

**IN THE NATIONAL COMPANY LAW TRIBUNAL
“CHANDIGARH BENCH, CHANDIGARH”
(Exercising the powers of Adjudicating Authority
under the Insolvency and Bankruptcy Code, 2016)**

**CA No. 242/2018
IN
CP (IB) NO. 60/Chd/Pb/2017**

**Under Section 33 of the Insolvency
and Bankruptcy Code, 2016**

In the matter of :

Oasis Agro Infra Limited, having its
registered office at H. No. 2505, Street No.
6/1A, Power House Road,
Bathinda, Punjab-151001.

...Petitioner-Corporate Debtor

And in the matter of:

Amandeep Singh,
Resolution Professional
having office at Chamber No. 3019
3rd Floor, Lawyer's Chambers Complex,
Part-II, District Court, Ludhiana.

...Applicant-Resolution Professional

Order delivered on : 18.07.2018

**Coram: Hon'ble Mr.Justice R.P.Nagrath, Member (Judicial)
 Hon'ble Mr.Pradeep R.Sethi, Member (Technical)**

For the applicant : 1. Mr. Harsh Garg, Advocate.
 2. Mr. Pulkit Goyal, Advocate.

Per: Pradeep R. Sethi, Member (Technical)

ORDER

The petition (CP (IB) 60/Chd/Pb/2017) was filed by Oasis Agro Infra Limited (hereinafter referred to as Corporate Debtor) for initiating insolvency

resolution process under Section 10 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the Code). Vide order dated 22.09.2017, the petition was admitted and moratorium declared in terms of Section 14 of the Code as specified in the order. Vide order dated 03.10.2017, Shri Vikram Bajaj was appointed as Interim Resolution Professional and he was replaced with Shri Amandeep Singh as the Resolution Professional (RP) vide order dated 04.12.2017.

2. The instant application is filed under Section 33 of the Code by the RP for passing an order requiring M/s. Oasis Agro Infra Limited, the corporate debtor to be liquidated in the manner as laid down in the Code and issuing public announcement stating that the corporate debtor is in liquidation and sending the order to the authority with whom the corporate debtor is registered.

3. It is submitted that initially, the suspended Directors of the corporate debtor were not cooperating with the RP and as such, the corporate insolvency resolution process could not be completed within 180 days i.e. upto 21.03.2018 and further extension of 90 days was sought and granted by order dated 20.03.2018. It is stated that the corporate debtor is not an on going concern and is not engaged in any sort of business activity. It is submitted that for their business activity, the corporate debtor used to take land on lease for plantation of Poplar trees and seasonal crops but now admittedly, they have uprooted the entire plantation of Poplar trees and crops and have been left with no land on lease or plantation with them. It is stated that although practically there was no solution available for the revival of the business of the corporate debtor but, still attempt was made and resolution plans were invited but nobody came forward for revival of the business of the corporate debtor as expected. It is submitted that since no resolution plan was

received, the Committee of Creditors in its meeting 15.06.2018 decided that as there is no business of the corporate debtor in existence and as such, the question of revival or continuation of the business does not arise, so the liquidation of the corporate debtor is the only alternative. It is submitted that it was resolved in the meeting that the corporate debtor be liquidated. Copy of the minutes of the meeting are stated to be enclosed as Annexure 4 of the application. It is submitted that in view of the resolution passed in the meeting of Committee of Creditors, the liquidation order be passed against the corporate debtor.

4. Vide order dated 09.07.2018, it was noted that the learned counsel for the RP seeks time to file consent of the RP to act as a Liquidator in view of the amendment in Section 34 of the Code. The consent of Shri Amandeep Singh for being appointed as the Liquidator in connection with the liquidation process of the corporate debtor has been submitted vide Diary No. 2504 dated 16.07.2018. It has also been declared and affirmed therein that Shri Amandeep Singh, Insolvency Professional with Registration No. IBBI/IPA-001/IP-P000367/2017-18/10624 is not subject to any disciplinary proceedings initiated by the Board or the Insolvency Professional Agency.

5. During the course of hearing, the learned counsel for the Resolution Professional has relied on the application and has pleaded that the order of liquidation in respect of the corporate debtor be passed.

6. We have carefully considered the submissions of the learned counsel for the applicant and also perused the record. Section 33(2) of the Code as amended by the Insolvency and Bankruptcy Code (Amendment) Ordinance 2018 No. 6 of 2018, reads as under:-

“Where the resolution professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the Committee of Creditors (approved by not less than sixty six percent of the voting share) to liquidate the corporate debtor, the Adjudicating Authority shall pass a liquidation order.”

7. In the present case, the resolution professional has informed that the corporate debtor is not presently an on going concern and that even then, resolution plans were invited but there was no response thereto. We find from the minutes of meeting of the Committee of Creditors held on 15.06.2018 that the Committee of Creditor concluded that there is no business of corporate debtor in existence so the question of revival or continuation of the business does not arise and the liquidation of the corporate debtor is the only alternative. The Committee of Creditors resolved that the corporate debtor be liquidated and accordingly, the liquidation process of the corporate debtor be initiated. In view of the minutes of meeting of Committee of Creditors held on 15.06.2018 (supra), we are satisfied that the provisions of Section 33 (2) of the Code are complied with and

- (i) pass order requiring the corporate debtor to be liquidated in the manner as laid down in Chapter III of the Code;
- (ii) issue a public announcement stating that the corporate debtor is in liquidation; and
- (iii) require this order to be sent to the Registrar of Companies, Punjab and Chandigarh with which the corporate debtor is registered.

8. Section 34 of the Code provides that where the Adjudicating Authority passes an order for liquidation of the corporate debtor under Section 33, the RP

appointed for the corporate insolvency resolution process shall, subject to submission of written consent by the Resolution Professional to the Adjudicating Authority in specified form to act as a Liquidator for the purpose of liquidation. As already discussed above, Shri Amandeep Singh, RP appointed for the corporate insolvency resolution process of the corporate debtor has given his consent for being appointed as the Liquidator in connection with the liquidation process of the corporate debtor and has also declared and affirmed that he is not subject to any disciplinary proceedings initiated by the Board or the Insolvency Professional Agency. We, therefore, order the liquidation of the corporate debtor and appoint Shri Amandeep Singh to act as a Liquidator for the purpose of liquidation of the corporate debtor. His appointment will take effect from the date of receipt of copy of this order

9. All the directions/requirements and provisions of Chapter III of the Code and Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (hereinafter referred to as Liquidation Process Regulations, 2016) shall be strictly complied with. Some of the directions are noted as under:-

(i) Subject to Section 52 of the Code, when a liquidation order has been passed, no suit or other legal proceedings shall be instituted against the corporate debtor [Section 33 (5) of the Code];

Provided that a suit or other legal proceedings may be instituted by the liquidator on behalf of the corporate debtor, with the prior approval of the Adjudicating Authority;

(ii) However, in terms of sub-section (6) of Section 33 of the Code the provisions of sub-section (5) of Section 33 of the Code shall not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator;

(iii) The order for liquidation under Section 33 of the Code shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the liquidation process by the liquidator;

(iv) All the 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; and

(v) 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 of the Code 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.

10. The Liquidator shall publish public announcement in accordance with Regulation 12 of the Liquidation Process Regulations, 2016 and in Form B of Schedule II of these Regulations within five days from receipt of this order calling upon the stake holders to submit their claims as on liquidation commencement date and provide the last date for submission of claim which shall be 30 days from the liquidation commencement date.

11. It is further directed that the announcement shall be published in accordance with Regulation 12(3) as under:-

“(a) In one English and one regional language newspaper with wide circulation at the location of the registered office and principal office, if any, of the corporate debtor and any other location where in the opinion of the liquidator, the corporate debtor conducts material business operations;

(b) on the website, if any, of the corporate debtor; and

(c) on the website, if any, designated by the Board for this purpose.”

12. In accordance with Regulation 13 of the Liquidation Process Regulations, 2016, the ‘Liquidator’ shall file his preliminary report within 75 days and to file regular progress reports as per Rule 15 of the Liquidation Process Regulations 2016 and every fortnight thereafter.

13. It is clarified that the Financial Creditors are not debarred from having recourse to enforce of the personal guarantees and to take proper steps in this regard.

Copy of this order be supplied to the counsel for the liquidator as well as to the Registrar of Companies, Punjab and Chandigarh immediately.

Sd/-
(Justice R.P. Nagrath)
Member (Judicial)

Sd/-
(Pradeep R. Sethi)
Member (Technical)

July 18, 2018
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