

VALECHA ENGINEERING LIMITED
(AN ISO 9001 - 2008 COMPANY)



Dear Sir/ Madam,

BSE Limited
Phiroze Jeejeeboy Towers,
Dalal Street, Fort,
Mumbai - 400 001.
BSE Script Code: 532389

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai - 400 051.
NSE Script : VALECHAENG

Dear Sir/ Madam,

22.12.2021

SUB: OUTCOME OF BOARD MEETING HELD ON 22.12.2021.

Pursuant to Regulation 30 & other applicable Regulations, if any, of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, we wish to inform you that the Board of Directors in their meeting held today i.e. **22.12.2021** has inter alia consider and approved the following agenda Items.

The Bombay High Court vide order dated **21.12.2021** (attached herewith) the status of the Company stands changed from Liquidation to Going Concern. Kindly refer the said order, page no. **5, b)** Reproduce as under.

"Subject to compliance of the aforesaid deposit, the orders of admission dated 7th April 2017 and 30th January, 2018 along with the orders of winding up dated 1st March, 2018 and 26th April, 2018 are recalled /revoked".

At present, we have 3 directors:

1. Mr. Tejas Deshpande (Non-Executive and Independent Director)
2. Mr. S. N. Kavi (Non-Executive and Independent Director)
3. Mrs. Lalna Takekar (Non-Executive Director)

Pursuant to Regulation 17 of SEBI (LODR) 2015, the Board has approved the appointment of following 3 Directors, as Additional, Non-Executive and Independent Directors.

1. Ms. Chetna Verma DIN : 08981045
2. Mr. Achal Kapoor DIN : 09150394
3. Ms. Bharti Ranga DIN : 06864738

The meeting of the board of the directors commenced at 3:45 p m and concluded at for 4:25 p m. kindly acknowledge the recipe and update the same in your records.

Thanking you,
Yours faithfully,

FOR **VALECHA ENGINEERING LIMITED**


(VIJAYKUMAR H MODI)
COMPANY SECRETARY & LEGAL

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INTERIM APPLICATION (L) NO. 28359 OF 2021
IN
COMPANY PETITION NO. 761 OF 2015
AND
COMPANY PETITION NO. 173 OF 2016

State Bank of India	.. Applicant
Vs.	
The Official Liquidator, High Court, Bombay	.. Respondent
IN THE MATTER BETWEEN	
M/s. Siemens Financial Services Pvt. Ltd.	..Petitioner
Vs.	
M/s. Valecha Engineering Ltd.	..Respondent
&	
Anjali Singh, Proprietrix, M/s. Implex India	..Petitioner
Vs.	
M/s. Valecha Engineering Ltd.	..Respondent

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Shanay Shah for O.L.

Karl Tamboly with Nidhi Singh & Zoheb Khatri i/b India Law LLP for
Petitioner No.1.

Cyrus Ardeshir with Amir Arsiwala, Kunal Kanungo, Abhishek Birthray
& Rahul Punjabi i/b S. Venkateshwar for Applicant in IAL/17973/21 &
IAL/25053/2021.

Subir Kumar with Salonee Patil i/b SDS Advocates for Applicant in IAL/
27635/21 & IAL/28359/2021.

Prateek Seksaria with Kunal Kanungo, Abhishek Birthray & Rahul
Punjabi i/b S. Venktateshwar for the Applicant in CSDL/25113/21.

Mahendhar Aithe, Company Prosecutor is present.

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CORAM :- B.P. COLABAWALLA, J.

DATE :- DECEMBER 17, 2021.

P. C.:

1. This Interim Application has been filed by State Bank of India who is a secured financial creditor of Valecha Engineering Ltd. (In liquidation) seeking transfer of Company Petition No. 761/2015 and Company Petition No. 173/2016, pending before this Court to the National Company Law Tribunal, Mumbai Bench (for short “ NCLT”) in accordance with the provisions of Section 434 (1)(c) of the Companies Act, 2013 read with the Companies (Transfer of Pending Proceedings) Rules, 2016.

2. The above Petitions were admitted by this Court vide orders dated 7th April, 2017 and 30th January, 2018 respectively. Thereafter, the Company was ordered to be wound up vide orders dated 1st March, 2018 and 26th April, 2018. Being aggrieved by these orders, the Company filed Appeals bearing Appeal (L) No. 126/2018 and Appeal (L) No. 535/2018 respectively. However, both the Appeals were dismissed by a Division Bench of this Court vide a common order dated dated 5th March, 2021/ 9th March, 2021. Being aggrieved by the order passed by the Division Bench, the Company preferred a SLP before the Hon’ble Supreme Court. The Special Leave Petition (for short “SLP”) was not entertained by the Supreme Court and disposed of vide its order dated 30th

April, 2021. However, in the said order, liberty was granted to the Company to present a formal petition/application for a scheme of settlement/arrangement.

3. Accordingly, one of the share holders of the Company (Valecha Investment Pvt. Ltd) holding 17.77% of the total equity shares of the Company, propounded a scheme of arrangement/compromise before this Court. They also filed Company Summons (L) No. 25113/2021 seeking appropriate directions to call for a meeting of stakeholders of the Company.

4. According to the Ex-directors of the Company as well as SBI, the Company is a construction and infrastructure development company and is a going concern which according to the Ex-directors of the Company and SBI, is evident from the following facts and figures:

“a. The assets of the Company were valued at Rs. 892.02 crores in the financial year 2019-20 as per the audited balance sheet for the financial year 2019-20.

b. The Company has positive net worth which is evident from the audited balance sheet for the financial year 2019-20.

c. The Company holds running contracts worth Rs. 2189.31 crores out of which executed contracts are worth Rs. 826.67 crores and performances of contracts worth Rs. 1362.64 crores is in progress.

d. The Company employs approximately 886 persons (around 150 on its payrolls and in excess of 700 contract labours).

e. The Company for the past over four decades has successfully carried out numerous infrastructure development projects such as bridges, roads, pile foundation, canals, tunnels, dams, airports, flyovers as well as water and sewerage supply schemes which benefit the public at large."

5. It is in this brief factual background that I have heard Mr. Tamboly, the learned Advocate appearing on behalf of the original Petitioner, Mr. Subir Kumar, the learned Advocate appearing on behalf of the Applicant (SBI), Mr. Shah for the Official Liquidator and Mr. Seksaria for Valecha Investment Pvt. Ltd. (shareholder of the company in liquidation). None of the parties before me have objected to the above company petitions being transferred to the NCLT. This is for the simple reason that no irreversible steps have been taken by the Liquidator to refuse the transfer of the above petitions as laid down by the Hon'ble Supreme Court in the case of *Action Ispat and Power Pvt. Ltd. Vs. Shyam Matalics and Energy Ltd. (2021) 2 SCC 641* and in the case of *A. Navinchandra Steels Pvt. Ltd. Vs. Srei Equipment Finance Ltd. Ors (2021) 4 SCC 435*.

6. In these circumstances, the following order is passed;

- a) Subject to the Applicant (SBI) depositing a sum of Rs. 6,19,265/- with the Official Liquidator and which is for the expenses incurred with reference to the company (In liquidation), within a period of two weeks from today, both the aforesaid company petitions shall stand transferred to the NCLT.
- b) Subject to compliance of the aforesaid deposit, the orders of admission dated 7th April, 2017 and 30th January, 2018 along with the orders of winding up dated 1st March, 2018 and 26th April, 2018 are recalled/revoked.
- c) Once the above Petitions are transferred to the NCLT, the same shall be treated as applications for Initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016. In view of the fact that the company petitions are now being transferred to the NCLT, all pending applications and OLRs in relation to the company in liquidation stand disposed of.
- d) It is expressly made clear that the share holder of the company (In liquidation) Valecha Investment Pvt. Ltd. is at liberty to move an

appropriate application before the NCLT propounding a scheme of settlement/arrangement under the provisions of Insolvency and Bankruptcy Code, 2016 read with the provisions of the Companies Act, 2013.

- e) It is needless to clarify that if such an application is made, the same shall be decided on its own merits and in accordance with law. All contentions of all parties in that regard are expressly kept open to be agitated before the NCLT.

7. In my opinion until such time the NCLT initiates the corporate insolvency resolution process or any order is passed by the NCLT, the Company and/or its Directors shall not sell, alienate, deal with, part with possession and/or create any third party rights and/or interest in respect of any of its movable (except in the ordinary course of business), immovable and fixed assets of the Company and/or monies lying in the bank accounts of the Company. If any amount is received by the Company or its Directors pursuant to its on going/completed work, the same shall be deposited by the Directors in a separate account specifically opened for this purpose and the amounts deposited therein shall not be used without the permission of the NCLT. A statement of the amount recovered/received by the Company/its Directors and

deposited in the separate bank account shall be placed before the NCLT on the date when the matter is called out before the NCLT.

8. The above Interim Application is accordingly disposed of.
No order as to costs.

9. All parties to act on an authenticated copy of this order digitally signed by the Personal Assistant /Private Secretary/Associate of this Court.

(B. P. COLABAWALLA, J.)