

IN THE NATIONAL COMPANY LAW TRIBUNAL,
SPECIAL BENCH – II, CHENNAI

I.A (IBC) / 1003 (CHE) / 2023

In

IBA / 838 / 2019

(Filed under Section 54 of the Insolvency and Bankruptcy Code, 2016
r/w Rule 11 of NCLT Rules, 2016)

In the matter of M/s. STT LIMITED (IN LIQUIDATION)

P. SRIRAM,

Liquidator –

M/s. STT Limited (in Liquidation),

(Regn. No. IBBI/IPA-002/IP-N00292/2017-18/10895)

Shankaralaya, No.10 R. K. Nagar, III Cross Street,

Chennai, Tamil Nadu, India – 600 028

... Applicant / Petitioner

Order Pronounced on 13th October 2023

CORAM:

SHRI. SANJIV JAIN, MEMBER (JUDICIAL)

SHRI. RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

Present: -

For Applicant : S.Sathiyarayanan, Advocate

ORDER

Hearing Conoducted Through VC

Per: SANJIV JAIN, MEMBER (JUDICIAL)

The present Application has been filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as 'Code') r/w Rule 11 of NCLT Rules, 2016 (hereinafter referred to as 'Rules') by the Liquidator seeking an order of dissolution M/s. STT Limited, having CIN: U25209TN1995PLC032408 and Registered office at 31-A/12, SIDCO,

Industrial Estate, North Phase, Ambattur, Chennai, Tamil Nadu, India – 600 098 (hereinafter referred to as ‘Corporate Debtor’).

2. It is stated that CIRP in respect of the Corporate Debtor was initiated on 30.08.2019 in IBA/838/2019. Liquidation of the Corporate Debtor was ordered by this Tribunal vide order dated 10.12.2019 in MA/1341/2019 and the Applicant herein was appointed as the Liquidator.

3. Pursuant to that, the Liquidator filed various status reports and stated that there are no payments or receipts in respect of the Corporate Debtor. It is stated that the Corporate Debtor has no realizable or salable assets, and continuing the process will only increase the cost of liquidation and hence opted for dissolution of the Corporate Debtor.

4. The Applicant/Liquidator in his Final report dated 29.05.2023, stated the details of Liquidation cost and its realization from the Corporate Debtor and Secured Creditor and table of the same is below,

Paid From the Bank account of the Corporate Debtor

Description of receipts	Receipts in Rs.	Description of Payments	Payments In Rs.	Remarks
Opening Bank balance and Fixed deposits realised	99,395.22	Public announcement	85,586.00	Liquidation and filing of list of stake holders Public announcement
		Bank charges, filing fee paid to Tribunal, and other expenses	4,053.45	
		Other expenses – Printing & Stny.	255.77	
		Fee paid to advocate	9500.00	
Total (A)	99,395.22		99,395.22	

Paid by the Secured Creditor SEPC Limited directly, who has not relinquished the security and agreed to bear the Liquidation cost.

S.No.	Description of expenses	Rs.	Remarks
1.	Liquidator fee from the commencement of liquidation 10.12.2019 to till date	4,50,000.00	Excluding GST @ 18%
2	Advocate fee paid for filing the Exclusion application, extension application & other applications	81,000.00	--
	Total (B)	531,000.00	

Total Liquidation Cost (A) + (B) = Rs.630,395.22

5. Heard the submissions made by the Learned Counsel for the Applicant and perused the documents on record. It is seen from the valuation details attached in the Asset Memorandum report of the Liquidator dated 25.02.2020, that the estimated value of the Corporate Debtor as follows,

ASSET MEMORANDUM	
Under Regulation 34 of Insolvency And Bankruptcy Board Of India (Liquidation Process) Regulations, 2016	
ABOUT THE COMPANY UNDER LIQUIDATION	
Name of the Company in Liquidation:	STT LIMITED
Corporate Identification Number:	U25209TN1995PLC032408
Registered office address:	1-A/12, SIDCO Industrial Estate, North Phase, Ambattur, Chennai 600098
Name & Address of the Liquidator:	P.SRIRAM 10/17, SOUTH CANAL BANK ROAD MANDAVELI, CHENNAI 60028
Liquidation Commencement date	10 th December 2019 MA/1341/2019 in IBA/838/2019

ASSET MEMORANDUM UNDER REGULATION 34

S.No.	Particulars	Details
1	Information under Regulation 34 (2)	
(a)	Value of the assets, valued in accordance with Regulation 35;	No assets are available for sale. Hence information regarding the assets which are intended to be realized by way of sale under regulation 34(2) shall not apply to the company under liquidation. As on the date of commencement of liquidation bank balance Rs.1,13,655.22 Also Refer Note 1.
(b)	Value of the assets or business(s) under clauses (b) to (f) of regulation 32, valued in accordance with regulation 35, if intended to be sold under those clauses;	In the opinion of the Liquidator the company is not a going concern and the company has only cash and bank balance. Hence for the reasons stated at (a) above value of assets under clauses (b) to (f) of regulation 32 shall not apply to the company under liquidation.

For STT LIMITED

(c)	Intended manner of sale in accordance with Regulation 32, and reasons for the same;	Does not arise for the reasons stated in (a) and (b) above.
(d)	The intended mode of sale and reason for the same in accordance with Regulation 33;	Does not arise
(e)	Expected amount of realization from sale;	Does not arise.
(f)	Any other information that may be relevant for the sale of the asset.	Nil
(2)	Information under Regulation 34 (3)	
(a)	Value of the asset;	Book Value: Rs. 1,13,655.22 (Bank Balance as at the date of commencement of insolvency) Liquidation Value: Does not arise
(b)	Intended manner and mode of realization, and reasons of the same;	Does not arise
(c)	Expected amount of realization; and	Rs.1,13,655.22 being the bank balance as on the date of liquidation.
(d)	Any other information that may be relevant for the realization of the asset.	The company has no assets other than bank balances. Note 1.

Note 1.

Company has obtained a consent award dated 28.8.2018 in respect of its dispute with M/s. Engineering Projects (India) Limited awarding the amount of Rs.7,49,15,342.69 423 receivable by the EPIL from M/s. Rajasthan Urban Infrastructure Development Infrastructure development Project pursuant to arbitration award (herein after referred to as "RUIDP") dated 17.9.2016 and corrigendum dated 20.10.2016. Being the beneficiary of the said award dated 28.8.2018 company has assigned the said receivable from the said award in favour of Shriram EPC Limited against the financial dues to a sum of Rs.7,49,15,342.69 and created a charge in their favour with registrar of companies, Chennai. Shriram EPC Limited the sole Financial creditor who had created the charge of the said receivables (Arbitration award receivable) has chosen to stand outside the liquidation and realise their security. Said RUIDP award against EPIL is under challenge.

6. In the Audited Receipts & Payments report filed by the Liquidator dated 11.04.2023, the details of the Receipts and Payments starting from Liquidation commencement date till 31.03.2023 has been tabulated and same is below,

Name of Corporate Debtor M/s. STT Limited (in liquidation)			
Liquidation commencement date 10.12.2019.			
Note: Existing current account in the Bank of India in the name of the corporate debtor STTL Limited has been changed in the name of corporate debtor in liquidation STT Limited (in liquidation)			
Receipts and payments from liquidation commencement date 10.12.2019 to 31.03.2023			
		Receipts	Payments
		Amount in Rs.	Amount in Rs.
01.04.2022	Cumulative receipts and payments as on 01.04.2022	99,395.22	88,688.43
25.05.2022	Other expenses- bank charges – charges for account maintenance charges balance		162.26
23.08.2022	Other expenses- bank charges – charges for account maintenance charges balance		162.26
11.01.2023	Other expenses- bank charges NSEL charges		272.5
24.03.2023			
24.03.2023			
24.03.2023	Other expenses- bank charges – cheque return charges		354
28.03.2023	Transfer of balances to the Liquidator account on account of Reimbursement of expenses to the Liquidator		109.77
31.03.2023	Transfer of balances to the Liquidator account on account of Reimbursement of expenses to the Liquidator for payment to the counsel, filing fee to NCLT, notary charges etc.,		9,646.00
	Closings balance	99,395.22	99,395.22

In the Compliance Certificate filed in Form-H by the Applicant, there is no record about the PUF transactions in the Corporate Debtor.

7. From the submissions of the Counsel and on perusal of the records we find that there are no realizable assets in the Corporate Debtor.

8. Section 54 of the IBC, 2016 provides as follows: -

"Section 54

(1) Where the assets of the corporate debtor have been completely liquidated, the liquidator shall make an application to the Adjudicating Authority for the dissolution of such corporate debtor.

(2) The Adjudicating Authority shall on application filed by the liquidator under 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."

9. Regulation 14 of the IBBI (Liquidation Process) Regulation 2016 reads as follows,

"Regulation 14:

Any time after the preparation of the Preliminary Report, if it appears to the liquidator that-

(a) the realizable properties of the corporate debtor are insufficient to cover the cost of the liquidation process; and

(b) the affairs of the corporate debtor do not require any further investigation;

he may apply to the Adjudicating Authority for early dissolution of the corporate debtor and for necessary directions in respect of such dissolution."

10. In the above circumstances, this Tribunal finds that it would be just and proper to order for the dissolution of the Corporate Debtor as per Section 54 of the Code.

11. Accordingly, we order the dissolution of the Corporate Debtor viz., M/s. STT LIMITED. The Liquidator is directed to forward a copy of this Order to the RoC concerned and also to the IBBI for its records and for updating the status of the Corporate Debtor on the 'MCA Master data' within a period of 7 days from the date of this Order.

12. Accordingly, I.A (IBC) / 1003 (CHE) / 2023 in IBA / 838 / 2019 stands **allowed and disposed of.**



RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)



SANJIV JAIN
MEMBER (JUDICIAL)

(Order Pronounced under Rule 151 of NCLT Rules 2016, by Hon'ble Technical Member Ravichandran Ramasamy on behalf of the Bench Comprising of Sanjiv Jain, Member (Judicial) and Ravichandran Ramasamy, Member (Technical))