IN THE NATIONAL COMPANY LAW TRIBUNAL, BENCH-III, NEW DELHI

CA/704/C-III/ND/2019 in CP/1117/IB/2018 filed under *Sections 33 (2)* of the Insolvency and Bankruptcy Code, 2016

In the matter of *M/s. Reliable Insupacks Private Limited*

Mr.Sumit Bansal,
Resolution Professional

... Applicant

Order delivered on 11th October, 2019

CORAM

CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)
K.K.VOHRA, MEMBER (TECHNICAL)

For Applicant : Mr. Abhishek Garg, Counsel

ORDER

Per: CH. MOHD SHARIEF TARIQ, MEMBER (J):

Under consideration is an Application filed by the Resolution Applicant under Section 33(2) of the Insolvency & Bankruptcy Code, 2016 (I&B Code,2016) for seeking order of Liquidation of the Corporate Debtor (CD) viz. Reliable Insupacks Private Limited.

2. This Authority vide its order dated 26.03.2019 initiated the CIR Process against the CD and on 20.05.2019 the name of the Applicant was confirmed as Resolution Professional (RP). The advertisement for calling for EoIs was made on 9th July, 2019 as per Form-G provided under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons), Regulation, 2016 the last date for submissions of the Expression of Interest (EoI) was fixed on 18.08.2019.

3. It is on record that the RP received EoIs from two parties – first from one Mr. Madan Mohan Roy, who is an erstwhile Director of the CD and second from CNX Corporation Limited. The first prospective Resolution Applicant is ineligible under Section 29A(g) of the I&B Code,2016 and the Resolution Plan submitted by CNX Corporation Limited was rejected in the 5th meeting of the CoC with 100% voting share.

4. The Resolution Applicant has stated in the Application that in 5th meeting of the CoC held on 26.09.2019 it was decided to liquidate the CD and to continue the RP as

Liquidator. It is also stated that RP as a Liquidator will be entitled to a liquidation fee @ Rs.75,000/- per month or part thereof through the process of asset realization, as provided under Regulation 4(2)(b) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. The RP has consented to continue as Liquidator on the said terms and conditions.

5. In view of the above and particularly in the light of the fact that no Resolution Plan has been received by this Authority under Sub-Section (6) of Section 30 of the I&B Code,2016, before the expiry of the maximum period of the CIRP, the Corporate Debtor has to be ordered for Liquidation.

ORDER

6. In view of the facts and circumstances recorded by the Resolution Professional in CA/704/C-III/ND/2019 in CP/1117/IB/2018 and in exercise of powers conferred under Sub-Clauses (i) (ii) and (iii) of Clause (a) of Sub-Section (1) of Section 33 of the I&B Code, 2016, this Authority proceeds to pass the Liquidation Order as follows:-

I. This Authority orders for liquidation of the Corporate Debtor viz., *M/s. Reliable Insupacks Private Limited.*

II. This Authority appoints the Resolution Professional viz., *Mr. Sumit Bansal* as Company Liquidator, who shall issue a public announcement stating therein that the Corporate Debtor is in liquidation.

III. The moratorium declared under Section 14 of the I&B Code, 2016, shall cease to have effect from the date of the order of liquidation.

IV. Subject to Section 52 of the I&B Code, 2016, no suit or other legal proceedings shall be instituted by/or against the Corporate Debtor. However, a suit and other legal proceedings may be instituted by the Liquidator, on behalf of the Corporate Debtor, with the prior approval of this Authority.

V. This Authority makes it clear that para (IV) hereinabove shall not apply to legal proceedings in relation to such transactions as notified by the Central Government in consultation with any financial sector regulator.

VI. 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.

VII. 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 with the Company Liquidator viz., *Mr. Sumit Bansal.*

VIII. The personnel of the Corporate Debtor shall extend all assistance and co-operation to the Liquidator as may be required by him in managing the affairs of the Corporate Debtor.

IX. The Company Liquidator shall be entitled to charge such fees as stated under para 4 herein above for the conduct of the liquidation proceedings or in such a proportion to the value of the liquidation estate assets as specified under Regulation 4 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

X. Copy of this Order shall be sent to the concerned Registrar of Companies, RD, OL, and Registered Office of the Corporate Debtor by the Company Liquidator viz., *Mr. Sumit Bansal* for information and compliance.

7. In terms of the above, CA/704/C-III/ND/2019 filed in CP/1117/IB/2018 by the Resolution Professional under Section 33(2) of the I&B Code, 2016, for initiation of the Liquidation Proceedings against the Corporate Debtor viz., *M/s. Reliable Insupacks Private Limited.*, stands **disposed of**.

8. The Registry is directed to send a copy of this Order to the Company Liquidator with immediate effect for information and compliance. The order shall be uploaded on the website of NCLT immediately.

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[K.K.VOHRA]
MEMBER (TECHNICAL)

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[CH. MOHD SHARIEF TARIQ]
MEMBER (JUDICIAL)