



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

**I.A. 312/2022**

**In**

**C.P. No. (IB) 1479/MB/C-III/2017**

*Under Section 54 of the Insolvency and  
Bankruptcy Code, 2016.*

**Mr. Kshitiz Gupta**

*Liquidator appointed for*

*Sonachi Industries Limited*

Having its address at: F-52, First Floor,  
Centrium, Lokhandwala Township, Akurli Road,  
Kandivali (E), Mumbai - 400101

*... Liquidator/Applicant*

**In the matter of**

*Under Section 9 of the Code*

**Biostadt India Limited**

Having its registered address at: 6<sup>th</sup> Floor, A  
Wing, Poonam Chambers, Dr. A. B. Road, Worli,  
Mumbai - 400068

*... Petitioner/Operational Creditor*

Vs

**M/s Sonachi Industries Ltd. – in Liquidation**

Having its Address at: A-38, 2<sup>nd</sup> Floor, Raj  
Industrial Complex, Military Road, Off Marol –  
Maroshi Road, Andheri (E),  
Mumbai - 400059

*... Respondent/Corporate Debtor*

**Order pronounced on: 24.03.2026**

**Coram:**

MS. LAKSHMI GURUNG, MEMBER (JUDICIAL)

SHRI. HARIHARAN NEELAKANTA IYER, MEMBER (TECHNICAL)



**Appearances:**

For the Applicant: Mr. Pulkit Sharma a/w Haris A. Khan i/s Adv. Ajinkya Kurdukar

**Per: Ms. Lakshmi Gurung, Member (Judicial)**

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**ORDER**

1. This application has been filed by Mr. (CA) Kshitiz Gupta (**'Applicant'**) Liquidator of M/s. Sonachi Industries Limited (**'Corporate Debtor'**) under Section 54 of the Insolvency and Bankruptcy Code, 2016 (**'The Code'**) by the Liquidator seeking following reliefs:
  - i. *The Applicant Prays*
    - a) *To pass appropriate directions approving the final distribution of balance assets that reflect in the books of accounts of the corporate debtor in favour of the Sole Creditor and to entitle the said Sole Creditor to recover the same as deemed fit in accordance with the Regulation 38 of the Liquidation Regulation; and*
    - b) *To pass appropriate directions with regard to the 'Dissolution' of the Corporate Debtor; and*
    - c) *To pass appropriate directions to allow the Liquidator to close the Liquidation Bank Account held with Allahabad Bank (now Indian Bank); and*
    - d) *To direct all the statutory authorities to act on this 'Order of Dissolution'.*
    - e) *To pass such additional directions as deemed necessary in the light of justice and equity.*
  - ii. *To pass such other order/directions as this Hon'ble Bench may deem fit and proper in the facts and circumstances of the case.*



**Commencement of CIRP**

2. Upon an Application filed by Biostadt India Limited under Section 9 of the Code the Corporate Debtor was admitted into corporate insolvency resolution process (CIRP) by this Tribunal, vide order dated 02.05.2018 and Mr. Syamal Baram Bhattacharya was appointed as the Resolution Professional (**'RP'**). Order dated 02.05.2018 is annexed to the application as *Exhibit A*.

**Initiation of Liquidation Process**

3. It is submitted that as no resolution plan was approved within the timeline this Tribunal vide order dated 28.02.2019 passed an order dated 28.02.2019 for liquidation of Corporate Debtor in M.A. No. 719 of 2019 and appointed Mr. Kshitiz Gupta as the Liquidator of the Corporate Debtor. The said order dated 28.02.2019 is annexed to the Application as *Exhibit B*.
4. It is submitted that the Liquidator published public announcement dated 17.03.2019 in newspaper namely 'The Financial Express' (English) and 'Navshakti (Marathi) and in 'Gujarat Mitra' (having wide circulation in Dadra, Silvassa and Vapi) inviting claims from the stakeholders and informed that the last date for submission of claims was 11.04.2019. The said Public Announcement is annexed to the Application as *Exhibit C*.
5. The Applicant has submitted that he had intimated the concerned stakeholders namely employees and workmen, the directors and key managerial persons, bankers of the Corporate Debtor by way of issuing letters and emails about the commencement of Liquidation of the Corporate Debtor.
6. The Applicant has filed Form INC 28 and GNL-2 Forms with ROC in compliance, thereby updating the status of Corporate Debtor undergoing



Liquidation Process on the MCA portal.

7. It is submitted that the Applicant had filed Asset Memorandum and Preliminary Report on 23.05.2019, as per Regulation 13 and 36 of the Insolvency and Bankruptcy Board of India (Liquidation Regulations).
8. It is submitted that the Valuation Reports obtained by the RP during the CIRP period have been considered in accordance with Regulation 35 of the Liquidation Regulations. A summary of valuation reports to arrive at the average fair value and liquidation value is annexed to the Final Report (*Annexure Q*) as *Annexure 12*. The fair value and liquidation value of the assets of the Corporate Debtor as per form H are as follows:

Fair Value (in Rs.)	Liquidation Value (in Rs.)
20,33,08,500	14,17,23,350

9. The Applicant submitted that liquidation estate of the Corporate Debtor, as per Valuation Report for average liquidation value for various assets are given below:

Asset Class	Assets	Average Liq. Value (in Rs.)
<b>A. Land, Building and other civil structures</b>	Factory Land situated at Demini Village Road, Dadra	7,91,70,000
	Factory and Office Building	1,80,00,000
	Factory sheds, warehouse and Packing area	1,47,56,100
	Roads and other land developments	36,25,000
	Pump Room	11,52,500
	Furniture and Fixtures at Factory	9,90,00
<b>Total of A</b>		<b>11,76,93,600</b>
<b>B. Plant and</b>	Generator	2,38,750



<b>Machinery assets</b>	Electric panel and control panel	3,87,500
	Compressor	1,20,000
	-Stacker, Forklift, DM Plant, Packing Machines, Oven etc -Machines acquired along with factory while purchasing from BASF and -Machines acquired during years 2013-201	2,22,50,000
	Hyundai Creta Car (Refer Note 3)	7,40,000
<b>Total of B</b>		<b>2,37,36,250</b>
<b>C. Other Assets</b>	Scrap	1,06,000
	Inventory of stock and packing material	1,87,500
<b>Total of C</b>		<b>2,93,500</b>
<b>Total of All Assets (A+B+C)</b>		<b>14,17,23,350</b>

10. As per Form H, the Liquidator could realise only Rs. 11,40,23,652 as per details given below:

<b>Assets</b>	<b>Mode of Sale</b>	<b>Liquidation Value</b>	<b>Realisation Amount (Rs.)</b>	<b>Date of Transfer to Liquidation Account</b>
Land and building along with furniture, plant and machinery and furniture	E-auction	14,17,23,350	11,22,95,622	Details as per <b>Note No.1</b> below
Car	E-auction	7,40,000	7,28,030	EMD: 07.11.2019 Balance: 15.11.2019
Not readily realisable assets comprising of Sundry Debtors/other current assets	Comparative proposals received pursuant to Public	NIL	10,00,000 (Upfront)	Received on 06.07.2021 and Assignment Agreement executed on



	Announcement			14.07.2021
TOTAL		<b>1424,63,350</b>	<b>1140,23,652</b>	

**Note 1**

Total amount of Rs. 11,58,54,209/- was received from Goodweek Industries for Assets at Factory unit, which included the GST amount and interest on delayed payment as per following details:

**A. Principal Payments**

Date	NEFT/RTGS Ref. Number	Amount Received (in Rs.)
21.12.2019	HDFCR52019122160690603	1,10,00,000
31.12.2019	HDFCR52019123162172970	1,70,00,000
25.02.2020	HDFCR52020022571002106	1,00,00,000
07.03.2020	HDFCR52020030773177617	1,10,00,000
18.03.2020	N079201097464876	2,15,00,000
	N079201098562574	2,04,67,292
19.03.2020	N079201098551813	1,00,00,000
20.03.2020	TDS Challan (No. 05646)	9,18,862
21.03.2020	HDFCR52020032175428148	91,13,846
<b>Total (A)</b>		<b>11,10,00,000</b>

**B. Other Payments**

19.03.2020	N079201098577523 (GST)	35,18,429
26.03.2020	HDFCR52020032675871077 (Interest on Delay Payments)	12,95,622
27.03.2020	N086201103354553 (GST on Interest)	40,158
<b>Total (B)</b>		<b>48,54,209</b>
<b>Grand Total of Payments Received (A+B)</b>		<b>11,58,54,209</b>

**List of Stakeholders**

11. It is submitted that the Liquidator has received total 36 claims from various stakeholders. As per Regulation 31 of Liquidation Regulations, the



Applicant has prepared List of Stakeholders. The list of all the Stakeholders is annexed to the petition as *Exhibit F*. A summary of the claims received and admitted is stated below:

S No.	Stakeholder Category	Claim Received		Claim Admitted
		Count	Value	
1.	Financial Creditors (Secured)	1	17,73,22,068	17,55,66,412
2.	Financial Creditors (Unsecured)	3	23,20,469	23,15,163
3.	Workmen and Employees	1	30,54,375	26,75,508
4.	Operational Creditors	30	14,79,57,698	14,02,41,381
5.	Other Stakeholders	1	12,76,502	12,76,502
	<b>Total</b>	<b>36</b>	<b>33,19,31,112</b>	<b>32,20,74,966</b>

12. The Applicant further submitted that the Allahabad Bank (now Indian Bank), Andheri Branch, Mumbai was the banker of the Corporate Debtor. Therefore, the Applicant intimated Allahabad Bank for change of the authorized signatory from the RP to the Liquidator and subsequent change in the name of Corporate Debtor to Sonachi Industries Limited – in Liquidation. The account number 50446881466 held with Indian Bank, is the account operated by the Applicant during the Liquidation period.
13. It was submitted that in during the Liquidation process, the Applicant had approached 'Bank of India' with current account with number 20080210001363 having balance of Rs. 28,459/- and 'UCO Bank' with current account with number 003820110001083 having balance of Rs. 82,388/- requesting the respective banks to release the funds to the current account maintained by the Applicant for Liquidation Process. But the said banks declined the request stating that the bank accounts were attached by the Income Tax Department. The Applicant moved an application bearing IA No. 1137 of 2021 seeking directions to the said



banks for transfer of funds of Corporate Debtor to the liquidation account. The said IA was allowed vide order dated 29.11.2024.

14. It is further submitted that as per Regulation 31A of the IBBI (Liquidation Process) Regulations, 2016, the constitution of Stakeholders Consultation Committee is not applicable as Liquidation commenced before notification dated 25.07.2019.
15. The Applicant has further submitted that Allahabad Bank is the only secured financial creditor of the corporate debtor and despite several follow-ups and requests, the bank failed to communicate its decision under section 52 of the code to the Applicant and failed to pay the liquidation expenses, consequent to which the Applicant proceed to this Tribunal for directions. The Applicant submits that this Tribunal allowed the application i.e., MA 2126 of 2019 vide its order dated 19.08.2019, directing the Applicant to proceed with the disposing of the liquidation estate as per the governing regulations and the asset memorandum and directed the bank to pay the expenses towards liquidation within 15 days.

### **E- Auctions**

16. The Applicant submits that the first E-Auction sale notice was published on 16.09.2019, vide newspapers 'Economic Times' and 'Maharashtra Times' in Mumbai; 'Economic Times' and 'Nav-Bharat Times' in Delhi/NCR region; and in the 'Times of India' and 'Gujarat Economic Times' in Ahmedabad, inviting bids for Factory Unit with Land with Reserve Price of Rs. 1410 Lakhs and Motor Car with Reserve Price of Rs. 7.40 Lakh.
17. Following the said public announcement of the E- auction, it is submitted that no bid and/or EMD were received by the Applicant. The Applicant published second E-Auction sale notice dated 17.10.2019, reducing the reserve price in accordance with the Schedule I of the Liquidation Regulation. The reserve price of factory unit with land was kept at Rs.



1175 Lakhs reduced from Rs. 1410 Lakhs and for motor car was kept at Rs. 5.55 Lakhs reduced from Rs. 7.40 Lakhs.

18. It is submitted that no bid was received for the factory land but six bidders participated in the auction of the motor car. One Mr. Ashishkumar Subhash Chandji Sanghavi emerged successful with the highest bid of Rs. 6,65,000/-. The motor car was sold to the successful bidder for the said amount plus GST of Rs 63,030/-. The sale deed dated 21.11.2019, of the said motor car is annexed to the petition as *Exhibit G*.
19. The Applicant submitted that the third e-auction sale notice dated 27.11.2019 was published, inviting bids for the factory unit and the reserve price of the said factory unit was set at Rs. 1175 Lakhs. However, no bids were received by the Applicant.
20. It is further submitted that the Applicant published fourth e-auction sale notice dated 13.12.2019 and reduced the reserve price of factory land to Rs. 11 Crores. The EMD amount was set at Rs. 1.10 Crore only and the last date for payment of EMD and submission of documents was 24.12.2019. The applicant received 6 bids with respect to the factory land and after rounds of bidding one M/s Goodweek Industries emerged as successful buyer with a bid price of Rs. 11.10 Crore. Accordingly, letter of intent was signed by the successful bidder and EMDs were returned to the unsuccessful bidder.
21. The Applicant submitted that M/s Goodweek Industries paid the entire amount of consideration in multiple tranches starting from 21.12.2019 and the final tranche was remitted in the liquidation account of the Corporate Debtor on 27.03.2020 along with interest on delayed payment and GST.
22. The Applicant submitted that the registration and execution of sale deed was delayed due to nationwide lockdown in view of Covid-19. The applicant



issued the possession letter dated 24.06.2020 to M/s Goodweek Industries for carrying out repairs and maintenance of the factory assets. After the travel restrictions were relaxed to certain extent, the Applicant executed and registered the transfer instrument of the factory unit of the Corporate Debtor.

23. The Applicant submitted that the Applicant liquidated the following assets of the Corporate Debtor:

<b>Sr. No.</b>	<b>Assets</b>	<b>Sale detail</b>	<b>Sale Consideration</b>
1.	'Motor Vehicle' (Creta 1.4 CRDI) bearing Registration No. DN09 L 1002	Invoice no SONACHI/LIQ/INV-01	Rs. 6,65,000/- and Rs 63,030/- as GST charges
2.	Plant and Machineries	Invoice no: SONACHI/LIQ/INV-02	Rs. 1,81,03,431/- and Rs. 32,58,618/- as GST charges
3.	Furniture	Invoice no: SONACHI/LIQ/INV-03	Rs. 7,79,362/- and Rs. 32,58,618/- as GST charges
4.	Scrap and Inventory	Invoice no: SONACHI/LIQ/INV-04	Rs. 2,31,053/- and Rs. 41,590/- as GST Charges
5.	Land unit	Sale Deed dated 11.12.2020	Rs. 9,18,86,154/-

24. It is further submitted that after completion of liquidation and registration of the sale deed, the Applicant entered into an agreement with Capital Record Centre Private Limited for maintenance of the records of *M/s Sonachi Industries Limited* for a period of eight (8) years. A copy of the agreement is annexed with the Final Report.

25. It is submitted that after liquidating the assets and realization of the amounts, the Applicant distributed the funds so realized among the



stakeholders in accordance with the sequence of distribution prescribed in the Section 53 of the Code. Further, a detailed sheet evidencing the funds distributed by the Applicant to the stakeholders and adjusted towards CIRP Costs and Liquidation Expenses was duly prepared and shared with the sole secured Financial Creditor i.e. Indian Bank.

26. It is submitted that there are certain financial assets in the name of the Corporate Debtor and Applicant has issued several correspondences with an attempt to recover the financial assets standing in the name of the Corporate Debtor. The Applicant and the sole financial creditor in a meeting held on 17.04.2021 mutually agreed that the liquidator shall issue a public announcement and assign/transfer the not readily realizable assets in a transparent process as per the Regulation 37A of the Liquidation Regulations, except the bank balances with other two banks and TDS receivable.
27. After the finalisation of the assets to be assigned as per Regulation 37A of the Liquidation Regulation, a publication was issued on 20.04.2021, inviting proposals for assignment of NRRRA. Thereafter the proposal of Mr. Sunil John was approved and finalised. Upon receipt of the upfront amount of Rs. 10,00,000/- as per the terms and timelines of the Letter of Intent, an assignment agreement was entered into between the corporate debtor in liquidation and Mr. Sunil John dated 14.07.2021 and Mr. Sunil John was assigned the assets that are qualified as NRRRA. The said agreement is annexed to the petition as *Exhibit O*. As per the assignment agreement, following assets of the corporate debtor are assigned:

<b>Sr. No.</b>	<b>Type of Asset</b>	<b>Amount (in Rs.)</b>
1.	Sundry Debtor	Rs. 3,71,85,695/- (Net of Provision for Doubtful Debts stand of Rs.16,66,00,221/- Total Debtors being Rs. 20,37,85,916/-



2.	Security Deposit	Rs. 7,65,310/-
3.	Sundry Advances / Other Current Assets	Rs. 4,47,245/-
<b>TOTAL</b>		Rs. 3,93,98,250/- Net of Provision (Rs.20,59,98,471/- Gross)

28. It is further stated in the assignment agreement that the corporate debtor has assigned all assets listed above which are the underlying assets to the proceedings filed under sections 43 to 51 and 66 of the IBC 2016 or any under any other provisions of the relevant laws.
29. The Applicant has provided details of PUF E applications as follows:

Sr No	Case No.	Section	Nature of Allegation	Status
1	IA 1508/ 2021	66	Fraudulent Trading	Pending
2	MA 1419/ 2018	66	Fraudulent Transaction	Pending

30. It was further submitted that the Applicant has distributed the sale proceeds from liquidation estate strictly as mandated by the Code except certain amount of money in the liquidation bank account and informed the sole secured creditor vide the letter dated 30.03.2021 that the liquidator shall keep the withheld fund for meeting the expenses incurred during the liquidating process. Further, upon approval of the dissolution, the balance amount in the liquidation bank account shall be transferred to the sole secured financial creditor which is agreed and duly acknowledged by the creditor.
31. The Final Report and compliance certificate in the 'Form H' are annexed as *Exhibit Q* and *Exhibit R* respectively.



32. The amounts distributed to stakeholders as mentioned in Form H are as reproduced below:

(Amount in Rs.)

Sl. No.	Stakeholders under section 53(1)	Amount claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount claimed (%)
1.	(a): CIRP Costs	36,14,359	36,14,359	36,14,359	100%
2.	(a): Liquidation Costs			86,85,128	100%
3.	(b)(i): Workmen's dues	13,55,104	12,49,199	7,21,877	57.79%
4.	(b)(ii): Debts owed to secured creditor who has relinquished security in the manner set out in section 52	17,73,22,068	17,27,82,052	9,98,45,943	57.79%
5.	(c) Employees dues	17,86,298	15,13,336	NIL	0%
6.	(d): Financial debts owed by Unsecured creditors	23,20,469	23,15,163	NIL	0%
7.	(e)(i) amount due to Central Government and the state government	6,05,44,462	6,05,16,655	NIL	0%
8.	(e)(ii) Debts owed to secured creditor for amount unpaid following the enforcement of	NIL	NIL	NIL	0%



	security interest				
9.	(f): Remaining debts and dues	13,93,47,559	13,16,59,049	NIL	0%
10.	(g): Preference shareholders	NIL	NIL	NIL	0%
11.	(h): Equity shareholders or partners	12,76,502	12,76,502	NIL	0%
	TOTAL	38,75,66,821	38,36,11,443	11,28,67,307	

33. The Liquidator has mentioned that actual distribution is little less as some amount is withheld by the Liquidator to meet expenses till the date of approval of dissolution and any excess amount shall be released to the sole secured financial creditor upon the dissolution order.
34. Vide order dated 22.09.2025, this Tribunal permitted the distribution of the assets to sole secured financial creditor under Regulation 38 of Liquidation Regulations and prayer (a) of the Applicant was **allowed**. The relevant part of the said order is reproduced below:

*“2. Heard Ld. Counsel for the applicant on Regulation 38 of Liquidation Regulations. The ingredients of Regulation 38 as mentioned in the application are discussed below:*

- a. Bank Balances of Rs. 1,10,847 is under Lien by statutory authorities.*
- b. The bank balance could not be liquidated as the same was under lien of Income Tax Department. However, it is submitted that this Tribunal has passed orders dated 29.11.2024 in I.A. 1137/2021 directing the statutory authority to de-freeze the account which is awaited.*
- c. Rs. 9,18,862 on account of TDS deducted by the buyer of Factory during liquidation sale.*
- d. For TDS receivable from Income Tax Department, I.A. bearing No. 1156/2021 is filed wherein final order has been passed*



*on 30.07.2025 directing the Income Tax Department to release the TDS.*

*e. Accordingly, the above unsold assets of the corporate debtor can be distributed to the sole secured financial creditor i.e. Indian Bank.*

*3. Having considered all aspects, this Tribunal permits the distribution of the above assets to sole secured financial creditor under Regulation 38 of Liquidation Regulations. Accordingly, prayer (a) is allowed....”*

35. Thereafter vide order dated 19.11.2025, this Tribunal recorded that tax refund which is awaited from Income Tax Department shall be appropriated by the sole secured financial creditor as permitted vide order dated 22.09.2025 under Regulation 38 of the Liquidation Regulation and thereafter the bank shall close the account. No other assets are remaining to be liquidated or distributed to the stakeholders.

**Additional Affidavit dated 06.03.2026**

36. In response to queries raised by this Tribunal vide order dated 10.02.2026, the Applicant has filed Additional Affidavit dated 06.03.2026 clarifying that UCO Bank and Bank of India have transferred the funds to the liquidation account of the Corporate Debtor. Further, TDS refund is still awaited and the said asset has been distributed to the sole secured financial creditor of the corporate debtor i.e. Indian Bank. Hence, Indian Bank shall be entitled to follow up with the concerned tax authorities for TDS refund. It is further submitted that the bank has undertaken to close the liquidation bank account once the said refund is received as recorded in order dated 19.11.2025.

37. The Applicant has annexed an audited summary of receipts and payments for liquidation process from 12.03.2019 to 26.02.2026, the extract of



which is given below:

<b>Particulars of Receipts (Refer Notes below)</b>	<b>Amount</b>	<b>Particulars of Payment (Refer Notes below)</b>	<b>Paid from Bank account</b>
Opening Bank Balance as on 12th March 2019 (Current Account Number of Allahabad Bank 50446881466 )	20,480	Audit Fees	2,06,250
Payment received from Goodweek Industries	10,39,35,347	CIRP Costs Reimbursed	53,05,163
EMDs for Auction of Factory	6,60,00,000	Tax and Other Statutory Payments	37,28,834
Bank Charges reversal	30	Legal Expenses (Liquidation Costs)	6,84,000
Receipts for sale of Assets	10,00,000	Security Expenses (Liquidation Costs)	20,01,970
Full and Final Payment Received against Invoice No. Sonachi/Inv/01 for sale of car	6,73,030	Other Liquidation expenses	16,87,944
Advance from Allahabad Bank	17,61,886	Liquidator fees- Kshitiz Gupta	44,13,391
Receipts from Debtors	87,422	Allahabad Bank - Distribution u/s 53(1)(b)	9,89,59,680
EMDs for Auction of Car Received	3,30,000	Payment towards workmen – Distribution u/s 53(1)(b)	7,21,756
Transfer from Bank of India - A/c closure	72,388	EMD Refunded to unsuccessful /non-participating bidders	5,52,75,000
Transfer from UCO Bank - A/c closure	28,460		



		<b>Closing Bank Balance as on 26th Feb 2026</b>	<b>9,25,053</b>
<b>Total Receipts</b>	<b>17,39,09,042</b>	<b>Total Payments/ Expenses</b>	<b>17,39,09,042</b>

*Notes :*

1. *Order of Liquidation dated February 28, 2019 was received by the Liquidator on 12th March 2019. Therefore, transactions post 12th March 2019 are covered under the Liquidation Period.*
2. *The Liquidator operates the current account no. 50446881466 in the name of Sonachi industries Limited - In Liquidation maintained with Allahabad Bank, Andheri East Branch.*
3. *We Conducted Our Examination of the statement in accordance with the guidance note on report or certificate for special purpose issued by the institute of chartered accountants of India. The Guidance note requires that we comply with the ethical requirements of the code of ethics issued by the institute of chartered accountants of India.*
38. It may be noted that though the total of receipt shown is Rs. 17,39,09,042/- which includes EMD received for auction of factory, but there is also refund of EMD to unsuccessful bidders of Rs. 5,52,75,000/-.
39. As per Regulation 44 (as stood prior to 25.07.2019, Notification No. IBBI/2019-20/GN/REG047) required to liquidate the corporate debtor within two years. Order directing the liquidation of assets of the Corporate Debtor was passed on 28.02.2019. The Applicant filed IA No. 1372 of 2021 on 22.06.2021 seeking exclusion of the period of 386 days and was allowed and disposed of vide order dated 11.09.2023. The Present Application was filed on 13.01.2022 and is therefore, within prescribed time.
40. As per Form H, final report and additional affidavit dated 06.03.2026 and considering the facts and circumstances of the present case, all assets of the corporate debtor have been liquidated/ distributed to the Stakeholders in accordance with section 53 of IBC, 2016.



41. Under normal circumstances, corporate debtor would be dissolved only after the liquidation account is closed. However, in the present case, the Liquidation account of the Corporate Debtor is not yet closed as TDS refund is expected to be received from Income Tax Department. The closing balance in liquidation account and TDS receivable have already been distributed to the sole secured Financial Creditor. The entire remaining balance in the liquidation account belongs to sole secured financial creditor and can be appropriated to their dues and closed. Thus there are no further assets to be liquidated and distributed and hence no useful purpose would be served by keeping this application pending and not passing dissolution order, which will only increase the liquidation cost with no further benefit to any stakeholder. Therefore, order is passed in following terms:

**ORDER**

42. We order for the dissolution of the Corporate Debtor M/s Sonachi Industries Limited with the following directions:
- i. Prayer (a) stood allowed on 22.09.2025
  - ii. The Corporate Debtor shall stand dissolved from date of this order.
  - iii. Under the peculiar facts of the case, we note that the liquidation account is not yet closed, but the amount remaining in the liquidation account after payment of all liquidation cost, belongs to the sole secured financial creditor i.e. Indian Bank. Further, Indian Bank, being sole secured financial creditor of the corporate debtor is entitled to follow-up with the Income Tax Authorities for TDS refund and thereafter shall close the liquidation account of the corporate debtor.
  - iv. Liquidator is directed to forward copy of this Order to the concerned



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Registrar of Companies, IBBI and other concerned authorities like Income Tax Department, GST Department, etc. for their record.

v. Needless to say, as consequential, all authorities shall take cognizance of this order.

43. With the above observations and directions Prayer (b) is allowed.
44. Avoidance Applications shall continue and proceeds if any therefrom shall be appropriated as per the Assignment Agreement dated 14.07.2021.
45. The Registry is directed to forward copy of this Order to the concerned Registrar of Companies and to the IBBI, within 7 (seven) days.
46. In the result, IA No. 312 of 2022 stands **disposed of** in terms of above directions.

Sd/-

**Hariharan Neelakanta Iyer**  
**Member (Technical)**

*Saloni*

Sd/-

**Lakshmi Gurung**  
**Member (Judicial)**