



IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
COURT - 2

ITEM No.6
CP(IB)/302(AHM)2022

Proceedings under Section 59(7) IBC r.w 38(3) IBBI, 2017

IN THE MATTER OF:

Saurabh Jhaveri Liquidator of Govardhan Creation Pvt LtdApplicant

.....Respondent

Order delivered on 17/05/2023

Coram:

Mr. Deep Chandra Joshi, Hon'ble Member(J)
Mr. Ajai Das Mehrotra, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open Court vide separate sheet.

-SD-

-SD-

**AJAI DAS MEHROTRA
MEMBER (TECHNICAL)**

**DEEP CHANDRA JOSHI
MEMBER (JUDICIAL)**



**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
(COURT NO. II)**

CP (IB)/302/2022

[Application under Section 59 of the Insolvency and Bankruptcy Code, 2016 read with the Regulation 38 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017]

In the Matter of:

**Mr. Saaurabh Jhaveri,
Liquidator of
Govardhan Creation Private Limited**

**...Applicant/
Liquidator**

AND

In the Matter of:

**Govardhan Creation Private Limited,
(CIN- U17111GJ2004PTC044017)
Office of Liquidator:
P.No. 8202/2/B, GIDC Sachin,
Village Sachin, Taluka Choryasi,
Surat, Gujarat- 394230.**

...Corporate Person

Order Pronounced On: 17/05/2023

Coram:

**DEEP CHANDRA JOSHI,
HON'BLE MEMBER (JUDICIAL)
AJAI DAS MEHROTRA,
HON'BLE MEMBER (TECHNICAL)**

MEMO OF PARTIES

CP (IB)/302/2022

Mr. SaaurabhJhaveri,
Liquidator of
Govardhan Creation Private Limited,
(CIN- U17111GJ2004PTC044017)
Office of Liquidator:
P.No. 8202/2/B, GIDC Sachin,
Village Sachin, Taluka Choryasi,
Surat, Gujarat 394230.

**...Applicant/
Liquidator**

Present:

For the Applicant : Mr. SaaurabhJhaveri, Liquidator in Person.
For the Income Tax
Department : Ms. Pankti Shah, Adv. for Ms. Maithili Mehta, Adv.
For the RD : Mr. Liladha Sharma, Assistant Director

ORDER

1. The instant Application has been filed by M/s. Govardhan Creation Private Limited,('Company') through the liquidator for dissolution of the Corporate Person through voluntary liquidation under Section 59 of the Insolvency and Bankruptcy Code, 2016 ('Code') read with regulation 38 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 ('IBBI Regulations').
2. The Company was incorporated as a Private Limited Company under the provisions of the Companies Act, 1956/2013, on 22.04.2004, bearing CIN-

U17111GJ2004PTC044017 and having registered office at P.No. 8202/2/B, GIDC Sachin, Village Sachin, Taluka Choryasi, Surat, Gujarat-394230. The Authorized share capital of the Company is Rs. 1,00,00,000/- divided into 10,00,000 equity shares of Rs.10/- each and the paid-up share capital of the Company is Rs. 9,500,000/- divided into 9,50,000 equity shares of Rs. 10/- each.

3. The main objects of the Company were to carry on the business of manufacturing, Knitting, weaving, bleaching, dyeing, processing, embroidering, mercerizing, printing, sizing, importing, exporting, purchasing, selling, and/or otherwise dealing in all types of cloth, other fabrics made from cotton, jute, wool, silk, art silk, rayon, nylon, manmade synthetics, fibers, staple fibers, and other suitable materials and generally to carry on the business of spinning, weaving, and processing mill proprietors in all their branches. A copy of the Memorandum of Association and Article of Association of the Company and a copy of Master Data, as available from the website of the Ministry of Corporate Affairs, is annexed with the application.
4. It is submitted by the applicant that the Board of Directors of the company considered the current affairs of the company and formed the opinion that the company is not carrying any business since the last three financial years and the company is not intending to carry out any business in the future. The Board of Directors of the company passed the resolution in the meeting held

on 14.07.2022 to liquidate the company as per the provisions of section 59 and other applicable provisions of the Code read with IBBI Regulation.

5. Pursuant to the meeting of BODs held on 14.07.2022, all directors of the company have submitted the Declaration of Solvency Affidavit dated 14.07.2022 collectively that they have made a full inquiry into the affairs of the Company and formed an opinion that the Company has no debt/will be able to pay its debt in full out of assets sold/appropriated in the voluntary liquidation and the company is not to defraud any creditors, government, any other company, firm, or any other person. Copies of the Declaration of Solvency Affidavit and copy of the CA certificate which showed and confirmed that the company has NIL secured loans, unsecured loans, and creditors as of 30.06.2022 are annexed with the application. Audited financial statements of the Company for the year 2020-21 are also annexed with the application.
6. The company filed the GNL-2 to the Registrar of Companies vide SRN No. F15970767 on 19.07.2022. A copy of the said document is also annexed with the application.
7. In their Extra Ordinary General Meeting ('EOGM') of the members, held on 04.08.2022, a special resolution was passed and it was resolved to voluntarily liquidate the Company. Further, it was resolved to appoint Mr. Saaurabh Jhaveri, Insolvency Professional with Registration No. IBBI/IPA-002/IP-

N00068/2017-18/10146 to act as the Liquidator. A copy of the EOGM is annexed with the Application.

8. The Corporate Person had notified the Registrar of Companies, Ahmedabad (ROC) on 06.08.2022 and also to Insolvency and Bankruptcy Board of India (IBBI), New Delhi about the passing of a Special Resolution under sub-section (3) of Section 59 of the IBC to liquidate the Corporate Person. Copies of Form MGT-14 dated 06.08.2022 vide SRN No. F19283423 to the ROC and letter to the Insolvency and Bankruptcy Board of India are annexed with the Application.
9. The liquidator made a public announcement of the commencement of liquidation in Form A of Schedule I as per Regulation 14 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 in the English language and Gujarati language in the "Financial Express" (Ahmedabad Edition), dated August 8, 2022, inviting claims in respect of the corporate person by various stakeholders from the date of commencement of liquidation, i.e., September 3, 2022. A copy of the newspaper advertisement for the said public announcement is annexed with the application.
10. The applicant has also sent the intimation of commencement of voluntary liquidation and appointment of liquidator to ROC, IBBI, and Income Tax

Department respectively on 08.08.2022, copies of the same are annexed with the application.

11. The applicant has opened a bank account as required under regulation 34(1) of IBBI Regulations in a Surat People's Co-operative Bank Limited, Vesu Branch, Surat for the receipt of all moneys due to the corporate person.
12. The Liquidator had submitted a Preliminary Report prepared on 17.09.2022, and stated as follows:
 - a. There was an outstanding demand of Rs. 3654/- for the assessment year 2007-08 towards interest payment in the name of the company payable to the Income Tax Department. The liquidator has paid Rs. 3700/- towards the said outstanding demand on 14.09.2022 vide challan no. 62503 and no claim was lodged by the Income Tax Department till the last date of lodging of the claims i.e., 03.09.2022.
 - b. Notices recalling the long-term loans advanced by the company of Rs. 43,70,794/- were issued to all the parties on 27.08.2022. Out of the total amount receivable by the company Rs. 43,70,794/- were received by the liquidator Rs. 30,36,979 on 14.09.2022 and Rs. 13,33,815/- on 15.09.2022, respectively in the liquidation account.
 - c. Since no claims were received till the last date for submission of claims i.e., 03.09.2022, it was also found that there were no statutory dues and/or outstanding demands payable to any statutory authorities by the company.

The distribution of Rs. 42,00,050/- towards the distribution of return of capital was made on 16.09.2022 through NEFT/RTGS to shareholders of the company.

13. It is further stated in the Preliminary Report that the liquidator has not intended to make any further inquiry into any matter relating to the promotion or failure of the corporate person or the conduct of the business. The estimated cost of liquidation is stated as Rs. 2,50,000/-. Copy of the Preliminary Report and copy of the liquidation bank account statement showing the distribution are annexed with the application.
14. The liquidator prepared and submitted a final report as required under regulation 38 of the IBBI regulation, 2017 on 05.10.2022, detailing the liquidation process being conducted. It was seen from the record that pursuant to the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, the Liquidator had distributed Rs. 42,00,050/- towards the return of paid-up share capital to the shareholders of the company through online transfer made on 16.09.2022. A copy of the final report is also annexed with the application.
15. It is further stated in the final report that there are no assets left which are realizable. All the realizable assets of the company have been disposed by the liquidator in a proper manner. There are no creditors/debtors in the company. No litigation is pending against the corporate person. The affairs of the

Company have been completely wound up and all the assets have been completely liquidated. The said final report of the Liquidation has been submitted to the Registrar of Companies in form GNL-2 vide SRN F28804656 on 11.10.2022 and the said report also has been submitted to IBBI through e-mail on 11.10.2022. A copy of the final report is annexed with the application.

16. The liquidator filed this application on 14.10.2022 and notice was issued by Adjudicating Authority to the Regional Director, ROC, and Income Tax Department on 09.11.2022. In pursuant to said order, the liquidator filed an affidavit of service on 28.11.2022.
17. The Income Tax Department filed their report on 10.01.2023 and stated that for the assessment year 2007-08 Rs. 3654/- is outstanding against the corporate person.
18. As recorded in the daily order dated 18.04.2023, Learned counsel for the Income Tax Department was present and stated that the outstanding dues have been paid by the liquidator and they have no objection to the present Application. Mr. Liladhar Sharma Assistant Director appeared on behalf of the Regional Director and stated that they do not have any objection to this application.
19. As per Regulation 34 of IBBI Regulations, the Liquidator had maintained a current account in the name and style of "Govardhan Creation Private Limited

in Voluntary Liquidation” inThe Surat People’s Co-operative Bank Limitedsince25.08.2022during the liquidation and enclosed the statement of account from 25.08.2022 till 26.09.2022. A copy of the bank statement is annexed with the application. The said A/c has been closed on 27.09.2022.

20. The liquidator filed the compliance certificate of Form H, the details are reproduced here under:

4. Details of realisation during Voluntary Liquidation Process:

Sl. No.	Particulars	Amount
(1)	(2)	(3)
1	Sale of Assets	--
2	Refund from Statutory Authorities	--
3	Cash / Bank balance	8104.00/-
4	Realisation of uncalled/unpaid capital contribution	--
5	Any other (Please specify) Recovery of Long Term Loans and Advances	4370794.00/-
Total		4378898.00/-

Details of distribution to stakeholders as per section 52 or 53 of the Code

(Amount in Rs.)

Sl. No.	Stakeholders* under sections 52 and 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Realization of Security 38 Interest [Sec. 52(1)(b)]	--	--	--	--	--
2	Liquidation Cost [Sec. 53(1)(a)]	178848.00/-	178848.00/-	178848.00/-	100%	--
3	Workmen’s Dues [Sec. 53(1)(b)(i)]	--	--	--	--	--
4	Debts of Secured Creditors [Sec.	--	--	--	--	--

	53(1)(b)(ii)]					
5	Wages and Unpaid Dues to Employees [Sec. 53(1)(c)]	--	--	--	--	--
6	Debts of Unsecured Financial Creditors [Sec. 53(1)(d)]	--	--	--	--	--
7	Government Dues + Amount Unpaid following Enforcement of Security Interest [Sec.53(1)(e)]	--	--	--	--	--
8	Any remaining Debts and Dues [Sec. 53(1)(f)]	--	--	--	--	--
9	Preference Shareholders [Sec. 53(1)(g)]	--	--	--	--	--
10	Equity Shareholders [Sec.53(1)(h)]	--	4200050.00/-	4200050.00/-	--	--
	Total	178848.00/-	4378898.00/-	4378898.00/-	--	--

21. Heard submissions and perused the documents annexed to the Application. It is seen that assets have been completely liquidated. The affairs of the company have been wound up. This application is complete u/s 59(7) of the Code.
22. Necessary compliances as per provisions of the Code have been made by the Corporate Person and the Liquidator. In exercise of the powers conferred

under sub-section (8) of Section 59 of the Insolvency and Bankruptcy Code, 2016 the application is allowed with the following directions:

- i. M/s. Govardhan Creation Private Limited having CIN U17111GJ2004PTC044017 stands dissolved from the date of this Order.
 - ii. The Liquidator is directed to file copy of this order with the concerned Registrar of Companies, Income Tax Department, and IBBI within 14 days from the date of receipt of an authentic copy of this order, for information and necessary action.
 - iii. The Liquidator is also directed to file this order with all other Statutory Authorities connected with the affairs of the Company.
 - iv. The Liquidator shall preserve a physical or an electronic copy of the reports, registers, and books of account referred to in Regulations 8 and 10 of IBBI Regulations for at least eight years after the dissolution of the Corporate Person, either with himself or with an information utility.
23. Copy of the order be served to the respective parties.
24. Application is allowed and stands disposed of.

-Sd-

**AJAI DAS MEHROTRA
MEMBER (TECHNICAL)**

Abhishek Singh/LRA

-Sd-

**DEEP CHANDRA JOSHI
MEMBER (JUDICIAL)**