



IN THE NATIONAL COMPANY LAW TRIBUNAL, NEW DELHI
COURT-V

Item No.-02
IB-376/ND/2023

IN THE MATTER OF:

Shanti Strips Pvt. Ltd. (Through Liquidator)

....Applicant

Vs.

RoC & Anr.

.....Respondent

SECTION

U/s 59 of IBC

Order delivered on 31.08.2023

CORAM:

**SHRI MAHENDRA KHANDELWAL,
HON'BLE MEMBER (JUDICIAL)**

**SHRI RAHUL BHATNAGAR,
HON'BLE MEMBER (TECHNICAL)**

PRESENT:

For the Applicant :

For the Respondent :

ORDER

Order pronounced in open court vide separate sheets. IB-376/ND/2023
is **allowed**.

**Sd/-
(RAHUL BHATNAGAR)
MEMBER (T)**

**Sd/-
(MAHENDRA KHANDELWAL)
MEMBER (J)**



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

C.P.(IB)/376/ND/2023

*[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:

SHANTI STRIPS PRIVATE LIMITED

CIN: U74899DL1994PTC057317

Through Liquidator Mr. Gyaneshwar Sahai

...Applicant

Order Delivered on: 31.08.2023

CORAM:

SHRI MAHENDRA KHANDELWAL, HON'BLE MEMBER (JUDICIAL)

SHRI RAHUL BHATNAGAR, HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant: Nikhil Verma, Adv and CS Divya Jain

ORDER

PER: SHRI MAHENDRA KHANDELWAL, MEMBER (JUDICIAL)

1. The instant application has been filed by the Voluntary Liquidator Mr. Gyaneshwar Sahai on behalf of M/s Shanti Strips 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) That the petition of the Liquidator may kindly be taken on record;
- b) That the Company Shanti Strips Private Limited may kindly be finally dissolved;
- c) That this Tribunal pass such other order/orders as may deem fit & proper in the facts and circumstances of the case.



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 Shanti Strips Private Limited was incorporated on 09.02.1994 under the provisions of the Companies Act, 1956 having CIN: 74899DL1994PTC057317 and registered office situated at RP-2, 2nd Floor, Pitam Pura, North Delhi, Delhi-110034.
- ii. The Applicant submits that since its incorporation it was engaged in the business of manufacturers, processors, importers, exporters of and dealers in all kinds of ferrous and non-ferrous materials meant for any industrial or non-industrial use whatsoever and to carry on the business in cold or hot rolling, rerolling, slitting edge milling, sheeting, stamping, pressing, extruding, forging, drawing, flattening, straightening, heat treatment of all kinds of steel and other metals or any kind of strips, sheet foils, tapes wires, rods, plates.
- iii. That, at the time of initiation of Voluntary Liquidation, the Authorized Share Capital of the Company was Rs. 1,00,00,000/- (One Crore Only) divided into 10,00,000 (Ten Lacs Lakh) Equity Shares of Rs. 10/- each and the Paid-up Share Capital of the Company was Rs. 25,12,600/- (Rupees Twenty-Five Lakh Twelve Thousand and Six Hundred Only) divided into 2,51,260 (Two Lakh Fifty-One Thousand Two Hundred and Sixty) equity shares of Rs. 10/- (Rupees Ten) each fully paid up.
- iv. That, at the time of initiation of the Voluntary Liquidation of the Company, the company had two (2) directors, i.e.,

S. No.	Name	DIN	Date of Appointment
1.	Adesh Garg	01224029	09.02.1994
2.	Ritu Garg	01223944	09.08.2000

- v. That, at the time of initiation of Voluntary Liquidation of the Company, the Company had four (4) shareholders, holding share as mentioned hereunder:



S. No.	Name of Shareholders	No. of Shares of Rs.10/- each	Amount (in Rs.)	%of Holding
1.	Adesh Garg	89,140	8,91,400	35.48
2.	Nitin Saroop Garg	44,900	4,49,000	17.87
3.	Ritu Garg	63,005	6,30,050	25.08
4.	Amit Saroop Garg	54,215	5,42,150	21.58
	TOTAL	2,51,260	25,12,600/-	100

- vi. The copies of the Audited Balance Sheet (along with Profit & Loss Account, its Schedules and Auditors Report) of the company for the years ended on 31.03.2021, 31.03.2022 and as on 22.07.2022 are placed on record. Further, A copy of the Annual Returns for financial year ending on 31.03.2021 and 31.03.2022 filed by the Company with the Registrar of Companies downloaded from MCA-21 is also placed on record.
- vii. Under section 59(3)(a) of the Code, majority directors of the Corporate Person have to make a declaration through affidavit that the directors have made complete inquiry in the affairs of the Corporate Person and no debt is payable by the Corporate Person or the Corporate Person is capable of paying the debts with the assets realised in voluntary liquidation. Accordingly, Mr. Adesh Garg and Mr. Ritu Garg (i.e.) both the directors of the Corporate Person in their meeting held on 25.07.2022 had approved the resolution for voluntary liquidation of the Applicant Company and also signed the declaration of solvency on 22.07.2022 by affidavit, declaring that they have made full inquiry into the affairs of the company and have formed an opinion that the company has no liabilities and the Company is not being liquidated to defraud any person. A true copy of declaration from both directors of the Corporate Person along with audited financial statements and record of business operations of the Corporate Person for the preceding two financial years is placed on record.
- viii. That vide board meeting dated 25.07.2022, the company authorised the liquidator of the company to open the bank account in the name of the



Company followed by the words "in voluntary liquidation", for the receipt of all moneys due to the Company. Further, the liquidator proposed to open a Bank account with the Axis bank for ease of operations during the voluntary winding up proceedings.

- ix. Under Section 59(3)(c) of the Code, within four (4) weeks of the declaration, a special resolution is to be passed by the members of the Corporate Person for initiating voluntary liquidation and appointment of insolvency professional. Accordingly, an extra ordinary general meeting of the members of the Corporate Person was held on 30.07.2022 i.e., Liquidation Commencement Date, and passed a special resolution for initiating voluntary liquidation proceedings of the Corporate Person and appointed Mr. Gyaneshwar Sahai, an Insolvency Professional bearing registration no. IBBI/IPA-002/IP-N00130/2017-18/10546 to act as the liquidator of the Corporate Person.
- x. In compliance of Section 117 of the Companies Act, 2013, the Liquidator has filed the aforesaid Special Resolution with the Registrar of Companies in E-Form MGT-14 vide SRN No. F18534891 on 03.08.2022. Copy of E-Form MGT-14 filed with the Registrar of Companies is placed on record.
- xi. In compliance of Section 59(4) of the I & B Code, 2016, the Liquidator has notified the Registrar of Companies about the Special Resolution passed in the Extra Ordinary General Meeting vide E-Form GNL-2 filed vide SRN No. F18534479 on 03.08.2022. Copy of E-Form GNL-2 filed with the Registrar of Companies is placed on record.
- xii. In compliance of Regulation 14(1) and 14(3)(a) of IBBI (Voluntary Liquidation Process) Regulations, 2017, the Applicant made a public announcement of initiation of voluntary liquidation of the Corporate Person in Form A in two newspapers (i.e.) 'Financial Express' and 'Jansatta' on 04.08.2022, calling for submission of claims by the stakeholders, if any, within 30 days from the date of commencement of voluntary liquidation of the Corporate Person (i.e.) 30.07.2022.
- xiii. In compliance of Regulation 14(1) and 14(3)(c) of IBBI (Voluntary Liquidation Process) Regulations, 2017 the Liquidator has given the intimation of the public announcement in Form A, of the Schedule of the applicable



Regulations, to the Insolvency and Bankruptcy Board of India (IBBI) on 03.08.2022. Copy of the mail to IBBI along with Form A and screenshot of the website IBBI showing that the company is under the process of the Liquidation is placed before us.

- xiv. The copy of special resolution passed for initiation of voluntary liquidation and consequent appointment of Applicant and the public announcement was submitted to the ROC in e-form MGT-14 on 03.08.2022. The said form has duly approved by the ROC and taken on record.
- xv. The intimation of voluntary liquidation along with the declaration by majority of the directors and other annexures was also filed with the Registrar of Companies, Delhi ("ROC") vide e-form GNL-2 bearing SRN No. F18534479 dated 03.08.2022.
- xvi. In compliance of section 179 of the Income Tax Act, 1961, the Liquidator has intimated the jurisdictional assessing officer vide letter dated 06.08.2022 about the commencement of liquidation proceedings of the company. However, no claim was received from the Income Tax Department. Copy of letter dated 06.08.2022 is placed on record before us.
- xvii. In compliance of Regulation 9(1) of the (Voluntary Liquidation Process) Regulations, 2017, the preliminary report was submitted by the Liquidator to the corporate person on 08.09.2022.
- xviii. Pursuant to Regulation 35 of IBBI (Voluntary Liquidation Process) Regulations, 2017, the final distribution was made by the Liquidator among the stakeholders/contributories on 27.02.2023.
- xix. Pursuant to the provisions of Regulation 38 of IBBI (Voluntary Liquidation Process) Regulations, 2017 the Liquidator has filed the final report with the Registrar of Companies, consisting of: -
 - (a) The details of audited accounts, showing receipts and payments pertaining to liquidation period since the liquidation commencement date.
 - (b) showing how the winding up has been conducted and the property of the company has been disposed of and debt of the company is discharged and



(c) a sale statement showing, there was no sale as the assets were in the form of Loans & Advances and in current account with bank.

xx. As per Final Report, the details of audited accounts, showing receipts and payments pertaining to liquidation period since the liquidation commencement date and showing how the winding up has been conducted and the property of the company has been disposed of and debt of the company is discharged is reproduced hereunder:

Receipts	Estimated Value (Rs.)	Value Realized (Rs.)
Cash at Bank	45,82,692/-	45,82,692/-
Total Realization (A)	45,82,692/-	45,82,692/-

Audit Fees	7,198/-
Audit Fees – for receipt and payment	7,500/-
Legal Consultancy Fees	30,000/-
Professional Fees – CS	30,000/-
TDS on distribution	4,50,799.40/-
Total Payment (B)	5,25,497.40/-
Net Realization available for Shareholders	40,57,194.60/-

Details of distribution among the shareholders:

S. No.	Name of Shareholders	%of Holding	Amount (In Rs.)
1.	Adesh Garg	35.48	1439378.84/-
2.	Nitin Saroop Garg	17.87	7,25,018.06/-
3.	Ritu Garg	25.08	10,17,366.66/-
4.	Amit Saroop Garg	21.58	8,75,431.05/-
	TOTAL	100	40,57,194.60/-



A copy of Final Report pursuant to Regulation 38 of IBBI (Voluntary Liquidation Process) Regulations, 2017 along with audited accounts of the liquidation showing receipts and payments is placed on record.

- xxi. The certified copy of bank statements of liquidation Bank Accounts opened in Axis Bank showing all the receipts and payments made to stakeholders and contributories of the company is placed on record before us.
- xxii. The Liquidator has prepared Compliance Form in Form-H as per Regulation 38(3) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.
- xxiii. The liquidator had submitted the Final Report of the liquidation to the Insolvency and Bankruptcy Board of India on 28.04.2023. Copy of mail dated 28.04.2023 is placed before us.
- xxiv. The liquidator had submitted the Final Report of the liquidation to the Registrar of Companies on 04.05.2023 in e-form GNL-2. Copy of e-form GNL-2 is placed on record.
- xxv. The Applicant has placed an affidavit stating that the bank account opened in the name of the company has been closed on 21.07.2023.
- xxvi. Upon scrutiny of record submitted with him, the Liquidator is satisfied that the affairs of the company have not been conducted in a manner prejudicial to the interest of its members and thus the company may be dissolved.

3. 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. Further, it is also evident that the Liquidator had duly opened an account in the name of Corporate Person with Bank for realization and payment to the members. Thus, the Liquidator has prayed for an order from this Adjudicating Authority to dissolve the applicant company.

4. 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 updating 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.

5. 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-16 at page no. 148-154 of the present application.
6. 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.
7. By taking into consideration the above stated facts and circumstances, the instant Application **C.P.(IB) 376/ND/2023** 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. Shanti Strips Private Limited having CIN: U74899DL1994PTC057317 shall stand dissolved with effect from the date of pronouncement of this order.
8. 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.



9. 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/-
(RAHUL BHATNAGAR)
MEMBER (T)

Sd/-
(MAHENDRA KHANDELWAL)
MEMBER (J)