



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **12.06.2025** THROUGH VIDEO CONFERENCE

PRESENT: HON'BLE SHRI SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

IN THE MATTER OF : Babitha Sancheti
Vs
Sakthi Ganesh Textiles Pvt Ltd

MAIN PETITION NUMBER : CP(IB)/213(CHE)2023

(IA/MA) APPLICATION NUMBERS

IA(IBC)(LIQ)/11/2025; IA(IBC)/354(CHE)/2025; IA(IBC)/355(CHE)/2025

ORDER

**IA(IBC)(LIQ)/11/2025
IA(IBC)/354(CHE)/2025
IA(IBC)/355(CHE)/2025**

Present: Ms. Sahaya Sukuna, Ld. Counsel for RP.
Mr. Aravinda Samy, Ld. Counsel for Sales Tax Department

Vide common Order pronounced in Open Court, **the Applications are disposed of. The liquidation is ordered.**

M/s. SPP Insolvency Professionals LLP, IPE is appointed as the Liquidator.

**-sd-
[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)**

MS

**-sd-
[SANJIV JAIN]
MEMBER (JUDICIAL)**

Date: 12.06.2025



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – I, CHENNAI**

IA(IBC)(LIQ)/11/2025 IN CP(IB)/213(CHE)/2023

*(filed under Section 33(1)(a) & 34(1) of Insolvency and Bankruptcy Code, 2016 R/w Rule 11
of NCLT Rules, 2016)*

In the matter of M/s. Sakthi Ganesh Textiles Private Limited.

- 1. Mr. CA. Mahalingam Suresh Kumar**
RP of M/s. Sakthi Ganesh Textiles Pvt Ltd.
2nd Floor, CODISSIA Building,
G.D. Naidu Towers, Huzur Road,
Coimbatore, Tamil Nadu – 641 018.

...Applicant

Present:

For Applicant : A.G. Sathyanarayana, Advocate

Along with

IA(IBC)/354(CHE)/2025 IN CP(IB)/213(CHE)/2023

(filed under Section 60(5) of IBC, 2016)

In the matter of M/s. Sakthi Ganesh Textiles Private Limited.

- 1. Government of Tamil Nadu,**
Commercial Taxes Department,
Represented by Jurisdictional Assistant Commissioner (ST)
Gobichettipalayam Assessment Circle,
144/1, Polavakali palayam,
Gobichettipalayam
Erode (DT) 638 476
Email: ac.gobichettipalayam@gmail.com

... Applicant

-Vs-

IA(IBC)(LIQ)/11/2025; IA(IBC)/354(CHE)/2025 & IA(IBC)/355(CHE)/2025 IN
CP(IB)/213(CHE)/2023

In the matter of M/s. Sakthi Ganesh Textiles Private Limited



Mr. S. Kangayan,
Interim Resolution Professional of
M/s. Sakthi Ganesh Textiles Pvt Ltd.,
IBBI/IPA-002/IP-N00866/2019*2020/12770,
Plot No. 81, 3rd Street, Phase -1,
Dollars Colony, Virugampakkam,
Chennai – 600 126

... Respondent

Present:

For Applicant :G. Dinesh, Advocate
Aravindhasamy, Advocate

For Respondents :A.G. Sathyanarayana , Advocate

Along with

IA(IBC)/355(CHE)/2025 IN CP(IB)/213(CHE)/2023

(filed under Rule 11 of NCLT Rules, 2016)

In the matter of M/s. Sakthi Ganesh Textiles Private Limited.

- 1. Government of Tamil Nadu,**
Commercial Taxes Department,
Represented by Jurisdictional Assistant Commissioner (ST)
Gobichettipalayam Assessment Circle,
144/1, Polavakali palayam,
Gobichettipalayam
Erode (DT) 638 476
Email: ac.gobichettipalayam@gmail.com

... Applicant

-Vs-

Mr. S. Kangayan,
Interim Resolution Professional of
M/s. Sakthi Ganesh Textiles Pvt Ltd.,
IBBI/IPA-002/IP-N00866/2019*2020/12770,



Plot No. 81, 3rd Street, Phase -1,
Dollars Colony, Virugampakkam,
Chennai – 600 126

... Respondent

Present:

For Applicant :G. Dinesh, Advocate
Aravindhasamy, Advocate

For Respondents :A.G. Sathyanarayana , Advocate

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)
VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

Order Pronounced on , 2025

ORDER

(Heard through Hybrid Mode)

1. An application IA(IBC)(LIQ)/11/2025 IN CP(IB)/213(CHE)/2023 has been filed by Shri. Mahalingam Suresh Kumar, the Resolution Professional seeking the following reliefs.

a. That this AA may be pleased to pass an order for Liquidation of the Corporate Debtor namelyl M/s. Sakthi Ganesh Textiles Pvt Ltd;

b. That this AA may be pleased to pass an order appointing M/s. SPP Insolvency Professionals LLP, IPE (IBBI/IPE-0143/IPA-1/2022-23/50033) as Liquidator for administering the Liquidation Process of the Corporate Debtor;



c. To pass such orders or further orders which this Tribunal may deem to be fit and proper in the interest of justice.

2. An application IA(IBC)/354(CHE)/2025 has been filed by Commercial Taxes Department, Government of Tamil Nadu seeking the following relief.

a. To set aside the Order dated 17.12.2024 passed by the Respondent and direct the Respondent to receive and admit the claim of the Applicant herein and thus render justice.

3. An application IA(IBC)/355(CHE)/2025 has been filed by Commercial Taxes Department, Government of Tamil Nadu seeking the following relief.

a. To condone the delay of 63 days in filing the Interlocutory Application challenging the rejection of the claim and pass such other orders as may be deemed fit and proper in the interest of justice.

4. The facts which are relevant for the disposal of the applications are that on an application filed by an Operational Creditor Ms. Babitha Sancheti, Proprietor of M/s. Pioneer Enterprises under Section 9 of IBC, the Corporate Debtor Sakthi Ganesh Textiles Pvt Ltd was admitted into CIRP vide an order dated 31.07.2025 in CP(IB)/213(CHE)/2023. Mr. S. Kangayan was appointed as IRP. The IRP made a public announcement and called for the claims by making publication on 01.08.2024 in “The



Financial Express”and “Makkal Kural”, Tamil edition and “Samyuktha Karnataka”, Kannada Edition. The last date for submission of claims was fixed as 13.08.2024. Pursuant thereto, the RP received the claims, constituted the CoC and assigned the voting rights. He filed the list of creditors and report with the Tribunal. He called the 1st CoC meeting on 04.09.2024 comprising of three CoC members on the basis of their admitted claims as tabulated below.

S.No.s	Creditors name	Admitted Claim Amount	Percentage
1.	Axis Bank	200283770.29	68.97
2.	Standard Chartered Bank	80569506.34	27.75
3.	Oxyzo Financial Services Ltd	9531773.00	3.28
Total		290385049.60	100%

2. In the 2nd CoC held on 03.10.2024, the IRP placed an agenda about issuance of expression of interest with Form-G, however, CoC deferred the same. He again placed the agenda for publication of Form-G in the 4th CoC meeting held on 05.12.2024 which was approved. He published the Form-G on 08.12.2024. One PRA submitted the plan. In the



meantime, CoC took a decision to replace the IRP and accordingly on IA/2201/2024 was filed with the Tribunal which was allowed vide an order dated 22.01.2025. The Applicant M. Suresh Kumar was appointed as the RP. He convened the 5th CoC meeting on 03.02.2025 and placed an agenda for approval of publication of amended Form-G which was approved by the CoC. He published the amended Form-G on 06.02.2025 and received expression of interest from 7 PRAs. He fixed the last date for submission of resolution plan as 05.04.2025.

3. The Applicant / RP briefed about the activities carried out by him during the CIRP process and informed the CoC that 180 days timeline was expiring on 26.01.2025. Since the erstwhile IRP had already filed an application IA/463/2025 for extension of CIRP period, the RP did not file a new application. The application came up for hearing on 25.03.2025 whereby it was noted by the Tribunal that pursuant to Form-G issued and expression of interest submitted by one PRA, the Axis Bank with 68.97% voting rejected the RFRP. RP was given liberty to withdraw the application and file afresh. The Tribunal also directed the RP to conduct fresh CoC.



4. The RP convened the 6th CoC meeting on 27.03.2025 where the CoC passed an unanimous resolution to file an application for extension of CIRP period for 90 days. The RP filed an application IA(IBC)/618(CHE)/2025 for the extension which was allowed vide an order dated 21.04.2025 extending the CIRP period till 27.04.2025. It is stated that though the 7 PRAs submitted their expression of interest but did not file any resolution plan despite extensive follow up. The RP in the 7th CoC meeting held on 07.04.2025 informed the CoC about the same and the CoC after discussions, exercising its commercial wisdom, passed a resolution with 100% voting recommending for liquidation of the Corporate Debtor. It also discussed about the liquidation cost, Liquidator fee and the appointment of the Liquidator. It recommended the name of M/s. SPP Insolvency Professionals LLP, IPE as the Liquidator authorizing the Applicant / RP to file an application for the liquidation of the Corporate Debtor under Section 33(2) of IBC. The RP thus filed this application along with the compliance certificate in Form-H under Regulation 39(4) of IBBI Regulations.



5. The Applicant / RP has placed the Copy of the order dt. 31.07.2024; Copy of the Public Announcement dt. 01.08.2024; 1st COC Meeting Minutes dt: 04th September, 2024; 02nd COC Meeting Minutes dt: 3rd October, 2024; 03rd COC Meeting Minutes dt: 29th November, 2024; 04th COC Meeting Minutes dt: 5th December, 2024; Copy of the Ld. AA order dt.22.01.2025 ; Copy of the 5th COC Meeting Minutes dt: 03.02.2025; Copy of the Form G dt: 05th February, 2025; Copy of the Minutes of 06th CoC Meeting dt: 27.03.2025; Copy of the CIRP Extension order dt. 21.04.2025; Copy of the Minutes of 07th CoC Meeting dt:07.04.2025; Form-AA with AFA; and Form H as Annexure 1-14.
6. We have heard Ld. Counsel for the Applicant / RP and perused the documents including the minutes of 7th CoC held on 07.04.2025.
7. A perusal of the minutes reveals that the RP in the meeting held on 07.04.2025 had given a brief overview of the Corporate Debtor's plants and units, outlining the reasons cited by the PRAs for their withdrawal from the resolution plan. It was informed that the first unit located in Avinashi is currently non-operational and contains only four non-



operational machines. It would require installation of new machinery to make functional. In the present condition, the unit is more suitable for use as a warehouse for lease. The 2nd unit has a small section leased for a sizing operation. The equipment within the unit is non-functional. The weaving segment consists of structural remnants of 2-3 functional machines with no current operational capacity. He informed that the withdrawals made by the PRAs show their lack of interest in acquiring the Corporate Debtor. He informed that in the absence of any active resolution plan, there is no logical basis to seek extension. He also emphasised that outright piecemeal sales of assets are not feasible under the CIRP and further CIRP period has elapsed. Various options were explored by the CoC members and finally the CoC resolved by 100% voting for the liquidation of the Corporate Debtor. The CoC also approved the name of M/s. SPP Insolvency Professionals LLP as the Liquidator to manage the liquidation process for the table of fees as prescribed in the Liquidation Process Regulations. After discussions, it was resolved that the estimated liquidation expenses would be around 30 Lakhs, CoC would contribute an initial corpus of Rs. 10 Lakh for meeting the liquidation expenses and further contribute additional



corpus in due course depending upon the actual flow of expenditure during the liquidation process. The CoC also recommended for realization of assets in any of the available options under the Code including compromise arrangement in compliance with the provisions of Section 230 of the Companies Act, 2013, IBC, Code and the Regulations. The extract of the minutes is placed as under.

The Resolution Professional (RP) provided a brief overview of the corporate debtor's plants and units, outlining the reasons cited by the Potential Resolution Applicants (PRAs) for their withdrawal from the resolution process:

- The first unit, located in Avinashi, is currently non-operational and contains only four non-operational machines and major part of the factory remains vacant. It is entirely inactive and would require the installation of new machinery to become functional. Given its present condition, the unit is more suitable for use as an empty warehouse space available for lease rather than as an operational manufacturing facility, unless a fresh set of machineries are installed to make it functional.
- The second unit has a small section leased for a sizing operation, generating monthly rental income, with the leaseholder expressing interest in continuing the lease. The remaining equipment within this unit is largely non-operational, with one piece of machinery that could potentially be serviced and restored to



operational status. The weaving segment consists solely of structural remnants of two to three non-functional machines, with no current operational capacity.

- The RP noted that although seven PRAs initially showed interest in actively participating in the resolution process, they subsequently withdrew after site visits and due diligence. Their decision was based on the assessment that the vacant land, along with the non-operational machinery, would not hold significant value in its current state. One of the PRAs requested a one-month extension to submit a resolution plan but also withdrew after completing due diligence.
- The RP concluded that these withdrawals reflect the PRAs' lack of interest in acquiring the CD, as they were seeking an active company that could be refurbished and revived, a goal that is not feasible given the current condition of the assets. As of now, no resolution plans have been secured for further consideration.
- Furthermore, the RP stated that, based on the current condition and the absence of operational machinery, the first unit primarily holds real estate value, encompassing the land and building. The structure could potentially be repurposed for warehousing or other uses, considering the available open space.
- Regarding the second unit, while it occupies a substantial land area, a small section remains operational. Inquiries have been made with potential parties to gauge their interest in acquiring either unit, wholly or partially. However, there has been limited interest to date. Some parties have indicated that they would consider acquiring the properties solely for real estate investment purposes rather than as operational manufacturing units in their current condition. This has been the general feedback received from interested parties thus far.

The Resolution Professional stated that, in the absence of any active resolution plans, there was no logical basis to seek an extension unless the COC wished to initiate another round of Expression of Interest (EOI). This recommendation was based on the fact that the seven parties who had previously shown interest were no longer actively pursuing the matter. The RP highlighted that there were no successful parties available to submit resolution plans, as inquiries primarily came from parties seeking operational units, which were not functional due to the absence of machinery, thereby limiting their appeal. However, significant interest had been shown in the land and building assets, particularly if offered through an outright sale or auction process. Notably, the Avinashi unit attracted considerable inquiries, with strong interest as a real estate asset.



The RP emphasized that outright piecemeal sales of assets were not feasible under the Corporate Insolvency Resolution Process (CIRP), as any disposal of parts of the assets would require adherence to proper resolution plan process and procedures. Despite this, there was active interest for these assets for outright sales, and not under resolution process. The CoC can weigh the option of going for another round of EOI (by seeking an **extension of 60 days**) or to liquidate and proceed for outright sale of assets, as majority of them are not having operational values.

The RP further noted that the 240-day period had elapsed, and the process was approaching its final phase. The RP emphasized that if no resolution plan is secured following another round of EOI, the next step would be to proceed with liquidation. In preparation for this eventuality, the RP outlined the need for CoC discussions regarding the liquidation process, including the appointment of a liquidator, liquidation expenses, and contributions to the liquidation fund. A preliminary budget estimate of approximately ₹30 lakh was provided, with major costs anticipated for security services covering both units, along with expenses related to public announcements, auctions, and other administrative activities. This estimate is tentative and subject to variation based on actual expenditures, with the CoC being updated on the final costs during subsequent meetings.

After giving a brief note on the further course of actions the RP requested the members to share their views.

The representative of Axis Bank indicated that, prima facie, liquidation appeared to be the most likely course of action due to the absence of a resolution plan and the interest showed by the parties for standalone assets. However, he recommended presenting both the resolution for extension and the option for liquidation to the Committee of Creditors for voting, to ensure clarity and facilitate a comprehensive decision-making process.

He also requested that both items, the resolution for extension and the reissuance of Form G be included in the voting agenda. The Resolution Professional clarified that if the CoC preferred to consider both options, he would move a resolution to seek an extension of 60 days to allow for another round of the resolution process along with a Form G. If this resolution is unsuccessful, then another set of resolution for liquidation, liquidator appointment and related resolution.



Resolution 2:

"RESOLVED THAT the Committee hereby approves to seek an additional extension of 60 days time for completing the Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor before the Adjudicating Authority.

RESOLVED FURTHER THAT the committee hereby directs the Resolution Professional to file necessary application before Adjudicating Authority seeking the above 60 days extension request from the previous pending request period [27th January 2025 to 27th April 2025].

The above resolution is put for voting through Ballot sheet:

Name of the Members	Voting % based on claim admitted	Approved/Rejected
Axis Bank	68.97%	Rejected
Standard Chartered Bank	27.75%	Rejected
Oxyzo Financial Services limited	3.28%	Abstained
Total	100.00%	

The Resolution is declared as **Rejected** unanimously.

Resolution 3:

"RESOLVED THAT subject to the approval of the above CIRP extension resolution No.2, the CoC members hereby approve the issuance of the 2nd round of Form G [considering the 8th Dec 2024 Form G issue as ineffective due to its non-pursuance] inviting expression of interest from the prospective resolution applicants, as per the draft given as annexure to this minutes.

The above resolution is put for voting through Ballot sheet:

Name of the Members	Voting % based on claim admitted	Approved/Rejected
Axis Bank	68.97%	Rejected
Standard Chartered Bank	27.75%	Rejected
Oxyzo Financial Services limited	3.28%	Abstained
Total	100.00%	



The Resolution is declared as **Rejected** unanimously.

If the above Resolution 2 and 3 are declined, the CoC is left with no option, other than consideration of decision of liquidation of the Corporate Debtor. In the event of failure of above Resolution 2 & 3, the following resolutions for the Liquidation of the CD, liquidator appointment and other related matters including Sec 230 & sale of CD as a going concern etc.,

Resolution 4:

RESOLVED THAT the Corporate Debtor be liquidated, subject to the approval of the Hon'ble National Company Law Tribunal, Chennai Bench, under Section 33 of the Insolvency and Bankruptcy Code, 2016, as no resolution plan has been received by the Committee of Creditors (CoC).

The above resolution is put for voting through Ballot sheet:

Name of the Members	Voting % based on claim admitted	Approved/Rejected
Axis Bank	68.97%	Approved
Standard Chartered Bank	27.75%	Approved
Oxyzo Financial Services limited	3.28%	Abstained
Total	100.00%	

The Resolution is declared **PASSED** with **96.72%** Voting.

Appointment of Liquidator & his fees:

- The RP intimated that the COC shall take a call on appointment of the Liquidator of the Corporate Debtor, if the coc members wish to go for Liquidation.
- The RP proposed the name of **M/s. SPP Insolvency Professionals LLP**, a registered Insolvency Professional Entity (IPE) and Insolvency Professional (IP), represented by its designated partner, **CA & IP. Mahalingam Suresh Kumar and CA & IP. S Prabhu**, as the Liquidator to manage the liquidation process of the Corporate Debtor, for the table of fees as prescribed in the Liquidation process regulation.



- The RP invited the COC member's views and alternate names for taking up the assignment of liquidation, if they intend to appoint any other Liquidator.

No other names are proposed by the COC. The CoC representatives requested to propose the resolution for voting, and accordingly the following resolution is proposed for voting.

Resolution 5:

"RESOLVED THAT, the committee hereby proposed **M/s. SPP Insolvency Professionals LLP [a registered IPE & IP]** having IBBI Reg.No. IBBI/IPE-0143/IPA-1/2022-23/50033 and valid AFA, to be appointed as the Liquidator to manage the liquidation process of the Corporate Debtor, subject to approval of the Adjudicating Authority.

RESOLVED FURTHER THAT the fees for the Liquidator shall be paid at such rates as specified under Regulation 4(2) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 on realization and distribution of assets of the Corporate Debtor."

The above resolution is put for voting through Ballot sheet:

Name of the Members	Voting % based on claim admitted	Approved/Rejected
Axis Bank	68.97%	Approved
Standard Chartered Bank	27.75%	Approved
Oxyzo Financial Services limited	3.28%	Abstained
Total	100.00%	

The Resolution is declared **PASSED** with **96.72%** Voting.

C. Any other matters with the permission of the Chair.

7. Any Other matters

Incase of Liquidation option is preferred; the following points need to be discussed in detail:

- o Liquidator appointment & Liquidation Fees
- o Assessment of Scheme of Compromise / Arrangement u/s 230 of Companies Act 2013 [Regulation 39BA of CIRP regulations]

- o Assessment of Sale as a going Concern during liquidation [Regulation 39C of CIRP regulations]
- o Estimated Liquidation Cost
- o Funding of Liquidation expenses [Regulation 39B of CIRP regulations]



Regulation 39B - Meeting liquidation cost:

- The RP intimated the COC that the liquidation process involves various steps including Public Announcement, e-auction, valuation (if needed) etc., hence, the Liquidator has informed the COC that an approximate funding of at least **Rs. 30 Lakhs** will be required to meet the Liquidation costs and **the estimated liquidation cost** is given below. RP further requested COC to give their comment on this budget.

S.No.	Nature of Expense	Amount
		(in INR Lakhs)
1	Public Announcement	3.00
2	Travel and related expenses	1.00
3	E-auction & other related process cost	1.00
4	Postage and Courier, Print & Stationery and Other sundry expenses	1.00
5	Audit Compliance, Reporting & related expenses	2.00
6	Security, Insurance, Accountant & other basic staffs, Record keeping, Network & Sundry Expenses [maximum estimate]	15.00
7	Professional fees for engagement of experts	3.00
8	Miscellaneous	4.00
	Total	30.00

The COC members have enquired about the expenses stated by the RP in case of liquidation. In response to this request, the Resolution Professional has proposed two options for the CoC members: they may either contribute the entire liquidation expense proposed corpus of Rs. 30 lakhs upon liquidation commencement in the ratio of their voting share in the COC, or make an advance contribution amount of Rs. 10 Lakh with further contributions made as needed based on the monthly expenses.

The CoC representatives requested the RP to move a resolution appropriate.

**Resolution 6:**

RESOLVED THAT the estimated liquidation expenses of Rs. 30 Lakhs is taken noted and the CoC approves to contribute an initial corpus of Rs. 10 Lakhs for meeting the liquidation expenses, upon commencement of the liquidation and further approves to contribute additional corpus in due course depending upon the actual flow of expenditure during the liquidation process.

The above resolution is put for voting through Ballot sheet:

Name of the Members	Voting % based on claim admitted	Approved/Rejected
Axis Bank	68.97%	Approved
Standard Chartered Bank	27.75%	Approved
Oxyzo Financial Services limited	3.28%	Abstained
Total	100.00%	

The Resolution is declared **PASSED** with **96.72%** Voting.

Possibility of Selling the CD as a going Concern during Liquidation
[Regulation 39C of CIRP Regulations]

Although the company is inoperative, a part of the company [sizing operations] are operational in lease mode and there is scope for usage of the said assets and recommence the textile activity with installation of all other machineries, as the industry has been built to suit the specific business requirement. Considering the business revival possibility, RP suggested that the Sale of CD as a going concern option is a one more try to revive the company in the liquidation period, which can give better realization.

The COC members also concurred with the views of the RP and suggested to keep the option open for Sale of CD as a going concern during the liquidation period as an option, in compliance with the provision of IBBI Liquidation Process Regulations.

Assessment of the Compromise or arrangement scheme during Liquidation
[Reg.39BA of CIRP Regulations]

Liquidator informed the COC that there is no specific request received for any compromise arrangement till date from any of the members or creditors or the promoter directors. Although there is no active proposals, RP suggested to COC to keep the option open of compromise arrangement u/s 230 of Companies act, as it may be beneficial in tax planning context for a buyer.

For Sakthi

The COC members informed that considering the value maximization & revival objectives of the code, they are inclined for resolution of the assets in any of the available option under the code and have recommended to RP to encourage if any of the eligible member or creditor are interested in submitting Compromise arrangement in compliance with the provisions of Sec 230 of the Companies Act 2013 and the IBC code and regulations.

The RP mentioned that all discussions have been summarized for the reference of the COC members. Please note that the deadline for submitting the voting ballot sheet is **Friday, 11th April 2025**.

Note: As per the request of the COC members, the last for submitting the voted ballot is extended till 23rd April, 2025.

As there is no further agenda for discussion, Meeting concluded at 1.30 PM



8. Having considered the minutes, Form-H submitted by the Applicant / RP and the report, we are of the view that there is no possibility of revival of the Corporate Debtor during the CIRP process. No PRA has come forward to submit the resolution plan. The CIRP period has already expired. The CoC in its commercial wisdom has thus passed a resolution with 100% voting to go for the liquidation of the Corporate Debtor. It has also recommended the name of the Liquidator who has given consent by giving Form AFA. His registration is also valid.
9. For the aforesaid reasons, we allow the application and appoint *M/s. SPP Insolvency Professionals LLP, IPE* as the Liquidator having IBBI registration No. **IBBI/IPE-0143/IPA-1/2022-23/50033** (*email ID: msureshkumar@icai.org*) whose AFA is valid upto 31.12.2025 of the Corporate Debtor M/s. Sakthi Ganesh Textiles Private Limited to carry out the liquidation process subject to the following terms / directions.
- a) The Liquidator shall strictly act in accordance with the provisions of IBC, 2016 and the attendant Rules and Regulations including Insolvency and Bankruptcy (Liquidation Process) Regulations, 2017 as amended upto date enjoined upon him.



- b) The Liquidator shall issue the public announcement in leading newspapers having wide circulation, one in English “Business Standard” and another in vernacular “Dina Thanthi” that the Corporate Debtor is in liquidation.
- c) In relation to officers/ employees and workers of the Corporate Debtor, taking into consideration Section 33(7) of IBC, 2016, this order shall be deemed to be a notice of discharge.
- d) The Liquidator shall investigate the financial affairs of the Corporate Debtor particularly, in relation to preferential transactions/ undervalued transactions and such other like transactions including fraudulent preferences and file suitable application before this Adjudicating Authority.
- e) The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016. The Liquidator is directed to first explore resolution of assets in any of the available options under the Code including compromise arrangement in compliance with the provisions of Section 230 of the Companies Act, 2013, IBC, Code and the Regulations.
- f) The Liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of the provisions of Section – 35(1) of IBC, 2016 read with relevant rules and regulations and file its response for disposal of any pending Company Applications during the process of liquidation.



g) The Liquidator shall submit a Preliminary report to this Tribunal within 75 (seventy-five) days from the liquidation commencement date as per regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016. Further such other or further report as is required to be filed under the relevant Regulations, in addition, shall also be duly filed by him with this Adjudicating Authority.

10. The Registry and Liquidator are directed to communicate the order to the Registrar of Companies and to the Insolvency and Bankruptcy Board of India;
11. The order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and a fresh Moratorium under section 33(5) of the Insolvency and Bankruptcy Code shall commence.
12. In the instant case, the CoC has not fixed the monthly fee of the Liquidator. We fix a sum of Rs. 2,00,000/- (Rupees Two Lakhs only) to be paid to the Liquidator to meet the initial expenses to perform the functions assigned to him in accordance with the Regulations.



13. Copy of this order be sent to the Operational Creditors, Corporate Debtor and the Liquidator for taking necessary steps and for extending the necessary co-operation in relation to the Liquidation process of the Corporate Debtor.
14. In terms of the above, IA(IBC)(LIQ)/11/2025 is accordingly **disposed of**.
15. **Applications IA(IBC)/354(CHE)/2025 and IA(IBC)/355(CHE)/2025** have been filed by the Commercial Taxes Department of Government of Tamil Nadu against the rejection of claims by the RP vide communication dated 17.12.2024 on the ground that the Department filed the claims beyond the period of 30 days from the commencement of CIRP. A request has also been made seeking condonation of delay of 63 days in filing the application IA/354/2025 stating that the Applicant / Department is a Statutory Body and it is bound by procedural hierarchies, where approvals at multiple levels are mandatory which took considerable time resulting into delays.
16. In response to the above applications, it was submitted by the RP that except the delay, there is no other objection as to the admission of claims.



17. On a perusal of record, we find that the claims were filed by the Department / Applicant during the CIRP. Now this Tribunal vide the above order in IA(IBC)(LIQ)/11/2025 has passed an order for the liquidation of the Corporate Debtor and appointed the Liquidator. The Liquidator has to give fresh publication inviting the claims from the Stakeholders. The Applicant being one of the Stakeholder can file the claim before the Liquidator in accordance with law.

18. With these observations, both the applications IA(IBC)/354(CHE)/2025 and IA(IBC)/355(CHE)/2025 are **disposed of** with liberty to the Applicant / Department to file the claims before the Liquidator who is directed to consider the claims as per law.

19. In terms of the above directions, all the three applications IA(IBC)(LIQ)/11/2025; IA(IBC)/354(CHE)/2025 and IA(IBC)/355(CHE)/2025 are accordingly **disposed of**.

-Sd-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

-Sd-

SANJIV JAIN
MEMBER (JUDICIAL)