

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI**

**Comp. App. (AT) (Insolvency) No. 754 of 2020**

**IN THE MATTER OF:**

**Committee of Creditors  
Represented by IDBI Bank Ltd.**

**... Appellant**

**Versus**

**V Venkata Sivakumar & Anr.**

**...Respondents**

**Present:**

**For Appellant : Mr. S. Sathyanarayanan, , Advocate**

**For Respondents : Mr. V. Venkata Sivakumar, Liquidator**

**O R D E R**

**(Through Virtual Mode)**

**07.09.2020** The impugned order passed by the Adjudicating Authority (National Company Law Tribunal), Special Bench, Chennai has sent the Corporate Debtor into 'Liquidation' after declining to extend the period of 'corporate insolvency resolution process' beyond the maximum prescribed period of 330 days which is inclusive of judicial intervention period. It transpires from the record that prayer for extension of time beyond 330 days emanating from the Resolution Professional had been supported by the 'Committee of Creditors' but the Adjudicating Authority did not find any exceptional circumstances warranting such extension in view of the dictum of the Hon'ble Apex Court in '**Committee of Creditors of Essar Steel India Limited vs. Satish Kumar Gupta & Ors.** – (2019) SCC Online SC 1478'.

After hearing the learned counsel for the parties and wading through the record we are of the considered opinion, in the given circumstances, that the Adjudicating Authority has adopted the right approach and no fault can be found with the impugned order on that score.

Insofar as the appointment of 'Liquidator' is concerned, the learned counsel for the Appellant submits that Shri V. Venkata Sivakumar was

appointed as 'Liquidator' in terms of the impugned order to carry out the liquidation process though he did not have any authorisation in terms of Regulation 7-A of 'Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016. Shri V. Venkata Sivakumar submits that he was the 'Resolution Professional' in the 'CIRP' process and when the Corporate Debtor was sent into 'Liquidation', he was confirmed as 'Liquidator'.

Having heard the learned counsel for the parties, we are of the considered opinion that if there be any irregularity in appointment/confirmation of Respondent No. 1 as 'Liquidator' for not having a valid authorisation for assignment on the date of such acceptance or commencement of such assignment within the purview of Regulation 7-A of the aforesaid Regulations, that does not adversely affect and render the order of liquidation passed by the Adjudicating Authority illegal or invalid. If there is any irregularity, as contended by the learned counsel for the Appellant, he shall be at liberty to bring it to the notice of the Adjudicating Authority who may have a re-look at the appointment of 'Liquidator' so far as the authorisation of Respondent No. 1 is concerned and pass appropriate order.

The appeal is accordingly disposed of.

**[ Justice Bansi Lal Bhat ]**  
**Acting Chairperson**

**[ V.P. Singh ]**  
**Member (Technical)**

**[ Dr. Alok Srivastava ]**  
**Member (Technical)**

/ns/gc/