

NATIONAL COMPANY LAW TRIBUNAL

COURT ROOM NO. 1,

MUMBAI BENCH

Item No. 10

IA 457/2024 (NEW IA) in C.P. (IB)/153(MB)2023

CORAM:

SH. PRABHAT KUMAR JUSTICE VIRENDRASINGH BISHT (Retd.)
HON'BLE MEMBER (TECHNICAL) HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF THE HEARING ON **08.02.2024**

NAME OF THE PARTIES: **PANCHMAHAL STEEL LTD VS KUNDAN**
INDUSTRIES LIMITED

Section 12A & 9 of the Insolvency and Bankruptcy Code, 2016,
Application under any other provisions- IBC & Rule 11

ORDER

IA 457/2024 (NEW IA) in C.P. (IB)/153(MB)2023

- 1) Mr. Aniruth Purusothaman, Ld. Counsel for the Applicant, Mr. Aditya N. Raut, Ld. Counsel for the Operational Creditor are present. None present for the Corporate Debtor, when the matter is called out.
- 2) The present Interlocutory Application has been filed by the Applicant, Sunil Kumar Agarwal, Interim Resolution Professional seeking withdrawal of the

Corporate Insolvency Resolution Process of the Corporate Debtor, which was initiated *vide* order dt. 02.01.2024.

- 3) Ld. Counsel for the Applicant, on instructions, submits that the Operational Creditor has entered into Settlement Agreement on 17.01.2024 with Ex-CFO of the Corporate Debtor, wherein the Operational Creditor agreed and accepted an amount of Rs.2,50,00,000/- (Rupees Two Crore Fifty Lakhs Only) towards full and final settlement of its claim against the Corporate Debtor.
- 4) Applicant further submits that a Committee of Creditors has not yet been constituted for the Corporate Debtor.
- 5) In view of the above developments, it is submitted that the Operational Creditor has provided Form FA dt. 19.01.2024, [Under Regulation 30A of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations 2016], for withdrawal of the Corporate Insolvency Resolution Process proceedings against the Corporate Debtor, which is complete in all aspects. Applicant further confirms and submits that no CIRP costs have incurred and hence, no amount is payable to the Interim Resolution Professional.
- 6) It is submitted that all the expenses incurred by the Applicant during the Corporate Insolvency Resolution Process of the Corporate Debtor till date have been settled and the Applicant hereby states that no Corporate Insolvency Resolution Process dues remain to be paid.

- 7) Hence, the present Interlocutory Application has been filed for withdrawal of Corporate Insolvency Resolution Process of the Corporate Debtor, **Kundan Industries Limited**.
- 8) Having considered the submissions and on perusal of averments made in the present Interlocutory Application, this Bench is satisfied and is of the considered opinion that the present Interlocutory Application is in consonance with Section 12A of the Insolvency and Bankruptcy Code, 2016 r/w Rule 11 of NCLT Rules, 2016 and r/w Regulation 30A(1)(a) of CIRP Regulations, and the same is liable to be allowed. Accordingly, this Bench allows the present Interlocutory Application, thereby allowing the Applicant to withdraw the Corporate Insolvency Resolution Process against the Corporate Debtor, **Kundan Industries Limited**.
- 9) Now the Corporate Debtor, **Kundan Industries Limited**, is free from all the clutches and rigors of Corporate Insolvency Resolution Process proceedings. The moratorium declared under Section 14 of the Insolvency and Bankruptcy Code, 2016 order of this Bench **dt. 02.01.2024**, shall cease to operate here from.
- 10) The Applicant herein is directed to handover all the assets, records and effects whatever available with him in the physical or electro format to the suspended Directors of the Corporate Debtor forthwith.
- 11) Resultantly, the main Company Petition bearing **CP (IB) No. 153 of 2023**, stands disposed of. In view of the withdrawal of the main Company

Petition, all the pending Interlocutory Applications, if any, arising out of the present Company Petition, stands closed. File be consigned to records.

12) There would however be no order as to costs. Ordered Accordingly.

Sd/-

PRABHAT KUMAR
MEMBER (TECHNICAL)

Sd/-

JUSTICE VIRENDRASINGH BISHT
MEMBER (JUDICIAL)

Vedant Kedare