NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH- II

(IB)-220(ND)2022

IN THE MATTER OF:

M/s. Sipal Engineering Private Limited
(In Voluntary Liquidation)
Registered office at:
2nd Floor, Harbans Bhawan-II,
Commercial Complex, Nangal Raya,
South West Delhi – 110046

...Applicant/ Corporate Person

VERSUS

The Registrar of Companies
NCT of Delhi & Haryana,
4th & 5th Floor, IFCI Tower,
Nehru Place, New Delhi – 110019 **...Respondent**

Section: 59(7) of IBC, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulation, 2017

Order Delivered on : 18.07.2022

CORAM:

SHRI DHARMINDER SINGH, HON'BLE MEMBER (J)

SHRI L. N. GUPTA, HON'BLE MEMBER (T)

PRESENT:

For the Applicant	:	Adv. Amit Goel
For the ROC	:	Ms. Sweety Khattar, AROC

ORDER

PER SHRI L. N. GUPTA, MEMBER (T)

Under consideration is CP(IB)-220(ND)2022 filed by the Applicant/Liquidator under Section 59 of the IBC, 2016 read with Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (for brevity, the **"VLP Regulations"**) with the prayer for dissolution of the Corporate Person viz., Sipal Engineering Private Limited (for brevity **the 'Company'**).

2. That the M/s. Sipal Engineering Private Limited is a Company incorporated on 02.02.2016 under the Companies Act, 2013 with CIN U74900DL2016PTC290469. The registered office of the company is situated at 2nd Floor, Harbans Bhawan-II, Commercial Complex, Nangal Raya, South West Delhi-110046, which falls within the territorial Jurisdiction of this Bench.

3. It is submitted by the Applicant that the Voluntary Liquidation Process was commenced by the Company by passing a Special Resolution in the Extra-Ordinary General Meeting of the Members of the Company held on 09.07.2021 (the date of voluntary liquidation commencement) under the provisions of IBC, 2016 and VLP Regulations. It is further submitted that the Applicant Mr. Atul Mittal, Insolvency Professional was appointed to act as a Voluntary Liquidator in the said EOGM of the Company held on 09.07.2021. The scanned copy of the said Special Resolution is reproduced overleaf :

VOLUNTARY LIQUIDATION OF THE COMPANY UNDER MEMBERS' VOLUNTARY LIQUIDATION

To consider and, if thought fit, to pass with or without modification, the following Resolutions as a Special Resolution:

Mr. Sanjay Mehta proposed the resolution and Mr. Rishi Gupta seconded the resolution. After discussion, the resolution was passed unanimously as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of section 59 of the Insolvency and Bankruptcy Code of 2016 (The IBC 2016) reads with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (VLP Regulations) made thereunder (including any statutory modifications or reenactment thereof for the time being in force) and the provisions of the Companies Act, 2013 as may be applicable, having made a full enquiry into the affairs of the company and having formed the opinion by the Directors of the company as per declaration of solvency and other supporting documents placed before the meeting, the approval of members of the Company be and is hereby accorded to liquidate the company by way of voluntary liquidation, with effect from the date hereof.

RESOLVED FURTHER THAT Mr. Atul Mittal, Insolvency Professional, having IP Registration No. IBBI/IPA-001/IP-00439/2017-18/10762 eligible to be appointed as a liquidator in terms of Regulation 6 of the Voluntary Liquidation Process Regulations, and who has given his consent to act as liquidator, be and is hereby appointed to act as liquidator of the company as per the provisions of the IBC 2016 on remuneration of INR 9,00,000 plus applicable taxes exclusive of any other liquidation expenses at actuals, reimbursement of actuals out pocket expense that may be incurred in the process of voluntary liquidation of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 35 and 37 of IBC 2016 and other applicable provisions of IBC 2016 and the Voluntary Liquidation Process Regulations, if any; liquidator shall inter alia, exercise the following powers:

a) To institute or defend suit, prosecution or other legal proceedings, civil or criminal in the name of and on behalf of the Company;

b) To carry on the business of the company so far as may be necessary for its beneficial liquidation;

c) To appoint any professional at a reasonable remuneration to assist him in discharge of his duties, obligations and responsibilities;

d) To appoint such other professional or to continue with the appointment of the existing statutory auditor of the Company as may be required till the dissolution of the company;

e) To discharge all powers, functions, duties as required under Section 35 of the IBC, 2016 read with the VLP Regulations or any other applicable provisions;

f) To open separate bank account on behalf of the company as per the requirements of the IBC, 2016 or to change the name of the existing bank account of the company as may be deemed appropriate;

g) To do all such other acts, deeds and things as may be required for the beneficial liquidation of the Company and distribution of assets/proceeds including but not limited to obtaining any consultation from the stakeholders of the Company.

RESOLVED FURTHER THAT pursuant to regulation 31 of the Voluntary Liquidation Process Regulations, Mr. Atul Mittal, Liquidator, be and is hereby authorized to sell any of the Company's assets if any by public auction or private contract with the power to transfer the whole of it to any person or to sell the same in parcels.

RESOLVED FURTHER THAT Mr. Atul Mittal, the Liquidator be and is hereby authorised to exercise all the powers under the Insolvency and Bankruptcy Code, 2016 and the Companies Act, 2013, as may be applicable, to effectively wind up the affairs of the Company."

The Chairman declared the Resolution as passed unanimously.

There being no other business on the agenda, the Meeting ended with a vote of thanks to the chair.

Sanjay Mehta

Place: Gurugram
Date: 09.07.2021

SANJAY MEHTA
CHAIRMAN

4. It is added that a certified copy of the said Special Resolution passed in the EGM of the Members of the Company held on 09.07.2021 and Declaration of Solvency from majority of Directors as required under Section 59(3) of IBC, 2016 were filed by the Company with ROC in Form MGT-14 dated 08.07.2021 and GNL-2 dated 13.07.2021 respectively.

5. That the Directors of the Company have given declaration on Affidavits stating, inter alia, that : "(i) A full inquiry was made into the affairs of the Company and based on the inquiry, the Directors have formed an opinion that the Company will be able to pay its debt in full from the proceeds of assets to be sold in voluntary liquidation, and (ii) the Company is not being liquidated to defraud any person." Copies of the Declarations of Solvency from Directors (as annexed on page no. 38 and 44 of the Application) are reproduced below :

DIRECTORS' DECLARATION OF SOLVENCY FOR SIPAL ENGINEERING PRIVATE LIMITED (CIN: U74900DL2016PTC290469)

I, Sanjay Mehta, son of Mr. Parasraj Mehta, resident of Apartment No 7 B, Belgravia, Tower E, Central Park 2, Sector 48, Chakkarpur, Gurgaon, Haryana - 122002 aged 53 years, Director of Sipal Engineering Private Limited ("Company"), a company registered under Companies Act, 1956 of India, having its registered office at 2nd Floor, Harbans Bhawan-II Commercial Complex, Nangal Raya, South West Delhi-110046 do hereby solemnly affirm and declare that:

1. The Board of Directors at their meeting held on 05th July, 2021 has discussed the affairs of the company on the basis of the Balance Sheet of the company as on date tabled at the meeting

2. A full inquiry was made into the affairs of the Company and based on the inquiry the Directors have formed an opinion that the Company will be able to pay its debt in full from the proceeds of assets to be sold in voluntary liquidation.

3. The Company is not being liquidated to defraud any person;

4. Audited financial statements of the Company for the previous 2 financial years ending 31.03.2021 and 31.3.2020 are attached as Annexure 1 to this declaration; and

5. A report of the valuation of the assets of the Company is attached as Annexure 2 to this declaration.

That the contents as stated above are true to my knowledge and belief based on the records of the company kept in the usual course of business.

Solemnly affirmed and declared at New Delhi on the 05th day of July 2021

Sanjay Mehta

SANJAY MEHTA
DIRECTOR
DIN: 06434661

NOTARY

DIRECTORS' DECLARATION OF SOLVENCY FOR SIPAL ENGINEERING PRIVATE LIMITED (CIN: U74900DL2016PTC290469)

I, Girish Dewan, son of Mr. Rajnish Kumar Dewan, resident of 108/A, 4th Cross 2nd Block, Koramangala, Bangalore, aged 48 years, Director of Sipal Engineering Private Limited ("**Company**"), a company registered under Companies Act, 1956 of India, having its registered office at 2nd Floor, Harbans Bhawan-II Commercial Complex, Nangal Raya, South West Delhi-110046 do hereby solemnly affirm and declare that:

1. The Board of Directors at their meeting held on 05th July, 2021 has discussed the affairs of the company on the basis of the Balance Sheet of the company as on date tabled at the meeting

2. A full inquiry was made into the affairs of the Company and based on the inquiry the Directors have formed an opinion that the Company will be able to pay its debt in full from the proceeds of assets to be sold in voluntary liquidation.

3. The Company is not being liquidated to defraud any person;

4. Audited financial statements of the Company for the previous 2 financial years ending 31.03.2021 and 31.3.2020 are attached as Annexure 1 to this declaration; and

5. A report of the valuation of the assets of the Company is attached as Annexure 2 to this declaration.

That the contents as stated above are true to my knowledge and belief based on the records of the company kept in the usual course of business.

Solemnly affirmed and declared at Bangalore on the 05th day of July 2021

Girish

NOTARY
K.V MANI, B.A.L.L.B.
Area: Throughout

GIRISH DEWAN
DIRECTOR
DIN: 08763228

6. Accordingly, it is submitted that the powers of the Board of Directors of the Company were suspended and affairs of the Company were taken over by Mr. Atul Mittal, the Liquidator w.e.f. 09.07.2021.

7. That it is further submitted that the Liquidator issued an advertisement for voluntary liquidation in "Form A-Public Announcement" in terms of Regulation 14 of the VLP Regulations 2017, in the newspapers namely, Financial Express (English) and Jansatta

(Hindi) on 11.07.2022. It is added that the copies of the same were sent to the IBBI and uploaded on their website.

8. It is stated by the Applicant that he had received claims from two shareholders namely, Sipal Technologies India Private Limited and Lumax Integrated Ventures Private Limited.

9. It is submitted by the Applicant that he had informed the Income Tax Officer vide its letter dated 13.07.2021, regarding the Voluntary Liquidation Process of the Company. It is added that the Applicant has surrendered the PAN of the Company vide its application dated 15.02.2022.

10. The Applicant has annexed the Financial Statements of the Company for the Financial Year 2018-19 and 2019-20.

11. It is stated by the Applicant that it had opened a Bank account by the name of "Sipal Engineering Private Limited - In Voluntary Liquidation" on 06.08.2021, at Axis Bank, Swasthya Vihar Branch, Delhi for the purpose of liquidation proceedings.

12. It is further stated by the Liquidator that as per Regulation 9 of the IBBI (Voluntary Liquidation) Regulations, 2017, he has submitted the Preliminary Report on 19.08.2021.

13. That the Applicant has filed his Final Report dated 02.03.2022. in compliance of Regulation 38 of IBBI (Voluntary Liquidation) Regulations 2017, giving details of distribution of assets amongst the stakeholders. The scanned copy of the same is reproduced overleaf :

ATUL MITTAL
FCA, FCS, Insolvency Professional (IP)
Regn. No - IBBI/IPA-001/IP-P00439/2017-18/10762
Email id:- a.mittalmc@gmail.com, contact@aarshrp.com ,Phone :- 9871830777
Address: 174, Balco Apartments, Plot.no 58, IP EXTN, Patparganj, Delhi-110092

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LIQUIDATOR for SIPAL ENGINEERING PRIVATE LIMITED FINAL REPORT

Liquidator Final report on Annexure-A

Voluntary Liquidation of Sipal Engineering Private Limited

(Pursuant to Section 59 and regulation 38 of Voluntary liquidation Process, 2016)

Name of the Company	: Sipal Engineering Private Limited
Date of incorporation	: 02.02.2016
Corporate Identification number	: U74900DL2016PTC290469
Nature of Proceeding	: Member's Voluntary Winding up
Name and address of the Liquidator:	Mr. Atul Mittal 174, BALCO Apartments, Plot No.58, IP Extn. Patparganj, Delhi-110092 IBBI/IPA-001/IP-P00439/2017-18/10762
Date of Commencement of Liquidation	: 09.07.2021

FINAL REPORT

I. Regulation 38(1)(a) of INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (VOLUNTARY LIQUIDATION PROCESS) REGULATIONS, 2017
Audited accounts of the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date.

With respect to completion of liquidation process, the following certified accounts of Sipal Engineering Private Limited are submitted:

a. Statement of accounts by BOD as on 05.07.2021 – **Annexure 1A**
b. Receipt and payment account of the Liquidator for the period from 09.07.2021 till 1st March 2022, Auditor certificate enclosed – **Annexure 1B**

II. Regulation 38(1)(b) of INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (VOLUNTARY LIQUIDATION PROCESS) REGULATIONS, 2017
A statement demonstrating that:-

(i) The assets of the corporate person has been disposed of:-

Assets as per BS as on 05.07.2020	Amount (Rs.)	Amount Realised (Rs.)	Remarks	Other relevant details
Balances with Bank - On Current account	83,33,822/-	83,33,822/-	Realised and transferred to Liquidation account in Axis Bank	As per Receipt and payment account (Received net of Bank charges deducted by bank)
Income Tax Assets	1,82,570/-	0	The company has filed its tax return; however, the refund is awaited	The Stakeholders have agreed to forego the refund

				and continue with the dissolution process at the SCC meeting held on 2nd February 2022,
Deferred Tax Assets	3,07,008/-	0	Written off	Company is no more a going concern hence Deferred tax Asset has been written off
Loans & Advances	2,63,250/-	2,63,250/-	Realised and transferred to Liquidation account in Axis Bank	
Trade Receivable	45,07,901/-	43,24,546/-	Realised and transferred to Liquidation account in Axis Bank	Rs. 1,83,355/- is towards foreign exchange loss, and remittance expenses
Accrued Interest	24,447/-	26,178/-	Realised and transferred to Liquidation account in Axis Bank	Amount realised up to date

All assets of the company disposed of as on date.

(ii) The debt of the corporate person has been discharged, to the satisfaction of the creditors

S. No.	Name	Amount claimed	Amount Admitted & Paid	Remarks
1	Atiuttam Singh (Valuation Fees)	10,000	10,000	Paid on 11.08.2021
2	Girish Dewan (Director & Employee)	3,462	3,462	Paid on 11.08.2021
3	Claim from GST Department (Statutory Dues) Tax (Rs. 4,75,530) + Interest (Rs. 3,80,424) Additional Interest	8,55,954	8,55,954 3,050	Demand - Rs.4,75,530 paid by passing reversal entry for input credit and Rs. 3,80,424 towards interest paid on 12.08.2021 Rs. 3,050 towards additional interest, till the date of payment, paid on 12.08.2021 voluntarily.
5	Claim from R Jain and Sanjay associates (Audit fees for F.Y 2020-21)	29,500	29,500	Paid on 21.08.2021
6	Claim from Sipal Technologies India Pvt. Ltd. (Shareholder) (54.67% shareholding)	Liquidation proceeds for respective share	54,67,000 7,41,804.6	Paid on 03.11.2021 Paid on 01.03.2022
7	Claim from Lumax Integrated Ventures Pvt. Ltd. (Shareholder) (45.33% shareholding)	Liquidation proceeds for respective share	45,33,000 6,15,072.3	Paid on 03.11.2021 Paid on 01.03.2022
	Total	**8,98,916**	**1,22,58,843**	

All claim against the company settled as on date

(iii) No litigation is pending against the corporate person or sufficient provision has been made to meet the obligations arising from any pending litigation

Litigations as on 09.07.2021	Amount (Rs.)	Amount Paid (Rs.)	Remarks	Other relevant details
NIL	NIL	NIL	NIL	As per Director's declaration dated 05.07.2021
Contingent Liability (if any)				
Income Tax Assessment for A.Y 2021-22 is pending since revised return is filed in Jan'2022 (within extended time allowed by the department)	NIL	NIL	NIL	Shareholders of Corporate Debtor undertaken to contribute towards any contingent liability arising after the Dissolution process of M/s Sipal Engineering Private Limited (Corporate Debtor) is completed to the extent of the amount received during the Dissolution process in respect of any contingent liability and undischarged matter pending relating to Corporate Debtor.
Surrender of Statutory registrations				
PAN & TAN	NIL	NIL	Surrendered on 15.02.2022	NIL
GST	NIL	NIL	-GST Cancellation request submitted. -Order for cancellation of GST (Karnataka) received dated 02.09.2021 - GST (Delhi) Registration is suspended.	NIL

No litigation against the company as on date

III. Regulation 38(1)(c) of INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (VOLUNTARY LIQUIDATION PROCESS) REGULATIONS, 2017

A Sale statement in respect of all assets containing:-

Realised Value	Cost of Realization, if any	The manner and mode of sale	An Explanation for the Shortfall, if the Value Realized is Less than the Value Assigned by the Registered Valuer in the Report of the Valuation of Assets under Section 59(3)(b)(ii) or Regulation 3(1)(b)(ii), as the case may be;	The Person to whom the Sale is Made	Any Other Relevant Details of the Sale
NIL	NIL	NIL	NIL	NIL	NIL

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IV. Other Supporting Documents:-

Board resolution recommending Voluntary Liquidation	: 05.07.2021 (Annexure 2A)
Directors' declaration of Solvency	: 05.07.2021(Annexure 2B1&2B2)
EGM resolution approving Voluntary Liquidation and Appointing Liquidator	: 09.07.2021(Annexure 3)
Form GNL-2 filed with ROC	: 08.07.2021 (Annexure 4)
Public Announcement in form A	: 12.07.2021 (Annexure 5)
Form MGT-14 filed with ROC to notify about Voluntary Liquidation	: 13.07.2021 (Annexure6)
Intimation to Income Tax	: 13.07.2021 (Annexure 7)
Preliminary Report	: 19.08.2021 (Annexure 8)
Claim from stakeholders	: 07.07.2021 (Annexure 9)
Opening of Bank Account	: 06.08.2021(Annexure 10)
Surrender of PAN & TAN	: 15.02.2022 (Annexure 11A & 11B)
Stakeholder Declaration Cum Undertaking	: 07.02.2022 & 08.02.2022(Annexure 12A & 12B)
No Litigation Declaration from Director	: 05.07.2021 (Annexure 13)
Cancellation/ Suspension of GST	: 02.09.2021(Annexure 14A & 14B)
Closure of Liquidation account with Axis bank	: 02.03.2022(Annexure 15)
Last two years Audited Balance Sheet	: 31.03.2019 & 31.03.2020 (Annexure-16A & 16B)
Minutes of SCC Meeting	: 2.02.2022 (Annexure -17)

ATUL MITTAL
LIQUIDATOR
IBBI/IPA-001/IP-P00439/2017-18/10762

PLACE: DELHI
DATE: 02/03/2022

14. It is averred by the Applicant that the Liquidator has paid off all the liabilities of the Corporate Person and the surplus/residual amount has been paid to the shareholders of the Corporate Person.

15. The Applicant has stated that after the payment of surplus / residual amount to the shareholders of the Corporate Person, the bank account of the Corporate Person has been closed and thus, the liquidation process stands completed.

16. As per the provisions of Section 59 of the IBC, 2016 read with Regulation 38 of the Voluntary Liquidation Process 2016, the Liquidator has filed his final report on the liquidation of the Corporate Person at Annexure A of the Application. The Applicant has stated that the same has been filed with the ROC.

17. The ROC has filed its Report on 31.05.2021 and not raised any objection. It has sated in its report that -

> *"6. Further as per data available and maintained, no inquiry /inspection/complaint/legal action has been proceeded/ pending against the subject Company. That this office has compiled the above factual report on the basis of the records maintained & document filed by the concerned Company on MCA 21 portal...."*

18. On examination of the Application, documents annexed therewith and the submissions made by the Liquidator during hearing, it emerges that affairs of the Company have been completely wound up,

and its assets have been completely liquidated and there is no litigation pending against the Company.

19. In view of the facts placed on record, averments and the submissions made by the Liquidator, the Company deserves to be dissolved. **Accordingly, this Bench directs that the Company shall be dissolved from the date of this Order**.

20. The Applicant is further directed to serve the copy of this Order upon the Registrar of Companies (ROC), with whom the Company is registered, within fourteen days of receipt of this Order. The Registrar shall take necessary action upon receipt of this Order.

-Sd/-

(L. N. GUPTA)
MEMBER (T)

-Sd/-

(DHARMINDER SINGH)
MEMBER (J)