

**THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH C-III**

**IA-2976(MB)2023**

**IN**

**C.P.(IB)/1658(MB) C-III/2018**

Under Section 33,34 and 35 read with Section 60(5) of Insolvency & Bankruptcy Code, 2016.

Filed by

**Mr. Praful Raghunath Renuse**

**Resolution Professional,**

**For M/s. Planet 41 Mobi-Ventures Limited**

Having his registered office at:173, Udyog Bhavan,Sonawala Road, Goregaon East, Mumbai-400063

*...Resolution Professional/Applicant*

In the matter of

**M/s. MDS Digital Media Pvt Ltd.**

Having his registered office at: D-143, Brahma Building, Plot No.53, Sec-15, Opposite D-Mart, Belapur, Navi Mumbai-400614

*...Operational Creditor*

Vs.

**M/s. Planet 41 Mobi-Ventures Limited**

Having his registered office at: 109/110,Link Way Estate, New Link Road, Malad West, Mumbai-400064

*...Corporate Debtor*

**Order pronounced on: 16<sup>th</sup> February 2024**

**Coram:**

Hon'ble Ms. Lakshmi Gurung, Member (Judicial)

Hon'ble Shri. Charanjeet Singh Gulati (Technical)

**Appearances:**

*For the Applicant* Adv. Prerak Talati i/b Nishant Vyas

**Per: Coram**

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**ORDER**

1. The above application is filed by Resolution Professional, Mr. Praful Raghunath Renuse under Sections 33, 34 and 35 read with Section 60(5) of Insolvency & Bankruptcy Code, 2016 (hereinafter called as "the Code" praying for the following reliefs:
  - a) *This Tribunal may be pleased to pass an order for liquidation of the Corporate Debtor and appoint the Applicant as the Liquidator of the Corporate Debtor;*
  - b) *Mr. Bhavesh Shah, having license number IBBI/IPA-001/IP-P01200/2018-2019/11910, be appointed as the Liquidator.*
2. This Tribunal vide an order dated 16.12.2022, in Company Petition bearing C.P.(IB)/1658(MB)2018, filed under Section 9 of the Code by M/s. MDS Digital Media Pvt Ltd. ("**Operational Creditor**"), admitted the petition and Corporate Insolvency Resolution Process (**CIRP**) was initiated against M/s. Planet 41 Mobi-Ventures Limited ("**Corporate Debtor**" / "**CD**").
3. **Mr. Praful Raghunath Renuse** was appointed as Interim Resolution Professional by this Tribunal vide order dated 16.12.2022 and was confirmed as Resolution Professional in the first meeting of Committee of Creditors ("**CoC**") held on 14.01.2023.

4. In Compliance with Sections 13, 15 and other applicable provisions of the Code and the applicable Regulations/Rules, the Applicant made a Public Announcement dated 22.12.2022 intimating the commencement of CIRP against the Corporate Debtor and calling the creditors of the Corporate Debtor to submit their claims outstanding as on the insolvency date along with proof and publication was made in one English and one Marathi Newspaper i.e. Financial Express, and Mumbai edition of Lakshdeep. As per the public announcement dated 22.12.2022, the last date for submission of claim was 05.01.2023.
5. The IRP received and collated claims of creditors in accordance with Section 21 of the Code. The Committee of Creditors ('CoC') was constituted comprising of a sole Operational Creditor i.e., **M/s. MDS Digital Media Pvt Ltd.** Further, 1st CoC meeting was held on 14.01.2023, wherein the CoC discussed the actions taken by the IRP and state of affairs of the Corporate Debtor amongst other agendas.
6. In the 3<sup>rd</sup> CoC Meeting dated 18.02.2023, when the CoC inquired about the status of the Corporate Debtor, the RP, based on the information discovered during CIRP, replied that there is no operation in last 4 years. The CoC also questioned the scope of keeping the CD as a going concern since it was as good as a dormant company. The RP apprised that there are neither any functioning assets of the CD that can be revived nor there are any employees of the CD.
7. Based on such consideration, the CoC decided to liquidate the Corporate Debtor as it was of the view that it is not viable to keep Corporate Debtor as going concern, and accordingly, a resolution was passed in the 4th CoC meeting dated 06.03.2023 wherein the CoC approved and authorized the RP to apply for liquidation of Corporate Debtor. The resolution is reproduced below:

**“Resolution No. 1**

*“RESOLVED THAT Resolution professional should apply to Adjudicating Authority for liquidation of corporate debtor”*

8. In the course of the 4<sup>th</sup> CoC meeting dated 06.03.2023, discussions were made regarding the sale of CD as a going concern, liquidation costs, and liquidator’s fees in accordance with Regulations 39C, 39B and 39D, respectively, of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. Relevant portion of the Minutes of 4<sup>th</sup> CoC Meeting are reproduced below: -

“\*\*\*

1. *The RP informed that the CoC should take call on whether the liquidator should try to sale the CD as going concern under Regulation 39C. The CoC informed that the Liquidator should not try to sale CD as going concern.”*

Further, the following resolutions were passed:

“ \*\*\*

**Resolution 4**

*“It has been resolved that the liquidation cost has been estimated at Rs. 400,000 and will be deposited by existing CoC members in designated account within 7 days from the date of liquidation order.”*

**3. The fees of liquidator**

*The RP informed the CoC members that as per Regulation 39D, the committee may fix the fee payable to liquidator. In absence of same, the Regulation 4 of IBBI (Liquidation Process) Regulation will prevail which allow the liquidator to charge the fees based on the realisation of assets.*

*As per new amendments, the stakeholder committee can also decide in 1 st meeting the remuneration of liquidator.*

*It has been decided by CoC members that the liquidator fee would be paid as per the Regulation 4 of IBBI (Liquidation Process) Regulation. The following resolution has been passed*

**Resolution 5**

*"It has been resolved that the liquidator fee would be paid as per the Regulation 4 of IBBI (Liquidation Process) Regulation."*

9. This Tribunal directed the RP vide order dated 04.10.2023 to submit the Forensic Audit Report and status of the non-cooperation of the suspended directors.
10. The RP has filed an additional affidavit dated 31.10.2023 attaching the copy of the Forensic Audit Report, wherein the Forensic Auditor has encountered discrepancies in the available data that required further investigation and clarification. Overall, the findings of the forensic audit indicate that there may be significant issues relating to the movement of funds that require further investigation and clarification and several areas of concern have been pointed out by the Forensic Auditor.
11. As per the additional affidavit, the summary of potential PUFEE transactions that can be ascertained from the said Report is as follows:

Sr. No.	Transaction Nature	Amount
1.	Personal Expenditure	1,094,619

2.	Related Party Transactions-Paid	74,413,508
3.	Related Party Transactions-Received	50,782,554
4.	One Time Payments	27,124,388
5.	Credit Card Payments	6,110,448
6.	Receipt and Payment Transactions- Paid	14,291,300
7.	Receipt and Payment Transaction-Received	13,264,944
8.	Uneven Payments	6,361,744
9.	Unidentified Parties	56,192,435
10.	Services Nature Clarification	7,192,043

12. Furthermore, the RP also submitted that the books of accounts of the CD were not properly maintained, and the Forensic Auditor was unable to verify the legitimacy and purpose of PUFÉ transactions by the suspended directors due to the lack of supporting documents provided by the organization.
13. The documents that were relied upon by the Forensic Auditor to prepare the said report are provided herein below: -
- I. Tally data pertaining to the financial years ("FY") 2019- 20 to FY 2021-22.
  - II. Bank statements for the period FY 2010-11 to FY 2021- 22, and
  - III. Data available on Income Tax and GST portals.

14. No application has been brought to the our knowledge in relation to the Corporate Debtor which is pending.
15. We note in the present case that: -
- i. CD is not functioning as going concern,
  - ii. There are no functioning assets,
  - iii. There are no employees, and
  - iv. CoC with 100% Voting has passed resolution for liquidation.
16. In view of the facts of the case and resolutions passed by the CoC with 100% voting for liquidation of the Corporate Debtors under Section 33 of Insolvency & Bankruptcy Code,2016, and for appointment of liquidator, this Tribunal finds it a fit case to allow the above application. Accordingly, the above application is allowed by passing following order:

**ORDER**

- a. The above IA-2976(MB)2023 IN C.P.(IB)/1658(MB)2018 is allowed and the Corporate Debtor **M/s. Planet 41 Mobi-Ventures Limited** is ordered to be **liquidated**.
- b. The Petitioner has proposed the name of **Mr. Bhavesh M Rathod**, Registration No. IBBI/IPA-001/IP-P01200/2018-2019/11910, to be appointed as a Liquidator of the Corporate Debtor. The Proposed Liquidator has filed his Written Consent dated 05.04.2023 in Form AA as required under Regulation 3(1A) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations ,2016). Further he has valid registration with IBBI bearing Registration No - IBBI/IPA-001/IP-P01200/2018-2019/11910 till 2nd January 2025. Accordingly, **Mr Bhavesh M Rathod** is appointed as Liquidator in this case.

- c. The Liquidator for conduct of the liquidation proceedings would be entitled to the fees as provided in Regulation 4(2)(b) of the IBBI (Liquidation Process Regulations), 2016.
- d. The Liquidator appointed in this case is directed to initiate the 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.
- e. The Liquidator appointed under Section 34(1) of the Code, will have all powers of the Board of Directors, key managerial personnel and the partners of the Corporate Debtor, as the case may be, hereafter ceased to exist and henceforth be vested with the Liquidator.
- f. The Corporate Debtor to be Liquidated in the manner as laid down in the Chapter 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.
- g. The Liquidator may examine the Forensic Auditor's report and take appropriate action as per the provisions of the Code and as deemed fit.
- h. 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.
- i. 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 proceedings on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority.

j. This liquidation order u/s 33(7) 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 continued during the liquidation process by the Liquidator.

17. With the above directions, the IA-2976(MB)2023 IN C.P.(IB)/1658(MB)2018 filed u/s 33,34 & 35 read with Section 60(5) of Insolvency & Bankruptcy Code, 2016 by the Applicant is hereby **allowed** and **disposed of**.

**Sd/-**

**Charanjeet Singh Gulati**

**Member (Technical)**

**Sd/-**

**Lakshmi Gurung**

**Member (Judicial)**