



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

**IA (IBC)/462/KOB/2023
IN
CP(IBC)/46/KOB/2022**

*(Under Section 33(1)(a) and 60(5)(C) of the Insolvency and
Bankruptcy Code, 2016 read with Rule 11 of NCLT Rules
2016, 2013)*

In the matter of Green Gateway Leisure Limited:

Mr Rajmohan R,
Resolution Professional of M/s. Green Gateway
Leisure Limited, Corporate Debtor
(IP Reg No. IBBI/IPA-001/IP-P-02331/2020-
2021/13517)
1st Floor, New Corporation Building,
Palayam P O, Thiruvananthapuram,
Kerala – 695033, India

...RP/ Applicant

Order delivered on: 24.11.2023

Coram:

Hon'ble Member (Judicial) : TMT. (Retd.) Justice T Krishna Valli
Hon'ble Member (Technical) : Shri. Shyam Babu Gautam

Appearances:

For the Applicant : Mr. Sankar P Panicker, Adv.



ORDER

Per: Shyam Babu Gautam, Member (T)

1. The present application is filed by Mr. Rajmohan R, Resolution Professional (hereinafter referred to as "RP") of M/s Green Gateway Leisure Limited (hereinafter referred to as "Corporate Debtor") under Section 33(1)(a) and 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 and Rule 11 of NCLT Rules, 2016 for passing an order of liquidation of the Corporate Debtor.
2. The facts as narrated in the application and explained by the Learned counsel for the applicant/RP summarised hereunder:
 - i. The Financial Creditor, Union Bank of India had filed an application under Section 7 of the Code for initiation of Corporate Insolvency Resolution Process (hereinafter referred to as the 'CIRP'), against the Corporate Debtor, which was admitted vide order dated 25.01.2023 and Mr Rajmohan R was appointed as the Interim Resolution Professional (IRP) and thereafter as per order in IA(IBC)231/KOB/2023 dated 22.06.2023, IRP was again appointed as the RP of the corporate debtor.
 - ii. It is stated that the corporate debtor was functioning in the leasehold property owned by Bekal Resorts Development Corporation Limited (hereinafter referred to as "BRDCL") for a period of 30 years. However, due to a default in payment of the lease rent, BRDCL cancelled the lease agreement on



30/03/2022. Without the land, there was no prospect for the resolution of the Insolvency of the CD and hence Committee of Creditors (CoC) in its 4th meeting held on 11/07/2023 had decided to seek permission to extend the CIRP by 90 days for mediation/ negotiation with the BRDC'L for renewal/reinstatement of the extension of the lease of the Land given to the CD. Accordingly, this Tribunal extended CIRP by 90 days from 26/07/2023 to 25/10/2023 as per order in IA(IBC)/294/KOB/2023 dated 27.07.2023. However, BRDCL was not interested in renewal/ reinstatement of the lease and it was observed that there was no chance for the revival of the CD.

- iii. Additionally, the CoC observed that since the lease of the property could not be renewed/reinstated, there could not be any resolution of the Insolvency of the CD. As a result, no Expression of Interest was issued throughout the Corporate Insolvency Resolution Process (CIRP). Consequently, there was no resolution for the insolvency of the corporate debtor during the CIRP period, which ended on 25/10/2023.
- iv. The parent company of CD Viz., Air Travel Enterprises India Ltd("ATE") submitted a letter on 20/10/2023 expressing their willingness to submit an expression of interest for the revival of the CD. The said matter was discussed in the 7th meeting of the CoC held on 21/10/2023 and the CoC was of the opinion that the request from ATE, could not be yielded



due to three reasons viz.: (1) the Union Bank has already filed an application u/s 7 of IBC against ATE (CP(IBC)/33/KOB/2023), (2) non-availability of financials for arriving at the net worth of ATE, and (3) the account of ATE is currently classified as NPA with one of the members of the CoC viz. Dhan Laxmi Bank

- v. It is stated that the CoC in its 7th meeting held on 21/10/2023 has unanimously with 100% voting rights decided to recommend ordering the company for Liquidation and stated that the above RP has given consent to act as Liquidator. The estimated cost of Liquidation other than the fees of the Liquidator is estimated as Rs 6 lakhs for the first 12 months.
- vi. A copy of the minutes of the 7th CoC meeting along with voting results which forms Annexure II to the application.

- 3. 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-justifiable. In this case, it is seen that CoC with a 100% majority has passed the resolution seeking liquidation of the Corporate Debtor.
- 4. Moreover, Section 33(1)(a) of the Insolvency and Bankruptcy Code, 2016 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



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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.

5. We have heard the Learned Counsel for the applicant and perused the materials available on record. On 21/10/2023, the 7th meeting of the CoC in its commercial wisdom has decided unanimously to liquidate the Corporate Debtor by 100% voting as given under Section 33(2) of the IBC, 2016, we are of the opinion that the decision of the CoC should not be interfered with.
6. In the result, M/s. Green Gateway Leisure Limited, Corporate Debtor is ordered to be liquidated.
7. The CoC also passed the resolution to appoint the present RP/Applicant Mr. Rajmohan R, to act as liquidator of the CD during the liquidation process. However, as per IBBI vide its circular number Liq-12011/214/2023-IBBI/840 dated 18/07/2023 in the 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.
8. In terms of the above circular of IBBI, we hereby appoint **Mr Lukose Joseph, having his office at 34/1891E Anand Tower, Mamangalam P O, Palarivattom, Near Metro Pillar No.492, Ernakulam, Kerala, 682025 with registration IBBI/IPA-001/IP-P-02224/2021-2022/13591 and email id is lukoseja@yahoo.in,**



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as the Liquidator of the Corporate Debtor, M/s. Green Gateway Leisure Limited. The Liquidator is directed to submit his consent to act as Liquidator within 10 days of receipt of this order.

9. The present Resolution Professional is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed liquidator forthwith.
10. The Liquidator is directed to forthwith take into his custody all the assets, properties, and actionable claims of the corporate debtor and take necessary steps to ensure the preservation, protection security and maintenance of those properties as provided under section 35(1)(b) & (d) of IBC 2016.
11. The Liquidator is directed to adhere to Section 33(1) (ii) & (iii) and discharge his powers and duties as specified under Section 35 to 41 of IBC, 2016 and meticulously adhere to the Rules and Regulations issued by IBBI in this regard from time to time.
12. Public Notice as contemplated under section 33(1) of the Code shall be issued in one morning, English daily and in one-morning regional language newspapers.
13. All the powers of the Board of Directors of the Corporate Debtor and of its key managerial personnel, shall cease to exist in accordance with Section 34 (2) of the Code. These powers shall henceforth vest in the Liquidator. The personnel of the Corporate Debtor shall extend all assistance and cooperation to the Liquidator



as may be required by him in the Liquidation process of the Corporate Debtor.

14. 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 a 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.
15. 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.
16. In terms of Section 33(1) (b) (iii), the Liquidator shall file a copy of this Order with the Registrar of Companies, Kerala, within whose jurisdiction the Corporate Debtor is registered.
17. The fee of the Liquidator is to be determined as provided under Regulation 4 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation 2016.
18. As per Regulation 13 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016, the liquidator shall submit a preliminary report to the Adjudicating Authority within 75



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days from the liquidation commencement date providing various details/information as mentioned in the said regulation.

19. The Registry is directed to send e-mail copies of the order to the party and their learned counsel for information and to take necessary steps.
20. A Certified Copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

**SHYAM BABU
GAUTAM** Digitally signed by
SHYAM BABU GAUTAM
Date: 2023.11.24
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**Shyam Babu Gautam
Member (Technical)**

**T.KRISHNAV
ALLI** Digitally signed by
T.KRISHNAVALLI
Date: 2023.11.24
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**T Krishna Valli
Member (Judicial)**

Signed on this the 24th day of November, 2023

Krishna.