

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – II, CHENNAI
IA /IBC (LIQ) / 2 (CHE) / 2024
IN
CP (IBC) / 88 (CHE) / 2022**

*(Under Section 33(2) r/w Section 34 of Insolvency & Bankruptcy Code, 2016 along
with IBBI (Liquidation Process), 2016)*

*In the matter of M/s. Malola Management Consulting Services Private
Limited*

SHRI. S. DEHALEESAN

Resolution Professional of

M/s. Malola Management Consulting Services Private Limited,
4/22, Cross street, Raghavan Colony,
Ashok Nagar, Chennai - 600083.

E-Mail: rp@valuesolve.in

... Applicant

Order Pronounced on 04.06.2025

CORAM

Shri JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)

Shri RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

Present:

For Resolution Professional: Mr. A.G. Sathyanarayana, Advocate

ORDER

(Heard through hybrid mode)

The Present application has been filed under Section 33 of the Insolvency & Bankruptcy code, 2016 (herein after termed as “the Code”) by **Mr. S. Dehaleesan, RP of M/s. Malola Management Consulting Services**

Private Limited, i.e. the Corporate Debtor (hereinafter referred as "CD") seeking following reliefs hereby:

"In the aforesaid and circumstances, the applicant herein most humbly prays that this Ld. AA may graciously be pleased to the following orders as prayed for:

- a) That this Hon'ble Tribunal may be pleased to pass an order for Liquidation of the Corporate Debtor namely M/s. Malola Management Consulting Services Private Limited;*
- b) That this Hon'ble Tribunal may be pleased to pass an order by appointing Liquidator from the latest IBBI Panel List for administering the Liquidation Process of the Corporate Debtor, and*
- c) To pass such orders or further orders which this Hon'ble Tribunal may deem to be fit and proper in the interest of justice."*

2. The Corporate Insolvency Resolution Process ("hereinafter referred as CIRP") of the Corporate Debtor was initiated vide order dated 20.06.2023 passed by this Tribunal in CP(IBC)/88/2022, upon the petition filed by the Corporate Debtor under section 10 of IBC. The Applicant, Mr. S. Dehaleesan, having Registration No. IBBI/1PA-001/1P-P-01807/2019-2020/12907 was proposed by the Corporate Applicant as the Interim Resolution Professional later confirmed as the Resolution Professional by the Committee of Creditors (CoC) on 17.07.2023.

3. It is submitted that public announcements were made on 23.06.2023 in Trinity Mirror (English) and Makkal Kural (Tamil) and invitations for submission of claims were issued and last date for submissions of claims was fixed as 05.07.2023. The RP collated the claims and constituted the CoC on 12.07.2024 and the same was filed before this Tribunal on 20.07.2023.

4. The Applicant subsequently received a belated claim from the CGST Department, the Government Assistant Commissioner (ST) and the Deputy Commissioner of CGST & Central Excise, which was duly verified and admitted. Owing to the admission of this significant claim, the constitution of the CoC was revised, resulting in a two-member CoC. The reconstituted

CoC details were filed before this Tribunal on 28.08.2023. The admitted claims are as follows,

3	Operational Creditors	(a) Related Party of Corporate Debtor				
		(b) Other than (a) above: (i)Government				

Sl. No.	Category of Stakeholder*	Sub-Category of Stakeholder	Amount Claimed	Amount Admitted	Amount Provided under the Plan#	Amount Provided to the Amount Claimed (%)
		Assistant Commissioner (ST), Arumbakkam Assessment Circle	8,13,13,776	8,13,13,776	Not applicable	
		Deputy Commissioner of CGST & Central Excise, Purasawalkam Division	5,97,65,774	5,97,65,774	Not applicable	
		(ii)Workmen				
		(iii)Employees				
		(iv)				
		Total[(a) + (b)]	14,10,79,550	14,10,79,550	Not applicable	
4	Other debts and dues		NIL			
Grand Total			14,10,79,550	14,10,79,550	Not applicable	

5. It is submitted that despite publication of Form-G on 04.09.2023, no Resolution Plans or Expressions of Interest (EOIs) were received. The same was reported in the Third CoC Meeting on 01.11.2023.

6. It is further submitted that in the third CoC meeting, the RP apprised the CoC of the lack of EOIs and further brought to their attention the critical financial shortfall in the CIRP. The RP highlighted the urgent need for funds to meet the ongoing CIRP expenses and requested the members of the CoC to contribute proportionately.

7. It is also submitted that One CoC member expressed unwillingness to contribute towards the CIRP costs, while the other sought internal approvals from its competent authority. The RP emphasized that without the said contributions, continuation of the CIRP would not be feasible.

8. It is submitted that later in the Fourth CoC Meeting held on 14.12.2023, it was resolved to treat the unpaid CIRP cost of Rs.4,80,000/- plus applicable taxes (including the Applicant's fee) as part of the liquidation estate to be paid in accordance with Section 53 of the Code. And it also authorized the RP to file an application for liquidation under Section 33(2) of the Code.

9. It is finally submitted that the matter was put to e-voting. One CoC member approved the liquidation proposal but rejected the resolution concerning CIRP cost. The second member abstained from voting altogether. In light of this deadlock and in the absence of any Resolution Plan or funding support, the Applicant was constrained to approach this Tribunal by way of the present application.

10. Heard the Ld. Counsel appeared on behalf of the applicant and perused the records.

From the Compliance certificate (Form H) attached with the application the dates and events subsequent to initiation of CIRP of the CD is as follows,

<i>S. No</i>	<i>Date</i>	<i>Events</i>
1.	20.06.2023	Commencement of CIRP
2.	20.06.2023	Mr. S. Dehaleesan, appointed as IRP
3.	23.06.2023	Publication of FORM - A in Trinity Mirror (English) and Makkal Kural (Tamil).
4.	12.07.2023	Constitution of Committee of Creditors (CoC)
5.	17.07.2023	Date of first meeting of Committee of Creditors

6.	17.07.2023	Mr. S. Dehaleesan, appointed as RP
7.	11.08.2023	Date of appointment of registered valuers
8.	04.09.2023	Date of issue of invitation for EoI
9.	17.12.2023	Date of expiry of 180 days of CIRP

11. It is seen that the Applicant/RP submitted FORM-H dated 20.12.2023 as per Regulation 39 (4) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016. The same is placed at Page 50 - 55 of the application. As observed from Form-H, there is no PUFEE applications pending in respect of the CD.

12. It is noted that the factual matrix of the case clearly demonstrates that the CIRP has run its course without culmination in a viable Resolution Plan. Despite issuance of Form-G and lapse of statutory timelines, no Resolution Applicant has come forward. Moreover, the CoC has failed to provide necessary financial support to sustain the CIRP. Thus, the CoC directed the Resolution professional to file application for Liquidation of the Corporate Debtor. In view of the above facts, this Tribunal finds it appropriate to initiate liquidation of the Corporate Debtor.

13. Further, after verifying the disciplinary status from the IBBI portal, we found that the said proposed *Mr. S. Dehaleesan*, did not have any valid AFA details.

14. Therefore, we appoint *Mr. Sridhar S.R.*, having *Reg. No. IBBI/IPA-001/IP-P-02927/2024-2025/14488*, email id: *rajansridharca@gmail.com* , having valid **AFA upto 31-12-2025** as the Liquidator under Section 34(1) of the Code for the Corporate Debtor.

15. From the above facts and circumstances, considering the decision taken by the CoC of the Corporate Debtor, this Adjudicating Authority deems it fit to order Liquidation of the Corporate Debtor. Accordingly, we

order *Liquidation* of the Corporate Debtor i.e. *M/s. Malola Management Consulting Services Private Limited* by appointing the above *Mr. Sridhar S.R.* as the Liquidator to carry out the liquidation process subject to the following terms/directions:-

- a. The Liquidator shall strictly act in accordance with the provisions of IBC, 2016 and the attendant Rules and Regulations including Insolvency and Bankruptcy (Liquidation Process) Regulations, 2017 as amended up to date enjoined upon him.
- b. The Liquidator shall issue the public announcement that the Corporate Debtor is in liquidation. In relation to officers/ employees and workers of the Corporate Debtor, taking into consideration Section 33(7) of IBC, 2016, this order shall be deemed to be a notice of discharge.
- c. The Liquidator shall investigate the financial affairs of the Corporate Debtor particularly, in relation to preferential transactions/ undervalued transactions and such other like transactions including fraudulent preferences and file a suitable application before this Adjudicating Authority.
- d. The Registry is directed to communicate this order to the Registrar of Companies, Chennai and the Insolvency and Bankruptcy Board of India;
- e. In terms of section 178 of the Income Tax Act, 1961, the Liquidator shall give necessary intimation to the Income Tax Department. In relation to other fiscal and regulatory authorities which govern the Corporate Debtor, the Liquidator shall also duly intimate about the order of liquidation.
- f. The order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its

effect and a fresh Moratorium under Section 33(5) of the Insolvency and Bankruptcy Code shall commence.

- g. The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016.
- h. The Liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of the provisions of Section – 35(1) of IBC, 2016 read with relevant rules and regulations and also file its response for disposal of any pending Company Applications during the process of liquidation.
- i. The Liquidator shall submit individual Preliminary report to this Tribunal within 75 (seventy-five) days from the liquidation commencement date as per Regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016. Further such other or further reports as are required to be filed under the relevant Regulations, in addition, shall also be duly filed by him with this Adjudicating Authority.
- j. Copy of this order be sent to the financial creditors, Corporate Debtor and the Liquidator for taking necessary steps and for extending the necessary cooperation in relation to the Liquidation process of the Corporate Debtor.

15. Accordingly, with the above directions, **IA(IBC)(LIQ)/ 2(CHE)/ 2024 in CP(IBC)/ 88(CHE)/ 2022** stands *allowed and disposed of*.

-Sd/-

**RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)**

-Sd/-

**JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)**