

IN THE NATIONAL COMPANY LAW TRIBUNAL
INDORE BENCH AT AHMEDABAD

ITEM No. 127

IA/98(MP)2021

in

TP 179 of 2019 [CP(IB) 532 of 2019]

Order under Section 33 & 34 IBC,2016

IN THE MATTER OF:

Navin Khandelwal RP For Gajra Beval Gears Ltd

.....Applicant

.....Respondent

Order delivered on ..10/12/2021

Coram:

Madan B. Gosavi, Hon'ble Member(J)

Ajai Das Mehrotra, Hon'ble Member(T)

PRESENT:

For the Applicant :

For the Respondent :

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.



(AJAI DAS MEHROTRA)
MEMBER (TECHNICAL)

Sweta



(MADAN B GOSAVI)
MEMBER (JUDICIAL)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
INDORE BENCH AT AHMEDABAD**

IA/98(MP)2021

IN

TP 179 of 2019 [CP(IB) 532 OF 2019]

[An Application under Section 33 & 34 of the Insolvency and Bankruptcy Code, 2016]

Through:

Mr. Navin Khandelwal
Resolution Professional of
Gajra Bevel Gears Limited
Having office at:
206, Navneet Plaza
5/2, Old Palasia
Indore

Applicant/RP

In the matter between:

Abhimanyu Agro Private Limited
Village Lohar Piplya
Near Kshipra, A.B. Road
Dewas-455001

Financial Creditor

Versus

Gajra Bevel Gears Limited
Industrial Area, A.B. Road
Dewas-455001

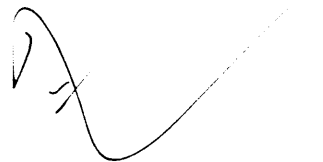
Corporate Debtor

**Order Reserved on: 26/11/2021
Order Pronounced on: 10/12/2021**

**Coram: M.B. Gosavi, Member (J)
Ajai Das Mehrotra, Member (T)**

Present:

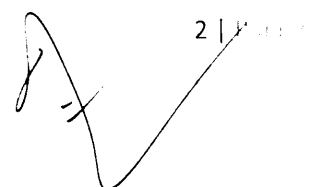
For the Applicant: Adv. Mr. Rushabh Shah



Order

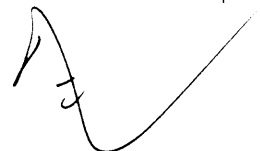
[Per Bench]

1. The present application is filed by the Resolution Professional Mr. Navin Khandelwal for Liquidation of the Corporate Debtor under Section 33 of Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as **"IB Code"**). The Corporate Debtor was admitted into CIRP vide order of this Adjudicating Authority dated 12.06.2020, and Mr. Navin Khandelwal having Registration No. IBBI/IPA-001/IP-P00703/2017-2018/11301 was appointed as IRP.
2. During the course of CIRP, IRP made a public announcement in Form-A dated 16.07.2020 for submission of the claims by the creditors on or before 27.07.2020, thereafter COC was constituted by IRP in compliance with Section 21 of IB Code read with Rule 6 & 8 of The Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (hereinafter referred to as a **"CIRP Regulations"**).
3. It is submitted by the applicant that Form-G was published by the applicant on 26.09.2020, after the approval of the CoC in its third meeting dated 18.09.2020, inviting EOI, wherein the last date for receipt of EOI was 11.10.2020.



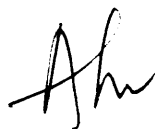
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4. It is submitted by the applicant that, since the factory premises of the corporate debtor was under the custody of Employees Provident Fund Department, the applicant filed an application before this Adjudicating Authority seeking necessary directions for taking charge of the assets sealed by the Employees Provident Fund Department, wherein the Adjudicating Authority vide its order dated 10.09.2020 directed the applicant to file an application before appropriate forum for the best interest of the stakeholders. Thereafter, the applicant filed WP No.15626-2020 before the High Court of Madhya Pradesh on 09.10.2020, wherein, the Hon'ble High Court of Madhya Pradesh disposed the matter, by giving direction to Employees Provident Fund Department to remove the seal on the premises within three days from the date of the order. The authorized representative of Employees Provident Fund Department provided the custody of the assets to the applicant on 30.11.2020.
5. The applicant submitted that in the 5th CoC meeting dated 27.11.2020, it was approved by CoC to publish the revised Form-G (EOI), which was then published on 24.12.2020, wherein the last date of receipt of EOI was 08.01.2021. It is further submitted by the applicant that this Adjudicating Authority on an application filed by the applicant for the extension of the CIRP period extended the CIRP

period vide order dated 22.01.2021, for 175 days beyond 08.12.2020. In effect of which last date for completion of CIRP was 01.06.2021.

6. It is submitted by the applicant in the 6th CoC meeting dated 18.01.2021, that two prospective resolution applicant submitted their EOI, however in the 7th CoC meeting dated 09.03.2021, the applicant submitted that one of the prospective resolution applicant M/s Vippy Industries Limited informed to withdraw from submission of the resolution plan and another prospective resolution applicant Mr. Aniel Mahajan requested to extend the days for submission of the resolution plan. Thereafter, the applicant with the approval of the CoC granted the extension for submission of the resolution plan to the prospective resolution applicant. However, the prospective resolution applicant has not submitted the resolution plan even after the extension of period granted.
7. The applicant further submitted that in the 8th CoC meeting dated 24.03.2021, the members of the COC in the said meeting resolved to liquidate Corporate Debtor by 100% vote, since no resolution plan was received from any of the prospective resolution applicant and CoC also resolved to appoint Resolution Professional as Liquidator.



A copy of consent letter of the Resolution Professional dated 08.12.2021 giving consent to act as Liquidator is also on record.

8. On perusal of records of minutes of 9th CoC meeting, it is found that COC has resolved, under Regulation 39C of the Insolvency & Bankruptcy Board of India (Insolvency of Corporate Persons) Regulations, 2016, to sell the Corporate Debtor as a going Concern within 90 days from the liquidation commencement date.
9. We have heard the counsel for the Applicant and perused the material on record. It is noted that no resolution plan was received by COC. Corporate Debtor was admitted into CIRP on 12.06.2020, COC has resolved in its 8th meeting by 100 % vote to liquidate the Corporate Debtor. COC has also resolved that liquidator may first try to sell the Corporate Debtor as a going concern. Thus, compliance to all relevant regulations has been done. It is also noted that the ex-director of the corporate debtor appeared and submitted that there is no objection if the application filed by the applicant is allowed. In these circumstances, we are of the considered view to initiate the liquidation proceeding in respect of the Corporate Debtor. We also direct Liquidator to firstly try to sell the Corporate Debtor as a going concern in terms of resolution of COC to this effect.

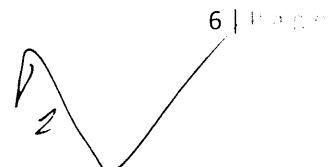
10. Accordingly, we allow this application and pass the following order:

ORDER

- i. We hereby pass the order for initiation of liquidation of Corporate Debtor M/s Gajra Bevel Gears Limited and consequently allow IA No. 98 of 2021. The Liquidation of the Corporate Debtor is effective from the date of this order.
- ii. The Moratorium declared vide order dated 12.06.2020 in TP 179 of 2019 [CP(IB) 532 OF 2019], henceforth, ceases to exist, but moratorium under section 33(5) shall trigger from the date of this order.
- iii. As per Section 34(1) of the IBC, 2016 the Applicant/Resolution Professional, Mr. Navin Khandelwal having Registration No. IBBI/IPA-001/IP-P00703/2017-2018/11301 is hereby appointed as a Liquidator of the Corporate Debtor i.e. M/s Gajra Bevel Gears Limited having CIN No. L34300MP1974PLC001598, who shall complete the liquidation process as per the provisions of Insolvency and Bankruptcy Code, 2016 r.w Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. He is further directed to endeavour to sell the Corporate Debtor firstly as a going concern as per the resolution passed by COC.



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- iv.** The personnel(s) of the Corporate Debtor are directed to extend all co-operations to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor, further, the Liquidator shall also provide all co-operation to various Government agency(s)/ authority(s) in ongoing investigations/ inquiry or inquiries initiated hereafter.
- v.** This liquidation order shall be deemed to be 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.
- vi.** A copy of this order be served to the Financial Creditor, Corporate Debtor, Registrar of the Company, Resolution Professional, and Liquidator by Speed-post within one week from this order.
- 11.** Accordingly, the present I.A. No. 98 of 2021 stand allowed and disposed of.



**AJAI DAS MEHROTRA
MEMBER (TECHNICAL)**



**MADAN B. GOSAVI
MEMBER (JUDICIAL)**