

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD**

IA No. 941 of 2019

In CP (IB) No.44/07/HDB/2018
Under section 12A of the IB Code, 2016,
Read with Regulation 30A (1) (B) of the IBBI
(Insolvency Resolution Process for Corporate Person)
Regulations, 2016 read with rule 11 of the NCLT Rules, 2016.

**In the matter of :
M/s. Anand Solvex Limited**

Between:-

Andhra Bank,
Specialized Asset Recovery Management Branch,
Sultan Bazar Branch, Hyderabad.
Rep. by RP
Mr. Naga Bhushan.

...Applicant

And

M/s. Anand Solvex Limited,
R/o Flat No.204, Sterling Grand, CVK,
Premises No.10-2-99/1, Above HDFC Bank,
West Marredpalli, Secunderabad - 500 026.

...Respondent

Date of Order: 04.12.2019

**Coram: Shri. K. Anantha Padmanabha Swamy, Member Judicial.
Dr. Binod Kumar Sinha, Member Technical.**

Parties/Counsels present:-

For the Applicant/RP:

Mr. M. Govind Reddy, Counsel and Mr. Naga Bhushan, RP.

For the Respondent:

Mr. Sharad Sanghi, Counsel.

Per: Dr. Binod Kumar Sinha, Member Technical

ORDER

- 1 Under consideration is a Interlocutory Application bearing IA No. 941 of 2019 in CP (IB) No.44/07/HDB/2018 filed by Resolution Professional (RP) under section 12A of the Insolvency and Bankruptcy Code, 2016, on behalf of M/s. Andhra Bank, member of CoC, seeking to recall the order dated 01.02.2019 of admission and initiation of Corporate

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Insolvency Resolution Process of the Corporate Debtor in the above CP and further to allow the present Application and accord permission to the Financial Creditor to withdraw the Petition bearing CP (IB) No. 44/07/HDB/2018, in terms of the settlement of debt by the Corporate Debtor.

2. It is submitted that, this Adjudicating Authority, vide order dated on 01st February 2019 in CP (IB) No.44/7/HDB/2018, admitted the application filed by ANDHRA BANK, Financial Creditor against ANAND SOLVEX LTD, Corporate Debtor, under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) and the Rules & Regulations as applicable.
3. It is submitted that, this Adjudicating Authority has ordered the appointment of Mr. B. Naga Bhushan having IP Regn.no IBBI/IPA-001/IP-P00032/2016-17/10085 as Interim Resolution Professional of Anand Solvex Limited.
4. It is submitted that Committee of Creditors in its 2nd meeting held on 27.03.2019, have resolved for continuance of the IRP as RP. Hence Mr. B.Naga Bhushan continues as Resolution Professional and conducted the CIRP accordingly.
5. It is submitted that the total claims admitted till the present application are as under:-

(Amt in Rs.)

Name of the Financial Creditor	Amount of claim admitted
FINANCIAL CREDITORS	
Andhra Bank	43,10,40,449.88
Dhanalaxmi Roto Spinners Ltd.	30,20,622.00
TOTAL	43,40,61,071.88
OPERATIONAL CREDITORS	NIL
OTHER CREDITORS	NIL
TOTAL CLAIM AMOUNT	43,40,61,071.88

6. It is submitted that in the 09th meeting of Committee of Creditors (CoC) held on 25.07.2019, the Directors of Corporate Debtor informed that they are in the process of settling the dues of the financial creditors under

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OTS, which may take some more time and hence requested for extension of CIRP. The members of the CoC resolved to seek extension of time and accordingly, the Resolution Professional filed IA No.648/2019 on 26.07.2019 seeking extension of CIRP by further 90 days beyond 180 days. This Adjudicating Authority vide its order dated 29.07.2019 allowed the above said application by extending the CIRP period for 90 days upto 29.10.2019.

7. It is submitted that the Commercial Tax Department issued notice to Anand Solvex Limited on 06.08.2019 under R.R.Act and the Resolution Professional immediately replied to the said notice on 07.08.2019, informing the Commercial Tax Officer, that the demand raised is not valid, in view of the moratorium declared by this Adjudicating Authority.
8. The Commercial Tax Officer submitted the claim for Rs.10,15,36,333.00/- vide Form F dated 12.09.2019, which was received by the Resolution Professional on 18.09.2019 (i.e., after 230 days from the date of commencement of CIRP).
9. It is submitted that in the 12th meeting of Committee of Creditors held on 15.10.2019, the Directors of the Corporate Debtor informed that they would be making payment of the settlement instalment by 22.10.2019. The Financial Creditor (applicant) Bank, informed that they would submit withdrawal application, once the payment is received as per settlement terms.
10. It is submitted that in the 13th meeting of Committee of Creditors held on 22.10.2019, the Director informed that they paid further amount of Rs.50.00 lakhs and another Rs.50.00 lakhs is being paid immediately to comply with the settlement terms. (The same was paid on 23.10.2019).
11. It is submitted that during the course of the meeting, Applicant, the Financial Creditor, Andhra Bank, submitted the Form FA Application for Withdrawal of Corporate Insolvency Resolution Process duly signed by the Authorized Signatory of the Bank.

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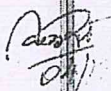
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12. It is further submitted that the applicant has paid all the estimated expenses incurred/to be incurred towards Corporate Insolvency Resolution Process cost till the date of filing the application before the Adjudicating Authority. The Applicant informed the CoC that all the CIRP expenses amounting Rs.25,59,543/- are borne by the Applicant.
13. In the present case, the COC consists of two Financial Creditors Andhra bank with voting share of 99.30% and Dhanalaxmi Roto Spinners Ltd with voting share of 0.70%. The meeting was attended by Andhra Bank only and the other member was absent. The proposal for withdrawal was put up to the committee of creditors for approval, and the same was approved by the committee with 100% voting share of members present and 99.30% of the total voting share of the COC.
14. The COC approved withdrawal of the application under Section 12A with 100% voting share of members present and 99.30% of the total voting share of the COC, with the following resolution.

"RESOLVED THAT Consent of the members of the COC of Anand Solvex Ltd be and is hereby granted to end the Corporate Insolvency Resolution Process (CIRP) of Anand Solvex Ltd subject to approval by Adjudicating Authority."

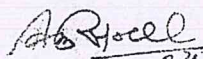
"RESOLVED THAT the Resolution Professional is hereby authorized to submit application for withdrawal of the application by the financial creditor, along with the approval of the committee, to the Adjudicating Authority on behalf of the applicant".

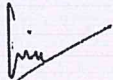
15. It is also stated that the Applicant has made necessary arrangement to defray the expenses incurred by IRP up to the filing of the said application.
16. It is stated that the present application is being made bona fide and in the interest of justice, equity and good conscience and further prayed to allow the Application as prayed for.





17. Heard and perused the record.
18. The instant Application is filed by the Resolution Professional seeking to allow the present Application and accord permission to withdraw the Petition bearing CP (IB) No. 44/7/HDB/2018, which was admitted vide order dated 01.02.2019 of this Adjudicating Authority.
19. It is observed that the provisions of Regulation 30A are duly complied as Form FA is submitted before issuing Expression of Interest with approval of CoC by a voting share of more than 90%. As on date there is no outstanding fees payable to the RP and further necessary arrangements have been made to defray the CIRP Cost till the date of instant application. As such, there is no requirement of providing any Bank guarantees for the same.
20. This Adjudicating Authority is empowered to allow the prayer for withdrawal by exercising its power u/s. 12A of the IB Code, 2016, R/w Regulation 30A(1)(a) of Insolvency & Bankruptcy (Insolvency Resolution Process of Corporate Persons) Regulations 2016. Having satisfied with the submissions put forth by the Applicant and having seen that the Applicant has complied with all the requirements as contemplated under Regulation 30A *supra*, this Adjudicating Authority is inclined to allow the Application.
21. In the result, IA No. 941 of 2019 is hereby allowed. Petition bearing CP (IB) No. 44/7/HDB/2018 is allowed to be withdrawn in terms of provisions of section 12A of the Code and the CIRP stands closed. The moratorium order passed u/s. 7 read with section 14 of the Code will also cease to have effect from the date of this order.
22. No order as to costs. Copies of this order be issued to the parties.


24.12.19
Dr. Binod Kumar Sinha
Member Technical


K. Anantha Padmanabha Swamy
Member Judicial

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