

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

**I.A. No. 2739 of 2021  
In  
C.P. No. 1237 of 2019**

Under Section 54(1) of  
Insolvency & Bankruptcy Code,  
2016

In the matter of  
Mrs. Lata Ajit Shah

**.... Operational Creditor**

vs.

M/s. Panama Systems Private  
Limited

**.... Corporate Debtor**

**I. A. No. 2739 of 2021**

Mrs. Vaishali Arun Patrikar

**.... Applicant/Liquidator**

**Order reserved on: 24.01.2023**

**Order pronounced on: 06.03.2023**

**Coram:**

Hon'ble Shri H. V. Subba Rao, Member (Judicial)  
Hon'ble Smt. Madhu Sinha , Member (Technical)

**Appearance (through video conferencing):**

**For the Applicant:** Adv. Prachi Wazalwar a/w Adv Princi Jaiswal

**PER: Smt. Madhu Sinha , Member (Technical)**

**ORDER**

1. It is an Application filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 by Mrs. Vaishali Arun Patrikar who is the Liquidator seeking the following reliefs:

*a) This Hon'ble Tribunal be pleased to pass an Order U/s. 54 and other applicable provisions, rules and regulations of the Code for the dissolution of Panama Systems Private Limited, Corporate Debtor.*

*b) This Hon'ble Tribunal be pleased to pass any further and/or other order(s) and/ or directions(s) in the interest of equity, justice and good conscience.*

2. The Adjudicating Authority vide its order dated 10.07.2019 on a Petition filed by the Operational Creditor under Section 9 of the Code directed initiation of the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor namely M/s. Panama Systems Private Limited, wherein Mrs. Neelima Anil Bhate, was appointed as Interim Resolution Professional (IRP). Thereafter, during the 1<sup>st</sup> COC meeting held on 14.08.2019, Mrs. Vaishali Arun Patrikar was appointed as Resolution Professional (RP) in place of Mrs. Neelima Anil Bhate and the same was approved by this Bench.

3. The Applicant states that an Order under Section 33(2) was passed on 10.12.2020 and the Corporate Debtor Company was allowed to

be '**Liquidated**' under the provisions of the Insolvency and Bankruptcy Code, 2016, as only one Resolution Applicant approached with a Resolution Plan who did not meet the eligibility criteria. Therefore, during the 4<sup>th</sup> COC meeting held on 20.11.2019, The COC passed a resolution for liquidating the company. Accordingly, the Applicant was appointed as the Liquidator.

4. The Applicant further submits that pursuant to the Liquidation Order, made a Public Announcement in Form B informing the public at large about the initiation of the liquidation process against the Corporate Debtor via Financial Newspaper (English Newspaper) on 17.12.2020, in Pune edition and in Loksatta (Marathi Newspaper) on 18.12.2020, inviting claims from the creditors of the Company.
5. The Liquidator had opened a new bank account in the name of Corporate Debtor i.e. "Panama Systems Private Limited. – in Liquidation" (Account No. 40068590366) as per Regulation 41 of the Liquidation Process Regulations, 2016 with State Bank of India, Market Road Branch Mumbai. After distribution to all the respective shareholders as per section 53 of Code the said bank account was closed on 27.01.2023.
6. The Liquidator further stated that she considered the earlier valuation conducted as per Regulation 35 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process For

Corporate Persons) Regulation, 2016. Therefore, no new Valuers were appointed to determine the Liquidation Value of Assets. Further a Progress Report for the quarter ending 31.12.2020 was prepared and submitted to the Tribunal.

7. Pursuant to the directions, issued under the Liquidation Order, the Applicant states that a copy of the said order is filed on 28.12.2020 with the Register of Companies, Pune in E-Form INC-28 vide SRN R78537420.
8. Pursuant to the Public Announcement, the Applicant received the claims from the various creditors of the Corporate Debtor. Thereafter, the Applicant constituted the Stakeholder Consultation Committee within 60 days of liquidation commencement date as per provisions of Regulation 31A of IBBI (Liquidation process) Regulations, 2016.
9. The Applicant states that, upon the verification of the claims, the Applicant prepared a list of Stakeholders in accordance with Regulation 31 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. Thereafter, a Stakeholders' Consultation Committee was constituted on the 60<sup>th</sup> day i.e. on 13.02.2021.

10. The Applicant further submits that during the Meeting of the Stakeholders' Consultation Committee held on 17.02.2021, the decisions were taken on the mode of Sale of Assets and various terms and conditions of E-Auction.
11. The Applicant submits that as per Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016, a Preliminary Report was prepared along with an Asset Memorandum was prepared as per Regulation 34 of the IBBI (Liquidation Process) Regulation 2016. Accordingly, these reports were sent to the Hon'ble NCLT, Mumbai on 28.02.2021.
12. Further, the Applicant states that on 08.03.2021, a Sale Notice for sale of assets of the Corporate Debtor was published in Financial Express (English Newspaper) and Loksatta (Marathi Newspaper).
13. The Applicant further states that the Arrangement of E-auction was made through an auction platform of M/s Linkstar Infosys Private Limited, Ahmedabad. As per the Sale Notice, 12.03.2021 was the last date of submission of Application and EMD by the interested Bidders and the E-Auction was held on 15.03.2021. After the sale by E-auction in March, 2021, all the assets of the Corporate Debtor were sold and realized.

14. The Applicant submits that an Asset Sale Report was prepared and was enclosed to the Progress Report for the quarter ending 31.03.2021. The Progress Report for the quarter ending 31.03.2021 along with Asset Sale report was submitted to Hon'ble NCLT, Mumbai.
15. The Applicant further submits that as per Regulation 15(5) of the IBBI (Liquidation Process) Regulations, 2016, the statement of Receipts and Payments of liquidation process from the Liquidation Commencement Date till the end of quarter i.e. from 15.12.2020 to 31.03.2021 was audited by a Chartered Accountant is enclosed to the Progress Report for the quarter ending 31.03.2021.
16. Furthermore, the Applicant submits that the Applicant received orders from Regional Provident Fund Commissioner, Pune II about levy of damages under Section 14B and levy of interest under section 7Q of the EPF and MP Act, 1952 for the period from 08/2016 to 10/2018. In view of the order passed by the Hon'ble NCLT, Kochi Bench on 18th Feb, 2021, the interest and damages payable are statutory dues and EPFO need not file claim about the same with the Liquidator and the EPFO has got first charge over the assets of the defaulter and its priority of payment over other debts is as per section 11 of EPF and MP Act, 1952. In view of this order, the amount payable as damages and interest as per the

orders passed by the Regional Provident Fund Commissioner, Pune II for Rs. 39,082/- was paid / settled.

17. The Applicant states that after the payment of the PF authorities as mentioned above, the Employees State Insurance made its claim to stakeholders. In case of claim of ESI Corporation, ESIC had claimed Rs. 84,084/- and Rs. 6,076/- in respect of Kolhapur office from 01.12.2018 to 30.06.2019. It was later found that the Kolhapur office was closed w.e.f. 01.11.2018 and in accordance to the same, the Liquidator asked the ESIC to drop their claim regarding Kolhapur office contributions. Pursuant to the facts stated above, the Liquidator states that the related amount is not distributed to ESIC and it is not payable. This rejection of the claim is stated in the form H which is duly attached to the Application.
  
18. During the course of the hearing, the Applicant states that a Miscellaneous Application bearing no. 384 of 2020 was filed on 30.01.2020 by Vaishali Arun Patrikar (Liquidator/Applicant) against Mr. Hemant Khinvasara, Suspended Director of the Corporate Debtor under Section 19, 43, 44, 66, 68, 69, 70 and 71 of the Code for non-co-operation, preferential transactions, fraudulent transactions and is also seeking various other reliefs detailed in the aforesaid Miscellaneous Application. The Bench vide its order dated 06.03.2023 dismissed the Application.

19. In the interim, Mr. Hemant Khinvasara, Suspended Director of the Corporate Debtor had also filed an Interlocutory Application bearing no. 1635 of 2021 in July, 2021 under Section 60(5) of the Code against the Resolution Professional and the Committee of Creditors. However, this Tribunal in view of the reserving of the present Dissolution Application bearing no 2739 of 2021, disposed the aforesaid Interlocutory Application 1635 of 2021 vide its order dated 24.01.2023.
20. The Audit of the Receipts and Payments for the period 01.04.2021 to 18.10.2021 is completed and the said statement is attached to the Final Progress Report. The Final Progress Report dated 16.11.2021 is prepared and is submitted to Hon'ble NCLT, Mumbai.
21. Further, the Applicant states that the Compliance certificate in Form H is prepared by the Liquidator and is attached herewith to this application.
22. On careful perusal of the Application and the Final Report on record it is noticed that neither there are assets left with the Corporate Debtor nor any trade receivables are available.
23. The Applicant states that the final distribution of amount lying in the liquidation account was distributed according to the Section 53 of the Code.

24. As per the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016, vide Regulation No. 14, it is prescribed as under :-

*“14. Any time after the preparation of Preliminary Report, if it appears to the liquidator that –*

*(a) The realizable properties of the corporate debtor are insufficient to cover the cost of 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.”*

25. In the light of the above, it is noticed that the Corporate Debtor does not have assets to be liquidated hence an Application is moved for the “Dissolution of the Corporate Debtor”. That the liquidator while preparing the Final progress report came to the conclusion that there being no assets realizable or saleable, it will only increase the cost of liquidation, can opt for “Dissolution”.

26. For the purpose of pronouncement 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.*

27. As a consequence, through this Order 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 detailed out in Form H which is duly annexed to the Application. Therefore, 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, stood 'Dissolved' from the date of this Order.

28. Since the Debtor Company stood Dissolved vide this order and no proceedings are now pending, therefore the Registry is directed that the case file be consigned to records.

29. 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.

30. Accordingly, I.A. No. 2739 of 2021 is hereby allowed and disposed off and CP No. 1237 of 2019 is hereby closed.

**SD/-**

**MADHU SINHA  
MEMBER (TECHNICAL)**

**SD/-**

**H. V. SUBBA RAO  
MEMBER (JUDICIAL)**

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