

BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT 1

CP(IB) 243 of 2020

Coram: Mr. MADAN BHALCHANDRA GOSAVI, MEMBER (JUDICIAL)
Mr. VIRENDRA KUMAR GUPTA, MEMBER (TECHNICAL)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING THROUGH VIDEO CONFERENCING BEFORE THE
AHMEDABAD BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 16.10.2020

Name of the Company:

Keyur J Shah Liquidator of Star Machine
Engineers Pvt Ltd
V/s
ROC, Gujarat

Section:

Section 59(7) r.w 38(3) IBC, 2016

ORDER

The case is fixed for pronouncement of order.

The Order is pronounced in the open court, vide separate sheet.

(VIRENDRA KUMAR GUPTA)
MEMBER (TECHNICAL)

(MADAN B GOSAVI)
MEMBER (JUDICIAL)

Dated this the 16th day of October 2020.

**BEFORE THE ADJUDICATING AUTHORITY
(NATIONAL COMPANY LAW TRIBUNAL)
AHMEDABAD BENCH
AHMEDABAD**

CP (IB) 243/59/NCLT/AHM/2020

[Under Section 59 (7) of Insolvency & Bankruptcy Code, 2016]

Through:

Keyur J. Shah

Liquidator of,
M/s Star Machine Engineers Pvt. Ltd
408, Chitrarath Complex, B/h President Hotel,
Off. C.G Road, Navrangpura, Ahmedabad
Gujrat- 380009

In the matter of ;

**M/s Star Machine Engineers Pvt. Ltd
(CIN NO. U29100GJ2007PTC051257)**

Company Incorporate under the Companies Act, 1956

Having registered office at:

6, Panchvati Society B/H, Swaminarayan
Temple, Maninaagar,
Ahmedabad ; 380008

...Petitioner

Pronouncement of order on October 16, 2020

**Coram: MADAN B GOSAVI, MEMBER (J)
VIRENDRA KUMAR GUPTA, MEMBER (T)**

Appearance:

Learned Ms. Noopur Dalal appeared for the petitioner.

Through Video conference

ORDER

[Per Bench]



1. The present Company Petition is filed under Section 59 (7) of Insolvency & Bankruptcy Code, 2016 (hereinafter referred to as "**IB Code**") by the Liquidator Mr. Keyur J. Shah for seeking the order of dissolution of Corporate Person i.e. **M/s Star Machine Engineers Private limited.**

2. The Ld. Counsel of the petitioner company submitted that Board of Directors in the meeting dated 05.03.2019 proposed to voluntarily liquidate the company and filed the declaration of solvency with Ministry of Corporate Affairs on 18.03.2019 and physically submitted the solvency declaration to ROC on same date under section 59 (4) of the IB Code read with rule 3 (4) of Insolvency and Bankruptcy Board Of India (Voluntarily Liquidation Process) Regulation, 2017 (Hereinafter referred to as "**VLP Regulations**").

3. The directors of Corporate person made the declaration under section 59 (3) and Rule 3 VLP Regulations by way of affidavit dated 05.03.2019 as under;
 - I. We have made full inquiry into the affairs of the company, and that having done so, we have formed the opinion that

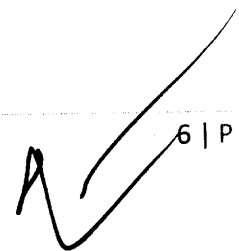
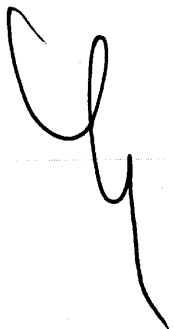
this company will be able to pay its debts in full from the proceeds of assets sold in voluntary liquidation.

- II. They also stated that the company is not being liquidated under the provisions of the IB Code to defraud any creditors, Government, Company, Firm or any person.
4. The Petitioner Company vide Special Resolution passed in Extraordinary General Meeting held on 30.03.2019 approved that the corporate person be voluntarily liquidated pursuant to the provisions of Section 59 of the IB Code and regulations made hereunder. It is also resolved to appoint Mr. Keyur J. Shah, bearing registration no. IBBI/IPA-002/IP-N00244/2017-18/10729) as a Liquidator and liquidator fee had also been decided excluding costs of engaging other professional (s), statutory Expenses, expenses incurred on publication of notices, other incidental expenses and applicable taxes.
5. The counsel of the applicant submitted the Corporate Debtor was not doing business for more than five years and in view of non-availability of business prospectus, and long terms financial resources. It was not financially viable to carry on business activities, Hence, decided to voluntarily liquidate the corporate person.

6. The Liquidator made public announcement under rule 14 of VLP Regulations of commencement of liquidation process of Corporate Person i.e. **M/s Star Machine Engineers Pvt. Ltd**, in two Newspapers i.e. "Business Standard" in English newspaper Ahmedabad Edition and Gujrati newspaper "Gujrat Today" on 01.04.2019 for submission of claims dues by its shareholders or creditors on or before 29.04.2019 and the Public announcement was uploaded on 04.04.2019 on the website of Insolvency and Bankruptcy Board of India.
7. The liquidator received the claim from the one creditor namely NMSM & Associates to the tune of Rs. 17,700/- and submitted the preliminary report under rule 9 of VLP Regulations on 06.05.2019 through e-mail to the Board of the corporate person wherein, the Liquidator submitted the assets estimated to the tune of Rs. 37,25,452/- however, estimated liabilities was Rs. 22,864/-
8. On perusal of the record it is found that in compliance of rule 34 of VLP Regulations, the liquidator had opened the new Bank Account with Indian HDFC Bank, Navragpura Branch, Ahmedabad on 14.05.2019 for voluntary liquidation, thereafter, existing Bank accounts of company were closed and all the cash and bank balances were deposited with the liquidation account.

9. The counsel of the petitioner submitted that the liquidator had distributed the claim of claimants & stake holders under rule 35 of VLP Regulations after verifying the claim from the Books of account of the Corporate Person. It is also submitted that the notice to the Income Tax department had been issued on 10.05.2019, further stated that payment of Income Tax was assessed for the FY 2018-19 to the tune of Rs. 30,300/- which was paid. There are no dues for the FY 2019-20.
10. The Liquidator completed the liquidation process within prescribed time period as under rule 36 of VLP Regulations and closed the Bank Account which was opened for voluntarily liquidation. Thereafter, Liquidator filed the present petition on 16.06.2020 before this Authority for the dissolution of the corporate person.
11. It is also evident from the records that the after completion of liquidation process, the Liquidator has prepared the final report under rule 38 of VLP Regulations and also made the disclosure as under;
- I. All assets of the corporate person has been disposed off and there are no further assets remains to be realized in the liquidation process.

- II. The debt of the Corporate Person has been discharged to the satisfaction of the creditors.
- III. No litigation is pending against the corporate person (the same has been confirmed from the management of the Company vide undertaking) Copy of the management undertaking is placed as Annexure -H.
12. The Petitioner Company operated the bank accounts under the instructions of the Liquidator and the amount lying in those Bank Accounts have been utilized for the purpose of liquidation of the corporate person.
13. On perusal of record it is found that payment of all the stakeholders has been effected through cheques which are annexed with the application and certificate of the Chartered Accountant dated 28.01.2020 is also annexed with the application.
14. The Petitioner Company does not have any asset that is required to be disposed off. All the assets on the commencement of the Voluntary liquidation process were in the nature of cash or cash



equivalents and there are no assets of corporate person which have remained undistributed.

15. There are no amounts lying as unclaimed dividends and there are no amounts that remained as undistributed proceeds in the voluntary liquidation process of the Petitioner Company.
16. The Voluntary Liquidation process has been completed as per the applicable statutory provisions of the Code and the Regulations made there under and final report has been submitted to the ROC on 12.03.2020 by hand and IBBI on 12.03.2020 through email.
17. It is evident from the record that the applicant has requested to statutory authorities for the cancellation of the relevant certificate/ documents (Income Tax Authority on 16.09.2019 for cancellation of PAN no, Professional Tax Division on 26.02.2020 for cancellation of GST No.) issued by that very statutory authorities.
18. We heard the Learned counsel Noopur Dalal and gone through the material available on record. It shows that the Company has been completely wound up, and its assets have been completely liquidated. It is also not the case that the proposed liquidation/dissolution of the Company is going to affect adversely

to its shareholders/ creditors or such dissolution is contrary to the provisions of law.

19. Hence, considering the above facts and circumstance of the case, we find that the present petition deserves to be allowed.
20. Consequently, this Authority in exercise of power conferred under Section 59 of the Insolvency & Bankruptcy Code, 2016 and regulation made hereunder, order and direct that the Petitioner Company M/s. Star Machine Engineers Private Limited shall stand dissolved from the date of this order.
21. The Liquidator is further directed to communicate a copy of this order to the Registrar of Companies (where the registered office of the company situated), IBBI New Delhi within stipulated period of 14 days from the date of this order.

Virendra
16/10/20

(Virendra Kumar Gupta)
Member (Technical)

Madan B. Gosavi
16/10/2020

(Madan B. Gosavi)
Member (Judicial)

RB