



SL. No.1

**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 27.01.2025 at 10:30 AM**

<b>TRANSFER PETITION NO.</b>	
<b>COMPANY PETITION/APPLICATION NO.</b>	<b>IA (IBC)/(DIS)/21/2024 in CP (IB) No.262/7/HDB/2018</b>
<b>NAME OF THE COMPANY</b>	<b>Transstroy Tiruthani Chennai Tollways Pvt Ltd</b>
<b>NAME OF THE PETITIONER(S)</b>	<b>Allahabad Bank Vs</b>
<b>NAME OF THE RESPONDENT(S)</b>	<b>Transstroy Tiruthani Chennai Tollways Pvt Ltd</b>
<b>UNDER SECTION</b>	<b>7 OF IBC</b>

**ORDER**

**IA(IBC)(DIS)/21/2024**

Orders pronounced, recorded vide separate sheets. In the result, this application is allowed.

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

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



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

**IA (IBC) (Dis)/21 of 2024 in**  
**CP (IB) No. 262/7/HDB/2018**  
**U/S. 54(1) of the IB Code, 2016**

Mr. Sanjay Kumar Mishra,  
Liquidator of  
M/s Transstroy Tirupati Tiruthani  
Chennai Tollways Private Limited,  
R/o 16<sup>th</sup> Floor, Tower III,  
One International Centre,  
S B Marg, Elphinstone (W),  
Mumbai – 400 013

.... Applicant

**In the matter of:**

M/s Allahabad Bank  
(Now Indian Bank)

.... Financial Creditor

**vs.**

M/s Transstroy Tirupati Tiruthani  
Chennai Tollways Private Limited,

.... Corporate Debtor

**Date of Order : 27.01.2025**

**Coram:**

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

**Counsel present:**

For the Applicant : Mr Ravi Charan along with  
Ms Niharika Agarwal



**Per : Bench**

**ORDER**

1. This application has been filed by the Liquidator of the Corporate Debtor (**CD**) M/s Transstroy Tirupati Tiruthani Chennai Tollways Private Limited under Section 54(1) of the Insolvency & Bankruptcy Code, 2016 r/w Regulation 45(3) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations 2016, seeking for dissolution of the CD.

**The Application**

2. The CD was admitted into Corporate Insolvency Resolution Process (**CIRP**) by order of this Tribunal dated 03.06.2019 appointing Mr Madhusudan Rao as Interim Resolution Professional (**IRP**). Thereafter, as resolved by the Committee of Creditors (**CoC**) in its 1<sup>st</sup> meeting, Mr Sanjay Kumar Mishra was confirmed as Resolution Professional (**RP**) vide order of this Tribunal dated 02.08.2019.
3. It is submitted that, since the Resolution Plan approved by this Tribunal vide order dated 05.03.2021 was not implemented by the Resolution Applicant M/s International Asset Reconstruction Company (**IARC**) within the stipulated time period, and since the National Highways Authority of India (**NHAI**) intimated their disapproval on modifications to the in-principle key terms and entering into the supplementary agreement with IARC, the Monitoring Committee concluded that the implementation of the approved Resolution Plan had reached an impasse. Therefore, the CoC approached for cancellation of the approved Resolution Plan, and filed liquidation application in IA No. 79 of 2022 which was allowed by this Tribunal vide order dated 08.04.2022 appointing the Applicant as Liquidator of the CD to conduct the liquidation process.



4. It is stated that, the Liquidator made public announcement, and on receipt of claims from the creditors of the CD, the Stakeholders Consultation Committee (**SCC**) was formed on 13.06.2022. The List of Creditors, Asset Memorandum, Preliminary Report and Progress Reports submitted<sup>1</sup> at regular intervals.
5. It is submitted that, the CD being a special purpose vehicle created on 31.05.2010, only for the purpose of development of road project as mentioned in the Concession Agreement agreed between the CD and NHAI, had no employees and assets except the project rights granted by way of concession.
6. It is further submitted that, during the 1<sup>st</sup> SCC meeting held on 15.06.2022, the Applicant sought advice on the realization of the Assets under the liquidation process and to vote either for sale of the CD as a going concern or to initiate termination payment from NHAI along with withdrawal of arbitration proceeding by CD in terms of decision taken by erstwhile CoC in its 22<sup>nd</sup> meeting.
7. In accordance with the decisions taken in the 1<sup>st</sup> and 2<sup>nd</sup> SCC meetings, the Applicant filed an IA No.893 of 2022 to allow the Applicant to pursue the termination payment upon termination of Concession Agreement executed between CD and NHAI, and the same was allowed by this Tribunal vide order<sup>2</sup> dated 19.10.2022.
8. Pursuant to the order dated 19.10.2022, a Settlement Agreement was executed on 30.11.2022 between CD represented by Liquidator and NHAI in order to terminate the Concession Agreement and to receive termination payments for consideration amount of Rs 140,22,00,000 as full and final settlement. However, on 05.01.2023

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<sup>1</sup> Pages 22 to 83 of the application

<sup>2</sup> Pages 84 to 94 of the application



an amount of Rs 137,41,56,000 was received from NHAI in the Escrow Account being maintained with Indian Bank by CD, after deduction of TDS amounting to Rs 2,80,44,000 as a full and final settlement towards termination payment.

9. It is asserted that, the Applicant has distributed an amount of Rs 90 Crores held with Indian Bank between stakeholders, and upon receipt of termination payments from NHAI, distributed the amount between stakeholders as per Section 53 of the Code.
10. It is submitted that, M/s Hruday Infra and Resource Solutions Private Limited (assignee and successful bidder of Transstroy India Limited) filed an IA No. 56 of 2023 against the Applicant, seeking a stay on the distribution of money to the stakeholders, received from NHAI besides seeking entitlement of 88% of total money received as a termination payment. This IA No. 56 of 2023 has been dismissed on 07.01.2025 for non-prosecution.
11. A Contempt Petition in IA No. 9 of 2023 u/s 425 of the Companies Act and Section 2(a) (b) and (c) of Contempt's of Court Act 1971 was also filed by M/s Hruday Infra and Resource Solutions Private Limited and the said application has also been dismissed on 07.01.2025 for non-prosecution.
12. It is asserted that, the Applicant filed an IA No. 659 of 2023 against NHAI and Income Tax Department, seeking remittance of shortfall amount of Rs 2,80,44,000 which has been deducted on account of TDS against the termination payment. In view of the order<sup>3</sup> dated 31.10.2023 of this Tribunal in IA No. 659 of 2023, the Applicant Liquidator appointed the Statutory Auditor namely M/s K S Rao and

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<sup>3</sup> Pages 95 to 106 of the application



Co who conducted the statutory audit of the CD for the FYs 2021-2022 and 2022-2023 and the income tax returns filed for FY 2021-2022. However, the approval of condonation of delay in filing the returns for FY 2022-2023 is still pending inspite of several representations and personal meetings with CCIT and DCIT, Hyderabad conducted on 04.07.2024 and 18.10.2024.

13. It is submitted that, this Tribunal vide its order<sup>4</sup> dated 03.09.2024 in IA No. 1797 of 2024 observed that, there is no direct link of these IAs with the liquidation process. The Tribunal further directed the Applicant to complete the liquidation process within 30 days starting from 30.09.2024.
14. During the 5<sup>th</sup> SCC meeting held on 26.09.2024, the Liquidator apprised the members about extension of liquidation period sought from the Tribunal and updated on direction received from this Tribunal by the Applicant for filing the application for dissolution of the CD.
15. It is asserted that the Applicant informed the SCC members that, while filing the dissolution application, the liquidation account must be closed, and the balance available in the liquidation account should be dealt in accordance with the liquidation process of the CD. The Liquidator further apprised the SCC members that there were two (2) ongoing litigations<sup>5</sup> and the pending Income Tax refund (deducted as TDS from the termination payment released by NHAI) from the Income Tax Department is being pursued, professional fees for legal counsels and other professionals will need to be paid until the litigations are resolved and the TDS refund is received.

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<sup>4</sup> Pages 107 of the application

<sup>5</sup> IA No. 56 of 2023 & Contempt Petition in IA No. 9 of 2023 : Dismissed for non-prosecution on 07.01.2025.



16. Further, the Liquidator informed that since there was a stay order<sup>6</sup> of the Hon'ble NCLT, Hyderabad Bench dated 11<sup>th</sup> January 2023 in IA No. 56 of 2023, on distribution of the money, the balance available in the liquidation account cannot be distributed and has to be parked in the bank account with any of the Secured Financial Creditors. Upon deliberations on this aspect in SCC meeting, it was decided that the available fund can be parked to the trust account of Phoenix ARC Pvt Ltd and the expenses as and when required can be incurred from the said account.
17. It is asserted that, the Liquidator opened a bank account with Indian Bank to receive funds and make payments. Since, the condonation of delay for filing the Income Tax Return for FY 2022-23 and the refund of TDS amounting to Rs 2.80 Crores are still pending, the Applicant is unable to close the account. As a result, the Liquidator has parked an amount of Rs 2,77,26,024 in the trust account of Phoenix ARC Pvt Ltd with such arrangement that Rs 50.0 lakhs of funds will be transferred to the current account of Phoenix ARC Pvt Ltd for incurring expenses related to the ongoing litigations. Going further, payments will either be made directly from the trust of Phoenix ARC Private Limited or by the Liquidator from his account against corresponding transfer received from the trust account of Phoenix ARC Private Limited. Further, the fixed deposit of balance amount of approximately Rs 2.20 Crores shall be created by Phoenix ARC Pvt Ltd and once all the ongoing litigations are concluded, the available balance shall be dealt under the liquidation process of the CD in accordance with Section 53 of the Code.
18. It is submitted that, under Regulation 45(3) of the Liquidation

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<sup>6</sup> Since the IA No 56 of 2023 has been dismissed on 07.01.2025 for non-prosecution, the stay ordered in that application, stands vacated.



Process Regulations, Final Report<sup>7</sup> and Compliance Certificate in Form-H<sup>8</sup> have been prepared.

19. It is asserted that, total assets of the CD are liquidated except an amount of Rs 2.8 Crores on account of TDS Income Tax refund, and the affairs of the CD have been completely wound up. Therefore, the present application is filed (on direction of this Tribunal order dated 03.09.2024) praying this Tribunal to;

- a. Order dissolution of the Corporate Debtor Company.
- b. Order to receive the Income Tax refund (Amount + Interest) in the trust account of Phoenix ARC Private Limited having account details as:

Account Name	:	Phoenix Trust FY 18-6
Account Number	:	3312070112
Bank Name	:	Kotak Mahindra Bank Ltd
City	:	Mumbai
Branch	:	Kalina
IFSC	:	KKBK0000631

- c. Order to discharge the Liquidator from his responsibilities.

### **Decision**

20. We have perused the contents of the Application and heard the Counsel appearing for the Liquidator. At the outset, it may be stated that Section 54 of the IBC lays down the criteria for dissolution of the Corporate Debtor.

### ***“Section 54 - Dissolution of Corporate Debtor***

*(1) Where the assets of the corporate debtor have been completely liquidated, the liquidator shall make an application to the*

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<sup>7</sup> Pages 119 to 126 of the application

<sup>8</sup> Pages 127 to 138 of the application



*Adjudicating Authority for the dissolution of such corporate debtor.*

- (2) *The Adjudicating Authority shall on application filed by the liquidator under sub-section (1) order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly.*
- (3) *A copy of an order under sub-section (2) shall within seven days from the date of such order, be forwarded to the authority with which the corporate debtor is registered”.*

21. Regulation 45 of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 reads as under:-

**“Regulation 45: Final report prior to dissolution**

- (1) *When the corporate debtor is liquidated, the liquidator shall make an account of the liquidation, showing how it has been conducted and how the corporate debtor’s assets have been liquidated.*
- (2) *If the liquidation cost exceeds the estimated liquidation cost provided in the Preliminary Report, the liquidator shall explain the reasons for the same.*
- (3) *The liquidator shall submit an application along with the final report and the compliance certificate in form H to the Adjudicating Authority for –*
  - (a) *closure of the liquidation process of the corporate debtor where the corporate debtor is sold as a going concern; or*
  - (b) *for the dissolution of the corporate debtor, in cases not covered under clause (a)”.*

22. We are satisfied that the criteria laid down under law has been fully complied with. As such, the Corporate Debtor is liable to be dissolved. Hence, we hereby order dissolution of the Corporate Debtor as under:-

- a. The Corporate Debtor **M/s Transstroy Tirupati Tiruthani Chennai Tollways Private Limited** stands dissolved from the



date of this order, in terms of Section 54(2) of IBC, 2016, and the Liquidator stands relieved.

- b. The Liquidator is directed to send the copy of this order within 7 days from the date of pronouncement to the Registrar of Companies, Hyderabad.
- c. Upon dissolution of the Corporate Debtor, the records of the Company which are in possession of the Liquidator, be handed over by the Liquidator to the IBBI.
- d. The Registry is also directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data.
- e. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
- f. In terms of the above, this application filed for dissolution of the Corporate Debtor stands disposed of accordingly. Since the Corporate Debtor stood dissolved vide this order and no proceedings are now pending, the Registry is directed to consign the file to records.

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

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

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