

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
24-08-2023 AT 10:30 AM**

**Cont. A (IBC) 13/2023, IA (IBC) 988, 1096 & 1378/2023 in
CP(IB) No.407/7/HDB/2019
u/s. 7 of IBC, 2016**

IN THE MATTER OF:

ICICI Bank Ltd

...Financial Creditor

VS

MBS Impex Pvt Ltd

...Corporate Debtor

C O R A M:-

**DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)
SH. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)**

O R D E R

IA (IBC) 1378/2023

Mr. Santosh Bhatia, Liquidator in person and learned counsel Mr. G. Bhupesh, for the liquidator present. This is an application to take on record of 6th quarterly report. Taken on record. Subject to hearing, this application is **allowed and disposed of.**

IA (IBC) 1096/2023

Learned Counsel Ms. Jyothi Rani, for the applicant and liquidator in person present. Heard the learned counsel for the applicant. This application is filed with the following prayers:

- a) To allow the Applicant to not relinquish the security interest in favour of the liquidator with respect to the aforesaid properties which are mortgaged in favour of the Applicant and try to sell and realise the same within a further period of 180 days from the date of the order on the present application.

- b) In the interim till the present Application is decided, the Liquidator shall not treat the above-mentioned asset. Land as a Liquidation asset and shall not try and sell the same either individually or as a per of any slump sale or as a going concern;

The averments of the application discloses that the applicant did not give us consent for including assets described in this application, in the Liquidation estate of the corporate debtor.

Accordingly, the same were not included in the liquidation asset. However, the applicant failed to sell the same within 180 days. Now this application is filed seeking for extension of time, for sale of the secured asset.

On perusal, we refer to Regulation 21A of IBBI Liquidation Process Regulations, 2016 which is as below:

“ 21A. (1) A secured creditor shall inform the liquidator of its decision to relinquish its security interest to the liquidation estate or realise its security interest, as the case may be, in Form C or Form D of Schedule II:

Provided that, where a secured creditor does not intimate its decision within thirty days from the liquidation commencement date, the assets covered under the security interest shall be presumed to be part of the liquidation estate.

(2) Where a secured creditor proceeds to realise its security interest, it shall pay-”

On perusal of the above provision, it is clear that, when the secured creditor fails to comply the said Regulation 21A, the asset which is subjected to security interest shall become part of the liquidation asset.

Admittedly, the secured applicant failed to realize the value of the secured asset within 180 days. Therefore, Sub-Rule 3 of Regulation 21A of IBBI Liquidation Process Regulation, 2016 comes into force.

On perusal of the application, it did not disclose any tenable reason for extension of time. Here it may be stated that like Resolution, Liquidation is also time bound and any delay in liquidation results in deterioration of the asset

value, which will not be in the interests of the lenders and all other stake holders. Therefore, under the circumstances the application being devoid of merit or substance is liable to be dismissed. Accordingly, the same is hereby **dismissed with no costs.**

Let the liquidator file report showing steps taken regarding un charged assets of the Corporate Debtor by next hearing date.

Cont. A(IBC) 13/2023

At request of the learned counsel Mr. Bhupesh, for the applicant. Matter adjourned to 21.09.2023.

IA (IBC) 988/2023

Matter adjourned to 21.09.2023.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)