

IN THE NATIONAL COMPANY LAW TRIBUNAL,  
COURT – 5, MUMBAI BENCH

2. M.A 3923/2019  
M.A 571/2020

In

C.P. (IB)-2392(MB)/2019

CORAM:

SHRI CHANDRA BHAN SINGH  
Member (Technical)

SMT. SUCHITRA KANUPARTHI  
Member (Judicial)

ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE NATIONAL  
COMPANY LAW TRIBUNAL ON **04.03.2020**

NAME OF THE PARTIES: Stressed Assets Stabilisation Fund

V/s

Adya Oils & Chemicals Ltd

SECTION: 7 OF THE INSOLVENCY AND BANKRUPTCY CODE.

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**ORDER**

1. M.A 3923/2019 has been filed by the RP under section 19(2) of the Code seeking cooperation of the ex-directors of the Corporate Debtor's company.
2. After hearing both the sides, this Bench concludes that the necessary information has been given by the Respondent's side. Based on the information provided by them the RP should go forward and file necessary compliances.
3. M.A 571/2020 has been filed by the RP seeking liquidation of the Corporate Debtor's company based on the COC approval in its meeting held on 31.01.2020 and the item No. 10 of the meeting is as under;

*"RP reiterated that as per Explanation to section 33(2) COC members may consider for early liquidation. RP had briefed to COC members that the agenda was listed in second COC meeting held on 18.11.2019. Since Corporate*

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*Debtor is inoperative for more than a decade and there are no employees in the company, early liquidation may be thought about and voted for. COC member at the time dissented on proposal of liquidation and preferred to run the CIRP till issue of Form G and invitation of Expression of Interest.*

*Form G was published on 30.11.2019 with the last date of invitation of EOI dated 15.12.2019. RP informed COC members that no expression of interest is received by her. Hence at this stage COC members may discuss and decide for liquidation.*

*COC members discussed and unanimously voted for liquidation.*

*RP referred to Regulation 39 C of Insolvency and bankruptcy Board of India (Corporate Insolvency Resolution Process) Regulations, 2016 that the committee may recommend that the liquidator may first explore sale of the corporate debtor as a going concern under clause (e) of Regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation process) Regulation, 2016 or sale of the business of the Corporate Debtor as a going concern under clause (f) thereof, if an order for liquidation is passed under section 33.*

*RP further informed to COC member that section 230 of the Companies Act may be applied during the course of liquidation process and a scheme of Compromise and Arrangement may be submitted to Adjudicating Authority through liquidator.*

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*COC members unanimously dissented for introducing the scheme of compromise and arrangement.*

*COC members unanimously dissented exploring the sale as per Regulation 32(e) and (f) since there is no operational activity in CD for more than a decade and there are no employees.*

*COC members after discussion decided to sale the asset in any manner as per Regulation 32(a) to (d) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.*

*Assented with 100 % vote and passed the resolution.*

*"Resolved that the COC members unanimously approved for taking the CD under liquidation. The Resolution Professional is authorized to take necessary steps for filing of application for liquidation."*

*"Further resolved that the COC member decided to sale the asset in any manner as per Regulation 32(a) to (d) of the Insolvency and bankruptcy Board of India (Liquidation Process) Regulations, 2016."*

4. Keeping in view the fact that the COC with 100% voting has approved the liquidation of the Corporate Debtor's company, this Bench allows the liquidation of the company.
5. In the same COC meeting held on 31.01.2020, the COC approved the Ms. Rekha Shah to be appointed as liquidator and the resolution so passed is as under;

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*"Resolved that the COC members approved the name of Resolution Professional Ms. Rekha Kantil Shah to be appointed as Liquidator in the matter as per provisions of Insolvency and Bankruptcy Code, 2016" and the liquidators fee is approved as per Regulation 4(2) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016."*

6. In view of the above, M.A. 571/2020 regarding allowing the liquidation of the company and the appointment of liquidator is approved.
7. The liquidator so appointed may file its report as per the provisions of the Code.

Sd/-

CHANDRA BHAN SINGH  
Member (Technical)

/P/

Sd/-

SUCHITRA KANUPARTHI  
Member (Judicial)