

**IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH-VI**

CP (IB)-400/ND/2023

IN THE MATTER OF:

M/S. AVON MARKTRADE PRIVATE LIMITED.

Registered Office at: -

G-82, 2ND FLOOR, VIJAY CHOWK, LAXMI NAGAR, DELHI -
110092

... APPLICANT/ PETITIONER COMPANY

ORDER UNDER SECTION: 59(7) of IBC, 2016

CORAM:

**SHRI MAHENDRA KHANDELWAL, HON'BLE MEMBER
(JUDICIAL)**

SHRI RAHUL BHATNAGAR, HON'BLE MEMBER (TECHNICAL)

PRESENT

For the Applicant: Ms. Karuna Sharma, Liquidator in person.

ORDER

PER: MAHENDRA KHANDELWAL, MEMBER (JUDICIAL)

Date: 03.04.2024

1. This application has been filed by the Liquidator under section 59 of the Insolvency and Bankruptcy Code, 2016 ("Code") read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 seeking dissolution of

M/s Avon Marktrade Private Limited (hereinafter referred to as the "Company").

2. It is stated in the application that the aforesaid Company was incorporated on 19.03.2009 under the Companies Act, 1956. The Registered office of the Applicant is situated at New Delhi which lies within the territorial jurisdiction of this Bench.

3. That the following averments have been made in the petition: -

i. That the Applicant was incorporated with the objects of, inter alia, carrying on the business of whole sale or retail trade of all kinds of goods and services and to deal in marketing and trading of residential, industrial, commercial, and educational or any other building/property, plots, flats developed by the company or by anyone.

ii. The Authorized Share Capital of the Applicant is INR 1,25,00,000 divided into 5,00,000 equity shares of INR 10 each and 7,50,000 Preference Shares of Rs. 10 each.

iii. The Issued, Subscribed and Paid-up Capital of the Applicant as on the Liquidation Commencement Date was INR 60,29,750 as per the following:

a. Equity: 4,87,325 Equity Shares of INR 10/- each.

b. Preference: 1,15,650 0.01% NCR Preference Shares of INR 10 each.

iv. The names and addresses of the Directors of the Applicant are as follows:

Name	DIN	Address
NARENDER SINGH RAWAT	07916069	B-146/B, SHIVAJI COLONY BUCHURI, VILLAGE – DHANDERA, POST MILAP NAGAR, ROORKEE, HARIDWAR, UTTARAKHAND – 247667.
SOMJEET SINGH	08487231	961/31 OPPOSITE MALVIY SCHOOL, ANIL VIHAR SONIPAT, HARYANA – 131001.

v. Considering the fact that the Applicant had no business prospect in hand, the Board of Directors thought it prudent to liquidate the operations of the Applicant and to distribute the assets lying with the Applicant to the shareholders per their respective holding in the Application.

vi. The Board of the Directors of the Applicant in their meeting held on 2nd May 2022 proposed to liquidate the Applicant and thereafter passed a resolution dated 2nd

- May 2022 proposing to voluntarily liquidate the Applicant Company.
- vii. As required under section 59 of the IBC, declaration of solvency by the Board of Directors alongwith affidavit of concurrence and the audited financial statements of the Applicant for the previous two years viz. 31st March 2022 and 31st March 2021, was duly filed with the Registrar of Companies, New Delhi.
- viii. The declaration of solvency by majority of directors along with audited financial statements of the Applicant for the previous two years were filed with Registrar of Companies, New Delhi in e-form GNL-2 on 4th May 2022 vide SRN T99235228.
- ix. In the Extraordinary General Meeting held on 6th May 2022, the members of the Applicant, passed a special resolution as required under section 59 of IBC read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (hereinafter referred to as the "Regulations" for brevity) to liquidate the Applicant voluntarily and appointed Ms. Karuna Sharma, an Insolvency Professional, having IP registration No. IBBI/IPA-002/IP-N00340/2017-18/10944 as the Liquidator of the Applicant Company.
- x. The Liquidator made a public announcement dated 9th May 2022 regarding the commencement of voluntary

liquidation of the Applicant and emailed the same to IBBI on 11th May 2022 through an email to: liqvol@ibbi.gov.in, reporting@icsiip.com, proceeding@ibbi.gov.in. The public announcement dated 9th May 2022 was also placed on the official website of IBBI, i.e. www.ibbi.gov.in. The Liquidator also caused to publish the public announcement in Business Standard (in English) and Business Standard (Hindi) on 10th May 2022, seeking submission of the claim by the stakeholders, if any, within 30 days for the date of commencement of liquidation i.e by 5th June 2022

- xi. Till the last date of submission of claims, the Liquidator did not receive any claims from any stakeholders and/or creditors.
- xii. The resolutions w.r.t. commencement of Liquidation and appointment of Liquidator were filed with the office of Registrar of Companies, NCT of Delhi and Haryana in form MGT-14 on 10th May 2022 vide SRN F00048769.
- xiii. As required under the Regulations 34 of IBBI (Voluntary Liquidation Process) Regulations, 2017, the Liquidator opened a bank account in the name of "AVON MARKTRADE PRIVATE LIMITED - IN VOLUNTARY LIQUIDATION" with Central Bank of India (Janpath Branch) for realization and payment to the creditors and members

- xiv. As per provisions of Section 178 of the Income Tax Act 1962, the Liquidator intimated the commencement of liquidation and appointment of Liquidator to the Income Tax Authority on 1st June 2022.
- xv. In the course of completing the Liquidation compliances and preparing the final report the Liquidator was informed by the majority Shareholders of the Applicant to curtail the voluntary liquidation proceedings in light of the reference petition no. CIS No. LAC/84/2016 which was filed by the Applicant in 2016 under section 18 of the Land Acquisition Act, 1894 before the Land Acquisition Collector-Cum-District Revenue Officer, Panchkula, titled as 'Avon Marktrade Private Limited through its Authorised Signatory Sh. Madan Lal Mehta son of Sh. P.D. Mehta, 201 Vardhman Key Point, LSC Plot No. I, Sector 6, Dwarka New Delhi versus State of Haryana through Land Acquisition Collector-Cum-District Revenue Officer, Panchkula and Haryana State Industrial and Infrastructure Development Corporation through its Managing Director, Sector 6, Panchkula' praying for enhanced compensation along with the statutory benefits of solatium and additional amount as provided in the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Act No. 30 of 2013).
- xvi. The majority of the stakeholders of the Applicant were quite certain and determined that enhanced

compensation as prayed would be granted and receipt of funds in that regard would be sufficient to revive the business of the Applicant. Hence it was thought prudent to seek directions to terminate the voluntary liquidation proceedings of the Applicant. The Liquidator hence filed an application praying for termination of the voluntary liquidation process vide C.P. (IB) -128(ND)/2023. In the meanwhile, reference petition no. CIS No. LAC/84/2016 (tagged along with reference petition no. LAC/62/2016) was disposed off vide award dated 31st March 2023 by the Ld. ADJ, District Court Panchkula which stated that there was no scope of further enhancement of compensation. Since no solatium and statutory benefits/enhanced compensation was granted, there are no prospects of revival of the Applicant.

xvii. In light of the award made by Ld. ADJ, Panchkula, the Applicant filed I.A. No. 2435/2023 before this Hon'ble Tribunal praying for withdrawal of application C.P. (IB) - 128(ND)/2023 with immediate effect so that the affairs of the Applicant could be wound up in accordance with section 59 of the IBC and the same was allowed vide order dated 03.05.2023 passed by this Tribunal.

xviii. The outstanding debts of the Applicant as on Liquidation Commencement Date have been paid off in full to the satisfaction of the creditors. Subsequent to payments of all debts and costs, in full, there was no

surplus to be distributed amongst the equity shareholders of the Applicant.

xix. The accounts of the Applicant from Liquidation Commencement Date have been audited and the Liquidator has issued the final report of the Applicant which has been submitted to the Registrar of Companies and the IBBI.

xx. The Applicant has submitted a letter dated 04th May 2023 to the Central Bank of India (Janpath Branch) for closure of account maintained for voluntary liquidation

4. We have gone through the application filed by the applicant/ Liquidator seeking dissolution in terms of section 59(7) of the Code and have heard the arguments of the Ld. Counsel for the applicant. Consequently, upon perusal of the petition and the documents attached therein we are satisfied that all the statutory requirements decreed upon the applicant in accordance with Section 59 of the IBC, 2016 read with the corresponding regulations under IBBI (Voluntary Liquidation Process) Regulations, 2017, have been fulfilled.

5. This Tribunal directed to issue a notice to the RoC and IBBI. However, despite service of notice no report has been filed on behalf of RoC and IBBI, hence the RoC was set ex parte vide order dated 13.09.2023.

6. It is pertinent to note that the requisite public announcements were published on 09.05.2022, pertaining to the

commencement of liquidation of the Corporate Debtor. Pursuant to the aforesaid announcements, no claims were received by the liquidator against the public announcement.

7. That since the affairs of the Corporate Person have been completely wound up, and its assets completely liquidated the Liquidator has presented this Petition to this Adjudicating Authority for dissolution of the Corporate Person in terms of section 59(7) of the Insolvency & Bankruptcy Code, 2016.
8. The Liquidation Account maintained at Central Bank of India was closed and a statement confirming the closure of the Bank Account has also been placed on record by the applicant. Copy of the same is reproduced as under.

STATEMENT OF ACCOUNT		CENTRAL BANK OF INDIA JANPAT JANPATH NEW DELHI 66, JANPATH, NEW DELHI, DISTT-NEW DELHI, NCT OF DELHI Branch Code : 318 GSTIN:07AAACC2498P1Z5	
AVON MARKTRADE PVT LTD IN VOL LIQUIDATIO G-82,2ndFLOOR VIJAYCHOWK INR LAXMINAGAR 110092		Account No.: 5245536207 Product : CD-GEN-PUB-OTH-METRO- Currency : INR	
Nomination:R Date : 18/07/2023	Time : 16:42:12	E-mail :	
Cleared Balance :	0.00	Uncleared Amount :	0.00
Limit : 0.00	Drawing Power :		Int. Rate : 0.0000% p.a.
Statement From 12/07/2023 to 18/07/2023			Page No. : 1

Value Balance Date	Post Date	Details	Chq.No.	Debit	Credit
		BROUGHT FORWARD :			
1,086.57Cr					
18/07/23	18/07/23	TO TRF.	4.00		
1,082.57Cr					
18/07/23	18/07/23	closuretrf TRF TO 60124003185	600.00		
482.57Cr					
18/07/23	18/07/23	QTR MIN BAL CHR	108.00		
374.57Cr					
18/07/23	18/07/23	GST		0.43	
375.00Cr					
18/07/23	18/07/23	09892409800001052023	375.00		
0.00					
		18072023			



This A/c has been closed as per customer requested.

9. In view of the foregoing steps taken and the satisfaction accorded by the Liquidator by way of the present application, there is no legal impediment in allowing the prayer of the applicant. Accordingly, we hereby **allow** the prayer of Liquidator to dissolve the company U/S 59(7) of the Code and the said company is hereby dissolved with effect from the date of the present order. Under Regulation 41 IBBI (Voluntary Liquidation Process), the Liquidator is directed to preserve a physical or electronic copy of the reports, registers, books of account including Bank's statement evidencing closure of the Bank Account maintained at Central Bank of India and other documents referred to in Regulation 8 and 10 for at least eight years for electronic copy and at least three years for physical copy after the dissolution of the company at a secure place.
10. A copy of this order be filed with the RoC within the statutory period as per the applicable provisions.
11. Let a copy of this order be served to the parties concerned. File be consigned to the Record Room.

SD/-
(RAHUL BHATNAGAR)
MEMBER (TECHNICAL)

SD/-
(MAHENDRA KHANDELWAL)
MEMBER (JUDICIAL)