



IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH - I, CHENNAI

IA (IBC)(Dis)/21(CHE)/2024

In

CP(IB)/872/2018

(Filed under Section 54 of the Insolvency and Bankruptcy Code, 2016)

In the matter of *Victory Electricals Limited*

Mr. Chinnam Poorna Chandra Rao

Liquidator of Victory Electricals Limited

Flat No G1, Cloud9 Heights, Road No.8 Panchavati Colony

Manikonda, Hyderabad,

Telangana - 500 089.

... Liquidator/Applicant

Order Pronounced on 27th November, 2025

CORAM

SANJIV JAIN, MEMBER (JUDICIAL)

VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

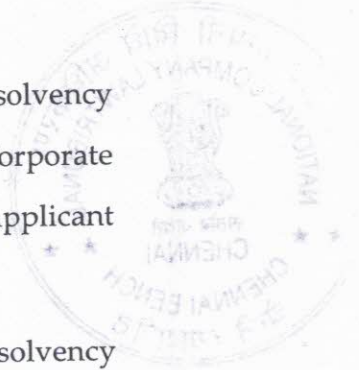
For Applicant: *Mr. A.G. Sathyanarayana, Advocate*

ORDER

(Hearing Conducted through Hybrid mode)

1. This Application has been filed under Section 54 of the Insolvency and Bankruptcy Code, 2016 by the Liquidator of the Corporate Applicant herein seeking for Dissolution of the Corporate Applicant viz., Victory Electricals Limited.

2. It is stated that the Petition for initiation of Corporate Insolvency Resolution Process (CIRP) was filed by an Operational Creditor viz Crotica Manufacturing Company (India) Pvt Ltd under Section 9 of





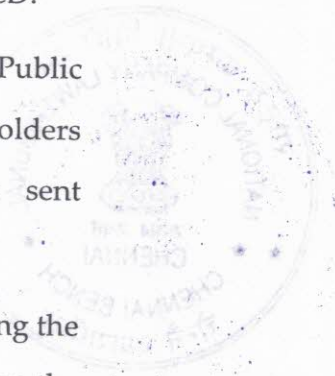
the IBC, 2016. It was admitted by this Adjudicating Authority vide an Order dated 10th April, 2019 in CP/872/IB/2018 Dr.S.Sivaramakrishnan was appointed as the Interim Resolution Professional.

3. It is stated that in the first CoC meeting held on 10.05.2019, the CoC recommended appointing Sri Chinnam Poorna Chandra Rao, as the Resolution Professional and the same was allowed by the Adjudicating Authority, vide Order dated 29/05/2019 in IA/510/2019 in CP/872/IB/2018 read with corrigendum dated 07/06/2019. Subsequent to that, Sri Chinnam started performing the duties as Resolution Professional (RP).

4. It is stated that on 23.09.2019, in its 5th CoC meeting, it was unanimously resolved to liquidate the Corporate Debtor after ascertaining that no Resolution Plan that was acceptable to the CoC was received during the CIRP. Accordingly, CoC directed the RP to file an Application for the Liquidation of the CD. It is stated that the liquidation was ordered on 19/11/2019 in MA/1144/2019 in CP/872/IB/2018. Sri Chinnam Poorna Chandra Rao was appointed as the Liquidator for carrying out the liquidation process of the CD.

5. It is stated that on 28/11/2019, the Liquidator issued a Public Announcement in Form B inviting claims from all the Stakeholders on or before 28.12.2019. Subsequently, the Liquidator sent intimations to the Statutory authorities with available data.

6. It is stated that in response to this Public Announcement inviting the claims, the Liquidator received claims, which were verified from the





records submitted by the Claimants. It is stated that the Applicant received claims from 17 claimants in Form B, Form G and in Form C, for a total amount of Rs. 831,25,66,188/-. The claims to the extent of Rs. 830,81,85,188/- were admitted. The Stakeholders Consultation Committee was constituted on 22.01.2020. Subsequently, the SCC was re-constituted on 15.10.2022 as per Regulation 31A of IBBI (Liquidation Process) Regulations, 2016. It is stated that the Secured Creditors amongst the Stakeholders relinquished their Security Interest to the Liquidation Estate.

7. The Liquidator conducted the following SCC meetings as tabulated below:

CoC Meet No	Date of the Meeting	Important business discussed/ transacted
1	29.01.2020	Constitution of SCC; discussing the aspects of the liquidation process; taking control of

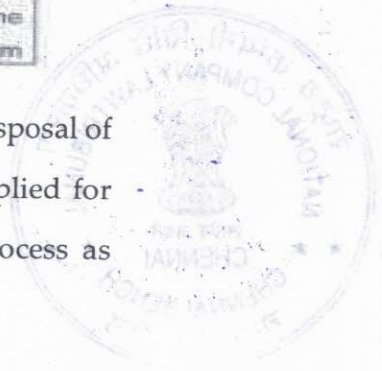




		assets; strategy to sell the assets; appointment of the professionals to assist the liquidation process; etc
2	03.10.2020	Discussing status of assets sold; Fire Accident at Medchal property; belated claims; the effect of COVID on the litigations, disposal of assets to be sold and recovery of amounts on the assets sold; and other routine matters like accounts, assets sold, distributions made, expenses incurred, discussing status of other litigations
3	29.04.2021	Litigations instituted by ESIC and EPFO and other routine matters like accounts, assets sold, distributions made, expenses incurred, discussing status of other litigations
4	23.08.2021	Appointment of professionals to assist the Liquidator in increasing complexity of litigations and other routine matters like accounts, distributions made, expenses incurred, discussing litigations,
5	11.05.2022	Discussing on the litigation for Medchal land and ways to end it and other routine matters
6	16.11.2022	Take note of the reconstituted SCC; Discussing on the litigation for rented out Medchal Industrial Shed and considering and approving the terms of auction for selling the Industrial Shed as scrap
7	04.09.2023	Discussing on the litigation for Medchal land and ways to end it; and considering and approving the terms of auction for selling the land
8	17.02.2024	Placing details of sale of Medchal Land; approval of payments to all the professionals and discussing about the dissolution of the CD
9	14.05.2024	Approval to dissolve the CD and considering the Final Distribution figures and the Dissolution Papers like Final Report and Form



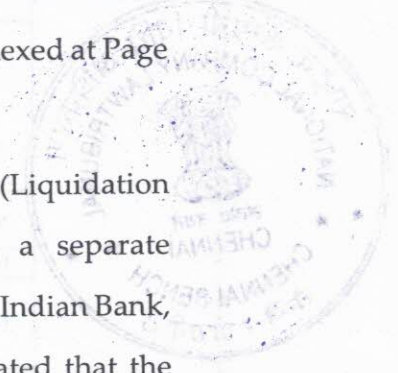
It is stated that the COVID and Litigations prevented the disposal of the certain assets of Corporate Debtor. The Liquidator applied for exclusions and extensions to conclude the liquidation process as given below:





Exemption given upto	By Order
Exclusion of COVID period from 25.03.2020 to 14.07.2021 effectively ordering that the Liquidation should be completed before 01.03.22,	in IA/ 689 (CHE)/2021 dated 04.10.2021
01.03.2023	in IA/ 230 (CHE)/2022 dated 28.04.2022
01.03.2024	in IA/255 (CHE)/2023 dated 20.02.2023
01.07.2024	in IA/516 (CHE)/2024 dated 29.02.2024

9. It is stated that the Liquidator prepared the Preliminary Report under regulation 13 of IBBI (Liquidation Process) Regulations, 2016 and the same was submitted to Tribunal on 22/01/2020 in compliance with the Reg.5(1)(a) of the IBBI (Liquidation Process) Regulations, 2016. A copy of the Preliminary Report is annexed at Page No.71-74.
10. It is stated that the Liquidator prepared the Asset Memorandum u/r 34 of the IBBI (Liquidation Process) Regulations, 2016 and submitted to the Tribunal on 22/01/2020 in compliance with r. 5(1)(b) of the IBBI (Liquidation Process) Regulations, 2016. It is further stated that the Liquidator took control of the Assets as listed in the Asset Memorandum. A copy of the Asset memorandum is annexed at Page No.661-662.
11. It is stated that in compliance with Reg.41(1) of the IBBI (Liquidation Process) Regulations, 2016, the Liquidator opened a separate Liquidation Bank Account bearing No. 6869882322 with Indian Bank, Gachibowli Branch, Hyderabad on 16/03/2020. It is stated that the





Bank Account was closed and the certificate was issued on 24.06.2024.

12. It is stated that the Liquidator filed the Final Report with the IBBI and also with the Registrar of Companies, Chennai on 28.06.2024.

13. The details of the compliances as mandated under Section 54 of the IBC, 2016 read with the IBBI (Liquidation Process) Regulations, 2016 are listed hereunder: -

S. No	COMPLIANCE	AVERMENTS	PAGE NO. IN THE APPLICATION
1	Regulation 12	Public Announcement in Form B in Telegu newspapers – Eeanadu, Sakshi, Andhra Jyothi, Namasthe Telangana, Nava Telangana and English newspapers – Financial Express, Business Standard, Business Line, Economic Times and Tamil and English (News Today and Malaisudhar)	70
2	Regulation 35(2)	Appointment of Registered Valuers where no valuation conducted during CIRP	N/A
3	Regulation 31(2)	List of Stakeholders within 45 days of the Liquidation Commencement Date	687-698
4	Regulation 31A	Constitution of Stakeholders Consultation Committee (SCC) and the Re-constituted Stakeholders Consultation Committee after adjusting for distribution made under Section 53 to Secured Financial Creditors and EPFO	687-692
5	Regulation 13	Preliminary Report dated 22.01.2020	71-74
6	Regulation 34	Preparation of Asset Memorandum within Seventy-Five days from LCD dated 22.01.2020	75-76 and at 661-662
7	Regulation 41	Opening of Bank Account in the name of the company in Liquidation in "Indian Bank"	667-685
8		Proof of Closure of the above Bank Account and other account in the name of the Company	686
9	Regulation 15	Quarterly Progress Reports and proof of filing the same before this Tribunal	77-660
10	Regulation 36	Asset Sale Reports after sale of Reports	N/A
11	Regulation 42(2)	Proof of Distribution within Ninety days from the receipt of realization	N/A
12	Regulation 45 (3)	Final report dated 07.10.2023	10-41



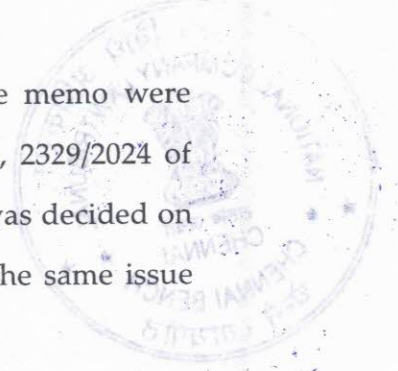


13	Regulation 5 (1) (e)	Reporting consultations with stakeholders in Form A of Schedule II	709 - 764
14	Regulation 15	Audited Accounts of receipts and Payments	693 - 696
15	Regulation 37	Completion of Liquidation Process within one year from Liquidation Commencement Date or extension if any, date of the order & period	6
16		Form-H -Compliance Certificate	697 - 707

14. It is stated that one of the SCC members, Mahindra Kumar Vaddineni filed a memo. It is alleged that the Liquidator abandoned the actionable claims of the Corporate Debtor and cannot be shielded by filing of Form -H for the dissolution of the company. It is stated that this Tribunal has the power to dismiss the application when there is clear violation of provisions of the code. The SCC member has further alleged that the Liquidator clearly wants to wash off his hands by abandoning the actionable claims of the Company. His actions are supported by the members of the CoC/SCC led by SBI which did not prefer to contribute funds for the recovery of the actionable claims of the Company.

15. We have heard Ld. Counsel for the Applicant and perused the report, synopsis and the affidavit filed by the Liquidator.

16. The contentions raised by the SCC member in the memo were already adjudicated in I.A. No.2328/2024, 2330/2024, 2329/2024 of filed under Section 65 of IBC, 2016, and the matter was decided on merits. Therefore, the SCC member cannot restate the same issue when it has already been decided.





17. In the present case, following cases are pending

Sr No.	Parties & Forum	Brief description of the matter	Remarks
1	V Venkatappaiah Naidu vs Union of India & Ors at Telangana High Court	WP No. 11156 of 2021: WP seeking to declare the Forensic Audit Report as <i>ultra vires</i>	This is a Petition filed by a suspended Director against Gol and SBI and the Liquidator has been made a Party. Liquidator filed his reply. The case is going for a very long time.
2	Vaddineni Mahindra vs Union of India & Ors at Telangana High Court	WP No. 36663 of 2024 and 36882 of 2024: WPs challenging the classification of VEL loan facilities as 'Fraud' by SBI.	This Petition is against Uoi and SBI and Liquidator is also made a party. The Liquidator has no role in declaring the Loan as Fraud.
3	TSSPDCL vs Liquidator at NCLAT, Chennai	COMP APP(AT)(CH)(INS) No. 70 of 2024: Against the impugned order of NCLT, dismissing the IA against the Liquidator who rejected the belated claim of the Applicant, the Applicant filed an appeal. The Liquidator filed a reply and the matter is pending.	The claim is rejected by Liquidator as it is submitted with a 1307 days' delay, which was upheld by NCLT. Appeal is preferred with NCLAT which is pending and adjournments are taking place. Recently TSSPDCL person told that, if the rejection is upheld by NCLAT, they will go to SC, else the CAG will find fault with TSSPDCL. Even if the claim is admitted, they would not receive any amount because the secured creditors are not fully paid.
4	VEL vs National Insurance Company at NCDRC, Delhi	C.C 1096/2015, Denial of Insurance claim against Burglary at Chennai factory amounting to Rs.3,18,15,100/- The Appeal is dismissed by NCDRC on 30/04/2025	This amounts realizable in IIR are assigned to FCs, i.e. SBI, BoB and EARC. SC appeals filed on 14.07.2025 with diary no 37857/2025 against NCDRC dismissal by Liquidator as advised by SBI in view of dissolution application still pending.
5	VEL vs National Insurance Company NCDRC, Delhi	C.C 1097/2015, Denial of Insurance claim against Burglary at Chennai factory amounting to Rs.13,90,80,355/- The appeal is dismissed by NCDRC on 30/04/2025	This amounts realizable in IIR are assigned to FCs, i.e. SBI, BoB and EARC. SC appeals filed on 14.07.2025 with diary no 37838/2025 against NCDRC dismissal by Liquidator as advised by SBI in view of dissolution application still pending.





6	VEL vs New India Assurance Company at NCDRC, Delhi	C.C 357/2015, Denial of Insurance claim against Burglary at Chennai factory amounting to Rs.3,27,68,725/- <i>The appeal is dismissed by NCDRC on 30/04/2025</i>	This amounts realizable in this are assigned to FCs, i.e. SBI, BoB and EARC. SC appeals filed on 14.07.2025 with diary no 37850/2025 against NCDRC dismissal by Liquidator as advised by SBI in view of dissolution application still pending.
7	VEL vs New India Assurance Company at NCDRC, Delhi	C.C 358/2015, Denial of Insurance claim against Burglary at Chennai factory amounting to Rs.2,20,37,982/- <i>The appeal is dismissed by NCDRC on 30/04/2025</i>	This amounts realizable in this are assigned to FCs, i.e. SBI, BoB and EARC. SC appeals filed on 14.07.2025 with diary no 37657/2025 against NCDRC dismissal by Liquidator as advised by SBI in view of dissolution application still pending.

18. In the order dated 21.07.2021, it was recorded as follow:

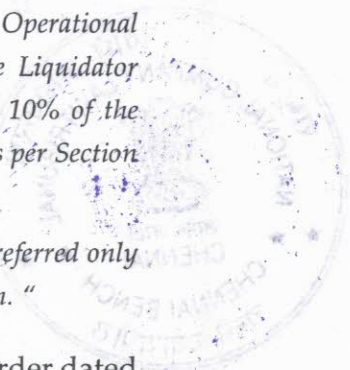
“Shri. Pranav Charan appearing for State Bank of India submits that the writ petitions pending before Hon’ble Telangana High Court will be pursued by State Bank of India. Further, there is no stay from the Hon’ble High Court qua the liquidation proceedings.

The Liquidator submits that in respect of the matters pending before Hon’ble NCDRC, the matter was placed before the SCC in the meeting held on 28.06.2024, where a decision was taken to assign the matters to the Financial Creditors and they will be the beneficiary of the transactions and that they will pursue all the four matters.

In respect of appeal filed by TSSPDCL before Hon’ble NCLAT there is no stay of the proceedings. It is stated that the appeal has been filed by one of the Operational Creditors against the rejection of the claim by this Tribunal. The Liquidator submits that the amount realized from the liquidation is less than 10% of the claims filed by the Secured Creditors. Even if the appeal is allowed, as per Section 53, no amount will go to TSSPDCL, the Operational Creditor.

It is stated that in the application for dissolution, the liquidator has referred only six matters. He states that another case was filed after this application. “

19. The Liquidator has filed a Memo in compliance with the order dated 21.07.2025. It is stated that a Writ Petition, W.P. No. 36882 of 2024,





has been filed before the Hon'ble High Court of Telangana by Sri Vaddineni Mahindra and others, the erstwhile promoters. The Writ assails the classification of the Corporate Debtor's loan account as "Fraud" by the Fraud Identification Committee of the State Bank of India, Stressed Asset Resolution Group. The Applicant has been arrayed as Respondent No. 5 in the Writ Petition.

20. The Liquidator states that the Applicant's presence in the Writ Petition is formal, as the challenge is essentially directed against Union of India, Reserve Bank of India, State Bank of India, and Central Bureau of Investigation. The reliefs sought pertain only to declaring the "Fraud" classification as illegal, arbitrary, and void. The Liquidator has no role in the classification of the loan account as "Fraud," and no relief has been sought against the Liquidator in the Writ Petition.
21. It is stated that no applications are pending before this Tribunal for avoidance, Preferential, Undervalued or Fraudulent Transactions.
22. The Liquidator has filed the receipts and Payments account, which is reproduced as under:





Receipts	Amount Rupees	Payments	Amount Rupees
Opening Bank Balances	24,02,922	Amount paid to EPFO	32,83,161
Sale of Property	44,64,00,000	Amount Distributed to FCs	43,43,01,160
Rents Received	37,25,371	CIRP Funding Repaid	14,80,279
Interest Earned	5,12,432	CIRP Exp paid in Liq period	1,80,642
		Liquidator Fee	69,70,400
		Liq Exp - Advt Exp	1,01,876
		Liq Exp - Auction Exp	14,750
		Liq Exp - Audit fee	1,50,750
		Liq Exp - Bank Charges	2,496
		Liq Exp - Book Keeping exp	6,85,000
		Liq Exp - Compliance Exp	44,810
		Liq Exp - E Voting Expenses	9,440
		Liq Exp - GST Paid (net of ITC)	5,83,958
		Liq Exp - Insurance Expenses	94,812
		Liq Exp - Legal Expenses	17,57,750
		Liq Exp - Miscellaneous Exp	2,672
		Liq Exp - Out-of-Pocket Exp	5,60,000
		Liq Exp - Security Expenses	15,88,747
		Liq Exp - Support Services	5,34,000
		Liq Exp - Survey Expenses	25,750
		Liq Exp - Travel Expenses	21,665
		Liq Exp - Valuation Expenses	1,19,900
		Income-tax (TDS)	5,46,707
		Closing Bank Balances	NIL
	45,30,40,725		45,30,40,725

23. The liquidator has filed the synopsis showing the realization and the distribution as under:

24. **Realization:**





		VEL 1A	VEL 1B	VEL 1C	VEL 2	VEL 3	VEL 4
Registered Valuer 1 Aug/ Sep 2019	Fair Value	3238.72			57.10	136.00	400
	Liquidation Value	2429.04			40.00	38.40	300
Registered Valuer 2 Aug/Sep 2019	Fair Value	3352.79			51.60	34.00	447.66
	Liquidation Value	2350.00			38.70	27.50	335.75
Registered Valuer 3 December 2021	Fair Value	306.00					
	Liquidation Value	408.00					
Registered Valuer 4 December 2021	Fair Value	455.34	2,211.00				
	Liquidation Value	312.00	1,547.70				
Registered Valuer 5 August 2023	Fair Value	2,899.00					
	Liquidation Value	2,174.00					
Registered Valuer 6 August 2023	Fair Value	3,069.99					
	Liquidation Value	2,300.00					
Manner of Sale	Type	On a standalone basis		In parcels	On a standalone basis		
	Reason	Maximization of value					
Mode of Sale	Type	E - Auction			Recovery Practicality	E - Auction	
	Reason	Transparency				Transparency	
Sale Value Realised		510.00	3,099.99	165.00		71.00	620.00
Date of Sale		26-03-21	23-11-23	21-12-22		26-03-20	14-08-20
Date of Dist'n		23-04-21, 20-09-23	30-12-23	05-10-23		30-07-20	14-09-20, 03-11-20, 20-09-23

Sale Property	Sale amount realized (Rs.)
VEL 1A	510.00
VEL 1B	3,099.99
VEL 1C	165.00
VEL2	-
VEL 3	71.00
VEL 4	620.00
Total	4,465.99



IA(IBC)(Dis.)/21/CHE/2024 in CP(IBC)/872/CHE/2018
In the matter of Victory Electricals Limited



25. Distribution:

SrNo	Name of the Claimant	Priority u/s 53	Amount Admitted	Amount Distributed
			Rs in Lacs	Rs in Lacs
1	State Bank of India	s. 53(1)(b)(ii) See Note (a)	348,68.13	37,53.47
2	Bank of Baroda	s. 53(1)(b)(ii) See Note (a)	211,45.45	5,89.55
3	Edelweiss Asset Reconstruction Co Ltd	s. 53(1)(b)(ii) See Note a	242,64.53	0
4	Employees Provident Fund Organization (EPFO), Hyderabad	See Note (b)	21.04	21.04
5	Employees Provident Fund Organization (EPFO), Chennai	See Note (b)	11.79	11.79
6	Employees Provident Fund of Hyderabad (Damages)	s. 53(1)(e)(i)	9.77	0
7	Employees Provident Fund, Chennai North (Damages)	s. 53(1)(e)(i)	0.08	0

8	Deputy Commissioner of Income Tax, Circle-17(2), Hyderabad	s. 53(1)(e)(i)	2,77.84	0
9	Central Tax, Central Excise and Service Tax, Office of the Deputy Commissioner, Medchal Division, Secunderabad	s. 53(1)(e)(i)	15.82	0
10	Commercial Taxes, O/o Joint Commissioner, Directorate Of Commercial Taxes, Dharmatola Circle, Kolkata	s. 53(1)(e)(i)	830.17	0
11	Sales Tax, Malkajgiri Circle-2, Hyderabad	s. 53(1)(e)(i)	9,89.05	0
12	Cortica Manufacturing India Private Limited, Chennai	s. 53(1)(f)	26.09	0
13	Test Steel Industries, Chennai	s. 53(1)(f)	20.40	0
14	Raj Petro Specialties' Private Limited, Chennai - 600010.	s. 53(1)(f)	168.14	0
15	Premier Transport Limited, Mumbai	s. 53(1)(f)	103.39	0
16	Karnataka Power Transmission Corporation Limited, Bengaluru	s. 53(1)(f)	330.14	0
17	Sri Mahindra Vaddineri	s. 53(1)(h)	0.00	0
Total			830,81.83	43,75.85





26. From the averments made in the Application and on perusal of the final report and the Compliance Certificate filed in Form-H by the Applicant, it is seen that the Corporate Debtor has been completely liquidated. In the circumstances as averred and as prayed for by the Applicant, an order for dissolution is required to be passed by this Tribunal under Section 54 of the IBC, 2016. Accordingly, we order for the dissolution of the Corporate Debtor viz., *Victory Electricals Limited*.

27. The Liquidator is directed to forward the copy of this Order to the RoC and also to the IBBI for their records within a period of 7 days from the date of this Order.

28. The Liquidator, **Mr. Chinnam Poorna Chandra Rao**, is discharged as the Liquidator of the Corporate Debtor. The RoC is directed to change the status of the Corporate Debtor as "Dissolved".

29. The liquidator shall preserve physical or electronic copy of the reports, registers, and the books of account referred to in Regulation 45A of the IBBI (Liquidation Process) Regulations, 2016 for at least eight years after the dissolution of the Corporate debtor, either with himself or with an information utility.





30. In terms of the above, this IA(IBC)(Dis.)/21/CHE/2024 stands allowed and CP(IB)/872/CHE/2018 stands disposed of. File be consigned to records.



Certified to be True Copy

-Sd-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

-Sd-

SANJIV JAIN
MEMBER (JUDICIAL)

AU

R. Ganesan
03/12/2025

JOINT REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
CORPORATE BHAVAN, 3rd FLOOR,
29, RAJAJI SALAI, CHENNAI-600 001.

NATIONAL COMPANY LAW TRIBUNAL CHENNAI	
Order No. / Date :	IA/IBc/Dis/21/2024
Certified Copy made Available on :	03/12/2025
Applied for Certified Copy (Applicant / Respondent)	On 27-11-2024
Certified Copy issued on	04-12-2024

C.A Applicant A.G. Sathyanarayana.