



**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENCH – V, NEW DELHI**

I.A- 1234/2022

IN

CP(IB)-441/PB/2018

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

IN THE MATTER OF:

BANK OF INDIA

...PETITIONER

Versus

M/S. ADVANCE NAVOTPAD SURFACTANTS LTD.

...RESPONDENT

AND

IN THE MATTER OF:

MR. SETHURATHNAM RAVI,

Official Liquidator of M/s. Advance Navotpad Surfactants Ltd.

50S-A, Fifth Floor, Rectangle I

District Centre, Saket

New Delhi-110017

Email-casravLip@gmail.com

...APPLICANT

Versus

M/S. ADVANCE NAVOTPAD SURFACTANTS LTD.

511/2/1, Village Rajkori

Delhi, New Delhi- 110038

Email-cs@advancegroup.biz

...RESPONDENT

Order Delivered on: 19.11.2024

CORAM:

SHRI MAHENDRA KHANDELWAL, HON'BLE MEMBER (JUDICIAL)

DR. SANJEEV RANJAN, HON'BLE MEMBER (TECHNICAL)



APPEARANCES:

For the Applicant : Sarwar Raza , Mr. Mohd. Waseem Akram,
Ms. Shreya Kumar, Advs

ORDER

PER: MAHENDRA KHANDELWAL, MEMBER (JUDICIAL)

1. This application bearing number I.A. 1234/2022 in CP(IB) 441/PB/2018 has been filed for dissolution of Corporate Debtor under Section 54 of the Insolvency & Bankruptcy Code, 2016 (hereinafter referred to as IBC) praying for the following reliefs:
 - a) *Pass appropriate orders for dissolution of the corporate debtor;*
 - b) *Pass an order to open the corporate liquidation account in the liquidation trust to receive any money recovered subject to the outcome of C.A. 270 of 2019 filed under section 66 (1) of the Code;*
 - c) *Pass any such other or further orders as this Adjudicating Authority may deem fit in the interest of justice and in the facts and circumstances of the present case.*
2. To put it briefly, the facts of the case are that the Application under section 7 of IBC for initiating CIRP was admitted by this Adjudicating Authority vide order dated 27.09.2018 and Mr. Sethurathnam Ravi was appointed as IRP. Subsequent vide order dated 23.01.2019 Mr. Sethurathnam Ravi was appointed as Resolution Professional (for brevity "RP").
3. Applicant submitted that the Committee of Creditors ("CoC") was held on 27.10.2018 wherein the claim of the sole financial creditor (i.e Bank of India) was admitted.



4. Applicant submitted that the Form G was published on 18.02.2020, in response to the publication dated 18.02.2020, the RP was received expression of interest “EOI” from KMG Industrial and Traders Private Limited and from KLJ Resources Ltd, however in 7th CoC meeting which was held on 19.06.2019, the members of the CoC rejected both the resolution plan and hence it was not passed.
5. Applicant further submitted that since there was no approved resolution plan available and maximum statutory period for completion of CIRP was expired on 24.06.2019, there was no option left but to apply for initiating liquidation process. Therefore the RP filed an application (IA No- 1177/PB/2020 under Section 33 (1) & 34 (3) for liquidation of Corporate Debtor and this Adjudicating Authority passed an order under Section 33 (2) to liquidate the Corporate debtor on 09.08.2019 and erstwhile RP was appointed as Liquidator.
6. Applicant submitted that pursuant to liquidation, public announcement in newspapers and at centralized platform managed by IBBI was issued on 14.08.2019 for invitation of claims.
7. As per the regulation 41 of the IBBI (liquidation process) regulations, 2016, the liquidator had opened a liquidation account for the purpose of receipt of liquidation proceeds.
8. Applicant submitted the final distribution of the funds to the stakeholders as per the provisions of Section 53 of the Code and as approved by the members of the stakeholders consultation committee which was completed on 11. 11.2021. The following is the final distribution made to stakeholders:

S.No	Particulars	Amount Claimed	Amount
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		(Rs.)	Distributed (Rs.)
1.	Bank of India	56,03,63,262.20	4,32,13,393.53
2.	Commercial Tax Department	13,60,065.00	NIL
3.	Supreme Engineers	9,41,859.00	NIL
4.	A.P.S. Enterprises	1,29,354.00	NIL
5.	Elent Electronics Pvt Ltd	27,941.00	NIL
6.	Suresh Chand	1,37,312.00	NIL
7.	Suresh Kumar Yadav	4,52,648.00	NIL
8.	Total	56,34,12,441.20	4,32,13,393.53

9. Applicant submitted that after the distribution the Liquidation account has been closed and confirmed by the Bank as closed.
10. 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.



- 11.** That Applicant/Liquidator has filed application(s) and various documents/Reports which were required to be submitted as per the provisions of IBC, 2016 read with relevant regulations.
- 12.** 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.
- 13.** That as required by Regulation 45(3) of IBBI (Liquidation Process) Regulations, 2016, Final Report has been filed by the Liquidator.
- 14.** That compliance report in form H in terms of regulation 45(3) was placed on record by the Applicant.
- 15.** Through an affidavit dated 24.04.2024, the Applicant submitted that the Bank of India, as the sole stakeholder, will pursue the avoidance application, i.e., CA/270/PB/2019 in CP(IB)-441/PB/2018, pending before this Adjudicating Authority, until its conclusion. After the dissolution of the Corporate Debtor, the Bank of India will bear all expenses associated with the said application.
- 16.** In the present application, the Applicant submitted that if any recovery of amounts or money is made in relation to Application No. C.A. 270 of 2019, it will be deposited into a corporate liquidation account, net of the liquidator's costs of managing the application pending before this Adjudicating Authority. The account will only be opened in the event of such a recovery
- 17.** That in view of the facts and circumstances, since the Applicant submitted that all the assets of Corporate Debtor have been completely liquidated and/ or distributed to stakeholders as the provisions of law



and there is nothing left to be further liquidated except the application bearing no. C.A. 270 of 2019.

18. In view of the facts and circumstances, the Applicant prayed that the Corporate Debtor may be dissolved under Section 54 of IBC, 2016.

19. 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).”

20. 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.

21. Since in the instant case as discussed above, all the assets of the Corporate Debtor have been liquidated 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.

22. Accordingly, there being no other impediment, the present Application is allowed and the Corporate Debtor is ordered to be dissolved with the immediate effect.

23. 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.

Let copy of the order be served to the parties.

Sd/-
(DR. SANJEEV RANJAN)
MEMBER (TECHNICAL)

Sd/-
(MAHENDRA KHANDELWAL)
MEMBER (JUDICIAL)