

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT-III**

**I.A. No. 1540 of 2021
In
C.P. No. 402/IB/2018**

Under Section 33 of Insolvency &
Bankruptcy Code, 2016

In the matter of
SREI Infrastructure Finance Ltd.
... Petitioner
Operational Creditor

V/s.
M/s. Sterling International Enterprises
Ltd.
... Corporate Debtor

I.A. No. 1540/2021

Mr. Vishal Ghisulal Jain ... Applicant/
Resolution Professional

Order delivered on 18.10.2021

Coram:

Hon'ble Shri H. V. Subba Rao, Member (Judicial)
Hon'ble Shri Chandra Bhan Singh, Member (Technical)

Appearance (through video conferencing):

For the Applicant: Mr. Aniruth Purusothaman, Advocate

ORDER

1. It is an application filed by the Applicant/ Resolution Professional, seeking liquidation of the Corporate Debtor namely (M/s. Sterling International Enterprises Ltd.) on the ground that no resolution plan has been received by him, hence this application under Section 33 (1) of the Insolvency and Bankruptcy Code, 2016, praying following reliefs:

- a. To pass an order directing the initiation of Liquidation of the corporate Debtor in accordance with Chapter III of part II of the IBC, 2016;*

- b. *To Appoint Mr. Vishal Ghisulal Jain having IP registration Number IBBI/IPA-OO1/IP-P00419/2017-18/10742 as the liquidator of the Corporate Debtor in accordance with provisions of Section 34 of the IBC, 2016;*
- c. *To pass ad-interim and interim relief in terms of clause A and B.”*
2. This bench vide its order dated 16.07.2018 on a Petition filed by the Financial Creditor under Section 7 of the Code directed initiation of the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor namely M/s. Sterling International Enterprises Ltd., wherein Mr. Vishal Ghisulal Jain, was appointed as Interim Resolution Professional (IRP). Thereafter, in the 1st Committee of Creditors (CoC) meeting held on 27.08.2018, Mr. Vishal Ghisulal Jain, was resolved to be appointed as Resolution Professional (RP).
3. It is further submitted that an advertisement, inviting Expression of Interest (EoI) in Form A was published on 25.07.2018 in “Free Press Journal” in English and “Navshakti” Marathi Edition and also published on website of the Insolvency and Bankruptcy Board of India, the late date for submission of claims was 05.08.2018. It is further submitted that an advertisement, inviting Expression of Interest (EoI) in Form G was not published. Thereafter, no extension has been sought and no EoI was invited and no Resolution plan was received.
4. The CoC in its 2nd meeting held on 04.10.2018 decided to appoint a Valuer. The RP accordingly appointed two registered valuers namely Adroit Technical Services Pvt. Ltd. and Crest Capital Group Pvt. Ltd. for conducting the valuation of Plant Machinery, Land & Building and Securities and Financial Assets of the Corporate Debtor, as required under Regulation 27 of the IBBI (IRP for Corporate Persons) Regulations, 2016 and the Information Memorandum was prepared

as provided under Regulation 36(1) of the said regulation. The said valuers have submitted the valuation report indicating the fair value and liquidation value assets of the Corporate Debtor as follow:

Name of the Valuer	Area (Particular)	Fair Value (amount in Rupees)	Liquidation Value (amount in Rupees)
Adroit Technical Services Pvt. Ltd.	Office & Flats	12,36,11,659	9,88,89,327
Crest Capital Group Pvt. Ltd.	Office & Flats	12,78,36,683	10,22,69,346
Adroit Technical Services Pvt. Ltd.	Land	10,54,46,000	8,43,56,800
Crest Capital Group Pvt. Ltd.	Land	-	-
Adroit Technical Services Pvt. Ltd.	Securities & Financial Assets	-	-
Crest Capital Group Pvt. Ltd.	Securities & Financial Assets	10,41,181	6,00,436

5. The CoC in the 7th CoC meeting held on 09.04.2021, it was informed in the meeting that there are no chance of revival of the Corporate debtor Company. The following Resolution was passed;

“Resolved that approval of the Committee of Creditors be and is hereby accorded to approve the liquidation of the Corporate Debtor, M/s. Sterling International Enterprises Limited, under Section 33(2) and other applicable provisions of the Insolvency and Bankruptcy Code, 2016 and is accordance with regulation made thereunder.”

6. Hence, the CoC in its 7th meeting held on 09.04.2021, with 87% voting rights passed a resolution for liquidating the company. Accordingly, the Resolution Professional filed this application for liquidation of the Company as provided u/s. 33 of the Insolvency & Bankruptcy Code, 2016 (Code).

7. The Applicant/ Resolution Professional Mr. Vishal Ghisulal Jain, has agreed to act as liquidator to carry on the process of liquidation and given his consent to act as Liquidator.
8. Upon hearing the submissions of the Applicant and on the perusal of the Application and the documents enclosed therein it is found, the Resolution Professional has complied with the procedure laid down under the Code; Regulations made thereunder. The reasons assigned in the petition with regards to taking the decision of liquidation of Corporate Debtor by COC appears to be convincing. On verification, we are of the considered view that this is a fit case to pass liquidation order under sub-section 1 of section 33 of the Code for liquidation in the absence of any resolution plan. Hence ordered;

ORDER

- a. Mr. Vishal Ghisulal Jain, having Registration No. IBBI/IPA-001/IP-P00419/2017-2018/10742, Email Id: vishal@cavishaljain.com, herein is hereby appointed as Liquidator as provided under Section 34(1) of the Code.
- b. That the Liquidator for conduct of the liquidation proceedings would be entitled to the fees as provided in Regulation 4(2)(b) of the IBBI (Liquidation Process Regulations), 2016.
- c. 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.

- d. 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.
- e. 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.
- f. All the powers of the Board of Directors, key managerial persons, the partners of the Corporate Debtor hereafter ceased to exist. All these powers henceforth vest with the Liquidator.
- 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.

- j. The Interlocutory Application No. 1540 of 2021 is hereby
allowed and disposed of.

Sd/-
CHANDRA BHAN SINGH
MEMBER (TECHNICAL)

Sd/-
H. V. SUBBA RAO
MEMBER (JUDICIAL)

NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH
COURT III

107. I.A. 546/2021
I.A. 1540/2021
M.A. 1420/2019
IN
C.P.(IB)-402(MB)/2018

CORAM: SHRI H.V. SUBBA RAO, MEMBER (J)
SHRI CHANDRA BHAN SINGH, MEMBER (T)

ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON **18.10.2021**

NAME OF THE PARTIES: SREI Infrastructure Finance Ltd.

V/s

Sterling International Enterprises Ltd.

SECTION 7 OF INSOLVENCY AND BANKRUPTCY CODE, 2016

ORDER

Counsel for the Resolution Professional, Mr. Aniruth Purusothaman is present through virtual hearing.

M.A.1420/2019

Counsel appearing for the Resolution Professional, Mr. Aniruth Purusothaman sought oral permission to withdraw above M.A. which was filed under section 12A for withdrawal of the CIRP proceedings in view of filing separate application I.A. 1540/2021 for liquidation of the Corporate Debtor. Permission is granted and the above M.A. 1420/2019 stands disposed of as withdrawn.

I.A. 546/2021

The above I.A is filed by the J M Financial Assets Reconstructions Company Limited for time bound resolution of CIRP process against the Corporate Debtor has become infructuous in view of filing separate application I.A. 1540/2021 for liquidation and accordingly, the above I.A. stands disposed of as infructuous.

I.A. 1540/2021

Heard the counsel appearing for the Resolution Professional. The above I.A is filed for liquidation of the Corporate Debtor with the required approval of 87 % of the COC Members. The counsel appearing for the Resolution Professional submits that the same Resolution Professional has consented to continue as a liquidator. The above I.A. is allowed. Detailed order will follow.

Sd/-
CHANDRA BHAN SINGH
Member (Technical)

Sd/-
H.V. SUBBA RAO
Member (Judicial)