

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
CUTTACK BENCH  
CUTTACK**

**IA (IB) No. 114/CB/2023**

**In**

**CP (IB) No. 135/CTB/2019**

*In the matter of:*

An application for the dissolution of the corporate debtor by the Liquidator under Section 54 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 read with Rule 11 of the NCLT Rules, 2016;

-And-

*In the matter of:*

**Mr. Gagan Bihari Bhuyan, Liquidator of Maa Tarini Industries Limited, Flat No- 2162, 15<sup>th</sup> Floor, 2<sup>nd</sup> tower, DN Oxy Park, Dumduma, Bhubaneswar (M.C), Khordha, Dumuduma, Housing Board Colony, Odisha- 751 019;**

**...Applicant/Liquidator**

-In-

*In the matter of:*

**PEC Limited;**

**...Financial Creditor**

-Versus-

**Maa Tarini Industries Limited,**

**...Corporate Debtor**

*Coram:*

**Shri P. Mohan Raj** : **Member (Judicial)**

**Shri Kaushalendra Kumar Singh** : **Member (Technical)**

*Appearances: (through hybrid mode)*

For the Applicant : Mr. Sanjeev Panda, Adv for  
Mr. Gagan Bihari Bhuyan,  
Liquidator.

**Order pronounced on: 19.02.2024**

**ORDER**

1. The instant application is filed by **Mr. Gagan Bihari Bhuyan**, Liquidator of **Maa Tarini Industries Limited** (for brevity "**Corporate Debtor**") under Section 54 of the Insolvency and Bankruptcy Code, 2016 read with rule 11 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (**Liquidation Process Regulations**) seeking an order for the dissolution of the Corporate Debtor.

**2. The facts as mentioned in the application are briefly as follows:**

- i. The Financial Creditor PEC Limited had filed an application i.e., **CP (IB) No.135/CTB/2019** under Section 7 of IBC, 2016 for initiating Corporate Insolvency Resolution Process (**CIRP**) against the Corporate Debtor / **Maa Tarini Industries Limited** which was admitted by this Adjudicating Authority *vide* order dated 26.07.2021 wherein Mr. Sanjit Kumar Nayak was appointed as Interim Resolution Professional (**IRP**). In the 1<sup>st</sup> CoC meeting held on 20.08.2021, the CoC resolved to appoint Mr. Sunder Khatri as Resolution Professional (**RP**).
- ii. In pursuance of CIRP order the IRP effected public announcement in **Form A** on 29.07.2021 in "**Business Standard**" (English Edition) and "**Odiya Bhaskar**" (Oriya Edition). In response to the said newspaper publications, the claim received from PEC Limited, the only financial creditor and CoC was constituted with sole financial creditor.
- iii. Further, the IRP called for EOI in Form G as prescribed under Regulation 36A of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation 2016. The Publication was effected on 17.01.2022 in "**Business Standard**" (English Edition) and "**Odiya Bhaskar**" (Oriya Edition),

fixing last, date for submission of EOI as 01.02.2022, and last date for submission of resolution plan as 14.03.2022, in response to publication the four prospective resolutions were received. Out of four only one person M/s Sponge Sales India Pvt Lts; had submitted valid EOI.

- iv. No Resolution Plan was received by the Resolution Professional, thereafter, the CoC decided to liquidate the Corporate Debtor. In the 11<sup>th</sup> CoC meeting held on 25.05.2021, the CoC with 100% voting resolved to liquidate the corporate debtor. This Adjudicating Authority *vide* order dated 13.07.2022 in **IA (IB) No. 176/CB/2022** passed an order of liquidation of the corporate debtor and appointed **Mr. Gagan Bihari Bhuyan**, (Applicant herein) having Registration No. **IBIB/IPA-002/IP-N00928/2020-21/13029** as liquidator for the corporate debtor.
- v. The Liquidator made a public announcement in **Form-B** on 19.07.2022 in “*Orissa Post*” (English Edition) and “*Pratidin*” (Odiya Edition). In response to the said newspaper publications, two claims were received. The stakeholders have submitted their claims, which were verified by the liquidator, and submitted a list of Stakeholders before the Adjudicating Authority on 11.11.2021 as per Regulation 31 of the Liquidation Regulations. Thereafter, the applicant herein constituted the Stakeholder Consultation Committee (“**SCC**”) on 23.09.2022 as per Regulation 31A (1).
- vi. The 1<sup>st</sup> meeting of the Stakeholders Consultation Committee (“**SCC**”) of corporate debtor held on 23.09.2023 which was attended by the liquidator along with Mr. Anand Mohan, the representative of PEC Ltd and Mr. Aditya Sharma and & CS Ishita Samani as member of liquidator. Two claims were received i.e., claim of Rs.

57,65,72,179/- by the PEC Limited and Rs. 2,86,36,588/- by the Joint Commissioner of C.T & G.S.T. However, in compliance to the revised IBBI (Liquidation Process) 2016, the liquidator has considered the claim received by the Resolution Professional from the Joint Commissioner of C.T and G.S.T for an amount of Rs. 2,86,35,588/- (the claim application for the amount of Rs. 3,42,26,390 dated 09.12.2022 was received from deputy commissioner G.S.T & Central Excise Rourkela-II Division on 14 - 12-2022. Thereafter, the SCC noted that no claims from any operational creditor or any/workmen/employees have received by the applicant. It was also discussed that there are no assets in the corporate debtor, hence the member of SCC discussed that action for dissolution of the corporate debtor may be taken.

- vii. Further, it is stated that the liquidator informed the stakeholders committee that as per the information received by him, there are no fixed assets of corporate debtor, and also trade receivables/debtors are also not traceable. Also, the Liquidator had requested the erstwhile management to share the data/details about the corporate debtor. However, the liquidator did not receive any satisfactory information for carrying on the process and he was informed by the erstwhile management that all information pertaining to the corporate debtor can be obtained from the Auditor as majority of the data is available with them. The Liquidator informed the members that the Auditor has shared the balance sheet for the FY 2018-19 and FY 2019-20 for the corporate debtor i.e., the period for which he had been appointed as an auditor. The Liquidator then read out the status of assets and liabilities of the corporate debtor as on 31.03.2020 and informed the members that he has sent written letters to 15 debtors and suppliers to whom advance has been made as per the audited balance sheet, out of which the liquidator had received a reply from

Samarth Commodities Merchants Pvt. Ltd. that they have made payments of Rs. 1.32 Crores in September, 2014 and they do not have any outstanding for payment to Maa Tarini Industries Limited six letters have been returned undelivered and remaining eight cases there is no response.

- viii. That the applicant /Liquidator informed the stakeholders that as there are no assets in the company, the proposal for filing an application for early dissolution of the corporate debtor may be discussed and considered by the Stakeholders Committee. The representative of PEC Limited informed the members that they will have to take approval for both the agendas i.e., Estimated Liquidation Cost and filing of application for early dissolution of the corporate debtor, and will intimate the Liquidator in the next 10 days and the same can be finalized in the next meeting. The Liquidator agreed to do the same.
- ix. It is stated that Mr. Anand Mohan, the authorized representative of PEC Ltd and sole member of SCC did not submit any information on approval of estimated liquidation cost or information on early dissolution agendas even after the expiry of one month from the First SCC meeting, the 2<sup>nd</sup> Stakeholder meeting of the corporate debtor was convened and held on 28<sup>th</sup> October, 2022. The stakeholders in their second stakeholder committee meeting agreed for the early dissolution of the corporate debtor to avoid further expenses on CIRP process and expressed that they have already made payment of more than fifteen lakhs over a period of more than 15 months.
- x. The applicant had also filed the preliminary, report, Asset Memorandum and List of Stakeholders through application bearing

IA (IB) No 309/CB/2022 and the same was taken on record vide the order dated 5<sup>th</sup> December, 2022.

- xi. The applicant has filed two progress reports in terms of Regulation 15 of the IBBI (Liquidation) Process Regulations 2016 viz, for the quarter ending July to September 2022 quarter and the quarter ending October to December quarter, 2022. The 1<sup>st</sup> Progress report was Filed in **IA no. 286/CB/2022** vide order dated 05.12.2022 (annexed as Annexure-6) and the 2<sup>nd</sup> Progress report was filed vide **IA. No. 20/CTB/2023** which was taken on record by this adjudicating authority vide order dated 07.02.2023.
- xii. That it was intimated to the stakeholders committee that considering the above, the applicant as the liquidator is unable to make any further inquiry into the matter relating to the promoter, formation, or failure of the corporate debtor or the conduct of the business thereof. The liquidator further proposes to file an application for early dissolution for the corporate debtor under Section 54 of the IBC, 2016.
- xiii. The applicant states that in view of the averments made hereinabove that there are no tangible assets available with the company in liquidation, there is no office, no factory, no employee, no operation since last five years, records and documents are not provided by the ex-management of the company and therefore, the process of the liquidation would be a futile exercise and the continuance thereof will further burden with additional cost/expenses and hence, the present application seeking for early dissolution of the corporate debtor under Section 54 of IBC, 2016.

3. As per the Preliminary Report filed by the Applicant, the estimates of its assets and liabilities as on the liquidation commencement date based on the assets

available/ information available with the Liquidator. The details of assets and Liabilities provided in the Preliminary Report are as under: -

**A) Assets**

Particulars of Assets	As per Balance sheet as on 31.03.2020	As per Liquidation Commencement Date i.e., 13.07.2022
<b>A. Non-Current Assets</b>		
a) Tangible Assets	-	-
b) Non-Current Investments	2000	2000
c) Long Term Loans and Advances	74,69,876.83	-
<b>B. Current Assets</b>		
a) Trade Receivables	3,76,24,072.00	-
b) Inventories	3,76,24,072.00	-
c) Cash and Cash Equivalents	30,49,346.29	2,69,364.73
d) Short term loans and advances	25,04,29,108.55	-
<b>Total Current &amp; Non-Current Assets</b>	<b>32,93,61,962.67</b>	<b>2,71,364.73</b>

**B) Liabilities**

Particulars of Liabilities	As per Balance Sheet as on 31.03.2020	As per current claims received as on 13.08.2022
<b>Long Term Borrowings</b>	-	<b>56,65,72,179</b>

<b>Short Term Borrowings</b>	-	-
<b>Trade Payable</b>	<b>8,56,00,421.19</b>	-
<b>Other Current Liabilities</b>	<b>21,60,57,613.45</b>	-
<b>Short Term Provisions</b>	<b>15,85,105.00</b>	<b>2,86,36,588</b>
<b>Total</b>	<b>30,32,43,139.64</b>	<b>60,52,03,767</b>

4. As per details of assets and liabilities provided in the preliminary report, the applicant states that the last audited balance sheet made available to the Liquidator by the RP pertains to FY 2019-20. The Financial Statement since the last 2 years i.e., w.e.f. 2020-21 till date is not available. The business was non-operational before beginning of CIRP. It has been stated that in the absence of addresses as regards receivables and loan & advances, the liquidation value of the assets at present is treated as NIL. PEC Limited, the financial creditor, has filed a claim of Rs. 57.65 Crore with the Liquidator. However, the outstanding dues towards PEC Limited are not shown in the audited financials, available with the liquidator of the corporate debtor. The Joint Commissioner of C.T. & GST (Circle Head) Rourkela II Circle, Panposh had filed a claim of Rs. 2.86 Crore and the same was not admitted by the RP. However, the Liquidator had not yet received the claim in the Liquidation Process.

5. Hence, by taking into consideration of the aforesaid facts, the SCC in its 2<sup>nd</sup> meeting dated 28.10.2022 resolved to dissolve the corporate debtor. The corporate debtor is liquidated completely and there are no assets available with the corporate debtor to realize and share the proceeds with the stakeholders as per Section 53 of the Code. Thus, submitting the applicant prayed to the Tribunal to pass orders of dissolution of the corporate debtor.



6. It is further submitted that the Bank Account of the Corporate Debtor in Liquidation with the **Axis Bank** bearing **Account No 918020010061020**, at Panposh Road, Rourkela was closed by the Bank on 29.08.2023. The closure report of the liquidation account also filed by the liquidator.

7. The applicant had filed a **Final Report** prior to Dissolution before the Adjudicating Authority on 17.08.2023, the details of which are briefly as follows:

- a) Conduct of the Liquidation Process
- b) Report dealing with the Assets of the Corporate Debtor
- c) Statement of distribution of Liquidation Value to the Stakeholders as per Section 53 of the Code.

A copy of the **Final Report** prior to the dissolution application is filed as **Annexure-1** of the application.

8. The Applicant averred that on the basis of the Final Report, the assets of the Corporate Debtor have been completely liquidated and that the present application is filed for dissolution of the corporate debtor.

9. In the light of the above facts and circumstances of the case, the only point that emerges for consideration of the Adjudicating Authority is-

**Whether the Corporate debtor is to be dissolved?**

10. We have heard the Counsel for Liquidator and Liquidator and perused the records.

11. At the outset, it may be stated that Section 54 of the IBC lays down the criteria for the dissolution of the corporate debtor, which is as under:

*“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 the 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.”*

12. From the averments made in the application along with the perusal of the final report and the Compliance Certificate filed in **Form-H** and the preliminary report filed by the Liquidator. As per the preliminary report the Estimated liquidation value of the assets of the corporate debtor is valued is treated as NIL and the corporate debtor does not have any assets. It is seen that the corporate debtor has been completely liquidated and in the said circumstances as averred and as prayed for by the applicant that an order for dissolution is required to be passed by this Adjudicating Authority under Section 54 of the IBC, 2016.

13. 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 the dissolution of the corporate debtor as under: -

- (i) The Corporate debtor **Maa Tarini Industries Limited**, stands dissolved from the date of this order, in terms of Section 54 (2) of IBC, 2016.
- (ii) The Liquidator shall stand discharged from his responsibilities, subject to completion of procedural compliances, if any.
- (iii) Copy of this order be sent/communicated to the Registrar of Companies, Cuttack, Odisha within seven days from the date of this order for further necessary action as prescribed under Law.

IN THE NATIONAL COMPANY LAW TRIBUNAL  
CUTTACK BENCH

*IA (IB) No. 114/CB/2023*

*In*

*CP (IB) No. 135/CB/2019*

*In re: PEC Ltd vs Maa Tarini Industries Limited*

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(iv) 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.

14. Accordingly, **IA(IB) No. 114/CB/2023** in CP (IB) 135/CB/2019 stands **Allowed.**

15. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.

16. Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

**Kaushalendra Kumar Singh**  
**Member (Technical)**

**P. Mohan Raj**  
**Member (Judicial)**

Signed this 19<sup>th</sup> day of February, 2024.

Supriya \_P. S