



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

I.A. (IB) Dis. No.16/KB/2025

In

C.P.(IB) No. 173/KB/2017

*An application under Section 54(1) of the Insolvency & Bankruptcy Code,
2016 read with Regulation 45(3)(b) of the Insolvency & Bankruptcy Board of
India (Liquidation Process) Regulations, 2016*

In the matter of:

Berger Paints India Limited

...OPERATIONAL CREDITOR

Versus

Precision Engineers & Fabricators Private Limited

...CORPORATE DEBTOR

And

In the matter of:

Mr. Rasik Singhanian, son of Late Umapati Singhanian, aged about 43 years, by faith-Hindu, by occupation Insolvency Professional & Chartered Accountant, having office at Chitrakoot Building, room No.98, 9th Floor, 230A, A.J.C Bose Road, Kolkata-700020; email-rasik.singhanian@gmail.com; having Registration No. IBBI/IPA-001/IP-P00390/2017-18/10708; Phone No. 9433146020

...APPLICANT

Date of pronouncement of order: **24.07.2025**

CORAM:

**SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)
CMDE SIDDHARTH MISHRA, HON'BLE MEMBER (TECHNICAL)**

Appearances (via Video Conferencing/Physical):

Mr. Raj Singhanian, CA] For the Liquidator
Mr. Rashik Singhanian] Liq-in person

ORDER



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Per: Per: Bidisha Banerjee, Member (Judicial)

1. The Court congregated in a hybrid mode.
2. **I.A. (IB) Dis. No. 16/KB/2025 is filed by the Applicant seeking following reliefs:**
 - a. *"The applicant requests the Hon'ble Adjudicating Authority to allow this Dissolution Application and take the same on record;*
 - b. *This Hon'ble Tribunal may be pleased to declare the closure of the Liquidation Process of the Corporate Debtor and be pleased to pass appropriate orders/directions to Order dissolution of the Corporate Debtor i.e. Precision Engineers & Fabricators Private Limited, under Section 54(2) of the Code.*
 - c. *The Hon'ble Tribunal may be pleased to discharge the Liquidator from his duty as Liquidator of the Corporate Debtor.*
 - d. *To pass any other Orders/Directions as deemed fit a necessary by this Hon'ble Court in the interest of justice and equity."*

3. Facts of the Case:

- 3.1. That this application has been filed by Berger Paints India Limited (hereinafter referred to as "Operational Creditor") vide order dated 04.04.2017 under Section 9 of the I&B Code, 2016 to initiate Corporate Insolvency Resolution Process (hereinafter referred to as "CIRP") against Precision Engineers & Fabricators Private Limited (hereinafter referred to as "the Corporate Debtor"). Mr. Rasik Singhania was appointed as the IRP vide order dated 22.10.2018 as a Liquidator.
- 3.2. The applicant submits that the Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was initiated w.e.f. 22/10/2018 and the Public Announcements in Form-B of Schedule II of the Liquidation Regulations were made on 05.11.2018 in the newspapers on Financial Express (English)



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Kolkata edition and Aajkaal (Bengali – Vernacular Daily) Kolkata edition inviting proof of claims from all stakeholders and also stating that the Corporate Debtor has entered the process of Liquidation. Public announcement in Form B on 05.11.2018 is marked as **Annexure-B**.

3.3. That in response to the public announcement, thirteen number of claims were received by the Liquidator and in compliance with Regulation 31 of the Liquidation Regulations, on 15.01.2019 prepared the list of stakeholders and filed it before this Tribunal. On 12.12.2023 the liquidator filed the last modified list of stakeholders. After the modified list of stakeholders 16 number of claims were outstanding which amounts to Rs. 1,32,25,18,807 out of which Rs.1,24,09,05,376 were admitted by the Liquidator. The last modified list of stakeholders is annexed as **Annexure-C**.

3.4. The liquidator submits that the Corporate Debtor had two factories situated at Kalyani and Falta. The liquidator visited the factory situated at Falta to take control & custody of the assets of the Corporate Debtor with the help of Ramnagar Police Station. After entering to the Premises of the Factory the Liquidator noticed that a major part of the assets including Factory Shed, Plant & Machinery etc. had already been removed and that rest of the assets were in the process of being removal from the premises of factory. After intimation with the security personnel working in the factory premises the liquidator came to know that the erstwhile directors of the Corporate Debtor were involved in removing substantial part of the assets lying/installed at the factory premises. The applicant also found that a car of Mr. Ravinder Pal Singh Sahni (Being one of the erstwhile director/promoter of the CD) was also lying in the



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factory premises. On 20.11.2018 the applicant filed an FIR against the erstwhile directors/promoters of the CD at Ramnagar Police Station. Copy of the F.I.R is annexed as **Annexure-D**. On 22.11.2018 the applicant visited the Kalyani factory of the Corporate Debtor to take custody of the assets of the Corporate Debtor and observed that there is no movable asset lying at the premises.

- 3.5. That on 28.11.2018 the applicant filed an application under Section 68 of IBC, 2016 before the Tribunal against erstwhile Directors of the Corporate Debtor for concealment of the property. On 06.12.2018 SFIO was directed to investigate the matter and send their interim report within one month. vide Order dated 18.07.2019 this Tribunal dismissed the application on the ground that F.I.R has already been lodged for the above concealment and investigation is going on.
- 3.6. That the applicant intimated the Insolvency and Bankruptcy Board of India (IBBI) about the matter and making an application under Section 236 before the Special Court of the I&B Code, 2016 with Criminal Case number 07/2019 and that the trial of the offence has been initiated. The case is ongoing till date and the applicant will be informing the Special Court about the dissolution of the CD as and when the dissolution order is passed by this Bench.
- 3.7. That in compliance with Regulation 13 of the Liquidation Regulations, the Preliminary Report was prepared and submitted on 15.01.2019, within 75 days from the liquidation commencement date along with the Asset memorandum as required under Regulation 34 of the Liquidation Regulations. On 30.09.2019 in accordance with Regulation 34 of the Liquidation Regulations, and after receiving the aforesaid



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required details the liquidator prepared and filed the Asset Memorandum before this bench on 15.10.2019

- 3.8. It is submitted by the applicant that the Corporate Debtor having Factory at Falta and Kalyani on which Union Bank of India and Axis Bank Limited had a charge respectively and both of them enforced the security interest. Union Bank of India and Axis Bank Limited realized their security interest. Plant & Machinery and equipment at Falta Factory and another lease hold land near the Falta Factory on which L&T Finance Limited had second charge which they relinquished. Accordingly, there was only a land (lease hold) and Plant and Machinery (scrap) in the Liquidation Estate. The Liquidator conducted the valuation and average liquidation value was Rs.48.15 lakhs.
- 3.9. The applicant submits that he has conducted six E-auctions for the sale of the Corporate Debtor's assets. The initial three E-auctions conducted were only for sale of leasehold Land, which were unsuccessful. The 4th E-auction was conducted for both Plant and Machinery and leasehold Land. Though, the auction was successful only for the Plant and Machinery. As no EOI was received for the leasehold land due to its unusual size, it was surrendered back to WBHDC for a sum of Rs.14,31,401/-.
- 3.10. The Liquidator has filed twenty-six (26) quarterly progress report under Regulation 15 from time to time and the 27th Progress report has been filed in a separate IA.
- 3.11. The 4th e-auction was conducted on 07.11.2022 with a reserved price of Rs.24.75 lakh, the auction was successful and the successful bidder "M/s. AKT Enterprise" who paid the entire consideration. An IA 381/KB/2022 was filed by On Advisory Services Private Limited before this Tribunal claiming that the Pontoon belongs to them. The applicant had all the relevant documents to prove that the Pontoon was owned by the



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Corporate Debtor and not by the "On Advisory Services Private Limited". The IA 381 of 2022 was heard from time to time but on 21.09.2022 as the counsel for the applicant was not present and the matter was dismissed by the NCLT, Kolkata Bench. On 21.09.2022 the liquidator appointed valuers to conduct the valuation of the plant and machinery. Against the dismissal order dated 21.09.2022 the "On Advisory Services Private Limited" again filed a restoration application being IA 1151/KB/2022 before this Bench, on 15.07.2023 the restoration application was allowed. On 24.12.2024 the application filed by M/s. On Advisory Services Private Limited has been rejected by this Tribunal the applicant had a discussion with the successful bidder that whether they are willing to continue with the sale, but the successful bidder was not interested and requested the liquidator to refund the EMD amount. On 26.12.2024 the last auction gets cancelled. The copy of the order dated 20.12.2024 is Annexed as **Annexure-E**.

3.12. That on 14.02.2025 the liquidator conducted 5th e-auction with a 10% reduction in the reserve price in accordance with Schedule I of the Liquidation Regulations which amounts to Rs.22,28,000/-, EOI was received from 5 parties & thereafter EMD was received from 2 parties, however no bid was submitted by the parties, hence, the e-auction was unsuccessful. On 27.03.2025 the Liquidator conducted 6th e-auction after reducing the Reserve Price by 10% in accordance with Schedule I of the Liquidation Regulations, which amounts to Rs.20,06,000/- M/s. Maa Tara Iron & Steel Trading Co. became the successful bidder (H1 bidder) at a bid price of Rs.22.06 lakhs.



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- 3.13. That as per Section 53 of IBC Code, the entire realization amount were to be first distributed towards the unpaid CIRP cost and Liquidation Cost. The total realization amounts to Rs.53,35,440/- and the total unpaid CIRP costs was Rs.31,53,469/- and the total of paid and estimated liquidation costs amounts to Rs.44,81,971/- which has to be paid in priority in accordance with Section 53. Though, there is a deficit of Rs.23,00,000/-. The Financial Creditors have already contributed Rs.31,53,469 towards CIRP Costs and Rs.25,99,999/- towards liquidation costs. The liquidator will refund the entire amount of CIRP costs contributed by the Financial Creditor and the same and balance of Rs.3,00,000/- being the excess contribution towards liquidation costs (Rs.25,99,999/- Less 23,00,000/-) in equal proportion as the same was contributed also in equal proportion. There are no surplus funds after incurring CIRP & Liquidation Cost, thus there is no funds left for distribution under Section 53(1)(b).
- 3.14. In accordance with Regulation 41(1) of the liquidation Regulation, a current account in the name of **M/s. Precision Engineers & Fabricators Private Limited** in liquidation bearing Account No.401601010519960 was duly opened with the Union Bank of India, Kolkata Branch and after final distribution the bank balance was **NIL** and the liquidator applied for closure of the Bank Account on 26.06.2025. The copy of the bank statement and account closure is annexed as **Annexure-F**.
- 3.15. That as per Regulation 45(3) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, Compliance Certificate FORM-H is annexed hereto and marked as **Annexure-G**.



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- 3.16. The Liquidator has attached his final report dated 30.06.2025 along with the Dissolution application in pursuance to Section 54 of the Code read with Regulation 45 of Liquidation Regulation. The audited receipts and payments account for the period since the beginning of financial year till completion of Liquidation Process along with Receipts and Payments Account of all previous years i.e. 01.11.2018 to 31.03.2019 till 01.04.2025 to 30.06.2025 are collectively annexed to the Final Report. The Final Report in accordance with Regulation 45(3) is annexed hereto and marked as **Annexure-H**.
- 3.17. Therefore, liquidator recommends that the Corporate Debtor needs to be dissolved as per the provisions of Section 54 of IBBI Code, 2016 r/w Regulation 45 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
4. We have considered the application and perused records. Various provisions of the Code dealing with the dissolution of the Corporate Debtor are as follows:

“54. Dissolution of corporate debtor. -

- (1) Where the assets of the corporate debtor have been completely liquidated, the liquidator shall make an application to the Adjudicating Authority for the dissolution of such corporate debtor.*
- (2) The Adjudicating Authority shall on application filed by the liquidator under sub-section (1) order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly.*
- (3) A copy of an order under sub-section (2) shall within seven days from the date of such order, be forwarded to the authority with which the corporate debtor is registered.”*



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5. A conjoint reading of these two provisions leads to the requirement of completion of the liquidation of the assets of the corporate debtor and subsequent application to the Adjudicating Authority by the liquidator for dissolution under section 54 of the IBC where the assets of the Corporate Debtor has been completely liquidated after distribution among the Stakeholders for the Liquidation Process Regulations when the realizable properties of the corporate debtor are insufficient to cover the cost of the liquidation process, the liquidator may apply to the Adjudicating Authority for dissolution.
6. In view of the above facts and circumstances, this Adjudicating Authority in exercise of the powers conferred under sub-section (2) of section 54 of the Code hereby orders dissolution of the Corporate Debtor, viz., **Precision Engineers & Fabricators Private Limited** from the date of this Order, and the Corporate Debtor stands dissolved. Consequently, Liquidator stands relieved subject to all procedural compliances.
7. The Liquidator and the Registry are hereby directed to serve a copy of this order upon the Registrar of Companies, West Bengal, immediately and, in any case, within fourteen days of receipt of this order. The Registrar of Companies shall take further necessary action upon receipt of a copy of this order.
8. **I.A.(IB) Dis. No.16/(KB)/2025** and **CP (IB) No.173/(KB)/2017** is allowed and **disposed of** with the above directions.
9. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.



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10. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

Sd/-

Cmdr Siddharth Mishra
Member (Technical)

Sd/-

Bidisha Banerjee
Member (Judicial)

Signed on this, the **24th July, 2025.**

S. Ghose, (Steno)



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COMPARED & VERIFIED

By
08/8/25

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JR / DR / AR / Court Officer
National Company Law Tribunal
Kolkata Bench