S.No. 104

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1

ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON **11-04-2022** AT 10:30 A.M. THROUGH VIDEO CONFERENCE.

IA (IBC) 330/2022 in
CP (IB) No. 499/9/HDB/2019
U/s 9 of IBC, 2016

IN THE MATTER OF:

Mr. Potluri Raghavendra Rao **...Operational Creditor**

Vs

M/s. Aikya Infrastructure Pvt Ltd **...Corporate Debtor**

CORAM:-

DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)

SH. VEERA BRAHMA RAO AREKAPUDI, HON'BLE MEMBER (TECHNICAL)

ORDER

Orders in IA (IBC) No.330 of 2022 in CP(IB) No.499/9/HDB/2019 are pronounced as recorded vide separate sheets. In the result, the IA is allowed and dipsosed of as per the terms.

MEMBER (T) **MEMBER (J)**

Karim

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENCH-1, HYDERABAD

IA No. 330 of 2022
in
CP (IB) No. 499/9//HDB/2019

Application under Section 54 (1) of IBC, 2016, R/w Regulation 45(3)(b) of the IBBI (Liquidation Process) Regulations, 2016

In the matter of **Potluri Raghavendra Rao Vs M/s Aikya Infrastructure Private Ltd.**

Filed by:-

Krishna Komaravolu
Liquidator for Aikya Infrastructure Pvt Ltd.
House No. 7-1-214, Flat No. 409
Vamsikrishna Apartments
Dharam Karan Road, Ameerpet
Hyderabad – 500016 (TS) ...Applicant/ Liquidator

Date of order: 11.04.2022

Coram:

Dr. N. Venkata Ramakrishna Badarinath, Hon'ble Member (Judicial)
Shri Veera Brahma Rao Arekapudi, Hon'ble Member (Technical)

Appearance:

For the Petitioner: Shri M. Viswaraj, Advocate

PER: BENCH

ORDER

1. The present application is filed by the Liquidator/ Applicant herein, under Section 54(1) of Insolvency & Bankruptcy Code (CODE), r/w Regulation 45(3)(b) of the IBBI (Liquidation Process) Regulations, 2016, for the purpose of dissolution of the Corporate Debtor i.e. **Aikya Infrastructure Pvt. Ltd.**

2. To put concisely, the Company Petition CP(IB) NO. 499/9/HDB/2019 for initiation of Corporate Insolvency Resolution Process against Aikya Infrastructure Private Limited/ Corporate Debtor, was admitted by this Tribunal vide order dated 26.09.2019 under Section 9 of the Code, R/w Rule 6 of I & B (Application to the Adjudicating Authority) Rules, 2016, on a Petition filed by Mr. Potluri Raghavendra Rao/ Operational Creditor. Shri Krishna Komaravolu, the Applicant herein was appointed as Interim Resolution Professional who continued as Resolution Professional.

3. The Applicant states that, this Tribunal ordered liquidation of the Corporate Debtor vide order dated 01.10.2021 due to non-receipt of any viable resolution plan/proposal for revival of the Company by the Committee of Creditors (CoC) and appointed the Applicant as Liquidator.

4. Pursuant to the above order of the Tribunal, the Applicant made public announcement on 05.10.2021 in Business Standard (English) and Nava Telangana (Telugu), inviting claims from the Stakeholders as required under Regulation 12 of Liquidation Regulations, 2016.

5. The Liquidator, after collating and verifying the claims, has admitted four claims of Unsecured Financial Creditors amounting to Rs. 10,99,750/- and three claims of Operational Creditor amounting to Rs. 1,57,64,629/- and accordingly, the Liquidator updated the list of Stakeholders. Subsequently, the Liquidator constituted Stakeholders Consultation Committee on 30.11.2021 as stipulated under Regulation 31A of Liquidation Regulations, 2016.

6. The receivables of the Company comprised of the following outstanding dues from the parties:-

(a) GMR Infra Projects KUA –	Rs. 5.37 lakhs
(b) IJM Infra	Rs. 126.94 lakhs
(c) Jindal Steel & Power	Rs. 8.24 lakhs

(d) NCC Limited Rs. 16.16 lakhs

(e) TATA Projects Ltd Rs. 9.20 lakhs

7. Despite efforts, the Liquidator failed to recover the above outstanding amounts which are 5 to 7 years old as it has been informed to the Liquidator that the work which the Corporate Debtor have taken up were not completed and in the process they have got the unfinished work done through the sub-contractors and hence the parties have incurred lot of additional expenditure and in turn they are asking the Corporate Debtor to settle the same.

8. The 1st Stakeholders Consultation Committee was held on 31.01.2022 wherein the Liquidator apprised the Stakeholders Consultation Committee (SCC) about the condition of fixed assets of the Corporate Debtor. Since the location of the assets were scattered at different project sites, the cost of shifting the assets to a common place for ultimate disposal being expensive, it was decided by the SCC to sell the assets on a slump sale basis from the existing locations itself on "as is where is condition" and further decided that the sale of Corporate Debtor as a going concern under Clause 32 (e) or (f) was not possible due to non-operations of the Company from 2015 onwards.

9. Pursuant to the decision taken in 1st SCC as aforesaid, the Liquidator published sale notice in Financial Express and Nava Telangana on 05.02.2022 in Hyderabad Edition and Financial Express (English) in Lucknow and Ahmedabad editions, by fixing the last date for submission of expression of EOI along with EMD of Rs. 7,50,000/- as 18.02.2022.

10. In response to the e-auction public notice, the following parties expressed their interest in the auction process.

a) S.S. Diesels, Bangalore

b) A.R. Agencies, Vijayawada

c) KVS Associates, Vijayawada

d) Mr S. Srinivasa Rao, Hyderabad

e) Mr M Visweswara Rao, Hyderabad

11. However, only Mr. S. Srinivasa Rao and Mr. M. Visweswara Rao submitted their bid application along with non-refundable application money of Rs. 50,000/-. Subsequently, both the parties have submitted bid application along with the requisite Earnest Money Deposit of Rs. 7,50,000/-.

12. It is stated that the e-auction service provider i.e. C1 India Private Limited was hired for conducting e-auction of the sale of the assets of the Corporate Debtor, which was held on 21.02.2022 and Mr. Samineni Srinivasa Rao who submitted the final bid for Rs. 16,55,400/- was declared as successful bidder to acquire all the assets of the Corporate Debtor on "Slump Sale" basis.

13. The 2nd SCC meeting was held on 25.02.2022. The SCC further deliberated the manner of distribution of liquidation proceeds as per the provisions of Section 53 of IBC, 2016. On 31.08.2021, in the 5th SCC liquidation costs @ Rs. 5,96,379/- was ratified by the SCC. The successful bidder deposited the balance amount of Rs. 9,05,400/- on 03.03.2022, pursuant to which, sale certificate was issued to the successful bidder. The Applicant has filed "Asset Sale Report" as required under Regulation 36 of IBBI, which is marked as Annexure-A13 to the Application.

14. The Liquidator distributed the liquidation proceeds among various stakeholders in accordance with the provisions of Section 53 ofIBC, 2016.

15. The Liquidator has closed the Bank Account maintained with State Bank of India, Banjara Hills, Hyderabad on 29.03.2022. The receipts and payments during the liquidation process period was audited and copy of Auditor's Certificate is attached as Annexure-A14.

16. The Liquidator has further filed Final Report as required in terms of Regulation 45 (1) of IBBI (Liquidation Process) Regulations 2016 which is marked as Annexure A-15 to the Application.

17. **Section 54 of the Code which deals with Dissolution of corporate debtor is reproduced as under:-**

"**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.

18. In view of the above, since all the assets of the Corporate Debtor have been fully liquidated, the Adjudicating Authority in exercise of powers conferred under Section 54 (2) of the Code, hereby order dissolution of the Corporate Debtor i.e. **AIKYA INFRASTRUCTURE PRIVATE LIMITED** from the date of this order, and the Corporate Debtor stands dissolved. Consequently, the Liquidator stands relieved.

19. The Liquidator and Registry are directed to send a copy of this order to Registrar of Companies, Hyderabad, within 7 days from the date of this order.

20. In terms of above, IA No. 330/2022 stands disposed of.

11/4/2022

(Veera Brahma Rao Arekapudi)
Member (Technical)

(Dr. N.Venkata Ramakrishna Badarinath)
Member (Judicial)

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