



NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT-II

21. C.P.(IB)-542(MB)/2022

CORAM:

SHRI ANIL RAJ CHELLAN
HON'BLE MEMBER (T)

SHRI KULDIP KUMAR KAREER
HON'BLE MEMBER (J)

**ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE
NATIONAL COMPANY LAW TRIBUNAL ON 18.09.2024**

NAME OF THE PARTIES: - Formosa Industries Limited

Section: - U/s 59 of the Insolvency and Bankruptcy Code, 2016

ORDER

C.P.(IB)-542(MB)/2022

Presence

Adv. Harsh Kesharia Petitioner through VC.

Heard the submission of the counsel for the Petitioner. The detailed order will follow
vide separate order sheet.

Sd/-
ANIL RAJ CHELLAN
Member (Technical)

JAGDISH

Sd/-
KULDIP KUMAR KAREER
Member (Judicial)



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - II**

CP (IB)/542/MB/2022

Application under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 read with the Regulation 38 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.

In the matter of

**Ms. Maya Gupta,
Liquidator of Formosa Industries
Limited,**

**Formosa Industries Limited,
CIN: U25202MH2006PLC159317, and
Having its Registered Office at: Govind
Building, 5th floor, 124/140, Princess Street
Mumbai- 400002**

..... Applicant

Order Delivered on: - 18.09.2024

Coram:

**Mr. Anil Raj Chellan
Member (Technical)**

**Mr. Kuldip Kumar Kareer
Member (Judicial)**

Appearances:

For the Petitioner/Liquidator: Adv. Harsh Kesharia



IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - II

CP (IB)/542/MB/2022

ORDER

Per: - Coram

1. This Company petition is filed by Ms. Maya Gupta, Liquidator, of Formosa Industries Limited, (hereinafter referred to as "the Liquidator") for dissolution of Corporate Person namely Formosa Industries Limited ("the Company") through voluntary liquidation under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 ("the Code") read with the Regulation 38 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.
2. The Company was incorporated on 30th January, 2006 under the provisions of the Companies Act, 1956 with Corporate Identification Number (CIN): U25202MH2006PLC159317 having its Registered Office at Govind Building, 5th Floor, 121/140, Princess Street Mumbai- 400002, India. The Authorized Share Capital of the Company is 1,00,00,000/- (Rupees One crore only) divided into 10,00,000 (Ten Lakh) equity shares of Rs. 10/- (Rupees 10 Only) each. The issued, subscribed, and paid-up share capital of the Company is Rs. 5,00,000/- (Rupees Five Lakh only) consisting of 50,000 (Fifty thousand) equity shares of Rs. 10/- (Rupees Ten only).
3. The Applicant submits that considering the lack of adequate financial resources, the Company concluded that it must wind up its operations. The Board of Directors of the Company have made an enquiry into the affairs of the Company and have formed an opinion that the Company will be able to pay off its debts in full from the proceeds of assets to be sold in the voluntary liquidation. Accordingly, a board meeting was



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - II**

CP (IB)/542/MB/2022

held on 12th October 2020 wherein voluntary liquidation of the Company was proposed to the board of directors for their approval and the Board passed a resolution to voluntarily liquidate the Company under the provisions of Section 59 of the Code and also decided to appoint Ms. Maya Gupta as Liquidator of the Company. Accordingly, the members of the Company in the Extra-Ordinary General Meeting held on 20th October 2020, as per provision of the Companies Act, 2013, passed a Special Resolution to liquidate the Company voluntarily and appointed Ms. Maya Gupta, an Insolvency Professional, with registration No. IBBI/IPA-002/IP-N00363/2017-2018/11061 to act as Liquidator.

4. The Applicant submits all the directors have declared on Affidavit dated 24th September 2020 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 from the proceeds of assets to be sold in the voluntary liquidation and further affirmed that the Company is not being liquidated to defraud any person. This declaration was accompanied by Audited financial statements and records of business operations of the Company of previous two financial years, viz. year ending 31st March 2019 and 31st March 2020 and July 2020.
5. The Applicant had notified the Registrar of Companies, Mumbai, Maharashtra under sub-section (4) of Section 59 of the IBC about the passing of a Special Resolution to liquidate the Corporate Person and appointment of Liquidator in Form MGT-14 and Form GNL 2.
6. The Applicant made a public announcement of commencement 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 English, “Financial Express” and in Marathi,



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - II**

CP (IB)/542/MB/2022

“Mumbai Lakshadweep” dated 25th October 2020 i.e. within the period of 5 days of his appointment on 20th October 2020 calling upon the stakeholders to submit their claims along with the proof within 30 days from the date of commencement of liquidation i.e. on or before 19th November 2020 to the Liquidator and the copy of public announcement was sent to IBBI with a request to place it on its website and the same was published on the website of IBBI.

7. The Applicant has also informed about its voluntary Liquidation and appointment of liquidator to the Income Tax Department, within whose Jurisdiction Assessment of the company is made i.e. the assessing officer of Circle 12 (2)(1), Mumbai stating that all statutory dues have been settled and has also obtained No Dues Certificate from the Income Tax Department.
8. The Applicant on 16th December, 2020 opened a bank account in the name of the Applicant Company i.e., “Formosa Industries Limited” with IDFC First Bank for realisation and payment to the creditors and members. Further, the Applicant has not received any claims from the operational or financial creditors.
9. The Applicant had submitted a Preliminary Report dated 4th December 2020 to the shareholders of the Corporate Person within a prescribed time limit of 45 days from the liquidation commencement date i.e., 20th October 2020. The Preliminary Report contained details of the Capital Structure of the Company, shareholding, and estimated statement of Assets & Liabilities, which confirmed that there were Cash and Cash Equivalents Rs. 10,633 /-, Other non-current Assets Rs. 10,000/- and Current Liabilities were nil.
10. The Applicant submitted a copy of the Final Report on 21st February, 2022, detailing the liquidation process being conducted. The Final



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - II**

CP (IB)/542/MB/2022

Report states that all the assets of the Company have been disposed of as on the date of the final report and the liquidation expenses have been adequately paid. The Final Report also mentions that no litigation is pending against the Corporate Person. Furthermore, pursuant to Regulation 38 of Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, the said Final Report of the Liquidator has been submitted to the Registrar of Companies in Form GNL-2 on 21st February, 2022 vide SRN T82345893.

11. In compliance with the provisions of Regulation 35 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 and section 53 the Insolvency and Bankruptcy Code, 2016 the appointed Liquidator distributed the proceeds from the realization of assets involved in the process of Voluntary Liquidation to the stakeholders/members which were transferred from the above-mentioned Liquidation account. After making payment to the members of the Company, the liquidator has closed the Bank Account on 30 June 2021. The Applicant has also submitted the Compliance certificate in Form-H and proof of Bank closure through additional affidavit.
12. The Applicant further states that the process for completion of voluntary liquidation has taken more than 270 days due to Covid-19 cases and subsequent lockdown by the government.
13. The Applicant has submitted the following Liquidators Statement of Account for the period 20th Oct. 2020 to 15th Feb. 2022.

Date	Receipts	Amount	Date	Payment	Amount
	Opening Bal.		26.10.2020	Public Announcement	5,550
	Cash	0	31.10.2020	Bank charges	355.3
	Bank	10,633			



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - II**

CP (IB)/542/MB/2022

14.01.2021	Promoter Contribution	1,10,000	20.11.2020	Expenses incurred for intimating to various authorities	5030
18.05.2021	Security Deposit	10,000	18.01.2021	Liquidator Remuneration	50,000
01.07.2021	Promoter Contribution	15,000	20.01.2021	Professional fees	30,000
10.11.2021	Promoter Contribution	25,000	18.05.2021	Liquidator Remuneration	40,277.7
			09.07.2021	Liquidator Remuneration	9,722.3
			09.07.2021	Liquidator Expense	4,697.7
			10.11.2021	Auditor Remuneration	15,000
			10.11.2021	Advocate Fees	10,000
	Total	1,70,633		Total	1,70,633

14. We have heard the submissions of the learned counsel for the Liquidator and perused the documents annexed to the Application. On examining the submissions and perusing the records, it is seen that as there were no assets left in the Company and with a low cash balance, the promoters have contributed in full to pay the Liquidation cost and the Company has been completely wound up, therefore, this Application u/s 59(7) of the Code is as such complete and it deserves to be allowed. Hence, the Applicant Company i.e., Formosa Industries Limited is liable to be dissolved u/s 59(8) of the Code.

15. After examining the documents and materials placed on record, we are of the considered opinion that the necessary compliances as per provisions of the Code have been made by the Company and the Liquidator. Therefore, in the exercise of the powers conferred under sub-section (8) of Section 59 of the Insolvency and Bankruptcy Code, 2016, we are allowing the Application with the following directions:



IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - II

CP (IB)/542/MB/2022

ORDER

- I. Company Petition (IB) No. 542 of 2022 is hereby allowed.
- II. The Corporate Person viz. Formosa Industries Limited (having CIN: U25202MH2006PLC159317) stands dissolved from the date of this Order.
- III. The Liquidator is directed to file this order with the concerned Registrar of Companies, Income Tax Department, and IBBI within 14 days from the date of receipt of an authentic copy of this order, for information and necessary action.
- IV. The Liquidator is also directed to file this order with all other Statutory Authorities connected with the affairs of the Company.
- V. 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 (Voluntary Liquidation Process) Regulations, 2017 for at least eight years after the dissolution of the Corporate Person, either with himself or with an information utility.
- VI. A copy of the order will be served to the respective parties.
- VII. Let the File be consigned to records.

Sd/-

ANIL RAJ CHELLAN
(MEMBER TECHNICAL)

Sd/-

KULDIP KUMAR KAREER
(MEMBER JUDICIAL)