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

IA/1246/IB/2020 in CP/1487/IB/2018

(filed under Section 33 of the Insolvency and Bankruptcy Code, 2016)

In the matter of **M/s. Tag Info Solutions India Private Limited**

Navneeth Vasudevan

Resolution Professional of

M/s. Tag Info Solutions Private Limited

No.12, 1st Street, Raghavan Colony,

Ashok Nagar, Chennai – 600 083

... Applicant /Resolution Professional

Order Pronounced on 3rd August 2021

CORAM :

R. SUCHARITHA, MEMBER (JUDICIAL)

ANIL KUMAR B, MEMBER (TECHNICAL)

For Applicant : *Deepak Narayanan, Advocate*

ORDER

Per: ANIL KUMAR B, MEMBER (TECHNICAL)

This is an application filed under Section 33(2) of the Insolvency and Bankruptcy Code 2016 (in short 'IBC, 2016') seeking relief as follows:

It is prayed that this Honourable Tribunal may be pleased to pass appropriate orders for liquidation of the Corporate Debtor i.e. M/s. Tag Info Solutions India Pvt. Ltd. under Section 33(2) of IBC, 2016 and pass such other and further orders as this Tribunal may deem fit and proper in the facts and circumstances of the case.



2. In Section 7 application filed by the Financial Creditor against the Corporate Debtor viz., M/s. Tag Info Solutions India Private Limited, this Tribunal vide order dated 05.08.2019 passed in CP/1487/IB/2018 initiated the Corporate Insolvency Resolution Process (CIRP) in relation to the Corporate Debtor and appointed the Applicant herein as Interim Resolution Professional (IRP).

3. It is averred in the application that pursuant to the Applicant being appointed as IRP, he caused Public Announcement under Section 15 of IBC, 2016 in Form-A on 07.08.2019 in English and in Tamil and invited claims to be filed in accordance with the provisions of IBC, 2016. In pursuance of the same, it is seen that the Applicant has received claim only from the Financial Creditor who triggered the CIRP against the Corporate Debtor. Accordingly, the CoC was constituted with the sole Financial Creditor with 100% voting share. It is seen that the Indian Bank also filed its claim subsequently and accordingly the Applicant reconstituted the CoC with Indian Bank holding 66.71% voting share and Dr. Palaniappan holding 33.29% of voting share.

4. The Learned Counsel for the Applicant submitted that the Resolution Professional has conducted a total of six CoC meetings so far and that he has received no cooperation from the erstwhile promoters of the Corporate Debtor and as a result of which, the



Resolution Professional had filed an Application under Section 19(2) of IBC, 2016 in MA/1012/2019 and this Tribunal vide its order dated 16.10.2019 directed the erstwhile promoters of the Corporate Debtor to furnish the necessary information to the Resolution Professional.

5. It was submitted that in the meanwhile the CoC in its 6th meeting held on 30.09.2020 had unanimously resolved to liquidate the Corporate Debtor and passed a Resolution to that effect. The Resolution passed by the CoC in its 6th meeting is extracted hereunder;

“Resolved that Mr. Vasudevan Navneeth, Resolution Professional be and is hereby authorized to submit the application u/s 33(2) of I&B Code, 2016 along with necessary documents to Adjudicating Authority to initiate the liquidation process against the Corporate Debtor.”

Further Resolved that Mr. Deepak Narayanan, Legal counsel be and is hereby authorized to appear before the Adjudicating Authority for the application to be filed under Section 33(2) of I&B Code, 2016.

Further Resolved that the costs which will incur for filing of the application and professional fees will be borne by the Financial Creditors proportionately and it will be included in the claim of the Financial Creditors in the liquidation process.”

6. Further it is also seen, after the 7th CoC meeting held on 20.04.2021 an order was passed by this Adjudicating Authority on 13.04.2021, in relation to the fees to be paid to the Liquidator and also the estimated expenses and the percentage which is required

to be borne by the members of the CoC. The Resolution passed by the CoC in its 7th meeting held on 20.04.2021 is extracted hereunder;

“Resolved that Mr. Vasudevan Navneeth Resolution Professional of Tag Info Solutions India Private Limited be appointed to act as Liquidator of Tag Info Solutions India Pvt. Ltd. subject to approval of the Adjudicating Authority as per Sec 34 of the Insolvency & Bankruptcy Code 2016.

Resolved further that Mr. Vasudevan Navneeth, on his appointment as Liquidator be paid a professional fee of Rs.50,000 per month plus reimbursement of actual expended as per Regulation 39D of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 till he vacates his office as Liquidator. This excludes costs on deployment of personnel at site, stay, travel and boarding expenses.”

7. Since the CoC in its 6th and 7th meeting after discussing and deliberating about the current affairs of the Corporate Debtor by taking into consideration that there were no EoIs received from any prospective Resolution Applicant and also keeping in view of the fact that the Corporate Debtor is not running its business and based on its commercial wisdom has decided to liquidate the Corporate Debtor. Thus, by taking into consideration the provisions of Section 33 of IBC, 2016 and in the absence of any opposition to the Application from the Promoters of the Corporate Debtor and also guided by the decision of the Hon’ble Supreme Court in the matter of **Mr. K. Sasidharan –Vs– Indian Overseas Bank**

(2019) SCC OnLine SC 257 this Tribunal orders for the liquidation of the Corporate Debtor.

8. It is also seen from the records that the Applicant herein has accorded his written consent in Form AA to act as the Liquidator of the Corporate Debtor. The Applicant has also filed Authorization for Assignment (AFA) in Form – B issued by the Indian Institute of Insolvency Professionals of ICAI.

9. In the circumstances, **Mr. Vasudevan Navneeth** (IBBI/IPA-001/IP-P01048/2017-2018/11731) is appointed as the Liquidator of the Corporate Debtor to carry out the liquidation process subject to the following terms of the 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 upto 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 suitable application before this Adjudicating Authority.

- d) The Registry is directed to communicate this order to the Registrar of Companies, Chennai and to 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 that 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 a 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 report 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 co-operation in relation to the Liquidation process of the Corporate Debtor, viz., company-in-liquidation.

10. The application IA/1246/IB/2020 stands **allowed** with the aforesaid terms.

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(ANIL KUMAR B)
MEMBER (TECHNICAL)

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(R. SUCHARITHA)
MEMBER (JUDICIAL)

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