

**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD  
COURT 1**

**IA 375 of 2019 in C.P. (I.B) No.22/NCLT/AHM/2017**


**Coram: Hon'ble Mr. HARIHAR PRAKASH CHATURVEDI, MEMBER (JUDICIAL)  
Hon'ble Mr. PRASANTA KUMAR MOHANTY, MEMBER (TECHNICAL)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH  
OF THE NATIONAL COMPANY LAW TRIBUNAL ON 12.02.2020**

Name of the Company: Premraj Ramratan Laddha Liquidator of Micro  
Forge(india) Ltd  
V/s

State Bank of India

Section: Section 54 of the Insolvency and Bankruptcy Code

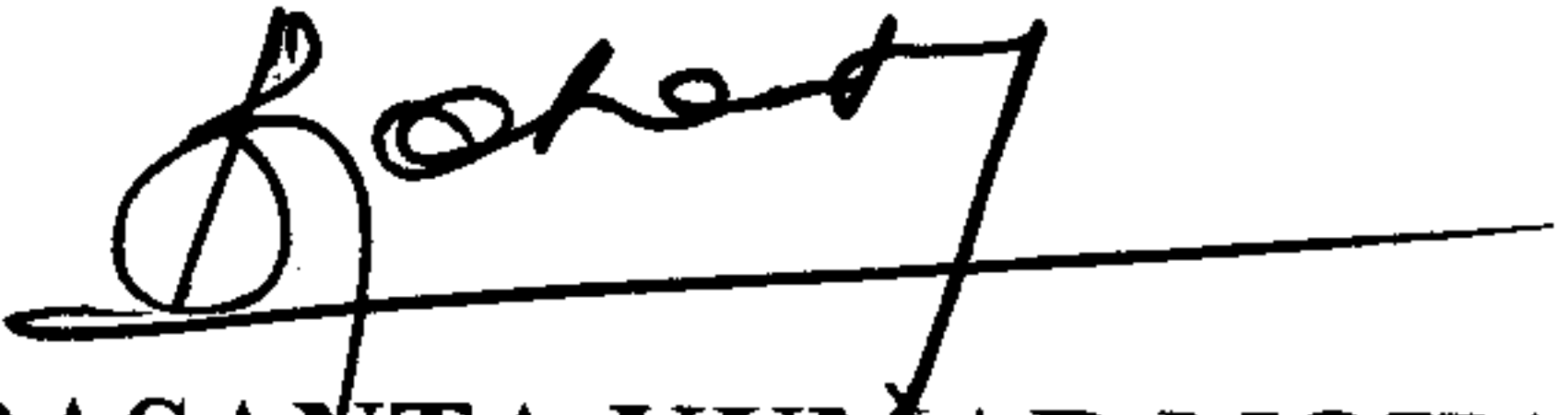
<b>S.NO.</b>	<b>NAME (CAPITAL LETTERS)</b>	<b>DESIGNATION</b>	<b>REPRESENTATION</b>	<b>SIGNATURE</b>
1.	Kanya A. Shah 116 Mananati	Advocate	Applicant	
2.	Associates			

**ORDER**

The Case is fixed for pronouncement of order.

The order is pronounced in open Court, vide separate sheet.

The IA 375 of 2019 in/with CP (IB) 22/NCLT/AHM/2017 is allowed.

  
**(PRASANTA KUMAR MOHANTY)  
MEMBER (TECHNICAL)**  
Dated this the 12th day of February, 2020

  
**(HARIHAR PRAKASH CHATURVEDI)  
MEMBER (JUDICIAL)**

**BEFORE THE ADJUDICATING AUTHORITY  
(NATIONAL COMPANY LAW TRIBUNAL)  
AHMEDABAD BENCH  
AHMEDABAD**

I.A.No.375/NCLT/AHM/2019  
Application under Section 54 of IBC 2016  
Dissolution of Corporate Debtor  
in  
C.P. (I.B.) No. 22/10/NCLT/AHM/2017

**In the matter of:**

**MR.PREMRAJ                      RAMRATAN  
LADDHA**  
Liquidator                      of                      M/s.Micro  
Forge(India) Limited

Having its office at : 304, Abhijit-3,  
Mithakhali Law Garden Road,  
Ellisbridge, Ahmedabad - 380006  
(Gujarat)

**.....Petitioners**

**Versus**

**STATE BANK OF INDIA**  
Having its office at: Stressed Assets  
Management Branch, 2<sup>nd</sup> Floor,  
Paramsidhi Complex,  
Opp.V.S.Hospital, Near Ellisbridge,  
Ahmedabad.

**.....Respondent**

Order delivered on 12<sup>th</sup> February, 2020

**Coram: Hon'ble Mr. Harihar Prakash Chaturvedi, Member (J)  
Hon'ble Mr. Prasanta Kumar Mohanty, Member (T)**

**Appearance:**

Ms.Kamya Shah, Advocate on behalf of M/s.Nanavati Associates for  
Applicant(Liquidator)

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**[Per: Mr. Prasanta Kumar Mohanty, Member (T)]**

1. The present Interlocutory Application No.375 of 2019 filed by Mr.Premraj Ramratan Laddha, Liquidator of Mirco Forge(India) Limited under Section 54 of Insolvency and Bankruptcy Code, 2016 in CP (IB) No. 22/10/NCLT/AHM/2017 on 24.04.2019 against the Financial Creditor, State Bank of India, praying for the following reliefs –

*“A. This Hon’ble Tribunal may be pleased to pass appropriate orders/directions to Order dissolution of the Corporate Debtor i.e. M/s.Mirco Forge(India) Limited under Section 54(2) of the Code;*

*B. This Hon’ble Tribunal may be pleased to release the closing balance in liquidation bank account and fixed Deposit Account to stakeholders/Liquidation expenses as per Section 53 of the Code.*

*C. The Hon’ble Tribunal be pleased to discharge the Liquidator (Mr.Premraj Laddha) from his duty as Liquidator of the Corporate Debtor.”*

2. At the outset, it is gathered from the records that Micro Forge(India) Limited (Corporate Debtor) had filed an application under Section 10 of the Insolvency and Bankruptcy Code, 2016 for initiation of Resolution

Process before the Adjudicating Authority. It is submitted that the reference filed before the BIFR was abated vide order dated 09.02.2011 and the secured creditor, State Bank of India has already taken action under Section 13(2) & 13(4) of the SARFAESI Act, 2002 and sold the company's assets like Plant & Machinery, Land and Building and one residential property belonging to the Guarantor. Further, as per the orders dated 29.05.2017 of this Adjudicating Authority, Corporate Insolvency Resolution Process was initiated against the Corporate Debtor, moratorium declared and Mr.Arun Kumar Malani was appointed as Interim Resolution Professional.

3. The Interim Resolution Professional convened the first meeting of the Committee of Creditors on 28/06/2017 and in the second meeting held on 17/08/2017, it was resolved that the Interim Resolution Professional be replaced by Mr.Premraj Ramratan Laddha as a Resolution Professional. Accordingly, this Adjudicating Authority vide orders dated 06/10/2017 in IA no.257 of 2017 appointed Mr.Premraj Ramratan Laddha as a Resolution Professional. In the third meeting of the CoC held on 09/11/2017, it was resolved that *"Para 8. Members of CoC were voted 100% in favour of decision to*

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*liquidate the Corporate Debtor under Section 33(2) of Insolvency and Bankruptcy Code, 2016 and confirmed that RP will continue as Liquidator.*” Subsequently, the Resolution Professional preferred **IA no.382 of 2017 and this Adjudicating Authority vide orders dated 12/12/2017**, directed the Corporate Debtor to be liquidated and appointed Resolution Professional as Liquidator of the Corporate Debtor under Section 34(1) of Insolvency and Bankruptcy Code, 2016.

4. Thereafter, as per the Liquidation Process, the Liquidator undertook the following steps –
- a) As per the directions of the Hon'ble Adjudicating Authority, the Liquidator published the public announcement in Form B on 16/12/2017 in two daily newspapers under Regulation 12 of the Insolvency and Bankruptcy Board of India, inviting proof of claims of all stakeholders and also announcing that the Corporate Debtor was under Liquidation.
  - b) In compliance with Regulation 31 of the Insolvency and Bankruptcy Board of India Regulations, 2016 a category wise list of stakeholders along with the details of each stakeholder, whether secured or

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- unsecured was prepared and filed before the Hon'ble Adjudicating Authority on 29/01/2018.
- c) Further, during the quarter ending on 31/12/2017 and from the date of commencement of liquidation i.e. 12/12/2017 there was no receipt and payment of any other amount except the cost for public announcement for liquidation process published in newspaper amounting to Rs.28,173/-.
- d) A bank account in the name of 'Micro Forge(India) Limited, in Liquidation' bearing No.37457054180 was opened with State Bank of India, Commercial Branch, Ahmedabad. The balance in the said account as on 20.04.2019 is Rs.2,06,076.00.
- e) Further, the Liquidator, under Regulation 15 of the Insolvency and Bankruptcy Board of India Regulations, prepared and filed 1<sup>st</sup> progress report dated 15/01/2018 and a Preliminary Report within 75 days was submitted before the Adjudicating Authority on 26/02/2018. An Asset Memorandum within 75 days from the liquidation commencement was prepared and submitted before the Adjudicating Authority on 26/02/2018.
- f) The Liquidator had appointed following professionals in accordance with the regulation of

Insolvency and Bankruptcy Board of India  
Regulations, 2016 –

- i. HSVJ & Co., - A firm of Chartered Accountants were appointed for audit of accounts of liquidator's receipt & payment for the financial year 2017-2018.
  - ii. C.C.Gandhi & Co., Advocates – Law Firm
  - iii. E-Procurement Technology Private Limited – for advertisement and auction service provider.
- g) Thereafter **the Liquidator had made a public announcement on 13/02/2018 in two newspapers as per the Regulation 31 of Insolvency and Bankruptcy Board of India Regulations, informing the list of stakeholders filed before the NCLT, Ahmedabad Bench.** The liquidator has observed in its preliminary report that the operation of the corporate debtor has been closed since the year 2010 and fixed assets has been sold by the lenders under SARFAESI Act in the year 2012.
- h) For the quarter ending on 31.03.2018, the liquidator had paid liquidation expenses amount to Rs.4,990/- and further also requested the banks, where the accounts of the corporate debtor were maintained to provide the statement of accounts,

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close the bank accounts and transfer the balance accounts in the liquidation bank account maintained by the liquidator.

- i) Further, for the quarter ending on 30.06.2018, the liquidator had paid liquidation expenses amounting to Rs.5,100/- and Liquidator has received Rs.33,712/- from the transfer of bank accounts of the corporate debtor.
- j) Further, in the meeting of stakeholders held on 20/09/2018, the liquidator informed that the Transaction Audit Report has been submitted by the Auditor i.e. M/s.ACM & Associates observing no adverse transaction are found during the transaction audit for two years i.e. 01/04/2015 to 29/05/2017 before the date of commencement of CIRP. Further, for the quarter ending on 30.09.2018, the liquidator had paid liquidation expenses amounting to Rs.1,41,850/- and during the same quarter, the liquidator received Rs.29,226/- from the closure of bank accounts of the corporate debtor. Further, for the quarter ending on 31.12.2018, the liquidator had paid liquidation expenses amounting to Rs.1,81,200/-

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k) In the 6<sup>th</sup> progress report for the quarter ending on 31/03/2019, the liquidator has appointed following professionals –

i. M/s.HSVJ & Co., Ahmedabad (C)– for audit of the liquidator’s account for the year ended on 31/03/2019 and filing Income Tax returns for AY 2019-2020.

ii. M/s.Nanavati Associates (Advocates) – for preparing, filing and final disposal of the dissolution application.

l) Further, the liquidator has paid liquidation expenses of Rs.20,649/- towards bank charges and Advocate fees for arguing before the Tribunal in IA 129 of 2018 in CP(IB) 22 of 2017 and during the same quarter, the liquidator has realized amount of Rs.2,41,254/- from the receivables of the corporate debtor. Thus as on 20.04.2019, the balance amount lying in the liquidation bank account of M/s.Micro Forge(India) Ltd., is Rs.2,06,076/-

5. The liquidator has filed its final report dated 20/04/2019 in consultation with stakeholders dated 12/04/2019 along **with this dissolution application** in pursuance to Section 54 of the Code read with Regulation 45 of

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Insolvency and Bankruptcy Board of India Regulations regarding the liquidation process and liquidation of assets of Corporate Debtor.

In his final report, the liquidator has submitted that the liquidation process was conducted and the assets of the corporate debtor has also been liquidated.



6. Further, it is submitted that IA No.129 of 2018 filed by Rasikbhai G. Patel & Ors., under Section 60 of the Code is pending before this Adjudicating Authority for adjudication, wherein the liquidator has filed its reply stating that the said application is not maintainable. However, on 04.12.2019, the Learned Lawyer for the Applicant had filed one Withdrawal purshish, seeking withdrawal of his application and sought liberty to file fresh application before this Adjudicating Authority. The said purshish was accepted by this Adjudicating Authority and the I.A. No. 129 of 2018 **is dismissed as withdrawn.**

7. The liquidator has filed its final report dated 20/04/2019 in consultation with stakeholders dated 12/04/2019 along with this dissolution application in pursuance to Section 54 of the Code read with Regulation 45 of Insolvency and Bankruptcy Board of India Regulations

regarding the liquidation process and liquidation of assets of Corporate Debtor.

8. It is submitted that the Corporate Debtor has no fixed assets as on the date of commencement of liquidation. The Corporate Debtor had closed business operation since last several years and other assets have no realisable value as per Annexure B at page no.131 of the application and accordingly, the **assets sale monitoring Committee has confirmed** that the Liquidator may proceed for dissolution of the Corporate Debtor. Accordingly, the said application has been preferred for appropriate directions under Section 54 of the code. It is pointed out that the balance in Liquidation Bank Account as on 20.04.2019 is Rs.2,06,076/-.

9. The Petitioner/Liquidator, in his **Preliminary Report** dated **22.02.2018** has already stated that the operation of the Corporate Debtor has been closed since the year 2010 and fixed assets had been sold by lenders under securitisation law in the year 2012 and the liquidator has yet not come across any information which requires further inquiry. Further, following observations were recorded –

14.1 Issued, subscribed and paid up share capital of the Corporate Debtor was Rs.56087000/-. Reserve and surplus was minus Rs.297983957/- and Debt Capital (Secured) was Rs.276948532/-.

14.2 Estimated Assets and liabilities on bases of books of accounts of Corporate Debtor, as on date of liquidation commencement date (12.12.2017) reflects as under: -

Liabilities	Book Value	Estimated Value	Assets	Book Value	Estimated Value
Share Capital	56087000	56087000	Fixed Assets and Stock	0	0
Reserve & Surplus	-297983957	-297983957	Investment in Share A/c.	362050	0
Secured Loan	357433425	357433425	Loans & Advance	29625436	0
Statutory Liabilities	66514	66514	Sundry Debtors	89081800	0
Provision	-350318	-350318	Bank Accounts	587072	301000
Sundry Creditors	4403694	4403694			
Total	119656358	119656358		119656358	301000

14.3 It is further stated in the report that the Corporate Debtor has been closed since the year 2010 and fixed assets had been sold by lenders under Securitisation Law in the year 2012 and it is reported that there is no assets for sale.

14.4 Further, the estimated liquidation cost of the Corporate Debtor will be Rs.3.0 Lakh.

10. As per the bank book maintained by the liquidator and Bank statement account period commencing from the date of liquidation upto 20.04.2019 shows that balance amount lying in the Liquidation Bank account of

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M/s. Micro Forge (India) Limited (in liquidation) is Rs.2,06,076/-. Further, the bank statement also furnish details/particulars of payment made towards liquidation fees, legal charges, various cost incurred during the liquidation process, payment to various creditors and Income Tax liabilities of the company. In addition to the above, Rs.4,11,189/- was paid to the Liquidator towards the cost of liquidation.

11. The Final Report dated **20.04.2019** (page 217 to 219 of the paper book) has been annexed as Annexure ZB on the liquidation accounts of the company, shows receipts and payments pertaining to liquidation since **liquidation commencement date** i.e. **12.12.2017** till **20.04.2019**. It is further recorded in the auditor's Final Report that:

17.1 It is stated that old bank accounts of the Corporate Debtor maintained were closed and new account in the name of 'Micro Forge (India) Ltd. in liquidation' was opened on 05.01.2018 at SBI Commercial Branch, Ahmedabad and all the balances of old bank account were transferred in the new account.

17.2 It is stated that the Corporate Debtor has no fixed assets as on date of commencement of liquidation. It is stated that the Corporate Debtor had closed

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business operation since last several years and other assets have no realization value.

17.3 The accounts of the liquidation of Corporate Debtor, showing receipts and payments for the period from date of commencement of liquidation to 20.04.2019 is duly audited by HSVJ & Co., (Chartered Accountant).

17.4 It is submitted that the Corporate Debtors has filed the annual accounts/annual return to Registrar of Companies upto the year 2010-11 and filed the income tax return for the financial year 2015-16. It is further submitted that the liquidator has filed the income tax return and TDS return with PAN and TIN of the Corporate Debtor for the financial year 2017-18.

12. Thus the final report states that the Corporate Debtor has no fixed assets as on the date of commencement of liquidation and the Corporate Debtor had closed business operation since last several years and other assets have no realizable value.

13. The Liquidator has also submitted a bank statement issued by **State Bank of India, Commercial Branch, Ahmedabad** showing the account holder's name as **Micro**

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**Forge (India) Ltd in Liquidation.** Further, the Applicant has also provided the copy of Bank Book, wherein the closing balance is shown as Rs.2,06,076.52Ps (page no.55 to 59 i.e. Annexure I of the paper book).

14. Thus, the Applicant/Liquidator now submits that he has completed all the statutory procedures as envisaged by the IBC to be completed for the process of **Liquidation** and thereafter filed the present petition seeking for **Dissolution** of the company.

**ORDER**

15. In view of the facts given above and circumstances of the present case, **we examined the relevant provisions of Section 54 of the I.B. Code, 2016** which reads as under:

*“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.*

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*(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."*


16. Having heard the submissions of Learned Lawyers for the Liquidator, Respondents, IAs and gone through **the documents annexed with the present petition, we find that the petitioner Liquidator has duly complied with the prescribed procedure seeking for liquidation and dissolution of the petitioner company.** It is also found that affairs of the company are completely **closed down** and the Corporate Debtor has no fixed assets as on the date of commencement of liquidation.
17. Therefore, the Petitioner Company **deserves to be dissolved.** Accordingly, this Adjudicating Authority hereby order that **the company shall stand dissolved** with effect from the date of this order i.e. **12.02.2020.**
18. If any amount has been received as interest or other receipt/refund, subsequent to 21.04.2019, the said amount is to be distributed as per Section 53 of IBC, 2016. 

19. The liquidator is directed to **prepare a report** in the form of an affidavit, giving details of the cost incurred in the entire Liquidation process including fees of auditors, advocates and **liquidator** from 12.12.2017 till 12.02.2020. **The said report is to be filed with the Registry within 7 days of this order and the Liquidator Shri Premraj Ramratan Laddha will be discharged automatically from his duty as Liquidator of the Corporate Debtor on filing the report with the Registry.**

20. The **Applicant/Liquidator** is further directed to serve an authentic copy of this order to the concerned Registrar of Companies, within fourteen (14) days from the date of receipt of this order. **The Registrar of Company, Gujarat is directed to take necessary action in respect of dissolved company as per law upon receipt of a copy of this order.**

Accordingly, the present I.A. No. 375 of 2019 stands disposed of with above stated observations and directions.

  
(Prasanta Kumar Mohanty)  
Adjudicating Authority &  
Member(T)

  
(Harihar Prakash Chaturvedi)  
Adjudicating Authority &  
Member(J)