



KSK Energy Ventures Limited

Registered office

8-2-293/82/A/431/A,

Road No. 22, Jubilee Hills

Hyderabad – 500033

Tel: +91-40-23559922-25

Fax: +91-40-23559930

CIN:L45204TG2001PLC057199

Date: June 21, 2021

To

The Manager,

Listing Department,

NSE Limited

Exchange Plaza, 5th Floor,

Plot No. C-1, Block-G,

Bandra Kurla Complex, Bandra (East),

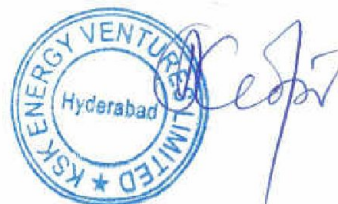
Mumbai – 400 051

Subject: Intimation U/R 30 of SEBI Listing Regulations – Change in Board of Directors in compliance with the Hon'ble NCLT, Hyderabad bench order dated April 28, 2021 in IA (IBC)/112/2021 in CP (IB) No.675/7/HDB/2018.

Reference: Security code: 532997

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (LODR) Regulations, 2015 (Listing Regulations), we wish to inform that, the Hon'ble NCLT, Hyderabad bench, vide its order dated April 28, 2021 in connection with the matter of IA (IBC)/112/2021 in CP (IB) No.675/7/HDB/2018 has reconstituted the Board of Directors.



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The new Board consists of the following directors whose profile is given below.

S.No.	Name of the Director	DIN	Designation	Category
1.	Penmetsa Ravindranath	00179939	Director	Promoter and Non-Executive
2.	Kalidindi Jhansi Lakshmi	01197993	Director	Promoter and Non-Executive
3.	Devarakonda Gopi	09114964	Director	Promoter and Non-Executive

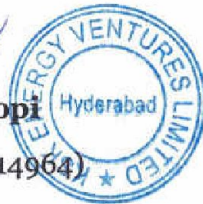
This is for your information and record.

Thanking you

Yours truly

For KSK ENERGY VENTURES LIMITED


Devarakonda Gopi
Director (DIN 09114964)





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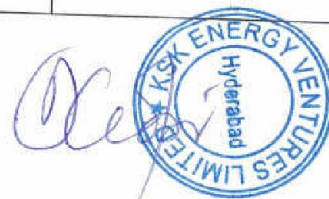
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Profile as required under regulation 30 of SEBI (LODR) Regulations, 2015

Particulars	Dr. P Ravindranath	Smt. Kalidindi Jhansi Lakshmi	Mr. Devarakonda Gopi
Reason for Change viz. appointment, resignation, removal, death etc.	Appointment vide the Hon'ble NCLT, Hyderabad bench order dated April 28, 2021 and Sale Certificate issued by the Liquidator dated March 29, 2021	Appointment vide the Hon'ble NCLT, Hyderabad bench order dated April 28, 2021 and Sale Certificate issued by the Liquidator dated March 29, 2021	Appointment vide the Hon'ble NCLT, Hyderabad bench order dated April 28, 2021 and Sale Certificate issued by the Liquidator dated March 29, 2021
Date of Appointment	March 29, 2021	March 29, 2021	March 29, 2021
Term of Appointment	N.A.	N.A.	N.A.
Shareholding, if any, in the Company	Nil	Nil	Nil
Brief Profile	Dr. P Ravindranath is MD Internal Medicine. He is the Chairman and Managing Director in Gland Chemicals Private Limited and Director in Gland Celsus Bio Chemicals Private Limited since 2020. He also has experience for strategic investment ideas that helps organizations.	Smt. Kalidindi Jhansi Lakshmi, holds a bachelor's degree in Arts from Osmania University, Hyderabad, Telangana. She is a Director in Gland Celsus Bio Chemicals Private Limited since 2020. She has good experience in administrative matters	Mr. Devarakonda Gopi, holds a bachelor's degree in commerce from Nagarjuna University, Andhra Pradesh. He is also an associate member of the Institute of Chartered Accountants of India. He has over 14 years of experience in finance.





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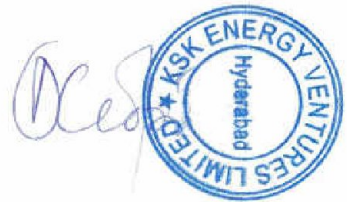
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CIN:L45204TG2001PLC057199

Disclosure of relationship between Directors	Not related to any other Director except with Smt. Kalidindi Jhansi Lakshmi (Sister)	Not related to any other Director except with Dr. Penmetsa Ravindranath (Brother)	Not related to any other Director
Affirmation that the Director being appointed is not debarred from holding of office of Director by virtue of any order of SEBI or any other such authority	We affirm that none of the aforementioned directors are not debarred from holding the office of director by virtue of any order of SEBI or any other such authority.		



**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 28.04.2021 AT 10:30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA (IBC)/112/2021 in CP (IB) No. 675/7/HDB/2018
NAME OF THE COMPANY	KSK Energy Ventures Ltd
NAME OF THE PETITIONER(S)	IFCI Ltd
NAME OF THE RESPONDENT(S)	KSK Energy Ventures Ltd
UNDER SECTION	7 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 in IA (IBC)/112/2021 vide separate sheets.



MEMBER (TECHNICAL)



MEMBER (JUDICIAL)

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

IA No. 112 of 2021

in

CP (IB) 675/7/HDB OF 2018

APPLICATION FILED UNDER SECTION 60(5)(c) OF THE INSOLVENCY
AND BANKRUPTCY CODE, 2016, R/W RULE 11 OF NCLT RULES, 2016

In the matter of:

KSK Energy Ventures Limited (in liquidation as going concern)

Gland Celsus Bio Chemicals Private Limited,
Flat No. 301, Greenland Apartments,
Ameerpet, Hyderabad,
Telangana India, 500016.

...Applicant/Successful Bidder

KSK ENERGY VENTURES LIMITED
(in Liquidation as Going concern)
Represented by its Liquidator Mr. Krishna Komaravolu
8-2-293/82/A/431/A, Road no 22,
Jubilee Hills Hyderabad - 500033,
Telangana, India

...Respondent/Liquidator

Date of order: 28.04.2021

Coram:

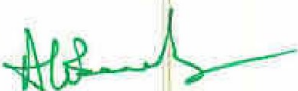
Hon'ble Shri Bhaskara Pantula Mohan, Member (Judicial)
Hon'ble Shri Veera Brahma Rao Arekapudi, Member (Technical)

Appearance:

For Applicant: Shri Krishna Grandhi, assisted by Shri C.V. Nitin
Koushik, Advocates

For Respondent: Shri M. Maharshi Vishwaraj, Advocate

Heard on: 23.03.2021



**PER: SHRI VEERA BRAHMA RAO AREKAPUDI
MEMBER (TECHNICAL)**

1. This Application is filed under Section 60 (5) of Insolvency & Bankruptcy Code, 2016 by successful bidder in the E-auction for the sale of assets of the Corporate Debtor as a going concern by the Liquidator who is arrayed as Respondent No.2 herein.
2. This Tribunal by an order dated 04.09.2019 ordered initiation of Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor M/s KSK ENERGY VENTURES LIMITED and Mr. Sai Ramesh Kanuparthi was appointed as the Resolution Professional ("RP").
3. In the absence of a successful Resolution Plan, liquidation order was passed under Section 33 (1) of the Code on 02.11.2020 by appointing Shri Krishna Komaravolu, the Applicant herein as Liquidator.
4. The Liquidator invited bids for the sale of the Corporate Debtor as a "going concern" by E-auction sale notice dated 09.02.2021. Subsequently on 17.02.2021 a corrigendum to the e-auction sale notice was issued in which the timelines for various processes were extended by the Liquidator. The Applicant had submitted its Bid Application Form supported with relevant and required documents including payment of Rs. 1,07,96,456/- as EMD on 02.03.2021 to the Liquidator. The Liquidator had confirmed the Applicant herein as successful bidder vide email dated 06.03.2021. It is further submitted that the entire control of the Corporate Debtor would be transferred to the Applicant/bidder on payment of balance consideration.
5. That the Applicant is only short of paying the balance consideration for acquiring the Corporate Debtor as a going concern under the provisions of the Code and that the entire control of the Corporate Debtor would be transferred to the Applicant / bidder with effect from the Transfer Date i.e. that date pursuant the Applicant/Bidder successfully pays the balance consideration.
6. In this backdrop, the Applicant preferred this instant application seeking the following reliefs:-
 - (1) To accord permission to the Applicant to pay/adjust the Sale Consideration of INR 109,964,559/- (Indian Rupees Ten crores ninety-nine lakhs sixty-four thousand five hundred and fifty-nine only) by way of investment into the equity shares of the

Corporate Debtor. A direction be issued that upon payment of the Consideration, the Corporate Debtor, without requirement of any further act, deed or thing, shall allot 10,996,456 shares at a face value of INR 10/- each to the Applicant and its shareholders, which shall constitute 100% of the equity of the Corporate Debtor, and such allotment shall be deemed to have been made in accordance with Applicable Laws. On the Transfer Date, pursuant to the Consideration received from the Applicant, the Corporate Debtor shall issue and allot new equity shares to the persons as prescribed herein below and the same shall be the shareholding pattern of the Corporate Debtor as on the Transfer Date post cancellation of existing share capital of the Corporate Debtor (held by Promoter Group as well as Public shareholders):

S. No.	Name of Proposed Shareholder	No. of shares to be allotted (of INR 10 each)
1	Gland Celsus Bio Chemicals Pvt. Ltd.	53,88,260
2	K P Advisory Services LLP	53,33,280
3	Empower Discretionary Trust	2,74,912
4	Dhananjaya Discretionary Trust (nominee on behalf of K P Advisory Services LLP)	1
5	Markanday Discretionary Trust (nominee on behalf of K P Advisory Services LLP)	1
6	Raghu Discretionary Trust (nominee on behalf of Gland Celsus Bio Chemicals Pvt. Ltd.)	1
7	Valar Capital Advisory LLP (nominee on behalf of Gland Celsus Bio Chemicals Pvt. Ltd.)	1

- (2) A direction to all the existing shares (held by Promoter Group as well as Public shareholders) of the Corporate Debtor shall be extinguished without any consideration, and rights and liabilities arising out of the same shall also be extinguished, and there shall be no requirement to add "and reduced" in the name of the Corporate Debtor;
- (3) A direction be issued to allow the delisting of shares of the Corporate Debtor w.e.f. 1 April 2021 or the date of order of approval of this application by the Adjudicating Authority, whichever is later, without any further actions, steps, deeds or any approvals from stock exchanges, Securities & Exchange Board of India and any other regulatory authority and without being required to take any action under any SEBI Regulations including delisting regulations, takeover code regulations, etc;
- (4) A direction that upon the sanction of this application and the same becoming effective, the following shall be deemed to have occurred and become effective and operative only in the sequence and the order mentioned hereunder: first (1) Issue of shares by the Corporate Debtor to the Applicant and its affiliates; followed by (2) Cancellation of all existing shares (being the shares held by existing Promoter Group and public shareholders) prior to issue of shares by the Corporate Debtor as stated above.; and finally (3) Delisting of shares w.e.f. 1 April

2021 or the date of order of approval of this application by the Adjudicating Authority, whichever is later.

- (5) A direction that all the exemptions available to a resolution plan approved under the IBC Code shall also be available to the Acquisition made by the Applicant of the Corporate Debtor, including but not limited to the following:
- (i) the exemption available under Regulation 158(2) of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 to the issuance of shares on preferential basis pursuant to a resolution plan approved under the IBC Code shall be available for issuance of shares by the Corporate Debtor to the Applicant (along with its nominees);
 - (ii) the relaxation available under Regulation 170 of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 to allot shares on beyond 15 days pursuant to a resolution plan approved under the IBC Code shall be available for issuance of shares by the Corporate Debtor to the Applicant (along with its nominees);
 - (iii) the exemption available under Regulation 3(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 from making a public announcement of an open offer pursuant to a resolution plan approved under the IBC Code shall be available for issuance of shares by the Corporate Debtor to the Applicant (along with its nominees);
 - (iv) the exemption available under Regulation 3(3) of SEBI (Delisting of Equity Shares) Regulations, 2009 from providing exit opportunity to the shareholders in relation to delisting pursuant to a resolution plan approved under the IBC Code shall be available for delisting of shares by the Corporate Debtor.
- (6) A direction that immediately upon payment of the entire Sale Consideration, the Applicant get all the rights, title and interest in the whole and every part of the Corporate Debtor, including but not limited to contracts, free from security interest, encumbrance, claim, counter claim or any demur, and the Sale Consideration shall be distributed by the Liquidator in terms of the Section 53 of the Code;
- (7) A direction that on and from the Transfer Date, all the claims or demands made by, or liabilities or obligations owned or payable to any actual or potential creditors Financial Creditors, Operational Creditors, Workmen & Employees of the Corporate Debtor including the Government Dues (including but not limited to liabilities, interest and penalties, duties, etc. on account of income-tax, tax deduction at source, tax collection at source, goods and services tax, custom duty, value added tax, service tax, wealth-tax, cess, DGFT dues, FEMA, RBI regulations/guidelines etc.) whether direct or indirect, whether admitted or not, due or contingent, asserted or unasserted, crystalized or uncrystalized, known or unknown, secured or unsecured, disputed or undisputed in relation to any period

- prior to the Transfer Date will be written off in full and shall stand permanently extinguished;
- (8) A direction that the all inquiries, investigations, assessments, notices, causes of action, suits, claims, disputes, litigations, arbitration, or other judicial, regulatory or administrative proceedings against, or in relation to, or in connection with the Corporate Debtor or the affairs of the Corporate Debtor (other than against the Erstwhile Promoters or former members of the management of the Corporate Debtor), pending or threatened, present or future, in relation to any period prior to the Transfer Date or arising on account of the Acquisition shall be deemed to be withdrawn or dismissed;
- (9) A direction that all financial and pecuniary liabilities of the Corporate Debtor, (including without limitation, any penalty, whether contingent, assessed, known or unknown, interest, fines or fees and any other liabilities and/or obligations which may have a financial impact) in relation to any period prior to the Transfer Date shall be deemed to be extinguished;
- (10) A direction that any Claim that may arise post the Transfer Date including Claims under Applicable Law, contract, judicial / quasi-judicial proceedings, disputed or undisputed, crystallized or otherwise which relate to the period on or prior to the Transfer Date shall pose no additional liability (whether financial, contractual, performance or otherwise) on the Applicant or Corporate Debtor;
- (11) A direction that any Claim made under any guarantees issued by the Corporate Debtor on behalf of any third party(ies) shall stand extinguished on the Transfer Date and the beneficiaries of such guarantees shall be expected to recover the monies with respect to uninvoked guarantees from the principal borrower and for any shortfall, they shall not have any recourse against the Corporate Debtor and/or the Applicant;
- (12) A direction that any non-compliance of provisions of any laws, rules, regulations, directions, notifications, circulars, guidelines, policies, licenses, approvals, consents or permissions as applicable on the Corporate Debtor including but not limited to any liability arising out of non-compliance under the provisions of Companies Act, 1956 and the Companies Act, 2013, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Securities Exchange Board of India Act, 1992, Foreign Exchange Management Act, 1999 and under various labour legislations, prior to the Transfer Date shall be deemed to be extinguished;
- (13) A direction that on and from the Transfer Date, the status of the Corporate Debtor in the records of the Registrar of Companies should be reflected as 'active' from the status of 'liquidation' .
- (14) A direction that from the Transfer Date, the Board of Directors of the Corporate Debtor be re-constituted as per the Companies Act, 2013 and that the following individuals be permitted to act as Directors of the Corporate Debtor duly appointed under the provisions of the Companies Act, 2013, and direct the Registrar of Companies to do all such acts, deeds and things that are necessary to appoint the following individuals as directors of the Corporate Debtor, who are individuals recommended by the Applicant, in order to enable the Corporate Debtor to file relevant returns required by applicable law:

Name of the Proposed Directors	DIN
Penmetsa Ravindranath	00179939
Kalidindi Jhansi Lakshmi	01197993
Devarakonda Gopi	09114964

- (15) A direction that the Financial Creditors shall release all the charges with Registrar of Companies ('ROC'), post receipt of payment by such Financial Creditors under the Liquidation process;
- (16) A direction that any event of default having occurred on part of the Corporate Debtor under any of the financing documents entered into by the Corporate Debtor on its own behalf or on behalf of subsidiaries (if any), joint ventures or associates to secure or guarantee any of their liabilities, prior to the Transfer Date, shall be waived in entirety and all rights under the existing finance documents in relation thereto shall stand extinguished;
- (17) A direction that all notifications with regards to defaults filed with Credit Information Bureau (India) Limited any information utility, RBI or any other regulatory authority for and on account of Corporate Debtor shall be withdrawn by the respective Financial Creditors and any invocation or enforcement action already undertaken before Debt Recovery Tribunal against the Corporate Debtor and any of its assets, at any time prior to the Transfer Date, shall stand automatically revoked and cancelled and deemed null and void and Financial Creditors shall take requisite action to ensure that all such pending matters before the Debt Recovery Tribunal shall stand withdrawn. Further, on and from the Transfer Date, all accounts of the Corporate Debtor shall stand regularized and their asset classification shall be "standard" for the purposes of all Applicable Laws;
- (18) A direction that all subsisting consents, licenses, approvals, rights, entitlements, benefits and privileges whether under law, contract, lease or license, granted in favour of the Corporate Debtor or to which the Corporate Debtor is entitled to shall, notwithstanding any provision to the contrary in their terms and irrespective of the commencement of the insolvency/liquidation proceedings under the Code, in relation to the Corporate Debtor be deemed to continue without disruption, for the benefit of the Corporate Debtor and all additional licenses, registrations and consents required by the Corporate Debtor be made available immediately from the Date of the Acquisition;
- (19) A direction that the Corporate Debtor shall have a right to review and terminate any contract that was entered into prior to the date of the Liquidation Order;
- (20) A direction that on and from the Transfer Date, all the assets (including any receivables but excluding the restricted cash/cash equivalents amounting to INR 92,455,262/- (Indian

Rupees Nine crores Twenty-Four lakhs fifty-five thousand two hundred and sixty-two only), shall continue to be the assets of the Corporate Debtor, towards which the Applicant has made payment by way of the Sale Consideration;

- (21) A direction that upon approval of this application by the Adjudicating Authority, all the Brands (including Brand Name "KSK"), IPRs (Intellectual Property Rights) belonging to the Corporate Debtor shall remain vested with the Corporate Debtor. The Existing Promoters/Existing Guarantors, erstwhile Promoters or any member, associate of the Existing and Erstwhile Promoter groups shall be restrained to do any business directly or indirectly in connection with the products and services presently offered by Corporate Debtor ("Corporate Debtor Business") by using, directly or indirectly, any of the IPR owned by the Corporate Debtor including but not limited to brand name, drawing, design, engineering, schemes, diagrams, tools, dies etc. developed or procured in the past by Corporate Debtor directly or indirectly. In addition, the Existing Promoter Group or Erstwhile Promoters, Existing Guarantors or any member/ associate of Existing Promoter Group or Erstwhile Promoters and Promoter groups shall also be restrained from transferring any such IPR to any other person whether related to them or not.
- (22) A direction that nothing under this Acquisition shall affect the rights of the Corporate Debtor to recover any amounts due to the Corporate Debtor from any third party (including any Related Party) and there shall be no set off of any such amounts recoverable by the Corporate Debtor or any liability extinguished pursuant to the Acquisition.
- (23) A direction to the Liquidator to cooperate with, and provide all necessary support and assistance to the Applicant, including but not limited to perfecting /amending/ modifying/ creating the land records in relation to all parcels of land, the immovable properties and assets, belonging to the Corporate Debtor in favour of the Corporate Debtor within 15 days from Transfer Date;
- (24) a direction to the Liquidator to, immediately, (i) write back all the liabilities of the Corporate Debtor, including creditors, term loans, working capital loans, tax liabilities, other statutory liabilities, etc. which are not payable and reflect the total liabilities at the amount of the consideration (as reduced by the amount of insolvency resolution process costs and the liquidation costs) determined in the auction; and (ii) the assets which are not recoverable (debtors, inventories and loans and advances, etc.) should be written down to their realizable value; in the financial statements (Profit and Loss Account and the Balance Sheet) of the Corporate Debtor as on 31st March 2021. The said financial statements should be prepared and filed by the Liquidator with the relevant regulators such as Registrar of Companies, Income Tax Authorities, etc.;
- (25) A direction to the Liquidator that all the compliances for the period up to the Transfer Date including filing of necessary

documents and returns with the Registrar of Companies, Income Tax Authorities any other Government Authorities should be completed;

- (26) A direction that the brought forward tax losses of the Corporate Debtor be permitted to be carried forward and set-off against future income as change of shareholding of the Corporate Debtor is pursuant to the bid submitted by the Applicant under the E-Auction Process;
- (27) The bid submitted by the Applicant should be considered to be a resolution plan under Section 79 of the Income Tax Act, 1961;
- (28) A direction that the brought forward tax losses of the Corporate Debtor be permitted to be carried forward and set-off against future income as change of shareholding of the Corporate Debtor is pursuant to the bid submitted by the Bidder pursuant to the Process Document.
- (29) A direction that the Corporate Debtor and the Bidder shall not be liable for any Taxes and shall be granted an exemption from all Taxes, levies, fees, transfer charges, transfer premiums, and surcharges that arise from or relate to the Acquisition, since payment of these amounts may make the Acquisition unviable. Any reference to Taxes shall include any transfer premiums or charges, change of ownership/ Control charges payable in connection with the Acquisition and the consequent change in ownership and Control of the Corporate Debtor. Further:
 - (a) All the assessments, proceedings, demand notices, penalty proceedings, show-cause notice and appeals, whether completed or uncompleted, initiated or not initiated with respect to Income Tax, Central Sales Tax, GST, VAT, CENVAT, MODVAT, Customs and any other applicable Taxes under any applicable Laws, shall be deemed to have been completed and closed and the Bidder and/or the Corporate Debtor shall not be liable to pay any Taxes or interest or penalty or any prosecution arising out of such assessments or adjust its taxable income or brought forward losses under Income-tax Act, 1961 pertaining to any period prior to the Transfer Date including but not limited to claim arising out of any notice or order received by Corporate Debtor pertaining to any period prior to Transfer Date having an impact on the taxable income, brought forward losses and/or Tax payable by the Corporate Debtor on account of following reasons or other reason not listed below.
 - (b) Any non-compliance in relation to filing of Income-Tax Return under Section 139 of Income-tax Act, 1961 including any other forms as required to be filed by Corporate Debtor under provisions of Income-Tax Act, 1961
 - (c) A direction be issued that the requirement of obtaining a no objection certificate under section 281 of the Income-tax Act, 1961 and provisions of taking over its predecessor's Tax liability under section 170 of the Income-tax Act shall not be applicable. Further, the transaction shall not be treated as void under section 281 of the Income Tax Act, 1961 for any claims in

respect of Tax or any other sum payable by the Corporate Debtor or any shareholder of the Corporate Debtor. Similarly, any requirements to obtain waivers from any Tax Authorities including in terms of Section 79 and Section 115JB and any other provision of the Income Tax Act, 1961 is deemed to have been granted on the Transfer Date.

- (d) A direction be issued that the Adjudicating Authority be pleased to give or issue necessary directions, instructions to the Central Board of Indirect Taxes ('CBDT') and Customs and State GST authorities to exempt income / gain / profits, if any, arising as a result of giving effect to the Acquisition and from being subjected to income tax in the hands of the Corporate Debtor or the Bidder under the provisions of value added tax, customs, octroi, excise duty, service tax, goods & services tax, Income-tax Act including but not limited to any income tax and Minimum Alternate Tax (MAT) liability arising on capital reduction in Corporate Debtor, consolidation of share capital of Corporate Debtor, write off/ write down of current amounts due to employees, vendors, Operational Creditors, Financial Creditors, value of assets, value of inventories, etc. without any impact on brought forward tax and book loss / depreciation; and waive all liabilities whether crystallized or not in respect of Taxes (including interest and penalty) arising in respect of periods up to the Transfer Date.
- (30) Pass an order to provide the Bidder 100% exemption on stamp duty and registration fee and local taxes and levies imposed by the appropriate Governments, applicable in respect of any transaction required to be undertaken pursuant to this acquisition, and taxes thereon.

7. Reply is filed by the Liquidator. The Liquidator submits that the E-auction Process Document stated that the sale of the Company is on "going concern" basis in accordance with the provisions of the Code, IBBI (Liquidation Process) Regulations and E-Auction Process Information Documents. He further stated that the proposed sale of the Corporate Debtor on a going Concern basis shall not entail transfer of any title, except the title which the Company had on its assets as on the date of transfer. The Reserve Price has been fixed at Rs. 10,79,64,559/- excluding restricted cash. In response to the E-auction notice in newspapers, three parties including the Applicant herein expressed their interest in participating in the bid. Since the Applicant's bid amount is more than the Reserve Price, the Applicant was considered as successful bidder (H1) and the same communicated to the Applicant by the Liquidator on 06.03.2021.
8. The Liquidator would further aver that in the instant case, the Corporate Debtor is being sold on a going concern basis which is more or less in the nature of resolution of the Corporate Debtor as

such he has no objection if the prayers sought for are allowed by the Tribunal.

9. We heard the Counsel for Applicant and Counsel for Liquidator. The Learned Counsel would contend that the Applicant purchased the Corporate Debtor as a going concern. The Liquidator can sell the assets of the Corporate Debtor during liquidation in any of the modes stated in Regulation 32 of Liquidation Process Regulations. The Applicant purchased the Corporate Debtor as a going concern with a view to run the business and that in order to run the Company as a going concern, the Purchaser/Applicant herein is entitled to have certain reliefs stated above. The Liquidator has filed his reply stating that the assets of the Corporate Debtor is ordered to be sold as on going concern as it will fetch more value. The Liquidator also stated that the bid amount is more than the liquidation value. Already Applicant has deposited Rs. 1,07,96,456/-. In order for the Applicant to kick start the business and follow the law laid down under the Companies Act, 2013, it is imperative for the Tribunal to grant necessary reliefs.
10. There is no specific provision in the Code with respect to "Sale of the Company as a going concern". The Hon'ble Supreme Court judgement in the matter of ArcelorMittal India Private Limited Vs Satish Kumar Gupta and others has referred to Regulation 32 of the Liquidation Process Regulations which states that the Liquidator may also sell the Corporate Debtor as a 'going concern'.
11. Since the decision to sell the Corporate Debtor as a going concern is taken by the Liquidator in consultation with the creditors / stakeholders and the proceeds from the sale of assets are going to be utilized for distribution to the creditors in the manner specified under Section 53 of the Code, all the creditors of the Corporate Debtor get discharged and the assets are transferred free of any encumbrances.
12. The Applicant has further relied on the following judgements to buttress its case:-
 - i) NCLT Hyderabad Bench-1 order in the matter of Bank of India vs Southern Online Bio-Technologies Ltd passed in CP(IB) No. 343/7/HDB/2018.

- ii) NCLT Mumbai Bench order passed in IA No. 2264/2020 in CP (IB) No. 1239/MB/2018 in the matter of Topworth Pipes & Tubes Pvt Ltd.
13. Hence, by relying on the said judgement of Hon'ble Supreme Court stated supra, as the Corporate Debtor is being sold as a ongoing concern, it is a fit case to grant certain reliefs in favour of the Applicant / purchaser.
14. As a sequel to the above discussions and documents placed on record and submissions made by the Learned Counsel for the Applicant and the Liquidator, we pass the following orders:-

ORDER

- (1) Permission is accorded to Applicant to pay/adjust the sale consideration of Rs. 109,964,559/- by way of investment into the equity shares of the Corporate Debtor and upon payment of consideration, the following shall be deemed to have occurred and become effective and operative in the sequence and order mentioned here under:

- (a) the Corporate Debtor shall allot 10,996,456 shares at a face value of Rs. 10/- each to the Applicant and its shareholders which shall constitute 100% of the equity of the Corporate Debtor and such allotment to be made in accordance with Applicable laws as under:-

S. No.	Name of Proposed Shareholder	No. of shares to be allotted (of INR 10 each)
1	Gland Celsus Bio Chemicals Pvt. Ltd.	53,88,260
2	K P Advisory Services LLP	53,33,280
3	Empower Discretionary Trust	2,74,912
4	Dhananjaya Discretionary Trust (nominee on behalf of K P Advisory Services LLP)	1
5	Markanday Discretionary Trust (nominee on behalf of K P Advisory Services LLP)	1
6	Raghu Discretionary Trust (nominee on behalf of Gland Celsus Bio Chemicals Pvt. Ltd.)	1
7	Valar Capital Advisory LLP (nominee on behalf of Gland Celsus Bio Chemicals Pvt. Ltd.)	1

- (b) Cancellation of all existing shares (being the shares held by existing promoter Group and Public Shareholders) prior to issue of shares by the Corporate Debtor as stated above.
- (c) Delisting of shares of the Corporate Debtor with effect from this date.

- 2) The Applicant/Corporate Debtor is exempted under Regulation 158(2) and relaxation available under Regulation 170 of SEBI (Issue of Capital & Disclosure Requirement) Regulations, 2018, exemption available under Regulation 3(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Regulation 3(3) of SEBI (Delisting of of Equity Shares) Regulations, 2009. The Applicant/Corporate Debtor is exempted to comply with SEBI regulations as otherwise would be required to be complied in order to give effect to the acquisition by the Applicant of taking control over entire share capital and management of the Corporate Debtor including but not limited to the cancellation / extinguishment of existing share capital, issuance of new shares to the Applicant and delisting of the Corporate Debtor from the stock exchanges and any other compliance related or ancillary thereto.
- 3) The Applicant shall get all the rights, title and interest over whole and every part of the Corporate Debtor, including but not limited to contracts free from security interest, encumbrance, claim, counter claim or any demur. The sale consideration, when received shall be distributed by the Liquidator in terms of Section 53 of the Code.
- 4) The Applicant shall not be responsible for any other claims, liabilities or obligations, under any guarantees, etc. payable by the Corporate Debtor as on this date to the creditors or any stakeholders including the Government dues. All the liabilities of the Corporate Debtor as on date stands extinguished, qua the Applicant.
- 5) Any proceedings pending against the Corporate Debtor (other than against the erstwhile promoters or former members of the management of the Corporate Debtor) as on date with respect to its liabilities / inquiries / investigations / assessment / claims / disputes/ litigations etc shall not have any bearing against the assets sold in the process. The said assets are free from any financial implications arising out of any pending proceedings before relevant authorities, if any. Further non-compliance of provisions of any laws, rules, regulations, directions, notifications, circulars etc on the Corporate Debtor

under various Acts and Regulations stands extinguished, qua the Applicant.

- 6) Relief sought at Para 6 (18) stated supra is allowed subject to payment of renewal fees, if any, from this date to the Licensing Authorities.
- 7) The Applicant / Corporate Debtor shall have the right to review and terminate any contract that was entered into prior to the date of this order.
- 8) The assets specified in the e-auction memorandum, on payment of the consideration shall vest with the Applicant. All the Brands (including Brand Name "KSK"), Intellectual Property Rights belonging to the Corporate Debtor shall remain vested with the Corporate Debtor and existing promoters/guarantors, erstwhile promoters or any member, associate of the Existing and Erstwhile promoter groups is hereby restrained from doing any business directly or indirectly in connection with the products and services presently offered by the Corporate Debtor and transferring any such IPR to any other person whether related to them or not.
- 9) The Applicant/Corporate Debtor, pursuant to acquisition, shall have the right to recover any amounts due to the Corporate Debtor from any third party (including any related party) and there shall be no set off of any such amounts recoverable by the Corporate Debtor or any liability extinguished.
- 10) The Applicant shall not be held responsible/liable for any of the past liabilities of the Corporate Debtor. The Liquidator and Applicant shall take all the steps required to make accounting entries for the smooth transmission and clearing the balance sheet.
- 11) The Liquidator is directed to ensure completion of pending filings with the Registrar of Companies, Income Tax Authorities and any other Government/ Statutory Authorities.
- 12) The Corporate Debtor is entitled to get the benefits of brought forward losses, if any, subject to permission of the appropriate authority, if so entitled under the relevant provisions of the Income Tax Act, 1961.
- 13) As far as the prayer for considering the bid submitted by the Applicant as Resolution Plan under Section 79 of Income Tax

Act, 1961 is concerned, the Applicant may approach the authority concerned who would consider such request under the Income Tax Act.

- 14) The Liquidator is directed to provide all support and assistance to the Applicant for the smooth functioning of the Corporate Debtor to complete the acquisition.
- 15) With regard to relief sought directing CBDT, customs and State GST Authorities and other statutory authorities to exempt income/gain/profits if any, arising pursuant to acquisition of Corporate Debtor and further with regard to exemption from stamp duty and tax liability, it is open to the Applicant to approach the authorities concerned and it is for the authorities to consider the request of the Applicant for exemption since Applicant purchased the Corporate Debtor Unit as ongoing concerned during liquidation.

15. This IA is accordingly disposed of.


(Veera Brahma Rao Arekapudi)
Member (Technical)


(Bhaskara Pantula Mohan)
Member (Judicial)

Binnu