IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH, BENGALURU
(Exercising powers of Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016)
(through web-based video conferencing platform)

C.P. (IB) No.90/BB/2022
U/s 59(7) of the IBC, 2016

In the matter of:

M/s. Tone Engineering India Pvt. Ltd.
Ground Floor, Off Papanna Street L-01,
Shilton Heights, St. Marks Road,
Bangalore - 560 025. - Applicant/Liquidator

Order delivered on: 22.11.2022

CORAM: 1. Hon'ble Shri Kishore Vemulapalli, Member (Judicial)
2. Hon'ble Shri Manoj Kumar Dubey, Member (Technical)

Parties/Counsels Present:

Applicant/Liquidator : Shri Thirupal Gorige

ORDER

Per: Manoj Kumar Dubey, Member (Technical)

1. The instant Company Petition is filed on 06.01.2022 by M/s. Tone Engineering India Pvt. Ltd. ('Applicant') through its Liquidator, namely, Shri Thirupal Gorige under Section 59(7) of the Insolvency and Bankruptcy Code, 2016 by *inter alia* seeking a direction for dissolution of the Corporate Person / the Company, namely, M/s. Tone Engineering India Private Limited with effect from the date of order by this Adjudicating Authority.

2. **M/s. Tone Engineering India Private Limited** (hereinafter referred to as "Corporate Person/the Company") is a Company incorporated on 08.11.2013 under the provisions of the Companies Act, 1956 bearing CIN: U74900KA2013FTC071740. Its Authorized Capital is Rs.18,00,000/- (Rupees

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Eighteen Lakh Only) divided into 18000 (Eighteen Thousand Only) equity shares of Rs.100/- (Rupees One Hundred Only) each and its Issued, Subscribed, and Paid-up capital was Rs.16,26,600/- (Rupees Sixteen Lakh Twenty Six Thousand Six Hundred Only) consisting of 16,266 (Sixteen Thousand Two Hundred Sixty-Six Only) equity shares of Rs.100/- (Rupees One Hundred Only). The Company is engaged to carry on the business of providing consultancy and marketing of hardware and software products, data communication products, information systems, multi-chip modules and related services etc.

3. The following averments have been made in the Petition:

i. It is stated that as required under the provisions of Section 59 of the IBC, 2016, Mr. Charan Ponnappa and Mr. Mandepanda Subbaiah being majority of Directors, made a **Declaration of Solvency** on March 17, 2020. The declaration by Directors along with audited financial statements and record of business operations of the Company for the previous two years were filed with ROC, Karnataka in form GNL-2 vide SRN T11420031. The aforesaid Form GNL-2 has been approved by ROC. Further, the Directors have declared on Affidavits dated 17.03.2021 that they have made full inquiry into the affairs of the Company and that having done so, the Directors have formed the opinion that the Company will be able to pay its debts in full from the proceeds of assets to be sold in the voluntary liquidation and the Company is not being liquidated to defraud any person.

ii. As proposed by the Board, the members of the Company in their **Extraordinary General Meeting** held on March 18, 2021 passed a **Special Resolution** required under Section 59 of the Code read with the IBBI (Voluntary Liquidation Process) Regulation, 2017 (Regulations) to liquidate the Company voluntarily and appointed Mr. Thirupal Gorige, an Insolvency Professional, having IP registration No.IBBI/IPA-002/IP-N00016/2016-17/10030 to act as Liquidator of the Company. There were no Secured and Unsecured Creditors as on the date of passing the special

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Resolution for liquidation of the Company voluntarily. The Liquidator after meeting all expenses paid by way of repatriation in compliance to the Foreign Exchange Management Act, 1999 to the members.

iii. The audited financial statement of the Company as on 31.03.2019 and 31.03.2020 along with the Auditor's Report has been filed as Annexure-C of the Petition.

iv. The commencement of Liquidation and appointment of Liquidator is intimated to the ROC in form MGT-14 on 18.03.2021 and GNL-2 on 03.04.2021 (for submission of documents). The Public Announcement was simultaneously submitted to Insolvency and Bankruptcy Board of India to place the same on its website on 19.03.2021.

v. **Public Announcement (Regulation 14 of the IBBI (Voluntary Liquidation Process) Regulations, 2017)** - The Liquidator made a Public Announcement of commencement of Liquidation in Form A, in "The Hindu", English Newspaper and "Udayavani", Kannada Newspaper on 21.03.2021 seeking submission of the claim by stakeholders on or before 16th April, 2021.

vi. **List of stakeholders (Regulation 30 of the IBBI (Voluntary Liquidation Process) Regulations, 2017)** - The last date of submission of claims, if any was 16.04.2021. In this regard, the learned Counsel for the Applicant has filed a memo *vide* diary No.4653 dated 31.10.2022 stating that no claims were received from the Stakeholders in this regard. Since no claims were received by the Applicant, there was no question of verification of claims.

vii. **Preliminary Report, (Regulation 9 (1) of Chapter IV of the IBBI (Voluntary Liquidation Process) Regulations, 2017)** - The Liquidator submitted the preliminary report to the Company on 22.04.2021.

viii. **Opening of Bank Account (Regulation 34 of the IBBI (Voluntary Liquidation Process) Regulations, 2017)** - The Bank account was opened with Indian Overseas Bank and the said account was closed on 24.11.2021.

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ix. **As per provisions of Section 178 of Income Tax Act, 1961** - The Liquidator has intimated the commencement of Liquidation and appointment of Liquidator to the Income Tax Authority on 01.04.2021. Pursuant to the same, the Income-Tax Department provided it's No Objection Certificate on 10.08.2021.

x. **Final Report – (Regulations 38 of the IBBI (Voluntary Liquidation Process) Regulations, 2017)** - The Liquidator had the accounts audited for the liquidation period and submitted his final report on 04.12.2021. In connection with the accounts of the liquidation, the CA Certificate showing receipts and payments pertaining to liquidation since the liquidation commencement date is given hereunder:

Receipts and payments pertaining to the Company form the period from 15th March 2021 (liquidation commencement date is 18th March 2021) till closure of bank account on 24th November 2021

Bank Account with India Overseas Bank, Residency Road Branch – A/c No.026802000002554	**Amount (Rs.)**	**Amount (Rs.)**
Balance as on 15th March 2021		10,95,143.09
Receipts for the period from 15th Mar 2021 to 24th Nov 2021		
- Income Tax Refund		3,400.00
Total		**10,98,543.09**
Payments for the period from 15th Mar 2021 to 24th Nov 2021		
a. Liquidation Expenses		
• Liquidator fee	2,95,000.00	
• Professional fees	1,42,000.00	

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• News Paper publication charges (no-objection for liquidation)	39,732.00	
• Miscellaneous Expenses	568.57	
• Bank Charges	2,832.52	4,80,133.09
b. Return of Capital		
• M/s. Tone Trading Company Sendirian Berhad	6,17,232.00	
• Mr. Tan Tiong Kiam	1,140.00	
• Charan Ponnappa	38.00	6,18,410
Total		**10,98,543.09**
Closing Balance as on 24th November 2021		**0.00**

xi. The final report along with Audited Accounts of the Liquidating Company was submitted with the ROC and IBBI on 08.12.2021.

4. Heard Shri Thirupal Gorige, learned Applicant/Liquidator. We have carefully perused the pleadings of the party and extant provisions of the Code, and the Regulations made thereunder.

5. The Adjudicating Authority *vide* order dated 04.08.2022 directed the Liquidator as under:

"The Learned Liquidator for the Petitioner is directed to file (1) Copy of Board Resolution for voluntary liquidation (2) Copy of Special Resolution passed by Members for voluntary liquidation (3) List of Stakeholders, within one week."

6. In compliance to the above, the Liquidator has filed the requisite documents, namely, copy of Board Resolution for voluntary liquidation, copy of special resolution passed by members for voluntary liquidation and list of stakeholders *vide* Diary No.3682 dated 02.09.2022 and same are taken on record.

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7. According to the above discussion, the affairs of the corporate person have been completely wound up and its assets have been liquidated and nothing remains to be liquidated. Thus, the compliances of Section 59 and other relevant provisions of the IBC, 2016 r/w. Regulation 37(2) of IBBI (Voluntary Liquidation Process) Regulations, 2017, from the date of commencement of the liquidation proceedings is completed. Hence, we are of the considered opinion that the corporate person, through its Liquidator, has been voluntarily liquidated.

8. In view of the foregoing **M/s. Tone Engineering India Pvt. Ltd.,** Applicant Company is hereby dissolved with effect from the date of the present order. A copy of this order be filed with the ROC within the fourteen days.

9. The Petition **C.P. (IB) No.90/BB/2022** is accordingly allowed in the above terms.

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MANOJ KUMAR DUBEY
MEMBER (TECHNICAL)

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KISHORE VEMULAPALLI
MEMBER (JUDICIAL)