

VAXTEX COTFAB LIMITED

Suiting & Shirting Fabrics

Vaxtex Cotfab Limited

CIN: L51109GJ2005PLC076930

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To,
The Manager,
Listing Department,
National Stock Exchange Limited
"Exchange Plaza", C-1, Block G,
Bandra-Kurla Complex,
Bandra (East),
Mumbai - 400 051

Sub: Disclosure under Regulation 30 of SEBI (LODR), Regulations, 2015 read with Schedule III Outcome of the Fifth Meeting of the Committee of Creditors ("CoC"), of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 in the matter of M/s. Vaxtex Cotfab Limited.

Ref: Security Id: VCL / Series: BE

Dear Sir/Madam,

This is in continuation to our announcement dated 04th September ,2024 regarding intimation of the 5th (Fifth) meeting of the Committee of Creditors (the "CoC") of Vaxtex Cotfab Limited, ("the Company") undergoing Corporate Insolvency Resolution Process ("CIRP") under Section 9 of the Insolvency and Bankruptcy Code, 2016. In connection with the same Minutes of the Fifth Meeting of Committee of Creditors held on 05th September, 2024 as an Outcome signed by the Resolution Professional is attached as an enclosure.

You are requested to take the same on records.

Thanking You,

Yours Sincerely
For Vaxtex Cotfab Limited

Mithleshkumar M Agrawal
Managing Director (Suspended)
DIN: 03468643

BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

BENCH AT AHMEDABAD BENCH

CP (IB) No.291/AHM/2022

Under Section 9 of Insolvency and Bankruptcy Code, 2016

In the matter of:

SHREE SHYAM AVENUES PRIVATE LIMITED

...Petitioner (Operational Creditor)

Versus

M/s. VAXTEX COTFAB LIMITED

...Respondent (Corporate Debtor)

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...Respondent (Corporate Debtor)

Minutes of the 5th Meeting of the Committee of Creditors of Corporate Debtor, M/s. Vaxtex Cofab Limited held on Thursday, 05.09.2024, at 3rd Floor, Reegus Business Centre, Above Mercedes Showroom, New City Light Road, Bharthana-Vesu, Surat-395007, Gujarat (via Electronic Mode) at 04:00 P.M.

Due to unavoidable circumstances, the meeting was pre-poned to 03:45 P.M.

Meeting called to order at 03:45 P.M. by Resolution Professional (Chairman of the Meeting).

Members present in Person:

CA. Sunil Kumar Kabra (RP)

CS. Heena Agrawal (Team Assisting RP)

FOLLOWING MEMBERS PRESENT FROM FINANCIAL CREDITORS: -

Authorised Representatives on behalf of Stitched Textiles Limited.

Mr. Jaimin Gupta, Managing Director

FOLLOWING MEMBERS PRESENT FROM OPERATIONAL CREDITORS (WITHOUT VOTING RIGHTS): -

Authorised Representatives on behalf of Shree Shyam Avenues Private Limited.

Mr. Sanjeev Aggarwal

FOLLOWING MEMBERS NOT PRESENT FROM OPERATIONAL CREDITORS: -

1. State Tax Department, Government of Gujarat.
2. 7NR Retail Limited.
3. Mukesh Trends Lifestyle Limited.

SUSPENDED DIRECTORS (WITHOUT VOTING RIGHTS) PRESENT: -

No one was present

A. LIST OF MATTERS TO BE DISCUSSED/NOTED:

Item No.1

The Resolution Professional to take the Chair.

Mr. Sunil Kumar Kabra welcomed all the members present at the 5th Meeting of the Committee of Creditors (“CoC”) of M/s. Vaxtex Cotfab Limited.

As per Regulation 24(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the resolution professional shall act as the Chairperson of the meeting of the Committee. Therefore, Mr. Sunil Kumar Kabra, Resolution Professional, be requested to take the Chair.

Item No.2

To ascertain the quorum of the Meeting.

As per Regulation 22(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the quorum for the meeting of members of the committee shall be at least 33% of the voting rights present either in person or by video conferencing or other audio and visual means.

Roll call of participants through video conferencing

The Chairman asked the members for the formal introduction. The Chairman enquired as to who is the authorised representative from members of the CoC. It was clarified that only duly authorised officers/representatives can attend and vote at the meeting of CoC. The Chairman ensured that the authorized persons has carried their identify proof in the meeting room.

Authorized representative from Stitched Textiles Limited (Unsecured Financial Creditor) along with the authorised representative of Operational Creditors and Suspended Management of M/s. Vaxtex Cotfab Limited to whom Notice was served in accordance with the provisions of section 24(3) read with regulation 21 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 on 04.09.2024, were allowed to enter the meeting room.

Authorized representatives from all the Members of CoC were present in the meeting. Thereby, quorum of the meeting was achieved with the members present holding **100%** of voting share.

Therefore, the Chairman appraised the members that the meeting was in compliance with provisions of the Insolvency and Bankruptcy Code, 2016 including the rules and regulations made thereunder and any statutory modification thereto. Hence, the Chairman called the meeting to order.

The members took note of the same.

Item No. 3

To ratify the 5th CoC meeting called on a shorter notice.

The committee members were requested to take note that as per approval given by CoC members in its 2nd meeting, time for notice period was reduced from 5 days to 2 days. This (5th) CoC meeting called on a shorter notice of 1 day, due to urgency of some of the matters. Therefore, it was requested to ratify the same.

The members took note of the same and ratified the 5th CoC meeting called on a shorter notice.

Item No. 4

To take note of the minutes of 4th CoC meeting held on 13.08.2024.

Chairman appraised the members of CoC that the minutes of the 4th Meeting of CoC held on 13.08.2024 have already been circulated to all the participants on 13.08.2024.

The committee members were requested to take note of the same and report if they had any observations. No observations received.

Item No. 5

To discuss and take note of the actions taken by Resolution Professional from last CoC meeting till date.

RP presented the brief note on actions taken from last CoC meeting till the date of this meeting, as under:

- a. We have sent reminder to suspended management to provide required documents of CD in order to maintain the CD as a going concern. We are yet to receive books of accounts, contact details of all the sundry debtors, Bank Account Statement, Invoices of machinery, etc. For which, we are in the process of filing the interlocutory application u/s 19(2) of IB Code, 2016.
- b. We had received claim from ESIC, which was rejected vide letter dated 28.05.2024.
- c. Received reply from ESIC in respect of rejection of claim. The same was forwarded to suspended board members for clarification. On which, we received clarification from suspended management stating that the claim should not be accepted as they have submitted all the documents to ESIC in respect of their claim.
- d. Various emails received from NSE requesting clarification on non-compliances. The same was forwarded to suspended management as they are looking after all the compliances of CD. The same was replied/clarified by suspended management to NSE.
- e. We have coordinated with registered valuers for visit to the premises of CD for the purpose of valuation. They said that they will plan their visit in a couple of days.
- f. We have filed first progress report on 02.09.2024 to hon'ble national company law tribunal.
- g. We have filed exclusion application as discussed in 4th CoC meeting
- h. Received resignation letter from Kunjal Soni and Digesh Deshaval from the post of independent director. We replied that in CIRP we cannot accept the resignation and we will discuss the same in upcoming CoC meeting.
- i. Received email from suspended management requesting for consideration of resignation of Mr. Ziral Soni, an independent director of the company and appointment of Ms. Manjudevi Munshilal Maurya, as independent director of the Company.

Members took note of the same.

B. LIST OF MATTERS TO BE DISCUSSED/ NOTED AND VOTED UPON WHEREVER NECESSARY:

Item No. 6

To reduce frequency of meeting as per notification no. IBBI/2023-24/GN/REG113, dated 15th February, 2024 for calling meeting of CoC.

Chairman appraised the members that as per notification no. IBBI/2023-24/GN/REG113 dated 15.02.2024, Resolution Professional shall convene a meeting of the committee before lapse of thirty days from the last meeting. Provided that the committee may decide to extend the interval between such meetings subject to the condition that there shall be at least one meeting in each quarter.

Further meetings may be conducted on a requirement basis on a short notice. In order to avoid any non-compliance of above notification, it was requested to pass a resolution to reduce the frequency of meeting to be held at least a minimum of one meeting per quarter.

RP requested CoC members to vote on the resolution in the meeting.

Proposed Resolution for voting:
RESOLUTION NO. 01 (Agenda Item No. 6)

To consider and if found fit, to pass with or without modification the following Resolution:

“**RESOLVED THAT** the approval of the Members of CoC is be and hereby given to reduce the frequency of meeting to be held at least a minimum of one CoC meeting per quarter of M/s Vaxtex Cotfab Limited in terms of notification no. IBBI/2023-24/GN/REG113 dated 15.02.2024.”

It is be and is hereby passed and approved by the members of CoC with a majority of 100% vote share.

Item No. 7

To discuss and approve the resignation received from Kunjal Soni and Digesh Deshaval, Independent Directors.

The members of CoC were requested to take note that we have received the resignation letter from Kunjal Soni and Digesh Deshaval, Independent Directors (powers suspended) dated 02.09.2024.

Since, M/s Vaxtex Cotfab Limited is undergoing Corporate Insolvency Resolution Process vide order of Hon'ble National Company Law Tribunal, Ahmedabad Bench, dated 04.01.2024 as per the provisions of the Insolvency and Bankruptcy Code, 2016.

From the date of appointment of IRP, the powers of the Board of the corporate debtor stand suspended and exercised by the IRP (and subsequently by the RP). However, such directors, even after suspension of their powers, continue as *de facto* directors of a corporate debtor.

Section 28 of the IBC inter alia provides that the resolution professional, during the CIRP, shall not make any change in the management of the corporate debtor without the prior approval of the CoC.

Section 28(3) further requires an approval by a vote of sixty-six per cent of the voting shares on such matters.

RP informed the members that he is in the process of obtaining a legal opinion in this respect, it will take around 3-4 days. Therefore, the matter would be discussed in next CoC meeting.

It was decided to defer the matter till next CoC meeting.

C. OTHER MATTERS:

Item No. 8

To discuss and approve the resignation of Ziral Soni and appointment of Ms. Manjudevi Munshilal Maurya, as independent director of the Company.

Chairman informed that we have received email from suspended management on 04.09.2024, requesting for consideration of resignation of Mr. Ziral Soni, an independent director of the company and appointment of Ms. Manjudevi Munshilal Maurya, as independent director of the Company.

It was decided to defer the matter till next CoC meeting as mentioned in above agenda item no. 7.

Item No. 9

To take note of the pending fees of Resolution Professional.

Members were requested to take note that the professional fee of Resolution Professional is pending for the period as mentioned below:

Sl.	Particulars	Amount (Rs.)
1.	Part of RP fees for the period from 06.06.2024 to 05.07.2024	50,000
2.	RP fees for the period from 06.07.2024 to 05.08.2024	1,89,000
	Total	2,39,000

RP requested CoC member to deposit the fees of Resolution Professional, at the earliest.

Members took note of the same.

Since, there was no other matter left for discussion, the chairman concluded the meeting by giving vote of thanks to all the members present in the meeting for a fruitful discussion and valuable suggestions.

Meeting ended with vote of thanks to all.

CA. Sunil Kumar Kabra

RP of M/s Vaxtex Cotfab Limited

IBBI Registration No.: IBBI/IPA-001/IP-P01011/2017-18/11662

Email Id: cirp.vcltd@gmail.com; Case specific contact No.: +91 7415170637.

Date: 06.09.2024

Place: Surat