

**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 04.01.2024 AT 10:30 AM**

<b>TRANSFER PETITION NO.</b>	
<b>COMPANY PETITION/APPLICATION NO.</b>	<b>IA (IBC)/1512/2023 in CP (IB) No.466/7/HDB/2019</b>
<b>NAME OF THE COMPANY</b>	<b>Athena Energy Ventures Pvt Ltd</b>
<b>NAME OF THE PETITIONER(S)</b>	<b>State Bank of India</b>
<b>NAME OF THE RESPONDENT(S)</b>	<b>Athena Energy Ventures Pvt Ltd</b>
<b>UNDER SECTION</b>	<b>7 of IBC</b>

**Order**

**IA (IBC)/1512/2023**

Orders pronounced, recorded vide sheets. In the result, reliefs and concessions are allowed as per the orders.

**Sd/-**  
**MEMBER (T)**

**Sd/-**  
**MEMBER (J)**

**NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH-II**

IA 1512/2023

In

CP (IB) NO.466/7/HDB/2019

*[U/s. 60(5) of the Insolvency & Bankruptcy Code 2016, r/w Rule 11 of  
NCLT Rules, 2016 ]*

**In the matter of State Bank of India vs. M/s.Athena Energy  
Ventures Private Limited**

**In the matter of:**

M/s.BOMS Private Limited  
B-201, II Floor, 'B' Block  
Soma Dutt Chambers-I  
Bhikaji Cama Place  
NEW DELHI

**... Applicant/Successful Bidder**

**Versus**

M/s. Athena Energy Ventures Private Limited  
(in Liquidation as Going Concern)  
Rep. by the Liquidator, Mr. Kumar Rajan

**Respondent/Liquidator**

**Counsel/Parties present:**

For the Applicant : Mr. Ramesh Babu Palutla, Advocate

**Date of Order : 04.01.2024**

**Coram:**

**Hon'ble Sri Rajeev Bhardwaj, Member (Judicial)**

**Hon'ble Sri Sanjay Puri, Member (Technical)**

**[ PER: BENCH ]**

**ORDER**

1. The instant Application is filed on behalf of M/s.BOMS Private Limited, Successful Bidder of M/s.Athena Energy Ventures Private Limited, for short 'CD' under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 r/w Rule 11 of NCLT Rules, 2016, inter alia, seeking the reliefs mentioned at pg. nos.6 to 18 of the application.
2. The gist of the Application is :
  - i. The CD was admitted into Corporate Insolvency Resolution Process on 24.11.2020. Later, the RP had filed an IA 713/2021 for liquidation of the CD, which was admitted by this Adjudicating Authority, vide Order dated 21.07.2022, by appointing Mr.Kumar Rajan, the existing Resolution Professional (RP) as the Liquidator of the CD<sup>1</sup>.
  - ii. After assuming charge as Liquidator, the Liquidator had issued an E-Auction Sale Notice on 31.05.2023 inviting Expression of Interest (EOI) for participating in the E-auction process of Sale of the CD as a going concern<sup>2</sup>. In response, the Applicant had submitted their EOI alongwith Earnest Money Deposit of Rs.4,00,000/-. After negotiations by the creditors in the 8<sup>th</sup> SCC Meeting held on 27.06.2023, the Applicant proposed to acquire the CD as a going concern for a sale consideration of Rs.47,00,000/- and issued a Letter of Intent on 28.06.2023<sup>3</sup>. Upon payment of full sale consideration, the Liquidator issued Sale Certificate dated 21.07.2023<sup>4</sup>.

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<sup>1</sup> A copy of the Liquidator Order is filed as Annexure-A1 of the application.

<sup>2</sup> A copy of the E-Auction Sale Notice is filed as Annexure-A2 of the application.

<sup>3</sup> A copy of the Letter of Intent is filed as Annexure A-3 of the application.

<sup>4</sup> A copy of the Sale Certificate is filed as Annexure A-4 of the application.

- iii. The Applicant is seeking certain reliefs/exemptions as the same are essential to take the CD as a going concern by the new management.
3. The Applicant declares that the present Application falls within the jurisdiction of this Hon'ble Tribunal as the Registered Office of the Corporate Debtor is situated in the State of Telangana and it is also declared that the present application is not barred by Limitation.
4. In this backdrop, the point that emerges for consideration of the Tribunal is that:
- “Whether the Successful Bidder is entitled for the reliefs and concessions prayed for in this Application”.**
5. We have heard the Learned PCS for the Applicant and Learned Counsel for Liquidator and perused the records.
6. We have perused the facts pleaded and the reliefs prayed in the petition. In the light of the facts of the case, we are of the view that the following reliefs can be allowed. Accordingly, we pass the following orders :-

<b>1.</b>	Reliefs and concessions sought	<b><u>Capital Reduction:</u></b> A direction may please be issued that on the Transfer Date, that the existing shares of the Corporate Debtor held by its Shareholders shall be extinguished (Capital Reduction), and any shares held by them in physical or Demat form shall be struck off from the records including the records of the respective depository. With this, the existing members, i.e., Members before the commencement of CIRP, cease to be the members of the Corporate Debtor. The Corporate Debtor is undergoing Liquidation; therefore, the existing value of the pre-commencement of insolvency equity shares of the Corporate Debtor is NIL. Further, the Capital Reduction
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		would not involve either a diminution of liability in respect of unpaid share capital, if any, or payment to any existing shareholder of any unpaid share capital												
	<b>Reliefs and concessions allowed.</b>	<b>Granted, however, the Company shall file all necessary forms and applications, along with applicable fee, with the ROC(H), if required.</b>												
<b>2.</b>	Reliefs and concessions sought	<p><b><u>Infusion &amp; Mode of Fresh Funds:</u></b> The sale consideration of Rs. 47,00,000/= (Rupees Forty Seven Lakhs only) paid to the Liquidator to acquire the Corporate Debtor under Liquidation as a Going Concern is proposed to be accounted for as under: -</p> <p>i) The Corporate Debtor shall issue 10,000 new shares worth INR 100,000, (Rupees One Lakh Only) equity shares @10/-each) as 100% equity and allotted to the persons as mentioned herein below:</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Name of the Proposed Shareholder</th> <th>No. of shares to be allotted (Rs.10/- each)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>BOMS Private Limited</td> <td>9,990</td> </tr> <tr> <td>2</td> <td>Mr. Venkata Krishna Subbaraju Kalidindi (on behalf of BOMS Private Limited)</td> <td>10</td> </tr> <tr> <td></td> <td>Total (No. of shares)</td> <td>10,000</td> </tr> </tbody> </table> <p>ii) The bidder, at his discretion, can finalize the means of Rs 46,00,000/- either by way of Compulsory - Convertible Debentures (CCDs) or Optionally Convertible Debentures (OCDs) or by means of any other instrument in accordance with the provisions of the Companies Act, 2013 with attendant applicable Rules.</p>	S. No.	Name of the Proposed Shareholder	No. of shares to be allotted (Rs.10/- each)	1	BOMS Private Limited	9,990	2	Mr. Venkata Krishna Subbaraju Kalidindi (on behalf of BOMS Private Limited)	10		Total (No. of shares)	10,000
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	Total (No. of shares)	10,000												
	<b>Reliefs and concessions allowed.</b>	<p><b>Permission is accorded for reconstitution of the Board of Directors of the Corporate Debtor by the Successful Bidder of the Corporate Debtor and we further direct the ROC(H) to do all such acts, deeds, things that are necessary to appoint the individuals recommended by the successful bidder/ purchaser in order to file relevant returns required by the applicable law.</b></p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Name of the Proposed Shareholder</th> <th>No. of shares to be allotted (Rs.10/- each)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>BOMS Private Limited</td> <td>9,990</td> </tr> </tbody> </table>	S. No.	Name of the Proposed Shareholder	No. of shares to be allotted (Rs.10/- each)	1	BOMS Private Limited	9,990						
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	Total (No. of shares)	10,000						
<b>I.</b>	Reliefs and concessions sought	If needed, the memorandum of association and/or articles of association of the Corporate Debtor shall stand altered.						
	<b>Reliefs and concessions allowed.</b>	<b>Granted</b>						
<b>II.</b>	Reliefs and concessions sought	A direction may please be issued that the Applicant bidder shall not be required to make any separate application before the Hon'ble NCLT under the provisions of applicable laws and that the approvals granted by the Adjudicating Authority in this Application shall be treated as if the necessary approvals have been obtained under Companies Act, 2013 including any Application to any other Appropriate authority as required under the Companies Act, 2013. The approval of the Adjudicating Authority shall be deemed to have waived all procedural requirements in terms of Sections 42, 62 (1) (c) and 66 and other provisions of the Companies Act, 2013 including Sections 13 and 14 read with the Companies (Share Capital and Debentures) Rules, 2014 and NCLT (Procedure for Reduction of Share Capital) Rules, 2016.						
	<b>Reliefs and concessions allowed.</b>	<b>Granted</b>						
<b>3.</b>	Reliefs and concessions sought	From the Transfer Date, the status of the Corporate Debtor in the records of the Registrar of Companies should be reflected as secured 'ACTIVE' from the status of 'LIQUIDATION'.						
	<b>Reliefs and concessions allowed.</b>	<b>We direct ROC(H) to change the status of the Corporate Debtor in the ROC records as “Active” from the status of “Under Liquidation”.</b>						
<b>4.</b>	Reliefs and concessions sought	<b><u>New Management</u></b> The following individuals are being proposed to be the new Directors of the Corporate Debtor and therefore be permitted to act as Directors of the Corporate Debtor and as duly appointed under the provisions of the Companies Act, 2013.						

		S.No.	Name of the proposed Director	DIN	
		1	Mr.Venkata Subbaraju Kalidindi Krishna	09727636	
		2	Mr.Avtar Krishan Saksena	10170585	
	<b>Reliefs and concessions allowed.</b>	<b>Granted, however, the Company shall file all the necessary forms and applications along with the applicable fees with the ROC(H), if required.</b>			
<b>5</b>	Reliefs and concessions sought	<p><b><u>Extinguishment of all claims:</u></b> A direction may please be issued that with the payment of the bid amount of Rs 47,00,000/- to the Liquidator, which is distributable as mandated under Section 53 of the CODE, all debts, claims or demands including employment or a debt in respect of payment of dues arising under any law for the time being in force and payable to Central Government, State Governments or any local authority or from any other category of creditors, whether the claim or demand has been filed or not, admitted or not, crystalized or un-crystalized, known or unknown, secured or unsecured, disputed or undisputed, present and future, stood permanently extinguished and written off in full without any payment or consideration and the Corporate Debtor and the Bidder shall at no point, directly or indirectly, be held responsible or liable in relation thereto.</p>			
	<b>Reliefs and concessions allowed.</b>	<b>Since it is sale as a going concern in Liquidation, the Applicant is not to be saddled with the liabilities existing prior to the Effective Date, other than those identified or part of the group of assets and liabilities which according to its commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>			
<b>5.1</b>	Reliefs and concessions sought	A direction may please be issued that any claims that may arise due to or under any guarantees or indemnities issued by the Corporate Debtor on behalf of any third party or parties and all the outstanding negotiable instruments issued by the Corporate Debtor including Demand Promissory (DP) notes, Post-Dated Cheques (PDCs) and under Letters of Credit (LCs) and any other financial obligations undertaken by the Corporate Debtor on behalf of any third party shall stand extinguished, and ineffective on and with effect from the Transfer Date and the Corporate Debtor and the bidder			

		shall at no point, directly or indirectly, be held responsible or liable in relation thereto and the beneficiaries of such guarantees or indemnities shall recover the monies with respect to uninvoked guarantees or indemnities or letters of comfort etc., from the principal borrower and for any shortfall, they shall not have any recourse against the Corporate Debtor and/or the bidder.
	<b>Reliefs and concessions allowed.</b>	<b>Since it is sale as a going concern in Liquidation, the Applicant is not to be saddled with the liabilities existing prior to the Effective Date, other than those identified or part of the group of assets and liabilities which according to its commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>
5.2	Reliefs and concessions sought	A direction may please be issued that any claims that may arise due to or under any guarantees or indemnities issued by the Corporate Debtor on behalf of any third party or parties and all the outstanding negotiable instruments issued by the Corporate Debtor including Demand Promissory (DP) notes, Post-Dated Cheques (PDCs) and under Letters of Credit (LCs) and any other financial obligations undertaken by the Corporate Debtor on behalf of any third party shall stand extinguished, and ineffective on and with effect from the Transfer Date and the Corporate Debtor and the bidder shall at no point, directly or indirectly, be held responsible or liable in relation thereto and the beneficiaries of such guarantees or indemnities shall recover the monies with respect to uninvoked guarantees or indemnities or letters of comfort etc., from the principal borrower and for any shortfall, they shall not have any recourse against the Corporate Debtor and/or the bidder.
	<b>Reliefs and concessions allowed.</b>	<b>Since it is sale as a going concern in Liquidation, the Applicant is not to be saddled with the liabilities existing prior to the Effective Date, other than those identified or part of the group of assets and liabilities which according to its commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>

5.3	Reliefs and concessions sought	A direction may please be issued that if the Creditors of the Corporate Debtor ("Creditors") are in possession of Guarantees or indemnities that are issued to them on behalf of Corporate Debtor, and such Guarantees or indemnities are invoked by such Creditors, at any point, such persons, having undertaken the obligation, and meeting the liability arising out of invocation of such Guarantees or indemnities shall not have any right to recover the amounts paid or will be paid by them from the Corporate Debtor as per Section 140 of Indian Contract Act, 1872 or other applicable laws.
	<b>Reliefs and concessions allowed.</b>	<b>Since it is sale as a going concern in Liquidation, the Applicant is not to be saddled with the liabilities existing prior to the Effective Date, other than those identified or part of the group of assets and liabilities which according to its commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>
5.4	Reliefs and concessions sought	A direction may please be issued that any claim that may arise post the Transfer Date including Claims under Applicable Law, contract, judicial/quasi-judicial proceedings, disputed or undisputed, crystallized or otherwise which relate to the period on or prior to the Insolvency Commencement Date and up to the date of handing over to the acquirer, shall pose no additional liability (whether financial, contractual, performance or otherwise) on the Bidder or the Corporate Debtor.
	<b>Reliefs and concessions allowed.</b>	<b>Since it is sale as a going concern in Liquidation, the Applicant is not to be saddled with the liabilities existing prior to the Effective Date, other than those identified or part of the group of assets and liabilities which according to its commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>
5.5	Reliefs and concessions sought	A direction please may be issued that the claims/ litigation/contingent liabilities which are rejected, if any, by the Liquidator or have not been lodged with the Liquidator and are/will be at a later date under appeal before any competent Court/Tribunal/ Authority, the same shall stand extinguished as at the Transfer Date and the Corporate Debtor or the bidder shall at no point,

		directly or indirectly, be held responsible or liable in relation thereto.
	<b>Reliefs and concessions allowed.</b>	<b>Since it is sale as a going concern in Liquidation, the Applicant is not to be saddled with the liabilities existing prior to the Effective Date, other than those identified or part of the group of assets and liabilities which according to its commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>
<b>5.6</b>	Reliefs and concessions sought	A direction may please be issued that all the Powers of Attorney provided to any person by the Corporate Debtor, till the date of transfer to the acquirer, shall stand revoked/ineffective/null and void immediately on the Transfer Date.
	<b>Reliefs and concessions allowed.</b>	<b>Since it is sale as a going concern in Liquidation, the Applicant is not to be saddled with the liabilities existing prior to the Effective Date, other than those identified or part of the group of assets and liabilities which according to its commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>
<b>6.1</b>	Reliefs and concessions sought	<b><u>Pending Recovery Proceedings:</u></b> A direction may please be issued that with the payment of the consideration by the bidder, the Financial Creditors, Operational Creditors including statutory Authorities to whom dues are payable or falling due or contingent in nature and all other creditors shall withdraw any suits/applications/ proceedings relating to recovery or any other nature filed against Corporate Debtor whatsoever pending in any court of law or tribunal or before any competent authority and any effect of suits/ applications decided thereafter and relating to past events (i.e., the pre CIRP date) will stand infructuous on or from the Transfer Date.
	<b>Reliefs and concessions allowed.</b>	<b>The applicant shall not be responsible for any other claims, liabilities or obligations under any guarantees etc., payable by the Corporate Debtor as on this date to the creditors or any stakeholders including the Government dues, other than those identified or part of the group of assets and liabilities which according to its</b>

		<b>commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>
<b>6.2</b>	Reliefs and concessions sought	A direction may please be issued that with the payment of the consideration by the bidder, the Financial Creditors shall report closure of loan accounts to the Information Companies / Agencies as also to the Central Repository of Information on Large Credits (CRILC) mandated by the Reserve Bank of India so as to enable the Corporate Debtor under New Promoters (Bidder) / Management seek new loan arrangements with the Lenders, if required, to revive the business of Corporate Debtor afresh as any other STANDARD Category Account is entitled to seek arrangements with the Lenders.
	<b>Reliefs and concessions allowed.</b>	<b>The applicant shall not be responsible for any other claims, liabilities or obligations under any guarantees etc., payable by the Corporate Debtor as on this date to the creditors or any stakeholders including the Government dues, other than those identified or part of the group of assets and liabilities which according to its commercial consideration, have been sold as part of the going concern, w.r.t Regulation 32 A(2) of IBBI (Liquidation) Regulations read with Regulation 39(c)(2) of IBBI(CIRP) Regulations.</b>
<b>14.1</b>	Reliefs and concessions sought	<b><u>The business of the Corporate Debtor to continue with Core Assets</u></b> A direction may please be issued that with the payment of the consideration by the bidder, the Financial Creditors shall release their charges or encumbrances, if any, over the assets of Corporate Debtor which have been provided as security or otherwise against the facilities made available to the Corporate Debtor and also free the Corporate Debtor from any obligations arising out of any negative lien letters/undertakings obtained from the Corporate Debtor by Lenders/Financial Creditors, and no further amount of any nature shall be payable either by the bidder or by the Corporate Debtor under the new management/ directors.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts</b>

		<b>and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>
<b>14.2</b>	Reliefs and concessions sought	A direction may please be issued that with the payment of consideration already made, the assets, if any, shall continue to remain vested with the Corporate Debtor free and clear of all encumbrances. All the title deeds and other documents, including charge documents, if any, held by the Financial Creditors/Security Trustee shall be returned to the Corporate Debtor free of any charge/encumbrance of whatsoever nature upon receipt of the bid amount in full.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>
<b>14.3</b>	Reliefs and concessions sought	A direction may please be issued that the Liquidator shall ensure that the charges on assets of the Corporate Debtor, if any, registered with the Registrar of Companies are satisfied and the assets Corporate Debtor are freed and unencumbered, and the title deeds and other relevant documents relating to the assets of the Corporate Debtor are handed over to the new management.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>

14.4	Reliefs and concessions sought	A direction may please be issued to the Liquidator to cooperate with and provide all necessary support and assistance to the bidder, including but not limited to perfecting/amending/ modifying/ creating the land records in relation to all parcels of land, the immovable properties and other Core Assets, belonging to the Corporate Debtor in favour of the Corporate Debtor within 30 days from Transfer Date.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>
14.5	Reliefs and concessions sought	A direction may please be issued that immediately upon payment of the entire consideration, the bidder shall get all the rights, title and interest in the business of the Corporate Debtor including but not limited to contracts, free from security interest, encumbrance, claim, counter, or any demur.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>
14.6	Reliefs and concessions sought	A direction may please be issued that upon approval of this Application by the Adjudicating Authority, all brands/trademarks, Licenses, Intellectual Property Rights (IPR) belonging to the Corporate Debtor, shall continue to remain vested with the Corporate Debtor. The existing promoters/guarantors, erstwhile promoters or any member, an associate of the existing and erstwhile promoters shall be restrained to do any business directly or indirectly connected with the products and services presently offered by the Corporate Debtor by using

		directly or indirectly of any of the IPR owned by the Corporate Debtor. The IPR in this context also includes but is not limited to brand name, drawings, designs, engineering, schemes, diagrams, tools developed or procured in the past by the Corporate Debtor, including restraining from transferring the IPR to any other such person or persons.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/ trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>
<b>14.7</b>	Reliefs and concessions sought	A direction may please be issued that the change of shareholding of the Corporate Debtor, pursuant to the invitation by the Liquidator appointed under the CODE for sale of the Corporate Debtor as a Going Concern shall be considered to be a Resolution Plan under Section 79 of the Income Tax Act, 1961, to facilitate seeking necessary approvals from the Appropriate Authority to carry forward tax losses of the Corporate Debtor to set off against future profits or seek any tax concessions/ waivers which the Corporate Debtor may seek under the provisions of the Income Tax Act, 1961.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/ trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>
<b>14.8</b>	Reliefs and concessions sought	A direction may be issued that on and from the Transfer Date, no consents, licenses, approvals, rights, entitlements, benefits and privileges under all Applicable Law, contracts, leases, granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate

		Debtor pursuant to the Acquisition by the bidder or on account of unpaid dues which have been settled pursuant to this Acquisition.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/ trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>
<b>14.9</b>	Reliefs and concessions sought	A direction may please be issued that the Liquidator shall keep all statutory rights, licenses, registrations, agreements, intellectual property rights that are required to move forward as a Going Concern, current and valid as at the Transfer date. The Liquidator shall rectify all non-compliances in respect of the consents, licenses, approvals, including electricity, sewage, water, pollution control services as extended by the requisite state agencies or authorities soon before handing over all documents and records to the new management to operate the business of the Corporate Debtor as carried out prior to the Transfer Date.
	<b>Reliefs and concessions allowed.</b>	<b>The assets specified in the e-auction memorandum, brands/ trademarks, Intellectual Property Rights (IPR), consents, licenses, approvals, rights, entitlements, benefits and privileges under all applicable laws, contracts and leases granted in favour of the Corporate Debtor, shall stand terminated on the grounds of initiation of insolvency/liquidation of the Corporate Debtor on payment of the consideration shall vest with the successful bidder.</b>
<b>15.</b>	Reliefs and concessions sought	<b><u>Contractual Obligations Undertaken</u></b> Direction(s) may please be issued that the Corporate Debtor, at its sole discretion, shall have the right to review or continue or terminate any contract that was entered into prior to the transfer date, without any liability and obligation on the part of the Corporate Debtor/Bidder and the Corporate Debtor shall be deemed to have been discharged and extinguished in full. Besides, the Corporate Debtor shall have rights to

		demand enforcement of contractual obligations of counterparties of various contracts entered into by the Corporate Debtor under the earlier management and till transfer date, and the counterparties shall not shirk away from their contractual obligations, pleading the change in management of the Corporate Debtor or for whatsoever may be the ground.
	<b>Reliefs and concessions allowed.</b>	<b>The Applicant shall have the right to review or continue or terminate any contract that was entered into prior to the transfer date, without any liability and obligation on the part of the Corporate Debtor/Bidder and the Corporate Debtor shall be deemed to have been discharged and extinguished in full.</b>
15.2	Reliefs and concessions sought	A direction may please be issued that nothing under this Acquisition of the Corporate Debtor as a Going Concern shall affect the rights of the Corporate Debtor to recover any amounts due to the Corporate Debtor from any third party (including any Related Party) and there shall be no set-off of any such amounts recoverable by the Corporate Debtor, or any liability extinguished pursuant to the Acquisition.
	<b>Reliefs and concessions allowed.</b>	<b>The Applicant shall have the right to review or continue or terminate any contract that was entered into prior to the transfer date, without any liability and obligation on the part of the Corporate Debtor/Bidder and the Corporate Debtor shall be deemed to have been discharged and extinguished in full.</b>
16.	Reliefs and concessions sought	<b><u>Workmen / Employees</u></b> A direction may be issued that on and from the Transfer Date, the liability of the Corporate Debtor towards workers/ employees' dues shall stand settled in full, including any claims whether filed or not, whether admitted or not, whether asserted or not, and whether or not set out in the audited balance sheet or the list of stakeholders, upon the distribution of the proceeds in terms of Section 53 of the IBC. The dues include any unclaimed amount, retirement benefits, gratuity, and other benefits with whatsoever name.

	<b>Reliefs and concessions allowed.</b>	<b>Granted.</b>
16.2	Reliefs and concessions sought	A direction may be issued that upon acquiring the Corporate Debtor, all Workers and Employees shall cease to be the on the establishment of the Corporate Debtor and may be reemployed on such terms and conditions as the new management deems fit and proper.
	<b>Reliefs and concessions allowed.</b>	<b>Granted.</b>
17.	Reliefs and concessions sought	<b><u>Action Plan for moving forward as a Going Concern</u></b> The Bidder / new management shall rope in the services experts in different functional areas, to take such steps as are required to revive and turn around the operations of the Corporate Debtor
	<b>Reliefs and concessions allowed.</b>	<b>Granted.</b>
18.1	Reliefs and concessions sought	<b><u>Compliances - Non-Compliances:</u></b> A direction may please be issued that any non-compliance of provisions of any laws, rules, regulations, directions, notifications, circulars, guidelines, policies, licenses, approvals, consents or permissions prior to the Transfer Date shall be deemed to be extinguished.
	<b>Reliefs and concessions allowed.</b>	<b>Granted.</b>
18.2	Reliefs and concessions sought	A direction may please be issued that the Liquidator shall complete compliances for the period up to the Transfer Date, including the filing of necessary documents, the filing of any pending e-forms and returns with the Registrar of Companies, TAX and other STATUTORY returns with Income Tax Authorities and any other Governmental Authorities under the provisions of relevant laws concerning the Corporate Debtor Company. In case of any non-compliance or any delays thereto, the Corporate Debtor and the Bidder shall not be held liable for making good any of the said non-compliances or pay the penalties, fees, for the same.
	<b>Reliefs and concessions allowed.</b>	<b>The compliances/Non-compliances of provisions of any laws, rules, regulations, directions, notifications, circulars, guide lines, policies, licences, approvals, consents or permissions</b>

		<b>prior to the date of acquisition shall stands extinguished qua the applicant.</b>
<b>18.3</b>	Reliefs and concessions sought	A direction may please be issued that to no penalties or fines shall be levied for any non-compliance in relation to the filing of Income-tax Return under Section 139 of Income-tax Act, 1961 including any other forms as required to be filed by Corporate Debtor under provisions of Income Tax Act, 1961, Non-deduction of TDS under provisions of Income Tax Act, 1961, any transaction entered by Corporate Debtor having an impact on taxable income, brought forward losses and/or Tax payable/Tax refund of such entity for any period prior to Transfer Date and any underreporting or misreporting in relation to the same, any non-recording/reporting of income by Corporate Debtor in its books of account, any tax losses which may not be available due to tax returns not filed by the Corporate Debtor or in case of erroneous filed for the which the statutory due date for rectification has lapsed for the Corporate Debtor as per the provisions of Income Tax Act, 1961.
	<b>Reliefs and concessions allowed.</b>	<b>The compliances/Non-compliances of provisions of any laws, rules, regulations, directions, notifications, circulars, guide lines, policies, licences, approvals, consents or permissions prior to the date of acquisition shall stands extinguished qua the applicant.</b>
<b>19.</b>	Reliefs and concessions sought	<b><u>Statutory &amp; Internal Auditors and Registered Office of the Corporate Debtor.</u></b> A direction may please be issued that upon approval of this Application by the Adjudicating Authority, the bidder shall have the right to replace the existing Statutory or Internal Auditors of the Corporate Debtor and appoint new auditors as deemed fit by the bidder without requiring to obtain any approval from the central government under Section 140 of the Companies Act, 2013 or a No Objection from the existing Auditors.
	<b>Reliefs and concessions allowed.</b>	<b>The applicant shall have the right to replace the existing Statutory or Internal Auditors of the Corporate Debtor and appoint new auditors as deemed fit by the bidder without requiring to obtain any approval from the central government under Section 140 of the Companies</b>

		<b>Act, 2013 or a No Objection from the existing Auditors.</b>
<b>20.1</b>	Reliefs and concessions sought	<p><b><u>Pending Assessments &amp; Proceedings</u></b> A direction may please be issued that the all inquiries, assessments, notices, causes of action, suits, claims, disputes, litigations, arbitration, or other judicial, regulatory or administrative proceedings against, or in relation to, the Corporate Debtor (other than against the erstwhile Promoters/Promoter Group or former members of the management of the Corporate Debtor), pending or being contemplated, present or future, in relation to any period prior to the Transfer Date or arising on account of this Acquisition shall cease and stand withdrawn and consequential liabilities if any, shall stand extinguished and considered as not payable and any re-assessment, revision or other proceedings under the provision of any law would be deemed to be barred to raise any demand for any period prior to the Transfer Date, and the Corporate Debtor shall not, at any point, directly or indirectly be held liable or responsible in relation thereto.</p>
	<b>Reliefs and concessions allowed.</b>	<b>Any proceedings pending against the Corporate Debtor (other than against the erstwhile promoters or former members of the management of the Corporate Debtor) as on date with respect to its liabilities/inquiries /investigations/assessment/claims/disputes/litigations etc shall not have any bearing against the assets sold in the process. The said assets are free from any financial implications arising out of any pending proceedings before relevant authorities, if any.</b>
<b>20.2</b>	Reliefs and concessions sought	A direction be issued that from the Transfer Date, all new inquires, investigations, notices, suits, claims, disputes, litigations, arbitrations or other judicial, regulatory or administrative proceedings will be deemed to be barred and will not be initiated or admitted against the Corporate Debtor in relation to any period prior to the Transfer Date, and it is clarified that erstwhile management of Corporate Debtor shall remain liable for prosecution for acts/ deeds/omissions/errors in accordance with their the Applicable Law and the new management is completely insulated from any prosecution under the provisions of any law.

	<b>Reliefs and concessions allowed.</b>	<b>Any proceedings pending against the Corporate Debtor (other than against the erstwhile promoters or former members of the management of the Corporate Debtor) as on date with respect to its liabilities/ inquiries /investigations/assessment/claims/disputes/ litigations etc shall not have any bearing against the assets sold in the process. The said assets are free from any financial implications arising out of any pending proceedings before relevant authorities, if any.</b>
<b>21.1</b>	Reliefs and concessions sought	<p><b><u>Protection/Immunity from Criminal Offences</u></b></p> <p>A direction be issued that no action shall be taken or initiated by the Enforcement Directorate (ED), Serious Fraud Investigation Office (SFIO), Central Bureau of Investigation (CBI), Ministry of Corporate Affairs, Tax Authorities (direct or indirect taxes), any other Central or State or Local Authorities or any Regulator or any other Authority against or in relation to any acts or omission or commission of the Corporate Debtor or any director (or any Key Management Person KMP) of Corporate Debtor prior to the Transfer Date, that has any bearing on the Corporate Debtor or its new management or its Assets. A direction also may be issued that no consequence of liability arising out of any criminal act done by the Corporate Debtor and/or its management prior to the transfer date shall fall upon the bidder, the Corporate Debtor and the new management. In other words, the liability of a corporate debtor for an offence committed prior to the transfer date shall cease, and the Corporate Debtor or the new management shall not be prosecuted for such an offence from the date of transfer. Besides, if a prosecution had been instituted during the Corporate Insolvency Resolution Process against such Corporate Debtor, it shall stand discharged from the date of transfer. No action shall be taken against the property of the Corporate Debtor in relation to an offence committed prior to the transfer date.</p>
	<b>Reliefs and concessions allowed.</b>	<b>Any proceedings pending against the Corporate Debtor (other than against the erstwhile promoters or former members of the management of the Corporate Debtor) as on date with respect to its liabilities/ inquiries /investigations/assessment/claims/disputes/ litigations etc shall not have any bearing against the assets sold in the process. The said assets are free from any</b>

		<b>financial implications arising out of any pending proceedings before relevant authorities, if any.</b>
<b>21.2</b>	Reliefs and concessions sought	<b><u>Removal of Difficulties</u></b> Upon full payment, in the event of any difficulty in the smooth takeover of the Corporate Debtor and to move forward as a Going Concern, the new management will approach the Hon'ble Adjudicating Authority for necessary and appropriate orders Liquidator will cooperate in the process.
	<b>Reliefs and concessions allowed.</b>	<b>Liquidator will cooperate with the applicant in the event of any difficulty in the smooth takeover of the Corporate Debtor with its Core Assets and to move forward as a Going Concern after full payment, the new management will approach the adjudicating authority for necessary and appropriate orders</b>
<b>21.3.1</b>	Reliefs and concessions sought	The Corporate Debtor will approach the Appropriate Authority for necessary directions and instructions to the CBDT, Central Board of Indirect Taxes and Customs and State GST authorities to exempt income/gain/profits, if any, arising as a result of giving effect to the Acquisition and from being subjected to income tax in the hands of the Corporate Debtor or the Bidder under the provisions of value added Tax, customs, octroi, excise duty, service tax, goods & services Tax, Income Tax Act including but not limited to any income tax and Minimum Alternate Tax (MAT) liability arising on capital reduction in Corporate Debtor, consolidation of share capital of Corporate Debtor, write off/write down of current amounts due to employees, vendors, Operational Creditors, Financial Creditors, value of assets, value of inventories, etc. without any impact on brought forward tax and book loss/depreciation; and waive all liabilities whether crystallized or not in respect of Taxes (including interest and penalty) arising in respect of periods up to the Transfer Date.
	<b>Reliefs and concessions allowed.</b>	<b>The applicant may approach the authority concerned who would consider such request under the Applicable Act.</b>
<b>21.3.2</b>	Reliefs and concessions sought	The Corporate Debtor will approach the Appropriate Authority for necessary directions and instructions to the effect of waiving any withholding tax, income-tax and MAT liability or consequences (including interest, fine, penalty, etc.) on Corporate Debtor, the bidder and its shareholders on account of the Acquisition, including but not limited to liabilities if any under Section 28, Section 41, Section 56, Section 43, Section 28, Section

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Date of Order:04.01.2024

		115JB, Section 79, Section 45, Section 269SS, Section 269T and Section 271E of the Income-Tax Act, 1961 including, without limitation.
	<b>Reliefs and concessions allowed.</b>	<b>The applicant may approach the authority concerned who would consider such request under the Income Tax Act</b>

- 7** With the above directions, **IA No.1512/2023 in CP (IB) No.466/7/HDB/2019** is partly allowed and stands disposed of.

**Sd/-**  
**SANJAY PURI**  
**MEMBER (TECHNICAL)**

*Vinod*

**Sd/-**  
**RAJEEV BHARDWAJ**  
**MEMBER (JUDICIAL)**