

NATIONAL COMPANY LAW TRIBUNAL
COURT No. – I, MUMBAI BENCH

*** **

IA No. 1802/2020
in
CP (IB) No. 1523/MB/2019

Standard Chartered Bank Limited
V/s
K K Welding Ltd.

*** **

Dated 7th January, 2021

ORDER

The matter is taken up on VC. The mentioning praecipe as filed by the Counsel for the Petitioner is taken on record. The praecipe is for hearing of the IA. Heard on the praecipe. It is allowed. The Application is filed by the Resolution Professional for the Liquidation of the Corporate Debtor under Section 33 of the Code. It is submitted that the Corporate Debtor came under CIRP by an order of this Bench on 28/09/2019. The CIR Process of the Corporate Debtor was duly carried out. But no Expression of Interest (EoI) has been received. The CoC accordingly in its meeting held on 03/09/2020 passed the Resolution for the liquidation of the Corporate Debtor. The same is extracted below:

“RESOLVED THAT pursuant to Section 33 (2) of the Insolvency and Bankruptcy Code, 2016, and any other applicable provisions of the Code and its Regulations, consent of members of CoC be and is hereby accorded to approve the Liquidation of the Corporate Debtor.

“RESOLVED FURTHER THAT Resolution Professional be and is hereby authorized to apply to Hon'ble Adjudicating Authority for getting the order of liquidation.

“RESOLVED FURTHER THAT the Resolution Professional be and is hereby authorized to take such steps as may be necessary, in relation to the above, to the extent required and to settle all matters arising out of and incidental thereto sign and execute all applications, documents and writings that may be required and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effects to the aforesaid resolution.”



“RESOLVED THAT pursuant to section 34(1) of the Insolvency and Bankruptcy Code, 2016 and any other applicable provisions, consent of the members of Committee of Creditors be and hereby accorded to appoint Mr. Anil Rajkotia an Insolvency Professional (IBBI Registration No. 1BBI/IPA-001/IP-P01045/2017-18/11718) as a Liquidator on remuneration as per Regulation 4 (b) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.”

“RESOLVED FURTHER THAT the Resolution Professional be and is hereby authorized to take such steps as may be necessary, in relation to the above, to the extent required and to settle all matters arising out of and incidental thereto sign and execute all applications, documents and writings that may be required and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effects to the aforesaid resolution.”

It is submitted that CoC has passed another Resolution for the payment of the Liquidator and the same is extracted below: -

“RESOLVED THAT pursuant to section 34(1) of the Insolvency and Bankruptcy Code, 2016 and any other applicable provisions, consent of the members of Committee of Creditors be and hereby accorded to appoint Mr. J. L. Jain an Insolvency Professional (IBBI Registration No. 1BBI/IPA-001/IP-P01792/2019-32/12845 as Liquidator on remuneration of a monthly fee of Rs. 1,00,000 per month plus GST and out of pocket expenses (at actuals) or as per liquidation table as provided under Regulation 4 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 whichever is higher.

“RESOLVED FURTHER THAT the Resolution Professional be and is hereby authorized to take such steps as may be necessary, in relation to the above, to the extent required and to settle all matters arising out of and incidental thereto sign and execute all applications, documents and writings that may be required and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effects to the aforesaid resolution.”

It is submitted that the Proposed Liquidator has given his consent in Form - 2 attached at page No. 470 of Vol.2 of the Application.

On hearing the submissions made by the Counsel for the Applicant and on going through the pleadings this Bench feels that this Application is in consonance with Section 33 (2) of the Code and accordingly the Liquidation is ordered.



- a) The Corporate Debtor i.e. K K Welding Limited shall be liquidated in the manner as laid down in Chapter-III of the Code.
- b) Mr. Jayantilal Jain, an Insolvency Professional (IBBI Registration No. 1BBI/IPA-001/IP-P01792/2019-32/12845 is appointed as the Liquidator.
- c) He shall issue public announcement stating that Corporate Debtor is in liquidation.
- d) The Moratorium declared under Section 14 of the IBC 2016 shall cease to operate here from.
- e) Subject to section 52 of the IBC 2016 no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. This shall however not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- f) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.
- g) The liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- h) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.
- i) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
- j) 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.



- k) Copy of the Order shall be furnished to the IBBI, to the Regional Director (Western Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Maharashtra, the Registered Office of the Corporate Debtor; and the Liquidator.

It is submitted by the Ld. Counsel for the Resolution Professional (Applicant) that IA No. 1514 of 2020, IA No. 1517 of 2020 and IA No. 1586 of 2020 came on board on 07/12/2020 but the next date of hearing has not been given. Let the matters be listed on 03/02/2021 for hearing.

SD/-

V. NALLASENAPATHY
Member (Technical)

Steno: - Vedant Kedare

Certified True Copy
Copy Issued "free of cost"
On 27/01/2021


Joint Registrar

National Company Law Tribunal Mumbai Bench

SD/-

JANAB MOHAMMED AJMAL
Member (Judicial)

