

**IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

**IA No.4290(PB)/2022
IN
CP (IB) No.945(PB)/2020**

In the matter of:
An application under section 33(2) of the Insolvency and Bankruptcy Code, 2016.

In the matter of:
Punjab National Bank

... Financial Creditor

Versus

Bansal Diamonds Pvt. Ltd.

...Corporate Debtor

And

In the matter of:
Reetesh Kumar Agarwal
(RP of Bansal Diamonds Pvt. Ltd)

...Applicant

Order pronounced on: 02.03.2023

Coram:

Chief Justice (Retd.) Ramalingam Sudhakar : Hon'ble President
Shri Avinash K. Srivastava : Hon'ble Member (Technical)

Appearances :

For the Applicant/RP : Ms. Adarsh Rai, Advocate
Mr. Shreyansh Dassani, Advocate

ORDER

Per: Avinash Kumar Srivastava, Member (Technical)

1. This is an application filed by the Resolution Professional ('RP') upon the instructions of the Committee of Creditors ('CoC') seeking liquidation of the Corporate Debtor, viz., **Bansal Diamonds Private Limited** [CIN: U27205DL2007PTC167931],

**IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

In Re liquidation of Bansal Diamonds Pvt. Ltd.
IA No.4290/2022 in CP (IB) No.945/ALD/2020

on the ground that no resolution plan was received. The Applicant has sought for the following reliefs:

- a. Allow the present application and pass an order directing the Corporate Debtor to be liquidated in the manner as laid down in the Insolvency and Bankruptcy Code, 2016;
 - b. Direct to issue a public announcement with respect to liquidation of Corporate Debtor and the said Order be sent to the ROC Delhi where the corporate debtor is registered; and/ or
 - c. Any other order which this Hon'ble Tribunal may deem fit and proper in the interest of justice.
2. This Adjudicating Authority, *vide* its order dated 10.05.2022 on a Petition filed by the Financial Creditor namely, Punjab National Bank (*'Financial Creditor'*) under section 7 of the Insolvency and Bankruptcy Code, 2016 (*'the Code'*), directed initiation of the Corporate Insolvency Resolution Process (*'CIRP'*) against the Corporate Debtor and appointed the applicant Mr. Reetesh Kumar Agarwal as the Interim Resolution Professional (*'IRP'*) who was confirmed as RP *vide* order of this Adjudicating Authority dated 27.07.2022.
3. The Applicant submits he took all the necessary steps and made necessary public announcement in Form A under IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 on 12.05.2022 in Business Standard ("English") and Business Standard ("Hindi) newspapers published daily, inviting the creditors of the corporate debtor to file their claims.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

In Re liquidation of Bansal Diamonds Pvt. Ltd.
IA No.4290/2022 in CP (IB) No.945/ALD/2020

4. After collation of claims, the CoC was constituted on 10.06.2022 with the following members:

| Financial Creditors | Voting Share |
|---|---------------------|
| Punjab National Bank (& erstwhile OBC) | 37.57% |
| Bank of India | 16.00% |
| Phoenix ARC Private Limited Acting in the capacity of as Trustee of Phoenix Trust – FY 16-15 | 9.66% |
| Phoenix ARC Private Limited Acting in the capacity of as Trustee of Phoenix Trust – FY 16-17 | 4.90% |
| CANARA BANK (& erstwhile e- Syndicate Bank) | 14.46% |
| Indian Overseas Bank | 9.80% |
| Bank of Maharashtra | 7.61% |
| Total | 100% |

5. It is further stated that RP has taken all possible efforts for conducting the CIRP. On 26.07.2022, in the 2nd meeting of COC, the members of COC deliberated on the possibility of the resolution of the corporate debtor but from the records, it was found the there is no cash flow in the company and the business of the corporate debtor is closed.
6. Thus, in absence of any possibility of getting resolution plan, it was resolved by the members of CoC in the 2nd COC meeting held on 26.07.2022 that as there are no possible ways for revival of corporate debtor, therefore, the CoC with

**IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

In Re liquidation of Bansal Diamonds Pvt. Ltd.
IA No.4290/2022 in CP (IB) No.945/ALD/2020

84% voting share recommended for liquidation of the Corporate Debtor and to appoint the present RP; Mr. Reetesh Kumar Agarwal as liquidator of the Corporate Debtor.

7. Hence, the RP has filed the present application under section 33(2) of the Code, before this Adjudicating Authority for liquidation of the Corporate Debtor and appointment of Mr. Reetesh Kumar Agarwal as liquidator. Mr. Reetesh Kumar Agarwal has given his consent dated 20.07.2022 to act as liquidator which is placed at Pg.78 and 79 of the present application. He is stated to have a valid Authorisation for Assignment.
8. The CoC has not made compliance of Regulation 39B of the CIRP Regulations, 2016 regarding meeting of liquidation costs. The Liquidator is, there from directed to take necessary action under Regulation 2A of the IBBI (Liquidation process), Regulations (2016) regarding contribution to liquidation costs.
9. This Bench, therefore, hereby orders as follows: -
 - a. Prayers as sought for in I.A.No. 4290/2022 filed by Mr. Reetesh Kumar Agarwal, RP of Bansal Diamonds Private Limited, the Corporate Debtor, is allowed and the Corporate Debtor is ordered to be liquidated in terms of section 33(1) of the Code read with sub-clause (i) of clause (b) thereof;
 - b. Mr. Reetesh Kumar Agarwal [Reg. No. IBBI/IPA-001/IP-P00878/2017-2018/11475; Email: carkagarwal@gmail.com; Address: Unit No. 531, Fifth Floor, Plot No. 8, S.G. Shopping Mall, Community Center,

**IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

In Re liquidation of Bansal Diamonds Pvt. Ltd.
IA No.4290/2022 in CP (IB) No.945/ALD/2020

D.C. Chowk ,Sector 9, Rohini ,New Delhi, National Capital Territory of Delhi ,110085; whose name has been proposed by CoC is hereby appointed as liquidator as provided under section 34(1) of the Code, in terms of regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2019.

- c. The Liquidator shall initiate liquidation process as envisaged under Chapter-III of the Code and the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- d. Public Notice shall be issued in the same newspapers in which advertisements were issued earlier stating that the Corporate Debtor is in liquidation.
- e. All the powers of the Board of Directors, and of key managerial persons, shall cease to exist in accordance with section 34(2) of the Code. All these powers shall henceforth vest in the Liquidator.
- f. The personnel of the Corporate Debtor are directed to extend all assistance and co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- g. On initiation of the liquidation process but subject to section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except the liberty to the liquidator to institute suit or other legal proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority, as provided in section 33(5) of the Code read with its proviso.
- h. In accordance with section 33(7) of the Code, this liquidation order shall be deemed to be a notice of discharge to the officers, employees, and workmen of the

**IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

In Re liquidation of Bansal Diamonds Pvt. Ltd.
IA No.4290/2022 in CP (IB) No.945/ALD/2020

Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.

- i. The Liquidator shall follow up and continue to investigate the financial affairs of the Corporate Debtor in accordance with provisions of Section 35(1) of the Code.
 - j. The liquidator shall also follow up the pending applications for their disposal during the process of liquidation including initiation of steps for recovery of dues of the Corporate Debtor as per law.
 - k. The Liquidator shall submit Preliminary Report to the Adjudicating Authority within seventy-five days from the liquidation commencement date as per Regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016;
10. The Liquidator and the Registry are directed to send the copy of this order within 7 days from the date of this order to the the Registrar of Companies, NCT of Delhi & Haryana.The Registrar of Companies shall take further necessary action upon receipt of a copy of this order.
 11. The application bearing **IA No. 4290/2022** shall stand disposed of in accordance with the above directions.
 12. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.
 13. A copy of this order shall also be forwarded to the IBBI, and concerned parties for their record.

**IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

In Re liquidation of Bansal Diamonds Pvt. Ltd.
IA No.4290/2022 in CP (IB) No.945/ALD/2020

14. Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

-sd-

**RAMALINGAM SUDHAKAR
PRESIDENT**

-sd-

**AVINASH K. SRIVASTAVA
MEMBER(TECHNICAL)**