IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

CP-102/PB/2023

IN THE MATTER OF:

M/s TRADE CONCEPTS INDIA LTD. .... **Petitioners**

Versus

REGISTRAR OF COMPANIES .... **Respondents**

Order under Section 271 and 272 of the Companies Act 2013

Order Pronounced on: 27.07.2026

CORAM:

JUSTICE ANUPINDER SINGH GREWAL
HON'BLE ACTING PRESIDENT

SHRI RAVINDRA CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

Present:

For the Petitioner	:	Ms. Preeti Kashyap, Mr. Ankit Sharma, Mr. Pulkit Mehrotra, Advs.
For the ROC	:	Ms. Shankari Mishra, Advocate
For the I. T. Dept.	:	Mr. Ruchir Bhatia SSC, Pratyaksh Gupta JSC along with Adv Himanshu Dutt for IT Dept.

ORDER

1. This petition has been filed on 18.05.2023 by the Petitioners under Section 271(a) read with Companies (Winding up) Rules 2020 (**Winding Up Rules**) seeking following reliefs:
   i. *That M/s Trade Concepts India Limited, may be wound-up by the Tribunal under the provisions of the Companies Act, 2013,*

      And/or

   ii. *Such other order may be made in the premises as shall be just. Representative of the Petitioner.*

2. Petitioner, M/s Trade Concepts India Limited, is a Company (**Company**), having CIN No. U52320DL1998PLC097707, incorporated under the Companies Act, 1956 on 13.12.1998. The Company has its registered office at 25/32, East Patel Nagar, New Delhi, 110008. Therefore, this Tribunal has the jurisdiction to adjudicate the Petition. The Company, as per its Memorandum, has the following objectives:

> *To carry on the business as buyers, sellers, importers, exporters, distributors, agents, brokers, factors, stockists, commission agents and dealers of:*
>
> *(a) All kinds of fabrics, textiles and decorative hand and machine made, readymade garments, carpets, durries, mats, rugs, namdas, blankets, shawls, tweeds, linens, flannels, bed spreads,quilts, scrafts, belts, tapestry and allother such articles of silk, cotton, woollen, jute and worsted materials and all sorts of apparels, dressing materials, mixed, blended products, nylon, polyster, fibre, yarn, hosiery and mixed fabrics, natural fabrics and garments.*
>
> *(b) Engineering goods, machine tools, hand tools, small tools, metal, alloys, iron pipe fittings, nuts and bolts, bicycles and accessories, automobile parts, steel and stainless steel and Iron products, ores and scraps, metallurgical residues, hides, skins, leather goods, furs, bristles, hemp, tobacco (raw and manufactured) seeds, oil and cakes, vanaspati, textile, fibre, and wasted coir and jute and products, thereof, wood and timber, bones, crushed and uncrushed, industrial diamonds, coal and charcoal, glue, gums and resins, ivory, lac, shellac, manures, pulp or wood rags, rubber, tanning substances, wax, quartz, crystal, chemicals and chemical preparations, plastic and linoleum articles, glass and glassware, handicrafts, handloom, toys, liquid gold, precious stones, ornaments, Jewelleries, pearls, drugs and medicines and mill work and parts thereof, paper and stationery, sports goods, druggets in dressings materials cosmetics, wings, belting, cinematograph films exposed, gramophone records, rubber and plastic goods, starch, umbrellas crown, corks, batteries, surgical and musical instruments, marble and hardware items, traditional calenders, all kinds of books and manuscripts, electric and electronics, products of all kinds, sanitaryware and fittings, fodder brain, fruits, nuts, cashewnuts, kernals, grains, pulses, flour, confectionery,*

provisions, 'alcohol beverages, perfume, spirits, spices and tea, coffee, sugar and molasses, vegetables and vegetable products, processed foods and packed food products and lamination, varnishing, painting, paper coatings and other chemical, computers, hardware, software and technology transfer.

...

3. The paid-up share capital of the Petitioner Companies is of Rs. 27,00,000/- (Rupees Twenty- Seven Lakhs Only) divided into 2,70,000 shares of Rs. 10 each.

4. It is submitted that the shareholding pattern of the Company is as follows:

S.No.	Name & Address of the Shareholder	No. of shares held of Rs. 10 each fully paid
1.	MR. KULDIP KUMAR SHARMA R/O 37/7, WEST PATEL NAGAR, NEW DELHI 110018	1,35,100
2.	MR.LALIT SHARMA R/O 37/7, WEST PATEL NAGAR, NEW DELHI 110018	1,25,500
3.	MS. NEHA SHARMA R/O 37/7, WEST PATEL NAGAR, NEW DELHI 110018	100
4.	MS. SARITA SHARMA R/O 37/7, WEST PATEL NAGAR, NEW DELHI 110018	100
5.	MS. KANIKA SHARMA R/O 37/7, WEST PATEL NAGAR, NEW DELHI 110018	100
6.	KULDEEP SHARMA & HUF R/O 37/7, WEST ,PATEL NAGAR, NEW DELHI 110018	6,000
7.	RAM BABU R/O 3133/220, CHANDER NAGAR, TRI NAGAR, ND-35	100
TOTAL SHARES		2,70,000

5. The Company has following directors on Board:

DIN	NAME	DATE OF APPOINTMENT
00949247	LALIT SHARMA	13/12/1998
00949270	KULDEEP SHARMA	13/12/1998
07802651	APJIT BHARARA SINGH	29/04/2017

6. It is submitted that the Company is a compliant company and has done the annual statutory filings with the RoC on a regular basis.

7. It is submitted that due to termination of certain imperative contracts and adverse impact of COVID-19, the Company could not continue its business activities. Since the business activities of the company has been nil, the Company has not been carrying out commercial activities since 2020 and was severely impacted by the onset of COVID-19. Therefore, the management has thought fit to wind up the Company, having unanimously resolved and approved the winding up of the Company.

8. It is submitted that the Board of Directors of the Company on 08.08.2022 had passed a resolution for filing a winding up petition for the Company.

9. It is further submitted that the members of the Company with 100% votes have approved the winding up of the Company in their Extraordinary General Meeting held on 16.08.2022. Special Resolution dated 16.08.2022 has been notified to the office of the ROC.

10. It is submitted that statement of affairs representing the position of the Company as on date, in prescribed form under the Companies (Winding Up) Rules, 2020 in WIN form 4 along with Supporting affidavit in WIN 5 is attached with the Petition.

11. This Tribunal vide order dated 01.06.2023 directed the Petitioner to carry out publication giving notice of petition and the order extracted below:

> The Petitioner is directed to give the public notice inviting the comments/objections from various stakeholders regarding their proposal for winding up and the said public notice may be published in two leading newspapers, in Financial Express and in Navbharat Times soliciting objections from the stakeholders, more particularly from the Creditors.
>
> The Creditors may also be served individual notices apart from the paper publications and an affidavit of service may be filed before the next date of hearing.
>
> The petitioner is directed further to furnish an affidavit re: guarantee obligations.
>
> Let a copy of the application, as filed before the Tribunal, may be served on the Income Tax Department (High Court Cell), Registrar of Companies as well as the Official Liquidator.

12. The Petitioner filed a compliance affidavit dated 12.09.2023, relevant portion of which is extracted below:

> 3. That the Petitioner/Applicant has published the public notice on 10.08.2023 in the Financial Express and Nav Bharat Times. A copy of the newspaper publication dated 10.08.2023 in the Financial Express and Nav Bharat Times along with relevant extracts is annexed herewith and marked as **ANNEXURE-A2 (Colly)**.
>
> 4. That the Hon'ble NCLT directed the Petitioner/Applicant to serve a copy of the present Petition on Income Tax Department (High Court Cell), Registrar of Companies as well as the Official Liquidator.

5. That the Petitioner/Applicant has served a copy of the present Petition to the Income Tax Department (High Court Cell), Registrar of Companies and the Official Liquidator. A copy of the receipt by the Income Tax Department (High Court Cell), Registrar of Companies and the Official Liquidator is annexed herewith and marked as **ANNEXURE-A3 (Colly)**.

6. That the Hon'ble NCLT further directed the Petitioner/Applicant to serve individual notices to the creditors of the Petitioner/Applicant Company.

7. That the Petitioner/Applicant has served individual notices along with copies of the present Petition to the following creditors as appearing in the Balance Sheet of the Petitioner/Applicant Company:

S. No.	Name of the Creditor	Proof of Service
1.	Lalit Sharma	A copy of the receipt by Lalit Sharma is annexed herewith and marked as **ANNEXURE-A4**.
2.	Kanta Sharma **(Deceased)**	That the creditor is deceased and a copy could not be served upon the creditor. A copy of the death certificate of Late. Kanta Sharma is annexed herewith and marked as **ANNEXURE-A5**.
3.	Kanika Sharma	A copy of the receipt by Kanika Sharma is annexed herewith and marked as **ANNEXURE-A6**.
4.	TCIL Pharma	A copy of the receipt by TCIL Pharma is annexed herewith and marked as **ANNEXURE-A7**.
5.	Arvind Gupta	A copy of the postal receipt to Arvind Gupta is annexed herewith and marked as **ANNEXURE-A8 (Colly)**.
6.	Shivani Gupta	A copy of the postal receipt to Shivani Gupta is annexed

		herewith and marked as **ANNEXURE-A9 (Colly).**
7.	NDMC Security	A copy of the postal to NDMC Security is annexed herewith and marked as **ANNEXURE-A10 (Colly).**
8.	DLF Retail Developers	A copy of the postal receipt to DLF Retail Developers is annexed herewith and marked as **ANNEXURE-A11 (Colly).**

The Compliance affidavit shows that the advertisement was carried out in the two newspapers and the notices individually also were served upon the RoC and Income Tax Department.

13. Pursuant to the above, the Income Tax Department filed its report dated 22.11.2023 wherein it has been stated that there is a total outstanding Income-tax demand of Rs. 76,34,627/- against the Petitioner Company, in accordance with year-wise dues extracted below and therefore, the Income Tax Department has raised objection to the instant petition:

Assessment Year	**Demand u/s**	**Outstanding Demand (Rs.)**
2004-05	154	18,02,420
2009-10	115	7,093
2012-13	271(1)(c)	24,63,984
2012-13	250	33,51,030
2012-13	271(1)(b)	10,000
Total Outstanding Demand		76,34,627/-

14. Since no representation was coming from RoC, this Tribunal once again vide order dated 06.06.2024 directed Petitioner to serve the notice upon the RoC. In compliance thereof, an affidavit of service dated 03.09.2024 was filed on behalf of the Petitioner.

15. Thereafter, the ROC has filed its report dated 06.12.2024 in response to the Petition. RoC has raised the following observations:

    a. *As per the last Balance Sheet available on MCA21 portal for the Financial Year ended 31.03.2022, the Company does not have a secured loan.*
    b. *As per the last Balance Sheet available on MCA21 portal for the Financial Year ended 31.03.2022, the Company has an unsecured loan of Rs 3,149,412`.*
    c. *As per the last Balance Sheet available on MCA21 portal for the Financial Year ended 31.03.2022, the company have advances of Rs 1,621,642.*
    d. *As per the information/records available on MCA Portal, the company does not have active charges.*
    e. *As per the attached sheet with the petition for the financial year ending 31.03.2022:*

        a) *Company has total assets worth Rs. 8,791,812*

        Current assets are:

        - *Short-Term loans and Advances of Rs 8,616,000*
        - *Other current Assets of Rs 175,812*

        b) *The Company has current liability as under:*

        - *Other current liabilities of Rs 53,189,727*

        C) The company has non-current liabilities as under: • Long term borrowings 3,149,412

Further, as per the report, there is no prosecution, scrutiny, complaints, inspection pending against the Company.

It is further stated in report:

19.	**Observation:** 1. This office would like to oppose the present petition on the ground that the Company has wrongfully stated in its petition that it is a compliant Company whereas the Company has failed to file its financial statement & annual return after financial year 2021-2022. Therefore the Company is not filing its annual return and financial statement regularly. 2. This petition, if allowed, may be prejudicial to the interest of creditors as in the last financial statement for the financial year 2021-2022, the auditor has given a qualified opinion by stating as: • Third Party Balance confirmations not available. Balance payable to NDMC is Rs.5,31,89,727.00 as per our books but amount as per NDMC bill No. 999475648567 dated 10.09.15 is Rs7,50,57,068.00. Loan from Arvind Gupta 4.27 Lakhs and Shivani Gupta 11 Lakhs and Amount of Advance paid to DLF for Property 10 Lakhs. Balance Confirmations not available for these amounts. • Material Uncertainty Related to Going Concern as company discontinued its Business Operations, The Company's net worth is negative and Balance Payable to NDMC as per Books is Rs. 53189727. The above factors cast a significant uncertainty on the Company's ability to continue as a going concern. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

16. The Petitioner Company has filed rejoinder on 10.04.2025 to the objections raised by the Income Tax Department, stating that the Income Tax Department, since 2022, has failed to take any necessary steps to recover its demand. It's now, when the operations of the Company have been completely suspended, and the members of the Applicant Company have resolved to wind up the affairs of the Company, that the Income Tax Department is bringing out its demands. Be that as it may, the Income Tax Department is free to pursue its claim separately and cannot prevent winding up of the Company.

17. Further, the Petitioner has relied upon the judgment passed by the Allahabad High Court in the matter of Tika Ram and Sons (Private) Ltd. Vs. Commissioner of Income Tax dated 24.10.1962, hereby categorically observing that the assessment of income tax can continue without leave of the Hon'ble Tribunal and the demands

already crystallized can be settled in terms of provisions of the Companies Act 2013.

The relevant portion of the judgment is reproduced herein below:-

"*This case again does not in any way go to show that the income-tax department, even before an assessment is made, can be considered to be a creditor within the meaning of section 391 of the Companies Act. 1956. On the other hand it lends support to the view that it is only after an assessment is made that a debt can be said to accrue to the department or Crown which can be proved before the liquidation court and the only proof required in such a case is the production of he assessment order before the liquidator or the liquidation court. It follows that the revenue department in the present case was not a creditor and it could not have proved its claim in the liquidation case proceedings pending before this court. In the case of Suburban Bank Ltd. the question which arose was whether a tax becomes due and can be proved or recovered the moment a return is made under section 18A of the Act? It was held that the amount would only become due after the assessment and after such assessment would such a debt in favour of the department have a priority in liquidation.*"

It has been submitted on behalf of the Petitioner that if the demand is crystallized, the Income Tax department can file its claim with the liquidator in terms of applicable provisions of the Companies Act 2013.

18. Further, a rejoinder has been filed on 10.04.2025, in response to observations raised by the RoC, stating that the Applicant Company is a compliant company and has done the annual statutory filings with the ROC on a regular basis till its operation, i.e. year 2021-22. Since 2022 company’s operation has ceased, and therefore management with the approval of unanimous members, has decided to wind up the affairs of the Company.

19. It has been further stated on behalf of the Petitioner that as far as liabilities are concerned, appearing in the last financial statement for the financial year 2021 – 2022, any of these creditors have never raised any demand or taken any necessary steps to recover their outstanding dues. Now the operations of the Company have been completely suspended, and the members of the Applicant Company have resolved to wind up the affairs of the Company. Be that as it may, the Creditors are free to pursue its claim separately and cannot prevent the winding up of the Company.

20. Heard the Ld. Counsel for the Petitioner Company, and perused the documents on record as well as the Report filed by the ROC and the Income Tax Department.

21. Section 271- 272 read as follows:

[2][**271. Circumstances in which company may be wound up by Tribunal.**—A company may, on a petition under section 272, be wound up by the Tribunal,—

(*a*) if the company has, by special resolution, resolved that the company be wound up by the Tribunal;

(*b*) if the company has acted against the interests of the sovereignty and integrity of India, the security of the State, friendly relations with foreign States, public order, decency or morality;

(*c*) if on an application made by the Registrar or any other person authorised by the Central Government by notification under this Act, the Tribunal is of the opinion that the affairs of the company have been conducted in a fraudulent manner or the company was formed for fraudulent and unlawful purpose or the persons concerned in the formation or management of its affairs have been guilty of fraud, misfeasance or misconduct in connection therewith and that it is proper that the company be wound up;

(*d*) if the company has made a default in filing with the Registrar its financial statements or annual returns for immediately preceding five consecutive financial years; or (*e*) if the Tribunal is of the opinion that it is just and equitable that the company should be wound up.]

[1][**272. Petition for winding up.**—(*1*) Subject to the provisions of this section, a petition to the Tribunal for the winding up of a company shall be presented by—

(*a*) the company;

(*b*) any contributory or contributories;

(*c*) all or any of the persons specified in clauses (*a*) and (*b*);

(*d*) the Registrar;

(*e*) any person authorised by the Central Government in that behalf; or

(*f*) in a case falling under clause (*b*) of section 271, by the Central Government or a State Government.

(*2*) A contributory shall be entitled to present a petition for the winding up of a company, notwithstanding that he may be the holder of fully paid-up shares, or that the company may have no assets at all or may have no surplus assets left for distribution among the shareholders after the satisfaction of its liabilities, and shares in respect of which he is a contributory or some of them were either originally allotted to him or have been held by him, and registered in his name, for at least six months during the eighteen months immediately before the commencement of the winding up or have devolved on him through the death of a former holder.

(*3*) The Registrar shall be entitled to present a petition for winding up under section 271, except on the grounds specified in clause (*a*) [2][of that section]:

Provided that the Registrar shall obtain the previous sanction of the Central Government to the presentation of a petition:

Provided further that the Central Government shall not accord its sanction unless the company has been given a reasonable opportunity of making representations.

(*4*) A petition presented by the company for winding up before the Tribunal shall be admitted only if accompanied by a statement of affairs in such form and in such manner as may be prescribed.

(*5*) A copy of the petition made under this section shall also be filed with the Registrar and the Registrar shall, without prejudice to any other provisions, submit his views to the Tribunal within sixty days of receipt of such petition.]

22. Management and the shareholders of the Petitioner Company have unanimously resolved and approved the winding up of the company in terms of the special resolution passed by it in the Extraordinary General Meeting dated 16.08.2022.

23. Though the Petitioner Company has an alternative remedy under Section 10 of the Insolvency and Bankruptcy Code, 2016 for initiation of the Corporate Insolvency Resolution Process, it has been submitted that the Company ceased its business operations during the Covid-19 pandemic and has remained non-operational thereafter. In the facts and circumstances of the present case, the material on record does not indicate any reasonable prospect of revival of the Company as a going concern. Consequently, initiation of the Corporate Insolvency Resolution Process would not serve any meaningful purpose.

24. Upon perusal of the material placed on record, this Tribunal is satisfied that the petition is in compliance with the statutory requirements governing a petition for winding up.

25. Further, RoC objections pertain to non-compliance post FY 2021-2022 and outstanding dues of unsecured creditors. Likewise, the Income Tax Department has also raised objections for its outstanding dues. It is settled that creditors are free to make claims during the process of winding up, therefore, mere fact of outstanding dues cannot prevent admission of winding up. It may be noted that the second proviso to section 273(1) states that *Provided also that the **Tribunal shall not refuse to make a winding up order on the ground only** that the assets of the company have been mortgaged for an amount equal to or in excess of those assets, or that **the company has no assets***. This itself makes it clear that only because the company's assets are insufficient in proportion to liabilities does not prevent this tribunal to admit winding up petition.

26. Having considered the averments made in the Company Petition, the Statement of Affairs and the documents placed on record, this Tribunal is satisfied that the Petitioner Company has ceased to carry on its business and is presently non-operational and that there is no reasonable likelihood of revival of the Company or resumption of its business activities and accordingly, on 16.08.2022, in compliance of section 271(a) of the Companies Act, 2013 special resolution was passed to resolve that the company be wound up. Therefore, we do not find any legal or factual impediment to the admission of the present petition for winding up of the Petitioner Company.

27. It is accordingly ordered as follows: -

a. The Petition bearing no. **C.P.- 102/271-273/PB/2023** stands **ADMITTED**.

b. We appoint Ms. Sucheta Gupta, having Reg. No.IBBI/ IPA-002/ IP-NO1292/2024-2025/14450, E-mail ID:- suchetaguptaandassociates@gmail.com and contact: 9313005662 from the list maintained by IBBI as Company Liquidator for the Respondent No. 1 Company / M/s M/s Trade Concepts India Limited. The Company Liquidator shall be paid a remuneration of Rs. 50,000/- per month plus actual reasonable expenses incurred for conducting the process or winding-up of the Company.

c. The Company Liquidator is directed to file a declaration within seven days from the date of appointment disclosing conflict of interest or lack of independence if any.

d. The Company Liquidator is directed to cause a public advertisement in Form WIN 6 in a daily newspaper in English and in Hindi having wide circulation regarding the admission of the present petition filed under Section 271-272 of the Companies Act, 2013 as provided under the Companies (Winding Up) Rules, 2020.

e. The Company Liquidator is directed to take steps in accordance with Law to get the name of the Company restored in the 'Register of Companies' immediately upon receipt of this order.

f. The Company Liquidator is directed to file a Statement of Affairs in Form WIN 4, supported by an affidavit of concurrence in Form WIN 5 on behalf of the Company which shall contain information up to the date which shall not be more than thirty days prior to the date of filing the petition.

g. The Company Liquidator is directed to file an application within three weeks from the date of this order before this Tribunal for the constitution of the winding-up Committee under Section 277(4) of the Companies Act, 2013.

h. From the date of this order of winding-up, no suit or legal proceedings shall be commenced or if pending at the date of the winding-up order, shall be proceeded with, by or against the Company, except with the leave of this Tribunal.

i. The winding up order shall be deemed to be a notice of discharge to the officers, employees, and workmen of the Company under Section 277(3) of the Companies Act, 2013.

j. We direct the promoters, directors, officers and employees to extend full cooperation to the Company Liquidator in discharge of his functions and duties in terms of section 284.

k. The Company Liquidator is directed in terms of section 283 to forthwith take into his custody or control all the property, effects and actionable claims to which the Company is or appears to be entitled and take such steps and measures, as may be necessary, to protect and preserve the properties of the Company.

l. The Company Liquidator is directed to strictly follow relevant provisions of the Companies Act, 2013 and rules framed thereunder for winding up of the Company.

28. Post this matter for hearing on **12.09.2026**.

29. The Registry of this Tribunal is directed to communicate this order to the Registrar of Companies, all the parties, and to the Company Liquidator within seven days.

Sd/-
(ANUPINDER SINGH GREWAL)
PRESIDENT

Sd/-
(RAVINDRA CHATURVEDI)
MEMBER (TECHNICAL)