

IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **27.05.2024** THROUGH PHYSICAL HEARING




PRESENT: HON'BLE SHRI SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

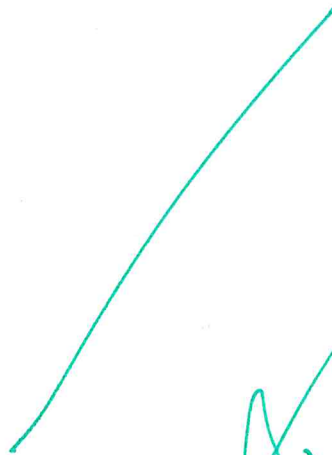
IN THE MATTER OF : Ishwarya Colours
Vs
Prostar textile Mill Pvt Ltd

MAIN PETITION NUMBER : IBA/317/2020

(IA/MA) APPLICATION NUMBERS

IA/527(CHE)/2024; IA/463/(CHE)/2024; IA/854(CHE)/2023; IA/855(CHE)/2023
IA/836(CHE)/2023; IA/837(CHE)/2023; IA/1071(CHE)2023; IA/1072(CHE)2023

1. A. C. Sathyanarayana For Liquidator 
2. KRISHNACUMAR. N
FOR. M/S. SARVAJHAUMAN
ASSOCIATES APPLICANT 
3. G. Sudhakar for Respondents
in 2.A 854; 855, 836, 837, 1071 & 1072/2023



2 IBA/317/2020
IA/527(CHE)/2024; IA/463/(CHE)/2024;
IA/854(CHE)/2023; IA/855(CHE)/2023;
IA/836(CHE)/2023; IA/837(CHE)/2023;
IA/1071(CHE)2023; IA/1072(CHE)2023

ORDER

IA/527(CHE)/2024

IA/463/(CHE)/2024

Present: Mr. Krishnakumar, Ld. Counsel for Scheme Proponent / Applicant.
Mr. A.G.Sathyannarayana, Ld. Counsel for Liquidator.

These applications have been filed seeking the following reliefs:

IA/527(CHE)/2024:

- i) *To stay all further proceedings of the Auction dated 09.01.2024 by the Respondent regarding the assets of the Corporate Debtor M/s. Prostar Textile Mill Pvt. Ltd pending disposal of the application.*
- ii) *To set aside the auction sale dated 09.01.2024 confirming the sale to the 3rd Respondent with respect to LOT 2, Land & Building and Plant & Machinery of M/s. Prostar Textile Mill which were sold by the 1st Respondent and pass such other or further orders as this Tribunal may deem fit and proper in the circumstances above and thus render justice.*

IA/463/(CHE)/2024:

- i) *To stay all further proceedings of the Auction dated 09.01.2024 by the Respondent regarding the assets of the Corporate Debtor M/s. Prostar Textile Mill Pvt. Ltd pending disposal of the application.*
- ii) *To direct the Respondent/Liquidator to consider the Scheme of Settlement proposed by the Applicant under Section 230 of the Companies Act, 2013 vide her letter dated 05.02.2024 and place the same before the Stakeholders Consultation Committee for their approval and consequently suspend the sale proceedings of Land and buildings and plant & Machinery of M/s. Prostar Textile Mill which were sold by the Respondent under an e-auction conducted on 09.01.2024 till then and pass such other or further orders as this Tribunal may deem fit and proper in the circumstances above and thus render justice.*

Ld. Counsel for the Respondent submits that common reply has been filed to both the applications. He submits that the liquidation in the present case was ordered on 15.03.2023. No Scheme was received within the period of 90 days from the date

of liquidation. Auction was conducted 5-6 times. This is the sixth auction which was conducted on 09.01.2024. These applications proposing the Scheme have been filed on 05.02.2024 though the Scheme was submitted to the Liquidator on 06.02.2024. He submits that sale auction has been completed. Amount has been realized even the sale has been registered with the SRO on 23.02.2024. In support of his contention he referred to the case of *Harish Sharma -vs- C & C Constructions Ltd & Ors (Company Appeal (AT) (Ins) No.368 of 2023 [(2023)ibclaw.in 429 NCLAT]* and *Ramesh Kumar Chaudhary & Anr -vs- Anju Agarwal Liquidator of Shree Bhawani Paper Mills Ltd & Ors (Company Appeal (AT) (Ins) No.957 of 2021 [(2022) ibclaw.in 433 NCLAT]*.

Ld. Counsel submits that the applications at this stage are not maintainable.

Ld. Counsel for the Petitioner seeks adjournment stating that Senior Counsel is not available.

At request, list both the applications for hearing on **19.06.2024**.

**IA/854(CHE)/2023; IA/855(CHE)/2023;
IA/836(CHE)/2023; IA/837(CHE)/2023;
IA/1071(CHE)2023; IA/1072(CHE)2023:**

Present: Mr. A.G.Sathyannarayana, Ld. Counsel for Liquidator/Applicant.

Mr. G.Sudhakar, Ld. Counsel for Suspended Directors / Respondents.

Ld. Counsel for the Respondent submits that the Respondents have enough material to satisfy the Liquidator that the alleged transactions as stated in the application(s) are not the PUFEE transactions. He seeks and is given opportunity to sit with the Liquidator / transaction Auditor to satisfy the transactions. This process be completed within four weeks from today.

List the applications for further hearing on **02.07.2024**.

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**[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)**

MS

-sd-

**[SANJIV JAIN]
MEMBER (JUDICIAL)**