

Insolvency and Bankruptcy Board of India

Subject: Status Note on Voluntary Liquidation Process

As on 31st January, 2022, 1148 corporate persons have filed for voluntary liquidation. The quarter-wise commencement of the voluntary liquidation proceedings till 31st January, 2022 is presented in Table 1.

Table 1: Commencement of Voluntary Liquidations till 31st January, 2022

Quarter	Liquidations at the beginning	Liquidation Commenced	Liquidation Closed by		Liquidations at the end
			Withdrawal	Final Reports Submitted	
Apr-Jun, 2017	NA	13	0	0	13
Jul-Sept, 2017	13	41	0	0	54
Oct-Dec, 2017	54	58	0	4	108
Jan-Mar, 2018	108	72	0	7	173
Apr-Jun, 2018	173	39	0	16	196
Jul-Sept, 2018	196	62	4	16	238
Oct-Dec, 2018	238	38	1	30	245
Jan-Mar, 2019	245	93	1	35	302
Apr-Jun, 2019	302	54	0	27	329
Jul-Sept, 2019	329	62	0	40	351
Oct-Dec, 2019	351	68	0	25	394
Jan-Mar, 2020	394	90	1	42	441
Apr-Jun, 2020	441	10	0	25	426
Jul-Sept, 2020	426	59	1	51	433
Oct-Dec, 2020	433	63	0	56	440
Jan-Mar, 2021	440	119	1	45	513
Apr-Jun, 2021	513	37	1	33	516
Jul-Sept, 2021	516	75	0	50	541
Oct-Dec, 2021	541	69	1	48	561
Jan 2022	561	26	1	16	570
Total	NA	1148	12	566	570

2. Till 31st January 2022, 566 final reports have been submitted. The Adjudicating Authority has passed orders for dissolution of 290 corporate persons. The status of 1148 voluntary liquidations as on 31st January 2022 is presented in Table 2.

Table 2: Status of Voluntary Liquidations as on 31st January 2022

Status of Liquidation	Number of Liquidations
Initiated	1148
Closed by Withdrawal	12
Final Report Submitted	566
<i>Closed by Dissolution</i>	290
<i>Cases pending for Dissolution</i>	276
Ongoing	570
> Two Years	197
> One year ≤ Two years	99
> 270 days ≤ 1 year	95
> 180 days ≤ 270 days	35
> 90 days ≤ 180 days	70
≤ 90 days	74

3. Further details about 966 voluntary liquidations are available. The reasons for initiating voluntary liquidation of 966 corporate persons are presented in Table 3.

Table 3: Reasons for Voluntary Liquidations #

Sl. No.	Reason for Voluntary Liquidation	No. of Corporate Persons
1	Not carrying business operations	688
2	Commercially unviable	137
3	Promoters unable to manage affairs	22
4	Purpose for which company was formed accomplished / Contract Termination	29
5	Miscellaneous	90
Total		966

Data are available for only 966 cases.

4. Most of these corporate persons are small entities. 609 of them have paid up equity capital of less than Rs.1 crore. Only 125 of them have paid-up capital exceeding Rs.5 crore. The corporate persons, for which details are available, have an aggregate paid up capital of Rs.6776 crore. The details are presented in Table 4.

Table 4. Details of 1136 Voluntary Liquidations (excluding 12 withdrawals)

Details		Number of Corporate Persons	(Amount in Rs. crore)						
			Paid up Capital	Assets (Book Value)	Realisation of Assets	Due to Creditors	Paid to Creditors	Liquidation Expenses	Surplus
Final Report Submitted	Dissolved (A)	1*	166	2436	2436	5	5	1	2430
		289	1164	997	773	9	9	67	697
	Yet to be Dissolved (B)	276	1603	523	466 ^{##}	16	16	54	396
	Total (A+B)	566	2933**	3956	3675	30	30	122	3523
Ongoing Liquidations (C)		570	3843 [#]	2272 [#]	NA				

* Outlier case.

** Paid up capital is not available in case of two companies as they are limited by guarantee companies where there exist no shareholders and paid-up capital.

Paid up capital and assets of 414 and 405 cases, respectively, are available.

Details regarding nine cases not available.

NA - Not Available.

5. It is submitted for information of the Governing Board.