



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

Item No. 7

IA (LIQ.)/58/2024 (NEW IA) IN C.P. (IB)/507(MB)2020

CORAM:

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

ORDER SHEET OF THE HEARING ON 02.07.2024

NAME OF THE PARTIES: **THAKRAR INFOTRENDZ PRIVATE**
LIMITED VS PRANA STUDIOS PRIVATE
LIMITED

Section 33(1) (b) (i) to (iii) r/w Sec 33(3) & 9 of the Insolvency and
Bankruptcy Code, 2016

ORDER

IA (LIQ.)/58/2024 (NEW IA) IN C.P. (IB)/507(MB)2020

- 1) Mr. Samuel Abraham, Ld. Counsel for the Applicant is present.
- 2) This is an Interlocutory Application filed by the Resolution Professional of the Corporate Debtor under Section 33 of the Insolvency and Bankruptcy Code, 2016 (the Code) for initiating Liquidation Process in the case of **Prana Studios Private Limited** (Corporate Debtor).
- 3) The facts leading to the case in hand are as follows:



- a. Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was initiated by this Tribunal vide order dated **08.09.2023** upon admission of a Company Petition under Section 9 of the Insolvency and Bankruptcy Code, 2016 (the Code) and Mr. Divyesh Desai was appointed as the Interim Resolution Professional (IRP) of the Corporate Debtor.
- b. Post the receipt of the Claim, the IRP constituted the Committee of Creditors and submitted the List of Creditors before this Bench. The meeting of the Committee of Creditors was held on 12.10.2023, wherein the CoC by 100% majority ratified the expenses incurred by the IRP till the date of the first CoC meeting Notice and the Confirmation of the IRP to Resolution Professional of the Corporate Debtor was deferred to the next hearing.
- c. It is submitted that the Applicant received only one claim from the one Operational Creditor and the same was verified by the Applicant herein and accordingly, the Applicant re-constituted the Committee of Creditors consisting of one Operational Creditor on 12.01.2024 as one claims were received from the Financial Creditors. The Committee of Creditors consist of the sole Financial Creditor i.e. HDFC Bank Limiting having voting share of 100%.



- d. This Bench *vide* its order dt. 29.11.2023, passed in IA 5422 of 2023, by the Committee of Creditor, replaced by Interim Resolution Professional and appointed Mr. Mahesh Sureka as the Resolution Professional of the Corporate Debtor.
- e. Further, in the Present Case, Form G for inviting Expression of Interest from the Prospective Resolution Applicant to submit Resolution Plans was published on 12.02.2024. However, in the 5th CoC meeting held on 02.03.2024, Resolution Professional informed the CoC that he has not received any application from PRA in response to Form G published on 12.02.2024. Furthermore, the RP discussed with the CoC regarding re-publishing of Form G, however the CoC was of the opinion that the chances of receiving any application is very less and hence Form G will not be re-published.
- f. The CoC further observed that there are no tangible or intangible assets available except some nominal bank balances and hence chances of resolution are bleak and in view of the same the CoC recommended the Resolution Professional to file an Application seeking Liquidation of the Corporate Debtor. That in the present case the CoC resolved with a majority of 100% of the votes to proceed with liquidation of the Corporate Debtor.



- g. It is also submitted that Mr. Mahesh Sureka has also given his written consent to act as the Liquidator of the Corporate Debtor for conducting Liquidation Process.
- 4) Hence, the present Interlocutory Application has been filed seeking Liquidation of the Corporate Debtor in view of the decision taken by the Committee of Creditors.
- 5) On perusal of the minutes of CoC, we note that the CoC member have agreed not to go forward with publication of Form G considering that there are no revival chances of Corporate Debtor. CoC has also resolved to liquidate the Corporate Debtor and authorised the applicant to file this application before us.
- 6) Accordingly, this Tribunal consider it appropriate to pass an order for Liquidation **Corporate Applicant viz. Prana Studios Private Limited** in the manner laid down in Chapter III of the Code considering the fact there is no Resolution Plan for consideration and CoC does not foresee any possibility of getting Plans for the Corporate Applicant. Hence ordered.

ORDER

- a) The Application be and the same is allowed. The Corporate Applicant, **Prana Studios Private Limited**, shall be liquidated in the manner as laid down in Chapter-III of the Code.



- b) Though the CoC has recommended the name of Mr. Mahesh Sureka, the incumbent Resolution Professional to act as the Liquidator of the Corporate Debtor, whose consent is also available on record; however, in light of the recommendation letter of Insolvency and Bankruptcy Board of India dt. 18.07.2023, which reads as *“when the Corporate Debtor goes into liquidation, the IRP/RP cannot be appointed as liquidator”*. In that view of the matter, we appoint **Mr. Dhiren Shantilal Shah, Insolvency Professional having IBBI Registration No. IBBI/IPA-001/IP-P00220/2017-18/10419**, as Liquidator of **Prana Studios Private Limited**.
- c) **That the Liquidator for conduct of the Liquidation proceedings would be entitled to the fees as provided in Regulation 4(2)(b) of the IBBI (Liquidation Process Regulations), 2016.**
- d) The Moratorium declared under Section 14 of the IBC 2016 shall cease to operate here from.
- e) Liquidator shall issue public announcement stating that Corporate Applicant is in liquidation.
- f) The Liquidator shall endeavour to sale the Company as a going concern during the liquidation in terms of Regulation 32A of the Liquidation Process Regulations. In case he is not able to do so within a period of 90 days from this date, he shall proceed in accordance with clauses (a) to (d) of Regulation 32 of the Liquidation Process Regulations.



- g) Subject to Section 52 of the Code no suit or other legal proceedings shall be instituted by or against the Corporate Applicant. This shall however not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- h) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Applicant shall cease to have effect and shall be vested in the Liquidator.
- i) The Liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code read with the Liquidation Process Regulations.
- j) Personnel connected with the Corporate Applicant shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.
- k) This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Applicant, except when the business of the Corporate Applicant is continued during the liquidation process by the Liquidator.
- l) The Liquidator shall submit progress reports as per Regulation 15 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.



- m) The Liquidator is hereby Authorized to represent the Corporate Applicant before the Government Authorities, if need be.
- n) Registry shall furnish a copy of this Order to the **Insolvency and Bankruptcy Board of India, New Delhi; Regional Director (Western Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Maharashtra; the Registered Office of the Corporate Debtor;** and the Liquidator, **Mr. Dhiren Shantilal Shah**, having E-mail ID dss@dsshah.in, having Mobile No. 9820073090.
- 7) Needless to say, Committee of Creditors shall ratify and clear the fees of the erstwhile Resolution Professional of the Corporate Debtor, if any, due and payable.
- 8) With the aforesaid observations and directions, the Interlocutory Application bearing **IA(Liq.) No. 58 of 2024**, stands disposed of as Allowed. There will, however, be no order as to costs. Ordered Accordingly.

Sd/-

PRABHAT KUMAR
MEMBER (TECHNICAL)

Vedant Kedare

Sd/-

JUSTICE VIRENDRASINGH BISHT
MEMBER (JUDICIAL)