

**THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, CHANDIGARH
(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)
(through web-based video conferencing platform)**

CP (IB) No.01/Vol./Chd/Chd/2020

**Under Section 59 of the Insolvency
and Bankruptcy Code, 2016**

In the matter of :

Grewal Estates Private Limited
having its registered office at
House No. 206, Sector-36 A
Chandigarh-160036
CIN: U99999CH1976PTC032844

...Petitioner/Corporate Person

Judgement delivered on: 31.01.2022

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR.SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

For the Petitioner : Mr. Anand Chibbar, Senior Advocate with Mr.
Rakesh Gupta, Advocate

For the Income Tax Department: Mr. Yogesh Puteny, Senior Standing Counsel

Per: Harnam Singh Thakur, Member (Judicial)

JUDGEMENT

This Company Petition is filed under Section 59 of the Insolvency and Bankruptcy Code, 2016 (Code) read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 is filed by the Corporate Person through its liquidator (Insolvency Professional) for its voluntary liquidation.

2. The aforesaid Company, Private Limited, is a Grewal Estate Private Limited company incorporated on 01.11.1976 under the provisions of

Companies Act, 1956 having CIN: U99999CH1976PTC032844. The registered office of the Company is presently situated at House No. 203, Sector-36A, Chandigarh-160036 which lies within the territorial jurisdiction of this Bench. The main objects of the company are to acquire by purchase, lease, exchange or otherwise and to sell, transfer, alter, assign, dispose or deal in land, building, and hereditaments of any tenure on description and estate or interest therein and to manage land buildings and other property and to build property and construction activities. The Memorandum of Association and Articles of Association of the Company are annexed with the main petition and marked as Annexure-1. Copy of Master data is annexed with the main petition and marked as Annexure-2

3. It is averred that the company decided to close down its business operations as the Company has not been carrying on any business since last many years. After considering all the facts and circumstances the company has decided to voluntary liquidate the affairs of the company as per Section 59 of the Insolvency and Bankruptcy Code, 2016 read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.

4. The Board of Directors in its meeting of the corporate person also made a Declaration of Solvency dated 09.02.2019 for

- a) Considering and approving the voluntary liquidation;
- b) Declaration of solvency;
- c) Appointment of Liquidator; and
- d) Approval of notice of EOGM considering voluntary liquidation.

5. Further, the Board have made a 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 the assets to be

sold in the voluntary liquidation and the company is not being liquidated to defraud any person. Copies of Declaration of Solvency along with Affidavits, Form-GNL-2 and acknowledgement dated 16.02.2019 are attached with the main petition and marked as Annexure-4

6. The corporate person has enclosed true copies of comparative statements of liquidation as on 0.02.2019, 31.03.2019, 05.07.2019, 08.08.2019 and 30.11.2019 and 31.01.2020 and as well the Balance Sheets as at 31.03.2017, 31.03.2018, 31.03.2019 and last as on 31.01.2020 along with the Income Tax Returns for the Assessment year 2018-2019 and 2019-2020 are attached at Annexure-13 of the petition. On 18.02.2019 the shareholders of the Corporate Person passed a special resolution in the Extra Ordinary General Meeting (EOGM) to liquidate the company and to appoint Mr. Mast Ram, Insolvency Professional as Liquidator, with a remuneration which shall be fixed by the director for performing the duties of the Liquidator of the Corporate Person as required under Section 59(3)(c)(i) of the Code. Accordingly, the liquidation of the company is deemed to have commenced on 18.02.2019.

7. That in compliance of the provisions of Section 59(4) of the Insolvency and bankruptcy Code,2016 read with IBBI (Voluntary Liquidation Process) Regulations,2017, the special resolution passed on 18.02.2019 by the members of the company were duly notified/filed with the office of Registrar of Companies(ROC) Chandigarh. Copies of e-form MGT-14 filed with the office of Registrar of Companies (ROC) along with Challan dated 22.02.2019 are placed as Annexure-7. Also that in terms of section 178 of the Income Tax Act 1961, the liquidator vide letter dated 27.02.2019 informed the Department of Income Tax regarding the liquidation of the company and also about the appointment of the

Liquidator. Copy of the aforesaid intimation given to the Income Tax Department and as well to the Registrar of Companies, Punjab & Chandigarh placed as Annexure-9

8. The Liquidator made public announcement on 21.02.2019 in "Financial Express" (English Newspaper) and "Punjab Kesari" (Hindi Newspaper) Newspapers inviting claim from the stakeholders, if any as required under Regulation 14 of IBBI (Voluntary Liquidation Process) Regulations, 2017. It is further submitted that the Liquidator fixed 20.03.2019 as the last date for submitting the claims by the creditors and the same was also notified to all concerned through the publications. The Public Announcement was simultaneously submitted to the Insolvency and Bankruptcy Board of India (IBBI) to place the same on its website.

9. It has been submitted that the Liquidator prepared the list of stakeholders on the basis of claims received from the creditors first such list was prepared as on 31.03.2019 and then as on 10.05.2019 when one of operational creditor lodged its claim. Thereafter again, the liquidator prepared the list of stakeholders as on 05.07.2019 when the liability of one of the creditors i.e. Sukh Samridhi Infra was appointed and taken over by Mrs. Amarjit Kaur Dhaliwal, Mrs. Narinder Kaur Thind and Mrs. Gurpreet Kaur Gill in terms of the resolution passed by the stakeholders at their meeting held on 05.07.2019. Again, the liquidator prepared the list of stakeholders as on 06.07.2019 and finally as on 10.08.2019 after the full and final payment was made to small shareholders holding one share each. The Liquidator after considering the submissions, verified and admitted the claim. Thereafter, during the period of Liquidation, the Liquidator based on the claims

received from the Creditors settled the same. Copies of these lists are attached in the main petition and marked as Annexure- 10.

10. The Liquidator in terms of Regulation 9 of IBBI (Voluntary Liquidation Process) Regulations, 2017 submitted the preliminary report to the company on 04.04.2019. A copy of the preliminary report and the said accounts is attached in the main petition and marked as Annexure 11.

11. It is submitted that the liquidator has liquidated/distributed all the assets of the company amongst the stakeholders. Copies of bank account statement, acknowledgment regarding receipt of claim in full and final by all the stakeholders is attached with the main petition and marked as Annexure-14.

12. It is further submitted that the Bank Statement showing repatriation of amounts to the Shareholders and Nil Balance of Bank Account in Voluntary Liquidation is attached with the main petition and is marked as Annexure-15.

13. It is submitted that in terms of Regulation 38 of the Regulations, upon completion of the liquidation process the liquidator was required to prepare a Final Report containing the details of receipts and payments pertaining to the liquidation since the liquidation commencement date. Accordingly, the liquidator prepared the Final Report as on 25.02.2020 and submitted the same to the Registrar of Companies, Punjab and Chandigarh and also to the Insolvency and Bankruptcy Board of India (IBBI). A copy of Final Report along with the e-Form GNL-2 and acknowledgment regarding its service is attached in the main petition and marked as Annexure-16.

14. We have heard the counsel appearing for the Liquidator for the Corporate Person and perused the records and extend provisions of the Code and Rules/ Regulations made thereunder.

15. In the present case, it may be seen from the records the main intention for the company to wind up its services is that company decided to close down its business operations and doesn't intend to carry on its business operations and pursue objects for which it was incorporated. Further, the applicant has informed the concerned authorities i.e. IBBI, RoC and Income Tax Department and has also made paper publication in Form-A in two newspapers. The Liquidator has completed the final distribution of assets and has also closed the bank account. The Liquidator has also prepared and submitted the final report to the IBBI and RoC. The Application is duly supported by the affidavit of the Liquidator.

16. It is submitted through the IBBI in its reply that the report under Regulation 38(2) of the IBBI (Voluntary Liquidation Process) Regulations, 2017 has been received and further the Board has no other role in the voluntary liquidation proceedings. The concerned RoC has also submitted in its report that as per data available and maintained, no inquiry/inspection/complaint/legal action has been proceeded/pending against the subject company. It is further submitted in Income Tax Department Report vide Diary No. 00366/3 that after consulting the record it has found that as of now, no demand is outstanding against the Petitioner Company nor any assessment/ penalty/ prosecution proceedings are pending as of now.

17. In view of the discussion foregoing, the applicant Company is hereby dissolved in terms of Section 59(8) of the Insolvency & Bankruptcy Code, 2016 with effect from the date of the present order.

18. The Liquidator is directed to communicate a copy of this order to the Registrar of Companies (Chandigarh), wherein the registered office of the

company was situated. Such Communication should be made within the stipulated period of fourteen (14) days in terms of Section 59(9) of the Insolvency & Bankruptcy Code, 2016 from the date of receipt of certified copy of this order. Further, a copy of this order should also be communicated to the IBBI, New Delhi and other statutory authorities for the information at the earliest.

19. The application is accordingly allowed and stands disposed of.

Sd/-
(Subrata Kumar Dash)
Member (Technical)

Sd/-
(Harnam Singh Thakur)
Member (Judicial)

January 31, 2022
PB/ASH