

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

**PHYSICAL HEARING**

**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 13.10.2023, At 10:30 AM**

<b>TRANSFER PETITION NO.</b>	
<b>COMPANY PETITION/APPLICATION NO.</b>	<b>IA (IBC)/1570/2023 in CP (IB) No.762/9/HDB/2019</b>
<b>NAME OF THE COMPANY</b>	<b>Reaselack Polymers Pvt Ltd</b>
<b>NAME OF THE PETITIONER(S)</b>	<b>Shivalik Polymers Pvt Ltd</b>
<b>NAME OF THE RESPONDENT(S)</b>	<b>Reaselack Polymers Pvt Ltd</b>
<b>UNDER SECTION</b>	<b>9 of IBC</b>

**ORDER**

**IA (IBC)/1570/2023**

Orders pronounced, recorded vide separate sheets. In the result, this application is allowed and stands disposed of.

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

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

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

**IA No.1570 of 2023  
in  
CP(IB) No. 762/9/HDB/2019**

*[Under Section 33(2) of IBC, 2016]*

**In the matter of M/s. Shivalik Industries vs. Reaselack  
Polymers P. Ltd.**

Mr. K. Vatsa Kumar  
Resolution Professional of  
M/s.Reaselack Polymers P. Ltd.

.... Applicant

**Date of Order: 13.10.2023**

**Coram:**

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

**Counsel/Parties present:**

For the Applicant : Mr.K. Vatsa Kumar, RP

**Heard on: 06.10.2023**

**[ PER: BENCH ]**

**ORDER**

- I. The instant Application is filed by the Resolution Professional (RP) of M/s. Reaselack Polymers P. Ltd. (CD) under Section 33(2) of IBC, 2016 seeking to pass an Order of Liquidation of the Corporate Debtor and direct the COC to settle the dues (fee and CIRP Expenses incurred) of the Resolution Professional.
- II. This Adjudicating Authority, vide Order dated 20.10.2022 admitted the Company Petition bearing CP (IB) No.762/9/HDB/2019 filed by M/s. Shivalik Industries (OC) M/s. Reaselack Polymers P. Ltd. (CD) and initiated CIRP process by appointing Mr. K. Vatsa Kumar as the Interim Resolution Professional (IRP). Later, in the 1<sup>st</sup> COC Meeting held on 29.11.2022, he was confirmed as Resolution Professional.
- III. On assuming charge as Interim Resolution Professional, the Applicant took various steps/actions for completing the CIRP process.

- IV. Against the public announcement, the total claim received is Rs.11,62,67,840/- and admitted the amount of Rs.10,98,99,931/-. In the COC, Indian Bank is the lone Financial Creditor with 100% voting share.
- V. RP had filed an IA 201/2023 against the suspended directors for non-cooperation, and the Adjudicating Authority vide orders dated 30.03.2023 directed the suspended directors to extend all possible co-operation to the RP. Despite direction, the required information was not submitted by the suspended directors. When the contempt of court notice was sent, the suspended directors furnished the Tally data as on 01.11.2023, Audited Financials as on 01.04.2022 and Provisionals as on 31.10.2022 on 27.05.2023.
- VI. The Fair Market Value and Liquidation Value of the 3 asset classes is as below:

<b>S.No.</b>	<b>Asset Class</b>	<b>Fair Market Value</b>	<b>Liquidation Value</b>
1.	Land & Building	86,42,750/-	64,67,000/-
2.	Plant & Machinery	1,35,24,000/-	99,73,000/-
3.	Securities & Financial Assets	29,90,604/-	15,34,537/-
<b>Total</b>		<b>2,51,57,354/-</b>	<b>1,79,74,537/-</b>

VII. In Response to the publication in Form-G on 24.01.2023, 8 EOIs were received. In response to the RFRP, two Resolution Plans were received from the following Prospective Resolution Applicants:

1. Sri Sharad Arun Kamble in consortium with Sri Pradeep Damani; and
2. Sri Kapil Mantri

VIII. After discussions & negotiations with the above Prospective Resolution Applicants on 05.07.2023, Sri Sharad Arun Kamble in consortium with Sri Pradeep Damani submitted its Revised Plan amounting to Rs.240 lakhs on 11.07.2023, which was approved by the COC on 11.07.2023. The Resolution Plan submitted by Mr. Kapil Mantri was not considered as the same was not in compliance with RFRP.

IX. Pending decisions of the COC, interim minutes of the 7<sup>th</sup> and 8<sup>th</sup> COC were issued on the deliberations of 7<sup>th</sup> and 8<sup>th</sup> COC Meetings dated 27.06.2023 and 15.07.2023 respectively.

X. In the 8<sup>th</sup> COC Meeting held on 15.07.2023, the COC passed the following resolution with 100% voting share:

**“Resolved to reject the Resolution Plans of Shri Sharad Arun Kamble in consortium with Shri Pradeep Damani (Suspended promoter director) and Shri Kapil Mantri and the Resolution Professional instructed to file suitable application for Liquidation of the CD to the Adjudicating Authority”.**

XI. The CIRP cost incurred till 31.08.2023 was Rs.16,06,084/- (Annexure-3), out of which, Rs.8,19,143/- was pending for reimbursement to the RP by Indian Bank.

XII. The last date for completion of the CIRP of the Corporate Debtor, after considering the extensions from time to time was 27.09.2023 and there was no valid Resolution Plan. Hence, the instant application.

XIII. We have heard the Learned Resolution Professional. A perusal of the contents of the application would show that the Resolution Professional has made his best efforts to keep the Corporate Debtor as a going concern, but since no Resolution Plan, which was viable, was received, the CoC with 100% voting has recommended for liquidation of the Corporate Debtor.

XIV. From the above, it would appear that despite all possible steps as required under the Code, taken during the CIRP, the CoC did not receive any viable proposal for revival of the Company.

XV. In view of the facts stated in the Application, this Tribunal allows the Application with the following directions.

- a) Mr. C. Nagarjuna Rao, having Registration No. IBBI/IPA-002/IP-N01215/2021-2022/14065, e-mail:  
[chakilamnagarjunarao456@gmail.com](mailto:chakilamnagarjunarao456@gmail.com), Mobile:  
9959888576 is appointed as the Liquidator. As per the IBBI website, his AFA is valid upto 05.03.2024. No disciplinary proceeding is pending against him as per the IBBI website.
- b) He shall issue public announcement stating that the CD is in Liquidation.
- c) The Moratorium declared under Section 14 of the IBC, 2016 shall cease to operate here from.

- d) Subject to Section 52 of the IBC 2016, no suit or other legal proceedings shall be instituted by or against the CD. This shall however 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.
- e) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.
- f) The liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- g) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.
- h) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.

- i) This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the Liquidation process by the Liquidator.
- j) Copy of the Order shall be furnished to the IBBI, to the Regional Director (South Eastern Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Telangana, the Registered Office of the Corporate Debtor; and the Liquidator.
- k) The COC is directed to settle the dues of the Resolution Professional, if any.

XVI. With the above directions, **IA.No.1570/2023 in CP (IB) No.762/9/HDB/2019** is allowed and stands disposed of.

**Sd/-**

**SANJAY PURI  
MEMBER (TECHNICAL)**

**Sd/-**

**RAJEEV BHARDWAJ  
MEMBER (JUDICIAL)**

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