

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

**IA/1241/2021 in IBA/834/2020**

*(filed under Section 33(2) of the Insolvency And Bankruptcy Code, 2016)*

*In the matter of **Southern Fuel Ltd***

**T.R. Ravichandran,**  
Interim Resolution Professional,  
Southern Fuel Ltd,  
G-3, Block-2, Shivani Apartments,  
40, East Coast Road,  
Thiruvanmiyur, Chennai – 600 041.

*... Applicant*

*Order pronounced on 15<sup>th</sup> February, 2022*

CORAM:

**R. SUCHARITHA, MEMBER (JUDICIAL)  
SAMEER KAKAR, MEMBER (TECHNICAL)**

*For Applicant : S. Sathiyarayanan, Advocate*

**ORDER**

***Per: R. SUCHARITHA, MEMBER (JUDICIAL)***

IA/1241/CHE/2021 has been filed by the Applicant Interim Resolution Professional (hereafter 'IRP') of the Corporate Debtor viz., Southern Fuel Ltd under Section 33(2) of the IBC, 2016 seeking the Liquidation of the Corporate Debtor and appoint the IRP herein as the Liquidator.

2. It is seen that the Corporate Debtor had been admitted to the Corporate Insolvency Resolution Process (hereafter 'CIRP') by this



Tribunal order dated 28.09.2021 in IBA/834/2020 and appointed the Applicant herein as the IRP.

3. That subsequent to the Initiation of CIRP, the Applicant had made public Announcement in Form A in one English daily newspaper, viz Business Standard, and in one vernacular newspaper, viz. Malaimalar, on 01.10.2021.

4. It is averred in the Application that, the following claims had been received by the Applicant in response to the abovementioned public announcement dated 01.10.2021.

<b>S. No</b>	<b>NAME OF CREDITOR</b>	<b>FINANCIAL/ OPERATIONAL CREDITOR</b>	<b>ADMITTED CLAIM AMOUNT IN RS.</b>	<b>VOTING</b>
1.	K. Raja Mannar.	Financial Creditor	5,62,500	100%
2.	Shivamani and Company Pvt Ltd.	Operational Creditor	3,11,18,239	-

5. That, in the First COC meeting held on 28.10.2021, the following members participated;

- (i) Mr. Tharuvai Ramachandran Ravichandran – RP
- (ii) Mrs. Geetha Sridhar, FCS – IBC Support Service
- (iii) Mr. Kaleeswaran – Director of the Company.
- (iv) Mr. Senthil Jayan – AR of Financial Creditor
- (v) Mr. Vijay Anand, Representative of Operational Creditor

6. In the said meeting it was unanimously resolved by the COC that owing to the reasons that the Corporate Debtor had no business for the preceding 3 years. Further, it is averred in the Application that, "the COC considering the fact that the **Corporate Debtor has no assets, no employees, no business and consequently, there being no possibility of revival of business,** unanimously decided that there would be no requirements for valuation of the Corporate Debtor and also for inviting for expression of interest." The COC minutes of the meeting held on 28.10.2021, resolving to liquidate the Corporate Debtor is extracted hereunder: -

"RESOLVED to liquidate SOUTHERN FUEL LIMITED (CIN:LO2310TZ1993PLC012154 ) under section 33(2) under the applicable provisions if any , of the Insolvency and Bankruptcy code, 2016 and subject to the approval of NCLT, Chennai , as there were (1) no assets in the company (2) No business for more than 3 years i.e. from 01.04.2018 till date and also no possibility of revival of business (3) No business transaction since 01.04.2018 reflects in the banking statement (4) No possibility of resolution plan and consequently there would be no need for valuation, invitation for Expression of Interest, No requirement of Forensic audit, transaction audit etc."

7. Heard the Submissions made by the Applicant Counsel. This Tribunal on comprehensively hearing the Applicant IRP, feels that taking into consideration the current affairs of the Corporate Debtor by keeping in view of the fact that the Corporate Debtor is not



running its business and based on the COC meeting held on 28.10.2021, the Corporate Debtor herein is liable to be liquidated.

8. It is also seen from the records that the Applicant herein has accorded his written consent in Form AA to act as the Liquidator of the Corporate Debtor and further the Applicant also placed on record the Authorization for Assignment (AFA) issued by the Insolvency Professional Agency of Institute of Cost Accountants of India.

9. In the circumstances, **Mr. Tharuvai Ramachandran Ravichandran** ([trravichandran@yahoo.com](mailto:trravichandran@yahoo.com)) is appointed 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 upto date enjoined upon her.
- 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 suitable application before this Adjudicating Authority.

- d) The Registry is directed to communicate this order to the Registrar of Companies, Chennai and to 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 that 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 report 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 co-operation in relation to the Liquidation process of the Corporate Debtor, viz., company-in-liquidation.

10. The application IA/1241/CHE/2021 stands **allowed** with the aforesaid terms.

-Sd-

**SAMEER KAKAR**  
MEMBER (TECHNICAL)

-Sd-

**R. SUCHARITHA**  
MEMBER (JUDICIAL)

*Vinita Varshini*