

**BEFORE THE ADJUDICATING AUTHORITY  
(NATIONAL COMPANY LAW TRIBUNAL)  
ALLAHABAD BENCH**

**IA NO. 163/2021**  
**IN**  
**CP(IB) No.55/ALD/2017**

**IN THE MATTER OF :**

**M/s LML Limited**

**.....Corporate Debtor**

**IN THE MATTER OF :**

**M/s LML Limited (In Liquidation)  
Through Liquidator,  
Mr. Arun Gupta**

**.....Applicant/ Liquidator**

**ORDER DELIVERED ON : 03.08.2021**

**CORAM:**

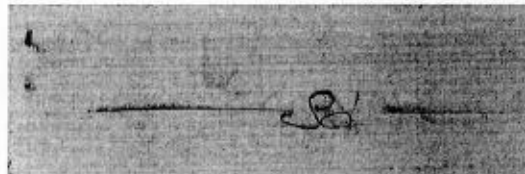
**Hon'ble Mr. Justice (Retd.) Rajesh Dayal Khare, Member, Judicial**

**For the Liquidator: Mr. Shubham Agarwal, Adv along with  
Ms. Monica Nanda, PCS**

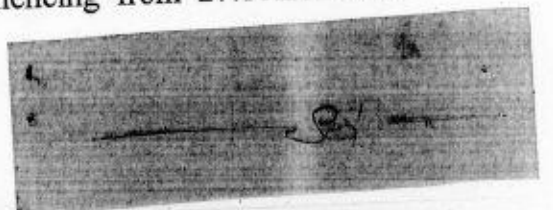
**Per se: Mr. Justice (Retd.) Rajesh Dayal Khare, Member (Judicial)**

**Order**

1. The present Application has been filed by the Liquidator under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 44(2) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations for Extension of Liquidation period for one year.
2. It is the matter of record that this Tribunal vide order dated 23.03.2018, allowed the liquidation application of the of Corporate Debtor and appointed Mr. Arun Gupta as the Liquidator for the liquidation of the Corporate Debtor vide order dated 09.04.2018.



3. As per the averments made in the application, the liquidator, in consonance with the provisions under Section 38 of the IBC, had duly consolidated the claims and had verified the same in consistent with the provisions of Section 39 of the IBC and thereafter, admitted the claim as submitted by the claimants. Thereafter, the modified lists of the stakeholders have also been uploaded on the above-mentioned link from time to time.
4. Further, the liquidator constituted a monitoring committee for the guidance, which is comprising of the Corporate Debtor, Financial Creditors and representative of employees Union and immediately issued the sale notice along with the public announcement dated 27.09.2018 for the First auction, which was held on 31.10.2018 and in accordance with the Schedule I (i.e. Mode of Sale) under Regulation 33 of the IBBI (Liquidation Process) Regulation, 2016, the liquidator preferred to sell the assets of the Corporate Debtor through e-Auction inviting prospective bidders to bid on the various blocks of assets on time-to-time basis from the date of first auction.
5. Further, pursuant to the Regulation 15 of the IBBI (Liquidation Process) Regulations, 2016, progress reports have also been duly filed and submitted on quarterly basis before this Tribunal and intimation regarding the same have also been made to the IBBI too.
6. It is further stated that only one major immovable asset remains unsold, which has been put into auction several times, thus this tribunal vide its order dated 27.05.2020 granted an extension of time for a period of 6 months commencing from 27.05.2020 till 26.11.2020 for completion of the Liquidation process within the stipulated time period. Then again this Tribunal vide its order dated 26.11.2020, granted further extension of time for a period of 6 months commencing from 27.11.2020 till 26.05.2021.



7. It is submitted that the liquidator had already commenced and distributed funds to the extent of Rs. 1,05,20,96,441/- which has been paid towards CIRP expenses and remaining balance is distributed to the stakeholders including provident fund and gratuity as per the provisions of the IBC.
8. In regards to the unsold immovable asset of the Corporate Debtor, an application being IA No. 32/2021 was filed by the liquidator under Section 60(5) (C) of the IBC for seeking permission to conduct the auction by reducing, when the auction by reducing the reserve price by 10% each time at each subsequent auction, when the auction fails at the earlier reduced price. It is a matter of record that the aforesaid application has been allowed by this tribunal vide order dated 14.04.2021.
9. Further, the applicant has stated the reasons on the basis of which the applicant is praying for extension of the liquidation process for one year which is mentioned in Para 50 of the present application.
10. It is further stated that despite the best efforts taken by the applicant/Liquidator, the assets of the Corporate Debtor could not be realized owing to the slow-down in economy on account of COVID-19 pandemic and the lockdown which has been imposed by most of the State Governments commencing from April, 20 2021, in light of the same, the applicant claims benefit of Regulation 47A in IBBI (Liquidation Process) Regulations, 2016, which excludes the period of lockdown imposed by both the Central and State Government.
11. After considering the facts and circumstances of the case and pursuing the documents annexed there to it is pertinent to note that the reasons as stated by the Liquidator in instant application have led the Liquidator to approach this Bench

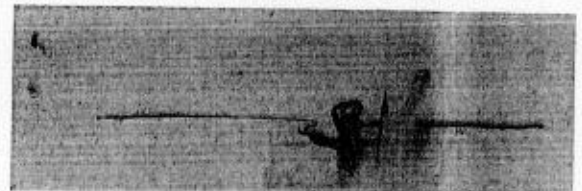


seeking extension of liquidation period by a further period of 1 year and the reasons as stated by the applicant have arisen despite the best efforts taken by the liquidator.

12. Thus, it is observed that as the purpose of the liquidation process under the Insolvency and Bankruptcy code, 2016 is resolution of the Company even at the stage of liquidation thus it is necessary to aid the Liquidator in the process of fulfilling his duties of resolving the Corporate Debtor.

13. Hence, the present application is allowed and the liquidation period is hereby extended for the period of six months from the date of receipt of a copy of this order. Further the period consumed during the lockdown period is to be excluded for the purpose of counting the period prescribed for Liquidation process, in the light of *Hon'ble Supreme Court Judgement in Suo moto decision of in the "Miscellaneous Application No. 665/2021 in SMW(C) No. 3/2020"* in which it was held to extend/exempt such period from 15th March 2020 till 14th March 2021 for limitation and any Legal proceeding under any law in force and pending in any Court of Law.

14. Accordingly IA No. 163/2021 in CP No. (IB) 55/ALD/2017 stands disposed of.



**JUSTICE RAJESH DAYAL KHARE**

**MEMBER (J)**

**Date: 03.08.2021**

Swati Gupta  
(LRA)