



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
NEW DELHI  
BENCH-VI  
I.A- 1489/ND/2023  
IN  
CP(IB)-817/ND/2021**

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

**In the matter of:**

**M/s. Mangaljyoti Syndicate Private Limited**

...Operational Creditor

**Versus**

**M/s. Mahavir Richab Investments Private Limited**

...Corporate Debtor

**And**

**In the matter of**

**Mr. Atul Kumar Kansal**

(Liquidator of M/s. Mahavir Richab Investments Private Limited)

**At:** Ground Floor, 221-a/19, Onkar Nagar-B,  
Tri Nagar, Delhi-110035

... Applicant

**Coram:**

**Shri. Bachu Venkat Balaram Das, Member (Judicial)**

**Shri. Rahul Bhatnagar, Hon'ble Member (Technical)**

**For the Applicant:** Mr. Atul Kumar Kansal



## ORDER

**PER: BACHU VENKAT BALARAM DAS, MEMBER (JUDICIAL)**

**Date of pronouncement: 09.05.2023**

1. This is an application bearing I.A. 1489/ND/2023 in CP(IB) 817/ND/2021 for dissolution of Corporate Debtor under Section 54 of the Insolvency & Bankruptcy Code, 2016 (hereinafter referred to as IBC, 2016).

The prayer made by the Resolution Professional in the Application is as follows: -

- 1. To pass an order to dissolve the Corporate Debtor under section 54 of the IBC, 2016*
- 2. Take on record the present application as the Final Report for the Corporate Debtor under liquidation;*
- 3. Pass such other/ further and other reliefs as this Hon'ble NCLT may deem fit and proper in the facts and circumstances of the present case.*

2. To put it briefly, the facts of the case are that the petition for initiating CIRP was admitted by this Tribunal vide order dated 16.03.2022 and Mr. Atul Kumar Kansal (Registration



No: IBBI/IPA-001/IP-P00035/2016-2017/10088) was appointed as IRP.

3. That during the stipulated period of corporate insolvency resolution process, it was decided in the 3<sup>rd</sup> CoC meeting held on 21.05.2022 to liquidate the Corporate Debtor since CoC was of the view that revival of Corporate Debtor was impossible because of the fact that Corporate Debtor did not have any tangible assets, revenue model, employees etc.
4. That based on the decision of CoC, erstwhile RP filed an application for liquidation of Corporate Debtor.
5. That this Adjudicating Authority passed an order u/s 33(2) of IBC, 2016 to liquidate the Corporate Debtor on 24.08.2022 and erstwhile RP was appointed as Liquidator.
6. That Public announcement for invitation of claim in prescribed Form B was published in Financial Express (English) and Jansatta (Hindi) in Delhi NCR on 27.08.2022 for invitation of claims.
7. That the liquidator had sent intimation letters for intimating the suspended board of directors of Corporate Debtor regarding initiation of liquidation of Mahavir Richab



Investments Private Limited vide e- mail and speed post on 27.08.2022 and 31.08.2022 respectively.

8. That the liquidator had intimated both the financial creditors namely Mangaljyoti Syndicate Private Limited and PSB Industries (India) Private Limited, who had submitted their claim during CIRP period regarding initiation of liquidation of Mahavir Richab Investments Private Limited vide email and speed post on 27.08.2022 and 31.08.2022 respectively.
9. That the Liquidator had sent e-mail on 30.08.2022 intimating Income Tax department regarding initiation of liquidation of Mahavir Richab Investments Private Limited and requesting them to submit their claim, if any. The intimation letter regarding the same was also sent via speed post on 31.08.2022.
10. That pursuant to above said public announcement dated 27.08.2022, a total of 3 claims were received up to 23.09.2022 i.e., last date for submissions of claim, comprising of 2 claims from Financial Creditors and 1 claim from Operational Creditor(Government Department). The liquidator, after due verification, prepared a category wise list of stakeholders in accordance with Regulation 31 of



Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.

11. That the Stakeholders Consultation Committee was constituted on 22.10.2022 comprising 1-Operational Creditor (Govt) and 2-Financial Creditor (unsecured), details of which are as under:

<b>Sr. No.</b>	<b>Name of Creditor</b>	<b>Category</b>
1	Mangaljyoti Syndicate Private Limited	Unsecured Financial Creditor
2	PSB Industries (India) Private Limited	Unsecured Financial Creditor
3	Assistant Commissioner of Income Tax, Income Tax Department, Mumbai	Government Department

12. That the Liquidator informed the SCC Members that as on liquidation commencement date, corporate debtor had no other assets except bank balance of Rs. 26,64,872.98/-, therefore registered valuers were not appointed during liquidation process.

13. That in accordance with Regulation 41 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations,



2016, the Liquidator had opened an account in the name of Mahavir Richab Investments Private Limited (in liquidation) in Kotak Mahindra Bank Limited for the crediting the realisation of all assets of Corporate Debtor.

14. That the Corporate Debtor had only one bank account bearing current account no. 641405050591 with ICICI Bank and Rs. 26,64,872.98 were lying in this bank account. The Liquidator took steps for transferring this amount to liquidation account opened with Kotak Mahindra Bank Limited and upon remittance, got this account closed on 12.01.2023.

15. That the SCC in its 1<sup>st</sup> meeting held on 28.11.2022, decided that there was no occasion to sell the assets of the corporate debtor under Regulation 32 since corporate debtor does not have any assets except bank balances. Therefore, Liquidator shall distribute the the proceeds of realization to the stakeholders as per Regulation 42 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 subject to provisions of Section 53.

16. That in the 2<sup>nd</sup> SCC Meeting held on 23.02.2023, the Liquidator apprised the SCC members regarding the



distribution of proceeds of realization to the stakeholders as per Regulation 42 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 subject to provisions of Section 53.

17. That the Liquidator had made distribution of proceeds of realization to stakeholders as per Regulation 42 of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 subject to provisions of Section 53, IBC, and details of the same are as under:

Sr. No.	Stakeholders under section 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)
1	(a): CIRP Costs	23,600	23,600	23,600	100%
2	(a): Liquidation Costs	2,84,385.50	2,84,385.50	2,84,385.50	100%
3	(b)(i)	Nil	Nil	Nil	0%
4	(b)(ii) Uco Bank	Nil	Nil	Nil	0%



5	(c) Mr. Manoj Kumar	Nil	Nil	Nil	0%
6	(d)Unsecured Financial Creditor M/s. Mangaljyoti Syndicate Private Limited	1,04,72,767.00	1,04,72,767.00	1 1,37,67600	10.86%
	- M/s. PSB Industries Private Limited	1,12,23,333.33	1,12,23,333.33	12,19,211.00	10.86%
7	(e) Statutory & Government Dues (Upto 2 years)	54,075	54,075	Nil	0%
8	Total	2,20,58,160.8	2,20,58,160.8	26,64,872.50	

18. That Applicant/Liquidator filed application(s) and various documents/Reports which was required to be submitted as per the provisions of IBC, 2016 read with relevant regulations.

19. That the Liquidation process has been conducted as per the timeline indicated in regulation 47 details of which has been given in Form-H accompanied with this application.



20. That as required by Regulation 45(3) of IBBI (Liquidation Process) Regulations, 2016, Final Report has been filed by the Liquidator.

21. That compliance report in form H in terms of regulation 45(3) is placed on record by the Applicant.

22. It is submitted by the Applicant that there is no litigation pending against the Corporate Debtor to the best of knowledge, belief and effort of the Liquidator.

23. That no application on PFUE Transactions is pending.

24. That in view of the facts and circumstances, it is submitted that all the assets of CD has been completely liquidated and/ or distributed to stakeholders as the provisions of law and there is nothing left to be further liquidated.

25. Thus in view of the facts and circumstances, the Applicant prayed that the corporate debtor may be dissolved under Section 54 of IBC, 2016.

26. We have heard the submissions made by the Applicant, perused the Application and the compliance Affidavit filed by the Liquidator. Here, it is worthwhile referring to Section 54 of IBC, 2016 and Section and Regulation 45 IBBI (Liquidation Process) Regulations, 2016:



**“Section 54 IBC-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.*

*(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.”*

**“IBBI (Liquidation Process) Regulations, 2016**

**45. Final report prior to dissolution.**

*1) When the corporate debtor is liquidated, the liquidator shall make an account of the liquidation, showing how it has been conducted and how the corporate debtor’s assets have been liquidated.*

*(2) If the liquidation cost exceeds the estimated liquidation cost provided in the Preliminary Report, the liquidator shall explain the reasons for the same.*



*(3) The liquidator shall submit an application along with the final report and the compliance certificate in Form H to the Adjudicating Authority for –*

- (a) closure of the liquidation process of the corporate debtor where the corporate debtor is sold as a going concern; or*
- (b) for the dissolution of the corporate debtor, in cases not covered under clause (a).”*

27. That from the conjunct reading of the above provisions, this Adjudicating Authority is required to see that whether the assets of the Corporate Debtor are completely liquidated or not. In the instant case the Liquidator has furnished his Final Report and Form-H.

28. In the 2<sup>nd</sup> Meeting of SCC, it was approved by the members of SCC to distribute the realized amount under section 53 of IBC, 2016 and accordingly, the Liquidator has stated that he has distributed the entire amount. Since in the instant case, all the assets of the Corporate Debtor have been liquidated and all the requirements of Regulation 45 of IBBI (Liquidation Process) Regulations, 2016 have been fulfilled,



therefore, we are inclined to allow the present Application under Section 54(2) of the IBC, 2016.

29. Accordingly, there being no other impediment, the present Application is allowed and the Corporate Debtor is ordered to be dissolved with the immediate effect.

30. The Registry is directed to send a copy of this order passed under Section 54(2) to the ROC Delhi & Haryana, with which the Corporate Debtor is registered and the IBBI within seven days from the date of this order.

**Sd/-**

**(RAHUL BHATNAGAR)**  
**MEMBER (TECHNICAL)**

**Sd/-**

**(BACHU VENKAT BALARAM DAS)**  
**MEMBER (JUDICIAL)**