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# **VOLUNTARY LIQUIDATION**

**UNDER IBC 2016**

# About Us

Siddhant Dhyani & Associates (“SDA”) is a firm of Company Secretaries based out of Delhi specialising in providing corporate secretarial compliance and advisory services in relation to Corporate Laws & Listing Regulations.

We are a team of professionals with extensive experience across various domains of corporate secretarial and listing laws. With the vision and mission of providing the highest quality of unmatched client experience, our firm provides all kinds of corporate secretarial compliance services ranging from incorporation, due diligence, transaction advisory, compliance health checks, remedial services, compliance retainer services and representation services to Companies, Limited Liability Partnerships (LLP’s), Foreign entities, Startups & other forms of business organisation in India.



*Simplifying Compliance*



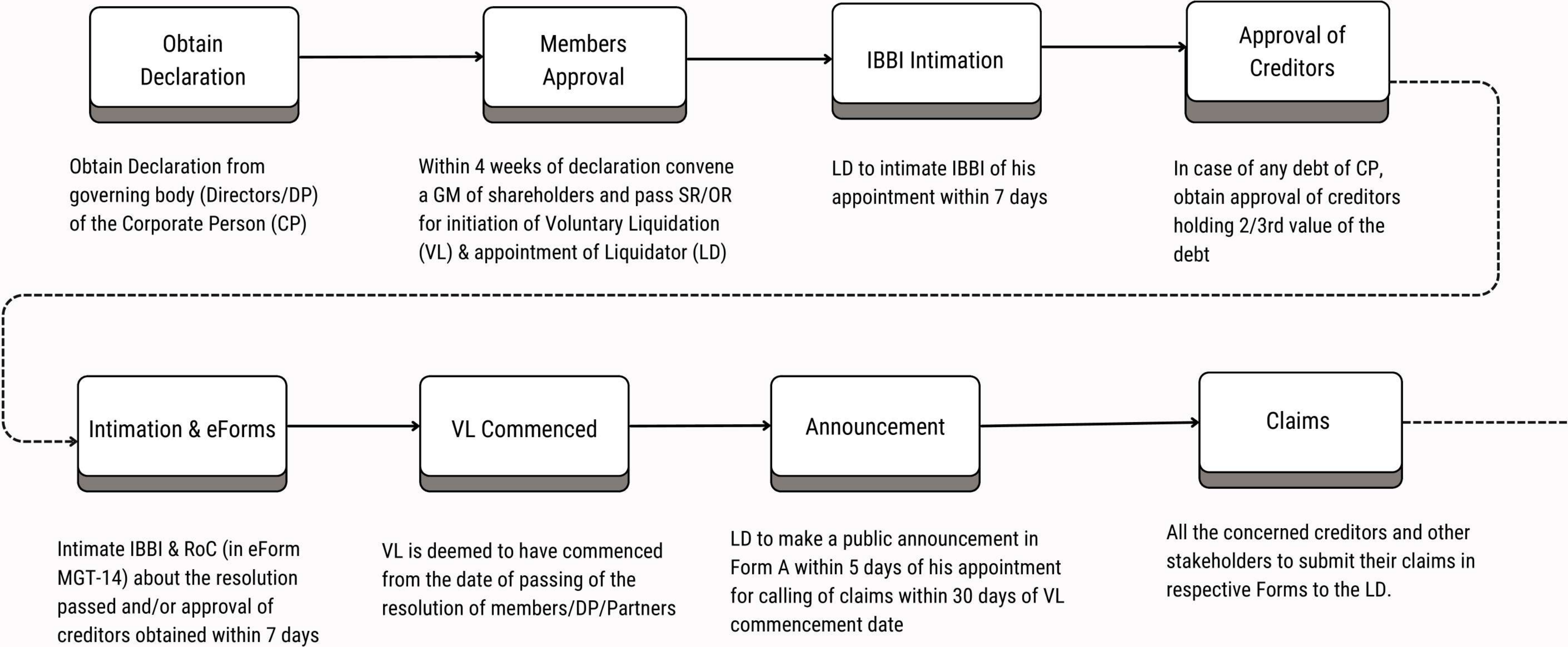


# Introduction

Voluntary liquidation is a process by which a corporate person (Company/LLP/Others), winds up its affairs, settles its liabilities, and distributes the remaining assets to its stakeholders in a prescribed manner. It is initiated voluntarily by the members of the corporate person when it has fulfilled its objectives or is no longer operationally viable. This process allows the corporate person to exit gracefully while ensuring all financial & legal obligations are met.

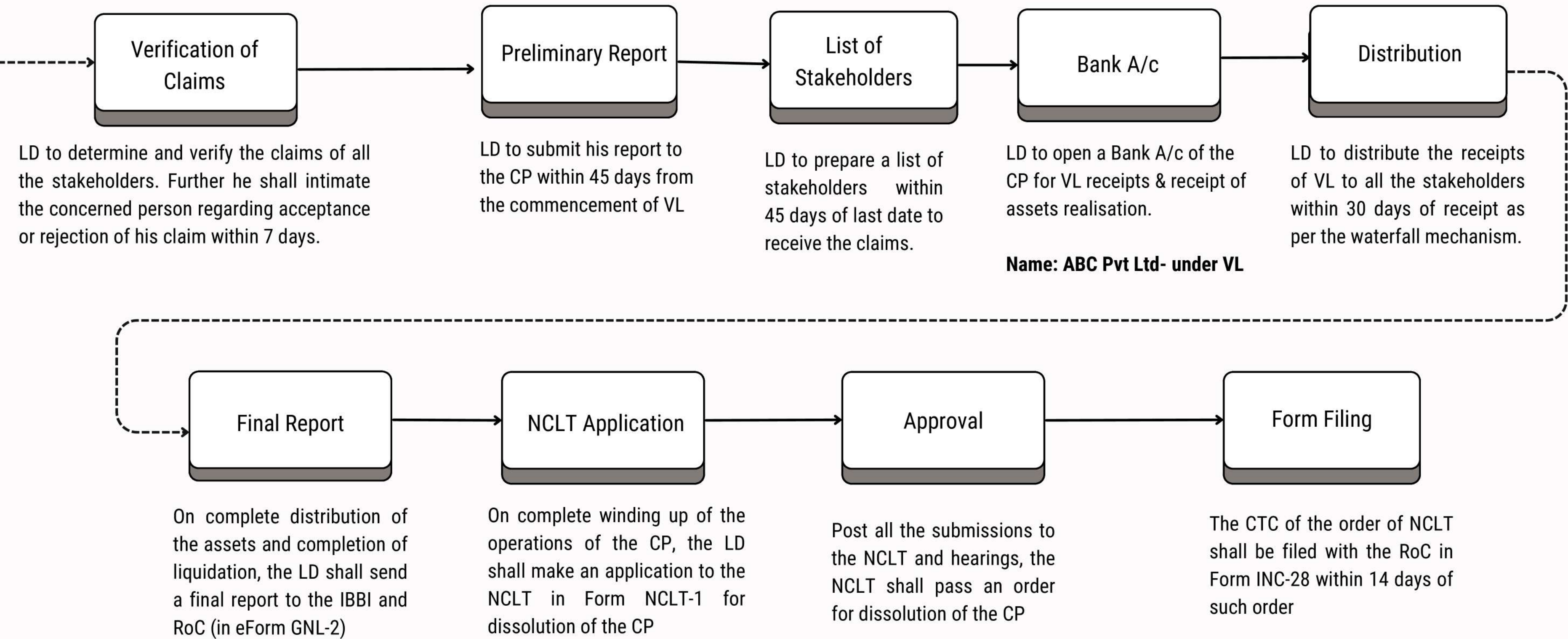
Governed by the Section 59 of the Insolvency and Bankruptcy Code, 2016 ("IBC 2016" or "the Code") & IBBI (Voluntary Liquidation Process) Regulations, 2017, it emphasizes transparency and compliance. By following this legal framework, entities can ensure a structured closure, protecting the interests of creditors, shareholders, and other stakeholders.

# Procedure





# Procedure



# Important Pointers

- ✓ Upon commencement of VL process, the Corporate Person shall cease to carry on any business except for the VL process.
- ✓ The Corporate person shall ensure that it has not committed any debt related defaults before initiation of Voluntary Liquidation process.
- ✓ The liquidator shall endeavour to complete the liquidation process of the corporate person and submit the Final Report under within: -
  - (a) 270 days from the liquidation commencement date where the creditors have approved the resolution under clause (c) of sub section (3) of section 59 or clause (c) of sub-regulation (1) of regulation 3, and
  - (b) 90 days from the liquidation commencement date in all other cases.
- ✓ 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.
- ✓ The liquidator shall preserve copies of all such records which are required to give a complete account of the voluntary liquidation process



# How SDA can help you ?

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- ✔ Expertise & rich experience in Corporate Secretarial & Governance domain.
- ✔ Offering compliance solutions and insights tailored to your specific business needs.
- ✔ Helping you stay compliant with all relevant regulations and legal requirements.
- ✔ Simplifying complex compliance procedures to save time, effort & cost.
- ✔ Assisting with the preparation and filing of essential documents & eForms.
- ✔ Dedicated team for keeping your compliances intact.
- ✔ Client centric personalised approach
- ✔ Monitoring and Control to mitigate compliance risk at all times



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# THANK YOU



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