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IN THE NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH – I, CHENNAI

CP(IB)/281(CHE)/2021

(Filed under Sec. 59(7) of the Insolvency and Bankruptcy Code, 2016)

In the matter of ***Ishwarya Lakshmi Finance Private Limited***

Mr.Vasudevan Gopu
Liquidator of Ishwarya Lakshmi Finance Private Limited
(In Voluntary Liquidation)
No.11A, Collector Sivakumar Street,
KK Pudur, Coimbatore – 641 038

... Applicant

Present:

For Applicant : *A.G.Sathyanarayana, Advocate*

CORAM:

JUSTICE RAMALINGAM SUDHAKAR, Hon'ble PRESIDENT
SAMEER KAKAR, MEMBER (TECHNICAL)

Order Pronounced on ***26th August 2022***

ORDER

***Per:* JUSTICE RAMALINGAM SUDHAKAR, Hon'ble PRESIDENT**

This is a Company petition filed by the Liquidator in relation to the voluntary liquidation of *Ishwarya Lakshmi Finance Private Limited* under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC, 2016"), seeking for the dissolution of the Applicant Company.

2. The Applicant Company was originally incorporated on 22.03.1991 under the provisions of the Companies Act, and the certificate of incorporation to this effect was issued by the Registrar of Companies, Coimbatore. The CIN of the Applicant Company is U65921TZ1991PTC003198. The main objects of the Company is to carry on the business of Financiers of trading, manufacturing, operations of transports, machineries, deal in hire purchase, encourage and assist in hire purchase of all operations, financing all operations of manufacturing, trans port operations and Industrial enterprises, leasing and letting on lease of movable properties of all kinds including plant and machinery, cold storage, refrigerators, Air conditioning equipments, Air conditioners, and for all these lend money on securities or otherwise, carry on hire purchase business, help other persons or Industries or association or charitable or Service Organisations in hire purchase, assist and encourage industrial growth, by acting as capitalists and financiers; and enter in any partnership or arrangement for Joint-working of any hire purchase business, financing of industrial undertaking or any business or trading activity or enterprise etc,. The details of the main objects are set out in the Memorandum of Association which is filed along with the typed set.

3. The Applicant had four directors in its board and eighteen equity shareholders as its members and the same is annexed at Annexure -4 of the typed set filed along with the application. The Authorized Capital and the Issued, Subscribed and Paid up Capital of the Applicant Companies are as follows;

Particulars	**Amount in INR**
Authorised Share Capital :	
2,50,000 Equity shares of Rs. 10/- each	25,00,000/-
Issued, Subscribed and paid up share capital	
2,23,600 Equity shares of Rs.10/ each	22,36,000/-

4. It was averred in the application that the Applicant Company was incorporated with the business objective as Non-Banking Financial Institution and the same can be referred in the Memorandum of Association. Further it was averred in the application that Company's registration certificate was cancelled by RBI vide order dated 04.06.2018 due to the inability to comply with the required Net Owned Funds (NOF) and the copy of the cancellation order issued by RBI is annexed at "Annexure-3". As there were no feasible business opportunities for the company due to cancellation of NBFC registration certificate by RBI, directors and shareholders of the company had decided to voluntarily liquidate the company.

5. It was submitted by the Learned Counsel that in compliance with Section 59(3) of the IBC, 2016 read with Regulation 3 of IBBI (Voluntary Liquidation Process) Regulations, 2017, the Board of Directors viz. Mr. Muthuswamy Gangadaran, Mr.Muthiyil Pathayapura Gopalakrishnan, Mr.Krishnaswamy Vijayaraghavan & Mr.Sitaraman Sivakumar verified by an affidavit dated 16.11.2020 has declared that they are solvent and the said affidavit is placed at pages 3 to 14 of the additional typed set filed vide S.R.No.589 dated 01.12.2021. In further compliance, the audited financial statement of previous two years viz. 2018 – 2019 and 2019 – 2020 was filed with the RoC and the proof of the same is placed at Annexure-5 of the typed set filed along with the Application. Thus, the Applicant Company has made compliance as to Section 59(3)(a) and (b) of IBC, 2016.

6. The members of the Applicant Company convened an Extraordinary General Meeting on 16.11.2020 and all the members have passed a Special Resolution approving the Voluntary Liquidation and have proposed to appoint Mr. Vasudevan Gopu as the Liquidator. Thus, the Applicant Company has made compliance as to Section 59(3)(c) of IBC, 2016.

7. In compliance with Section 59(4) of IBC, 2016, the Liquidator has notified the Registrar of Companies (RoC) and the Insolvency and Bankruptcy Board of India (IBBI) about the decision of the Petitioner Company to proceed for voluntary liquidation and the copy of MGT – 14 & GNL – 2 filed before the RoC on 20.11.2020 and the intimation of the liquidation proceedings of the Petitioner Companies which was made to IBBI on 20.11.2020, are placed in para 6 Serial No.6 of Form –H filed in the additional typed set.

8. The Liquidator as per Regulation 14 of the IBBI (Voluntary Liquidation Process) Regulations 2017 has made a public announcement in Form A on 18.11.2020 in both English Newspaper (Financial Express) and in vernacular, Tamil (Maalai Murasu) and the same is placed at Annexure-7 of the typed set filed along with the Application. It is also submitted that as required under Section 178 of the Income Tax Act, the Liquidator has given notice to the Income Tax authorities within 30 days of his appointment as Liquidator and that the Company is under Voluntary Liquidation vide his letter dated 23.11.2020 to which the Income Tax Authorities vide their letter dated 27.04.2021, have given a No – objection Certificate and the said

letter is placed at Annexure 10 of the typed set filed along with the Application.

9. As per Regulation 34 of the IBBI (Voluntary Liquidation Process) Regulations, 2017, a separate bank account in the name of the company was opened with Tamil Nadu Mercantile Bank, Coimbatore for liquidation purposes and the same is reflected in the Final Report in point no. 9 of Annexure 13 of the typed set filed along with the application.

10. The Learned Counsel submitted that as per Regulation 9 of the IBBI (Voluntary Liquidation Process) Regulations, 2017, the Liquidator has submitted his preliminary report before IBBI on 28.12.2020, within 45 days from the Liquidation commencement date of the Company and the copy of the report is placed at pages 141 to 144 of the typed set filed along with the Application.

11. It was further averred in the application that till the last date for claim i.e.16.12.2020 and subsequently till the date of this application there were no claims received from any of the third party stakeholders i.e. Workers, employees, creditors etc and the equity shareholders were remained as the only class of stakeholders for distribution of liquidation funds. The Liquidator had prepared the "Final list of stakeholders" and the same is

enclosed at Annexure -9 of the typed set along with the application.

12. It was further averred in the application that the affairs of the company have been completely wound up and assets of the company were completely liquidated and distributed to the concerned stakeholders as per the distribution mechanism prescribed under Section 53 of the Insolvency and Bankruptcy Code, 2016 and the copy of the liquidation bank account statement is enclosed as Annexure -11 of the typed set filed along with the application.

13. It was further averred in the application that the Liquidator's final statement of Accounts and Registers & Ledgers maintained as per Schedule II and Regulation 10 of the IBBI(Voluntary Liquidation Process) Regulations, 2017 and the same is enclosed is Annexure 12 of the typed set filed along with the application.

14. As per the provisions of Section 53(1) of IBC, 2016 and Regulation 35 of the IBBI (Voluntary Liquidation Process) Regulations, 2017, the Liquidator has distributed the funds among the shareholders as detailed below;

ISHWARYA LAKSHMI FINANCE PRIVATE LIMITED - IN VOL LIQ						
LIQUIDATOR'S FINAL STATEMENT OF ACCOUNTS						
RECEIPTS			PAYMENTS			
Date	Particulars	Amount (in INR)	Date	Particulars	Nature of payment	Amount (in INR)
	Assets realised:			Payments made:		
17.04.2021	Bank balance realised	1657264				
05.05.2021	Bank balance realised	771104		Liquidation expenses		
			16.06.2021	Liquidator fee	Payment to liquidator inclusive of GST	118673
			16.06.2021	Public announcement and misc expenses	expenses incurred on public announcement and other out of pocket expenses.	10650
				Distribution to shareholders		
			16.06.2021	Equity shareholders	Distribution to Equity shareholders	2299045
		2428368				2428368

Vasudevan Gopu
Liquidator of Ishwarya Lakshmi Finance Pvt Ltd
IP - Reg No.IBBI/IPA-002/IP-N00291/2017-18/10849
Date: 30.09.2021
Place: Coimbatore

ISHWARYA LAKSHMI FINANCE PRIVATE LIMITED - IN VOL LIQ

STATEMENT SHOWING THE DISPOSAL OF ASSETS AND DISCHARGE OF LIABILITIES

DETAILS OF ASSETS	Rs.
Realised value of the assets of the company	
(a) Cash at bank	2428368.00
(b) other assets	-
Total	2428368.00
Less: Details of distributions from realised assets	
(a) Bank balance utilised to make payment of liquidators remuneraion and other liquidation expenses (Refer reciepts and payments account)	129323.00
(b) Funds distributed to equity shareholders	2299045.00
Total	2428368.00

Note:

1 The company had only liquid bank balance on the commencement of voluntary liquidation. Hence no requirement araised for sale & realisation of assets.
2 The company had no debt on the commencement of voluntary liquidation and also the liquidator has not received any claims during the liquidation period.
3 No litigation is pending against the company.

STATEMENT ON SALE OF ASSETS

NIL

Vasudevan Gopu
Liquidator of Ishwarya Lakshmi Finance Pvt Ltd
Reg No. IBBI/IPA-002/IP-N00291/2017-18/10849
Date: 30.09.2021
Place: Coimbatore

15. As per Regulation 38 of the IBBI (Voluntary Liquidation) Regulations 2017, the Liquidator has prepared his Final Report and has submitted the Final Report to the RoC and IBBI on 30.09.2021.

16. The Learned Counsel for the Applicant had filed Form-H in a separate additional typed set wherein it reveals that there is no preferential, undervalue, extortionate or fraudulent transactions pending against the applicant company. Further it is seen from the perusal of Form -H, wherein the mandatory compliances are placed at Point No.6 of Page Nos.5 & 6 in a tabulated format and the same is annexed in the separate additional typed set.

17. Thus, on examining the submissions made by the Learned Counsel for the Applicant and after perusing the documents annexed to the Petition it appears that the affairs of the Company have been completely wound up and the assets of the Applicant Company have been completely liquidated and as such the Applicant Company deserves to be dissolved. Accordingly, in exercise of the powers conferred under Section 59(8) of IBC, 2016, we hereby order the dissolution of *Ishwarya Lakshmi Finance Private Limited* and the Applicant Company shall stand dissolved from the date of this order. Accordingly, the Company Petition stands **allowed**.

18. The Registry and the Liquidator are directed to serve a copy of this order upon the Registrar of Companies, Coimbatore, and also to IBBI, within 14 days from the date of this Order.

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SAMEER KAKAR
MEMBER (TECHNICAL)

JUSTICE RAMALINGAM SUDHAKAR
PRESIDENT