

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

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **20.03.2024** THROUGH VIDEO CONFERENCE

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

IN THE MATTER OF : Ramanuj Cotton Corporation Coimbatore
Vs
Sri Lakshmi Saraswathi Impex India Ltd

MAIN PETITION NUMBER : IBA/1189/2019
(IA/MA) APPLICATION NUMBERS

IA(IBC)/744(CHE)/2024

ORDER

Present: None for the Applicant/RP

Vide separate order pronounced in open court, IA(IBC)/744(CHE)/2024 is allowed.
The petition IBA/1189/2019 is dismissed as withdrawn.

The Applicant is directed to handover the management to the Board of Directors whose powers stood suspended by virtue of initiation of CIRP. The Applicant is discharged from all his responsibilities. The Corporate Debtor shall operate through its Board of Directors. The Corporate Debtor is released from all rigours of the IBC, 2016.

File be consigned to record room.

-sd-
[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)

MS

-sd-
[SANJIV JAIN]
MEMBER (JUDICIAL)

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

IA(IBC)/744(CHE)/2024 in IBA/1189/2019

(filed under Section 12A of the Insolvency and Bankruptcy Code, 2016)

In the matter of M/s. Sri Lakshmi Saraswathi Impeex (India) Limited

CA. S. Thamilvani,

Interim Resolution Professional of

M/s. Sri Lakshmi Saraswathi Impeex (India) Limited

IBBI. Reg. No. IBBI/IPA-001 IP-P00827/2017-18/11412,

having office at No. 6/12, First Cross Street,

Sivananda Nagar, Ambattur,

Chennai – 600 053

... Applicant

Order pronounced on 20th March, 2024

CORAM:

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

For Applicant : Kaushik Narayanan, Advocate

For Promoter : Avinash Krishnan Ravi, Advocate

ORDER

(Heard through VC)

This application under Section 12A of Insolvency and Bankruptcy Code, 2016 (IBC) read with Regulation 30A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 read with Rule 11 of NCLT Rules, 2016 has been filed by the IRP of Sri Lakshmi Saraswathi Impeex (India) Limited, the Corporate Debtor herein, for withdrawal of the Corporate Insolvency Resolution Process (CIRP).

2. The facts leading to this application is that the Corporate Debtor was admitted into CIRP by the order of this Tribunal dated 25.09.2023. The Applicant was appointed as the IRP of the Corporate Debtor. He made the public announcements and invited the claims. He also took control and custody of the assets including management of the Corporate Debtor. In the present case, no financial creditors submitted the claims against the Corporate Debtor. Therefore, the CoC was constituted with the operational creditors as tabulated below.

S.No.	Creditor	Amount Claimed	Amount admitted	Voting
1	Ramanuj Cotton Corporation	20,69,035	20,69,035	88.16%
2	Riddhi Siddhi Cotex Private Limited	2,77,877	2,77,877	11.84%
		Total	23,46,912	100%

3. The Applicant conducted the meetings of CoC. During the meetings, the CoC and the Suspended Directors arrived at a consensus for settlement. Accordingly the operational creditors handed over Form FA to the Applicant on 11.03.2024. The Applicant called for the 4th CoC meeting to take a decision on the Form FA and filing of the application under Section 12A for withdrawal. The meeting was held on 16.03.2024 where Form FA dated

11.03.2024 was placed for voting where it was unanimously decided to withdraw the CIRP process. It was resolved as under:

RESOLVED THAT pursuant to Section 12A of the Code read with Regulation 30A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, and in accordance with rules and regulations made thereunder, in view of the no due certificate dated 12.03.2024 executed between Ramanuj cotton corporation, Riddhi Siddhi Cotex Private Limited and Sri Lakshmi Saraswathi Impeex (India) Limited, the members of the COC hereby approve withdrawal of CIRP and authorize the IRP to file necessary Application before Adjudicating Authority along with Form FA.

4. The voting of the agenda is tabulated as below.

S.No.	Creditor	Amount admitted	Voting	Vote
1	Ramanuj Cotton Corporation	20,69,035	88.16%	In Favour
2	Riddhi Siddhi Cotex Private Limited	2,77,877	11.84%	In Favour
	Total	23,46,912	100%	

5. Accordingly this application has been filed seeking withdrawal of the CIRP against the Corporate Debtor.

6. We have heard Ld. Counsel for the Applicant and perused the record.

7. The CIRP in the present case was initiated on 25.09.2023 on an application under Section 9 of IBC filed by the Operational Creditor M/s. Ramanuj Cotton Corporation (Coimbatore). The Applicant was appointed as

the IRP. Since in the present case, no claims came from the financial creditors, the CoC was constituted comprising of the operational creditors as per the composition mentioned above.

8. During the meeting of the CoC, the Suspended Directors gave a proposal for settlement and the CoC members arrived at the consensus to go for the settlement. By that time, no Form – G was issued for inviting the expression of interest from the prospective Resolution Applicants. The operational creditor handed over the Form FA to the Applicant on 11.03.2024 along with the NOC as Annexure 5 which was placed before the CoC on 16.03.2024. The CoC by 100% voting resolved to withdraw the CIRP.

9. Section 12A of IBC provides that the Adjudication Authority may allow the withdrawal of application admitted under Section 9, on an application made by the Applicant with the approval of 90% voting share of the Committee of Creditors, in such manner as may be prescribed.

10. Regulation 30A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016 provides that an application for withdrawal under Section 12A may be made to the Adjudicating Authority after the constitution of committee by the Applicant through the interim Resolution Professional or the Resolution Professional as the case may be, provided that where the

application is made under clause (b) after the issue of invitation of expression of interest under Regulation 36A, the Applicant shall state the reasons justifying withdrawal after issue of such invitation. The application shall be made in Form A of the schedule and complete by a bank guarantee towards estimated expenses incurred on by the RP till the date of filing of the application. The IRP shall submit the application to the Adjudicating Authority on behalf of the Applicant within three days of the receipt. The Committee shall consider the application within seven days of its receipt. If the application is approved by the Committee with 90% voting share, the RP shall submit such application along with the approval of the committee to the Adjudicating Authority on behalf of the Applicant within three days of such approval and the Adjudicating Authority may by order approve the application.

11. In Form FA given by the Operational Creditor, it has been stated that it has received DD for Rs. 20,69,000/- vide dated 07.03.2024 drawn on Union Bank of India (Anna Nagar Chennai). A letter has also been given on behalf of the second operational creditor dated 11.03.2024 as to the receipt of Rs. 2,78,000/- vide DD dated 07.03.2024 drawn on Union Bank of India (Anna Nagar Chennai). They have stated that they have no claim against the Corporate Debtor. Both the letters were placed before CoC where the

operational creditors confirmed having received the said amount from the Corporate Debtor . It is also stated in the meeting that CIRP cost including expenses finalized in the 3rd CoC meeting amounting to Rs. 3,25,000/- have been realized and settled in full. No due certificate has also been given by the Operational Creditors. As per the voting, both the Operational Creditors approved this withdrawal under Section 12A with 100% voting.

12. In the present case, the amount has been paid to the Operational Creditors in full. For this reason, they signed the settlement proposal and issued the Form FA and the letter which were placed and duly approved by the CoC unanimously without any objection from anyone. The CIRP expenses have been paid in full. The whole process has been completed within the timeline prescribed for the CIRP.

13. We are of the view that all the requirements as contemplated under Section 12A of IBC and Regulation 30A of IBBI Regulations have been fulfilled.

14. In the light of what has been stated above, instant Application IA(IBC)744/CHE/2024 stands **allowed**. In the circumstances, IBA/1189/2019 stands **withdrawn**. Consequently, the CIRP initiated against the Corporate Debtor also stands withdrawn.

15. The Applicant is directed to hand over the management to the Board of Directors whose powers stood suspended by virtue of the initiation of the CIRP by this Tribunal while admitting the Petition in IBA/1189/2019 vide Order dated 25.09.2023. The Corporate Debtor is released from all rigours of the IBC, 2016. The Applicant is discharged from all his responsibilities. The Corporate Debtor shall operate through its own Board.

16. Accordingly, IA(IBC)744/CHE/2024 stand **allowed**. The main Company Petition viz., IBA/1189/2019 stand **dismissed as withdrawn**. All the connected Applications stand **closed**. File be consigned to records.

-Sd-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

-Sd-

SANJIV JAIN
MEMBER (JUDICIAL)