



Sl. No. 3

NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH

(Virtual Hearing)

PRESENT: SHRI RAJEEV BHARDWAJ – MEMBER (JUDICIAL)

: SHRI SANJAY PURI – MEMBER (TECHNICAL)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 19.12.2024 AT 01:00 P.M.

TC/CP. Nos.	IBC Stage	Present stage of the case	Section/Rule	Name of Parties
CP(IB)/82/7/AMR/2022	Liquidation Approved	Liquidation Approved	7 of IBC	Central Bank of India Limited Vs Sri Ananda Lakshmi Narasimha Industries India Private Limited
	IA(IBC)(LIQ)/5/2024	For Orders	U/s 33(2) of IBC, Code 2016 R/w Reg. 3 of IBBI Regulations, 2016 and Rule 11 of NCLT Rules	M/s Ananda Lakshmi Narasimha Industries India Pvt Ltd, Rep its RP, Mr. Govada Venkata Subbarao

ORDER

IA (IBC)(LIQ)/5/2024:

Present: Mr. M. Rama Rao, Ld. Counsel for the Applicant.

Mr. G. V. Subbarao, Ld. RP

Orders pronounced. Accordingly, IA (IBC) (LIQ)/5/2024 is allowed and recorded vide separate sheets.

Sd/-

SANJAY PURI
MEMBER (TECHNICAL)

Sd/-

RAJEEV BHARDWAJ
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH AT MANGALAGIRI

IA (IBC) (LIQ.)/5/2024
In
CP (IB)/82/7/AMR/2022

[Application filed under Section 33(2) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 3 of IBBI (Liquidation Process) Regulations, 2016 and Rule 11 of National Company Law Tribunal Rules, 2016]

And

In the matter of

**M/s SRI ANANDA LAKSHMI NARASIMHA INDUSTRIES INDIA
PRIVATE LIMITED**

Mr. Govada Venkata Subbarao,

Resolution Professional of

M/s Sri Ananda Lakshmi Industries India Private Limited,

Address: Rajiv Swagruha Apartments, Flat No: 106,

Block A 05, Classic Diamond Towers, Anand Nagar,

GSI Bandlaguda,

Hyderabad,

Telangana – 500068.

...Applicant/Resolution Professional

Date of Order: 19.12.2024

CORAM:

SHRI RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)

SHRI SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

Appearance:

For the Applicant/RP :

**Mr. M. Rama Rao & Mrs. M. S. Mano Ranjani,
Advocates.**

Sd/-

Sd/-

ORDER
[PER: BENCH]

1. This is an Application filed by Mr. Govada Venkata Subbarao, Resolution Professional (RP) of M/s. **Sri Ananda Lakshmi Narasimha Industries India Private Limited (CD)**, under section 33(2) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 3 of IBBI (Liquidation Process) Regulations, 2016 and Rule 11 of National Company Law Tribunal Rules, 2016, seeking this Tribunal:
- To pass an order for Liquidation of the Corporate Debtor and
 - To appoint Mr. Madasa Kumar, Insolvency Professional having Reg. No: IBBI/IPA-001/IP-P01590/2019-2020/12465, as Liquidator.
2. **Brief facts of the Applicant are as follows**
- This Bench admitted the application for CIRP of M/s Sri Ananda Lakshmi Narasimha Industries India Pvt. Ltd. (CD), filed by the Central Bank of India under Section 7 of the Insolvency and Bankruptcy Code, 2016 (I&B Code) on 20.03.2023. Subsequently, Mr. Raghu Babu Gunturu was appointed as the Interim Resolution Professional (IRP), and by order dated 03.06.2024 in IA/170/2024, Mr. Govada Venkata Subbarao was appointed as the Resolution Professional (RP).
 - The IRP issued a public announcement on 22.03.2023, inviting claims through newspapers, *Financial Express* (English) and *Prajashakti* (Telugu). On 24.03.2023, the IRP notified the suspended board of the CD's admission to CIRP and requested information regarding creditors

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and assets. The IRP secured the CD's assets by visiting the factory premises on 25.03.2023.

- c. Following the public notice, creditors submitted claims, and a list of creditors was prepared under Section 15(1)(b) of the Code. The Central Bank of India remained the sole financial creditor with a 100% voting share in the CoC. While this Bench initially stayed the constitution of the CoC on 12.04.2023 through IA/136/2023, the stay was vacated on 23.02.2024, enabling the IRP to constitute the CoC under Section 21 of the Code.
- d. Pursuant to Regulation 27 of the CIRP Regulations, the IRP appointed two registered valuers recognized under the IBBI. Additionally, the RP issued an invitation for Expression of Interest (EOI) in Form G on 04.04.2024 through widely circulated newspapers, *Business Standard* (English) and *Eenadu* (Telugu), setting 19.04.2024 as the deadline for submissions. Of the 18 inquiries received, four EOIs were submitted, and two applicants deposited the refundable Earnest Money Deposit (EMD) of INR 110 lakhs each. A provisional list of ineligible Prospective Resolution Applicants (PRAs) was published on 29.04.2024, followed by a final list on 14.05.2024.
- e. The RP, after obtaining necessary undertakings under Regulation 36(4)(7), issued the Information Memorandum, Evaluation Matrix, and Request for Resolution Plan to eligible PRAs on 19.05.2024. During the 7th CoC meeting on 12.07.2024, the CoC unanimously resolved to extend the CIRP period from 180 days to 270 days, citing delays caused by the CD's lease agreement with M/s Akshaya Rice and Bran. This extension was approved by this Bench on 24.07.2024 through IA/263/2024, extending the CIRP until 30.10.2024.

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f. At the 9th CoC meeting on 23.08.2024, the resolution plan submitted by the sole PRA, M/s Arcade Caster in consortium with Nandakishore Agarwal, was opened for evaluation. However, after extensive discussions during the 10th meeting on 19.09.2024, the CoC rejected the plan. Consequently, in the 11th meeting on 16.10.2024, the CoC resolved to liquidate the CD, and during the 12th meeting on 29.10.2024, the CoC resolved to appoint Mr. Madasa Kumar the Liquidator. Hence, the present Interlocutory Application has been filed for seeking Liquidation of the Corporate Debtor.

3. We have heard the Learned Resolution Professional and perused the records.
4. It appears from the above that the CoC did not receive a feasible proposal for the revival of the Company, even after taking all the necessary actions during the CIRP as mandated by the Code.
5. The Hon'ble Supreme Court in the matter of *K. Sashidhar Versus Indian Overseas Bank & Ors in Civil Appeal No. 10673 of 2018* has held that the commercial decision of CoC is non-justiciable. In this case, it is seen that CoC with 100% majority has passed the resolution seeking liquidation of the Corporate Debtor.
6. Hence, this Adjudicating Authority deems it proper to allow this Application. Accordingly, in exercise of powers conferred under Sub-Clause (i), (ii) and (iii) of Clause (b) of Sub-Section (1) of Section 33 of the IBC 2016, we proceed to pass the Order as follows:

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Sd/-


ORDER

- a) This Adjudicating Authority hereby order for Liquidation of M/s **Sri Ananda Lakshmi Narasimha Industries Private Limited**, which shall be conducted in the manner as laid down in Chapter III of Part II of the IBC, 2016.
- b) This Adjudicating Authority hereby appoint **Mr. Madasa Kumar**, (IBBI Registration No. **IBBI/IPA-001/IP-P-01590/2019-2020/12465**), as Liquidator as resolved by CoC.
- c) The Liquidator shall issue public announcement stating that Corporate Debtor is in Liquidation.
- d) The Moratorium declared under Section 14 of the IBC, 2016 shall cease to operate here from.
- e) Subject to section 52 of the IBC 2016 no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. This shall however not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- f) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.
- g) The Liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.

Sd/-

Sd/-

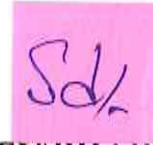
14/05/2024

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- h) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.
- i) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
- j) This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued Liquidation process by the Liquidator.
- k) Copy of the Order shall be furnished to the IBBI, to the Regional Director (South Eastern Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Andhra Pradesh, the Registered Office of the Corporate Debtor; and the Liquidator.

7. With the above directions IA(IBC)(LIQ)/5/2024 in CP(IB)/82/7/AMR/2022 is disposed of.



SANJAY PURI
MEMBER (TECHNICAL)



RAJEEV BHARDWAJ
MEMBER (JUDICIAL)

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