

One Day Seminar on NCLT Process under IBC–Latest Developments in Law & Practice

on 07.12.2019 at Centenary Conference Hall, PGRRCDE OU,
Hyderabad

(Organised by Hyderabad Chapter of ICSI)

Voluntary Liquidation –IBC

CS Thirupal Gorige
Insolvency Professional & Partner of
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Practicing Company Secretaries



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Voluntary Liquidation Process-CP

Section 59 of the IBC Code, 2016 read with the IBBI (Voluntary Liquidation Process) Regulations, 2017 IBBI (Liquidation Process) Regulations, 2016

Process

Pre-condition – No Default

Valuation of assets and audited FS and records

Sufficient Assets to discharge all debts, if any

Board Meeting – Declaration by majority directors

General Meeting – to pass Spl. Resolution and appointment of liquidator

75% of value of Creditors Approval

Public announcement by the liquidator

Voluntary Liquidation Process ...

Intimation to Registrar, IBBI and IT department etc.

Liquidator to start to Proceedings

–Preliminary Report

–Realisation of assets and distribution of proceeds

–Final Report and audited receipt and payment account

Application to the NCLT for the dissolution of the Company

Order by NCLT for the dissolution of the Company

Filing of order with ROC

Change of master data by the ROC

Thought Forever

- ▶ *Teach* yourselves, teach everyone his/her real nature, call upon the sleeping soul and see how it awakes. *Power* will come, *glory* will come, *goodness* will come, *purity* will come, and everything that is *excellent* will come, when this sleeping soul is roused to self conscious activity

-Swami Vivekananda

..... PRIVATE LIMITED

CIN:

Reg. Off:, Karnataka, India

NOTICE OF ANNUAL CONTRIBUTORIES MEETING

Notice is hereby given that **annual contributories meeting** of Limited (under liquidation) under rule 37(2)(a) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process), Regulations, 2017) will be held on Friday on at the registered office of the company at to transact the following business:

Special Business:

1. To receive the annual status report together with accounts of the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date i.e. 30-10-2018 to till 29-10-2019.
2. To consider any other business with the permission of Chair.

Place: Bengaluru

Date:

For Private Limited

(Under liquidation)

Thirupal Gorige
Liquidator

ANNUAL STATUS REPORT OF THE LIQUIDATOR

(As per Rule 37 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process), Regulations, 2017)

I, Thirupal Gorige, liquidator of Limited (the Company/Corporate person), in pursuance of Rule 37 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process), Regulations, 2017, hereby submit this Annual Status Report to the Corporate person.

1.	Name of the Company/Corporate person: Private Limited
2.	Nature of proceeding:	Voluntary Liquidation
3.	Date of Commencement of the liquidation	30.10.2018
4.	Date of annual report	29.10.2019
5.	Name and Address of the Liquidator:	Mr. Thirupal Gorige No. 87, 2nd Floor, 21st Cross,7th Main, N S. Palya, BTM 2nd Stage,Bangalore-560076, India, Cell +91 94483 84064, LL +91 80 6532 2360
6.	Progress in liquidation:	In general, the progress in liquidation has been as per tentative date mentioned in the preliminary report including payment to stakeholders. However due to pending income tax appeal before income tax authorities, the obtaining NOC from income tax authorities is pending. Hence the completion of process of voluntary liquidation went beyond 12 months. It is expected to complete the process as early as possible.
6	<i>Settlement of list of stakeholders:</i>	The list of stakeholders as per the Annexure –I has been finalised based on claims received by the liquidator.
7	<i>Details of any asset that remains to be sold and realised:</i>	As on date of this report there are no assets that remain unsold and realised.
8	<i>Distribution made to the stakeholders:</i>	Distribution of stakeholders was already made within 12 months as per the Annexure-I .
9	<i>Distribution of unsold assets made to the stakeholders:</i>	There are no unsold assets for distribution.
10	<i>Developments in any material litigation, by or against the corporate person;</i>	No material litigation developed
11	<i>Filing of and developments in applications for avoidance of transactions in accordance with Chapter II of part 11 of the Code</i>	NIL

12	Audited accounts of the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date:	Enclosed as Annexure-II .
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Date:10.2019

Place: Bangalore

Thirupal Gorige
Liquidator

Annexure-I

..... Private Limited (Under liquidation)

Status of settlement of list of stakeholders as per regulation 37(b)(i) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process), Regulations, 2017 as on 29-10-2019.

Category of stakeholders	Amount due	Amount paid/settled
Workmen	0	0
Secured creditors(who has relinquished under section 52)	0	0
Employees	0	0
Unsecured Financial Creditors	0	0
Govt. Dues	0	0
Secured creditors(who has enforced security interest under section 52)	0	0
Other debts due	0	0
Preference shareholders	0	0
Equity shareholders

For Private Limited(Under liquidation)

Thirupal Gorige
Liquidator

Place: Bengaluru

Date:

CERTIFICATE FROM AUDITOR

On the basis of examination of registers, records, books and papers and other relevant records of Private Limited (Under liquidation) (hereinafter referred to as 'The Company') bearing CIN: having its registered office at, and in our opinion and to best of our information and according to the explanations furnished to us by the Company, liquidator, its officers and agents, we hereby certify that:

Receipts and payments pertaining to liquidation since the liquidation commencement date 30-10-2018 to 29-10-2019 (Annual closing date):

RECEIPTS	VALUE REALIZED Rs.	PAYMENTS	PAYMENTS Rs.
Balance at Bank		Legal, Liquidation Fee and other incidental payments	
		1. Liquidator Fee	
		2. Payment of TDS/Advance Tax	
		3. Payment of dividend Distribution Tax	
		4. Liquidation expenses (Newspaper advertisement, filings fee etc)	
Interest received against of Bank Guarantee for Customs accounted.		5. Payment of consultancy fees for Accounting, Finance and other support services	
		6. Payment of Auditors fee for audit of liquidation account	
		7. Remittance charges to bank	
		8. Rent paid	
		9. ROC filing fee	
		Payment to Members	
		a Dividend	
		b Refund of share capital (including mutual adjustments)	
		10. Balance at bank	
Net Realization (Rs.)		Net Payment Rs.	

Date:

Place: Bengaluru

For:

Chartered Accountants

Partner

..... PRIVATE LIMITED

CIN:

Reg. Off:, Karnataka, India

MINUTES OF ANNUAL CONTRIBUTORIES MEETING

MINUTES OF ANNUAL CONTRIBUTORS MEETING OF NRT IT SERVICES INDIA PRIVATE LIMITED (UNDER LIQUIDATION) UNDER RULE 37 (2)(A) OF THE INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (VOLUNTARY LIQUIDATION PROCESS), REGULATIONS, 2017) HELD ON ON AT 11 AM

Present:

Thirupal Gorige – Liquidator- acted as Chairman

Mr. Representative of M/s Corp, Holding company

Mr. Contributor

The liquidator presented the annual status report together with accounts of the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date ie. 30th October 2018 to till 29th October 2019. The meeting received and reviewed the same. Liquidator was advised to complete the liquidation at earliest.

As there was no other business to transact, the meeting was concluded with vote of thanks to chair.

Place: Bengaluru

Chairman

Date:

Flow chart of Voluntary Liquidation

(Section 59 of the IBC Code, 2016 read with the IBBI (Voluntary Liquidation Process) Regulations, 2017 IBBI (Liquidation Process) Regulations, 2016)
Time frame: **1 year** (Regulation44)

No Default

<i>Particulars</i>	<i>Action</i>	<i>Time Frame</i>
<p>Pre-condition - No default exist in the company. If pre-exist, the default needs to be made good.</p> <p>Whether “default” defined u/s 2(12) of Code is OK! (Which speak about non-payment to creditors)</p> <p>One may need to go beyond the context based on case to case.</p>	<p>One should scan the entire records of company and other regulatory to dig out default, if any</p> <p>(Consultancy process with the company before to get appointed as liquidator)</p>	<p>No time-</p> <p>Well in advance</p>



Valuation of assets and audited FS and records

<i>Particulars</i>	<i>Action</i>	<i>Time Frame</i>
<p>Audited financial statements (There is no definition. Definition under Companies Act may be taken). One may need to have latest position as possible. Statement of affairs can be prepared as on practical date.</p> <p>2 years Record of Business operations (Not format given) (It may help to detect the preferential payments, concealment, defrauding creditors, misconduct, falsification of books etc)</p> <p>Valuation of assets by registered valuer [S.59(3)(b)(ii) says “if any”] But it appears to be must.</p> <p>Preparation of list of creditors and draft consent letters.</p>	<p>Finding realisation value of assets needs to be done.</p> <p>Valuation by registered valuer may support.</p>	<p>No time-</p> <p>Well in advance</p>



Sufficient Assets to discharge all debts, if any

<i>Particulars</i>	<i>Action</i>	<i>Time Frame</i>
<p>Situation (1): If there are debts, the sales proceeds of the assets should be sufficient enough to pay the entire claims of creditors. Otherwise it can't go for voluntary liquidation. It may need to invoke CIRP etc.</p> <p>Situation (2): If there are no debts in the company, still the company can go for voluntary liquidation even if the assets are not sufficient to pay off preference shareholders and equity shareholders.</p>	<p>Identification of claims & debt and their estimated value.</p>	<p>No time-</p> <p>Well in advance</p>



Board Meeting and Declaration

<i>Particulars</i>	<i>Action</i>	<i>Time Frame</i>
<p><u>Convene Board Meeting:</u></p> <p>(i). To approve the proposal of voluntary liquidation (ii). A declaration from majority of the directors alongwith an affidavit stating:</p> <ol style="list-style-type: none"> 1. full inquiry made into the affairs of the company to form opinion that either the company has no debt or all debts can be paid in full from the proceeds of assets; 2. the intent of liquidation is not to defraud any person. <p><u>Attachment to Declaration</u></p> <ol style="list-style-type: none"> 1) Audited financial statements (till it appears to be audited for liquidation purpose) and record of business operations of the company for the previous 2 years; 2) a report of the valuation of the assets of the company, if any, prepared by a registered valuer; <p>(iii). To convene general meeting</p>	<p>Filing of GNL-2 with ROC- declaration Filing of declaration and supporting documents with IBBI</p>	<p>No time- Well in advance</p>



General Meeting

<p>Situation (1) To Pass special resolution: In general situation</p> <ul style="list-style-type: none"> - Approving the proposal of the company to be liquidated voluntarily - Appointment of insolvency professional to act as the liquidator terms and conditions including the remuneration (Negotiable. Section 34 is not applicable) payable to him <p>To pass ordinary resolution: As result of expiry of the period of duration of company mentioned at AOA or occurrence of any event as specified at AOA</p> <ul style="list-style-type: none"> - approval to liquidate voluntarily - appointment of an insolvency professional to act as the liquidator terms and conditions including the remuneration (Negotiable. Section 34 is not applicable) payable to him 	<p>-Filing of special resolution in MGT-14 within 7 days</p>	<p>With 4 weeks from the above said Declaration</p>
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Creditors Approval

<ul style="list-style-type: none"> - If any debts exist, the company need to get consent of creditors representing 2/3 in value of the debt for the resolution passed by the Members. Consent can be by way of letters. No meeting needed. If the company is unable get such consent of creditor, the resolution passed by shareholder will 		<p>To be obtained within 7 days from the Date of General Meeting</p>
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not have any validity.		
Note:- Once consent of creditors is obtained, the voluntary liquidation proceedings can be deemed to have commenced from the date of passing of the Members resolution.		

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Public announcement by the liquidator

The liquidator shall make a public announcement in Form A of Schedule I to:		Within 5 days from his Appointment (appointment takes place at GM)
- call upon stakeholders to submit their claims as on the liquidation commencement date;		
- Provide the last date for submission of claim, which shall be thirty days from the liquidation commencement date.		

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Publication of Announcement

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Note: It should be noted that there are 5 days to publish the AD whereas 7 days time given to creditors to express their consent. If company does not get 76% of consent of creditors within 5 days it can't go ahead for publication of AD. It should have been vice-versa.

The announcement shall be published:		
1. in one English and one regional language newspaper with wide circulation at the location of the registered office and principal office, if any, of the Company and any other location where in the opinion of the liquidator, the Company conducts material business operations;		
2. on the website, if any, of the Company; and		
3. on the website, if any, designated by the Board for this purpose,		

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Notification to Registrar, Board and other regulatory

Notification to Registrar, Board and other regulatory authorities like tax authorities		With 7 days from the Date of Creditors Approval or for General Meeting if there is no creditor in form GNL-2 Within 30 days to Income Tax authorities and others regulatory seeking their NOC.
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Liquidator to Start to Proceedings

Liquidator to follow Section 35 to 53 of Chapter III and Chapter VII to voluntary liquidation proceedings with such modifications as	1. The liquidator shall submit a Preliminary Report to the Company within 45 days from the liquidation commencement date, detailing: <ul style="list-style-type: none"> - the capital structure of the Company - the estimates of its assets and liabilities as on the liquidation commencement date based on the books of the Company - Whether he intends to make any further inquiry in to any matter relating to the promotion, formation or failure of the Company or the conduct of the business thereof; and - the proposed plan of action for carrying out the liquidation, 	within 45 days from liquidation commencement
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<p>may be necessary:</p> <p>35) Power of Liquidator</p> <p>36) Formation of Liquidation estate;</p> <p>37) liquidator to access information;</p> <p>38) Consolidation of claims;</p> <p>39) Verification of claims;</p> <p>40) Admission or rejection of claims;</p> <p>41) Determination of valuation of claims;</p> <p>42) Appeal against the decision of liquidator;</p> <p>43) Preferential transactions and relevant time;</p> <p>44) Orders in case of preferential transactions;</p> <p>45) Avoidance of undervalued transactions;</p> <p>46) Relevant period for avoidable transactions;</p> <p>47) Application by creditor in cases of undervalued transactions;</p> <p>48) Order in cases of undervalued transactions;</p> <p>49) Transactions defrauding creditors;</p> <p>50) Extortionate credit</p>	<p>including the timeline within which he proposes to carry it out and the estimated liquidation costs.</p> <p>2. Registers and books of account: if books of account are incomplete on the liquidation commencement date, the liquidator shall have them completed and brought up-to-date. The liquidator to maintain the following books and register:</p> <p><i>(a) Cash Book; (b) Ledger; (c) Bank Ledger; (d) Register of Fixed Assets and Inventories; (e) Securities and Investment Register; (f) Register of Book Debts and Outstanding Debts; (g) Tenants Ledger; (h) Suits Register; (i) Decree Register; (j) Register of Claims and Dividends; (k) Contributories Ledger; (l) Distributions Register; (m) Fee Register; (n) Suspense Register; (o) Documents Register; (p) Books Register; (q) Register of unclaimed dividends and undistributed properties deposited in accordance with Regulation 39; and (r) such other books or registers as may be necessary to account for transactions entered into by him in relation to the corporate debtor.</i></p> <p>3. Engagement of professionals</p> <p>4. Consultation with stakeholders</p> <p>5. Extortionate credit transactions</p> <p>6. Proof of claim</p> <p>7. Claims by operational creditors – in Form B of Schedule I</p> <p>8. Claims by financial creditors- in Form C of Schedule I</p> <p>9. Claims by workmen and employees - in Form D of Schedule I</p> <p>10. Claims by other stakeholders - in Form F of Schedule I</p> <p>11. Proving security interest</p> <p>12. Production of bills of exchange and promissory notes</p> <p>13. Substantiation of claims</p> <p>14. Cost of proof</p> <p>15. Determination of amount of claim</p> <p>16. Debt in foreign currency – Shall be valued in Indian Currency</p> <p>17. Periodical payments</p> <p>18. Debt payable at future time</p> <p>19. Mutual credits and set-off</p> <p>20. Verification of claims</p> <p>21. List of stakeholders - on the basis of proofs of claims submitted and accepted within 45 days from the last date for receipt of claims</p> <p>22. Realisation Of Assets - Manner of sale</p> <p>23. Recovery of monies due</p> <p>24. Liquidator to realize uncalled capital or unpaid capital contribution</p> <p>25. Proceeds Of Liquidation And Distribution Of Proceeds - All money to be paid in to bank account</p> <p>26. Distribution – within 6 Months</p> <p>27. Return of money</p> <p>28. Completion of liquidation - liquidator shall endeavour to complete the liquidation process <u>within twelve months, if not then:</u></p> <p>- hold a meeting of the contributories of the Company <u>within fifteen days</u> from the end of the twelve months from the liquidation commencement date, and at the end every succeeding twelve months till dissolution of the Company; and</p> <p>- shall present an Annual Status Report(s)</p> <p>29. Final Report: On completion of the liquidation process, the</p>	
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<p>51) transactions; Orders of Adjudicating Authority in respect of extortionate Credit transactions; 52) Secured creditor in liquidation proceedings; 53) Distribution of assets</p>	<p>liquidator shall prepare the Final Report consisting of:</p> <p>A. audited accounts of the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date; and</p> <p>B. a statement demonstrating that-</p> <p>(i) the assets of the Company has been disposed of; (ii) the debt of the Company has been discharged to the satisfaction of the creditors; (iii) no litigation is pending against the Company or sufficient provision has been made to meet the obligations arising from any pending litigation.</p> <p>C. sale statement in respect of all assets containing:</p> <p>- (i) the realized value; (ii) cost of realization, if any; (iii) the manner and mode of sale; (iv) 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 (v) the person to whom the sale is made; and (vi) any other relevant details of the sale.</p> <p>The liquidator shall send the Final Report forthwith, to the Registrar and the Board and submit to NCLT along with application.</p> <p>30. Preservation of records- 8 Years</p>	
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Application to the NCLT for the dissolution of the Company

<p>Where the affairs of the Company have been completely wound up, and its assets completely liquidated, the liquidator shall make an application to the NCLT for the dissolution of such Company</p>	<p>NCLT-1 with supporting documents.</p>
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Order by NCLT for the dissolution of the Company

<p>NCLT to pass an order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly</p>	<p>Hearing and passing of order</p>
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Copy of Order by NCLT to be filed with ROC

<p>A copy of an order under shall be forwarded to the authority with which the Company is registered.</p>	<p>Within 14 days from the Order in form INC 28 with ROC.</p>
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To

The ROC

Dear Sir,

Sub: Filing of form MGT-14 for special resolution passed for Voluntary Liquidation under IBC

With reference to above cited subject we wish to inform you that form MGT-14 is being filed for voluntary liquidation of India Private Limited.

We wish to bring in your kind attention that the Members of the Company, in their Extraordinary General Meeting held on 23rd March 2019, had approved the voluntary liquidation the Company under Section 59 of the of the Insolvency and Bankruptcy Code, 2016 (IBC) by way of special resolution and appointed Mr. Thirupal Gorige as liquidator to carry out the voluntary liquidation of the Company.

As per provisions of Section 59 of IBC and Section 117 of the Companies Act, 2013, the Company is required to file form MGT-14 for the aforesaid resolution. Since, there is no option available at the drop down menu of Form MGT 14 to select Section 59 of the IBC, Section 484 of the Companies Act 1956 (corresponding provisions of Section 59) has been selected in Form MGT-14 to reflect the status of the Company as **under liquidation** at Master data subsequent to approval of the form MGT-14.

We request your good office to approve the form MGT-14 and oblige.

Date: 16/02/2019

To

The Registrar of Companies, Bengaluru
Minister of Corporate Affairs,
'E' Wing, 2nd Floor
Kendriya Sadana
Kormangala, Bangalore-560034

Dear Sir/Madam,

Sub: Filing of form GNL-2 for in Voluntary Liquidation under IBC

I wish to bring in your kind attention that the Members of the Company under section 59 of the of the Insolvency and Bankruptcy Code, 2016 (IBC) in their Extraordinary General Meeting held on 11th Feb, 2019, resolved to liquidate voluntarily the company and appointed undersigned as liquidator to carry on the liquidation of the Company.

In terms of IBC though there is no specifying provision requiring filing of declaration of solvency with the Registrar of Companies. As ROC is public office, this form is being filed for intimation of appointment of liquidator with following attachments and change of master data accordingly:

1. Notarised copy of declaration of solvency;
2. Assets and liabilities statement as at 31.01.2019

Further we have selected radio button as form 149 under provisions of Companies Act, 1956 in this form GNL-2 to get the master data change from "Active to Under liquidation".

With above clarification, I request your good office to approve the form GNL-2 and oblige.

Thanking you,
For VIYES CONSULTANCY PRIVATE LTD

CS Thirupal Gorige
Liquidator
No. 87, 2nd Floor, 21st Cross,
7th Main, N S. Palya, BTM 2nd Stage,
Bangalore-560076, India
LL +91 80 40971818 / 6532 2360

Member's Voluntary Liquidation
(Declaration of solvency pursuant to section 59 of the Insolvency and Bankruptcy Code, 2016)

Name of Company **PRIVATE LIMITED**

CIN:

Presented by:(Director)

Declaration of solvency- Affidavit

I,, S/oresiding at,
being Director of **PRIVATE LIMITED** (the company) do solemnly affirm
and declare that:

1. I have made a full enquiry into the affairs of the company, and that having done so i have formed the opinion that the company has no liabilities to pay. I append a statement of the Company's assets and liabilities as at **31.01.2019** being the latest practicable date for making of this declaration;
2. The Company is not being liquidated to defraud any person; and
3. The Company has not committed any default.

Solemnly affirmed and declared at _____ (place) _____ (date)

Signature: _____

.....
Director/ Deponent
DIN:.....

VERIFICATION

Verified that the contents of Para 1 to 3 of the above affidavit are true to the best of our personal knowledge and based on the records of the Company.

Signature: _____

Director/ Deponent
DIN:

Signature of Commissioner for Oaths or Notary Public or Justice of the Peace

1. Approval of Draft financial (Latest practicable, Normally within one month form the date of Shareholder Meeting)

“Resolved that the financial statement as ondrawn for the purpose of voluntary liquidation be and hereby is approved.”

RESOLVED FURTHER THAT pursuant to the provisions of Sub-section (1) of Section 134 of the Companies Act, 2013; the Directors of the Company; be and are hereby authorised to sign the financial statements as laid down before the Board.

2. Approval for voluntary liquidation

“Resolved that pursuant to the provisions of section 59 of the Insolvency and Bankruptcy Code of 2016 and the subject to approval of the members, having made a full enquiry into the affairs of the company having formed the opinion that the company has noliabilities,consent of the Board be and is hereby accorded to liquidate the Company by way of voluntary liquidation.

RESOLVED FURTHER that a statement showing assets at estimated realisable values and liabilities payable as placed before the meeting be and is hereby approved.

AND RESOLVED FURTHER that Directors of the company be and hereby severally authorized to do all such things, acts and deeds to give effect of this resolution including making, signing and verifying by an affidavit declaration of solvency consisting those facts and opinion.”

3. To Convene General Meeting

The Chairman informed to the Board that as per provisions of Section 59 of the Insolvency and Bankruptcy Code, 2016, the members can liquidate a company voluntary. It is proposed to get the approval of the Members in an Extra-Ordinary General meeting of the Company. The Board after due deliberation passed the following resolution:

“RESOLVED THATan Extra Ordinary General Meeting of the Company be held on Monday, the _____th Day of April2018 at 11.00 A.M.at the registered office of the Company at for the purpose of transacting the following business:

1. Special Resolution for voluntary winding-up of the Company in accordance with the provisions of Section 59 of Insolvency and Bankruptcy Code of India, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017; and
2. Special Resolution to appoint and empower the liquidator to exercise powers as per Insolvency and Bankruptcy Code of India, 2016.

RESOLVED FURTHER THAT draft notice as placed before the Meeting and initialled by Chairman for identification purpose, be and is hereby approved and the Directors of the Company are be and hereby severally authorised to sign and issue the notice of the aforesaid Meeting.”

4. TO AUTHORISE THE LIQUIDATOR TO OPEN THE BANK ACCOUNT WITH _____ IN THE NAME OF THE COMPANY WITH THE WORDS “IN VOLUNTARY LIQUIDATION”

The Chairman informed the Board that in compliance with the Insolvency and Bankruptcy Code of India, 2016 read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, the liquidator of the Company is required to open the bank account in the name of the Company followed by the words “in voluntary liquidation”, for the receipt of all moneys due to the Company.

He further informed that the liquidator proposed to open a Bank account with _____ or some other nationalised bank for ease of operations during the voluntary winding up proceedings. The Board discussed the matter in detail and passed the following resolution:

RESOLVED That:

- (a) That a Current account (The Account) in the name of the Company followed by the words “in voluntary liquidation” be opened with Kotak Mahindra Bank Limited (The Bank) or other nationalized Bank and that Liquidator of the Company be and is hereby authorised to do so and sign the necessary forms and documents thereof.
- (b) And that the Bank be instructed to honour all cheques, promissory notes and other instruments drawn by and all bills accepted on behalf of the Company whether such account be in credit or overdrawn, and to accept and credit to the account of the Company all monies deposited with or owing by the Bank on any account at any time in the name of the Company and the amount of all cheques, notes, bills, other negotiable instruments, orders provided they are endorsed/signed by the Liquidator of the Company, for the time being severally on behalf of the Company and such signature(s) shall be sufficient authority to bind the Company in all transactions between the Bank and the Company including those specifically rendered to herein. The Bank is authorised to accept and/or act upon the instructions issued by the Liquidator of the Company.
- (c) And that the Company avails of the Net Banking, Phone Banking, Debit Card, Payment Gateway and any transactions services in Mutual Funds offered by the Bank. And that the Company has read the terms and conditions applicable to these services and accepts the same.

Date: 27/06/2018

..... Private Limited
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Dear Mr. [REDACTED], s

Sub: To Act as Liquidator in voluntary liquidation of Private Limited under the provisions of the Insolvency and Bankruptcy Code, 2016

I thank you for giving an opportunity to me to be the liquidator and to provide related services for the voluntary liquidation of Private Limited (“the Company”) under the provisions of the Insolvency and Bankruptcy Code, 2016 (“IBC”/”Code”) including rules prescribed thereunder This letter is to confirm and specify the terms of my engagement with you and to clarify the nature and extent of the services I will provide.

BACKGROUND OF THE COMPANY

- The Company is a private company limited by shares, incorporated under the Companies Act, 1956 on The Company is a subsidiary of The Company is engaged in the business of _____.
- The registered office of the Company is situated atana.
- The Company is under process of considering the option of Voluntry Liquidation under IBC. In this regard, I have been requested to be appointed as Liquidator for the voluntary liquidation of the Company under the provisions of the IBC and rules made thereunder.

SCOPE OF WORK

I will be acting as liquidator in the voluntary Liquidation of the Company from the date of my appointment as liquidator. I shall be responsible for liaising withCompany in preparation/review of all the documents required during voluntary liquidation process of the Company including obtaining final order from the National Company Law Tribunal and/or any other authority in relation to the voluntry liquiaton of

the Company. The Company would be responsible to provide all the information required for the preparation of complete documents. Our scope of services as liquidator to the Company will comprise of following:

- Drafting /Reviewing of associated documents,
- Assistance in filing of Declaration, Statement of Assets & Liabilities, Audited Financial statement, records of business operation of previous 2 years with ROC and Insolvency and Bankruptcy Board,
- Assistance in Public announcement,
- Intimation to ROC, RD, Income tax and other authorities regarding the notice of appointment of liquidator,
- Submission of preliminary report,
- To obtain and verify the claims from different stakeholders in the format prescribed in regulations, Realization and distribution of money to various stake holders.
- Filing of final report in NCLT and getting order from NCLT for dissolution of the Company.
- Assistance in preparation of requisite e-forms / applications to be filed with Register of Companies / NCLT for voluntary liquidation.

Our Scope of work does not include obtaining NOCs for the statutory authorities.

ENGAGEMENT TERMS

Timing and Validity

The term of the Contract shall be effective from the date of issuance of the engagement letter.

The time for completing the said engagement is dependent upon the availability of relevant documents, accurate and timely information and availability of personnel of the Client for ongoing information and interaction.

Fee and expenses

We would be charging a consolidated fee of Rs.5,00,000/- (plus applicable taxes) as our professional fees for our services. Of the total fees, 25% shall be paid in advance, the next 25% would be payable on my appointment as liquidator by the shareholders, the next 25% would be payable on the submission of Preliminary Report and the remaining amount would be payable at the time of filing of final report with NCLT. The Payment of liquidator's professional fees shall be done from the account of the Company.

The cost of filings fee, documentation cost, paper advertisement and out of pocket expenses including travelling, if any, is not included in above fee and would be charged on actual basis.

In the event client withdraws / discontinues the engagement at any stage for any reasons, the client would pay the fee for work performed.

CONCLUSION

We are keen to serve the Company and would be delighted to work on this Engagement. We assure you that this engagement will receive our closest attention.

We request you to sign and return a copy of this letter to us as your confirmation of the scope of work and the terms of the Contract.

In case you require any clarifications, please let us know.

Yours faithfully,

CS Thirupal Gorige
Practising Company Secretary and Insolvency Professional
No. 87, 2nd Floor, 21st Cross,
7th Main, N S. Palya, BTM 2nd Stage,
Bangalore-560076, India
Cell +91 94483 84064
LL +91 80 6532 2360

Accepted and agreed to by Private Limited

Signature: _____

Name: _____

Designation: _____

Date: _____

PRELIMINARY REPORT OF THE LIQUIDATOR

(As per Regulation 9 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process), Regulations, 2017)

I, Thirupal Gorige, liquidator of the Services Limited (the Company), in pursuance of Regulation 9 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process), Regulations, 2017, hereby submit this preliminary report to the Company. The Details of preliminary report as follows:-

A: CAPITAL STRUCTURE

1. The authorised share capital of the Company is Rs./- divided intoequity shares of Rs. 10/- each.
2. The issued, subscribed and paid up share capital of the Company is Rs./- divided into ./- equity shares of Rs. 10/- each.

B: ESTIMATES OF ITS ASSETS AND LIABILITIES AS ON THE LIQUIDATION COMMENCEMENT DATE BASED ON THE BOOKS OF THE COMPANY

1. The assets of the company are estimated to be of the realizable value of Rs./- and they comprise the following:-

Assets not specifically pledged:

		Amount (in Rs.)
a)	Cash on hand	
b)	Cash at Bank and Negotiable Securities	
c)	Fixed deposits with banks	
d)	Debts due from contributories	
e)	Loans and advance due to the Company	
	(i) Secured	
	Securities available:	
	(ii) Unsecured	
	1. Advance Tax	
	2. Deposit	
	3. Loan to GHIAL	
f)	Movable & immovable properties:	
	(i) Movable Properties :	
	(1) Stock in trade	
	(2) Other movables (give particulars)	
	Immovable properties: (give particulars)	
g)	Unpaid Calls	
h)	Other assets :	
	Investment other than Marketable Securities	
	Other Current Assets (Includes taxes recoverable and advance for	

	expenses)	
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Assets specifically pledged: Nil

a)	Assets held by fully secured creditors (give particulars)	Nil
b)	Assets held by Partly secured creditors (give particulars)	Nil

2. The liabilities of the Company are as following :

		Amount (in Rs.)
a)	Fully secured creditors	Nil
b)	Partly secured creditors	Nil
c)	Debenture holders	Nil
d)	Unsecured creditors	
	1. Non-trade payables	Nil
e)	Other Current Liabilities	
	1. Trade payable	Nil
	2. Statutory dues	
f)	Provisions(current tax expenses, undisputed statutory dues and provision for expenses)	
	A. Provision for current tax	

C: FURTHER INQUIRY IN TO ANY MATTER RELATING TO THE PROMOTION, FORMATION OR FAILURE OF THE COMPANY OR THE CONDUCT OF THE BUSINESS THEREOF;

1. The Company was incorporated in the with the objective of providing services to airport and airport related security services agencies.
2. The Board of Directors in their Meeting held on noted that the Company had no significant business operations since last many years and considering no prospects of new business opportunities it would not be prudent to continue operations. The Board further noted that the business of the Company was no longer capable of being revived in the immediate future and proposed to file for voluntary liquidation.
3. I have gone through the records of the Company and I am of opinion that further enquiry is not desirable concerning the promotion, formation of the Company and the conduct of its business.

D: THE PROPOSED PLAN OF ACTION FOR CARRYING OUT THE LIQUIDATION, INCLUDING THE TIMELINE WITHIN WHICH LIQUIDATOR PROPOSES TO CARRY IT OUT AND THE ESTIMATED LIQUIDATION COSTS

1. The proposed plan of action for carrying out the liquidation, including the tentative timeline within which liquidator proposes to carry out the liquidation, is detailed below:

Particulars	Tentative Timeline
The Liquidator to open the liquidation account named as ".....in voluntary liquidation"	October 10, 2019
The liquidator to prepare the list of stakeholders on the basis of proofs of claims submitted and accepted	December 10, 2019
The liquidator to distribute the proceeds to Creditors, if any, and shareholders of the Company	December 15, 2019
The liquidator to prepare a Final Report and make an application to NCLT for the dissolution of the Company	December 20, 2019
The liquidator to file a copy of NCLT Application with Registrar of Companies, in form GNL -2 and a copy of application to be send to the IBBI Board	December 25, 2019

2. The estimated cost of liquidation is Rs..... (/-

Date:
Place:

Thirupal Gorige
Liquidator

Special Business

Item No.1 LIQUIDATE THE COMPANY VOLUNTARILY

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

“RESOLVED that pursuant to the provisions of section 59 of the Insolvency and Bankruptcy Code of 2016 (The code), 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 and **having no liabilities**, the approval of members be accorded to liquidate the company voluntarily.

RESOLVED FURTHER THAT Mr. Thirupal Gorige, Insolvency Professional, having IP registration No. IBBI/IPA-002/IP-N00016/2016-17/10030, who has given his consent to act as liquidator vide his letter datedthApril, 2018, be and is hereby appointed to act as liquidator of the company as per the provisions of the Code on such remuneration and out pocket expense as may be agreed between the directors and liquidators.

RESOLVED FURTHER THAT notwithstanding the appointment of Mr. Thirupal Gorige, as liquidator of the company, the members do hereby sanction the continuance of the following powers by the Board severally:-

- (i) To file a statement of affairs of the company with the liquidator;
- (ii) To sign papers as may be required by Government Departments/Liquidator;
- (iii) To notify to the Registrar of Companies in the prescribed form, changes in the office of liquidator;
- (iv) To call meeting when there is no liquidator for the purpose of filling a vacancy in the office of liquidator;
- (v) To appear before the Government or private agencies or financial institution as and when required for the purpose of realization /disposal of the company's assets as and when advised by the liquidator or liquidator or inside upon by such Government or private agencies;
- (vi) To close all existing current bank accounts forthwith and transfer the credit balance to the bank account to be opened by the liquidator of the company.

Status of ROC filings and income tax filings status of assessment of IT (including TP assessment)

Status of other registration and licences/ Surrendering of all licences except income Tax

Status of filing of FEMA returns like advance report/FE-GPR and FLA Annual returns/ Investment Code

Valuation of assets is be carried by the management of the company before they go for declaration of solvency.

Filing for forms with ROC:

Form Name	Event	Time	Selection of section/ Radio button	Attachments	Effect
GNL-2	GM	Within 7 days	Form 157	(i) 2 years Audited Financial statements (ii) 2 year Bank statement prior to EGM date (iii) Declaration of solvency along with statement of assets and liabilities	Just intimation
MGT-14	GM	Within 7 days	Section 484 of the Companies Act, 1956 -Provide details of Liquidator as asked in 2nd page of form	EGM Resolution with explanatory statement	Master data gets reflected as "Under Liquidation"
GNL-2		Immediately	Form 152	Final statement of liquidator alongwith	Just intimation
INC-28	Date of order	14 days time	481 of the Companies Act, 1956	Dissolution order	Master data gets reflected as "Dissolved"
GNL-2			Form 157	Change of liquidator	Just intimation

Section 2(22)(c) in The Income- Tax Act, 1995

(c) any distribution made to the shareholders of a company on its liquidation, to the extent to which the distribution is attributable to the accumulated profits of the company immediately before its liquidation, whether capitalised or not;

CHAPTER XII-D

SPECIAL PROVISIONS RELATING TO TAX ON DISTRIBUTED

PROFITS OF DOMESTIC COMPANIES

Tax on distributed profits of domestic companies.

115-O. (1) Notwithstanding anything contained in any other provision of this Act and subject to the provisions of this section, in addition to the income-tax chargeable in respect of the total income of a domestic company for any assessment year, any amount declared, distributed or paid by such company by way of dividends (whether interim or otherwise) on or after the 1st day of April, 2003, whether out of current or accumulated profits shall be charged to additional income-tax (hereafter referred to as tax on distributed profits) at the rate of fifteen per cent.

(1A) The amount referred to in sub-section (1) shall be reduced by,—

⁸⁵[(i) the amount of dividend, if any, received by the domestic company during the financial year, if such dividend is received from its subsidiary and,—

(a) where such subsidiary is a domestic company, the subsidiary has paid the tax which is payable under this section on such dividend; or

(b) where such subsidiary is a foreign company, the tax is payable by the domestic company under [section 115BBD](#) on such dividend:

Provided that the same amount of dividend shall not be taken into account for reduction more than once;]

(ii) the amount of dividend, if any, paid to any person for, or on behalf of, the New Pension System Trust referred to in clause (44) of [section 10](#).

Explanation.—For the purposes of this sub-section, a company shall be a subsidiary of another company, if such other company, holds more than half in nominal value of the equity share capital of the company.

⁸⁶[(1B) For the purposes of determining the tax on distributed profits payable in accordance with this section, any amount by way of dividends referred to in sub-section (1) as reduced by the amount referred to in sub-section (1A) [hereafter referred to as net distributed profits], shall be increased to

such amount as would, after reduction of the tax on such increased amount at the rate specified in sub-section (1), be equal to the net distributed profits.]

(2) Notwithstanding that no income-tax is payable by a domestic company on its total income computed in accordance with the provisions of this Act, the tax on distributed profits under sub-section (1) shall be payable by such company.

(3) The principal officer of the domestic company and the company shall be liable to pay the tax on distributed profits to the credit of the Central Government within fourteen days from the date of—

(a) declaration of any dividend; or

(b) distribution of any dividend; or

(c) payment of any dividend,

whichever is earliest.

(4) The tax on distributed profits so paid by the company shall be treated as the final payment of tax in respect of the amount declared, distributed or paid as dividends and no further credit therefor shall be claimed by the company or by any other person in respect of the amount of tax so paid.

(5) No deduction under any other provision of this Act shall be allowed to the company or a shareholder in respect of the amount which has been charged to tax under sub-section (1) or the tax thereon.

(6) Notwithstanding anything contained in this section, no tax on distributed profits shall be chargeable in respect of the total income of an undertaking or enterprise engaged in developing or developing and operating or developing, operating and maintaining a Special Economic Zone for any assessment year on any amount declared, distributed or paid by such Developer or enterprise, by way of dividends (whether interim or otherwise) on or after the 1st day of April, 2005 out of its current income either in the hands of the Developer or enterprise or the person receiving such dividend :

Provided that the provisions of this sub-section shall cease to have effect from the 1st day of June, 2011.

Capital gains.

⁸⁹45. ⁹⁰[(1)] Any profits or gains arising from the transfer⁹¹ of a capital asset⁹¹ effected⁹¹ in the previous year shall, save as otherwise provided in sections ⁹²[***] ⁹³[54, 54B, ⁹⁴[***] ⁹⁵[⁹⁶54D, ⁹⁷54E, ⁹⁸54EA, 54EB,] 54F ⁹⁹[, 54G

and 54H]]]], be chargeable to income-tax under the head "Capital gains", and shall be deemed to be the income of the previous year in which the transfer took place.

¹[(1A) Notwithstanding anything contained in sub-section (1), where any person receives at any time during any previous year any money or other assets under an insurance from an insurer on account of damage to, or destruction of, any capital asset, as a result of—

(i) flood, typhoon, hurricane, cyclone, earthquake or other convulsion of nature; or

(ii) riot or civil disturbance; or

(iii) accidental fire or explosion; or

(iv) action by an enemy or action taken in combating an enemy (whether with or without a declaration of war),

then, any profits or gains arising from receipt of such money or other assets shall be chargeable to income-tax under the head "Capital gains" and shall be deemed to be the income of such person of the previous year in which such money or other asset was received and for the purposes of [section 48](#), value of any money or the fair market value of other assets on the date of such receipt shall be deemed to be the full value of the consideration received or accruing as a result of the transfer of such capital asset.

Explanation.—For the purposes of this sub-section, the expression "insurer" shall have the meaning assigned to it in clause (9) of section 2² of the Insurance Act, 1938 (4 of 1938).]

³[(2) Notwithstanding anything contained in sub-section (1), the profits or gains arising from the transfer by way of conversion by the owner of a capital asset into, or its treatment by him as stock-in-trade of a business carried on by him shall be chargeable to income-tax as his income of the previous year in which such stock-in-trade is sold or otherwise transferred by him and, for the purposes of [section 48](#), the fair market value of the asset on the date of such conversion or treatment shall be deemed to be the full value of the consideration received or accruing as a result of the transfer of the capital asset.]

⁴[(2A) ⁵Where any person has had at any time during previous year any beneficial interest in any securities, then, any profits or gains arising from transfer made by the depository or participant of such beneficial interest in respect of securities shall be chargeable to income-tax as the income of the beneficial owner of the previous year in which such transfer took place and shall not be regarded as income of the depository who is deemed to be the registered owner of securities by virtue of sub-section (1) of section 10 of the Depositories Act, 1996, and for the purposes of—

(i) [section 48](#); and

(ii) proviso to clause (42A) of [section 2](#),

the cost of acquisition and the period of holding of any securities shall be determined on the basis of the first-in-first-out method.

Explanation.—For the purposes of this sub-section, the expressions "beneficial owner" ⁶, "depository" ⁶ and "security" ⁶ shall have the meanings respectively assigned to them in clauses (a), (e) and (l) of sub-section (1) of section 2 of the Depositories Act, 1996.]

²[(3) The profits or gains arising from the transfer of a capital asset by a person to a firm or other association of persons or body of individuals (not being a company or a co-operative society) in which he is or becomes a partner or member, by way of capital contribution or otherwise, shall be chargeable to tax as his income of the previous year in which such transfer takes place and, for the purposes of [section 48](#), the amount recorded in the books of account of the firm, association or body as the value of the capital asset shall be deemed to be the full value of the consideration received or accruing as a result of the transfer of the capital asset.

(4) The profits or gains arising from the transfer of a capital asset by way of distribution of capital assets on the dissolution of a firm or other association of persons or body of individuals (not being a company or a co-operative society) or otherwise⁸, shall be chargeable to tax as the income of the firm, association or body, of the previous year in which the said transfer takes place and, for the purposes of [section 48](#), the fair market value of the asset on the date of such transfer shall be deemed to be the full value of the consideration received or accruing as a result of the transfer.]

⁹[(5) Notwithstanding anything contained in sub-section (1), where the capital gain arises from the transfer of a capital asset, being a transfer by way of compulsory acquisition under any law, or a transfer the consideration for which was determined or approved by the Central Government or the Reserve Bank of India, and the compensation or the consideration for such transfer is enhanced or further enhanced by any court, Tribunal or other authority, the capital gain shall be dealt with in the following manner, namely :—

(a) the capital gain computed with reference to the compensation awarded in the first instance¹⁰ or, as the case may be, the consideration determined or approved in the first instance by the Central Government or the Reserve Bank of India shall be chargeable as ¹¹[income under the head "Capital gains" of the previous year in which such compensation or part thereof, or such consideration or part thereof, was first received]; and

(b) the amount by which the compensation or consideration is enhanced or further enhanced by the court, Tribunal or other authority shall be deemed to be income chargeable under the head "Capital gains" of the previous year in which such amount is received by the assessee;

The following proviso shall be inserted after clause (b) of sub-section (5) of section 45 by the Finance (No. 2) Act, 2014, w.e.f. 1-4-2015 :

Provided that any amount of compensation received in pursuance of an interim order of a court, Tribunal or other authority shall be deemed to be income chargeable under the head "Capital gains" of the previous year in which the final order of such court, Tribunal or other authority is made;

¹²[(c) where in the assessment for any year, the capital gain arising from the transfer of a capital asset is computed by taking the compensation or consideration referred to in clause (a) or, as the case may be, enhanced compensation or consideration referred to in clause (b), and subsequently such compensation or consideration is reduced by any court, Tribunal or other authority, such assessed capital gain of that year shall be recomputed by taking the compensation or consideration as so reduced by such court, Tribunal or other authority to be the full value of the consideration.]

Explanation.—For the purposes of this sub-section,—

(i) in relation to the amount referred to in clause (b), the cost of acquisition and the cost of improvement shall be taken to be *nil*;

(ii) the provisions of this sub-section shall apply also in a case where the transfer took place prior to the 1st day of April, 1988;

(iii) where by reason of the death of the person who made the transfer, or for any other reason, the enhanced compensation or consideration is received by any other person, the amount referred to in clause (b) shall be deemed to be the income, chargeable to tax under the head "Capital gains", of such other person.]

¹³[(6) Notwithstanding anything contained in sub-section (1), the difference between the repurchase price of the units referred to in sub-section (2) of [section 80CCB](#) and the capital value of such units shall be deemed to be the capital gains arising to the assessee in the previous year in which such repurchase takes place or the plan referred to in that section is terminated and shall be taxed accordingly.

Explanation.—For the purposes of this sub-section, "capital value of such units" means any amount invested by the assessee in the units referred to in sub-section (2) of [section 80CCB](#).]

Capital gains on distribution of assets by companies in liquidation

46. (1) Notwithstanding anything contained in [section 45](#), where the assets of a company are distributed to its shareholders on its liquidation, **such distribution shall not be regarded as a transfer** by the company for the purposes of [section 45](#)

(2) Where a shareholder on the liquidation of a company receives any money or other assets from the company, he shall be chargeable to income-tax under the head "Capital gains", in respect of the money so received or the market value of the other assets on the date of distribution, as reduced by the amount assessed as dividend within the meaning of sub-clause (c) of clause (22) of [section 2](#) and the sum so arrived at shall be deemed to be the full value of the consideration for the purposes of [section 48](#).

Substitution of new section for section 48.

24. For section 48 of the Income-tax Act, the following section shall be substituted, with effect from the 1st day of April, 1993, namely: —

'48. *Mode of computation.*—The income chargeable under the head "Capital gain" shall be computed, by deducting from the full value of the consideration received or accruing as a result of the transfer of the capital asset the following amounts, namely: —

- (i) expenditure incurred wholly and exclusively in connection with such transfer;
- (ii) the cost of acquisition of the asset and the cost of any improvement thereto;

Provided that in the case of an assessee, who is a non-resident, capital gains arising from the transfer of a capital asset being shares in, or debentures of, an Indian company shall be computed by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer and the full value of the consideration received or accruing as a result of the transfer of the capital asset into the same foreign currency as was initially utilised in the purchase of the shares or debentures, and the capital gains so computed in such foreign currency shall be reconverted into Indian currency, so, however, that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing or arising from every reinvestment thereafter in, and sale of, shares in, or debentures of, an Indian company:

Provided further that where long-term capital gain arises from the transfer of a long-term capital asset, other than capital gain arising to a non-resident from the transfer of shares in, or debentures of, an Indian company referred to in the first proviso, the provisions of clause (ii) shall have effect as if for the words "cost of acquisition" and "cost of any improvement", the words "indexed cost of acquisition" and "indexed cost of any improvement" had respectively been substituted.

Explanation.— For the purposes of this section,—

- (i) "foreign currency" and "Indian currency" shall have the meanings respectively assigned to them in section 2 of the Foreign Exchange Regulation Act, 1973; (46 of 1973,)
- (ii) the conversion of Indian currency into foreign currency and the reversion of foreign currency into Indian currency shall be at the rate of exchange prescribed in this behalf;
- (iii) "indexed cost of acquisition" means an amount which bears to the cost of acquisition the same proportion as Cost Inflation Index for the year in which the asset is transferred bears to the Cost Inflation Index for the first year in which the asset was held by the assessee or for the year beginning on the 1st day of April, 1981, whichever is later;
- (iv) "indexed cost of any improvement" means an amount which bears to the cost of improvement the same proportion as Cost Inflation Index for the year in which the asset is transferred bears to the Cost Inflation Index for the year in which the improvement to the asset took place;

(v) "Cost Inflation Index" for any year means such Index as the Central Government may, having regard to seventy-five per cent- of average rise in the Consumer Price Index for urban non-manual employees for that year, by notification in the Official Gazette, specify in this behalf.'

Company in liquidation

178. (1) Every person—

(a) who is the liquidator of any company which is being wound up whether under the orders of a court or otherwise ; or

(b) who has been appointed the receiver of any assets of a company; (hereinafter referred to as the liquidator) shall, within thirty days after he has become such liquidator, give notice of his appointment as such to the Income-tax Officer who is entitled to assess the income of the company.

(2) The Income-tax Officer shall, after making such enquiries of calling for such information as he may deem fit, notify to the liquidator within three months from the date on which he receives notice of the appointment of the liquidator the amount which, in the opinion of the Income-tax Officer, would be sufficient to **provide for any tax which is then, or is likely thereafter to become, payable** by the company.

¹[(3) The liquidator—

(a) shall not, **without the leave of the Commissioner**, part with any of the assets of the company or the properties in his hands until he has been notified by the Income-tax Officer under sub-section (2) ; and

(b) on being so notified, shall set aside an amount, equal to the amount notified and, until he so sets aside such amount, shall **not part with any of the assets** of the company or the properties in his hands :

Provided that nothing contained in this sub-section shall debar the liquidator from parting with such assets or properties for the purpose of the payment of **the tax payable** by the company **or** for making any payment to secured creditors whose debts are entitled under law **to priority of payment over debts due to Government on the date of liquidation** **or** for meeting such cost and expenses of the winding up of the company as are in the opinion of the Commissioner **reasonable**.

(4) If the liquidator fails to give the notice in accordance with sub-section (1) or fails to set aside the amount as required by sub-section (3) or parts with any of the assets of the company or the properties in his hands in contravention of the provisions of that sub-section, he shall be **personally liable** for the payment of the tax which the company would be liable to pay:

Provided that if the amount of any tax payable by the company is notified under sub-section (2), the personal liability of the liquidator under this sub-section shall be to the extent of such amount.]

(5) Where there are more liquidators than one, the **obligations and liabilities** attached to the liquidator under this section shall attach to all the liquidators **jointly and severally**.

(6) The provisions of this section shall have effect notwithstanding anything to the contrary contained in any other law for the time being in force **except the provisions of the Insolvency and Bankruptcy Code, 2016.**

Section 179

Liability of directors of private company in liquidation.

179. (1) Notwithstanding anything contained in the Companies Act, 1956³⁰ (1 of 1956), where any tax due from a private company in respect of any income of any previous year or from any other company in respect of any income of any previous year during which such other company was a private company cannot be recovered, then, every person who was a director of the private company at any time during the relevant previous year shall be jointly and severally liable for the payment of such tax unless he proves that the non-recovery cannot be attributed to any gross neglect, misfeasance or breach of duty on his part in relation to the affairs of the company.

(2) Where a private company is converted into a public company and the tax assessed in respect of any income of any previous year during which such company was a private company cannot be recovered, then, nothing contained in sub-section (1) shall apply to any person who was a director of such private company in relation to any tax due in respect of any income of such private company assessable for any assessment year commencing before the 1st day of April, 1962.

Explanation.—For the purposes of this section, the expression "tax due" includes penalty, interest or any other sum payable under the Act.

Some of the Key Takeaways:

There are two components - These are governed by Section 2(22) C; Section 46(1); Section 46(2) of the Income Tax Act.

1. Accumulated Profits
2. Assets of the company

· **On liquidation the distribution of profits to the extent of accumulated profits is taxable as deemed dividend and attracts DDT U/s Section 2 (22) C**

Section 2(22) (c): Distribution on liquidation

...any distribution made to the shareholders of a company on its liquidation to the extent to which the distribution is attributable to the accumulated profits of the company immediately before its liquidation, whether capitalised or not...

Distribution by a liquidator by itself does not trigger taxability as dividend income, unless the company had accumulated profits before it went into liquidation.

Shareholders are subject to capital gains tax u/s. 46 (1) on assets distributed on liquidations. Capital Gain is calculated after deducting from consideration price or market value, the deemed dividend u/s. 2(22)(c).

- The rest of the Assets of the Company will be transferred to the Shareholders in the proportion of their shareholding under Section 46 (1) & Section 46 (2)

Section 46(1) in The Income- Tax Act, 1995

Capital gains on distribution of assets by companies in liquidation

46.(1) Notwithstanding anything contained in section 45, where the assets of a company are distributed to its shareholders on its liquidation, such distribution shall not be regarded as a transfer by the company for the purposes of section 45

(2) Where a shareholder on the liquidation of a company receives any money or other assets from the company, he shall be chargeable to income-tax under the head "Capital gains", in respect of the money so received or the market value of the other assets on the date of distribution, as reduced by the amount assessed as dividend within the meaning of sub-clause (c) of clause (22) of section 2 and the sum so arrived at shall be deemed to be the full value of the consideration for the purposes of section 48.

Section 46(2) in The Income- Tax Act, 1995

(2) Where a shareholder on the liquidation of a company receives any money or other assets from the company, he shall be chargeable to income- tax under the head" Capital gains", in respect of the money so received or the market value of the other assets on the date of distribution, as reduced by the amount assessed as dividend within the meaning of sub- clause (c) of clause (22) of section 2 and the sum so arrived at shall be deemed to be the full value of the consideration for the purposes of section 48.

Section 46 of the Income Tax Act, 1961 (hereinafter referred to as "IT Act") states that –

“Notwithstanding anything contained in section 45, where the assets of a company are distributed to its shareholders on its liquidation, such distribution shall not be regarded as a transfer by the company for the purposes of section 45.

Where a shareholder on the liquidation of a company receives any money or other assets from the company, he shall be chargeable to income-tax under the head "Capital gains", in respect of the money so received or the market value of the other assets on the date of distribution, as reduced by the amount assessed as dividend within the meaning of section 2(22)(c) and the sum so arrived at shall be deemed to be the full value of the consideration for the purposes of section 48”.

*With regards to the above stated position of law it should be noted the above section **makes use of the words “on liquidation” and not “in liquidation”**. Thus the liquidation should be completed before any assets are distributed.*

When speaking of liquidation and distribution of assets it becomes imperative to understand the provisions of section 2 (22) (c) of the IT Act, which states that the term dividend distributed by a company includes –

“Any distribution made to the shareholders of a company on its liquidation, to the extent to which the distribution is attributable to the accumulated profits of the company immediately before its liquidation, whether capitalised or not”.

Provided that –

- 1. The shareholder is entitled to participate in the surplus assets of the company on liquidation.*
- 2. Distribution should not be out of capitalised profits representing bonus shares of the company.*
- 3. Accumulated profits does not include capital gains earned by the company.*

The word used in section 2 (22) © is “accumulated profits”, which refers to the amount in nature of profits which the company could have distributed to its shareholders and represents mean commercial profits and not profits as assessed for income-tax purposes.

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (VOLUNTARY LIQUIDATION PROCESS) REGULATIONS, 2017¹

[AMENDED UPTO 15.01.2019]

IBBI/2016-17/GN/REG010. -In exercise of the powers conferred by sections 59, 196 and 208 read with section 240 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Board hereby makes the following Regulations, namely:-

CHAPTER I
PRELIMINARY

1. Short title and commencement.

- (1) These Regulations may be called the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.
- (2) These Regulations shall come into force on 1st April, 2017.
- (3) These Regulations shall apply to the voluntary liquidation of corporate persons under Chapter V of Part II of the Insolvency and Bankruptcy Code, 2016.

2. Definitions.

- (1) In these Regulations, unless the context otherwise requires-
 - (a) “Code” means the Insolvency and Bankruptcy Code, 2016;
 - (b) “contributory” means a member of a company, partner of a limited liability partnership, and any other person liable to contribute towards the assets of the corporate person in the event of its liquidation;
 - (c) “liquidation commencement date” means the date on which the proceedings for voluntary liquidation commence as per section 59(5) and Regulation 3(4);
 - (d) “Registrar” shall have the same meaning assigned to it under section 2(75) of the Companies Act, 2013 or section 2(1)(s) of the Limited Liability Partnership Act, 2008 or the authority administering the Act under which the corporate person is incorporated, as applicable;
 - (e) “section” means a section of the Code; and
 - (f) “stakeholders” mean the stakeholders entitled to proceeds from the sale of liquidation assets under section 53.
- (2) The term liquidation in these Regulations refers to voluntary liquidation.

¹Vide Notification No. IBBI/2016-17/GN/REG010, dated 31st March, 2017, published in the Gazette of India, Extraordinary, Part III, Sec.4, vide No. 130, dated 31st March, 2017 (w.e.f. 01.04.2017).

- (3) Unless the context otherwise requires, words and expressions used and not defined in these Regulations, but defined in the Code, shall have the meanings assigned to them in the Code.

CHAPTER II
COMMENCEMENT OF LIQUIDATION

3. Initiation of Liquidation

- (1) Without prejudice to section 59(2), liquidation proceedings of a corporate person shall meet the following conditions, namely: —

- (a) a declaration from majority of
- (i) the designated partners, if a corporate person is a limited liability partnership,
 - (ii) individuals constituting the governing body in case of other corporate persons,

as the case may be, verified by an affidavit stating that-

- (i) they have made a full inquiry into the affairs of the corporate person and they have formed an opinion that either the corporate person 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 liquidation; and
 - (ii) the corporate person is not being liquidated to defraud any person;
- (b) the declaration under sub-clause (a) shall be accompanied with the following documents, namely: —
- (i) audited financial statements and record of business operations of the corporate person for the previous two years or for the period since its incorporation, whichever is later;
 - (ii) a report of the valuation of the assets of the corporate person, if any prepared by a registered valuer;
- (c) within four weeks of a declaration under sub-clause (a), there shall be-
- (i) a resolution passed by a special majority of the partners or contributories, as the case may be, of the corporate person requiring the corporate person to be liquidated and appointing an insolvency professional to act as the liquidator; or
 - (ii) a resolution of the partners or contributories, as the case may be, requiring the corporate person to be liquidated as a result of expiry of the period of its duration, if any, fixed by its

constitutional documents or on the occurrence of any event in respect of which the constitutional documents provide that the corporate person shall be dissolved, as the case may be, and appointing an insolvency professional to act as the liquidator:

Provided that the corporate person owes any debt to any person, creditors representing two-thirds in value of the debt of the corporate person shall approve the resolution passed under sub-clause (c) within seven days of such resolution.

- (2) The corporate person shall notify the Registrar and the Board about the resolution under sub-regulation (1) to liquidate the corporate person within seven days of such resolution or the subsequent approval by the creditors, as the case may be.
- (3) Subject to approval of the creditors under sub-regulation (1), the liquidation proceedings in respect of a corporate person shall be deemed to have commenced from the date of passing of the resolution under sub-clause (c) of sub-regulation (1):

Explanation: For the purposes of sub-regulations (1) to (3), corporate person means a corporate person other than a company.

- (4) The declaration under sub-regulation (1)(a) or under section 59(3)(a) shall list each debt of the corporate person as on that date and state that the corporate person will be able to pay all its debts in full from the proceeds of assets to be sold in the liquidation.

4. Effect of liquidation.

- (1) The corporate person shall from the liquidation commencement date cease to carry on its business except as far as required for the beneficial winding up of its business.
- (2) Notwithstanding the provisions of sub-section (1), the corporate person shall continue to exist until it is dissolved under section 59(8).

CHAPTER III **APPOINTMENT AND REMUNERATION OF LIQUIDATOR**

5. Appointment of Liquidator.

- (1) An insolvency professional shall not be appointed by a corporate person if he is not eligible under Regulation 6.
- (2) The resolution passed under regulation 3(2)(c) or under section 59(3)(c), as the case may be, shall contain the terms and conditions of the appointment of the liquidator, including the remuneration payable to him.

6. Eligibility for appointment as liquidator.

- (1) An insolvency professional shall be eligible to be appointed as a liquidator if he, and every partner or director of the insolvency professional entity of which he is a partner or director is independent of the corporate person:

Explanation: A person shall be considered independent of the corporate person, if he-

- (a) is eligible to be appointed as an independent director on the board of the corporate person under section 149 of the Companies Act, 2013 (18 of 2013), where the corporate person is a company;
- (b) is not a related party of the corporate person; or
- (c) has not been an employee or proprietor or a partner-
 - (i) of a firm of auditors or ²[**secretarial auditors**] or cost auditors of the corporate person; or
 - (ii) of a legal or a consulting firm, that has or had any transaction with the corporate person contributing ten per cent or more of the gross turnover of such firm,

at any time in the last three years.

- (2) An insolvency professional shall not be eligible to be appointed as a liquidator if he, or the insolvency professional entity of which he is a partner or director is under a restraint order of the Board.
- (3) A liquidator shall disclose the existence of any pecuniary or personal relationship with the concerned corporate person or any of its stakeholders as soon as he becomes aware of it, to the Board and the Registrar.
- (4) An insolvency professional shall not continue as a liquidator if the insolvency professional entity of which he is a director or partner, or any other partner or director of such insolvency professional entity represents any other stakeholder in the same liquidation.

7. Liquidator's remuneration.

The remuneration payable to the liquidator shall form part of the liquidation cost.

² Substituted by Notification No. IBBI/2019-20/GN/REG039, dated 15th January, 2019 (w.e.f. 15-01-2019). The words, before substitution stood as under:
“company secretaries”.

CHAPTER IV
POWERS AND FUNCTIONS OF THE LIQUIDATOR

8. Reporting.

- (1) The liquidator shall prepare and submit-
 - (a) Preliminary Report;
 - (b) Annual Status Report;
 - (c) Minutes of consultations with stakeholders; and
 - (d) Final Reportin the manner specified under these Regulations.
- (2) Subject to other provisions of these Regulations, the liquidator shall make the reports and minutes referred to sub-regulation (1) available to a stakeholder in either electronic or physical form, on receipt of-
 - (a) an application in writing;
 - (b) cost of making such reports available to it; and
 - (c) an undertaking from the stakeholder that it shall maintain confidentiality of such reports and shall not use these to cause an undue gain or undue loss to itself or any other person.

9. Preliminary Report.

- (1) The liquidator shall submit a Preliminary Report to the corporate person within forty five days from the liquidation commencement date, detailing-
 - (a) the capital structure of the corporate person;
 - (b) the estimates of its assets and liabilities as on the liquidation commencement date based on the books of the corporate person:

Provided that if the liquidator has reasons to believe, to be recorded in writing, that the books of the corporate person are not reliable, he shall also provide such estimates based on reliable records and data otherwise available to him;
 - (c) Whether he intends to make any further inquiry in to any matter relating to the promotion, formation or failure of the corporate person or the conduct of the business thereof; and

- (d) the proposed plan of action for carrying out the liquidation, including the timeline within which he proposes to carry it out and the estimated liquidation costs.

10. Registers and books of account.

- (1) Where the books of account of the corporate person are incomplete on the liquidation commencement date, the liquidator shall have them completed and brought up-to-date, with all convenient speed.
- (2) The liquidator shall maintain the following registers and books, as may be applicable, in relation to the liquidation of the corporate debtor:-
 - (a) Cash Book;
 - (b) Ledger;
 - (c) Bank Ledger;
 - (d) Register of Fixed Assets and Inventories;
 - (e) Securities and Investment Register;
 - (f) Register of Book Debts and Outstanding Debts;
 - (g) Tenants Ledger;
 - (h) Suits Register;
 - (i) Decree Register;
 - (j) Register of Claims and Dividends;
 - (k) Contributories Ledger;
 - (l) Distributions Register;
 - (m) Fee Register;
 - (n) Suspense Register;
 - (o) Documents Register;
 - (p) Books Register;
 - (q) Register of unclaimed dividends and undistributed properties deposited in accordance with Regulation 39; and

- (r) such other books or registers as may be necessary to account for transactions entered into by him in relation to the corporate debtor.
- (3) The registers and books under sub-regulation (2) may be maintained in the forms indicated in Schedule II, with such modifications as the liquidator may deem fit in the facts and circumstances of the liquidation.
- (4) The liquidator shall keep receipts for all payments made or expenses incurred by him.

11. Engagement of professionals.

- (1) A liquidator may engage professionals to assist him in the discharge of his duties, obligations and functions for a reasonable remuneration and such remuneration shall form part of the liquidation cost.
- (2) The liquidator shall not engage a professional under sub-regulation (1) who is his relative, is a related party of the corporate person or has served as an auditor to the corporate person at any time during the five years preceding the liquidation commencement date.
- (3) A professional engaged or proposed to be engaged under sub-regulation(1) shall disclose the existence of any pecuniary or personal relationship with any of the stakeholders, or the corporate person as soon as he becomes aware of it, to the liquidator.

12. Consultation with stakeholders.

- (1) The stakeholders consulted under section 35(2) shall extend all assistance and cooperation to the liquidator to complete the liquidation of the corporate person.
- (2) The liquidator shall maintain the particulars of any consultation with the stakeholders made under this Regulation.

13. Extortionate credit transactions.

A transaction shall be considered an extortionate credit transaction under section 50(2) where the terms-

- (a) require the corporate person to make exorbitant payments in respect of the credit provided; or
- (b) are unconscionable under the principles of law relating to contracts.

14. Public announcement by the liquidator.

- (1) The liquidator shall make a public announcement in Form A of Schedule I within five days from his appointment.
- (2) The public announcement shall-

- (a) call upon stakeholders to submit their claims as on the liquidation commencement date; and
 - (b) provide the last date for submission of claim, which shall be thirty days from the liquidation commencement date.
- (3) The announcement shall be published-
- (a) in one English and one regional language newspaper with wide circulation at the location of the registered office and principal office, if any, of the corporate person and any other location where in the opinion of the liquidator, the corporate person conducts material business operations;
 - (b) on the website, if any, of the corporate person; and
 - (c) on the website, if any, designated by the Board for this purpose.

CHAPTER V **CLAIMS**

15. Proof of claim.

A person, who claims to be a stakeholder, shall prove his claim for debt or dues to him, including interest, if any, as on the liquidation commencement date.

16. Claims by operational creditors.

- (1) A person claiming to be an operational creditor of the corporate person, other than a workman or employee, shall submit proof of claim to the liquidator in person, by post or by electronic means in Form B of Schedule I.
- (2) The existence of debt due to an operational creditor under this Regulation may be proved on the basis of-
 - (a) the records available with an information utility; or
 - (b) other relevant documents which adequately establish the debt, including any of the following -
 - (i) a contract for the supply of goods or services with corporate person, supported by an invoice demanding payment for the goods and services supplied to the corporate person;
 - (ii) an order of a court or tribunal that has adjudicated upon the non-payment of a debt, if any; and
 - (iii) financial accounts of the corporate person.

17. Claims by financial creditors.

- (1) A person claiming to be a financial creditor of the corporate person shall submit proof of claim to the liquidator in electronic means in Form C of Schedule I.
- (2) The existence of debt due to the financial creditor may be proved on the basis of-
 - (a) the records available in an information utility; or
 - (b) other relevant documents which adequately establish the debt, including any or all of the following -
 - (i) a financial contract supported by financial statements as evidence of the debt;
 - (ii) a record evidencing that the amounts committed by the financial creditor to the corporate person under a facility has been drawn by the corporate person;
 - (iii) financial statements showing that the debt has not been repaid; and
 - (iv) an order of a court or tribunal that has adjudicated upon the non-payment of a debt, if any.

18. Claims by workmen and employees.

- (1) A person claiming to be a workman or an employee of the corporate person shall submit proof of claim to the liquidator in person, by post or by electronic means in Form D of Schedule I.
- (2) Where there are dues to numerous workmen or employees of the corporate person, an authorized representative may submit one proof of claim for all such dues on their behalf in Form E of Schedule I.
- (3) The existence of dues to workmen or employees may be proved by them, individually or collectively, on the basis of-
 - (a) records available in an information utility; or
 - (b) other relevant documents which adequately establish the dues, including any or all of the following -
 - (i) a proof of employment such as contract of employment for the period for which such workman or employee is claiming dues;
 - (ii) evidence of notice demanding payment of unpaid amount and any documentary or other proof that payment has not been made; and
 - (iii) an order of a court or tribunal that has adjudicated upon the non-payment of dues, if any.

- (4) The liquidator shall admit the claims of a workman or an employee on the basis of the books of account of the corporate person if such workman or employee has not made a claim.

19. Claims by other stakeholders.

- (1) A person, claiming to be a stakeholder other than those under Regulations 16, 17 or 18 shall submit proof of claim to the liquidator in person, by post or by electronic means in Form F of Schedule I.
- (2) The existence of the claim of the stakeholder may be proved on the basis of -
- (a) the records available in an information utility; or
 - (b) other relevant documents which adequately establish the claim, including any or all of the following-
 - (i) documentary evidence of notice demanding payment of unpaid amount or bank statements of the claimant showing that the claim has not been paid and an affidavit that the documentary evidence and bank statements are true, valid and genuine;
 - (ii) documentary or electronic evidence of his shareholding; and
 - (iii) an order of a court, tribunal or other authority that has adjudicated upon the non-payment of a claim, if any.

20. Proving security interest.

The existence of a security interest may be proved by a secured creditor on the basis of-

- (a) the records available in an information utility;
- (b) certificate of registration of charge issued by the Registrar of Companies;
- (c) proof of registration of charge with the Central Registry of Securitisation Asset Reconstruction and Security Interest of India; or
- (d) other relevant documents which adequately establish the security interest.

21. Production of bills of exchange and promissory notes.

Where a person seeks to prove a debt in respect of a bill of exchange, promissory note or other negotiable instrument or security of a like nature for which the corporate person is liable, such bill of exchange, note, instrument or security, as the case may be, shall be produced before the liquidator before the claim is admitted.

22. Substantiation of claims.

The liquidator may call for such other evidence or clarification as he deems fit from a claimant for substantiating the whole or part of its claim.

23. Cost of proof.

- (1) A claimant shall bear the cost of proving its claim.
- (2) Costs incurred by the liquidator for verification and determination of a claim shall form part of liquidation cost:
Provided that if a claim or part of the claim is found to be false, the liquidator shall endeavor to recover the costs incurred for verification and determination of claim from such claimant, and shall provide the details of the claimant to the Board.

24. Determination of amount of claim.

Where the amount claimed by a claimant is not precise due to any contingency or any other reason, the liquidator shall make the best estimate of the amount of the claim, based on consultation with the claimant and the corporate person and the information available with him.

25. Debt in foreign currency.

The claims denominated in foreign currency shall be valued in Indian currency at the official exchange rate as on the liquidation commencement date.

Explanation- “The official exchange rate” is the reference rate published by the Reserve Bank of India or derived from such reference rates.

26. Periodical payments.

In the case of rent, interest and such other payments of a periodical nature, a person may claim only for any amounts due and unpaid up to the liquidation commencement date.

27. Debt payable at future time.

- (1) A person may prove for a claim whose payment was not yet due on the liquidation commencement date and is entitled to distribution in the same manner as any other stakeholder.
- (2) Subject to any contract to the contrary, where a stakeholder has proved for a claim under sub-regulation (1), and the debt has not fallen due before distribution, he is entitled to distribution of the admitted claim reduced as follows-

$$X / (1+r)^n$$

where—

- (a) “X” is the value of the admitted claim;

- (b) “r” is the closing yield rate (%) of government securities of the maturity of “n” on the date of distribution as published by the Reserve Bank of India; and
- (c) “n” is the period beginning with the date of distribution and ending with the date on which the payment of the debt would otherwise be due, expressed in years and months in a decimalized form.

28. Mutual credits and set-off.

Where there are mutual dealings between the corporate person and another party, the sums due from one party shall be set off against the sums due from the other to arrive at the net amount payable to the corporate person or to the other party.

Illustration: X owes Rs.100 to the corporate person. The corporate person owes Rs.70 to X. After set off, Rs.30 is payable by X to the corporate person.

29. Verification of claims

- (1) The liquidator shall verify the claims submitted within thirty days from the last date for receipt of claims and may either admit or reject the claim, in whole or in part, as the case may be, as per section 40 of the Code.
- (2) A creditor may appeal to the Adjudicating Authority against the decision of the liquidator as per section 42 of the Code.

30. List of stakeholders.

- (1) The liquidator shall prepare a list of stakeholders on the basis of proofs of claims submitted and accepted under these Regulations, with-
 - (a) the amounts of claim admitted, if applicable,
 - (b) the extent to which the debts or dues are secured or unsecured, if applicable,
 - (c) the details of the stakeholders, and
 - (d) the proofs admitted or rejected in part, and the proofs wholly rejected.
- (2) The liquidator shall prepare the list of stakeholders within forty-five days from the last date for receipt of claims.
- (3) The list of stakeholders, as modified from time to time, shall be-
 - (a) available for inspection by the persons who submitted proofs of claim;
 - (b) available for inspection by members, partners, directors and guarantors of the corporate person;

- (c) displayed on the website, if any, of the corporate person;
- (d) displayed on the website, if any, designated by the Board for this purpose.

CHAPTER VI **REALISATION OF ASSETS**

31. Manner of sale.

The liquidator may value and sell the assets of the corporate person in the manner and mode approved by the corporate person in compliance with provisions, if any, in the applicable statute.

Explanation: “assets” include an asset, all assets, a set of assets or parcel of assets, as the case may be, in relation to sale of assets.

32. Recovery of monies due.

The liquidator shall endeavor to recover and realize all assets of and dues to the corporate person in a time-bound manner for maximization of value for the stakeholders.

33. Liquidator to realize uncalled capital or unpaid capital contribution.

- (1) The liquidator shall realize any amount due from any contributory to the corporate person.
- (2) Notwithstanding any charge or encumbrance on the uncalled capital of the corporate person, the liquidator shall be entitled to call and realize the uncalled capital of the corporate person and to collect the arrears if any due on calls made prior to the liquidation commencement date, by providing a notice to the contributory to make the payments within fifteen days from the receipt of the notice, but shall hold all moneys so realized subject to the rights, if any, of the holder of any such charge or encumbrance.
- (3) No distribution shall be made to a contributory, unless he makes his contribution to the uncalled or unpaid capital as required in the constitutional documents of the corporate person.

CHAPTER VII **PROCEEDS OF LIQUIDATION AND DISTRIBUTION OF PROCEEDS**

34. All money to be paid in to bank account.

- (1) The liquidator shall open a bank account in the name of the corporate person followed by the words ‘in voluntary liquidation’, in a scheduled bank, for the receipt of all moneys due to the corporate person.
- (2) The liquidator shall pay to the credit of the bank account opened under sub-regulation (1) all moneys, including cheques and demand drafts received by him

as the liquidator of the corporate person, and the realizations of each day shall be deposited into the bank account without any deduction not later than the next working day.

- (3) The money in the credit of the bank account shall not be used except in accordance with section 53(1).
- (4) All payments out of the account by the liquidator above five thousand rupees shall be made by cheques drawn or online banking transactions against the bank account.

35. Distribution.

- (1) The liquidator shall distribute the proceeds from realization within six months from the receipt of the amount to the stakeholders.
- (2) The liquidation costs shall be deducted before such distribution is made.
- (3) The liquidator may, with the approval of the corporate person, distribute amongst the stakeholders, an asset that cannot be readily or advantageously sold due to its peculiar nature or other special circumstances.

36. Return of money.

A stakeholder shall forthwith return any monies received by him in distribution, which he was not entitled to at the time of distribution, or subsequently became not entitled to.

37. Completion of liquidation.

- (1) The liquidator shall endeavor to complete the liquidation process of the corporate person within twelve months from the liquidation commencement date.
- (2) In the event of the liquidation process continuing for more than twelve months, the liquidator shall-
 - (a) hold a meeting of the contributories of the corporate person within fifteen days from the end of the twelve months from the liquidation commencement date, and at the end every succeeding twelve months till dissolution of the corporate person; and
 - (b) shall present an Annual Status Report(s) indicating progress in liquidation, including-
 - (i) settlement of list of stakeholders,
 - (ii) details of any assets that remains to be sold and realized,
 - (iii) distribution made to the stakeholders, and

- (iv) distribution of unsold assets made to the stakeholders;
 - (v) developments in any material litigation, by or against the corporate person; and
 - (vi) filing of, and developments in applications for avoidance of transactions in accordance with Chapter III of Part II of the Code.
- (3) The Annual Status Report shall enclose the audited accounts of the liquidation showing the receipts and payments pertaining to liquidation since the liquidation commencement date.

38. Final Report.

- (1) On completion of the liquidation process, the liquidator shall prepare the Final Report consisting of -
- (a) audited accounts of the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date; and
 - (b) a statement demonstrating that-
 - (i) the assets of the corporate person has been disposed of;
 - (ii) the debt of the corporate person has been discharged to the satisfaction of the creditors;
 - (iii) no litigation is pending against the corporate person or sufficient provision has been made to meet the obligations arising from any pending litigation.
 - (c) a sale statement in respect of all assets containing -
 - (i) the realized value;
 - (ii) cost of realization, if any;
 - (iii) the manner and mode of sale;
 - (iv) 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;
 - (v) the person to whom the sale is made; and
 - (vi) any other relevant details of the sale.
- (2) The liquidator shall send the Final Report forthwith, to the Registrar and the Board.

- (3) The liquidator shall submit the Final Report to the Adjudicating Authority along with the application under section 59(7).

39. Unclaimed proceeds of liquidation or undistributed assets.

- (1) Before the order of dissolution is passed under section 59(8), the liquidator shall apply to the Adjudicating Authority for an order to pay into the Companies Liquidation Account in the Public Account of India any unclaimed proceeds of liquidation or undistributed assets or any other balance payable to the stakeholders in his hands on the date of the order of dissolution.
- (2) Any liquidator who retains any money which should have been paid by him into the Companies Liquidation Account under this Regulation shall pay interest on the amount retained at the rate of twelve per cent per annum, and also pay such penalty as may be determined by the Board.
- (3) The liquidator shall, when making any payment referred to in sub-regulation (1), furnish to the Registrar and the Board, a statement setting forth the nature of the sums included, the names and last known addresses of the stakeholders entitled to participate therein, the amount to which each is entitled to and the nature of their claim.
- (4) The liquidator shall be entitled to a receipt from the Reserve Bank of India for any money paid to it under sub-regulation (2), and such receipt shall be an effectual discharge of the liquidator in respect thereof.
- (5) A person claiming to be entitled to any money paid into the Companies Liquidation Account may apply to the Board for an order for payment of the money claimed; which may, if satisfied that such person is entitled to the whole or any part of the money claimed, make an order for the payment to that person of the sum due to him, after taking such security from him as it may think fit.
- (6) Any money paid into the Companies Liquidation Account in pursuance of this Regulation, which remains unclaimed thereafter for a period of fifteen years shall be transferred to the general revenue account of the Central Government.

40. Detection of Fraud or Insolvency

- (1) Where the liquidator is of the opinion that the liquidation is being done to defraud a person, he shall make an application to the Adjudicatory Authority to suspend the process of liquidation and pass any such orders as it deems fit.
- (2) Where the liquidator is of the opinion that the corporate person will not be able to pay its debts in full from the proceeds of assets to be sold in the liquidation, he shall make an application to the Adjudicating Authority to suspend the process of liquidation and pass any such orders as it deems fit.

41. Preservation of records.

The liquidator shall preserve a physical or an electronic copy of the reports, registers and books of account referred to in Regulations 8 and 10 for at least eight years after the dissolution of the corporate person, either with himself or with an information utility.

**SCHEDULE I
FORM A
PUBLIC ANNOUNCEMENT**

(Regulation 14 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017)

FOR THE ATTENTION OF THE STAKEHOLDERS OF [Name of Corporate person]

1.	NAME OF CORPORATE PERSON	
2.	DATE OF INCORPORATION OF CORPORATE PERSON	
3.	AUTHORITY UNDER WHICH CORPORATE PERSON IS INCORPORATED/ REGISTERED	
4.	CORPORATE IDENTITY NUMBER / LIMITED LIABILITY IDENTITY NUMBER OF CORPORATE PERSON	
5.	ADDRESS OF THE REGISTERED OFFICE AND PRINCIPAL OFFICE (IF ANY) OF CORPORATE PERSON	
6.	LIQUIDATION COMMENCEMENT DATE OF CORPORATE PERSON	
7.	NAME, ADDRESS, EMAIL ADDRESS, TELEPHONE NUMBER AND THE REGISTRATION NUMBER OF THE LIQUIDATOR	
8.	LAST DATE FOR SUBMISSION OF CLAIMS	

Notice is hereby given that the [name of the corporate person] has commenced voluntary liquidation on [liquidation commencement date].

The stakeholders of [name of the corporate person] are hereby called upon to submit a proof of their claims, on or before ³[insert the date falling thirty days from the liquidation commencement date], to the liquidator at the address mentioned against item 7.

The financial creditors shall submit their proof of claims by electronic means only. All other stakeholders may submit the proof of claims in person, by post or by electronic means.

Submission of false or misleading proofs of claim shall attract penalties.

Name and Signature of the Liquidator:

Date and Place:

³ Substituted by Notification No. IBBI/2019-20/GN/REG039, dated 15th January, 2019 (w.e.f. 15-01-2019). The words, before substitution stood as under:

“insert the date falling thirty days after the liquidation commencement date”.

FORM B

PROOF OF CLAIM BY OPERATIONAL CREDITORS EXCEPT WORKMEN AND EMPLOYEES

(Under Regulation 16 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017)

[Date]

To
The Liquidator
[Name of the Liquidator]
[Address as set out in the public announcement]

From
[Name and address of the operational creditor]

Subject: Submission of proof of claim in respect of the voluntary liquidation of [name of corporate person] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

[Name of the operational creditor] hereby submits this proof of claim in respect of the voluntary liquidation of [name of corporate person]. The details for the same are set out below:

1.	NAME OF OPERATIONAL CREDITOR (IF AN INCORPORATED BODY PROVIDE IDENTIFICATION NUMBER AND PROOF OF INCORPORATION, IF A PARTNERSHIP OR INDIVIDUAL PROVIDE IDENTIFICATION RECORDS* OF ALL THE PARTNERS OR THE INDIVIDUAL)	
2.	ADDRESS OF OPERATIONAL CREDITOR FOR CORRESPONDENCE	
3.	TOTAL AMOUNT OF CLAIM, INCLUDING ANY INTEREST, AS AT VOLUNTARY LIQUIDATION PROCESS COMMENCEMENT DATE AND DETAILS OF NATURE OF CLAIM	
4.	DETAILS OF ANY DISPUTE AS WELL AS THE RECORD OF PENDENCY OF SUIT OR ARBITRATION PROCEEDINGS	
5.	DETAILS OF HOW AND WHEN DEBT INCURRED	
6.	DETAILS OF ANY MUTUAL CREDIT, MUTUAL DEBTS, OR OTHER MUTUAL DEALINGS BETWEEN THE CORPORATE PERSON AND THE OPERATIONAL CREDITOR WHICH MAY BE SET-OFF AGAINST THE CLAIM	
7.	DETAILS OF ANY RETENTION OF TITLE IN RESPECT OF GOODS OR PROPERTIES TO WHICH THE DEBT REFERS OR ANY OTHER SECURITY	

8.	DETAILS OF ANY ASSIGNMENT OR TRANSFER OF DEBT IN HIS FAVOUR	
9.	DETAILS OF THE BANK ACCOUNT TO WHICH THE OPERATIONAL CREDITOR'S SHARE OF THE PROCEEDS OF LIQUIDATION CAN BE TRANSFERRED	
10.	LIST OUT AND ATTACH THE DOCUMENTS RELIED ON IN SUPPORT OF THE CLAIM.	

Signature of operational creditor or person authorised to act on his behalf (Please enclose the authority if this is being submitted on behalf of the operational creditor)	
Name in BLOCK LETTERS	
Position with or in relation to creditor	
Address of person signing	

*PAN, Passport, AADHAAR Card or the identity card issued by the Election Commission of India.

AFFIDAVIT

I, [*name of deponent*], currently residing at [*address of deponent*], do solemnly affirm and state as follows:

1. The above named corporate person was, at liquidation commencement date, that is, the _____ day of _____ 20____ and still is, justly and truly indebted to me [or to me and [*insert name of co-partners*], my co-partners in trade, or, as the case may be] for a sum of Rs. _____ for _____ [*please state consideration*].

2. In respect of my claim of the said sum or any part thereof, I have relied on and the documents specified below:
[*Please list out the documents relied on as evidence of debt.*]

3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.

4. In respect of the said sum or any part thereof, I have not, nor have my partners or any of them, nor has any person, by my/our order, to my/our knowledge or belief,

for my/ our use, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate person and the operational creditor which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20_____

Before me,

Notary / Oath Commissioner

Deponent's signature

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ___ to ___ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

Verified at _____ on this _____ day of _____ 201_____

Deponent's signature

FORM C
PROOF OF CLAIM BY FINANCIAL CREDITORS

(Under Regulation 17 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017)

[Date]

To
The Liquidator
[Name of the Liquidator]
[Address as set out in the public announcement]

From
[Name and address of the registered office and principal office of the financial creditor]

Subject: Submission of proof of claim in respect of the voluntary liquidation of [name of corporate person] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

[Name of the financial creditor] hereby submits this proof of claim in respect of the voluntary liquidation of [name of corporate person]. The details for the same are set out below:

1.	NAME OF FINANCIAL CREDITOR (IF AN INCORPORATED BODY PROVIDE IDENTIFICATION NUMBER AND PROOF OF INCORPORATION, IF A PARTNERSHIP OR INDIVIDUAL PROVIDE IDENTIFICATION RECORDS* OF ALL THE PARTNERS OR THE INDIVIDUAL)	
2.	ADDRESS AND EMAIL OF FINANCIAL CREDITOR FOR CORRESPONDENCE.	
3.	TOTAL AMOUNT OF CLAIM, INCLUDING ANY INTEREST, AS AT THE LIQUIDATION COMMENCEMENT DATE AND DETAILS OF NATURE OF CLAIM (WHETHER TERM LOAN, SECURED, UNSECURED)	
4.	DETAILS OF ANY ORDER OF A COURT OF TRIBUNAL THAT HAS ADJUDICATED ON THE NON-PAYMENT OF DEBT	
5.	DETAILS OF HOW AND WHEN DEBT INCURRED	
6.	DETAILS OF ANY MUTUAL CREDIT, MUTUAL DEBTS, OR OTHER MUTUAL DEALINGS BETWEEN THE CORPORATE PERSON AND THE FINANCIAL CREDITOR WHICH MAY BE SET-OFF AGAINST THE CLAIM	
7.	DETAILS OF ANY SECURITY HELD, THE VALUE OF THE SECURITY, AND THE DATE IT WAS GIVEN	

8.	DETAILS OF ANY ASSIGNMENT OR TRANSFER OF DEBT IN HIS FAVOUR	
9.	DETAILS OF THE BANK ACCOUNT TO WHICH THE FINANCIAL CREDITOR'S SHARE OF THE PROCEEDS OF LIQUIDATION CAN BE TRANSFERRED	
10.	LIST OUT AND ATTACH THE DOCUMENTS BY REFERENCE TO WHICH THE DEBT CAN BE SUBSTANTIATED AND IN SUPPORT OF THE CLAIM.	

Signature of financial creditor or person authorised to act on his behalf (please enclose the authority if this is being submitted on behalf a financial creditor)	
Name in BLOCK LETTERS	
Position with or in relation to creditor	
Address of person signing	

*PAN, Passport, AADHAAR Card or the identity card issued by the Election Commission of India.

AFFIDAVIT

I, [*name of deponent*], currently residing at [*address of deponent*], do solemnly affirm and state as follows:

1. The above named corporate person was, at the voluntary liquidation commencement date, that is, the _____ day of _____ 20____ and still is, justly and truly indebted to me [or to me and [*insert name of co-partners*], my co-partners in trade, or, as the case may be] for a sum of Rs. _____ for [*please state consideration*].

2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:
[*Please list the documents relied on as evidence of debt and of non-payment.*]

3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.

4. In respect of the said sum or any part thereof, I have not, nor have my partners or any of them, nor has any person, by my/our order, to my/our knowledge or belief,

for my/ our use, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate person and the financial creditor which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20____

Before me,

Notary / Oath Commissioner.

Deponent's signature.

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ___ to ___ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

Verified at _____ on this _____ day of _____ 201____.

Deponent's signature.

FORM D
PROOF OF CLAIM BY A WORKMAN OR EMPLOYEE

(Under Regulation 18(1) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017)

[Date]

To
The Liquidator
[Name of the Liquidator]
[Address as set out in public announcement]

From
[Name and address of the workman / employee]

Subject: Submission of proof of claim in respect of voluntary liquidation of (Name of corporate person) under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

[Name of the workman / employee], hereby submits this proof of claim in respect of the voluntary liquidation of [name of corporate person]. The details for the same are set out below:

1.	NAME OF WORKMAN / EMPLOYEE	
2.	PAN, PASSPORT, THE IDENTITY CARD ISSUED BY THE ELECTION COMMISSION OF INDIA OR AADHAAR CARD OF WORKMAN / EMPLOYEE	
3.	ADDRESS AND EMAIL ADDRESS (IF ANY) OF WORKMAN / EMPLOYEE FOR CORRESPONDENCE	
4.	TOTAL AMOUNT OF CLAIM (INCLUDING ANY INTEREST AS AT THE VOLUNTARY LIQUIDATION COMMENCEMENT DATE)	
5.	DETAILS OF ANY DISPUTE AS WELL AS THE RECORD OF PENDENCY OR ORDER OF SUIT OR ARBITRATION PROCEEDINGS	
6.	DETAILS OF HOW AND WHEN CLAIM AROSE	
7.	DETAILS OF ANY MUTUAL CREDIT, MUTUAL DEBTS, OR OTHER MUTUAL DEALINGS BETWEEN THE CORPORATE PERSON AND THE WORKMAN / EMPLOYEE WHICH MAY BE SET-OFF AGAINST THE CLAIM	
8.	DETAILS OF THE BANK ACCOUNT TO WHICH THE WORKMAN / EMPLOYEE'S SHARE OF THE PROCEEDS OF LIQUIDATION CAN BE TRANSFERRED	
9.	LIST OUT AND ATTACH THE DOCUMENTS BY REFERENCE TO WHICH THE DEBT CAN BE SUBSTANTIATED AND RELIED ON IN SUPPORT OF THE CLAIM.	

Signature of workman / employee or person authorised to act on his behalf [Please enclose the authority if this is being submitted on behalf of an operational creditor]
Name in BLOCK LETTERS
Position with or in relation to creditor
Address of person signing

AFFIDAVIT

I, [name of deponent], currently residing at [insert address], do solemnly affirm and state as follows:

1. [Name of corporate person], the corporate person was, at the liquidation commencement date, that is, the _____ day of _____ 20__, justly and truly indebted to me for a sum of Rs. [insert amount of claim].

2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:

[Please list the documents relied on as evidence of claim]

The said documents are true, valid and genuine to the best of my knowledge, information and belief.

3. In respect of the said sum or any part thereof, I have not nor has any person, by my order, to my knowledge or belief, for my use, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate person and the workman / employee which may be set-off against the claim.]

Solemnly, affirmed at [insert place] on _____ day, the _____ day of _____ 20_____

Before me,

Notary/ Oath Commissioner
Deponent's signature

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of paragraph ___ to ___ of this affidavit are true and correct to my knowledge and belief and no material facts have been concealed therefrom.

Verified at _____ on this _____ day of _____ 201__

Deponent's signature.

FORM E

PROOF OF CLAIM BY AUTHORISED REPRESENTATIVE OF WORKMEN OR EMPLOYEES

(Under Regulation 18(2) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017)

[Date]

To

The Liquidator

[Name of the Liquidator]

[Address as set out in the public announcement]

From

[Name and address of the authorised representative of workmen/ employees]

Subject: Submission of proof of claim in respect of the voluntary liquidation of [name of corporate person] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

I, [name of duly authorised representative of the workmen/ employees] currently residing at [address of duly authorised representative of the workmen/ employees], on behalf of the workmen and employees employed by the above named corporate person, solemnly affirm and say:

1. That the abovenamed corporate person was, on the voluntary liquidation commencement date, that is, the _____ day of _____ 20 ____ and still is, justly truly indebted to the several persons whose names, addresses, and descriptions appear in the Annexure below for amounts severally set against their names in such Annexure for wages, remuneration and other amounts due to them respectively as workmen or/ and employees in the employ of the corporate person in respect of services rendered by them respectively to the corporate person during such periods as are set out against their respective names in the said Annexure.
2. That for which said sums or any part thereof, they have not, nor has any of them, had or received any manner of satisfaction or security whatsoever, save and except the following:
[Please state details of any mutual credits, mutual debts, or other mutual dealings between the corporate person and the workmen / employees which may be set-off against the claim.]

Signature :

ANNEXURE

1. Particulars of how dues were incurred by the corporate person, including particulars of any dispute as well as the record of pendency of suit or arbitration proceedings.
2. Particulars of any mutual credit, mutual debts, or other mutual dealings between the corporate person and the workmen / employee which may be set-off against the claim.
3. Please list out and attach the documents relied on to prove the claim.

1. Details of Employees/ Workmen

S No.	NAME OF EMPLOYEE/ WORKMEN	IDENTIFICATION NUMBER (PAN/, PASSPORT NUMBER/, AADHAAR NO. / ID CARD ISSUED BY THE ELECTION COMMISSION AND EMPLOYEE NO.,IF ANY	TOTAL AMOUNT DUE AND DETAILS ON NATURE OF CLAIM	PERIOD OVER WHICH AMOUNT DUE	DETAILS OF EVIDENCE OF DEBT INCLUDING EMPLOYMENT CONTRACTS AND OTHER PROOFS
1.					
2.					
3.					

AFFIDAVIT

I,[insert full name, address and occupation of deponent] do solemnly affirm and state as follows:

1. The above named corporate person was, at the liquidation commencement date that is, the _____ day of _____ 20__ and still is, justly and truly indebted to the

workmen and employees for a sum of Rs. _____ for _____ [*please state the nature and duration of employment*].

2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:

[Please list the documents relied on as evidence of proof]

3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.

4. In respect of the said sum or any part thereof, the workmen / employees have not, nor has any person, by my order, to my knowledge or belief, for my use, had or has received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate person and the workmen / employees which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20____

Before me,

Notary / Oath Commissioner.

Deponent's signature

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ___ to ___ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

Verified at _____ on this _____ day of _____ 201____

Deponent's signature

FORM F
PROOF OF CLAIM BY ANY OTHER STAKEHOLDER

(Under Regulation 19 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017)

[Date]

To
The Liquidator
[Name of the Liquidator]
[Address as set out in the public announcement]

From
[Name and address of the other stakeholder]

Subject: Submission of proof of claim in respect of the voluntary liquidation of [name of corporate person] under the Insolvency and Bankruptcy Code, 2016.

Madam/Sir,

[Name of the stakeholder] hereby submits this proof of claim in respect of the liquidation in the case of [name of corporate person]. The details for the same are set out below:

1.	NAME OF STAKE-HOLDER (IF AN INCORPORATED BODY PROVIDE IDENTIFICATION NUMBER AND PROOF OF INCORPORATION. IF A PARTNERSHIP OR INDIVIDUAL PROVIDE IDENTIFICATION RECORDS* OF ALL THE PARTNERS OR THE INDIVIDUAL)	
2.	ADDRESS AND EMAIL OF THE STAKEHOLDER FOR CORRESPONDENCE.	
3.	TOTAL AMOUNT OF CLAIM, INCLUDING ANY INTEREST AS AT LIQUIDATION COMMENCEMENT AND DETAILS OF NATURE OF CLAIM	
4.	DETAILS OF HOW AND WHEN CLAIM AROSE	
5.	DETAILS OF ANY MUTUAL CREDIT, MUTUAL DEBTS, OR OTHER MUTUAL DEALINGS BETWEEN THE CORPORATE PERSON AND THE OTHER STAKEHOLDER WHICH MAY BE SET-OFF AGAINST THE CLAIM	

6.	DETAILS OF ANY RETENTION OF TITLE IN RESPECT OF GOODS OR PROPERTIES TO WHICH THE CLAIM REFERS	
7.	DETAILS OF ANY ASSIGNMENT OR TRANSFER OF DEBT IN HIS FAVOUR	
8.	DETAILS OF THE BANK ACCOUNT TO WHICH THE OTHER STAKEHOLDER'S SHARE OF THE PROCEEDS OF LIQUIDATION CAN BE TRANSFERRED	
9.	LIST OUT AND ATTACH THE DOCUMENTS BY REFERENCE TO WHICH THE CLAIM CAN BE SUBSTANTIATED OR WHICH CAN BE RELIED UPON IN SUPPORT OF THE CLAIM.	

Signature of stakeholder or person authorised to act on his behalf (Please enclose the authority if this is being submitted on behalf of the other stakeholder)
Name in BLOCK LETTERS
Position with or in relation to creditor
Address of person signing

*PAN, Passport, AADHAAR Card or the identity card issued by the Election Commission of India.

AFFIDAVIT

I, *[insert full name, address and occupation of deponent to be given]* do solemnly affirm and state as follows:

1. The above named corporate person was, at the liquidation commencement date, that is, the _____ day of _____ 20__ and still is, justly and truly indebted to me [or to me and *[insert name of co-partner]*, my co-partners in trade, or, as the case may be,] for a sum of Rs. _____ for _____ *[please state consideration]*.

2. In respect of my claim of the said sum or any part thereof, I have relied on the documents specified below:

[Please list the documents relied on as evidence of proof.]

3. The said documents are true, valid and genuine to the best of my knowledge, information and belief.

4. In respect of the said sum or any part thereof, I have not, nor have my partners or any of them, nor has any person, by my/our order, to my/our knowledge or belief, for my/ our use, had or received any manner of satisfaction or security whatsoever, save and except the following:

[Please state details of any mutual credit, mutual debts, or other mutual dealings between the corporate person and the other stakeholder which may be set-off against the claim.]

Solemnly, affirmed at _____ on _____ day, the _____ day of _____ 20____

Before me,

Notary / Oath Commissioner.

Deponent's signature.

VERIFICATION

I, the Deponent hereinabove, do hereby verify and affirm that the contents of para ____ to __ of this affidavit are true and correct to my knowledge and belief. Nothing is false and nothing material has been concealed therefrom.

Verified at _____ on this _____ day of _____ 201__

Deponent's signature.

SCHEDULE II

(Under Regulation 10 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017)

The formats contained in this Schedule are indicative in nature, and the liquidator may make such modifications to them as he deems fit in view of the facts and circumstances of the liquidation.

CASH BOOK

Name of Corporate person.....(in liquidation)

Date	Particulars	Ledger Folio No.	Receipt				Payments				Balance		
			Voucher No.	Cash	Bank	Total	Voucher No.	Cash	Bank	Total	Cash	Bank	Total
1	2	3	4	5	6	7	8	9	10	11	12	13	14

Under column 'particulars', the head of account to which the entry relates to should be indicated so that the entry may be posted under the proper head in the General Ledger.

GENERAL LEDGER

Name of Corporate person.....(in liquidation)

.....(Head of account)

Date	Particulars	Dr. (Rs.)	Cr. (Rs.)	Balance (Rs.)
1	2	3	4	5

Instructions:

1. A General Ledger should be maintained with such heads of account as the liquidator may think necessary and appropriate. The following heads of account may be found suitable:

- (1) Asset account
- (2) Investments account
- (3) Book Debts and Outstandings account
- (4) Calls
- (5) Rent Collected/rent receivable

- (6) Interest on Securities and Deposits
- (7) Advances received
- (8) Miscellaneous receipts payments
- (9) Establishment
- (10) Legal charges
- (11) Rents, Rates and Taxes payable
- (12) Fees and Commission account
- (13) Other expenses
- (14) Suspense account
- (15) Secured creditors
- (16) Dividend account.

2. The entries in the General Ledger should be posted from the Cash Book.

3. The total of the debit balances and the total of the credit balances of the several heads of account in the General Ledger should agree, after taking into consideration the cash and bank balances as shown in the Cash Book. The totals should be tallied once a month.

BANK LEDGER

Corporate person's (in voluntary liquidation) account with the Scheduled Bank

<i>Date</i>	<i>Particulars</i>	<i>Deposits</i>		<i>Withdrawals</i>		<i>Balance</i>
		<i>Challan Number</i>	<i>Rs.</i>	<i>Cheque Number</i>	<i>Rs.</i>	<i>Rs.</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>

REGISTER OF ASSETS

<i>Sl. No.</i>	<i>Description of assets</i>	<i>Date of taking possession</i>	<i>Serial number of Sales Register</i>	<i>Date of sale</i>	<i>Date of realization</i>	<i>Amount</i>	<i>Remarks</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
1.							
2.							

Instructions:

1. All the assets of the corporate person except the liquidator's investments in securities and outstanding to be realized should be entered in this Register.

SECURITIES AND INVESTMENTS REGISTER

<i>Sl. No.</i>	<i>Petition number and name of the corporate person</i>	<i>Date of investment</i>	<i>Nature and particulars of security in which investment is made</i>	<i>Amount Invested (Rs.)</i>	<i>Dividend or interest received with date of receipt (Rs.)</i>	<i>Date of disposal</i>	<i>Remarks</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
1.							
2.							

REGISTER OF BOOK DEBTS AND OUTSTANDINGS

<i>Sl. No.</i>	<i>Name and address of debtor</i>	<i>Particulars of debt</i>	<i>Amount due (Rs.)</i>	<i>Date of bar by limitation</i>	<i>Amount realized (Rs.)</i>	<i>Action taken</i>	<i>Date of realization</i>	<i>Reference to Suits Register</i>	<i>Remarks</i>
<i>1.</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>
1.									
2.									
3.									

Instructions:

1. All debts due to the corporate person, both secured and unsecured, including amounts due for arrears of calls made prior to the liquidation, should be entered in this Register.

TENANTS LEDGER

1. Description of assets:
2. Name and address of tenant:
3. Date of tenancy:
4. Period of tenancy:
5. Rent (monthly or annual):
6. Special terms, if any:
7. Arrears on date of taking charge of assets:
8. Advance received, if any:

<i>Month</i>	<i>Demand</i>	<i>Realization</i>	<i>Balance</i>	<i>Remarks</i>

	<i>Amount (Rs.)</i>	<i>Date</i>	<i>Amount (Rs.)</i>	<i>Amount (Rs.)</i>	
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>
January					
February					

SUITS REGISTER

<i>Sl. No.</i>	<i>Nu mb er of suit or ap peal an d cou rt</i>	<i>Nam e and addr ess of plain tiff/ appel lant and his advo cate</i>	<i>Name and adres s of defend ant/ respon dent and his advoc ate</i>	<i>Amo unt of clai m</i>	<i>Da te of fili ng</i>	<i>Date s of hear ing</i>	<i>Dat e of dec ree or fina l ord er</i>	<i>Natu re of relie f gran ted</i>	<i>Amo unt decr eed</i>	<i>Cost s decr eed</i>	<i>Referen ce to Decree Registe r</i>	<i>Re mar ks</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>	<i>12</i>	<i>13</i>
1.												
2.												

Instructions:

1. Applications made by or against the corporate person which are in the nature of suits should also be entered in this Register.

DECREE REGISTER

<i>Number of suit or appeal and court</i>	<i>Name and address of judg- ment debtor</i>	<i>Amoun t Decree (Rs.)</i>	<i>Date of decree</i>	<i>Action taken</i>	<i>Amount realized (Rs.)</i>	<i>Date of realisa - tion</i>	<i>Referenc e to Suits Register</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>
1.							
2.							

Instructions:

1. The purpose of the Register is to enable the liquidator to keep watch on the progress of the realization of decrees in favor of the corporate person in his charge.
2. Every decree or order for payment of money or delivery of assets in favor of the corporate person including an order for payment of costs whether made in a suit, appeal or application, should be entered in this Register.

REGISTER OF CLAIMS AND DISTRIBUTIONS

<i>Claims</i>						<i>Distributions declared and paid</i>									<i>Remarks</i>
<i>Sl. No.</i>	<i>Name and Address of creditor</i>	<i>Amount claimed (Rs.)</i>	<i>Nature of claim (Rs.)</i>	<i>Amount admitted (Rs.)</i>	<i>Whether order preliminary</i>	<i>Date</i>	<i>Amount due</i>	<i>Date of payment</i>	<i>Rate</i>	<i>Amount</i>	<i>Date</i>	<i>Rate</i>	<i>Amount</i>	<i>Date</i>	
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>	<i>12</i>	<i>13</i>	<i>14</i>	<i>15</i>	<i>16</i>
1.															
2.															

Instructions:

1. Only claims admitted either wholly or in part should be entered in this Register.
2. The page on the left side should be reserved for claims and the page on the right side for Distributions.

CONTRIBUTORY'S LEDGER

Sl. No.	Name and address of contributory	Number of shares or extent of interest held, and amount paid thereon	Calls			Remarks	Returns of share capital			Remarks
			First call		2 nd call/ 3 rd call (Repeat columns as under first call)		Date of return	Date of Payment	Amount paid (Rs.)	
			Date of call and amount paid	Amount paid and date of payment						
1	2	3	4	5	6 to 9	10	11	12	13	14
1.										
2.										

Instructions:

Only contributories settled on the list should be entered in this Register and they should be entered in the same order as in the list.

DISTRIBUTIONS REGISTER

Date on which distribution is made:

Total amount payable in this round of distribution:

Date	Number on list of stakeholders	Particulars	Receipts	Payments
1	2	3	4	5
1.				
2.				

Instructions:

1. Separate pages should be set apart for preferential and ordinary distributions.
2. The payments should be entered as and when they are made. Any amount which is returned unpaid should be re-entered in the account under 'Receipts'.
3. The number in column 2 should be the number of the stakeholders in the list of stakeholders as finally settled.
4. The total amount of unclaimed distribution payable into the Public Account of India, and the amount paid into the Bank with the date of payment, should be shown at the end of the account.

FEE REGISTER

<i>Amount realized on which fee are payable</i>	<i>Amount distributed on which fee are payable</i>	<i>Fee payable on the amounts in the two preceding columns</i>	<i>Total fee payable</i>	<i>Date of payment</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>5</i>	<i>6</i>
1.				
2.				

Instructions:

1. There should be a fresh opening for each year.
2. The fees due to the liquidator should be entered in the Register as soon as the audit of the account for a quarter is completed.

SUSPENSE REGISTER

<i>Date</i>	<i>Particulars</i>	<i>Debit (Rs.)</i>	<i>Credit(Rs.)</i>	<i>Balance (Rs.)</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
1.				
2.				

Instructions:

1. Advances made by the liquidator to any person should be entered in this Register.
2. There should be a separate opening for each person.

DOCUMENTS REGISTER

<i>Sl. No.</i>	<i>Description of document</i>	<i>Date of receipt</i>	<i>From whom received</i>	<i>Reference number of shelf in which document is kept</i>	<i>How disposed of</i>	<i>Remarks</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
1.						
2.						

Instruction: All documents of title like title-deeds, shares, promissory notes, etc., should be entered in this Register.

BOOKS REGISTER

<i>Date</i>	<i>From whom received</i>	<i>Serial Number</i>	<i>Description of books, including files</i>	<i>Shelf number</i>	<i>How disposed of</i>	<i>Remarks</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
1.						
2.						

Instruction: All books and files of the corporate person which come into the hands of the liquidator should be entered in this Register.

REGISTER OF UNCLAIMED DIVIDENDS AND UNDISTRIBUTED ASSETS DEPOSITED

<i>Sl. No.</i>	<i>Name of person entitled to the dividend or return</i>	<i>Whether Creditor or Contributory</i>	<i>Number on list of stakeholders</i>	<i>Date of declaration of dividend or return</i>	<i>Rate of dividend or return</i>	<i>Total amount payable (Rs.)</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>
1.						
2.						

Dr. M.S. Sahoo
Chairperson
Insolvency and Bankruptcy Board of India

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU

BENCH AT BENGALURU

CA No. _____/2017

Sl No. _____

Advocate/Practising Professional
THIRUPAL GORIGE
Practising Company Secretary
And Insolvency Professional
7th Main, N S. Palya, BTM 2nd Stage,
Bangalore-560076, India
Cell +91 94483 84064
LL +91 80 40971818 / 65322360

Between

.....
CIN:.....
Address.....
.....
.....

**And
Nil**

Sl. NO.	Description of paper presented	Court Fee affixed on paper
01	Application as per Section 59 of the Insolvency and Bankruptcy Code, 2016	
	Total	

No of copies furnished: 3

other side served:

Presented By:

THIRUPAL GORIGE

Practicing Company Secretary

Received paper with court

Fee labels as above

Advocate's Clerk

Receiving Clerk

Date:

Bengaluru

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU
BENCH AT BENGALURU**

**IN THE MATTER OF SECTIONS 59 OF THE INSOLVENCY AND
BANKRUPTCY CODE, 2016**

AND

IN THE MATTER OF PRIVATE LIMITED

(In Member's Voluntary Liquidation)

COMPANY APPLICATION NO. _____ OF 2017

.....**PRIVATE LIMITED**

(CIN:.....)

.....

.....

SYNOPSIS

..... Private Limited (the Company), the Applicant Company was incorporated on November 4, 1999 under the provisions of the Companies Act, 1956 with object to carry on the business of broking in finance and securities of all types including shares, stocks, bonds, debentures, units, mortgages and to buy, sell, acquire, hold, hypothecate or otherwise deal in securities including shares, stocks, futures and options derivatives bonds, debentures, units, mortgages of any kind issued or guaranteed by any persons including companies, corporations, governments, financial institutions, mutual funds, trust or local bodies and to carry on and undertake the business of custodian services, internet and web based trading of physical and electronic holdings of stocks and securities. Presently, the Authorised Share Capital of the Company is Rs. 50,00,000/- (Rupees Fifty Lakhs only) divided into 5,00,000 (Five Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each. The issued, subscribed and paid-up share capital of the Company is Rs. 46,53,000/- (Rupees Forty Six Lakhs Fifty Three Thousand only) consisting of 4,65,300 (Four Lakhs Sixty Five Thousand Three Hundred) equity shares of Rs. 10/- (Rupees Ten only).

Form preceding two years, the Company is not carrying any business and not earning any profits except the income from investments. The Board of Directors of the Company in their

Meeting held on June 19, 2017 considered the matter and was of the opinion that due to non-availability of business prospect and long term financial resources it was not financial viable to carry on the business activities of the Company and proposed to close down the company by way of voluntary liquidation and passed a proposal to liquidate the Company voluntarily. As required under the provisions of Section 59 of the Insolvency and Bankruptcy Code, 2016, Mr. Divakar Elakyara Valappil and Mr. Mr. Jidesh Chandroth, being majority of Directors, made a declaration of solvency on June 19, 2017. The declaration by majority of Directors along with audited financial statements and record of business operations of the company for the previous two years were filed with Registrar of Companies, Bangalore.

As proposed by the Board, the members of the Company in their Extraordinary General Meeting held on June 26, 2017 passed a special resolution required under Section 59 of the Code read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (Regulations) to liquidate the Company voluntarily and appointed Mr. Thirupal Gorige, an Insolvency Professional, having IP registration No. IBBI/IPA-002/IP-N00016/2016-17/10030 to act as liquidator of the Company. Further, on 26th June 2017, the Creditors of the Company had provided their consent confirming the special resolution passed by the Members of the Company for the liquidation.

The liquidator made a public Announcement of commencement of liquidation in Form A, in Business Standard, English Newspaper and Udayavani, Kannda Newspaper on June 27, 2017 and June 28, 2017 respectively, seeking submission of the claim by the stakeholders, if any, within 30 days for the date of commencement of liquidation i.e. July 25, 2017. The public Announcement was simultaneously submitted to the Insolvency and Bankruptcy Board of India (IBBI) to place the same on its website. The same was published on IBBI website on June 28, 2017. The commencement of liquidation, appointment of liquidator and the public announcement made in newspapers was submitted to the Registrar of Companies, Bangalore.

As required under regulations, the liquidator opened a Bank account in the name of “..... **Private Limited in voluntary liquidation**” with Corporation Bank for realisation and payment to the creditors and Members. Further, the liquidator received

the claims from the financial creditors on the July 10, 2017. As required under regulations, the Liquidator submitted its preliminary report to the Company on August 8, 2018. Based on the verification of books and claim received from the creditors of the Company, the liquidators made payments to the creditors in following manner:

Sl. No.	Name of the Creditors	Amount
1	Mr. E.V. Diwakar	5,43,500/-
2	Mr. Jidesh Chandroth	1,61,400/-
3	Mr. U. Jayanth Kini	1,40,000/-

As per provisions of Section 178 of the Income Tax Act, 1961, the liquidator intimated the commencement of liquidation and appointment of liquidator to the Income Tax Authority on July 19, 2017. The Income tax authority provided it's no objection certificate with direction to pay an advance tax of Rs.25,449/- and dividend distribution tax(DDT) of Rs. 7,58,373/- . The liquidator made the payment of advance tax on 12/10/2017 and DDT on 24/10/2017.

Post payment to the creditors and DDT on the accumulated profit to be distributed to the members, the accumulated profit of Rs. 37,25,486/- as dividend and investment in share capital of Rs.46,53,000/- were paid to the members on 24/10/2017 and with the aforesaid payments to the Members the asset of the Company were fully liquidated.

Further, the liquidator submitted a copy of final report, along with the Auditors Certificates on the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date, with Registrar of Companies, Bangalore and IBBI on 18/12/2017. Subsequent to the payment to creditors and Members of the Company, the liquidator has closed the liquidation Account.

V. Relief(s) sought

It is therefore respectfully prayed before this Hon'ble Tribunal:

- (a) That the applicant, Private Limited (in voluntary liquidation) may kindly be ordered to be dissolved;
- (b) To pass such order or further order(s) with this Hon'ble Tribunal may deem fit, proper and just under the circumstances of the case.

Thirupal Gorige
Liquidator
No. 87, 2nd Floor, 21st Cross,
7th Main, N S. Palya, BTM 2nd Stage,
Bengaluru-560076, India
Tele: 91 80 6532 2360
Mobile: 91 94483 84064
Email: gthirupal@gmail.com
FCS 6680/COP 6424

Form No. NCLT-1

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU

BENCH AT BENGALURU

IN THE MATTER OF SECTIONS 59 OF THE INSOLVENCY AND BANKRUPTCY CODE,

2016

AND

IN THE MATTER OF PRIVATE LIMITED

(In Member's Voluntary Liquidation)

COMPANY APPLICATION NO. _____ OF 2017

..... PRIVATE LIMITED

(CIN:)

103, Ground Floor,
Rams Infantry Manor, #70,
Infantry Road, Bangalore- 560001
Karnataka, India

LIST OF EVENTS

Sl. No	Event	Date
1.	Date of Board Meeting for proposing the voluntary liquidation of the Company to the Members of the Company for their approval	
2.	Declaration of Solvency by Majority of Directors	
3.	Filing of Declaration of Solvency in form GNL-2 with Registrar of Companies, Bangalore	
4.	Date of Extra Ordinary General Meeting of the Members for approval to liquidate the company voluntarily and to appoint liquidator	
5.	Consent of the Creditors	
6.	Publication of Form A in Business Standard, English Newspaper	
7.	Publication of Form A in Udayavani, Kannda Newspaper	
8.	Publication of Form A on IBBI Website	

9.	Filing of commencement of liquidation, appointment of liquidator and the public announcement made in newspapers was submitted to the Registrar of Companies	
10.	Claims received from the creditors	
11.	Intimation to Income Tax authorities	
12.	Submission of preliminary report to the Company	
13.	Date of opening of liquidation Account	
14.	Payment to the Creditors	
15.	NOC From Income Tax Act	
16.	Payment of Advance tax	
17.	Payment of Dividend Distribution Tax	
18.	Distribution of accumulated profit dividend to the Members the Company	
19.	Return of investment in share capital to the Members of the Company	
20.	Closure of the Liquidation account of the Company	
21.	Date of Auditors Certificate on liquidation	
22.	Date of Final Report	
23.	Date of submission of final report to ROC in form GNL-2	
24.	Date of dispatch of final report to IBBI	

Thirupal Gorige
 Liquidator
 No. 87, 2nd Floor, 21st Cross,
 7th Main, N S. Palya, BTM 2nd Stage,
 Bengaluru-560076, India
 Tele: 91 80 6532 2360
 Mobile: 91 94483 84064
 Email: gthirupal@gmail.com

FORM NO. NCLT -2

[See rule34]

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT BENGALURU, KARNATAKA**

NOTICE OF ADMISSION

Date: 15/12/2017

Thirupal Gorige
Practicing Company Secretary
..... **PRIVATE LIMITED**
(CIN:)
103, Ground Floor, Rams Infantry Manor, #70,
Infantry Road, Bangalore- 560001
Karnataka, India
Email ID:
Phone No.

To

The Registrar,

National Company Law Tribunal, Bengaluru Bench

The party named above requests that the Tribunal grant the following relief:

- (a) That the applicant,..... Private Limited (in voluntary liquidation) may kindly be ordered to be dissolved;
- (b) To pass such order or further order(s) with this Hon'ble Tribunal may deem fit, proper and just under the circumstances of the case.

For the following reasons:

As per Section 59 of the Insolvency and Bankruptcy Code, 2016, the Directors and Members of the Company in their respective meeting approved to liquidate

the Company voluntarily and appointed undersigned as liquidator. The liquidator, in accordance with provisions of Section 59 read with rules made therein, has completed the liquidation of the Company and the present application is being filed as per Section 59(7) to for the dissolution of the Company.

Name and Title of person signing on behalf of Appellant:

Thirupal Gorige

Liquidator

**No. 87, 2nd Floor, 21st Cross, 7th Main, N S. Palya, BTM 2nd Stage,
Bengaluru-560076, India**

Tele: 91 80 6532 2360 Mobile: 91 94483 84064

Email: gthirupal@gmail.com

FORM NO. NCLT -6

(General)

[See rule 34]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU

BENCH AT BENGALURU

IN THE MATTER OF SECTIONS 59 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016

AND

IN THE MATTER OF PRIVATE LIMITED

(In Member's Voluntary Liquidation)

COMPANY APPLICATION NO. _____ OF 2017

..... PRIVATE LIMITED

(CIN:)

103, Ground Floor,

Rams Infantry Manor, #70,

Infantry Road, Bangalore- 560001

Karnataka, India

I, Thirupal Gorige, S/o Thirumala Kondaiah Gorige aged about 42 years resident of No 101 Sharavanthi Classic Apartments 4th A Main, 80 Feet Sector Bilekahalli B G ROAD, Bengaluru-560076, do solemnly affirm and say as follows:

1. That I am the Liquidator of M/s. **Private Limited**, applicant in the above matter and am duly authorised by the said applicant to make this affidavit on its behalf.
2. That the statements made and contents of the said application herein now shown to me are true to my knowledge, and the statements made in joint application are based on information, and I believe them to be true.

Solemnly affirmed

Deponent

Place: Bengaluru

Date:

FORM NO. NCLT. 12

(see rule 45)

Memorandum of Appearance

To,
The Registrar,
National Company Law Tribunal, Bengaluru Bench,

IN THE MATTER OF SECTIONS 59 OF THE INSOLVENCY AND BANKRUPTCY CODE,

2016

AND

IN THE MATTER OF PRIVATE LIMITED

(In Member's Voluntary Liquidation)

COMPANY APPLICATION NO. _____ OF 2017

Sir,

Please take notice that I, Thirupal Gorige, Practicing Company Secretary, Bangalore, duly authorised to enter appearance, and do hereby enter appearance on behalf of the PRIVATE LIMITED, in the above mentioned application.

A copy of the resolution passed by the Board of Directors authorizing me to enter appearance and to act for every purpose connected with the proceedings for the said party is enclosed duly signed by me for identification.

Yours Sincerely,

Dated: 18/12/2017

Place: Bengaluru

CS Thirupal Gorige
Practicing Company Secretary
No. 87, 2nd Floor, 21st Cross, 7th Main,
N S. Palya, BTM 2nd Stage,
Bangalore-560076, India
Cell +91 94483 84064
LL +91 80 6532 2360
gthirupal@gmail.com

Enclosures: as Aforesaid

FINAL REPORT OF THE LIQUIDATOR

(As per Rule 38 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process), Regulations, 2017)

I,, liquidator of the Private Limited (the Company), in pursuance of Rule 38 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process), Regulations, 2017, hereby submit this Final report to the Company.

1. Name of the Company: Private Limited
2. Nature of proceeding: Voluntary Liquidation
3. Date of Commencement of the Winding Up:
4. Name and Address of the Liquidator:

a) Audited accounts of the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date; and

Statement showing how the liquidation process has been conducted and the property of the company has been disposed off from June 26, 2017 (Commencement of Winding-up) to October 27, 2017 (Close of liquidation process).

RECEIPTS	VALUE REALIZED Rs.	PAYMENTS	PAYMENT S Rs.	PAYMENT S Rs.
		Legal, Liquidation Fee and other incidental payments		
		1. Liquidator Fee		
		2.		
		3.		
		Payment to Creditors		
		1		
		2		
		3		
		Payment to Members		
		a Dividend		
		b Capital Per Rupee 10 @ Share		
Net Realization (Rs.)		Net Payment Rs.		

b) I further state that-

- (i) the all asset of the corporate person have been disposed of;

- (ii.) the debt of the corporate person has been discharged to the satisfaction of the creditors; and
- (iii.) no litigation is pending against the corporate person.

c) Statement on Sale of Asset –Not applicable

Date:

Place: Bangalore

Liquidator

Form No. NCLT-1
BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU
BENCH AT BENGALURU
IN THE MATTER OF SECTIONS 59 OF THE INSOLVENCY AND
BANKRUPTCY CODE, 2016
AND
IN THE MATTER OF PRIVATE LIMITED
(In Member's Voluntary Liquidation)
COMPANY APPLICATION NO. _____ OF 2017

..... PRIVATE LIMITED
(CIN:)
103, Ground Floor,
Rams Infantry Manor, #70,
Infantry Road, Bangalore- 560001
Karnataka, India

INDEX

The Joint Applicants have annexed hereto the documents or copies thereof as
specified below:

SERIAL NO.	PARTICULARS	PAGE NO.
1.	Synopsis of petition	
2.	List of events	
3.	Notice of admission in form NCLT-2	
4.	Application under section 59(7) of the Insolvency And Bankruptcy Code, 2016 in Form NCLT-1	
5.	Affidavit verifying petition in form NCLT-6	
6.	Annexure A - Copy of Memorandum and Articles of Association and extract of Master data	
7.	Annexure B - Copy of declaration along with audited financial statements and record of business operations of the company for the previous two years	

8.	Annexure C - Copy of form GNL-2 along with paid Challan filed for declaration of solvency	
9.	Annexure D - Copy of Members Resolution and Notice of Extraordinary General Meeting	
10.	Annexure E - Copies of the consent of creditors	
11.	Annexure F – Copy of Form A, public Announcement, in newspapers and IBBI website	
12.	Annexure G - Copy of the form MGT-14 and form GNL-2 along with paid Challan filed for appointment of liquidator	
13.	Annexure H - Copies of the claims form from the Creditors	
14.	Annexure J – Copy of preliminary report	
15.	Annexure K - Copy of No objection certificate from the Income tax	
16.	Annexure M - Certificates on the liquidation, showing receipts and payments pertaining to liquidation	
17.	Annexure N - Copy of final report	
18.	Annexure P - A copy of GNL-2 for submission of final report with ROC along with payment receipt and proof of dispatch to IBBI	
19.	Annexure Q - Certificate from the Bank for closure of the account	
20.	Copy of Demand Draft	
21.	Memorandum of Appearance along with Resolution	

Form No. NCLT-1
BEFORE THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU
BENCH AT BENGALURU
IN THE MATTER OF SECTIONS 59 OF THE INSOLVENCY AND
BANKRUPTCY CODE, 2016
AND
IN THE MATTER OF PRIVATE LIMITED
(In Member's Voluntary Liquidation)
COMPANY APPLICATION NO. _____ OF 2017

..... PRIVATE LIMITED
(CIN:)
103, Ground Floor,
Rams Infantry Manor, #70,
Infantry Road, Bangalore- 560001
Karnataka, India

I. Details of Applicant

1. **Name, CIN, main business, Share capital, registered office address, valid email id and telephone number of the Petitioner Company:**

The PRIVATE LIMITED, the Applicant Company is incorporated in India and the Particulars of applicant are given below:

a) CIN:.....

b) That **the main objects of the Company** are as follows:

1. To carry on the business of broking in finance and securities of all types including shares, stocks, bonds, debentures, units, mortgages and to buy, sell, acquire, hold, hypothecate or otherwise deal in securities including shares, stocks, futures and options derivatives bonds, debentures, units, mortgages of any kind issued or guaranteed by any persons including companies, companies, corporations,

governments, financial institutions, mutual funds, trust or local bodies and to carry on and undertake the business of custodian services, internet and web based trading of physical and electronic holdings of stocks and securities.

2. To carry on the business of merchant banking in all aspects including acting as lead managers, co-managers and advisors to issue all types of securities, to act as registrar to the issue of registrar and transfer agents for all type of securities, to act as investment consultants including counseling and undertake the business of portfolio management and to do all the activities of capital and finance markets, including depository segment of stock market and forex market.

- c) **The present business activity of the Company:** The Company is presently engaged in the business of business of broking in finance and securities.
- d) **The Authorised Share Capital** of the Company is Rs. 00,00,000/- (Rupees Fifty Lakhs only) divided into 0,00,000 (Five Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each. The issued, subscribed and paid-up share capital of the Company is Rs. 46,53,000/- (Rupees Forty Six Lakhs Fifty Three Thousand only) consisting of 4,65,300 (Four Lakhs Sixty Five Thousand Three Hundred) equity shares of Rs. 10/- (Rupees Ten only) each.
- e) **Registered Office address:** 103, Ground Floor, Rams Infantry Manor, #70, Infantry Road, Bangalore- 560001 Karnataka, India
- f) **E-mail ID:**.....
- g) **Telephone Number:**

A copy of Memorandum and Articles of Association and extract of Master data from MCA Website is enclosed and marked as **Annexure A**.

2. The Name and office address of the Directors of the applicant Company are as follows:

<u>Name</u>	<u>DIN</u>	<u>Office Address</u>	<u>Designation</u>
Mr. Divakar Elakyara	00472397	10/1, Hayes Road Cross,	Director

Valappil		Richmond Town Post Bangalore 560025	
Mr. Jidesh Chandroth	02143937	10/1, Hayes Road Cross, Richmond Town Post Bangalore 560025	Director

II. Jurisdiction of the Bench

The Applicant declares that the subject-matter of the application is within the jurisdiction of the National Company Law Tribunal (NCLT), Bengaluru Bench as the registered office of applicant is situated at the state of Karnataka.

III. Limitation

The Applicant further declares that the application is not barred by the limitation period.

IV. Facts of the Case given below:

- (1) The applicant was incorporated under the provisions of the Companies Act, 1956 on November 4, 1999 with the objective of carrying business of broking in finance and securities of all types including shares, stocks, bonds, debentures, units and to buy, sell, acquire, hold, hypothecate or otherwise deal in securities and to carry on and undertake the business of custodian services, internet and web based trading of physical and electronic holdings of stocks and securities.
- (2) The applicant is not carrying any business from the preceding two years and not earning any profits except the income from investments.
- (3) The Board of Directors of the Company considered the matter and was of the opinion that due to non-availability of business prospect and long term financial resources it was not financial viable to carry on the business activities of the Company and proposed to close down the company by way of voluntary liquidation.

- (4) The Board of Directors of the Company in their Meeting held on June 19, 2017 passed a proposal to liquidate the Company voluntarily.
- (5) As required under the provisions of Section 59 of the Insolvency and Bankruptcy Code, 2016, Mr. Divakar Elakyara Valappil and Mr. Mr. Jidesh Chandroth, being majority of Directors, made a declaration on June 19, 2017. A Copy of declaration along with audited financial statements and record of business operations of the company for the previous two years is enclosed herewith and Marked as **Annexure B.**
- (6) The declaration by majority of Directors along with audited financial statements and record of business operations of the company for the previous two years were filed with Registrar of Companies, Bangalore in form GNL-2 vide SRN G46895405. A copy of form GNL-2 along with paid challan is enclosed and Marked as **Annexure C.**
- (7) As proposed by the Board, the members of the Company in their Extraordinary General Meeting held on June 26, 2017 passed a special resolution required under Section 59 of the Code read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (Regulations) to liquidate the Company voluntarily and appointed **Mr. Thirupal Gorige**, an Insolvency Professional, having IP registration No. **IBBI/IPA-002/IP-N00016/2016-17/10030** to act as liquidator of the Company. A copy of special resolution along with notice of Extraordinary General Meeting is enclosed herewith and Marked as **Annexure D.**
- (8) On 26th June 2017, the Creditors of the Company had provided their consent confirming the special resolution passed by the Members of the Company for the liquidation. A copy of the consent of creditors is enclosed and Marked as **Annexure E.**
- (9) The liquidator made a public Announcement of commencement of liquidation in Form A, in Business Standard, English Newspaper and Udayavani, Kannada Newspaper on June 27, 2017 and June 28, 2017 respectively, seeking submission of the claim by the stakeholders, if any, within 30 days for the date of commencement of

liquidation i.e. July 25, 2017. The public Announcement was simultaneously submitted to the Insolvency and Bankruptcy Board of India (IBBI) to place the same on its website. The same was published on IBBI website on June 28, 2017. A copy of the public announcement as publish in Newspapers and placed on IBBI Website is enclosed and marked as **Annexure F.**

- (10) The commencement of liquidation, appointment of liquidator and the public announcement made in newspapers was submitted to the Registrar of Companies, Bangalore in form MGT-14 and form GNL-2. A copy of the form MGT-14 and form GNL-2 along with paid challan is enclosed as marked as **Annexure G.** The MGT-14 and form GNL-2 filed with Registrar of Companies, Bangalore has been approved and taken on the record.
- (11) As required under regulations, the liquidator opened a Bank account in the name of “..... **Private Limited in voluntary liquidation**” with Corporation Bank for realisation and payment to the creditors and Members.
- (12) The liquidator had received the claims form the financial creditors on the July 10, 2017. The copy of the claims form are enclosed and Marked as **Annexure H.**
- (13) As required under regulations, the Liquidator submitted its preliminary report to the Company on August 8, 2018. A copy of preliminary report is enclosed and Marked as **Annexure K.**
- (14) Based on the verification of books and claim received from the creditors of the Company, the liquidators made payments to the creditors in following manner:

Sl. No.	Name of the Creditors	Amount
1	Mr. E.V. Diwakar	5,43,500/-
2	Mr. Jidesh Chandroth	1,61,400/-
3	Mr. U. Jayanth Kini	1,40,000/-

- (15) As per provisions of Section 178 of the Income Tax Act, 1961, the liquidator intimated the commencement of liquidation and appointment of liquidator to the

Income Tax Authority on July 19, 2017. A copy of No objection certificate from the Income tax, subject to payment of an advance tax of Rs.25,449/- and dividend distribution tax(DDT) of Rs. 7,58,373/-, is enclosed and Marked as **Annexure J.** The liquidator made the payment of advance tax on 12/10/2017 and DDT on 24/10/2017.

- (16) Post payment to the creditors and DDT on the accumulated profit to be distributed to the members, the accumulated profit of Rs. 37,25,486/- as dividend and investment in share capital of Rs.46,53,000/- were paid to the members of the company and with the aforesaid payments to the Members the asset of the Company were fully liquidated.
- (17) The Auditors Certificates on the liquidation, showing receipts and payments pertaining to liquidation since the liquidation commencement date, is enclosed and Marked as **Annexure M.**
- (18) A copy of final report showing the realisation and payment to the creditors and Members of the Company, containing the details as required under regulation 38 of the regulations is enclosed and Marked as **Annexure N.**
- (19) The copy of final report was submitted to the Registrar of Companies in form GNL-2 and was send to the IBBI trough email and registered post. A copy of GNL-2 along with payment receipt and proof of dispatch to IBBI are enclosed and marked as **Annexure P.**
- (20) Subsequent to the payment to creditors and Members of the Company, the liquidator has closed the liquidation Account. A certificate from the Bank for closure of the account is enclosed and Marked as **Annexure Q.**

V. Relief(s) sought

It is therefore respectfully prayed before this Hon'ble Tribunal:

- (a) That the applicant, Private Limited (in voluntary liquidation) may kindly be ordered to be dissolved;

(b) To pass such order or further order(s) with this Hon'ble Tribunal may deem fit, proper and just under the circumstances of the case.

VI. Particulars of Bank draft evidencing payment of fee for the petition or application made:

Branch of the Bank on which drawn: State Bank of India

Name of the issuing branch: BTM Layout, 2nd Stage

Demand Draft No. 825897

Date: 06.12.2017

Amount Rs.1,000/-

For Private Limited

Thirupal Gorige
Liquidator