

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**KOLKATA BENCH**  
**KOLKATA**

**C.P. (IB) No. 515/KB/2018**

**In the matter of:**

**An application under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.**

**And**

**In the matter of:**

**UCO BANK**, a Banking Company constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and having its head office at 10, Biplabi Trailakya Maharaj Sarani, Kolkata 700001 and its Flagship Corporate Credit Branch at 2, India Exchange Place, Kolkata 700001.

**Financial Creditor/Applicant**

**Versus**

**In the matter of:**

**M/S. BHUVÉE STENOVATE PRIVATE LIMITED**, a Company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Godrej Waterside, Suit No. 402, Plot No. 5, Sector V, Salt Lake City, West Bengal 700091.

**... Corporate Debtor/Respondent**





-And-

In the matter of:

C.A. KANNAN TIRUVENGADAM,

... Resolution Professional

Coram: Shri M. B. Gosavi , Hon'ble Member (Judicial) &  
Shri Harish Chander Suri, Hon'ble Member (Technical)

Counsel on Record:

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|--------------------------------------|---|--------------------|
| 1. MR. PRATIK MUKHOPADHYAY, Advocate | ] |                    |
| 2. MR. SAPTARSHI MANDAL, Advocate    | ] | For the Resolution |
| 3. MR. AVIK CHAWDHURY, Advocate      | ] | Professional       |
| 4. MR. AVIK MUKHERJEE, Advocate      | ] |                    |

Order pronounced on: 7/02/2020.

ORDER

Per Shri Harish Chander Suri, Hon'ble Member (T):

1. In this Company Petition CP(IB) No. 515/KB/2018 under Section 7 of the Insolvency & Bankruptcy Code 2016, filed by UCO Bank, vide order of admission was passed on 12<sup>th</sup> March, 2019 and Mr. C.A. Kannan Tiruvengadam, an Interim Resolution Professional (IRP) was appointed as the IRP to initiate Corporate Insolvency Resolution Process against the Corporate Debtor M/s. Bhueve Stenovate Private Limited.

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2. The appointment of IRP was confirmed as Resolution Professional (RP) by the Committee of Creditors in its first meeting dated 10<sup>th</sup> April, 2019 by unanimous voting in favour of his appointment. The order of admission carried declaration of moratorium under Section 14. As per the orders, the IRP/RP published, public announcement in Form A, in two Newspapers viz., Economic Times (West Bengal & Odhisha Edition) and Anand Bazar Patrika (West Bengal Edition) on 14.03.2019 and also uploaded the same in the Website of IBBI and IIPICAI (Insolvency Professional Agency).
3. The R.P. filed its Progress Reports from time to time. The first report was filed on 22<sup>nd</sup> April, 2019 wherein it was informed that claims under Regulation 7 from the Financial Creditor had been received to the tune of Rs.1,216.82 crore and under Regulation 8 from the Operational Creditor to the tune of Rs.1.41 crore. It was also informed that the RP had floated EOI to appoint two Valuers registered with the IBBI for conducting Valuation. It was further mentioned in the 1st Progress Report that the members of the COC had agreed to appoint M/s. PVRN & Co., Chartered Accountants, who have already completed the audit till 30<sup>th</sup> September, 2018, to complete forensic audit.
4. The R.P. filed its 2<sup>nd</sup> Progress Report on 17<sup>th</sup> June, 2019. Similarly, the 3<sup>rd</sup> Progress Report was filed on 10<sup>th</sup> July, 2019. The 4<sup>th</sup> Progress Report was filed on 7<sup>th</sup> August, 2019. 5<sup>th</sup> Progress Report was filed on 23.10.2019. It is submitted that the RP has

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been performing all his duties as per the provisions of the Code and the Rules applicable thereto.

5. It is submitted that as per Regulation 36A of CIRP Regulations 2016 which is regarding Invitation for Expression of Interest, the Resolution Professional had published brief particulars of the Invitation for EOI in Form G, on 29<sup>th</sup> May, 2019 in Ananda Bazaar Patrika (West Bengal Edition) and Business Standard (All India Edition). The date of submission of EOI was extended on June 26, 2019 and again on August 6, 2019 by way of publications in the Newspapers. It is submitted that electronic voting window was opened during July 15, 2019 to July 16, 2019 in respect of the 4<sup>th</sup> meeting of the COC held on July 10, 2019. 100% of the members of the COC decided in favour of seeking an extension of time period for completion of the CIRP of the Corporate Debtor by a further period of 90 days beyond 180 days. This Tribunal vide its order dated September 2, 2019 extended the time period for completion of the CIRP of the Corporate Debtor for a further period of 90 days.
6. It is further submitted in the Final Report that during the 6<sup>th</sup> COC meeting dated 4<sup>th</sup> September, 2019, the members of the COC deliberated upon the issue of relaxing eligibility criteria to invite more participants in the process. However, the COC decided not to amend the eligibility criteria on the above mentioned ground keeping in view the seriousness and the capability of the Potential

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Resolution Applicants. RP has further submitted that before the last date of submission of EOI, he had received 3 (three) EOIs from (1) M/s. Jindal Stainless Hisar Limited, (2) M/s. Sunflag Iron & Steel Co. Limited and (3) M/s. Prudent ARC Limited. The RP has further submitted that he made all the endeavor to continue the operations of the Corporate Debtor as a going concern for the purposes of maximization value of the Corporate Debtor but, till date no Resolution Plan has been received from any of the Resolution Applicants who had submitted the EOIs and as such at the meeting of the COC held on December 17, 2019 the COC deliberated that an attempt should be made to ensure revival of the Corporate Debtor under CIRP.

7. Pursuant to e-voting held between December 19, 2019 and December 21, 2019 in respect of the COC meeting held on December 17, 2019, 96.33% of the members of the COC decided in favour of seeking an exclusion of the time period of 60 days from 270<sup>th</sup> day of CIRP, which would expire on 6<sup>th</sup> December, 2019. A petition was thus filed by the RP for extension of CIRP to 330 days which was not granted by the Adjudicating Authority and an order was passed in this regard on 11<sup>th</sup> December, 2019 permitting the RP to file application for exclusion of such period before the expiry of 330 days from the date of commencement of CIRP in this case. The RP has further submitted that since there is no Resolution Plan and no litigation is stalling the resolution process, there would be no valid ground for filing an application



for exclusion of time. Since none of the Prospective Resolution Applicants who had shown interest in other Group Companies, has submitted any Resolution Plan for this Corporate Debtor, the RP has thus prayed that an order might be passed under Section 33(1)(a) read with Section 33(1)(i) and/or 33(1)(ii) and/or 33(1)(iii) of the I&B Code, 2016 directing the Corporate Debtor to be liquidated.

8. We have gone through the Progress Reports submitted by the RP from time to time. Since none of the entities who had submitted their EOIs have finally shown any interest in submitting their Resolution Plan and since the period of 330 days has already expired on 4<sup>th</sup> February, 2020, the only option left with this Tribunal is to order Liquidation of the Corporate Debtor under Section 33(1)(a) of the I&B Code, 2016. The RP has consented to act as Liquidator in the present case and is directed to do so. As regards fee payable to the Liquidator, the COC has already taken its decision in its meeting held on 17<sup>th</sup> December, 2019 which shall be in accordance with the decision taken by the COC under Regulation 39B of the IBBI (Insolvency Resolution Process) Regulation, 2016.

9. In the aforesaid circumstances, we hereby pass the order of Liquidation of the Corporate Debtor as per the following orders:-

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**ORDERS**

- (i) In view of the facts that the Corporate Debtor has been ordered to be liquidated, **Mr. C.A. Kannan Tiruvengadam**, an Insolvency Professional who is holding IBBI registration No. IBBI/IPA-001/IP-P00253/2017-18/10482 is appointed as the Liquidator and act in accordance with Rule 12 of Liquidation Process Regulation 2016 and submit the Preliminary Report as per Regulation 13 of the said Code.
- (ii) The Registry is directed to communicate this order to the Registrar of Companies, West Bengal and to the Insolvency and Bankruptcy Board of India.
- (iii) The order of moratorium passed under section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and that a fresh moratorium u/s 33(5) of the Insolvency and Bankruptcy Code shall commence.
- (iv) This order shall be deemed to be a notice of discharge of the Officers, employees and the workmen of the Corporate Debtor as per Section 33(7) of the Insolvency and Bankruptcy Code, 2016.
- (v) A copy of this order be sent to the Financial Creditor, Corporate Debtor and the Liquidator for taking necessary steps.

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- (vi) **C.P. (IB) No. 515/KB/2018 is disposed of** as above.
- (vii) Urgent certified copy of this order, if applied for, be issued to the parties upon compliance of all requisite formalities.



(Harish Chander Suri)  
Member (T)



(Madan B. Gosavi.)  
Member (J)

Signed on this <sup>7<sup>th</sup></sup> day of February, 2020.

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