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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ CO.PET. 158/1996 CO.APPL. 2855/2014 CO.APPL. 338/2017 CO.APPL. 264/2026 OLR 151/2017 OLR 191/2018 OLR 192/2018

RE-IN THE MATTER OF M/S MITTAL FERTILISERS LTD.

.....Petitioner

Through:

versus

....Respondent

Through: Mr. Sumit K. Batra, Standing Counsel for OL.

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

O R D E R

% 15.05.2026

CO. APPL. No. 264/2026

1. This application is filed by the Official Liquidator ('***OL***') under Section 481 of the Companies Act, 1956 ('***Companies Act***') read with Rule 9 of the Companies (Court) Rules, 1959 ('***Companies Rules***'), praying that *Mittal Fertilizers Ltd.* (Company (*in Liqn*.)) be finally dissolved and the OL, Delhi, be discharged as its Liquidator.

2. The said application for dissolution has been moved in the present Company Petition which was instituted upon the recommendation of the Board of Industrial and Financial Reconstruction.

3. Briefly stated, the Company (*in Liqn*.) was directed to be provisionally wound up by this Court *vide* order dated 27th February 2001

and the OL attached with this Court was appointed as its Provisional Liquidator, with the direction to take charge of the assets, records and books of accounts of the Company (*in Liqn*.). Subsequently, this Court, *vide* order dated 15th October 2004 directed final winding up of the Company (*in Liqn*.).

4. That as per records available with the Registrar of Companies ('***ROC***'), the directors of the Company (*in Liqn*.) and the respective date on which these persons filed the statement of affairs under Rule 130 of Company Court Rules, 1959 is listed as under:

(i) Sh. R.P. Mittal, R/o 81, Sainik Farm, M.B. Road, New Delhi – 110062.

(ii) Smt. Sarla Mittal, R/o 81, Sainik Farm, M.B. Road, New Delhi -110062

(iii) Sh. Ashok Mittal, R/o 81, Sainik Farm, M.B. Road, New Delhi-110062

5. That the registered office of the Company was located at 4th Floor, Thapar Chamber, Ring Road Ashram, New Delhi. The OL took over possession of the registered office of the Company as well as the records lying in the premises, however, subsequently it was learnt that the said premises was a rented premises. Thereafter, in terms of this Court's order dated 03rd December 2004, the possession of property from where the registered office was being operated, was handed over to the owner of the premises on 20th December 2004.

6. That as per records of the Company (*in Liqn*.) available with the OL and the statement of ex-directors recorded under Rule 130 of Companies Rules & statement of affairs filed by the ex-directors on 26th September

2003, the OL took over possession of the following assets of the Company (*In Liqn.*):

S.No.	Assets	Status
1.	Factory premises belonging to the Company (*In Liqn.*) bearing plot *no. D-24 to D-29, D-19 to D-21 and D-32 to D-34, Industrial Area, Phase-II, Amawan Road, Rai Bareilly (U.P)*	In terms of the order dated 11th January 2007 passed by this Court, the land & building of the Company (In Liqn.) situated at *plot no. D-19 to D-21, D-32 to D-34, Phase-II, Amawan Road, Rai Bareilly (U.P)* was sold by way of auction for an amount of *Rs. 42,00,000/-*. Similarly, another property of the Company (In Liqn.) being *plot no. D-24 and D-26 to D-29 Phase-II, Amawan Road, Rai Bareilly (U.P)* was auctioned and sold for a sum of *Rs. 2.55 Crores*. The sale was confirmed by the order dated 11th September 2018 passed by this Court.
2.	Plant & Machinery (i.e. moveable assets) of the Company (*In Liqn.*) lying at its factory premises situated at Industrial *Area, Phase-II, Amawan Road, Raibareily (U.P.)*	In terms of the order passed by this Court on 15th May 2004, the Plant & Machinery (i.e. moveable assets) of the Company (*In Liqn.*) lying at its factory premises was sold to the highest bidder *M/s. Balaji Steels*, for an amount of *Rs. 1.32 Crores.*

7. That in compliance of order dated 17th February 2005, the OL had invited claims from secured & unsecured creditors by publishing notice as per Rule 148(1) of the Companies Rules. Accordingly, the notice was published in Form 65 on 04th April 2005.

8. The OL adjudicated the claims in accordance with law and orders passed from time to time by this Court and money has been disbursed to the creditors on *pro-rata* basis under section 529, 529A and 530 of the Companies Act in accordance with their admitted claims. The details of the amounts admitted, and amounts paid are as under: -

S.No.	Claimants	Amount Claimed (Rs.)	Amount Admitted (Rs.)	Amount Paid (Rs.)
1.	IFCI	3,79,61,434	1,53,47,523	73,25,931
2.	IDBI	9,74,04,601	1,09,21,259	66,15,406
3.	Workers (82)	1,94,07,494	1,90,61,270	1,63,53,935
4.	R.P Mittal	4,52,63,311	4,52,63,311	1,08,28,951
	Total Rs.	**20,00,36,840/-**	**9,05,93,363/-**	**4,11,24,223/-**

9. That it has been brought to our notice that the claims of all claimants/creditors mentioned above have been settled and paid by the office of the OL except 13 ex-workers of the Company (*In Liqn.*), whose claims have been admitted. It is pertinent to mention herein that claims of 10 workers amounting to *Rs. 8,36,866.24/-* (towards *pro-rata* share) were disbursed earlier. That the claim of 13 ex-workers out of 82 workers, could not be settled since they did not submit certain documents which were required by the OL. The OL issued letters/reminders dated 26th June 2023 to the remaining 13 ex-workers to furnish an undertaking along with requisite bank details and documents with the OL. However, the ex-workers did not submit the requisite bank details and indemnity Bond/undertaking on non-

judicial stamp paper of *Rs. 100/-* duly notarized by a public notary with this office till date.

10. *Vide* order dated 12th August 2024, this Court allowed the OL's application bearing *CA No. 689/2024,* whereby the OL sought permission to transfer an amount of *Rs. 27,07,335/-* on account of 13 unclaimed ex-workers to the Reserve Bank of India, Companies Liquidation Account under section 555 (1) & (2) of the Companies Act after adjusting the legal/professional and liquidation expenses, incurred by the OL and move an application under *section 481 of the Companies Act* for dissolution of the Company (*In Liqn*.). Earlier this amount of *Rs. 27,07,335/-* was in the dividend account opened by the OL

11. That in compliance of the order dated 12th August 2024 passed by this Court, the office of OL has transferred an amount of *Rs. 27,07,335/-* on account of 13 unclaimed ex-workers to the Reserve Bank of India, Companies Liquidation Account under section 555 (1) & (2) of the Companies Act on 17th October 2024.

12. That in respect of claims and disbursal thereof, ***OLR No. 191/2018*** appears to be pending. The said report was filed to seeking permission to place on record a report in compliance of order dated 25th August 2017 passed in ***OLR 151/2017***. *Vide* the said report, the OL sought exemption from publishing notice of declaration of dividend in the newspaper and permission was also sought to disburse the admitted and proportionate claim of pending 72 workers by issuance of individual notices. Since, the claims have been disbursed by the OL on *pro-rata* basis under section 529, 529A and 530 of the Companies Act in accordance with their admitted claims, this

report bearing ***OLR No. 191/2018*** is also infructuous and is accordingly, disposed of.

13. It is borne out from the record that Co. Appl. No.2855/2014 was filed by *Sh. R.P. Mittal,* ex director of Company (*in Liqn*.) seeking release of money at least a substantial amount out of the amount *i.e. Rs.70.28 lakhs* lying in with the OL. From the perusal of the record, it is evident that in settlement of claim of *Sh. R.P. Mittal*, the OL has disbursed an amount equivalent to *Rs. 1,08,28,951/-* on *pro rata* basis under section 529, 529A and 530 of the Companies Act from the funds available with the Company (*in Liqn*.). Therefore, Co. Appl. No.2855/2014 has now been rendered infructuous and hence, is disposed of. Another, Co. Appl. No. 338/2017 filed by the OL is shown to be pending. *Vide* the said application condonation of delay of 28 days in filing reply to Co. Appl. No.2855/2014 was sought. Since, the Co. Appl. No.2855/2014 is now disposed of, there is no need to keep this application pending and therefore, this application also now stands disposed of.

14. That it further submitted that an ***OLR No. 151/2017*** was filed by the OL seeking permission to release the payment of *Rs. 1,88,226/-* to *Global Corporate Media*, empanelled advertising agency, from the funds of the Company (*in Liqn*.) as maintained by the OL. The payment to *Global Corporate Media*, empanelled advertising agency, was made on 30th April 2019 and therefore, the said report is also infructuous and accordingly disposed of.

15. That another ***OLR No. 192/2018*** was filed by the OL seeking permission to release the payment of *Rs. 30,000/-* in favour of *M/s S.K.*

Ahuja towards valuation fee from the funds of the Company (*in Liqn.*) as maintained by the OL. It has been brought to our knowledge that payment to *M/s S.K. Ahuja* has already been made and therefore, this report is also infructuous and accordingly, disposed of.

16. Accordingly, the OL filed Co. Appl. 689/2024 seeking permission of this Court to file an application under section 481 of the Companies Act for dissolution of the Company which was allowed *vide* order dated 12th August 2024. Subsequent to the same, the OL has filed the present application bearing C.A. No. 264 of 2026 seeking *inter alia* dissolution of the Company (*in Liqn.*) and discharge of OL from the liquidation proceedings of the Company (*in Liqn.*).

17. That as *paragraph no. 13* of C.A no. 264 of 2026, *M/s Keshav Security Services (P) Ltd.*, the security Agency had submitted Invoices/Bills for a sum of *Rs. 3,83,252/-* for the period 01st March 2006 to 12th May 2007. Upon scrutiny through empanelled Chartered Accountant, *Rs. 2,89,959/-* were found admissible and payable to the security agency. However, it has been brought to the notice of this Court that there is some controversy as regard to the quality of service rendered by the said security agency, there was a theft while they were in charge of the security of certain assets *i.e* movable and immovable assets of ***International Ceramics Ltd. (In Liqn.).***

18. It is stated that disbursal of the said amount of *Rs. 2,89,959/-* has been stayed by this Court *vide* order dated 16th December 2010. Subsequently, the security agency filed an Appeal No. 12 of 2025, the Division Bench of this Court *vide* order dated 18th December 2025 remanded back the matter to the Company Court. This Court *vide* order dated 08th January 2026 in C.A no. 04/2026 titled ***Keshav Security Services (P) Ltd. Vs International Ceramics***

Ltd., directed the OL to file response to the same. The response is being filed by the office of the OL

19. In view of the above, the OL shall transfer the said amount of *Rs. 2,89,959/-* to the Common Pool Fund. Subject to the order that may be passed by this Court and subject to the resolution of the controversy and outcome of C.A no. 04 of 2026 in *International Ceramics Ltd.* (In Liqn.). As stated above, the said amount may be paid to the Security Agency from the Common Pool Fund at an appropriate stage.

20. It has also been submitted by the Standing Counsel for the OL that since there are no more assets of the Company (*in Liqn*.) which are available and all which had been filed have been settled, therefore, no fruitful purpose will be served in continuing the present liquidation proceedings. Thus, the present application for dissolution of the Company under Section 481 of the Companies Act is being filed.

21. That it is informed by the Standing Counsel for OL, the fund position of the Company (*in Liqn*.) as on 13th April 2026 is *Rs. 5,48,917.18/-*.

22. The Official Liquidator has contended that she has incurred the following expenses:

S No.	**Particulars**	**Amount (In Rs.)**
1.	Administrative Charges	14,85,000/-
2.	Government Fee	1,153/-
3.	Tax Liability	14,440/-
4.	Professional Fee	12,390/-
5.	Audit Fee	31,360/-
	Total Rs.	**15,44,343/-**

The duly acknowledged sheet by the Chartered Accountant was annexed alongwith CA No. 264 of 2026.

23. The Supreme Court in the case of *Rishabh **Agro Industries Limited v. P.N.B. Capital Services Limited***, (2000) 5 SCC 515 has held that winding up proceedings only starts the process of closing the affairs of the Company and ultimately order of dissolution of the Company has to be passed. The relevant extract of the ***Rishabh Agro*** (supra) is reproduced below:

> "*11. It may also be noticed that winding-up order passed under the Companies Act is not the culmination of the proceedings pending before the Company Judge but is in effect the commencement of the process. The ultimate order to be passed in such a petition is the dissolution of the Company in terms of Section 481 of the Companies Act. The words "shall be deemed to commence" in Section 441 of the Companies Act clearly show the intention of the legislature that although the winding up of a petition does not in fact commence at the time of presentation of the petition itself but it shall be presumed to commence from that stage. The word "deemed" used in the section would thus mean, "supposed", "considered", "construed", "thought", "taken to be" or "presumed".*"

(Emphasis supplied)

24. In the case of ***Meghal Homes (P) Limited v. Shree Niwas Girni K.K. Samiti,*** (2007) SCC 753, the Supreme Court has held that an order for dissolution of the Company can be made either when the Company has wound up or due to insufficiency of funds the OL cannot proceed with winding up or for any other just reason. The relevant extract of ***Meghal Homes*** (*supra*) is as follows:

> "*...when the affairs of the Company had been completely wound up or the Court finds that the*

Official Liquidator cannot proceed with the winding up of the Company for want of funds or for any other reason, the Court can make an order dissolving the Company from the date of that order. This puts an end to the winding up process."

25. In view of the above and given the settled position of law, this Court is of the opinion that it is just and expedient that the liquidation proceedings be brought to an end. Accordingly, the following directions are passed:

(i) The OL is permitted to transfer an amount of *Rs. 2,89,959/-* due towards the verified security expenses for services rendered by *Keshav Security Services (P) Ltd*. to the common pool fund in terms of *paragraph no.16* of this order to enable the OL to pay the same after getting order from this Court.

(ii) The OL is permitted to adjust an amount of *Rs. 59,343/-* towards the expenses of *Audit fee* (*Rs. 31,360/-*), *Government fee* (*Rs. 1,153*/-), *Tax Liability* (*Rs. 14,440/-*) and *professional fee* (*Rs. 12,390/-*) incurred by the OL out of the fund available in the account of the Company (*In Liqn.*).

(iii) The OL is permitted to transfer the balance amount of *Rs. 1,99,615.18/-* towards the *administrative expenses* (balance left after adjustment of *Rs.59,343/-,* i.e., *expenses of audit fee, govt. fee, tax liability and professional fee* and *Rs. 2,89,959/-* towards security expenses out of funds available with the Company (*in Liqn*.), i.e., *Rs.5,48,917.18/-* to the Common Pool Fund.

(iv) The Official Liquidator is permitted to close the books of accounts of the Company (*in Liqn*.).

(v) Company (*in Liqn.*) is dissolved under section 481 of the Companies Act and OL is discharged as the Liquidator.

26. Accordingly, the Company (*in Liqn.*), *M/s Mittal Fertilizers Ltd.* is dissolved. A copy of this order be communicated to the Registrar of Company by the office of the Official Liquidator.

27. The Official Liquidator is also discharged.

28. The Application is disposed of in the foregoing terms.

29. Consequently, the Petition is also disposed of. All pending Applications are rendered infructuous.

30. The parties shall act based on the digitally signed copy of the order.

31. Order be uploaded on the website of this Court.

ANISH DAYAL, J

MAY 15, 2026/MK/zb