

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
DIVISION BENCH
COURT - 1



ITEM No.5
C.P.(IB)/3(AHM)2023

Proceedings under Section 59 IBC

IN THE MATTER OF:

Jigar Pradipchandra Shah Liquidator of Gondliya Fibers PvtApplicant
Ltd

V/sRespondent

Registrar of Companies,Gujarat

Order delivered on: 11/09/2023

Coram:

Mr. Shammi Khan, Hon'ble Member(J)

Mr. Kaushalendra Kumar Singh, Hon'ble Member(T)

PRESENT:

For the Applicant :

For the Respondent :

ORDER

The case is fixed for pronouncement of the order. The order is pronounced in the open court, vide separate sheet.

-Sd-

KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)



**NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
DIVISION BENCH
(COURT NO. I)**

CP (IB)/03(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:

Mr. Jigar Pradipchandra Shah,
Liquidator of

M/s. Gondliya Fibres Private Limited,

(CIN-U17119GJ2002PTC40597)

Registered Office of the Company

Plot No.951, Road No.956, GIDC Sachin,

Surat, Gujarat – 394520.

...Applicant/Corporate Person

VERSUS

The Registrar of Companies, Gujarat,

Having its office at:

ROC Bhavan, Opp. Rupal Park Society,

Behind Ankur Bus Stop,

Naranpura, Ahmedabad-380013,

Gujarat, India.

..... Respondent

Order Pronounced On: 11.09.2023

Coram: Mr. Shammi Khan- Member (Judicial)

Mr. Kaushalendra Kumar Singh-Member (Technical)



Appearance:

For the Applicant : Mr. Dharendra Dave, Advocate.

For the Respondent : None.

ORDER

1. The instant Application has been filed on 20.06.2022 by **M/s. Gondliya Fibres Private Limited**, ('Company') through liquidator, namely, Mr. **Jigar Pradipchandra Shah** for dissolution of the Corporate Person through voluntary liquidation under Section 59 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 Company was incorporated as a Private Limited Company under the provisions of the Companies Act, 1956, on 03.04.2002, bearing CIN- U17119GJ2002PTC40597 having Registered Office at Plot No.951, Road No.956, GIDC Sachin, Surat, Gujarat – 394520. The Authorized share capital of the Company is Rs.50,00,000/- divided into 5,00,000 equity shares of Rs.10/- each and the issued, subscribed, paid-up share



capital of the Company is Rs. 38,40,000/- divided into 3,84,0000 equity shares of Rs. 10/- each.

3. The main objects of the Company were to carry on the business of Manufactures, exporters, importers, buyers, sellers, producers, buying agents, selling agents, commission agents, factors, distributors, stockists, agents, traders, sizers and suppliers and dealers in all classes and kinds of yarns, cotton, textiles, threads and other fibrous products and garments and all other goods and merchandise.
4. It is submitted by the applicant that it is not financially viable to carry on business activities due to non-availability of business prospects and long-term financial resources. Therefore, the Board of Directors of the company passed special resolution in the Extra Ordinary General Meeting held on 05.07.2021 to liquidate the company as per the provisions of section 59 of the Code and also passed the resolution for the appointment of liquidator and authorised Mr. Jigar Pradipchandra Shah, Insolvency Professional, to act as the liquidator of the company for the purpose of the voluntary



liquidation of the affairs of the company. A copy of Board Resolution passed on 05.07.2021 is annexed as **Annexure-E** with the application.

5. In pursuant of the meeting of BODs held on 05.07.2021, all directors of the company have submitted the Declaration of Solvency Affidavit dated 02.06.2021 collectively that they have made a full inquiry into the affairs of the Company and formed an opinion that the Company has no debt and the dissolution of the company is not to defraud any person. Copies of the Declaration of Solvency Affidavit along with audited financial statements for the period 2019-20, 2020-21 and 01.04.2021 to 05.07.2021 are annexed as **Annexure-C** with the application. A copy of declaration of solvency has been filed with Registrar of Companies vide SRN No. T22172225 on 10.06.2021. A copy of the said document is annexed as **Annexure-D** with the application.
6. As per the resolution passed in the BOD meeting held on 05.07.2021 it was resolved to liquidate the affairs of the company and to appoint Mr. Jigar Pradipchandra Shah,



Insolvency Professional (Registration No. IBBI/IPA-001/IP-PO1121/2018-19/11820) as the liquidator for the purpose of voluntary liquidation of the affairs of the company. The Company has filed form MGT-14 vide SRN No. T29741881 on 07.07.2021 with ROC for intimating about passing of special resolution and has also filed GNL-2 vide SRN No. T29851029 on 07.07.2021 with ROC regarding intimation of voluntary liquidation of the corporate person and appointment of Liquidator. A copy of form MGT-14 and GNL-2 is enclosed with this application as Annexure- G & F respectively.

7. The liquidator made public announcement of the commencement of liquidation in Form A of Schedule I as per Regulation 14 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 in English in the “Indian Express” (Ahmedabad Edition) and in Gujarati in the “Gujarati Guardian” (Ahmedabad Edition), dated 08.07.2021 inviting claims in respect of the corporate person by various stakeholders from the date of commencement of liquidation, i.e., 05.07.2021. A copy of the newspaper



advertisement for the said public announcement was annexed as **Annexure-I** to the application.

8. The liquidator sent the intimation of commencement of voluntary liquidation to IBBI and also informed about the public announcement and uploaded the same on website of IBBI on 08.07.2021. A copy of the same is annexed as **Annexure-H & J** to the application.
9. The liquidator had submitted Preliminary Report on 16.08.2021 to the shareholders of the Corporate Person within prescribed time limit of 45 days from the liquidation commencement date i.e. 05.07.2021. As per the Preliminary report annexed as **Annexure-K** the Company has no fixed assets as on the date of liquidation except bank balance of Rs.36,20,980.46/-.
10. The applicant has opened a bank account as required under regulation 34(1) of IBBI Regulations with HDFC Bank, Ambawadi Branch, Ahmedabad, on 29.03.2022 for the receipt of all moneys due to the corporate person. The funds lying in the current account of the applicant / corporate person with the Surat People's Co-operative Bank Ltd were transferred to the



liquidation account and the said account was closed on 30.03.2022. 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 available funds to the shareholders. Subsequent to making payment to the members of the Company, the liquidator has sent closure request of liquidation account maintained with HDFC Bank. Copy of the bank statement showing distribution of the funds to shareholders, Distribution Statement to the Contributors as well as closure request form of Liquidation Bank Account are annexed as **Annexure-L, O & Q** with the application.

11. In response to notice served upon Income Tax Department, the Applicant informed that the Income Tax Department has filed its reply saying that there is no outstanding demand but no reply has been received from the ROC. This Adjudicating Authority vide its order dated 15.05.2023 gave one more opportunity to the ROC to file the reply. However, despite opportunities, no response was received from RoC.



12. The Income Tax Department vide their report dated 30.01.2023 informed that there is no outstanding demand and no any proceedings is pending in the case of the applicant/corporate person as verified from the ITBA system. Hence, they have no objection to the voluntary liquidation of the corporate person.

13. It is submitted that in compliance with the provisions of Regulation 38 of the Liquidation Regulation, 2017, the liquidator prepared a final report and submitted the same to the to the IBBI on 14.06.2022. As per the final report the Applicant/corporate person had no fixed assets as on the date of liquidation except bank balance of Rs.36,20,980.46/-. The Applicant/Corporate Person also had no creditors and pending litigation.

14. We have heard the Learned Counsel for the Corporate Person and perused the material available on record. Neither any one appeared on behalf of ROC nor any reply / any objection was filed by them despite giving opportunities to them. Only Income Tax department appeared and filed its report stating therein that there is no outstanding demand and no pending



proceedings against the applicant / corporate person as verified by ITBA system.

15. It is noted that the Board of Directors of the Corporate Person has taken a conscious decision for closing down the Corporate Person because the shareholders of the Corporate Person do not want to continue with the business. The members in Extra Ordinary General Meeting having passed special resolution to voluntarily liquidate the Company.

16. It also appears that the Liquidator has duly performed his duties and completed the necessary formalities to complete the liquidation process of the Corporate Person/Applicant. It also appears that the funds of the Applicant/corporate person have been duly distributed between the stakeholders as per their claims. Since there are no Creditors in the Corporate Person, no claims were received. It also appears that objection is not received from any person regarding the proposed voluntary liquidation, either from the side of the shareholders or from creditors, nor any adverse comment is received from the public at large against such liquidation. It is also evident that the



proposed liquidation is duly communicated to the Registrar of Companies, Gujarat by filing Form MGT-14 and GNL-2. After distributing the proceeds of the Corporate Person, the liquidator has filed final report wherein it is clearly stated that nothing remains to be realized in the Corporate Person.

17. By taking into consideration, the above stated facts and circumstances, the present application deserves to be allowed for the proposed dissolution of the Corporate Person. Hence, we pass the following order:

- i). This Adjudicating Authority in exercise of powers conferred to it under Section 59(8) of the IBC, 2016 orders that the Corporate Person (Applicant Company) **M/s. Gondliya Fibres Private Limited**, (CIN-U17119GJ2002PTC40597) shall stand dissolved from the date of this order.
- ii). The liquidator is directed to communicate a copy of this order to the Respondent i.e., Registrar of Companies (Gujarat-Dadra and Nagar Haveli), wherein the registered office of the company is situated. Further, a copy of this



order also be communicated to the IBBI, New Delhi and other Statutory Authorities for information. Such communication should be made within the stipulated period of fourteen (14) days from the date of this order.

- iii). The registry is also directed to communicate a copy of this order to the Registrar of Companies (Gujarat-Dadra and Nagar Haveli) as well as to the IBBI.
- iv). The Liquidator shall preserve physical or 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.

18. Accordingly, the present application i.e.,

CP(IB)/03/(AHM)/2023 stands allowed and disposed of.

- Sd -

KAUSHALENDRA KUMAR SINGH
MEMBER (TECHNICAL)

- Sd -

SHAMMI KHAN
MEMBER (JUDICIAL)