

IN THE NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH BENGALURU
(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)
(Through web-based video conferencing platform)

I.A.No.118/2023
U/s.54 of the I&B Code, 2016&
C.P. (IB) No.41/BB/2021
U/s.9 of IBC, 2016
R/w Rule 6 of I&B (AAA) Rules, 2016

In the matter of:

Mr. Madhugiri Venkatarayappa Sudarshan,
(Liquidator of M/s. Microsun Solar Tech Private Limited)
No.984/13, 8th Main, Girinagar II Phase,
Bangalore – 560 085

... Applicant

Order delivered on: 24TH August, 2023

Coram: 1. Hon'ble Justice (Retd.) T Krishnavalli, Member (Judicial)
2. Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

Present:

For the Applicant : Shri Hemanth Rao

O R D E R

Per: T Krishnavalli, Member (Judicial)

1. The present application is filed on 20.09.2022 by **Mr.Madhugiri Venkatarayappa Sudarshan**, Liquidator of M/s. Microsun Solar Tech Private Limited (Applicant/Liquidator), U/s.54 of the I&B Code, 2016 by r/w Rule 11 of the NCLT Rules, 2016 seeking to dissolve the Corporate Debtor M/s. Microsun Solar Tech Private Limited.

2. Brief facts of the instant Application, which are relevant to the issue in question, are as follows:

(1) The Adjudicating Authority, vide its order dated 06.04.2021 initiated CIRP process of the Corporate Debtor by appointing Mr. Venkata Subbarao

Kalva as IRP, imposing moratorium etc. In the 1st CoC meeting held on 03.05.2021, the CoC decided to replace the IRP and to appoint the Applicant as RP. Accordingly, this Tribunal Vide Order dated 09.11.2021 in I.A No.207 of 2021 appointed the Applicant as RP. Further, the Resolution professional filed I.A No. 368 of 2021 for liquidation of Corporate Debtor and to appoint the Applicant as Liquidator and the same was disposed of by this Adjudicating Authority vide its order dated 01.02.2022. Pursuant to the said Liquidation Order, the Liquidator invited claims by making public announcement in Financial Express and Hosedigantha on 09.04.2022. He has also obtained valuation reports in respect of plant and machinery and other assets of the Corporate Debtor. The summary of Valuation reports is as follows:

(Rs. In Lacs)				
Sl. No.	Assets Class	Value	Fair Value	Liquidation Value
1	All	Average Value	66.02	66.02

Thus, the corporate Debtor only had assets worth Rs.66,02,000/-The Valuation reports submitted by Mr. H.S Arun Kumar, K.L Arun, Nataraj Najundaiah and Laxmi Narayana Josia are produced as Annexure A to D of the application.

- (2) It is stated that on the otherhand, the Applicant received and admitted the following claims:

Sl. No.	Class of Creditors	Claims received	Admitted
1.	Secured Financial Creditor	11,42,62,174	11,42,62,174
2.	Unsecured Financial creditor	0	0
3.	Operational Creditor	1,24,46, 657	1,17,40,233
4.	Employees and workmen	5,09,67,543	71,62,877
5.	Other Creditors	0	0
6.	Government Dues	72,360	12,220
7.	Promoters/Related parties	0	0
	Total	17,77,48,734	13,31,77,504

Thus, the claims received are substantially more than the assets of the Corporate Debtor.

- (3) It is stated that based on the aforementioned claims, the Liquidator constituted a stakeholders committee in terms of Regulation 31A of Insolvency and Bankruptcy Board of India, Liquidation Process Regulation 2016. Pertinently, the Secured Creditor, Canara Bank refused to relinquish its charge over the immovable assets of the Corporate Debtor in favour of the Liquidation estate. Hence, on verification of records, the Liquidation passed an order dated 17.03.2022 permitting the secured creditor to realize its dues by selling the immovable assets. Subsequently, the Secured Creditor, Canara Bank has sold the secured asset and realized a sum of Rs. 74.59 lakhs as against its admitted claim of Rs.1142.62 lacs. Thus, there was no contribution from the sale of immovable asset to the Liquidation estate as the amount realized is less than the admitted claim of the secured creditor.
- (4) The Liquidator has distributed the realised amount in the following manner:

Sl. No	Stakeholders u/s. 53	Amount claimed	Amount admitted	Amount Distributed	Amount Distributed to Amount admitted (%)	Remarks
1	(a) CIRP Costs	12.64	12.64	12.64	100.00	
2	(b) Liquidation cost u/r. 4	7.53	7.53	7.53	100.00%	
3	(b)(i)- Workmen dues	509.68	71.63	3.21	4.48%	
4	(b)(ii) Secured Creditor	1,142.62	1,142.62	51.21	4.48%	
5	(c) Wages and any unpaid dues owed to employees	-	-	-	-	
6	(d) Unsecured Creditors	-	-	-	-	
7	(e) (i) to the Central Govt. And State Govt.	0.72	0.72	-	-	
8	(e) (ii) secured creditor for any amount unpaid	-	-	-	-	
9	(f) remaining debts and	124.47	117.40	-	-	

	dues					
10	(g) preference shareholders	-	-	-	-	
11	(i) Equity Shareholders	-	-	-	-	
Total		1,797.66	1,352.55	74.59	-	

- (5) The liquidator has thus, distributed all the assets in terms of the Code and there is no other asset left to be liquidated or distributed. Accordingly, the Liquidator has filed a Final report along with Form-H and also closed the Bank Account of the Corporate Debtor.
3. Heard the learned Counsel for the Applicant. We have carefully perused the pleadings of the Party along with extant provisions of the Code and the Regulations made thereunder.
 4. From a perusal of the details narrated supra, it appears that the Liquidator has complied with all the conditions and procedural requirements, as specified under various provisions of Section 54 of the Insolvency & Bankruptcy Code, 2016 and also the extant IBBI Regulations. We have also considered the manner in which the available assets have been dealt with prior to the dissolution of the Corporate Applicant. It is seen from the liquidator's statement that there is no realization of assets and no amount left in the bank; the movable and immovable property are liquidated and there is nothing left to be liquidated or distributed. In view of this factual matrix, we are of the view that the said I.A. No.118 of 2023 seeking dissolution of the Corporate Applicant deserves to be allowed, as prayed. As the I.A.No.118 of 2023 is disposed of allowing dissolution of the Corporate Applicant, consequently the C.P. (IB) No.41/BB/2021 also stands disposed of.
 5. In the result, in exercise of the powers conferred on the Adjudicating Authority, under Section 54 of the Code, the Interim Application bearing **I.A.No.118 of 2023 and C.P.(IB)No.41/BB/2021** is hereby disposed of with the following directions:

- (1) The Corporate Debtor, namely, **M/s. Microsun Solar Tech Private Limited** is dissolved, with immediate effect;

- (2) The Registry is directed to forward a copy of this Order to the Registrar of Companies Karnataka, Bangalore, within a period of two weeks from the date of receipt of this order, for further necessary action as prescribed under Law;
- (3) The Ld. Liquidator is directed to forward copies of this Order to all other Statutory Authorities connected with the affairs of the Company, for further necessary action as prescribed under Law.
- (4) With this, the instant **I.A. No. 118 of 2023**, and the Company Petition bearing **C.P. (IB)No.41/BB/2021** also stands **disposed of**.

Sd/-

(MANOJ KUMAR DUBEY)
MEMBER (TECHNICAL)

Sd/-

(T.KRISHNAVALLI)
MEMBER (JUDICIAL)