



IN THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH COURT-III

C.P. NO. (IB) 30/MB/C-III/2023

Under Section 59(7) of Insolvency and Bankruptcy Code, 2016.

Mrs. Kumudini Bhalerao

....Applicant/Liquidator

IN THE MATTER OF

Dissolution of Paarkadel Ballast Technology

Private Limited

....Corporate Applicant

Order Pronounced on: 07.10.2024

Coram:

Hon'ble Smt. Lakshmi Gurung, Member (Judicial)

Hon'ble Sh. Charanjeet Singh Gulati (Technical)

Appearances:

For the Applicant: L d. Counsel Jinesh Kumar Gandhi i/b Arihant Associates

Per: Smt. Lakshmi Gurung, Member (Judicial)

1. This Petition has been filed by Mrs. Kumudini Bhalerao, the Liquidator of Paarkadel Ballast Technology Private Limited (Corporate Applicant) under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 seeking the following reliefs:

a. That the Hon'ble Tribunal be pleased to pass an Order dissolving the Company viz. Paarkadel Ballast Technology Private Limited as per the provisions of Section 59(7) of the Code w.e.f. the date of Order.



b. Such other relief as the nature and circumstances of the Petition may require and the Hon'ble Tribunal may deem fit."

2. **M/s. Paarkadel Ballast Technology Private Technology (Corporate Applicant)** was incorporated on 17.02.2017 having CIN U74999MH2017PTC291377. Its Registered Office is at '202, M.V. Everest, Ravi Indl Comp, Bhakti Mandir Panchpakhdi, Thane, 400602, Maharashtra. As per the Company Master Data, there are two Directors of M/s. Paarkadel Ballast Technology Private Technology namely, Mr. Puddukarai Srinivasan Ramchandran and Ms. Lalitha Ramchandran. The Corporate Applicant's Authorized Capital is Rs.5,53,14,260 divided into 55,31,426 equity shares of Rs. 10 each. The Issued, subscribed and Paid up Capital is Rs.5,51,14,250 divided into 55,11,425 equity shares of Rs. 10 each.
3. The Memorandum of Association (MOA), Articles of Association (AOA) and Certificate of Incorporation have been annexed by the Corporate Applicant. As per the MOA of M/s. Paarkadel Ballast Technology Private Technology the objectives to be pursued by the Company on its incorporation are:

"To carry on, acquire, run, promote and establish the business of industrial manufacture and/or trading in ballast water filter and ballast water management system unit and/or any product, whether self-manufactured or otherwise, offering any professional or other service, including consultancy, in any field, including building, designing, manufacturing, fabricating, producing, processing, developing, making, running, maintaining, repairing, buying, selling, importing, exporting, letting out or taking on hire, assembling, improving or otherwise dealing in all kinds and varieties of devices, items, components, materials, accessories, products, processes or solutions,



including machines and solutions for separating liquids, solids or gases from other liquids, solids of gases by means of any technique including but not restricted to surface or depth filtration, using elements, media, techniques, processes, or methods, and to serve any other industrial or non-industrial purpose, including improving the strength, capacity, capability or any other physical parameter of any device, product, process or solution, component, device, item, material, accessory, ancillary, product or process used or employed in the building, designing, manufacturing, fabricating, producing, processing, developing, making, running, maintaining, repairing, buying, selling, importing, exporting, letting out or taking on hire, assembling, improving or otherwise in the industrial, consumer or research fields in the business and technology of separation of liquids, solids or gases from other liquids, solids or gases, and to manufacture, make, sell, export, import, process and improve and otherwise deal in any product, process, method or solution deemed fit.”

4. It is submitted that, to carry out the abovementioned objectives, the Corporate Applicant was required to register a patent in Germany as well as in India. Despite the efforts, the Corporate Applicant could not obtain the registration of the patent and could not commence the business activities of the company. After considering the circumstances, the Board of Directors in their meeting held on 19.02.2022 transacted the following business:

“RESOLVED THAT *pursuant to provisions of section 59 of the Insolvency and Bankruptcy Code, 2016 (“IBC”) read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (“VLP Regulations”) and other applicable provisions, if any, including any*



statutory modification or amendment thereto or re-enactment thereof for the time being in force and subject to the approval of members and creditors (if any) of the Company, the proposal of voluntary liquidation of the Company, be and is hereby approved.

RESOLVED FURTHER THAT *pursuant to provisions of Section 59(3)(a) of the Insolvency and Bankruptcy Code, 2016 consent of the Board be and is hereby accorded to verify and approve the draft declaration of solvency drawn as on February 19,2022.*

RESOLVED FURTHER THAT *all the Directors of the Company be and are hereby authorized to sign the said Declaration of Solvency supported by an Affidavit.*

RESOLVED FURTHER THAT *subject to the approval of the members of the Company consent of the Board be and is hereby accorded to infuse additional funds as and when required in order to meet financial requirements including but not limited to tax liability, employee litigation, if any, any other penalty levied by any government authority, etc. provided that such financial requirements are to be pre-approved by the members of the company from time to time.”*

5. The Directors of the Corporate Applicant have submitted Declaration of Solvency as follows: -

“...we have made a full inquiry into the affairs of this company and that having done so we have formed the opinion that the company will be able to pay its debts in full as and when they fall due from the proceeds of assets of



the Company from the commencement of the winding up and we append a statement of the Company's assets and liabilities as on February 19, 2022 being the latest practicable date before making of this declaration and we make this solemn declaration believing the same to be true."

6. As per the provisions of Section 59(3) of the IBC, 2016, the Directors of the Corporate Applicant verified the Declaration of Solvency through an affidavit on 19.02.2022 stating: -

"II. That the statements made in the Declaration of Solvency are based on the information derived from the records of the Company and are made true to the best of our knowledge and belief.

III. That the affairs of the Company have been properly inquired into by us and in our opinion the affairs of the company shall be wind up voluntarily.

IV. That the Company is solvent and can meet its debts in full as and when they fall due.

V. That the Company is not liquidated to defraud any person."

7. Further, the statement as at 19.02.2022 showing the estimated and realizable value of the assets of Paarkadel Ballast Technology Private Limited which was attached with the DoS has been reproduced in the below tabular form: -

**Assets**

Particulars	Book Value (Rs.)	Estimated to realize (Rs.)
Balance at bank	55,89,499	55,89,499
Cash in Hand	16,160	16,160
Fixed Deposit	5,50,00,000	5,50,00,000
Other Current asset		
accrued interest	12,440	12,440
TDS REfund	1,76,874	1,76,874
TOTAL	6,07,94,973	6,07,94,973

Liabilities

Particulars	Estimated to rank for payment (to the nearest rupee)
Estimated cost of liquidation and other expenses including interest accruing until payments of debts in full	6,22,000
Unsecured creditors (amounts estimated to rank for payment)	
a. Bills payable	10,800
b. Accrued Expenses	-
c. Other Liabilities	
i. Profession Tax + TDS Payable	3,200
ii. Salary + Bonus + leave encashment payable	1,14,450



iii. Provision for audit fees + Penalty on default	1,50,000
iv. Provision for miscellaneous expenses	
d.	2,00,000
TOTAL	11,00,450

***Contingent Liability:**

With reference to the management certified financials dated February 19, 2022 the Company has no contingent liability.

Particulars	Amount (Rs.)
Total estimated value of assets	6,07,94,973
Total Liabilities	11,00,450
<u>Estimated surplus after paying debts in full</u>	<u>5,96,94,523</u>

8. Pursuant to the meeting of Board of Directors held on 19.02.2022, appointed the liquidator in the following resolution passed: -

“RESOLVED THAT pursuant to Section 59(3)(c) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 5 of Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 and other applicable provisions, if any, including any statutory modification or amendment thereto or re-enactment thereof for the time being in force and subject to the approval of members and creditors (if any) Mrs. Kumudini Bhalerao a registered Insolvency Professional, being eligible to be appointed as the Liquidator in terms of Regulation 6 of the Voluntary Liquidation Process) Regulations, 2017 be and is



hereby appointed as the Liquidator for the purpose of voluntary liquidation of the Company at a remuneration of Rs.4,00,000 (excluding liquidation costs, charges, conveyance and other incidental expenses thereto.”

9. At the Extraordinary General Meeting held on 28.02.2022, the following resolution was passed at the meeting: -

“RESOLVED THAT *pursuant to provisions of section 59 of the Insolvency and Bankruptcy Code, 2016 (“IBC”) read with Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (“VLP Regulations”) and other applicable provisions, if any, including any statutory modification or amendment thereto or re-enactment thereof for the time being in force, and subject to approval of Creditors (if any) consent of the members be and is hereby accorded to approve the proposal of voluntary liquidation of the Company.”*

10. As per Regulation 14 of the IBBI (Voluntary Liquidation process) Regulations, 2017, a public announcement was made for the stakeholders of the Corporate Applicant in ‘The Free Press Journal’ (English Language) and ‘Navashakti’ (Marathi Language) on 03.03.2022 by the Liquidator notifying voluntary liquidation of the Corporate Applicant with an invitation for claims. No claims were lodged by any claimant.
11. The Liquidator intimated the initiation of liquidation to the GST Department vide letter dated 28.02.2022. The Liquidator also intimated the Income Tax Department. The Office of the Deputy Commissioner of Income Tax via letter No. THN/Dy.CIT/Circle-3/No Dues./2021-22/ dated 02.03.2022 certified that, no dues were



outstanding against the assessee, M/s. Paarkadel Ballast Technology Pvt. Ltd. (PAN: - AAICP9862C).

12. As part of the process of Voluntary Liquidation, the assets of the company had to be realized and the proceeds were to be distributed amongst the Shareholders after paying all the dues and taxes of the company within thirty days from the receipts of the amount. Considering that there are no assets in the Company other than cash at bank as depicted in the Declaration of Solvency dated 19.02.2022 therefore, there are no assets to be realized. After calculating all the anticipated expenses that were to be incurred during the liquidation process and repayment to the creditors of the Company, the Liquidator distributed the excess funds to the shareholders of the Company in the ratio of their paid up capital in the company.
13. The Voluntary Liquidation of the company was communicated to the Insolvency and Bankruptcy Board of India on 03.03.2022. The Liquidator gave the necessary intimation to the Ministry of Commerce & Industry, the Goods & Service Tax Department and to the Income Tax Department.
14. The Board Resolution and Special Resolution for the initiation of the Voluntary Liquidation was communicated to the Registrar of Companies, Mumbai in Form MGT-14 on 04.03.2022. The Declaration of Solvency (DOS) signed by the majority of Directors along with an affidavit verifying the declaration was communicated in Form GNL - 2 to the Registrar of Companies on 04.03.2022. The Special Resolution passed by the members to approve the appointment of Insolvency Professional as the Liquidator in Form GNL - 2 was also communicated to the Registrar of Companies.
15. As per Regulation 34 of the IBBI (Voluntary Liquidation process) Regulations, 2017, the Liquidator had opened a Liquidation Account



No. 510909010202029 of the Company on 08.03.2022 with City Union Bank, Thane Branch in the name and style of **“M/s Paarkadel Ballast Technology Private Limited (in Voluntary Liquidation)”**. On 08.03.2022 an amount of Rs.6,07,00,247 was transferred to the Voluntary Liquidation Account from the existing bank account of the Corporate Debtor.

16. As per Regulation 9 of the IBBI (Voluntary Liquidation process) Regulations, 2017, the Liquidator submitted the Preliminary Report dated 11.04.2022, the estimated value of the assets and liabilities as on 28.02.2022 is reproduced in the following tabular form: -

Sr. No.	Assets	Book Value (Rs.)	Estimated to realize (Rs.)
1.	Balance at Bank	55,35,279/-	55,35,279/-
2.	Cash in Hand	16,160/-	16,160/-
3.	Fixed Deposit	5,50,00,000/-	5,50,00,000/-
4.	Other Current Assets	1,89,314/-	0*
5.	Margin Money	50,000/-	0**
TOTAL		6,07,90,753/-	6,05,51,439/-

**Other current assets include accrued interest and TDS AY 2021-22 amounting to Rs.1,89,314/-*

***For the time being we have not considered it to be realized but if realized, it will be distributed to Shareholders.*

Sr. No.	Liabilities	Estimated to rank for payment (to the nearest rupee)
1.	Estimated Cost of Liquidation and other expenses including interest accruing until payment of debts in full	6,22,000/-
2.	Unsecured Creditor	10,800/-
3.	Other Current Liabilities	4,85,650/-
TOTAL		11,18,450/-



Particular	Amount (Rs.)
Total estimated value of assets	6,05,51,439/-
Total debt to be paid	11,18,450/-
Estimated surplus after paying debt in full	5,94,32,989/-

17. The expenses incurred by the Liquidator on the date of the Preliminary Report i.e., 11.04.2022 was Rs.8,50,273 and the estimated expenses to be incurred/payments made during liquidation process was Rs.1,85,295.
18. It is submitted that the payment of expenses post distribution, in pursuance of Voluntary Liquidation of the Corporate Applicant was complete and therefore, the Liquidation Account having account no. 510909010202029 of the Company was closed on 15.11.2022 and on such date all the dues were paid off.
19. The Applicant submitted that, from the date of Public Announcement to the date of signing the present petition, no claims or proof of claims were received by any stakeholders concerned with the company.
20. As per section 53 of the IBC, the Liquidator made the following payments in order to dispose of the liabilities and close down the affairs of the company: -
- Liquidation Cost: The Liquidator had paid off all the liquidation cost incurred during the liquidation process.
 - Government Dues: Income Tax Department issued certificate dated 02.03.2022 stating that there were no pending tax dues against the Company.
 - Secured Creditors: The Company had no secured creditors on and after the commencement of the liquidation.



- d. Employees: The Company had no employees since the liquidation commencement date.
- e. Unsecured Creditors: The Company had a creditor, and the Liquidator had made the payment to the creditors after due verification.
- f. Closure of Liquidation Account: - The Liquidator of the Company closed liquidation account on 15.11.2022.
21. As per Regulation 38 of the IBBI (Voluntary Liquidation process) Regulations, 2017, the Liquidator conducted the final meeting of contributors on 21.11.2022 and presented the Final Report dated 21.11.2022.
22. The Audited receipts and payment statements for the period starting from 28.02.2022 to 25.03.2022 & 08.03.2022 to 15.11.2022 were brought on record through the Additional Affidavit which was filed on 15.05.2024.
23. After the repayment of dues and liabilities, on 29.03.2022 and 19.04.2022 an amount of Rs.5,96,69,347 was distributed to the shareholders of the Corporate Applicant. During the period between 08.03.2022 to 15.11.2022, the following amount was distributed: -

Particular	Amount (Rs.)	Amount (Rs.)
Existing Bank Account	55,35,278.79	
Receipts from Matured Fixed Deposits	5,52,79,448.21	
Refund of Value Added Tax	4,220	
Cash Deposit	20,000	
Total Income		6,08,38,947
<u>Less: Payment made from existing account</u>		
A. Professional Fees	54,000	



B. Salary, bonus and other dues	84,700	
Total Expenses		(1,38,700)
Surplus amount available to be transferred in Voluntary Liquidation Account		6,07,00,247
Transfer to Voluntary Liquidation	6,07,00,247	
Cash in Hand	259	
Total amount available in Voluntary Liquidation		6,07,00,506
<u>Less:</u> Payment made from Liquidation Account		
A. Payment to Liquidator	4,32,000	
B. Professional Fees	2,13,250	
C. Bank Charges	781	
D. Salary, Bonus and other dues	71,950	
E. Payment to Creditors	10,800	
F. Advertisement Expenses	16,540	
G. TDS on professional fees	58,306	
H. GST	1,848	
I. Miscellaneous Liquidation Expenses	26,583	



Total Payments made from Voluntary Liquidation Account		(8,32,058)
Surplus amount available for distribution to shareholders		5,98,68,448
Less: Demand Draft charges		(1,99,101)
Surplus amount distributed to shareholders		5,96,69,347

24. It was submitted that the Corporate Applicant had 34 shareholders as on 28.02.2022 (date of initiation of Liquidation proceedings). As on the date of issuance of Preliminary Report i.e., 11.04.2022, the payment was made only to 33 shareholders. One shareholder, by the name of Srinivas P.R. was not paid as on 29.03.2022, therefore, his name did not appear in the Preliminary Report. On 19.04.2022, Srinivas P.R. was paid Rs.6,095 which was reflected in the bank statement for the month of April,2022.
25. The Applicant informed The Insolvency and Bankruptcy Board of India about the appointment of liquidator in Form IP – 1 on 03.03.2022. The appointment of liquidator and Declaration of Solvency by the Directors in Form GNL – 2 to the Registrar of Companies, Mumbai on 04.03.2022. Certified true copy of the Board Resolution approving the Voluntary Liquidation were sent in Form MGT – 14 to the Registrar of Companies, Mumbai on 04.03.2022.
26. After conducting the final meeting of the contributories, the following documents were submitted to the Corporate Debtor: -



- a. Copy of the notice along with the proof of circulation of final meeting.
 - b. Copy of the Final Report along with the Audited Receipts and payments for the period starting from 08.03.2022 to 15.11.2022 under Regulation 38 of the IBBI (Voluntary Liquidation Process) Regulations, 2017.
 - c. Copy of the minutes of the meeting of the contributories.
 - d. E-mail copy and GNL-2 of intimation to IBBI and to ROC respectively regarding the Final Meeting of the Company.
 - e. Copy of the Compliance Certificate in Form H, as required under Regulation 38 of the IBBI (Voluntary Liquidation Process) Regulations, 2017.
27. All above documents, including Form H have been annexed to the present petition.
28. We have heard the submissions made by the Applicant. From the bare perusal of the records, it can be seen that the Liquidator has duly performed its duties and completed the Voluntary Liquidation process of the Corporate Applicant.
29. Furthermore, no adverse intimations have been received from any statutory authority against such dissolution of the company, despite a public announcement being made. It is also evident from the record that the proposed Voluntary Liquidation was duly communicated to the Registrar of Companies, Mumbai; Income Tax department; the GST Department and to the Insolvency and Bankruptcy Board of India.
30. On considering the submissions made by the Ld. Counsel for the Liquidator and after perusing the documents annexed to the application, we are of the considered opinion that the affairs of the company have been completely wound up and its assets have been



liquidated. Hence, we are satisfied that this voluntary liquidation is not with an intent to defraud any individual or statutory authority.

ORDER

- i. In view of the above facts and circumstances, the Company, **M/s. Paarkadel Ballast Technology Private Limited** stands **DISSOLVED**.
- ii. The Liquidator of the Company is further directed to serve a copy of this order upon the Registrar of Companies (RoC), Mumbai, within fourteen days of receipt of this order. The RoC shall take further necessary action upon receipt of copy of this order.
- iii. The Liquidator is also directed to preserve a physical or electronic copy of the records, reports, registers and books of accounts referred to in Regulation 41 of the IBBI (Voluntary Liquidation Process) Regulations, 2017 for at least 8 years either with himself or with the Information Utility.
- iv. The Registry is directed to send e-mail copies of this order forthwith to the Liquidator and its Counsel for taking further necessary steps.
- v. Certified copy of this order shall also be forwarded to Nodal Office of the Income Tax Department.
- vi. Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.



- vii. The Company Petition bearing **CP No. 30 of 2023** is **ALLOWED** and **DISPOSED OF**.

Files be consigned to the Records.

Sd/-

Charanjeet Singh Gulati

Member (Technical)

Vaishnavi, LRA

Sd/-

Lakshmi Gurung

Member (Judicial)