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

MA/897/2019 in CP/1039/IB/CB/2018  
filed under Sections 33 (2) of the Insolvency  
and Bankruptcy Code, 2016

In the matter of *M/s. Vee Ess Forgings Private Limited*

**Mr. Mathur Sabhapathy Viswanathan**  
Resolution Professional

... Applicant

*Order delivered on 26<sup>th</sup> of September, 2019*

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**CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)  
ANIL KUMAR B, MEMBER (TECHNICAL)**

For Applicant

: *Mr. V. Srinivasan, Counsel*

**ORDER**

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

1. This relates to MA/897/2019 filed in CP/1039/IB/CB/2018 by the Resolution Professional viz., *Mr. Mathur Sabhapathy Viswanathan*, under Section 33 (2) of the Insolvency and Bankruptcy Code, 2016, (in short 'I&B Code, 2016').

2. The prayers made by the Applicant in the Application are as follows:-

- a. *To accept the recommendation of the Committee Of Creditors and to order liquidation the Corporate Debtor, M/s. Vee Ess Forgings Private Limited;*
- b. *Issue necessary orders for appointment of Mr. Mathur Sabhapathy Viswanathan as the liquidator for the Corporate Debtor M/s. Vee Ess Forgings Private Limited;*
- c. *Pass such other order/directions as this Hon'ble Bench may deem fit and proper in the facts and circumstances of the case.*

3. Originally, the Corporate Debtor filed CP/1039/IB/CB/2018 under Section 10 of the Insolvency and Bankruptcy Code, 2016 r/w Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, to initiate the Corporate Insolvency Resolution Process (CIRP) against it, to declare moratorium and to appoint Interim Resolution Professional (IRP). This Authority vide

Order dated 04.03.2019, admitted the Application, initiated the CIR Process against the Corporate Debtor, declared moratorium and appointed the Applicant herein as the IRP.

4. Pursuant to the Order of this Authority dated 04.03.2019, the IRP had taken over the management of the Corporate Debtor and had issued the Newspaper Publication dated 10.03.2019 in two edition one in English and another in vernacular as per Regulation 6 (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Debtor) Regulations, 2016, inviting the claims from the creditors by fixing the last date as 21.03.2019. After verification of the claims received, the IRP constituted the Committee of Creditors (CoC) on 29.03.2019. The 1<sup>st</sup> Meeting of the CoC was held on 05.04.2019.

5. In the 2<sup>nd</sup> Meeting of the CoC held on 30<sup>th</sup> April, 2019, the Applicant was appointed as the Resolution Professional and same was affirmed by this Authority

vide Order dated 16<sup>th</sup> July 2019 in MA/664/2019 in CP/1039/18/2018.

6. It is stated that the Applicant has appointed 2 Valuers for valuation of the Assets of the Corporate Debtor as approved by the CoC. The Valuation Report was received by the Applicant, on 16<sup>th</sup> May 2019.

7. Consequently, the Resolution Professional had invited for 'Expression of Interest' ('EoI') vide publication dated 06.06.2019 by mentioning the last date for submitting the Resolution Plans as 18.08.2019, to which the Resolution Professional has not received any firm proposals from any of the Resolution Applicants.

8. In the 4<sup>th</sup> Meeting of the CoC held on 29.07.2019, the CoC, considering the fact that no concrete proposals were forthcoming even after the issuance of "EoI", has decided to liquidate the Corporate Debtor

with 94.21% of E-Voting. The Resolution passed by the CoC is as follows: -

***“Resolved** that the Corporate Debtor - Vee Ess Forgings Private Limited be and is hereby recommended to be liquidated as it does not own or possess any tangible operating asset and has a large amount of liabilities.*

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***Further Resolved** Mr. Mathur Sabhapathy Viswanathan be and is hereby recommended to be appointed as the liquidator of the Corporate Debtor - Vee Ess Forgings Private Limited to oversee the liquidation process.”*

9. Since, 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 period of 180 days of CIR Process, the Corporate Debtor has to be ordered for Liquidation.

**ORDER**

10. In view of the facts and circumstances recorded by the Resolution Professional in MA/897/2019 filed in CP/1039/IB/CB/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. Vee Ess Forgings Private Limited* which shall be conducted in the manner as laid down in Chapter III of part II of the I&B Code, 2016;

II. This Authority appoints the Resolution Professional viz., *Mr. Mathur Sabhapathy Viswanathan* 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. Mathur Sabhapathy Viwsanathan*;

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 for the conduct of the liquidation proceedings and 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. Mathur Sabhapathy Viswanathan for information and compliance.

11. In terms of the above, MA/897/2019 filed in CP/1039/IB/CB/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. Vee Ess Forgings Private Limited.*, stands **disposed of**.

12. The Registry is directed to send a copy of this Order to the Company Liquidator with immediate effect for information and compliance.

13. Order is pronounced in open Court.

-SD-  
**ANIL KUMAR B**  
MEMBER (TECHNICAL)

-SD-  
**CH. MOHD. SHARIEF TARIQ**  
MEMBER (JUDICIAL)

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