

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT NO. 5

C.P. 2458/59/MB/2019

Under Section 59 of IBC, 2016

In the matter of

LVS Marketing (India) Private Limited

...Corporate Person

Mr. Pranav Damania

...Applicant/

Insolvency Professional/ Liquidator

Order Pronounced on: 02.07.2020

Coram:

Hon'ble Smt. Suchitra Kanuparthi, Member (Judicial)

Hon'ble Shri V. Nallasenapathy, Member (Technical)

For the Petitioner: Mr. Pranav Damania

Per: Suchitra Kanuparthi, Member (Judicial)

Order

1. This is a Company Petition filed under Section 59 of the Insolvency and Bankruptcy Code, 2016 (hereinafter called "Code") by a Corporate Person, namely M/s LVS Marketing (India) Private Limited through the Insolvency Professional, namely, Pranav Damania for dissolution of the Corporate Person through voluntary liquidation, under Section 59 of the Code, 2016 read with Rules and Regulations therein. The Corporate Person has completed requisite formalities and procedure of liquidation in compliance of law and has filed this Petition for its liquidation under Section 59 of the Code.
2. The Corporate Person was incorporated on 02.07.2008 having its registered office at Unit 8, Level 2, Kalpataru Synergy, Opposite Grand Hyatt, Santacruz (East), Mumbai 400055.

For LVS Marketing (India) Private Limited


3. The Board of Directors of the Corporate Person made a declaration of Solvency on 21.08.2017 as required under Section 59(3)(a)(i). Further, the Directors of the company, after having made full inquiry into the affairs of the Corporate Person, formed an opinion that the Company owes a debt of Rs. 11,17,500/- to a single Creditor, namely, ALMT Legal Advocates & Solicitors and that the same can be paid in full within a period of 12 months from the commencement of the voluntary winding up out of the cash currently held by the Company or/and out of the proceeds of assets to be sold in the process. The Board also declared that the Company is not being liquidated to defraud any person.
4. By a resolution dated 21.08.2017 the Board decided to liquidate the Company voluntarily and recommended the appointment of Mr. Pranav Damania as the Liquidator.
5. The Applicant enclosed the Audited Financial Statements for the last two Financial Years 2015-2016 and 2016-2017 as provided under Section 59(3)(b)(i) of the Code.
6. The Applicant has provided a Valuation Report for the Fair Valuation of Net assets required under Section 59(3)(b). Accordingly, the Net assets are valued at Rs. 41,04,736/- as on 28.08.2017.
7. On 29.08.2017, the members of the Corporate Person passed a Special Resolution in the Extra-Ordinary General Meeting to liquidate the Company and to appoint Mr. Pranav Damania, as the Liquidator and such appointment was to be made through Win Corporate Advisors Private Limited with a consolidated remuneration of USD 4,000/- plus applicable taxes, expenses for performing the job of liquidation of the Corporate Person as required under Section 59 (3)(c)(i) of the Code. Since there are no creditors in the company, the requirement of the

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Pranav Damania
Liquidator

Special Resolution being approved by creditors having 2/3rd value of shares as required under proviso to sub-section (3) of Section 59 does not arise. Accordingly, the liquidation of the Company is deemed to have begun on 29.08.2017.

8. The Corporate Person notified the ROC regarding commencement of liquidation by filing Forms MGT 14 and GNL 2 on 04.09.2017 and the same was approved vide e-mail dated 17.10.2017. Further, the Corporate Person informed the IBBI regarding the passing of special resolution to liquidate the Company, vide e-mail dated 05.09.2017. Similarly, the liquidator has intimated the Income Tax Department and received a No Objection Certificate from the said Department on 21.12.2017.
9. The Liquidator made a public announcement regarding the liquidation of the Corporate Person in two newspapers namely, Financial Express and Navshakti on 02.09.2017 calling upon stakeholders, if any, to submit their claims as required under Regulation 14 of IBBI (Voluntary Liquidation Process) Regulations, 2017 (hereinafter called "IBBI Regulations").
10. The Liquidator is required to realize proceeds of the assets of the Corporate Person as mentioned under Regulation 32 of IBBI Regulations. The assets of the Corporate Person were in the form of Cash and Bank Balance only and the Liquidator paid the Professional fees and the expense for liquidation.
11. As per regulation 34 of IBBI. The liquidator has duly opened a bank account in the name and style of "M/S LVS M.I.P.L. IN VOLUNTARY LIQUIDATION" in HDFC Bank. The said account is closed on 10.05.2019. The Liquidator has also filed preliminary report and final report. The Final Report contains a statement as follows;

For LVS Marketing (India) Private Limited



"(i) The assets of M/s. LVS Marketing (India) Private Limited has been disposed of by the liquidator. The amount lying in the Voluntary Liquidation account of LVS Marketing (India) Private Limited in the name and style of "LVS M I P L IN VOLUNTARY LIQUIDATION" was disbursed to the stakeholders who are the only shareholders of the company i.e. Sands IP Asset Management B V. Remittance of Rs. One Lac Seventy Four Thousand Nine Hundred and Ten Only (Rs. 1,74,910) was done to Sands IP Asset Management B V as they are the stakeholders.

(ii) There were no operational or financial creditors in the Company. There were no debtors in the Company.

(iii) No litigation is pending against the M/s LVS Marketing (India) Private Limited. We have obtained No-Objection Certificate from Income Tax- Department issued by Mr. Rajesh Natarajan, DCIT- 14(2)(1), Mumbai."

12. The auditor audited the accounts of Liquidation as stated under Regulation 38 of IBBI Regulations. The Insolvency Resolution Professional filed final report stating that liquidation process has been completed by annexing audited accounts of liquidation. Finally, the liquidator filed the Petition along with final report and sent a copy of the final report to the Registrar of Companies, Mumbai and IBBI (Compliance of Section 59 (6) of Code, read with Regulation 32 and 34-38 of IBBI Regulations.)

13. The Petition reveals that a compounding application was filed *suo moto* by the Company before the ROC, Mumbai on 26.09.2016 for failure to hold its Board of Director's meeting during the third quarter of the Financial Year 2015-2016 as required under Section 118 of the Companies Act, 2013. The Adjudicating officer of ROC, vide its Order dated 08.01.2019, imposed a penalty of ₹25,000/- on the Company and ₹5000/- on each ex-directors of the Company.

14. On the Petition filed by the Liquidator under Sub-section 7 of the 59 of the Code for dissolution of this Corporate Person, we have noticed that the affairs of the Corporate Person have been completely wound up and its assets are liquidated. We are of the considered view that this Corporate Person, through its Liquidator, voluntarily liquidated itself so as to get dissolved, therefore, we hereby dissolve this Corporate Person directing the Liquidator to file this order with concerned Registrar of Companies and IBBI within 14 days hereof. (Compliance of Section 59 (7-9) of the Code.)
15. Accordingly, this Company Petition is allowed.

Sd/-

V. Nallasenapathy
Member (Technical)

Sd/-

Suchitra Kanuparthi
Member (Judicial)

For LVS Marketing (India) Private Limited

Pranav Damania
Liquidator