

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH – II, CHENNAI**

**IA(IBC)/892(CHE)/2021**

IN

**MA/1078/2019**

IN

**TCP/126/IB/2017**

*(Filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 r/w Regulation 45 of IBBI (Liquidation Process) Regulations, 2016 and Rule 11 of NCLT Rules, 2016)*

*In the matter of **M/s. Boss Profiles Limited***

**C. SANJEEVI**

Liquidator M/s. Boss Profiles Limited  
Door No.7/43-114, Shriadi Avenue,  
Keeranatham post,  
Coimbatore North,  
Coimbatore – 641 035.

*... Applicant / Liquidator*

*Order Pronounced on **28<sup>th</sup> April, 2023***

CORAM:

**SANJIV JAIN, MEMBER (JUDICIAL)**

**SAMEER KAKAR, MEMBER (TECHNICAL)**

*For Applicant: T. Jayasankar, Advocate*

**ORDER**

**Per: SANJIV JAIN, MEMBER (JUDICIAL)**

The present Application has been filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as 'Code') r/w Regulation 45 of IBBI (Liquidation Process) Regulations, 2016 (hereinafter referred to as 'Regulations') by the



Liquidator seeking an order of dissolution of M/s. Boss Profiles Limited (hereinafter referred to as 'Corporate Debtor').

2. It is submitted that this Tribunal vide order dated 11.08.2017 passed in TCP/126/IB/2017 had ordered commencement of CIRP in respect of the Corporate Debtor. As no viable Corporate resolution plan came during the Corporate Insolvency Resolution Process, the erstwhile RP Mr. Venkataramanarao Nagarajan with the consent of the committee of creditors of the Corporate Debtor filed before this Tribunal an application under Section 33(1)(a) of Insolvency and Bankruptcy Code 2016 for liquidation of the Corporate Debtor.

3. It is submitted that pursuant to the application filed under Section 33(1)(a) of the Code, this Tribunal vide dated 24.01.2018 passed an order for liquidation of the Corporate Debtor and appointed the erstwhile RP Mr. Venkataramanarao Nagarajan as liquidator of the Corporate Debtor.

4. It is submitted that during the liquidation process an application was filed by the financial creditors - Union bank of India, Dena Bank & UCO bank together having 100% voting rights in the committee of creditors to replace the erstwhile liquidator Mr. Venkataramanarao Nagarajan with a new liquidator in order to protect the interest of the stakeholders. Subsequently, this

Tribunal vide order dated 05.12.2019 appointed the applicant as the new Liquidator of the Corporate Debtor.

5. It is submitted that the applicant took charge to carry over the liquidation process on the Corporate Debtor. Public announcement in terms of the Regulations was published by the liquidator in regional language and English newspapers, calling upon stakeholders to submit their claims or update their claims submitted during the corporate insolvency resolution process. A copy of the newspaper publications is placed on record as "Annexure- 2" to the application.

6. It is stated that based the documents produced by the erstwhile liquidator regarding the claims received during CIRP and liquidation process until his tenure, the applicant prepared the list of stakeholders of the Corporate Debtor which is extracted as under:

CATEGORY	NO OF CLAIMS	AGGREGATE CLAIM AMOUNT (INR)
Financial creditors	4	338,74,66,964
Operational creditors	1	6,69,49,637
Workmen and employees	NIL	NIL
Other stakeholders	NIL	NIL
TOTAL		345,44,16,601

7. It is stated that the Stakeholders Consultation Committee was constituted. The table is extracted from the application as under:

CLASS OF CREDITOR	REPRESENTATIVES
Financial creditors	1. Union Bank of India 2. UCO BANK 3. BANK OF BARODA
Operational creditors	NIL
Workmen and employees	NIL
Shareholders or partners, if any	NIL

8. It is stated that the liquidation estate of the Corporate Debtor comprises of the followings assets:

ASSET	DESCRIPTION
Land and building	Land Nearly 25 acres covering total building area of around 120000 sq.ft including factory building shed of 75000 sq.ft
Plant & Machinery	Imported Ceramic tiles making machineries
Other Assets - Inventories	Ceramic tiles

9. It is stated that two registered valuers were appointed by the liquidator to determine the realisable value of the liquidation assets of the Corporate Debtor. As per reports, average liquidation value was Rs. 10.65 crores. Copy of Asset Memorandum prepared by

liquidator and the Valuation reports given by the appointed registered values are placed as Annexure-4.

10. It is stated that The Liquidator conducted two E-Auction sales by giving newspaper advertisements, however, both the E-auctions failed as no bidders paid advance amount and bid application.

Details of the E-Auctions are as under:

First E-Auction

S.NO	DATE –PAPER PUBLICATION	DETAILS OF E-AUCTION SALES
1	11.09.2020	THE E-AUCTION DATE WAS :28.09.2020 RESERVE PRICE OF E-AUCTION: RS. 10.65 Crores Papers Advertisement: Financial Express and Malai Malar Newspapers. Status of E-Auction : TWO BUYERS VISITED FACTORY BUT NO BID APPLICATION RECEIVED AND ALSO ADVANCE AMOUNT. THE FIRST EAUCTION FAILED

Second E-Auction

S.N O	DATE –PAPER PUBLICATION	DETAILS OF E-AUCTION SALES
2	30.10.2020	THE E-AUCTION DATE WAS :23.11.2020 RESERVE PRICE OF E-AUCTION: RS. 9.60 Crores ( 10 % reduced value of first reserve Price – consent by COS meeting. Papers Advertisement: Financial Express and Malai Murasu Newspapers in all editions. Status of E-Auction : ON BUYERS VISITED FACTORY BUT NO BID APPLICATION RECEIVED AND ALSO ADVANCE AMOUNT. THESECONDD E-AUCTION FAILED

11. It is stated that on the recommendation of the SCC to prefer private sale of the assets, the applicant proceeded with the same. Finally, a buyer named one Mr. C.Chandramohan, Proprietor of



Famous Tiles Gallery Tirunelveli approached the liquidator and gave Expression of Interest (EOI) for purchase the properties of Boss Profiles Limited located at Surakudi village, Thirunalluru, Karaikal and his offer price as Rs. 9.75 Crores to be paid in installments within a period three months from the sale confirmation order. He also expressed to pay advance amount after receipt of sale confirmation order.

12. It is stated that Liquidator consulted the SCC in the meetings held on 27.11.2020, 10.12.2020 and 16.12.2020 and the SCC expressed its consent for direct sales to Mr. C.Chandramohan at offered price of Rs. 9.75 Crores as it was found that this offer price was more than the reserve price of the second E- Auction. As per regulation 33 (2) of IBBI (Liquidation Process) Regulations, 2016 liquidator may sell the assets of the corporate debtor by means of private sale if the asset is sold at price higher than the reserve price of a failed auction.

13. It is stated that the Liquidator issued sales order to Mr.C.Chandramohan, Proprietor of Famous Tiles Gallery, Tirunelveli who was an eligible buyer as per IBC Code, 2016, at an concluded amount of Rs. 9.75 cores plus all applicable taxes and documentation expenses to be borne by the buyer.

14. It is stated that the entire sale consideration amount was received before 26.02.2021. The Liquidator made sales document registration for land and Buildings in favour of purchaser Mr.C.Chandramohan, Famous Tiles gallery, Tirunelveli in the Sub Registrar office, Karaikal on 19.03.2021. The Liquidator also issued sales invoices for sales of assets of Plant & Machineries and other assets lying at factory of the Corporate Debtor, situated in Surakudy Village, Thirunallaru Commune, Karaikal. Copy of the sale invoices and registration documents relating to the sale of assets of the Corporate Debtor are placed as Annexure-6.

15. It is stated that the Secured Financial Creditors were the only class of recipients of the liquidation funds, and the available funds were paid in proportion to claim admitted within that class of recipients, since the funds were insufficient to meet their entire debts in full and also no distribution was possible for other category of stakeholders as liquidation funds were insufficient to meet the entire claims of SCC. The proceeds from the sale of the liquidation assets were distributed by the liquidator in the order of priority as given under Section 53 of the Code as under:



SECURED FINANCIAL CREDITORS	CLAIM AMOUNT (INR)	AMOUNT DISBURSED (INR)
UNION BANK OF INDIA	125,13,86,560	3,53,90,531
UCO BANK	97,82,98,288	2,76,67,307
BANK OF BARODA	111,52,96,823	3,15,41,770
<b>TOTAL</b>	<b>334,49,81,671</b>	<b>9,45,99,608</b>

16. It is stated that the liquidator in Compliance with regulation 41 of IBBI (Liquidation Process) Regulations, 2016, opened a separate bank account with Union Bank of India, Chennai for the purpose of deposit and distribution of liquidation proceeds to the concerned stakeholders of the Corporate Debtor. Copy of the bank statements of the liquidation account is placed as a Annexure-7.

17. It is stated that the applicant hereby confirms that the necessary time extension approvals were obtained from the Tribunal. Applicant further confirms that the liquidation is completed within the extended time granted by this Adjudicating Authority (extended timeline ends on 05.07.2021). Copy of the time extension orders granted by this Tribunal are placed as Annexure-8.

18. It is stated that the 'Statement of Accounts' and 'Registers & Ledgers' maintained as per Regulation 6 of the Insolvency and



Bankruptcy Board of India (Liquidation Process) Regulations, 2016 in "Annexure-9". It also stated that the applicant prepared the 'Final Report' and Compliance Certificate in 'Form - H' in accordance with the Regulations are placed as Annexure-10 & 11.

19. Heard the submissions made by the Learned Counsel for the Applicant and perused the documents on record. Section 54 of the IBC, 2016 provides as follows: -

**Section 54**

"(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 sub-section (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."

20. From the averments made in the Application and perusal of the final report and the Compliance Certificate filed in Form-H by the Applicant, it is seen that the Corporate Debtor has been completely liquidated. In the circumstances as averred and as prayed for by the Applicant, an order for dissolution is passed by this Tribunal under Section 54 of the Code.

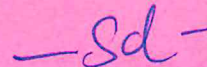


21. Accordingly, we order for the dissolution of the Corporate Debtor viz., **M/s. Boss Profiles Limited**. The Liquidator is directed to forward a copy of this Order to the RoC concerned and also to the IBBI for its records and for updating the status of the Corporate Debtor on the 'MCA - Masterdata' within a period of 7 days from the date of this Order.

22. Accordingly, **IA(IBC)/892(CHE)/2021** stands **allowed** and **disposed of**.

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**SAMEER KAKAR**  
MEMBER (TECHNICAL)

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**SANJIV JAIN**  
MEMBER (JUDICIAL)

*V.Shreekumar*