

IA-2315 of 2023
IN
Company Petition No. (IB) - 107(PB)/2019

IN THE MATTER OF:

... Financial Creditor

.... Corporate Debtor

.... Applicant

Page 1 of 35

ORDER

IA (I.B.C)/2315 (PB)2023

1. This is an application for dissolution of M/s Vallabh Steel West Pvt. Ltd. (**Corporate Debtor/CD**), filed by the Liquidator, **Mr Narender Kumar Sharma (Applicant/Liquidator)**, under Section 54 of the Insolvency and Bankruptcy Code, 2016 (**IBC / Code**) read with Regulation 45(3)(b) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (**Liquidation Process Regulations**) r/w Rule 11 of NCLT Rules, 2016. The prayers made in the Application are as follows:

- A. Allow the present Application seeking dissolution of the Corporate Debtor, M/s Vallabh Steel West Private Limited;*
- B. Pass any such other and further directions/orders this Hon'ble Tribunal deem fit and proper in the interest of Justice.*

Brief facts of the case as stated in the application:

As submitted by the parties in the pleadings and submissions made in the court, the following are the relevant facts of the case:

2. A petition under Section 7 of the Code bearing no. CP (IB)-107/2019 was filed by the Financial Creditor (Oriental Bank of Commerce) against the Corporate Debtor/M/s Vallabh Steel West Pvt. Ltd., which was admitted into Corporate Insolvency Resolution Process (**CIRP**) by this Adjudicating Authority vide order dated 03.07.2019, and Mr Narender Kumar Sharma was appointed as the Interim Resolution Professional (IRP).
3. In pursuance thereof, the IRP made a public announcement inviting claims from the creditors. On receipt of the claims, the IRP constituted the Committee of Creditors (**CoC**), and in the 2nd meeting of the CoC the IRP was confirmed as the Resolution Professional (**RP**). Subsequently, as no viable resolution plan was received (the sole resolution plan received, of Rs. 2.5 crore, being far below the liquidation value, was

rejected by the CoC, which in its 4th meeting held on 19.03.2020 resolved with 100% voting to liquidate the CD), an application bearing no IA-3641/2020 was filed under section 33 of the Code seeking permission of this Adjudicating Authority to commence liquidation against the Corporate Debtor. This Adjudicating Authority vide order dated 16.09.2020, allowed the same and ordered the liquidation of the Corporate Debtor. As the name of the liquidator and the claim value were inadvertently misstated in the said order, the same were rectified vide corrigendum order dated 06.11.2020 passed in IA-4226/2020, whereby Mr Narender Kumar Sharma was appointed as the liquidator. The relevant excerpt of the order is reproduced herein under:

On verification, we have come to know that the claim value against this company is around ₹ 32Crore and the liquidation value is in between ₹ 8 to 10Crore. By looking at these facts and figures, we are satisfied that the CoC has rightly decided to propose for liquidation, therefore we hereby ordered for liquidation of the debtor company with the following directions:

- a) This Bench hereby orders the Corporate Debtor to be liquidated in the manner as laid down in the chapter by issuing a public notice stating that the Corporate Debtor is in liquidation with a direction to the liquidator to send this order to ROC with which this company has been registered.
- b) The Resolution Professional viz. Mr. K.G Somani is hereby appointed to act as Liquidator for the purpose of liquidation of the corporate debtor, therefore, all powers of the board of directors, Key managerial personnel and partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be hereby vested in the liquidator. The Personnel of the Corporate Debtor are directed to extend all co-operations to the liquidation as may be required in managing the affairs of the Corporate Debtor. The Insolvency Professional appointed as liquidator will charge fees for conduct of the liquidation proceedings in proportion to the value of the liquidation estate assets as specified under

regulation 4 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and the same shall be paid to the Liquidator from the proceeds of the liquidation estate under Section 53 of the Code.

Thereafter, the corrigendum order dated 06.11.2020 passed by this AA is also extracted below for ready reference:

ORDER

IA-4226(PB)/2020:-

On an application filed by the liquidator seeking rectification of the name of the liquidator for Mr. K.G Somani is written instead of mentioning Mr. Narender Kumar Sharma and also the claim value is wrongly mentioned as ₹32Crore instead of ₹42 crores, in pursuance thereof, **corrigendum is hereby issued rectifying the claim value as ₹42 crores in the place of ₹32 crores, and replacing the name Mr. K.G Somani with name Mr. Narender Kumar Sharma.**

Accordingly, this application is allowed.

4. In compliance with Regulation 12(1) of the Liquidation Process Regulations, the Liquidator made a public announcement in prescribed Form B dated 11.11.2020 in the Financial Express newspaper, Chandigarh edition, Jansatta, New Delhi Hindi edition, and Rozana Spokesman Chandigarh Punjabi edition, inviting claims from all stakeholders with the last date for submission being 08.12.2020.
5. The claims received from financial creditors and other creditors were collated and verified by the applicant. In compliance with Regulation 31A of the Liquidation Process Regulations, the Stakeholders Consultation Committee (**SCC**) was formed, and the final list of stakeholders is extracted herein below:

Sr. No.	Name of the Stakeholder	Class of the Stakeholder	% of Total Claim	No. of Representative
1	Punjab National Bank	Secured Financial Creditor	52.40	4
2	State Bank of India	Secured Financial Creditor	43.25	2
3	Vardhman Industries Limited	Unsecured Financial Creditor	0.55	1
4	Vardhman Industries Limited	Operational Creditor	3.82	1
		TOTAL	100	8

The applicant convened a total of 12 SCC meetings during the Liquidation process of the Corporate Debtor up to the filing of the present application, the 12th meeting having been held on 12.01.2023. Thereafter, the 13th meeting of the SCC was held on 23.06.2026.

6. Further, pursuant to Regulation 13 and 34 of the Liquidation Regulations, the Liquidator has filed the 'Preliminary Report' and 'Asset Memorandum' on 22.01.2021. The same has been annexed with this application at Annexure A-13 of the application. The details of the assets as per the Asset Memorandum report are extracted as below:

ANNEXURE- 2

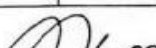
ASSET MEMORANDUM

CORPORATE DEBTOR- VALLABH STEEL WEST PRIVATE LIMITED

(Prepared in accordance with Regulation 35 and 39C (2) of IBBI(CIRP) Regulations 2016, Regulation No. 32 (e), 32A(3), 33(1), 34, 35 of IBBI (Liquidation Process) Regulations 2016

Details of Assets:

Sr. No.	Details of Assets	Net Block Value as per Audited Balance Sheet as on 03-07-2019	Average of Valuation by the Registered Valuers under Regulation 35 of IBBI (Liquidation Process) Figures rounded off
1	Land measuring 9 Bigha 23 Biswa 4 Biswani (2.04 Acres), 10160 Sq. Yrds, Situated at Village Bapraur, Tehsil Rajpura, Distt. Patiala, Punjab, Khasra No. 389/2 and 1723/384 , Registered Deed dated 10-08-2015 and 25-08-2015	1,92,34,680.00	1,36,00,000.00
2	Shed measuring 8566 Sq. Mtrs., constructed during the year 2016, boundary wall, gate and Misc steel frames, on the said portion of land	11,43,74,916.00	1,52,00,000.00
3	Plant & Machinery installed at the Factory Site As per ANNEXURE- 2(a)	44,22,42,404.00	8,46,00,000.00
3	Inventory Assorted (including raw materials work in Progress and finished goods	1,29,47,543.00	10,00,000.00
4	Trade Receivable	3,55,599.00	0.00
5	Cash & Cash Equivalents Imprest employee Balance With Schedule Banks In current Accounts Fixed Deposit with Banks (Margin Money)	3,409.00 26,857.00 11,04,691.00 11,34,957.00	0.00 18,000.00 0.00 18,000.00
6	Short Term Loans & Advances (TDS/GST)	1,99,54,976.00	0.00
		61,02,45,475.00	11,44,18,000.00

 ANAND KUMAR SINGH
22/01/2021

7. On 16.11.2020, the Liquidator appointed the following valuers registered with the IBBI to carry out the valuation of the assets:

- i. Anil Kumar Saxena
Asset Class: Land and Building
Regn. No. : IBBI/RV/02/2018/10004
- ii. Jai Singh Badgujar
Asset Class: Land and Building
Regn. No.: IBBI/RV/02/2019/10571
- iii. Rishi Kumar Aggarwal
Asset Class: Plant and Machinery
Regn. No.: IBBI/RV/02/2019/11093
- iv. Anubhav Aggarwal
Asset Class: Plant and Machinery
Regn. No.: IBBI/RV/02/2019/11328

Auction of assets of the Corporate Debtor

8. The relevant details of the auction of the assets of the CD as encapsulated in the application are extracted below:

14. The Liquidator initiated the process of the auction of the assets of the Corporate Debtor pursuant to which he published the sale notice for E-auction of assets of Corporate Debtor on 22.02.2021 in Financial Express (English), Jansatta (Hindi), and Rozana Spokesman (Punjabi). In terms of the sale notice, E-auction of the assets of the Corporate Debtor was to be conducted on 11.03.2021. True copy of the E-auction notice dated 22.02.2021 is annexed as **Annexure A-8**.



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15. The assets of the Corporate Debtor were to be sold as going concern. However, there was no participation in the bidding process.

SECOND E-AUCTION OF ASSETS

16. The Liquidator issued fresh notice of e-auction on 26.06.2021 in Financial Express (English), Jansatta (Hindi), and Rozana Spokesman (Punjabi). In terms of the sale notice, E-auction of the assets of the Corporate Debtor was to be conducted on 06.07.2021. True copy of the E-auction notices dated 26.06.2021 is annexed as **Annexure A-9**.
17. The Liquidator initiated the process of fresh auction for the Assets of the Corporate Debtor individually in the manner given below:

Sr. No.	Details of the Assets	Result	Name of successful bidder	Bidding price (Rs.) (in Crores)
1.	Land admeasuring 9 Bigha 23 Biswa 4 Biswani (2.04 Acres), 10160 sq. yds. situated at Village Bapraur, Tehsil, Rajpura, Distt. Patiala, Punjab, Khasra No. 389/2 and 1723/384, Registered Deed dated 10.08.2015 and 25.08.2015 And Shed admeasuring 8566 sq. mtrs. constructed in 2016, boundary wall, gate and misc. steel frames, on the said portion of land.	Successful	M/s Vardhaman Industries Limited	2.75
2.	Plant & Machinery	Unsuccessful	N/A	N/A

	installed at the Factory Site.			
3.	Inventory assorted (including raw materials work in progress and finished goods)	Successful	M/s Sitaram Mahawar and Sons	0.60

18. Liquidator issued the sale certificate to both the successful bidders i.e. M/s Vardhman Industries Ltd for Land & Shed and M/s Sitaram Mahawar and Sons for Inventory assorted (including raw materials work in progress and finished goods) which was duly accepted by them. However, there was no participation in the bidding process regarding the Plant & Machinery installed at the Factory Site.

THIRD E-AUCTION OF ASSETS:

19. The Liquidator initiated the process of the fresh auction for the Plant & Machinery installed at the factory site of the Corporate Debtor in third e-auction on on 14.07.2021 in Financial Express (English), Jansatta (Hindi), and Rozana Spokesman (Punjabi). In terms of the sale notice, E-auction of the assets of the Corporate Debtor was to be conducted on 20.07.2021. It is submitted since there was no participation in the bidding process, the Liquidator issued another E-auction notice dated 22.07.2021 in which the e-auction was to be conducted on 26.07.2021 but again there was no participation in the e-auction. True Copies of the E auction- Notices dated 14.07.2021 and 22.07.2021 are annexed as **Annexure A-10. (Colly.)**

FOURTH E-AUCTION OF ASSETS:



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20. The Liquidator initiated the process of the fresh auction for the Plant & Machinery installed at the factory site of the Corporate Debtor in third e-auction on on 06.08.2021 in Financial Express (English), Jansatta (Hindi), and Rozana Spokesman (Punjabi). In terms of the sale notice, E-auction of the assets of the Corporate Debtor was to be conducted on 12.08.2021. It is submitted since there was no participation in the bidding process, the Liquidator issued another E-auction notice dated 13.08.2021 in which the e-auction was to be conducted on 18.08.2021 but again there was no participation in the e-auction. True Copies of the E-auction notices dated 06.08.2021 and 13.08.2021 are annexed as **Annexure A-11 (Colly.)**.

FIFTH E-AUCTION OF ASSETS:

21. The Liquidator initiated the process of the fresh auction for the Plant & Machinery installed at the factory site of the Corporate Debtor in third e-auction on on 12.09.2021 in Financial Express (English), Jansatta (Hindi), and Rozana Spokesman (Punjabi). In terms of the sale notice, E-auction of the assets of the Corporate Debtor was to be conducted on 17.09.2021. True Copies of the E-Auction Notices dated 12.09.2021 is annexed as **Annexure A-12**.
22. One M/s S.P. Constructions was declared as the successful bidder on closure of e-Auction at a reserve price of Rs. 5.81 Crores and deposited EMD amount of Rs. 58.10 Lacs. Subsequently, the Liquidator issued a Letter of Intent to M/s S.P. Constructions upon payment of a subsequent amount of Rs. 58.10 Lacs making the total sum received from the

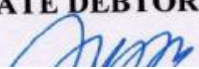
Successful Bidder, Rs. 1,16,20,000/- against the sale price of Rs. 5.81 Crores plus GST @18%.

23. It is submitted that despite all the efforts made by the Liquidator, M/s S.P. Constructions did not deposit the balance payment and complete the entire transaction. Surprisingly, not only did they fail to pay the entire sale amount but it further made false allegations against the Liquidator for change in plants and machinery. It is pertinent to mention here that the Liquidator has taken photos and videos of the entire factory site at regular intervals from the date of taking possession till the date of e-Auction. Therefore, upon M/s SP Construction's failure to pay the complete bid amount, the SCC decided to cancel the Sale Certificate issued to them and forfeit the EMD amount of Rs. 58.10 Lacs deposited by it while returning the equivalent remaining amount paid by the Successful Bidder.

SIXTH AND SEVENTH E-AUCTION OF ASSETS:

24. The Liquidator initiated more rounds of e-auction for the Plant & Machinery installed at the factory site of the Corporate Debtor. The Liquidator issued e-Auctions Notices for Sixth and Seventh e-auction on 14.01.2022 and 02.02.2022 in Financial Express (English), Jansatta (Hindi), and Rozana Spokesman (Punjabi) respectively. In terms of the sale notices the sixth and seventh E-auction of the assets of the Corporate Debtor were to be conducted on 19.01.2022 and 08.02.2022 respectively. However, there was no participation in the bidding process regarding the Plant & Machinery installed at the Factory Site.

PRIVATE SALE OF THE ASSETS OF THE CORPORATE DEBTOR:



25. During the 9th SCC meeting dated 15.02.2022 it was discussed that on 14.02.2022 one Mr. Surender Singh Dhull, Proprietor, M/s. Dhull Traders had approached the Liquidator and informed that based on earlier public notices, he had visited factory site and had done the due diligence of the plant & machinery of the CD and shown his interest to purchase the assets and has offered a purchase price of Rs. 5.86 Crores, plus GST.
26. Since the last 2 e-Auctions conducted by the Liquidator had been unsuccessful the liquidator advised Mr. Surender Singh Dhull to visit the factory site on 15.02.2022 and held meeting with M/s. Dhull Traders, at Vallabh Steel West Private Limited, Factory Site. The sale of assets was discussed in detail at the factory site and all the members of the SCC discussed and negotiated the sale of Plant & Machinery of Vallabh Steel West Private Limited, with Mr. Surender Singh Dhull, during the 9th SCC meeting who was present along with his representatives Mr. Ramesh Bansal and Mr. Rakesh Kumar Bhardwaj and after discussions, the SCC in the 9th SCC meeting dated 15.02.2022 decided to sell the Plant & Machinery via a private sale for a sum of Rs. 5,86,00,000/-.
27. It is submitted that According to the Regulation 33(2) of IBBI (Liquidation Process) Regulations 2016, the liquidator may sell the assets of the corporate debtor when the asset is sold at a price higher than the reserve price of a failed auction. Such private sale may be conducted through directly liaising with potential buyers that is likely to maximise the realizations from the sale of assets.

9. Thus, the Liquidator conducted 7 rounds of Auction of the assets of the Corporate Debtor and sold the plant and machinery of the CD in the 8th round through private sale. Hence, it is submitted that all the assets, as per the asset memorandum filed by the Liquidator, have been sold.

10. Further, another application bearing no. **IA-563/2022** was filed by the Liquidator on 25.01.2022 for declaring certain transactions of the CD as preferential under Section 43 of the Code.

11. Accordingly, the present application bearing no IA (I.B.C)/2315(PB) 2023 was filed for the dissolution of M/s Vallabh Steel West Pvt. Ltd. on 24.04.2023 on the DMS e-portal.

Details about the dissolution of the Corporate Debtor:

12. The Liquidation period commenced on 06.11.2020 (i.e. the date of the corrigendum order). As per Regulation 44, the liquidation shall be completed within 1 year, and on failure of the same, he shall make an application to the AA to continue such liquidation, along with a report explaining why the liquidation has not been completed and specifying the additional time that shall be required for liquidation. The liquidation period was expiring on 06.11.2021. Accordingly, the liquidator sought several extensions, which were allowed by this Adjudicating Authority, the details of which are tabulated below:

a	Liquidation commencement date	06-11-2020
b	1 Year period as provided under Regulation 44 for completion of Liquidation process	1 year
c	Lockdown period excluded by NCLT Order dated 15-11-2021 in I.A. No. 5178/2021	74 days
d	Period extended by NCLT order dated 21-01-2022 in I.A. No. 349/2022	9 months
e	Period extended by NCLT order dated 04-11-2022 in I.A. No. 5250/2022	3 months
f	Period extended by NCLT order dated 25.01.2023 in I.A. No. 468/2023	60 days
g	Period extended by NCLT order dated 21-03-2023 in I.A. No. 1572/2023	60 days
h	Last date of Liquidation Process as per above timelines	22.-05-2023

13. The liquidator has submitted the details of the assets realised during the liquidation process:

Amount Realised from Sale of Assets	Name of the Successful Auction Purchaser	Reserve Price	Amount	GST (if any) (In Rs.)	Total Amount (In Rs.)
Inventory	M/s Sitaram Mahawar and Sons	1000000	6000000	1080000	7080000
Land & Sheds	M/s Vardhman Industries Ltd	27500000	27500000	0.00	27500000
Plant and Machinery	M/s. Dhull Traders	58100000	58600000	10548000	69148000
Total Amount (A)		86600000	92100000	11628000	103728000
Other Receipts	Particulars		Amount	GST (if any)	Total Amount
M/s Vardhman Industries Ltd	Interest on delayed payment		242301	0	242301
M/s Dhull Traders	Interest on delayed payment		416844	75032	491876
M/s S. P. Construction	EMD Forfeited		5810000	0	5810000
Total Amount (B)			6469145	75032	6544177
Grand Total ('C') = (A)+(B)			98569145	11703032	110272177

14. In compliance with Regulation 15(1)(a) of the IBBI Liquidation Process Regulations, 2016, the Liquidator submitted 9 progress reports for every quarter post commencement of liquidation, which were taken on record by this Adjudicating Authority.

15. Pursuant to Regulation 41 of the Liquidation Regulations, the Liquidator had also opened a separate bank account in the name of the Corporate Debtor as on 20.05.2021, the details of which are provided as under:

Account Name: Vallabh Steel West Pvt Ltd

Bank and Branch: Punjab National Bank

Liquidation Account Number: 0987102100000026

IFSC Code: PUNB0098710

The bank account opened during the liquidation period has been closed on 16.01.2023. The acknowledgement for bank account closure by the Punjab National Bank is extracted below:

DATE:17-01-2023

TO WHOME IT MAY CONCERN

We certify that account 0987102100000026 in the name of Vallabh Steel West Pvt Ltd in Liquidation and Narender Udyog Vihar Gurgaon Is closed On date 16.01.2023.



16. In accordance with the Liquidation Process Regulations, the Liquidator had maintained a detailed record of all receipts and disbursements made during the course of the liquidation. The cumulative Statement of Receipts and Payments for the period from the date of the Liquidator's appointment, i.e., 06.11.2020 to 16.01.2023, along with the audited Statement of Receipts and Payments for the period 01.04.2022 to 16.01.2023, is provided in the final report contained in the application.

Vallabh Steel West Private Limited Under Liquidation
FLAT NO. 1309,13TH FLOOR VIKRAM TOWER,
RAJENDRA PLACE NEW DELHI New Delhi- 110008

Cumulative Receipts and Payments 06-11-2020 to 16.01.2023					
Receipts	Nature of Payment	Amount	Payments	Nature of Payment	Amount
Opening Balance			ANIL KUMAR SAXENA	VALUATION FEES-LAND & BUILDING	33,040.00
- Cash Balance		0.00	APNU & CO	AUDIT FEE FOR F.Y 2019-20 & UP TO 8/11/20, GST/TDS RETURNS	1,20,030.00
- Bank Balance		0.00	ADV. AMIT PUNJ	LEGAL SERVICES	33,000.00
N K SHARMA	DEPOSIT FOR BANK A/C OPENING	5,000.00	CHOLAMANDALAM	INSURANCE EXPENSE	72,251.00
SIDDHI VINAYAK ENTERPRISES	EMD AGAINST INVENTORY	1,00,000.00	CORPSOLUTION (ANUBHAV AGGARWAL)	VALUATION FEES-PLANT & MACHINERY, INVENTORY	76,936.00
CKM ENTERPRISES	EMD AGAINST INVENTORY	1,00,000.00	CA SUNIL KUMAR	AUDIT FEES FOR RECEIPT & PAYMENT ACCOUNT FOR MARCH-21, MARCH-22, GST REFUND PROCESSING & VISITS TO GST DEPARTMENT LUDHIANA	78,300.00
SITARAM MAHAWAR AND SONS	SUCCESSFUL AUCTION PURCHASER (INVENTORY)	70,80,000.00	DELHI ADVERTISING AGENCY	NEWS PAPER PUBLICATIONS	1,51,578.00
YARDHMAN INDUSTRIES LTD	SUCCESSFUL AUCTION PURCHASER (LAND & SHED)	2,75,00,000.00	DGA IB RESOLUTION LLP	LEGAL OPINION & PROFESSIONAL FEES FOR FINALIZING DISTRIBUTION MATRIX	45,000.00
YARDHMAN INDUSTRIES LTD	INTEREST ON DELAY PAYMENT FROM SUCCESSFUL AUCTION PURCHASER (LAND & SHED)	2,42,301.00	S SHUBHAM & ASSOCIATES	ASSISTANCE IN LEGAL & OTHER MATTERS	50,000.00
SBI LUDHIANA	CONTRIBUTION BY STAKEHOLDER FOR LIQUIDATION EXPENSES	2,60,016.00	JAI SINGH BADGUJAR	VALUATION FEES-LAND & BUILDING	34,400.00
PNB LUDHIANA	CONTRIBUTION BY STAKEHOLDER FOR LIQUIDATION EXPENSES	4,42,938.00	SSVA & ASSOCIATES	PROFESSIONAL FEE FOR ROC FORM FILLING	1,000.00
S P CONSTRUCTION	EMD AGAINST PLANT & MACHINERY	58,10,000.00	LINKSTAR INFOSYS PVT LTD	E AUCTION CHARGES	53,100.00
S P CONSTRUCTION	ADVANCE AGAINST PLANT & MACHINERY	58,10,000.00	MADAAN LAW OFFICE (ADITYA MADAAN)	LEGAL SERVICES	7,55,000.00
DHULL TRADERS	SUCCESSFUL AUCTION PURCHASER OF PLANT & MACHINERY	6,91,48,000.00	RISHI KUMAR AGGARWAL	VALUATION FEES-PLANT & MACHINERY, INVENTORY	62,304.00

Vallabh Steel West Private Limited Under Liquidation
FLAT NO. 1309,13TH FLOOR VIKRAM TOWER,
RAJENDRA PLACE NEW DELHI New Delhi- 110008

Cumulative Receipts and Payments 06-11-2020 to 16.01.2023					
Receipts	Nature of Payment	Amount	Payments	Nature of Payment	Amount
Opening Balance			ANIL KUMAR SAXENA	VALUATION FEES-LAND & BUILDING	33,040.00
DHULL TRADERS	INTEREST ON DELAY PAYMENT FROM SUCCESSFUL AUCTION PURCHASER OF PLANT & MACHINERY	4,91,875.00	SHREE KRISHNA SECURITY & PLACEMENT SERVICES	SECURITY EXPENSES	5,45,291.00
			MR. N K SHARMA	REIMBURSEMENT OF TRAVELLING/CONVEYANCE EXPENSES ETC.	96,386.00
			BANK CHARGES	PNB BANK- 0987102100000026	909.41
			GST DEPOSIT UNDER RCM	GST ON REVERSE CHARGE BASIS	1,37,080.00
			SIDDHI VINAYAK ENTERPRISES	REFUND OF EMD AGAINST INVENTORY	1,00,000.00
			CKM ENTERPRISES	REFUND OF EMD AGAINST INVENTORY	1,00,000.00
			S P CONSTRUCTION	REFUND OF ADVANCE AGAINST PLANT & MACHINERY	58,10,000.00
			SBI LUDHIANA	DISTRIBUTION OF FUNDS TO STAKEHOLDER	4,69,82,575.00
			PNB LUDHIANA	DISTRIBUTION OF FUNDS TO STAKEHOLDER	5,73,18,665.00
			MR. N K SHARMA	REFUND OF AMOUNT PAID FOR A/C OPENING	5,000.00
			MR. N K SHARMA	LIQUIDATOR FEES	37,78,284.00
			MR. N K SHARMA	TR TO LIQUIDATOR A/C -FOR FUTURE ESTIMATED EXPENSES AS PER SCC APPROVAL	550000.59
			Closing Balance	PNB BANK- 0987102100000026	0.00
Total Amount		116990130.00	Total Amount		116990130.00

Note: The expense amounts include taxes as paid as applicable.

A CA certificate has also been placed on record as regards the veracity of the statement of receipts and payments, and the same is extracted below:

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SUNIL KUMAR
Chartered Accountant



G-1-385A & 386, Dal Mill Road,
Uttam Nagar, New Delhi – 110 059
E-Mail: ca.sunilanni@gmail.com
Mobile # 07015088635

Audit Report

As required by the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, I report that

a) I have Audited the receipt and payment account for the period from 01.04.2022 to 16.01.2023 on the basis of information's, documents and explanations provided by the liquidator;

b) The receipt & payment account dealt with by this report is in agreement with books of accounts to the extent maintained;

c) The receipt and payments during the year under consideration are supported by the documentary evidences.

d) The bank receipts and payments during the year under consideration is through liquidation bank account no 0987102100000026 maintained by the liquidator with Punjab National Bank and the same is closed on 16.01.2023.

Place: New Delhi
Date: 23.01.2023

For Sunil Kumar
(Chartered Accountant)


(Sunil Kumar)
Proprietor
M. No. 501413
UDIN- 23501413BGYMFB9782

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NOTE: The expense amounts include item in paid in capital.

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 Project No.
 M. No. 58113
 UOM: 2251413802000000
 Page: New Delhi
 Date: 21.01.2021


 President, State Bar of Michigan
 1000 Michigan Ave., Suite 1000, Detroit, MI 48226
 Tel: 313/224-1234 Fax: 313/224-1235
 E-mail: info@statebar.org

- There has been realisation of Rs. 11,02,72,177/- during the Liquidation Process from the sale of Liquidation Estate available with corporate debtor. Therefore, the proceeds of the Liquidation were distributed to the stakeholders in accordance with the mandate of Section 53 of the Code as under -

Sl. No.	Stakeholders* under section 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Remarks
(1)	(2)	(3)	(4)	(5)	(6)
1	(a): CIRP Costs	46.26	46.26	46.27	CIRP cost incurred by the financial creditor
2	(a): Liquidation Costs	66.74	66.74	66.74	Amount includes fees of liquidator and estimated liquidation costs.
3	(b)(i) Workmen	NA	NA	NA	
4	(b)(ii) Punjab National Bank State Bank of India	2827.29 2335.14	2827.29 2335.14	542.03 447.68	Secured financial creditor
5	(c) Employees	NA	NA	NA	Employees
6	(d) Vardhman Industries Limited	459.06	30.00	0.00	Unsecured Financial Creditor
7	(e) Govt. Authorities	NA	NA	NA	
8	(f) Vardhman Industries Limited	228.80	208.08	0	Operational creditor
9	(g)	NA	NA	NA	
10	(h)	NA	NA	NA	
Total		5963.29	5513.51	1102.72	

We note that all the realisable assets of the CD have been sold and distributed to the stakeholders in accordance with section 53. It is submitted by the liquidator that the liquidation value of the liquidation estate of the CD was Rs. 8,69,98,933/- (Eight Crores Sixty-Nine Lakhs Ninety-Eight Thousand Nine Hundred and Thirty-Three only). However, the Applicant has realised an amount of **Rs. 11,02,72,177** /- (Indian Rupees Eleven Crore Two Lakh Seventy-Two Thousand One Hundred and Seventy-Seven Only).

18. A Final Report has to be filed under Regulation 45(3) of the Liquidation Process Regulations, which reads as:

The liquidator shall submit an application along with the final report and the compliance certificate in form H to the Adjudicating Authority for –

- (a) closure of the liquidation process of the corporate debtor where the corporate debtor is sold as a going concern; or
- (b) for the dissolution of the corporate debtor, in cases not covered under clause (a).

19. The Liquidator has filed a Final Report in compliance with Regulation 45 of the Liquidation Process Regulations, 2016, along with the present application at Annexure A-1. The Compliance Certificate in Form H, as per Regulation 45(3) of the Liquidation Process Regulations, 2016, has also been prepared and filed along with the present application at Annexure A-2. A copy of the Form-H is extracted below for ready reference:

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FORM H:
COMPLIANCE CERTIFICATE
[Under Regulation 45(3) of the Insolvency and Bankruptcy Board of India
(Liquidation Process) Regulations, 2016]

1. I, Narender Kumar Sharma, an insolvency professional enrolled with ICSI Institute of Insolvency Professionals and registered with the Board with registration number IBBI/PA-002/IP-N00125/2017-2018/10294 am the Liquidator for the Liquidation Process of Vallabh Steel West Private Limited.

2. The details of the Liquidation Process are as under:

Sl. No.	Particulars	Description
(1)	(2)	(3)
1.	Name of the corporate debtor	Vallabh Steel West Private Limited
2.	Case No. & NCLT Bench	Case No. - (IB) - 107(PB)/2019 NCLT Bench - Principal Bench, New Delhi
3.	Date of initiation of liquidation	16.09.2020
4.	Date of appointment of liquidator	Date of Order - 16.09.2020 Corrigendum Order- 06.11.2020 CoPt of order received by Liquidator - 09.11.2020
5.	Date of commencement of CIRP	03.07.2019
6.	Name of RP during CIRP and his registration No. as IP	Name - Narender Kumar Sharma Reg No. - IBBI/PA-002/IP-N00125/2017-18/10294
7.	Name of Liquidator and his registration No. as IP	Name - Narender Kumar Sharma Reg No. - IBBI/PA-002/IP-N00125/2017-18/10294
8.	Date of Publication of Public Announcement under Form B	11.11.2020
9.	Date of Intimation to Registry and Information Utility, if any, about commencement of Liquidation	Registrar of Companies - Delhi- 01.12.2020 IBBI- 10.11.2020 Income Tax Department- 15.01.2021
10.	Date of handover of charge by RP	N/A as RP was appointed as Liquidator
11.	Date of submission of compliance, if any, directed by AA in the liquidation order and its particulars	As per the order: a) To issue public announcement: The public announcement was made on 11.11.2020 b) To submit copy of liquidation order with concerned RoC: The intimation was made on 01.12.2020.

12.	Date of appointment of registered valuers, if any	Land & Building Jai Singh Badgujar- 16.11.2020 Anil Kumar Saxena- 16.11.2020 Inventory, Plant & Machinery Rishi Kumar Aggarwal- 16.11.2020 Anubhav Aggarwal- 16.11.2020
13.	Date of notice for uncalled capital/unpaid capital contribution	Not Applicable
14.	Date of realisation of uncalled capital/unpaid capital contribution	Not Applicable
15.	Date of opening of liquidation account with Bank A/c details	Date – 20-05-2021 Account Number- 0987102100000026 Bank Name: Punjab National Bank IFSC – PUNB0098710
16.	Date of constitution of Consultation Committee	07.01.2021
17.	No. of meetings of consultation committee held	12
18.	Date of submission of list of stakeholders to AA	08.01.2021
19.	Date of filing of preliminary report & assets memorandum to AA	22.01.2021
20.	Fair value	Rs. 10,90,57,269/-
21.	Liquidation value	Rs. 8,69,98,933/-
22.	Dates of public notices for auction (please add additional rows, if required)	11-03-2021 06-07-2021 20-07-2021 26-07-2021 12-08-2021 18-08-2021 17-09-2021 19-01-2022 08-02-2022
23.	Date of order of AA to dispense with the public notice for Auction	Not Applicable
24.	Date of permission of AA for physical Auction	Not Applicable
25.	Date of permission of AA for private sale	Not Applicable
26.	Date of permission of AA for distribution of unsold assets to stakeholders	Not Applicable
27.	Date of permission of the liquidator to realise the un-relinquished security interest by the secured creditor	Not Applicable
28.	Modified list of stakeholders and date of submission to AA	Not Applicable
29.	Date of first realisation	As per Annexure I

30.	Date of second realisation	As per Annexure I
31.	Date of first distribution	As per Annexure II
32.	Date of second distribution	As per Annexure II
33.	Date of submission of Quarterly Progress Report- I (FY-1)	15.01.2021
34.	Date of submission of Asset Sales Report to AA	18-10-2021 & 15-04-2022
35.	Date of submission of Quarterly Progress Report-II & audit report	15.04.2021
36.	Date of submission of Quarterly Progress Report-III (FY-2)	20.07.2021
37.	Date of submission of Quarterly Progress Report-IV	14.10.2021
38.	Date of submission of Quarterly Progress Report-V	14.01.2022
39.	Date of submission of Quarterly Progress Report-VI & audit report	15.04.2022
40.	Date of submission of Quarterly Progress Report-VII (FY-3)	09.07.2022
41.	Date of submission of Quarterly Progress Report-VIII	15-10-2022
42.	Date of submission of Quarterly Progress Report-IX	15-01-2023
43.	Date of intimation to statutory authority as applicable.	
	a) PF	Not Applicable
	b) ESI	Not Applicable
	c) Income Tax Dept	15.01.2021
	d) Inspector of Factory	Not Applicable
	e) GST/VAT	Not Applicable
	f) Others	Not Applicable
44.	Date of deposit of unclaimed dividends or undistributed proceeds and income and interest thereon, if any, under sub-regulations (2), (3) or (4) of regulation 46	Not Applicable
45.	Amount deposited into Corporate Liquidation Account: (a) Amount of unclaimed dividends (b) Amount of undistributed proceeds (c) Income referred to in sub-regulation (2) and (3) of regulation 46 (d) Interest referred to in sub-regulation (4) of regulation 46	Not Applicable
46.	Date of submission to the Board and the Authority under sub regulation (5) of regulation 46]	Not Applicable
47.	Date of Final Report to AA (prior to dissolution application)	Same as the date of the Application under Section 53 of

		the Code seeking dissolution.
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3. The details of the assets as per Asset Memorandum and Final Sale Report are as under:

Sl. No.	Assets	Mode of Sale	Estimated Liquidation Value	Realisation Amount (Rs.)	Date of Transfer to Liquidation Account
(1)	(2)	(3)	(4)	(5)	(6)
1	Inventory	E-Auction	5,09,750	70,80,000	Transferred directly to the Liquidation Account
2	Land & Shed	E-Auction	2,20,44,783	2,77,42,301	
3	Plant & Machinery	Private Sale	6,44,44,400	6,96,39,875	

4. a) Liquidation value of the liquidation estate: Rs. 8,69,98,933/-

b) Amount realised from sale of liquidation estate: Rs. 11,02,72,177 /- (including forfeited EMD amount and GST)

c) The amounts distributed to stakeholders as per section 52 or 53 of Code are as under:

(Amount in Rs. Lakhs)						
Sl. No.	Stakeholders* under section 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	(a): CIRP Costs	46.26	46.26	46.27	100	CIRP cost incurred by the financial creditor
2	(a): Liquidation Costs	66.74	66.74	66.74	100	Amount includes fees of liquidator and estimated liquidation costs.
3	(b)(i) Workmen	NA	NA	NA	NA	
4	(b)(ii) Punjab National Bank State Bank of India	2827.29	2827.29	542.03	19.17	Secured financial creditor
		2335.14	2335.14	447.68	19.17	
5	(c) Employees	NA	NA	NA	NA	Employees
6	(d)					Unsecured

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	Vardhman Industries Limited	459.06	30.00	0.00	0.00	Financial Creditor
7	(e) Govt. Authorities	NA	NA	NA	NA	
8	(f) Vardhman Industries Limited	228.80	208.08	0	0	Operational creditor
9	(g)	NA	NA	NA	NA	
10	(h)	NA	NA	NA	NA	
Total		5963.29	5513.51	1102.72		

5. The Liquidation Process has been conducted as per the timeline indicated in regulation 47 as under:

S. No.	Section of the Code / Regulation No.	Description of Task	Timeline as per regulation 47	Dates as per Timeline prescribed in Regulation 47	Actual Timeline
	(1)	(2)	(3)	(4)	(5)
1.	Section 33 and 34	Commencement of Liquidation process Appointment of Liquidator	Liquidation Commencement Date (LCD)	16-09-2020 (Corrigendum Order 06-11-2020) 06-11-2020	16-09-2020 (Corrigendum Order 06-11-2020) 06-11-2020
2.	Section 33 (1) (b) (ii) / Reg. 12 (1, 2, 3)	Public announcement in Form B	Within 5 days of appointment of a Liquidator	11-11-2020	11-11-2020 (Name of Liquidator was incorrectly mentioned in Liquidation Order, rectified vide Corrigendum Order dated 06-11-2020)
3.	Reg. 35 (2)	Appointment of registered valuers	Within 7 days of LCD	13-11-2020	16-11-2020
3A	Reg. 31A (6)	First Meeting of SCC	Within 7 days of LCD	13-11-2020	22-01-2021
4.	Section 38 (1) and (5), Reg. 17, 18, 19, 20 and 21A	Submission of claims;	Within 30 days of LCD	06-12-2020	08-12-2020
		Intimation of decision on relinquishment of security interest		06-12-2020	09-02-2021 (SBI) 12-02-2021 (PNB)
5.	Section 38 (5)	Withdrawal/ modification of claim	Within 14 days of submission of claim	19-12-2020	22-12-2020

6.	Reg. 30	Verification of claims received under regulation 12(2)(b)	Within 30 days from the last date for receipt of claims	06-01-2021	04-01-2021
7.	Reg. 31A	Constitution of SCC	Within 60 days of LCD	06-01-2021	07-01-2021
8.	Section 40 (2)	Intimation about decision of acceptance/rejection of claim	Within 7 days of admission or rejection of claim	13-01-2021	07-01-2021
9.	Reg. 31 (2)	Filing the list of stakeholders	Within 45 days from the last date of receipt of claims	23-01-2021	08-01-2021
10.	Section 42	Appeal by a creditor against the decision of the liquidator	Within 14 days of receipt of such decision	29-01-2021	NA
11.	Reg. 13	Preliminary report to the AA	Within 75 days of LCD	23-01-2021	22-01-2021
12.	Reg. 34	Asset Memorandum	Within 75 days of LCD	23-01-2021	22-01-2021
13.	Reg. 15 (1), (2), (3), (4) and (5), and 36	Submission of progress reports to AA; Asset Sale report to be enclosed with every Progress Report, if sales are made	1 st progress report	15-01-2021	15.01.2021
			2nd progress report	15-04-2021	15.04.2021
			3rd progress report	15-07-2021	20.07.2021
			4 th progress report	15-10-2021	14.10.2021
			5 th progress report	15-01-2022	14.01.2022
			6 th progress report	15-04-2022	15.04.2022
			7 th progress report	15.07.2022	09.07.2022
			8 th progress report	15.10.2022	15.10.2022
			9 th progress report	15.01.2022	15.01.2023
			Fy 1 Audited accounts of Liquidator's receipts and payments of financial year 2020-2021		14-04-2021
			Fy 2 Audited accounts of Liquidator's receipts and payments of financial year		13-04-2022



			2021-2022 Fy 3 Audited accounts of Liquidator's receipts and payments for the duration 01.04.2022 to 16.01.2023		23.01.2023
14.	Proviso to Reg. 15 (1)	Progress report in case of cessation of liquidator	Within 15 days of cessation as liquidator	Not Applicable	Not Applicable
15.	Reg. 37 (2, 3)	Information to secured creditors	Within 21 days of receipt of intimation from secured creditor	Not Applicable	Not Applicable
16.	Reg. 42 (2)	Distribution of the proceeds to the stakeholders	Within 3 months from the receipt of amount		As per details attached
17.	Reg.10 (1)	Application to AA for Disclaimer of onerous property	Within 6 months from the LCD	Not Applicable	Not Applicable
18.	Reg.10 (3)	Notice to persons interested in the onerous property or contract	Within 3 months from the receipt of amount	Not Applicable	Not Applicable
19.	Reg. 44	Liquidation of corporate debtor	Within One year	05.11.2021	As per Point 7
20.	Reg. 46	Deposit the amount of unclaimed dividends and undistributed proceeds	Before submission of application under sub- regulation (3) of regulation 45		Not Applicable
21.	Sch-1 Sl. No 12	Time period to H1 bidder to provide balance sale consideration	Within 90 days of the date of invitation to provide balance amount	05-10-2021 (Inventory) 05-10-2021 (Land & Shed) 16-05-2022 (Plant & Machinery)	05-10-2021 (Inventory) 05-10-2021 (Land & Shed) 16-05-2022 (Plant & Machinery)

6. There have been no deviations or non-compliances of the Code, Regulations or Circulars. However, there are slight deviations from time line for which due permission has been sought from the Adjudicating Authority and completed within such timelines as prescribed by the Adjudicating Authority.

7. The dissolution application has been filed [~~before expiry of the period of one year~~] / [after expiry of one year]. Please state details of any extension sought with the reason and granted:

- i. The Applicant Liquidator had filed IA. No. 5178 of 2021 seeking exclusion of 74 days from the Liquidation period of the Corporate Debtor which was allowed by this Hon'ble Tribunal vide Order dated 15.11.2021.
- ii. The Applicant Liquidator had filed IA 349/2022 before this Hon'ble Tribunal seeking an extension of the Liquidation Period by 9 months (with effect from 19.01.2022). The said Application was allowed by this Hon'ble Tribunal vide Order dated 21.01.2022.
- iii. 21. The Applicant Liquidator had filed IA 5250/2022 before this Hon'ble Tribunal seeking an extension of the Liquidation Period by 3 months (with effect from 21.10.2022). The said Application was allowed by this Hon'ble Tribunal vide Order dated 04.11.2022.
- iv. The Applicant Liquidator had filed IA 468/2023 before this Hon'ble Tribunal seeking an extension of the Liquidation Period by 60 days (with effect from 21.01.2023). The said Application was allowed by this Hon'ble Tribunal vide Order dated 25.01.2023.
- v. Liquidator had filed IA 1572/2023 before this Hon'ble Tribunal seeking an extension of the Liquidation Period by 60 days (with effect from 23.03.2023). The said Application was allowed by this Hon'ble Tribunal vide Order dated 21.03.2023.

Hence, the new last date for closure of liquidation process is 23.05.2023.

8. The details of application(s) filed / pending in respect of avoidance of transactions

Sl. No.	Type of Transaction	Date of Filing with Adjudicating Authority	Date of Order of the Adjudicating Authority	Brief of the Order
(1)	(2)	(3)	(4)	(5)
1	Preferential transactions under section 43	19-01-2022	Pending	Pending
2	Undervalued transactions under section 45	N.A.	N.A.	N.A.
3	Extortionate credit transactions under section 50	N.A.	N.A.	N.A.
4	Fraudulent transactions under section 66	N.A.	N.A.	N.A.

9. All undischarged or matters pending before any Court or Tribunal relating to corporate debtor, if any, have been reported to AA. –



Following applications are pending before Principal Bench, National Company Law Tribunal, New Delhi:-

- i. IA No. 626/2022 titled as SP Construction v Narender Kumar Sharma being the Application filed by the Auction defaulter seeking refund of the forfeited EMD.
- ii. IA No. 331/2022 titled as Narender Kumar Sharma v M/s SP Constructions being the Application filed against the Auction defaulter under Section 233 of the Code (to be withdrawn by the Liquidator).
- iii. IA No. 563/2022 titled as Narender Kumar Sharma v M/s Vallabh Steels Limited being the Avoidance Application under Section 66 of the Code.

10. I, Narender Kumar Sharma, hereby certify that the contents of this certificate are true and correct to the best of my knowledge and belief, and nothing material has been concealed there from.

(Signature)



Name of the Liquidator: Narender Kumar Sharma

IP Registration No: IBBI/PA-002/IP-N00125/2017-2018/10294

Address as registered with the Board: 112 A, Phase V, Udyog Vihar, Gurgaon, Haryana, 122016

Email id as registered with the Board: nksharma.fcs@gmail.com

Date: _____

Place: Gurgaon

Detail Of Amount Received From M/S Sitaram Mahawar & Sons

Txn Date	Description	Amount
04-08-2021	RTGS/NEFT	3380000
23-07-2021	RTGS/NEFT	600000
21-07-2021	RTGS/NEFT	3000000
03-07-2021	RTGS/NEFT	100000
	TOTAL RECEIVED	7080000

Detail Of Amount Received From M/S Vardhman Industries Ltd

Txn Date	Description	Amount
18-09-2021	RTGS/NEFT	12375000
02-09-2021	RTGS/NEFT	6875000
04-08-2021	RTGS/NEFT	5500000
03-07-2021	RTGS/NEFT	2750000
		27500000
28-03-2022	INTEREST	242301
	TOTAL RECEIVED	27742301

Detail Of Amount Received From M/S Dhull Traders

Txn Date	Description	Amount
15-02-2022	CHEQUE	1000000
02-04-2022	RTGS/NEFT	500000
03-03-2022	RTGS/NEFT	1500000
04-03-2022	RTGS/NEFT	1000000
04-04-2022	RTGS/NEFT	3800000
08-03-2022	RTGS/NEFT	2500000
15-04-2022	RTGS/NEFT	1000000
16-04-2022	RTGS/NEFT	1500000
16-04-2022	RTGS/NEFT	2500000
18-02-2022	RTGS/NEFT	9000000
18-04-2022	RTGS/NEFT	2500000
19-04-2022	RTGS/NEFT	2500000
20-04-2022	RTGS/NEFT	5000000
20-04-2022	RTGS/NEFT	5500000
21-04-2022	RTGS/NEFT	5000000
21-04-2022	RTGS/NEFT	5000000
26-04-2022	RTGS/NEFT	3800000
02-05-2022	RTGS/NEFT	2000000
04-05-2022	RTGS/NEFT	1500000
06-05-2022	RTGS/NEFT	1500000
17-05-2022	RTGS/NEFT	500000
19-05-2022	RTGS/NEFT	600000
20-05-2022	RTGS/NEFT	500000
25-05-2022	RTGS/NEFT	1500000
26-05-2022	RTGS/NEFT	1000000
27-05-2022	RTGS/NEFT	1000000
30-05-2022	RTGS/NEFT	700000
01-06-2022	RTGS/NEFT	1500000
04-06-2022	RTGS/NEFT	1500000
07-06-2022	RTGS/NEFT	1000000
08-06-2022	RTGS/NEFT	500000
11-06-2022	RTGS/NEFT	240000
11-06-2022	RTGS/NEFT	8000

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15-06-2022	RTGS/NEFT	69148000
		491876
	TOTAL	69639876

EMD Forfeiture Of M/s S P Construction (Plant & Machinery Bidder)

DATE	Description	Amount
17-09-2021	NEFT/RTGS	5810000
	TOTAL	5810000

Grand Total Of Realisation = Rs. 110272177/- (Inclusive Of GST Of RS. 11703032/-)



ANNEXURE- II

DISTRIBUTION TO SBI DETAILS		
DATE	AMOUNT	FC
29-09-2021	12500000	SBI
30-09-2021	4500000	
15-02-2022	1000000	
30-03-2022	4388850	
02-06-2022	18318150	
14-09-2022	1110000	
31-12-2022	5000000	
12-01-2023	165575	
	46982575	
DISTRIBUTION TO PNB DETAILS		
DATE	AMOUNT	FC
30-09-2021	17500000	OBC(PNB)
30-09-2021	5000000	
30-03-2022	4611150	
02-06-2022	22181850	
14-09-2022	1700000	
31-12-2022	6000000	
12-01-2023	325665	
	57318665	
TOTAL DISTRIBUTED RS. 10,43,01,240/-		



Findings and analysis:

20. We have gone through the present Application filed by the Liquidator praying for closure of the liquidation process and dissolution of the Corporate Debtor, and in terms of Section 54 of the Insolvency and Bankruptcy Code, 2016, read with Regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
21. That the Applicant/Liquidator has filed application(s) and various documents/Reports which were required to be submitted as per the provisions of IBC, 2016, read with relevant regulations.
22. That the Liquidator had made efforts to sell the assets of the Corporate Debtor on a standalone basis as per Regulation 32(a) read with Regulation 33 of the IBBI Liquidation Process Regulations, 2016, through E-Auction in the manner specified in Schedule I of the IBBI Liquidation Process Regulations, 2016. In pursuance thereof, the Liquidator had conducted several rounds of e-Auctions, and sold the plant and machinery through private sale.
23. An application bearing no. IA-563/2022 was filed for avoidance of certain transactions. Vide order dated 11.06.2026, this Adjudicating Authority allowed IA-563/2022, filed under Section 43 of the Code, holding the payments made by the Corporate Debtor in favour of M/s Vallabh Steels Limited (VSL) to be preferential transactions. In exercise of powers under Section 44 of the Code, the Respondent was directed to repay a sum of Rs. 52,84,000/- along with interest at the rate of 10% per annum, calculated from the date of the preferential payments until actual realisation, to the liquidation estate of the Corporate Debtor.
24. It is further noted that, by a separate order passed by the Adjudicating Authority in the instant application, the Liquidator was directed to file an affidavit setting out the course of action and steps proposed to be undertaken in respect of the proceeds arising from the

avoidance applications before the dissolution application is proceeded with.

25. In compliance with the aforesaid direction, the Liquidator has filed an affidavit on 20.07.2026 on the DMS e-portal explaining the proposed mechanism for recovery and distribution of the amount directed to be paid by VSL pursuant to the order dated 11.06.2026 in IA-563/2022.

26. The Liquidator has stated that the SCC, in its 13th meeting held on 23.06.2026, took note of the said order and recorded that the amount was recoverable from VSL, comprising the principal sum of Rs. 52,84,000/- along with interest calculated at the rate of 10% per annum up to 25.06.2026, amounting to Rs. 99,91,827/-, with further interest continuing to accrue until the date of actual payment. Since the liquidation account had already been closed on 16.01.2023 following distribution of the realised proceeds, the SCC had resolved that the amount recovered from VSL would be deposited directly into the designated bank account maintained by Punjab National Bank (being the lead bank), for onward distribution amongst the secured financial creditors, namely Punjab National Bank and State Bank of India, in proportion to their voting shares in accordance with Section 53(1)(b) of the Code, as their claims remain outstanding. The details of the bank account are extracted below:

Account No.: **834000317118A**

Account Name: **Sundry-NPA/SARFAESI/AUCTION RELATED**

IFSC Code: **PUNB0834000**

Branch: **Stressed Asset Management Branch, Punjab National Bank**

27. The Liquidator has further stated that a demand letter dated 01.07.2026 was issued to VSL by email and Speed Post (delivered on 08.07.2026) calling upon it to remit the aforesaid amount, together with further interest @ 10% p.a., within a period of 7 days from the receipt of the letter. The Liquidator has also undertaken to continue pursuing recovery proceedings against VSL, if necessary, notwithstanding the dissolution of the Corporate Debtor, and to ensure distribution of the amount so recovered in accordance with the aforesaid mechanism.
28. That the Liquidation process has been conducted within the extended timelines, the details of which have been accompanied with this application. It is pertinent to note here that the matter was listed time and again, and the applicant/liquidator was granted multiple opportunities to comply with the directions issued by this Adjudicating Authority. A short note has also been filed by the Liquidator on the DMS e-portal, and the same has been taken into consideration by this Adjudicating Authority.
29. That as required by Regulation 45(3) of IBBI (Liquidation Process) Regulations, 2016, the Final Report has been filed by the Liquidator.
30. That the compliance report in Form H in terms of Regulation 45(3) was placed on record by the Applicant.
31. That, in compliance with Order dated 16.09.2020, the Applicant had intimated the following Statutory Authorities at their respective offices located at New Delhi regarding initiation of Liquidation Proceedings of the Corporate Debtor
- Registrar of Companies, Delhi-01.12.2020
 - Office of the Assistant Commissioner – Income Tax-15.01.2021
 - IBBI-10.11.2020

32. That there are no pending litigations against the CD to the best of the knowledge, belief and effort of the Liquidator. The applications IA-626/2022 and IA-331/2022, which were pending at the time of filing of the present application, have since been disposed of; IA-626/2022 filed by M/s S.P. Construction was dismissed vide order dated 11.12.2023 and IA-331/2022 was withdrawn on 30.04.2024. However, the amount directed to be recovered pursuant to the order dated 11.06.2026 in IA-563/2022 remains to be realised, in respect of which the Liquidator has furnished the aforesaid affidavit setting out the proposed course of action for recovery and distribution.

33. That the Applicant has submitted that all the assets of the Corporate Debtor have been completely liquidated and/ or distributed to stakeholders as per Section 53 of the Code, and there is nothing left to be further liquidated.

34. In view of the above facts and circumstances, it is prayed by the Applicant that the CD may be dissolved under Section 54 of the IBC, 2016.

35. We have heard the submissions made by the Applicant, perused the Application and the affidavits filed by the Liquidator. It is relevant to mention Section 54 of the IBC, 2016, and Regulation 45 of the IBBI (Liquidation Process) Regulations, 2016, here:

“Section 54 IBC-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.”

“IBBI (Liquidation Process) Regulations, 2016

45. Final report prior to dissolution.

1) When the corporate debtor is liquidated, the liquidator shall make an account of the liquidation, showing how it has been conducted and how the corporate debtor’s assets have been liquidated.

2) If the liquidation cost exceeds the estimated liquidation cost provided in the Preliminary Report, the liquidator shall explain the reasons for the same.

3) The liquidator shall submit an application along with the final report and the compliance certificate in Form H to the Adjudicating Authority for

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(a) closure of the liquidation process of the corporate debtor where the corporate debtor is sold as a going concern; or

(b) for the dissolution of the corporate debtor, in cases not covered under clause (a).”

That from the conjunct reading of the above provisions, this Adjudicating Authority is required to see whether the assets of the Corporate Debtor are completely liquidated or not. In the instant case, the Liquidator has furnished his Final Report and Form-H to support the same.

36. Since in the instant case, all the assets of the Corporate Debtor have been liquidated and all the requirements of Regulation 45 of the IBBI (Liquidation Process) Regulations, 2016 have been fulfilled, therefore, we are inclined to allow the present Application under Section 54(2) of the IBC, 2016.

37. Accordingly, there being no other impediment, the present Application is allowed, and the Corporate Debtor is ordered to be dissolved with immediate effect.

Order:

38. **IA (IBC)-2315/2023** is **allowed** and **disposed of**.

39. The Registry is directed to send a copy of this order passed under Section 54(2) to the ROC Delhi and Haryana, with which the Corporate Debtor is registered and the IBBI within seven days from the date of this order.

Sd/-
(ANUPINDER SINGH GREWAL)
PRESIDENT

Sd/-
(RAVINDRA CHATURVEDI)
MEMBER (TECHNICAL)