



NATIONAL COMPANY LAW TRIBUNAL
COURT ROOM NO. 1,
MUMBAI BENCH

Item No. 38

C.P. (IB)/890(MB)2024

CORAM:

SH. PRABHAT KUMAR JUSTICE VIRENDRASINGH BISHT (Retd.)
HON'BLE MEMBER (TECHNICAL) HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF THE HEARING ON **19.12.2024**

NAME OF THE PARTIES: **CONVERTERTEC ENERGY SOLUTIONS**
INDIA PRIVATE LIMITED (IN
VOLUNTARY LIQUIDATION) THROUGH
SANJAY AGARWAL LIQUIDATOR

Section 59 of the Insolvency and Bankruptcy Code, 2016

ORDER

C.P. (IB)/890(MB)2024

- 1) **Mr. Sajeve Deora**, Ld. Counsel for the Applicant, **Mr. Sanjay Agarwal**, Liquidator of the Corporate Person is present.
- 2) The present Company Petition has been filed under section 59 of the Insolvency and Bankruptcy Code, 2016 (hereinafter called "Code") by a Corporate person, named **Convertertec Energy Solutions India Private Limited** having CIN: **U31900PN2021FTC197407** through the Liquidator **Mr. Sanjay Agarwal**, the Insolvency Professional, **having**



Registration No: IBBI/IPA-001/IP-P00466/2017-2018/10809 to initiate Voluntary Liquidation Proceedings under Code.

- 3) The Corporate Person has complied with requisite formalities and procedure of liquidation as per law and has filed this Petition for its dissolution under section 59 of the Insolvency and Bankruptcy Code, 2016.
- 4) The Corporate Person was incorporated, on 01.01.2021 as a subsidiary company of Convertertec Deutschland GmbH, (a German company, also the Holding Company).
- 5) Out of the total issued capital of 28,00,000 equity shares of Rs. 10/- each of the Corporate Person, 27,99,999 equity shares of Rs. 10/- each were held by Convertertec Deutschland GmbH (Holding Company of Corporate Person) and 1 equity share of Rs. 10/- was held by an Employee of Corporate Person. The equity capital of Rs. 2,79,99,990/- was subscribed by Holding Company of CP by way of Foreign Direct Investment in 2 (two) tranches of Rs. 70.00 Lacs and Rs. 188.00 Lacs.
- 6) The Registered office of the Company is situated at **Office 601, Pentagon, Magarpatta City, Building P 2, Hadapsar, Pune - 411028, Maharashtra, India.**
- 7) The Company, at present, has **Two (2)** directors namely **Mario Dall (DIN: 09782410), Mr. Ambarish Chatterjee (DIN: 00653680).**
- 8) The Company was incorporated to carry on business of designing, development, manufacturing, assembling, testing, servicing, installing,



training, repairing and to import, export, sell, distribute, service, stock and distribution of and deal in electrical engineering systems, electronic equipment and other similar products such as inverters, converters, storage system for wind energy, solar energy, hydrogen energy application and contracting of manufacturing of such products and services.

9) It is submitted that pursuant to a Business Transfer Agreement (BTA) dated **31.03.2021** executed between Woodward Inc. (Seller) and Aurelius Equity Opportunities SE & Co. KGaA and its affiliates (being group entity of Convertertec) (Purchaser) for transfer business of Renewable Power System (RPS), the business/ undertaking subject matter of BTA was acquired by the Corporate Person on a going concern basis by means of a “slump sale / purchase”. The CP was incorporated as a subsidiary of Convertertec Deutschland GmbH, a company incorporated in Germany.

10) It is submitted that the business and affairs of the Corporate Person were being managed and administered by its Holding Company, which had nominated its representative to the Board of Directors of the Corporate Person and all management decisions were taken by the Holding Company through its representative on Board of Directors of Corporate Person. It is further submitted that the day to day working of the Corporate Person was carried out by persons employed by the Corporate Person in India, under overall supervision and control of the Holding Company and person/s



nominated by Holding Company to look after business and affairs of Corporate Person.

- 11) That as on 31.03.2023, there was only one Employee in the Corporate Person whose services were severed on 03.06.2023. Thereafter, on 27.09.2023, the shareholders of the Corporate Person passed Special Resolution to voluntarily Liquidate the Corporate Person. Further, upon passing of the Special Resolution, the Liquidator completed the Liquidation Process by himself and by engaging Professionals/Consultants to carry out various functions for and on behalf of the Corporate Person.
- 12) It is also stated that the Corporate Person had suffered losses and there were no future prospects for increasing the sales unless the technological upgradation took place in the overseas manufacturing locations, whose products were marketed by the Corporate Person. The numbers of Converters/RPS sold to India continued to decrease, and therefore, decision was taken to close the Corporate Person in India and the customers in India desiring Corporate Person's products would be served from overseas manufacturers.
- 13) Shareholders of the Corporate Person in their Annual General Meeting held on 27.09.2023, resolved for Voluntary Liquidation of the Corporate Person as per Applicable Provisions of the Insolvency and Bankruptcy Code and for appointment of **Mr. Sanjay Agarwal**, Insolvency Professional, **IBBI/IPA-001/IP-P00466/2017-2018/10809** to act as the



Liquidator for Voluntary Liquidation of the Corporate Person, which was communicated by the Corporate Person to the Liquidator *vide* its letter dated 27.09.2023.

- 14)** That after commencement of the Voluntary Liquidation of the Corporate Person, w.e.f. 27.09.2023, the Liquidator made a public announcement in Form A of Schedule I, as mandated by Regulations 14 of the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations) 2016 (hereinafter referred to as ‘Voluntary Liquidation Process Regulations’), which was published on 28.09.2023 in (i) “Lokmanthan” Marathi (Pune Edition) and (ii) “The Financial Express” English (Pune Edition). It is also submitted that the Public Announcement was also uploaded on the website of the Insolvency and Bankruptcy Board of India (hereinafter referred to as “IBBI”). The Last Date of receipt of claims from stakeholders against the Corporate Person was 26.10.2023.
- 15)** Applicant in compliance of Regulation 3(2) of Voluntary Liquidation Process Regulations, 2017, the Corporate Person notified the Ministry of Corporate Affairs by way of filing of Form MGT-14 on 05.10.2023 and notification dated 27.09.2023 was filed with IBBI about the Resolution to Liquidate the Corporate Person, voluntarily.
- 16)** Both the Directors of the Company have declared on Affidavit dated **01.09.2023** that as per section 59(3) of the Insolvency and Bankruptcy Code, 2016, they have a full enquiry into the affairs of this Company and that



having done so, they have formed the opinion that the Company will be able to pay its debts in full from the proceeds of the assets to be sold in process of Liquidation of the Company. The Company has not committed any default of repayment of its debts and the Company is not being liquidated to defraud any person.

- 17) That in compliance of Regulation 34 (1) of the Voluntary Liquidation Process Regulations, 2017, the Liquidator got the “current account” of the Corporate Debtor opened with Axis Bank, Statesman House Branch, Barakhamba Road, New Delhi 110001. The said account was closed vide Bank Account Closure Certificate, which is annexed as Annexure 2 to the Additional Affidavit, which shows ***“Statement of Account No: 923020060166788 for the period (From: 01-10-2024 to: 27-11-2024)”***
- 18) That on 25.10.2023 the Liquidator appointed two registered valuers (Registered with IBBI) for valuation of two class of assets of the Corporate Person, i.e. (i). Plant and Machinery and (ii). Securities & Financial Assets for valuation of the following assets of the Corporate Person in terms of Regulation 31 of the Liquidation Regulations as on Liquidation Commencement date that is 27.09.2023. That no claim against the CP was received by the Liquidator by the due date of 26.10.2023 and List of Stakeholders of the CP (As on 10.11.2023) was prepared by the Liquidator.
- 19) It is submitted that no stakeholders who have filed their claims against the Corporate Person with the Liquidator, and the distribution of residual



amount of sale proceeds and other receipts remaining after meeting Liquidation Cost, including Liquidator's Fee, has been distributed by the Liquidator as per provision of section 53(1) of the Code to the Contributories of the Corporate Person.

- 20) That the Liquidator submitted Preliminary Report on 10.11.2023 to the CP as per provision of Regulation 9(1) of Voluntary Liquidation Process Regulations.
- 21) Liquidator vide communication dated 05.09.2024, has requested the Income tax Department for issue of Income Tax Clearance Certificate, required by the Bank for remittance of funds to the foreign shareholders of the Corporate Person. It is to be noted that the Insolvency and Bankruptcy Board of India issued a circular, in exercise of the powers under Section 196 of the Code, on 15.11.2021, clarifying that as per the provisions of the Code and the Regulations read with Section 178 of the Income-Tax Act, 1961, an Insolvency Professional handling voluntary liquidation process is not required to seek any NOC/NDC from the Income Tax Department as part of Compliance in the said process.
- 22) A copy of Final Report dated 11.09.2024 containing the details as required under regulation 38 of IBBI (Voluntary Liquidation Process) Regulation, 2017. The copy of Final Report was filed with ROC, Mumbai by way of Form GNL-2 which was filed on 17.09.2024. The copy of final report was submitted to the IBBI on 20.09.2024 vide email. The copy of the



final report along with the email dated 20.09.2024 arc annexed herewith as Annexure – XVI.

- 23) The Liquidator has filed this Company Petition before this Tribunal under section 59(7) of IBC seeking an order of dissolution of the Petitioner company.
- 24) On examining the submission made by the counsel appearing for the Applicant and the documents annexed to the Petition it appears that the affairs of the company have been completely wound up, and its assets have been completely Liquidated.
- 25) In view of the above facts and circumstances and the submissions made by the Liquidator, upon the perusal of the final report and the Compliance Certificate filed in Form-H by the Applicant, it is seen that the Corporate Debtor has been completely Liquidated, and this Bench is of the considered view that **the Company, Convertertec Energy Solutions India Private Limited** deserves to be **Dissolved**. Accordingly, we direct that the Company shall be dissolved from the date of this order.
- 26) Consequently, the Liquidator **Mr. Sanjay Agrawal** is discharged from his duties and responsibilities as the Liquidator of the Corporate Person, **viz. Convertertec Energy Solutions India Private Limited**.
- 27) The Petitioner is further directed to serve a copy of this order upon the Registrar of Companies, with which the company is registered, within



fourteen days of receipt of this order. The Registrar shall take necessary action upon receipt of a copy of this order.

28) The Liquidator shall preserve physical or electronic copy of the Reports, Registers, and Books of Account for at least eight years after the dissolution of the Corporate Person, either with himself or with an information utility, as per the amendment dt. 16.09.2022, vide Notification Number IBBI/2022-23/GN/REG095, the preservation of records prescribed under Sub-Regulation 1 and 2 of Regulation 41 of The IBBI (Voluntary Liquidation Process) (Second Amendment) Regulations, 2022.

29) With the aforesaid observations and directions, the Company Petition bearing CP (IB) No. 890 of 2024, is disposed of.

30) Ordered Accordingly.

Sd/-

**PRABHAT KUMAR
MEMBER (TECHNICAL)**

Sd/-

**JUSTICE VIRENDRASINGH BISHT
MEMBER (JUDICIAL)**

Vedant Kedare