



IN THE NATIONAL COMPANY LAW TRIBUNAL: NEW DELHI
COURT – IV

ITEM No. 1
IB/714/ND/2022

IN THE MATTER OF:

Aaroh Finance And Investments Private Limited
(Liquidator Shri Munish Kumar Sharma) ... Applicant

Order under Section 59 of Insolvency & Bankruptcy Code, 2016.

Order pronounced on 19.07.2023

Coram:

DR. P.S.N. PRASAD,
HON'BLE MEMBER (JUDICIAL)
DR. BINOD KUMAR SINHA,
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant :
For the Respondent :

ORDER

Order pronounced in open Court vide separate sheets.

C.P. (IB)/714/ND/2022 stands allowed.

Sd/-
DR. BINOD KUMAR SINHA
MEMBER (TECHNICAL)

Sd/-
P.S.N. PRASAD
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT – IV**

C.P.(IB)/714/ND/2022

[Under Section 59(7) of the Insolvency & Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017]

In the matter of:

Aaroh Finance and Investments Private Limited

CIN: U65929DL1997PTC086017

Through Liquidator Shri Munish Kumar Sharma

...Applicant

Order Delivered on: 19.07.2023

CORAM:

SHRI P.S.N. PRASAD, HON'BLE MEMBER (JUDICIAL)

DR. BINOD KUMAR SINHA, HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant

: Mr. Saurabh Kalia, Mr. Sarvik Singhai, Advs.

ORDER

PER: SHRI P.S.N. PRASAD, HON'BLE MEMBER (JUDICIAL)

1. The instant application has been filed by the Voluntary Liquidator Mr. Munish Kumar Sharma on behalf of M/s Aaroh Finance and Investments Private Limited (Applicant) under Section 59 of the Insolvency & Bankruptcy Code, 2016 ("Code") read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 ("Voluntary Liquidation Regulations") seeking the following prayer(s): -
 - a) Pass an order u/s 59(8) of the Insolvency and Bankruptcy Code, 2016 dissolving the Company namely M/s Aaroh Finance and Investments Private Limited;



- b) Pass an order allowing destruction of old records of the Company except liquidation records; and
 - c) Pass such other and further order as this Hon'ble Tribunal may deem just and proper, in the interest of justice.
2. The brief facts, giving rise to filing of the instant Application, which are just and necessary for adjudication, are narrated hereunder: -
- i. The Applicant i.e., M/s Aaroh Finance and Investments Private Limited was incorporated on 20.03.1997 under the provisions of the Companies Act, 1956 having CIN: U65929DL1997PTC086017 and having its registered office at 10, Sagar Apartments, 6, Tilak Nagar New Delhi-110001.
 - ii. The Applicant submits that since its incorporation it was engaged in the business of financing all types of commercial and non - commercial establishments whether corporate or non-corporate; to lend money and negotiate loans or every description and to transact business promoters, financiers and monetary agents in India and elsewhere provided that the company shall not do any banking business; to carry on and undertake business of hire purchase, chartering, renting, to finance all kinds of plant and machinery, properties, automobile vehicles whether movable or immovable and goods of all the description of all and every kind or description by way of hire purchase or deferred payment or otherwise and to provide financing advisory and counselling services to others; to invest in acquire and hold, underwrite, sell, buy or otherwise deal in shares debenture stocks, bonds, units obligations and securities



issued or guaranteed by India or foreign government, state, dominions, sovereigns, municipalities, public authorities or bodies; to purchase, hold, construct deal in take in exchange or hire or otherwise acquire or develop whether for investment of sale or otherwise for the company's business any real or personal property including land, building, warehouse, factory, cottage, shops, mini, machines plants goods stock in trade, business industry undertaking, rights concessions, privileges, licences, casements or interest in or with respect to any property in consideration of a gross sum or rent or partly in one way and partly in other.

- iii. The Applicant submits that the Board of Directors in their meeting held on 07.09.2021 had approved the resolution for voluntary liquidation of the Applicant Company and the directors of the Applicant Company had signed the declaration of solvency by affidavit, declaring that they have made full inquiry into the affairs of the company and have formed an opinion that the company will be able to pay its debts in full from proceeds of assets to be sold in voluntary liquidation and the Company is not being liquidated to defraud any person.
- iv. The Applicant submits that the company filed the declaration signed by the Board of Directors of the Company with the Registrar of Companies in compliance of Section 59(3) of the Code in Form GNL-2 on 16.10.2021.
- v. The Applicant submits that the Annual General Meeting was held on 14.10.2021 wherein a Special Resolution passed relating to



voluntary winding up of the company and appointment of Mr. Munish Kumar Sharma, Insolvency Professional, having registration no. IBBI/IPA-002/IP-N00050/2016-2017/10094 as Liquidator. The applicant company had duly filed the Special Resolution with the Registrar of Companies about the voluntary liquidation of the company and appointment of Liquidator in e-form MGT-14 along with the special resolution and the explanatory statement on 16.10.2021.

- vi. The applicant submits the company did not have any creditor and it is evident from the list of debt as on 30.09.2021 which is enclosed with the application. The same is extracted below:

AAROH FINANCE AND INVESTMENTS PRIVATE LIMITED

10 SAGAR APARTMENTS, 6 TILAK MARG, NEW DELHI -110 001

CIN: U65929DL1997PTC086017, Email ID: alokshuklaca@knaca.com

Tel.: 42271056

Annexure I to Statement of Solvency dated 30th September, 2021 made under Section 59 of Insolvency and Bankruptcy Code, 2016 read with Rule 3(4) of IBBI (Voluntary Liquidation Process) Regulations, 2017

AAROH FINANCE AND INVESTMENTS PRIVATE LIMITED

List of Debts as on 30th September, 2021

| S. No. | Particulars | Amount (INR) |
|--------|-------------|--------------|
| | --NIL-- | |
| Total | | NIL |


Alok Shukla
Director
DIN: 00015040
Address: Flat No. 10 (II)
Sagar Apartments,
6 Tilak Marg, New Delhi – 110001




Jitendra Gupta
Director
DIN: 00213341
Address: C-3 / 15,
Model Town-III
Delhi-110009

- vii. It is also submitted that the audited financial statements of the company for period ended on 31.03.2020 and 31.03.2021. The same is on record.



- viii. The applicant submits that as per Regulation 14 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, public announcement in Form A of Schedule I was published in the “Financial Express” English and “Jansatta” in Hindi on 15.10.2021, being the newspaper having wide circulation at the location of the registered office of the Applicant Company inviting claims of stakeholders, if any, and to submit their claim within 30 days from the date of commencement of liquidation. The applicant company further submits that the copy of the publication was sent through email to the Insolvency and Bankruptcy Board of India (the “IBBI”) for the publication on its website on 14.10.2021.
- ix. The applicant submits that the company had sent intimation letter to the Income Tax Department under section 178 of the Income Tax Act, 1961 about commencement of voluntary liquidation process and appointment of Liquidator vide letter dated 18.10.2021. Therefore, no claim was received from Income Tax Department. It was submitted that the Liquidator had filed the income tax return for Assessment year 2021-22 and 2022-23. The same is on record.
- x. The applicant submits that in compliance of the Regulation 9 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 the Liquidator had prepared and submitted preliminary report and sent to Corporate Debtor and IBBI vide email dated 22.11.2021



- xi. The applicant submits that the list of stakeholders was prepared on 22.11.2021 and intimated the IBBI on 22.11.2021. The same is extracted below:

| List of Stakeholders Aaroh Finance and Investments Private Limited As on 22nd November 2021 [Under Regulation 30 of the Insolvency Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017] | | | | | | | | | |
|--|------------------------|----------------|---|-----------------|-------------------|-----------|-----------------|------------------|-----------------|
| S. No | Details of Stakeholder | | | Amount of Claim | Secured/Unsecured | | Status of Proof | | |
| | Category | Name | Address | | Secured | Unsecured | Admitted | Rejected in Part | Wholly Rejected |
| 1 | Shareholder | Alok shukla | 10, Sagar Apartment 6, Tilak Marg, New Delhi - 110001 | Nil | NA | NA | NA | NA | NA |
| 2 | Shareholder | Jitendra Gupta | C-3/15 Model Town Delhi-110009 | Nil | NA | NA | NA | NA | NA |

Though shareholders have not filed any claim, but any surplus remaining after payment of liquidation cost will be distributed amongst shareholders in proportion to their shareholding. No claims have been received by the liquidator.

(Munish Kumar Sharma)
Liquidator
IBBI/PA-002/IP-N00050/2016-2017/10094
Aaroh Finance and Investments Private Limited
Date: 22nd November 2021
Place: Ghaziabad

- xii. The applicant submits that the Liquidator had proceeded for closure of the previous Bank account of the company maintained at Axis Bank, Connaught Place, New Delhi, India and thereafter opened a Bank Account in the name of Aaroh Fin & Inv PL-Voluntary Liquidation with HDFC Bank Limited, Kaushambi, Ghaziabad, U.P. bearing A/c No. 50200065034985. The Liquidation account was closed on 30.05.2022 and it was confirmed by the Bank that the said account is closed.
- xiii. The applicant submits that there are two shareholders namely Mr. Alok Shukla and Mr. Jitendra Gupta, both of them duly paid off in proportion of their shareholdings. Therefore, Interim distributions were made on 24.02.2022 and 10.03.2022 and final distribution was made on 26th April 2022 as tabulated hereunder:



Page No.: 1

M/S. AAROH FIN & INV PL-VOLUNTARY LIQUIDATION
C/O AAROH FIN AND INV PL-VOLUNTARY
10 SAGAR APARTMENTS 6 TILAK MARG, NEW DELHI
DELHI 110001
DELHI INDIA
JOINT HOLDERS :
Nomination : Not Registered
Statement From: 19/01/22 To: 30/05/22

Account Branch : KAUSHAMBI
Address : HDFC BANK LTD
BUILDING NO. 21,KAUSHAMBI,
GHAZIABAD,
City : GHAZIABAD 201010
State : UTTAR PRADESH
Phone no. : 9935903333
RTGS/NEFT IFSC : HDFC0002653 MICR: 110240301
Email : MUNISH@MKSADVISORS.COM
Limit : 0.00 Currency : INR
Cust ID : 187083325 Pr.Code : 202 Br.Code : 2653
Account No : 50200065034985 PB Customer
A/C Open Date : 19/01/2022 Expected AQB : 0.00
Account Status : Closed

Table with columns for Date, Description, Amount, and Balance. Includes transactions from 31/01/22 to 31/04/22.



Page No.: 2

M/S. AAROH FIN & INV PL-VOLUNTARY LIQUIDATION
C/O AAROH FIN AND INV PL-VOLUNTARY
10 SAGAR APARTMENTS 6 TILAK MARG, NEW DELHI
DELHI 110001
DELHI INDIA
JOINT HOLDERS :
Nomination : Not Registered
Statement From: 19/01/22 To: 30/05/22

Account Branch : KAUSHAMBI
Address : HDFC BANK LTD
BUILDING NO. 21,KAUSHAMBI,
GHAZIABAD,
City : GHAZIABAD 201010
State : UTTAR PRADESH
Phone no. : 9935903333
RTGS/NEFT IFSC : HDFC0002653 MICR: 110240301
Email : MUNISH@MKSADVISORS.COM
Limit : 0.00 Currency : INR
Cust ID : 187083325 Pr.Code : 202 Br.Code : 2653
Account No : 50200065034985 PB Customer
A/C Open Date : 19/01/2022 Expected AQB : 0.00
Account Status : Closed

Table with columns for Date, Description, Amount, and Balance. Includes transactions from 26/04/22 to 30/05/22.

STATEMENT SUMMARY:-
Opening Balance 0.00
Debits 7,862,468.02
Credits 7,862,468.02
Closing Bal 0.00

xiv. The Applicant submits that the accounts of the company was audited for period of liquidation i.e., from 14.10.2021 to 05.05.2022. The Applicant further submits that the Liquidator has prepared his final report as on 15.06.2022 and the same has been filed in e-form GNL-2 with the Registrar of Companies, NCT of Delhi & Haryana and also sent to the Insolvency and Bankruptcy Board of India vide email dated 15.06.2022.



xv. The Applicant submits that no litigation is pending against the company in any Court of Law or Tribunal.

3. In compliance vide order dated 03.11.2022 read with order dated 10.10.2022 passed by this Tribunal wherein the Tribunal directed the Applicant to clarify whether the speculated amount can be there or not, the Applicant submits that the shareholders-cum-directors holding 100% equity shares in the Company gave their consent that units of mutual funds may be assigned to them in ratio of shares held by them and to proceed with the final distribution and take steps for dissolution of the company without waiting for payment against fund units. Therefore, as per consent of shareholders-cum-directors and in accordance with the power conferred on Liquidator under Regulation 35(3) of Insolvency and Bankruptcy Board of India (Voluntary Liquidation) Regulation, 2017, liquidator has assigned and transfers all right and entitlements said units of mutual funds in favour of both equity shareholders in equal proportion. In this regard an affidavit has been filed by the Applicant which has been placed on record which is reproduced here under:



3. That the Corporate Person has invested in Franklin India Short Term Income Plan. However, the Trustee of Franklin Templeton decided to wind up the some of its schemes on 23rd April, 2020. The Scheme in which corporate debtor has invested was one of those schemes. The decision was taken because the markets had become illiquid due to the severe impact of COVID-19.



4. That the Corporate Person was informed by the Franklin Templeton that redemption/subsorption of units was not possible due to the

M. Gupta

3

aforesaid fact and investor money will be returned based on the availability of the funds.

5. That the Corporate Person had 11.68 units in the Scheme as on asset distribution date.

6. That since there was no certainty of time within which these 11.68 would have been paid by the Franklin Templeton. And unless some suitable treatment was given to these units, liquidation process would have remained pending.

7. That further prolonging the liquidation process would have resulted in cost of liquidation of going up, especially on behalf of the fee to be paid for annual audit and annual income tax compliance that would have resulted in lesser amount being available to the stakeholders.

8. That to timely complete the liquidation processes the deponent has taken recourse to Regulation 35(3) of IBBI (Voluntary Liquidation Process) Regulations, 2017.

9. That for the convenience of the Hon'ble NCLT the Provision of Regulation 35(3) is reproduced hereunder:

Regulation 35- Distribution

1. ---
2. --
3. "The liquidator may, with the approval of the corporate person, distribute amongst the stakeholders, an asset that cannot be readily or advantageously sold due to its peculiar nature or other special circumstances."

10. That these 11.68 units of mutual fund perfectly answer the description of asset that cannot be readily sold (in fact cannot be sold at all since scheme is being wound up) due to special circumstances.



M. Gupta

11. That both Shareholder/Director holding 100% shares in the corporate debtor gave their approval in term of Regulation 35(3) on 23rd March 2022 for distribution of assets amongst them. **Approval of the Shareholder/Director is attached as Annexure A/23 on page 138 of the main Application.**

12. That there was no creditor to whom any amount was due and payable, all remaining assets were to be paid to the shareholders only. Units were accordingly assigned and transferred to the shareholders on 10th June 2022 under the Regulation 35(3). Copy of deed of assignment is attached as **Annexure A/23 on pages 134 of the main Application.**

13. Since units has been transferred in the name of shareholders hence no amount will be received by the Corporate Person and amount on further winding up of scheme amount will be received directly by shareholders.

14. That distribution of assets to the stakeholders (shareholders) has been done in accordance with the provision of IBBI (Voluntary Liquidation Process) Regulations, 2017 and corporate debtor has been wound up according to the IBC, 2016 and regulations made thereunder.



4. In compliance of Regulation 38(3) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 compliance certificate in Form H has been filed by the Liquidator. The same is on record.
5. We have heard the submissions made by the Ld. Counsel and perused the documents annexed to the petition. From a perusal of the instant Application and documents annexed therewith, it is seen that the Liquidator, after his appointment has duly performed his duties and completed necessary formalities to complete the liquidation process of the Applicant Company, which has been averred in the present application and, thus, the Liquidator has prayed for an order from this Adjudicating Authority to dissolve the applicant company.
6. Further, no adverse comments have been received from any statutory authority or from public at large against such dissolution of the Applicant Company, despite there being a public announcement by the liquidator and also updation of the same in the website of the Insolvency and Bankruptcy Board of India (IBBI). It is also evident from the record that the proposed liquidation was duly communicated to the Registrar of Companies, NCT of Delhi & Haryana as per Form MGT-14 and Form GNL-2 filed with the Registrar of Companies, NCT of Delhi and Haryana. It appears that the affairs of the Applicant Company have been completely wound up and its assets have been completely liquidated and no liabilities have been left unsatisfied. We have also duly considered the merits thereof, in the light of the statutory provisions of Section 59 of the Code, 2016 read with the relevant regulations.



7. The Liquidator had filed copies of paper publication as well as copy of paper announcement in Form-A. The Liquidator in compliance of Regulation 38(3) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 had placed on record the Compliance Certificate in Form-H annexed as Annexure A-24 at page no. 140-149 of the present application.
8. The Liquidator is found to have complied with the statutory provisions to complete the liquidation process by taking necessary steps as it is evident that he had duly opened an account in the name of Corporate Person with Bank for realization and payment to the members.
9. Further as per record of the present case, it is seen that the Applicant Company is not found being involved in such kind of business activities, which are detrimental to the interest of the public at large. Furthermore, it is not the case that the proposed dissolution may adversely affect its shareholders/members or is contrary to the provisions of law.
10. By taking into consideration the above stated facts and circumstances, the instant Application **(C.P.(IB)714/ND/2022)** stands allowed. Consequently, this Adjudicating Authority in exercise of power conferred to it under Section 59 (8) of the Insolvency and Bankruptcy Code, 2016, orders that the Applicant Company i.e., M/s. Aaroh Finance and Investment Private Limited having CIN: U65929DL1997PTC086017 shall stand dissolved with effect from the date of pronouncement this order.



11. The Liquidator is directed to communicate a copy of this order to the respondent i.e., Registrar of Companies, NCT of Delhi & Haryana, wherein the registered office of the Applicant Company is situated. Further, a copy of this order should also be communicated to the IBBI, New Delhi, for information. Such communication should be made within the stipulated period of fourteen (14) days from the date of receipt of certified copy of this order.
12. The Registry is directed to send e-mail copies of the order forthwith to the Applicant Company represented by its Liquidator and its Ld. Counsel for taking further necessary steps.
File be consigned to the records.

Sd/-
DR. BINOD KUMAR SINHA
MEMBER (T)

Sd/-
P.S.N PRASAD
MEMBER (J)