



Classic Diamonds (India) Ltd.

Corporate Identification Number (CIN)
L36900MH1986PLCO41541

Date: 2nd November, 2017

To,
BSE Limited,
25th Floor,
Phirozejeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.
Fax : 022 – 22723121/2041/1072

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra – Kurla Complex,
Bandra (East), Mumbai – 400 051.
Fax : 022-26598237/38

Scrip Code - 523200, Scrip ID – CLASSIC

Sub.: Winding up order has been passed against the company by the Hon'ble High Court of Bombay

Dear Sir/Madam,

This to inform you that The Hon'ble High Court of Bombay has passed Winding up order against the company vide company petition No. 317 of 2012, order dated 28th September, 2017.
(Copy of winding up order is enclosed herewith)

The Details of the company are as Follow:

Name of the company: CLASSIC DIAMONDS (INDIA) LIMITED
CIN : L36900MH1986PLCO41541
PAN: AAACC4602M
Registered address of the company: 701, Majestic Shopping Centre
Premises Co-op Soc. Ltd.,
144 J.S.S. Road, Girgaum,
Mumbai 400 004

Kindly acknowledge the letter.

Thanking you,
Yours Faithfully

For Classic Diamonds (India) Limited

Kumar C. Bhansali
Ex-Director
DIN: 00117998
Encl. as above

Regd. Office:

701, Majestic Shopping Centre Premises Co-op Soc. Ltd., 144 J.S.S. Road, Girgaum, Mumbai 400 004. (India)

Tel + 91 22 2363 3644, Fax + 91 22 2363 3646

Website : www.classicdiamondsindia.com

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**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 317 OF 2012**

ICICI Bank Limited ... Petitioner

v/s.

M/s. Classic Diamonds (India) Limited .. Respondent

Mr. Bhalchandra Palav a/w Mr. Bhavik G. Lalar i/b. M/s. Cyril Amarchand Mangaldas for the petitioner.

Mr. Rushabh Thacker i/b. Mr. Yashpal Jam for the Respondent.

CORAM : A. K. MENON, J.

DATED : 28th SEPTEMBER, 2017

P.C. .

1. By this petition the petitioner seeks an order of winding up of the respondent company for its inability to pay its debts as and when they arise. The amount claimed in the petition is USD 5,215,281 86 due towards repayment of credit facilities enjoyed by M/s Aarohi Diamonds Limited ('Aarohi') under Corporate Guarantee to secure the outstanding dues of borrower Aarohi.

2. The facts in brief reveal that on 7th January, 2008 Aarohi sought from the petitioner and was sanctioned credit facility in the nature of Trust Receipt Loans and as part of security offered the Corporate Guarantee of the respondent company. The respondent company executed the Corporate Guarantee dated 16th January, 2008 which appears at Exhibit-D to the petition.

3. The fact that the guarantee was executed is not in dispute since the execution of the guarantee was authorised by the resolution dated 9th January, 2008 copy of which appears at Exhibit-C to the petition. Pursuant to the execution of the guarantee, it appears that Aarohi defaulted in making payment of their dues and as a result the Corporate Guarantee came to be invoked on or about 6th February, 2012. The respondent was called upon to pay USD 5,204,813 which was due from Aarohi as of 6th February, 2012. It is not in dispute that the guarantee was invoked vide letter dated 6th February, 2012 which in clear terms calls upon the respondent to make payment of sum of USD 5,204,813 the principal amount and interest and other charges were also incorporated in the said letter at Annexure II.

4. Having failed to comply, the respondent was served with Statutory notice dated 16th February, 2012 calling upon them to pay USD 5,215,281.86 @ 8.78% at the current rate of interest. Particulars of the claim were annexed with the notice but the requisitions in the notice were not complied with. There was no reply to the statutory notice. Accordingly the petition came to be presented on or about 8th May, 2012. The petition was accepted on or about 7th August, 2012. Thereafter the company filed its affidavit in reply and the petition was heard for admission on 19th October, 2015 and an order came to be passed admitting the petition and directing the same to be advertised.

5. Prima facie it was found that a sum of Rs. 33,55,31,593.25 was due as on date of the rejoinder. The Order came to be challenged in appeal before the Division bench and vide order dated 24th November, 2016 appeal came to be disposed of, observing that the Appeal Court found no reason to differ from the views expressed by the learned Single Judge. The contentions raised in the appeal were similar to those raised before the Company Court and no ground raised for warranted interference with the impugned Order.

6. Being aggrieved by the said order the respondent filed SLP(C) No. 1495/2017 and the same was heard and came to be dismissed vide order dated 30th January, 2017. In the circumstances, it is evident that the order of admission has achieved finality. The Order dated 19th October, 2015 deals in great detail with the defences of the Company. In paragraph 3 it records that only three defences were urged. Firstly that the contract of guarantee was executed by the respondent with the branch of the applicant bank at Hong Kong and that each branch has a separate existence and therefore petitioner carrying on business in Mumbai has no privity of contract with the respondent. The next defence was that the Corporate Guarantee was inadequately stamped and could not be received in evidence or acted upon in the Company petition. Thirdly, the claim was sought to be questioned since there was no certificate issued in respect of the claim by any authorised Officer of the Petitioner and because this was a requirement of the Corporate Guarantee. This having not been complied with, the respondent was not

bound to pay the amounts demanded. These are the only three defences urged before me today. Thus it is evident that considering these defences there is no reason for me to take a different view today. No further affidavit was filed after admission of the petition.

7. Indeed the order dated 19th October, 2015 had attained finality upon dismissal of the SLP No. 1495/2017 on 30th January, 2017. Today there is nothing else urged before me on behalf of the Company. The Company is therefore clearly bound and liable to pay amount guaranteed under the Corporate Guarantee. They have failed and neglected to pay their debts, thus inviting the deeming provisions of the act of commercial insolvency. Learned Counsel for the respondent submitted that apart from the defences raised in affidavit in reply dated 30th January, 2017, there are no other defences that the company can press. The affidavit in rejoinder reiterates the claim and denies contentions in the reply.

8. The petition is also advertised as directed in the order of 19th October, 2015. Learned Counsel for the petitioner submitted that the affidavits of service are already on record and find that they are already filed as of 13th April, 2017. Affidavit of publication in two local newspapers and a further affidavit of publication in Maharashtra Government Gazette on 13th April, 2017 is also seen to have been filed in this Court on 25th April, 2017.

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9. In the circumstances, the petition is liable to be allowed and accordingly I pass the following order :

(i) Petition is allowed. The respondent Company M/s. Classic Diamond (India) Limited shall be wound up by and under the supervision, direction and order of this Court in accordance with the provisions of the Companies Act, 1956.

(ii) The Official Liquidator, High Court, Bombay, is appointed as Liquidator of the Respondent Company with all necessary powers under the provisions of the Companies Act, 1956. The Liquidator shall forthwith take charge of the assets / properties and records of the Respondent Company without awaiting any notification.

(iii) The Liquidator shall act on an ordinary copy of this Order duly authenticated by the Registry of this Court.

(iv) The learned Counsel for the Respondent Company waives service of the Petition under Rule 28 of the Companies Court Rules, 1959.

(v) The Advocates for the Petitioner shall forthwith forward a copy of this order to the Company at its registered address.

(vi) Parties to act on an authenticated copy of this order.

(A. K. MENON, J.)

TRUE COPY

(Handwritten signature)

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Senior Officer
High Court, Appellate Side
Bombay 400 032