

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – II, CHENNAI
I.A (IBC) / 1799 / CHE / 2023**

In
IBA / 1302 / 2019

*(Filed under Section 54 of IBC, 2016 r/w Regulation 45(3) (b) of the IBBI
(Liquidation Process) Regulations, 2016)*

In the matter of **M/s. Azimuth Software India Private Limited (IN
LIQUIDATION)**

K. SURESH,

Liquidator –

M/s. Azimuth Software India Private Limited (In Liquidation),

(Regn. No. IBBI/IPA-001/IP-P00724/2017-18/11254)

No.14, Second Floor, Muthu Street, Santhome,

Chennai, Tamil Nadu – 600 004

... Applicant

Versus

1. M/s. Azimuth Software India Private Limited,
No. 67 & 68, Sringeri Sivaganga Nagar extension,
Sri Giri Madam Street, Anna Nagar,
Puducherry – 605 005

... Respondent 1/ Corporate Debtor

2. The Income Tax Officer,
TDS Ward Puducherry, Income Tax office,
D P Thottam, Behind Ananda Inn, M G Road,
Puducherry (UT), India – 605 003
3. Employees State Insurance Corporation,
Represented by its Assistant Director (Legal),
Regional Office, ESIC Complex, Bouvankare Street,
Mudaliarpet, Puducherry (UT), India – 605 004
4. The Recovery Officer,
Employees' Provident Fund Organisation,
Regional Office, Puducherry,
Sri Venni Commercial Complex,
No. 101, 100 Feet Road, Cholan Nagar,
Puducherry (UT), India – 605 004

5. Mrs. Padmavathi B,
Proprietor of M/s. Padmavathi Tea and Food Supplier,
No. 8A, New Street, Pazhavakaran Chavadi, Reddipalaam,
Reddipalayam, Puducherry (UT), India – 605 010

... Respondents 2, 3, 4 & 5 / Members of SCC

Order Pronounced on 28th June 2024

CORAM

SHRI JYOTHI KUMAR TRIPATHI, MEMBER (JUDICIAL)
SHRI RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

Present: -

For Applicant : K. Suresh, Insolvency Professional & Advocate

ORDER

Hearing Conducted through VC

1. The present Application has been filed under Section 54 of IBC, 2016 read with Regulation 45 (3) (b) of IBBI (Liquidation Process) Regulations, 2016 (hereinafter referred to as 'Regulations') by the Liquidator seeking an order of dissolution of the applicant company i.e., **M/s. Azimuth Software India Private Limited**, having CIN: U72200PY1999PTC001490 and Registered office at No. 67 & 68, Sringeri Sivaganaga Nagar Extension, Sri Giri Madam street, Anna Nagar, Puducherry, India – 605 005 (hereinafter referred to as '**Corporate Debtor**').
2. We have heard the submissions made by the Learned Liquidator/Applicant and perused the documents on record.
3. It is stated that CIRP in respect of the Corporate Debtor was initiated on 04.03.2021. Liquidation of the Corporate Debtor was ordered by this Tribunal vide Order dated 22.07.2022 *in IA/1182/CHE/2021 in IBA/1302/2019* and the Applicant herein was appointed as the Liquidator. The Publication in

Form B was done on 27.07.2022 in English and Tamil Daily Newspapers namely, 'New Indian Express' and 'Dinamani'.

4. Pursuant to publication, Liquidator received 3 claims including a claim received during CIRP were admitted and Stakeholder Consultation Committee was formed. The details of SCC is extracted as below,

Sl. No.	Name of the claimant	Amount of claim	Nature of claim
1	Income Tax, TDS Ward, Puducherry	Rs.1146564	Statutory Dues
2	ESI Corporation	Rs.3,79,700/-	Statutory Dues

3	EPF Organisation	Rs.30,76,423/-	Statutory Dues
4	B.Padmavathi	Rs.130121/-	Unsecured Creditor

5. Meanwhile, the Liquidator had filed a Preliminary Report and Asset Memorandum on 30.09.2022. It is stated that the Corporate Debtor has no possibility of revival. There is no realizable or salable assets, except the Bank Balance of the CD and continuing the process will only increase the cost of liquidation. Thus Liquidator suggested the SCC for dissolution of the Corporate Debtor.

6. The details of assets of the Corporate Debtor as on Liquidation Commencement Date is extracted as follows,

5. The details of assets of the Corporate Debtor as on liquidation commencement date is as follows;

Sl. No.	Details of the asset	Investment value	Liquidation value	Realizable value
1.	Bank Balance	1,21,689.62	1,21,689.62	1,21,689.62
	Total	1,21,689.62	1,21,689.62	

7. Two Registered valuers were appointed during the CIRP for assessing the value of CD. The average Fair and Liquidation value of assets of the CD were valued at Rs.42,198/- and Rs.6,729.50/- respectively.
8. The Applicant/Liquidator convened two SCC meetings on 18.01.2023 and 17.04.2023 respectively to seek opinion on continuation of Liquidation process and ultimate dissolution of the Corporate Debtor. In the Second SCC meeting, the Applicant/ Liquidator recommended for moving application for Dissolution of the CD since no purpose would be served with continuing the Liquidation process of the CD, where there is nothing to be realized. ESIC has agreed for such proposal while the Income Tax Department sought time to decide on it.
9. It is further stated that no audited receipts and payment has been submitted, since no amount has been received by the Liquidator during the liquidation process and expenses relating to Paper Publication has been borne by the Liquidator himself.
10. Liquidator/ Applicant considering time limits, after one year of time has been elapsed in the process, filed the present application on 19.07.2023 for dissolution of the CD.
11. The applicant / Liquidator in the present application at Para 8 mentioned about the credit of Rs.1,39,290/- by way of Tax Refund and Rs.2,28,784/- by way of transfer from Mrs. Virginie Marie (Suspended Director) into the bank account of the CD which was questioned by this Tribunal.

12. The Liquidator vide memo dated 10.11.2023 clarified that the questions posted by this tribunal, wherein the above referred funds were received into CD's Bank account during the CIRP Period and utilized for meeting the CIRP expenses.

13. The Liquidator has not opened any new Liquidation bank account and used the existing ICICI Bank Account bearing No. 005605001180 maintained with Pondicherry Branch.

14. The Liquidator did not submit the Account Closure certificate of the Liquidation Bank Account as per the Regulation 41 of the IBBI (Liquidation Process) Regulations, 2016. This tribunal vide order dated 05.01.2024 directed the applicant to complete the Liquidation process as per the existing law and submit the proof showing closure of Liquidation account of the CD. In Compliance, Liquidator vide memo dated 09.02.2024 filed Liquidation account statement of the CD showing Zero Balance as on 08.02.2024.


15. It is observed from the Liquidator's Final report and Form H (Compliance Certificate) there is no Liquidation estates with the Corporate Debtor other than the Bank Balances and same is extracted as follows,

3. The details of the assets as per Asset Memorandum and Final Sale Report are as under:

Sl. No.	Assets	Mode of Sale	Estimated Liquidation Value	Realisation Amount (Rs.)	Date of Transfer to Liquidation Account
(1)	(2)	(3)	(4)	(5)	(6)
	Bank Balance	Does not Arise	1,21,689.62	1,21,689.62	Does not Arise

As per the Final Report, the Bank Balance available as of 07-2023 is Rs.1,08,460.62.

4. (a) Liquidation value of the liquidation estate: Does not arise
(b) Amount realised from sale of liquidation estate: NIL



16. From the Final report and Form-H the details of Distribution is extracted as follows,

(c) The amounts distributed to stakeholders as per section 52 or 53 of Code are as under: (Amount in Rs. lakh)

S1. Stakeholders* No. under section 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)	Remarks	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1 ESI Corporation	3,79,700	3,79,700	NIL	NIL		
2 Income Tax, TDS Division	11,46,564	11,46,564	NIL	NIL		
3 EPF Organisation	30,76,423	30,76,423	NIL	NIL		
4 B. Padmavathi	228808.01	130121				
1 (a): CIRP Costs (Remuneration of Resolution Professional)	2,00,000		NIL	NIL		Not paid and not approved by CoC
2 (a): Liquidation Costs	13230	13230	Paid	100%		Publication Charge paid
3 Expenses towards filing of Reports and preparation of Reports	10,000		Not paid	Not Paid		Liquidator spent from his own.
Total	5054725.01	4746038				

17. There is no PUFEE transaction pending in respect of the CD.

18. The Provisions related to the application are extracted for the ready reference as below,

Section 54 of the IBC, 2016 provides as follows: -

"Section 54

- (1) *Where the assets of the corporate debtor have been completely liquidated, the liquidator shall make an application to the Adjudicating Authority for the dissolution of such corporate debtor.*
- (2) *The Adjudicating Authority shall on application filed by the liquidator under sub-section (1) order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly.*

(3) *A copy of an order under sub-section (2) shall within seven days from the date of such order, be forwarded to the authority with which the corporate debtor is registered.*"

Regulation 14 of the IBBI (Liquidation Process) Regulation 2016 reads as follows,

"Regulation 14: Early dissolution.

Any time after the preparation of the Preliminary Report, if it appears to the liquidator that-

(a) the realizable properties of the corporate debtor are insufficient to cover the cost of the liquidation process; and

(b) the affairs of the corporate debtor do not require any further investigation;

he may apply to the Adjudicating Authority for early dissolution of the corporate debtor and for necessary directions in respect of such dissolution."

Regulation 45 of the IBBI (Liquidation Process) Regulation 2016 reads as follows,

"Regulation 45: Final report prior to dissolution.

(1) When the corporate debtor is liquidated, the liquidator shall make an account of the liquidation, showing how it has been conducted and how the corporate debtor's assets have been liquidated.

(2) If the liquidation cost exceeds the estimated liquidation cost provided in the Preliminary Report, the liquidator shall explain the reasons for the same.

(3) The liquidator shall submit an application along with the final report and the compliance certificate in form H to the Adjudicating Authority for –

(a) closure of the liquidation process of the corporate debtor where the corporate debtor is sold as a going concern; or

(b) for the dissolution of the corporate debtor, in cases not covered under clause (a).

19. On Perusal of the above provisions and considering the facts and Circumstances in the case, this Tribunal finds that it would be just and

proper to order for the dissolution of the Corporate Debtor as per the provisions of Section 54 of the Code.

13. Accordingly, we order the dissolution of the Corporate Debtor viz., **M/S. Azimuth Software India Private Limited**. The Corporate Debtor Company is dissolved. The Liquidator is directed to forward a copy of this Order to the RoC concerned and also to the IBBI for its records and for updating the status of the Corporate Debtor on the 'MCA Master data' within a period of 7 days from the date of this Order.

14. Accordingly, **I.A (IBC) / 1799 / CHE / 2023** in **IBA / 1302 / 2019** stands **allowed** and **disposed of**.

-Sd/-

RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

-Sd/-

JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)