IN THE NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH
(*Through Hybrid Mode)*

Item No.9
IA (IBC) (LIQ)/05/2026, IA (IBC)/218/2026,
IA (IBC)/219/2026 in
CP (IB)/2/7/AMR/2025
(Admitted)

IN THE MATTER OF:
Axis Bank Ltd
… Petitioner/ Financial Creditor
Versus
Kallam Brothers Cottons Pvt Ltd
…Respondent/Corporate Debtor

Under Section: 7, 33(2), 43, 44, 60(5)(c) of IBC, 2016
Rule: 11 of NCLT Rules, 2016
Order delivered on 31.07.2026

CORAM:
SHRI KISHORE VEMULAPALLI, HON'BLE MEMBER (JUDICIAL)
SHRI UMESH KUMAR SHUKLA, HON'BLE MEMBER (TECHNICAL)

PRESENT:
In all IAs

Resolution Professional	:	Mr. Chillale Rajesh.
For the RP	:	Ms. Mummaneni Vazra Laxmi, Adv.

ORDER

IA (IBC)(LIQ)/05/2026:

This application was e-filed on 25.06.2026, by the Applicant/ Resolution Professional under Section 33(2) read with Section 34 of the Insolvency and Bankruptcy Code, 2016 (IBC) praying to pass an order under Section 33(2) of the IBC directing liquidation of the Corporate Debtor, namely, Kallam Brothers Cottons Private Limited and appoint CA

Vamsi Kambhammettu having IBBI Registration No. IBBI/ IPA-001/IP-P00664/ 2017-2018/11141 as Liquidator under Section 34 of the IBC.

2. The Registry raised certain objections and after removing the objections of the Registry, the Application was again e-filed on 09.07.2026 and physically filed vide Diary No.1125 dated 01.07.2026. Thereafter, the Application was first listed for hearing on 15.07.2026.

3. The RP submitted that the resolution to liquidate the Corporate Debtor was put up before the CoC in its 7th meeting held on 29.05.2026, which was approved by the CoC with 100% voting share vide voting summary report dated 08.06.2026. The relevant extract of the voting summary is reproduced below:

Resolution:

"RESOLVED THAT pursuant to Section 33 (2) of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), consent of Committee of Creditors be & is hereby accorded to Liquidate the Corporate Debtor M/s. Kallam Brothers Cottons Private Limited.

RESOLVED FURTHER THAT pursuant to Section 33 of the Insolvency and Bankruptcy Code, 2016, the committee be and is hereby authorize Mr. Rajesh Chillale, Resolution Professional to make necessary application to the Adjudicating Authority and do all acts, deeds and things as may be necessary to give effect to said resolution & to do all such acts, deeds matters necessary incidental thereto.

<u>Voting Results</u>

Sl. No.	Representative	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Axis Bank Limited	68.6%	68.6%			Approved with requisite majority
2	HDFC Bank Limited	31.4%	31.4%			
	Total	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

4. The RP further submitted that subsequently, the lead CoC Member vide email dated 16.06.2026 proposed Sri CA Vamsi Kambhammettu, as the Liquidator along with the JLM resolution dated 10.06.2026 with 100% voting.

5. He also submitted that thereafter, he conducted the 8th meeting of the CoC on 22.06.2026 and apprised the CoC about the provisions of Regulation 39 of CIRP Regulations and Regulation 3A of the IBBI (Liquidation Process) Regulations, 2016. Pursuant to Regulation 39BA of the CIRP Regulations, the members of the CoC deliberated and advised the RP to explore the possibility of the Compromise or arrangement under this Regulation before passing of liquidation order for the Corporate Debtor. Upon deliberation, it was resolved that the RP and the CoC shall keep exploring the possibility of compromise or arrangement during the period the application to liquidate the Corporate Debtor is pending before this Adjudicating Authority.

6. During the course of hearing dated 15.07.2026, the Counsel for the RP and the representative of Axis Bank Ltd/ CoC Member sought and was granted 10 days' time to enable the CoC to recommend the name of the Liquidator from the panel list circulated by the IBBI for the period 01.07.2026 to 31.12.2026, whose name falls in the East Zone/ the IPE from the Pan India list and undertook to file the resolution passed by the CoC with a voting share of not less than 66% by way of a Memo.

7. Pursuant to above order dated 15.07.2026, the RP vide Diary No.1385 dated 29.07.2026 filed a Memo dated 28.07.2026 along with the

Minutes of the 9th Meeting of the CoC held on 23.07.2026, wherein the CoC, with 100% voting share, unanimously resolved to recommend the appointment of Mr. Immaneni Eswara Rao CA, Insolvency Professional having IBBI registration No. IBBI/IPA-001/IP-P01224/2018-19/11943, whose Authorisation for Assignment (AFA) is valid up to 30.06.2027, as Liquidator of the Corporate Debtor. The relevant extract of the Minutes of the CoC meeting is reproduced below:

Resolution:

"RESOLVED THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), consent of Committee of Creditors be & is hereby accorded to appoint Sri. Immaneni Eswara Rao CA having IBBI registration No. IBBI/IPA-001/IP-P-01224/2018-19/11943 AFA valid up to 30/06/2027 as the Liquidator for the Liquidation of the Corporate Debtor M/s. Kallam Brothers Cottons Private Limited.

RESOLVED FURTHER THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), the committee be and is hereby authorize Mr. Rajesh Chillale, Resolution Professional to make necessary application to the Adjudicating Authority and do all acts, deeds and things as may be necessary to give effect to said resolution & to do all such acts, deeds matters necessary incidental thereto.

Voting Results

Sl. No.	Representative	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Axis Bank Limited	68.6%	68.6%			Approved with requisite majority
2	HDFC Bank Limited	31.4%	31.4%			
	Total	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

8. It is noted that that the name of Mr. Immaneni Eswara Rao is reflected in the IBBI panel of Insolvency Professionals for the period 01.07.2026 to 31.12.2026 for East Zone for appointment as Liquidator in a liquidation process under section 34(6) of the IBC and the RP along with the Memo dated 29.07.2026 have also enclosed the written consent of Mr. Immaneni Eswara Rao in Form-AA dated 20.07.2026.

9. As a sequel to the aforesaid discussions, the Corporate Debtor, Kallam Brothers Cottons Private Limited, is ordered to be liquidated under Section 33(2) of the IBC. Therefore, the Moratorium under Section 14 of the IBC shall cease to have effect from the date of this order and a fresh moratorium under Section 33(1)(b)(iv) of the IBC shall commence.

10. In view of the above, Mr. Immaneni Eswara Rao, Registration No. IBBI/IPA-001/IP-P01224/2018-2019/11943 is hereby appointed as the Liquidator of the Corporate Debtor to conduct the liquidation process in accordance with the provisions of the IBC, the Liquidation Regulations, and other applicable laws, as amended from time to time.

11. The Liquidator shall make a public announcement stating that the Corporate Debtor is in liquidation, in terms of Section 33(1)(b)(ii) of the IBC.

12. The Registry is directed to communicate a copy of this order to the erstwhile RP, the Liquidator, the CoC, IBBI, Registrar of Companies, Vijayawada and other necessary parties forthwith.

13. **Accordingly, IA (IBC) (Liq.)/5/2026 in CP (IB)/2/7/AMR/2025 stands allowed and disposed of.**

<u>IA (IBC)/218/2026, IA (IBC)/219/2026:</u>

In view of the order passed in IA (IBC)(Liq.)/5/2026, the Liquidator is directed to file the amended cause title in both these Applications within a period of two weeks.

List the matter on 17.08.2026.

Sd/-	**Sd/-**
(UMESH KUMAR SHUKLA)	**(KISHORE VEMULAPALLI)**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**

Mohan (Steno)/Krishna (PS)