TERMINATION (WITHDRAWAL) OF VOLUNTARY LIQUIDATION

Complete Filing Kit

Section 59(5A)–(5C), Insolvency and Bankruptcy Code, 2016

Regulation 42, IBBI (Voluntary Liquidation Process) Regulations, 2017

Form J notified vide IBBI Circular No. IBBI/VL/97/2026 dated 2 June 2026

In the matter of [Name of the Corporate Person] (in voluntary liquidation)

Contents

A. Legal Basis & Operative Circular

Termination of an ongoing voluntary liquidation before dissolution is enabled by **Section 59(5A), (5B) and (5C)** of the Code (inserted by the IBC (Amendment) Act, 2026; enabling provisions effective 26 May 2026), operationalised by **Regulation 42** of the IBBI (Voluntary Liquidation Process) Regulations, 2017 (inserted by the Second Amendment Regulations, 2026, w.e.f. 2 June 2026).

The prescribed form is **Form J — "Intimation for Termination of Voluntary Liquidation Proceedings"**, notified under **IBBI Circular No. IBBI/VL/97/2026 dated 2 June 2026**, against Regulation 42(2).

This is an intimation, not an application for an order. The NCLT is not required to pass a termination order — unlike dissolution under s.59(7) or suspension under Reg 40. The proceeding is deemed terminated from the date the liquidator intimates the ROC (s.59(5C)), whereupon the liquidator's term ends.

B. Filing Sequence & Checklist

#	Step / document	Provision
1	Liquidator's note convening the EGM (Part C)	Reg 42
2	Notice of EGM + agenda + explanatory statement (Part D)	—
3	Special resolution of members (Part E)	s.59(5A)(a); Reg 42(1)
4	Creditors' approval — if any debt owed (Part F)	s.59(5A)(b)
5	Report under Regulation 42(2) (Part G)	Reg 42(2)
6	Form J to the Adjudicating Authority (Part H)	Reg 42(2); Circular
7	Intimate IBBI — within 7 days (Part I)	s.59(5B); Reg 42(3)
8	Intimate ROC — within 7 days; deemed termination (Part J)	s.59(5B)/(5C); Reg 42(3)
9	File electronic-platform Forms VL 3 / VL 4	Reg 41A

Key timing point: *deemed termination flows from the ROC intimation (s.59(5C)) — time that filing deliberately. Both the 7-day intimations (IBBI and ROC) enclose the same Form J and Reg 42(2) report.*

C. Liquidator’s Note Convening the General Meeting

[Name of the Company] (in voluntary liquidation)

CIN/LLPIN: ____________ | Registered Office: ____________

Note No.: ____________ | Date: ____________

Note by the Liquidator

1. The Company is under voluntary liquidation with effect from [liquidation commencement date], pursuant to the special resolution dated [__] [and creditors’ approval dated __]. I, [Name], IP (Regn. No. ____), am the Liquidator.
2. Since commencement, [briefly state the change in circumstances rendering continuation of the liquidation no longer warranted]. The Company is solvent, admitted claims have been dealt with / provided for, and no purpose is served by continuing the liquidation.
3. Section 59(5A) of the Code (r/w Regulation 42) now permits termination of an ongoing voluntary liquidation prior to dissolution, subject to (a) a special resolution of the members providing the rationale, the treatment of liquidation costs, and a declaration of no prejudice to stakeholders; and (b) approval of creditors representing two-thirds in value of the debt, where any debt is owed.
4. Accordingly, in exercise of the powers vesting in me during the voluntary liquidation and for the beneficial conduct of the process, I have decided to convene an Extraordinary General Meeting of the members to consider the proposed termination.

Resolved (by the Liquidator)

“RESOLVED THAT an Extraordinary General Meeting of the members be convened on [day], [date] at [time] at [venue / through VC/OAVM], to consider and, if thought fit, pass the Special Resolution for termination of the voluntary liquidation proceedings under Section 59(5A) r/w Regulation 42, in the terms placed before this note.”

“RESOLVED FURTHER THAT the Notice convening the said meeting, with the explanatory statement and agenda, be approved and issued to the members [and, where any debt is owed, that the proposed termination be placed before the creditors for approval representing two-thirds in value of the debt].”

“RESOLVED FURTHER THAT upon the members passing the Special Resolution [and creditors granting approval], the Liquidator be authorised to prepare the report under Regulation 42(2), file Form J with the Adjudicating Authority, and intimate the Board (IBBI) and the Registrar of Companies within seven days, and to do all consequential acts including steps for restoration of the Company’s management.”

____

[Name], Liquidator | IP Regn. No.: ______ | Date: ______ | Place: ______

Note on who convenes: *During voluntary liquidation the Board’s powers are largely suspended and the affairs vest in the Liquidator, so the meeting is ordinarily convened by the Liquidator. If the Board is to convene it, substitute a Board resolution to the same effect. The termination resolution itself is always that of the members.*

D. Notice of General Meeting, Agenda & Explanatory Statement

[Name of the Company] (in voluntary liquidation)

CIN/LLPIN: ______________ | Registered Office: ______________

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the members of [Name of the Company] (presently under voluntary liquidation) will be held on [day], [date] at [time] at [venue / through video-conferencing], convened by the Liquidator, to transact the following business:

Agenda

Ordinary business: Nil.

Special business:

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as a **Special Resolution** for termination of the voluntary liquidation proceedings under Section 59(5A) of the IBC, 2016 r/w Regulation 42 — as set out in Part E (rationale; treatment of liquidation costs; no-prejudice declaration; and authorisation to the Liquidator).
6. To authorise the Liquidator / the Board to file Form J with the Adjudicating Authority and to intimate the IBBI and the Registrar of Companies, and to take consequential steps for restoration of the Company's management and operations.
7. To take note of the treatment/settlement of liquidation costs and the Liquidator's final account up to the date of termination.

Convened by the Liquidator

____

[Name], Liquidator | IP Regn. No.: ______ | Date: ______ | Place: ______

Explanatory Statement

The Company commenced voluntary liquidation on [LCD] pursuant to a special resolution dated [__] and [creditors' approval dated __, if any]. Since then, [set out the change in circumstances / reason the liquidation is no longer warranted]. As the Company is solvent and its continuation is now considered to be in the interest of the members and stakeholders, it is proposed to terminate the voluntary liquidation under Section 59(5A). The liquidation costs up to the date of termination amount to Rs. [amount] and will be borne by the Company. The termination will not prejudicially affect the interest of any stakeholder. The resolution is recommended for approval as a Special Resolution.

E. Special Resolution of the Corporate Person

(Under s.59(5A)(a) r/w Reg 42(1) — special resolution of members / special majority of partners or contributories)

"RESOLVED THAT pursuant to sub-section (5A) of Section 59 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 42 of the IBBI (Voluntary Liquidation Process) Regulations, 2017 and all other applicable provisions, the consent of the members of [Name of the Company] ("the Company"), presently under voluntary liquidation with effect from [liquidation commencement date], be and is hereby accorded to **terminate the voluntary liquidation proceedings** of the Company, for the reasons set out below."

(a) Rationale [Reg 42(1)(a)]: "RESOLVED FURTHER THAT the voluntary liquidation is terminated for the reason that [e.g., the circumstances that occasioned the voluntary liquidation no longer subsist / a fresh business opportunity has emerged rendering continuation commercially unwarranted / the members have decided to revive and continue operations], as explained in the accompanying explanatory statement."

(b) Treatment of liquidation costs [Reg 42(1)(b)]: "RESOLVED FURTHER THAT the liquidation costs incurred and payable up to the date of termination, aggregating to Rs. [amount] (Rupees [in words]), including the Liquidator's fee and out-of-pocket expenses, be borne and discharged by the Company out of its own funds."

(c) No-prejudice declaration [Reg 42(1)(c)]: "RESOLVED FURTHER THAT the members declare that the termination will not result in prejudicially affecting the interest of any stakeholder; that all admitted claims have been / will be dealt with; and that the Company is solvent and able to meet its liabilities."

Authorisation: "RESOLVED FURTHER THAT [Name], the Liquidator, be and is hereby authorised to intimate the Adjudicating Authority in Form J with the report under Regulation 42(2), and to intimate the Board (IBBI) and the Registrar of Companies, along with the report, within seven days of this resolution / the approval of creditors, and to do all such acts as may be necessary."

Majority: *special resolution (≥75%) for a company; the special majority under its constitutional documents for an LLP/other body. If any debt is owed, this must additionally be approved by creditors representing two-thirds in value (Part F).*

F. Creditors' Approval (only if any debt is owed)

(Under s.59(5A)(b) — approval of creditors representing two-thirds in value of the debt)

"The creditors of [Name of the Company] (in voluntary liquidation), representing not less than two-thirds in value of the total debt, having considered the Special Resolution dated [date] for termination of the voluntary liquidation under Section 59(5A), hereby APPROVE the said termination. The creditors record that the Company is solvent, that their claims have been dealt with to their satisfaction / adequate provision made, and that the termination does not prejudicially affect their interest."

Sl.	Particulars	Details
1	Name of creditor	
2	Amount of admitted debt (Rs.)	
3	% of total debt in value	
4	Signature / authorised signatory	
5	Date	

Aggregate value of debt approving: Rs. _____________ (____% of total debt).

G. Report under Regulation 42(2)

(To be enclosed with Form J and with the IBBI / ROC intimations)

1. Particulars of the corporate person and the process

Name of the corporate person	[__________]
CIN / LLPIN	[__________]
Registered office	[__________]
Liquidator (name & IP Regn. No.)	[__________]
Liquidation commencement date (LCD)	[__________]
Special resolution to liquidate dated	[__________]
Creditors' approval (if any) dated	[__________]
Public announcement dated	[__________]

2. Trigger and rationale for termination [Reg 42(1)(a)]

The members have, by special resolution dated [date] [and creditors by approval dated [date]], resolved to terminate the voluntary liquidation under Section 59(5A). The rationale is: [set out the reasons]. The resolution satisfies Regulation 42(1)(a), (b) and (c).

3. Status of the process as on the date of this report

8. **Assets:** [assets realised / not yet realised; realised value Rs. ____; assets still held Rs. ____].
9. **Claims and stakeholders:** [claims received Rs. ____; admitted Rs. ____; list of stakeholders (Reg 30) dated ____; all admitted claims discharged / provided for].
10. **Distributions:** [distributions made to date Rs. ____ / nil].
11. **Pending litigation / proceedings:** [none / details and status; provision made where applicable].
12. **Avoidance / fraudulent or wrongful trading:** [not detected / details].
13. **Corporate Voluntary Liquidation Account:** [no deposit required / details of deposit].

4. Treatment of liquidation costs [Reg 42(1)(b)]

Liquidation costs up to the date of termination aggregate to Rs. [amount] (Rupees [in words]) — Liquidator's fee Rs. ____ and other expenses Rs. ____ — borne by the corporate person out of its own funds. A statement of the Liquidator's receipts and payments up to the date of termination is annexed.

5. Statement under Regulation 42(2) and s.59(5A)(c)

I, [Name], the Liquidator, state and confirm that —

(a) due process for termination has been followed, including the special resolution [and creditors' approval, where applicable] under Section 59(5A) and Regulation 42;

(b) the termination is not initiated to defraud any person;

(c) the corporate person is solvent and able to meet its liabilities in full; and

(d) the termination will not prejudicially affect the interest of any stakeholder.

6. Consequences [s.59(5C) / Reg 42(4)]

On termination taking effect from the date of intimation to the ROC under s.59(5B): (a) the Liquidator's appointment and term stand terminated; (b) the Liquidator ceases to exercise any powers/functions under the Regulations; and (c) no further action shall be taken under the Regulations. The management of the corporate person stands restored in accordance with law.

____

[Name], Liquidator | IP Regn. No.: ______ | Date: ______ | Place: ______

H. Form J — Intimation for Termination

[Under Regulation 42 of the IBBI (Voluntary Liquidation Process) Regulations, 2017]

Date: ______________

To,

The Adjudicating Authority

National Company Law Tribunal, __________ Bench

In the matter of: [Name of the corporate person] (in voluntary liquidation)

Subject: Intimation for termination of voluntary liquidation proceedings of [Name of the corporate person].

1. I, [Name of the Insolvency Professional], an insolvency professional enrolled with [name of IPA] and registered with the IBBI having registration number [____], am acting as the Liquidator for the voluntary liquidation proceedings of [Name of the corporate person].

2. I hereby submit this form for termination, in accordance with Section 59 of the Code and Regulation 42 of the Regulations.

3. The following documents, to the extent applicable, are annexed with this form:

   (a) copy of the declaration from the majority of directors under s.59(3)(a);
   (b) copy of the documents mentioned in s.59(3)(b);
   (c) copy of the special resolution of members under s.59(3)(c);
   (d) copy of the resolution of creditors under the proviso to s.59(3)(c);
   (e) copy of the resolution passed by special majority of partners/contributories under Reg 3(1)(c);
   (f) copy of the resolution of creditors under the proviso to Reg 3(1)(c);
   (g) proof of notification sent to the Board and the Registrar of Companies;
   (h) copy of the public announcement of commencement of proceedings;
   (i) copy of the preliminary report, if any;
   (j) particulars under Regulation 12;
   (k) copy of the list of stakeholders under Regulation 30;
   (l) details of avoidance transactions, fraudulent or wrongful trading, if any;
   (m) particulars of sale, realisation and distribution;
   (n) audited accounts of the liquidation (receipts and payments since the LCD);
   (o) statement of assets disposed of, debts discharged, and status of any pending suits/proceedings;
   (p) copy of the resolution/approval under s.59(5A)(a) and (b), as applicable; and
   (q) copy of the report under Regulation 42(2).

4. I hereby declare that —

   (a) due process for termination of voluntary liquidation proceedings has been followed; and
   (b) the termination is not initiated to defraud any person and the corporate person is solvent.

____

Signature of the Insolvency Professional (Liquidator)

Registration Number: ______________

Registered Address: ______________

For [Name of the Corporate Person] | Date and Place: ______________

I. Covering Intimation to the IBBI

(s.59(5B) r/w Reg 42(3) — within 7 days; enclose Form J / Reg 42(2) report)

Date: ______________

To,

The Insolvency and Bankruptcy Board of India

7th Floor, Mayur Bhawan, Connaught Place, New Delhi – 110 001

Subject: Intimation of termination of voluntary liquidation proceedings of [Name of the corporate person] under Section 59(5B) r/w Regulation 42(3).

Madam/Sir,

1. I, [Name], Liquidator (IP Regn. No. ____) of [Name of the corporate person] (in voluntary liquidation, LCD [date]), hereby intimate that the members have, by special resolution dated [date] [and creditors by approval dated [date]], resolved to terminate the voluntary liquidation under Section 59(5A).

2. The conditions under clauses (a), (b) and (c) of Section 59(5A) stand satisfied. The report under Regulation 42(2) in Form J, with enclosures, is annexed. I confirm that due process has been followed, that the termination is not initiated to defraud any person, and that the corporate person is solvent.

3. This intimation is made within seven days of the special resolution / creditors' approval, in compliance with Section 59(5B) and Regulation 42(3).

Enclosures: (i) Form J with annexures; (ii) special resolution; (iii) creditors' approval (if any); (iv) report under Reg 42(2).

Yours faithfully,

____

[Name], Liquidator | IP Regn. No.: ______

J. Covering Intimation to the Registrar of Companies

(s.59(5B) r/w Reg 42(3) — within 7 days; termination deemed effective from the date of this intimation, s.59(5C))

Date: ______________

To,

The Registrar of Companies

[State / jurisdiction], [Address]

Subject: Intimation of termination of voluntary liquidation proceedings of [Name of the corporate person] (CIN/LLPIN: ______) under Section 59(5B) r/w Regulation 42(3).

Madam/Sir,

1. I, [Name], Liquidator (IP Regn. No. ____) of [Name of the corporate person] (in voluntary liquidation, LCD [date]), hereby intimate that the members have, by special resolution dated [date] [and creditors by approval dated [date]], resolved to terminate the voluntary liquidation under Section 59(5A), and that the conditions of Section 59(5A) stand satisfied.

2. The report under Regulation 42(2) in Form J, with enclosures, is annexed. Pursuant to Section 59(5C), the voluntary liquidation proceeding shall be deemed to have been terminated from the date of this intimation to your office, whereupon the term of the Liquidator shall stand ended.

3. You are requested to take the said termination on record and to update the status of the corporate person accordingly.

Enclosures: (i) Form J with annexures; (ii) special resolution; (iii) creditors' approval (if any); (iv) report under Reg 42(2).

Yours faithfully,

____

[Name], Liquidator | IP Regn. No.: ______

Practitioner notes: *(1) The three intimations (NCLT / IBBI / ROC) carry the same Form J and Reg 42(2) report as enclosures. (2) Deemed termination flows from the ROC intimation (s.59(5C)) — time it deliberately. (3) File the electronic-platform Forms VL 3 / VL 4 (Reg 41A) within their timelines. (4) Re-verify the current text of the Circular and Form J on ibbi.gov.in before filing, as forms may be revised by circular. This kit is a drafting aid and not legal advice.*