

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

M. A. 3626/2019

In

C.P. 2282/I&BP/NCLT/MAH/2019

Under Section 33 of Insolvency &
Bankruptcy Code, 2016

In the matter of

Mastermind Events & Décor Private
Limited

Flat No. 401, Shibh Kalash Building,
Karanjade, Plot No. 60, Sec. 05,
Panvel, Raigarh – 410 206

.... Operational Creditor

vs.

Fearless Media Private Limited

71, Kalpatru Royale CHS, Plot – 110, Rd.
29, Sion (east), Mumbai – 400 022

... Corporate Debtor

M. A. No. 3626/2019

Rajeev N Bhatia

Interim Resolution Professional

... Resolution Applicant

Order delivered on: 26.11.2019

Coram: Hon'ble Smt. Suchitra Kanuparthi, Member (J)

Hon'ble Shri. V. Nallasenapathy, Member (T)

For the Applicant: Mr. Rajeev Bhatia, Interim Resolution Professional

Per: Suchitra Kanuparthi, Member (J)

ORDER

1. The Corporate Insolvency Resolution Process (CIRP) was initiated against the Corporate Debtor by an order dated 16.08.2019 of this

Adjudicating Authority on a section 9 Petition filed by the Operational Creditor, wherein Mr. Rajeev Nandkishore Bhatia, was appointed as Interim Resolution Professional (IRP).

2. The IRP submits that the public announcement in two newspapers namely, "Financial Express" in English language and "Navrashtra" in Marathi language for inviting claims from Creditors was issued on 23.08.2019, fixing 06.09.2019 as a last date for submission of claims. However, it is submitted that no claims were received from any creditors up to the last date of claim submission.

3. Hence on 16.09.2019, an interlocutory application no. 3696 of 2019 has been filed by the IRP seeking direction in relation to constitution of the Committee of Creditors (CoC) where no claims had been received from Financial Creditors and Operational Creditors.

4. On 09.10.2019, I. A. 3096 of 2019 was heard by this Bench and as per the directions of this Bench, on 15.10.2019 the CoC was constituted comprising of operational creditors only. On 17.10.2019 a report as required under Regulation 17(1) certifying constitution of the CoC was filed by the IRP.

5. Thereafter, the 1st CoC meeting was held on 24.10.2019. In the said meeting, the IRP presented the financial position of the Corporate Debtor as summarised for the period starting from 31.03.2016 up to 31.03.2019. Based on the financial summary presented by the IRP, CoC after reviewing the financial position of the Corporate Debtor, it was unanimously decided to liquidate the Corporate Debtor and the Resolution was put for voting and the same was approved by 100% of voting. The IRP has enclosed the minutes of meeting of the CoC, which shows that CoC unanimously voted for the liquidation of the Corporate Debtor.

6. Accordingly, the Resolution Professional filed this Application seeking the order of liquidating the Corporate Debtor and to appoint Mr. Rajeev N. Bhatia, having IP Registration No. IBBI/IPA-001/IP-P01384/2018-19/12158

as a liquidator. The CoC in its meeting held on 24.10.2019 decided to appoint Mr. Rajeev N. Bhatia as the proposed liquidator and the said person has filed his written consent to act as a liquidator.

7. On hearing the submissions of the Applicant and on reading the Application and the documents enclosed therein, for the IRP has complied with the procedure laid under the Code read with Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, on verification, we are of the view that this is a fit case to pass liquidation order under sub-section 2 of section 33 of the Code as the CoC decided to liquidate the Corporate Debtor and accordingly this Bench orders;

- a. that the Corporate Debtor be liquidated in the manner as laid down in the Chapter III of the Code by issuing Public Notice stating that the Corporate Debtor is in liquidation with a direction to the Liquidator to send this order to the ROC under which this Company has been registered.
- b. that the Interim Resolution Professional herein is hereby appointed as Liquidator as provided under Section 34(1) of the Code.
- c. all the powers of the Board of Directors, key managerial persons, the partners of the Corporate Debtor hereafter ceased to exist. All these powers henceforth vest with the Liquidator.
- d. that the personnel of the Corporate Debtor are directed to extend all co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- e. that the Liquidator will charge fees for conduct of the liquidation proceedings in proportion to the value of the liquidation estate assets as specified by the IBBI and the same shall be paid to the Liquidator from the proceeds of the liquidation estate under Section 53 of the Code.
- f. that on having liquidation process initiated, subject to section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except the liberty

to the liquidator to institute suit or other legal proceeding on behalf of the corporate debtor with prior approval of this Adjudicating Authority.

- g. This liquidation order shall be deemed to be notice of discharge to the officers, employees and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.

8. Consequently, the Applicant Interim Resolution Professional is appointed as the Liquidator as provided under section 34(1) of the Code. All 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 in the liquidator;

9. Accordingly, this Misc. Application is hereby allowed directing the Liquidator appointed in this case to initiate liquidation process as envisaged under Chapter-III of the Code by following the liquidation process given in the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

SD/-

V. Nallasenapathy
Member (Technical)

SD/-

Suchitra Kanuparthi
Member (Judicial)