



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**JAIPUR BENCH**

**CORAM: SHRI DEEP CHANDRA JOSHI,**  
**HON'BLE JUDICIAL MEMBER**

**SHRI PRASANTA KUMAR MOHANTY,**  
**HON'BLE TECHNICAL MEMBER**

**IA (IBC) No. 296/JPR/2022**  
**In CP No. (IB) 164/9/JPR/2019**

**IN THE MATTER OF:**

**M/S ELTECH ELECTRO-CONTROLS PVT. LTD.**

**...Operational Creditor**

**VERSUS**

**M/S DIGICONTROLS NORTHERN PVT. LTD.**

**...Corporate Debtor**

**IA (IBC) No. 296/JPR/2022**

**MEMO OF PARTIES**

**Digicontrols Northern Pvt. Ltd. (In Liquidation)**

Shop No. 46, Arcade Market,  
Omaxe Panorama City, Alwar  
Road, Bhiwadi, Rajasthan- 301018  
CIN: U72100RJ1987PTC004108

**... Applicant**

For the Applicant : Ranjeet Kumar Verma, Adv.  
Joginder Kumar Choudhary, in person

**Order Pronounced On: 29.07.2022**

**ORDER**

**Per: Shri Deep Chandra Joshi, Judicial Member**



1. This Interim Application ('IA') has been filed by Ranjeet Kumar Verma ('Applicant'), the Liquidator of M/s Digicontrols Northern Private Limited ('Corporate Debtor') under Section 54(1) of Insolvency and Bankruptcy Code, 2016 (the 'Code'/ 'IBC') read with Rule 11 of National Company Law Tribunal Rules, 2016 ('NCLT Rules') and Regulations 45(3)(b) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 ('Liquidation Regulations') seeking directions for early dissolution of the Company.
2. The Adjudicating Authority *vide* Order dated 11.10.2019 admitted the Application under Section 9 of the IBC, filed by the M/s Eltech Electro-Controls Private Limited ('Operational Creditor') against the Corporate Debtor in the matter mentioned above. Since no Resolution Plan was received by the Resolution Professional, the Committee of Creditors ('CoC') in the fourth meeting conducted on 06.03.2020, unanimously resolved to liquidate the Corporate Debtor. Subsequently, *vide* Order dated 11.03.2021, the Corporate Debtor was directed to be liquidated.
3. The Applicant has moved the present Application on the following set of facts:
  - a. That Form B was issued and published on 26.03.2022, whereby the Liquidator received no claim either physically or through e-mail.



- b. The First Progress Report was filed on 23.04.2022. Subsequently, an E-Auction notice was published in the newspaper on 27.04.2022, giving details of the E-Auction scheduled to be held on 03.05.2022. The Assets were sold to the bidder at Rs. 1,15,000/- (Rupees One Lakh Fifteen Thousand Only), closing the auction process.
  - c. The preliminary and final report dated 24.05.2022 has been submitted, giving the details of the liquidation process conducted from 11.03.2022 to 23.05.2022. It is also stated in the report that all assets of the Corporate Debtor have been disposed of. The Liquidator has submitted the Final Report with the Registrar of Companies *vide* Form GNL-2 dated 24.05.2022.
  - d. The liquidation cost has been fully recovered through the sale proceeds of the assets and is in the process of applying to the Bank for closure of the Liquidation Account.
4. The Liquidator appointed in this regard has submitted during the course of arguments that as per Regulation 14 of Liquidation Regulations, the Liquidator can approach the Adjudicating Authority for early dissolution of the Corporate Debtor in certain specified circumstances. The Application for the dissolution of the Corporate Debtor has been moved under proper norms, and in compliance with the directions of this Adjudicating Authority, a final report and Form-H have also been



attached in the instant Application. Furthermore, no further investigation is required into the affairs of the Corporate Debtor, and if the liquidation process continues, it may result in an increase in cost that cannot be compensated with liquidation cost.

5. This Adjudicating Authority has perused all the relevant papers and found them in Order. The Registered Office of the Respondent is situated in Bhiwadi; therefore, this Adjudicating Authority has jurisdiction to entertain and try this Application. The matter is within the purview of the Law of Limitation.
6. The early dissolution of Corporate Debtor is provided under Regulation 14 of the Liquidation Regulations, which is provided below for ease of reference:

*“14 Early dissolution: Any time after the preparation of the Preliminary Report, if it appears to the Liquidator that-*

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

7. The Final Report submitted by the Applicant shows that all the costs towards E-auction, advertisement, and expenses towards the ongoing proceedings at NCLT, Jaipur and Liquidator’s fees were covered through the liquidated estate of the Corporate Debtor. In the present Application,



the sale proceeds of the Corporate Debtor's assets were adequate to meet the liquidation cost. However, no monies were left for appropriating debts of the Corporate Debtor's creditors. The liquidation process is completed within three months from the commencement of the liquidation process.

8. In the light of the aforementioned facts, it is noticed that since there is no possibility to continue the liquidation process of the corporate debtor in the absence of any assets/documents/records and personnel of the corporate debtor, it is just and equitable to allow the prayer of the Applicant. Furthermore, there are no pending litigations against the Corporate Debtor.
9. Consequently, it is not only just and equitable, but also necessary as no sale proceeds are available to satisfy the creditor's dues(s). The present case falls within the parameters of Regulation 14 of Liquidation Regulation and is a fit case for Order of dissolution—the Corporate Debtor M/s. Digicontrol Northern Pvt. Ltd. stands 'Dissolved' from the date of this Order.
10. Since the Company stands Dissolved *vide* this Order and no proceedings are pending, the Registry is directed that the case file be consigned to records. The Liquidator is required to complete the process of the closure of the Bank Account used for the Liquidation purposes and file necessary documents in this regard with the Registry in due course.



11. Copy of this Order shall be forwarded within 15 days to the concerned authorities and the Registrar of Companies having jurisdiction for further necessary action as prescribed under Law.

DEEP  
CHANDRA  
JOSHI

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**(DEEP CHANDRA JOSHI)**  
**JUDICIAL MEMBER**

PRASANTA  
KUMAR  
MOHANTY

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**(PRASANTA KUMAR MOHANTY)**  
**TECHNICAL MEMBER**