

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH(COURT II)
KOLKATA**

*IA (IB) No. 607/KB/2023
in
CP (IB) No. 1234/KB/2018*

Under section 54 of the Insolvency and Bankruptcy Code, 2016 read with regulation 2A and regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

In the matter of:
Union Bank of India

... Financial Creditor

Versus

Purna Pharmaceuticals Private Limited

... Corporate Debtor

-And-

In the matter of:
Kannan Tiruvengadam,
Liquidator of Purna Pharmaceuticals Private Limited

... Applicant

Coram:

Smt. Bidisha Banerjee, Member (Judicial)

Shri Balraj Joshi, Member (Technical)

Appearances (through hybrid mode):

For the Applicant

1. Mr. Shaunak Mitra, Advocate
2. Mr. Avik Chaudhuri, Advocate

Order pronounced on: 10 July 2023

ORDER

Per: Bidisha Banerjee, Member (Judicial)

1. This court convened *via* hybrid mode.

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2. This is an application filed under section 54(2) of the Insolvency and Bankruptcy Code, 2016 (“Code”) read with regulation 45(3) of the Insolvency and Bankruptcy Board of India [Liquidation Process] Regulations, 2016 (“Liquidation Process Regulations”) by the Liquidator of **Purna Pharmaceuticals Private Limited (CIN: U85100WB2008PTC129015)** (“Corporate Debtor”) praying for dissolution of the Corporate Debtor.
3. This Adjudicating Authority *vide* order dated 03 October 2019, admitted the Corporate Debtor under Corporate Insolvency Resolution Process (“CIRP”) appointing Mr. Kannan Tiruvengadam as Interim Resolution Professional. Subsequently, his appointment was confirmed as Resolution Professional.
4. The CoC passed a resolution for the liquidation of the Corporate Debtor as there were no assets of the Corporate Debtor and the books and papers of the Corporate Debtor had been destroyed due to a massive fire which occurred in the year 2018 at the building of the registered office of the Corporate Debtor, an order of liquidation was passed *vide* order dated 22 January 2020. Mr. Kannan Tiruvengadam, the applicant, was appointed as a Liquidator. A copy of the order is annexed with the application and marked as Annexure - ‘B’.
5. Public announcement of commencement of liquidation was made in Form ‘B’ in “*Financial Express*” (English) (All India edition) and “*Ajjkal*” (Bengali) (Kolkata edition) on 01 February 2020 inviting proof of claims from the stakeholders of the Corporate Debtor in the specified forms and Form ‘B’ was also uploaded on the IBBI website.
6. The Liquidator had received two claims from the stakeholders. The claim of the Financial Creditor was not accepted by the Liquidator as it was delayed by more than one month from the last date of submission, but the same was considered after the order passed by this Adjudicating Authority condoning the delay of the Financial Creditor. The Liquidator

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admitted the claim of the Financial Creditor and the Operational Creditor. The total amount of claim admitted by the Liquidator was Rs.24,38,78,949.8/-.

7. The liquidator submitted that the no information was received from the ex-directors of the Corporate Debtor and informed the Liquidator that because of the fire, all hard copies of the books of accounts and other documents were destroyed in the fire. Thereafter, the Liquidator appointed Mazars Business Advisors as the forensic auditor as per the decision of the Stakeholders Consultation Committee.
8. After submission of the Forensic Audit Report, the Liquidator filed an I.A. for avoidance transactions.
9. In the 3rd Stakeholders Consultation Committee meeting, it was resolved that the avoidance application would be pursued by the Union Bank of India and in case the I.A. is allowed by this Adjudicating Authority, then the amount received would be distributed as per the voting share of the stakeholders.
10. It is further stated that the Corporate Debtor has no assets to liquidate, the Stakeholders Consultation Committee resolved to dissolve the Corporate Debtor¹.
11. The Liquidator thereafter filed Preliminary Report as per regulation 13 of the Liquidation Process Regulations on 15 April 2020 as per regulation 34(4) of the Liquidation Process Regulations.
12. In compliance of regulation 15 of the Liquidation Process Regulations, the Liquidator has filed seven quarterly Progress Reports from time to time before the Adjudicating Authority, and the final report dated disclosing all the material facts and information with respect to the liquidation process of the Corporate Debtor has been annexed as **Annexure – ‘K’** to the application. As per mandatory requirement under

¹ Page 81 & 83 of the I.A.

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regulation 45(3) of the Liquidation Process Regulations, the Liquidator has prepared a compliance certificate under prescribed 'Form H' and the same is annexed as **Annexure – 'L'** to the application.

13. It is further submitted in Form H that no liquidation account was opened by the Liquidator as the Union Bank of India directly made payment of Liquidation expenses, CIRP expenses, and as there were no assets/existing Bank account of the Corporate Debtor. However, for the reasons of conformance with the regulations, the account should have been opened, the same is now accepted as a *fait-accompali*.
14. Upon hearing the Liquidator and on perusal of the documents annexed to the application, it appears that the Corporate Debtor does not have any asset. There seems to be no reason to keep the liquidation afloat if there are no assets of the Corporate Debtor.
15. In view of the above facts and circumstances, there is no impediment to the Corporate Debtor being dissolved, and it is ordered accordingly. However keeping in view the pendency of other IAs, the main CP shall not be disposed.
16. The Liquidator is further directed to serve a copy of this order upon the Registrar of Companies, (jurisdiction), immediately and, in any case, within fourteen days of receipt of this order. The Registrar of Companies shall take further necessary action upon receipt of a copy of this order.
17. The Liquidator shall stand discharged from his responsibilities, subject to procedural compliances.
18. ***I.A. (IB) No. 607/KB/2023 in C.P. (IB) No. 1234/KB/2018 is allowed with the above directions and is hereby disposed of.***
19. List ***I.A. (IB) No. 1351/KB/2022 on 08-08-2023.***

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20. The Registry is directed to send email of the order forthwith to all the parties including GST authorities and their Id. Counsel for information and for taking necessary steps.
21. Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

Balraj Joshi
Member (Technical)

Bidisha Banerjee
Member (Judicial)

Signed on the 10th day of July 2023.

GGRB (LRA)