

NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH, COURT-V

I.A.2924 OF 2022

IN

C.P.(IB)326/MB/2021

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

Filed By:

Mr. Manoj Sehgal

Resolution Professional for:

Renaissance Corporation Limited

... Applicant

In the matter of

**Satec Envir Engineering (India)
Private Limited**

...Financial Creditor

Versus

Renaissance Corporation Limited

...Corporate Debtor

Order Delivered On:18.10.2022

Coram:

Hon'ble Shri H.V. Subba Rao, Member (Judicial)

Hon'ble Smt. Anuradha Sanjay Bhatia, Member (Technical)

Appearance:

(via videoconferencing)

For the Applicant: Ms. Kanishka Prasad and Ms. Ishita Srivastava, Advocates
i/b SDPS Partners LLP

ORDER

1. The above application I.A. No. 2924 of 2022 is filed by Resolution Professional, Mr. Manoj Sehgal (hereinafter referred to as the "**Applicant**") seeking liquidation of Renaissance Corporation Limited (hereinafter referred to as the "**Corporate Debtor**") under Section 33 (1)(a) of the Insolvency and Bankruptcy Code, 2016 (hereinafter called as "the Code"), praying for following reliefs:

- a. *Pass an order for liquidation of the Corporate Debtor in view of Section 33 of the Code;*
- b. *Appoint Mr. Manoj Sehgal as the Liquidator of the Corporate Debtor in view of consent given to act as the Liquidator of the Corporate Debtor; and*
- c. *Pass such order(s) as this Hon'ble Tribunal may deem fit and appropriate in the facts and circumstances of the case.*

2. The Brief facts of the application are as follows:

- A. The Applicant mentions that this Tribunal vide its order dated 15.03.2022 in Company Petition No.326(IB)/MB/2021 admitted the petition under Section 7 of the Code, filed by Satec Envir Engineering (India) Private Limited (hereinafter referred to as the “**Financial Creditor**”) and Corporate Insolvency Resolution Process (hereinafter referred to as the “**CIRP**”) was initiated against the Corporate Debtor. The Applicant was appointed as the Interim Resolution Professional (“**IRP**”) of the Corporate Debtor by this Tribunal.
- B. The Applicant submits that, on 25.03.2022 a public announcement was made by the IRP, wherein the IRP invited claims from the Creditors of the Corporate Debtor in two local newspapers namely, Financial Express and Prathakal.
- C. The applicant submits that, the 1st meeting of Committee of Creditors (“CoC”) was convened on 23.04.2022, wherein the CoC resolved to appoint the applicant as the Resolution Professional (“**RP**”) of the Corporate Debtor.
- D. The Applicant submits that, the 2nd meeting of the CoC was convened on 21.05.2022, wherein the CoC approved the draft invitation for Invitation of Expression of Interest (“EOI”) and Form-G.

Consequently, the Applicant issued invitation for submission of EOI dated 26.05.2022, wherein the last date for receipt of expression interest mentioned as 09.06.2022 and last date for submission of resolution plan mentioned as 23.07.2022.

- E. The Applicant submits that, 3rd meeting of the CoC was convened on 21.06.2022, wherein of the members of the CoC, were informed that no EOI has been received. The CoC resolved to republish the Invitation for EOI with extended timeline, and the last date for receipt of EOI was extended from 09.06.2022 to 07.07.2022 and last date of submission of Resolution Plan was extended from 23.07.2022 to 21.08.2022. Accordingly, the Applicant published the invitation for EOI with extended timeline on 23.06.2022.
- F. The Applicant submits that, the 4th meeting of the CoC was convened on 08.08.2022, wherein the applicant informed the members of CoC about the final list of the Prospective Resolution Applicant (“PRA”) which included only one PRA namely, Chandan Steel Limited.
- G. The Applicant submits that, the 5th meeting of the CoC was convened on 14.09.2022, wherein the CoC resolved that since the last date of receipt of Resolution Plan was 21.08.2022 and there is no Resolution Plan received by the CoC, and the last date of CIRP of the Corporate Debtor is 17.09.2022, the CoC decided to Liquidate the Corporate Debtor as a going concern. The CoC further resolved to appoint the Applicant as the Liquidator of the Corporate Debtor. The Applicant has also given his Consent to act as a Liquidator of the Corporate Debtor. The CoC further resolved for remuneration of the Liquidator at Rs.1,15,000/- plus GST per month plus 1.25% of the amount realised & distributed from the sale of asset of the Corporate Debtor. The Applicant further submits that, the proposed liquidator has

provided his consent to act as the liquidator of Corporate Debtor, which is annexed to the application.

3. After hearing the submissions made by the Counsel appearing for the Applicant and upon perusing the material available on record, and the fact that no Resolution Plan has been received and there is no option to except to put the Corporate Debtor Company into Liquidation as per the Code. Since it is observed from the minutes of the 5th CoC meeting that the CoC with required mandate of 100% voting approved to liquidate the Corporate Debtor in view of not getting any Resolution Plans, this Tribunal has very limited judicial review in such matters of commercial wisdom. Therefore, there is no option except to allow the above Liquidation Application. The CoC thereby has appointed Mr. Manoj Sehgal (IBBI Registration No. IBBI/IPA-002/IP-N00108/2017-2018/10256) as Liquidator to carry on the process of Liquidation of the Corporate Debtor. The proposed Liquidator has agreed to act as Liquidator to carry on the process of Liquidation and given his consent to act as Liquidator. This bench, therefore feels this is a fit case for ordering Liquidation as going concern of the Corporate Debtor. Accordingly, the above Interlocutory Application Number 2924 of 2022 is allowed directing the Liquidation of the Corporate Debtor. Accordingly, we pass the following:

ORDER

- a. The above I.A. 2924 of 2022 is “allowed” and the Corporate Debtor Renaissance Corporation Limited is ordered to be liquidated as a going concern.
- b. Mr. Manoj Sehgal (IBBI Registration No. IBBI/IPA-002/IP-N00108/2017-2018/10256), having office at: Flat 304, Tower 5, Ansal Valley View Estate, Gwal Pahadi, Gurugram- 122 003, havin email id manojsehgal_1121@yahoo.co.in is hereby appointed as the Liquidator as provided under Section 34(1) of the Code.

- c. That the Liquidator for conduct of the liquidation proceedings would be entitled for fees at the rate of Rs.1,15,000/- plus GST per month plus 1.25% of the amount realised & distributed from the sale of assets of Corporate Debtor.
- 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.
- e. The Liquidator appointed under section 34(1) of the Code. 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. 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.
- g. 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.
- h. 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.

- i. This liquidation order 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, this application i.e. I.A. No. 2924 of 2022 is hereby allowed and disposed of.

Sd/-

Anuradha Sanjay Bhatia
Member (Technical)

Sd/-

H.V. Subba Rao
Member (Judicial)