

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH  
KOLKATA**

**C.P. [IB] No. 898/KB/2018**

**In the matter of:**

An application U/S. 10 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy [Application to Adjudicating Authority] Rules, 2016;

-And-

**In the matter of:**

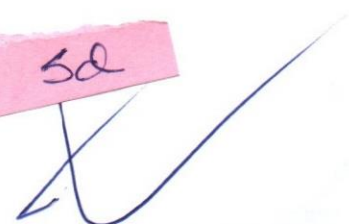
M/S. UNITED CHLORO-PARAFFINS PRIVATE LIMITED, a company incorporated under the provisions of the Companies Act, 2013, having its registered office at 32, Chowringhee Road, Om Tower Room No. 907, 9<sup>th</sup> Floor, Kolkata- 700071 in the State of West Bengal, within the aforesaid jurisdiction;  
... Corporate Applicant

-And-

**In the matter of:**

State Bank of India constituted under the State Bank of India Act, 1955 having its registered office at State Bank Bhawan, 14<sup>th</sup> floor, Corporate Centre, Madame Cama road, Nariman Point, Mumbai, Maharashtra- 400021.

Sd



**Coram: Shri Madan B. Gosavi, Hon'ble Member [Judicial]**

**Counsel appeared:**

1. Sri Jitendra Lohia ] Resolution Professional
2. Sri Jayabrata Mukherjee ] for the Corporate Applicant

**Order pronounced on 19/07/2019**

**ORDER**

**Per Shri Madan B. Gosavi, Member [J]**

1. M/S. United Chloro-Paraffins Pvt. Ltd. filed an application under Section 10 of Insolvency & Bankruptcy Code, 2016 [hereinafter referred to as the "I & B Code"] to start Corporate Insolvency Resolution Process [hereinafter referred to as "CIRP"]. This Tribunal on 12.10.2018 admitted the application commencing the CIRP and appointed Sri. S.V. Ramani as the Interim Resolution Professional [hereinafter referred to as the I.R.P.]. Thereafter, the COC filed C.A. [IB] No. 1114/KB/18 for appointment of RP and on 01.01.2019, this Tribunal approved the appointment of Sri. Jitendra Lohia as the Resolution Professional [hereinafter referred to as the R.P.].

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2. The CIRP period of 180 days expired on 09.04.2019 and was extended to 270 days on 19.03.2019 vide the order of this Tribunal. The R.P. submits that he made advertisements on 17.01.2019 for invitation of EOI which ended on 12.03.2019, thereafter the invitation of EOI was re-issued on 23.03.2019 where the time limit for receipt of EOI was further extended till 23.03.2019. The Newspaper Publication calling for interested Resolution Applicants was made in the Financial Express and Ek Din.
3. In the Final Report filed on 05.07.2019 the R.P. submits that 4 EOIs were received out of which two Resolution Applicants submitted their Resolution Plan. The sealed bids were opened before the COC in the and the COC found the resolution plan of Vissith Services Limited to be the H1 bidder. However, the COC in the 8<sup>th</sup> COC meeting held on 02.07.2019 did not approve the resolution plan by 100% vote, the reason being that the bid amount quoted by the resolution applicant was below the expected realizable value of the COC.
4. It is further submitted by the R.P. that the COC was informed that as per Section 33 [1][a][i] an order of liquidation of the Corporate Debtor shall be passed if not approved resolution plan is submitted before the expiry of CIRP period, however, the COC stated that no viable or feasible plan for consideration is available.
5. Heard the Ld. R.P and the Ld. Counsel for the Corporate Applicant and have perused the record. It is understood that the RP has made several efforts to bring more Resolution Applicants for the revival of business of the Corporate Applicant, however, only two Resolution Applicants had shown interest to revive the business of the corporate debtor, who submitted their Resolution Plan in consortium. However, the financial



offer proposed by the prospective Resolution Applicants after several negotiations with the COC, were not accepted and the Resolution Plan submitted by the prospective Resolution Applicant was rejected with majority voting of 100% in the 8<sup>th</sup> COC meeting held by the RP.

6. In **K. Sashidhar vs. Indian Overseas Bank and Ors., AIR2019SC1329/MANU/SC/0189/2019** the Supreme Court held that "... *in the absence of any alternative resolution plan presented within the statutory period of 270 days, the inevitable sequel is to initiate liquidation process under Section 33 of the Code*". Hence the Adjudicating Authority has no other alternative other than to proceed with initiation of liquidation, as per the provisions under Chapter III read with Section 33[1][a] of the I & B Code.
7. In view of the above said, I hereby pass an order of liquidation of the Corporate Applicant, upon the following orders: -
  - a. Corporate Applicant, viz. **United Chloro-Paraffins Private Limited**, having its registered office at 32, Chowringhee Road, Om Tower Room No. 907, 9<sup>th</sup> Floor, Kolkata- 700071, in the State of West Bengal is **ordered to be liquidated**;
  - b. **Sri. S.V. Ramani** of Room No. 207, 227 AJC Bose Road, Kolkata- 700020, West Bengal having Email I.d. [ramanisv56@gmail.com](mailto:ramanisv56@gmail.com), having registration no. IBBI/IPA-002/IP-N00530/2017-18/11692 is appointed as liquidator in C.P. [IB] No. 898/KB/2018;
  - c. Liquidator is directed to issue a public announcement stating that the Corporate Applicant is in liquidation, in one of the leading English newspaper as well as in one vernacular newspaper having wide circulation where the registered office of the corporate applicant is situated as per Section 33[1][b][ii] of



- the I & B Code read with Reg. 12 [1] of IBBI [Liquidation Process] Regulations, 2016;
- d. The Registry is directed to communicate this order to the Registrar of Companies, West Bengal and to the Insolvency and Bankruptcy Board of India [IBBI], New Delhi;
  - e. The Order of Moratorium passed under Section 14 of the I & B Code, 2016 shall cease to have effect and a fresh moratorium under Section 33 [5] shall commence;
  - f. This order is deemed to be a notice of discharge to the officers, employees and the workmen of the Corporate Applicant as per Section 33 [7] of I & B Code;
  - g. The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of the I & B Code;
  - h. Upon proceeding with the liquidation the Liquidator shall file a **preliminary report** as per regulation 5 read with Reg.13 of the IBBI [Liquidation]Regulations, 2016 at the registry within 75 days from the liquidation commencement date and continue to file **progress reports** as per Reg.15[1] within 15 days after the end of the quarter in which he is appointed;
  - i. The fee payable to the Liquidator shall form part of the liquidation cost as provided under Reg. 4[1] of the IBBI [Liquidation Process] Regulations, 2016;
8. The copy of this order is to be sent to the Liquidator, RP and the Corporate Applicant by Speed Post as well as by email for information and for taking necessary steps.

9. Urgent photostat certified copy of this order, if applied for, be supplied to the parties, subject to compliance with all requisite formalities.

Sd  
19/7/2019

[Madan B. Gosavi]

Member [J]

Signed on this 19<sup>th</sup> day of July 2019.