

NATIONAL COMPANY LAW TRIBUNAL
COURT ROOM NO. 1,
MUMBAI BENCH

Item No. 20

IA 547/2021 IA 548/2021 IA1817/2022 IA 3551/2022 IA 3557/2022 IA
3656/2022 IA 3657/2022 IA 3650/2022 IA3658/2022 IA 3825/2022 IA
3831/2022 IA 3832/2022 IA 22/2023 IA 1387/2023 IA 2064/2023

In C.P.(IB)1831/MB/2017

CORAM:

SH. PRABHAT KUMAR JUSTICE VIRENDRASINGH BISHT (Retd.)
HON'BLE MEMBER (TECHNICAL) HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF THE HEARING ON **02.11.2023**

NAME OF THE PARTIES: **STANDARD CHARTERED BANK V/s**
BAWREE FASHION PVT LTD

Section 7 of the Insolvency & Bankruptcy Code, 2016

ORDER

Learned Counsel for the Respondent present.

IA No. 2064/2023 –

1. The present application is filed by Mr. Anshuman Chaturvedi, Liquidator of Corporate Debtor.
2. The present Company Petition was filed by Standard Chartered Bank Limited under Section 7 of the Code. Vide order dated 25.04.2018, this Bench admitted the said company petition and appointed the Applicant herein, as the Interim Resolution Professional to conduct the Corporate Insolvency Resolution Process in respect of the Corporate Debtor.

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3. Vide order dated 08.04.2019 passed in MA No. 448/2019 liquidation process of M/s. Bawree Fashion Pvt. Ltd. under the Insolvency and Bankruptcy Code, 2016 has been commenced and Applicant was appointed as Official Liquidator.
4. It is submitted that the Corporate Debtor does not own any immovable property or plant or building or real estate. It is submitted that the security interest in the form of real estate or buildings given as security for the loan of the Corporate Debtor are owned by third parties such as corporate guarantors and personal guarantors or promoters. It is submitted that the financial creditors having security in the form of real estate or building owned by third parties had decided to not relinquish those assets to the liquidation estate. It is submitted that the liquidator does not have to sell the security given for the loan of the Corporate Debtor but owned by third parties such as corporate guarantors and personal guarantors or promoters due to the decision of the financial creditors.
5. It is submitted that the liquidator has already realized the inventory available in liquidation estate and distributed the proceeds to stakeholders in accordance with Section 53 of the Code. It is only the 13 Interlocutory Application u/s 43,66 & 60(5) of IBC, 2016, which the liquidator has filed against the debtors and vendors involving PUFEE transactions in order to recovery the amount due and payable.
6. Liquidator had taken steps to recover the money belonging to Corporate Debtor from various parties. Liquidator had written various letters to these parties including foreign parties.
7. It is submitted that the liquidation process of the Corporate Debtor was commenced on 08.04.2019 and was to be completed within a period of two years i.e. on 07.04.2021. Thereafter, this Bench was extended the period

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of liquidation for 1-year w.e.f. 27.09.2021 till 26.09.2022. Applicant filed IA No. 2761/2022, seeking extension of time to continue the liquidation in accordance with regulation 44 of Insolvency and Bankruptcy Board. This Bench vide order dated 04.01.2023 was extended the liquidation period till 26.03.2023.

8. It is submitted that the 13 Interlocutory Application u/s 43, 66 & 60(5) of IBC, 2016 was assigned to Mr. Tanuj Vijay Mehta at Rs. 17,00,000/- after the approval of stakeholder consultation committee in its 8th meeting. The Liquidator executed the deed of assignment on 20.03.2023 and amount was received from him on the same date. The proceeds of the same was distributed to the stakeholders in their outstanding claim ratio.
9. After payment of all liquidation cost and distribution to stakeholders the liquidator has requested HDFC Bank for closing of liquidation bank account.
10. It is stated that Bank account has been closed, however no certificate has been placed on record.
11. Liquidator has made out the final report dated 29.03.2023 and has filed this petition for dissolution of the Company.
12. On careful perusal of the record of the application, we observe that neither any assets are left with the Corporate Debtor nor any trade receivables are available.
13. As a consequence, through this Order it is hereby declared that not only it is just and equitable but because of the fact that no asset is available for the purpose of 'liquidation' as reported by Liquidator, this is a fit case of a Corporate Debtor to be dissolved as prescribed under Section 54 of the Insolvency and Bankruptcy Code, 2016. Ordered accordingly, the Company stands '**Dissolved**' from the date of this order.

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14. Since the Debtor company stands '**Dissolved**' vide order and no proceedings are not pending, therefore the Registry is directed that the case file be consigned to records.

15. Copy of this order shall be forwarded to the concerned authorities and the Registrar of Companies having jurisdiction, for further necessary action as prescribed under law.

16. File be closed and consigned to record.

IA Nos. 547/2021, 548/2021, 1817/2022, 3551/2022, 3557/2022, 3656/2022, 3657/2022, 3650/2022, 3658/2022, 3825/2022, 3831/2022, 3832/2022, 22/2023

1. Learned Counsel for the Liquidator present.
2. Learned Counsel for the Liquidator informs that rights in these applications have been assigned to Mr. Tanuj Vijay Mehta for sum of Rs. 17 Lakhs vide deed of assignment dated 20.03.2023, and considering the discharge and distribution in the terms of liquidation process.
3. Learned Counsel for the Assignee appears and they are not interested to prosecute these applications any further and seek withdrawal though they have not been impleaded as party. However, Learned Counsel for the Liquidator confirms the fact that they do not have any right as on date.
4. In view of that matter, IA Nos. 547/2021, 548/2021, 1817/2022, 3551/2022, 3557/2022, 3656/2022, 3657/2022, 3650/2022, 3658/2022, 3825/2022, 3831/2022, 3832/2022, 22/2023 are disposed of.
5. Copy of this order may send to the IBBI to look into the aspect of the assignment and plausible collision to wipe up the recovery of the sum to the detriment of the Creditors.

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IA No. 1387/2023 –

1. The present application is filed by the Liquidator to place on record report.
2. Accordingly, it is submitted and taken on record.
3. In view of above, **IA No. 1387/2023** is **allowed** and **disposed of**.

Sd/-

PRABHAT KUMAR
MEMBER (TECHNICAL)

Sd/-

JUSTICE VIRENDRASINGH BISHT
MEMBER (JUDICIAL)

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