

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH**


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**PRESENT: HON'BLE SHRI RATAKONDA MURALI- MEMBER JUDICIAL
HON'BLE SHRI NARENDER KUMAR BHOLA- MEMBER TECHNICAL**

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 31.10.2019 AT 10.30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA No. 837 & 886/2019 CP(IB) No.63/9/HDB/2019
NAME OF THE COMPANY	Taksheel Solutions Ltd
NAME OF THE PETITIONER(S)	Varanasi Kishore
NAME OF THE RESPONDENT(S)	Taksheel Solutions Ltd
UNDER SECTION	9 of IBC

Counsel for Petitioner(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature
For RP. VVSN Raju .	J Advocates	9866446467	
K. Shreya		8897172671	

Counsel for Respondent(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature


ORDER

Both IAs, IA 837/2019 & 886/2019 are listed today for orders.

Orders pronounced vide separate orders.


Member (T)

Syamala


Member (J)

**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENCH AT: HYDERABAD**

I.A. NO. 837 OF 2019

IN

CP (IB) NO. 63 / 9 / HDB / 2019

**SECTION 33 AND 34 OF THE INSOLVENCY AND
BANKRUPTCY CODE, 2016**

IN THE MATTER OF

VARANASI KISHORE

VERSUS

TAKSHEEL SOLUTIONS LIMITED

TAKSHEEL SOLUTIONS LIMITED
Having its Office at
#6-3-354/1/2, 3rd floor, Shriya Enclave,
Hindi Nagar, Punjagutta, Hyderabad - 82
Through its Resolution Professional,
Smt. Manjula Sistla.

...Applicant / Resolution Professional

Date of order: 31.10.2019

Coram:

Hon'ble Shri Ratakonda Murali, Member (Judicial)

Hon'ble Shri Narendra Kumar Bhola, Member (Technical)

Appearances:

For the Applicant: Shri V.V.S.N. Raju along with Ms. K. Shreya,
Advocates

Heard on: 18.10.2019

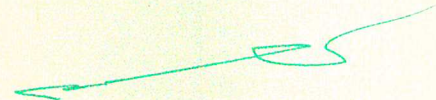




**PER: SHRI NARENDER KUMAR BHOLA
MEMBER (TECHNICAL)**

1. Under consideration before us is the interlocutory application filed by Applicant / Resolution Professional of Taksheel Solutions Limited/ Corporate Debtor under Sections 33 & 34 of Insolvency & Bankruptcy Code, 2016 seeking direction to pass an order of Liquidation in respect of Corporate Debtor.
2. At the first instance, this Tribunal admitted the Petition filed under Section 9 of IBC, 2016 and initiated Corporate Insolvency Resolution Process against Corporate Debtor. Subsequently, the Resolution Professional was appointed by this Tribunal vide Order dated 16.07.2019 passed in I.A. No. 576 of 2019 by replacing Interim Resolution Professional, Shri Gonugunta Sudhir by Smt Manjula Sistla as the Resolution Professional.
3. The Interim Resolution Professional caused Public Announcement regarding initiation of CIRP in Financial Express, Hyderabad Edition, and Mana Telangana, Hyderabad Edition, News Papers on 10 April, 2019.
4. In the First Meeting of the Committee of Creditors ("CoC") held on 06 May, 2019 and on 08 May, 2019, the IRP received claim from IDBI Bank Limited for an amount of Rs. 25,95,29,625.01/- (Rupees Twenty Five Crores Ninety Five Lakhs Twenty Nine Thousand Six Hundred and Twenty Five and One Paise Only). Accordingly, the IRP constituted the Committee of Creditors with IDBI Bank Limited having 100% voting share. Subsequently, the IRP also received claims from M M Reddy & Co and Varanasi Kishore amounting to Rs. 3,98,000/- (Rupees Three Lakhs Ninety Eight Thousand Only) and Rs. 5,00,000/- (Rupees Five Lakhs Only) respectively. A

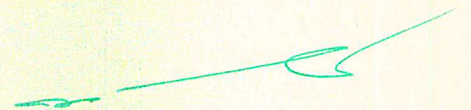
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copy of the Minutes of the First Meeting of the CoC is annexed and marked as "Annexure III".

5. In the Second Meeting of the CoC held on 27 May, 2019 and 28 May, 2019, the CoC unanimously appointed Smt Manjula Sistla as Resolution Professional. The CoC also appointed Mr. K. Dhanapathi Rao and Mr. G.S. Mittal as the Registered Valuers. The Copy of the Minutes of the Second Meeting of the CoC is annexed and marked as "Annexure IV".
6. The CoC in its Third Meeting of the Committee of Creditors held on 20 June, 2019 and in the Fourth Meeting of the Committee of Creditors held on 27 June, 2019 discussed the eligibility criteria for Expression of Interest. The Copy of the Minutes of the Third Meeting of the CoC and the Fourth Meeting of the CoC is annexed and marked as "Annexure V" and "Annexure VI" respectively.
7. The Resolution Professional carried out Public announcement inviting Expression of Interest (hereinafter referred to as the "EOI") from prospective resolution applicants on 29 June, 2019 in Andhra Prabha, Main Edition and Financial Express, Telangana and Andhra Pradesh Edition with the last date for submission of EOI by prospective resolution applicant being 13 July, 2019. Copies of the aforementioned advertisement have been filed herewith as "Annexure VII". However, the Resolution Professional received no response from prospective Resolution Applicants/ Bidders for the EOI issued in the newspapers on 29 June, 2019 for its revival until the last date for submission of EOI which was 13 July, 2019.
8. The CoC in its Fifth Meeting held on 13 September, 2019 and adjourned to 18 September, 2019, with 100% voting share resolved to liquidate the Corporate Debtor as no EOI was received. A copy of the Minutes of the Fifth Meeting of the

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CoC has been annexed hereto as "Annexure X". Further the Resolution Professional owing to certain personal and health reasons expressed her inability to continue as Liquidator for the Corporate Debtor.

9. We heard the Resolution Professional. The Present Application is filed by the Resolution Professional under Section 33 & 34 of the Code seeking initiation of liquidation process of M/s. Taksheel Solutions Limited (Corporate Debtor).
10. The Resolution Professional informed the Tribunal that in the 5th CoC meeting held on 13.09.2019 & 18.09.2019, the members of CoC with 100% voting share approved for liquidating the Corporate Debtor Company.
11. Section 33 of Insolvency and Bankruptcy Code, 2016 read as follows:
 - (1) Where the Adjudicating Authority, —
 - (a) before the expiry of the insolvency resolution process period or the maximum period permitted for completion of the corporate insolvency resolution process under section 12 or the fast track corporate insolvency resolution process under section 56, as the case may be, does not receive a resolution plan under sub-section (6) of section 30; or
 - (b) rejects the resolution plan under section 31 for the non-compliance of the requirements specified therein, it shall—
 - (i) pass an order requiring the corporate debtor to be liquidated in the manner as laid down in this Chapter;
 - (ii) issue a public announcement stating that the corporate debtor is in liquidation; and
 - (iii) require such order to be sent to the authority with which the corporate debtor is registered.
12. As per Section 33(1) (a) of the Code, if the Resolution Plan has not received under Section 30(6) within CIRP period,

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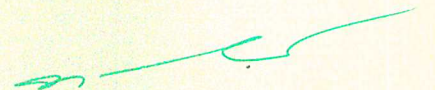
the Tribunal has no other option but to pass a liquidation order. The Resolution Professional has not filed any Resolution Plan before this Tribunal under Section 30(6) with in CIRP period. By relying on Section 33(1) (a) of the Code, the Resolution Professional having not submitted any Resolution Plan within CIRP period leads to passing an order of liquidation. We see no other alternative except passing an order of liquidation requiring the Corporate Debtor/ Taksheel Solutions Limited to be liquidated in the manner laid down in Chapter 3 of Part 2 of the Insolvency and Bankruptcy Code, 2016.

13. As per Section 34(1) of the Code after passing the order of liquidation of corporate Debtor, the Resolution Professional appointed for CIRP Process shall act as Liquidator for conducting Liquidation Process. However, Ms. Manjula Sistla, Resolution Professional owing to personal reasons expressed her inability to continue as Liquidator for Corporate Debtor. Hence, memo dated 18.10.2019 is filed nominating Mr. Raghu Babu Gunturu, Registration No. IBBI/IPA-002/IP-N00025/2016-17/10053 as Liquidator. The proposed Liquidator has given his consent for appointing him as a liquidator.

ORDER

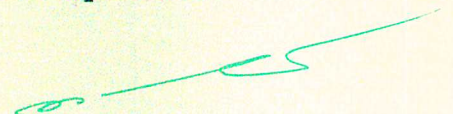
14. In the result, the Application is allowed and Corporate Debtor Taksheel Solutions Limited is ordered to be liquidated.
15. The Liquidator is directed to proceed with the process of liquidation in manner laid down in Chapter III of Part 2 of the Insolvency and Bankruptcy Code, 2016 by following the liquidation process given in IBBI (Liquidation Process) Regulations, 2016.





16. All powers of the Board of Directors, key managerial personnel and the partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested in the Liquidator.
17. The Liquidator is directed to issue Public Announcement stating that the Corporate Debtor is in liquidation, in terms of Regulation 12 of the IBBI (Liquidation Process) Regulations, 2016.
18. The Order of Moratorium passed under Section 14 of the Code shall cease to have its effect.
19. This order is deemed to be a notice of discharge to the officers, employees and the workmen of the Corporate Debtor as per Section 33(7) of the Code.
20. Since Liquidation order has been passed no suit or other legal proceedings shall be instituted by or against the Corporate Debtor, save and except as mentioned in Section 52 of the Code, as to institution of legal proceedings by the Liquidator, he is at liberty to initiate suit or legal proceedings with prior approval of this Adjudicating Authority, but this direction shall not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
21. We hereby direct that the fee shall be paid to the Liquidator as envisaged under Regulation 4 of IBBI (Liquidation process) Regulations, which forms part of the liquidation cost.

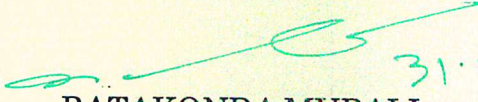




22. The Liquidator shall submit a Preliminary Report within 75 days from the Liquidation Commencement date as per Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016.

The Application is disposed of accordingly.


31.10.19
NARENDER KUMAR BHOLA
MEMBER (TECHNICAL)


31.10.19
RATAKONDA MURALI
MEMBER (JUDICIAL)

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IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD

IA No.886 of 2019 IN
CP (IB) No. 63/9/HDB/2019
U/s 60(5) of the I&B Code.

IN THE MATTER OF M/S. TAKSHEEL SOLUTIONS LIMITED

Between:

Taksheel Solutions Limited

Having its office at

#6-3-354/1/2,3rd Floor, Shriya Enclave,
Hindi Nagar, Punjagutta, Hyderabad-82,

Through its Resolution Professional

Smt. Manjula Sistla.

...Petitioner/

Corporate debtor.

AND

1. HDFC Bank Limited

Having office at:

Ground Floor, Jehangir Building,
MG Road, Fort, Mumbai-400001.

2. Varanasi Kishore,

R/O. Plot No.135, Magadha Village,
Gandipet Main Road, Kokapet,
Hyderabad-500 075.

...Respondents

Date of order: 31.10.2019

Coram:

Hon'ble Shri Ratakonda Murali, Member (Judicial)

Hon'ble Shri Narendra Kumar Bhola, Member (Technical)

Parties / counsels present:

For the Applicant: Shri.V.V.S.N.Raju, Counsel for RP.

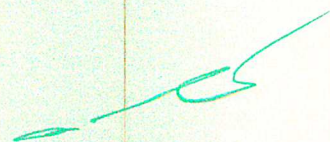
Resolution Professional: Smt. Manjula Sistla.

Heard on: 18.10.2019.

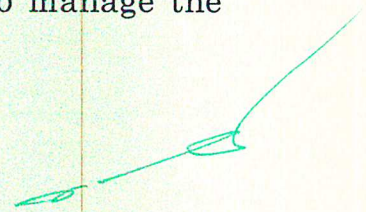
Per: Hon'ble Shri Narendra Kumar Bhola, Member (Technical)

ORDER

1. This application is filed on behalf of corporate debtor by Resolution Professional Under Section 60(5) of I&B Code, 2016 praying the Tribunal to give a direction to the first respondent/HDFC Bank Limited, MG Road, Fort, Mumbai to change the status of the bank account from 'Dormant' to 'Active' and further to direct the bank to allow the Resolution professional of the corporate debtor to operate the bank account.
2. Notice was sent to the bank the first respondent herein. However, there is no response from the first respondent/HDFC Bank.

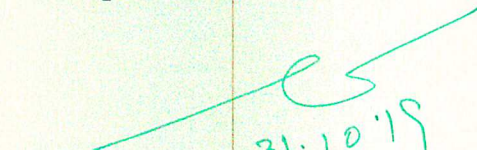


3. We have heard the Resolution Professional for the corporate debtor. It is the case of RP that corporate debtor has Public Issue Account bearing Account No. 00600350098894 with the first respondent i.e HDFC Bank Limited, Fort Branch Mumbai and there is a balance of Rs.47,13,727(Rupees Forty Seven Lakhs Thirteen Thousand Seven Hundred and Twenty Seven Only). Bank statement for September, 2019 is filed and shown as Annexure-4 at page no.29.
4. There is a closing balance of Rs.47,13,727/-(Rupees Forty Seven Lakhs Thirteen Thousand Seven Hundred and Twenty Seven only) in the said account which is in the name of M/s. Public Issue Account- Taksheel Solutions Limited – IPO.
5. The account is treated as 'Dormant'. It is the case of RP the company is having the bank account which is major asset and the account to be used to meet at least CIRP Costs. It is the case of Resolution Professional, she has made several requests to the first respondent/ HDFC Bank to change the status of the account from 'Dormant' to 'Active'. The copy of the letters addressed to bank is marked as Annexure-5.
6. It is the case of Resolution Professional that there is no response. Since CIRP is started against corporate debtor the HDFC Bank Limited has to change the status of the Bank Account of corporate debtor from 'Dormant' to 'Active'. It is necessary for the Resolution Professional to manage the account of the corporate debtor in the bank. The Resolution Professional has to utilize the money for meeting the expenses of CIRP. Even otherwise RP has to manage the account of the corporate debtor company.



7. During CIRP the Bank cannot continue account of corporate debtor as dormant when CIRP started against the corporate debtor. Therefore there are grounds to allow the application.
8. In the result application is allowed and we directed the first respondent/HDFC Bank to change the status of the Bank account of corporate debtor bearing 00600350098894 from 'Dormant' to 'Active' and further directed the bank to allow Resolution Professional to operate the account.
9. With these directions the application is disposed of.

NARENDER KUMAR BHOLA
MEMBER (TECHNICAL)


RATAKONDA MURALI
MEMBER (JUDICIAL)

31.10.19

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