IN THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH – I, CHENNAI

CP(IB)/147/CHE/2022 *filed under Section 59 of the Insolvency and Bankruptcy Code, 2016*

In the matter of ***MESH7 Private Limited***

Mr. Vasudevan Gopu,
Liquidator of MESH7 Private Limited,
'G.V.Enclave' 18/30, Ramani Street,
K.K.Pudur,
Saibaba Colony (4th Right Opp. Road to
Saibaba Colony Hotel Annapoorna Road),
Coimbatore – 641 038, Tamil Nadu.

...Applicant

Order pronounced on 18th July, 2022

CORAM:

JUSTICE (RETD.) S. RAMATHILAGAM, MEMBER (JUDICIAL)
SAMEER KAKAR, MEMBER (TECHNICAL)

For Applicant : *Mr. Vinuta Venkat Rao, Advocate*

ORDER

Per: SAMEER KAKAR, MEMBER (TECHNICAL)

1. CP(IB)/147/CHE/2022 has been filed by Mr. Vasudevan Gopu who is acting as Liquidator of ***MESH7 Private Limited*** with the following prayers: -

> *"i. That M/s. MESH7 Private Limited may kindly be ordered to be dissolved.*
>
> *ii. To pass such order or further order(s) or give such other directions as the Hon'ble Tribunal may deem fit, proper and just under circumstances of the case."*

2. The Applicant Company was incorporated under the Companies Act, 2013 on 10th June, 2019. The Company is under gone change in the name on 17.01.2020. The CIN of the Company is U72900TN2019FTC129786. The details of main objects are set out in the Memorandum of Association which is attached to the typed set.

3. The Company was engaged information technology and computer related business. The Authorised Share Capital of Rs.1,00,000/- divided into 10,000 equity shares of Rs.10/- each and Issued, Subscribed and Paid-up Capital of Rs.1,00,000/- divided into 10,000 equity shares of Rs.10/- each.

4. The list of Board of Directors of the Company and the list of Shareholders of the Company are provided under para 5 at page 16 of the Application are extracted below: -

<u>5(i) List of Board of Directors of the Company:-</u>

Sl.No.	Name	Designation
1	Mr. Devakumar Ramamoorthy	Director
2	Mr. James Andrew Munk	Director
3	Mr. Craig Douglas Norris	Director

5(ii) List of Shareholders of the Company is as follows:-

Sl.No.	Name of the shareholders	No. of Equity Shares held	Amount (Rs)	% of shareholding
1	VMware Alpha LLC	9,990	99,900	99.90
2	Mr. Devakumar Ramamoorthy (*Beneficial Owner: VMware Alpha LLC)	10	100	0.10
	Total	**10,000**	**1,00,000**	**100**

5. In terms of what is stated under paragraph Nos. 7, 8, 9, 10, 11, 12, 13, 14, 15, 17, 18, 19, 20, 21, 22 and 27 of the Application are extracted hereunder: -

7. The MESH7 group of companies was globally acquired by VMWare Alpha LLC with effect from April 1, 2021 and consequently the Company became a part of the VMWare group. After the acquisition, the Company did not carry on any business activities and the employees of the Company have also moved to VMWare. The Management of the Company does not have any plan to revive the business operations of the Company. Thus, it was proposed to wind up the affairs of the Company under the Members'

Voluntary Liquidation process and accordingly, the closure financial statements of the Company have been prepared as on July 31, 2021 as per which the Company had total liabilities of Rs.10,000 (INR Ten Thousand Only) and assets of Rs.94,66,517 (INR Ninety-Four Lakh Sixty-Six Thousand Five Hundred and Seventeen).

8. There being no plans to carry on any business operations in the Company and there being are no plans to revive its business operations, it was proposed to discontinue the operations of the Company and wind up the affairs of the Company under the provisions of Voluntary Liquidation as prescribed under the Insolvency and Bankruptcy Code, 2016 as amended from time to time (hereinafter referred to as "Code"). In view of the above, the Audited Financials for the period 1st April 2021 till 31st July 2021 ('Closure Financials') were prepared in order to ascertain if the Company is solvent and able to pay its debts in full to all Stakeholders from the proceeds of assets to be sold in the voluntary liquidation process.

9. Board of Directors at their meeting held on 3rd September 2021 had approved for Winding up the affairs of the company under Member's Voluntary Liquidation Process and approved the Closure financials of the company.

10. Further, the Board of Directors at their meeting held on 8th September 2021 had resolved to provide the Declaration of Solvency. As required under the provisions of Section 59(3)(a) of the Code, Mr. Craig Douglas Norris and Mr. Devakumar Ramamoorthy, being the Directors of the Company, made a Declaration as on 9th September 2021 and 14th September 2021 respectively. A copy of the Declaration of solvency along with audited financial statements and record of business operations of the Company for the previous two years is enclosed herewith and marked as "Annexure-6"

11. As proposed by the Board, the members of the Company in their Extraordinary General Meeting held on September 29, 2021 passed a special

resolution as required under Section 59 of the Code read with the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 (hereinafter referred to as "Regulations") to liquidate the Company voluntarily and appointed the undersigned to act as the liquidator of the Company. A copy of the Special Resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on September 29, 2021 is enclosed herewith along with the notice and Explanatory Statement for calling such meeting as Annexure- 7.

12. As per the Books of accounts, the company had a debt of Rs.10,000 as on the date of commencement of voluntary liquidation. The creditor had approved the resolution passed by the members of the Company. The copy of the consent is enclosed herewith as "Annexure-8".

Statement showing Assets and Liabilities of the company as on liquidation commencement is enclosed herewith as "Annexure-9"

13. The liquidator made a Public Announcement of commencement of liquidation in Form-A, in 'Financial Express', English Newspaper and, Maalai Malar' Tamil Newspaper on 1st October 2021 and 2nd October 2021 respectively for seeking submission of the claim by the stakeholders, if any, within 30 days from the date of commencement of liquidation i.e., October 28, 2021. The Public Announcement was simultaneously submitted to the Insolvency and Bankruptcy Board of India (hereinafter referred to as "IBBI") to place the same on its website. The same was published on IBBI website on 29th September, 2021. A copy of the public announcement as published in Newspapers and placed on the website of IBBI is enclosed and marked as Annexure-10.

14. The Declaration of Solvency made by the Directors along with audited financial statements and record of business operations of the company for the previous two years with the Registrar of Companies, Chennai in Form GNL-2 vide SRN T53076758. A copy of Form GNL-2 along with paid challan is enclosed and Marked as Annexure -11.

15. A copy of the special resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on September 29, 2021 approving the commencement of liquidation and appointment of liquidator was submitted to the Registrar of Companies, Chennai in Form MGT-14 vide SRN T52986056. A copy of the Form MGT-14 along with paid challan is enclosed and marked as Annexure-12.

16. ....

17. As required under the Regulations, the liquidator opened a Bank account in the name of MESH7 Private Limited with The Hongkong and Shanghai Banking Corporation Limited for realization of the liquidation assets and payment of the liquidation proceeds to entitled stakeholders. A copy of the opening Bank Statement of 'MESH7 Private Limited in Voluntary Liquidation' evidencing the transfer of amount from the company bank account to Liquidation account is enclosed as Annexure- 14.

18. Consequent to the advertisement in newspapers, till the last date for claim (i.e. October 28, 2021) and subsequently till the date of this application, the company has received 1 (One) Claim from stakeholder namely- JPR & Associates, Chartered Accountants an Operational Unsecured Creditor, for an aggregate amount of INR 11,800 (INR Eleven Thousand and Eight Hundred only). The company cleared the entire claim amount and paid the claim amount post-Tax Deduction at Source (TDS) from the Liquidation Bank Account of MESH7 Private Limited on 4th February 2022. A Copy of the Form B Proof of Claim along with the Bank Statement showing Payment of the claim amount post TDS to 'JPR & Associates, Chartered Accountants' on 4th February 2022 and proof of Submission of Claim is enclosed as Annexure-15.

19. Except for the above-mentioned claim there were no other claims received from any of the third-party stakeholders i.e., workers, employees,

creditors. As on date of application the company has only the following stakeholders for final distribution of liquidated assets:

VMware Alpha LLC, Delaware USA and Mr. Devakumar Ramamoorthy a registered owner holding shares on behalf of VMware Alpha LLC, the beneficial owner. The liquidator has prepared the "List of stakeholders" as on 30th November 2022 and the same is enclosed herewith as "Annexure-16"

20. As required under the Regulations, the liquidator submitted the preliminary report to the members of the company on November 13th 2021. A copy of the preliminary report is enclosed along with the Evidence for submission and is marked as "Annexure-17"

21. The Liquidator had sent notice under Section 178 of the Income Tax Act, 1961 to the stipulated authority of the Income Tax, stating that the Company is under liquidation. Subsequent to the intimation the Income Tax officer, Ms. Sita Krishnamoorthy, from the Office of the Assistant Commissioner Of Income Tax, Corp. Circle 4(1) Chennai had forwarded the No tax due/ No objection letter on 21st December 2021, stating that there were no outstanding pending demand for tax arrears against the company. A copy of the notice sent to Income tax office and no tax due letter issued by the Income Tax authority and a copy of the acknowledgment for the Income tax return filed for the Assessment year 2021-22 is enclosed herewith as "Annexures- 18 & 19"

22. The Liquidator had also sent notice to GST authorities under the section 88 of the Central Goods and Service Tax Act, 2017 and Tamil Nadu Goods and Service Act, 2017, communicating the commencement of Liquidation proceedings of the company. Acknowledgment of the notice sent to the GST authorities is enclosed herewith as "Annexure 20"

23. ……….
24. ……...

25. …………

26. ………

27. It is submitted that the applicant has prepared the Final Report and the Form H Compliance Certificate in accordance with Regulation 38(3) of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017 and a copy is hereby filed before this Hon'ble Tribunal in "Annexure- 24 & 25"

6. The Preliminary Report of the Liquidator dated 13.11.2021 is placed at page Nos. 2 18 to 220. The assets and liabilities as on the liquidation commencement date are extracted below: -

"3. Assets and Liabilities as on the liquidation commencement date i.e., 29th September 2021 based on the books of accounts of the company: -

List of Assets	**Book value in Rupees**
Cash & bank balance	98,89,633
Other receivables	NIL
Total Assets	98,89,633
List of Liabilities	**Book Value in Rupees**
Liabilities	10,000

7. The Final Report of the Liquidator is placed at page Nos. 255 to 260, which is dated 31.05.2022.

8. The Liquidator has closed the liquidation bank account and closure certificate is attached at page No.266 which is dated 17.05.2022. Form-H i.e., the Compliance Certificate is placed at page Nos. 261 to 265.

9. A perusal of Form-H reveals that the Liquidator did not find any preferential, undervalue, extortionate or fraudulent transactions.

10. The Liquidator further states that all the timelines prescribed under the Act have been complied with.

11. Thus, on examining the submissions made by the Ld. Counsel and after perusing the documents annexed to the Application, it appears that the affairs of the Company have been completely wound up and the assets of the Company have been completely liquidated and as such the Applicant Company deserves to be **dissolved**.

12. Accordingly, in exercise of powers conferred under Section 59(8) of Insolvency & Bankruptcy Code, 2016, we hereby order the dissolution of MESH7 Private Limited and the Applicant Company shall stand **dissolved** from the date of this Order.

13. Accordingly, CP(IB)/147/CHE/2022 stands **allowed.**

14. The Registry and the Liquidator are directed to serve copy of this Order upon the RoC, Chennai and also IBBI within fourteen (14) days of this Order.

-Sd-

(SAMEER KAKAR)
MEMBER (TECHNICAL)

-Sd-

(JUSTICE (RETD.) S. RAMATHILAGAM)
MEMBER (JUDICIAL)