IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH – II, CHENNAI
CP (IBC) / 176 (CHE) 2023

(Filed under Section 59 of the Insolvency and Bankruptcy Code, 2016)

In the matter of **Noyyal Finance Private Limited**

S. Vasudevan,
Liquidator of Noyyal Finance Private Limited,
CIN: U65999TZ2017PTC029666,
Regd. Office at:
SR. No. 378/1, 378/2, Site No. 22/1,
Sivasakthi Nagar, Thanneerpandhal,
Coimbatore, Tamil Nadu – 641004 ... *Petitioner/ Liquidator*

Order Pronounced on 22nd October 2023

CORAM

SHRI. JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)
SHRI. RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

For Petitioner: Mr. Krishna Dath M and Mr. Aryan Suresh, Advocates

ORDER

The Present Company Petition is filed by **MR. S. VASUDEVAN,** Liquidator in relation to the Voluntary Liquidation of *Noyyal Finance Private Limited* (hereinafter referred to as the 'the Company') U/s.59 of Insolvency and Bankruptcy Code, 2016 (hereinafter referred as 'Code'), seeking the dissolution of the company.

2. We have heard the both sides and perused the records. As per the averments made the above Company was incorporated on 16.11.2017 under

the provisions of the Companies Act, 2013. The company was engaged in the business of credit granting, financial lending and related activities subject to the approval of the appropriate authorities and RBI. The details of Main objects are set out in the Memorandum of Association which is placed on record in the Petition.

3. The Registered Office of the Company is situated at SR No. 378/1, 378/2, Site No. 22/1, Sivasakthi Nagar, Thanneerpandhal, Coimbatore, Tamil Nadu – 641004 and having CIN: U65999TZ2017PTC029666 within Jurisdiction of RoC, Coimbatore.

4. The Authorised, Issued, Subscribed and paid up share capital of the company as on date are submitted as below;

Particulars	Amount in INR
Authorized Share Capital: 20,00,000 (Twenty Lakhs) Equity Shares of Rs.10/- each.	Rs. 2,00,00,000.00/-(Two Crores only)
Issued, Subscribed and Paid Up Share Capital: 20,00,000 (Twenty Lakhs) Equity Shares of Rs.10/- each.	Rs. 2,00,00,000.00/-(Two Crores only)

5. It has been submitted by the Ld. Counsel appearing on behalf of the Petitioner that the company has ceased its operation from past immediately preceding two years and not earning any profits except the income from investments. The major reason is that the Company could not obtain necessary permission from the RBI which is necessary for financial entities.

In consequence thereto, the Board of Directors of the Company after reviewing the scope of business opportunities of the company, after making full enquiry into the affairs of the company, felt that there is no alternative but to put the Company into Voluntary Liquidation under the Code and to realize the available assets thereof and the distribute the proceeds to the members.

6. It was further submitted that as per the Proposal of the Board, the Shareholders of the Company in their Extra-Ordinary General Meeting held on 27.09.2021 passed a special resolution for voluntary liquidation and appointment of this Applicant, Mr. S. Vasudevan, Insolvency Professional, having

IP Registration No. IBBI/IPA-002/IP-N00573/2017-2018/11740, and office at Plot-5, 2nd Floor, Manasarovar Appartment, Bagawathy Nagar, Medawakkam Koot Road, Medawakkam, Chennai, Tamil Nadu – 600 100 to act as liquidator of the Company.

7. In terms of section 59 (3) (a) of the Code read with Regulation 3(1)(a) of the IBBI (Voluntary Liquidation Process) Regulations, 2017 (hereinafter referred to as 'Regulation'), as prescribed under clauses (i) and (ii) of the same, the Declaration of Solvency by way of an Affidavit from majority of the Directors dated 20.09.2021 has been duly filed and the same is placed on record. The list of Shareholders at the time of Commencement of Liquidation is as follows:

(B) SHAREHOLDING OF PROMOTER-

S.NO	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholdin during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	R.K.Ilangovan	5,20,000	26%	0%	520,000	26%	0%	0%
2	S. Sasi Kumar	3,40,000	17%	0%	340,000	17%	0%	0%
3	C.M. Natarajan	140,000	7%	0%	140,000	7%	0%	0%
4	I.Keerthana	140,000	7%	0%	140,000	7%	0%	0%
5	K. Yokanathan	140,000	7%	0%	140,000	7%	0%	0%
6	C. Soundaram	200,000	10%	0%	200,000	10	0%	0%
7	N. Thillaiarasan	180,000	9%	0%	180,000	9	0%	0%
8	S. Muthusamy	180,000	9%	0%	180,000	9	0%	0%
9	P. Subramaniyam	160,000	8%	0%	160,000	8	0%	0%

8. In terms of Section 59(3)(b) of the Code read with Regulation 3(1)(b), the Audited Financial Statements as on 31.03.2020, prescribed thereunder has been duly filed showing the Comparative Financial Results for the Previous Two FY 2018 – 2019 and FY 2019 – FY 2020. The Particulars extracted below, which highlights the Net Profit of the company as Rs. 2,60,895.00/-.

PARTICULARS	31.03.2020	31.03.2019
Revenue from operation	-	-
Other Income	12,64,945	676,653
Profit/(Loss) Before Depreciation and Tax	3,48,641	212,784
Less: Depreciation	-	-
Profit/(Loss) Before Tax	3,48,641	212,784
Less: Provision for Deferred Tax	-	-
Current Tax	87,746	144,412
Net Profit/(Loss) After Depreciation and Tax	2,60,895	68,372

From the preliminary Report which is on record, the estimates of the assets and liabilities of the Company has been perused and the same is extracted as below;

LIABILITIES:	Rs.INR
Shareholders' Funds:	
Share Capital	200,00,000
Reserve & Surplus	201,349
Non-Current Liabilities:	
Other Long Term Liabilities	-
Current Liabilities:	
Short Term Borrowings	-
Trade Payable	-
Total Liabilities	**20,201,349**

Assets:	
Non-Current Assets:	
Non-Current Investment	-
Long Term Loans & Advances	-
Other Non-Current Assets	-
Current Assets:	
Cash and Cash equivalents	186,848
Short-Term Loans and Advances	200,00,000
Other Current Assets	14,501
Total Assets	**20,201,349**

9. In terms of Section 59(3)(c)(i) of the Code read with Regulation 3(1)(c)(i), resolution for voluntary liquidation and the appointment of the Liquidator has been effected as aforesaid by the Company. There are No Creditors and therefore the application of proviso Section 59(3) (c) of the Code read with Regulation 3 (1)(c) as to the approval of creditors (2/3rd in value) within 7 days of the Liquidation Resolution does not arise.

10. In terms of Section 59(4) of the Code read with Regulation 3(1), intimation of to the Registrar of Companies, Insolvency and Bankruptcy Board India has been complied and proof to that effect has been placed on record. Intimation Letter states that Intimation of approval of Resolution

passed did not come up as there were No creditors.

11. In terms of Regulation 14, the Applicant has effected public announcement in leading English and vernacular newspaper and the copy of the same is paced on record and duly submits that No claims from any stakeholders were received till the end of the period fixed for submission of claims.

12. In terms of Regulation 9, the Applicant submits that the Preliminary Report has been submitted to the Company on 15.10.2021 and the same is placed on record which shows the preliminary course of actions taken in respect of Voluntary liquidation process.

13. It is stated that, in terms of Regulation 34, the Bank account of the Liquidation company maintained with Karur Vysya Bank, Avinashi Road Branch, Peelamedu, Coimbatore -641004 having Current Account No. 1660135000006864 has been converted into Liquidation Account as Noyyal Finance Private Limited – In Voluntary Liquidation. The Said bank account was closed on 18.05.2023 and proof of Account Closure is also available on record.

14. In terms of Regulation 35 and 38, the Final Report dated 15.06.2023 prepared by the Applicant has been submitted to the Registrar of Companies and Insolvency and Bankruptcy Board of India on 15.09.2023 and 11.09.2023 respectively. Copy of the Final Report and proof of its submission to Regulatory bodies has been

placed on record which details the final status of Liquidation process, realization and Distribution.

15. In terms of Section 178 of the Income Tax Act, 2016, the Applicant has duly intimated the jurisdictional Assessing Officer vide letter dated 30.09.2021 submitted the same on record. However as per the IBBI Circular dated 15.11.2021 which had clarified the position as to the requirement of obtaining NOC from the Income Tax Department that mere intimation will suffice, and NOC is not required.

16. From Form—H, it can be seen that the Liquidation process could not be completed within 12 months from the commencement of Liquidation, i.e. 27.09.2021. The reason for delay is due to constraints in cash payment and closure of Liquidation account. However it is stated that as per the Regulation 37(2) Applicant/Liquidator convened meeting of the contributories on 01.10.2022, where approval of the members was obtained for extension of time for completion of Voluntary liquidation process. In continuance thereof, applicant filed an annual status report dated 01.10.2023 for our perusal.

17. It is shown from Form H and Compliance certificate, there are no applications pending before this Tribunal regarding PUFE transactions. Further Details of Realization and Distribution is same as the extract below,

REALISATION:

Sl. No.	Particulars	Amount (Rs)
(1)	(2)	(3)
1	Sale of Assets	NA
2	Refund from Statutory Authorities	NA
3	Cash / Bank balance	61,00,679
4	Realization of uncalled/unpaid capital contribution	NA
5	Distribution of unsold asset	NA
6	Any other (Please specify)	NA
Total		

DISTRIBUTION:

Sl. No.	Stakeholders* under section 52 and 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Realization of Security Interest					
2	Liquidation Cost[Sec. 53(1)(a)]			1,00,679	1.65 %	
3	Workmen's Dues[Sec. 53(1)(b)(i)]					
4	Debts of SecuredCreditors [Sec. 53(1)(b)(ii)]					
5	Wages and UnpaidDues to Employees[Sec. 53(1)(c)]					
6	Debts of Unsecured Financial Creditors [Sec. 53(1)(d)]					
7	Government Dues +Amount Unpaid following Enforcement of Security Interest [Sec.53(1)(e)]					
8	Any remaining Debts And Dues [Sec.53(1)(f)]					
9	Preference Shareholders [Sec.53(1)(g)]					
10	Equity Shareholders [Sec.53(1)(h)]			60,00,000	98.35%	
Total				61,00,679	100%	

Sr. No.	Shareholders Name	Number of Equity shares of Rs. 10/- each held	Value of Equity shares held (Rs.)
1	Mr. R.K. Ilangovan	156000	1560000
2	Mr. Sasikumar	102000	1020000
3	Mr.C.M. Natarajan	42000	420000
4	Ms. Keerthana	42000	420000
5	Mr. Yokanathan	42000	420000
6	Mrs.C.Soundaram	132000	1320000
7	Mr.N.Thillaiarasan	18000	180000
8	Mr.S.Muthusamy	18000	180000
9	Mr.P.subramaniam	48000	480000
	TOTAL	600000	6000000

Further it is crystal clear from perusal of Form-H that the only asset available during Liquidation is Bank Balance and same is utilized to distribute towards the Equity Shareholders and Liquidation expenses.

18. Thus, on examining the submissions made by the Learned Counsel for the Applicant and after perusing the documents annexed to the Application, 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 can be considered for dissolution.

19. Accordingly, in the exercise of the powers conferred under Section 59(8) of IBC, 2016, we hereby order the dissolution of **Noyyal Finance Private Limited** and the Company shall stand Dissolved from the

date of this order. Accordingly, the Company Application stands Allowed.

20. The *Registry* and the Liquidator are directed to serve a copy of this order upon the Registrar of Companies, Chennai, and also toIBBI, within 14 days from the date of this Order.

-Sd-

RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

-Sd-

JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)