

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT II**

IA 1997 of 2021

In

CP (IB) 3782/MB/C-II/2018

Under Section 33(2) of the
Insolvency and Bankruptcy Code,
2016.

In the Application of

Mr. Vimal Kumar Agarwal

Address: C-4, Shanti Jyot, Balaji
Nagar, Bhayander west,
Dist – Thane-401101.

**...Applicant/Resolution
Professional**

In the matter of

Shree Sales Corporation Pvt. Ltd.

**...Operational Creditor
Versus**

Rolson Synthetics Pvt. Ltd.

...Corporate Debtor

Order Delivered on :- 22.07.2022

Coram:

Justice P.N. Deshmukh (Retd.) : Member (Judicial)

Shyam Babu Gautam : Member (Technical)

Appearance:

For the Applicant : Mr. Aman Kacheria, Advocate

For Resolution Professional : Mr. Vimal Agrawal, Advocate

ORDER

Per: Justice P.N. Deshmukh, Member Judicial

1. It is an Application filed u/s 33(2) of the Insolvency & Bankruptcy Code, 2016 (hereinafter referred to as Code) by Mr. Vimal Agrawal, Resolution Professional (RP) of Rolson Synthetics Pvt. Ltd. seeking Liquidation Order and appointment of the Applicant/RP as liquidator, based on the resolution passed by the CoC in its 5th meeting held on 15.05.2021 with a requisite majority as contemplated under the Code.
2. This Adjudicating Authority *vide* its order dated 30.09.2020 on a Petition filed by Shree Sales Corporation Private Limited (*Operational Creditor*) under section 9 of the Code directed initiation of the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor and appointed Mr. Vimal Agrawal as the Interim Resolution Professional (IRP) of the Corporate Debtor.
3. The Applicant submitted that during the course of CIRP as many as 5 COC meeting were held. Pursuant to the initiation of CIRP, a public announcement in Form A was published on 04.10.2020 calling upon the Creditors of the Corporate Debtor to submit their proof of claims.

4. Thereafter, the Applicant received proof of claims from one Financial Creditor, being Bank of Baroda and two Operational Creditors being the original Operational Creditor and other Vindhya Transport Company and list of creditors was prepared. On verifying the claims, the Applicant formed CoC on 26.10.2020. The first CoC meeting was held on 07.11.2020. The Applicant informed the CoC that there was no substantial business operations of the Corporate Debtor and the Information Memorandum was under process.
5. The Expression of Interest (EoI) was issued on 24.12.2020 inviting prospective Applicants to submit Expression of Interest. Further, EoI was received by the Applicant from 7 parties and the parties had signed the Non-Disclosure Agreement.
6. In the 4th COC meeting held on 15.03.2021, wherein the Applicant informed the COC that no Resolution Plan was received and it would be viable to liquidate the Corporate Debtor Company.
7. Thus, in the 5th CoC meeting held on 15.05.2021, the CoC with 100% voting share passed a Resolution for liquidation of the Corporate Debtor and to appoint the Applicant Mr. Vimal Agrawal, to act as liquidator for a professional fee of Rs. 30,000/- per month as approved by the CoC in its 5th CoC meeting held on 15.05.2021. The relevant extract of

the resolution passed in its 5th CoC meeting are as follows :-

RESOLVED THAT pursuant to Section 33, sub-section (2) of Insolvency and Bankruptcy Code, 2016 and other applicable provisions, if any, of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, the Committee of Creditors hereby decides that Rolson Synthetic Private Limited, (Corporate Debtor) under Corporate Insolvency Resolution Process be liquidated.

RESOLVED FURTHER THAT the Committee of Creditors hereby directs, Resolution Professional to intimate the Adjudicating Authority the decision of the Committee of Creditors to liquidate the Corporate Debtor.

RESOLVED FURTHER THAT the Committee of Creditors hereby authorize, Resolution Professional to seek legal assistance from external legal consultant to give effect to this resolution and the cost incidental to give effect to this resolution, as presented at the meeting, to be treated as Insolvency Resolution Process cost of the Corporate Debtor.

RESOLVED FURTHER THAT the Committee of Creditors hereby to incur/disburse/reimburse the said cost/fee/expenses and authorize, Resolution Professional undertake debit transactions for the same from the bank accounts of Rolson Synthetic Private Limited.

RESOLVED FURTHER THAT the Committee of Creditors hereby authorize, Resolution Professional to do all acts, deeds and matters as may be necessary to give effect to this resolution.”

8. Looking at the Application and averments, we are of the considered opinion that this is a fit case for liquidation, therefore, we hereby order for liquidation of the Company with following directions :-
- a. Upon perusal of the documents, records made available and submissions of the Counsel for the RP in the fifth CoC meeting held on 15.05.2020, the CoC decided to Liquidate the Corporate Debtor and directed the RP to file an application under section 33 (1) a of the Code for liquidation of the Corporate Debtor.
 - b. In view of the decision of the CoC, we are inclined to admit the IA 1997/2021 in CP 3782/2018 to initiate liquidation process against the Corporate Debtor. Accordingly, the Adjudicating Authority Orders for initiation of Liquidation of the Corporate Debtor.
 - c. In view of the above this Bench hereby appoints Mr. Vimal Kumar Agrawal as Liquidator having [Reg. IBBI/IPA-001/IP-P00741/2017-18/11247], having its office address at 4, Ground Floor, C-Wing, Shanti Jyot Building, Balaji Nagar, Near Railway Station, Bhayander West, Thane - 401101, as Liquidator in terms of section 34(1) of the Code. Accordingly, **IA 1997 of 2021 is allowed disposed of.**
 - d. The fees of the liquidator is to be paid as approved by the CoC.

- e. The Liquidator shall initiate the liquidation process as envisaged under Chapter-III of the Code and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016;
- f. Whenever the Liquidator issues any publication in the newspapers, the said shall be published in widely circulated newspapers in the State in which the Registered office of the Company is incorporated.
- g. Public Notice shall be issued in two newspapers, viz., in *Times of India/ Business Standard* (English) and *Navshakti* (Marathi), stating that the Corporate Debtor is in liquidation, as required in terms of section 33(1) of the Code;
- h. All the powers of the Board of Directors and key managerial persons of the Corporate Debtor shall cease to exist. All these powers shall henceforth be vest with the Liquidator;
- k. 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;
- l. On initiation of the liquidation process but 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 proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority, as provided in section 33(5) of the Code read with its proviso;

- m. This liquidation order 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;
- n. A copy of this order shall be served by the Applicant/ RP on the Registrar of Companies, Maharashtra, Mumbai, within whose jurisdiction the Corporate Debtor has been registered, for updating the Master Data of the Corporate Debtor.
- p. **IA 1997 of 2021 is allowed.** File to be consigned to records.

Sd/-

**SHYAM BABU GAUTAM
MEMBER (TECHNICAL)**

Sd/-

**JUSTICE P.N. DESHMUKH
MEMBER (JUDICIAL)**