

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH
(through web-based video conferencing platform)

ITEM No.09
IA No.281 of 2022 in
CP (IB) No.05/BB/2021

IN THE MATTER OF:

M/s. Mitra Trading & Exports Pvt. Ltd. ... Petitioner
Vs.
M/s. MTM Trading Pvt. Ltd. ... Respondent

Order under Section 7 of Insolvency & Bankruptcy Code, 2016

Order delivered on: 22.08.2022

CORAM:

SH. KISHORE VEMULAPALLI
HON'BLE MEMBER (JUDICIAL)

SH. MANOJ KUMAR DUBEY
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For IA No.281/2022 : Shri Saji P. John, Adv.

ORDER

IA No.281 of 2022:

1. The instant application has been filed by Mr. Joby Chacko, Liquidator of the Corporate Debtor under Section 60(5) of the I&B Code, 2016 r/w Regulation 44(2) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 seeking extension of liquidation period by another 184 days i.e. from 17.08.2022 to 16.02.2023 and continue the liquidation of the Corporate Debtor.
2. Heard Shri Saji P. John, learned Counsel appearing for the Liquidator / Applicant in IA No.281 of 2022.

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3. It is *inter alia* stated that the only asset available with the Corporate Debtor is an investment in equity shares in another private limited Company. Other than the claim received from Mitra Trading and Exports Pvt. Ltd., the sole Financial Creditor, no other claims are received by the Liquidator till date.
4. As per Regulation 44 of Liquidation Process Regulations, the Liquidator shall liquidate the Corporate Debtor within a period of one year from the liquidation commencement date and the said period is getting to expire on 17.08.2022.
5. It is stated that the only asset available with the Corporate Debtor is a single investment in 1,20,000 (One Lakh Twenty Thousand) Equity Shares of Rs.10/- each in a private limited Company, Khandepar Investments Pvt. Ltd (KIPL), which constitute 8.75% of the Paid-up Capital of the Investee Company. The said asset has been put up for auction through e-auction platform on 14.02.2022, 18.03.2022 and 30.05.2022. The delay in completing the Liquidation Process within the period of one year is due to the unmarketable nature of the asset and its high value and therefore to sell the asset of the Corporate Debtor and complete the liquidation proceedings, the Liquidator requires more time and hence this IA. A Report under Regulation 44(2) of the Liquidation Process Regulations, 2016 explaining the reason for not completing the liquidation of the Corporate Debtor within one year is annexed as Annexure-A.
6. In the circumstances and for the reasons stated in the Application, we are of the considered view that the instant IA deserves to be allowed, as prayed for.
7. Accordingly, **IA No.281 of 2022 is allowed and disposed of** by extending the liquidation period by another 184 days i.e. from 17.08.2022 to 16.02.2023 to enable the Liquidator to complete the liquidation process of the Corporate Debtor.

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MANOJ KUMAR DUBEY
MEMBER (TECHNICAL)

— Sd —

KISHORE VEMULAPALLI
MEMBER (JUDICIAL)