IN THE NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH, CHENNAI

MA/696/2019
IN
CP/567/IB/2018

Application filed under sections 33(2) of the IBC, 2016

In the matter of M/s. SAS Autocom Engineers India Private Limited

Mr. Nagalingam Muthiah **...Applicant**
Resolution Professional
Representing Corporate Debtor
(M/s. SAS Autocom Engineers India Private Limited)

Order delivered on: 09.08.2019

CORAM:
B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)
ANIL KUMAR. B, MEMBER (TECHNICAL)

For the Applicant : *Shri. A.G Sathyanarayana, Advocate*
For Shri. Nagalingam Muthiah, RP

ORDER

Per: B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)

Heard and dictated in Open Court on 07.08.2019

It is an MA filed u/s 33(2) of the Insolvency & Bankruptcy Code, 2016 (**"the Code"**) by the Resolution Professional of M/s. SAS Autocom Engineers India Private Limited (Corporate Debtor) seeking liquidation of the Corporate Debtor based on the resolution dated 28.06.2019 passed by the CoC with sole Financial Creditor having voting share 100% at the COC meeting.

2. On perusal of the Company Petition, it is evident that this Company Petition was admitted on 05.10.2018 by appointing IRP, thereafter, on public announcement made on 13.10.2018, the IRP received claim from a Financial Creditor viz., Federal Bank for an amount of ₹12,97,48,376 and claims from Operational Creditors aggregating to ₹2,60,18,495 and claims from statutory authorities aggregating to ₹3,43,12,338. A claim of ₹2,09,000 has come from related parties. After collating all these claims, when two valuers appointed for giving valuation reports provided their valuation reports, the RP, on the reports given by the valuers, has determined the liquidation value as ₹2,88,66,000. Soon after preparation of Information Memorandum, when expression of interest (EoI) was issued on 06.05.2018, no resolution applicant having come forward with resolution plan, the CoC in its 5th meeting dated 28.06.2018 passed a resolution plan with 100% voting proposing liquidation of

the Company and also making recommendation to appoint RP as Liquidator.

3. When this Bench has asked the Counsel as to whether the Company is a running Company, he has stated that this Company has not been doing business for the last three years, therefore, CoC has not passed any resolution to consider it as going Concern.

4. In view of the submissions made by the Applicant's Counsel and by looking at the material placed before this Bench, we are of the view that this case is fit for liquidation, therefore this Bench hereby orders for **liquidation** with directions as follows:-

a) This Bench hereby orders the Corporate Debtor to be liquidated in the manner as laid down in the Chapter by issuing a public notice stating that the Corporate Debtor is in liquidation with a direction to the liquidator to send this order to ROC with which this company has been registered.

b) The Resolution professional viz Mr. Nagalingam Muthiah is hereby appointed to act as Liquidator for the purpose of liquidation of the corporate debtor, therefore all powers of the board of directors, Key managerial personnel and partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be hereby vested in the liquidator. The Personnel of the Corporate Debtor are directed to extend all co-operations to the liquidator as may be required in managing the affairs of the Corporate Debtor. The Insolvency Professional appointed as liquidator will charge fees for conduct of the liquidation proceedings in proportion to the value of the liquidation estate assets as specified under regulation 4 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and the same shall be paid to the Liquidator from the proceeds of the liquidation estate under section 53 of the Code.

c) Since this liquidation order has been passed, no suit or other legal proceedings shall be instituted by or against the Corporate debtor without prior approval of this

Adjudicating Authority save and except as mentioned in sub-section 6 of section 33 of the Code.

d) This liquidation order shall be deemed to be notice of discharge to the officers, employees and workmen of the Corporate Debtor except to extent of the business of the Corporate Debtor is continued during the liquidation process by the Liquidator.

e) The liquidator is directed to carry the functions of the Liquidator as envisaged under the Insolvency and Bankruptcy Code, 2016 and also Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

7. Accordingly, this **MA/696/2019 filed in CP/567/IB/2018** is hereby **allowed.**

(ANIL KUMAR. B)
MEMBER (Technical)

(B. S.V. PRAKASH KUMAR)
MEMBER (Judicial)

GHK/TJS