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

**IA/1114/CHE/2021 in MA/696/2019
in CP/567/IB/2018**

*(Filed under Section 60 (5) of the Insolvency and Bankruptcy Code, 2016
read with Regulation 44 and 47A of the IBBI (Liquidation Process)
Regulations, 2016, read with, Rule 11 & 14 of the NCLT Rules, 2016)*

In the matter of **Liquidator of SAS Autocom Engineers India Pvt
Ltd.**

Mr. Nagalingam Muthiah,
Liquidator of
SAS Autocom Engineers India Pvt Ltd,
Room No. 708, 7th Floor,
Shivalaya Buildings 'A' Block,
Ethiraj Road, Egmore,
Chennai – 600 008

... Applicant

Order Pronounced on 21st March 2022

CORAM:

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

For Applicant : *Rohan Rajasekaran, Advocate*

ORDER

Per: R. SUCHARITHA, MEMBER (JUDICIAL)

This is an application filed under Section 60 (5) of the
Insolvency and Bankruptcy Code, 2016 read with Regulation 44 of
IBBI (Liquidation Process) Regulations, 2016, read with Rule 11 &
14 of the NCLT Rules, 2016 and seeking relief as follows:

- (i) That this Hon'ble Adjudicating Authority may be
pleased to pass an order by excluding the

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Liquidation timeline for a further period of 597 days from 19.02.2020 to 08.10.2021.

- (ii) To pass such other orders or further orders which may deem to be fit and proper in the interest of justice.

2. It was averred in the Application that this Tribunal vide order dated 05.10.2018 had ordered commencement of CIRP of the Corporate Debtor Viz, SAS Autocom Engineers India Private Limited.

3. It was further averred in the Application that this Tribunal vide order dated 07.08.2019 had ordered Liquidation of the Corporate Debtor and appointed the Applicant herein as the Liquidator. Pursuant thereto, as per Regulation 5 of the IBBI (Liquidation Process) Regulations 2016, the Liquidator caused Public Announcement in Form - B on 23.08.2019 calling upon the stakeholders to submit their claims as on the liquidation commencement date.

4. It was further averred in the application that the Corporate Debtor owned two properties and the Liquidator brought sale of such properties for sale through 1st E- Auction sale notice dated 19.11.2019 and the Liquidator received bids for the Rajasthan Property. The E- Auction sale was conducted on 19.12.2019 and Mr.Lakshmi Narayanan Agarwal were declared as Successful bidders

for sale price of Rs.51,00,000/- for quoting higher bid amount respectively.

5. Subsequently, the Successful bidder had paid the sale proceeds as per the terms of E-Auction sale terms and the sale certificate was issued in favour of the Successful Bidder and registered in favour of the Successful Bidder on 23.12.2019 for an amount of Rs.45,00,000/- was paid to the Financial Creditor vide RTGS on 31.12.2019 after deducting the Liquidation costs.

6. It was further averred in the application that the Liquidator had issued the 2nd E-Auction Sale Notice for sale of the Hosur Property on 05.02.2020 and the E-Auction sale was conducted on 12.02.2020 wherein Mrs. Jayashri emerged as the Successful Bidder for quoting a sum of Rs. 2,16,00,000/-.

7. It was further averred in para 23 of the application that the applicant could not complete the liquidation within the mandated time as prescribed under the code for the following reasons:

- a) There is a delay for about 14 months due to the pending status quo order passed by this Tribunal in MA/868/2019 on 19.02.2020 including the re-hearing of MA/868/2019 in compliance with the directions of the Hon'ble High Court of Madras in WP.9036 of 2020 vide order dated 31.08.2020 and finally disposed of by this Tribunal vide order dated 08.04.2021.

- b) Still EPFO compliances are pending for sale of the Plant and Machinery upon directions of this Tribunal vide order dated 08.04.2021
- c) Due to CoVID – 19 lockdown imposed form time to time.

8. In addition to the above said points, it was further submitted that PUFEE transaction applications bearing MA/86/2020, MA/83/2020 & MA/77/2020 were preferred by the applicant is pending before this Tribunal and MA/83/2020 & MA/77/2020 were withdrawn due to technical error. Further it is seen form the records that MA/86/2020 was dismissed on 14.02.2022 with liberty to file fresh application. Further, it is seen from the records that there are other applications which are pending in the file of this tribunal are tabulated below:

S. No	CASE NO.	NEXT DATE OF HEARING
1	IA/163/2022	01.04.2022
2	IA/253/2022	19.04.2022

9. It was further averred in para 28 of the application that 1 year liquidation timeline will expire on 08.04.2022. During the given time, the liquidator was able to sell the property and distribute the sale proceeds as per the IBC, 2016. Therefore, the Applicant has preferred this Present application for exclusion of 597 days form 19.02.2020 to 08.10.2021.

10. Heard the submission made by the Learned Counsel for the Liquidator. From the submission made by the Learned Liquidator it is seen that the Liquidator is yet to complete the Liquidation process in relation to the Corporate Debtor and that the distribution of the proceeds to the stakeholders is yet to be completed. Further, due to the prevailing Covid - 19 pandemic and subsequent lock-down imposed by the Government of India and the State Governments, the Liquidator was unable to complete the Liquidation process of the Corporate Debtor within the time limit prescribed under the Code and in terms of Regulation 44 of the IBBI (Liquidation Process) Regulations, 2016.

11. It is to be noted here that the Regulation 44 mandates the Liquidation process to be completed within a period of 1 year and as such the liquidation process in relation to the Corporate Debtor is required to be completed on or before 06.08.2020. However, the Liquidator not being in a position to complete the process and under the circumstances, the Liquidator has filed the present Application under Regulation 44(2) of IBBI (Liquidation Process) Regulations, 2016 for exclusion of the lockdown period.

12. Thus, by taking into consideration all the facts mentioned above, this Authority feels that it is just and proper that to exclude the 597 days as sought for and as such after exclusion of the 597

days (19.02.2020 to 08.10.2021), the Liquidation period in relation to the Corporate Debtor as averred in para 28 of the application is required to be completed on or before **08.04.2022**. Further, the Liquidator shall make every endeavour to complete the liquidation process within the extended period and not to seek any further extension.

13. With the above said directions, IA/1114/CHE/2021 stands **allowed**.

-Sd-

SAMEER KAKAR
MEMBER (TECHNICAL)

-Sd-

R. SUCHARITHA
MEMBER (JUDICIAL)

Sriram Ananth.V