

**IN THE NATIONAL COMPANY LAW TRIBUNAL,**  
**MUMBAI BENCH COURT III**

**I.A. No. 1869 of 2023**

**IN**

**C.P.(IB)- 3580 (MB)/2018**

(Under Section 54 of  
Insolvency & Bankruptcy  
Code, 2016)

**Mr. Santanu T Ray**

Liquidator of Sacos Indigo Private Limited  
Office at 144, B wing, Mittal Court, Nariman  
Point, Mumbai- 400 021

**... Applicant/ Liquidator**

**IN THE MATTER OF:**

Fairdeal International

**... Operational Creditor**

**V/S.**

Sacos Indigo Private Limited

**... Corporate Debtor**

**Order Pronounced on: 28.11.2023**

**Coram:**

Hon'ble Ms. Lakshmi Gurung, Member (Judicial)

Hon'ble Shri. Charanjeet Singh Gulati, Member (Technical)

***Appearance:***

Advocate for the Liquidator: Adv. Mohammed Varawala a/w Adv. A. Yadav i/b Adv. Rubina Khan/ Fortis India Law

***Per: Shri. Charanjeet Singh Gulati, Member (Technical)***

1. This is an application filed by the Liquidator under Section 54 of the Insolvency and Bankruptcy Code, 2016 (IBC) for dissolution of the Corporate Debtor.

**Prayers:**

2. The liquidator seeks indulgence of this Tribunal:
  - a. *To allow the present Application;*
  - b. *To pass necessary orders u/s 54 of the Insolvency and Bankruptcy Code, 2016 r/w Regulation 44(1) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016 for dissolution of Corporate Debtor;*
  - c. *To condone the delay of 89 days if any in filing of Dissolution Application;*
  - d. *To pass orders for the Dissolution of Sacos Indigo Private Limited;*
  - e. *To pass orders for the extinguishment of all the liabilities of Sacos Indigo Private Limited;*
  - f. *To direct the stakeholders of the Corporate Debtor to contribute towards the Liquidation Cost along with any other costs incurred till the date of order of dissolution of the Corporate Debtor is passed by this Hon'ble Tribunal;*

- g. To discharge the Applicant of its duties as the Liquidator of the Corporate Debtor from the date of Order of Dissolution of the Corporate Debtor passed by this Hon'ble Tribunal;*
- h. To remove the name of Sacos Indigo Private Limited from the records maintained by the Registrar of companies, Mumbai;*
- i. Reissue such other necessary orders as may be deemed fit in the matter.*

**Facts of the case:**

3. An Application under section 9 of the IBC, Code 2016 was filed by one Operational Creditor i.e. Fairdeal International. This Tribunal vide its order dated **26th May 2020** admitted the petition under section 9 of the IBC, and Corporate Insolvency Resolution Process (hereinafter referred to as "**CIRP**") against the Corporate Debtor was initiated. **Mr. Santanu T Ray** the Applicant was appointed as an Interim Resolution Professional of the Corporate Debtor. A copy of the CIRP admission order dated 26th May 2020 is annexed with the application and marked as "**Annexure-1**".
4. The Committee of Creditors ('COC') in its First Meeting held on 06.07.2020 resolved and confirmed the appointment of existing Interim Resolution Professional i.e. Mr. Santanu T Ray, as the Resolution Professional of the Corporate Debtor.
5. Pursuant to the appointment, the Applicant published Form - G on 26.09.2020, thereby inviting expression of Interest, in accordance with the provisions of Regulation 36A of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons)

2016. Three (3) prospective resolution applicants had shown their interest, the details of the same are furnished below:

- i. Arjit Business Corporation Private Limited,
- ii. Ingeo Contractor Private Limited, and
- iii. Nanofil Technologies Private Limited.

6. Although 3 Prospective Resolution Applicants had shown their interest, the Resolution Plan was received only from One (1) Resolution Applicant, i.e., Nanofil Technologies Private Limited. Upon conducting due diligence, the Resolution Plan received from Nanofil Technologies Private Limited, was found to be non-compliant. Further the Resolution Applicant also failed to submit the 2nd EMD amount as per the approved Request for Resolution Plan (RFRP) and EOI documents. Therefore, the Plan received was **Rejected** by the COC.
7. In view of the above facts and in the absence of any successful Resolution Plan, the Committee of Creditors in its 6th meeting held on 15th January 2021 and further adjourned on 22nd January 2021, decided to liquidate the Corporate Debtor by a majority of voting share of 91.30 % for Liquidation and further resolved to appoint the Applicant with a voting share of 77.78% to continue as the Liquidator of the Corporate Debtor. Accordingly, an application u/s 33 of IBC, 2016 was filed.
8. An Interlocutory Application bearing No. 528 of 2021 was filed by the Applicant for initiation of Liquidation of the Corporate Debtor. Vide order dated 28th January 2022, this Tribunal initiated Liquidation Proceedings against the Corporate Debtor and appointed the

Applicant as the Liquidator. The copy of the liquidation order dated 28th January 2022, is annexed and marked as "**Annexure-2**", of the Application.

9. Pursuant to his appointment as the Liquidator, the Applicant made a public announcement in Form B in terms of Regulation 12 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (hereinafter referred to as "Liquidation Regulations") on 07.02.2022, inviting claims from the creditors of the Corporate Debtor wherein the last date for the submission of the claims was 28.02.2022. Copy of the Form-B dated 07.02.2022 published by the Applicant is annexed and marked as "**Annexure-3**" of the Application.
10. It is submitted that subsequent to the commencement of the liquidation proceedings of the Corporate Debtor, the Applicant in the capacity of the Liquidator of the Corporate Debtor took custody of the assets of the Corporate Debtor and formed the Liquidation Estate of the Corporate Debtor in terms of section 36 of the Code. The Corporate Debtor mainly had the following assets as on the date of Liquidation:

<b>Sr. No.</b>	<b>Name of the Assets</b>
1.	Land and Building situated at plot No. 90 and 90A, Industrial Area, Sector - I, Pithampur, Dhar, Madhya Pradesh
2.	Plant and Machinery located at plot No. 90 and 90A, Industrial Area, Sector - I, Pithampur, Dhar, Madhya Pradesh

A detailed description of the above assets has been given in the Asset Memorandum, which is annexed and marked as "**Annexure-D**" in the Final Report. The Final Report containing all the information of the Liquidation Process is annexed to the application and marked as "**Annexure-5**".

11. The Liquidator in compliance has filed Form INC 28 with ROC Mumbai thereby updating the status of Corporate Debtor undergoing liquidation process and he being appointed as the Liquidator.
12. The Applicant post his appointment as per Regulation 35(2) of the Liquidation Regulations, appointed the following valuers for conducting valuation of the different class of assets of the Corporate Debtor.
  - a. Adroit Appraisers and Research Private Limited.
  - b. SVEE Valuation and Advisory LLP.
13. Based on the claims received, the Liquidator formed a Stakeholders Consultation Committee ('SCC') in terms of Regulation 31A of Liquidation Regulations, on 01.04.2022 and the first meeting of the SCC was conducted on 20.04.2022.
14. In pursuance of the same, the registered valuers, after the physical verification of the assets of the Corporate Debtor provided their valuation report. In light of the same, the Applicant filed the Asset Memorandum along with the Preliminary Report before this Tribunal on 07.04.2022.

15. With reference to Form B published inviting stakeholders to submit their claim, the last date of submission of claim was on 28th February, 2022. The Liquidator received claims from Two (2) Secured Financial Creditors i.e. Punjab National Bank and State Bank of India, One Claim from Unsecured Financial Creditor i.e., CanBank Factor and one claim from Operational Creditor (Government dues). The copy of the List of Stakeholders is submitted before this Tribunal along with the preliminary report on 7th April 2022.
16. The Liquidator with the object of selling the assets of the Corporate Debtor had made public announcements for the sale of assets through e-auction. The dates of the e-auction are given below:

<b>Date of issue of Sale Notice</b>	<b>E- auction No. and Date</b>	<b>Result of E- auction</b>	<b>Assets Sold</b>	<b>Name of Successful Buyer</b>
17/06/22	First e-auction was conducted on 30.06.2022	There was no bidder		
02/09/22	Second e-auction was conducted on 16.09.2022	Sale of Assets	Successfully sold Land, Building, Plant & Machinery	Innoweave Global Packaging Solutions Private Limited

All the assets were successfully sold during the 2nd auction held on 16th September, 2022 to the successful bidder Innoweave Global Packaging Solutions. The amount realised from the auction is **Rs. 14,00,00,000**. The Liquidator had also issued a Letter of intent on 19th September, 2022. Further the Sale Certificate and Possession Letter was issued on 2nd November 2022. The Sale Certificate and the Possession letter are annexed and marked as "**Annexure-F**" in the Final Report.

17. According to Regulation 4(2) of the IBBI (Liquidation Process) Regulations, 2016, the fee of the Liquidator was previously decided by the members of the Committee of Creditors in the 6th COC meeting, Therefore, as per decided fee and as per Regulation 4 of IBBI (Liquidation Process) Regulation, 2016, the Liquidator was entitled to fees of Rs. 27,52,825 /- inclusive of applicable taxes. The brief summary of the amount realised and the amount distributed is given below:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Amount (in Rs.)</b>
1	Amount realized from sale of Assets	14,00,00,000
2	Add: Amount in Bank account of Corporate Debtor	95,00,000
<b>Total amount Realized (A)</b>		<b>14,95,00,000</b>
3	Liquidator Fees	27,52,825
4	CIRP and Liquidation Cost	1,53,98,947

5	Amount Retained for future costs	80,00,000
<b>Total of Liquidation fees, Cost and retained amount (B)</b>		<b>2,61,51, 772</b>
<b>Total Amount distributed to stakeholders</b>		<b>12,33,48,228</b>

18. Thereafter in compliance to Section 52(1)(a) and 53(b)(iii) of the Insolvency & Bankruptcy Code, 2016 read with Regulation 42(2) of the IBBI (Liquidation Process) Regulation, 2016, the Liquidator distributed Rs.12,33,48,228/- to the Secured Financial Creditor Namely State Bank of India and Punjab National Bank on 05.11.2022 and 18.03.2023. The 1st Distribution was made of the sale proceeds received from the sale of assets of the Corporate Debtor and the 2nd Distribution was made of the bank account balance of the Corporate Debtor. The details are reproduced hereunder:

<b>Sr. No.</b>	<b>Name of the Stakeholder</b>	<b>1st Distribution on 05.11.2022 (Amt in Rs.)</b>	<b>2nd Distribution on 18.03.2023 (Amt in Rs.)</b>
1	Punjab National Bank	2,05,43,347	12,69,624
2	State Bank of India	9,56,25,398	59,09,860
<b>TOTAL</b>		11,61,68,745	71,79,484
<b>GRAND TOTAL</b>		<b>12,33,48,228</b>	

19. The Liquidator also submits that Rs. 80,00,000, which was retained for future costs has been distributed to Stakeholders as per section 53 i.e. including liquidation cost and CIRP cost as per clause 53(1) (a) of IBC for the purpose of fee.
20. The Applicant had appointed the Transaction Auditor during the CIRP period i.e., on 23rd September 2020, in order to form an opinion on Preferential and other transactions in accordance with regulation 35A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016. As per the Final Transaction Audit Report, there is no conclusive evidence which proves that the Corporate Debtor has been engaged in the following, as per the provisions of Insolvency and Bankruptcy code 2016.
- i. Preferential Transaction under section 43,
  - ii. Undervalued Transaction under section 45,
  - iii. Extortionate Credit Transaction under section 50, and
  - iv. Fraudulent Transaction under section 66.
21. In the absence of any Transaction Application under Section 43, 44, 45, 50 and 66 of the Code pending before this Tribunal, the Applicant in compliance to the Code and its Regulation has discharged its duties. Prima facie as there are no other assets of the corporate debtor remaining to be realised, the Liquidator has filed Form H in compliance to the Code and IBBI (Liquidation Process) Regulation, 2016 and the same is annexed and marked as "**Annexure 4**" of this Application.
22. As per Regulation 44 of Insolvency and Bankruptcy Board Of India (Liquidation Process) Regulation 2016, the Liquidation Proceedings

shall conclude within a period of one year from Liquidation commencement date. Accordingly, the Liquidator has sold all the available assets of the Corporate Debtor and successfully distributed the sale proceeds among the creditors as per section 53 of Insolvency and Bankruptcy code 2016.

23. The Applicant till date has filed Seven Progress Reports before this Tribunal in relation to the Liquidation Proceeding of the Corporate Debtor. Details of which are mentioned in the detailed final report.
24. In compliance with the directions of this Tribunal, the Applicant had submitted a letter dated 30th August 2023 to the Punjab National Bank, Vashi Sector-1 Branch, thereby requesting for closing the bank account bearing number 3502002100042085 in the name of the Sacos Indigo Private Limited in Liquidation, which is the liquidation account of the Corporate Debtor. The copy of the letter dated 30th August, 2023 annexed and marked as **Exhibit I** to the additional Affidavit submitted by the Applicant.
25. Pursuant to the request made by the applicant for closure of the Liquidation account of Sacos Indigo Private Limited, the said bank account bearing number 3502002100042085 is duly closed. Annexed and marked as **Exhibit II** to the additional Affidavit submitted by the Applicant is a copy of the Account Statement dated 07th September, 2023 narrating the fact of closure of the bank account.
26. It was noted that, an amount of Rs. 41,081/- was remaining in "Other accounts". Accordingly on being pointed out, the Liquidator

submitted an additional Affidavit dated 17.11.2023 on 21.11.2023. In the additional affidavit, the liquidator submitted that, in the Receipts and Payment statement which was annexed to the Seventh Progress Report of Sacos Indigo Private Limited the amount of Rs. 41,081/- was mentioned under the head “Other Current Accounts”. Further, it is submitted that the said account was maintained with the State Bank of India and the account was dormant and not operational.

27. Thereafter, the Liquidator issued a letter to the General Manager of SBI requesting a copy of the CIF statement of the Corporate Debtor. The CIF balance is NIL. The revised Receipts and Payment account for the period 28.01.2022 to 30.09.2023 is reproduced hereunder:

(Amount in Rupees)

Receipts	For the period 28/01/2022 to 30/09/2023	Payments	For the period 28/01/2022 to 30/09/2023
<b><u>I. Opening Balances</u></b>		<b><u>I. Liquidation Cost</u></b>	
<b>a) Cash in hand</b>		a. Administration & Establishment	
<b>b) Bank balances</b>		- Salaries during Liquidation	Nil
- in Liquidation Account	Nil	- Wages during Liquidation	Nil
in Other Current Accounts	-	- Watch and ward (Security, Storage)	12,76,836
<b><u>II. Income During Liquidation</u></b>		- Telephone Expenses of Company	Nil
- Interest Income	Nil	- Electricity Expenses of Company	Nil
- Rental Income	Nil	- Rent paid during liquidation	Nil
- Business Income, if any	Nil	- Valuer Fee Expenses	3,12,244
<b><u>III. Amount of Recovery during Liquidation</u></b>		- Transaction Auditor Fee	Nil
- Recovery from Investment	Nil	- Liquidator’s Travel expenses	Nil
- Recovery from the other assets	Nil	- Custody taking expenses	Nil
- Recovery from claims	Nil	- Consultancy Fee	49,673
<b><u>IV. Sale Proceeds of Assets in e-auction</u></b>		- Other professional	16,85,138
- Sale of Land & Building		- Other expenses	44,148
- Sale of Plant & Machinery		<b><u>II. Assets Sale Expenses</u></b>	
- Sale of Other Fixed Assets	11,90,00,000	- E-auction Charges	4,720

- Sale of stock & other current assets	Nil	-E Voting Charges	Nil
- EMD Amount Received	Nil	-Public Announcements	1,18,510
<b><u>V. Sale Proceeds of Assets Other than e-auction</u></b>		-Advertisement and Publicity	Nil
- Sale of Land & Building	Nil	-Digital Marketing for asset sale	Nil
- Sale of Plant & Machinery	Nil	-Brokerage, if any	Nil
- Sale of Other Fixed Assets	Nil	<b><u>III. Liquidation Fee</u></b>	
- Sale of stock & other current assets	Nil	-Liquidation Fee on Asset Realisation	
		-Liquidation Fee on Disbursement	25,19,535
<b><u>VI. Interim Finance raised</u></b>		<b><u>IV. Legal &amp; Litigation Expenses</u></b>	
-From Secured Financial Creditors	2,14,97,096	-Legal Cost for Cases Filed by Liquidator	16,63,326
-From IP/PE	Nil	-Legal Cost for Cases Filed by Others	1,82,784
-CIRP contribution in CIRP bank	Nil	-Legal Cost for GST & TDS Filed	Nil
<b><u>VII. From Others</u></b>		<b><u>V. Other Payments</u></b>	
- From Contr. From bank	17,62,184	-Interest on Interim Finances	Nil
- Inter Transfer of Bank balance	Nil	-Interim Finance	Nil
- From Security Agency (excess payment made)	71,775	-Consultation Meeting with Stakeholders	Nil
		-Bank Charges	919
		-CIRP Cost Paid	9,59,987
		-Inter Transfer of Bank balance	Nil
		-Insurances	1,16,257
		-GST	1,61,690
		-TDS	2,62,907
		-EMD RETURN	Nil
		<b><u>VI. Disbursement to Stakeholders</u></b>	
		-Disbursement to secured creditors	13,29,72,380
		-Disbursement to workers	Nil
		-Disbursement to Others	Nil
		<b><u>VII. Closing balance</u></b>	
		<b>a) Cash in hand</b>	
		<b>b) Bank balances</b>	
		- in Liquidation Account	-
		- in Other Accounts	-
<b>Total</b>	<b>14,23,31,055</b>	<b>Total</b>	<b>14,23,31,055</b>

28. This present application is filed by the Applicant in compliance with the provision as set out in Regulation 44 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.

29. The liquidation process of the Corporate Debtor has been completed within the stipulated time of one year as provided in Regulation 44 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016. However due to pending registration formalities of property sold by the successful bidder, which were completed only on 31.03.2023, the liquidator has filed a dissolution application now. The Liquidator submits to condone the delay of 89 days in filing Dissolution Application. In the view of facts and circumstances of the case, this bench condones the minor delay of 89 days in filing the Dissolution Application.
30. It is imperative to mention that a Writ Petition is pending before the Hon'ble Madhya Pradesh High Court, Indore Bench. It has been filed by Innoweave Global Packaging Solutions Pvt. Ltd., against Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited and the liquidator has also made the party to the same. The said writ petition is filed against the Madhya Pradesh Paschim Kshetra Vidyut Vitaran Company Limited, as the authority has denied to provide the new electricity connection. The said Writ Petition is pending adjudication.
31. In the light of the facts submitted and circumstances stated, the Corporate Debtor needs to be dissolved as per the provision of Section 54 of Insolvency and Bankruptcy Code, 2016 r/w Regulation 44 (1) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016.

## ORDER

32. For the purpose of pronouncement of Dissolution of a Corporate Debtor Section 54 of The Insolvency and Bankruptcy Code, 2016, reads as under:

*“54. (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 subsection (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.*

33. As a consequence, through this Order it is hereby declared that not only it is just and equitable but also because of the fact that no asset is available for the purpose of ‘Liquidation’ as reported by Liquidator, all the money released on account of sale/auction of assets have been distributed in accordance with Section 53 of the IBC, 2016 and further even the bank account pertaining to Corporate Debtor has been closed, this is a fit case of a Corporate Debtor to be dissolved as prescribed under Section 54 of The Insolvency and Bankruptcy Code, 2016. Ordered accordingly, the Company stands **‘Dissolved’** from the date of this Order.

34. Copy of this Order shall be forwarded within 7 (seven) days to the concerned authorities and the Registrar of Companies having jurisdiction, for further necessary action as prescribed under Law.
35. Accordingly, I.A. No. 1869 of 2023 is hereby **allowed** and disposed of and C.P.(IB)- 3580 (MB)/2018 is hereby **closed**.

**Sd**

**CHARANJEET SINGH GULATI**  
**MEMBER (TECHNICAL)**

Saayli, LRA

**Sd/-**

**LAKSHMI GURUNG**  
**MEMBER (JUDICIAL)**