



IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT - 1

ITEM No.301 - IA(Liq.)/24(AHM)2024
in
C.P.(IB)/171(AHM)2022

Proceedings under Section 33 IBC

IN THE MATTER OF:

Premraj Ramratan Laddha RP of Neesa Infrastructure
Limited

.....Applicant

.....Respondent

Order delivered on: 26/09/2024

Coram:

Mr. Shammi Khan, Hon'ble Member(J)
Mr. Sameer Kakar, Hon'ble Member(T)

ORDER
(Hybrid Mode)

The case is fixed for pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

-Sd/-

SAMEER KAKAR
MEMBER (TECHNICAL)

-Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)



**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH COURT-I, AHMEDABAD**

IA(Liq.)/24/AHM/2024 in CP (IB) 171 of 2022

(Filed under Section 33(2) r. w. Section 34 of the Insolvency and Bankruptcy Code, 2016).

In the matter of **M/s Neesa Infrastructure Limited**

Mr. Premraj Ramratan Laddha

Resolution Professional

of M/s Neesa Infrastructure Limited

Having Address at:

304, Abhijit-3, Above Pantaloon,

Mithakhali - Law Garden Road,

Ellis Bridge, Ahmedabad - 380006

.... Applicant

Order Pronounced on 26.09.2024

CORAM:

SH. SHAMMI KHAN, HON'BLE MEMBER (JUDICIAL)

SH. SAMEER KAKAR, HON'BLE MEMBER (TECHNICAL)

For the Applicant :Mr. Atul Sharma, Advocate a. w. Ms.
Aditi Sharma, Advocate

ORDER

1. This is an application filed by the Resolution Professional of the Corporate Debtor i.e. M/s. Neesa Infrastructure Limited under Section 33 (2) r. w. Section 34 of the Insolvency and Bankruptcy Code, 2016 seeking the following prayers :-



- a. *YOUR LORDSHIP MAY BE PLEASED TO allow the present application;*
- b. *YOUR LORDSHIP MAY BE PLEASED TO pass an order under Section 33 of the Insolvency and Bankruptcy Code, 2016 (IBC), for the liquidation of the Corporate Debtor;*
- c. *YOUR LORDSHIP MAY BE PLEASED TO appoint the Applicant as the Liquidator of the Corporate Debtor as per Section 34 of the IBC;*
- d. *YOUR LORDSHIP MAY BE PLEASED TO direct the Applicant/Liquidator to make a public announcement stating that the Corporate Debtor is in liquidation, as per the provisions of the IBC and relevant regulations;*
- e. *YOUR LORDSHIP MAY BE PLEASED TO grant the Liquidator the necessary powers to undertake any measures required to expedite the liquidation process, including but not limited to the sale of the Corporate Debtor's assets by public auction or private contract, and the distribution of proceeds as per the priority prescribed under Section 53 of the IBC;*
- f. *YOUR LORDSHIP MAY BE PLEASED TO direct COC or applicant pay the fee to RP in terms of regulation 34B(3) of IBBI (CIRP) regulation 2016.*



g. YOUR LORDSHIP MAY BE PLEASED TO grant any other relief or relief as may deem fit in the lights of the facts and circumstances of the case.

2. It is stated that this Tribunal vide its order dated 19.06.2023 admitted the Corporate Debtor to CIRP process an application filed by the State Bank of India under Section 7 of the IB Code, 2016 and appointed the Applicant herein as the IRP.
3. It is stated that the IRP published public announcement in Form-A on 22.06.2023 inviting the claims from the Creditors.
4. It is stated that upon the receipt of the claims the IRP constituted the Committee of Creditors (CoC) on 12.07.2023.
5. It is stated that the 1st CoC meeting was held on 18.07.2023 whereat the CoC resolved to appoint the Applicant as the Resolution Professional of the Corporate Debtor.



6. RP has filed Form-H at Page No. 246 of the application.

A perusal of the Form-H reveals that Form-G was published three times viz. on 18.08.2023, 13.09.2023 and 10.01.2024.

7. In response to the 1st Expression of Interest (EoI) only one Prospective Resolution Applicant (PRA) approach the RP. However, CoC with 88.11% voting shares in its meeting held on 12.09.2023 resolved for re-publication of Form-G.

8. In response to the 2nd EoI, five (5) PRAs approach the RP. In the 6th CoC meeting held on 11.12.2023, RP apprised the CoC that only one PRA has submitted the Resolution Plan. CoC in the 7th meeting held on 02.01.2024 decided with 87.06% voting shares for re-publication of Form-G.

9. In pursuant to the 3rd publication of Form-G two (2) EoIs were received which ultimately resulted into receipt of one Resolution Plan. The plan received was discussed by the CoC in the 10th meeting held on



10.03.2024, the CoC was of the view that the plan received is much below the liquidation value of the Corporate Debtor. The PRA stated that they would reconsider the plan value and submit the revised Resolution Plan.

10. The 11th CoC meeting was scheduled for 08.04.2024, subsequently adjourned to 10.04.2024 whereat the CoC Members discussed and deliberated on the revised Resolution Plan. The CoC Members highlighted to the PRA that the financial offer's quantum did not align with the liquidation value determined by the valuers.

11. The Applicant, thereafter, convened the 12th CoC meeting on 22.04.2024 and the 13th CoC meeting on 03.05.2024.

12. The extended period of 330 days of CIRP period of the Corporate Debtor was scheduled to expire on 15.05.2024. The CoC approved the resolution seeking extension of the CIRP period by 45 days and subsequent to the same the Applicant filed application



being IA/788(AHM)2024 seeking extension of the CIRP period of the Corporate Debtor.

13. IA/788(AHM)2024 came to be ordered by this Bench on 11.06.2024 whereat in order to rescue the Corporate Debtor and as last chance this Bench granted the extension of the CIRP period of the Corporate Debtor till 20.06.2024.

14. The 16th CoC meeting was held on 23.07.2024, upon the directions of this Tribunal in IA(IBC)(Liq.)/18/AHM/2024 which was dismissed as the voting on the resolution was ambiguous. The voting on the various resolutions including resolution for initiation of the Liquidation Proceedings against the Corporate Debtor commenced on 26.07.2024 and concluded on 29.07.2024. The CoC with 70.26% majority was pleased to pass a resolution qua initiation of the Liquidation Proceedings of the Corporate Debtor.

15. Furthermore, the members of the CoC had also resolved to explore the compromise or arrangements as



referred in sub-regulation (1) of Regulation 2B of the IBBI (Liquidation Process) Regulation, 2016 as per Regulation 39BA of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016 and voted in favour with 80.55% voting share in voting Agenda item.

16. It is stated that the members of the CoC further resolved to explore sale of the Corporate Debtor as a going concerned under clause (e) of Regulation 32 or sale of business of the Corporate Debtor under clause (f) of Regulation 32 of IBBI (Liquidation Process) Regulations, 2016 as per Regulation 39C of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016 and voted in favour with 70.26% vote share in voting Agenda item.

17. It is further submitted that the members of the CoC have approved the estimated cost of Liquidation excluding liquidator's fee with requisite majority of 80.55% voting shares. Further, CoC has also not approved the fee of RP after filing the application of



liquidation with requisite majority of vote which was required to be decided in terms of Regulation 34b(3) of IBBI (Corporate Insolvency Resolution Process) Regulation, 2016.

18. From the minutes of meeting filed along with the additional affidavit under Diary No. D 7217 dated 23.09.2024. It is seen that CoC has since recommended appointment of **Mr. Jigar Tarunkumar Bhatt, having IBBI Registration No. IBBI/IPA-001/IP-P-01917/2019-2020/13005**, as a Liquidator of the Corporate Debtor.

19. We have heard the learned counsel for the Applicant/Liquidator and perused the record. It is seen that the CoC of the Corporate Debtor has duly resolved for liquidation of the Corporate Debtor/Neesa Infrastructure Limited.

20. The Hon'ble Supreme Court in the matter of **K. Sashidhar Versus Indian Overseas Bank & Ors in Civil Appeal No. 10673 of 2018** has held that the commercial decision of CoC is **non-justiciable**.



21. It is also seen that despite various extensions the CIRP period of the Corporate Debtor expired on 20.06.2024.

In view of the above, we are constrained to order for liquidation of the Corporate Debtor.

22. We hereby order for liquidation of the Corporate Debtor with the following terms and conditions:-

- a) The Corporate Debtor **M/s. Neesa Infrastructure Limited** shall be ordered for liquidation in terms of the provisions of section 33(2) of the Code r.w. Regulations made thereunder which shall be effective from the date of this order. Accordingly, we allow IA(liq)/24(AHM)2024.
- b) The Moratorium declared under Section 14 of the Code shall cease to have effect from the date of the order of liquidation.
- c) As per section 34(4)(b) of the Code, **Mr. Jigar Tarunkumar Bhatt** having registration No. **IBBI/IPA-001/IP-P-01917/2019-2020/13005**, is hereby appointed as a Liquidator of the Corporate Debtor I.e. M/s Neesa Infrastructure Limited. The Liquidator so appointed shall complete the liquidation process as per the provisions of the Code r. w. the Insolvency and



Bankruptcy Board of India (Liquidation Process)
Regulations, 2016.

- d) As the members of the CoC resolved to explore the compromise or arrangements as referred in sub-regulation (1) of Regulation 2B of the IBBI (Liquidation Process) Regulation, 2016 as per Regulation 39BA of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016 and voted in favour with 80.55% voting share in voting Agenda Item. Accordingly ordered.
- e) As the members of the CoC resolved to explore sale of the Corporate Debtor as a going concerned under clause (e) of Regulation 32 or sale of business of the Corporate Debtor under clause (f) of Regulation 32 of IBBI (Liquidation Process) Regulations, 2016 as per Regulation 39C of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016 and voted in favour with 70.26% vote share in voting Agenda Item. Accordingly ordered.
- f) All the powers of the Board of Directors, key managerial persons, and the partner of the Corporate Debtor, as the case may be, hereafter cease to exist. All these powers henceforth vest with the Liquidator.



- g) The personnel of the Corporate Debtor are directed to extend all cooperation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- h) The Liquidator will charge fees for the conduct of the liquidation proceedings in proportion to the value of the liquidation estate assets as specified by IBBI and same shall be paid to the Liquidator from the proceed of the liquidation estate under section 53 of the Code.
- i) Once the liquidation process is initiated, subject to section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor. The Liquidator has the liberty to institute a suit and other legal proceedings on behalf of the Corporate Debtor with the prior approval of this Adjudicating Authority, as provided in sub-section (5) of section 33 of the Code.
- j) 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.



- k) This Adjudicating Authority directs the Liquidator to issue a public announcement stating that the Corporate Debtor is in liquidation. The Liquidator will also serve a copy of this order to the various Government Departments such as Income Tax, GST, VAT, etc., who are likely to have any claim upon the Corporate Debtor so that the authorities concerned are informed of the liquidation order timely. The Liquidator will also provide a copy of this order to the trade unions/employee associations of the Corporate Debtor so that the workman/employees could also be informed of this liquidation order through their association.
- l) 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.
- m) The present Resolution Professional is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed liquidator forthwith.
- n) The Registry is directed to communicate this order to the concerned Registrar of the Companies, the



registered office of the Corporate Debtor, **IBBI**, the resolution professional, **Indian Institute of Insolvency Professionals of ICAI, IPA of RP**, and the Liquidator by speed post as well as e-mail within one week from the date of this order, after completion of all the formalities for records and action, if any.

23. Accordingly, **IA(Liq.)/24(AHM)2024** in CP (IB) No. 171 of 2022 is disposed off.

24. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.


SAMEER KAKAR
MEMBER (TECHNICAL)


SHAMMI KHAN
MEMBER (JUDICIAL)

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