

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH –II, CHENNAI**

**CP(IB)/208(CHE)/2021**

*(filed under Section 59(7) of the Insolvency and Bankruptcy Code, 2016)*

In the matter of ***Capital Safety Products India Pvt. Ltd.***

**Mr. Shanmugakani Saraskumar,**  
Liquidator of  
Capital Safety Products India Pvt. Ltd,  
132A, NTR Street,  
Rangarajapuram Main Road,  
Kodambakkam,  
Chennai – 600 024.

*... Applicant / Liquidator*

*Order Pronounced on 11<sup>th</sup> February 2022*

CORAM:

**JUSTICE (RETD) S.RAMATHILAGAM, MEMBER (JUDICIAL)  
ANIL KUMAR B, MEMBER (TECHNICAL)**  
*For Applicant: Mr. Sankar Varadharajan, Advocate*

**ORDER**

***Per: JUSTICE (RETD) S.RAMATHILAGAM, MEMBER  
(JUDICIAL)***

This is a Company Application filed by the Liquidator in relation to the voluntary liquidation of ***Capital Safety Products India Pvt. Ltd.*** under Section 59 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC, 2016"), seeking for the dissolution of the Applicant Company.

2. The Applicant Company was incorporated on 31.05.2010 under the provisions of the Companies Act, 2013. The main object of the Company is to carry on business as manufacturers,



processors, moulders, importers, exporters, distributors, agents or act as dealers in plastic moulded goods, helmets, industrial and personal safety appliances and equipment, lifesaving equipment of all types including electronic gadgets, gas detectors, hazard warning systems, batteries of all types and other items related to safety. The details of the main objects are set out in the Memorandum of Association which is filed along with the typed set.

3. The Registered Office of the Corporate Person is situated at 636/1, Seshachalam Centre, 11<sup>th</sup> Floor, Anna Salai, Nandanam, Chennai - 600 035 and Corporate Identification Number is U74900TN2010PTC075908.

4. The Authorized, Issued, Subscribed and Paid-up Share Capital of the Corporate Person as on date is

<b>Particulars</b>	<b>Amount in INR</b>
<b>Authorized Share Capital:</b> 100000 Equity Shares of Rs.10/- each.	10,00,000
<b>Issued, Subscribed and Paid-up Share Capital:</b> 100000 Equity Shares of Rs.10/- each.	10,00,000

5. It is averred in the application that the Shareholders of the Company had decided to liquidate the company as the operations of the Company stood seized with effect from 01.04.2017 and the possibility of resuming its operation was lost. Therefore, the

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company had passed the requisite resolutions and the Applicant was appointed as Liquidator to carry out the Liquidation Process.

6. Accordingly, the Company had initiated its voluntary liquidation process under Section 59 of IBC, 2016 subsequent to the special resolution passed by the Members of the Company at Extraordinary General Meeting (EGM) held on 20.03.2020 and an Insolvency Professional was appointed as liquidator of the Company.

7. It was submitted by the Learned Counsel for the Applicant that in compliance with Section 59(3) of the IBC, 2016 read with Regulation 3 of IBBI (Voluntary Liquidation Process) Regulations, 2017, the Board of Directors viz. Mr. Santhosh Kunhiraman and Mr. Venkatesan Vijayakrishnan, verified by an affidavit have declared that they are solvent and the said affidavit is placed at pages 67 to 75 of the typed set filed along with Application and the aforesaid declaration of solvency was also filed with the ROC. In further compliance, the Annual Report of previous years viz. 2017-18 and 2018-19 was filed and the proof of the same is placed at pages 109-133 and 49-54 of the typed set filed along with the Application.

8. It was further submitted that the Liquidator has issued a Public announcement dated 25.03.2020 as required under

Regulation 14 of IBBI (Voluntary Liquidation Process) Regulations, 2017 within 5 days of his appointment, one in "New Indian Express" (English) and the other in vernacular "Dinamani" (Tamil) and the same is placed at pages 76 to 77 of the typed set filed along with the Application.

9. It was further submitted that Liquidator had intimated the RoC, Chennai vide e-form GNL-1 in connection with the voluntary liquidation of the Company the same is placed at pages 78 to 80 of the typed set filed along with the Application.

10. It was further submitted that the Liquidator in compliance with Regulation 9 of IBBI (Voluntary Liquidation Process) Regulations, 2017 had submitted the Preliminary Report dated 17.04.2020 to the Company stating that estimates of assets and liabilities and proposed plan for carrying out the liquidation process and the report is placed at pages 81-86 of the typed set filed along with the Application.

11. It was further submitted that as required under Section 178 of the Income Tax Act, the Liquidator has given notice to the Income Tax authorities within 30 days of his appointment as Liquidator and that the Company is under Voluntary Liquidation vide his letter dated 28.05.2020 and the company has filed Income Tax returns till date. The Income Tax Department in this regard

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has not objected to the voluntary liquidation of the Company and the Liquidator has not received any objections from the Income Tax Department in this regard which can be taken as a deemed approval and said letter and copy of Income Tax Return filed is placed at pages 87-91 of the typed set filed along with the Application.

12. It was further submitted that the affairs of the company had been completely wound up and the assets were completely liquidated and distributed to the stakeholders concerned as per the waterfall mechanism prescribed under Section 53 of IBC, 2016. A copy of the Liquidation bank account and the bank account closure confirmation is placed at pages 97-98 of the typed set filed along with the Application.

13. It was further submitted that till the date of filing of this application, no claims were received from workers, creditors or any other third parties. Further, the statutory auditor has certified the receipts and payments pertaining to the liquidation and the same is placed at pages 99-100 of the typed set filed along with the Application.

14. It was further submitted that post making various payments including liquidation costs paid in full as per the provisions of Section 53(1) of IBC, 2016 and Regulation 35 of the IBBI

(Voluntary Liquidation Process) Regulations, 2017, the Liquidator has distributed the funds among the shareholders as detailed below:

S.No.	Name of Shareholder	No. of shares held	Return on Investment forgone (INR)
1	S.Ramachandran	1000	246.46
2	Santhosh Kunhiraman	9000	2,216.30
3	Capital Safety Group (Asia) Pte Ltd.	90000	22,163.02
Total		100000	24,625.58

15. It was also submitted that the final report dated 04.03.2021 in accordance with Regulation 38 of the IBBI (Voluntary Liquidation Process) Regulations, 2017 was filed before RoC, Chennai and proof of which is placed at pages 101-108 of the typed set filed along with the Application.

16. Thus, on examining the submissions made by the Learned Authorized Representative and after perusing the documents annexed to the Application it appears that the affairs of the Company have been completely wound up and the assets of the Applicant Company have been completely liquidated and as such the Applicant Company deserves to be dissolved. Accordingly, in the exercise of the powers conferred under Section 59(8) of IBC, 2016, we hereby order the dissolution of **Capital Safety Products India Pvt. Ltd.** and the Applicant Company shall stand dissolved



from the date of this order. Accordingly, the Company Application stands **allowed**.

17. The *Registry* and the Liquidator are directed to serve a copy of this order upon the Registrar of Companies, Chennai, and also to IBBI, within 14 days from the date of this Order.

-Sd-  
**B. ANIL KUMAR**  
MEMBER (TECHNICAL)

-Sd-  
**Justice (Retd.) S. RAMATHILAGAM**  
MEMBER (JUDICIAL)

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