



IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH (Court -I)  
KOLKATA

IA(IBC)(LIQ.)/11 (KB)2024  
in  
CP(IB)/213(KB)2022

*An Application Under section 33(1) of the Insolvency & Bankruptcy Code, 2016*

*In the matter of:*  
**Srei Equipment Finance Limited**

.... **Financial Creditor**

*Versus*

**Royal Infrasoftware Private Limited.**

.... **Corporate Debtor**

*And*

*In the matter of:*  
**Sandip Kumar Kejriwal,**  
RP of Royal Infrasoftware Private Limited

... **Applicant/IRP**

**Order pronounced on: 05/11/2024**

*Coram:*

**Mrs. Bidisha Banerjee,** : **Member (Judicial)**  
**Shri Balraj Joshi,** : **Member (Technical)**

*Appearances (through hybrid mode):*

For RP : Mr. Shaunak Mitra, Adv.  
Mr. Sandip Kr. Kejriwal, IRP

**ORDER**

*Per: Bidisha Banerjee, Member (Judicial)*

1. This Adjudicating Authority convened through hybrid mode.



2. IA(IBC)(LIQ.)/11 (KB)2024- is an application filed under section 33 of the Insolvency and Bankruptcy Code, 2016 (“IBC”) by the Resolution Professional (“RP”) of **Royal Infrasoftware Private Limited**, the Corporate Debtor, praying for initiation of liquidation process of the Corporate Debtor. This application is supported by an affidavit duly affirmed by the RP.

The Ld. Counsel appearing for the RP submits that :

3. This Adjudicating authority, on a petition filed u/s. 7 of the IBC read with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by Financial Creditor, *vide* order dated 10/11/2023 in CP (IB)/213(KB)2022, had ordered initiation of Corporate Insolvency Resolution Process (“CIRP”) against **Royal Infrasoftware Private Limited.**, the Corporate Debtor appointing Mr. Sandip Kumar Kejriwal, as the Interim Resolution Professional (“IRP”). The said order was duly communicated to the IRP by the Registry.
4. That pursuant to the order of this Adjudicating Authority, the applicant made a public Announcement in **Form-A** on dated 15/11/2023 as per the procedure laid down under Regulation 6 of the Insolvency and Bankruptcy Board of India ( Insolvency Resolution Process for Corporate persons) Regulations, 2016 inviting claims from the creditors of the Corporate Debtor. (**Annexure-B**).
5. That after collation of all the claims, as per provisions of the Section 18(1)(C) of the Code read with Regulations 13(2) (d) and Regulation 17(1) of the CIRP Regulations constituted the Committee of Creditors and thereby, filed a report certifying the Constitution of CoC before this Adjudicating Authority on dated 28/11/2023 (**Annexure-C**).
6. That the applicant convened the first meeting of Committee of Creditor on dated 4/12/2023.
7. In the said meeting, the IRP had proposed before the Members of CoC to be appointed as the RP . The members of CoC did not pass the resolution and IRP could not be appointed in the said meeting as the RP.



8. The applicant convened the Second Meeting of CoC on 08/03/2024. In the said meeting, the IRP had again proposed before the members of CoC to be appointed as the RP. The members of the CoC did not pass the resolution and hence couldn't be appointed in the said meeting as the RP. The following were the Resolutions proposed to be voted upon and status thereof:-

i. To confirm the appointment of the Interim Resolution Professional Mr. Sandeep Kumar Kejriwal, as RP .

ii. “RESOLVED THAT, Liquidation process be commenced against Royal Infrasoftware Private Limited.

Status : Approved

iii. “RESOLVED FURTHER THAT, Mr. Sandip Kumar Kejriwal, being the IRP in this matter, is hereby authorised to file an application with the NCLT, Kolkata Bench, praying for commencement of the Liquidation Process against the Royal Infrasoftware Private Limited.”

Status : Approved.

Above two Resolutions Approved by the CoC with 100% majority.

9. The IRP has filed an application under section 19(2) of the IBC , 2016 against the members of the suspended Board for non co-operation.

10. The member of suspended board has handed over the Audited Balance Sheet as at 31/03/2021. After repeatedly follows up, he was given the signed Trial Balance of CD upto 31/03/2023, where there is no productive assets in the CD. In absence of productive assets in the CD, CoC was of the opinion ( in the 2<sup>nd</sup> CoC meeting) to liquidate the CD immediately and passed the necessary resolutions. Therefore, the applicant is proceeding to file the Liquidation Application with this Tribunal.


11. It was resolved that the CD is to be liquidated and that the RP will make the

necessary application under section 33(2) of the IBC, 2016 for liquidation of the CD. The cost of drafting, filing and appearing in NCLT for this application will form part of the CIRP cost.

21. In the above facts, it is therefore prayed that the Corporate Debtor may be liquidated in accordance with Section 33(2) of the Insolvency and Bankruptcy Code, 2016 and the rules and Regulations framed thereunder.
22. In the above scenario, the applicant has filed the instant application being IA(IBC)(LIQ.)/11(KB)2024 under section 33(1) of the IBC seeking initiation of liquidation process against the Corporate Debtor.
12. Section 33(1)(a) of the Code mandates that the Adjudicating Authority shall pass an order of liquidation where no resolution plan is received before the expiry of the CIRP. Sub-section (2) thereof requires the Adjudicating Authority to pass the liquidation order where the Resolution Professional intimates to the Adjudicating Authority the decision of the Committee of Creditors approved by not less than 66% of the voting share to liquidate the Corporate Debtor.
23. A conjoint reading of these two provisions leaves this Adjudicating Authority with no other option but to order liquidation of the Corporate Debtor.
24. It be mentioned that the replacement of the liquidator is covered under section 34(4) of the Code, which provides as under:-
  - (4) *The Adjudicating Authority shall by order replace the resolution professional, if-*
    - a. *The resolution plan submitted by the resolution professional under section 30 was rejected for failure to meet the requirements mentioned in sub-section (2) of section 30; or*
    - b. *The Board recommends the replacement of a resolution professional to the Adjudicating Authority for reasons to be recorded [ in writing ;or]*

*c. The resolution professional fails to submit written consent under sub-section (1)*

25. We also note that the Circular No. Liq. 12011/214/2023-IBBI/840 dated 18/07/2023 as been issued by IBBI under the powers given to the Board under section 34(4)(b), whereby the Board in Para 3 of the said circular recommends that the liquidator be appointed from the penal list of IBBI.
26. This Bench, therefore, hereby orders as follows: -
- a. **IA(IBC)/11(KB)2024** filed by the RP/Applicant of Deccan Tradcom Private Limited, the Corporate Debtor, is **allowed**. Consequently, the Corporate Debtor is ordered to be liquidated in terms of section 33(2) of the Code read with sub-section (1) thereof;
28. In view of the circular cited above, we hereby appoint **Mr. Sriram Mittal, Regn. No. IBBI/IPA-001/IP-P-02276/2021-2022/13677** having e-mail ID [sriramittal.ey@gmail.com](mailto:srirammittal.ey@gmail.com), whose name appears at 16 of the IBBI Panel for Kolkata region, as Liquidator as provided under section 34(1) of the Code, subject, however, to his possessing a valid Authorisation for Assignment (AFA) issued by the Insolvency Professional Agency (IPA) of which he is a professional member, in terms of regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2019. The Liquidator is directed to submit his consent to act as Liquidator within 10 days of receipt of this order. The erstwhile RP shall handover all papers and documents in his possession concerning the Corporate Debtor to the Liquidator appointed in this matter within 10 days.
- a. The Liquidator shall initiate liquidation process as envisaged under Chapter-III of the Code and the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- b. Public Notice shall be issued in the same newspapers in which advertisements were issued earlier, i.e., in “Business Standard ” (English) and “Aajkal ” in Vernacular Language i.e. Bengali stating that the Corporate Debtor is



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in liquidation.

c. All the powers of the Board of Directors, and of key managerial persons, shall cease to exist in accordance with section 34(2) of the Code. All these powers shall henceforth vest in the Liquidator.

d. The personnel of the Corporate Debtor are directed to extend all assistance and co-operation to the Liquidator as required by in managing the liquidation process of the Corporate Debtor.

e. 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.

f. In accordance with section 33(7) of the Code, 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.

g. In terms of section 33(1)(b)(iii), the Liquidator shall file a copy of this Order with the Registrar of Companies, West Bengal, within whose jurisdiction the Corporate Debtor is registered. Additionally, the Registry shall also forward a copy of this Order to the Registrar of Companies, West Bengal.

29. The application bearing **IA(IBC)(LIQ.)/1 (KB)2024** shall stand **disposed of** in accordance with the above directions.

30. **CP(IB)/213(KB)2022** is to come up for filing of Periodical Progress Report on **15-01-2024**.

31. The Registry is directed to send e-mail copies of the order forthwith to all the

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parties, including the liquidator appointed as above, and their Ld. Counsel for information and for taking necessary steps.

32. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

**Balraj Joshi**  
**Member (Technical)**

**Bidisha Banerjee**  
**Member (Judicial)**

Signed on this, the 5<sup>th</sup> day of November, 2024.

PJ