

**NATIONAL COMPANY LAW TRIBUNAL
BENCH-1 HYDERABAD**

IA (Diss) No.23 of 2024

in

CP (IB) NO.115/7/HDB/2022

Application filed u/s 54(1) of IBC, 2016

In the matter of:

M/s Bhagyanagar Investments & Trading Pvt Ltd

versus

M/ s EBC Bearings (India) Limited

Filed by:

Gullapalli Kishore Babu
Liquidator of M/ s EBC Bearings (India) Limited
11-11-169, Sowbhagyapuram, Road No.1
Kothapet, Hyderabad - 500035

.....Applicant/Liquidator

Date of order: 20.01.2026

Coram:

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)
Shri Sanjay Puri, Hon'ble Member (Technical)

Appearance:

For Applicant: Ms. J V L Bharathi, Advocate



[Handwritten signature]

[Handwritten mark]

PER BENCH

1. This Application is filed by the Resolution Professional of the Corporate Debtor M/ s EBC Bearings (India) Limited under Section 54(1) read with Regulation 45 of IBBI (Liquidation Process) Regulations, 2016 seeking dissolution of the Corporate Debtor.

BRIEF OVERVIEW OF THE CIRP:

2. This Tribunal admitted the Company Petition (IB) No. 115/7/HDB/2022 filed by M/s Bhagyanagar Investments & Trading Pvt Ltd. under section 7 of the Insolvency and Bankruptcy Code, 2016 on 23.12.2022 and appointed Mrs.Mummaneni Vazra Laxmi, as Interim Resolution Professional who was later confirmed as Resolution Professional with the consent of CoC.
3. Since no Resolution Plan was received in response to the Expression of interest issued in Form G by the RP during the Corporate Insolvency Resolution Process period, the members of CoC with 100% voting decided to Liquidate the Corporate Debtor.

BRIEF OVERVIEW OF THE LIQUIDATION PROCESS

4. Pursuant to above, the RP filed IA No.1522/2023 seeking Liquidation of the Corporate Debtor which was allowed by this Tribunal on 25-09-2023.
5. The Liquidator in compliance of the provisions of Liquidation Process Regulations, issued public announcement in Form 'B' in Financial



(Handwritten signature)

(Handwritten mark)

Express (English) and Praja Sakthi (Telugu) and Nava Telangana (Telugu) newspapers on 04-10-2023 inviting claims from the Stakeholders and the Claims so submitted were verified and the Liquidator constituted the Stakeholders Consultation Committee as per Regulation 31A of Liquidation Process Regulations of IBBI, 2016. The same was uploaded on the IBBI website. The list of stakeholders has been filed before this Tribunal as per regulation 31 of Liquidation Process Regulations.

6. The Liquidator filed preliminary report and Asset Memorandum on 19.11.2023 as required under Regulation 13 & 34 respectively.
7. The statutory authorities were intimated about the commencement of the liquidation process on 12.10.2023.
8. It is humbly submitted that the Liquidator in compliance with the Regulation 15 of Liquidation Process Regulations prepared and submitted Progress Reports to this Hon'ble Tribunal at the end of quarter as per the timeline stipulated therein detailed as under:

| S.No. | Progress Report | Date of filing |
|-------|--|----------------|
| 1. | First Progress report for quarter ending 31-12-2023 | 12.01.2024 |
| 2. | Second Progress report for quarter ending 31-03-2024 | 19.04.2024 |
| 3. | Third Progress report for quarter ending 30-06-2024 | 16.07.2024 |



1/25

9. The Applicant stated that there is an error in the name of one of the stakeholders in the Stakeholder's Consultation Committee i.e. "Employee State Insurance Corporation" instead of "Employee Provident Fund Organization". The same has been indicated in the second progress report for quarter ending 31-03-2024, and sought rectification of the error. However, the same was rejected directing the liquidator to get an appropriate resolution passed in the meeting of SCC. Accordingly, the Liquidator presented the matter in the fifth meeting of SCC held on 30-07-2024 and appropriate resolution was passed by the SCC.
10. The Liquidator opened a new bank account in the name of the corporate debtor i.e., EBC Bearings (India) Limited (*in Liquidation*)" [Account number: 44605909868] as per regulation 41 of the Liquidation Process Regulations, with Standard Chartered Bank, Somajiguda Branch, Raj bhavan Road, Hyderabad-500082.
11. It is humbly submitted that as per Regulation 31 A Liquidation process Regulations the Liquidator convened 6 meetings of the Stakeholders Consultation Committee (SCC) as per following details:

| S.No. | Stakeholders Consultation Committee meeting (SCC) | Date of Meeting |
|-------|---|-------------------------|
| 1. | First meeting of the SCC | 30-12-2023 |
| 2. | Second meeting of the SCC | 08-01-2024 & 09-01-2024 |
| 3. | Third meeting of the SCC | 28-03-2024 |



2/2

| | | |
|----|---------------------------|------------|
| 4. | Fourth meeting of the SCC | 14-05-2024 |
| 5. | Fifth meeting of the SCC | 30-07-2024 |
| 6. | Sixth meeting of the SCC | 24-09-2024 |

12. It is stated by the Applicant that the CD is having the assets in the form of Plant and machinery in scrap condition and the Liquidator in consultation with SCC, fixed the Reserve Price of Rs. 18.21 lakhs and issued public notice on 01.04.2024 in newspapers for e-auction of the assets of the CD. In response to the e-auction notice published, 6 bidders have participated in the e-auction which was conducted on 02.05.2024 and the highest bid received was Rs.25,11,000/- against reserve price of Rs.18,21,000/- which is 138% of the reserve price. M/s Umang Enterprises, Mumbai was declared as the highest bidder. Pursuant thereto, a letter of intent was issued to the successful Bidder on 04-05-2023.
13. The successful bidder has paid 25% of the bid amount by 10-05-2024 and the entire bid amount by 01-06-2024 as per the timeline fixed for payment in the Letter of Intent issued to the successful Bidder. Consequently, the sale certificate has been issued to the Successful bidder on 05-06-2024 by the Applicant and the auctioned liquidation assets were handed over to the highest bidder on 05-06-2024. The progress and events of the E-auction process and proposed distribution of amounts realized were brought to the notice of the SCC in its meetings held on 14-05-2024 and 30-07-2024.



Handwritten signature or initials.

Handwritten number '151'.

14. The realized amount was distributed on 25.08.2024 as per the provisions of Section 53(1) of IBC, 2016
15. It is stated that the last date for Liquidation process of one year was 03-10-2024. However, there was a delay of 23 days in filing the dissolution application. According to the Applicant the delay is on account of late receipt of GST registration from the GST Department on 27-08-2024. The record reveals that an application bearing IA (IBC) 2259/2024 for condonation of delay of 23 days in filing the instant application was allowed on 13.11.2024.
16. In the light of above facts and circumstances of the case, the only point that emerges for consideration of the Tribunal is

Point:

“Whether the Corporate Debtor can be dissolved?”

17. We heard Ms. JVL Bharati, Ld. Counsel for the Liquidator and perused the record.
18. At the outset it may be stated that Section 54 of the IBC lays down the criteria for dissolution of the Corporate Debtor.

54-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



2/1

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.

19. Regulation 45 of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 reads as under:-

Regulation 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).]

20. The Liquidator is of the opinion that when there is nothing left to recover or realize, then it is a futile exercise to continue with the Liquidation Proceedings. Hence prayed this Tribunal to order dissolution of the Corporate Debtor Company.

21. According to the Liquidator, the assets of the Corporate Debtor have been completely liquidated and the Liquidation proceeds have been distributed as per Section 53(1) of the IBC, 2016. Further, the



15

liquidation bank account is closed and an amount of Rs. 1,20,000/- has been kept aside to meet post dissolution order expenses. It has been further stated by the Ld. Liquidator Mr. Gullapalli Kishore Babu on 17.01.2025 that out of Rs. 1,20,000/-, approximately Rs. 50,000/- has already been spent and Rs. 70,000/- is lying with the Liquidator to be appropriated towards the expenses and the remaining amount will be distributed between the Resolution Professional and Liquidator as resolved in the 5th SCC meeting.

22. It is further stated in the present Application that IA No. 152 of 2020 is pending before the II Additional District Judge, Sangareddy, wherein a fresh hearing has been sought in O.S. No. 133 of 2012 between M/s DBS Bank (Operational Creditor) and the Corporate Debtor, in view of the order dated 02.12.2022 passed by the Hon'ble High Court for the State of Telangana in CRP No. 1895 of 2022.
23. The pendency of the said civil suit was brought to the notice of this Bench on 09.07.2025, on which date learned Counsel for the Liquidator submitted that an application seeking withdrawal of the civil suit has already been filed and is presently pending adjudication before the said Court.
24. Further, pursuant to the directions of this Tribunal dated 09.12.2025, the Liquidator clarified vide memo dated 12.12.2025 that the liquidation account maintained with Standard Chartered Bank was closed on 23.10.2024 and the closure certificate is filed at page 76 of the Application. As regards the pending suit, it was stated that DBS



2/

Re

Bank, being an SCC Member, participated in the 6th SCC meeting held on 24.09.2024, wherein the SCC, after noting completion of liquidation, advised the Liquidator to file the present application for dissolution.

25. In view of the fact that the liquidation of the Corporate Debtor has been duly completed in accordance with the provisions of the Code, we are of the considered view that the pendency of litigation which is filed by DBS Bank (One of the SCC Members) need not come in the way of completion and closure of the liquidation process under the IBC as no purpose would be served in keeping the Corporate Debtor alive, and therefore the Corporate Debtor is liable to be dissolved.

26. We are satisfied that the criteria laid down under law has been fully complied with. As such, the Corporate Debtor is liable to be dissolved. Hence, we hereby order dissolution of the Corporate Debtor as under:

(i) The Corporate Debtor/M/s **EBC BEARINGS (INDIA) LIMITED** stands dissolved from the date of this Order, in terms of Section 54(1) of IBC, 2016, and the Liquidator stands relieved.

(ii) We direct the Liquidator to deposit Rs. 70,000/- lying in his bank account towards post dissolution expenses, to the creditor's account.

(iii) The Liquidator is directed to send the copy of this Order within 7 days from the date of pronouncement to the Registrar of Companies, Hyderabad.




21
1

Handwritten signature or initials.

- (iv) Upon dissolution of the Corporate Debtor, the records of the Company which are in possession of the Liquidator, will be retained both in physical as well as electronic form as per Regulation 39A of the CIRP Regulations.
- (v) The Registry is also directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data.
- (vi) A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
- (vii) In terms of the above, IA (Diss) No. 23 of 2024 filed by the Liquidator appointed for **M/s EBC BEARINGS INDIA LIMITED** (Corporate Debtor) for dissolution of the Company under Section 54 (1) of IBC, 2016 stands disposed of accordingly. Since the Corporate Debtor stood dissolved vide this order and no proceedings are now pending, therefore, the Registry is directed to consign the file to records.


(SANJAY PURI)
MEMBER (TECHNICAL)




(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)


21/01/2026
Deputy Registrar / Assistant Registrar / Court Officer
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रति
CERTIFIED TRUE COPY
केस संख्या
CASE NUMBER. CP (IB) NO. 115/7/HDB/22
निर्णय का तारीख
DATE OF JUDGEMENT. 20.1.26
प्रति तैयार किया गया तारीख
COPY MADE READY ON. 21.1.26