

NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH – II
CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI BENCH, CHENNAI
NATIONAL COMPANY LAW TRIBUNAL, HELD ON 08-08-2022 AT 2.30 P.M. THROUGH
VIDEO CONFERENCING:

PRESENT: JUSTICE RAMALINGAM SUDHAKAR, HON'BLE PRESIDENT
SHRI. SAMEER KAKAR, MEMBER (TECHNICAL)

APPLICATION NUMBER : IA(IBC)/777(CHE)2022

PETITION NUMBER : IBA/696/2020

NAME OF THE PETITIONER : Kavitha Surana (IRP) of M/s Multicity Digital
Consortium Pvt Ltd

NAME OF THE RESPONDENTS : --

UNDER SECTION : Sec 12A of IBC, 2016 R/w Sec 60(5) of IBC,2016

Item No.205

**IA(IBC)/777(CHE)/2022
in
IBA/696/2020**

Counsel for the Applicant is represented by Ld. Counsel Mr. S. Sathiyarayanan.

The Present Application has been filed on 12.07.2022 under Section 12A of the Insolvency and Bankruptcy Code, 2016 (hereinafter the "IBC, 2016") read with Rule 11 of the National Company Law Tribunal Rules, 2016 (hereinafter the "NCLT Rules"), by Interim Resolution Professional (IRP) of Multicity Digital Consortium Private Limited (Corporate Debtor) seeking relief as follows;

- (a) *Terminate the Corporate Insolvency Resolution Process by passing an order permitting withdrawal of application being IBA/696/2020 filed before this Tribunal under Section 12A of the Code;*
- (b) *Discharge the Applicant from the role and duty of Interim Resolution Professional;*
- (c) *Restore the Board of Directors of Corporate Debtor as existed prior to the CIRP commencement date 27.06.2022; and*
- (d) *Pass such further or other orders, as this Tribunal may deem fit and appropriate.*

2. It is averred in the application that CIRP in respect of the Corporate Debtor was ordered on 27.06.2022 and the Applicant herein was appointed as the Interim Resolution Professional (IRP).

-Sd-

3. Pursuant to that the IRP issued public announcement in Form-A on 30.06.2022 in "Business Standard" (English) and in "Makkal Kural", (Tamil) and invited claims from the Creditors of the Corporate Debtor.
4. It was submitted by the Ld. Counsel for the Applicant that during the early stage of the CIRP the suspended directors of the Corporate Debtor has engaged in settlement talks with the Operational Creditor and has arrived at a compromise of the claim amount and other incidental expenses and had requested the Interim Resolution Professional.
5. It was further submitted that the Applicant had not received any claims from any creditor and CoC is not constituted till signing of this Application.
6. On perusal of the annexures filed along with the Application we see that the Settlement Agreement dated 11.07.2022, entered into between the Operational Creditor and the Corporate Debtor has been filed. It is noted that in terms of the Settlement Agreement, the parties have filed this Application under Section 12A of the IBC, 2016 by the IRP. Further, Form FA is duly signed by the Operational Creditor and the same is attached at Page No.22 of the typed set of the application.

-Sd-

7. Taking into consideration of submissions made by the Learned Counsel for the Applicant/IRP as well as the averments contained in the Application and also based on the Affidavit filed by the IRP/Applicant that the CoC is yet to be constituted in relation to the CIRP of the Corporate Debtor, this instant Application IA(IBC)/777/CHE/2022 stands **allowed** and in the circumstances, IBA/696/2020 stands **withdrawn**. Consequently, the CIRP initiated against the Corporate Debtor also stands withdrawn.

8. The IRP is directed to hand over the management to the Board of Directors whose powers stood suspended by virtue of the initiation of the CIRP by this Tribunal while admitting the Petition in IBA/696/2020 vide Order dated 27.06.2022. The Corporate Debtor is released from all rigours of the IBC, 2016. The IRP is discharged from the assignment. The Corporate Debtor shall operate through its own Board.

9. Accordingly IA(IBC)/777(CHE)/2022 stands **allowed** IBA/696/2020 stands **dismissed as withdrawn**, no liberty granted. File sent to records.

-Sd-

SAMEER KAKAR
MEMBER (TECHNICAL)

gs

-Sd-

JUSTICE RAMALINGAM SUDHAKAR
PRESIDENT