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**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH – I, CHENNAI**

**CP/IB/145 (CHE)/2022**

*(filed under Section 59(7) of IBC,2016)*

*In the matter of* **SOUTHERN BAGS & CHEMICALS PRIVATE LIMITED**

**GUNTURU SUBHASREE**

Liquidator of Southern Bags & Chemicals Private Limited  
(CIN:U24294TN1981PTC009033)  
SPIC Administration Main Building,  
Spicnagar, Tuticorin- 628 005.

*... Applicant/ Liquidator*

Order Pronounced on **20<sup>th</sup> January 2023**

CORAM:

**Justice (Retd.) RAMALINGAM SUDHAKAR, PRESIDENT  
SAMEER KAKAR, MEMBER (TECHNICAL)**

*For Applicant: Chandra B, PCS*

**ORDER**

***Per:* SAMEER KAKAR, MEMBER (TECHNICAL)**

Under adjudication is this present Application preferred by the Applicant under Section 59 (7) of the IBC, 2016 praying for an order to dissolve the Applicant company viz., "Southern Bags & Chemicals Private Limited".



2. The Applicant Company was incorporated on 15.10.1981, under the provisions of the Companies Act, 1956. It is submitted that the Applicant Company was engaged in the business of manufacturers, importers, exporters and dealers in all kinds and types of synthetic packaging materials such as High Density poly ethylene bags/ Poly Propylene bags laminated jute bags used as packaging for fertilizers, cereals, cement, salt, chemicals etc.,. The details of the main objects are set out in the memorandum of association which is attached in the Application typeset.

3. It is submitted by the Ld. Authorized Representative for the Applicant

(i) That the Board of Directors Meeting held on 10.03.2020 passed a resolution to liquidate the Company voluntarily, subject to the approval of the shareholders.

(ii) That the declaration of solvency by the directors of the Company Mr. Rathinasabapathi, Mr.Muthu Manoharan and Mr. Muthukumar Andiappan along with the audited financial statements and record of business for the previous two years are placed as **Annexure B** of the Application typeset.

(iii) That GNL 2 Form filed to the ROC, Chennai vide SRN-R35924505 dated 20.03.2020 along with the payment challan is placed as **Annexure C** of the Application typeset.

(iv) That in the EOGM dated 09.04.2020, a special resolution was passed to liquidate the Applicant Company under Section 59 of IBC,2016 and further Ms Gunturu Subhasree an Insolvency Professional, having IP registration No. IBBI/IPA-002/IP-N00587/2017-18/1179 was appointed to act as the liquidator. The copies of the special resolution along with the EOGM is placed as **Annexure D** of the Application typeset.

(v) That the Applicant Liquidator made a public Announcement of commencement of liquidation in Form A, in newspapers "Trinity Mirror" (English) and "Makkal Kural" (Tamil) on 10.04.2020, seeking submission of the claim by the stakeholders, if any. The said copy is filed as **Annexure E (i)** of the Application typeset.

(vi) That the liquidation process of the Applicant Company started during the peak of COVID pandemic and hence the call for claims was advertised within a period of 30 days from the date of lifting of



lockdown by the central government and the respective state governments.

(vii) That FORM A was sent to IBBI vide email dated 11.04.2020 and the said copy is enclosed as **Annexure E (ii)** of the Application typeset.

(viii) That the commencement of liquidation was communicated to the ROC, Chennai vide forms MGT-14 and GNL-2. The said forms are placed as **Annexure- F** of the Application typeset.

(ix) That the Applicant Liquidator opened a liquidation bank account in the name of "Southern Bags & Chemicals Private Limited in Voluntary Liquidation" with Tamil Nadu Merchantile Bank.

(x) That the Applicant liquidator received 9 claims from shareholders before the last date of submission of claims. The said claim forms are placed as **Annexure G** of the Application typeset. Further it is averred in para 15 of the Application that there was no claims received from the creditors.

(xi) That the Applicant liquidator submitted the preliminary report on 22.05.2020 and the addendum to the preliminary report on 27.06.2020 to the company owing to the pandemic situation. The copies of the preliminary report along with the addendum thereto are placed as **Annexure H** of the Application typeset.

(xii) That the Applicant Liquidator communicated the commencement of the liquidation process to the IT Authorities on 08.07.2020 and the IT department has given NOC vide their letter dated 28.10.2021. The copy of the said letter is placed as **Annexure J** to the Application typeset.

(xiii) That the Applicant Liquidator settled the claims raised by the ESIC and the same was acknowledged by the ESIC. The said acknowledgement by the ESIC is placed as **Annexure K** of the Application typeset.

(xiv) That Rs.28,41,988/- was distributed to the shareholders/ Members of the Applicant Company. Out of 12 shareholders of the Applicant Company 3 cheques amounting to Rs.60,826/- returned undelivered. The courier remarks is placed as **Annexure L** and the said amounts from the cheque returned are deposited with the



IBBI Voluntary Liquidation Account via challans and the same is placed as **Annexure M** of the Application typeset.

(xiv) That the final report was submitted to ROC, Chennai in form GNL-2 and IBBI via e-mail. The said copies are placed as **Annexure Q** of the Application typeset.

(xv) That the Applicant Liquidator after payments to the creditors and the shareholders closed the liquidation Account with Tamil Nadu Merchantile Bank. The certificate from the bank for closure of the bank account is placed as **Annexure R** of the Application typeset.

(xvi) That the Applicant Liquidator has filed FORM H dated 23.04.2022 as an additional document in SR No.5825 dated 28.10.2022 compliance with IBC, 2016 and the attendant regulations.

4. Thus, on examining the submissions made by the Learned Authorized Representative and after perusing the documents annexed to the Application it appears that the affairs of the Company have been completely wound up and the assets of the Applicant Company have been completely liquidated and as such

the Applicant Company deserves to be dissolved. Accordingly, in exercise of the powers conferred under Section 59(8) of IBC, 2016, we hereby order the dissolution of **Southern Bags & Chemicals Private Limited** and the Applicant Company shall stand dissolved from the date of this order. Accordingly, the Company Application stands **allowed**.

5. The *Registry* and the Liquidator are directed to serve a copy of this order upon the Registrar of Companies, Chennai, and also to IBBI, within 14 days from the date of this Order.

—SD—

**SAMEER KAKAR**  
MEMBER (TECHNICAL)

—SD—

**JUSTICE (RETD) RAMALINGAM SUDHAKAR**  
PRESIDENT

*Vinita Varshini.K*