

Through Videoconference

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT No. - I

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IA No. 1839 of 2021
in
C.P. (IB) No. 1597/MB/2017

(Application under Section 54 of the Insolvency and Bankruptcy Code, 2016
Read with Regulation 45 of the Insolvency and Bankruptcy Board of India
(Liquidation Process) Regulations, 2016)

Jitendra Palande,
Liquidator for Saicon Steels Private Limited.,
38,5-3/D, New Ajanta Avenue, Paud Road,
Kothrud, Pune- 411038. ... Applicant

In the matter of:
Saicon Steels Private Limited.,
Gala No. 8-B, D'Souza Compound,
Tilak Nagar, Sakinaka Mumbai-400072 ... Corporate Debtor

Date of Order: 24.12.2024

CORAM:
Shri. Bhaskara Pantula Mohan, Hon'ble Member (Judicial)
Shri. Narender Kumar Bhola, Hon'ble Member (Technical)

Sd/-

Appearance:
For the Applicant: Adv. Shikil Puri and Adv Komal Gupta and Adv. Mahima
Aggarwal.

Per: Narender Kumar Bhola, Member (Technical)

ORDER

1. This is an Application by the Liquidator of Saicon Steels Private Limited (Corporate Debtor) under Sections 54 of the Insolvency & Bankruptcy Code, 2016 (the Code)

Sd/-

- Read with Regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (the Regulations) seeking dissolution of the Corporate Debtor.
2. The Company Petition (C.P. (IB) No.1597/MB/2017) filed under Section 10 of the Code seeking Corporate Insolvency Resolution Process (CIRP) of the Corporate Debtor was admitted by this Tribunal by order dated 02.05.2018, wherein Applicant was appointed as the Interim Resolution Professional (IRP). The IRP published public announcement on 18.05.2018 inviting claims from the creditors of the Corporate Debtor.
 3. The Applicant submitted that, after receipt of claims he constituted Committee of Creditors (CoC). The IRP was later confirmed as Resolution Professional (RP) in the CoC meeting. The RP issued Form G on 09.07.2018 and last date for submission of Resolution Plan was 30.07.2018.
 4. The Applicant further submitted that during the CIRP process four CoC meetings were conducted and efforts were taken to revive the Corporate Debtor. In the 4th CoC meeting held on 26.09.2018 the members of CoC resolved to liquidate the Corporate Debtor. Accordingly, the Applicant Filed an application in MA no. 1315 of 2018 to initiate the liquidation process of the Corporate Debtor. The same was allowed by this Tribunal vide its order dated 11.02.2019 and the Applicant was appointed as Liquidator. The Applicant informed the MCA by uploading the INC-28 along with the copy order dated 11.02.2019. Thereafter, the status of the Corporate Debtor has since been changed to one 'under liquidation' as per Section 33 the Code.
 5. The Applicant as a liquidator of the Corporate Debtor, published "Form B" on 20.02.2019 in the newspapers for getting claims from the stakeholders. The last date for receiving claims was 12.03.2019. Thereafter, the liquidator received claims aggregating Rs.73.15 Cr. from two stakeholders.
 6. The Applicant prepared and submitted the Assets Memorandum and Preliminary Report on 10.04.2019 as per Regulation 34 and 13 respectively of the Regulations

sd/-

along with the first liquidation quarterly progress report on 15.01.2019, wherein the list of Assets and liabilities of the Corporate Debtor as on the liquidation commencement date was provided.

7. The Applicant submitted that the old bank Account of the Corporate Debtor was closed, and he opened a new liquidation Bank account with The Karad Urban Co-Operative Bank Limited in the name of Saicon Steels Private Limited in Liquidation as per provisions of the Code.
8. The Applicant submitted that the secured creditor Canara Bank did not relinquish the security interest to the liquidation estate of the Corporate Debtor till June 2020 without which the liquidator cannot manage liquidation of assets of the Corporate Debtor. After follow-up with the secured creditor the Applicant has finally received necessary communication from the secured lender for relinquishment of the security interest to the liquidation estate of the Corporate Debtor. The secured creditor vide its email dated 08.06.2020 has intimated its decision to relinquishment the security interest under section 52(1)(a) of the code. The copy of same email is annexed to the Application.
9. The Applicant submitted that he filed an application in MA no. 555 of 2021 for exclusion of time lost due to pandemic and taken time by secured creditors in relinquishment of interest. The same was allowed by this Tribunal vide its order dated 25.03.2021 and the liquidation period end on 24.06.2021.
10. The Applicant submitted that the assets of the Corporate Debtor were brought for E-auction sale by the public announcement dated 16.03.2021 on 24.03.2021 and the reserve price was fixed as Rs.4.75 cr. Thereafter the Applicant sold the assets of the Corporate Debtor to the highest auction bidder, M/s Vikram Plasticizers at Rs.9.40 cr.
11. The Applicant submitted that he distributed the balance amount of Rs.8,11,64,000/- to secured creditors in two tranches on 31.03.2021 and 15.06.2021. Therefore, all the assets of the Corporate Debtor have been liquidated by the Liquidator. The summary of the amount distributed to stakeholders is as under:

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Distribution	Amount in Rs.
Receipt of Auction Proceeds	9,40,00,000/-
Less: payment of	
Unpaid CIRP Cost	27,00,000/-
Unpaid Liquidation-Process Cost	89,28,000/-
Liquidation Fee	12,08,000/-
Net Proceeds Distributed to Secured Creditor	8,11,64,000/-

12. The Applicant submitted that all the amount was distributed to the stakeholders, and assets was sold. Therefore, applicant filed the final Report on 15.07.2021 and the same is annexed to the Application. The copy of the Final report was submitted to the Registrar of Companies, Mumbai in E-form GNL-2 vide SRN T33590027 dated 02.08.2021. The Applicant further submitted that the Bank account for the purpose of liquidation has been closed with effect from 07.07.2021. The copy of the account closure certificate dated 07.07.2021 was issued by the Karad Urban Co-Operative Bank Limited is annexed to the Application.
13. Thus, the Applicant filed present application dated 03.08.2021 for dissolution of the Corporate Debtor.
14. The relevant provision for the purpose of dissolution of a Corporate Debtor is Section 54 of the Code. It 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."

Sd/-

15. On examining the submissions made by the Counsel appearing for the Applicant and the documents annexed to the Application, it appears that the all the amount distributed to the stakeholders with respect to the claims received by the Applicant and the assets of the company was sold. We are satisfied from the documents on record that the dissolution is not with intent to defraud any person. The liquidation process has been duly completed as per the provisions of the Code. From the facts narrated above and the law on the subject it would be just and equitable to dissolve the Corporate Debtor. No party is going to be adversely affected or prejudiced thereby. In view of the above the Corporate Debtor deserves to be dissolved. Hence ordered.

ORDER

The Application be and the same is allowed. It is hereby ordered as follows.

- i. Saicon Steels Private Limited, the Corporate Debtor, is hereby dissolved with immediate effect;
- ii. The Registry is directed to forward a certified copy of this order to the Registrar of Companies, Mumbai within a period of seven days;
- iii. The Liquidator is discharged. C.P.(IB)No.1597/MB/2017 stands closed.

Sd/-

Narender Kumar Bhola
Member (Technical)

Sd/-

Bhaskara Pantula Mohan
Member (Judicial)