



NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH, COURT V

Under section 54(1) of the Insolvency & Bankruptcy Code, 2016
Read with Rule 11 of the National Company Law Tribunal Rules, 2016

IA/970/2024

In

CP(IB)/645(MB)2020

[Under Section 54(1) of the Insolvency and
Bankruptcy Code, 2016]

S. Gopalkrishnan

Resolution Applicant of M/s. Wadhawan Global
Hotels and Resorts Pvt. Ltd. Having registered
Address at 203, The Ghatkokpar Neelkanth CHS Ltd.
Jethabhai Lane, Ghatkopar (East), Mumbai-400077.

.....RP/Applicant

Versus

M/s. Wadhawan Global Hotels and Resorts Private
Limited (In Voluntary Liquidation)

...Respondent

In the matter of

Richa Pruthi Proprietor of System Tech

.....Operational Creditor

Versus

M/s. Wadhawan Global Hotels and Resorts Private
Limited.

.....Corporate Debtor

Order Delivered on: 23.09.2024.

Coram:

Hon'ble Reeta Kohli, Member (Judicial)

Hon'ble Madhu Sinha, Member (Technical)



Appearances through VC/Physical/Hybrid Mode:

For the Petitioner: Adv. Sarthak Utangale (PH)

ORDER

Per: Ms. Reeta Kohli, Member (Judicial)

1. The prayers in the present Applicant are as follows:
 - a) *That this Hon'ble Tribunal be pleased to order and approve early dissolution of the Corporate Debtor with immediate effect under Rule 14 of the IBBI (liquidation process) Rules, 2016 read with Rule 11 of NCLT, Rules, 2016.*
 - b) *That this Hon'ble Tribunal be pleased to direct the CoC to pay an amount of Rs. 4,01,450/- to the Applicant towards the CIRP cost and other expenses.*
 - c) *That this Hon'ble Tribunal be pleased to direct that any liability of the Company including contingent liabilities (present and future), Bank Guarantees, etc shall stand extinguished and no sought of claim shall be there against the Corporate Debtor or the Financial Creditor.*
2. The present Application has been filed seeking early dissolution of the Corporate Debtor before undergoing the Liquidation Process and a direction to the CoC for CIRP Cost.
3. Ms. Richa Pruthi, proprietor of System Tech filed a Company Petition viz C.P.(IB) No. 645/IBC/MB/2020 against the Corporate Debtor under Section 9 of the Insolvency and Bankruptcy Code, 2016. By an order dated 17.03.2023, passed in the said Petition, CIRP was initiated against the Corporate Debtor and the



Applicant was appointed as the IRP.

4. On 19.03.2023 the IRP made a public Announcement in the prescribed form in English and Marathi Newspapers, to invite claim from public at large, as contemplated under Section 13(1)(3), of the Code.
5. After invitation of claims from the creditors of the Corporate Debtor Applicant constituted the Committee of Creditors ("CoC), comprising of the sole Financial Creditor i.e. Punjab National Bank with 100% voting rights. The report of the constitution of CoC was filed with this Hon'ble Tribunal Dated 08.04.2022.
6. The details of the Creditors are as follows.

Sr. No	Name of the Creditor	Nature/type of Creditor (FC/OC)	Amount of Claim (In Rs.)	Security Interest
1.	Punjab National Bank	Financial Creditor	1,21,70,929	Yes
2.	Eknath Kohad	Operational Creditor (Employees)	8,60,168	
3.	Devendra Bajad	Operational Creditor (Employees)	9,37,234	
4.	Arbinda Biswal	Operational Creditor (Employees)	4,50,000	
5.	Ravindra Gamre	Operational Creditor (Employees)	4,50,000	
6.	The Commissioner Of Customs NSII, Nhava Sheva	Operational Creditor (Government Dues)	47,04,63,000 admitted claim:- 12,81,54,767	
7.	Creative India,	Operational	46,35,195	



	through Proprietor Ms. Rachna Gupta	Creditor (Others)		
8.	M/S System Tech through Proprietor Ms. Richa Pruthi.	Operational Creditor (Others)	47,62,687	

- 7.** The first meeting of CoC was held on 18.04.2023. In the said meeting the IRP was informed that all the assets of the Corporate Debtor have already been sold. There were no remaining assets of the Corporate Debtor except a stolen car, which was subsequently found in a broken condition. It was also informed that the Books of Accounts of the Corporate Debtor were not prepared after the financial year 2017-2018 and that the annual returns were not filed with the Ministry of Corporate Affairs. The suspended management of the Corporate Debtor was not traceable since most of the directors were already in behind bars. The two available directors were appointed much after the Corporate Debtor stopped functioning and hence they have no information about the Corporate Debtor. The office premises of the Corporate Debtor were sealed by the CBI in some ongoing investigation. In such circumstances, it was resolved by the CoC to go for liquidation. It was also resolved to sell the only asset i.e. the car prior to liquidation.
- 8.** The Second CoC meeting was held on 08.06.2023 whereby it was resolved to nominate the Applicant as the proposed liquidator of the Corporate Debtor.
- 9.** Accordingly, on 12.10.2023, the Applicant filed an Application viz. Interlocutory Application No. 4286 of 2023 under Section 33(2) of the IBC, 2016 in this Hon'ble Tribunal seeking approval for liquidation of the Corporate Debtor. The Applicant craves leave to refer to and rely upon the said Interlocutory Application.



- 10.** During the pendency of the said Application, in accordance with the resolution passed by the CoC, the Applicant sold the motor vehicle Maruti ECO-7 Seater W/o A/C bearing No. MH 14 GY 4383, to one Mr. Vinod Kumar Yadav at a sell price of Rs. 1,20,000/-
- 11.** The sixth meeting of CoC was held on 02.01.2024. In the said meeting the Applicant informed the CoC that the sale proceeds from the car shall be utilized towards the pending CIRP cost. Thereafter, the Applicant put up a proposal for early dissolution of the Corporate Debtor. Considering that there were no remaining assets of the Corporate Debtor and that the files of the Corporate Debtor were lying with the CBI resulting into the state of Limbo of the CIRP, the CoC resolved to go for the early dissolution under Rule 11 of the NCLT Rules, 2016 of the Corporate Debtor.
- 12.** There are no remaining assets of the Corporate Debtor which can be sold by the proposed Liquidator during Liquidation. Hence the entire liquidation process would be a futile attempt and even the expenses of the Liquidation and that of the Liquidator would not be recovered.
- 13.** The Rule 14 of the IBBI (Liquidation process) Rules, read with Rule 11 of NCLT Rules, 2016 empowers this Hon'ble Tribunal to approve early dissolution in the interest of justice, the same is reproduced herein below.

“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”.

- 14.** Till date, the Applicant has incurred expenses to the tune of Rs. 16,56,890/- for the Corporate Debtor. However, an amount of Rs. 4,01,450/- is yet to be paid to the Applicant towards his fees and other expenses. Therefore, it is necessary to direct the CoC to clear the dues of the Applicant by paying an amount of Rs. 4,01,450.
- 15.** The Applicant craves leave to refer to and rely upon other grounds with leave of the Hon’ble Tribunal.

ORDER

- 16.** Since there are no assets with the Corporate Debtor as stated by the RP and also by the CoC that there are insufficient funds to meet the full CIRP cost as well as Liquidation cost, therefore provisions of section 54 of the Code and also that of Regulation 14 of the IBBI (Liquidation Process) Regulations, 2016 would be deemed to have been complied with.
- 17.** In view of the above facts and circumstances, this Adjudicating Authority in exercise of the powers conferred under sub-section (2) of section 54 of the Code hereby orders the dissolution of the Corporate Debtor, viz., **M/s. Wadhawan Global Hotels and Resorts Private Limited** from the date of this Order, and the



Corporate Debtor stands dissolved. Consequently, RP stands relieved subject to procedural compliances.

18. The Resolution Professional and the Registry are directed to serve a copy of this order upon the Registrar of Companies, Mumbai, immediately and, in any case, within fourteen days of receipt of this order.
19. The Registrar of Companies shall take further necessary action upon receipt of a copy of this order.
20. Accordingly, the IA(IBC)/970 of 2024 in CP(IB)/645 of 2020 is **allowed** and **disposed of**.
21. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsels for information and for taking necessary steps.
22. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

Sd/-
MADHU SINHA
Member (Technical)

Sd/-
REETA KOHLI
Member (Judicial)

//Ziyaul/Anmol//