

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

ITEM No. 304- IA(Liq.)/3(AHM)2025 in
C.P.(IB)/74(AHM)2024

Order Section 33(2) IBC, & 34 IBC , 2016

Mr. Rajeev Ranjan Singh

On Behalf of

M/s Truvisory Insolvency Professionals Private Limited

.....Applicant

Order delivered on 08/04/2025

Coram:

Mr. Shammi Khan, Hon'ble Member (J)

Mr. Sanjeev Kumar Sharma, Hon'ble Member (T)

PRESENT:

For the Applicant :

For the Respondent :

ORDER
(Hybrid Mode)

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

Sd/-

SANJEEV KUMAR SHARMA
MEMBER (TECHNICAL)

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)

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

IA(Liq)/03/AHM/2025 in CP (IB)/74/2024

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

In the matter of: **M/s Raghuvanshi Cotton Ginning &
Pressing Private Limited**

Mr. Rajeev Ranjan Singh, on behalf of
M/s. Truvisory Insolvency Professional Private Limited

Having Reg. No. IBBI/IPE-0103/IPA-2/2022-23/50020

Registered address

1501, Tower No.4,

Spring Grove Towers,

Lokhandwala Township,

Kandivali East, Mumbai-400101.

....Applicant

Order Pronounced on 08.04.2025

CORAM:

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

SH. SANJEEV KUMAR SHARMA, HON'BLE MEMBER (TECHNICAL)



For Applicant : Ms. Mily Ghoshal, Adv.

ORDER
[PER BENCH]

1. This Interlocutory Application being **IA(Liq)/03/AHM/2025** has been filed by the Applicant/ Resolution Professional under Section 33(2) r.w. Section 34 of the Insolvency and Bankruptcy Code, 2016 seeking relief as follows; -

- a. *That this Hon'ble Court be pleased to allow the present Interlocutory Application;*
- b. *That this Hon'ble Court may be pleased to admit the Corporate Debtor M/ s Raghuvanshi Cotton Ginning & Pressing Private Limited into Liquidation in the manner as laid down in Chapter III of the Insolvency and Bankruptcy Code, 2016;*
- c. *To appoint the present Resolution Professional i.e. M/ s Truvisory Insolvency Professionals Private Limited having IBBI regd. No. IBBI/IPE/0103 as the Liquidator in the matter of M/s Raghuvanshi Cotton Ginning & Pressing Private Limited for conducting Liquidation of the Corporate Debtor*



*under the Insolvency and Bankruptcy Code, 2016
at the fees as approved by the COC member.*

*d. To issue such other necessary orders as this Hon
'ble Court may be deemed fit*

2. In support of the application, it is submitted that:-

I. The Operational Creditor i.e. M/s. Raghuveer Steel through its proprietor Anand Chimanlal Patel filed an application being CP(IB) No. 74 of 2024 under Section 9 of the Code seeking initiation of the Corporate Insolvency Resolution Process ("**CIRP**") of the Corporate Debtor - M/s. Raghuvanshi Cotton Ginning and Pressing Private Limited. This Adjudicating Authority vide its order dated 06.01.2025 admitted the Corporate Debtor in CIRP and further appointed Mr. the Applicant herein as the Interim Resolution Professional ("IRP") of the Corporate Debtor. The said order was received by IRP on 09.01.2025

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II. In Compliance with Section 13, Section 15 and other applicable sections of the Code read with Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations 2016 (hereinafter called "IRP Regulation"), the Applicant made the Public Announcement in English newspaper i.e. Financial Express (Mumbai edition) and in Gujarati Newspaper i.e. Jansatta (Ahmedabad edition) on 09.01.2025, intimating the commencement of CIRP against Corporate Debtor and calling upon the creditors to submit their proof of claims.

III. The deadline for submission of claim was 20.01.2025. The IRP received the following claims against the Corporate Debtor in proper format, the details of which are as follows:

- a) One (1) claim from Secured Financial Creditor
- b) Two (2) claims from Operational Creditors in the category of "Statutory Dues."



IV. After collating all the claims and in pursuant to Section 21 of the Code, the IRP constituted the Committee of Creditors (“CoC”) in the following manner:-

Secured Financial Creditors:

S. No.	Name of Creditors	Amount Claimed (in Rs.)	Amount Admitted (in Rs.)
1.	State Bank of India	1,69,09,20,929.71	1,69,09,20,929.71
	SUB TOTAL	1,69,09,20,929.71	1,69,09,20,929.71

Operational Creditors in the category of “Statutory Dues”:

S. No.	Name of Creditors	Amount Claimed (in Rs.)	Amount Admitted (in Rs.)
1.	Employees Provident Fund Organization (EPFO)	51,169	12,878
2.	State Tax Officer, Unit-93, Rajkot	92,08,48,068.1	47,21,61,273
	SUB TOTAL	92,08,99,237.1	47,21,74,151

V. Thereafter, the Applicant filed an application bearing no. IA/220(AHM)2025 to place on record the constitution of CoC a.w. list of creditors. The same was allowed by this Adjudicating Authority on 03.03.2025.



VI. Pursuant to the constitution of CoC, the Applicant conducted 1st meeting of CoC on 05.02.2025. In the said meeting the Applicant/IRP placed the resolution for appointment of Interim Resolution Professional as Resolution Professional. The sole CoC member i.e., State Bank of India, holding 100% voting share expressed their disinterest in running the CIRP process and proposed early liquidation of the Corporate Debtor considering the following reasons:

- a) There is no machinery available at factory premises. It has been sold in auction conducted under SARFAESI Act, 2002.
- b) The burden debt is very high as compared to the cost of factory land & building.
- c) The remaining assets of the Corporate Debtor (Factory Land & Building) has also been placed for auction on different occasions. However, the same could not be sold. The factory is located in an industrial area and can be sold easily at prevailing prices.
- d) The financial statements of the Corporate Debtor are not available since the year 2014.



- e) There is lack of cooperation from the suspended management and even in the present meeting i.e. second CoC, none of the suspended directors are present.
- f) No data available with respect to compliances being completed by the corporate debtor.
- g) There are no chances of revival as neither any worker or employee is employed by the company at this stage.

The CoC expressed disinterest in continuing the CIRP and proposed early liquidation, citing the absence of machinery (sold under SARFAESI auctions), high debt burden, unsold factory land and building, lack of financial statements since 2014, non-cooperation from suspended management, and no prospects of revival (Exhibit "D").

- VII. Thereafter, the CoC deferred all the agendas as placed during the first CoC meeting and requested the Applicant to share their views on it.

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VIII. The Applicant, thereafter, conducted the 2nd CoC meeting on 23.02.2025. In the said meeting, *inter-alia*, discussed to file an application for liquidation of the Corporate Debtor. Based on the points stated above, the CoC consisting of State Bank of India as the sole CoC member proposed early liquidation. Since, the CIRP is on the advance stage thus the CoC is required to decide the future course of action including filing an application for liquidation of the corporate debtor. The Applicant based on the above facts presented the agenda item to discuss and decide on filing an application for the liquidation of the Corporate Debtor before this Adjudicating Authority.

IX. The SBI (sole Financial Creditor) further added that they had taken possession of the various properties in 2023, which had been under the control of the suspended directors until that time. Despite their efforts, the suspended directors were unable to bring in an investor for a period of 5-7 years since the Corporate

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Debtor was closed and there is currently no assurance that investors are ready to invest in the company.

- X. The Applicant presented the agenda item to discuss and decide on filing of an application for the liquidation of the Corporate Debtor before this Adjudicating Authority. The Applicant shared the legal opinion, stating that early liquidation is permissible if the CoC approves the filing of the liquidation application after recording the reasons.
- XI. The Applicant further explained that the corporate debtor is not eligible for revival due to the following reasons:
- a. The Corporate Debtor has been declared a willful defaulter by SBI.
 - b. As per the information available, the Corporate Debtor does not hold an MSME certificate.
- XII. Pursuant to detailed deliberation upon the said issue and taking the above into consideration the CoC

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passed the following resolution with 100% voting in favour:-


“RESOLVED THAT Pursuant to Section 33(2) of Insolvency and Bankruptcy Code, 2016 the Committee of Creditors, hereby recommends for the liquidation of Corporate Debtor;

“RESOLVED FURTHER THAT the Resolution Professional is authorized to file a necessary application before the Adjudicating Authority conveying the decision of the Committee of Creditors to liquidate the Corporate Debtor”

XIII. The Applicant being eligible proposed himself to appoint as a Liquidator and put this resolution for voting. The said resolution was deliberated by the CoC in the meeting and accordingly was approved with 100% voting. The CoC thus concluded that the Applicant herein shall be appointed as the Liquidator of the Corporate Debtor to conduct the liquidation of the Corporate Debtor on such terms and conditions as more particularly mentioned therein. For the same the

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following Resolution was passed with 100% voting in favour:-

“RESOLVED THAT the Hon'ble National Company Law Tribunal be and is hereby requested to appoint M/ s Truvisory Insolvency Professionals Private Limited, Interim Resolution Professional/Resolution Professional as Liquidator of M/s Raghuvanshi Cotton Ginning & Ppressing Private Limited”

(Copy of the said minutes of the meeting dated 23.02.2025 along with the ballot voting results is annexed hereto and marked as Exhibit "E")

XIV. The Applicant, thereafter, convened the 3rd CoC meeting on 01.03.2025 whereby the Applicant informed the CoC that the agenda for Liquidation is required to be placed along with other agendas. (Copy of the said minutes of the meeting dated 01.03.2025 along with the ballot voting results is annexed and marked as Exhibit "F" to the application)

XV. The Applicant also discussed the provisions of Regulation 39B, 39BA 39C, 39D of Insolvency and Bankruptcy Board of India (Insolvency Resolution



Process for Corporate Persons), 2016 and also placed details of estimated liquidation cost in the matter of Corporate Debtor.

XVI. After detailed discussion and deliberation, the following resolutions were placed before the CoC for voting: -

Agenda Item No. B-1(a):

"RESOLVED THAT Committee of Creditors in consultation of Resolution Professional estimates the liquidation cost of corporate debtor, details of which were placed on the table of the meeting plus Fee of Liquidator, as may be approved by COC / Hon'ble NCLT, as the case may be.

"RESOLVED FURTHER THAT the financial institution(s) which are members of Committee of Creditors be and are hereby give their consent to contribute the excess of the liquidation cost over the liquid assets of the Corporate Debtor in proportion to their admitted claim amount."
The above agenda was deferred by the CoC till the first SCC meeting.

Agenda Item No. B-1(b):

"RESOLVED THAT Committee of Creditors be and are hereby recommends that the Liquidator may first explore sale of the Corporate Debtor as a going concern under clause or clause (f) of Regulation 32 of IBBI (Liquidation Process) Regulations, 2016;

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RESOLVED FURTHER THAT Liquidator be and is hereby authorized to sell Raghuvanshi Cotton Ginning & Pressing Private Limited - corporate debtor, as going concern after identifying and grouping the assets and liabilities, to be sold as a going concern, in consultation with the Stakeholders' Consultation Committee (SCC)."

The Agenda Item No. B-1(b) was approved by the CoC during the meeting with 100% majority.

Agenda Item No. B-1(c):

"RESOLVED THAT that pursuant to Regulation 39 (D) of CIRP Regulations 2016, the consent of CoC of Raghuvanshi Cotton Ginning & Pressing Private Limited, Corporate Debtor, be and is hereby accorded for the payment of fee to the Liquidator in the following manner as detailed below."

- a. IRP fee will be paid till the application is filed for Liquidation before the NCLT. However, the COC agrees a lump sum amount of Rs.1,00,000/- as overall fee for a period of maximum 4 months till the order passed for liquidation. In case, the order for Liquidation is not passed within the said timeframe, the further fees shall be discussed and decided upon, which shall form part of CIRP costs.
- b. The secured assets of the company are not proposed to be relinquished by the banker and proposed to be sold under SARF AESI. Thereby, a fee for first 6 months shall be Rs. 10.00 lacs. In addition to this, the COC also agrees that in case the H 1 buyer of the assets of the company is proposed by the





liquidator, the liquidator shall be entitled to additional fees of Rs.5.00 lacs.

- c. In other case, bank does not succeed to sale the assets within the 6 months, as per IBC guidelines, the assets will be relinquished in the favour of the liquidator. After this, the liquidator shall be entitled to receive a fee of 35% of the fees provided in the fee chart provided in the IBC guidelines. However, in this option, the liquidator shall not be entitled to additional fees of Rs.5.00 lacs.

XVII. The fees mentioned above are only regarding the Liquidator/RP fees. Other costs like security expenses, legal fees, travelling conveyance (on need basis), any other out of pocket expenses incurred to carry out the functions of the IRP/Liquidator shall be additional to the fees agreed herein and shall also be constituted as CIRP or Liquidation costs.

The Agenda Item No. B-1(c) was approved by the CoC during the meeting with 100% majority

XVIII. Now, the present application is filed by the Applicant *inter-alia* seeking early liquidation of the Corporate Debtor in light of the various circumstances as



mentioned hereinabove. In order to deal with the same, it is pertinent to mention that Section 33(2) of the Code which deals with initiation of liquidation proceedings against the corporate debtor.

“(2) Where the resolution professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the committee of creditors approved by not less than sixty-six percent of the voting share to liquidate the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1).

Explanation- For the purposes of this sub-section, it is hereby declared that the committee of creditors may take the decision to liquidate the corporate debtor, any time after its constitution under sub-section (1) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum.

XIX. A bare perusal of section 33(2) demonstrates that any time before the confirmation of resolution plan the COC can resolve to liquidate the Corporate Debtor by not less than 66% voting. Further the same has been added in the explanation that the COC may take the





decision to liquidate the corporate debtor, any time after its constitution under sub-section (1) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum. Thus the requirement to satisfy shall be:-

- i. Formation of CoC pursuant to section 21(1).
- ii. No confirmation of Resolution Plan.
- iii. Minimum voting of 66%

XX. The Hon'ble Supreme Court of India in case of **K. Sashidhar** has concluded that the decision of CoC to liquidate the Corporate Debtor without taking any steps for resolution of the Corporate Debtor is covered under explanation to sub-clause (2) of Section 33 of the Code and the same being decision on commercial wisdom, is **non-justiciable**.

XXI. Grounds for Seeking Early Liquidation:

i) No machinery at factory premises:-

- a) There is no machinery available at factory premises. It has been sold in auction conducted



under SARFAESI Act, 2002 by State Bank of India who is the sole financial Creditor of the Corporate Debtor.

b) The State Bank of India had conduction auction under SARFAESI of the following assets:-

1. All that Hypothecated Plant & Machineries situated and installed at Factory Land & Building of M /s Raghuvanshi Cotton Ginning & Pressing Pvt. Ltd. consisting of at Revenue Survey No. 34/P1, 34/P2, 34/P3, Paddhari, Rajkot-Jamnagar, Highway, Dist: Rajkot.
2. Factory Land & Building in the name of M/s Raghuvanshi Cotton Ginning & Pressing Pvt. Ltd. situated at Revenue Survey No. 34/P1, 34/P2, 34/P3, Paddhari, Rajkot- Jamnagar Highway, Dist: Rajkot admeasuring about 37940 Sq. Mtrs.
3. All that part and parcel of the property of Smt. Pritiben Dineshkumar Selani consisting of Revenue Survey No.429, 436 & 456/p Plot No.24-A. "Dwarkesh" Panchvati Society Main Road, Rajkot admeasuring about 304. 77 Sq. Mtrs.
4. All that part and parcel of the property of Sh. Dineshkumar Selani consisting of Office No. 202, Shree Mahalaxmi Commercial Complex,

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2nd Floor, T.P. No.-3, Final Plot No.-163 & 164 of Nana Mava Revenue Survey No.-74 & 75, Opp. Sant Mary School, Kalawad road, Rajkot Admeasuring about 189 Sq. ft.

(Copy of the notice dated 17.09.2016 issued u/s 13(2) of the SARFAESI to the Corporate Debtor is annexed hereto and marked as Exhibit "G")

- c) Out of the said properties the plant & Machineries situated and installed at Factory Land & Building of M/s Raghuvanshi Cotton Ginning & Pressing Pvt. Ltd, the Office No. 202, Shree Mahalaxmi Commercial Complex and "Dwarkesh" Panchvati Society Main Road, Rajkot was sold by the State Bank Of India under SARFAESI. (Copy of the said sale certificates dated 15.03.2022, 17.03.2022 and 29.12.2023 is annexed hereto and marked as Exhibit "H").

- ii) **The burden debt is very high as compared to the cost of factory land & building (which is the only asset):-** The total amount of liability on the Corporate Debtor is Rs. 260 crores approximately (including state Bank and VAT department). In fact the said



Factory Land & Building) has also been placed for auction on different occasions by State Bank of India who is the sole financial creditor of the corporate debtor. However, the same could not be sold.

iii) No Financials available : - The financial statements of the corporate debtor are not available since the year 2014. There is lack of cooperation from the suspended management. Additionally, no date is available with respect to compliances being completed by the corporate debtor.

iv) No chances of revival:- There are no chances of revival as neither any worker or employee is employed by the corporate at this stage.

3. We have heard the learned counsel for the Applicant and perused the documents attached with the application.

4. The CIRP was initiated on 06.01.2025. The CoC was constituted on 27.01.2025. The CoC in its 3rd meeting held on 01.03.2025 with 100% voting share resolved to liquidate



the Corporate Debtor. Before adverting to the Applicant's contention, we consider it appropriate to refer the relevant provisions of the IBC, 2016 deciding upon the issue.

5. The provisions of Section 33(2) of the Code are reproduced below: -

"... (2) Where the resolution professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the committee of creditors [approved by not less than sixty-six per cent of the voting share] to liquidate the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1).

¹²[Explanation. – For the purpose of this sub-section, it is hereby declared that the committee of creditors may take the decision to liquidate the corporate debtor, any time after its constitution under sub-section (1) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum.]"

6. The Form H was filed under inward diary no. DD131 dated 04.04.2025. It is seen from Form H that the Liquidation and Fair Value of the Corporate Debtor are **N.A.**
7. The Timeline of the proceedings as under:

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10. The CIRP has been conducted as per the timeline indicated as under:

Section of the Code Regulation No.	Description of Activity	Latest Timeline under Regulation 40A	Actual Date	Compliance Date
Section 16(1)	Commencement of CIRP and Appointment of IRP	T	06.01.2025	
Regulation 6(1)	Publication of Public Announcement	T+3	09.01.2025	
Section 15(1)(c) /Regulation 12(1)	Submission of Claims	T+14	20.01.2025	
Regulation 13(1)	Verification of Claims	T+21	20.02.2025	
Section 26(6A) / Regulation 15A	Application for Appointment of Authorized Representative, if necessary	T+23	N.A	
Regulation 17(l)	Filing of Report Certifying Constitution of CoC	T+23	29.01.2025	
Section 22(1) and regulation 17(2)	First Meeting of the CoC	T+30	05.02.2025	
Regulation 35A	Determination of fraudulent and other transactions	T+115	N.A	
Regulation 27	Appointment of two Registered Valuers	T+47	N.A	
Regulation 36(1)	Submission of Information Memorandum to CoC	T+95	N.A	
Regulation 36A	Invitation of EoI	T+60	N.A	
	Publication of Form G	T+60	N.A	
	Provisional List of Resolution Applicants	T+85	N.A	
	Final List of Resolution Applicants	T+100	N.A	
Regulation 36B	Issue of Request for Resolution Plan, which includes Evaluation Matrix and Information Memorandum to Resolution Applicants	T+105	N.A	
Section 30(6) /Regulation 39(4)	Submission of CoC approved Resolution Plan	T+165	N.A	
Section 31(1)	Approval of Resolution Plan	T=180	N.A	

IA(liq)/03(AHM)2025 in CP (IB)74(AHM) 2024

IN the matter of : **Raghuvanshi Cotton Ginning and Pressing Private Limited**



8. In light of the foregoing, this Tribunal is satisfied that the Applicant has fulfilled the requirements of Section 33(2) of the Code. The CoC's decision to liquidate the Corporate Debtor is legally sound, commercially justified, and within the statutory framework. The application is maintainable, filed within limitation from the CIRP admission date of January 06, 2025, and supported by requisite documentation (Exhibits "A" to "H").
9. The Tribunal also takes note of the CoC's recommendation under Regulation 39C to explore the sale of the Corporate Debtor as a going concern during liquidation. While this is a discretionary option for the Liquidator under Regulation 32(e) or (f) of the IBBI (Liquidation Process) Regulations, 2016, it does not preclude the immediate initiation of liquidation proceedings.
10. 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

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CoC is **non-justifiable**. In this case, it is seen that the CoC with a **100%** majority has passed the resolution seeking liquidation of the Corporate Debtor.

11. Though the CoC has recommended the name of the Resolution Professional as the Liquidator. However, IBBI vide its circular number Liq-12011/214/2023-IBBI/840 dated 18.07.2023 in exercise of its powers conferred under Section 34 (4) (b) of the Code, had recommended that an IP other than the RP/IRP may be appointed as liquidator in all the cases where liquidator (read liquidation) order is passed henceforth.

12. In view of the above findings, it is hereby ordered as follows: -

- a) The Corporate Debtor **M/s. Raghuvanshi Cotton Ginning and Pressing Private Limited** is admitted into liquidation in terms of the provisions of 33(2) of the Insolvency and Bankruptcy Code, 2016, to be conducted in accordance with Chapter III of the Code

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and the IBBI (Liquidation Process) Regulations, 2016 which shall be effective from the date of this order.

- b) In terms of the above circular of IBBI, we hereby appoint, **Mr. Ramesh Kumar Totla, having Reg. No. IBBI/IPA-001/IP-P-02670/2022-2023/14097, Email mandco.surat@gmail.com, Mob: 8306780986** as a Liquidator of the Corporate Debtor i.e. M/s. Raghuvanshi Cotton Ginning and Pressing Private Limited as per the panel suggested by IBBI for this Bench for the period of January, 1, 2025 to June 30, 2025, as the Liquidator of the Corporate Debtor to carry the liquidation process.
- c) The Moratorium declared under section 14 of the Code shall cease to have effect from the date of the order of liquidation.
- d) A fresh moratorium under Section 33(5) of the Code is declared, prohibiting the institution or continuation of suits or proceedings against the Corporate Debtor, except as provided under the Code, effective from the date of this order until the completion of the liquidation process.
- e) The Liquidator shall take charge of the Corporate Debtor's assets, books, and records forthwith and perform all duties as prescribed under Sections 35 to



50 of the Code and the IBBI (Liquidation Process) Regulations, 2016, including exploring the sale of the Corporate Debtor as a going concern as recommended by the CoC in term of Regulation 32A of Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016.

- f) The Liquidator is directed to file a preliminary report within 75 days of this order, as per Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016, and submit periodical progress reports to this Tribunal.
- g) 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.
- h) 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.
- i) The Operational Creditor and Financial Creditor (SBI) as well as 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.

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- j) 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.
- k) 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.
- l) 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.
- m) 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

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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.

- n) 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.
- o) The present Resolution Professional is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed liquidator forthwith.
- p) 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, 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 necessary action, if any. The Registrar of

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Companies shall update the Corporate Debtor's status on the MCA portal accordingly.

- q) Liberty is granted to the Liquidator to approach this Tribunal for any further directions or clarifications as may be required during the liquidation process.

13. Accordingly, **IA(Liq)/03(AHM)2025** in CP(IB) No. 74 of 2024 is allowed and disposed of.

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

Sd/-

SANJEEV KUMAR SHARMA
MEMBER (TECHNICAL)

Rajeev Sen/PS

Sd/-

SHAMMI KHAN
MEMBER (JUDICIAL)