



S.No.3

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
04.02.2026 AT 10:30 A.M.**

**IA(IBC) (Dis)/01/2026 in
Company Petition IB/186/10/HDB/2023
U/s 10 of IBC**

IN THE MATTER OF:

Neocortex Life Sciences Pvt Ltd

...Petitioner

C O R A M:-

**SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)**

ORDER

IA(IBC) (Dis)/01/2026

Orders pronounced, recorded vide separate sheets. In the result, the
IA(IBC) (Dis)/01/2026 is allowed.

**Sd/-
MEMBER (T)**

**Sd/-
MEMBER (J)**



IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH - II

**IA (IBC) (Dis)/01 of 2026 in
CP (IB) No. 186/10/HDB/2023**

u/s 54(1) of the IB Code, 2016

In the matter of
M/S NEOCORTEX LIFE SCIENCE PRIVATE LIMITED
(under Liquidation)

Mr R Ramakrishna Gupta,
Liquidator for
M/s Neocortex Life Science Private Limited
(under Liquidation)

.... Applicant

Date of Order : 04.02.2026

Coram:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)
Sri Sanjay Puri, Hon'ble Member (Technical)

Counsel present:

For the Applicant : Mr Shaik Gouse

Per : Bench

ORDER

1. This application has been filed by the Liquidator of the Corporate Debtor (**CD**) M/s Neocortex Life Science Private Limited under Section 54(1) of the Insolvency & Bankruptcy Code, 2016 r/w Regulation 45(3) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations 2016, seeking for dissolution of the CD.



The Application

2. It is submitted that, the CD was admitted into the Corporate Insolvency Resolution Process (CIRP) on 13.02.2024 in CP No.186/10/HDB/2023, and the Applicant herein was appointed as the Interim Resolution Professional (IRP).
3. It is further submitted that, the Applicant filed an IA (IBC) (Dis) No. 6 of 2025 for liquidation of the CD on the ground that, the CD did not possess substantial assets or any ongoing business operations capable of attracting Prospective Resolution Applicants for submission of Expression of Interests or Resolution Plans. Accordingly, vide order¹ of this Tribunal dated 22.07.2025 directed for liquidation of the CD, and appointed the Applicant as Liquidator.
4. It is asserted that, Public Announcement in Form-B was duly issued on 25.07.2025 in the local newspapers, inviting all stakeholders of the CD to submit their claims, but no claim was received during the liquidation process. The total claims admitted during CIRP amounting to:

<u>Rs.</u>	
- Operational Creditors	: 42,24,727
- An employee claim	: 4,66,000
5. Subsequently, Stakeholders Consultation Committee (SCC) was constituted on 04.09.2025 comprising all creditors whose claims had been verified and admitted during CIRP, and such claims stood deemed to be submitted in liquidation in terms of Regulation 12(2)(c), and the List of Stakeholders was prepared on that basis.
6. It is asserted that, none of the SCC members attended any of the convened SCC meetings, and despite repeated opportunities provided to all the stakeholders to advise on the proposed dissolution, no member chose to participate or offer any advice. In the absence of any contrary views from

¹ Filed in the order file along with Docket Order dated 22.07.2025.



the SCC, and considering that the estate of the CD does not have any realisable assets, the Liquidator is constrained to proceed with the application for early dissolution under Regulation 14 read with Section 54 of the Code.

7. That, upon verification of the available documents, the Liquidator identified only the book-value assets as reflected in the Preliminary Report comprising;

	<u>Rs.</u>
- Expired inventory of nutritional supplement products	42,36,073
- Trade receivables	48,25,432
- Computer equipment	2,414
- Website development	14,563
- Cash balances approximately transferred from pre-liquidation bank accounts	68,405
- Advances with statutory authorities	10,98,044

8. It is further submitted that, except for one old laptop of negligible scrap value, no other movable or immovable assets were found in the possession or control of the CD. Therefore, no sale under Regulation 32 of the IBBI (Liquidation Process) Regulations, 2016 could be undertaken.
9. That, the Asset Memorandum, as required under Regulation 34 was duly prepared and placed on record before the Adjudicating Authority. The Liquidator has appointed two valuers for valuation of assets of the CD, and both the valuers have found that value of these assets, as negligible. The absence of realisable assets, non-cooperation of the management, suspended directors in providing statutory books, supporting documents for valuation exercise, the valuation process was impracticable and became devoid of purpose. In these circumstances, the Liquidator records that, the CD's realisable asset value is NIL.
10. It is asserted that, upon closure of the CD's Bank accounts maintained with ICICI and SBI, **a total sum of ₹68,405 was realised.** The said



amount has been fully utilized towards meeting the CIRP and liquidation expenses, including statutory compliances. In the absence of any further realisations, and the entire available funds have been exhausted towards CIRP and the liquidation costs, no amount remains available for distribution to the stakeholders in accordance with Section 53 of the IBC.

11. It is submitted that, the estate of the CD was fully depleted upon utilisation of the entire realised amount towards liquidation cost, and the substantial portions of both the CIRP cost and the liquidation expenses remain outstanding and unpaid solely due to the absence of any realisable value in the liquidation estate. These amounts constitute insolvency resolution process costs and liquidation costs in terms of Section 53(1)(a) of the Code, which are required to be paid in priority whenever receipts are available.

12. **Section 53 (1)(a) of IBC, 2016 states;**

(1) Notwithstanding anything to the contrary contained in any law enacted by the Parliament or any State Legislature for the time being in force, the proceeds from the sale of the liquidation assets shall be distributed in the following order of priority and within such period and in such manner as may be specified, namely:—

(a) the insolvency resolution process costs and the liquidation costs paid in full;

13. Since the assets of the CD are not sufficient to cover the Liquidation expenses, the same shall be incurred by the Promoters, especially in view of the fact that, the CD was admitted into CIRP Process at the behest of the suspended management under Section 10 of the IB Code, 2016. The IRP/Liquidator has **incurred expenses² of ₹5,53,963** over and above the amount available with the CD to conduct the process of CIRP and Liquidation.

14. It is further submitted that, the Liquidator placed the reliance on the order of this Tribunal dated 22.07.2025 in IA (IBC) (Dis) No. 6 of 2025, wherein it was directed that the **Liquidator's fee of ₹3,00,000** for the first six

² Pages 99 to 101 of the Application



months together with the liquidation expenses, shall be paid by the promoters/directors of the CD to the extent such amounts are not recoverable from the liquidation estate. As the estate stands exhausted and no assets of any realisable value remain, the outstanding CIRP cost and liquidation expenses continue to be payable in accordance with the said direction. Consequently, no amount is available for distribution to any stakeholder under the waterfall mechanism prescribed in Section 53 of the Code.

15. It is asserted that, in terms of Regulation 14, early dissolution is permissible where the affairs of the CD do not require further Investigation. The Preliminary Report submitted on 24.07.2015, the liquidation order dated 22.07.2025, and the present Final Report collectively establish that, the CD had no ongoing business operations, no functional assets, no verifiable receivables, no statutory books of account, and no financial records capable of supporting further inquiry. The suspended directors did not provide any books or information despite repeated requests. There is no material available that warrants prosecution, investigation, avoidance transactions. examination of the affairs of the Corporate Debtor. Accordingly, the Liquidator confirms that no further investigation is required.
16. That, the statutory filings, reports, and procedural steps mandated under the Liquidation Regulations have been completed within the time and manner prescribed, except where the nature of the CD affairs rendered certain steps impracticable. In such instances, full disclosure has been made to the Adjudicating Authority.
17. It is submitted that, in compliance with the Regulation 45(3) of IBBI (Liquidation Process) Regulations 2016, the Applicant submitted the **Final Report³ and Compliance Certificate in Form H⁴**.

³ Pages 25 to 41 of the Application.

⁴ Pages 42 to 51 of the Application.



18. It is asserted that, in view of the aforesaid circumstances, the Liquidator prays that, this Tribunal may be pleased to pass orders for;
- i. Dissolve the Corporate Debtor Neocortex Life Sciences Private Limited under Section 54(1) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 14 of the IBBI (Liquidation Process) Regulations, 2016,
 - ii. Direction to the suspended directors/promoters of the Corporate Debtor to pay and release the outstanding CIRP cost and liquidation expenses in terms of the Liquidation Order dated 22.07.2025, to the extent such amounts remain unrecovered from the liquidation estate,
 - iii. Payment of **balance amount of ₹5,53,963 expenses incurred** by the IRP/Liquidator for running the CIRP and/or Liquidation Process and the Liquidator Fee fixed by the Hon'ble Tribunal.
 - iv. Discharge of the Liquidator from all duties and responsibilities upon completion of the above

Decision

19. We have heard, and perused the contents of the Application. At the outset, it may be stated that Section 54 of the IBC lays down the criteria for dissolution of the Corporate Debtor.

“Section 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”.*

20. Regulation 45 of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 reads as under:-

“Regulation 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 –*
 - (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)”.*

21. We are satisfied that the criteria laid down under law has been fully complied with. As such, the Corporate Debtor is liable to be dissolved. Hence, we hereby order dissolution of the Corporate Debtor as under:-

- a. The Corporate Debtor **M/S NEOCORTEX LIFE SCIENCE PRIVATE LIMITED** stands dissolved from the date of this order, in terms of Section 54(2) of IBC, 2016, and the Liquidator stands relieved.
- b. The Liquidator is directed to send the copy of this order within 7 days from the date of pronouncement to the Registrar of Companies, Hyderabad.
- c. Upon dissolution of the Corporate Debtor, the records of the Company which are in possession of the Liquidator, be handed over by the Liquidator to the IBBI.



- d. The Registry is also directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data.
- e. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
- f. In terms of the above, this application filed for dissolution of the Corporate Debtor stands disposed of accordingly. Since the Corporate Debtor stood dissolved vide this order and no proceedings are now pending, the Registry is directed to consign the file to records.
22. So far as the payment of the balance amount of **₹5,53,963** towards expenses incurred by the IRP/Liquidator for running the CIRP and/or Liquidation Process and the Liquidator Fee, the suspended directors / promoters of the CD, are directed to release the same in terms of the Liquidation Order of this Authority dated 22.07.2025 in IA (IBC) (Dis) No. 6 of 2025.

Sd/-
(SANJAY PURI)
MEMBER (TECHNICAL)

Sd/-
(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)

VL