

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - II, CHENNAI**

IA(IBC)/248(CHE)/2023

In

IBA/876/2020

*(filed under Section 33(1)(a), 33(2) and 34(1) of the Insolvency
Bankruptcy Code, 2016 r/w NCLT Rules, 2016)*

In the matter of **SELECT GALVA INDIA PRIVATE LIMITED**

Ms.J.KARTHIGA,

Interim Resolution Professional of,
Select Galva India Private Limited

"Sri Nivas", 1052, 41st Street,
Korattur, Chennai – 600 080.

... Applicant

Order Pronounced on **20th March 2023**

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ASHOK KUMAR BHARDWAJ, MEMBER (JUDICIAL)

SAMEER KAKAR, MEMBER (TECHNICAL)

For Applicant(s): Mr.A.G.Sathyannarayana, Advocate

ORDER

Per: ASHOK KUMAR BHARDWAJ, MEMBER (JUDICIAL)

This application is filed by Ms.J.Karthiga, Interim Resolution Professional, of Select Galva India Private Limited (Corporate Debtor) under Section 33(2) of the Insolvency Bankruptcy Code, 2016 seeking the following reliefs,

- a) *That this Tribunal may be pleased to pass an order for Liquidation of the Corporate Debtor namely, Select Galva India Private Limited.*
- b) *That this Tribunal may be pleased to pass an order by appointing Smt. J.Karthiga, RP (IBBI/PA-001/IP-P00752/2017-2018/11284) as liquidator for administering the Liquidation Process of the Corporate Debtor; and*
- c) *To pass such orders or further orders which this Tribunal may deem to be fit and proper in the interest of justice.*



2. It is submitted by the Applicant that CIRP in respect of Corporate Debtor was initiated by this Adjudicating Authority vide order 12.10.2022 and the Applicant herein was appointed as the Interim Resolution Professional.

3. Pursuant to that the Applicant has effected paper publication in Form-A. Subsequently, CoC was constituted with the sole financial creditor viz., State Bank of India.

4. In the 1st meeting of the CoC, the Applicant informed the CoC that there are no tangible or intangible assets in the Corporate Debtor, and the registered office of the Corporate Debtor was permanently closed moreover, the Corporate Debtor stopped its business 4 years prior to CIRP.

5. In the 2nd meeting of the CoC held on 24.01.2023 after a detailed discussion, the CoC resolved to liquidate the Corporate Debtor and to appoint the Applicant as Liquidator, the extract of the minutes of the 2nd meeting of the CoC is reproduced below,

The Committee passed the following Resolutions and voted in favour of the following Resolutions:

- 1) "RESOLVED THAT the Corporate Debtor is to be liquidated and the Resolution Professional shall intimate the Adjudicating Authority of the decision of the Committee of Creditors to liquidate the Corporate Debtor and shall file an application before the Adjudicating Authority praying for liquidation of the Corporate Debtor".
- 2) "FURTHER RESOLVED THAT the CoC recommends that the Resolution Professional will continue as Liquidator upon passing of the Liquidation order by the Adjudicating Authority at a remuneration that may be fixed in the first SCC Meeting".

The sole Financial Creditor viz., SBI holding 100% voting share voted in favour of the above Resolutions. The above Resolutions were approved by 100% of CoC voted in favour of the above Resolutions.

As there was no other business to be discussed, the Chairman concluded the meeting with vote of thanks.



6. It is seen that the Applicant/RP has submitted FORM-H as per Regulation 39 (4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016 and the same is placed at pages 40-49 and the Applicant/RP has accorded the written consent in Form AA to act as the Liquidator of the Corporate Debtor. Further, it noted that the Applicant's AFA expired on 20.02.2023.

7. In such circumstances, this Adjudicating Authority is left with no option but to liquidate the Corporate Debtor. Since the Applicant has no valid AFA, this Adjudicating Authority appoints, **Ms.Vijayakumari Natarajan** with **Reg. No: [IBBI/IPA-001/IP-P00972/2017-2018/11602]** (e-mail ID: **natarajviji@gmail.com**) based on the latest list furnished by the Insolvency and Bankruptcy Board of India applicable for the period between January 2023-June 2023, as the Liquidator of the Corporate Debtor to carry out the liquidation process subject to the following terms of the directions:

- a) The Liquidator shall strictly act in accordance with the provisions of IBC, 2016 and the attendant Rules and Regulations including Insolvency and Bankruptcy (Liquidation Process) Regulations, 2017 as amended up to date enjoined upon him.
- b) The Liquidator shall issue the public announcement that the Corporate Debtor is in liquidation. In relation to officers/ employees and workers of the Corporate Debtor, taking into consideration Section



33(7) of IBC, 2016, this order shall be deemed to be a notice of discharge.

- c) The Liquidator shall investigate the financial affairs of the Corporate Debtor particularly, in relation to preferential transactions/ undervalued transactions and such other like transactions including fraudulent preferences and file a suitable application before this Adjudicating Authority.
- d) The Registry is directed to communicate this order to the Registrar of Companies, Chennai and the Insolvency and Bankruptcy Board of India;
- e) In terms of section 178 of the Income Tax Act, 1961, the Liquidator shall give necessary intimation to the Income Tax Department. In relation to other fiscal and regulatory authorities which govern the Corporate Debtor, the Liquidator shall also duly intimate about the order of liquidation.
- f) The order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and a fresh Moratorium under section 33(5) of the Insolvency and Bankruptcy Code shall commence.
- g) The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016.
- h) The Liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of the provisions of Section – 35(1) of IBC, 2016 read with relevant rules and regulations and also file its response for disposal of any pending Company Applications during the process of liquidation.
- i) The Liquidator shall submit a Preliminary report to this Tribunal within 75 (seventy-five) days from the liquidation commencement date as per regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016. Further such other or





further reports as are required to be filed under the relevant Regulations, in addition, shall also be duly filed by him with this Adjudicating Authority:

- j) Copy of this order be sent to the Financial creditors, Corporate Debtor and the Liquidator for taking necessary steps and for extending the necessary cooperation in relation to the Liquidation process of the Corporate Debtor, viz., company-in-liquidation.

8. With the above directions, this IA(IBC)/248(CHE)/2023 stands **allowed** and **disposed of**.

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SAMEER KAKAR
MEMBER (TECHNICAL)

-Sd-

ASHOK KUMAR BHARDWAJ
MEMBER (JUDICIAL)

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Order pronounced under Rule 151 of NCLT Rules 2016, by Hon'ble Technical Member Sameer Kakar on behalf of the Bench comprising of Ashok Kumar Bhardwaj, Member (Judicial) and Sameer Kakar, Member (Technical).

M. Nallachetty
(Court-officer)

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