IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (Court-II)
KOLKATA

IA No. 1168 of 2023
C.P. (IB) No. 1560/KB/2018

An application under the Insolvency and Bankruptcy Code, 2016, and IBBI (Liquidation Process) Regulations, 2016.

And

An Application under Regulation 44(2) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016.

In the matter of:

Union Bank of India

…FINANCIAL CREDITOR

Versus

Space Matrix Private Limited

...CORPORATE DEBTOR

And

In the matter of:

Soumitra Lahiri, Insolvency Professional, Registration Number: IBBI/IPA-001/IP-Registration Number: P00734/2017-2018/11232, of Flat 14D & E Tower -32. Genexx Valley, Joka, Diamond Harbour Road, Kolkata – 700104. (Acting as Liquidator of Space Matrix Private Limited).

...LIQUIDATOR/APPLICANT

In the matter of:

1. Union Bank of India

…FINANCIAL CREDITOR

2. Space Matrix Private Limited

...CORPORATE DEBTOR

3. Soumitra Lahiri, Insolvency Professional,
(Acting Liquidator of Space Matrix Private Limited)

...LIQUIDATOR/ APPLICANT

Date of pronouncement of order: 05.03.2024

CORAM:

SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)
SHRI D. ARVIND, HON'BLE MEMBER (TECHNICAL)

Appearances (via Video Conferencing/Physical):

Mr. Mayukh Roy, Adv.	] For the Liqidator
Mr. Vikram Wadehra, Adv.	]
Mr. Soumitra Lahiri, Adv.	]
Ms. Sreenita Thaker, Adv.	] For the SCC
Ms. Sneha Singhania, Adv.	]
Mr. Vipul Kundalia, Adv.	] For Customs Authority
Mr. Abhradip Maity, Adv.	]
Mr. Mainak Bose, Adv.	] For the Suspended Management
Mr. Sanawal Tibrewal, Adv.	]
Mr. Krishnika Chatterjee, Adv.	] For the Falta Special Economic Zone] in IA(I.B.C)/320(KB)2021

O R D E R

Per: Bidisha Banerjee, Member (Judicial)

1. Heard. Learned Counsel for the Financial Creditor present. Ld. Counsel for the Corporate Debtor present. Ld. Counsel for the Liquidator present.

2. The Corporate Debtor was admitted that under CIRP vide order dated 28th August 2019, wherein Mr. Sanjai Kumar Gupta, Insolvency Professional having registration number: IBBI/IPA- 001/ IP-P00592/2017-18/11045 was appointed as Interim Resolution Professional. The Committee of Creditors vide its third meeting held on 14th November 2019 in accordance with Section 22 of Insolvency and Bankruptcy Code, 2016 confirmed appointment of the said Mr. Sanjai Kumar Gupta as the Resolution Professional.

3. In the fifth meeting of the committee of Creditors, held on 14th January, 2020 the Committee of Creditors, by 86% majority votes resolved to liquidate the Corporate Debtor and vide order dated 24th February, 2020 the Kolkata Bench of Hon'ble National Company Law Tribunal ordered liquidation of the Corporate Debtor and appointed the Applicant, an Insolvency Professional, as the Liquidator in the matter of Space Matrix Private Limited.

4. It is admitted that a public announcement was made in 'Form B' of Schedule II in two newspapers namely "Financial Express" (English Daily) and "Aajkaal" (Bengali daily), both dated 27th February 2020 having circulation in West Bengal for inviting proof of claims from the stakeholders of the Corporate Debtor in specified Forms and the same was also informed to the Insolvency and Bankruptcy Board of India.

5. It is admitted that the Applicant prepared and filed the preliminary report as per Regulation 13 of the Regulations on 3rd June 2020 and e-filed the Preliminary Report on 30th September, 2020.

6. It is stated that the Applicant has conducted e-auction of machineries stored at Jalan Industrial Complex, Domjur, Kolkata Mumbai Highway, District Howrah on 13th October, 2020 and with the help of CARS24 could sell Grand i10 car the Corporate Debtor which was duly done with the approval of the Stakeholders' Consultation Committee and reported to Hon'ble Adjudicating Authority in compliance with Regulation 36 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

7. It is stated that the Adjudicating Authority vide order dated 25th March, 2021 permitted exclusion of 159 days (from 25th March, 2020 to 31st August 2020) being time lost due to countrywide COVID 19 lockdowns. Considering the exclusion, the present liquidation period, under Sub-Regulation (1) of Regulation 44 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 will end on 2nd August 2021.

Further, in terms of the order dated 16th August 2021, the Hon'ble Adjudicating Authority extended the liquidation period by one year up to 1st August 2022.

8. It is admitted that the Applicant, subsequently, filed another application, being I.A. No. 709/KB/2022 seeking extension to the period of such liquidation by a period of one year. The Bench considering such submissions made and the impediments being faced by the applicant in carrying out the process, vide order dated 29th July, 2022 extended the period of liquidation by a period of 6 months from date. Subsequent thereto, the Applicant filed another application, being I.A. No.228/KB/2023, which upon being considered extended the period of liquidation by another period of 6(six) months from 2nd February 2023, in terms of the order dated 18th April, 2023.

9. It is stated that vide order dated 18th April, 2023 the Adjudicating Authority asked Falta Special Economic Zone Authority to grant possession to the Liquidator of the premises of the Corporate Debtor, which order was duly complied with and the Falta Special Economic Zone Authority agreed to grant possession to the Applicant for a period of three months.

10. It is stated that the Liquidator, with the approval of the Stakeholders' Consultation Committee at 22nd meeting held on 26th May, 2023 appointed two valuers to conduct valuation under Sub Regulation (2) of Regulation 35 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. The registered valuers submitted their reports on 24th June 2023 and based thereon, the liquidator has filed a revised Asset Memorandum in compliance with regulation 34 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

11. It is stated that the Applicant, in terms of the instant application is seeking extension of the liquidation period by six months, with effect from 2nd August, 2023 under Regulation 44(2) Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. The liquidation period will end on 31st January, 2024.

12. **This application is, therefore, filed seeking the following reliefs:**

The Applicant, being the Liquidator to the Corporate Debtor, in terms of the instant application, is seeking extension of the liquidation period by one year, with effect from 2nd August, 2023, under Regulation 44(2) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, when the liquidation period will stand extended till 31st January, 2024. An extension is being sought to enable the Applicant to complete e-auctioning of the assets and distribute proceeds thereof to the stakeholders. Furthermore, petition for avoidance transactions involving substantial sum is also pending hearing before the Hon'ble Adjudicating Authority.

13. In view of the facts stated and on being satisfied with the grounds to seek extension of the liquidation period till 31.03.2024.

14. **I.A.(IBC)1168/KB/2023** allowed and disposed of.

D. Arvind
Member (Technical)

Bidisha Banerjee
Member (Judicial)

Signed on this, the 05th of March, 2024.

SG, Steno.