

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, COURT - II**

**IA No. 2225/2023**

**In**

**C.P.(IB)122(MB) 2018**

Under section 54 of the Insolvency and  
Bankruptcy Code, 2016

**IN THE MATTER OF**

**Manoj Kumar Mishra**

Office No. 18, 3<sup>rd</sup> Floor, 84/Dholakawala  
Building, Janmabhoomi Marg, Fort,  
Mumbai – 400001.

**.... Applicant/Liquidator**

**IN THE MATTER OF**

**Shanti Synthetics**

**.... Petitioner/Operational Creditor**

**Versus**

**IDT Clothing Pvt. Ltd.**

**.... Respondent/Corporate Debtor**

**Order Delivered on :- 26.10.2023**

***Coram:***

**Mr. Anil Raj Chellan  
Member (Technical)**

**Mr. Kuldip Kumar Kareer  
Member (Judicial)**

***Appearances:***

Applicant/Liquidator (in person) : Mr. Manoj Kumar  
Mishra

For the Applicant/Liquidator : Adv. Aniket Sharma

## **ORDER**

***Per:- Anil Raj Chellan, Member Technical***

1. This Interlocutory Application has been filed by Mr. Manoj Kumar Mishra, the Liquidator of IDT Clothing Private Limited (the Corporate Debtor) under Section 54 of the Insolvency and Bankruptcy Code, 2016 ('the Code') read with Regulation 45(3) of the Insolvency and Bankruptcy Board of India (Liquidation process) Regulations, 2016 ('Liquidation Regulations') and Rule 11 of National Company Law Rules, 2016 ('NCLT Rules') seeking dissolution of the Corporate Debtor.

***The Brief facts of the case are as under:***

2. The Corporate Debtor was engaged in the production of textiles whose unit was closed since 2020. On an application filed by one of its Operational Creditors, the Corporate Debtor was admitted into Corporate Insolvency Resolution Process ('CIRP') on 28.01.2019, by virtue of which the Applicant was appointed as the Interim Resolution Professional (IRP).
3. The Applicant took necessary steps/ procedures contemplated under the CIRP and constituted Committee of Creditors ('CoC') consisting of sole member (State Bank of India). The Applicant was also confirmed as Resolution Professional. As per the process stipulated, the Applicant invited Expression of Interest (EoI) with last date for receiving EoI as 09.05.2019 and made attempts to revive the Corporate Debtor. Since the invitation for EoI did not elicit any response, CoC at its meeting held on 01.08.2019 decided against seeking extension of CIRP period and resolved to recommend liquidation of the company.

4. The Corporate Debtor was ordered to be liquidated vide order dated 16.12.2019 in MA.No.2961/2019 and the Applicant was appointed as the Liquidator of the Corporate Debtor.
5. The public announcement as provided under Regulation 12 of the Liquidation Regulations was made by way of an advertisement in the prescribed Form-B on 31.12.2019 in 'Free Press Journal' (English edition) and 'Tarun Bharat' (Vernacular-Marathi edition) newspapers inviting claims till 30.01.2020 from the stakeholders of the Corporate Debtor. On the basis of the claims received and admitted, and the secured creditor relinquishing its security interest on 13.03.2020, the Applicant constituted the Stakeholders Consultation Committee('SCC') on 16.03.2020 which comprised of;
  - (i) State Bank of India (Financial Creditor)
  - (ii) Arjun Radheshyam Gupta (Operational Creditor) &
  - (iii) The Income Tax Officer (Statutory Creditor).
6. The Corporate Debtor's Bank account with State Bank of India was closed and another Bank account was opened with HDFC Bank Limited, Fort, Mumbai in the name of '*IDT Clothing Limited in liquidation*' on 27.01.2021 in accordance with Regulation 2A of the Liquidation Regulations.
7. The Applicant prepared and submitted asset memorandum as per Regulation 34 of the Liquidation Regulations on 24.02.2020. The Liquidator also carried out valuation of the land during the liquidation process. In view of a theft of some of the movable assets, the Liquidator did not conduct fresh valuation of movable assets and placed reliance on the valuation report carried out during the CIRP to limit the expenses.
8. The Liquidator undertook sale of the assets of the Corporate Debtor through public auction and M/s. Amtek Textiles Pvt. Ltd emerged as the successful

auction purchaser for Rs.5,53,71,000/- (Land- Rs.5,50,00,000/-, movables as scrap Rs.3,00,000/-, Vehicle- Rs.15,000/- and GST- Rs.56,700/-).

9. Thereafter, some of the stolen items (13 sewing machines and 2 window air conditions) were recovered by the police at Bhiwandi Police Station and the same were also sold through public auction to Mr.Ramesh Yadav for Rs.36,500/-.
10. Assets which are not readily realizable which is subject matter of MA 2774/2019 in C.P. No. 122/2018 in the matter of Resolution Professional of IDT Clothing Pvt. Ltd vs. Sooraj Gupta & another could not be sold as no bidder came forward for assignment.
11. The SCC at its meeting held on 23.02.2023 passed a resolution for dissolution of the Corporate Debtor. As regards the pending PUFEE application (MA.No.2744/2019), SCC passed a resolution to the effect that the State Bank of India, the only Financial Creditor with 92.18% voting in SCC will pursue the PUFEE proceedings after the dissolution of the Corporate Debtor.
12. The Applicant submitted that the Liquidator had distributed the funds in accordance with section 53 of the Code read with Liquidation Regulations and thereby the affairs of the Corporate Debtor have been completely wound up.
13. The liquidation account opened with HDFC Bank Limited was closed on 11.04.2023 and Mehta & Associates, Chartered Accountants audited and certified the receipts and payments under the Liquidation Account.
14. We have heard the Learned Counsel for the Applicant and perused the materials available on records.

15. The liquidator has filed the final report and Form-H in compliance with Regulation 45 of the liquidation Regulations which contains the details of the liquidation process and compliance of various provisions of Liquidation Regulations. As stated, the liquidation estate consisted of land and movable assets which have been sold. Thus, no asset of the Corporate Debtor was left with for any further disposal. The application for PUFEE pending against the Sooraj Gupta and another (MA.No.2744/2019) will be prosecuted by the member of SCC - State Bank of India. Since the assets of the Corporate Debtor are completely liquidated, the Corporate Debtor is required to be dissolved under Section 54(2) of the Code.
16. It is also noted that the liquidator has held eight SCC meeting and submitted quarterly Progress Reports.
17. In view of the above, we pass an order of dissolution of the Corporate Debtor as under:
  - (a) The Corporate Debtor, IDT Clothing Private Ltd (having CIN No. U18101MH2006PTC164471) stands dissolved from the date of this order as per section 54(2) of the Insolvency and Bankruptcy Code, 2016;
  - (b) Consequently, the Liquidator Mr. Manoj Kumar Mishra is discharged from his duties and responsibilities as the Liquidator of the Corporate Debtor. The Liquidator shall preserve physical or electronic copy of the reports, registers, and books of account referred to in Regulation 45 A of the IBBI (Liquidation Process) Regulations 2016 for at least eight years after the dissolution of the Corporate Debtor, either with himself or with an information utility.

- (c) State Bank of India is allowed to prosecute MA. No. 2744 of 2019 pending before NCLT, Mumbai Bench after the dissolution of the Corporate Debtor;
- (d) The Liquidator and the Registry are directed to send the copy of this order within 7 days from the date of this order to the Registrar of Companies, Maharashtra along with all the books and files of the Corporate Debtor (IDT Clothing Private Ltd).
- (e) A copy of this order shall also be forwarded to IBBI and concerned parties for their record.
- (f) With the above direction **IA No. 2225 of 2023 in CP (IB) No. 122/MB/2018 stands disposed of.**

**Sd/-**

**ANIL RAJ CHELLAN  
(MEMBER TECHNICAL)**

**Sd/-**

**KULDIP KUMAR KAREER  
(MEMBER JUDICIAL)**