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IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD

IA No.92/2021
In
CP(IB)No.600/7/HDB/2019

In the matter of: SRI PANCHAJANYA POWER PRIVATE LIMITED

M/s. Sri Panchajanya Power Private Limited
H.No.8-27 Plot No.106,
Mythripuram Colony, Jillelguda,
Vyshalinagar PO, Hyderabad – 500 079
(Rep by its RP, Mr. Kalvakolanu Murali Krishna Prasad)



...Applicant

Date of Order: 05.03.2021

**Coram: Madan B. Gosavi, Member Judicial.
Shri Veera Brahma Rao Arekapudi, Member Technical**

Parties/Counsel(s) Presents:

For the Applicant: Mr. Kalvakolanu Murali Krishna Prasad, RP

[Per Bench]

ORDER

1. The present Application bearing IA No. 92/2021 in CP(IB)No.600/7/HDB/2019 is filed by Resolution Professional inter-alia praying to pass the order of liquidation of the Corporate Debtor U/s.33(2) of the I&B Code, 2016 and to appoint Mr. Kalvakolonu Murali Krishna Prasad, RP as Liquidator U/s.34(4)(c) and Sec.34(5) of the I&B Code, 2016.
2. Brief facts as stated by the counsel for the Applicant are as follows:-
- a. That M/s. Acquaint Engineers & Infrastructure Pvt. Ltd. (Financial Creditor) filed CP(IB)No.600/7/HDB/2019 against M/s.Sri Panchajanya Power Private Ltd. (Corporate Debtor) under Section 7 of the IB Code and vide order dated 21.01.2020, this Adjudicating Authority admitted the said Application and Mr. Kalvakolonu Murali Krishna Prasad was appointed as the Interim Resolution Professional.



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- b. That on 29.01.2020, the IRP issued public announcement in Financial Express (English), Mana Telangana, (Telugu) Punyanagari (Marathi) daily News Papers calling for the claims, duly fixing the last date for receipt of claims as 10.02.2020.
- c. That in the 1st CoC meeting, held on 17.02.2020, the Applicant herein was confirmed as Resolution Professional.
- d. As per the decision of CoC at its 2nd meeting dated 03.06.2020, RP published Form-G, inviting EoI from prospective Resolution Applicant on or before 22.06.2020.
- e. CoC in its 3rd meeting held on 29.06.2020 decided to extend time for submission of EoI and accordingly RP issued modified Form-G on 02.07.2020, by extending last date for receiving EoI by 30 days (from 22.06.2020 to 22.07.2020) along with subsequent timelines.
- f. At the 8th CoC meeting, held on 23.12.2020 and 24.12.2020 has recommended for liquidation of Corporate Debtor, with 99.63% for liquidation under Sec.33(2).
- g. That CoC in its 8th meeting held on 23.12.2020 and 24.12.2020 has resolved to as under:-

“To reject the Resolution Plan submitted by M/s.Raajratna Energy Holdings private Limited and resolved to recommend to the Adjudicating Authority for liquidation of M/s. SRI PANCHAJANYA POWER PRIVATE LIMITED (CD).”

The Committee further resolved to direct the RP to convene next CoC meeting during 1st week of January, 2021 to discuss the modalities such estimated liquidation process cost, contribution by stakeholders and appointment of liquidator etc., “to enable the RP to file necessary application with the Adjudicating Authority for liquidation of the company, as per the provisions of the code.”

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- h. CoC in its 9th meeting held on 12.01.2021 resolved to continue the RP to act as 'Liquidator' of the Company.
- i. That CoC in its 9th meeting held on 12.01.2021 has resolved as under:-

“Resolved to Approve the budget for “Liquidation Cost” as proposed by RP”

“The committee after detailed deliberations resolved to recommend to the Adjudicating Authority, that Sri. Kalvakolanu Murali Krishna Prasad, Resolution Professional, appointed under CIRP, be appointed as Liquidator for the purpose of liquidation, if Adjudicating Authority passes order for liquidation of the Corporate Debtor under Sec, 33.”

“Further resolved that the Liquidator shall be paid monthly remuneration subject to the provisions of the Code in addition to reimbursement of Liquidation expenses to be incurred from time to time.”

3. Heard the RP and perused the records.

4. In view of the facts and circumstances as recorded by RP in IA No. 92 of 2021 filed in CP(IB) No. 600/7/HDB/2019, this Adjudicating Authority did not receive any Resolution Plan under Sub-Section (6) of Section 30 of the I&B Code, 2016, this Adjudicating Authority deems it proper to allow the Application bearing IA No. 92/2021 as prayed for. Accordingly, in exercise of powers conferred under Sub-Clauses (i), (ii) and (iii) of Clause (b) of Sub-Section (1) of Section 33 of the I&B Code, 2016, we proceed to pass Order as follows:—

- (i) This Adjudicating Authority hereby order for Liquidation of M/s. Sri Panchajanya Power Pvt. Ltd., which shall be conducted in the manner as laid down in Chapter III of part II of the I&B Code, 2016;
- (ii) This Adjudicating Authority hereby appoint Mr. Kalvakolanu Murali Krishna Prasad who has given his consent dated 21.01.2021 to act as Liquidator in the present case. He is further directed to file the



Authorisation for Assignment (AoA) within 7 days from date of this order. He shall issue a public announcement stating therein that the Corporate Debtor is in Liquidation;

- (iii) The moratorium declared under Section 14 of the I&B Code, 2016, shall cease to have effect from the date of the order of Liquidation;
- (iv) Subject to Section 52 of the I&B Code, 2016, no suit or other legal proceedings shall be instituted by/or against the Corporate Debtor. However, a suit and other legal proceedings may be instituted by the Liquidator, on behalf of the Corporate Debtor, with the prior approval of this Authority.
- (v) We make it clear that para (iv) hereinabove shall not apply to legal proceedings in relation to such transactions as notified by the Central Government in consultation with any financial sector regulator.
- (vi) 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 during the Liquidation process by the Liquidator.
- (vii) All the powers of the Board of Directors, Key Managerial Personnel and the Partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested in the Company Liquidator viz., Mr. Kalvakolanu Murali Krishna Prasad. In addition to this, the Company Liquidator shall exercise the powers and duties as enumerated in Sections 35 to 50, 52 to 54 of the I&B Code, 2016, r/w Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- (viii) The personnel of the Corporate Debtor shall extend all assistance and co-operation to the Company Liquidator as may be required by him in managing the affairs of the Corporate Debtor.





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- (ix) The Liquidator shall keep in view the provisions of Regulation 32A of Insolvency and Bankruptcy Board Of India (Liquidation Process) Regulations, 2016 and shall endeavour to first sell the Corporate Debtor or its business as going concern. However, if he is unable to sell the Corporate Debtor or its business within 90 days from liquidation commencement date, Liquidator shall proceed to sell the assets of the Corporate Debtor under clauses (a) to (d) of Regulation 32 of Insolvency and Bankruptcy Board Of India (Liquidation Process) Regulations, 2016.
- (x) The Company Liquidator shall be entitled to charge such fee for conducting the Liquidation proceedings in such a proportion to the value of the Liquidation estate assets as specified by the Board under Regulation 4(3) of IBBI (Liquidation Process) Regulations, 2016. Accordingly, the fees for conducting the Liquidation proceedings shall be paid to the Company Liquidator from the proceeds of the Liquidation estate.
- (xi) Copy of this Order shall be sent to the concerned Registrar of Companies, RD, OL, Registered Office of the Corporate Debtor and Company Liquidator viz., Mr. Kalvakolanu Murali Krishna Prasad for information and compliance.
- (xii) Registry is directed to furnish a copy of this order to IBBI for confirmation of appointment of Liquidator.

5. Accordingly, Application bearing IA No. 92/2021 stands disposed off.


VEERA BRAHMA RAO AREKAPUDI
MEMBER TECHNICAL
02/03/21
Alekhya
Deputy Registrar / Assistant Registrar / Court Officer
National Company Law Tribunal, Hyderabad Bench


MADAN B. GOSAVI
MEMBER JUDICIAL
प्रमाणित प्रति 92/2021.
CERTIFIED TRUE COPY
केस संख्या CP(IB)NO. 600/7/HDB/19.
निर्णय सं. 5/3/2021.
DATE OF JUDGEMENT... 5/3/2021.
प्रति तैयार किया गया तारीख
COPY MADE READY ON... 22/3/2021.