



**THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, CHANDIGARH**

**IA No.1582/2022
In
CP (IB) No. 52/Chd/Pb/2021
(admitted matter)**

**Under Section 54 of the Insolvency
and Bankruptcy Code, 2016**

IN THE MATTER OF:

Manju Gupta
445-446 Sant Nagar, Civil Lines,
Ludhiana-141001, Punjab

..... Petitioner-Financial Creditor

Versus

Orchid Textiles Private Limited
Having its registered office at
Village: Saidpura Derabsai,
Mohali PB-147001

.... Respondent-Corporate Debtor

AND

IN THE MATTER OF:

Pawan Sharma,
Resolution Professional of
Orchid Textiles Private Limited
Registration No. IBBI/IPA-002/IP-N00779/2019-2020/12463,
Available at:
SOHO No.322, Block-A, CCC, VIP Road,
Zirakpur-140603

.... Applicant/Resolution Professional

Order delivered on: 16.08.2023

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

Present: -

For the Applicant/Liquidator : Ms. Manveen Narang, Advocate



Per: Subrata Kumar Dash, Member (Technical)

JUDGEMENT

The present application is being filed by the Resolution Professional of the Corporate Debtor i.e. Orchid Textiles Private Limited under Section 54 of Insolvency and Bankruptcy Code, 2016 for the dissolution of Corporate Debtor i.e. **Orchid Textiles Private Limited**.

2. The matter was relisted on 10.07.2023 due to the defect that no Form-H was annexed with the application as it is a mandatory requirement under Regulation 45 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. In compliance of the same, Form-H has been filed vide Dairy No. 01959/6 dated 25.07.2023 and was re-filed vide Diary No. 02897/3 dated 28/07/2023.

2. The Financial Creditor, filed an application under Section-7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the “**Code**”) before this Tribunal, to initiate Corporate Insolvency Resolution Process (hereinafter referred to as “**CIRP**”) against the Corporate Debtor. The said application, was admitted by the Tribunal, vide order dated 04.07.2022 and Pawan Sharma, was appointed as the Interim Resolution professional (hereinafter referred to as the “**IRP**”). A public announcement in Form-A was published on 06.07.2022 and The last date for submission of claims mentioned in Form-A was 18.07.2022. Only one claim form, i.e. of the Financial Creditor i.e Manju Gupta, of an amount of Rs 1,44,10,386 was received. The said claim was verified and admitted on the basis of the record available. The same was uploaded on the IBBI website on 07.07.2022.



3. The IRP visited the offices and nothing was found by the applicant in both these offices. The applicant further made a public inspection of the company at www.mca.gov.in, thereby found that the company had not filed any balance sheet since 31/03/2015 and the company was inactive for the past 7 years. Further, the suspended board of directors of the company was untraceable to furnish any requisite documents. After verification of claims filed by the Financial Creditor, the applicant constituted the Committee of Creditors. The applicant subsequently filed a progress report dated 28.07.2022 of the Corporate Debtor, for the period from 04.07.2022 to 28.07.2022.

4. The first meeting of the CoC was held on 02.08.2022, the applicant was confirmed as the Resolution Professional. The second COC meeting was held on 19.08.2022. The applicant sent notice of the second COC meeting and copies of the orders dated 21.07.2022 passed by this Tribunal, whereby the applications under Section 94 of the code filed by Mr. Neeraj Bansal, Mrs. Monica Bansal and Mrs. Anita Bansal, all personal guarantors of the Corporate Debtor were admitted and allowed. The applicant informed the members of the COC that he did not find any assets of the Corporate Debtor/Company and the suspended board of directors of the company were also not in touch with him. He further informed the members of the COC that the Corporate Debtor/Company was inoperative for the past 7 years as they have not filed any balance sheet after 31st March 2015 and that no claims other than that of the members of the COC were received. The Committee of Creditors had therefore in the second COC meeting, consented to the liquidation of the Corporate debtor with an absolute majority. The order of



Dissolution of the Corporate Debtor was approved by the Committee of Creditors (“COC”) unanimously, in the 3rd Meeting of the COC, held on 03.10.2022.

5. We have heard the learned counsel for the applicant and have carefully perused the pleadings of the party along with extant provisions of the Code and the Rules made thereunder.

6. The present application is filed under action 54 of the I&B Code. The relevant provisions of Section 54 of the IBC read as under:-

“Section 54 of the IBC

- 1. Where the assets of the corporate debtor have been completely liquidated, the liquidator shall make an application to the adjudicating authority for the dissolution of such corporate debtor*
- 2. the adjudicating authority shall on application filed by the liquidator under Sub-Section (1) order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly*
- 3. A copy of an order under Sub-Section(2) shall within seven days from the date of such order , be forwarded to the authority with which the corporate data is registered.”*

7. Keeping in view, the above facts and circumstances of the case as well as Form-H filed Dairy No. 01959/6 dated 25.07.2023 which was re-filed vide Diary No. 02897/3 dated 28/07/2023 it is established that due process of Liquidation, as per extant provisions, was followed by the Liquidator. Therefore, the liquidation process is deemed to have been completed under Chapter III of Part II of the Code, and thus it would be just and proper for the Adjudicating Authority to dissolve the Company. No party is going to be affected by dissolving the company.

8. In the result, by exercising powers conferred on the Adjudicating Authority, under Section 54(2) of the Code, the Interim Application bearing IA

No.1582/2022 in CP (IB) No.52/Chd/Pb/2021 is disposed of with the following directions:



- (i) M/s Orchid Textiles Private Limited, the Corporate Debtor, is hereby dissolved with immediate effect;
- (ii) The Liquidator is directed to close the Liquidation Bank Account, if any, within three weeks from the date of receipt of the copy of this order.
- (iii) The Registry is directed to forward a copy of this order to the Concerned Registrar of Companies within a period of two weeks from today;
- (iv) The Liquidator is also directed to forward copies of this order to all other statutory authorities connected with the affairs of the Company.
- (v) The Resolution Professional, Mr. Pawan Sharma is discharged from his duties and responsibilities as the liquidator of the corporate debtor company

9. Accordingly, IA No.1582/2022 is allowed and stands disposed of.

Sd/-
(Subrata Kumar Dash)
Member (Technical)

Sd/-
(Harnam Singh Thakur)
Member (Judicial)

August 16, 2023
SM/TB