

**IN THE NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH, CHENNAI**

**MA/689/2019
in
CP/1140/IB/CB/2018**

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

In the matter of **M/s. Sri Lakshmi Hotels Private Limited**

Mr. P. Sriram
Resolution Professional
Representing Corporate Debtor
(M/s. Sri Lakshmi Hotels Private Limited) ...Applicant

Order delivered on: 17.07.2019

**CORAM:
CH.MOHD SHAI EF TARIQ, MEMBER (JUDICIAL)**

*For the Applicant: Mr. P. Sriram, Resolution Professional
Mr. S. Sathiyarayanan, Advocate*

**ORDER
Per: CH.MOHD SHAI EF TARIQ, MEMBER (JUDICIAL)**

1. The MA is filed u/s 33(2) of the Insolvency & Bankruptcy Code, 2016 ("**the Code**") by the Resolution Professional of M/s. **Sri Lakshmi Hotels Private Limited** (Corporate Debtor) seeking liquidation of the Corporate Debtor based on the resolution passed by the CoC in its 4th CoC meeting held on 21.06.2019, and the CIRP will get completed on 27.08.2019.

2. On perusal of the Application, it appears that this case was admitted on 28.02.2019 and the Applicant was appointed as IRP. Thereafter, the Applicant was appointed as RP in the 1st meeting of CoC held on 26.03.2019. The RP has received claims of ₹ 7,48,33,680 from the Financial Creditor namely Shriram City Union Finance Limited with 100% voting rights and other creditors namely Income Tax- ₹ 48,39,540 and Central Excise (Service Tax)- ₹ 12,44,576. Thereafter, the RP appointed two Registered Valuers to value the assets of the Corporate Debtor. On valuation given by the Valuers, the RP had determined the liquidation value and subsequent thereto an Expression of Interest (EOI) was given in the newspapers **“The New Indian Express” & “Dinamani”** on 24.05.2019 based on the Information Memorandum prepared by the RP. Since no Resolution Applicant came forward with Resolution Plan till the last date i.e. 07.06.2019, the CoC passed the resolution recommending the liquidation of the Corporate Debtor in its 4th meeting of the CoC held on 21.06.2019 and the Applicant is proposed for appointment as Liquidator of the Corporate Debtor.

ORDER

3. In view of the facts and circumstances recorded by Resolution Professional in MA/689/2019 filed in CP/1140/IB/2018 and in exercise of powers conferred under Sub-Clauses (i) (ii) and (iii) of Clause (a) of Sub-Section (1) of Section 33 of the I&B Code, 2016, this Authority proceeds to pass Liquidation Order as follow:-

- I. This Authority hereby orders for liquidation of the Corporate Debtor viz., **M/s. Sri Lakshmi Hotels Private Limited**, which shall be conducted in the manner as laid down in Chapter III of part II of the I&B Code, 2016;
- II. This Authority appoints the Resolution Professional **Mr. P. Sriram** as Company Liquidator, who shall issues a public announcement stating therein that the Corporate Debtor is in liquidation;
- III. The moratorium declared under Section 14 of the I&B Code, 2016, shall cease to have effect from the date of the order of liquidation;

- IV. Subject to Section 52 of the I&B Code, 2016, no suit or other legal proceedings shall be instituted by/or against the Corporate Debtor. However, a suit and other legal proceedings may be instituted by the Liquidator, on behalf of the Corporate Debtor, with the prior approval of this Authority.
- V. This Authority makes it clear that Para (IV) hereinabove shall not apply to legal proceedings in relation to such transactions as notified by the Central Government in consultation with any financial sector regulator.
- VI. This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the liquidation process by the Liquidator.
- VII. All the powers of the Board of Directors, Key Managerial Personnel and the Partners of the Corporate Debtor, as the case may be, shall cease

to have effect and shall be vested with the Company Liquidator viz., **Mr. P. Sriram**. In addition to this the Company Liquidator shall exercise the powers and duties as enumerated in Sections 35 to 50, 52 to 54 of the I&B Code, 2016, r/w Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

- VIII. The personnel of the Corporate Debtor shall extend all assistance and co-operation to the Liquidator as may be required by him in managing the affairs of the Corporate Debtor.
- IX. The Company Liquidator shall be entitled to charge such fees for the conduct of the liquidation proceedings and in such a proportion to the value of the liquidation estate assets as specified under Regulation 4 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- X. Registry is directed to communicate this order with immediate effect to the concerned Registrar

of Companies, RD, OL, Registered Office of the
Corporate Debtor and Company Liquidator viz.,
Mr. P. Sriram, for information and compliance.

4. In terms of the above, **MA/689/2019** filed in
CP/1140/IB/CB/2018 by the Resolution Professional under
Section 33(2) of the I&B Code, 2016, for initiation of the
Liquidation Proceedings against the Corporate Debtor viz.,
M/s. Sri Lakshmi Hotels Private Limited is allowed.

5. Order is pronounced in the open Court

-SD-
(CH.MOHD SHAI EF TARIQ)
MEMBER (Judicial)

TJS/VS