

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD**

SPECIAL BENCH - COURT 1 (VEDIO CONFERENCE)

PRESENT: HON'BLE SHRI BHASKARA PANTULA MOHAN – MEMBER JUDICIAL

HON'BLE SHRI VEERA BRAHMA RAO AREKAPUDI - MEMBER TECHNICAL

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 26.04.2021 AT 10:30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA No. 1043/2020 and IA No. 513,625 & 731/2020 in CP (IB) No. 369/10/HDB/2019
NAME OF THE COMPANY	Priyadarsini Ltd
NAME OF THE PETITIONER(S)	Priyadarsini Ltd
NAME OF THE RESPONDENT(S)	
UNDER SECTION	10 of IBC

Counsel for Petitioner(s):

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

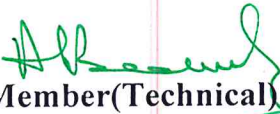
Counsel for Respondent(s):


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

ORDER

Orders passed vide separate orders in IA NO.1043/2020.

IA NO. 513,625&731/2020 are to be listed for hearing on 02.06.2021.


Member(Technical)


Member(Judicial)

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**NATIONAL COMPANY LAW TRIBUNAL
BENCH-1, HYDERABAD**

IA No. 1043 of 2020
In
CP (IB) No. 369/10/HDB/2019

Application under Section 33 (2) and 34 (1) of IBC, 2016

In the matter of **M/s Priyadarsini Limited**

Filed by

Krishnamohan Gollamudi
Resolution Professional
M/s Priyadarsini Limited
(on behalf of CoC)

...Applicant/
Resolution Professional

Date of order: 26.04.2021

Coram

Hon'ble Shri Bhaskara Pantula Mohan, Member (Judicial)
Hon'ble Shri Veera Brahma Rao Arekapudi, Member (Technical)

Appearance

For Applicant: Shri Shabeer Ahmed, Advocate

Heard on: 23.02.2021

**PER: SHRI BHASKARA PANTULA MOHAN
MEMBER (JUDICIAL)**

1. This is an Application by the Resolution Professional under Section 33 (2) AND 34 (1) of the Insolvency and Bankruptcy Code, 2016 (herein after referred to as CODE) seeking orders for liquidation of M/s Priyadarsini Limited/ Corporate Person.
2. This Tribunal vide order dated 28.02.2020 admitted the petition bearing CP (IB) No. 369/10/HDB/2019 under Section 10 of the Code initiating Corporate Insolvency Resolution Process (CIRP) of the Company. Shri





Krishnamohan Gollamudi, the Applicant herein is appointed as Resolution Professional. This Tribunal granted 90 days extension of CIRP period from 02.03.2020 to 30.05.2020. Subsequently, order of excluding covid induced lockdown w.e.f. 22.03.2020 to 31.08.2020 was issued and accordingly CIRP period was to end on 08.11.2020.

3. The CoC through e-voting held on 31.10.2020 voted in favour of liquidation of the Company by a vote of 80.19% and resolved to seek liquidation of the Corporate debtor and to appoint the Applicant herein, the RP as Liquidator of the Corporate Debtor.
4. We have heard the Applicant in the matter. The Hon'ble Apex Court in K. Sashidhar vs. Indian Overseas Bank and Ors (2019) 148 LA 497 (SC) inter-alia held that,
"The Adjudicating Authority (NCLT) is not expected to do anything more; but is obligated to initiate liquidation process under Section 33 (1) of I&B Code. The legislature has not endowed the adjudicating authority (NCLT) with the jurisdiction or authority to analyse or evaluate the commercial decision of the CoC much less to enquire into the justness of the rejection of the resolution plan by the dissenting financial creditors".
5. 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 resolution plan/proposal for revival of the Company. The CoC in its wisdom has resolved with 80.19% voting share in favour of the liquidation of the Company. This Authority has no reason before it to take a contrary view in terms of Section 33 (1) (a) of the Code. Therefore, we have no option than to pass an order for liquidation of the Company in the manner laid down in Chapter-III of the Code.

ORDER

6. The Application is accordingly allowed with the following directions:-
- (a) The Corporate Person i.e M/s Priyadarsini Limited shall be liquidated in the manner laid down in Chapter-III of the Code.
 - (b) The Applicant Mr. Krishnamohan Gollamudi, presently RP of M/s Priyadarsini Limited is appointed as Liquidator.
 - (c) He shall issue public announcement stating that the Corporate Debtor is in liquidation.
 - (d) The Moratorium declared under Section 14 of the code shall cease to operate here from.
 - (e) Subject to Section 52 of the Code, no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. 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.
 - (f) 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.
 - (g) 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 & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
 - (h) Personnel connected with the Corporate Debtor shall extend all assistance and co-operation to the Liquidator as would be required for managing its affairs.
 - (i) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
 - (j) 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.

- (k) Copy of the order shall be furnished to IBBI, to the Regional Director, Ministry of Corporate Affairs, Registrar of Companies & Official Liquidator, Hyderabad, the Registered Office of the Corporate Debtor and the Liquidator.


(VEERA BRAHMA RAO AREKAPUDI)
MEMBER (TECHNICAL)


(BHASKARA PANTULA MOHAN)
MEMBER (JUDICIAL)

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