



**IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH, PRAYAGRAJ**

IA (Liq) No.01/2025 IN CP (IB) NO.63/ALD/2023

(Under Section 33 of the Insolvency and Bankruptcy Code, 2016.)

IN THE MATTER OF

ANKUSH MUNJAL

(RESOLUTION PROFESSIONAL)

M/s Digitone Mobiles Private Limited,

IBBI No. IBBI/IPA-001/IP-P-01129/2018-2019/11825

Address: B-5/128 Paschim Vihar, 1st Floor,

New Delhi- 110063.

..... Applicant

IN THE MATTER OF

M/s Digitone Mobiles Private Limited

.... Corporate Debtor

Order Pronounced on: 17.07.2025

Coram:

Mr. Praveen Gupta : Member (Judicial)

Mr. Ashish Verma : Member (Technical)

Appearances:

Sh. Sumit Shukla, Adv. : *For the Applicant/RP*

ORDER

1. This application is filed on 28.12.2024 by Mr. Ankush Munjal, Resolution Professional of M/s Digitone Mobiles Private Limited (“Corporate Debtor”) under Section 33 of the Insolvency and

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Bankruptcy Code, 2016 (“IBC/Code”) for liquidation of the Corporate Debtor.

2. As per the averments made in the application and submissions made by the Ld. Counsel for the Applicant, the following facts have been put before us:

- i. This Adjudicating Authority vide its order dated 05.07.2024, admitted the Petition filed by the Corporate Debtor under section 10 of the Code for initiation of Corporate Insolvency Resolution Process (herein after referred to as the “CIRP”). Mr. Ankush Munjal was appointed as the Interim Resolution Professional (hereinafter referred to as the “IRP”) of the Corporate Debtor.
- ii. The IRP then made a public announcement in Form A on 08.07.2024 in two newspapers, namely Financial Express (English) and Jansatta (Hindi), wherein the last date for submission of claims was stipulated as 19.07.2024.
- iii. Thereafter, the IRP received nine claims from the Operational Creditors and none from the Financial Creditors of the Corporate Debtor; consequently, the IRP constituted the Committee of Creditors (CoC) comprising of Operational Creditors only on 26.07.2024. The IRP filed an application/report for the constitution of the CoC, bearing I.A. No. 413/2024, before this Tribunal on 28.07.2024 under Regulation 17 of the CIRP Regulations, 2016. Subsequently, in line with the decision taken by the 1st CoC meeting held on



02.08.2024, the Applicant filed an application bearing I.A. No. 414/2024 for confirmation of the IRP as the Resolution Professional (RP).

- iv. When the matter was heard on 30.08.2024, this Tribunal directed the filing of an additional affidavit to inform the two financial creditors regarding the initiation of CIRP and to annex copies of the newspapers wherein Form A was published. In compliance, the Applicant filed the affidavit on 09.09.2024 and submitted that, despite serving the notice, no claims were filed by the two Financial Creditors of the Corporate Debtor. Thereafter, all pending applications were allowed vide order dated 16.10.2024.
- v. Further, in the 4th CoC meeting held on 28.10.2024, the CoC, with 63.54% voting share in favour, approved the exclusion of 50 days, i.e., from 30.08.2024 to 18.10.2024 (the date on which the RP received the order dated 16.10.2024). Further, the CoC also approved, by the same voting percentage, the eligibility criteria under Section 25(2)(h) of the Code and the publication of Form-G to invite Expressions of Interest (EOI) for the Corporate Debtor.
- vi. The Applicant published the Form-G in two newspapers, namely, Financial Express (English) and Jansatta (Hindi) on 03.11.2024. Simultaneously, an application for exclusion of the abovementioned period was filed before this Tribunal, bearing I.A. No. 603/2024.



- vii. Thereafter, in the 5th CoC meeting, held on 26.11.2024, the Applicant apprised the CoC that only one enquiry was received pursuant to the publication of Form-G. A teaser and process document were issued to the interested entity; however, neither an EOI nor the Earnest Money Deposit was submitted.
 - viii. Considering (a) the absence of tangible assets in the books of the Corporate Debtor, (b) the low likelihood of any serious resolution applicant coming forward, and (c) the lack of sufficient funds to continue CIRP, the CoC unanimously decided that issuance of a fresh EOI was not viable. Accordingly, with 63.54% voting share in favour, the CoC resolved to proceed with early liquidation and authorised the Applicant to file the liquidation application before this Tribunal.
 - ix. Meanwhile, in compliance with the CoC's decision in the 5th CoC meeting, the Applicant withdrew the exclusion application bearing I.A. No. 603/2024, which was recorded by this Tribunal vide order dated 06.12.2024.
 - x. In the 6th CoC meeting held on 20.12.2024, the CoC passed a resolution, with 76.29% voting share in favour of initiating the liquidation process, proposing the appointment of Mr. Mukesh Chand Jain as the Liquidator. Accordingly, the present application has been filed.
3. It is to be noted that when the matter was heard on 07.04.2025, this Tribunal had directed the Applicant to issue notices to the members of the CoC. In compliance thereof, the Applicant filed an affidavit dated



10.05.2025, placing on record that the said notices were duly served and, in response, the respective CoC members have submitted affidavits signifying their consent and support for initiating the liquidation process of the Corporate Debtor. Copies of these affidavits have been annexed as *Annexure-4* to the said affidavit.

4. Further, in compliance with the order dated 08.07.2025, the Applicant has also filed a written synopsis on 11.07.2025, which has been taken on record and not repeated herein for the sake of brevity.
5. We have heard the Ld. Counsel for the Applicant and perused the material available on record.
6. It is noted that in the 4th CoC meeting held on 28.10.2024 publication of form G was approved by the CoC with 63.54% in favour, and subsequently Form G was published on 03.11.2024, wherein the last date for submission for EOI was 18.11.2024. Further in the 5th CoC meeting held on 26.11.2024, it is observed that no EOI were submitted and taking into account the following reasons namely (a) the absence of tangible assets in the books of the Corporate Debtor, (b) the low likelihood of any serious resolution applicant coming forward, and (c) the lack of sufficient funds to continue CIRP, the CoC unanimously decided that issuance of a fresh EOI was not viable. Consequently, with 63.54% voting share in favour, the CoC resolved to proceed with



the early liquidation of the Corporate Debtor under Section 33(2) of the Code. The relevant resolution, along with the voting results, is reproduced below:

ITEM NO. 7

COC TO DISCUSS, DELIBERATE & DECIDE FUTURE COURSE OF ACTION AFTER NIL EXPRESSION OF INTEREST RECEIVED FROM ANY PROSPECTIVE RESOLUTION APPLICANT(S), IN RESPONSE TO FORM-G PUBLISHED.

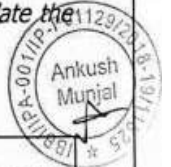
The following resolutions were proposed for approval, with or without modifications:

"RESOLVED THAT although RP has proposed for extension of timeline/ date (as mentioned in Form G published) & re-publication of Form- G, to seek more Resolution Applicants for resolution of the Corporate Debtor and in the interest of the stakeholders, but COC is of the considered view that since no EOI has been received in reply to Form-G published and there are hardly any tangible assets in the books of the company hence there are remote chances of any serious player applying for resolution and moreover there is scarcity of funds to run the CIRP & same is presently being managed through Interim Finance raised from the suspended board. Hence COC directed the RP that there should not be any time extension as prescribed under Form G or any re-publication of Form G and asked RP to file an application for early liquidation of the Corporate Debtor before the hon'ble NCLT"

"RESOLVED FURTHER THAT pursuant to Section 33(2) of the Insolvency and Bankruptcy Code, 2016, the approval of the Committee of Creditors be and is hereby accorded to liquidate the Corporate Debtor and the Resolution Professional - Mr. Ankush Munjal (IBBI Registration No.: IBBI/IPA-001/IP-P01129/2018-2019/11825), be and is hereby authorized to file with the Hon'ble NCLT, the decision of the Committee of Creditors to liquidate the Corporate Debtor."

E-Voting Results

S. No.	COC Members	Votes in favour of the Resolution	Votes Against the Resolution	Not Voted
1	Parveen Mittal & Co.	11.28%	0.00%	0.00%
2	Nikunj Aggarwal & Co.	3.91%	0.00%	0.00%
3	Mehak Facility Services Pvt. Ltd.	2.08%	0.00%	0.00%





4	Sangeet Kumar & Associates	2.32%	0.00%	0.00%
5	Mr. Vishal Chugh	43.47%	0.00%	0.00%
6	Smartyf Enterprises Pvt. Ltd.	0.48%	0.00%	0.00%
7	Moksh Travels India Pvt. Ltd.	0.00%	0.00%	23.71%
8	Singh Malik & Associates	0.00%	0.00%	12.75%
9	Income Tax Department	0.00%	0.00%	0.00003%
	Total	63.54%	0.00%	36.4618%

Passing of resolutions required 51% voting in favour of the resolutions. Since the votes casted in favour of the resolutions are 63.54%, **the resolutions are passed.**

7. In view of the requirement under Section 33(2) of the Insolvency and Bankruptcy Code, 2016, which mandates approval of liquidation by not less than 66% of the voting share of the CoC, it is observed that the consenting affidavits submitted by the Applicant through its affidavit dated 10.05.2025 reflect that 76.29% of the voting share is in favour of liquidation of the Corporate Debtor. Accordingly, the resolution for liquidation, as approved by the CoC, satisfies the statutory threshold under the Code. The revised voting share, as per the affidavit dated 10.05.2025, is provided below:



S. No.	Name of the COC member	Vote Share in the COC	Affidavit submitted (Yes or No)
1	Smartlyf Enterprises Pvt Ltd	0.48%	Yes
2	Moksh Travels India Pvt Ltd	23.71%	No
3	Parveen Mittal & Co.	11.28%	Yes
4	Nikunj Aggarwal & Co.	3.91%	Yes
5	Mehak Facility Service Pvt Ltd.	2.08%	Yes
6	Sangeet Kumar & Associates	2.32%	Yes
7	Singh Malik & Associates	12.75%	Yes
8	Income Tax Department	0.00%	No
9	Mr. Vishal Chugh	43.47%	Yes
	Total	76.29%	

8. With respect to the appointment of a liquidator, it has been noted that in the 6th CoC meeting held on 20.12.2024, the CoC passed a resolution with 76.29% voting share in favour, proposing the appointment of Mr. Mukesh Chand Jain as the Liquidator. The relevant resolution along with the voting result, is reproduced below:



ITEM NO. 6

TO CONSIDER AND APPROVE THE APPOINTMENT OF THE LIQUIDATOR AS RECOMMENDED BY ONE OF THE OPERATIONAL CREDITORS

The following resolutions were proposed for approval, with or without modifications:

"RESOLVED THAT the approval of the Committee of Creditors be and is hereby accorded to appoint Mr. Mukesh Chand Jain, having IBBI Registration No. IBBI/IPA-002/IP-N00960/2020-2021/13054, as the Liquidator of Digitone Mobiles Private Limited, who has also given his consent to act as liquidator of the CD."

"RESOLVED FURTHER THAT pursuant to Section 33(2) of the Insolvency and Bankruptcy Code, 2016, the approval of the Committee of Creditors be and is hereby accorded to the Resolution Professional - Mr. Ankush Munjal (IBBI Registration No.: IBBI/IPA-001/IP-P01129/2018-2019/11825), who is hereby authorized, to file with the Hon'ble NCLT, the decision of the Committee of Creditors to liquidate the Corporate Debtor & propose the name of Mr. Mukesh Chand Jain, having IBBI Registration No. IBBI/IPA-002/IP-N00960/2020-2021/13054, as the Liquidator of the Corporate Debtor."

"FURTHER RESOLVED THAT the Resolution Professional is authorized to appoint existing law firm i.e. M/s Lawedge Partners, for drafting & filing of Liquidation petition before the hon'ble NCLT, at a consolidated cost/ professional fee of Rs. 75,000 (Rupees Seventy Five Thousand only) including drafting & filing of Liquidation application & all appearances till admission/ disposal of the Liquidation application. However out of Pocket Expenses & court fee will be additionally payable to them, on actual basis and this shall form part of Corporate Insolvency Resolution Process costs."

E-Voting Results

S. No.	COC Members	Votes in favour of the Resolution	Votes Against the Resolution	Abstained
1	Parveen Mittal & Co.	11.28%	0.00%	0.00%
2	Nikunj Aggarwal & Co.	3.91%	0.00%	0.00%
3	Mehak Facility Services Pvt. Ltd.	2.08%	0.00%	0.00%
4	Sangeet Kumar & Associates	2.32%	0.00%	0.00%
5	Mr. Vishal Chugh	43.47%	0.00%	0.00%
6	Smartlyf Enterprises Pvt. Ltd.	0.48%	0.00%	0.00%
7	Singh Malik & Associates	12.75%	0.00%	0.00%
8	Moksh Travels India Pvt. Ltd.	0.00%	0.00%	23.71%
9	Income Tax Department	0.00%	0.00%	0.00003%
	Total	76.29%	0.00%	23.71%

Passing of resolution required 51% voting in favour of the resolution. Since the votes casted in favour of the resolution are 76.29%, **the resolution is passed.**

- Further, with respect to unpaid CIRP expenses incurred during the process, it is noted that an interim finance of Rs. 5 lakhs were received



from the suspended director of the Corporate Debtor. Out of the said amount, a sum of Rs. 3 lakhs were raised on 18.11.2024 and was utilised towards payment of CIRP-related expenses, including fees of the advocate, public announcement costs, fees of registered valuers, e-voting agency charges, and part payment of fees to the IRP/RP. The remaining balance of Rs. 2 lakhs is yet to be availed. It is also pertinent to note that, in the 5th meeting of the CoC, a resolution for raising additional interim finance of Rs. 2 lakhs for running the CIR Process was duly approved by the CoC with a voting share of 76.29% in favour.

10. In view of the above resolution passed by the CoC and considering that the full amount of interim finance was not received, it is directed that the remaining amount of interim finance and further amounts required for completing the liquidation process, a total amount of Rs. 4 lakhs be provided by the suspended directors to the Applicant immediately.
11. Considering the above facts and circumstances of the case, we are of the considered view that since no Expression of Interests were received by the stipulated last date for submission, and further, in the absence of any tangible assets in the books of the Corporate Debtor that could attract a prospective resolution applicant, there remains no



viable prospect for resolution. In light of these circumstances, and having regard to the decision of the Committee of Creditors recommending liquidation with the requisite majority, this Tribunal finds merit in the present application. Accordingly, the prayer seeking initiation of liquidation proceedings in respect of the Corporate Debtor deserves to be allowed.

12. We, therefore, pass the present order of liquidation initiating the liquidation process. The suitability of the Resolution Professional, Mr. Mukesh Chand Jain (IBBI/IPA-002/IP-N00960/2020-2021/13054), has been duly considered for appointment as the Liquidator, in accordance with the decision of the CoC taken in the 6th CoC meeting held on 20.12.2024. The consent form of the proposed Liquidator in Form AA, along with Authorization for Assignment from Insolvency Professional Agency (IPA) to act as liquidator, has also been annexed as *Annexure-9* with this IA. The Law Research Associate of this Tribunal, Ms. Kriti Kaushal, has checked the credentials of Mr. Mukesh Chand Jain and found that there are no disciplinary proceedings pending against the proposed liquidator, and also there is nothing adverse against him. Upon verification from the website of IBBI, it is found that the liquidator holds valid authorisation till 30.06.2026. After considering these details, we appoint Mr. Mukesh



Chand Jain, IBBI Registration No. IBBI/IPA-002/IP-N00960/2020-2021/13054 to act as Liquidator in this matter.

- 13.** In view of our foregoing discussions, we pass the following orders: -
- (i)** The present IA is allowed for initiation of the liquidation proceedings of the Corporate Debtor in terms of Section 33(2) of the Code.
 - (ii)** Mr. Mukesh Chand Jain is appointed to act as a Liquidator.
 - (iii)** The Liquidator is directed to forthwith take into his custody all the assets, Properties, and actionable claims of the corporate debtor and take necessary steps to ensure preservation, protection, security and maintenance of those properties as provided under section 35(1)(b) & (d) of IBC 2016.
 - (iv)** The Liquidator is directed to adhere to Section 33(1) (ii) & (iii) and discharge his powers and duties as specified under Sections 35 to 41 of IBC, 2016 and meticulously adhere to the Rules and Regulations issued by IBBI in this regard from time to time.
 - (v)** The Stakeholder Consultation Committee (SCC) would be constituted as per Regulation 31A of IBBI (Liquidation Process) Regulations, 2016 and the list of SCC would be filed before this Tribunal in accordance with the provisions of the Code and Regulations made therein.
 - (vi)** The Liquidator shall first try to sell the Corporate Debtor as a going concern in terms of Regulation 32A read with Regulation 32(e) and (f) of IBBI (Liquidation Process) Regulations, 2016.



The Liquidator shall initiate the liquidation process as envisaged under Chapter III of the Code and the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

- (vii) Fees of the Liquidator are to be paid in accordance with the Liquidation Process Regulations, 2016, and are to be decided in the meeting of SCC.
- (viii) All the powers of the Board of Directors and of Key Managerial Personnel shall cease to exist in accordance with section 34(2) of the Code. All these powers shall henceforth vest in the Liquidator.
- (ix) The personnel of the Corporate Debtor are directed to extend all assistance and co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- (x) On initiation of the liquidation process but 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 with 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, as provided in section 33(5) of the Code read with its proviso.
- (xi) In accordance with section 33(7) of the Code, this liquidation order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except to the



extent of the business of the Corporate Debtor continues during the liquidation process by the Liquidator as a going concern.

- (xii) In terms of section 33(1)(iii), the Liquidator shall file a copy of this Order with the Registrar of Companies, Kanpur, Uttar Pradesh, within whose jurisdiction the Corporate Debtor is registered. Additionally, the Registry shall also forward a copy of this Order to the Registrar of Companies, Uttar Pradesh, Kanpur.
- (xiii) As per Regulation 13 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016, the liquidator shall submit a preliminary report to the Adjudicating Authority within 75 days from the liquidation commencement date, providing various details/information as mentioned in the said regulation.

14. Ordered Accordingly.

15. IA (Liq.) No.01/2025 stands allowed and disposed of.

-Sd-
(Ashish Verma)
Member (Technical)

-Sd-
(Praveen Gupta)
Member (Judicial)

Date: 17.07.2025