

NATIONAL COMPANY LAW APPELLATE TRIBUNAL, NEW DELHI
Company Appeal (AT) (Insolvency) No. 980 of 2020

In the matter of:

Narinder Bhushan Aggarwal

....Appellant

Vs.

M/s. Little Bee International Pvt. Ltd & Anr.

....Respondents

Present:

Appellant: Mr. Ajay Gaggar, Mr. D. Adhikari and Mr. Vineeta Rathore, Advocates.

ORDER

(Through Virtual Mode)

18.11.2020: Appellant- Mr. Narinder Bhushan Aggarwal is the liquidator in 'M/s. Little Bee International Private Limited'. He is aggrieved of the impugned order dated 26th February, 2019 only to the extent of remuneration of Liquidator which in terms of the impugned order is directed to be payable as per Regulation 4(2) and (3) of the Liquidation Process Regulations, 2016 and not under Regulation 39D.

2. After hearing learned counsel for the Appellant, we find that the Corporate Debtor has been sent into liquidation and the Committee of Creditors has in its 8th meeting held on 25th November, 2019, with a voting share of 69.48% approved the contribution of estimated expenses of the liquidation by the Financial Creditors in an escrow account in the ratio of their claims. The Committee of Creditors vide the same resolution and the same voting shares approved the

Contd/-.....

remuneration of the Appellant for the conduct of liquidation proceedings at Rs.50,000/- per month or such proportion to the value of the liquidation estate assets as specified by the Board as per Regulation 4(2) of the Liquidation Process Regulations, 2016.

3. The Adjudicating Authority (National Company Law Tribunal), Chandigarh Bench, Chandigarh was of the view that Regulation 39D provides for fixation of the fees separately by the Committee of Creditors for the three periods given in Section 39D and the fees in the instant case was not governed by Section 39D as the order of liquidation came to be passed under Section 33(1) (a) of the 'I&B Code'. Be that as it may, the order of liquidation has been passed and the Corporate Debtor is undergoing liquidation process. It is immaterial which provision of the 'I&B Code' squarely governs the passage of order of liquidation. The fact remains that the Committee of Creditors has taken a decision in regard to the liquidation costs, expenses and the remuneration payable to the liquidator which in the light of the recommendation of the Committee of Creditors with the requisite percentage brings it within the ambit of Regulation 39D. Therefore, it is not permissible to take resort to any other provision which would be attracted only if the action of the Committee of Creditors would fall beyond the purview of Regulation 39D. The remuneration of liquidator falling within the realm of the Committee of Creditors in terms of Regulation 39D, we find that the impugned order cannot be sustained. The impugned order is accordingly set aside to the

limited extent of remuneration of the liquidator and it is directed that the liquidator's remuneration will be governed in accordance with the recommendation of the Committee of Creditors.

The appeal is accordingly disposed of.

**[Justice Bansi Lal Bhat]
Acting Chairperson**

**[Justice Anant Bijay Singh]
Member (Judicial)**

**[Dr. Ashok Kumar Mishra]
Member (Technical)**

AR/g