

Through Videoconference

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT No. - I

IA No. 595 of 2021
in
C.P. (IB) No. 1625/MB/2018

(An Application under Section 33(2) of the Insolvency and
Bankruptcy Code, 2016)

Ganesh Venkata Siva Rama Krishna Remani
Resolution Professional for
Shree Hanuman Textfab Pvt. Ltd.,
33, New Vora Building, 3rd Floor,
59 Nakoda Street Phydhuni,
Mumbai - 400 003

... *Applicant*

In the matter of:
C.P. (IB) No. 1625/MB/2018

J B Ecotex LLP ... Operational Creditor

V/s

Shree Hanuman Textfab Pvt. Ltd. ... Corporate Debtor

Date of Order: 05.08.2021

CORAM:

Shri. Bhaskara Pantula Mohan, Hon'ble Acting President
Shri. Narender Kumar Bhola, Hon'ble Member (Technical)

Appearance:

For the Applicant: Mr Ganesh Remani.

Sd/-

Per: Bhaskara Pantula Mohan, Acting President

ORDER

1. The present Application is filed by the Applicant under Section 33(2) of the Insolvency and Bankruptcy Code, 2016 (the Code) seeking liquidation of the Corporate Debtor.
2. This Tribunal by order dated 14.02.2020 admitted the captioned Petition under Section 9 of the Code and initiated Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor. Mr. Devesh Pathak was appointed as the Interim Resolution Professional (IRP).
3. In the 1st meeting of the Committee of Creditors (CoC) held on 16.03.2020, the CoC with 100% voting share resolved to replace Mr. Devesh Pathak and appoint Mr. Ganesh Venkata Siva Rama Krishna Remani, the present Applicant, as the Resolution Professional (RP) of the Corporate Debtor. This Tribunal *vide* order dated 05.10.2020 allowed the said replacement.
4. This Tribunal further *vide* order dated 14.12.2020 excluded the period of lockdown from the CIRP period and gave an extension of 90 days to complete the CIRP i.e., to be completed by 13.03.2021.
5. The Applicant submits that, he issued 'Form G' seeking Expression of Interests (EoI) from potential bidders on

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19.10.2020 and again on 06.01.2021. However, although there were couple of bidders, none submitted a Resolution Plan for the Corporate Debtor.

6. It is submitted that the Corporate Debtor has availed the "Package Scheme of Incentives - 2013" and has eligibility certificate till 2025 and therefore, there is value in the Corporate Debtor if sold as a going concern.
7. It is further submitted that as there was no enough time to seek fresh EoI, the CoC in its 9th meeting held on 03.03.2021 resolved with 100% voting for liquidation of the Corporate Debtor and sought to attempt the liquidation as a going concern as per clauses (e) & (f) of Regulation 32 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (the Regulations).
8. The Applicant has submitted his consent to act as the Liquidator of the Corporate Debtor. Copy of the consent is annexed as 'Annexure H' to the Application.
9. The Applicant further submitted that as the minutes of the 9th CoC meeting inadvertently failed to capture the Resolution for the liquidation of the Corporate Debtor, the Applicant proceeded and held 10th meeting of the CoC on 13.04.2021 to correct the lacuna. Accordingly, in the 10th CoC meeting, the CoC members rectified the error and ratified all the actions taken by the RP in respect of filing the Application for

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liquidation of the Corporate Debtor. The CoC also authorised the RP to do all the necessary acts and deeds. Further, in the same meeting the CoC and the RP also mutually agreed upon the fees of the liquidator as per Regulation 39D of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. Hence this Application.

10. We have heard the Applicant and have perused the records. The Application is in accordance with law. The same needs to be approved as provided under Section 33 of the Code. Hence ordered.

ORDER

The Application be and the same is allowed. The Corporate Debtor, Shree Hanuman Texfab Private Limited, shall be liquidated in the manner as laid down in Chapter-III of the Code with the following directions:

- a) Mr Ganesh Venkata Siva Rama Krishna Remani having Registration No. IBBI/IPA-001/IP-P01386/2018-19/12176 is appointed as Liquidator. He shall be entitled to fees in terms of Section 34(8) of the Code read with Regulation 4(1) of the Regulations.
- b) The Liquidator shall endeavour to sell the Company as a going concern during the liquidation in terms of Regulation 32A of the Regulations. In case he is not able to do so within a period of 90 days from this date, he

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shall proceed in accordance with clauses (a) to (d) of Regulation 32 of the Regulations.

- c) The Liquidator shall issue public announcement stating that the Corporate Debtor is in liquidation.
- d) The Moratorium declared under Section 14 of the Code shall cease to operate here from.
- e) Subject to Section 52 of the Code no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. This shall however not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- f) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.
- g) The Liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code read with the Regulations.
- h) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.

Sd/-

- i) This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the liquidation process by the Liquidator.
- j) The Liquidator is directed to send a copy of this Order to Registrar of Companies concerned and Insolvency and Bankruptcy Board of India, New Delhi.

Sd/-

Narender Kumar Bhola
Member (Technical)

Sd/-

Bhaskara Pantula Mohan
Acting President