

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II**

Hearing Through: VC and Physical (Hybrid) Mode

CORAM: SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (J)

CORAM: SHRI. SANJAY PURI, - HON'BLE MEMBER (T)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 18.04.2024 AT 10:30 AM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA (IBC)/452/2024 in CP (IB) No.532/7/HDB/2019
NAME OF THE COMPANY	Sri Lakhshminarasimha Oil Mills Pvt Ltd
NAME OF THE PETITIONER(S)	Indian Overseas Bank
NAME OF THE RESPONDENT(S)	Sri Lakhshminarasimha Oil Mills Pvt Ltd
UNDER SECTION	7 of IBC

ORDER

IA (IBC)/452/2024

Orders pronounced, recorded vide separate sheets. In the result, this application is allowed.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)

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

**I.A. No. 452/2024 in
C.P. (IB) No. 532/7/HDB/2019**

In the matter of

Indian Overseas Bank, Financial Creditor

Vs.

M/S. Sri Lakshminarasimha Oil Mills Pvt Ltd, Corporate Debtor

Mr. S. Kasthuri Rangan,
Liquidator of
M/s. Sri Lakshminarasimha Oil Mills Private Limited,
909A, Raghava Ratna Towers,
Chirag Ali Lane,
Hyderabad – 500 001

.... Applicant

Date of Order : 18.04.2024

Coram:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

Counsel present:

For the Applicant : Mr. S. Kasthuri Rangan, Liquidator

Heard on : 05.04.2024

Per : Bench

ORDER

1. This application is filed under Regulation 45(3) of IBBI (Liquidation Process) Regulations, 2016 by the Liquidator of the Corporate Debtor (CD) M/s. Sri Lakshminarasimha Oil Mills

Private Limited, seeking closure of the Liquidation process of CD on account of successful sale of the CD as a going concern.

Brief facts of the case:

2. The CD was admitted into Corporate Insolvency Resolution Process (CIRP) by this Tribunal vide Order dated 13.11.2019 in CP(IB) No. 532/7/HDB/2019 filed under Section 7 of IBC, 2016.
3. Since no viable Resolution Plan was received for the CD, this Tribunal ordered liquidation of the CD vide Order¹ dated 13.05.2021 in I.A. 838 of 2020 filed by the Resolution Professional (RP) and the Applicant herein was appointed as the Liquidator for the CD.
4. The Liquidator made public announcement on 08.06.2021 in Form-B, inviting claims from the Creditors of the CD and on receipt of claims, constituted the Stakeholders Consultation Committee (SCC) as detailed below:

S.No.	Name of the Stakeholder	Amount admitted (Rupees in crores)
01	Indian Overseas Bank – Financial Creditor	147.64
02	The Superintending Engineer, TSNPDCL, Jagitial – Operational Creditor	1.41
03	Mr. Ranga Ashok – Share Holder	--

5. Subsequently, the Liquidator appointed the valuers for valuation of CD's assets, and the valuers submitted their reports² as under:

¹ Pg 31-36 of the application.

² Pg 41-119 of the application.

S.No.	Name of the valuer	Nature of property	Fair value (Rs.)	Liquidation value (Rs.)
01	G.P. Sankaram	Plant & Machinery	5,71,00,000	3,41,00,000
02	K. Dhanapathi Rao	Plant & Machinery	6,60,00,000	3,79,00,000
03	G.V. Appa Rao	Land & Building	9,37,65,437	7,03,24,078
04	Dasu Hrishkesa Rao	Land & Building	9,59,37,000	7,19,52,750
Total Value			31,28,02,437	21,42,76,828
Average Value			15,64,01,218	10,71,38,414

6. Pursuant to the several E-Auction Notices published by the Liquidator for sale of CD as a going concern, **Mrs. Chittimalla Revathi, the lone bidder was declared as Successful Bidder** vide E-Auction dated 20.10.2021 at a bid amount of Rs.1200 lakhs. The Successful Bidder had paid the entire bid amount of Rs 1200 lakhs on 04.01.2024 along with an interest amount of Rs 13,63,305 for late payment as directed by this Tribunal vide Order dated 01.01.2024.
7. It is submitted that, the Liquidator has distributed the entire amount in terms of Section 53 of the Code and handed over the possession of the assets of the CD to the Successful Bidder along with Sale Certificate³ dated 04.01.2024. Further submitted that, the liquidation cost incurred is lesser than the estimate mentioned in the Preliminary Report.
8. The Financial Creditor (Indian Overseas Bank) had released their charges on the assets of the Company created with Sub-Registrar offices wherein the Title Deed of Factory land of the CD

³ pg 224-225 of the application.

was registered, and issued their No Objection Certificate for filing of satisfaction of charges with Registrar of Companies, Ministry of Corporate Affairs.

9. The Successful Bidder has given a letter⁴ dated 01.02.2024 advising the Liquidator to appoint two nominees as Directors to effect the change in management of the Company. Accordingly, the Liquidator has submitted a letter to the Registrar of Companies for appointing the nominees of Bidder as Directors in accordance with the procedure laid down vide Circular No.08/2020 dated 06.03.2020 issued by the Ministry of Corporate Affairs for filing of Forms with MCA 21 registry by IRP/RP/Liquidators under IBC 2016.
10. The Liquidator has enclosed the following documents along with the Application:

Final Report⁵, Compliance Certificate in Form H⁶, Valuation Reports, Preliminary Report, Progress Reports, Letter of Intent issued to Successful Bidder, Minutes of SCC meetings, E-Auction Notices and the Sale Certificate.
11. It is submitted that, since the entire liquidation process has been completed, the Liquidator is seeking closure of the Liquidation proceedings against the Corporate Debtor under Regulation 45(3)(a) of IBBI (Liquidation Process) Regulations 2016.

Decision:

12. We heard the Counsel for the Liquidator and perused the application filed by the Liquidator under Regulation 45(3)(a) of

⁴ Pg 228 of the application

⁵ Pg 7-27 of the application

⁶ Pg 28-31 of the application

the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, praying the Adjudicating Authority to order for closure of the liquidation process of the Corporate Debtor Company process is complete. The said provision reads as under:-

“Regulation 45 (3) (a): Final report prior to dissolution:-

(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.

13. Upon perusal of the Final Report, it is evident that the Liquidator has sold the Corporate Debtor as a going concern, as such, it is a fit case for closure of Liquidation process.
14. As a sequel to the above, we hereby order closure of the Liquidation proceedings against the Corporate Debtor namely **M/S. SRI LAKSHMINARASIMHA OIL MILLS PRIVATE LIMITED** from the date of this Order, in terms of Regulation 45 (3) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016. Consequently, the Liquidator stands relieved.
15. 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 and the concerned authorities and hand over all the books and files of the Corporate Debtor **M/S. SRI LAKSHMINARASIMHA OIL MILLS PRIVATE LIMITED** which

are in possession of the Liquidator to **MRS. CHITTIMALLA REVATHI, the Successful Bidder.**

16. The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad and concerned authorities for updating the master data.
17. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
18. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

In terms of the above, this application is allowed and stands disposed of accordingly.

Sd/-

**(SANJAY PURI)
MEMBER (TECHNICAL)**

Sd/-

**(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)**

VL