



**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **08.08.2024** THROUGH VIDEO CONFERENCING

PRESENT: HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

IN THE MATTER OF : Bank of India
Vs
Monorex Pvt Ltd

MAIN PETITION NUMBER : CP/1381/IB/2018

(IA/MA) APPLICATION NUMBERS

IA(DIS)/12(CHE)2024

ORDER

Present: None for the Applicant / Liquidator.

Vide separate order pronounced in Open Court, the company Monorex Pvt Ltd is dissolved.

File be consigned to records.

Sd/-

(VENKATARAMAN SUBRAMANIAM)
MEMBER (TECHNICAL)

MG

Sd/-

(SANJIV JAIN)
MEMBER (JUDICIAL)



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

IA (DIS)/12(CHE)/2024 in MA/886/2019 in CP/1381/IB/2018

(Filed under Section 54(1) of the Insolvency and Bankruptcy Code, 2016)

In the matter of Monorex Private Limited

CA S Prabhu,
Liquidator of Monorex Private Limited
SPP Insolvency Professionals LLP
2nd Floor, CODISSIA- GD Naidu Towers,
Huzur Road, Coimbatore – 641 018

... Applicant

Order Pronounced on 08th August 2024

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**SANJIV JAIN, MEMBER (JUDICIAL)
VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)**

For Applicant: A.G.SathyanarayanA, Advocate

ORDER

(Hearing Conducted through VC)

This Application has been filed under Section 54(1) of the Insolvency and Bankruptcy Code, 2016 by the liquidator of the Corporate Debtor herein seeking for an order for Dissolution of the Corporate Debtor viz., **MONOREX PRIVATE LIMITED**.

2. It is stated that CIRP of the Corporate Debtor was initiated by this Tribunal vide order dated 27.02.2019 and one Mr. Murugesan was



appointed as Interim Resolution Professional (IRP) and thereafter as Resolution Professional (RP).

3. It is stated that the Liquidation of the Corporate Debtor was ordered by this Tribunal on 20.12.2019 in MA/886/2019 and one Mr. Devadoss Duraiswami Reddy was appointed as the Liquidator.

4. Pursuant to the order of Liquidation, the liquidator caused the Public Announcement on 11.03.2020 in Form –B of Schedule II by inviting claims from all the stakeholders and fixed the last date for submission of claim as 09.04.2020.

5. It is stated that in response to the Public Announcement inviting claims, the liquidator received the claims and the same was verified with the records submitted by the claimants and intimated to the concerned stakeholders. Subsequent to that, the liquidator filed the final List of stakeholders on 04.06.2020 under regulation 31 of the IBBI (Liquidation Process) Regulations, 2016 before this Tribunal. A revised list of stakeholders was filed on 27.11.2020.



6. It is stated that as per Regulation 31(2) and 12(3) of the IBBI (Liquidation Process) Regulations, 2016, the liquidator caused the public announcement on 06.06.2020 whereby the final list of stakeholders filed before this Tribunal was notified to the stakeholders.

7. Further, the Liquidator constituted the Stakeholders Consultation Committee (SCC) under Regulation 31A of the IBBI (Liquidation Process) Regulations, 2016 and the nominees to represent in the SCC were duly intimated to the respective stakeholders and subsequently SCC was re- constituted based on the revised list of stakeholders.

8. It is stated that the erstwhile liquidator opened a Liquidation Bank Account in the name of Monorex Private Limited with Bank of India, Mount Road Branch bearing Account No.8001209100000001.

9. It is stated that the erstwhile liquidator conducted the SCC Meeting as tabled below:



| S. No | Date of Meeting | Meeting | Matters Discussed |
|-------|-----------------|-----------------------------|---|
| 1. | 15.04.2020 | 1 st SCC Meeting | <p>a. The public announcement was made in the Financial express and Malai Malar on 11.03.2020 for receipt of claims</p> <p>b. The last date of receipt of claim form was 09.04. 2020.During the period only two claims were submitted -Bank of India and DBS Bank (Lakshmi Vilas Bank) respectively</p> <p>c. The RP has not taken any charge over the assets record of CD due to non-Cooperation. The same was filed in IA 563/2019</p> <p>d. MA/886/2019 for initiation of liquidation was filed.</p> <p>e. Forensic audit for determining the PUFÉ Transaction was initiated.</p> <p>f. Audited financial for year ended on 31.03.2018 are the latest available</p> <p>g. As per the last audited Balance sheet as on 31.03.2018 there is no fixed asset {Except old car and furniture aggregating written down value Rs. 2,39,435}</p> <p>h. There is no stock for sale available but balance sheet shows an amount of Rs.1.30Crore</p> <p>i. The Outstanding debtor stood Rs.1.91 as per balance sheet but the same is nit realizable as its more than 2years that the company have stopped the operation</p> <p>j. The bankers recommended to file Dissolution petition the expense under liquidation shall be higher than the receipt recoverable from the sale of liquidation estate.</p> |
| 2. | 24.05.2023 | 2 nd SCC | <p>a. Bank of India needs to approach</p> |



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|---|------------|-----------------------------|---|
| | | Meeting | AA for withdrawal of their Claim. As there is no assets of CD and BOI confirmed all security rights against CD remain relinquished to the liquidation estate. b. Assignment of NRRA to the stakeholders were discussed and concluded for requirement of time |
| 3 | 19.07.2023 | 3 rd SCC Meeting | a. The director stated the bank of India account is closed and DBS account was sold to ARC. However, the dues of DBS bank were not sold to ARC. b. W.r.t to the noncooperation of providing books of accounts its was explained as the books were destroyed by the landlord who forcibly vacated his business premises. c. Though there were assets outstanding for Rs.3,28,24,606 as the promoter didn't handover any documents, so in lieu of the assets, he is liable to contribute equal amount for the liquidation estate for distribution to the stakeholder d. W.r.t to the car mentioned in the balance sheet its owned by the director for personal purpose and have disposed long way back |
| 4 | 28.12.2023 | 4 th SCC Meeting | Replacement of liquidator on the grounds of health issue was discussed and there was no objection by the SCC members for the replacement of the Liquidator. |
| 5 | 19.02.2024 | 5 th SCC Meeting | The erstwhile liquidator briefed about the Application filed for replacement of the liquidator before the AA and stakeholders were asked to provide the name of the liquidator. As no suggestions were received erstwhile liquidator informed the SCC members that liquidator will be appointed from the IBBI list. |

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|---|--------------------------|-----------------------------|---|
| 6 | 02.04.2024 03.04.2024 | 6 th SCC Meeting | The applicant conducted the 6 th SCC meeting and the brief discussions are as follows: a. 6 th SCC meeting was adjourned due to lack of Quorum to 03.02.2024. However, none of the SCC members appeared for the adjourned meeting also. b. A circular resolution was passed on 13.04.2024 with requisite majority favoring for filing dissolution petition. |
|---|--------------------------|-----------------------------|---|



10. It is stated in that after the 4th SCC meeting dated 28.12.2023, the erstwhile liquidator filed an application IA/315/2024 for replacement of the liquidator before this Tribunal and the same was allowed by Tribunal vide order dated 27.02.2024 and the applicant Mr. S.Prabhu was appointed as the new liquidator. The applicant took the charge from the erstwhile liquidator and continued to render his services for the smooth flow of the liquidation process.

11. It is stated that applicant intimated to all the statutory authorities regarding the replacement of the liquidator on 07.03.2024 upon taking charge as the liquidator and INC-28 was filed on 09.03.2024.

12. It is stated that Bank of India filed an application IA/2269/2023 seeking withdrawal of its claim and the same was ordered by this Tribunal vide order dated 18.12.2023.

13. It is stated that Liquidator/Applicant has submitted request with bank for closure of the Liquidation bank account of the Corporate Debtor on 20.04.2024 as there were no assets in the Corporate Debtor and hence there was no realization/distribution. Further the Liquidation



account of the Corporate Debtor has been duly audited and submitted to Adjudicating Authority periodically (along with the progress reports).

14. The details of the relevant compliances as mandated under Section 54 of the IBC, 2016 read with the IBBI (Liquidation Process) Regulations, 2016 are listed hereunder:-

| S. No | COMPLIANCE | AVERMENTS | PAGE NO. IN THE APPLICATION |
|-------|------------------|--|---|
| 1 | Regulation 12 | Public Announcement in Form B | 45-46 |
| 2 | Regulation 35(2) | Appointment of Registered Valuers where no valuation conducted during CIRP | The CD had no fixed assets and due to non-availability of books of accounts, no valuation of the Financial assets could be done |
| 3 | Regulation 31(2) | List of Stakeholders within 45 days of the Liquidation Commencement Date | 212-230 |
| 4 | Regulation 31A | Constitution of Stakeholders Consultation Committee (SCC) | Para 8 of the application |
| 5 | Regulation 13 | Preliminary Report dated 07.06.2020 | 47-51 |
| 6 | Regulation 34 | Preparation of Asset Memorandum within Seventy-Five days from LCD dated 07.06.2020 | 52-55 |
| 7 | Regulation 41 | Opening of Bank Account in the name of the company in Liquidation in "IDBI Bank Limited" | Para 12 of the application |
| 8 | | Proof of Closure of the above Bank Account and other account in the name of the Company | N/A |
| 9 | Regulation 15 | Quarterly Progress Reports and proof of filing the same before this Tribunal | 56-202 |
| 10 | Regulation 36 | Asset Sale Reports after sale of Reports | N/A |



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|----|----------------------|--|--|
| 11 | Regulation 42(2) | Proof of Distribution within Ninety days from the receipt of realization | N/A |
| 12 | Regulation 45 (3) | Final report dated 22.04.2024 | 12-23 |
| 13 | Regulation 5 (1) (e) | Compilation of Minutes of SCC | 232-249 |
| 14 | Regulation 15 | Audited Accounts of receipts and Payments | 250 |
| 15 | Regulation 37 | Completion of Liquidation Process within one year from Liquidation Commencement Date or extension if any, date of the order & period | Liquidation Order dt.20.12.2019. Three extensions allowed by this Tribunal. Accordingly, Liquidation period ends on 27.08.2024 |
| 16 | | Form-H –Compliance Certificate | 253-259 |

15. We have heard Ld. Counsel for the Applicant and perused the report and synopsis filed by the Liquidator.

16. It is relevant to mention that the erstwhile liquidator had filed a Section 66 Application IA/1287/2020 against the directors to pay Rs.3.28 crores being the value of Corporate Debtor assets siphoned off by the promoters/directors as per the books of account of the Corporate Debtor as no assets were handed over to the erstwhile RP/liquidator. The IA/1287/2020 was dismissed by this Tribunal vide order dated 23.02.2024.



17. It is stated in Form H that no applications are pending before this Tribunal for avoidance, Preferential, Undervalued or Fraudulent Transactions.

18. The liquidator has filed the synopsis showing the realization and the distribution which are reproduced as under:

Realization: Nil

Distribution: Nil

19. From the averments made in the Application along with the perusal of the final report and the Compliance Certificate filed in Form-H by the Applicant, it is seen that the Corporate Debtor has been completely liquidated. In the circumstances as averred and as prayed for by the Applicant, an order for dissolution is required to be passed by this Tribunal under Section 54 of the IBC, 2016. Accordingly, we order for the dissolution of the Corporate Debtor viz., *Monorex Private Limited*. The Liquidator is directed to forward the copy of this Order to the RoC concerned and also to the IBBI for its records within a period of 7 days from the date of this Order.



20. In terms of the above, this IA(DIS)/12/CHE/2024 stands **allowed** and CP/IB/1381/CHE/2018 also stands **disposed of**.

21. File be consigned to records.

-Sd-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

-Sd-

SANJIV JAIN
MEMBER (JUDICIAL)

Vinitavarshini.K