



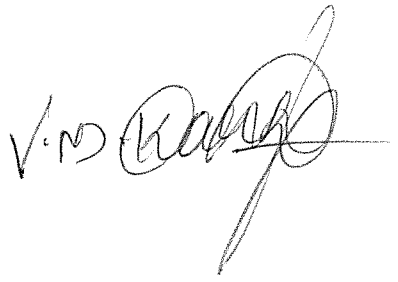
NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH  
CHENNAI

31(b)

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI BENCH, CHENNAI  
NATIONAL COMPANY LAW TRIBUNAL, HELD AT 10.30 AM ON 12/02/2019

PRESENT: SHRI B.S.V.PRAKASH KUMAR, MEMBER-JUDICIAL  
SHRI S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)

APPLICATION NUMBER : MA/604/2018  
PETITION NUMBER : CP/612/IB/2017  
NAME OF THE PETITIONER : P.ESWARAMOORTHY(RP)  
NAME OF THE RESPONDENTS : SENTHIL PAPERS & BOARDS PVT LTD  
UNDER SECTION : 33(2)

S.No.	Name (in Capital)	Represented by	Signature
1.	P. Eswaramoorthy	RP	
2.	Ramawamy Meyyappan	Counsel for IOB & TMB	
3.	V.M. Karthick for Ramalingam & Associates Lead by E.M. PRAKASH Senior Counsel	Counsel for SBI	

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

**MA/604/2018  
In  
CP/612/IB/2017**

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

**In the matter of M/s. Senthil Papers and Boards Private Limited**

Shri. P. Eswaramoorthy .....Applicant  
Resolution Professional  
Representing Corporate Debtor  
(M/s. Senthil Papers and Boards Private Limited)

**Order delivered on: 14.02.2019**

**Coram:**

**B. S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)  
S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)**

For the Applicant: *Mr. P. Eswaramoorthy, RP*

**ORDER**

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

**Heard and Pronounced on: 12.02.2019**

It is an MA filed u/s 33(2) of the Insolvency & Bankruptcy Code, 2016 ("the Code") by the Resolution Professional (RP) basing on the resolution passed by the CoC on 01.11.2018.

2. When we have gone through this MA, we have observed that the RP appointed in this case collated and then verified the claims received from

various creditors, then received two valuation reports from the valuers appointed in this CIRP period, and then decided the liquidation value of the corporate debtor as ₹196 crores. Simultaneously, the RP from time to time held CoC meetings, In the CIRP period, the RP prepared Information Memorandum, in furtherance of which, and the Expression of Interest was invited from the various Resolution Applicants. When the RP placed two Resolution Plans received by him before the CoC, it has categorically rejected two applications, one on the ground that the applicant being Promoters of the Company fallen u/s 29(A)(c) & (h) of the Code, and another on the ground that the other Resolution Plan is commercially not viable because the value of the Resolution Plan is much less than the liquidation value arrived at.

3. In view of the reasons aforementioned, the CoC consciously passed a resolution on 01.11.2018 proposing liquidation of the Corporate Debtor and this Bench being satisfied that the RP and the CoC made all their efforts for restructuring of the Corporate Debtor, despite their efforts, no Resolution Plan viable enough has emerged to consider resolution is better than liquidation, the CoC passed this resolution suggesting for liquidation under section 33 (1) of the Code, we hereby hold that to avoid diminution of the value of the corporate debtor, it is essential to order for liquidation.


4. Since the Resolution Professional as well as CoC having stated that one of the units of the Corporate Debtor being a going-concern, the Resolution Professional has prayed this Bench for a direction to sell that unit as going concern, since such prayer is justifying for realisation of better value of the company and for the concern of the workmen of the company, we hereby direct the liquidator to sell it as going concern.
5. This Bench on being satisfied that no Resolution Plan has been approved by the CoC within the CIRP period, looking at the resolution passed by the CoC on 01.11.2018, 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 under which this company has been registered.
  - b. The Professional Applicant/Resolution professional continues as the Liquidator, Mr. P. Eswaramoorthy.
  - c. Mr. P. Eswaramoorthy is hereby directed 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

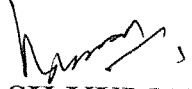
the Corporate Debtor shall cease to have effect and shall be hereby vested in the liquidator. The Personnel of the Corporate Debtor are directed to extend all co-operations to the liquidator as may be required by him in managing the affairs of the Corporate Debtor. The Insolvency Professional appointed 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.

- d. 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 as mentioned in sub-section 6 of section 33 of the Code.
- e. 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 by the Liquidator.

f. 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.

6. Accordingly, this MA/604/2018 in CP/612/IB/CB/2017 is hereby **allowed**.

  
(S. VIJAYARAGHAVAN)  
MEMBER (Technical)

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