IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT – V

IA (Dis.) 54/2024 IN C.P. (I.B) No. 2607/MB/2019

[Under Section 54 of the Insolvency and Bankruptcy Code, 2016]

Ajit Gyanchand Jain

Liquidator of Panache Exports Pvt. Ltd.

204, Wall Street – 1, Opp. Orient Club, Nr. Gujarat College, Ellis Bridge, Ahmedabad – 380006, Gujarat

…Applicant/Liquidator

In the matter of

Oriental Bank of Commerce
("Now Punjab National Bank")

…Financial Creditor

Vs

Panache Exports Private Ltd.
... Corporate Debtor

Order Dated: 04.03.2025

Coram:

Ms. Reeta Kohli, Hon'ble Member (Judicial)

Ms. Madhu Sinha, Hon'ble Member (Technical)

Appearances:

For the Applicant: Adv. Geeta Toramar (PH)

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ORDER

Per: Reeta Kohli, Member (Judicial)

1. The present Application **IA No. 54 of 2024** has been filed by **Ajit Gyanchand Jain, Liquidator of Panache Exports Pvt. Ltd.** (hereinafter referred as the "**Applicant**") for the **"Dissolution"** of the Corporate Debtor under Section 54 of IBC, 2016 seeking the following reliefs:

a. *Pass an order for dissolution of the Corporate Debtor as per the provisions of the Code.*

b. *Any other order which the Hon'ble Tribunal may find fit in the facts and circumstances of the present case.*

2. The case of the Applicant is that the CIRP against the Corporate Debtor was initiated vide order dated 25.11.2019 and Mr. Mayank Rameshchandra Jain was appointed as IRP. In the 1st CoC meeting held on 27.12.2019, the IRP was confirmed as RP of the Corporate Debtor.

3. In the 6th CoC meeting, held on 05.07.2022, the members of CoC decided and approved to file an application for initiation of Liquidation of the Corporate Debtor under section 33 of the Code due to non-receipt of Resolution Plan and completion of CIRP period. Pursuant to the same, IA No. 1682 of 2021 was filed by the Applicant under Section 33(2) of the Code to liquidate the Corporate Debtor. Vide order dated 23.09.2022, this Hon'ble Tribunal was pleased to initiate liquidation proceedings against the Corporate Debtor and the Applicant was appointed as the Liquidator of the Corporate Debtor. As submitted, the copy of the said Liquidation order was received by the Applicant on 12.10.2022.

4. In view of the aforementioned liquidation order, the Applicant made a Public Announcement under Regulation 12 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 ("Liquidation Regulations") in two newspapers, namely "The Financial Express" and "Navshakti" of Mumbai edition, dated 13.10.2022, calling upon the stakeholders to submit the proof of their claims on or before 11.11.2022. Subsequently, the Liquidator received claims from two stakeholders, i.e., Municipal Corporation of Greater Mumbai, Operational Creditors (Statutory Authorities/ Governmental Dues) and Multistoried IT & Gems Commercial Premises Co-operative Society Limited, Operational Creditors (Other than Workers & Employees) on 20.12.2022 and 27.03.2023 respectively. As stated, the formed a liquidation estate as per Section 36 of the Code as on 23.09.2022. The Company had assets (book value) of INR 30.44 Crores as per Balance Sheet as on 31.03.2018 (i.e. FY 2017-2018) as the management of Corporate Debtor had not provided the provisional balance sheet as on liquidation commencement date and the Estimated Realizable Value as per the Asset Memorandum was INR 12 Crores. However, fresh valuations were done by the Liquidator as per Regulation 35 of the Liquidation Regulations based upon the directions as passed by the Hon'ble NCLT for sale of liquidation assets in parcel. The Liquidator appointed two registered valuers namely R K Patel & Co. and Raseek Bhagat in order to determine the fair value and realisable value of Land and Building as per Regulation 35 of the Liquidation Regulation.

5. The case of the Applicant further is that all the assets of the Corporate Debtor have been completely sold off by way of e-auctions conducted on different dates and the successful bidders were issued letter of intent/handover of property/sales certificate etc.

6. The list of the Assets disposed of by the Liquidator is as under: -

Auction Details	**Auction Date**	**Regulation 32**	**Value of Assets**

1th E-auction	23 December 2022	Sale of Plant and Machinery at Unit No. 3, Ground floor, "Multi-storied Building" SEEPZ, Marol Industrial Area, Andheri (East), Mumbai- 400096 **as prescribed under Regulation 32(d) (Sale of Assets in Parcel)** to Noori Metal Private Limited in view of which Letter of intent was issued on 2 January 2023. **(Details of 1st e-auction is at Page No. 25-26 of Vol-1)**	Reserve Price: 8,00,000 Highest Bid Price: 9,00,000 Realized Value (Inclusive of Taxes): 10,77,466
6th E-auction	5 July 2023	Sale of Unit No. 3, Ground floor, "Multi-storied Building" SEEPZ, Marol Industrial Area, Andheri (East), Mumbai-400096 **as prescribed under Regulation 32(d) (Sale of Assets in Parcel)** was sold to Indojewel Jewellery Private Limited in view of which letter of intent was issued on 7 July 2023. **(Details of 6th e-auction is at Page No. 29-30 of Vol-1)**	Reserve Price: 5,31,00,000 Highest Bid Price: 5,31,00,000 Realized Value (Inclusive of Taxes): 5,31,00,000
9th E-auction	8 December 2023	**(a)** Sale of Gala No. 108/A, first floor, Parvati Industrial Premises Co-operative Society Limited, New Sun Mill Compound,	Reserve Price: 3,30,00,000 Highest Bid Price:

		Sitaram Jadhav Road, Lower Parel (West), Mumbai 400013 **as prescribed under Regulation 32(d) (Sale of Assets in Parcel)** was sold to Anand Acid & Chemicals Company in view of which letter of intent was issued on 11 December 2023. **(b)** Sale of Inventories -A. D. Diamonds. (81 Parcels), Brass Chain Hooks. (60 Pcs.), Alloy: 9 Plastic Bags, etc **as prescribed under Regulation 32(d) (Sale of Assets in Parcel)** was sold to Indojewel Jewellery Private Limited in view of which letter of intent was issued on 11 December 2023. **(Details of 9th e-auction is at Page No. 29-30 of Vol-1)**	3,46,00,000 Realized Value (Inclusive of Taxes): 3,49,08,712 Reserve Price: 38,300 Highest Bid Price: 38,300 Realized Value (Inclusive of Taxes): 38,300
10th E-auction	4 March 2024	**(a)** Sale of Inventories - Jewellery including Eartops, Nosepin Pendant etc. made up of Silver and other metal Jewellery **as prescribed under Regulation 32(d) (Sale of Assets in Parcel)** was sold to S3G Debt Management in view of which	Reserve Price: 9,000 Highest Bid Price: 9,500 Realized Value (Inclusive of Taxes): 11,210

		letter of intent was issued on 6 March 2024. **(B)** Not readily realizable assets ("NRRA") amounting to INR 23,37,03,058/- **(Trade Receivables, short term Loans and Advances Application Filed and under section 43 & 44 of IBC 2016)** was assigned to M/s. S3G Debt Management in the 14th meeting of Stakeholders Consultation Committee held on 25th April 2024 and continued on 10 May 2024 by 80.63% of e-voting. The final Deed of Assignment of NRRA was signed by the Liquidator and M/s. S3G Debt Management. **(Copy of Deed of Assignment of NRRA is at Page No. 805-832 of Vol-5).** **Details of 10th e-auction is at Page No. 33-35 of Vol-1)**	

7. The Assets which were termed as non-readily realisable Assets (NRRA) were also assigned to M/s. S3G Debt Management. As submitted by the Applicant, the distribution of realized value of the Stakeholders as per Section 53 of the Code is as under: -

Sr. No.	Particulars	Claims Admitted (INR)	Realized Value (INR)	Distribution To Stakeholders (INR)
1	**Amount Realized**		**8,91,36,688.00**	
2	**Distribution as per waterfall mechanism (Section 53 of the Code)**			
2.1	The insolvency resolution process costs and the Liquidation Process Cost as per Annexure A	-	1,23,65,509	
2.2 (1)	Workmen dues (upto 24 months)			
2.2 (2)	Debt owed to Secured Creditors	48,71,53,985		7,67,71,176
2.3	Employee dues (upto 12 months)	-		-
2.4	Financial debts owed to Unsecured Creditors	-		-
2.5 (1)	Statutory & Government Dues (upto 2 years)	10,90,97,594.69		-
2.5 (2)	Debts owed to secured creditors for any amount unpaid following security interest enforcement			
2.6	Any remaining debts & Dues	79,11,043		-
2.7	Preference Shareholders	-		-

2.8	Equity Shareholders	-		-
TOTAL		60,41,62,622.69	8,91,36,688.00	7,67,71,176.00

8. The Counsel for the Applicant further informed the Bench that the entire realized amount has been distributed to stakeholders in the manner which is as under:

Distribution on	**Punjab National Bank in (INR)**
30 August 2023	4,35,00,000
28 March 2024	3,10,00,000
13 August 2024	22,71,176
Total	**7,67,71,176**

9. After the distribution of all the assets of the Corporate Debtor under liquidation, the Liquidation account was closed and the closure certificate dated 30.08.2024 has been placed on record.

10. After appreciating the case of the Applicant and having gone through all the documents placed on record, including the account closure certificate where the balance amount has been shown as *nil*, we deem it appropriate to allow the present Application and dissolve the Corporate Debtor, Panache Exports Private Ltd. Therefore, with the aforesaid observations, **IA No. 54 of 2024 is hereby allowed and disposed off.**

Sd/-
MADHU SINHA
Member (Technical)

Sd/-
REETA KOHLI
Member (Judicial)

/Jhanvi/