IN THE NATIONAL COMPANY LAW TRIBUNAL

BENGALURU BENCH, BENGALURU

(Through Physical Hearing/ VC Mode (Hybrid))

C.P. (IB) No. 80/BB/2024

(Application under sub-section (7) of Section 59 of the Insolvency and Bankruptcy Code, 2016)

IN THE MATTER OF:

M/s Fairmoney Financial Services Private Limited

Represented by its Liquidator Mr. Ravindranath Narayana Rao

Regd. Office: 45/3, Gopala Krishna Complex,

Residency Road, Mahatma Gandhi Rd,

Bengaluru, Karnataka – 560025 ...Applicant Company

Order delivered on: 04.03.2025

Coram: 1. Hon'ble Shri K. Biswal, Member (Judicial)

2. Hon'ble Shri. Ravichandran Ramasamy, Member (Technical)

Parties/Counsels Present:

For the Applicant: Mr. Ravindranath Narayana Rao

ORDER

1. The instant Company Petition has been filed on 02.02.2024 by M/s Fairmoney Financial Services Private Limited (hereinafter referred to as Applicant Company), represented by Mr. Ravindranath Narayana Rao, Liquidator of the Applicant Company under Section 59 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred with as the IBC, 2016), *inter alia,* for dissolution of the Applicant Company, namely M/s Fairmoney Financial Services Private Limited and issue necessary directions to the ROC, Bengaluru to take necessary steps to change the status of the Applicant Company on the MCA portal as "Under Liquidation" to "Dissolved".

2. The brief facts mentioned in the Petition are as follows:

   (a) M/s Fairmoney Financial Services Private Limited, the Applicant Company was incorporated on 16.06.2020 under the provisions of the Companies Act, 2013, bearing CIN: U65100KA2020FTC134955 having its registered office at 45/3, Gopala Krishna Complex, Residency Road, Mahatma Gandhi Road, Bengaluru, Karnataka – 560025.

   (b) The Authorised Share Capital of the Corporate Person is Rs. 2,50,00,000 where the Issued, Subscribed and paid-up share capital amounts to Rs. 2,18,25,000.

   (c) The main objects of the Applicant Company is to carry on the business in India and abroad finance consultancy or hire purchase company and/or leasing company and for this purpose to finance and to assist to get financial assistance, accommodation to any individual, firm, association of person, bodies corporate, industrial undertakings or otherwise with or without security/charge and with or without interest on lease, etc.

   (d) The Board of Directors of the Applicant Company at their meeting held on 05.10.2023 decided to voluntarily liquidate the Company and executed a **Declaration of Solvency** as required under Section 59 (3) of the IBC, 2016. Further the Directors of the Applicant Company have filed the Declaration of Solvency stating that they have made full enquiry into the affairs of the Applicant Company and the said Applicant Company is solvent and has no debts. Further, it is declared that the Applicant Company is not being liquidated to defraud any person or entity.

   (e) The Applicant Company in its Extraordinary General Meeting held on 05.10.2023 passed a **Resolution to liquidate the Company voluntarily,** and appointed Mr. Ravindranath Narayana Rao, to act as the Liquidator of the Applicant Company. The copy of the same is attached to the Petition and marked as **Annexure 13**.

   (f) The Audited Financial Statements of the Applicant Company as on 31.03.2022 and 31.01.2023 along with the Auditor's Report has been filed. The copy of the same is attached to the Petition and marked as **Annexures 9 & 10** and the acknowledgement for having filed the Income Tax Returns for the AY 2021-22 and AY 2022-23. The copy of the same is attached to the Petition and marked as **Annexures 11 & 12.**

(g) The commencement of liquidation and appointment of liquidator is intimated to the ROC in form MGT – 14 on 26.10.2023 and GNL – 2 (for submission of documents) on 16.01.2024.

(h) It is submitted that as per **Regulation 14 of the IBBI (Voluntary Liquidation Process) Regulations, 2017**, the Liquidator made a Public Announcement of commencement of liquidation in Form A, in 'Financial Express', English Newspaper and 'Samyukta Karnataka', Kannada Newspaper on 09.10.2023, seeking submission of the claim by Stakeholders on or before 09.11.2023. The copy of the Public Announcement is attached to the Petition marked as **Annexures 15 & 16**.

(i) It is further submitted that the last date of submission of claims, if any, was 09.11.2023. However, the Applicant did not receive any claims during the liquidation period. The list of stakeholders is attached to the Petition at Page no. 55.

(j) It is submitted that as per **Regulation 9 (1) of Chapter IV of the IBBI (Voluntary Liquidation Process) Regulations, 2017**, the Liquidator prepared the preliminary report dated 29.11.2023 and submitted to the shareholders on 29.11.2023. The copy of the same is attached to the Petition marked as **Annexure 29**.

(k) It is also submitted that as required under **Regulation 34 of the IBBI (Voluntary Liquidation Process) Regulations, 2017** the Liquidator opened a separate Bank Account in the name of the Applicant Company with The Hong Kong and Shanghai Banking Corporation Limited (HSBC), MG Road, Bengaluru Branch, for Liquidation purposes. The Liquidator has closed the Bank Account on 24.01.2024

(l) It is submitted that as per **provisions of Section 178 of the Income Tax Act, 1961**, the Applicant intimated the commencement of liquidation and appointment of liquidator to the Income Tax Authority on 12.10.2023.

(m)It is also submitted that as per **Regulation 38 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017** the Liquidator had the Accounts audited for the liquidation period and submitted his Final Report on 27.01.2024. In connection with the Accounts of the liquidation, the CA Certificate showing receipts and payments pertaining to liquidation period i.e., from 05.10.2023 to 02.01.2024 has been completed in the following manner:

RECEIPTS		PAYMENTS	
Particulars	**Amount (Rs.)**	**Particulars**	**Amount (Rs.)**
(1)	(2)	(3)	(4)
Opening Balance	2,07,10,386	15CA & 15CB	17,700
Income Tax Refund	29,950	CA's Certification	17,700
Rental Deposit	10,768	Publishing Fee	21,600
		Liquidations Remuneration	5,31,000
		Accounting Charges	8,835
		Company Secretary Fee	20,000
		Storage	8,850
		Conveyance	26,640
		Record Keeping Charges	17,700
		Printing and Stationery Charges	10,214
		Transport, Courier Charges	4,019
		Total Liquidation Expenses	**6,84,258**
		Amount Distributed to Stakeholders:	
		Predictus SAS	2,00,65,923
		Laurin Hainy (Transferred to IBBI-Punjab National Bank)	923
		Total Payment to Financial Creditors	**2,00,66,846**
		Closing Balance	0

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TOTAL	2,07,51,104	TOTAL	2,07,51,104

The Final Report of the Liquidating Company was submitted with the RoC and IBBI on 30.01.2024. The copy of the CA Certificate and Final Reports is attached to the Petition and marked as **Annexure 32 & 33**.

3. On the basis of the aforementioned grounds and reasons, The Board of Directors of the company have unanimously proposed to liquidate the company by invoking the provisions of Voluntary Liquidation under section 59 of the Code. Therefore, the Company, through the Liquidator, has prayed for an order for the dissolution of the Applicant Company. Hence this case.

4. Heard Mr. Ravindranath Narayana Rao, Counsel for the Liquidator/ Applicant. We have carefully perused the material on record and extant provisions of the Code, and the Regulations made thereunder.

5. The ROC, Karnataka has filed its Status Report vide Diary no. 680 dated 05.02.2025. In the said status report, the ROC has submitted that no enquiry/inspection/complaint/legal action is pending against the Applicant Company.

6. The Liquidator has filed an Affidavit and Memo of Compliance on 02.08.2024 vide diary no. 4589, pursuant to the order dated 24.05.2024 wherein he has given his willingness to act as the Voluntary liquidator for the Applicant Company.

7. Further, on 05.11.2024, the following order was passed:
   "...the explanation given vide Memo dt. 12.09.2024 regarding the deemed dividend is not satisfactory. He is directed to file Memo with proper clarification regarding how section 195 of Income Tax Act, 1961 is not applicable, within 1 week..."

8. Pursuant to the above order, the Applicant has filed a Compliance Memo on 05.12.2024 vide diary no. 6907 and the same is taken on record.

9. The Company decided to close its business operations considering the situation whereby the Company is not carrying on any business activity due to huge losses and the Management of the Company does not have any future plans to run the affair of the Company in a manner which will be fruitful for the shareholders of the Company. Therefore, the Board of Directors of the Company considered the matter and were of the opinion that in view of the non-availability of the business prospects and as desired by the members of the company, the company be voluntary wound up.

10. On examining the submissions made by the Ld. Counsel for the Applicant and after perusing the documents annexed to the Application, it appears that the affairs of the Corporate Person 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 M/s Fairmoney Financial Services Private Limited and the Applicant Company shall stand dissolved from the date of this order.

11. Accordingly, the Company Petition bearing **C.P. (IB) No. 80/BB/2024 is allowed and disposed of**.

12. The Registry and the Liquidator are directed to serve a copy of this order upon RoC Bangalore at its mail id – roc.bangalore@mca.gov.in and IBBI within fourteen days from the date of receipt of copy of this order.

-Sd-

RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

-Sd-

K. BISWAL
MEMBER (JUDICIAL)

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National Company Law Tribunal Bengaluru Bench

CERTIFIED TO BE TRUE COPY OF THE ORIGINAL
11/03/2025
DEPUTY/ASST. REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
Bengaluru Bench