

**In the National Company Law Tribunal  
Mumbai Bench**

**MA 2691/2019 in C.P. (IB)-122/(MB)/2018**

Under section 33 (i)(a) of Insolvency &  
Bankruptcy Code, 2016

**In the Application of**

Mr. Manoj Kumar Mishra  
.....Applicant/ Resolution  
Professional

**In the matter of**

Shanti Synthetics  
.....Petitioner/  
Operational Creditor

V/s

IDT Clothing Private Limited  
.....Respondent/ Corporate  
Debtor

**Order delivered on: 16.12.2019**

**Coram:** Hon'ble Mr. M.K. Shrawat, Member (Judicial)  
Hon'ble Mr. Chandra Bhan Singh, Member (Technical)

**For the Applicant:** Resolution Professional Manoj Kumar Mishra

**Per:** *Chandra Bhan Singh, Member(Technical)*

**ORDER**

1. This is an Application submitted on 02.08.2019 U/s.33 of the Insolvency & Bankruptcy Code, 2016 (hereinafter referred to as "I&B Code") by Mr. Manoj Kumar Mishra, the Resolution Professional of the Corporate Debtor M/s. IDT Clothing Private Limited, seeking an Order of 'Liquidation' of the Corporate Debtor.

**Facts of the case:**

2. In this case, the Petition/ Application U/s. 9 of the Insolvency and Bankruptcy Code, 2016 (the Code) filed by the Operational Creditor Shanti Synthetics against 'IDT Clothing Private Limited', (hereinafter as "Corporate Debtor") was Admitted vide an order dated 28.01.2019 (C.P.122/IBC/MB/2018) by this Bench and Mr. Manoj Kumar Mishra was appointed as Interim Resolution Professional (IRP) to conduct

the CIRP of the Corporate Debtor. When the Resolution Professional got possession of Corporate Debtor, the Company ceased to be a going concern. The manufacturing Unit of the Corporate Debtor was closed from the last three years.

3. After Admission of the Petition, it was noted that 180 days of CIRP period was to complete on 27.07.2019. The CoC consisted of a single member namely State Bank of India. During the Second CoC meeting held on 12.04.2019 the IRP Mr Manoj Kumar Mishra. (IBBI Registration No: IBBI/IPA-001/IP-P01152//2018-19/11902) was appointed as the RP.
4. The Resolution Professional submits that After the 2<sup>nd</sup> meeting of the COC, Expression of interest (EOI) was issued on 22.04.2019 in four newspapers namely Free Press Journal and Business Standard in English Language and Navshakti and Divya Bhaskar in Marathi and Gujrati Language respectively to invite Expression of Interest from Prospective Resolution Applicants, by which the Last date for receipt of Expression of Interest was 09.05.2019.
5. The Resolution Professional submits that, no Expression of interest was received after the newspaper publication. Thereafter, the RP with the approval of the COC members again issued an advertisement for extension of 20 days for validity of Expression of Interest. In spite of the extension of the EOI, No Resolution Applicant came forward with a Resolution Plan. Around five enquiries came in the matter, however all the enquirist were interested in a running company.
6. The RP further states that the promoters were invited to make an effort to bring a Resolution Plan to revive the Company. However, this attempt also failed. The promoters were not keen in bringing up any Resolution Plan.
7. In the 6<sup>th</sup> COC meeting held on 23.08.2019 the Resolution Professional brought a Resolution for the extension of 90 days for the CIRP process under section 12(2) of the Code before this bench. On request of the COC, the resolution for extension was shared with the COC. The sole members of the COC resolved against any extension of CIRP period. The Resolution Professional submits that in such a situation the only option is to apply for Liquidation of the Company.
8. Hence, in the CoC meeting dated 01.08.2019, the CoC by 86.09% e-voting decided to liquidate the Corporate Debtor under section 33(1) of the I&B Code. The CoC decided that the RP Mr Manoj Kumar Mishra (IBBI Registration No: IBBI/IPA-001/IP-P01152//2018-19/11902) be appointed as liquidator subject to approval of this Bench.

9. The Resolution Professional Mr Manoj Kumar Mishra has given his written consent to act as 'Liquidator' on 29.07.2019 under Regulation 3(1A) of the IBBI (Liquidation Process) Regulations, 2016.
10. The Resolution Professional appointed four valuers for the valuation of the assets namely (i) Modilal Pamecha (ii) Bhavesh Rathod (iii) Kedar Chikodi (iv) Sirish J Sharma where the estimated fair value of the Corporate Debtor is stated to be ₹6,19,88,912/- and total Liquidation value is said to be ₹4,31,24,812/-
11. Considering above facts and circumstances, this Bench hereby Orders that:
  - i. The Process of Liquidation shall commence as per the Chapter III of the Code from date of this Order.
  - ii. Mr Manoj Kumar Mishra, (IBBI Registration No: IBBI/IPA-001/IP-P01152//2018-19/11902) is hereby appointed as a "Liquidator" as per the Provisions of S. 34 of the Code.
  - iii. The RP shall advertise in two Newspapers, one in English language and one in Vernacular Language i.e. Marathi, about the Liquidation of the Corporate Debtor as per the provisions of the Code.
  - iv. Copy of this Order shall be forwarded to the Concerned Authority with which the Corporate Debtor is Registered.
12. The Liquidator is at liberty to seek any directions, if need be, from this Bench during the Liquidation Process.
13. The Liquidator is hereby Authorized to represent the Corporate Debtor before the Government Authorities, if need be.
14. Ordered Accordingly. Application for U/s. 33 (1) (a) is Allowed.

**Sd/-**

**CHANDRA BHAN SINGH  
MEMBER (TECHNICAL)**

**Sd/-**

**M. K. SHRAWAT  
MEMBER (JUDICIAL)**

Dated: 16.12.2019

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