

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
18-09-2024 AT 10:30 AM**

CP (IB) No. 277/9/HDB/2019

AND

IA (IBC) (Dissolution) 11/2024 in CP (IB) No. 277/9/HDB/2019

u/s. 9 of IBC, 2016

IN THE MATTER OF:

Isgec Covema Ltd V

...Operational Creditor

AND

OM Shakti Rennergies Ltd

...Corporate Debtor

C O R A M:-

**DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)
SH. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)**

ORDER

IA (IBC) (Dissolution) 11/2024

Learned Counsel Ms Meghana, for Liquidator present physically.

Mr Rajesh Chillale, Liquidator present physically.

Heard. Matter passed over for orders.

Orders pronounced. **In the result, this company is dissolved.** Since the company is dissolved the files may be consign to records.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH - I, HYDERABAD**

**IA (IBC)(Dissolution) 11/2024 in
C.P. (IB) No. 277/9/HDB/2019
Under Section 54 of the IB Code, 2016**

IN THE MATTER OF M/S OM SHAKTHI RENERGIES LIMITED

Mr. Rajesh Chillale
Liquidator of M/s Om Shakthi Renergies Limited
IBBI/IPA-001/IP-P00699/2017-2018/11226
B-725, Western Plaza, H.S. Darga,
O.U Colony, Hyderabad - 500008

...Applicant/Liquidator

Date of Order: 18.09.2024

Coram:

Dr. Venkata Ramakrishna Badarinath Nandula, Hon'ble Member (Judicial)
Shri Charan Singh, Hon'ble Member (Technical)

Counsel present:

For Applicant : V.V.S.N. Raju, Advocate
along with Mr. Rajesh Chillale, Liquidator

Per : Bench

ORDER

1. This application is filed, seeking for dissolution of the Corporate Debtor under Section 54 or any other provisions of the I&B Code, 2016.
2. The facts of the case briefly are as follows:
 - (i) This Tribunal admitted the Company Petition (IB) No. 277/9/HDB/2019 which was filed by M/s Isgec Covema Limited to

initiate Corporate Insolvency Resolution Process (CIRP) under section 9 of the Insolvency and Bankruptcy Code, 2016 vide order dated 16.09.2019 and appointed Mr. Rajesh Chillale, the undersigned as Interim Resolution Professional who was later on appointed as Resolution Professional with the consent of COC.

- (ii) It is averred that the COC in the 2nd meeting held on 22.11.2019 resolved with 100% voting for the liquidation of Corporate Debtor. Subsequently, the applicant filed an IA No. 03/2020 for liquidation of the Corporate Debtor which was allowed by this Tribunal on 25.11.2020 and the applicant was appointed as Liquidator.
- (iii) As per the Regulation 12 of IBBI (Liquidation Process) Regulations, 2016, on 02.12.2020 the Liquidator issued a Public Announcement in Form-B in two dailies namely Financial Express (English), Nava Telangana (Telugu) and Andhra Prabha (Hyderabad and Chittoor District) newspapers.
- (iv) It is averred that the two registered valuers were appointed for valuation of land & building assets, namely, Dr. Venkateswara Rao M.V and Kunal Kanti Vikramsey, two registered valuers were appointed for valuation of Plant & Machinery assets, namely, Kunal Kanti Vikramsey and GMR Sreekanth Babu, two registered valuers

were appointed for valuation of Securities & Financial assets, namely, Dharmesh L Trivedi & Co. and CA Prabhakar Reddy.

- (v) It is averred that Preliminary Report and Asset Memorandum have been submitted to this Tribunal on 05.02.2021. The liquidator pursuant to regulation 31 and 31A of the IBBI (Liquidation Process) Regulation, 2016 filed a list of stakeholders and constituted the stakeholder committee on 07.02.2021. Furthermore, in compliance with 2nd amendment to the IBBI (Liquidation Process) Regulation, 2016 on 16.09.2022, the liquidator re-constituted the stakeholders committee on 10.10.2022.
- (vi) It is averred that subsequent to the preparation of Asset Memorandum, 1st public announcement for the auction of the assets of the corporate debtor was issued on 08.03.2021. Further, the liquidator issued additional public announcements on 08.05.2021, 10.07.2021, 02.11.2022, 05.11.2022 and 08.02.2023 and subsequently, issued sale certificates to the Successful Bidders.
- (vii) Liquidator submitted that there are two pending appeals before Hon'ble NCLAT, namely, Company Appeal (AT)(Ins)-196/CN/2023 and Company Appeal (AT)(Ins)-468/CN/2023 wherein the consideration for the assets in the said appeals were identified as "Not Readily Realisable Assets" (NRRA).

- (viii) Further, in consultation with SCC, the liquidator issued invitation for Expression of Interest (EOI) for the assignment of NRRA through public announcement on 25.11.2022. Pursuant to the public announcement, M/s VRSA Consultancy LLP submitted its interest to acquire one of the NRRA i.e., All Rights and Interests in the receivables worth Rs. 5.24 Crores from Transmission Corporation of Andhra Pradesh on 09.12.2022 and submitted its offer on 16.12.2022. As per the assignment agreement the receivables realised by the acquirer of NRRA will be shared in the ratio of 35% and 65% between assignee and assignor respectively after adjusting the costs and expenses incurred by assignee in realisation of receivables and also the front-end amount of Rs. 75,000/- paid by assignee.
- (ix) The above said offer was agreed for an upfront payment of Rs. 75,000/- and further to pay the back-end consideration after the realisation of the receivables on pursuing the NRRA and same shall be paid to the Financial Creditor within 7 days from the date of realisation. The said offer was placed before the SCC in the meetings held on 13.01.2023 and 07.02.2023 for discussion and views of SCC. Subsequently, the offer was accepted and M/s VRSA

Consultancy LLP deposited the upfront amount of Rs. 75,000/- on 24.07.2023.

- (x) Consequently, M/s VRSA Consultancy LLP issued the letter of intent dated 11.10.2023 to the corporate debtor and same was acknowledged and accepted. It is further submitted that the offer made by VRSA Consultancy LLP was accepted by the SCC in the 14th meeting of SCC held on 13.03.2024 and the Assignment Deed was executed on 21.06.2024.
- (xi) It is further submitted that another Company Appeal (AT)(Ins)-196/CN/2023 was pending before the Hon'ble NCLAT. With regards to the same the SCC in its 14th meeting dated 13.03.2024 clarified that Power Finance Corporate Limited (PFC) is the only and directly affected party & further PFC is already Respondent No.2 in the said Appeal. Hence all the further proceedings in this Appeal shall be handled by PFC.
- (xii) It is averred that the Liquidator has distributed the total realized amount i.e. Rs.68,606,429/- to the Stakeholders in the procedure laid down under Section 53 of the IBC, 2016.
- (xiii) It is averred that in accordance with the certificate of Chartered Accountant dated 12.07.2024, the audit accounts of the liquidator's

Receipts & Payment for the period from 25.10.2020 to 11.07.2024 is annexed and marked as *Annexure-11*.

(xiv) It is averred that the liquidator filed 15 quarterly progress reports and Final Report. The Form H is filed as per the Regulation 5(f) of IBBI Regulations, 2016.

3. In the light of above facts and circumstances of the case, the only point that emerges for consideration of the Tribunal is

Whether the Corporate Debtor can be dissolved?

4. We have heard Mr. V.V.S.N. Raju, learned counsel for Liquidator and also perused the record.
5. At the outset it is relevant to note that Section 54 of the IBC lays down the criteria for dissolution of the Corporate Debtor.

“Section 54, IBC Dissolution of corporate debtor.

(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.”

6. Moreover, Regulation 45 of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 reads as under: -

“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).]”

7. The Learned counsel for liquidator, submits that, pursuant to public announcements the total amount realized after sale of liquidation estate amounting to Rs. 68,606,429/- was distributed to the stakeholders as per the waterfall mechanism in accordance with the section 53 of the Code.

8. We are satisfied that the criteria laid down under law has been fully complied with in this case. As such, the Corporate Debtor can be ordered to be dissolved. Hence, we hereby order dissolution of the Corporate Debtor as under: -

(i) The Corporate Debtor/ M/s Om Shakthi Renergies Limited stands dissolved from the date of this Order, in terms of Section 54(1) of IBC, 2016, and the Liquidator stands relieved.

(ii) Regarding exemption of the stamp duty charges for registration of sale certificate issued by the liquidator, directions issued by the Hon’ble High Court of Telangana in the matter between M/s Anirudh Agro Farms Private Limited Vs State of Telangana reported in (2023)

ibclaw.in 260 High Court to be followed and appropriate authority to be approached.

- (iii) The Liquidator is directed to send the copy of this Order within 7 days from the date of pronouncement to the Registrar of Companies, Hyderabad.
- (iv) Upon dissolution of the Corporate Debtor, the records of the Company which are in possession of the Liquidator, be handed over by the Liquidator to the IBBI.
- (v) The Registry is also directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data.
- (vi) A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
- (vii) In terms of the above, IA (IBC) 11 of 2024 filed by the Liquidator appointed for M/s Om Shakthi Renergies Limited (Corporate Debtor) for dissolution of the Company under Section 54 (1) of IBC, 2016 stands disposed of accordingly. Since the Corporate Debtor stood dissolved vide this order and no proceedings are now pending, therefore, the Registry is directed to consign the file to records.

SD

Charan Singh
Member (Technical)

Bhargavi/Shanmukh

SD

Dr.Venkata Ramakrishna Badarinath Nandula
Member (Judicial)