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IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH

C.P.No.124/BB/2020
U/s. 59(7) of IBC Code, 2016
R/w Regulation 38(3) of IBBI
(Voluntary Liquidation Process)
Regulations, 2017

Between:

Venkata Subbarao Kalva
Liquidator of TSI Townships (Bangalore) Private Limited
(in Voluntary Liquidation)
F-204, Sri Sai Priya Residency,
13th Cross, Sarakki Main Road,
J.P.Nagar, 1st Phase,
Bengaluru – 560 078 - Applicant

And

The Registrar of Companies, Karnataka
'E' Wing, 2nd Floor,
Kendriya Sadan,
Koramangala,
Bengaluru – 560 034 - Respondent

Date of Order: 11th September, 2020

Coram: Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
Hon'ble Shri Ashutosh Chandra, Member (Technical)

Counsel/Parties Present, through Video Conference:


For the Applicant : Shri Venkata Subbarao Kalva

ORDER

Per: Rajeswara Rao Vittanala, Member (J)

1. C.P.No.124/BB/2020 is filed by Venkata Subbarao Kalva, Liquidator of TSI Townships (Bangalore) Private Limited (in Voluntary Liquidation), U/s. 59(7) of IBC Code, 2016 R/w Regulation 38(3) of IBBI (Voluntary Liquidation Process)




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Regulations, 2017, by inter-alia seeking to dissolve the TSI Townships (Bangalore) Private Limited, under provisions of the Code.

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

- (1) TSI Townships (Bangalore) Private Limited (hereinafter referred to as "Company") is a Private Limited Company, was incorporated on 16.12.2005, under the Companies Act, 1956, and having registered office at K304, Purva Panorama Apartments, Kalena Agrahara, Bannerghatta Road, Bengaluru – 560076, bearing CIN: U45201KA2005PTC037970. Its Authorized Share Capital is Rs.2,00,000/- (Rupees Two Lakhs only) divided into 20,000 (Twenty Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each and Issued, subscribed and Paid-up Capital is Rs.2,00,000/- (Rupees Two Lakhs only) divided into 20,000 (Twenty Thousand) Equity Shares of Rs.10/- (Rupees Ten only) each. The main objects of the Company is to carry out business of real estate to own, erect, construct, develop, maintain, lease out and sell on its own or through joint ventures.
- (2) The Board of Directors (BoDs) of the Company, after considered the slow-down in operations from the past two years and business being commercial unviable in the area in which the Company operates, the Directors were of the view that due to non-availability of business prospect and long term financial resources and proposed to close the Company by way of voluntary liquidation.
- (3) As proposed by the BoDs of the Company, the notice of Extra-Ordinary General Meeting (EGM) was issued to all the shareholders on 18.10.2019, the meeting was held on 21.10.2019, passed special resolution for the voluntary liquidation of the Company. Thereafter, both the Directors of



(Signature)

the Company filed the declaration with the Registrar of Company, Karnataka in e-form GNL-2 on 23rd October, 2019 vide SRN R07486467 along with Audited Financial Statements for the previous two years (Financial Year 2018-19 and 2019-20) and financial statement as on 30.09.2019, and appointed CS Venkata Subbarao Kalva, an Insolvency Professional, having IP Regn. No. IBBI/IPA-002/IP-N00179/2017-18/10655 to act as liquidator of the Company.

- (4) The Liquidator made a public announcement of liquidation in Form-A, in Deccan Chronicle – English Newspaper and Sumyuktha Karnataka – Kannada Newspaper on 24.10.2019, seeking submission of claims by the stakeholders, if any, within 30 days of the date of commencement of liquidation i.e. 21.10.2019, and the same was submitted to the IBBI to place the same on its website. Further, the intimation of commencement of voluntary liquidation of the Company was made by the Applicant to the following authorities:
- a. The Insolvency and Bankruptcy Board of India
 - b. The ICSI Insolvency Professionals Agency
 - c. The Registrar of Companies, Karnataka, Bengaluru
 - d. The Income Tax Department

Prior to commencement of liquidation, the Company was registered only with the Income Tax authority not with the Service Tax/Professional Tax/Shop & Establishments/Employees State Insurance/Employees Provident Fund or any other authority. The Income Tax authority has issued No Demand Outstanding Certificate dated 18th December, 2019.

- (5) In pursuant to Regulation 34, the liquidator opened a Bank Account in the name of "TSI Township (Bangalore) Pvt. Ltd. in VOLLQDN" with HDFC Bank for realization and payment to the creditors and Members. The Applicant has received claims from the following claiming the debt from the Company and accordingly payments were made:



Sl No.	Claimants	Amount of Claim (in Rs.)	Settlement of Claim (Amount in Rs.)
1	Delloitte Haskins & Sells LLP	69,120	69,120
2	Regus Eversun Business Centre Private Limited	21,654	21,654

- (6) It is submitted that the Final Report to the Registrar of Companies, Karnataka in e-Form GNL-2 and the Insolvency and Bankruptcy Board of India (IBBI) through email and courier. Subsequent to the distribution of the amount remaining into the books of the Company contributories, the Applicant has closed the liquidation Account.
- (7) Accordingly, the Liquidator of the Applicant Company has filed a Final Report of the Liquidation (as per Rule 38 of the IBBI (Voluntary Liquidation Process), Regulation, 2017, dated 26.06.2020, by inter-alia stating as follows:
- a. Statement showing how the liquidation process has been conducted from 21.10.2019 (Commencement of voluntary liquidation) to 26.06.2020 (Close of Liquidation process).

Receipts			Payments		
Date	Particulars	Amount (Rs.)	Date	Particulars	Amount (Rs.)
-	Opening Balance	5,98,060	4.10.2019	Internet Banking Charges	2,130
			12.10.2019	Bank Charges	59
			24.10.2019	Payment Regus Eversun Business Centre Private Limited	19,927
			4.11.2019	Payment Sampoorna Adver	21,168
			5.11.2019	Internet Banking Charges	1,845
			9.11.2019	Bank Charges	59
			14.12.2019	Bank Charges	59
			18.01.2020	Bank Charges	59
			3.2.2020	Venkata Subbarao Kalva Liquidator Fee	2,16,000
			3.2.2020	Payment to Nikhil & Co, CA	15,000
			10.2.2020	Payment Regus Eversun Business Centre Private Limited	21,654
			14.2.2020	Sreeram Gayithri Devi - Rent Paid for Jan, Feb and March	18,000
			17.2.2020	Payment to Delloitte	69,120
			9.3.2020	Payment to Venkata Subbarao kalva reimbursement of TDS paid on behalf of the Company	28,405
			12.3.2020	Bank Charges	354
			8.6.2020	Payment to Tishman (Equity Shareholders)	76,905
			15.6.2020	Sreeram Gayithri Devi - Payment of rent for the month of April and May	18,000



		16.6.2020	Payment to India Advantage Fund III (Equity Shareholder)	37,500
		16.6.2020	Payment to India Advantage Fund IV (Equity Shareholder)	37,500
		24.6.2020	Nikhil & Co. CA - 15CA and 15CB - Certificate	8,000
		24.6.2020	Nikhil & Co, CA - Audit Fee for statement of R&P	5,000
		24.6.2020	Expenses for filing Application with NCLT and Bank charges	1,316
Total			5,98,060	5,98,060

It is further stated that all the assets of the Corporate Persons have been disposed of; the debt of the Corporate Person has been discharged to the satisfaction of the Creditors; and no litigation is pending against the Corporate Persons.

3. Heard Shri Venkata Subbarao Kalva, the Liquidator, **through Video Conference.** We have carefully perused the pleadings of the party and extant provisions of the Code and Rules made thereunder.
4. As per Section 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 provisions of Chapter V of the Code subject to fulfilment of conditions are prescribed thereunder. As stated supra, the Liquidator has complied with all the conditions and procedural requirements as specified under various provisions of Section 59 of the IBC, 2016 and also Regulation 3 of IBBI (Voluntary Liquidation Process) Regulations, 2017, before initiating Voluntary Liquidation Process of the Corporate Person. Nikhil C P and Company, Chartered Accountants, vide their Auditors Report dated 26.06.2020, has inter alia certified that the Liquidation of the Company i.e. receipts and payments pertaining to Liquidation for the period 1st October, 2019 to 26th June, 2020, has been completed.
5. In view of the above facts and circumstances of the case, we are of the considered opinion that the Liquidator has followed due process of law, and thus affairs of the Company were completely



(Handwritten Signature)

wound up. Therefore, the instant Petition/ Application deserves to be allowed as prayed for.

6. In the result, by exercising the powers conferred on the Adjudicating Authority, under Section 59(8) of the Code, C.P.No.124/BB/2020 is hereby disposed of with the following directions:

- (1) M/s. TSI Townships (Bangalore) Private Limited, the Company/Corporate Person is hereby dissolved with immediate effect.
- (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 copy of this Order to all other Statutory Authorities including IBBI, 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.

ASHUTOSH CHANDRA

**(ASHUTOSH CHANDRA)
MEMBER, TECHNICAL**

RAJESWARA RAO VITTANALA

**(RAJESWARA RAO VITTANALA)
MEMBER, JUDICIAL**

Shruthi



CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL

Majumdar
Deputy/Registrar
National Company Law Tribunal
Bengaluru Bench

Rajeshwari.M

14/09/2020