



IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT III

I.A. 4759/2023

In

C.P. No. (IB) 160/MB/C-III/2022

Under Section 54 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 45 of IBBI (Liquidation Process) Regulations, 2016 and Rule 11 of NCLT Rules, 2016.

In the matter of:

Mr. Prakash Dattatraya Naringrekar,

Liquidator of:

Tin Time Consultancy Private Limited,

Having its address at:

A-503, Blue Diamond CHS Ltd, Chincholi

Bunder, Link Road Junction, Malad West

Mumbai- 400 064

... Applicant/ Liquidator

AND

In the matter of:

Hubtown Limited

.... Financial Creditor

Versus

Tin Time Consultancy Private Limited

.... Corporate Debtor

Order pronounced on: 15.10.2024

Coram:

Hon'ble Ms. Lakshmi Gurung, Member (Judicial)

Hon'ble Sh. Charanjeet Singh Gulati, Member (Technical)



Appearances:

For the Applicant : C.S. Nithish Bangera

Per: Ms. Lakshmi Gurung, Member (Judicial)

1. The present application has been filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 (**'the Code'** / **'IBC'**) read with Regulation 45 of IBBI (Liquidation Process) Regulations, 2016 (**'Liquidation Regulations'**) by the Liquidator seeking an order of dissolution of M/s Tin Time Consultancy Private Limited (**'Corporate Debtor'**) and his discharge from the office of the Liquidator.
2. On an application filed under Section 7 of the Code by M/s Hubtown Limited (the **"Financial Creditor"**) this Tribunal, vide order dated 28.04.2022 admitted the petition and initiated corporate insolvency resolution process (CIRP) of the corporate debtor thus, appointing the applicant as the Interim Resolution Professional (**'IRP'**).
3. The Committee of Creditors (**'CoC'**), in its fourth meeting held on 27.09.2022 discussed and unanimously approved the Liquidation of the Corporate Debtor as no Expression of Interest was received.
4. Accordingly, on the application for liquidation under Section 33(2) of the Code, this Tribunal vide order dated **01.11.2022**, passed the order for liquidation of Corporate Debtor and appointed the applicant as liquidator (**'order for liquidation'**).
5. The Applicant issued the Public Announcement dated 17.12.2022, in Business Standard (English Edition) and Mumbai Lakshadeep (Marathi Edition) in Mumbai wherein the last date of submission of claims was 14.01.2023.



6. The applicant in compliance with Regulation 31A(6) of Liquidation Regulations convened the first meeting of Stakeholders Consultation Committee (**'SCC'**) on 21.12.2022 with the members of CoC as on that date, pending constitution of final SCC after receipt of claims till 14.01.2023.

7. The Applicant received the claims as follows: -

Sr. No.	Name	Claims received (Amount)	Claims verified under Regulation 12(2)(b) (Amount)
		<i>(in Rupees)</i>	
1.	Operational Creditors	0	0
2.	Financial Creditors	44,32,84,529	44,32,84,529
3.	Workmen and Employees	0	0
4.	Other Stakeholders	0	0

8. Finally, the SCC was constituted on 28.02.2023. The SCC comprised of M/s Hubtown Limited as financial creditors and Mr. Rajesh Doshi and Mr. Nishith Shah as the equity shareholders of the corporate debtor. The SCC held six meetings over a period of 21.12.2022 to 30.06.2023.

9. The Applicant in compliance with Regulation 13 of Liquidation Regulations filed a Preliminary Report along with Asset Memorandum which was taken on record by this Tribunal vide its order dated 13.03.2023.



10. According to the Asset Memorandum, based on the valuation reports of two valuers appointed by the applicant, the corporate debtor only had Cash and Bank Balance amounting to Rs. 2,27,513/-. Valuation of assets as per Regulation 35 of the Liquidation Regulations is as follows:-

Sr. No.		Market Value	Liquidation Value
1.	Agriculture Land	0	0
2.	Factory Land & Building	0	0
3.	Plant, Machinery, Furniture & Fixtures	0	0
4.	Trade Receivable	0	0
5.	Cash & Cash equivalent	2,27,513	2,27,513
6.	Short Term Loans & Advances	0	0
7.	Others (Please specify)	0	0

11. Following is summary of the minutes of the meeting of SCC as mentioned in Affidavit dated 01.01.2024, which was filed in compliance with the Tribunal's direction dated 15.12.2023: -

Particulars of Meetings	Date of Meeting	Main Agenda of discussion	Important decisions ratified	Whether any advice of SCC not complied by the Liquidator?
1 st SCC Meeting	21.12.2022	1. Compliance made by liquidator 2. Public Announcement in Form B 3. Filing of claims in Form D	Yes	No



			4. Opening New Bank Account		
2 nd Meeting	SCC	27.03.2023	1. Filing of progress report 2. Preparation of Assets Memorandum 3. Preparation of List of Stakeholders & Formation of SCC 4. Filling of Preliminary Report 5. Opening of New Account 6. Preparation of Account Closure of CIRP	Yes	No
3 rd Meeting	SCC	25.04.2023	1. Appointment of Statutory Auditor 2. Submission of Progress Report for the quarter ended 31 st March 2023 3. Payment of Liquidation Fees	Yes	No
4 th Meeting	SCC	18.05.2023	1. Canara Bank Transfer 2. Payment of Liquidator Fees 3. Payment to Auditor 4. Preparation of Accounts for further period	Yes	No
5 th Meeting	SCC	05.06.2023	1. Payment of balance amount in Bank Account	Yes	No
6 th Meeting	SCC	29.06.2023	1. Payment to Financial Creditor 2. To opted for early dissolution of the Corporate Debtor		



		3. Last Balance Sheet prepared and Audited	Yes	No
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12. In the 6th meeting of the SCC held on 29.06.2023, it was resolved to dissolve the corporate debtor as there were no assets for liquidation.
13. A Current Account - 003910200004046 was opened in the name of “*Tin Time Consultancy Private Limited – In Liquidation*” with IDBI Bank Limited at MIDC, Andheri Branch, Mumbai – 400 039 (**Bank Account**) as per Regulation 41(1) of Liquidation Regulations for the purpose of liquidation activities. The cash and bank balance was transferred to the Bank Account on 29.04.2023 and first distribution was made on 08.06.2023.
14. The Applicant has submitted the Final Report dated 11.09.2023 stating that there are no further assets left in the company for sale. The only current asset is bank balance as reflected in the Independent Auditor’s Report as on 11.09.2023 which is also annexed with the petition. According to the Audited Balance Sheet as at 11.09.2023, there are no assets except bank balance of Rs. 54,000/-.
15. The Applicant has settled the amount due to financial creditors against their admitted claims of Rs. 44,32,84,529/- by paying them Rs. 1,73,576.75 on 08.06.2023 after meeting its liquidation cost from the balance available in the Bank Accounts as disclosed in compliance certificate and is set out below:-

S.N.	Particulars	Amount (in Rupees)
1.	Liquidation Cost	53,936.25
2.	Financial Debts	1,73,576.75
<u>Total Amount Disbursed</u>		2,27,513.00



16. Further, quarterly progress reports dated 05.01.2023 and 15.04.2023 were submitted by the applicant as per Regulation 15 of Liquidation Regulations.
17. The Applicant has also annexed the Bank Closure Certificate dated 22.09.2023 issued by IDBI Bank declaring that the liquidation bank account of the corporate debtor stands closed as on 22.09.2023.
18. This Tribunal during the hearing held on 06.05.2024, had raised a concern pertaining to utilisation of loan borrowed by the corporate debtor as Rs. 44 Crores (approximately) but as on the date of CIRP, merely Rs. 2,27,513/- is left as 'cash/cash equivalent' as per balance sheet dated 11.09.2023. In reply to the said concern, the applicant has furnished the following clarification by way of affidavit dated 22.07.2024 as:
- i. Hubtown Limited had advance an amount of Rs. 70,51,00,000/- to 26 entities formed for the purpose of purchasing shares of Asmeeta Infratech Limited for Technology Park units at Bhiwandi.*
 - ii. Furthermore, the 26 entities were merged into 6 entities in April 2013, and these were further merged into a single entity, Tin Time Consultancy Pvt. Ltd, in April 2016.*
 - iii. Over the course of this arrangement, an amount of Rs. 29,70,94,016/- has been repaid from time to time, leaving a balance of Rs. 40,80,05,984/- due in the books of Tin Time Consultancy Private Limited The monies were advanced with the understanding that the shares of Asmeeta Infratech Limited would be sold by the aforementioned 26 entities and*



10% of the profit from the sale would be shared with Hubtown Limited. The principal amount of Rs. 70,51,00,000/- was to be repaid after eight years from the date of advance.

iv. However, due to various challenges and unforeseen circumstances, the overall project development costs (Technology Park units at Bhiwandi) increased substantially, leading to significant project losses.....

The explanation given is plausible and taken on record.

19. Further, the Applicant submits that there are no litigation or avoidance application pending in respect of corporate debtor. Hence, the applicant proposes to opt for early dissolution under Regulation 14 of IBBI (Liquidation) Regulations, 2016.
20. It was submitted that the Applicant has fulfilled all his duties as per the tenets of the Insolvency and Bankruptcy Code, 2016, and has complied with all the necessary obligations as per the timeline provided under Insolvency and Bankruptcy Board of India (Liquidation process) Regulation. 2016. Therefore, the Applicant is filing this present application seeking dissolution of the Corporate Debtor under section 54 of Insolvency and Bankruptcy Code, 2016.
21. We refer to Section 54 of IBC, 2016 and Regulation 45 of Liquidation 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).”

22. In accordance with the aforementioned provisions, this Tribunal is required to observe whether the assets of the corporate debtor are completely liquidated or not. With respect to the given case, we are satisfied that there are no assets left of the corporate debtor and the



proceeds thereof have been distributed in respect of the liability of Financial Creditors. The claims are settled with the distribution of liquidation estate of Rs. 1,73,576.75 to the financial creditor out of the total claim of Rs. 44,32,84,529/- in terms of Section 53 of the Code as on 08.06.2023. Further, there are no assets left of the corporate debtor and as a consequence this is a fit case for dissolution.

23. The Applicant has complied with Regulation 45 of Liquidation Regulations as filing the final liquidator's report before this Tribunal and other appropriate provisions of law as applicable, hence, we are inclined to allow the present application to dissolve the corporate debtor.
24. The Applicant further submits that all the compliances have been done by the Applicant as per the provisions/regulations envisaged in the Code, a copy of the compliance certificate in prescribed Form - H to the Final Report is annexed to this application.
25. As a consequence, through this Order it is hereby declared that since there is no substantial asset and bank balance available for the purpose of 'Liquidation' as reported by the Liquidator and it is apparent that no useful purpose would be served by keeping the corporate debtor alive. Thus, this is a fit case of a Corporate Debtor to be dissolved as prescribed under Section 54 of The Insolvency and Bankruptcy Code, 2016.
26. In view thereof, we are inclined to allow the present application to dissolve the Corporate Debtor under section 54 of Insolvency and Bankruptcy Code, 2016.

ORDER

27. Accordingly, we hereby order for the dissolution of the Corporate Debtor i.e. **Tin Time Consultancy Private Limited** with the following directions:

- i) The Corporate Debtor shall stand dissolved from date of this order.
- ii) The Liquidator, **Mr. Prakash Dattatraya Naringrekar** [IBBI/IPA-002/IP-N00270/2017-18/10783], is discharged from his duties and responsibilities as the Liquidator of the Corporate Debtor.
- iii) The Liquidator and the Registry are directed to forward a copy of this Order to the concerned authorities and the Registrar of Companies having jurisdiction and also to the IBBI, within 7 (seven) days from the date of receipt of this order, for further necessary action as prescribed under Law.

28. In the result, IA No. 4759 of 2023 is hereby **allowed and disposed** of and C.P.(IB)- 160 (MB)/2022 is hereby **closed**.

“Files be consigned to records.”

Sd/-

CHARANJEET SINGH GULATI
MEMBER (Technical)

--Akshita, L.R.A.--

Sd/-

LAKSHMI GURUNG
MEMBER (Judicial)