

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - II, CHENNAI
I.A (IBC) / 1039 (CHE) / 2023**

**In
IA / 264/IB/ 2020**

**In
CP/885/IB/2018**

*(Filed under Section 54(1) of the Insolvency and Bankruptcy Code, 2016
and Regulation 45(3) of the IBBI (Liquidation Process Regulations), 2016) read with
Rule 11 of the National Company Law Tribunal Rules, 2016)*

In the matter of M/s. MPL Cars Private Limited (IN LIQUIDATION)

Mr.K.Sivalingam,
Liquidator,
M/s.MPL Cars Private Limited
Flat No.1603, TuliveHirozon Residence,
16/1, Arunachalam Road,
Saligramam, Chennai-600093

... Applicant / Petitioner

Order Pronounced on 12th July 2024

CORAM

**SHRI. JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)
SHRI. RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)**

Present: -

For Applicant : M.L Ganesh, S. Arun Kumar.

ORDER

The present Application has been filed under Section 54(1) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as 'Code') and Regulation 45(3) of IBBI (Liquidation Process Regulations), 2016 (hereinafter referred to as 'Regulations') r/w Rule 11 of NCLT Rules, 2016 (hereinafter referred to as 'Rules') by the Liquidator seeking an order of dissolution of **M/s. MPL Cars Private Limited**, having CIN: U34103TN1999PTC042122 and Registered office at F1, Abul Regency, 1st

Floor, No.6., South mada street, Srinagar colony, saidapet, Chennai, Tamil Nadu India 600015 (hereinafter referred to as '**Corporate Debtor**').

2. It is stated that CIRP in respect of the Corporate Debtor was initiated on 13.08.2019 in CP/885(IB)/2018. Liquidation of the Corporate Debtor was ordered by this Tribunal vide order dated 27.01.2021 in IA/264/IB/2020 and the Applicant herein was appointed as the Liquidator.

3. It is stated that pursuant to the Liquidation order Applicant made public announcement inviting claims from the interested stakeholders in Financial Express (English) and Makkal Kural (Tamil) daily, Chennai edition on 13.02.2021. Last date for receiving claims 13.03.2021.

4. The applicant states that the liquidator has filed list of stakeholders on 26.04.2021 which is placed in page 29-35 of the typeset. It is submitted that no claims was received from any of the unsecured creditor, workman, employee, and shareholders, the List of stakeholders as averted in application is herein under,

Annexure-1																
Name of the corporate debtor: Mpl Cars Private Limited				Date of commencement of Liquidation: 27-01-2021						List of Stakeholders as on:05-04-2021						
List of Secured financial creditors																
(Amount in Rs)																
Sl. No.	Name of creditor	Identification No.	Details of claim received		Details of claim admitted						Amount of contingent claim	Amount of any mutual dues, that may be set-off	Amount of claim rejected	Amount of claim under verification	Remarks, if any	
			Date of receipt	Amount claimed	Amount of claim admitted	Nature of claim	Amount covered by Security Interest	Whether Security Interest Relinquished?(Yes/No)	Details of Security Interest	Amount Covered by Guarantee						% share in total amount of claims admitted
1	State Bank of India	AAACS8577K	26-02-2021	3740,77,288	3736,66,799	Secured	3736,66,799	NA	NA	3736,66,799	70.26%	NA	NA	4,10,489	NA	No tangible security is available
2	Suralsha Asset Reconstruction Limited	AAWCS2840C	23-02-2021	455,64,236	455,64,236	Secured	455,64,236	NA	NA	455,64,236	6.73%	NA	NA	-	NA	No tangible security is available
3	Sundaram Home Finance Limited	AAOCS4826J	06-03-2021	357,89,829	357,89,829	Secured	105,00,000	No	Incomplete flat at sholingalur, kancheepuram District	357,89,829	8.57%	NA	NA	-	NA	Tangible security - Flat
Grand Total					4554,31,353	4550,20,864	-	4297,31,035				85.96%				

5 It is submitted that applicant could not form liquidation estate as there are no asset in name of corporate debtor and under the custody of the liquidator.

6. Applicant has filed balance sheet of the corporate debtor as on 31.03.2021.

MPL CARS PRIVATE LIMITED F1, Abul Regency, 1st Floor, No.6, South Mada Street, Srinagar Colony, Saidapet Chennai 600015 BALANCE SHEET AS AT 31/03/2021 (UNDER LIQUIDATION)		
Particulars	Note No.	(Rs.) 31.03.2021
I. EQUITY & LIABILITIES		
1. Shareholder's Funds		
a) Share Capital	I	8,50,00,000
b) Reserves and Surplus	II	(61,03,43,846)
2. Share application money pending allotment		
3. Non Current Liabilities		
a) Long Term Borrowings	III	1,40,87,859
b) Deferred Tax Liabilities (NET)		-
c) Other Long Term Liabilities		-
d) Long Term Provisions		-
4. Current Liabilities		
a) Short Term Borrowings	IV	43,11,87,886
b) Trade Payables	V	1,62,13,454
c) Other Current Liabilities	VI	9,31,79,275
d) Short Term Provisions		-
TOTAL		2,93,24,629
II. ASSETS		
1. Non Current Assets	VII	
a) Property Plant and Equipment		
i) Tangible Assets (Land)		56,14,673
ii) Intangible Assets		-
iii) Capital Work In Progress (Flat under construction)		2,20,58,327
b) Non Current Investments		-
c) Deferred Tax Assets (Net)		-
d) Long Term Loans and Advances		-
e) Other Non Current Assets		-
2. Current Assets		
a) Current Investments		-
b) Inventories		-
c) Trade Receivables		-
d) Cash & Cash Equivalents	VIII	16,51,629
e) Short Term Loans and Advances		-
f) Other Current Assets		-
TOTAL		2,93,24,629
Significant Accounting Policies and Notes on Accounts and additional disclosures		
CHENNAI		
Date: 07/02/2023		

7. It is submitted that Liquidation account was opened on 09.03.2021 with state bank of India, Dasarathapuram branch Chennai. It is submitted that Liquidation account will be closed on receiving the dissolution order.

8. It is submitted that liquidator convened the stakeholders consultation committee members on 07.07.2022 where it was resolved to extend the liquidation period by six months up to 26.01.2023, In IA(IBC)/787/CHE/2022 vide order dated 16.08.2022 The liquidation period was extended for period of six months from 27.07.2022 to 26.01.2023.

9 Pursuant to that, it is submitted that Liquidator in compliance with regulation 13 and 34 of the liquidation regulation filed a Preliminary report detailing the Asset Memorandum of the Corporate Debtor.

10 It is stated that the Corporate Debtor has no realizable or salable assets, and continuing the process will only increase the cost of liquidation and hence the applicant has opted for the dissolution of the Corporate Debtor.

11. The Applicant/Liquidator in Form H and Closure report dated 22.03.2023 has stated the details of CIRP expenses and Liquidation cost and distribution to stakeholders as per section 52 and 53 of the code in the table as follows,

Sl. No.	Stakeholders* undersection 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	(a): CIRP Costs	2278450	2278450	2278450	100%	Nil
2	(a): Liquidation Costs (Total)	663772	663772	663772	100%	Nil
3	(b)(i) Liquidator fee	2,00,000	2,00,000	2,00,000	100%	Nil
4	(b)(ii) Support team fee	1,77,000	1,77,000	1,77,000	100%	Nil
5	(c) Advocate fee for Sec 66	37,500	37,500	37,500	100%	Nil
6	(d) Advocate fee for Labour court	10,000	10,000	10,000	100%	Nil
7	(e)(i) Advocate fee for Arbitration case in High Court	1,10,000	1,10,000	1,10,000	100%	Nil
8	(e) (ii) Advocate fee for filing Caveat in High Court	5,500	5,500	5,500	100%	Nil
9	(f) Audit fee for receipt and payments	16,804	16,804	16,804	100%	Nil
10	(g) Fee for Filing IA in NCLT	5,021	5,021	5,021	100%	Nil
11	(h) Advocate fee for filing Dissolution application	0.00	0.00	0.00	100%	Nil
12	i) Advocate fee for Extension of Liquidation period	88110	88110	88110	100%	Nil
13	J) Paper publication for claim submission	10819	10819	10819	100%	Nil
14	K) Bank charges & other expenditure	3018	3018	3018	100%	
Total		2942222	2942222	2942222	100%	Amount collected Rs 2943429. Balance in liquidation account Rs 1207/-.

12. In the Audited Receipts & Payments filed by the Liquidator dated 29.04.2023, the details of the Receipts and Payments till 31.03.2023 have been tabulated and same are below,

Mr. P. SIVALINGAM - RP & NOW LIQUIDATOR MPL CARS (P) LTD Receipts and payments Account for the period upto 31/03/2023 (LIQUIDATION PERIOD)			
Receipts	Amount in Rs	Payments	Amount in Rs
Opening Balance		CIRP Fees	804250
Balance with Bank - SBI (07619)	379689	Support team fee	895250
		Paper publication fee	10819
		TDS for RP and team	97500
		TDS for Advocate Fee	22750
Transfer from MPL cars (p) Ltd	12,921	Advocate fee for caveat petition	5500
Interest from FD	59581	Advocate fee for Liquidation extrn	80110
BG Margin Closure (IDBI Bank)	2491238	IA fee	2021
		Advocate fees for High court case	99,000
		Audit fee	16,804
		Fee to advocate for avoidance transaction	33,750
		Bank charges	2,636
		Reimbursement of CIRP cost to SBI & Others	8,61,450
		Labour court fee	10,000
		Postal Charges	1,050
		Closing Balances	
		Balance with Bank - SBI (98103)	539
	29,43,429		29,43,429

13. Heard the submissions made by the Learned Counsel for the Applicant and perused the documents on record. It can be seen from the Liquidator's closure cum progress report and Form H (Compliance Certificate) that there is no Liquidation estates with the Corporate Debtor.

14. In the Compliance Certificate filed in Form-H by the Applicant, there is no record about the PUFEE transactions in the Corporate Debtor.

15. From the submissions of the Counsel and on perusal of the records we find that there are no realizable assets in the Corporate Debtor.

For ready reference the relevant provisions are extracted herein under,

Section 54 of the IBC, 2016 provides as follows: -

"Section 54

- (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."

Regulation 14 of the IBBI (Liquidation Process) Regulation 2016 reads as follows,

"Regulation 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."*

Regulation 45 of the IBBI (Liquidation Process) Regulation 2016 reads as follows,

"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).

16. Going through the above provisions, the Circumstances prevailing and records placed before, this Tribunal, we find that it would be just and proper to order for the dissolution of the Corporate Debtor as per Section 54 of the Code.

17. Accordingly, we order the dissolution of the Corporate Debtor viz., ***M/s. MPL Cars Private Limited***. It is ordered to close the bank account and any other account in the name of the company, The Liquidator is directed to forward a copy of this Order to the RoC concerned and also to the IBBI for its

records and for updating the status of the Corporate Debtor on the 'MCA Master data' within a period of 7 days from the date of this Order.

18. Accordingly, IA (IBC)/1039(CHE)/2023 in IA/264/IB/2020 stands *Allowed* and disposed of.

-SD-

RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

-SD-

JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)

Rannika