

Received
S. RAJAGOPAL
IBBI/IPA-002/
IP-N00082/
2017-2018/10223
INSOLVENCY PROFESSIONAL

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
SINGLE BENCH, CHENNAI**

*MA/476/2018 filed in CP/660/IB/2017
by Mr. S. Rajagopal, Resolution
Professional under Section 33(2) of the
Insolvency and Bankruptcy Code, 2016.*

In the matter of

M/s. Autocop India Private Limited

... Operational Creditor

Vs.

M/s. Nife Fire Systems Pvt. Ltd.

... Corporate Debtor

Corporate Debtor through RP viz., Mr. S. Rajagopal

Order delivered on 05 October, 2018

CORAM:

CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)

ORDER

Per: CH MOHD SHARIEF TARIQ, MEMBER (J)

1. This Miscellaneous Application has been filed on 27.09.2018 by the Resolution Professional, viz., Mr. S. Rajagopal, under Section 33(2) of the Insolvency and Bankruptcy Code, 2016 (in short, 'I&B Code, 2016') to pass an order *inter alia* for liquidation of the Corporate Debtor viz., M/s. Nife Fire Systems Pvt. Ltd., which has been under the Corporate Insolvency Resolution



Process (CIRP) w.e.f 13.03.2018 for a period of 180 days which expired on 09.09.2018.

2. In the case on hand, the CIRP has been initiated by the Operational Creditor viz., M/s. Autocop India Private Limited, under Section 9 of the I&B Code 2016 r/w Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, by filing CP/660/(IB)/2017. After hearing the Counsel for Operational Creditor, CP/660/(IB)/2017 was admitted and moratorium was declared by this Authority on 13.03.2018 and Mr. S. Rajagopal was appointed as IRP.

3. It is averred in the application that the Resolution Professional has caused publication and invitation of claims as well as constituted the Committee of Creditor (CoC). In the 1st meeting of the CoC held on 10.05.2018, the continuance of the Interim Resolution Professional as Resolution Professional was not decided and was deferred to next meeting. Subsequently, he continued to function as the Resolution Professional.



4. It is stated by the Resolution Professional that the Registered Office of the Corporate Debtor was in disarray as it was about to be shifted and the suspended Director refused to inform about the new address of the Corporate Debtor. It is submitted that due to non-cooperation of the suspended Directors, the nil asset value of the Corporate Debtor is also an important factor for the CoC to have mooted a liquidation proposal. Further, 'No Resolution Plan' has been received by the Resolution Professional. In the 2nd meeting of the CoC held on 14.09.2018, it has been decided to opt for liquidation of Corporate Debtor.

5. Accordingly, the CoC has passed the resolution unanimously as follows:-

"Resolved further, the Resolution Professional is hereby instructed to submit an application in this Hon'ble Tribunal under Section 33 (2) seeking Order of liquidation, for appointment of the liquidator and such other consequential Orders."



6. Accordingly, the Resolution Professional has filed MA/476/2018 in CP/660/(IB)/2017 with prayer to this Authority to pass an order for liquidation of the Corporate Debtor viz., M/s. Nife Fire Systems Pvt. Ltd. and appoint him as Liquidator.

ORDER

7. In view of the facts and circumstances recorded by the Resolution Profession in MA/476/2018 filed in CP/660/IB//2017, and the Resolution passed by the CoC for liquidation of the Corporate Debtor, this Authority in exercise of the powers conferred under Sub-Clauses (i),(ii) and (iii) of Clause (b) of Sub-Section (1) of Section 33 of the I&B Code, 2016, proceeds to pass liquidation Order as follows: -

I. It is hereby ordered to liquidate the Corporate Debtor viz. M/s. Nife Fire Systems Pvt. Ltd. The liquidation shall be conducted in the manner as laid down in Chapter III of part II of the I&B Code, 2016;



II. The Resolution Professional viz., Mr. S. Rajagopal is hereby appointed as Company Liquidator, who shall issue a public announcement stating therein that the Corporate Debtor is in liquidation;

III. The moratorium declared under Section 14 of the I&B Code, 2016, shall cease to have effect from the date of the order of liquidation;

IV. Subject to Section 52 of the I&B Code, 2016, no suit or other legal proceedings shall be instituted by/or against the Corporate Debtor. However, a suit and other legal proceedings may be instituted by the Liquidator, on behalf of the Corporate Debtor, with the prior approval of this Authority.

V. It is made clear that para (IV) hereinabove shall not apply to legal proceedings in



relation to such transactions as notified by the Central Government in consultation with any financial sector regulator.

VI. This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the liquidation process by the Liquidator.

VII. All the powers of the Board of Directors, Key Managerial Personnel and the Partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested in the Company Liquidator viz., Mr. S. Rajagopal. In addition to this, the Company Liquidator shall exercise the powers and duties as enumerated in Sections 35 to 50, 52 to 54 of the I&B Code, 2016, r/w Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.



VIII. The personnel of the Corporate Debtor shall extend all assistance and co-operation to the Company Liquidator as may be required by him in managing the affairs of the Corporate Debtor.

IX. Since it has been reported that there are no significant asset value of the Corporate Debtor. Therefore, Liquidation fee shall be paid by the COC upon mutually agreed terms. Further, the Secured Creditors are directed to reimburse the Resolution Professional for all expenses incurred till date, plus his remuneration.

X. The registry is directed to send the copy of this order to the concerned Registrar of Companies, RD, OL, Registered Office of the Corporate Debtor and Company Liquidator viz., Mr. S. Rajagopal, for information and compliance.



8. In terms of the above, MA/476/2018 filed in CP/660/IB/CB/2017 by the Resolution Profession under Section 33(2) of the I&B Code, 2016, for initiation of the Liquidation Proceedings against the Corporate Debtor viz., M/s. Nife Fire Systems Pvt. Ltd., stands **disposed of**.

9. Order is pronounced in open court.

(CH.MOHD SHARIEF TARIQ)
MEMBER (JUDICIAL)

SHREYA MISHRA



Certified to be True Copy

G. Saganah
9/11/18
DEPUTY REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
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