



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
NEW DELHI  
BENCH-VI**

**I.A- 3254/ND/2021  
IN  
CP(IB)-271/ND/2019**

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

**In the matter of:**

**M/s. Budge Budge Company Ltd.**

..Operational Creditor

**Versus**

**M/s. UTM Packaging (India) Private Limited**

...Corporate Debtor

**And**

**In the matter of**

**Mr. Rajan Das Gupta**

.. Applicant

**CORAM:**

**SHRI. BACHU VENKAT BALARAM DAS, MEMBER (JUDICIAL)**

**SHRI. RAHUL BHATNAGAR, MEMBER (TECHNICAL)**



## **Appearance**

**For the Applicant:** Mr. Rajan Das Gupta, Liquidator

## **ORDER**

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

**Date of pronouncement: 04.05.2023**

1. This application bearing I.A. 3254/ND/2021 in CP(IB) 271/ND/2019 has been filed by the Liquidator under Section 54 of the Insolvency & Bankruptcy Code, 2016 (hereinafter referred to as IBC, 2016) for dissolution of the Corporate Debtor.
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 28.08.2019 and the Applicant Mr. Rajan Das Gupta (Registration No: IBBI/IPA-002/IP-N00906/2019-2020/12920) was appointed as IRP from the IBBI approved panel.
3. That the sole financial creditor, M/s. India Infoline Finance Limited withdrew its claim from the CIRP, therefore, in



compliance with NCLT's order dated 04.02.2020, the IRP duly reconstituted the Committee of Creditors ("CoC") with existing three (3) operational creditors.

4. During Second meeting of CoC held on 18.02.2020, the IRP was confirmed and appointed as the Resolution Professional ("RP") for Corporate Insolvency Resolution Process by the CoC by 100% majority in accordance with the provisions of Insolvency and Bankruptcy Code, 2016.
5. That advertisement inviting expression of interest ("EOI") in accordance with the provisions of Section 25(2) (h) of IBC read with Regulation 36A of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process For Corporate Persons), Regulations ("CIRP Regulations") was published on 01.04.2020. The last date for the submission of EOI was 17.04.2020. The last date of submission of the resolution plan as per Request For Resolution Plan ("RFRP") was 01.06.2020. However, no resolution plan was ever received by the RP.



6. That, based on facts and circumstances of the present case, during the 5<sup>th</sup> meeting of CoC, a consensus amongst majority of members emerged that after making all attempts to revive the Corporate Debtor, there remained no option but to liquidate the Corporate Debtor. Accordingly, in terms of the mandate of Section 33 (2) of the IBC,2016, the CoC resolved by the voting share of 81.77% to liquidate the Corporate Debtor and resolved, instructed and authorised the RP to move an application for seeking an order for liquidation of the Corporate Debtor since no Resolution Plan was received and the extended timeline of CIRP also expired on 11.01.2021.
  
7. That based on the decision of CoC, erstwhile RP filed an application u/s 33(2) of IBC, 2016 for liquidation of Corporate Debtor.
  
8. That this Adjudicating Authority passed an order u/s 33(2) of IBC, 2016 to liquidate the Corporate Debtor on 05.02.2021 and the Applicant was appointed as Liquidator.



9. That Public announcement for invitation of claim in prescribed Form B was published in Financial Express (English) and Jansatta (Hindi) in Delhi NCR edition also at centralized platform managed by IBBI on 09.02.2021 for invitation of claims.

10. That as per Regulation 35 (2) of the Liquidation Regulations, since the registered valuers were already appointed and valuation was already done during the CIRP of the Corporate Debtor and there were no material tangible assets, therefore, this step was not required in the present case. The Corporate Debtor was earlier carrying out trading in jute and rice but stopped its business operations before 01.04.2019. Since then the Corporate Debtor had no business operations, no employees and no valuable assets. It merely had some very old dysfunctional computer, air conditioner and printer which did not even command any meaningful scrap value. The receivables shown in the financial statements of the Corporate Debtor were not realizable. The liquidation value determined by the two valuers of the Corporate Debtor during CIRP was mere Rs. 1,20,895/- which was not



realizable because it substantially consisted of unrealizable trade receivables.

11. That the Stakeholders Consultation Committee was constituted on 06.04.2021 comprising 2-Operational Creditors and 1-Shareholder.

12. That filing this application praying for dissolution is the last resort/option available with the Liquidator to wind up the proceeding of the Corporate Debtor in absence of any other mode for paying off the creditors of the Corporate Debtor and to save the valuable time of court as well as to avoid incurring extra liquidation expenses.

13. That the Liquidator as erstwhile RP had filed before NCLT, New Delhi, Bench-VI, three applications bearing IA No. 5056 of 2020, IA No. 5400 of 2020 and IA No. 5058 of 2020, which are applications under Section 60 (5) read with Section 43, 45, 49 and 66 of the IBC seeking appropriate orders and directions in relation to transactions that can be classified as preferential and/or undervalued transaction and/or transactions defrauding creditors and/or fraudulent/



wrongful trading carried out by Corporate Debtor before insolvency commencement date. However, all the Applications were dismissed as withdrawn vide order dated 03.01.2023 passed by this Tribunal.

14. That one of the operational creditors, namely Hooghly Infrastructure Pvt. Ltd., had also filed an application before this Tribunal for avoidable transactions. However, the same was dismissed on 03.12.2020. The aforesaid operational creditor had also preferred an appeal against the said order before the Hon'ble NCLAT, New Delhi which was dismissed for non-prosecution vide order dated 17.02.2023.

15. We have gone through the present Application filed by the Liquidator praying for closure of liquidation process and dissolution of the Corporate Debtor and in terms of 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.

16. 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.

17. 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.

18. That as required by Regulation 45(3) of IBBI (Liquidation Process) Regulations, 2016, Final Report was filed on 06.07.2021 and the same is taken on record by the Hon'ble Tribunal vide order dated 16.07.2021.

19. That no liquidation bank account was opened by the Liquidator since the company did not have any realizable assets.

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

21. 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.

22. That no application on PFUE Transactions is pending.



23. 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.

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

25. 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).”*

26. 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.

27. The Liquidation value as per the provisions of IBC, 2016 was Rs. 1,20,894/- and total realization on disposal of assets was Rs. 1667/-.

28. Since in the instant case, the Corporate Debtor has no assets 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)**