

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT II**

IA. No. 3689/2023

**In
CP(IB)No. 446/MB/C-II/2020**

*Application filed under section 33(2) Insolvency and
Bankruptcy Code, 2016 and Rule 11 of the National
Company Law Tribunal Rules, 2016.*

Mr. Naren Sheth, RP of

Vindhyavasini Steel Corporation Private Limited.

...Applicant

In the matter of

State Bank of India.

...Financial Creditor

V/s

**Vindhyavasini Steel Corporation Private
Limited.**

...Corporate Debtor

Order Pronounced on :- 20.02.2024

Coram:

Anil Raj Chellan : Kuldip Kumar Kareer

Member Technical : Member Judicial

Appearances :-

For the Applicant

:- Adv. Vaibhav Kamble

ORDER

Per : Coram

1. It is an application filed u/s 33(2) of the Insolvency and Bankruptcy Code, 2016 (“Code”) by Mr. Naren Sheth, Resolution Professional (RP) of Vindhyavasini Steel Corporation Private Limited (the “Corporate Debtor”) seeking liquidation order based on the resolution passed by the CoC **in its 3th meeting held on 05.06.2023.**
2. On perusal of this application, it emerges that CP No. (IB)-446 (MB)/2020 was admitted by this Tribunal on 20.01.2023 and Mr. Naren Sheth, the Applicant herein was appointed as Interim Resolution Professional (IRP). The IRP in compliance with section 13, 15 and other applicable sections of the Code, published Form A issuing public announcement inviting claims from the Creditors of the Corporate Debtor and the same was published in two newspapers namely Active Times (English language) and Mumbai Lakshadeep (Marathi language) on 26.01.2023.

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3. Pursuant to the said public announcement, the IRP received claims from the Creditors of the Corporate Debtor and constituted Committee of Creditors (CoC) with one Financial Creditor (State Bank of India) The first CoC meeting was convened on 20.02.2023. The IRP discussed the list of claims received and also informed that the State Bank of India had auctioned the Plant and Machinery from factory premises and also the expenses incurred by the IRP. In the said meeting, the members of the CoC resolved to appoint the IRP as the Resolution Professional (RP).
4. In the 2nd CoC meeting held on 14.03.2023, approval of Expression of Interest was received and the same was published in two newspapers namely Active Times (English language) and Mumbai Lakshadeep (Marathi language) on 05.04.2023.
5. In the 3rd CoC meeting held on 05.06.2023, as there were no prospects of receipt of any EoI or Resolution Plan no Resolution Plan was received and also there did not exist any assets in the name of the Corporate Debtor and also as no operations were being carried on by the Corporate Debtor nor any recovery had been made from the Debtors of the Corporate Debtor, there were no prospects of receipt of any EoI or Resolution Plan, the CoC with 100% voting in favour decided to initiate the liquidation proceedings against the Corporate Debtor.

6. The relevant extracts of the resolution passed in 3rd CoC meeting held on 05.06.2023 is as follows:

“RESOLVED THAT Pursuant to the provisions of Section 33(2) of the Insolvency and Bankruptcy Code, 2016, the approval of Committee of Creditors of Vindhyavasini Steel Corporation Private Limited be and is hereby accorded to liquidate the Corporate Debtor.

Appointment of liquidator:

“RESOLVED THAT Pursuant to Section 34(1) of the Insolvency and Bankruptcy Code, read with Regulation 3 of IBBI (Liquidation Process) Regulations 2016, and subject to approval of the Adjudicating Authority, consent of Committee of Creditors be and is hereby accorded for appointment of Mr. Naren Sheth having Registration No. IBBI/IPA-001/IP-P-00133/2017-2018/10275 as Liquidator to carry out the liquidation process of Corporate Debtor.”

7. Taking into consideration the facts and circumstances and averments made in the Application, we are of the considered opinion that this is a fit case for liquidation. Therefore, we hereby order the liquidation of the Corporate Debtor in the following terms:

- a. The **Mr. Naren Sheth**, holding **Registration No. IBBI/IPA-001/IP-P-00133/2017-2018/10275**, is appointed as the Liquidator in terms of Section 34 of the Code;

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- b. Registry is directed to communicate this Order to the Registrar of Companies, Mumbai and to the Insolvency and Bankruptcy Board of India;
- c. The Order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and a fresh Moratorium under Section 33(5) of the Insolvency and Bankruptcy Code shall commence;
- d. This order shall be deemed to be a notice of discharge to the officers, employees and the workmen of the corporate debtor as per Section 33(7) of the Insolvency and Bankruptcy Code, 2016;
- e. The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016 and in accordance with the relevant rules and regulations.
- f. The Liquidator shall follow up and continue to investigate the financial affairs of the Corporate Debtor in accordance with provisions of Section 35(1) of the Code.
- g. The liquidator shall also follow up the pending applications for their

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disposal during the process of liquidation including initiation of steps for recovery of dues of the Corporate Debtor if any as per law.

- h. The Liquidator shall submit a Preliminary Report to the Adjudicating Authority within seventy-five days from the liquidation commencement date as per Regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016;
- i. Copy of this order be sent to the financial creditors, corporate debtor, the Liquidator for taking necessary steps.

8. The **IA-3689/2023** filed by the RP for Liquidation of the Corporate Debtor stands **allowed accordingly in aforesaid terms.**

Sd/-

ANIL RAJ CHELLAN
(MEMBER TECHNICAL)

Sd/-

KULDIP KUMAR KAREER
(MEMBER JUDICIAL)