

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**BENGALURU BENCH, BENGALURU**  
**(through web-based video conferencing platform)**  
**(Exercising powers of Adjudicating Authority under**  
**the Insolvency and Bankruptcy Code, 2016)**

C.P. (IB) No.68/BB/2021  
U/s 59(7) of IBC, 2016 &  
Regulation 38(3) of IBBI (Voluntary  
Liquidation Process) Regulations, 2017

**Between:**

Mr. Ravi Sankar Devarakonda  
Liquidator of M/s. Vivona Brands India Pvt. Ltd.  
(In Voluntary Liquidation)  
D 602, Prestige St. Johnswood Apartments,  
No.80, Tavarakere Main Road, Chikka Adugodi,  
Bangalore - 560 029.

Applicant

AND

The Registrar of Companies, Karnataka  
'E' Wing, 2<sup>nd</sup> Floor,  
Kendriya Sadan, Koramangala,  
Bangalore - 560 034.

- Respondent

Order delivered on: 02.11.2021

**Coram:** 1. Hon'ble Shri Ajay Kumar Vatsavayi, Member (Judicial)  
2. Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

**Parties/Counsels Present (Through Video Conference):**

For the Applicant : Shri Ravi Sankar Devarakonda, Liquidator

**ORDER**

**Per: Ajay Kumar Vatsavayi, Member (Judicial)**

1. The instant Company Petition is filed by Mr. Ravi Sankar Devarakonda, Liquidator of M/s. Vivona Brands India Private Limited ('Applicant') under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 and Regulation 38(3) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation

— sd —

Process) Regulations, 2017, by *inter alia* seeking a direction for dissolution of the Corporate Person / Company, namely, M/s. Vivona Brands India Private Limited.

2. Brief facts of the case, which are relevant to the issue in question, are as follows:

(1) **M/s. Vivona Brands India Private Limited** (hereinafter referred to as “the Company / Corporate Person”) is a subsidiary of a Foreign Company and was incorporated on 20.12.2018 under the provisions of the Companies Act, 2013 bearing CIN: U74999KA2018FTC119710 with its registered office situated at D9, Epsilon, Yemlur, Bangalore-560037. Its Authorized Capital was Rs.25,00,000/- divided into 25,000 Equity Shares of Rs.100/- each and its Issued, Subscribed and Paid-up Capital is Rs.25,00,000/- divided into 25,000 Equity Shares of Rs.100/- each. Its main objects *inter alia* are to carry on the business to buy, sell, import, export, develop, design, market, procure, supply and to act as an agent, broker, representative, consultant, collaborator, stockiest, liaisoner, job worker, or otherwise to deal in innovative and entertaining gift products, beauty and fashion, novelty, games and gadgets, etc.

(2) It is stated that the liquidator has received copies of applications made by the Company to Reserve Bank of India, Bengaluru in the prescribed Form FC-GPR for reporting allotment of 24,999 Equity Shares to Natural Products (UK) Ltd. till date which has been taken on record and acknowledged by RBI vide email dated 29.04.2019.

(3) The Board of Directors (BoD) of the Company opined that in view of non-availability of business prospects, it is not financially viable to carry on the business activities in this line, and therefore does not serve any fruitful purpose to maintain the status of the Company. Hence, in order to avoid further draining of the resources and being declared as defunct Company or the Company that would not be solvent enough to repay the debts to the Creditors in future dates, the BoD of the Company have decided to

— sd —

voluntarily liquidate the Company, and recommended to Shareholders of the Company to pass a Special Resolution at the Extraordinary General Meeting to be held on 08.02.2021. The Directors also executed a Declaration of Solvency as required u/s 59(2) of the Code stating that the Company does not have any liabilities as on 08.02.2021. They also feel that there is no alternative but to put the Company into voluntary liquidation, realise the assets thereof and distribute the proceeds to the Members.

- (4) As prescribed u/s 59 of the Code, the Company has convened and held within four weeks of declaration by Directors an Extraordinary General Meeting on 08.02.2021 and have passed a Special Resolution for the Voluntary Liquidation of the Company and the Applicant herein bearing IP Regn. No. IBBI/IPA-001/IP-P00095/2017-2018/10195) was appointed as Liquidator in this regard. Copies of the Board Resolution, Declaration by Directors & Special Resolution were placed on record at Annexure-I.
- (5) Pursuant to Regulation 14 of the IBBI (Voluntary Liquidation Process) Regulations, 2017 the Liquidator has made a public announcement in Form-A in '*Financial Express*', English daily and in '*Samyukta Karnataka*', Kannada daily dt.11.02.2021 intimating the liquidation commencement of the Corporate Person, within the time period of 5 days as prescribed.
- (6) It is stated that the Company did not owe any debts to any person at the commencement of winding up, hence securing consent of creditors representing two-thirds in value of debt of Company to the Special Resolution, as contemplated under the proviso to Section 59(3) did not apply to the Company.
- (7) Pursuant to Section 59(4) of the Code, the Company duly informed the Registrar of Companies about the Special Resolution passed for Voluntary Liquidation of the Company and the Company has filed Form MGT-14 vide SRN T02352276 dt.18.02.2021 with the ROC, and the ROC marked its status as 'Under Liquidation'.

→ Sd →

- (8) Pursuant to Regulation 34 of the IBBI (Voluntary Liquidation Process) Regulations, the Liquidator has applied to HSBC Bank, MG Road, for opening a new account during the Voluntary Liquidation on 15.02.2021. Accordingly, the new account was named as '*Vivona Brands India Pvt. Ltd. - in Voluntary Liquidation*' and the balance in the existing Current Account of the Company was transferred to the new A/c on 18.03.2021.
- (9) Further, the Liquidator also intimated the RBI, Bengaluru and Income Tax Department of the fact of the commencement of Liquidation, and invited their objection and claims, if any, to the Voluntary Liquidation on 08.02.2021. The Liquidator received a NOC letter from Income Tax Department dt.25.02.2021 stating that there is no outstanding dues to be payable by the Company and no proceeding pending against the Company as on date. He also informed the Income Tax Dept. (TDS Ward) regarding the Voluntary Liquidation.
- (10) As per the audited Balance Sheet of the Company as on 31.03.2020 and as on 31.01.2021, the Company does not have any assets to realise as on date of the Liquidation and the Company did not have liabilities to be paid. The Company had only a Bank balance of Rs.22,97,140/- and hence the Board has not appointed any Valuer.
- (11) In response to the aforesaid Public Announcement, the following claims were received by the Applicant:
- PNR & Co. Chartered Accountants (Provision for Audit Fee) - Rs.1,70,800/-.
  - Natural Products (UK) Ltd. - Rs.24,99,900/-.
- Mr. Rohit Hegde, the Second Shareholder authorized the Liquidator, vide letter dt.08.03.2020, to pay whatever is due to him to M/s. Natural Products (UK) Ltd.
- (12) It is stated that the Liquidator prepared a List of Stakeholders within 45 days of the last date of receipt of claims and submitted the same with the

— sd —

Corporate Person and also informed the IBBI for display on its website. Pursuant to Regulation 9 of IBBI Regulations, 2017, he also prepared a Preliminary Report and submitted the same to the Company on 22.3.2021.

- (13) In the absence of any other assets to be realized, the Liquidator distributed the Bank balance among the liquidation expenses and the claimants and shareholders. After distributing the balance amongst the liquidation expenses and claimants, the Company does not have any assets and liabilities on the books of accounts of the Company. Since the Company has not commenced any operations, the Company does not have any pending litigations. The final distribution during Liquidation is as under:

<b>Bank: HSBC Bank, Account No: 073369449002</b>		
<b>Receipts</b>		
08-02-2021	Opening Balance	Rs.22,97,140
	<b>Total</b>	<b>Rs.22,97,140</b>
<b>Payments</b>		
24-03-2021	Settlement of Claim - PNR Associates	Rs.1,59,372
24-03-2021	Company Secretary	Rs.51,375
24-03-2021	Liquidator Fee	Rs.1,16,025
24-03-2021	Public Announcement	Rs.21,168
02-04-2021	Tax Deducted at Source	Rs.23,428
09-04-2021	Settlement of Claim - Shareholder	Rs.19,22,700
12-04-2021	Bank Charges	Rs.1,333
20-04-2021	Filing Charges & Out of Pocket Exp.	Rs.1,739
	<b>Total</b>	<b>Rs.22,97,140</b>

- (14) The final Receipts and Payments of the Company during the liquidation process prepared for the period from 08.02.2021 till 21.04.2021 was duly certified by M/s. PNR & Co., Chartered Accountants, and the same was placed on record as Annexure-XI.

— Sd —

(15) Pursuant to Regulation 38 of IBBI Regulations, 2017 the Liquidator prepared the Final Report dated 22.04.2021 and the same was duly sent to the IBBI on 22.04.2021 and was also filed with the ROC on 22.04.2021.

(16) As per Sec. 59 of the Code, a Corporate Person, who intends to liquidate itself voluntarily and has not committed any default, may initiate voluntary liquidation proceedings under the provision of Chapter V of the Code. In this regard, it is stated that the Liquidator has complied with all the conditions and procedural requirements as specified under various provisions of Sec. 59 of the Code and also Regulation 3 of IBBI (Voluntary Liquidation Process) Regulations, 2017, before initiating voluntary liquidation process of the Corporate Person, and a Compliance Report has also been placed on record as Annexure-XV.

3. Heard Shri Ravi Sankar Devarakonda, learned Liquidator, through Video Conference. We have carefully perused the pleadings of the party and extant provisions of the Code, and the Regulations made thereunder.
4. As stated supra, the Members of the Company at their Extra-Ordinary General Meeting held on 08.02.2021 have passed a Special Resolution approving for the voluntary liquidation proceedings of the Company. In pursuance to the said Resolution, the Liquidator has complied with all the conditions and procedural requirements as specified under various provisions of Section 59 of the I&B Code, 2016. We are convinced that the Applicant Company has followed due process of law before filing the instant Application/Petition and nothing remains to be liquidated. Thus, the Petition / Application deserves to be allowed, as prayed for.
5. In view of the foregoing, by exercising powers conferred on the Adjudicating Authority, under Section 59(8) of the I&B Code, 2016, **C.P. (IB) No.68/BB/2021** is hereby disposed of with the following directions:
  - (1) The Corporate Person / Company, namely, **M/s. Vivona Brands India Private Limited**, is hereby dissolved, with immediate effect;

— Sd —

- (2) The Registry is directed to forward a copy of this Order to the Registrar of Companies, Karnataka, Bengaluru, within a period of two weeks from today;
- (3) The Liquidator is also directed to forward a copy of this Order to all other Statutory Authorities connected with the affairs of the Company;
- (4) This order would not absolve personal liability/ guarantees, if any, given by the Director(s)/Promoter(s) of the Company to any other third party /parties.

— Sd. —

(MANOJ KUMAR DUBEY)  
MEMBER (TECHNICAL)

— Sd. —

(AJAY KUMAR VATSAVAYI)  
MEMBER (JUDICIAL)

Krishna