



**THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, CHANDIGARH
(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)**

CP (IB) No.293/Chd/Hry/2022

**Under Section 59 of the Insolvency and
Bankruptcy Code, 2016**

In the matter of :

Arrows Global Services India Private Limited

having its registered office at
B-808, Surya Vihar,
Industrial Complex, Dundaheera, Gurgaon, Haryana-122016
CIN No. U74999HR2015PTC054892

... Petitioner

Judgment delivered on: 19.05.2023

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

For the Petitioner: Mr. Deepankur Sharma, Advocate

Per: Harnam Singh Thakur, Member (Judicial)

JUDGMENT

The present Company Petition has been filed by the Liquidator, Mr Ashish Singh, on behalf of Arrows Global Services India Private Limited under Section 59 of the Insolvency and Bankruptcy Code, 2016 (in short, The Code) seeking the relief that the Petitioner Company be dissolved as per the provisions of the Code and the Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.

2. Brief facts giving rise to the filing of the instant Company Petition, which is just and necessary for adjudication, are narrated hereunder:-

2.1 It is submitted that the company was incorporated on 16.03.2015 and the main object of the company was to carry on the business of providing outsourcing



services for all the process and sub-processes, transactions, activities and all other work performed by the business in various industries. The master data, Certificate of Incorporation and Memorandum of Association and Articles of Association of the Company are attached as Annexure-A of the petition.

2.2 The Authorized Share Capital of the Applicant Company is Rs.30,00,000/- divided into 300,000 equity shares of Rs.10/- each. The applicant company in its board meeting dated 31.07.2020 decided to close the operation of the corporate person because of the unavailability of business prospects and long-term financial cost required to maintain the status of the company. The Board Resolution dated 31.07.2020 to voluntarily liquidate the company in accordance with the provisions of Section 59 of IBC, 2016 was passed.

2.3 It is further submitted that the declaration of solvency made by the Directors of the company along with audited financial statements and record of business operations was filed with the Registrar of Companies in Form GNL 2 on 22.08.2020 (Annexure-E). The company in their Extraordinary General Meeting held on 05.08.2022 passed a special resolution approving the voluntary liquidation of the company and the appointment of Sh. Ashish Singh, Insolvency Professional, to act as Liquidator of the company. The certificate true copy of the aforesaid special resolution was filed with the Registrar of Companies in Form MGT-14 on 29.08.2020. The creditors of the company have given no NOC/consent for the voluntary liquidation of the company which are attached as Annexure-G of the petition. The public announcement was made on 09.08.2020 in two newspapers i.e., 'Jansatta' and 'Financial Express' in Hindi and English editions. The last date for submission of claims was fixed as 04.09.2020. The Liquidators have received



three claims from the operational creditor and no claims have been received from the financial creditors.

2.4 As per Regulation 34(1) of IBBI (Voluntary Liquidation Process), Regulations, 2017, the liquidator opened a separate account of the company i.e., 'Arrow Global Services India Pvt. Ltd. In Voluntary Liquidation' was opened with Axis Bank at Katwaria Sarai, Delhi Branch.

2.5 It is further averred that the preliminary report of the company was prepared on 23.09.2020 in terms of Regulation 9 of IBBI (Voluntary Liquidation Process), Regulations, 2017.

2.6 It is submitted by the liquidator that as per the provisions of Section 178 of the Income Tax Act, 1961, the Liquidator has intimated the commencement of liquidation and the appointment of the liquidator to the Income Tax Department by letters dated 20.08.2020 and to the GST Department by letters dated 28.08.2020. The Income Tax Department has issued No Objection Certificate dated 16.05.2019 stating that there are no dues from the company. The copy of the intimation letter dated 20.08.2020 and no dues certificate dated 16.05.2019 are attached as Annexure-A of the petition. The liquidator has received a demand notice dated 04.01.2021 from the TDS department to deposit the outstanding amount of Rs.200 which was paid by the company and intimated the same to the department by letter dated 13.03.2021. The GST Department has raised a demand of Rs.5,04,224/- vide letter dated 05.03.2021 which was duly replied by the liquidator by letter dated 30.03.2021 and later on GST department dropped the audit proceedings. No Objection Certificate dated 20.04.2022 issued by the GST Department is attached as Annexure-P of the petition. The company has also received the Income Tax Refund of Rs.14,85,490/- on 01.12.2020 in the liquidation account.



2.7 It is further submitted that the company has filed a writ petition bearing CWP/6721/2020 for duty drawback in 100% EOU Unit as per the prevalent scheme before the Hon'ble High Court of Punjab and Haryana. Later on the same was withdrawn by order dated 22.07.2022.

2.8 It is mentioned that the Liquidator has intimated the commencement of liquidation and the appointment of the liquidator to the EPF Department by letter dated 20.08.2020 and the department has issued a notice for inspection. Afterwards, a demand of Rs.7608/- was raised by notice dated 11.10.2021 which was paid on 18.10.2021. the copies of the intimation letter, EPF demand letter dated 11.10.2021 and challans dated 18.10.2021 are attached as Annexure-R & S respectively of the petition.

2.9 It is further stated that the final report of the liquidation process was prepared on 06.10.2022 along with the audit receipt and payment account from 05.08.2020 to 19.09.2022 demonstrating that assets and debts of the corporate persons has been disposed and discharged and that no litigation is pending and other details as required under Regulation 38 of the IBBI (Voluntary Liquidation Process) Regulations, 2016(Annexure U) and was submitted to the Registrar of Companies in form GNL 2 on 10.10.2022 and also to IBBI Board on 10.10.2022.

2.10 It is stated that subsequent to the payment to the creditors and towards liquidations expenses, the balance amount becomes nill and the liquidator has closed the liquidation account. A copy of the email dated 4.10.2022 from Axis Bank for the closure of the bank account is attached as Annexure-W of the petition. mentioned that all the assets have been released and liabilities have been paid off and the remaining bank balance was repatriated among the Shareholders in the



ratio of their shareholding in the Company. The final receipt and payment account of the liquidation account was audited vide report dated 08.01.2020 (Annexure A25).

3. On the basis of the aforementioned grounds and reasons, the company, through the liquidator, has prayed for an order from this Adjudicating Authority for the dissolution of the Petitioner Company and making a declaration to this effect.

4. Notice was issued to the concerned Registrar of Companies (RoC). The affidavit of service was filed vide Diary Nos. 02576/01 dated 14.12.2022. In compliance with the above order, RoC filed its report vide Diary No.02576/8 dated 29.12.2022, whereby it has stated that no inquiry/inspection/complaint/legal action has been proceeded/pending against the concerned company. The Board has no observation against the dissolution of the Company.

5. We have heard the learned counsel appearing on behalf of the Petitioner Company and, with his able assistance, have carefully gone through the contents of the present petition. We have also duly considered the merits thereof in the light of the statutory provisions of Section 59 of the Code read with other relevant Regulations. For the sake of convenience, the relevant provisions of Section 59 of the Code are being reproduced hereinbelow:-

59 Voluntary Liquidation of corporate persons

1. *A corporate person who intends to liquidate itself voluntarily and has not committed any default may initiate voluntary liquidation proceedings under the provisions of this Chapter.*
2. *The voluntary liquidation of a corporate person under sub-section (1) shall meet such conditions and procedural requirements as may be specified by the Board.*
3. *Without prejudice to sub-section (2), voluntary liquidation proceedings of a corporate person registered as a company shall meet the following conditions, namely:-*



- a. a declaration from majority of the directors of the company verified by an affidavit stating that-
 - i. they have made a full inquiry into the affairs of the company and they have formed an opinion that either the company has no debt or that it will be able to pay its debts in full from the proceeds of assets to be sold in the voluntary liquidation; and
 - ii. the company is not being liquidated to defraud any person;
- b. the declaration under sub-clause (a) shall be accompanied with the following documents, namely;-
 - i. audited financial statements and record of business operations of the company for the previous two years or for the period since its incorporation, whichever is later;
 - ii. a report of the valuation of the assets of the company, if any prepared by a registered valuer;
- c. within four weeks of a declaration under sub-clause (a), there shall be-
 - i. a special resolution of the members of the company in a general meeting requiring the company to be liquidated voluntarily and appointing an insolvency professional to act as the liquidator; or
 - ii. a resolution of the members of the company in a general meeting requiring the company to be liquidated voluntarily as a result of expiry of the period of its duration, if any, fixed by its articles or on the occurrence of any event in respect of which the articles provide that the company shall be dissolved, as the case may be and appointing an insolvency professional to act as the liquidator.

Provided that the company owes any debt to any person, creditors representing two-thirds in value of the debt of the company shall approve the resolution passed under sub-clause © within seven days of such resolution

4. *The company shall notify the Registrar of Companies and the Board about the resolution under sub-section (3) to liquidate the company within seven days of such resolution or the subsequent approval by the creditors, as the case may be.*
5. *Subject to approval of the creditors under sub-section (3), the voluntary liquidation proceedings in respect of a company shall be deemed to have commenced from the date of passing of the resolution under sub-clause © of sub-section (3).*
6. *The provisions of sections 35 to 53 of Chapter III and Chapter VII shall apply to voluntary liquidation proceedings for corporate persons with such modifications as may be necessary.*
7. *Where the affairs of the corporate person have been completely wound up, and its assets completely liquidated, the liquidator shall make an application to the Adjudicating Authority for the dissolution of such corporate person.*
8. *The Adjudicating Authority shall on an application filed by the liquidator under sub-section (7), pass an order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly.*
9. *A copy of an order under sub-section (8) shall, within fourteen days from the date of such order, be forwarded to the authority with which the corporate person is registered.*



6. A bare perusal of the material available on record shows that the Board of Directors of the Company has taken a conscious decision to close down the company. Thus, the Board of Directors of the company have unanimously proposed to liquidate the company by invoking the provisions of voluntary liquidation under Section 59 of the Code.

7. It has been mentioned in the petition that the Board of Directors in its meeting dated 31.07.2020 and the shareholders of the petitioner company by special resolution approved the voluntary liquidation of the company and the appointment of Sh. Ashish Singh, Insolvency Professional, to act as Liquidator of the company on 05.08.2020. On 05.08.2020, the above resolution was approved by creditors representing two third in value of debt of the company.

8. From the perusal of the record of the case, it is seen that the Liquidator, after his appointment, has duly performed his duties and completed the necessary formalities to complete the liquidation process of the Petitioner Company, which has been averred in the present petition and, thus, the liquidator has prayed for an order from this Tribunal to dissolve the Petitioner Company.

9. Since there is no objection received from any angle opposing the proposed voluntary liquidation/dissolution of the company either from the side of the shareholders or from creditors, nor any adverse comment, have been received from the public at large against such liquidation/dissolution, 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, Haryana, as per Form MGT-14 and Form GNL-2.



10. The Registrar of Companies filed its report whereby it has stated that no inquiry/inspection/complaint/legal action has been proceeded/pending against the subject company. The IBBI report is filed wherein it is stated that neither any action is contemplated by the Board, nor any action is pending against the liquidator before it. The Board has no observation against the dissolution of the Company.

11. Apart as per record of the present case, it is seen that the company is not found involved in such kind of business activities, which are detrimental to the interest of the public at large. Further, it is not the case that the proposed liquidation may adversely affect its shareholders/members or is contrary to the provisions of the law.

12. The Liquidator had filed copies of the paper publication as well as copies of the paper announcement in Form-A. The Liquidator is found to have complied with the statutory provision to complete the liquidation process by taking necessary steps. The 'in voluntary liquidation' account of the company was also closed which is evident from the email issued by Axis bank dated 04.10.2022. The Liquidator had further intimated to the Income Tax Department regarding the voluntary liquidation of the company as well as his appointment as the liquidator. It is also submitted that NOC has been received from Income Tax Department on 24.11.2020 and by GST Department on 20.04.2022 by TDS department on 13.03.2021 and by PF department on 11.10.2021. The liquidator has made final distribution of assets on 14.09.2022 and the liquidation process was completed on 04.10.2022. Thereafter, the the liquidation account were prepared on 06.10.2022 and were audited on 10.10.2022. The final report has been submitted to IBBI and ROC on 10.10.2022.



13. The Liquidator has also annexed a copy of the preliminary report, a copy of the Final Report, Form GNL-2, along with a copy of the tracking report and postal receipts with the present application.

14. By taking into consideration the above-stated facts and circumstances, the present application deserves to be allowed for the proposed Liquidation/Dissolution of the Corporate Person.

15. Consequently, this Adjudicating Authority, in the exercise of the power conferred to it under Section 59 (8) of the Insolvency and Bankruptcy Code, 2016, orders that the Corporate Person (Petitioner Company) Akal Finlease Limited shall stand dissolved with effect from the date of this order.

16. The Liquidator is directed to communicate a copy of this order to the respondent, i.e. concerned Registrar of Companies, wherein the registered office of the company is situated. Further, a copy of this order should also be communicated to the IBBI for information. Such communication should be made within the stipulated period of fourteen (14) days from the date of receipt of an authentic copy of this order.

17. The Registry is directed to communicate a copy of this order to the Registrar of Companies, Haryana, as well as to the Insolvency and Bankruptcy Board of India (IBBI).

18. Thus, the present Company Petition is allowed and stands disposed of.

Sd/-

(Subrata Kumar Dash)
Member (Technical)

May 19, 2023
SD/SA

Sd/-

(Harnam Singh Thakur)
Member (Judicial)