

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT II

IA 784 of 2021

In

CP (IB) 1005/MB/C-II/2019

Under Section 33(1)(a) r/w Section 60(5) of the Insolvency and Bankruptcy Code, 2016 and Rule 11 of the National Company Law Tribunal Rules, 2016.

*In the Application of*

**Mr. Avil Menezes**

Address: 416, Crystal Paradise CHS,  
Dattaji Salvi Marg, above Pizza  
Express, off Veera Desai Road,  
Andheri West, Mumbai – 400053.

**...Applicant/Resolution  
Professional**

*In the matter of*

**Indian Overseas Bank**

**...Financial Creditor**

Versus

**Varron Autokast Limited**

**...Corporate Debtor**

Order Delivered on 23.12.2021

*Coram:*

**Shri Bhaskara Pantula Mohan : Member (Judicial)**

**Shri Shyam Babu Gautam : Member (Technical)**



*Appearance:*

**For the Applicant**

**: Mr. Aniruth Purusothaman, Advocate**

**For the Resolution Professional: Mr. Peter Kezhake, Advocate**

**ORDER**

*Per: Bhaskara Pantula Mohan, Member Judicial*

1. The present application is filed by the Resolution Professional upon the instructions of the Committee of Creditors (CoC) seeking liquidation of the Corporate Debtor, *viz.*, Varron Autokast Limited, on the ground that there is no possibility for resolution of the Corporate Debtor.
2. This Adjudicating Authority, *vide* its order dated 13.12.2019 on a Petition filed by ICICI Bank Limited (*Financial Creditor*) under section 7 of the Insolvency and Bankruptcy Code, 2016 (*the Code*), directed initiation of the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor and appointed Mr. Avil Menezes as the Interim Resolution Professional (IRP) of the Corporate Debtor.
3. The Applicant constituted the CoC on 04.01.2020 and submitted the first list of creditors. A public announcement



was published in Hitvada and Loksatta newspapers inviting the claims from the creditors on 17.12.2019.

4. The 1<sup>st</sup> meeting of the CoC was held on 13.01.2020 in the said meeting the IRP was appointed as the Resolution Professional (RP).
5. The 2<sup>nd</sup> CoC meeting was held on 03.02.2020 wherein the Applicant apprised the members of the CoC regarding appointment of the Registered Valuers and Transaction Auditors. The Applicant also apprised the members of the CoC regarding opening of a new Bank Account for the Corporate Debtor in ICICI Bank.
6. The summary of the Fair Value and Liquidation Value given by the Registered Valuers of the Corporate Debtor is as under :-

Sr. No.	Fair Value	Liquidation Value
Registered Valuer 1	65,41,17,917	48,24,47,400
Registered Valuer 2	65,40,92,613	48,88,53,802
Average Value	65,41,05,265	48,56,50,601

7. The Applicant issued a public announcement for Expression of Interest (EOI) in Form-G in Business Standard, Loksatta, Hitvada and Financial Express



newspapers on various dates which are mentioned hereinbelow:-

Sr. No.	Date of Publication of Form - G	Last date of Submission of EOI
1.	08.02.2020	23.04.2020
2.	14.03.2020	13.05.2020
3.	30.03.2020	02.06.2020
4.	19.04.2020	25.05.2020
5.	11.05.2020	08.07.2020
6.	25.05.2020	22.07.2020
7.	09.06.2020	16.09.2020
8.	09.07.2020	17.10.2020
9.	27.11.2020	18.02.2021

8. The Applicant submits that the 3<sup>rd</sup> oC meeting held on 11.03.2020, wherein the Applicant apprised the members of the CoC on finalization of the Evaluation Matrix and Request for Resolution Plan.
9. In the 4<sup>th</sup> CoC meeting held on 09.06.2020, the Applicant apprised the members of the CoC last date of the completion of the CIRP of the Corporate Debtor Company was 18.09.2020 as due to covid-19 pandemic the period between 23.03.2020 to 30.06.2020 was excluded in calculating the period for completion of the CIRP of the Corporate Debtor.



10. The Applicant submits that in the 5<sup>th</sup> CoC meeting held on 08.07.2020, the Applicant informed the members of the CoC with respect to the EOI received from KIJ Resources Limited. The Applicant further submits that the timeline for submitting the EOI was extended till 07.08.2020.
11. The Applicant submits that in the 6<sup>th</sup> CoC meeting held on 11.08.2020, the Applicant informed the CoC regarding the Payment of Rent for machines at Laxmi Engineering Works, Nagpur.
12. Further in the 7<sup>th</sup> CoC meeting held on 03.10.2020, the Applicant updated the members of the CoC regarding the valuation and the transaction audit conducted by the Valuers and Transaction Auditors respectively. The Applicant also apprised the members of the CoC the list of Provisional Resolution Applicants was issued on 17.08.2020 and the final list of Prospective Resolution Applicant was issued on 01.09.2020 and the last date for submission of the Resolution Plan was 21.09.2020. the Applicant had discussions with KLJ to understand their interest in the Corporate Debtor Company since EOI was received from them prior to the covid-19 pandemic. The Applicant states that no communication was received from KLJ and also the Applicant had not received any resolution plans within the timelines.
13. The Applicant submits that in the 8<sup>th</sup> CoC meeting held on 17.10,2020, the Applicant gave an update to the

