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THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH
AT NEW DELHI

C.A. 656(PB) /2018

IN

Company Petition No. IB-455(PB)/2017

In the matter of:

Mr. Sajeve Bhushan Deora ... Applicant/Resolution Professional

AND

In the matter of:

Forgings Private Limited ... Corporate Debtor

*Under Section 33(2) of the Insolvency and Bankruptcy Code, 2016
for liquidation of the corporate debtor.*

Judgment delivered on: 26.10.2018

Coram:

CHIEF JUSTICE (RTD.) M.M.KUMAR
Hon'ble President

S. K. MOHAPATRA
HON'BLE MEMBER (TECHNICAL)

For the Petitioner: Mr. Abhinav Vashista, Sr. Adv.,
Ms. Akansha Kaul, Advs

For the Respondent: Ms. Sudiksha Saini Adv. For

Mr. Karan Gambhir Suspended director

For the RP : Mr. Sajeve Deora, PCA, Mr. Pulkit Deora, Adv.

CA-656(PB)/2018 CP IB-455(PB)/2017

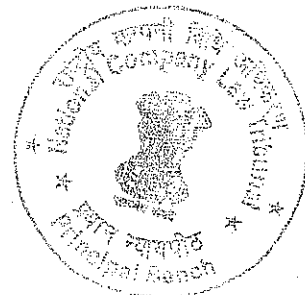
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ORDER

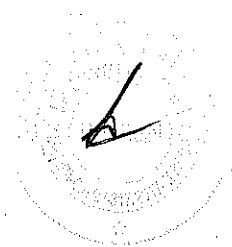
S. K. Mohapatra, Member

1. This is an application filed by the Resolution Professional under Section 33 (2) of Insolvency and Bankruptcy Code, 2016 (hereinafter referred as the "Code") for issuance of directions for liquidation of the corporate debtor, M/s Forging Private Limited.
2. The facts in brief are that the sole financial creditor, Indiabulls Housing Finance Limited had filed an application bearing no. IB-455(PB)/2017 under Section 7 of the Code for initiation of Corporate Insolvency Resolution Process against the corporate debtor, M/s Forging Private Limited. The said application was admitted by this tribunal vide order dated 28.03.2018 and Mr. Sajeve Bhushan Deora was appointed as Interim Resolution Professional (IRP).
3. In terms of Regulation 6 (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) the Interim Resolution Professional made a publication dated

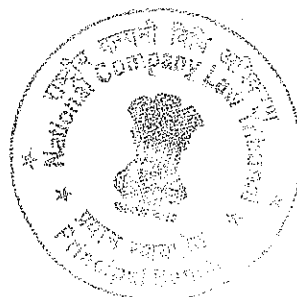



31.03.2018 in Business Standard English and Hindi edition,
New Delhi.

4. In the first meeting of CoC held on 23.04.2018 the IRP was appointed as the Resolution Professional with the approval of the CoC.
5. The resolution professional has submitted in the application that in this case there is only one financial creditor i.e. Indiabulls Housing Finance Limited, who constituted the Committee of Creditors as its sole member. It is also stated in the application that no other claim from any other creditor, financial or operational, or workmen and employees was received by the Resolution Professional.
6. Subsequently, two valuers viz., Crest Capital Group Pvt. Ltd. and Adroit Valuations, Adroit Technical Services Pvt. Ltd, were appointed on 05.05.2018 under Regulation 27 and Regulation 35 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2018 for determining the fair value and liquidation value of the assets of the Corporate Debtor.



7. The second meeting of committee of creditors was held on 07.05.2018 and the minutes of the meetings were circulated accordingly. It is submitted that the Information Memorandum, Process Note and Evaluation Matrix were prepared by resolution professional as per the discussions with the member of Committee of Creditors.
8. Thereafter, on 13.05.2018, the resolution professional published Form-G, in Business Standard (English and Hindi), inviting Expression of Interest from prospective Resolution Applicant. It is further stated that pursuant to publication, expression of interests were received from four parties. However, no resolution plan was received from any party before the last date of submission of resolution plan nor till the date of the present application.
9. It is stated in the application that the corporate debtor does not have any running business nor any employees. The assets of CD majorly comprise factory land and building situated in Faridabad lying unused and various advances recoverable from related parties of Corporate Debtor. In the absence of any resolution plan it was decided in the 3rd

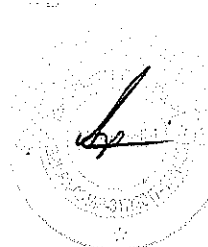


meeting held on 14.06.2018 that the Corporate Debtor cannot be revived and should be liquidated. The relevant portion of the resolution passed thereat is as follows:

“Resolved that the Corporate Debtor Forgings Private Limited may be recommended for liquidation to the Hon’ble NCLT, Delhi and for this purpose RP may file necessary application before Hon’ble NCLT, Delhi”.

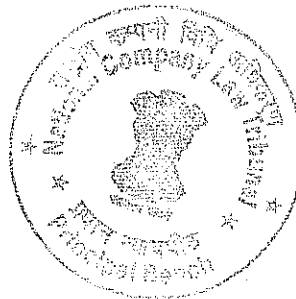
10. It is pertinent to note here that the Resolution Professional has submitted its willingness to act as a liquidator and undertook to submit its consent in specified form as per section 34(1) of the Code.

11. In the factual background and in the absence of any resolution plan and for want of time beyond statutory Corporate Insolvency Resolution Process period; there is no other alternative but to order, in conformity with the 100% decision of the CoC, for liquidation of the corporate debtor under Section 33 of the Code.



12. In the result the application is allowed by ordering liquidation of the corporate debtor, namely Forgings Private Limited in the manner laid down in the Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016 along with following directions:

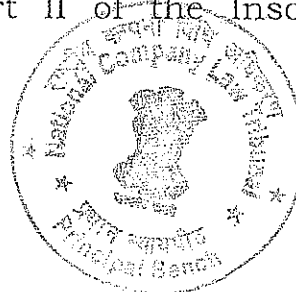
- a. Mr. Sajeve Bhushan Deora resolution professional holding registration no. IBBI/IPA- 001/ IP-N00317/ 2017/18 10581, is appointed as Liquidator in terms of Section 34(1) of the Code;
- b. Mr. Sajeve Bhushan Deora directed to issue Public Announcement stating that the corporate debtor is in liquidation, in terms of Regulation 12 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016;
- c. The Registry is directed to communicate this Order to the Registrar of Companies, NCT of Delhi & Haryana and to the Insolvency and Bankruptcy Board of India;



Signature



- d. The Order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and that a fresh Moratorium under Section 33(5) of the Insolvency and Bankruptcy Code shall commence;
- e. This order is deemed to be a notice of discharge to the officers and employees and the workmen of the corporate debtor as per Section 33(7) of the Insolvency and Bankruptcy Code, 2016;
- f. Resolution Professional has *inter alia* stated in the application that huge amount is recoverable from related parties to whom various interest free advances were given. In this regard the liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of provisions of Section 35(1) of the Code read with relevant regulations.
- g. The Liquidator is also directed to proceed with the process of liquidation in the manner laid down in Chapter III of Part II of the Insolvency and



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Bankruptcy Code, 2016 and in accordance with the relevant regulations.

- h. The Liquidator shall submit a 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.
- i. Copy of this order be sent to the financial creditor, corporate debtor and the Liquidator for taking necessary steps.
- j. C.A.656 (PB) /2018 filed in CP IB-455(PB)/ 2017 is disposed of in the aforesaid terms.

Sd/-
(M.M.KUMAR)
PRESIDENT

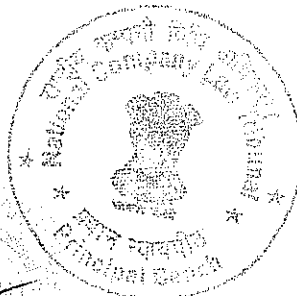
Sd/-
(S.K. MOHAPATRA)
MEMBER (TECHNICAL)

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CA-656(PB)/2018 CP IB-455(PB)/2017

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Rajiv
30/12/2018
व. वि. बं. राजू / V.V.B. RAJU
उप पंजीयक / DEPUTY REGISTRAR
राष्ट्रीय कम्पनी विधि अधिकरण
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