

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT II**

**IA No. 2406/MB/C-II/2020
IN
C.P (IB) No. 82/MB/C-II/2019**

**Under Section 33 of the Insolvency and
Bankruptcy Code, 2016 for the direction of the
Liquidation Process of the Corporate Debtor.**

Filed by
**Mr. Nitin Vishwanath Panchal,
Resolution Professional of
M/s. Trident Tools Limited**
Office at: Survey No. 26, Tembhode Shirgaon
Road, Dhansar Village, Palghar, Thane –
401404

...Applicant/Resolution Professional

IN THE MATTER OF

Punjab National Bank

...Petitioner/Financial Creditor

Versus

M/s. Trident Tools Limited

...Respondent/Corporate Debtor

Order Pronounced on: 31.05.2021

Coram:

Hon'ble Member (Judicial) : Mr. H.P. Chaturvedi
Hon'ble Member (Technical) : Mr. Ravikumar Duraisamy

Appearances:

For the Applicant : Mr. Prashant Thakre, PCS.

ORDER

Per: Ravikumar Duraisamy, Member

1. The present application is moved by **Mr. Nitin Vishwanath Panchal** (hereinafter called as “the Applicant”) **Under Section 33 of Insolvency and Bankruptcy Code, 2016 seeking direction of the Liquidation Process of the Corporate Debtor** so as to complete Liquidation process (hereinafter referred to as “Liquidation”) of the Corporate Debtor **M/s. Trident Tools Limited** (hereinafter called as the “Corporate Debtor”) and for passing order/appropriate direction that this Tribunal may deem fit in the present matter.

The Applicant Liquidator has prayed for grant of following reliefs:-

- (a) To direct an Order for the initiation of Liquidation of the Corporate Debtor M/s. Trident Tools Limited.
- (b) To direct the appointment of Mr. Dilip Jagad as the Liquidator of the Corporate Debtor.
- (c) To direct the issuance of the public announcement for Liquidation as per the provisions of IBC 2016.
- (d) To direct the intimation of the Liquidation of Corporate Debtor to the concerned Government Authorities.
- (e) Issue direction to the Resolution Professional Mr. Nitin Panchal for handing over the charge of the Corporate

Debtor to the proposed Liquidator of the Corporate Debtor.

- (f) Issue such other Orders as the Hon'ble Tribunal may deem fit.

BRIEF FACTS OF THE CASE:

2. A Corporate Insolvency Resolution Process (hereinafter referred to as "CIRP") of M/s Trident Tools Limited ("Corporate Debtor") was commenced by Order of this Hon'ble Bench dated 18th September 2019 in Company Petition No. 82/MB/2019 and the certified copy of the Order received on 19th September 2019, pursuant to Insolvency Petition filed by the Financial Creditor under the provisions of Section 7 of the Code and the Applicant Mr. Nitin Vishwanath Panchal was appointed as the Interim Resolution Professional ("IRP").
3. A Public Announcement of CIRP in Form A in the present matter was published on 20th September 2019 under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 was published in newspapers viz Free Press Journal (English Daily Mumbai Edition) and Navshakti (Marathi Daily Mumbai Edition) intimating of the commencement of the CIRP and inviting claims from all the creditors to be filed by 16th December 2019.

4. It is submitted that total claim of INR 134.92 Crores out of which INR 115.43 Crores claims are from Financial Creditors, INR 14.14 Crores claims are from Operational Creditors and INR 5.35 Crores from Employees and Workmen have been received.

5. Pursuant to receipt of claims, the IRP constituted a Committee of Creditors (“CoC”) of all the Financial Creditors in accordance with Section 21(1) of the Code. In compliance with Regulation 17 and 13(1)(d) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations 2016, the IRP filed a Report certifying Constitution of CoC with Hon’ble Tribunal. Mumbai on 10th October 2019. Accordingly, the CoC was constituted and the first CoC meeting was held on 15th October 2019, when the IRP was confirmed and appointed as the Resolution Professional (“RP”).

6. The Applicant states that the Corporate Debtor is a company which is engaged in the business of manufacturing a wide range of hand tools, power tool accessories and cutting tools. As per the data available from the MCA records, there are 5 directors of the Corporate Debtor namely:
 - i. Mr. Ravi Narendra Gupta ...(Respondent No. 1)
 - ii. Mr. Narendra Rameshcharndra Gupta ...(Respondent No. 2)
 - iii. Mr. Suresh bhandary ...(Respondent No. 3)

- iv. Ms. Ranjana Pascal Dmello ...(Respondent No. 4)
- v. Mr. Rajandra Navneetlal Lad ...(Respondent No. 5)
7. The Applicant Resolution Professional (“RP”) states that the Pipara and Co LLP was appointed as the Forensic cum Transaction Auditor of the Corporate Debtor. Audit conducted by Pipara and Co. LLP has performed Forensic cum Transaction Audit of M/s. Trident Tools Limited that has been carried out as per the Audit scope defined by the CoC Member as required under Section 43, 45, 49, 50 and 66 of the Insolvency and Bankruptcy Code, 2016. In addition to this CoC decided to conduct Forensic Audit for the period starting from 1st April 2014 till 18th September 2019.
8. The Applicant RP confirmed in the 5th CoC meeting held on 18th February 2020 about the receipt of the final Forensic Audit Report from the Auditors M/s. Pipara and Co. LLP. The same was tabled in the meeting by the RP, then the RP informed the CoC Member that as per the Forensic Audit Report submitted by M/s. Pipara and Co. LLP to Resolution Professional there are some specific transactions were observed, found or determined under:
- a. Preferential Transactions under section 43 and
 - b. Fraudulent Transactions under section 66

The Forensic Auditors were unable to form opinion on the Undervalued Transactions as per Section 45 of the IBC,

Transactions defrauding creditors as per Section 49 of IBC and Extortionate Credit Transactions as per Section 50 of the IBC due to the limitation of data.

9. It is submitted that RP had published the invitation of expression of interest of FORM G as per CIRP Regulations in 2 newspapers viz. Business Standard and Navshakti on 2nd December 2019. Pursuant to the FORM G published as described above, two potential Resolution Applicants one being Birla Precision Technologies Limited and the other being the consortium of Mr. Radheshyam Lahoti, Mr. Murali Manohar, M/s Amitex Agro Products Pvt. Ltd, M/s. Servotech India Limited, M/s. Lahoti Exports Pvt. Ltd. had shown interest and submitted Expression of Interest and consequently the Resolution Plan was submitted only by the consortium Applicant.
10. Considering the offer made by the Resolution Applicant and the quantum of debt of the Corporate Debtor and the Liquidation value of the Corporate Debtor the CoC has taken a decision in the 6th CoC Meeting held on 24th February 2020 to liquidate the Corporate Debtor Company and pay off the creditors and other stakeholders as per the provisions of IBC.
11. It is submitted that the Resolution had appointed the valuers for the valuation of the Corporate Debtor.

12. CoC has decided in its meeting dated 26th February 2020 to appoint Mr. Dilip Jagad (Resolution Professional registered with IBBI) to be appointed as the Liquidator of the Corporate Debtor considering the unwillingness of the Resolution Professional Mr. Nitin Panchal.
13. Considering above facts and circumstances, this Bench hereby Orders that:
- i. The Process of Liquidation of the Corporate Debtor '**Trident Tools Limited**' shall commence as per the Chapter III of the I&B Code from date of this Order.
 - ii. **Mr. Nitin Vishwanath Panchal**, having **IBBI Registration No: IBBI/IP A-001/IP-P00777/2017-18/11350** is hereby appointed as a "Liquidator" as per the provisions of Sec. 33 of the I&B Code.
 - iii. The Liquidator shall advertise in two Newspapers, one in English language and one in Regional Language about the Liquidation of the Corporate Debtor as per the provisions of the I&B Code.
 - iv. Copy of this Order shall be forwarded to the Concerned Authority with which the Corporate Debtor is Registered.
14. This order for liquidation shall be deemed to be a notice of discharge to the officers, employees and workmen of the corporate debtor, except when the business of the corporate debtor is continued during the liquidation process by

the liquidator.

15. The fees payable to the Liquidator shall be in accordance with Regulation 4 of the IBBI (Liquidation Process) Regulations, 2016.
16. The Liquidator shall submit progress reports as per Regulation 15 of the IBBI (Liquidation Process) Regulations, 2016.
17. The Liquidator is at liberty to seek any directions, if need be, from this Adjudicating Authority during the Liquidation Process.
18. The Liquidator is hereby Authorized to represent the Corporate Debtor before the Government Authorities, if need be.
19. Ordered Accordingly. Application for U/s. 33 (1) (a) is Allowed and with the aforesaid observation the present IA No. 2406 of 2020 is stand disposed of.

Sd/-

RAVIKUMAR DURAISAMY
MEMBER (TECHNICAL)

31.05.2021
Ankit/SAM

Sd/-

H. P. CHATURVEDI
MEMBER (JUDICIAL)