



**NATIONAL COMPANY LAW TRIBUNAL  
AMARAVATI BENCH  
(Video Conference)**

**PRESENT: JUSTICE TELAPROLU RAJANI – MEMBER JUDICIAL  
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 29.03.2023 AT 10.30 AM**

TC/CP. Nos.	CA/IA No.	Section/ Rule	Name of Parties
CP(IB)/15/59/AMR/2023		59 of IBC	Magma Metal Private Limited (in Voluntary Liquidation)

**ORDER**

Mr. Mohd Nazim Khan, Liquidator present. Orders pronounced.  
CP(IB)/15/59/AMR/2023 is allowed, vide separate orders.

**Sd/-  
JUSTICE TELAPROLU RAJANI  
MEMBER JUDICIAL**

*RSN*



**NATIONAL COMPANY LAW TRIBUNAL  
AMARAVATI BENCH AT MANGALAGIRI**

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**CP (IB)/ 15/59/AMR/2023**

**Under Section 59(7) of the Insolvency and Bankruptcy Code, 2016  
Read with IBBI (Voluntary Liquidation Process) Regulations, 2017**

**In the matter of  
M/s. MAGMA METAL PRIVATE LIMITED  
(CIN: U27109AP2005PTC045359)**

**BETWEEN:**

Mr.Mohd Nazim Khan,  
Registration No. IBBI/IPA-002/IP-N00076/2017-18/10207  
Voluntary Liquidator of M/s. Magma Metal Private Limited  
Registered office at F-6&F-7, Phase-II,  
VSEZ Duvvada, Visakhapatnam  
Andhra Pradesh -530046.

**...Applicant**

**Date of pronouncement of Orders: 29.03.2023**

**Coram:**

**Justice Telaprolu Rajani, Member Judicial.**

**Parties/Counsels present:**

For the Applicant : Mr.Mohd Nazim Khan, Voluntary Liquidator

**ORDER**

**Per: Justice Telaprolu Rajani, Member Judicial**

1. This Petition is filed by the Liquidator for M/s. Magma Metal Private Limited (Corporate Person) seeking for an order to dissolve the Corporate Person, as provided under section 59 (7) of the IBC, 2016.



2. The facts as per the Petition, briefly, are as follows:
- a) The Corporate Person i.e., M/s. Magma Metal Private Limited, was incorporated under the provisions of Companies Act, 1956 on 14.02.2005 bearing CIN: **U27109AP2005PTC045359**. The Authorized Share Capital of the Company is Rs.45,00,000/- divided into 4,50,000 Equity shares of Rs.10/- each and the Issued, Subscribed and Paid up share capital of the Company is Rs.1,00,000/- divided into 10,000 Equity shares of Rs. 10/- each, with an object to carry on the business of manufacture, process and trade in all varieties of Non-Ferrous metals like Silicon Metals, Chrome Metal, Manganese Metal, Calcium Carbide, Aluminium, Copper, Zinc, Tin, Lead, Antimony, Cobalt, Calcium Metal, Mish Metal, Indium, Lithium, Bismuth, Cadmium, Arsenic, Beryllium Metal, Strontium, Tungsten, Molybdenum Metal and allied activities.
  - b) At the time of commencement of voluntary winding up of Corporate Person, it was not carrying on any business. The shareholders of the Corporate Person were not interested in continuing the business of the Corporate Person. The Board of Directors considered the matter and was of the opinion to wind up the Corporate Person voluntarily as the Corporate Person is solvent in all respect but has not been carrying any business or operations or has not made any significant accounting transaction during the last two financial years. Hence it was considered viable to move for voluntary winding up. Therefore, the Board



had presented the matter before shareholders in the Annual General Meeting held on 28.06.2022 and the Shareholders had given their consent to wind up the Corporate Person voluntarily and to appoint the liquidator to carry out the affairs of the winding up.

- c) Both the directors of the Corporate Person namely Pramod Kumar Sharma and Mohapatra Sabyasachi have made declaration of Solvency verified by way of an Affidavit on 02.06.2022, as per Section 59(3) of Insolvency and Bankruptcy Code, 2016.
- d) The Board of Directors, in their meeting held on 19.05.2022, passed a proposal to wind up the Corporate Person voluntarily and to appoint Mohd Nazim Khan as the Liquidator to carry out the affairs of the winding up of the Corporate Person. The Corporate Person has filed copy of Board Resolution with Registrar of Companies, in e-Form MGT-14 dated 17.06.2022 vide SRN F07111776 and the said e-Form MGT-14 got approved by the ROC.
- e) As proposed by the Board, the members of the Corporate Person, in the Annual General Meeting held on 28.06.2022, passed a special resolution to wind up the Corporate Person voluntarily and appointed Mr.Mohd Nazim Khan, [Registration No.IBBI/IPA-002/IP-N00076/2017-18/10207] to act as liquidator of the Company.



- f) The Special Resolution passed by the members was filed with Registrar of Companies in e-Form MGT-14 dated 13.07.2022 vide SRN F15115488 and the said e-Form MGT-14 got approved by the ROC.
- g) NOC was received from KTC Koria Co. Ltd regarding approval in terms of Proviso to Regulation 3 (1) (c) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Procedure) Regulations, 2017, on 04.08.2022. Since there were no assets of the Company, no valuation was required for the Corporate Person.
- h) As per Regulation 14 (2) (b) of Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulation, 2017, the Applicant made public announcement with the last date of the submission of proof of claims as 28.07.2022. In response to the publication, 4 claims were received. After verification of the every claim, the applicant prepared a list of Stakeholders. The details of the claims admitted are as follows.

S. No.	Name of the Operational Creditors	Total claim amount admitted (Rs.)
1	Pramod Kumar Sharma	70,800
2	Chandhiok & Mahajan Advocates and Solicitors	7,18,042
3	KTC Moly India Private Limited	10,000
4	KTC Korea Co. Ltd	4,38,76,453
	<b>Total</b>	<b>4,46,75,295</b>

- i) The liquidator made the payment to the following stakeholders.



S.No.	Name of the Operational Creditors	Date of Payment	Total admitted claim in Rs.
1	Pramod Kumar Sharma	17.09.2022	70,800
2	Chandhiok & Mahajan Advocates & Solicitors	27.09.2022	7,18,042
3	KTC Moly India Private Ltd	22.09.2022	10,000

- j) The undersigned could not make payment to the remaining stakeholder because of receipt of letter from KTC Korea Co. Ltd for extinguishment of its dues.
- k) As per Regulation 14 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, the liquidator made paper publication on 30.06.2022 in Times of India in English Language and Prajasakti in Telugu Language in Visakhapatnam Edition with regards to winding up of the Corporate Person.
- l) On 01.07.2022, the applicant issued notices to various authorities namely Income Tax Department, ICSIIP and IBBI, Auditor, Corporate Person and its Directors with regards to the appointment of liquidator to carry out the affairs of the winding up of the Corporate Person in liquidation. On 13.08.2022, the liquidator submitted its preliminary report to the company.
- m) On 26.10.2022, the liquidator deposited the TDS and submitted the IT Return of Income Tax Department.



- n) The Liquidator issued letter dated 10.10.2022, requesting the Axis Bank, Karol Bagh Branch to close the Bank Account No. 922020044232945, of the Corporate Debtor maintained by the Liquidator and then the account was closed on 28.10.2022. Upon closure of bank account, the Receipt and Payment Account was prepared by the Liquidator since commencement of voluntary liquidation up to close of liquidation account and then audit was conducted by M/s.Tiwari and Mishra, Chartered Accountants, New Delhi.
- o) As per Regulation 8 (1) (d) read with Regulation 37 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, the affairs of the Company have been wound up within a period of 128 days. Being less than 270 days from the liquidation commencement date, there is no requirement to present the Annual Status Report as required under Regulation 37 before the meeting of the contributories. The Liquidator prepared Final Report upon completion of liquidation of Company, comprising of audited accounts of the company since the liquidation commencement date, showing receipts and payments pertaining to liquidation period, a statement demonstrating assets, debts and pending litigation and statement of sale of assets of the Applicant Company and on 03.11.2022. The Liquidator submitted the final report to the RoC vide SRN F39375688 in the prescribed Form GNL-2.



- p) As prescribed under regulation 38 of the Voluntary Liquidation Process Regulations, the Liquidator prepared the Final Report and sent the same on 03.11.2022 to the ROC & ICSI IIP.
  - q) The liquidator filed an Affidavit with respect to compliance under Section 59 (3) of IBBI (Voluntary Liquidation Process) Regulations, 2016.
  - r) As prescribed under regulation 38(3) of the Voluntary Liquidation Process Regulations, the Liquidator filed Form H (Compliance Certificate).
  - s) Pursuant to Circular No.IBBI/LIQ/45/2021 dated 15.11.2021, issued by Insolvency and Bankruptcy Board of India, an Insolvency Professional handling voluntary liquidation process is not required to seek any NOC/NDC from the Income Tax Department as part of compliance in the said process.
3. Heard the liquidator. Under Section 59 of the IBC, the requirements for voluntary liquidation are that; there should be a declaration from majority of Directors of the Company verified by an affidavit stating that they have made full enquiry into the affairs of the Company and they have formed an opinion that either the Company has no debt or that it will be able to pay its debts in full, from the proceeds of assets to be sold in the voluntary liquidation and the Company is not liquidated to prefer any person and the said declaration shall be accompanied by an audited financial statements and record of business operations of the company for the previous two years or for



the periods of its incorporation whichever is later and report of the valuation of assets of the Company, if any, prepared by a registered valuer; and within four weeks of the declaration under sub-clause (a) of Section 59(c) of IBC, a special resolution of the member of the Company in a General Meeting, requiring the company to be liquidated voluntarily and appointing an Insolvency Professional to act as Liquidator and a resolution of the members of the Company in a general meeting requiring the Company to be liquidated voluntarily as a result of expiry of period of its duration, if any, fixed by its articles or on the occurrence of any event in respect of which the articles provide that the company shall be dissolved, as the case may be and appointing an Insolvency Professional to act as a Liquidator, are required. Provided that if the Company owes any debt to any person, creditors representing 2/3<sup>rd</sup> in the value of the debt of the Company shall approve the resolution passed under (c) within seven days of such resolution. The Applicant is also required to notify the Registrar of Companies and Board about the resolution under (5) to liquidate the Company within seven days of such resolution or subsequent to the approval by the Creditors as the case may be. If the affairs of the Corporate Person have been completely wound up and its assets completely liquidated, the liquidator shall make an application to the Adjudicating Authority for dissolution of such Corporate Person.

4. The liquidator drew the attention of this Tribunal to the declarations and the special dissolution as required under Section 59 and also about the information given to the Registrar of Companies (RoC) and the Board. The intimation given to the RoC is also filed. The final report



submitted by the Liquidator is also placed before this Tribunal. The CIRP costs were also recorded and the closure of the bank account is also done. Hence, it can be seen that the requirements under Section 59 are complied with by the Applicant and hence, there need not be any demur to allow the Application and grant the reliefs as sought for.

5. In the Result, the Petition is allowed and Corporate Person shall stand dissolved from the date of this order. In exercise of the powers conferred on the Adjudicating Authority under Section 59 (7) of the Code, I hereby allow the Company Petition with the following directions:-

- A. The Corporate Person, M/s. Magma Metal Private Limited is hereby dissolved, with immediate effect.
- B. The Liquidator is directed to forward a copy of this order within a period of 14 days from the date of this order, to the Registrar of Companies (RoC), Andhra Pradesh for making appropriate remarks for the Corporate Person on MCA website and Insolvency & Bankruptcy Board of India.
- C. The Liquidator is also directed to forward copies of this order to all the Statutory Authorities connected with the affairs of the Corporate Person.
- D. The Liquidator is further directed to preserve a physical or electronic copy of reports, registers, books of accounts referred to in Regulation 8 and 10 for at least 8 years after the dissolution of



*NCLT Amaravati Bench  
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the Corporate Person, either with himself or with the information utility.

Accordingly, this CP (IB) No.15/59/AMR/2023 is allowed and disposed of.

Sd/- Dated 29.03.2023

**JUSTICE TELAPROLU RAJANI  
MEMBER JUDICIAL**

*Swamy Naidu*