

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

**IA No. 1074 of 2022
in
CP (IB) No. 319/7/HDB/2020**

Application u/s 54(1) of IBC, 2016 r/w Regulation 45 of Insolvency &
Bankruptcy Board of India (Liquidation) Process) Regulations, 2016

In the matter of M/s Hindustan Ispat Private Limited

Mummaneni Vazra Laxmi
Liquidator for M/s Hindusthan Ispat Private Limited

Applicant/
Liquidator

Date of order: 16.12.2022

Coram:

Dr. N.Venkata Ramakrishna Badarinath, Hon'ble Member (Judicial)
Shri Charan Singh, Hon'ble Member (Technical)

Appearance:

For Applicant: Ms. Mummaneni Vazra Laxmi (Party in Person)

**PER: BENCH
ORDER**

1. This application is filed under Section 54(1) of the Insolvency & Bankruptcy Code, 2016 (herein after referred to as "CODE") r/w Regulation 45 of Insolvency & Bankruptcy Board of India (Liquidation Process) by the Liquidator appointed for M/s

Hindustan Ispat Private Limited, seeking dissolution of the Corporate Debtor/M/s Hindusthan Ispat Private Limited .

2. The averments in brief of the Application are that;
 - 2.1 This Tribunal vide order dated 23.02.2021 admitted the Company Petition CP (IB) No. 319/7/HDB/2020 filed under Section 7 of the Code by Bollina Uma Devi/ Financial Creditor and ordered initiation of Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor/M/s Hindusthan Ispat Private Limited and appointed Shri M. Madhusudhan Rao Gonugunta as Interim Resolution Professional (IRP).
 - 2.2 The Committee of Creditors (COC) in its 2nd meeting held on 28.04.2021 unanimously resolved to liquidate the Company as per Section 33 (2) of the Code and consequently, this Tribunal vide order passed in IA 225/2022 dated 01.10.2021 ordered liquidation of the Corporate Debtor and appointed Mrs. Mummaneni Vazra Laxmi as Liquidator.
 - 2.3 Pursuant to her appointment, the Liquidator caused publication in “Financial Express” and “Nava Telengana” newspapers on 30.10.2021 intimating the public about initiation of liquidation proceedings against the Corporate Debtor and inviting claims from the stakeholders.
 - 2.4 The Applicant herein verified and collated the claims and filed a list of stakeholders with this Tribunal on 10.01.2022 thereby complying with Regulation 31 of the Liquidation Regulations.
 - 2.5 The Liquidator subsequently filed preliminary report as required under Regulation 13 followed by Asset Memorandum as per Regulation 37 of the Liquidation Process Regulations.
 - 2.6 The Liquidator has filed three progress reports on the Liquidation process and final report along with Compliance Certificate in Form H. The Liquidator has paid all the CIRP costs and Liquidation expenses The Liquidator feels when there

is nothing left to recover or realise, then it is a futile exercise to continue with the Liquidation Proceedings. It is averred by the Applicant that there is no fixed assets in the Corporate Debtor and that there is no chance of reviving the Corporate Debtor as the liquidation value as per the valuation reports is only Rs. 16,029/-. Hence prayed this Tribunal to order dissolution of the Corporate Debtor Company.

3. At the directions of this Tribunal dated 31.10.2022, the Registrar of Companies {ROC (Hyderabad)} has filed his report No. ROCH/LEGAL/IBC-54(1)/073579/HIPL/TBR/2022/3528 dated 07.12.2022, inter-alia, stating as under:-
 - 3.1 The status of the Corporate Debtor as per MCA records is Active Compliant and “under liquidation”.
 - 3.2 There are no charges as per MCA 21 portal.
 - 3.3 The Company has filed its last annual statutory returns up to 31.03.2020 only.
 - 3.4 There are no ongoing inquiry, inspection or investigations as against the Company.
 - 3.5 Appropriate orders may be passed by the Hon’ble Tribunal on merits based on the final report submitted by the Liquidator.
 - 3.6 Necessary orders may be issued to the effect that upon dissolution of the Corporate Debtor, records of the Company be handed over by the Liquidator to the IBBI in terms of relevant provisions of the Insolvency & Bankruptcy Code, 2016, r/w Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
 - 3.7 The Liquidator be directed to file confirmation to this office after dissolution of the Corporate Debtor.
4. In the light of above facts and circumstances of the case, the only point that emerges for consideration of the Tribunal is

WHETHER THE CORPORATE DEBTOR CAN BE DISSOLVED?

5. We heard the Ld. Liquidator Mrs. Mummaneni Vazra Laxmi and perused the record.
6. 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 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.

7. 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).]

8. A perusal of the final report filed at page Nos. 30-36 filed by the Liquidator categorically discloses that the average value of the assets of the Corporate Debtor is valued @ Rs. 16,029/- and that the Corporate Debtor does not have any fixed assets and the balance in the current account was utilised for liquidation expenses and liquidator fee.
9. A perusal of the report of the ROC (H) does not specify any tenable objections for dissolution of the Corporate Debtor.
10. 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:-
 - 10.1 The Corporate Debtor/**M/s Hindusthan Ispat Private Limited** stands dissolved from the date of this Order, in terms of Section 54(1) of IBC, 2016, and the Liquidator stands relieved.
 - 10.2. 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.
 - 10.3 Upon dissolution of the Corporate Debtor, the records of the Company which are in possession of the Liquidator, be handed over by the Liquidator to the IBBI.
 - 10.4 The Registry is also directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data.
 - 10.5. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
 - 10.6. In terms of the above, IA No. 1074 of 2022 filed by the Liquidator appointed for M/s Hindusthan Ispat Private 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.

SD

(Charan Singh)

MEMBER (TECHNICAL)

SD

(Dr. N.Venkata Ramakrishna Badarinath)

MEMBER (JUDICIAL)

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