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**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, CHENNAI**

MA/855/2019 in CP/1210/IB/2018
filed under Section 33(2) of the
Insolvency and Bankruptcy Code, 2016

In the matter of M/s. Adept Technology Private Limited

Mr. Ashok Seshadri,
Resolution Professional

... Applicant

Order delivered on 3rd of September, 2019

CORAM :

CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)
ANIL KUMAR B, MEMBER (TECHNICAL)

For Resolution Professional : M/s. P.Ulaganathan, Counsel

ORDER

CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)

1. This relates to MA/855/2019 filed in CP/1210/IB/2018 that has been filed by Mr. Ashok Seshadri (hereinafter referred to as 'Resolution Professional') under Section 33(2) of the Insolvency and Bankruptcy Code, 2016.

2. The prayer made by the Applicant in the Application is to pass an order of liquidation under Sub-section (2) of Section 33 of the Insolvency and Bankruptcy Code, 2016, in respect of the Corporate Debtor viz., M/s. Adept Technology Private Limited

3. Originally CP/1210/IB/2018 filed under Section 9 of the I&B Code, 2016 by the Operational Creditor viz., M/s. APM Group Limited, against the Corporate Debtor viz., M/s. Adept Technology Private Limited, was admitted by this Authority vide Order dated 26.03.2019, the CIR Process was initiated against the Corporate Debtor and the Applicant viz., Mr. Ashok Seshadri was appointed as Interim Resolution Professional (IRP).

4. It is averred that pursuant to the Order of this Authority dated 26.03.2019 the IRP had taken over the management of the Corporate Debtor and had issued the Newspaper Publication dated 31.03.2019 in two edition one in English and another in vernacular as per Regulation 6 (1)

of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Debtor) Regulations, 2016, inviting the claims from the creditors. After verification of the claims received, the IRP constituted the Committee of Creditors (CoC). In the 1st CoC Meeting held on 25.04.2019, the Applicant viz., Mr. Ashok Seshadri was appointed as Resolution Professional.

5. It is stated that despite regular follow up with the suspended directors of the Corporate Debtor, the Resolution Professional was not provided with books of accounts for the year 2016-17 onwards.

6. It is averred by the Resolution Professional that the company is not in business. There is no revenue and employees. It has no premises to operate from. It has virtually no assets except a few furniture and office equipment. Instead, the company has liability of nearly Rs.3 Crores for which claims have been submitted. Besides that the Resolution Professional states that as per the

directors of the suspended board, it has dues of another Rs.93 Lakhs to other Financial Creditors for which there has^{ve} been no claims so far.

7. In the 2nd CoC Meeting held on 19.07.2019, the CoC considering the fact that there could be hardly of any response even if invitation for 'Expression of Interest' from prospective Resolution Applicants and has recorded that the continued CIR Process would only further add strain to the financial status of the Corporate Debtor, and hence, decided to liquidate the Corporate Debtor. The Resolution passed by the CoC is as follows:

“Resolved, considering the lack of assets in the company or business prospects for the company, to apply to NCLT for liquidation without undergoing the process of Resolution.

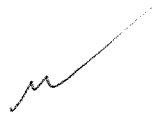


Resolved further that the Resolution Professional is authorised to apply to NCLT for the same forthwith and to obtain cost effective legal assistance in doing the same.”

8. Since no Resolution Plan is received by this Authority under Sub-section (6) of Section 30 of the I&B Code, 2016, before the expiry of the Corporate Insolvency Resolution Process period of 180 days, the Corporate Debtor has to be ordered for Liquidation.

ORDER

9. In view of the facts and circumstances recorded by Resolution Professional in MA/855/2019 filed in CP/1210/IB/2018 and in exercise of powers conferred under Sub-Clauses (i) (ii) and (iii) of Clause (a) of Sub-Section (1) of Section 33 of the I&B Code, 2016, this Authority proceeds to pass Liquidation Order as follows:-



- I. This Authority hereby orders for liquidation of the Corporate Debtor viz., M/s. Adept Technology Private Limited which shall be conducted in the manner as laid down in Chapter III of part II of the I&B Code, 2016;
- II. This Authority hereby appoints Mr. Ashok Seshadri as Company Liquidator as has been proposed by the CoC, who shall issue a public announcement stating therein that the Corporate Debtor is in liquidation;
- III. The moratorium declared under Section 14 of the I&B Code, 2016, shall cease to have effect from the date of the order of liquidation;
- IV. Subject to Section 52 of the I&B Code, 2016, no suit or other legal proceedings shall be instituted by/or against the Corporate Debtor. However, a suit and other legal proceedings may be instituted by the Liquidator, on behalf of the

Corporate Debtor, with the prior approval of this Authority.

- V. This Authority makes it clear that Para (IV) hereinabove shall not apply to legal proceedings in relation to such transactions as notified by the Central Government in consultation with any financial sector regulator.
- VI. This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the liquidation process by the Liquidator.
- VII. All the powers of the Board of Directors, Key Managerial Personnel and the Partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested with the Company Liquidator viz., Mr. Ashok Seshadri. In addition to this, the Company Liquidator shall

exercise the powers and duties as enumerated in Sections 35 to 50, 52 to 54 of the I&B Code, 2016, r/w Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

- VIII. The personnel of the Corporate Debtor shall extend all assistance and co-operation to the Liquidator as may be required by him in managing the affairs of the Corporate Debtor.
- IX. The Company Liquidator shall be entitled to charge such fees for the conduct of the liquidation proceedings and in such a proportion to the value of the liquidation estate assets as specified under Regulation 4 (2) of Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- X. The Registry is directed to communicate this order with immediate effect to the concerned

Registrar of Companies, RD, OL, Registered Office of the Corporate Debtor and Company Liquidator viz., Mr. Ashok Seshadri, for information and compliance.

10. In terms of the above, MA/855/2019 filed in CP/1210/IB/2018 by the Resolution Professional under Section 33(2) of the I&B Code, 2016, for initiation of the Liquidation Proceedings against the Corporate Debtor viz., M/s. Adept Technology Private Limited is **allowed**.

11. The Order is pronounced in the open Court.

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ANIL KUMAR B
MEMBER (TECHNICAL)

-SD-
CH. MOHD. SHARIEF TARIQ
MEMBER (JUDICIAL)

P.ATHISTAMANI