

**THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH-IV**

**IA No. 695/MB-IV/2021**

Under Section 33(1) of Insolvency &  
Bankruptcy Code, 2016

Mr. Hitesh Kothari

...Resolution Professional/Applicant

In the matter of

CP (IB) No.1887/MB-IV/2019

Precision Cut Industries

...Operational Creditor

Vs.

Costra Advertising India Private Limited

[CIN: U22190MH2007PTC167348]

...Corporate Debtor

**Order delivered on: 03.02.2023**

*Coram:*

Mr. Prabhat Kumar  
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli  
Hon'ble Member (Judicial)

*Appearances (via videoconferencing):*

For the Applicant/RP

:

Mr. Amey Hadwale, Advocate.

**ORDER**

*Per: Kishore Vemulapalli, (Member Judicial)*

1. This is an Application filed by Mr. Hitesh Kothari, Applicant/Resolution Professional, seeking liquidation of Costra Advertising India

Private Limited, (hereinafter referred as Corporate Debtor) under Section 33(1) of Insolvency and Bankruptcy Code, 2016 (hereinafter called as “the Code”).

2. The brief facts of the Application are as follows:
  - a) That this Tribunal, vide an order dated 22.10.2019 in Company Petition No. 1887/MB-IV/2019, admitted the petition under Section 9 of the Code, filed by M/s Precision Cut Industries (hereinafter referred to as the “Financial Creditor”) and Corporate Insolvency Resolution Process (CIRP) was initiated against Costra Advertising India Private Limited, (hereinafter called as the “Corporate Debtor”).
  - b) The Applicant Submits that, the IRP had made Public announcements through Form A in two Local newspapers namely English, “Free Press Journal” and Marathi, “Navshakti”, Mumbai Edition, as per section 15 of the Code r/w Regulation 6 of IBBI (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The Applicant constituted the CoC comprising of Union Bank of India having 84% voting shares, Indusland Bank having 12.19% voting shares and Siemens Financial Services Private Limited having 3.81% voting shares.
  - c) The 6<sup>th</sup> CoC meeting was held on 08.02.2021, wherein, the CoC resolved for liquidation of the Corporate Debtor and further authorised the Applicant to file the Application for the same. The Resolution passed by the CoC is as under:

*“RESOLVED THAT pursuant to the provisions of Insolvency and Bankruptcy Code, 2016 (the “Code”), and other applicable provisions, if any, including any statutory modifications or any amendment or any substitution or re-enactment thereof, if any and subject to approval of the Hon’ble National Company Law Tribunal (NCLT), consent of the Committee of Creditors (CoC) is hereby accorded to initiate liquidation process in regards to Costra Advertising India Private Limited”*

- d) We have heard the Counsel and the material available on record.
- e) We find that the COC had resolved to liquidate the Corporate Debtor vide its Resolution passed in the 6<sup>th</sup> CoC meeting. Hence, we order as follows:

### **ORDER**

- 3. IA No. 695/MB-IV/2021 filed by Mr. Hitesh Kothari, Applicant for the Liquidation of Costra Advertising India Private Limited is **Allowed**.
- 4. In view of the above observations, Mr. Hitesh Kothari, Resolution Professional having Registration No. IBBI/IPA-002/IP-N00324/2017-2018/10929 is appointed as the Liquidator to conduct Liquidation process of Costra Advertising India Private Limited as provided under Section 34(1) of the Code.
- 5. That the Liquidator would be entitled to the fees as provided in Regulation 4(2)(b) of the IBBI (Liquidation Process Regulations), 2016 to conduct the liquidation proceedings.

6. 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.
7. 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.
8. That 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.
9. That 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.
10. That 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 proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority.
11. 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. With the

above directions, the IA No. 695/MB-IV/2021 filed under section 33(1)  
by the Applicant is hereby **Allowed and Disposed of**.

Sd/-  
Prabhat Kumar  
Member (Technical)

03.02.2023

Sd/-  
Kishore Vemulapalli  
Member (Judicial)