

NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT – II
CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF NATIONAL
COMPANY LAW TRIBUNAL, CHENNAI BENCH, HELD ON 19.06.2026 AT
10.30 A.M. THROUGH VIDEO CONFERENCING:

CORAM : SHRI. JYOTI KUMAR TRIPATHI, HON'BLE MEMBER (JUDICIAL)
SHRI. RAVICHANDRAN RAMASAMY, HON'BLE MEMBER (TECHNICAL)

APPLICATION NUMBER : IA(IBC)/1654(CHE)2023
PETITION NUMBER : CP(IB)/196(CHE)2021
NAME OF THE APPLICANT : Radhakrishnan Dharmarajan, (Liquidator)
M/s.Alectrona Energy Pvt Ltd
NAME OF THE RESPONDENT(S) : Rohit Rabindranath & Ors
UNDER SECTION : Sec 14 of IBC, r/w Sec 35(1)(f) and 66

ORDER

Present : Ld. Counsel Ms. Padmashri for the Applicant.

Vide separate order pronounced in open court, IA(IBC)/1654(CHE)2023
is Allowed.

Sd/-
RAVICHANDRAN RAMASAMY
Member (Technical)

Sd/-
JYOTI KUMAR TRIPATHI
Member (Judicial)

jp

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH – II, CHENNAI**

**I.A./1654/IBC/2023
IN
C.P./IBC/196/CHE/2021**

(Filed under Section 14 of Insolvency and Bankruptcy Code r/w Sections 35(1)(f) 66 of the code)

Mr. Radhakriahnan Dharmarajan,
Liquidator,
M/s. Alectrona Energy Pvt. Ltd.
Flat No.31, Krishna, 3rd Floor,
No.59, 1st Avenue,
100 Feet Road,
Ashok Nagar,
Chennai – 600 083.

.... Applicant

Vs.

1. Mr. Rohit Rabindranath,
Suspended Director,
Alectrona Energy Pvt. Limited,
Residing at No.4/235, MGR Road,
Palavakkam,
Chennai – 600 041.
2. Mrs. Reenanath,
No.4/235, MGR Road,
Palavakkam,
Chennai – 600 041.
3. SEI Tejas Private Limited,
#714 A, Suite # 181,
Spencer Plaza,
Phase II 7th Floor,
Anna Salai,
Thousand Lights,
Chennai – 600 002.

...Respondents

Order Pronounced on 19th June 2026

CORAM:

Shri. JYOTI KUMAR TRIPATHI, MEMBER (JUDICIAL)
Shri. RAVICHANDRAN RAMASAMY, MEMBER (TECHNICAL)

Present:

For Petitioner : Mr. T. Ravichandran, Advocate

For Respondents : Bharadwajaramasubramaniam R.

Mr. Diwaagar R.S. Mrs. Aishwarya Rukmani Krish

ORDER

(Physical Hearing)

This application has been filed by Alectrona Energy Private Limited, under Section 14 of Insolvency and Bankruptcy Code r/w Section 35(1)(f) and 66 of the code, seeking the following reliefs,

- a) Declare that the Impugned Transaction is in violation of the moratorium u/s 14 of the Code and fraudulent in nature as defined u/s 66 of the Code.*
- b) Pass consequential orders u/s 67 of the Code.*
- c) Direct the Respondents to forthwith pay the aforesaid amount of Rs. 43,53,160/- together with interest @18% per annum from the date of such withdrawal and pass such other orders in the nature and circumstances of the case and thus render justice.*

FACTS OF THE CASE

1. CIRP was initiated against the corporate debtor on 01.03.2022, It is submitted that the applicant upon verification of the books of accounts of the Corporate Debtor, found that a sum of Rs.52,48,108/- was outstanding and receivable from M/s Meghalaya New and Renewable Energy Development Agency under certain service orders.
2. It is stated that a letter dated 01.07.2023 was issued to the said Agency seeking payment of the aforesaid amount, which was due to the Corporate Debtor for the services rendered. It is further submitted that the Respondents 1 and 2 were not cooperative and failed to furnish complete records regarding the affairs of the Corporate Debtor. Hence,

it is stated the Applicant had filed an application under Section 19(2) of the Code against the Respondents No.1 and 2 for non-cooperation and the said application was disposed by this tribunal vide order dated 17.04.2023.

3. It is submitted that Respondents No.1 and 2 continued to withhold material information during the entire CIRP process, thereby causing serious difficulties to the Applicant in discharging his duties as Resolution Professional. It is further submitted that the agency had produced accounts statement, whereby it is found that there was a 'Project Escrow Account' maintained with HDFC Bank which was never disclosed to the Applicant.
4. It is additionally submitted that in violation of the orders of moratorium passed by this Tribunal, Respondents 1 and 2 had transferred the amounts received to the tune of Rs.43,53,160/- from the 'Project Escrow Account' to that of 3rd Respondent.
5. It is submitted that the Applicant thereafter issued a letter dated 04.08.2023 to the Respondents calling upon them to refund the amounts unlawfully transferred to the account of the 3rd Respondent. The 3rd Respondent, however, vide reply dated 18.08.2023, denied the allegations levelled by the Applicant.
6. It is submitted that the Respondents are jointly and severally liable to restore the aforesaid amount along with applicable interest from the date of such unauthorized withdrawal. It is therefore prayed that the said transaction to be deemed as impugned transaction and hence to be set aside.
7. In the counter filed by the Respondent no 1 and Respondent no 2 it is submitted that entire Application proceeds on three premises firstly, that a sum of Rs.52,48,108/- was allegedly payable to the Corporate Debtor by M/s Meghalaya New and Renewable Energy Development Agency (hereinafter referred to as the "Meghalaya Agency") towards

services rendered by the Corporate Debtor secondly that the Meghalaya Agency had remitted a sum of Rs.43,53,160/- in two tranches into a “Project Escrow Account” maintained with HDFC Bank; and thirdly, that Respondents No.1 and 2 had allegedly transferred the said amount of Rs.43,53,160/- from the Escrow Account to the account of the 3rd Respondent in contravention of Sections 14 and 66 of the Insolvency and Bankruptcy Code, 2016.

8. It is submitted that there has been no violation whatsoever of either Section 14 or Section 66 of the Insolvency and Bankruptcy Code, 2016. The work contract awarded by the Meghalaya Agency, the agreements executed pursuant thereto, and the banking arrangements entered into between the parties are required in their entirety for a proper factual understanding of the case.
9. It is submitted that though the Contract dated 27.10.2020 was executed between the Meghalaya Agency and Corporate Debtor, however, it is stated that the actual execution and performance of the said contract was undertaken exclusively by the 3rd Respondent pursuant to the Agreement dated 28.12.2020 entered into between the Corporate Debtor and the 3rd Respondent.
10. It is further submitted that, thereafter, the 3rd Respondent had insisted upon the creation of an escrow account for the purpose of receiving payments from the Meghalaya Agency, with exclusive authority vested in the 3rd Respondent to operate and withdraw amounts from the said account. The said arrangement was duly recorded and agreed upon under the Escrow Agreement dated 19.01.2021. It is also submitted that the sub-contracting arrangement was entered in the commercial interest of the Corporate Debtor, for the future projects. Thereby, it is stated that the Corporate Debtor had expressly agreed that it would have no right, title, or authority to withdraw any amount from the escrow account.

11. It is submitted that the amount of Rs.43,53,160/- was neither received nor transferred by Respondents No.1 and 2, as alleged by the Applicant. It is further submitted that the said amount constituted inward remittances made directly by the Meghalaya Agency for the services rendered as per work orders into the escrow account operated by the 3rd Respondent.
12. It is submitted that the books of accounts of the Corporate Debtor had already been furnished to the Applicant at the commencement of the CIRP proceedings. It is also submitted that mere perusal of the books of accounts for the financial year 2020–2021 would clearly demonstrate that the receivables from the Meghalaya Agency had been duly accounted for and that the payments credited into the escrow account were also reflected as amounts withdrawn by the 3rd Respondent towards satisfaction of such receivables.
13. It is additionally stated the failure to disclose the Escrow Account was totally inadvertent and not intentional. It is submitted that the Applicant has failed to place on record any material particulars, documentary evidence, or cogent proof to establish that Respondents No.1 and 2 acted with any fraudulent intent or with the object of defrauding the creditors of the Corporate Debtor so as to attract the provisions of Section 66 of the Code.
14. In the counter filed by the respondent number 3 it is stated that 3rd Respondent is engaged in the business of Engineering, Supply, Installation and Commissioning of Solar PV power plants and water pumps in India.
15. It is also submitted that the Company under Liquidation (hereinafter referred to as 'Alectrona') submitted its bid for the aforementioned tender and was successfully empanelled with EESL for the said purpose in certain states.

16. It is further submitted that Alectrona thereafter sub-contracted the execution of the said works to the 3rd Respondent pursuant to the Agreement dated 28.12.2020 executed between the parties.
17. It is submitted that Alectrona was to issue work orders to the 3rd Respondent from time to time upon corresponding work orders being issued in its favour by the respective State Nodal Agencies.
18. It is further submitted that under the terms of the Agreement dated 28.12.2020, the scope of work entrusted to the 3rd Respondent included site survey, transportation, supply, installation, and commissioning of 2400 Solar Water Pumps, whereas the responsibility of Alectrona was confined to operation and maintenance of the said Solar Water Pumps for a period of five years.
19. It is submitted that, in terms of the agreed arrangement between the parties, the 3rd Respondent was required to raise invoices upon Alectrona for the works executed by it, whereupon Alectrona would in turn raise corresponding invoices upon the respective State Nodal Agencies for release of payments into the designated Escrow Account, which was for exclusive withdrawal by the 3rd Respondent herein.
20. The relevant clause in the Agreement dated 28.12.2020 is extracted hereinbelow, for the sake of brevity: -

"4 Sun Edison Invoice and Payment Terms:

- a) *Sun Edison Invoice: Sun Edison shall raise invoice on Alectrona, in accordance with Schedule A (exclusive of GST), as per the terms and conditions of the work order/notice to proceed/Tender. Alectrona shall prior to the execution of this Agreement take required clarification from the SNAs on the invoicing and payment terms and shall promptly communicate the same to Sun Edison. In the event there is no clarification received from the SNAs prior to the signing of this Agreement, then Sun Edison shall raise the invoice on monthly basis, in terms of the respective notice to proceed. Alectrona shall immediately thereafter, raise invoice back-to-back on the respective SNAs and shall furnish a copy of the same promptly to Sun Edison.*

Payment Terms: Alectrona acknowledges and agrees to follow-up with the respective SNAs for necessary collections/payments and shall ensure that 90% of the payments are received within 7 (seven) days from the date of submission of invoice and the balance of 10% within 30 (thirty) days from the date of invoice, only into the Escrow account. Sun Edison shall upon receipt of payments into the Escrow account take disbursement of its due payment from the Escrow account. Alectrona shall not withdraw any money from the Escrow account.

21. It is stated that the prices agreed under Schedule A includes Operation and Maintenance costs, it is agreed between the Parties that the Services of SunEdison Transport, Installation, Commissioning the Project. The Operation and Maintenance is under the scope of Alectrona." It is submitted that in furtherance to the above arrangement for payments to the 3rd Respondent, the 3rd Respondent herein and Alectrona entered into an Escrow Agreement dated 19.01.2021 with HDFC Bank for the Meghalaya Project.
22. It is also submitted that it was specifically stipulated that all payments on the invoices raised by the 3rd Respondent on Alectrona and subsequent invoicing by Alectrona on State Nodal Agencies, shall be paid by the State Nodal Agencies only into the ESCROW account, and that the 3rd Respondent shall alone be entitled to withdraw its due payments from the ESCROW account without any restrictions.
23. It is further submitted that it is pertinent to note that it was expressly agreed that Alectrona shall not have right to either operate the ESCROW account or withdraw any sums from the ESCROW account. The relevant clause in the ESCROW Agreement dated 19.01.2021 is extracted hereinbelow, for the sake of brevity: -

"4 ESCROW ACCOUNT OPERATION:

It has been agreed between the Parties hereto that the Escrow Account shall be operated by the Authorised Signatories of First Party, as per the instructions given to the Escrow Bank as detailed in Annexure I hereto. Details of Authorised Signatories of First Party are mentioned in Annexure II hereunder.

Any modifications to these instructions shall be made in writing by First Party with the express consent of changes in the operation and the same shall be communicated to Escrow Bank in writing at the address mentioned in clause 10 below.

24. It is stated that the amounts in the ESCROW account are the assets of 3rd Respondent herein, and the account was created in the name ALECTRONA ENERGY PVT LTD-SEI TEJAS MEGHALAYA PROJECT-ESCROW A/C solely for receiving the payments due to 3rd Respondent in pursuance to its invoices raised on Alectrona which are in turn raised as invoices by Alectrona on the State Nodal Agencies, and the said account was held in trust of 3rd Respondent herein, and Alectrona does not have any right over the same.

FINDINGS OF THIS TRIBUNAL

25. Heard to the counsel and perused the documents placed on record.
26. The application is filed by the Application placed before is filed by Liquidator, M/s. Alectrona Energy Pvt. Ltd seeking to Declare that the Impugned Transaction is in violation of the moratorium u/s 14 of the Code and fraudulent in nature as defined u/s 66 of the Code, further to pass consequential orders u/s 67 of the Code to direct the Respondents to forthwith pay the aforesaid amount of Rs. 43,53,160/- together with interest @18% per annum from the date of such withdrawal and pass such other orders in the nature and circumstances of the case and thus render justice.
27. The Applicant Resolution Professional (RP) contends that on initiation of CIRP against the Corporate Debtor on 01.03.2022, and on verification of accounts there is receivables amounting to ₹52,48,108/- from M/s Meghalaya New and Renewable Energy Development Agency.
28. The Applicant submits that Respondents No. 1 and 2 consistently failed to cooperate or provide complete records and to disclosure 'Project Escrow Account' with HDFC Bank. It is further contended

Respondents No. 1 and 2 unlawfully transferred ₹43,53,160/- from the said Escrow Account to the 3rd Respondent.

29. It is submitted by the respondent that though the Contract dated 27.10.2020 was executed between the Meghalaya Agency and Corporate Debtor it is stated that the actual execution and performance of the said contract was undertaken exclusively by the 3rd Respondent pursuant to the Agreement dated 28.12.2020 entered into between the Corporate Debtor and the 3rd Respondent. It is stated that 3rd Respondent had insisted upon the creation of an escrow account for the purpose of receiving payments from the Meghalaya Agency, with exclusive authority vested in the 3rd Respondent to operate and withdraw amounts from the said account and the said arrangement was duly recorded and agreed upon under the Escrow Agreement dated 19.01.2021. It is also submitted that the sub-contracting arrangement was entered in the commercial interest of the Corporate Debtor for the future projects.
30. The respondent states that the amount of Rs.43,53,160/- was neither received nor transferred by Respondents No.1 and 2, as alleged by the Applicant. It is further submitted that the said amount constituted inward remittances made directly by the Meghalaya Agency for the services rendered as per work orders into the escrow account operated by the 3rd Respondent and stated that Alectrona shall not have right to either operate the ESCROW account or withdraw any sums from the ESCROW account.
31. At this juncture it is relevant for us to refer to the Escrow account agreement entered between 19.01.2021, the relevant portion is extracted below,



1. APPOINTMENT OF THE ESCROW BANK:

The Parties hereby appoint the Escrow Bank as an escrow agent in respect of a current account bearing no. 50200055693002 or current account being opened in the name and style of ALECTRONA ENERGY PVT LTD-SEI TEJAS MEGHALAYA PROJECT-ESCROW A/C, and the same shall be operated in the manner provided in, and in accordance with the terms and conditions of this Agreement, and the Escrow Bank accepts the appointment as an escrow agent, and agrees to perform the obligations in the manner provided herein and in accordance with the terms and conditions of this Agreement.

2. ESCROW ACCOUNT

As agreed, to by the Parties, within 7 days of execution of this Agreement, the Escrow Bank shall open an Account in the name 'ALECTRONA ENERGY PVT LTD-SEI TEJAS MEGHALAYA PROJECT-ESCROW A/C' ("Escrow Account") with the R A Puram Branch of the Escrow Bank, to be operated exclusively in accordance with this Agreement. The First Party and Second Party agree to execute all documents and provide further information and documents as may be required by the Escrow Bank to open and operate the Escrow Account as per Escrow Bank's process and also in terms of this Agreement.

(OR)

Upon written request from the parties, an Escrow Account bearing no. 50200055693002 with the title ALECTRONA ENERGY PVT LTD-SEI TEJAS MEGHALAYA PROJECT-ESCROW A/C has been opened with the Escrow Bank's R A Puram branch. The First Party and Second Party have vide this Agreement agreed to appoint the Escrow Bank to operate the Escrow Account on the terms and conditions contained in this Agreement.

4. ESCROW ACCOUNT OPERATION:

It has been agreed between the Parties hereto that the Escrow Account shall be operated by the Authorised Signatories of First Party, as per the instructions given to the Escrow Bank as detailed in Annexure I hereto. Details of Authorised Signatories of First Party are mentioned in Annexure II hereunder. Any modifications to these instructions shall be made in writing by First Party with the express consent of changes in the operation and the same shall be communicated to Escrow Bank in writing at the address mentioned in clause 10 below.

3. ESCROW BANK'S FUNCTION/DUTIES/RESPONSIBILITIES:

- a. That the Escrow Bank shall furnish the monthly bank statement of the above Escrow Account in the registered email address
 - b. That the Escrow Bank shall act only on the instructions which are given in writing by First Party.
- Viewing banking operations to be setup for Escrow Account through E-Net.

32. We have carefully considered the contentions of the parties and the documents annexed we are of the considered view that even though a specialized facility was created via the Escrow Agreement dated 19.01.2021 for the payment to be made through the escrow account, the

amount receivable under the parent contract fundamentally belongs to the Corporate Debtor. The creation of alternative channels or special purpose banking structures for receiving funds does deprive the Corporate Debtor of its ownership over its receivables.

33. Even on perusal of the escrow agreement it is seen that escrow bank account is opened in the name of alectrona energy pvt limited – sei tejas Meghalaya project escrow and the operation of the account is by the first party further we refer to the work order what is issued by Meghalaya new and renewable energy development agency it is seen that the work order is addressed to the corporate debtor Alectrona energy private limited therefore we are of the considered opinion that Even though a specialized mechanism or facility was created via the Escrow Agreement dated 19.01.2021 for routing payments any amount due and receivable for works executed under contracts signed by the Corporate Debtor fundamentally belongs to the asset pool of the Corporate Debtor and upon the declaration of a Moratorium under Section 14 all assets inflows and receivables of the Corporate Debtor fall under the exclusive custody and management of the Resolution Professional (RP). Any independent withdrawal or transfer of funds outside the strict framework of the IBC is not permissible.
34. Further we are of the view that any inter-se commercial settlement, sub-contracting dues, or outstanding liabilities owed by the Corporate Debtor to Respondent No. 3 cannot be settled outside the preview of IBC if there are any claims it shall be filed before the RP or Liquidator, to be dealt with in accordance with the code.
35. For the reasons stated above we are of the considered opinion to hereby ALLOW the application filed by the Applicant. Accordingly, we ALLOW the application and direct that the amount of ₹43,53,160/- so transferred shall be brought back and restored to the account of the Corporate Debtor by the Respondents within two weeks. Further

respondents can file the claim before the Resolution Professional/Liquidator, to be adjudicated in accordance with the provisions of the Code.

36. In view of the above-mentioned reasons and considerations IA(IBC)1654(CHE)2023 is Allowed and disposed of

-Sd-

RAVICHANDRAN RAMASAMY
MEMBER (TECHNICAL)

-Sd-

JYOTI KUMAR TRIPATHI
MEMBER (JUDICIAL)

Rannika/LRA