

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH : C-IV**

IA-4407/2023 in CP(IB)-1282(MB)/2021

Under Section 33(1) of Insolvency &
Bankruptcy Code, 2016.

Kamal Rajkumar Sharma

...Resolution Professional/
Applicant

In the matter of

Mahamaya Lifesciences Private Limited

...Operational Creditor

Vs.

Divya Agro Chem Private Limited

...Corporate Debtor

Order pronounced on : **19.12.2023**

Coram:

Ms. Anu Jagmohan Singh
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli
Hon'ble Member (Judicial)

For the Applicant/RP

: Ms. Mansha Bhatia, Advocate.

ORDER

1. This is an application filed by Mr. Kamal Rajkumar Sharma, Resolution Professional of the Corporate Debtor on 21.09.2023, seeking initiation of liquidation of *Divya Agro Chem Private Limited* (CIN: U24219MH2009PTC192776), under Section 33(1) of Insolvency and Bankruptcy Code, 2016 (hereinafter called as the "Code").

2. **Brief facts of the Application:**

- 2.1 This Tribunal vide an order dated 24.02.2023 in Company Petition bearing C.P.(IB)-1282(MB)/2021 filed under Section 9 of the Code, by Mahamaya Lifesciences Private Limited (hereinafter referred to as the “Operational Creditor”) is admitted the petition and Corporate Insolvency Resolution Process (CIRP) was initiated against Divya Agro Chem Private Limited (hereinafter called as the “Corporate Debtor”). The Applicant was appointed as Interim Resolution Professional by this Tribunal vide the same admission order dated 24.02.2023.
- 2.3 The Applicant submits that the First CoC meeting was held on 28.03.2023 wherein the IRP was appointed as RP. Further, the Corporate Debtor admitted having transacted Rs.5,16,742/- after moratorium commenced, which the Corporate Debtor undertook to reverse.
- 2.4 The Applicant further submits that the Second CoC meeting was held on 07.05.2023 in which the RP informed the CoC about the requirement of issuance of Form G for inviting Expression of Interests (EoIs), which was agreed by the CoC and the same was published on 13.05.2023 in *Financial Express* and *Navakal*. The RP further informed the CoC that the Corporate Debtor did not reverse the unauthorized financial transaction after the commencement of moratorium. He further submits that since no Expression of Interests (EoI) received with Earnest Money Deposit (EMD), decided to republish the Form G. The transaction audit was conducted by Vikash A. Jain & Co., however due to non-cooperation from the side of the suspended board of directors, no much documents were received but it was

prima facie observed by the Auditors that various preferential and fraudulent transactions have been carried out by the Corporate Debtor.

2.5 The Applicant further submits that the Fourth CoC meeting was held on 18.08.2023 wherein it was discussed that no resolution applications have been received, therefore, the Corporate Debtor ought to go into liquidation and be sold as going concern.

2.6 In the meeting, after discussion CoC agreed to go for liquidation and the following resolution was passed with 100% voting in favour of liquidation:

“RESOLVED THAT members of CoC is be and hereby approved the Liquidation of the Corporate Debtor under section 33 of the Code.”

“RESOLVED THAT Members of CoC is be and hereby approved & authorized the RP to sign & file application under section 33 of the Code”.

2.8 The CoC also decided to appoint the Applicant as Liquidator of the Corporate Debtor and passed a resolution accordingly.

3. Considering the facts and circumstances as submitted by the Applicant in the Application and Counsel appearing for the Applicant, the Bench is of the considered view that the Corporate Debtor be liquidated. Accordingly, this Bench orders that -

a. IA-4407/2023 in CP(IB)-1282(MB)/2021 filed by the Applicant for the Liquidation of the Corporate Debtor viz. Divya Agro Chem Private Limited is allowed and the company to be liquidated in the following manner:

- b. The CoC recommended the present RP to be appointed as Liquidator of the Corporate Debtor and passed a resolution accordingly. However, this Bench is of the opinion that a new professional to be appointed as Liquidator for smooth conduct of the liquidation process. Accordingly, Mr. Pravin R. Navandar having IBBI registration No.: IBBI/IPA-001/IP-P00008/2016-17/10027 (email: pravin@prnco.in) is hereby appointed as Liquidator as provided under Section 34(1) of the Code to conduct the liquidation process of the Corporate Debtor.
- c. 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.
- d. 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.
- e. 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, hereafter ceased to exist and henceforth be vested with the Liquidator.
- f. 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.

- g. 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. 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 proceedings on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority.
- i. This liquidation order u/s 33(7) 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 Applicant/present IRP is directed to hand over all important documents / charge of the Corporate Debtor to the Liquidator appointed. The CoC is directed to clear all dues of the outgoing RP.
4. With the above directions, the IA-4407/2023 in CP(IB)-1282(MB)/2021 filed u/s 33(1) by the Applicant is hereby **allowed** and **disposed** of.

Sd/-

ANU JAGMOHAN SINGH
Member (Technical)

Sd/-

KISHORE VEMULAPALLI
Member (Judicial)

19.12.2023/pvs