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IN THE NATIONAL COMPANY LAW TRIBUNAL BENGALURU BENCH

CP(IB)NO.13/BB/17

Order Delivered on: 6th December 2017

IN THE MATTER OF SECTION 10 OF THE INSOLVENCY & BANKRUPTCY CODE, 2016 AND IN THE MATTER OF 24 x7 LEARNING PRIVATE LIMITED

24 X 7 LEARNING PRIVATE LIMITED
COWORK 24X7, No. 201/202, 1st AA Cross
2nd Main road, Kasturinagar
Bengaluru- 56 00 43

Corporate Debtor/ Applicant

Coram: Hon'ble Shri RatakondaMurali, Member (Judicial)
Hon'ble Shri Ashok Kumar Mishra, Member (Technical)

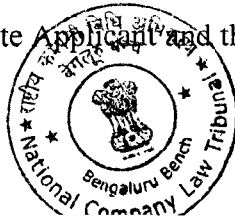
Parties Present : 1) Mr. Sumana Rao, Advocate for Applicant
2) Mr. Ramesh Kumar Bhat.,. Advocates for RP

Per : Hon'ble Shri Ratakonda Murali, Member (Judicial) - Author

ORDER

The Resolution Professional filed a report dated 22.11.2017 requesting the Adjudicating Authority/ Tribunal to pass an order of liquidation. In his report he has stated that this Tribunal admitted the petition filed by the Corporate Applicant and appointed CSB Ramesh Kumar Bhat as an Interim Resolution Professional (IRP) on 28.04.2017. The Corporate Insolvency Resolution Process of 180 days consisting of moratorium period came to an end on 25.10.2017. He has stated in his report as per Regulation No. 6 of the Insolvency & Bankruptcy Board of India (Insolvency Process for Corporate Persons) Regulations, 2016 he has given paper advertisement within thirty days after his appointment.

He has further stated he took over charge of the affairs of the Corporate Applicant and came to know that almost all employees of the Corporate Debtor left the organisation for non payment of salaries. There was no amount lying in the bank accounts of the Corporate Applicant and the accounts were all frozen by



the statutory authorities. Further the Corporate Applicant did not pay rent to the landlord.

He further stated in his report as per the provisions of Regulation 27 of the Regulations 2016 he had appointed two registered valuers on 04.05.2017 to value the assets and liabilities of the Corporate debtor and accordingly, they submitted their report to him on 29.05.2017. The claims from the creditors is as follows:

Sl.No.	Particulars	Amount in Rs.
1	Financial Creditors	2,16,02,565
2	Operational Creditors	2,99,18,485
	Total	10,15,21,050

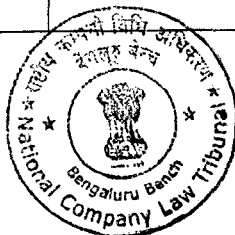
He has also submitted list of the claims received from the creditors to this Authority. He has also given the details of the Financial Creditors.

- National Skill Development Corporation
- Mandara Satpute
- RVT Finhold Pvt. Ltd
- Network 18 Media and Investment Limited

He has also constituted Committee of Creditors. The registered valuers have given their valuation as shown in the tables given below:

As per GV Bhat & Co. Chartered Accountants - valuers (Two)
 As per GV Bhat & Co. Registered Valuer
 Liquidation Value: INR 74,31,270 as per G. V. Bhat & Co. - CA's

Particulars	Amount in Rs.	Proposition	Eligible Amount in Rs.
Amount due to financial creditors	1,97,31,435	18.69%	13,89,210
Amount due to Operational Creditors	8,58,17,488	81.31%	60,42,060



CA's
As per MDA & Co., Registered Valuer
Liquidation Value: INR 74,37,770

Particulars	Amount in Rs.	Proposition	Eligible Amount in Rs.
Amount due to financial creditors	1,97,31,435	18.69%	13,90,425
Amount due to Operational Creditors	8,58,17,488	81.31%	60,47,345

He has stated he has convened first meeting of Committee of Creditors on 26.5.2017 and that all the eligible creditors attended the meeting, but they did not take decision to continue him as R.P. However, the Committee of Creditors communicated their intention to appoint him as RP. So, he has filed a memo on 12.07.2017. A second meeting was convened. wherein the Committee of Creditors approved his appointment as R.P. He has further stated that he informed the Committee of Creditors that Hinghe Tare and Associates evinced interest for taking control of the company and collected information. However, he stated that the said company thereafter did not evince any interest.

He has further stated the third meeting of Committee of Creditors was held on 23.10.2017 and all eligible financial creditors attended. He had informed Committee of Creditors that no resolution plan was received and further no party came up with any resolution plan. Even Committee of Creditors unable to prepare and submit any resolution plan. Committee of Creditors was of the opinion that revival of corporate applicant is not possible and unanimously decided to file for liquidation of Corporate Debtor under section 33 of the Insolvency and Bankruptcy Code, 2016 by approaching this Tribunal.

He has further stated on 25.10.2017 he has filed a memo before this Tribunal intimating the decision of the Committee of Creditors for consideration for the purpose of liquidation.



We have seen the memo dated 25.10.2017. In the memo RP stated that 3rd meeting of the Committee of Creditors was held on 23.10.2017 and that no resolution plan was received by him. Therefore, Committee of Creditors felt that revival of the Corporate Applicant company is not possible and decided for liquidation.

He has further stated that he has put in his best efforts to revive the corporate applicant, but nobody came forward for taking over the company.

He has furnished financial details of the Corporate Debtor and also the assets availability:

Financial Dues

Amount in Rs.

Sl. No.	Particulars	As per the claims submitted and admitted
1	Financial Creditors	2,15,38,020
2	Operational creditors statutory dues employees and others	99,54,920 1,98,06,516
	Total Dues	5,12,99,456

Assets available

Amount in Rs.

Sl. No.	Particulars	As on the last day of moratorium
1	Tangible assets-17 Desktops and two servers (as per Valuation report)	9,56,243
2	Fixed deposit against loan from NSDC- Necessary Lien has been created against the FD in favour of them (As per valuation report)	60,00,000
3	Cash at Bank- as per the Bank statement	36,16,777
	Total	1,05,73,020

Therefore, the RP has filed this report stating that he has seen the financial position of the Corporate Applicant and also the valuation of its assets. The financial dues are around Rs. 10,18,36,068/-. However, the amount available for realisation is Rs.1,05,73,020/-. Therefore, Committee of Creditors is of the opinion that there are no chances of revival of Creditor Debtor and nobody came forward with any resolution plan and it is a fit case for passing order of liquidation.



We have gone through the provisions of Section 33. Section 33 (a) of Insolvency and Bankruptcy Code provides that before expiry of Insolvency Resolution Process period or the maximum period permitted for completion of the Corporate Insolvency Resolution Process (CIRP) under section 12 or Fast track Corporate Insolvency Resolution Process under section 56 as the case may be does not receive a resolution plan under sub-section (6) of Section 30. Then Adjudicating Authority shall pass an order requiring Creditor Debtor to be liquidated in the manner provided in Chapter 3 of the Code and also order for public announcement stating that Corporate Debtor in is liquidation and also the order to be sent to the Authority with which Corporate Debtor is registered.

Section 34 of the Insolvency and Bankruptcy Code further provides if order of liquidation is passed under section 33 the Resolution Professional appointed for CIRP shall act as liquidator for the purpose of liquidation and in which event the liquidator shall have all powers of the Board of Directors. Key Managerial Personnel and the partners of the Corporate Debtor as the case may be shall ceased to have effect and shall be vested in the liquidator.

In this case, resolution plan was not submitted bay any party to the Resolution Professional. Even Committee of Creditors cannot prepare any resolution plant. The moratorium period and resolution process of 180 days was already over, since no resolution plan was submitted. Therefore, the Insolvency Resolution Process period has been extended by another period from 26.10.2017 to 06.12.2017.

Further since no resolution plan is submitted, therefore, the Adjudicating Authority (This Tribunal) has to pass order of liquidation under section 33 and appointing R.P. as Liquidator under section 33 and appointing RP as liquidator, who shall exercise all powers and discharge funds as per Chapter 3 of the Code.



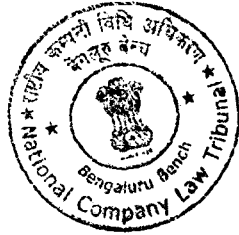


In the result order of liquidation is passed. The Resolution Professional (RP) appointed shall act as the liquidator. He has to discharge the functions as provided under the code.

Registry is directed to send this order copy to Registrar of Companies, Karnataka, Bengaluru.

Ashok Kumar Mishra
6/12/17
(ASHOK KUMAR MISHRA)
MEMBER, TECHNICAL

Ratakonda Murali
6/12/17
(RATAKONDA MURALI)
MEMBER, JUDICIAL



**CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL**

Majumdar
Deputy Asst. Registrar 7/12/17
National Company Law Tribunal
Bengaluru Bench