

IN THE NATIONAL COMPANY LAW TRIBUNAL: NEW DELHI
PRINCIPAL BENCH

Item No. 3
(IB)-816(PB)/2018

IN THE MATTER OF:

Dena Bank

... Applicant/Petitioner

Vs.

Kansal Building Solutions Pvt Ltd.

... Respondent

Order Under Section 7 of IBC, 2016 (CIRP)

Order delivered on 06.02.2020

CORAM:

SH. B.S.V. PRAKASH KUMAR
HON'BLE ACTG. PRESIDENT

MS. SUMITA PURKAYASTHA
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant

:

For the R.P

:

Ms. Honey Satpal, Mr. Viren Sharma,
Mr. A. Anand, Advs.

ORDER

Per : SH. B.S.V. PRAKASH KUMAR, HON'BLE ACTG. PRESIDENT

HEARD AND DICTATED IN OPEN COURT ON 31.01.2020

C.A. No. 685(PB)/2020

It is an application filed under Section 33(2) of the IBC, 2016 by the Resolution Professional for liquidation of the Company based on the resolution passed by the CoC on 14.10.2019 with 100% voting share.

It is evident on record that this Company Petition was admitted on 25.03.2019 by appointing Mr. Alok Kumar Agarwal as IRP, in pursuance thereof, the said IRP made a public announcement on 27.03.2019 inviting claims from creditors of the corporate debtor, on receipt of claims, the IRP determined the admitted claim against the Corporate Debtor as ₹ 30,27,32,195.

Based on collation of claims, COC was constituted and thereafter first meeting was held on 24.04.2019. In the said meeting, the IRP was confirmed as RP, in furtherance thereof, the RP appointed two registered valuers to ascertain the liquidation value of the Company, thereupon on the valuation given by the valuers, the RP determined the liquidation value of the Company as ₹ 12,99,93,608, and fair value as ₹ 20,74,58,144/-. Thereafter several meetings of the CoC were held on 23.05.2019, 15.07.2019, 20.08.2019, 20.09.2019, 14.10.2019, 15.11.2019 & 19.12.2019. During the CIRP period, when invitation for Expression of Interest was given by the RP, only one Expression of Interest was received from the Promoters of Kansal Group, but he also did not submit the Resolution Plan. As first invitation for Expression of Interest was not fructified, the RP proceeded for second round of invitation for Expression of Interest, then also no Expression of Interest was received. The Promoters although being eligible to submit Resolution Plan, did not submit any Resolution Plan. Therefore, the CoC finally decided to liquidate the Corporate Debtor Company in the meeting held on 14.10.2019 with 100% voting share.

On perusal of the facts and the information placed by the RP, we are of the view that though the CoC has put all its efforts to see some plan is approved, but nobody having come forward to take

this Company, the CoC, in its commercial wisdom, passed a resolution proposing for liquidation of this Company by taking the consent of the RP to continue as Liquidator, therefore we hereby order 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 with which this company has been registered.
- b) The Resolution Professional viz. Mr. Alok Kumar Agarwal is hereby appointed 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, as the case may be, 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 liquidation as may be required 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.
- c) 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 in sub-section 6 of Section 33 of the Code.

- d) 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 Liquidator.
- e) 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.

The Registry is hereby directed to immediately communicate this order to the Liquidator, the Corporate Debtor and the IBBI & concerned ROC by way of E-Mail.

The application stands disposed of.

—sd—

(B.S.V PRAKASH KUMAR)
ACTG. PRESIDENT

—sd—

(SUMITA PURKAYASTHA)
MEMBER (TECHNICAL)