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 16.10.2024 AT 10:30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA (IBC)/1873/2024 in CP(IB) No.416/9/HDB/2020
NAME OF THE COMPANY	Ariston Pharma Novatech Pvt Ltd
NAME OF THE PETITIONER(S)	Granules India ltd
NAME OF THE RESPONDENT(S)	Ariston Pharma Novatech Pvt Ltd
UNDER SECTION	9 of IBC

ORDER

IA(IBC)/1873/2024

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

Sd/-MEMBER (T) Sd/-MEMBER (J)

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

IA No.1873/2024 in C.P. (IB) No.416/9/HDB/2020

Under Section 35(1) (N) & Section 60(5)(C) of IB Code, 2016 R/W Regulation 45 (3)(A) of the IBBI (Liquidation Process) Regulations, 2016.

In the matter of:

M/s.Ariston Pharma Nova Tech Private Limited (Company in Liquidation)

In the matter of:

M/s.Granules India Limited

...Operational Creditor

Versus

M/s.Ariston Pharma Nova Tech Private Limited (Under Liquidation) D.No.5-5-35/136/B, Ground Floor, Prasanthi Nagar, IDA, Kukatpally, Hyderabad – 500 072.

...Corporate Debtor

Applicant:

Mr.Rajesh Chillale, Liquidator B-725, Western Plaza, H.S.Darga, OU Colony, Hyderabad – 500 008

... Liquidator

Date of Order: 16.10.2024

CORAM:

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

Counsel/Parties present:

For the Applicant : Mr.Dishit Bhattacharjee, Advocate

Per : Bench ORDER

1. This application has been filed under Regulation 45 (3) (a) of the IBBI (Liquidation Process) Regulations, 2016 by the Liquidator of the Corporate Debtor (CD) M/s.Ariston Pharma Nova Tech Private Limited seeking closure of the Liquidation process of Corporate Debtor on account of successful sale of the Corporate Debtor as a going concern.

2. **Brief Facts of the Case:**

- a) The Corporate Debtor was admitted into Corporate Insolvency Resolution Process (CIRP) by this Tribunal vide Order dated 18.01.2023 in CP(IB) No.416/9/HDB/2020 filed under Section 9 of IBC, 2016 and Mr.Manjeet Bucha was appointed as Interim Resolution Professional (IRP).
- b) On 21.01.2023, the IRP issued a public announcement in Form A through newspapers officially declaring the commencement of the CIRP and inviting claims from creditors of the Corporate Debtor. In response to this announcement, the IRP received the claims from various creditors of the Corporate Debtor and a list of creditors was prepared in accordance with the provisions of IBC. A Committee of Creditors (CoC) was formed and report certifying the constitution of the CoC was submitted to this Authority.
- c) In the 1st CoC meeting held on 16.02.2023, the IRP was appointed as Resolution Professional (RP) and the same was confirmed by this Authority vide order dated 27.03.2023. The RP conducted 11 CoC meetings in total.

d) The Resolution Plan of the Sole Resolution Applicant was not approved by the CoC and the time stipulated for the conclusion of CIRP lapsed. The CIRP failed as the CoC did not receive any viable proposal for revival of the Company.

3. <u>Commencement of Liquidation:</u>

- i. During the 11th CoC meeting held on 25.12.2023, the RP presented the resolution for Liquidation of the Corporate Debtor for the approval of the CoC. The CoC unanimously decided to initiate the Liquidation of the Corporate Debtor in accordance with Section 33(2) of the IBC. In the meeting, it was also decided to appoint Mr.Rajesh Chillale as the Liquidator of the Corporate Debtor.
- ii. This Authority vide order dated 03.04.2024 in IA(IBC) (Liq)/04/2024 in CP(IB) No.416/9/HDB/2020 allowed the application filed under Section 33 of the IBC, 2016 for liquidation of the Corporate Debtor M/s.Ariston Pharma Nova Tech Private Limited and confirmed the appointment of Mr.Rajesh Chillale as the Liquidator.
- iii. It is submitted that in pursuance of Regulation 12 of the IBBI (Liquidation Process) Regulations, 2016, public announcement was made on 06.04.2024 asking the stakeholders of M/s.Ariston Pharma Nova Tech Private Limited to submit their claims with proof by post or by electronic means.
- iv. It is submitted that pursuant to Regulation 12 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, the Public announcement was made on 06.04.2024 calling to the Stakeholders

of M/s Ariston Pharma Nova Tech Private Limited to submit their claims with proof by post or by electronic means.

- v. It is stated that, pursuant to section 40 (2) of IBC, read with Regulation 31 & 31A of Insolvency and Bankruptcy Board India (Liquidation Process) Regulations, 2019, the Liquidator prepared the list of stakeholders and has constituted the Stakeholders Consultation Committee. This Authority has taken on record, the List of Stakeholders and Constitution of Stakeholders Consultation Committee vide order dated 26.06.2024 in IA No. 1308/2024 in C.P (IB) No.416/9/HDB/2020. The details of Stake Holders, Stakeholders Consultation Committee with their voting share is given in a table on **Page No.4** of the Application.
- vi. It is submitted that pursuant to Regulation 13 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, the Liquidator has prepared the Preliminary Report and Asset Memorandum and filed the same before this Authority and the same were taken on record vide order dated 26.06.2024 in IA No. 1308/2024 in C.P (IB) No.416/9/HDB /2020 by this Authority. The 1st Progress Report for the quarter ended 30.06.2024 and the same was taken on record vide order dated 25.07.2024 in IA No.(Liq)/Progress Report/08/2024 in CP No.419/9/HDB/2020.
- vii. The Fair Value and Liquidation value of Assets available with the Company is detailed on **page No.5** of the Application. The Fair Value and the Liquidation Value is given as Rs.57,02,908/- and Rs.37,96,604/- respectively.

- 4. In the 1st SCC meeting held on 02.05.2024¹, the SCC approved the following with 66.20% voting rights:
 - a. Fixed the Reserve Price @ Rs.57.03 lakhs for sale of CD as a going concern.
 - b. Approved to see the CD as a going concern in terms of Regulation 32 A of the IBBI (Liquidation Process) Regulations, 2016.
 - c. Approved the process timelines.
 - d. Approved the process document
- 5. It is submitted that the Applicant/Liquidator made Public Announcement on 08.05.2024 in the Financial Express (All India Editions) & Mana Telangana (Telangana State Editions) inviting bids for sale of the Corporate Debtor as a going Concern under Regulation 32(e) of the Liquidation Regulations with e-auction date on 01.06.2024. The Auction notice dated 08.05.2024 and Process document dated 08.05.2024. Asset Memorandum as per Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016 was submitted and taken on record by this Authority vide order dated 26.06.2024 in IA No.1308/2024 in CP(IB) No.416/9/HDB/2020.
- 6. It is submitted that pursuant to the Sale Notice dt. 08.05.2024, the e-auction was held on 01.06.2024, Mr.Shankar Sharma emerged as the successful bidder for the sale of Corporate Debtor as a going concern for a total sale consideration of Rs.57,03,000/-. Thereafter, in compliance with Auction notice and e-auction Process Document dated 08.05.2024, the Applicant/ Liquidator issued Letter of Intent dated 01.06.2024 confirming the Sale and other terms & conditions of Sale. The successful bidder paid the entire sale

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¹ Minutes of the 1st Stakeholders Consultation Committee meeting is at Annexure -5 Pg (29-49) of the application

consideration of Rs.57,03,000/- and with interest for delayed period amounting to Rs.20,325/- totalling Rs.57,23,325/-.

- 7. It is submitted that on receipt of the full sale consideration from the successful bidder, the Liquidator transferred the Corporate Debtor to Mr. Shankar Sharma (successful bidder) as a going concern basis under Regulation 32(e) of the IBBI (Liquidation Process) Regulations, 2016 on "as is where is and whatever there is and without recourse basis and the Applicant/Liquidator issued the Sale Certificate dated 24.07.2024 in favour of the said successful bidder. Thereafter, the Applicant/Liquidator has given delivery and possession of the Corporate Debtor to the successful bidder. The successful bidder Mr. Shankar Sharma has taken the delivery & Possession of the Corporate debtor on 08.08.2024.
- 8. An IA was filed on 19.08.2024 before this Authority seeking to confirm the Sale Certificate dated 24.07.2024 in favour of the said bidder Mr.Shankar Sharma which includes but not limited to change of constitution of the Corporate Debtor, reconstitution of the Board and extinguishment of share capital of the Corporate Debtor with certain reliefs & concessions so as to enable the successful bidder to run the Corporate Debtor as a going concern without any impediment (which is pending adjudication).
- 9. The full details in respect of the Liquidation Estate and Sold Assets, total amount realized and distributed as per Section 53 of the Code (Water Fall Mechanism), Progress in Liquidation, settlement of list of stakeholders as Per Regulation 15 Sub Section 2(b)(i) and Audited Accounts of Liquidation Receipts & Payments for the period from 03.04.2024 to 16.08.2024² as per

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² Annexure – 3, Pg (26-27) of the Application.

Regulation 41 & 15(5) of IBBI (Liquidation Process) Regulation, 2016 and Closure of Liquidation Account with Canara Bank³ are given on **Page Nos.7–9** of the Application.

- 10. The Liquidator submitted that the Liquidation Process of the Corporate Debtor has been completed within one year (03.04.2024 to 17.08.2024) in compliance with Regulation 44(1) of IBBI (Liquidation Process) Regulations, 2016. The Liquidator on completion of the Liquidation process and the fact that there is no further activity to be carried out in the Liquidation Process, the Liquidator felt that the liquidation process can be closed. In this regard, Final Report⁴ and the Compliance Certificate⁵ in Form H was submitted to the Adjudicating Authority pursuant to Regulation 45 of the IBBI (Liquidation Process) Regulations, 2016 as part of closure of Liquidation.
- 11. The Liquidator submitted that as the Liquidation Process has been completed and no further activity is necessary, the present application may be allowed for Liquidation by this Authority. It is also submitted that the present application is bonafide and in the interest of justice.
- 12. It is submitted that the subject matter of the present application falls within the jurisdiction of this Tribunal as the registered office of the Corporate Debtor is situated in Hyderabad, Telangana.
- 13. It is submitted that no part of the cause of action of this application is barred by the law of Limitation. The applicant declares that the present application has been filed within the period of Limitation. It is also

³ Annexure – 4, Canara Bank Letter dated 17.08.2024- Pg (28) of the application.

⁴ Annexure – 1, Pg (13-19) of the Application.

⁵ Annexure – 5, Pg (20-25) of the Application.

submitted that this matter regarding this application is not pending before any Court of Law, Authority or any other Tribunal.

14. We heard the Counsel for the Liquidator and perused the application filed by the Liquidator under Regulation 45(3)(a) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, praying the Adjudicating Authority to order for closure of the liquidation process of the Corporate Debtor Company process is complete. The said provision reads as under:-

"Regulation 45 (3) (a): Final report prior to dissolution:

- (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.
- (b) For the dissolution of the corporate debtor, in cases not covered under clause (a)".
- 15. Upon perusal of the Final Report, it is evident that the Liquidator has sold the Corporate Debtor as a going concern, as such, it is a fit case for closure of Liquidation process.
- 16. As a sequel to the above, we hereby order closure of the Liquidation proceedings against the Corporate Debtor viz., **M/s.Ariston Pharma Nova Tech Private Limited** from the date of this Order, in terms of Regulation 45 (3) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016. Consequently, the Liquidator stands relieved.
- 17. 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 and the concerned authorities and hand over all the books and files of the

IA No.1873/2024 in C.P. (IB) No.416/9/HDB/2020

Date of Order:16.10.2024

Corporate Debtor, M/s.Ariston Pharma Nova Tech Private Limited which are in possession of the Liquidator to Mr.Shankar Sharma, the successful bidder.

- 18. The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad and concerned authorities for updating the master data.
- 19. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
- 20. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.
- 21. In terms of the above, IA No.1873/2024 in C.P.(IB) No.416/9/HDB/2020 stands disposed of accordingly.

Sd/-(Sanjay Puri) Member (Technical) Sd/-(Rajeev Bhardwaj) Member (Judicial)