

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH: C-IV

CP(IB)-653/MB/2023

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

*Through:*

**Mr. Sunil Gajanan Nanal**

.....Applicant/Liquidator

*In the matter of*

**Entco Music Private Limited**

[CIN: 74999MH2019PTC324503]

Order pronounced on: **05.01.2024**

*Coram:*

Ms. Anu Jagmohan Singh  
Hon'ble Member (Technical)


Mr. Kishore Vemulapalli  
Hon'ble Member (Judicial)

For the Petitioner

: Mr. Avinash R. Khanolkar a/w  
Ms. Surekha Yadav, Advocates.


**ORDER**

1. This is a Company Petition filed under Section 59(7) of the Insolvency and Bankruptcy Code, 2016, (hereinafter called "**IB Code**") on 14.07.2023 by a Corporate Person, named **Entco Music Private Limited** through Mr. Sunil Gajanan Nanal, Liquidator, an Insolvency Professional having registration




No.: IBBI/IPA-002/IP-N00194/2017-2018/10560, to seek dissolution of the Corporate Person consequent upon conclusion of voluntary liquidation under IB Code.

2. The Petitioner submits that the Corporate Person has complied with requisite formalities and procedure of liquidation as per law and has filed this Petition for its dissolution under Section 59 of the IB Code.
3. The Petitioner submits that the Petitioner Company was incorporated under the provisions of Companies Act, 2013 on 24.04.2019 as a private company limited by shares with Registrar of Companies, Mumbai. The Authorized Share Capital of the company is ₹1,00,000/- (Rupees One Lakh only). The Issued, Subscribed and Paid-up Share Capital of the Company is ₹1,00,000/- (Rupees One Lakh only). The Registered office of the Company is situated at 1003, 10<sup>th</sup> Floor, Hallmark Business Plaza, Sant Dyaneshwar Marg, Near Guru Nanak Hospital, Bandra (E), Mumbai – 400051.
4. The Company, at present has three directors; Mr. Vivek Raina (DIN: 07514908), Mr. Sylvain Jean Joseph Delange (DIN: 07514910), and Mr. Rajiv Gupta (DIN: 08847378).
5. It is submitted that the Company was formed mainly to carry on the business of event production, creative design, Event Marketing, Live performance, Music festivals creation/production, brand sponsorship and in Video/Artist Brand Partnership. In addition, to carry on the business of providing digital/online services including but not limited to Virtual



product launches / Conferences, digital live concert, Influencer Marketing Campaign, Audio and Video Production, song and short format digital IP's, Brand Anthems, sonic and voice over services, In-video Product integration, exclusion brand playlist, brand Association with recreated songs, Sync Licensing, Exclusive branded playlist, and integrated IP (intellectual property) services.

6. The Petitioner submits that due to outbreak of pandemic, the Corporate Person could not generate substantial revenue and incurred losses since incorporation. Considering the poor growth prospect and a slump sale agreement executed in December 2021, majority of the assets of the Corporate Person were sold to Canvas Talent Pvt. Ltd. Since the Corporate Person was not left with any assets and business post slump sale transaction, the management thought it prudent to voluntarily wound up the operations of the Corporate Person. Accordingly, the board of directors of the Company in their meeting held on 18.04.2022 resolved to voluntarily liquidate the Company.
7. Mr. Vivek Raina and Mr. Rajiv Gupta, two Directors of the Company, have declared vide Affidavits dated 15.06.2022 respectively that they have made full enquiry into the affairs of the Company and formed an opinion that the Company will be able to pay its debt in full within the period specified under the IB Code and further affirmed that the Company is not being liquidated to defraud any person. The audited financial statements of the Company since its incorporation are enclosed with the abovementioned Declarations, along with the statement of the Company's assets and



liabilities as on 14.06.2022. The Declarations and the Board Resolutions have been filed with the Registrar of Companies, Mumbai in form MGT-14 vide SRN No. F16202095 dated 20.07.2022.

8. The members of the Company in their Extra Ordinary General Meeting (EOGM) held on 05.07.2022 passed a Special Resolution to liquidate the Company voluntarily and to appoint Mr. Sunil Gajanan Nanal, an Insolvency Professional, as Liquidator, having registration No.: IBBI/IPA-002/IP-N00194/2017-2018/10560, at a remuneration of Rs. 4,25,000/- (Rupees Four Lakh Twenty-five Thousand only) plus taxes and reimbursement of any other actual out of pocket expenses that may be incurred in the process of voluntary liquidation of the Company. The Applicant informed the voluntary liquidation process as well as appointment of Liquidator to the IBBI on 07.07.2022 in Form IP-1. The abovementioned EOGM resolution was filed with the Registrar of Companies, Mumbai in form MGT-14 vide SRN No. F16202137 dated 20.07.2022.
9. It is further submitted that since the only asset available with the Corporate Person was bank balance available with the HSBC Bank, there was no requirement for any report of registered valuer as per Section 59(3)(b)(ii) of the IB Code.
10. The Liquidator made a public announcement of liquidation in Form A of Schedule I as per regulation 14 of Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 in *Free Press Journal* (Mumbai Edition, English newspaper) and in *Navshakti* (Mumbai edition,

Marathi newspaper) on 07.07.2022 inviting for the submission of claims by various stakeholders.


11. It was informed to the RoC-Mumbai that the Liquidator has issued the Public Announcement in Form A in compliance with the Regulation 14 of the IBBI (Voluntary Liquidation Process), Regulations, 2017. The aforesaid public announcement, resolutions passed by the members of the Company, commencement of liquidation, and appointment of the liquidator was also intimated to the RoC, Mumbai vide form GNL-2, SRN No. F16202186 (for declaration of Solvency) dated 20.07.2022 and SRN-F16203507 (Public announcement and appointment of the Liquidator).
12. It is submitted that the Liquidator did not receive any claims from any stakeholders in response to the public announcement.
13. The Liquidator has addressed a letter dated 10.01.2023 intimating the initiation of voluntary liquidation of the Company and appointment of the Liquidator, to various government authorities such as Goods and Service Tax (GST), Income Tax, Service Tax, Professional Tax Authority, etc. It was also informed all the authorities that the Liquidator has issued the Public Announcement in Form A in compliance with the Regulation 14 of the IBBI (Voluntary Liquidation Process), Regulations, 2017.
14. It is further submitted that there was an amount of Rs. 3,25,822/- was receivables from Income Tax as refund, out of which, Rs. 1,14,230/- received on 16.01.2023 (FY 2021-22) and Rs.1,90,490/- received on 04.03.2023 (FY 200-21).



15. It is further submitted that after making all the payments as part of the liquidation cost, the Liquidator distributed the surplus amount amongst the shareholders of the Corporate Person as per their share ratio, which is tabulated below:

Sr. No.	Name of Shareholders	# of Shares	Amt.Paid (Rs.)	Dt. of Payment
1.	Believe International SARL	9,999	39,13,989.46	27.04.2023
2.	Believe Digital Pvt. Ltd.	1	99,7630.10	27.04.2023
	Total		<b>40,13,719.56</b>	

16. The Petitioner further submits that the Corporate Person had one existing Bank Account with Honkong Shanghai Corporation Bank bearing account No. 006308811001 (the Liquidation Account). The Liquidator on 27.07.2022, requested the bank to change the signatories of the account and thereafter the bank confirmed the change of signatory. Thus, as per regulation 34 of IBBI (Voluntary Liquidation Process) Regulations, 2017, opening of Liquidation account is completed for realization of all moneys due to the Company and for payments to be made as per the IBC. Thereafter, upon making the payment to the members of the Company, the Liquidator has closed the Liquidation Account, which is confirmed by a certificate dated 07.06.2023 issued by HSBC Bank for closure of the account.
17. The Liquidator has submitted his Preliminary Report dated 19.08.2022 to the Company. The Liquidator has submitted his Final Report dated 16.06.2023 as required under Regulation 38 of IBBI (Voluntary Liquidation Process) Regulation, 2017, along with the Petition. In the report, the Liquidator has




stated that the Corporate Person did not have any asset that was required to be sold. The Liquidator has also filed (as an enclosure to his Final Report) audited accounts of the voluntary liquidation process of Corporate Person pertaining to the period of liquidation i.e. 06.07.2022 to 18.05.2023 showing the "Receipts and Payments" statement pertaining to liquidation. The Final Report contains the details as required under regulation 38 of IBBI (Voluntary Liquidation Process) Regulation, 2017. The Liquidator has attached Compliance Certificate in Form-H with the Petition. The Final Report of the Liquidator is submitted with the RoC Mumbai in e-Form GNL-2, vide SRN No. AA2941102 dated 16.06.2023) and sent to IBBI on 16.06.2023 through email to "volu.liqui.com". As the e-filing with the RoC is not properly effected, the Liquidator sent the report through email on 16.06.2023 as well as physical copy couriered on 17.06.2023.

18. The Liquidator has filed this petition before this Tribunal under Section 59(7) of IBC seeking an order of dissolution of the Petitioner company.
19. On examining the submissions made by the Liquidator and the documents annexed to the petition, it appears that the affairs of the company have been completely wound up, and its assets have been completely liquidated.
20. Vide Orders dated 09.11.2023, 12.10.2023 and 02.08.2023, this Tribunal had directed the Registry to issue Notice to RoC, Mumbai to seek their confirmation as to no proceedings, inspection or investigation being pending against the Company before any Authority under the Companies Act, 2013. However, no reply / representation has been received from the

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RoC Mumbai till date. In the circumstances, it can be inferred that there are no proceedings, inspection or investigation being pending against the Company before any Authority under the Companies Act, 2013, and that RoC Mumbai has nothing to say in the matter.

21. In view of the above facts and circumstances and the submissions made by the Liquidator, the Company deserves to be dissolved. Accordingly, the company viz. **Entco Music Private Limited** (CIN: 74999MH2019PTC324503) is hereby **dissolved**.
22. The Petitioner is further directed to serve a copy of this order upon the Registrar of Companies, with which the company is registered, within fourteen days of receipt of this order. The Registrar shall take necessary action upon receipt of a copy of this order.
23. Accordingly, C.P.(IB)-653/MB/2023 is **allowed**. CP is closed. File consigned to records.

Sd/-  
**Anu Jagmohan Singh**  
**Member (Technical)**

Sd/-  
**Kishore Vemulapalli**  
**Member (Judicial)**

05.01.2024/pvs