

**NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT-I)
CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI BENCH,
NATIONAL COMPANY LAW TRIBUNAL, HELD ON **03.08.2021 at 10.30 A.M**
THROUGH VIDEO CONFERENCING

**PRESENT: SMT. R.SUCHARITHA, MEMBER (JUDICIAL)
SHRI. ANIL KUMAR B, MEMBER (TECHNICAL)**

IA/MA/IBA/TCP/TCA/CP/CA No : IA/583/CHE/2021 IN MA/968/2019 IN CP/382/IB/2018
NAME OF PETITIONER : V Duraisamy (Liquidator) of M/s Sun Brushware Pvt Ltd
NAME OF RESPONDENT :
SECTION : Regulation 44(2) of IBBI R/w Rule 11 & 14 of NCLT Rules 2016

Learned Counsel for the Applicant Mr. Thilak Narayanan is present through video conferencing platform.

2. This is an Application filed by the Liquidator under Regulation 44(2) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 read with Rule 11 & 14 of the NCLT Rules, 2016 seeking relief as follows;

- a. That this Hon'ble Adjudicating Authority may be pleased to pass an order by extending the Liquidation timeline for a further period of one year from 01.11.2020 and
- b. To pass such other orders or further orders which may deem to be fit and proper in the interest of justice.

3. The Liquidation in relation to the Corporate Debtor was ordered by this Tribunal on 25.11.2019 and the Applicant herein was appointed as the Liquidator. Pursuant thereto the Applicant caused public announcement and received claims from the stakeholders and the Liquidator has also filed the List of Stakeholders before this Tribunal in accordance with Regulation 5 of IBBI (Liquidation Process) Regulations, 2016.

4. The Learned Counsel for the Liquidator submitted that both the movable and immovable properties of the Corporate Debtor were brought forward for sale through e-auction on 04.11.2020. However, it was submitted that the Liquidator has received bids only in respect of moveable properties of Plant & Machinery and Vehicles of the Corporate Debtor and accordingly the sale was concluded for a sum of Rs.19,55,000/-. The Learned Counsel for the Liquidator submitted that the immovable properties of the Corporate Debtor could not be sold for the reasons that the Corporate Debtor is having only leasehold rights in respect of the land admeasuring 1.00 Acre situated at R.S.No.179/1C & 179/2, Plot No.12, in Madurai Integrated Textile Park, Vadipatti Madurai District.

5. Further, it is seen that the Liquidator has moved an IA/303/CHE/2021 before this Tribunal seeking for permission to surrender the leasehold rights to the Lessor and accordingly this Tribunal vide its

order dated 03.08.2021 has allowed the same. Hence it was submitted that the Liquidator has to receive the proceeds from surrender of leasehold rights and distribute the same to the stakeholders, for which sought for extension of the liquidation period.

6. Heard the submissions made by the Learned Counsel for the Applicant. From the facts narrated above, it is seen that the Liquidator is about to receive certain proceeds into the Liquidation estate and the said proceeds is required to be distributed to the stakeholders and only thereafter the liquidation process in relation to the Corporate Debtor would come to an end. Thus, by taking into consideration all the facts mentioned above, this Authority feels that it is just and proper to extend the Liquidation period for a further period of 6 (six) months and as such the Liquidation period of the Corporate Debtor is extended for a period of 6 (six) months from the date of this Order and the Liquidation process in relation to the Corporate Debtor is required to be completed on or before **03.02.2022**. Further, the Liquidator shall make every endeavour to complete the liquidation process within the extended period and not to seek any further extension. The Liquidator in view of the extension granted as above, is directed to abide by the model timelines as prescribed by IBBI in Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and thereby complete the process in all earnest and in accordance with the said Regulations including filing of reports as required, with this Tribunal. With the above said directions, IA/583/CHE/2021 stands **allowed**.

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(ANIL KUMAR B)
MEMBER (TECHNICAL)

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(R. SUCHARITHA)
MEMBER (JUDICIAL)

Raymond