

NATIONAL COMPANY LAW TRIBUNAL
COURT ROOM NO. 1,
MUMBAI BENCH

Item No. 27

IA 5526/2023 in CP(IB)1945/MB/2019

CORAM:

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

ORDER SHEET OF THE HEARING ON **02.05.2024**

NAME OF THE PARTIES: **CORPORATION BANK V/s BELGIUM**
ALUMINIUM & GLASS INDUSTRIES PVT
LTD

Section 60(5) & 7 of the Insolvency and Bankruptcy Code, 2016

ORDER

IA 5526/2023 in CP(IB)1945/MB/2019

- 1) Mr. Navin Khandelwal a/w Mr. Ronak Patni, Chartered Accountants in Practice for the Applicant, Liquidator is present.
- 2) This is an Interlocutory Application filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 by the Applicant, **Kamal Kishor Gurnani** who is the Liquidator of the Corporate Debtor, **Belgium Aluminium & Glass Industries Pvt Ltd** Seeking dissolution of the Company, **Belgium Aluminium & Glass Industries Pvt Ltd**.
- 3) The Adjudicating Authority *vide* its order dated **27.08.2019**, on a Petition filed by the Financial Creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 thereby initiating Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor viz **Belgium Aluminium &**

Glass Industries Pvt Ltd, wherein **Mr. Ravindra Chaturvedi** was appointed as Interim Resolution Professional of the Corporate Debtor. Subsequently, the said Interim Resolution Professional was confirmed as the Resolution Professional of the Corporate Debtor by Committee of Creditors.

- 4) It has been averred that the members of the Committee of Creditors decided and approved to file an application for initiation of Liquidation of the Corporate Debtor under section 33 of the Code due to non-receipt of Resolution Plan and completion of Corporate Insolvency Resolution process period in the Fourth Meeting of the Committee of Creditors held on 29th February, 2020. Thereafter, on **24.12.2021**, this Bench allowed the Interlocutory Application seeking Liquidation of the Corporate Debtor. Pursuant to the said order of Liquidation, the Applicant herein was appointed as Liquidator of the Company.
- 5) The Applicant submits that pursuant to the Liquidation Order, he made Public Announcement on **31.12.2021** in Form B of Schedule 2 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 in two newspapers viz. **Navakal of Mumbai Edition and Financial Express** informing the public at large about the initiation of the Liquidation Process against the Corporate Debtor, and inviting claims from claims from the stakeholders to submit their claims before **27.01.2022**.

- 6) The Applicant has also served a copy of the Liquidation Order upon the Jurisdictional Registrar of Companies through INC 28 form and the same was also intimated to the statutory authorities on **31.12.2021**.
- 7) Pursuant to the public announcement, Liquidator received claims from various Stakeholders and the same claims were verified by him as per the provisions of the Code. The Liquidator has constituted a Stakeholders' Consultation Committee as per Regulation 31A of the Liquidation Regulations on **24.02.2022** and prepared a list of stakeholders.
- 8) The Applicant herein has prepared Preliminary Report as per Regulation 13 and 34 of the Liquidation Regulations and the same was filed along with the Asset Memorandum and List of Stakeholders by way of an Interlocutory Application on **09.03.2022**. It is further submitted that during the liquidation process, the Liquidator had received claims from the stakeholders and on verification of the same under Section 39 of the Code, the Liquidator had intimated all the stakeholders about the admission/rejection of their claims and with discrepancies and/or to submit modified/revised/additional documents to consider their claims as valid and on the basis of the fresh claims received and admitted by the Liquidator, the List of Stakeholders is revised and uploaded at the IBBI Portal.
- 9) Further, on 28.02.2022, 1st meeting of the Stakeholders' Consultation Committee of the Corporate Debtor was held wherein it was approved to appoint two Registered Valuers to carry out the valuation to determine the

estimated realizable value the Assets of the Corporate Debtor as per Regulation 35 of the Liquidation Regulations and it was apprised that he has also received the Final Valuation Report from both the valuers.

10) Pursuant to Regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Regulations), 2016, the Applicant is filing the Final Report prior to dissolution along with this Application which comprised of the following details:

- a) Conduct of the Liquidation Process
- b) Report dealing with the assets of the Corporate Debtor
- c) Statement of distribution of liquidation value to the stakeholders as per section 53 of the Code.

11) At this juncture, it is appropriate to read Section 54 of the Insolvency & Bankruptcy Code, 2016. The said Section is quoted below for the Convenience and ready reference:

“Section 54: Dissolution of corporate debtor.

(1) Where the assets of the corporate debtor have been completely liquidated, the liquidator shall make an application to the Adjudicating Authority for the dissolution of such corporate debtor.

(2) The Adjudicating Authority shall on application filed by the liquidator under subsection (1) order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly.

(3) A copy of an order under sub-section (2) shall within seven days from the date of such order, be forwarded to the authority with which the corporate debtor is registered”.

- 12)** The Applicant submits that:
- a) Subsequent to the dissolution of the Company, in case there is any realization from the Statutory Authorities, towards refunds, receivables or any other Current Assets the same shall be distributed towards the claim of the Secured Creditors.
 - b) Promoters/Directors shall be liable for the pending assessments as well as assessments arising subsequent to dissolution of the Company for the period prior to the Liquidation.
- 13)** **The Applicant herein has filed an Additional Affidavit wherein the Liquidator submits that IA 1530/2020 was listed for hearing on 02.11.2023 wherein the Bench directed to lift the attachment of the account and allow the Resolution Professional to operate the account and deal with the money lying there with for the purpose of the proceedings under the code. Accordingly, the Applicant complied with the said Order and distributed the said amount as per section 53 of the IBC, 2016 to the SCC Members. The Liquidator further submits that**

the substitution application has been filed by the Assignee with respect to the Interlocutory Applications which were assigned by the Liquidator to the Assignee as mentioned in the main dissolution application which was allowed by this Hon'ble Bench vide order dated 29.02.2024.

- 14) The Counsel for the Applicant submits that the Bank Account of the Corporate Debtor has been closed. This submission of the Counsel for the Applicant found substantiated as the Liquidator has submitted request letter vide email dated 19.03.2024 to the Bank for closure of the Liquidation Bank Account No. 31220200001762 of the Corporate Debtor and the confirmation letter dated 22.03.2024 for closure of the said Liquidation Bank Account has been received from Bank vide email dated 22.03.2024. The copy the Letter dated 22.03.2024 for closure of the Liquidation Bank Account is annexed herein as an Exhibit – C.**
- 15) It is submitted that the Liquidator has assigned some assets in the assignment of NRRA, viz. Trade Receivables; Short term Loans and Advances; Applications filed under section 66 of IBC 2016; Applications filed under section 43 and 45 of IBC 2016; and Other Current Assets. As per the Regulation 37A of the Liquidation Regulations pertaining to Assignment of Not Readily Realisable Assets (“NRRA”), the Liquidator proposed the assignment of NRRA to the members of Stakeholders Consultation Committee in the 2nd Meeting of the SCC held on 29.12.2022. The members had approved the said agenda by 83.06% of**

e-voting. The Liquidator published Notice for invitation of Expression of Interest of NRRA of corporate debtor on 10.01.2023 in the newspapers of Free Press Journal (Mumbai Edition) and Navakal (Mumbai Edition).

16) The members of SCC had approved the proposal of M/s. Finvin Investor Private Limited in the 4th meeting of Stakeholders Consultation Committee held on 27.02.2023 by 83.06% of e-voting. The final Deed of Assignment of NRRA was signed on 12.07.2023 by the Liquidator and M/s. Finvin Investor Private Limited. Copy of Deed of Assignment of NRRA dated 12.07.2023 and addendum to the NRRA agreement is annexed hereto and marked as Exhibit – “R” (Colly) of the Final Report.

17) The Applicant states that in compliance of Regulation 45 of The Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016, he filed the Final Report and the same is also annexed to the present Interlocutory Application as. The Compliance Certificate (FORM H) duly certified by the Resolution Professional [Under Regulation 45(3) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016] is duly annexed with the Interlocutory Application.

18) On the basis of the final report prior to dissolution, the Applicant submits that the assets of the Corporate Debtor have been completely

Liquidated and assigned under the **NRRA Agreement** and the present Interlocutory Application is filed to seek order for dissolution of the Corporate Debtor under section 54 of the Code.

- 19) Taking into consideration the current financial position of the Corporate Debtor and considering the fact that there is absolutely no means/sources available with the Corporate Debtor to discharge its liabilities.
- 20) In view of the above facts and circumstances, the submissions made by the Counsel for the Liquidator, upon the perusal of the Final Report and the Compliance Certificate filed in Form-H by the Applicant/Liquidator of the Corporate Debtor, it is seen that the Corporate Debtor has been completely Liquidated, and this Bench is of the considered view that **the Company, Belgium Aluminium & Glass Industries Pvt Ltd** deserves to **be dissolved**. Accordingly, we direct that the Company shall be dissolved from the date of this order.
- 21) Consequently, the Liquidator **Mr. Kamal Kishor Gurnani** is discharged from his duties and responsibilities as the Liquidator of the Corporate Debtor, **viz. Belgium Aluminium & Glass Industries Pvt Ltd**.
- 22) The Petitioner is further directed to serve a copy of this order upon the jurisdictional Registrar of Companies, with which the company is registered, within Seven days of receipt of this order. The Registrar shall take necessary action upon receipt of a copy of this order.

23) The Liquidator shall preserve physical or electronic copy of the Reports, Registers, and Books of Account referred to in Regulations 45A of the IBBI (Liquidation Process) Regulations, 2016 for at least eight years after the dissolution of the Corporate Debtor, either with himself or with an information utility.

24) With the aforesaid observations and directions, the Interlocutory Application bearing IA No. 5526 of 2023, is disposed of as Allowed. The Company Petition bearing CP (IB) No. 1945 of 2019, shall remain alive so as to dispose of the pending Avoidance Applications, which has been assigned as NRRA.

25) There will, however, be no order as to costs. Ordered Accordingly.

Sd/-

**PRABHAT KUMAR
MEMBER (TECHNICAL)**

Sd/-

**JUSTICE VIRENDRASINGH BISHT
MEMBER (JUDICIAL)**

Vedant Kedare