

Through Videoconference

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT No. - I

IA No. 2268 of 2021
in
C.P. (IB) No. 01/MB/2016

(Application under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of National Company Law Tribunal, Rules, 2016)

Dhinal Shah,
Liquidator for Innoventive Industries Limited,
having Registration No. IBBI/IPA-001/IP-00073/2017-18/10190,
A/6-7, Safal Profitaire, Opp. Ramada Hotel,
Corporate Road, Off Prahladnagar Road,
Gujarat – 380 092.

... Applicant

In the matter of
ICICI Bank Limited
V/s

... Financial Creditor

Innoventive Industries Limited

... Corporate Debtor

Date of Order: 24.12.2021

CORAM:
Shri. Bhaskara Pantula Mohan, Hon'ble Member (Judicial)
Shri. Narender Kumar Bhola, Hon'ble Member (Technical)

Sd/-

Appearance:

For the Applicant:

Ms. Mahima Singh, Advocate.

Per: Bhaskara Pantula Mohan, Member (Judicial)

ORDER

1. This Application has been filed on behalf of the Applicant seeking permission of this Tribunal for release from the position of Liquidator of the Corporate Debtor and consequent discharge from his duties.
2. The brief facts leading to the Application are as follows:

Sd/-

- a. The Corporate Debtor was put into liquidation *vide* order of this Adjudicating Authority dated 08.12.2017 and the Applicant herein was appointed as the Liquidator.
 - b. After his appointment as liquidator the significant time out of the period of two years was available to him to complete the liquidation process. But the same was consumed in the legal proceedings initiated by the erstwhile Promoter before the Hon'ble Supreme Court and the Hon'ble National Company Law Appellate Tribunal (NCLAT).
 - c. Further, this Tribunal *vide* order dated 04.07.2019 excluded the period of 207 days from the liquidation period and directed to complete the process by 02.07.2020.
 - d. Subsequently, this Tribunal *vide* order dated 08.02.2021 extended the time period of liquidation by 6 months to complete the liquidation process which got delayed due to various factors beyond the control of the Applicant, including without limitation, various pending litigations, delay in completion of sale registration formalities and Covid – 19 outbreaks. Accordingly, after this extension, the period of liquidation stands extended to 07.08.2021.
 - e. Further, due to the pendency of various litigations the liquidation process was not concluded within the extended time (i.e. 07.08.2021). In view of the same this Adjudicating Authority *vide* order dated 20.09.2021 has extended the time period to complete the liquidation process by another 6 months.
3. It is submitted that during the course of the liquidation process, the Applicant has carried out various duties and functions under the provisions of the Code and the Insolvency and Bankruptcy Board of India (Liquidation Process), Regulations, 2016, including the e-auction and sale of assets forming part of

the liquidation estate of the Corporate Debtor and distribution of liquidation proceeds amongst the stakeholders.

4. This Applicant always keep informing this Hon'ble Adjudicating Authority about the liquidation Process of the Corporate Debtor by way of various reports filed from time to time in terms of the Liquidation Process Regulations.
5. It is submitted that the Applicant herein has conducted the three rounds of distribution of liquidation proceeds to the stakeholders of the Corporate Debtor on 01.08.2019, 12.08.2020 and 31.03.2021 for Rs. 92,82,99,191/-, Rs. 02,58,80,949/- and Rs. 03,49,52,369/- under Section 53 of the Code. It is also submitted that various material litigations in relation to the liquidation process of the Corporate Debtor are pending adjudication.
6. It is submitted that due to various pending litigations, the Applicant could not conduct the liquidation process of the Corporate Debtor. As there is no visibility on how much more time will be required for hearing and adjudication of these material litigations and the timeline for completion of the liquidation process which is pending since 2017. It is submitted that the Applicant has been performing his duties as liquidator diligently and has made all possible efforts for successful and early completion of the liquidation process.
7. Further the Applicant on 01.07.2021 intimated the Institute of Chartered Accountants of India (ICAI) regarding surrender of his Certificate of Practice and the same has been noted by ICAI by their e-mail dated 01.07.2021. The copy of the said e-mail by the Applicant to ICAI and the response of ICAI is annexed as Annexure "C".
8. The Applicant has also informed the Bar Council of Gujarat about his present role as a liquidator of the Corporate Debtor and assured that his role as the Liquidator will be minimum as the substantial assets of the Corporate Debtor has been sold and realised.

9. As far as liquidation process of the Corporate Debtor is concerned most of the assets has been sold and the monies have been distributed to the stakeholders. However, there is no visibility on completion of the liquidation process on account of pending litigations.
10. The Applicant desires to start his practice as soon as possible and therefore, would like to surrender his registration as an IP and practice only as an Advocate. In view of the same the Applicant will not be able to continue as the Liquidator of the Corporate Debtor.
11. On 17.09.2021 a meeting of the lenders of Corporate Debtor was called upon to discuss the status of the liquidation proceedings, where the Applicant has informed the lenders about his inability to continue as liquidator of the Corporate Debtor. Applicant herein has also informed the lenders about Mr. Trupal J. Patel for the role of the Liquidator of the Corporate Debtor. The lenders took note of the same.
12. Hence this Application.
13. We have heard the Ld. Counsel for the Applicant and have perused the records. In the facts and circumstances of the above case the Application deserved to be allowed. Hence ordered.

ORDER

The Application be and the same is allowed.

1. Mr. Trupal J. Patel is appointed as Liquidator of the Corporate Debtor in place of Mr. Dhinal Shah, if there is no proceeding pending against him.
2. The lenders shall release the fees and costs incurred by the erstwhile liquidator, Mr. DhinalShah, on his furnishing proof in support thereof.
3. Mr. DhinalShah shall hand over charge to Mr. Trupal J. Patel forthwith. The liquidator shall make all endeavour to complete the Liquidation process expeditiously within the stipulated period.

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4. There would however be no **order** as to costs.

Sd/-

Narender Kumar Bhola
Member (Technical)

Sd/-

Bhaskara Pantula Mohan
Member (Judicial)