

appointed as an Interim Resolution Professional of the Corporate Debtor.

- b. Thereafter, the said Order was communicated to the Applicant on 11.06.2022 and accordingly, the Applicant took charge and control of the affairs of the Corporate Debtor.
- c. Thereafter, on 14.06.2022, the Applicant published the public announcement in Form A, in two newspapers, for inviting claims from the Creditors and the last date for submission of claims was 25.06.2022.
- d. It is submitted that the Committee of Creditors (CoC) had convened the 3rd meeting on 12.09.2022, wherein the CoC, with 97.96% votes in favour approved the criteria required to be fulfilled by the Prospective Resolution Applicant to submit Expression of Interest, to submit Resolution Plan(s).
- e. Accordingly, the Applicant published for Form G on 19.09.2022, in two Newspapers, namely, Free Press Journal and Navakal, inviting Expression of Interest from Prospective Resolution Applicants and the last date for submission of Expression of Interest was 04.10.2022.
- f. It is submitted that pursuant to Form G, the Applicant has received Expression of Interest from two Prospective Resolution Applicants namely **(1) M/s Nakshatra Corporate Advisors Limited; (2) The Suspended Board of Directors, Mr. Shantilal Jain**. However, it is

further submitted that the first Prospective Resolution Applicant failed to deposit the Earnest Money Deposit of Rs. 5,00,000/- before the last date for receipt of the same according to the terms and conditions in Form G. Second Prospective Resolution Applicant has failed to submit any relevant documents, process participation deposit, MSME certificate and other related documents.

- g.** It is submitted that in view of the above, the State Bank of India, having 96.63% voting share, proposed for Liquidation of the Corporate Debtor *via* email dt. 01.11.2022.
- h.** Thereafter, the Applicant placed the agenda for Liquidation of the Corporate Debtor, before the members of the CoC in the Fourth meeting held on 14.11.2022, as the Expression of Interest submitted by the Prospective Resolution Applicants could not be considered as they did not meet with the mandator requirements as contemplated in the Code.
- i.** It is further submitted that the said Resolution for Liquidation of the Corporate Debtor was approved by the CoC with 97.94% votes in favour (which is more than the requisite percentage i.e. 66% of voting as prescribed u/s 33(2) of the Code.
- j.** It is further submitted that the CoC also approved the appointment of the present Resolution Professional as the Liquidator of the

Corporate Debtor and also decided the monthly fees payable to the Corporate Debtor.

4) Having considered the submissions of the Application and on perusal of the averments made in the present Interlocutory Application, this Bench is satisfied and accordingly is of the considered view that the present Interlocutory Application is in consonance with Section 33(1)(a), 33(2) & 34(1) of the Insolvency and Bankruptcy Code, 2016 and the same is liable to be allowed. Accordingly, the Liquidation is ordered.

a) The Corporate Debtor (i.e. **VARSHA CORPORATION LIMITED**) shall be liquidated in the manner as laid down in Chapter-III of the Code.

b) **Mr. Vinodkumar Pukhraj Ambavat**, an Insolvency Professional (IBBI Registration No. **IBBI/IPA-001/IP-P00420/2017-18/10743**), is appointed as the Liquidator of the Corporate Debtor.

c) **The fees payable to the Liquidator shall be Rs. 75,000/- per month, as decided by the CoC, and part thereof plus applicable taxes and out of pocket expenses as incurred for the purpose of execution of assignment at the end of every month.**

- d)** The Moratorium declared under Section 14 of the IBC 2016 shall cease to operate here from.
- e)** Liquidator shall issue public announcement stating that Corporate Debtor is in liquidation.
- f)** The Liquidator shall endeavor to sale the Company as a going concern during the liquidation in terms of Regulation 32A of the Liquidation Process Regulations. In case he is not able to do so within a period of 90 days from this date, he shall proceed in accordance with clauses (a) to (d) of Regulation 32 of the Liquidation Process Regulations.
- g)** Subject to section 52 of the IBC 2016 no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. This shall however 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.
- h)** All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.

- i)** The liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- j)** Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.
- k)** The Liquidator shall submit progress reports as per Regulation 15 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- l)** The Liquidator is hereby Authorized to represent the Corporate Debtor before the Government Authorities, if need be.
- m)** This Order 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.
- n)** Copy of the Order shall be furnished to the Insolvency and Bankruptcy Board of India, New Delhi; Regional Director (Western Region), Ministry of Corporate Affairs; Registrar of Companies &

Official Liquidator, Maharashtra, the Registered Office of the Corporate Debtor; and the Liquidator.

- 5) With the aforesaid observations and directions, the Interlocutory Application bearing IA No. 314 of 2023, stands disposed of as Allowed.
- 6) There would however be no order as to costs. Ordered Accordingly.

IA 110/2023

Ms. Disha Shah, Ld. Counsel for the Applicant is present. None present for the Respondent/s. Registry is directed to issue Notice to all the Respondents, who are arrayed as parties to the present Interlocutory Application, clearly intimating the next date of hearing and to place on record Compliance Report, well before the adjourned date. In addition to the Notice, issued by the Court, Applicant is also directed to issue Notice to all the Respondents, who are arrayed as parties to the present Interlocutory Application, clearly intimating the next date of hearing and to place on record, Affidavit of Service, enclosing therewith proof of service of Notice to all the Respondents, well before the adjourned date. List this matter on Board on 25.09.2023, for further consideration and hearing.

IA 3936/2022

Ms. Disha Shah, Ld. Counsel for the Applicant is present. The present Interlocutory Applicant has been filed under Section 19(2) of the Insolvency and Bankruptcy Code, 2016, seeking direction against the Respondent who failed to extend assistance and co-operation to the Applicant, as required in managing the

affairs of the Corporate Debtor. In view of the Liquidation Order passed in IA 314 of 2023, the present Interlocutory Application becomes infructuous; hence, the same is disposed of.

Sd/-

**ANU JAGMOHAN SINGH
MEMBER (TECHNICAL)**

Vedant Kedare

Sd/-

**H. V. SUBBA RAO
MEMBER (JUDICIAL)**