



**IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

(IB) -513 (PB)/2023

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

IN THE MATTER OF:

M/s. Magnum India Hotel Management Private Limited

Having its Registered Office at:

4th Floor, Kaveri Tower-1, 211

D-6, vasant Kunj, New Delhi- 110070

...Applicant/Liquidator

Versus

Registrar of Companies, NCT of Delhi and Haryana ...Respondent

Order Pronounced On: 15.02.2024

CORAM:

**JUSTICE RAMALINGAM SUDHAKAR
HON'BLE PRESIDENT**

**SHRI AVINASH K. SRIVASTAVA
HON'BLE MEMBER (TECHNICAL)**

APPEARANCES:

For the Applicant : Mr. Ashok Kr. Verma, PCS Jitender Arora

For the Income Tax : Ms. Simran Jha

Department



ORDER

- 1.** The present Application has been filed by Mr. Ashok Kumar Verma, who has been appointed as the Liquidator of M/s. Magnum India Hotel Management Private Limited on 08.08.2023, before this Adjudicating Authority, under Section 59(7) of the Insolvency & Bankruptcy Code, 2016 (“IBC” or “the Code”) r/w Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, (“Voluntary Liquidation Regulations”).
- 2.** The Applicant Company was incorporated on 15.09.2011, as a Private Company having CIN: U55101DL2011PTC225119, under the provisions of the Companies Act, 1956 with the Registrar of Companies, NCT of Delhi. The Authorized Share Capital of the Company is Rs. 5,51,00,000/- (Rupees Five crores Fifty One Lakhs Only) divided into 55,10,000 (Fifty five Lakhs ten thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The Issued, Subscribed and Paid-up Capital of the Company is Rs. 5,51,00,000/- (Rupees Rupees Five crores Fifty One Lakhs Only) divided into 55,10,000 (Fifty five Lakhs ten thousand) Equity Shares of Rs. 10/- each (Rupees Ten Only). The Registered Office of the Applicant Company is at 4th Floor, Kaveri Tower-1, 211, D-6, vasant Kunj, New Delhi- 110070 . Therefore, this Bench has jurisdiction to deal with this application.
- 3.** The main objects of the Company as set out in the Memorandum of Association (“MoA”) are as follows:



1. To establish and carry on in India and abroad, the business of franchising, operating, managing and promoting hotels, services apartments, restaurants, eating places, conference and convention centres and other hospitality related facilities and activities related and incidental thereto.
2. To establish, provide, maintain and conduct research, training and other services for the training, education and instruction of personnel in the business of franchising, operating, managing and promoting hotels, services apartments, restaurants, eating places, conference and convention centers and other hospitality related facilities and activities related and incidental thereto.
3. To enter into management contracts, franchise agreements, technical services agreements and other agreements and/or arrangements identical or similar thereto, with various parties for the efficient operation, management and promotion of hotels, services apartments, restaurants, eating places, conference and convention centers and other hospitality related facilities and activities related and incidental thereto.

4. The Board of Directors of the Corporate Person comprise of the following:
 - i) Mr. Rajat Roy (Director) (DIN-03232378)
 - ii) Mr. Puneet Dhawan (Director) (DIN 08770506)

REASONS FOR VOLUNTARY LIQUIDATION

5. The Board of Directors (BoD) of the Company, at its meeting held on **20.03.2023** passed a proposal to Liquidate the Company voluntarily as per section 59 of the Code read with regulation 3 of “Voluntary Liquidation Process Regulations, 2017” on the ground of non-availability of business prospect and long term financial resources, hence it was not financially viable to carry on the business activities of the Company.
6. Further, as proposed by the BoD, the Members of the Company in Extra Ordinary General Meeting (EGM) held on **31.03.2023**, passed a special resolution as required under section 59 of the Code to liquidate the Corporate Person voluntarily.
7. It is submitted that the majority directors of the Corporate Person have given the Declaration of Solvency on **20.03.2023** and resolved to wind up the company under “Voluntary Winding up” at the Board meeting held on **20.03.2023**, as per section 59(3)(a) of the Code.
8. The Majority Directors of the Company 1) Mr. Rajat Roy 2) Mr.



Puneet Dhawan have made a declaration that the Corporate Person is not being liquidated to defraud any person and that they have made a full inquiry into the affairs of the corporate person and they have also formed an opinion that company has no liability to pay. The declaration is also accompanied by the audited financial statements for the relevant Financial Years 2020-21 and 2021-22. The same has been annexed as **Annexure B** along with this Application.

- 9.** The Members of the Company in their Extraordinary General Meeting held on **31.03.2023** recommended the appointment of the applicant **Mr. Ashok Kumar Verma**, Registered Insolvency Professional having Registration No. **IBBI/IPA-002/IP-N00591/2018-19/11847** to act as the Liquidator of the Applicant Company.
- 10.** The Liquidator made a public announcement of the commencement of liquidation in Form A of Schedule I as per regulation 14 of the Voluntary Liquidation Process Regulations in FINANCIAL EXPRESS in English and in JANSATTA in HINDI on **04.04.2023** inviting submission of claims due from the Company by various stakeholders. The aforesaid public announcement was also sent to the Insolvency and Bankruptcy Board of India (IBBI) on **10.04.2023**, Further, the notice intimating the appointment of Liquidator in the matter of voluntary liquidation of the Company, were dispatched on **13.04.2023** and same were also communicated over mail dated **07.04.2023** to the Assessing Officer of Income Tax Department, Ward 16A, C R Building New Delhi.
- 11.** There are no creditors of the Company and the Liquidator has not received any claims from any creditors.
- 12.** In pursuance of Section 59(4) of the Insolvency and Bankruptcy Code, 2016, the Special Resolution to liquidate the Company, was filed with the Registrar of Companies by filing MGT 14 (SRN : AA1824995) dated **06.04.2023**. The e-form GNL-2 (SRN AA1825274) was filed on **06.04.2023** for appointment of Liquidator.



The copy of e-forms GNL-2 (SRN AA1825274) filed on **06.04.2023** and its respective challan is filed along with the application as **Annexure F**. The Company has filed another e-forms GNL-2 vide SRN AA1827798 dated **06.04.2023** in respect of Declaration of Solvency dated **06.04.2023** and GNL-2 vide SRN AA3703298 dated **26.07.2023** by the liquidator of the Company for filing final report pursuant to regulation 38 of the Voluntary Liquidation Process, Regulations.

- 13.** The Liquidator notified the Registrar of Companies and status report on behalf of Registrar of Companies in compliance of order dated **11.10.2023** is also filed. The relevant portion of status report is also extracted stating that:

“That as per available records, Last Balance Sheet and Annual Return were filed by the company for the financial year 2021-22 in e-form AOC-4 & MGT-7 vide SRN F33870437 & F39978853 dated 27.10.2022 & 4.11.2022 respectively.

Further as per data received from various cells in this office, no enquiry/inspection/complaint/legal action has been pending against the subject company. That this office has compiled the above factual report based on the records maintained and document filed by the concerned Company on MCA21 portal.

The IBBI is the concerned authority under Insolvency and Bankruptcy Code, 2016. However, present status report about the company based on information/record as available on MCA21 portal is being filed by this office in compliance of Hon’ble NCLT order dated 20.09.2023.”

- 14.** The Liquidator of the Company opened a Bank account (A/c No. **054489463001**) in the name of ‘Magnum India Hotel Management Private Limited in Voluntary Liquidation’ with Hongkong and Shanghai Banking Corporation Limited Gurugram Branch for realization and payment to the contributories. The said bank account has been closed down after the disbursement of the fund to all stake holders. Copy of the Bank Account Closure Certificate issued by the Bank is filed along with the Application as **Annexure L**.



15. As required under the Regulation 9 of IBBI (Voluntary Liquidation Process) Regulations, 2017, the Liquidator submitted its preliminary report to the contributories via email on **15.05.2023** and via speed post on **17.05.2023**. Relevant part of the Preliminary report is extracted below:

II. **ESTIMATES OF THE ASSETS AND LIABILITIES**

PARTICULARS	BOOK VALUE (In Rs.)
Assets	
Long term Loan and advance	-
FDR	-
Cash and Cash Equivalents (Balance at Bank)	11,76,200
Short Term Loans & Advances	-
Other Current Assets	-
Total	11,76,200
Liabilities	
Trade/Bills payable	0
Short term Provisions	-
Estimated Cost of Liquidation includes Trade/Bills payable/professional fees for audit fees and other professional fees as per Statement of Assets and liabilities part of the Declaration of Solvency	10,53,550
Contingent Liability of Income tax- for any AY	0
Total	10,53,550
Total estimated value of Assets after paying debt in full	1,22,650.00

16. Liquidator further submits that after meeting out the liquidation cost, consultancy fees, tax and liquidation incidental expenses, payment to the Contributories as final settlement of share capital of Rs. **1,20,832/-** was made on **23.06.2023**. With the aforesaid payments to the contributories/Members, the assets of the Company were fully liquidated.

17. Final Report dated **25.07.2023** as per Regulation 38 of the Voluntary Liquidation Process Regulations has been submitted by the liquidator on **25.07.2023**. In the final report, the liquidator has submitted that all the dues have duly paid off and there remains no balance which is payable to any stakeholder. Further, liquidator in its final report stated that there were no fixed assets as on date of commencement of Voluntary liquidation. The liabilities of Company towards the provision of Income Tax, Liquidation cost as on the date



of commencement of liquidation have been discharged to the satisfaction and no litigation is pending against the Corporate Debtor. Relevant portion of liquidation account audited by SVP & Associates Chartered Accountant is hereby reproduced:

Receipts	Value Realized (Amount in Rs.)	Payments	Payments (Amount in Rs.)		
Balance at Bank & Cash Balance as on 31 st March, 2023	11,76,240	Legal, Liquidation Fee and other incidental payments			
		1. Liquidator Fee	3,60,000		
		2. Liquidation expenses (Newspaper advertisement, filling fees and other incidental expenses)	50,000		
		3. Payment of Rent (Registered office 9 months Rent from October, 2022 to June, 2023)	1,27,440		
		4. Payment of Audit fees for the period ended as on 31 st December, 2022	2,53,709		
		5. Payment of fees for Professional and Consultancy, Accounting, Finance and other support services.	1,52,254		
		Payment of Taxes			
		1. Payment of TDS	71,505		
		2. GST Expense on payment to auditor of previous Year	40,500		
		Payment to Members			
		1. Payment made to Contributories/ Members	1,20,832		
				as final settlement of Share Capital Account	
		Net Realization (Rs.)	11,76,240	Net Payments (Rs.)	11,76,240
				Balance at bank as on 10 th July, 2023	NIL

18. Further, the Liquidator in Compliance with Order dated **23.10.2023** has filed gist of the matter as per checklist, which is extracted below:

SYNOPSIS

Sl. No.	Compliance	(Yes / No)	Reference
(1)	(2)	(3)	(4)
1	<p>(Sec. 59(3)(a) read with Regulation 3(4))</p> <p>Declaration by way of an Affidavit from majority of the directors to be filed.</p>	YES	<p>Declaration by way of an Affidavit ("DOS") from majority of the directors to be filed was filed on 06/04/2023 in Form GNL-02. The DOS of all directors are attached to the main petition as Annexure "B" and the form GNL-02 filed along with its payment receipt is attached to the main petition as Annexure "C"</p>
2	<p>(Sec. 59(3)(b)(i))</p> <p>Audited Financial Statements and record of business operations for the previous two years to be filed.</p>	YES	<p>The Audited Financial Statements and record of business operations for the previous two years were attached in the Form-GNL-02 are attached to the main petition as Annexure "B"</p>
3	<p>(Sec. 59(3)(b)(ii))</p> <p>Valuation Report to be filed</p>	NO	<p>Not applicable</p>
4	<p>(Sec. 59(3)(c)(i))</p> <p>Special Resolution requiring the Company to be liquidated voluntarily and appointing an insolvency professional within 4 weeks from the Declaration made under Section 59(3)(a).</p>	YES	<p>The said special resolution was duly passed on 31/03/2023 and filed with RoC in Form MGT-14 on 06/04/2023. The Notice of the EGM and its extract are attached to the main petition as Annexure "D"</p>



5	<p>(Proviso to Sec. 59(3)(c))</p> <p>Approval of Resolution passed under Section 59(3)(c) by creditors (2/3rd in value) if any, within 7 days from the date of Resolution.</p>	NA	Not applicable
6	<p>(Sec. 59(4))</p> <p>Intimation to RoC & IBBI within 7 days from the date of the Resolution under 59(3)(c) or after approval of the creditors</p>	YES	IBBI was duly intimated regarding commencement of Voluntary Liquidation via Email dated 07/04/2023. IBBI and RoC were intimated through speed post on 08/04/2023. Acknowledgements of the same are attached to the main petition as Annexure "H"
7	<p>(Regulation 14)</p> <p>Proof of Public Announcement made in 'Form - A' within 5 days from the date of appointment</p>	YES	Public Announcement was made in "FORM A" in "Business Standard (English Newspaper)" and "Business Standard (Hindi Newspaper)" dated 04/04/2023 attached to the main petition as Annexure "E"
8	<p>(Regulation 30)</p> <p>List of Stakeholders in case of claims under Chapter V of the Regulations</p>	YES	There were no claims received from any stakeholder as per Regulation 30 of the Voluntary Liquidation Regulations.
9	<p>(Regulation 9)</p> <p>'Preliminary Report' along with proof of</p>	YES	'Preliminary Report' along with proof of submission of the same to the



	submission of the same to the Company within 45 days from the LCD		Company is attached to the main petition as Annexure "G"
10	(Regulation 34) Opening of Bank Account in the name of the Company followed by the words 'in liquidation' in a Scheduled Bank	YES	Liquidation current account no. 054-489463-001 in the name of " Magnum India Hotel Management Private Limited in Voluntary Liquidation " was opened in Hongkong and Shanghai Banking Corporation Limited, Gurugram branch for realization and payment to the contributories. Confirmation Mail from the Company was received on 19 th May, 2023
11	Proof of Closure of the above Bank Account and any other account in the name of the Company	YES	Bank Closure Certificate issued by the bank for closure of account w.e.f. 10/07/2023 are attached to the main petition as Annexure "L"
12	(Regulation 35) Proof of distribution within six months from the receipt of realization	YES	The Liquidation costs of Rs. 5,38,500 and other dues amounting to Rs. 5,16,908 were paid on 26 th May, 2023 and 16 th June, 2023 and surplus of Rs. 1,20,832 was paid to the members on 23 rd June, 2023



13	(Regulation 38) 'Final Report' along with proof of submission of the same to RoC & IBBI	YES	'Final Report' along with proof of submission of the same to RoC & IBBI are attached to the main petition as Annexure "J" and Annexure "K"
14	(Regulation 37) Completion of liquidation process within twelve months from LCD	YES	Date of Completion of Liquidation proceeds is regarded as the date of Bank Closure after all payment i.e. 19/07/2023
15	(Regulation 37) Annual Status Report prepared (if any)	NO	Since the Voluntary Liquidation Process was completed on 19.07.2023, there was no requirement for conducting meeting of contributories.

DETAILS OF REALISATION

Sl. No.	Particulars	Amount (Rs)
(1)	(2)	(3)
1	Sale of Assets	-
2	Refund from Statutory Authorities	-
3	Cash / Bank balance	₹ 11,76,240
4	Realisation of uncalled/unpaid capital contribution	-
5	Distribution of unsold asset	-
6	Any other (Please specify)	-
Total		₹ 11,76,240

DISTRIBUTION

(Amount in ₹)

Sl. No	Stakeholders* under section 52 and 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Realization of Security Interest [Sec. 52(1)(b)]	-	-	-	-	-
2	Liquidation Cost [Sec. 53(1)(a)]	5,38,500	-	5,38,500	100%	-
3	Workmen's Dues [Sec. 53(1)(b)(i)]	-	-	-	-	-
4	Debts of Secured Creditors [Sec. 53(1)(b)(ii)]	-	-	-	-	-
5	Wages and Unpaid Dues to Employees [Sec. 53(1)(c)]	-	-	-	-	-
6	Debts of Unsecured Financial Creditors [Sec. 53(1)(d)]	-	-	-	-	-
7	Government Dues + Amount Unpaid following Enforcement of Security Interest [Sec.53(1)(e)]	-	-	-	-	-
8	Any remaining Debts and Dues [Sec. 53(1)(f)] (Professional fees, Rent and other dues)	5,16,908	-	-	100%	-
9	Preference Shareholders [Sec. 53(1)(g)]	-	-	-	-	-
10	Equity Shareholders [Sec.53(1)(h)]	1,20,832	-	-	100%	-
	Total	11,76,240		11,76,240	100%	



ANALYSIS AND FINDINGS:

- i.** We have heard the submissions made by the Liquidator and we have also perused the records. From a bare perusal, it is seen that the Liquidator, after his appointment has duly performed his duties and completed the necessary formalities to complete the Voluntary Liquidation process of the Applicant Company. Thus, the Liquidator has prayed for an order from this Adjudicating Authority to dissolve the applicant company.
- ii.** 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 Voluntary Liquidator and also updation of the same on the website. It is also evident from the record that the proposed Voluntary 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 and the same are also reported to have been approved. It appears that the affairs of the Applicant Company have been completely wound up and its assets have been completely liquidated. No liabilities have been left unsatisfied.
- iii.** Notice to RoC and Income Tax Department **on 11.10.2023** was issued and Counsel for the liquidator was directed to submit the gist of the matter. Ld Counsel for the Income Tax Department appeared on 11.12.2023 and stated that the Department has no objection.
- iv.** On hearing the submissions made by the authorized representative of the liquidator and perusing the documents annexed to the application, it appears that the affairs of the Corporate Person have been completely wound up and its assets have been completely liquidated. No liabilities have been left unsatisfied. We are satisfied from the documents on record that

the voluntary liquidation is not with the intent to defraud any person.



ORDER

- i.** In view of the above facts and circumstances, **we are inclined to pass orders for dissolution of the Company, M/S Magnum India Hotel Management Private Limited** and it is ordered that the company **Magnum India Hotel Management Private Limited** stands dissolved.
- ii.** The Liquidator of the Corporate Person is further directed to serve a copy of this order upon the Registrar of Companies (RoC), Delhi, immediately and, in any case, within fourteen days of receipt of this order. The RoC shall take further necessary action upon receipt of a copy of this order.
- iii.** The liquidator is also directed to preserve a physical or electronic copy of the records, reports, registers and books of accounts referred to in Regulation 41 of the Voluntary Liquidation Process, Regulations for at least 8 years either with himself or with an information utility.
- iv.** The Company Petition bearing **CP (IB) No. 513/PB/2023** is **Allowed and Disposed of** with the above directions.
- v.** The Registry is directed to send e-mail copies of the order forthwith to the Corporate Person represented by its Liquidator and its Ld. Counsel for taking further necessary steps.
- vi.** Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

File be consigned to the record storage (final).

-sd/-

**RAMALINGAM SUDHAKAR
(PRESIDENT)**

-sd/-

**AVINASH K. SRIVASTAVA
MEMBER, (TECHNICAL)**