

IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH : C-IV

IA-36/2024 IN CP(IB)-744(MB)/2020

Under Section 33(2) of the Insolvency &
Bankruptcy Code, 2016.

Mr. Vinit Gangwal,

... Resolution Professional/Applicant

In the matter of

**Samata Nagari Sahkari Patsanstha
Maryadit, Kopargaon**

... Financial Creditor

Vs.

Chaitanya Neer Jal Private Limited

... Corporate Debtor

Order pronounced on: **07.06.2024**

Coram:

Ms. Anu Jagmohan Singh

Hon'ble Member (Technical)

Mr. Kishore Vemulapalli

Hon'ble Member (Judicial)

Appearances (via videoconferencing):

For the Applicant/RP

: Mr. Raghunath Sarangapani, Authorised
Representative.

ORDER

1. This is an application filed by **Mr. Vinit Gangwal**, Resolution Professional of the Corporate Debtor (“Applicant”) on 04.03.2024, seeking liquidation of M/s. **Chaitanya Neer Jal Private Limited** (“Corporate Debtor”) u/s. 33(2) of Insolvency and Bankruptcy Code, 2016 (hereinafter “Code”).
2. **The brief facts of the Application are as follows:**
 - 2.1. Pursuant to the captioned company Petition bearing CP(IB)-744(MB)/2020, filed u/s. 7 of the IBC, 2016, by **Samata Nagari Sahkari Patsanstha Maryadit, Kopargaon** (“Financial Creditor”); This Tribunal was pleased to admit the same *vide* Order dated 06.06.2023, and Corporate Insolvency Resolution Process (“CIRP”) was resultantly initiated against Corporate Debtor herein. Accordingly, Mr. Vinit Gangwal (*viz.* the Applicant herein) was appointed as the Interim Resolution Professional by this Tribunal *vide* the said order, and was later re-confirmed as the Resolution Professional (“RP”) in the First meeting of Committee of Creditors *dated* 19.07.2023.
 - 2.2. The Applicant RP caused the issuance of Public Announcement in Form-A on 09.06.2023, in furtherance of constitution of Committee of Creditors (“CoC”). In response to the same, the Financial Creditor/ Original Petitioner filed its claim on 19.06.2023. Admittedly, there were no other claimants. The CoC was accordingly constituted, with the financial Creditor constituting sole member of the same.
 - 2.3. The Ld. Counsel for the Applicant submits that the Applicant RP visited the Registered office of the Corporate Debtor on 09.08.2023, whereby he was informed that the said premises had been mortgaged to Union Bank of India in respect of the Personal Loan advanced to the (*Late*) Mr. Hemant

C. More, and that the Bank had resultantly taken possession of the said premises *u/s.* 13(4) of the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (“SARFAESI Act”).

- 2.4. The Applicant RP submits that pursuant to the statutorily mandated period of CIRP nearing expiration, the CoC sought to move for an extension and a Resolution passed to the same effect in the Second Meeting of the CoC *dated* 14.12.2023. Accordingly, the Applicant RP filed an application bearing I.A. No. 05(MB)2024 of seeking 90 days extension of the CIRP period from 02.12.2023 till 02.03.2024. This Tribunal was pleased to grant the same *vide* Order *dated* 17.04.2024.
- 2.5. The Applicant RP submits that upon not being able to ascertain any current businesses of the Corporate Debtor, the CoC sought to proceed for liquidation of the Corporate Debtor and a Resolution was passed to the same effect in its third Meeting dated 21.02.2024, as extracted hereunder:
- “Resolved that pursuant to Section 33 of the Insolvency and Bankruptcy Code, 2016 and the regulations made thereunder, the consent of the CoC Members be and is hereby accorded for filing application for initiation of Liquidation against the Corporate Debtor.*
- ***
- Result: The agenda item is approved & passed unanimously by the CoC Voting in favour of Resolution”.*
- 2.6. In light of the afore-stated, the Applicant RP has filed the captioned application, seeking approval of Liquidation of the Corporate Debtor.
3. Upon perusal of the materials which form part of the record hereto, along-with the facts and circumstances as submitted by the Applicant, this Bench is of the

considered view that the Corporate Debtor be liquidated. Accordingly, this Bench orders that -

- a. The Corporate Debtor *viz.* **Chaitanya Neer Jal Private Limited** [CIN: U15543MH2007PTC172082] is 'under liquidation' *w.e.f.* the date of the order.
- b. **Mr. Rakesh Maganlal Nathwani**, an Insolvency Professional, having IBBI Registration Number: IBBI/IPA-001/IP-P-02058/2020-2021/13190, is hereby appointed as 'Liquidator' to conduct liquidation process of Chaitanya Neer Jal Private Limited as provided under Section 34(1) of the Code.
- c. The Liquidator would be entitled to the fees as mutually agreed between the Liquidator and the CoC or as provided in Regulation 4(2)(b) of the IBBI (Liquidation Process Regulations), 2016 to conduct the liquidation proceedings.
- d. The Liquidator appointed in this case to initiate liquidation process as envisaged under Chapter-III of the Code by following the liquidation process given in the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016. The Liquidator to send this order to the RoC under which this Company has been registered.
- e. The Liquidator appointed under section 34(1) of the Code, will have 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 with the Liquidator.
- f. The Corporate Debtor to be liquidated in the manner as laid down in the Chapter by issuing Public Notice stating that the Corporate Debtor is in liquidation with a direction to the Liquidator to send this order to the RoC under which this Company has been registered.

- g. The personnel of the Corporate Debtor are directed to extend all co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
 - h. On having liquidation process initiated, subject to Section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except the liberty to the Liquidator to institute suit or other legal proceedings on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority.
 - i. 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 u/s. 33(5) of the Code.
 - j. This liquidation order u/s 33(7) shall be deemed to be a 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.
 - k. Moratorium declared *vide* Order dated 06.06.2023 in CP(IB)-744(MB)/2020, henceforth ceases to exist.
 - l. The Liquidator shall undertake to submit the progress report of liquidation periodically.
4. With the above directions, the IA-36/2024 in C.P.(IB)/744(MB)2020 filed *u/s.* 33(2) of the Code by the Applicant, is hereby **Allowed** and **Disposed of**.

Sd/-
Anu Jagmohan Singh
Member (Technical)

07.06.2024/-

Sd/-
Kishore Vemulapalli
Member (Judicial)