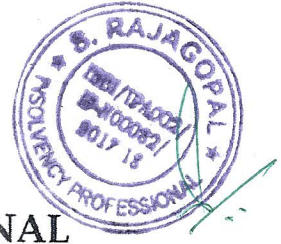


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IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, CHENNAI

MA/697/2019  
IN  
CP/698/IB/CB/2017

*Application filed under section 33 of the IBC, 2016*

**In the matter of M/s. Frontier Lifeline Private Limited**

Shri. S. Rajagopal  
Resolution Professional  
Representing Corporate Debtor  
(M/s. Frontier Lifeline Private Limited)

.... Applicant /RP

Vs

M/s. State Bank of India & 2 Ors

.....Respondents/Committee of Creditors

Order delivered on: 04.09.2019

CORAM:

B.S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)  
S. VIJAYARAGHAVAN, MEMBER (TECHNICAL)

✓ For the Applicant : Shri. B. Dhanaraj, Advocate  
For Shri. S. Rajagopal, RP  
Counsel for Promotor Director: Shri. Raghunathan, Advocate  
For M/s. TS Gopalan & Co

ORDER

Per: B.S.V. PRAKASH KUMAR, MEMBER (JUDICIAL)

Heard and dictated in Open court on 05.08.2019

It is an MA filed u/s 33 of the Insolvency & Bankruptcy Code,  
2016 ("the Code") by the Resolution Professional of M/s. Frontier



**Lifeline Private Limited** (Corporate Debtor) seeking liquidation of the Corporate Debtor based on the resolution passed by the CoC on 29.04.2019 with 100% voting at 8<sup>th</sup> CoC meeting for liquidation of the Corporate Debtor on the ground 270 days period ending without any approval for Resolution Plan.

2. On perusal of this application, it appears that this CP/698/IB/2017 was admitted on 02.08.2018 thereafter the Resolution Professional determined Liquidation value as ₹1,34,07,43,263 based on the reports given by the Valuers appointed by the Resolution Professional.

3. In view thereof, when the Resolution Plan came before the CoC on 29.04.2019 with a value of ₹116Crores, the same was not considered by the CoC within the CIRP period, then the Resolution Professional sought for exclusion of 43 days from the CIRP period, upon which, this Bench passed an order dated 18.06.2019 which is as follows:

*"Normally, the Resolution Plan is viable if the Resolution Plan Value is more than Liquidation Value, in this case, one – Plan is not approved by the CoC till date, two – The Resolution Plan*



*Value is far below to the Liquidation Value, three – not taking a decision by the CoC without any reason, will not become a reason for exclusion of the time period from the CIRP period. Besides this, CoC has not passed a Resolution seeking exclusion or extension of time”.*

4. Against which, the Resolution Applicant having filed an appeal before the Hon'ble NCLAT assailing the order passed by this Bench, the Hon'ble NCLAT on 17.07.2019, disposed of the appeal leaving it open to the Appellant to negotiate with the group of Creditors (Financial Creditors) and the Liquidator on behalf of the Corporate Debtor to consider the Resolution Plan “as a scheme u/s.230 of the Companies Act, 2013 along with any other scheme, if proposed by any other members or group of members of person. On such case, the Liquidator or group of Creditors (Financial Creditors) may consider the same”.

5. In view of the order passed by this Bench and the Order passed by Hon'ble NCLAT, it is hereby made clear that Hon'ble NCLAT indeed directed the Liquidator to consider Resolution Plan as a scheme u/s 230 of the Companies Act 2013 along with any other Scheme, if proposed by any member or group of members,



but nobody was come forward with a proposal of scheme u/s 230 of the Companies Act, 2013 as directed by Hon'ble NCLAT.

5. In view of this observation, the Hon'ble NCLAT having not given any direction not to initiate liquidation process, the statutory period given for CIRP being over, for there being no response from any of the members applying for scheme u/s 230 of the Companies Act 2013, in a situation like this, only recourse available is to pass an order of liquidation, this Bench, as per Sec.33 (1) of the Code hereby orders for liquidation of the directions as follows:-

- a) This Bench hereby orders the Corporate Debtor to be liquidated in the manner as laid down in the Chapter by issuing a public notice stating that the Corporate Debtor is in liquidation with a direction to the liquidator to send this order to ROC with which this company has been registered.
- b) The Resolution professional viz Mr. S. Rajagopal is hereby appointed to act as Liquidator for the purpose of liquidation of the corporate debtor, therefore all powers of



the board of directors, Key managerial personnel and partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be hereby vested in the liquidator. The Personnel of the Corporate Debtor are directed to extend all co-operations to the liquidator as may be required in managing the affairs of the Corporate Debtor. The Insolvency Professional appointed as liquidator will charge fees for conduct of the liquidation proceedings in proportion to the value of the liquidation estate assets as specified under regulation 4 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and the same shall be paid to the Liquidator from the proceeds of the liquidation estate under section 53 of the Code.

- c) Since this liquidation order has been passed, no suit or other legal proceedings shall be instituted by or against the Corporate debtor without prior approval of this



Adjudicating Authority save and except as mentioned in sub-section 6 of section 33 of the Code.

- d) This liquidation order shall be deemed to be notice of discharge to the officers, employees and workmen of the Corporate Debtor except to extent of the business of the Corporate Debtor is continued during the liquidation process by the by the Liquidator.
- e) The liquidator is directed to carry the functions of the Liquidator as envisaged under the Insolvency and Bankruptcy Code, 2016 and also Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

4. Accordingly, this MA/697/2019 filed in CP/698/IB/CB/2017 is hereby allowed

-Sd-

**(S. VIJAYARAGHAVAN),**  
Member (Technical)


-Sd-

**(B. S.V. PRAKASH KUMAR)**  
Member (Judicial)

SR/TJS



Certified to be True Copy

  
N. SRIRAMASUBRAMANIAN  
ASSISTANT REGISTRAR  
NATIONAL COMPANY LAW TRIBUNAL  
CHENNAI BENCH  
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