

**IN THE NATIONAL COMPANY LAW TRIBUNAL
KOCHI BENCH**

IA (IBC)/350/KOB/2023

IN

IBA/45/KOB/2019

*(Under Section 54 of the IBC, 2016 read with
Regulation 45(3)(b) of IBBI (Liquidation Process)
Regulations, 2016)*

***In the matter of ADHILS BUILDERS AND
DEVELOPERS PVT LTD***

MEMO OF PARTIES:

Dileep K P,

(IBBI/IPA-001/IP-P01310/2018-2019/12220)

Liquidator of Adhils Builders and Developers Pvt
Ltd, Veluthedath House, Ponnurunni, Vytilla
P.O, Kochi-682019

... Applicant

Order delivered on: 03.10.2023

Coram:

Hon'ble Member (Judicial) : TMT. (Retd.) Justice T Krishna Valli

Hon'ble Member (Technical) : Shri. Shyam Babu Gautam

Appearances:

**For the Applicant : Mr. Krishnan Unni, PCS,
Mr. Dileep KP, Liquidator**

ORDER

Per Coram

1. This I.A has been filed by the Liquidator of Adhils Builders and Developers Pvt Ltd., the Corporate Debtor, seeking to allow dissolution of Corporate Debtor (CD).

The brief facts of the case are: -

2. Corporate Debtor was admitted to Corporate Insolvency Resolution Process vide order dated 28.11.2019 in Section 10 application by CD and further put to liquidation by this Tribunal vide order dated 28.08.2020. It is stated that the liquidation commenced from 07.09.2020 and ended on 05.08.2023 which included an exclusion on account of Covid allowed on 31.08.2021, and 4 extensions allowed on 22.03.2022, 19.10.2022, 15.03.2023, and 15.06.2023 on account of unsuccessful sale attempts. This application has been filed by the liquidator on 04.08.2023.
3. The applicant was appointed as the liquidator who has carried out public announcement in Form B on 11.09.2020. Liquidator states that there were no claims from statutory authorities or from other creditors other than financial creditors.
4. The stakeholder's consultation committee (SCC) was constituted on 25.09.2020 with 2 members- State Bank of India, and Daimler Financial Services Pvt Ltd, with a stake of 82.26% and 17.74% respectively.
5. Liquidator held 9 SCC meetings, and filed 5 progress reports during liquidation period including the preliminary report and

Asset memorandum, on 12.12.2020 and the Final report, on 15.07.2023.

6. The applicant state that Registered Valuers were appointed on 15.09.2020, and the assessment of fair value was at Rs. 226.83 Lakhs, and liquidation value at Rs. 106.90 Lakhs. The applicant state that the liquidation asset consisted of: -

Inventory items such as granite, marble, tiles, sanitary fittings etc in yard/godown of CD	78.42 Lakh
Eicher mini-Lorry	3.20 Lakh
Benz Car CLA 200 CD	17.60 Lakh
Receivables(irrecoverable)	9.24 Lakh

It is stated that Inventory items such as granite, marble, tiles, sanitary fittings etc. remained unsold even after revaluing the same at Rs. 17 lakhs. Subsequently the SCC in its 9th meeting held on 31.05.2023 decided to treat the same as Not Readily Realisable Asset (NRRA) under regulation 37(A) of liquidation regulations and transfer same to SBI, Financial creditor for disposal. It is stated that Daimler Financial Services Pvt Ltd raised a claim on certain asset- Vehicle, and this Tribunal in the matter held that the asset shall be part of liquidation estate.

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7. The amount realised on liquidation were distributed in the manner as follows:

Sl. No.	Asset	Mode of sale	Estimated value	Realisation value	Date of transfer to liquidation account
1.	Eicher Lorry	Private sale	3,20,000	3,40,000	14.02.2022
2.	Benz Car	E auction	17,60,000	17,60,000	11.03.2022
Total (Rs.)				21,00,000/-	

Sl. No	Stakeholder	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to amount claimed (%)
1.	CIRP Cost to RP	12,96,000	12,96,000	9,11,000	70.328
2.	CIRP Cost paid by CD	3,92,000	3,92,000	2,76,000	70.328

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3.	Liquida tion cost	12,98,00 0	12,98,000	9,13,000	70.328
TOTAL (Rs.)				21,00,000/-	

8. It is stated that initial liquidation cost as per preliminary report was Rs. 8.5 lakhs however the same was exceeded to Rs. 11 Lakhs (Excl. GST) which was approved by SCC as per regulation 45(2) regulation 37(A) of liquidation regulations. As per the order of this Tribunal dated 28.08.2020, the CIRP costs was payable to RP and to CD which was made under section 53 mechanism of IBC. The amount paid by SBI, Financial creditor for liquidation expenses was also refunded by the liquidator out of the liquidation estate.
9. Liquidator state that no amount was left for distribution among stakeholders after providing for pro rata liquidation expenses. Inventory items with revalued worth of Rs. 17 lakhs considered as Not Readily Realisable Asset (NRRA) was transferred to SBI, Financial Creditor as approved by the SCC. Applicant further state that no proceedings are pending under preferential, undervalued, fraudulent and extortionate (PUFE) transactions. It is also stated that there are no statutory dues pending with respect to CD and that the liquidation bank account stands closed as on date of the application.
10. Heard the submissions and perused the documents on record. This is an application filed for dissolution of the Corporate Debtor. The applicant has submitted Annexure A, Form H compliance affidavit

and Annexure F, Final Report on liquidation along with this application. The applicant has also produced minutes of last SCC meeting held on 31.05.2023 as well as the details of Asset sale report, Bank Statements and all relevant orders and documents to support the aforesaid facts. In light of facts stated, it is noticed that the assets of the Corporate Debtor have been completely liquidated under IBC, 2016 and that the proceeds have been insufficient for any distribution to the stakeholders after meeting the liquidation costs and expenses. No objection has been raised by any person to this application.

11. Now, for the purpose of Dissolution of a Corporate Debtor, Section 54 of The Insolvency and Bankruptcy Code, 2016 reads as under: -

“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 subsection (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.”

12. As a consequence, in view of above, it is hereby declared that not only it is just and equitable but because of the fact that no asset is

available for the purpose of 'Liquidation' as reported by Learned Liquidator, this is a fit case of a Corporate Debtor to be dissolved as prescribed under Section 54 of The Insolvency and Bankruptcy Code, 2016. Ordered accordingly. The Corporate Debtor, **Adhils Builders and Developers Pvt Ltd.**, stands '**Dissolved**' from the date of this Order.

13. Since the Debtor Company stands Dissolved vide this order, any legal proceedings which are now pending shall be carried out by liquidator as agreed in the application.
14. Copy of this Order shall be forwarded within 7 (seven) days to the concerned authorities and the Registrar of Companies having jurisdiction, for further necessary action as prescribed under Law.
15. Application is, therefore, hereby allowed and disposed of. Accordingly, **IBA/45/KOB/2019**, is hereby closed. All connected applications are also closed accordingly.
16. The Registry is hereby directed to send e-mail copies of the order forthwith to all the parties and their counsel for information and for taking necessary steps.

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17. Let the certified copy of the order be issued upon compliance with requisite formalities.

18. File be consigned to records.

SHYAM BABU
GAUTAM

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GAUTAM
Date: 2023.10.04 09:47:54 +05'30'

**SHYAM BABU GAUTAM
(MEMBER TECHNICAL)**

T.KRISHNAVA
LLI

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T.KRISHNAVALLI
Date: 2023.10.04 09:46:49
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**T KRISHNA VALLI
(MEMBER JUDICIAL)**

Signed on this the 3rd day of October, 2023.

Rohit/LRA