

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOLKATA BENCH (Court-I)
KOLKATA**

IA (I.B.C) 1653/KB/2023

In

C.P (I.B) 511/KB/2018

An application under Section 60(5) of the Insolvency & Bankruptcy Code, 2016;

In the matter of

Sauria Corporation

.... Operational Creditor

And

Kohinoor Pulp & Paper Private Limited

.... Corporate Debtor

And

In the matter of

Krishnaswami CVR, Liquidator of Kohinoor Pulp & Paper Private Limited

....Applicant/Liquidator

Date of hearing: 16/10/2023

Order Pronounced on : 10/11/2023

Coram:

Shri Rohit Kapoor, Member (Judicial)

Shri Balraj Joshi, Member (Technical)

Appearances (via video conferencing / Physically)

Mr. Rishav Banerjee, Adv. : For the Liquidator

Mr. Shaunak Mitra, Adv.

Mr. Avik Chaudhury, Adv.

Mr. Mayukh Roy, Adv. : For the Successful Liquidation Purchaser in IA 1055/2023

Ms. Aasia Hasan, Adv

ORDER

Per: Rohit Kapoor, Member (Judicial)

1. The Court convened through hybrid mode.
2. This IA has been filed by Liquidator seeking permission to conduct auction sale of the plant and machinery of the Corporate Debtor with reserve price fixed at 3.60 Crore. It is stated by applicant, several auction notices were issued from time to time and the reserve price from 11.50 Crore has been reduced to 6.50 Crore. No bidder has come at reserve price even at Rs. 6.50 Crore.
3. Applicant sought views of Stakeholders Consultation Committee members for reducing the auction price to about Rs. 3.60 Crore which was deemed by liquidator to be reasonable mid point value of one entity with the offer of 1.50 Crore and last reserve price of Rs. 6.50 Crore.
4. SCC Comprising of Indian Overseas Bank, Band of Baroda, Union Bank, Federal Bank, UCO Bank, NEDFI after deliberations opined reserved price in auction notice should not be less than 6.50 Crore. Minutes of SCC Meeting held on 14th of August, 2023 have been placed on record at page 74 of this IA. It felt that auction notice should be appended in the IBBI site. The issue in substance is, liquidator is of the view reserve price should be 3.60 Crore whereas SCC is of the opinion which should be 6.50 Crore.
5. Heard the Ld. Counsel for the applicant and considered the issue raised in this IA perusal of minutes of SCC and as referred hereinabove held on 14th of August, 2023 comprising of various banks after deliberations recorded that the reserve price in auction notice should not be less than 6.50 Crore. We are of the considered opinion, this is a commercial decision of the Stakeholders Consultation Committee (SCC) arrived at after due deliberations. Applicant has stated that he engaged two valuers to determine the value of these assets. This Adjudicating Authority is not expected to sit in appeal over it. We are also of the view, it is the SCC who are in a position to reasonably assess the value of the assets. It is mentioned in application in para 8 that various auction notices were issued on various dates, however, no auction notice has been placed on record by the liquidator in this IA.

6. Keeping in view the opinion of Stakeholders Consultation Committee which comprises of various banks and also the facts and circumstances as enumerated above with a view to seek maximization of the value of the assets, we direct;
 - i. Liquidator to publish a fresh auction notice fixing its minimum reserve price of 6.50 Crore as opined by Stakeholders Consultation Committee.
 - ii. We also direct the liquidator to publish this auction notice within one week from the date of this order in at least three premium newspapers having all India publication and also posting it on IBBI site.
7. We direct the liquidator to complete the entire exercise expeditiously.
8. With these observations, I.A (I.B.C) 1653/KB/2023 is allowed and **disposed of**.

Balraj Joshi
Member (Technical)

Rohit Kapoor
Member (Judicial)

Order signed on 10th of November, 2023.

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