

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**AHMEDABAD**  
**COURT - 2**

ITEM No.302  
CP(IB)/6(AHM)2023

**Order under Section 59(7) IBC r.w reg 38 of IBBI,2017**

**IN THE MATTER OF:**

Chirag Rajendra Kumar Shah the Liquidator of XDOC Works  
Private Limited  
(In Liquidation)

.....Applicant

.....Respondent

**Order delivered on: 08/11/2024**

**Coram:**

Mrs. Chitra Hankare, Hon'ble Member(J)  
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

**ORDER**

The case is fixed for pronouncement of order.

The order is pronounced in open Court vide separate sheet.

**-Sd-**

DR. V. G. VENKATA CHALAPATHY  
MEMBER (TECHNICAL)

**-Sd-**

CHITRA HANKARE  
MEMBER (JUDICIAL)

**BEFORE THE NATIONAL COMPANY LAW  
TRIBUNAL  
AHMEDABAD BENCH  
COURT NO. II**

**CP(IB)/6/(AHM)/2023**

*[Application under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 read with the Regulation 38(3) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 for dissolution of the Corporate Person]*

In the matter of **M/s. XDOC Works Private Limited**

**Memo of Parties**

**Voluntary Liquidation of  
M/s. XDOC Works Private Limited**

(Under Voluntary Liquidation)

Through its Liquidator,

Mr. Chirag Rajendrakumar Shah,

Having address at:

208, Ratnaraj Spring, Beside Navnirman Bank,

Opp. HDFC Bank House, Navrangpura,

Ahmedabad, Gujarat-380009.

**..... APPLICANT/LIQUIDATOR**

**ORDER PRONOUNCED ON 09.11.2024**

**CORAM:**

**Mrs. Chitra Hankare, Hon'ble Member (Judicial)**

**Dr. V. G. Venkata Chalapathy, Hon'ble Member  
(Technical)**

**APPEARANCE:**

For the Applicant	:	Mr. Parshwa Shah, PCS
For the Income Tax	:	Ms. Kinjal Vyas, adv. for Ms. Maithili Mehta, Adv.
For the RoC	✓ :	Ms. Rupa Sutar, Dy. RoC a.w. Ms. Vipal Solanki, Adv.

**-Sd-**

**-Sd-**

**J U D G M E N T**

1. The instant application is filed by M/s. XDOC Works Private Limited bearing CIN: **U72900GJ2010PTC060210** through its Liquidator **Mr. Chirag Rajendrakumar Shah, Insolvency Professional, holding registration No: IBBI/ IPA-001/IP-P01169/2018-2019/11837** in relation to the dissolution of the corporate person through voluntary liquidation under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 (“Code”) read with regulation 38(3) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (“IBBI Regulations”).
  
2. The Applicant Company was originally incorporated on 08.04.2010 with the CIN: **U72900GJ2010PTC060210** under the **Companies Act, 1956** with the Registrar of Companies, Gujarat in the name and style of “XDOC Works Private Limited.” The registered office of the company is situated at: L-401, ICB City, Nr. Vandemataram Township, New S.G. Road, Gota, Ahmedabad, Gujarat-382481, India. The main objects of the company are as mentioned in Clause A of Clause III of the Memorandum of Association. It is submitted

- that the authorized Share Capital of the company is Rs.5,00,000/- divided into 50,000 Equity Shares of Rs.10/- each and the Paid-up share capital of the Company is Rs.5,00,000/- divided into 50,000 Equity Shares of Rs.10/- each. The applicant submitted a list of shareholders and the directors of the company as Annexures C1 and C2 respectively. A copy of signed audited financial statements for the F.Y. 2020-21 and 2021-22 is annexed as Annexures – D1 and D2 to the present application.
3. The corporate person was formed with an object to design, develop, apply, interpret, analyze, improve and buy, sell, import, export, acquire, license, operate, assemble, repair, recondition, alter, convert, improve, install and modify of all types of software, software programmers, software engineers, software developers, software implementation, branding services, web designers, web hosting and server related services, web development, application development and integration etc.
  4. It is stated that the business of the company was severely affected by the first and second COVID-19 wave and was not able to revive the company and its operations thereafter. Hence, the Board of Directors of the Company, in its Extra Ordinary General Meeting (“EOGM”) held on

- 01.08.2022 considered the matter and resolved to liquidate the affairs of the Company and further realize and distribute the assets of the company amongst the stakeholders and the contributors. It was further resolved that the Insolvency Professional, Mr. Chirag Rajendrakumar Shah be appointed as the Liquidator of the company for the purpose of voluntary liquidation.
5. It is submitted that, as mandated under Section 59(3)(a) of the Insolvency and Bankruptcy Code, 2016 and Regulation 3(1)(a) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, the directors filed a declaration of solvency dated 27.07.2022 and Form GNL-2 for declaration vide SRN F22128474 on 17.08.2022 with the Ministry of Corporate Affairs. As required under Section 117 of the Companies Act, 2013 and Section 59 of the Insolvency and Bankruptcy Code, 2016, a copy of the special resolution passed by the members of the company and to appoint a liquidator, Mr. Chirag Rajendrakumar Shah has been uploaded on MCA portal through form MGT-14 vide SRN F22132039 on 17.08.2022.
6. In accordance with the Regulation 14 of the Insolvency and Bankruptcy Board of India

(Voluntary Liquidation Process) Regulations, 2017, a public announcement was made by the Liquidator on 06.08.2022 in English Newspaper – **“Financial Express”** – All India edition and in Gujarati newspaper – **“Financial Express”** – All India edition. It is submitted that, as required under Regulation 14(3)(c) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, intimation for initiation of Voluntary Liquidation of the company was made with the Insolvency and Bankruptcy Board of India on 10.08.2022 and the same was upload on the website of the IBBI on 10.08.2022. It is state that in accordance with Regulation 9 of the Insolvency and Bankruptcy Board of India (VLP) Regulations, 2017, a preliminary report was submitted by the Liquidator on 01.09.2022.

7. Pursuant to the Regulation 14(2)(b) of the IBBI (VLP) Regulations, 2017, the last date of submission of claims was on 31.08.2022, i.e. within 30 days from the liquidation commencement date. It is stated that one claim was received from a shareholder in Form-F on 24.08.2022. Further one more claim was received from the Income Tax Department on 22.09.2022. As per the Regulation 34(1) of the IBBI (VLP) Regulations, 2017, a separate current bank account was opened on 26.08.2022 in the

name of the company with the IDBI Bank, CG Road Branch, Ahmedabad in the name of “XDOC Works Private Limited in Voluntary Liquidation” bearing A/c. ID: 0009102000075864.

8. The Liquidator intimated the Income Tax Authorities, the Registrar of Companies, the Insolvency and Bankruptcy Board of India, Goods and Service Tax Department, the Reserve Bank of India and the Banks about the voluntary liquidation process of the corporate person and the appointment of liquidator.
9. A list of stake holder was prepared by the Liquidator pursuant to Regulation 30 of the IBBI(VLP) Regulations, 2017 as follows:

Sr. No	Category	Particulars	Amount Claimed	Amount Admitted	Amount Rejected
1	Shareholder	M/s. Reeleezee B.V.	499990	499990	0
2	Shareholder	Jan Willem Gerard Stronks (As nominee of Reeleezee B. V.)	10	10	0

10. The Liquidator paid off all the admitted claims from the Income Tax Department in full. The applicant annexed copy of payment to the claimants as Annexure N to the present application. As per the letter submitted by the LD counsel for the Income Tax on 28 August

2024 along with letter dated 26 June 2024 of the ITO an amount of Rs.4350 was due and payable by the applicant company, which as per records submitted on 3 May 2024 appears to have been paid and hence no further dues are payable. Further, the Official liquidator had already confirmed to have paid all the pending claims of the Income Tax as confirmed by affidavit dated 25 August 2023. Pursuant to Regulation 35(1) of the IBBI (VLP) Regulation, 2017, distributions were made to the Equity Shareholder/ according to their percentage of shareholdings.

11. As envisaged under the provisions of Section 59(3)(b)(ii) of the Code and Regulation 3(1)(b)(ii) of the IBBI (VLP) Regulations, 2017, a valuation report was obtained from two registered valuers as below:

- (i) Hiten Prajapati (Regd. No. IBBI/RV/2019/11439)
- (ii) Den Valuation (OPC) Private Limited, Regd. Valuer Entity S&FA (Regd. No. IBBI/RVE/06/2021/146).

Copies of the Valuation Report from both the valuers are annexed as Annexures O1 and O2.

12. It is submitted that, pursuant to Section 59 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 38 of the IBBI (VLP) Regulations,

2017, the Final Report was submitted with the Registrar of Companies through form GNL-2 vide SRN: F54283734 on 22.12.2022. It is further stated that pursuant to Regulation 38(3) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, Compliance Certificate in Form H is submitted. Copies of Final Report, Compliance Certificate and paid challan are annexed.

13. M/s Khandhar Mehta & Shah, Chartered Accountants has certified the value of receipts and payments as submitted on page 241, Annexure E as below:

Receipts	Value Realized Rs.	Payments	Payments Rs.
Balance at Bank	29,12,950	Legal Liquidation fee and other incidental payments	
		1. Liquidator fee	1,16,640
		2. Payment of TDS/Advance Tax	2,40,575
		3. Payment of Dividend Distribution tax	--
		4. Liquidation expenses (Newspaper advertisement, filings fee etc.)	62,450
Interest received against of Bank Guarantee for Customs Accounted	--	5. Payment of consultancy fees for Accounting, Finance and other support services	50,814
		6. Payment of Auditors fee for Audit of Liquidation account	--
		7. Remittance Charges to Bank	3,989
		8. Rent Paid	--
		9. ROC Filing fee	--
		Payment to Members	

		a. Dividend	19,38,482
		b. Refund of share capital (including mutual fund adjustments)	5,00,000
		10. Balance at Bank	--
<b>Net Realization (Rs.)</b>	<b>29,12,950</b>	<b>Net Payments (Rs.)</b>	<b>29,12,950</b>

14. From the perusal of Annexure P4, the compliance certificate, the details of distribution to stakeholders as per Section 52 or 53 of the Code is submitted as under:

4. Details of distribution to stakeholders as per section 52 or 53 of the Code

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)]	4,63,628	4,63,628	4,63,628	100%	Liquidation Cost
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)]	10,840	10,840	10,840	100%	Income Tax Demand for A.Y. 2019-20
8	Any remaining Debts and Dues [Sec. 53(1)(f)]	-	-	-	-	-
9	Preference Shareholders [Sec. 53(1)(g)]	-	-	-	-	-
10	Equity Shareholders [Sec.53(1)(h)]	24,38,482	24,38,482	24,38,482	100	Remittance to Equity Shareholders after deducting Withholding Tax
	<b>Total</b>	<b>29,12,950</b>	<b>29,12,950</b>	<b>29,12,950</b>	<b>100%</b>	

15. The applicant has submitted in Form H the

compliance of stipulated timeline as under:

Sr. No.	Section / Regulation	Description of Task	Norm (Number of Days)	Compliance Date	Actual Timeline (Number of days)
(1)	(2)	(3)	(4)	(5)	(6)
1	Section 55(3)(a), Regulation 3(1)(a)	Declaration from majority of directors/ partners regarding solvency of corporate person and it not being liquidated to defraud any person	T-28	27/07/2022	5
2	Section 59[(3)(c) and (5)], Regulation 3(1)(c) and 3(3)	Passing of resolution / special resolution by members / partners about commencement of voluntary liquidation process and appointment of insolvency professional as liquidator	T=0	01/08/2022	0
3	Proviso to Section 59(3)(c), Regulation 3(1)(c)	Approval of creditors representing two-third in value of debt, if the corporate person owes any debt, of the resolution passed under section 59(3)(c) or regulation 3(1)(c)	T+7	08/08/2022	7
4	Regulation 5(2)	Intimation by Insolvency Professional regarding his appointment as Liquidator to the Board	T+5	06/08/2022	5
5	Regulation 14 (1)	Public Announcement in Form A by the Liquidator	T+5	06/08/2022	5
6	Section 59(4), Reg. 3(2)	Notification to Registrar of Companies and Board about the resolution passed under section 59(3)(c) and regulation 3(1)(c) or subsequent approval of creditors thereto, as the case may be, by corporate person	T + 7 or T + 14	08/08/2022	7
7	Section 38(1), Regulation 14 (2)	Submission of claims by Stakeholders	T + 30	31/08/2022	30
8	Section 38(5)	Withdrawal/modification of claim by stakeholders	T + 44	NA	NA
9	Regulation 9(1)	Submission of preliminary report to the corporate person by the Liquidator	T + 45	15/09/2022	45
10	Regulation 29(1)	Verification of claims by the Liquidator	T + 60	30/09/2022	60
11	Section 40 (2)	Intimation about decision of acceptance/ rejection of claim to the stakeholders by the Liquidator	T + 67	07/10/2022	67
12	Regulation 30(2)	Preparation of list of stakeholders by the Liquidator	T + 45*/75	15/09/2022	45
13	Section 42	Appeal by creditor against the decision of the Liquidator	T + 81	NA	NA
14	Regulation 35(1)	Distribution of the proceeds to stakeholders by the Liquidator	Date of realization + 30	04/10/2022	18
15	Regulation 39(2)	Deposit of amount of unclaimed dividends and undistributed proceeds in Corporate Voluntary Liquidation Account by the Liquidator	Prior to submission of application under sub-section (7) of section 59	NA	NA
16	Regulation 38(2)	Submission of Final Report to the Board and Registrar of Companies by the Liquidator	T + 90*/270	NA	NA
17	Section 59(7), Regulation 38(3)	Submission of Final Report, along with the application for dissolution, to AA	T + 90*/270	NA	NA
18	Regulation 37(1)	Completion of Voluntary Liquidation Process	T + 90*/270	NA	NA
19	Regulation 37(2)	Meeting of Contributories and presentation of Annual Status Report	T + 365	NA	NA

T= Liquidation Commencement Date

16. We heard the Learned Applicant and perused the materials available on record.

17. During the hearing of this matter on 28.04.2023, Learned Counsel Ms. Pankti Shah appeared on behalf of the Income Tax Department and stated that the department has an outstanding demand of Rs.2,60,444/-. Learned Counsel Mr. Parshwa Shah for the Liquidator stated that a claim of Rs.10,840/- only was filed by the Income Tax department and the same has already been paid. Hence, this Bench directed the counsel for the Income Tax department to serve copy of their reply to the Liquidator, applicant herein. Further on 08.06.2023, the counsel Ms. Pankti Shah confirmed the payment was made by providing the necessary details. Ld. Applicant has provided records of the Income tax Department which confirms that the remaining amount of Rs.4350/- outstanding for the F.Y. 2010-11 was paid and complied.

18. The report of RoC states that:

*“as per the records available with this office, no prosecution, complaints, Compounding and 3i matters are pending against the Company.”*

Ld. Dy. Registrar further prayed to pass an order as deem fit.

**-Sd-**

**-Sd-**

19. Thus, on examining the submissions made by the Applicant and after perusing the documents annexed to the Petition 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 exercise of the powers conferred under Section 59(8) of IBC, 2016. We pass the following order: -

- i). In the exercise of powers conferred under Section 59(8) of the IBC, 2016 it is ordered that the Corporate Person (Applicant Company) **M/s. XDOC Works Private Limited** having CIN: **U72900GJ2010PTC060210** shall stand dissolved from the date of this order.
- ii) The liquidator, **Mr. Chirag Rajendrakumar Shah, is discharged** from his duties and responsibilities as the Liquidator.
- iii) The Registry and the Liquidator are directed to serve a copy of this order upon the Registrar of Companies, Gujarat, Income Tax Department and also to IBBI, within 14 days from the date of this Order for information and necessary action.
- iv) The Liquidator shall preserve a physical

or an electronic copy of the reports, registers and books of account referred to in Regulations 8 and 10 of IBBI Regulations for at least eight years after the dissolution of the Corporate Person, either with himself or with an information utility.

20. Accordingly, the application **CP(IB)/6/(AHM)/2024** stands allowed and disposed of.

**-Sd-**

**DR. V. G. VENKATA CHALAPATHY  
MEMBER (TECHNICAL)**

**-Sd-**

**CHITRA HANKARE  
MEMBER (JUDICIAL)**

AT