.*

*PROVIDED that where at any time during the corporate insolvency resolution process period, if the Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 or passes an order for liquidation of corporate debtor under section 33, the moratorium shall cease to have effect from the date of such approval or liquidation order, as the case may be”.*

- 7) It is further declared as per Section 34(2) & (3) of the I & B Code,

*“(2) On the appointment of a liquidator under this section, all powers of the board of directors, key managerial personnel and the partners of the corporate debtor, as the case may be, shall cease to have effect and shall be vested in the liquidator.*

*(3) The personnel of the corporate debtor shall extend all assistance and cooperation to the liquidator as may be required by him in managing the affairs of the corporate debtor and provisions of section 19 shall apply in relation to voluntary liquidation process as they apply in relation to liquidation process with the substitution of references to the liquidator for references to the interim resolution professional”.*

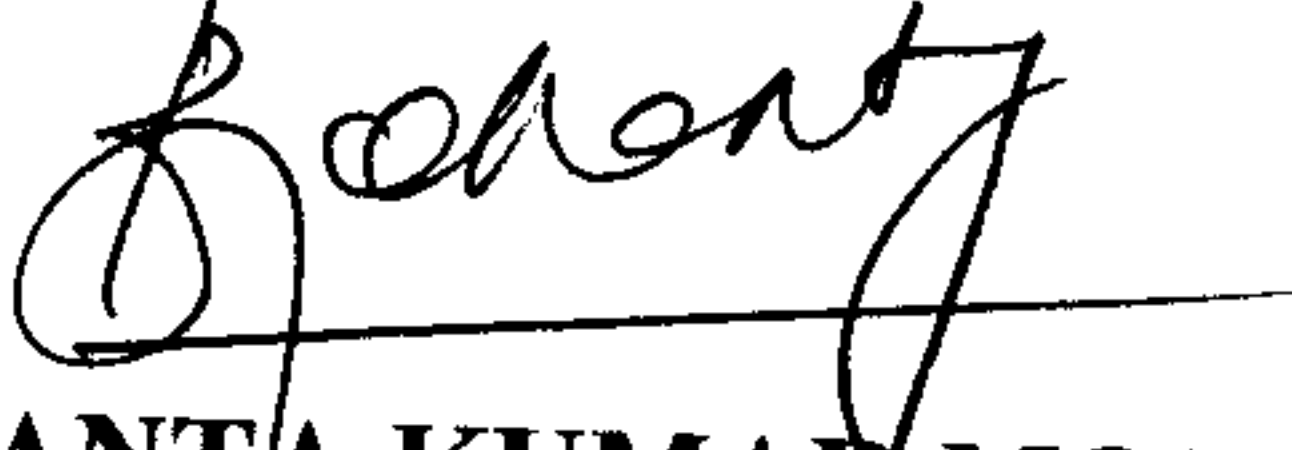
- 8) This Adjudicating Authority hereby further appoints the Resolution Professional **Mr.Sunit Jagdishchandra Shah** as


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**'Liquidator'** under section 34(1) of the Code. The Liquidator shall cause public announcement to this effect the Corporate Debtor company, **M/s. Neeru Cotton Private**, has gone into Liquidation.

- 9) The Liquidator shall send intimation to the Registrar of Companies (RoC), to which the Corporate Debtor is registered with.
- 10) The Liquidator is directed to perform his duties as per Section 35 of the Insolvency and Bankruptcy Code, 2016, in respect of Liquidation process of the Corporate Debtor, subject to direction(s) that may be issued time to time by this Adjudicating Authority.
- 11) With the above observations/directions IA No.199 of 2019 is allowed and stands disposed of.

  
(PRASANTA KUMAR MOHANTY)  
MEMBER (TECHNICAL)

  
(HARIHAR PRAKASH CHATURVEDI)  
MEMBER (JUDICIAL)