IN THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH –II, CHENNAI

CP(IB)/49(CHE)/2022

(filed under Section 59(7) of the Insolvency and Bankruptcy Code, 2016)

In the matter of ***Andrew Industries (India) Private Limited***.

Mr.Velli Paramasivam,
Liquidator of
Andrew Industries (India) Private Limited,
(CIN No.U29268TN2009FTC072995)
No.5/9, 1st Main Road, Thiruvalluvar Nagar,
8th Street, Kodungaiyur,
Chennai - 600 118.

... Petitioner / Liquidator

Order Pronounced on 02nd May 2022

CORAM:

JUSTICE (RETD) S.RAMATHILAGAM, MEMBER (JUDICIAL)
ANIL KUMAR B, MEMBER (TECHNICAL)

For Applicant: Mr.Chandramouli Prabhakar, Advocate

ORDER

***Per:* JUSTICE (RETD) S.RAMATHILAGAM, MEMBER (JUDICIAL)**

This is a Company Application filed by the Liquidator in relation to the voluntary liquidation of ***Andrew Industries (India) Private Limited*** (hereinafter referred to as *'the Company')* under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC, 2016"), seeking the dissolution of the Applicant Company.

2. The Company was incorporated on 23.09.2009 in the name of BMP Engineering Technology India Private Limited under the provisions of the Companies Act, 1956. The name of the Company was changed to ***Andrew Industries (India) Private Limited on 01.03.2010*** with the approval of the Members of the Company. The Company was engaged in the manufacture of Industrial Bag Filters, which are used as pollution controlling equipment in several heavy industries wherever Industrial Boilers were used for producing Power, Aluminium, Iron ore etc.,. The details of the main objects are set out in the Memorandum of Association which is filed along with the typed set.

3. The Registered Office of the Company is situated at No.5/9, 1st Main Road, Thiruvalluvar Nagar, 8th Street, Kodungaiyur, Chennai - 600118 and the Corporate Identification Number is U29268TN2009FTC072995.

4. The Authorized, Issued, Subscribed and Paid-up Share Capital of the Company as on date is as follows

Description	**No. & Type of Shares**	**Amount Per Share**	**Total Amount**
Authorised Capital	35,20,00,000 Equity Shares	Rs.1	Rs.35,20,00,000/-
Issued Capital	3,52,00,000 Equity Shares	Rs.1	Rs.3,52,00,000/-
Subscribed Capital	3,52,00,000 Equity Shares	Rs.1	Rs.3,52,00,000/-
Paid-Up Capital	3,52,00,000 Equity Shares	Rs.1	Rs.3,52,00,000/-

5. It was submitted by the Learned Counsel for the Applicant that during 2012-13, the Company commenced production of its products from its factory situated in Sri City, Andhra Pradesh and the Company ran successful operations in India between 2013 and 2017.

6. It was further submitted that on account of the Old age of one of the Promoters of Andrew Industries Ltd. (UK), he is unable to participate in day to day affairs of the company and no one in his family is interested in running the said business, in turn, Andrew Industries Ltd. (UK), sold their business to an American Entity viz., Lydall Inc.. However, Lydall Inc. is not interested in carrying out the Indian operations of Andrew Industries Ltd. (UK), moreover, Lydall Inc. had further imposed a global non-compete agreement as a result Andrew Industries Ltd. (UK) was prohibited from carrying on manufacturing activities in Asia.

7. It was further submitted that the Factory and Leasehold right of the Company situated in Sri City, were sold during the year 2017-2018. Consequently, all the operations were ceased and all the employees of the Company were relieved with their full and final settlements during 2017-2018.

8. As a result of the above sale, the company was in a net cash position due to the accumulated profits and Proceeds from the sale. As the Company did not have any expansion plan it had

approached this Tribunal and sought a reduction of its share capital and the same was granted by this Tribunal vide order dated 14.03.2019.

9. It was further submitted that as the Company was not carrying any business activity and was only earning from its fixed deposits; all employees were settled; all the assets were sold and it was decided to close down the Company. Subsequently, an Extraordinary General Meeting of the shareholders of Andrew Industries (India) Private Limited was conducted on 28.04.2021, wherein it was resolved to liquidate the company by way of Voluntary Liquidation under IBC, 2016.

10. It was further submitted that in compliance with Section 59(3) of the IBC, 2016 read with Regulation 3 of IBBI (Voluntary Liquidation Process) Regulations, 2017, the Board of Directors viz. Mr.Lakshmipathy Karnam Natrajan, Mr.Mark Robert Bennet and Mr.Lee John Blunstone are verified by an affidavit have declared that they are solvent and the said affidavit is placed at pages 97 to 99 of the typed set filed along with the Application. In further compliance, the audited financial statement of the previous two years viz. 2019-20 and 2020-21 were filed with the RoC and the proof of the same is placed at pages 130 to 182 of the typed set filed along with the Application. It was further submitted that as on 31.12.2020, the Company had the following assets and liabilities;

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER 2020

ASSETS			
S.NO	PARTICULARS	BOOK VALUE (IN INR)	ESTIMATED REALISABLE VALUE (IN INR)
1	Balance at Bank	8,42,420	8,42,420
2	Cash in hand	Nil	Nil
3	Marketable securities	Nil	Nil
4	Bills receivables	Nil	Nil
5	Trade debtors	Nil	-
6	Loans & advances	3,78,560	3,78,560
7	Unpaid calls	Nil	Nil
8	Stock-in-trade	Nil	Nil
9	Work in progress	Nil	Nil
10	Freehold property	Nil	Nil
11	Leasehold property	Nil	Nil
12	Plant & machinery	Nil	Nil
13	Furniture, fittings, utensils, etc	Nil	Nil
14	Patents, trademarks, etc	Nil	Nil
15	Investments other than marketable securities	3,93,99,967	3,93,99,967
16	Other property	Nil	Nil
17	Other Miscellaneous Receivables if any	23,69,621	23,69,621
	TOTAL (A)	4,29,90,568	4,29,90,568

LIABLITIES		
S.NO	PARTICULARS	ESTIMATED TO RANK FOR PAYMENT (To the Nearest Rupee)
18	Secured on specific assets	Nil
19	Secured by floating charge(s)	Nil
20	Estimated cost of liquidation and other expense including interest accruing until payment of debts in full	50,44,000
21	Unsecured creditors	0

	(amounts estimated to rank for payment)	
	(a) Trade accounts	Nil
	(b) Bills payable	Nil
	(c) Accrued expense	1,32,750
	(d) Other liabilities	Nil
	(e) Contingent liabilities	Nil
	TOTAL (B)	51,76,750
22	Total estimated value of assets	4,29,90,568
23	Total liabilities	51,76,750
24	Estimated surplus after paying debts in full	3,78,13,818

11. It was further submitted that as required under Section 59(3)(c) of the IBC, 2016 read with Regulation 3(c) of IBBI (Voluntary Liquidation Process) Regulations, 2017, a Special

Resolution dated 24.07.2021, was passed at the meeting of the Company to liquidate itself and to appoint the Applicant herein as the Liquidator, which is placed at pages 80 to 93 of the typed set filed along with the Application. Further, the same was notified to the RoC and IBBI within 7 days, as per Section 59(4) of IBC, 2016, which is placed at pages 115-118 of the typed set filed along with the Application.

12. It was further submitted that the Liquidator has issued a Public announcement dated 03.05.2021 as required under Regulation 14 of IBBI (Voluntary Liquidation Process) Regulations, 2017 within 5 days of his appointment, one in "Trinity Mirror" (English) and the other in vernacular "Makkal Kural" (Tamil) and the same is placed at pages 119 and 120 of the typed set filed along with the Application. It is also submitted that as required under Section 178 of the Income Tax Act, the Liquidator has given notice to the Income Tax authorities within 30 days of his appointment as Liquidator and that the Company is under Voluntary Liquidation vide his letter dated 06.05.2021 to which the Income Tax Authorities vide their letter dated 08.09.2021, have given a No objection Certificate and the said letter is placed at page 188 of the typed set filed along with the Application.

13. It was further submitted that as per Regulation 9 of the IBBI (Voluntary Liquidation Process) Regulations, 2017, the Liquidator has submitted his preliminary report before IBBI on 12.06.2021,

within 45 days from the Liquidation commencement date of the Company and the copy of the report is placed at pages 183 to 186 of the typed set filed along with the Application.

14. It was further submitted that in the meeting of the creditors of Andrew Industries (India) Private Limited held on 04.05.2021, three creditors (constituting 100% of the Operational Creditors) of the Company as per the books of the Company, whose collective debt is Rs.7,050/- ratified the shareholder's resolution regarding voluntary liquidation dated 28.04.2021, the minutes of the meeting was placed at page 123-125.

15. It was further submitted that the upon public announcement being made as per Regulation 14(2)(b) IBBI (Voluntary Liquidation Process) Regulations, 2017, the Liquidator has not received any received claims except the above-said 3 creditors persons whose claims are detailed below

Sl. No.	Name	Date of Claim	Amount Claimed	Amount Admitted	Nature of Expenses
1	Manigandan & Co.	21.05.2021	₹ 1,200	₹ 1,200	Reimbursement of Expenses
		21.05.2021	₹ 1,500	₹ 1,500	Professional Fee
2	Mr. C. Sivakumar	21.05.2021	₹ 1,850	₹ 1,850	Reimbursement of Expenses
3	Mr. G.R. Srinivasulu	22.05.2021	₹ 2,500	₹ 2,500	Registered Office Maintenance Expenses
		Total	₹ 7,050	₹ 7,050	

All the above claims were admitted by Liquidator on 01.2021. It was further submitted that there are no financial creditors as on the date of commencement of the Voluntary Liquidation Process of Andrew Industries (India) Private Limited.

16. It was further submitted that as per Regulation 34 of the IBBI (Voluntary Liquidation Process) Regulations, 2017, the Liquidator renamed the existing Bank account as *"Andrew Industries (India) Private Limited [In Voluntary Liquidation] Account"* with HDFC Bank for realisation and payment to the Liquidation cost, creditors and members.

17. It was also submitted that after making various payments including liquidation costs paid in full as per the provisions of Section 53(1) of IBC, 2016 and Regulation 35 of the IBBI (Voluntary Liquidation Process) Regulations, 2017, the Liquidator has distributed the funds among the shareholders, the details of receipts and payments are as detailed below;

RECEIPTS	VALUE REALIZED Rs.	PAYMENTS		PAYMENTS Rs.
Balance at Bank	2,84,48,320	Legal, Liquidation Fee and other incidental payments*		
Interest on Fixed Deposit with bank	79,483	1	Liquidator Fee	1,00,000
Income Tax Refund	2,53,890	2	Payment of TDS/Advance Tax	7,165
Proceeds of Fixed Deposits Redemption	56,21,216	3	Liquidation expenses (Newspaper advertisement, filings fee etc.)	42,721
Proceeds from LIC (Closure of P&GSUnit Account)	25,13,251	4	Payment of consultancy fees and other support services	27,500
		5	Payment to Creditors as per Claim Forms	7050
		6	Payment of Auditors fee for audit of liquidation account	29,500
		7	Remittance charges to bank	10,920
		8	Rent & Maintenance	80,784
		9	Excess Interest Recovered on Pre-closure of Fixed Deposits	1,10,402
		10	Payment to Members (Refund of share capital)	3,65,00,118
Net Realization (Rs.)	3,69,16,160		Net Payment Rs.	3,69,16,160

18. It was further submitted that post making various legal, statutory and non-statutory payments and after distribution of funds to the shareholders of the Company, the liquidator has closed the Liquidation Account in the HDFC Bank on 27.01.2022. Further, it was submitted that upon completion of the Liquidation Process, the Final Report in accordance with Regulation 38 of the IBBI (Voluntary Liquidation Process) Regulations, 2017 was prepared and the same was filed with the RoC and the IBBI, the copy of the Final Report and the proof of filing the same with the RoC and the IBBI is placed at pages 195 to 200 of the typed set filed along with the petition.

19. It was further submitted that the Certificate from Chartered Accountant certifying the receipts and payments made by the Company during voluntary liquidation are as stipulated under RBI Regulations, is placed at pages 193 to 194 of the typed set filed along with the petition.

20. It was also submitted that as on the date of filing of this application no suit or legal proceedings by or against **Andrew Industries (India) Private Limited** are pending before any Forum or Authority and all Liabilities of the Company as reflected in the Books of Accounts including claim form received during the Voluntary Liquidation Process have been fully paid and discharged.

21. 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 the exercise of the powers conferred under Section 59(8) of IBC, 2016, we hereby order the dissolution of **Andrew Industries (India) Private Limited** and the Applicant Company **shall stand dissolved** from the date of this order. Accordingly, the Company Application stands **allowed**.

22. 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-
B. ANIL KUMAR
MEMBER (TECHNICAL)

-Sd-
Justice (Retd.) S. RAMATHILAGAM
MEMBER (JUDICIAL)

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