



IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH
CUTTACK

IA (IB) No. 88/CB/2023

In

CP (IB) No. 244/CB/2020

In the matter of:

An application under Section 54 (2) of the Insolvency and Bankruptcy Code, 2016;

-And-

In the matter of:

Mrs. Narala Varalakshmi, Insolvency Professional (Liquidator for Namratha Power Private Limited), having office at – 1-8-58/29/A, Achhainagar Achhainagar, Baghlinngampally, Backside, RTC Kalyana Mandapam, Hyderabad, Telangana- 500 044;

...Applicant/Liquidator

-In-

In the matter of:

KSK Electricity Financing India Private Limited, 8-2-293/82/A/431/A, Road No. 22, Jubilee Hills, Hyderabad- 500 033;

...Financial Creditor

-Versus-

Namratha Power Private Limited, Plot No-128 (C), Prachi Enclave Chandrasekhar, Bhubaneswar, Khordha- 751 016.

...Corporate Debtor

Coram:

Shri P. Mohan Raj : Member (Judicial)

Shri Satya Ranjan Prasad : Member (Technical)

Appearances:

For the Applicant : Mr. Swayamjit Rout, Adv.

Order reserved on: 24.04.2023
Order pronounced on: 08.05.2023



ORDER

Per: Satya Ranjan Prasad, Member (Technical)

1. The instant application is filed by **Mrs. Narala Varalakshmi**, Liquidator of Namratha Power Private Limited (for brevity “**Corporate Debtor**”) under Section 54 (2) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 45 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (**Liquidation Process Regulations**) seeking an order for the dissolution of the Corporate Debtor.
2. **The averments made by the applicant are mainly to the following effect:**
 - i. The Financial Creditor KSK Electricity India Private had filed an application i.e., CP (IB) No. 244/CB/2020 under Section 7 of IBC, 2016 for initiating Corporate Insolvency Resolution Process (**CIRP**) against the Corporate Debtor /Namratha Power Private Limited which was admitted by this Adjudicating Authority *vide* order dated 12.04.2021 wherein Mrs. Narala Varalakshmi was appointed as Interim Resolution Professional (**IRP**). Thereafter, in the 1st CoC meeting held on 11.05.2021, the applicant was resolved to be appointed as Resolution Professional (**RP**).
 - ii. In pursuance of CIRP order the IRP effected public announcement in Form A on 16.04.2021 in *Financial Express*” (English Edition) and “*Odiya Express*” (Oriya Edition). In response to the said newspaper publications, two claims were received. The applicant admitted the claim of KSK Electricity financing India Private Limited for an amount of Rs.3,32,62,740 and CoC was constituted with sole financial creditor. The Claim submitted by ICCI Bank Limited for an amount of Rs. 8,19,01,256.54/- was rejected after verification.
 - iii. It is averred that the corporate debtor has no business activity for last several years. There is no value to the corporate debtor in the books of account and the invitation of the Resolution plan would be futile



exercise and waste of time and money. There is no possibility of revival of corporate debtor.

- iv. In the 2nd CoC meeting held on 22.07.2021, the CoC with 100% voting resolved to liquidate the corporate debtor and appointed the applicant herein as the liquidator of the corporate debtor. This Adjudicating Authority *vide* order dated 27.07.2022 in IA (IB) No. 151/CB/2022 passed an order of liquidation of the corporate debtor and appointed **Mrs. Narala Varalakshmi**, (Applicant herein) having Registration No. **IBIB/IPA-002/IP-N00620/2018-2019/11980** as liquidator for the corporate debtor.
- v. The Liquidator made a public announcement in Form-B of Schedule-II on 30.07.2022 in “*Financial Express*” (English Edition) and “*Odiya Express*” (Odiya Edition). In response to the said newspaper publications, two claims were received. The stakeholders have submitted their claims, which were verified by the liquidator, and submitted a list of Stakeholders before the Adjudicating Authority on 26.08.2022 as per Regulation 31 of the Liquidation Regulations. Thereafter, the applicant herein constituted the Stakeholder Consultation Committee (**‘SCC’**) on 03.12.2022 as per Regulation 31A (1). The Stakeholders Consultation Committee (SCC) in its meeting held on 03.12.2022 decided to dissolve the corporate debtor as there is no assets and business in the corporate debtor.
- vi. The Liquidator had prepared a Preliminary Report and Asset Memorandum, *inter alia*, containing the estate of the assets and liabilities and also prepared Progress Reports and Final Reports as stipulated in Regulation 15 and filed the same before the Adjudicating Authority.
- vii. It is averred that the company does not have any immovable Assets and there is no realizable properties of the corporate debtor. The



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applicant submits that he had distributed the entire proceeds in accordance with section 53 of the Code. The distribution of realized value to the stakeholders is as follows: -

| SI. No. | Particulars | Claims Admitted | Distribution to Stakeholders |
|---------|---|----------------------|------------------------------|
| 1. | Amount Realized | 3,42,62,740 | 0 |
| 2. | Distribution as per waterfall mechanism (Section 53 of the Code) | | |
| 2.1 | Insolvency Resolution Process Costs and Liquidation Process as per Annexure-A | 0 | 0 |
| 2.2 (1) | Workmen dues (up to 24 months) | NIL | NIL |
| 2.2 (2) | Secured Creditors Dues | NIL | NIL |
| 2.3 | Employee dues (up to 12 months) | - | - |
| 2.4 | Unsecured Creditors due | 0 | 0 |
| 2.5 | Statutory & Government Dues (Up to 24 Months) | 0 | 0 |
| 2.6 | Any remaining debts & Dues | - | - |
| 2.7 | Equity Shareholders | - | - |
| | Total | 3,42,62,740/- | 0 |



- viii. It is averred that a letter for closure of the Liquidation Account of the Corporate Debtor with **UCO Bank**, bearing Account No.**09790200000466**, at Banjara Hills Branch, has been sent on 27.07.2022. there is no balance in the bank account.
- ix. The applicant had filed a Final Report prior to Dissolution before the Adjudicating Authority on 23.01.2023, the details of which are briefly as follows:
- a) Conduct of the Liquidation Process
 - b) Report dealing with the Assets of the Corporate Debtor
 - c) Statement of distribution of Liquidation Value to the Stakeholders as per Section 53 of the Code.

A copy of the Final Report prior to the dissolution application is filed as **Annexure-I** of the application.

- x. The Applicant averred that on the basis of the Final Report, the assets of the Corporate Debtor have been completely liquidated and that the present application is filed for dissolution of the corporate debtor.
- xi. It is further stated that the corporate debtor is liquidated completely and there are no assets available with the corporate debtor to realize and share the proceeds with the stakeholders as per Section 53 of the Code. Thus, submitting the applicant prayed to the Tribunal to pass orders of dissolution of the corporate debtor.
3. In the light of the above facts and circumstances of the case, the only point that emerges for consideration of the Adjudicating Authority is-

Whether the Corporate debtor can be dissolved?

4. We have heard the Liquidator and perused the record.



5. At the outset, it may be stated that Section 54 of the IBC lays down the criteria for the dissolution of the corporate debtor, which is as under:

“54. Dissolution of Corporate debtor.

(1) Where the assets of the corporate debtor have been completely liquidated, the liquidator shall make an application to the Adjudicating Authority for the dissolution of such corporate debtor.

(2) The Adjudicating Authority shall on the application filed by the liquidator under sub-section (1) order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly.

(3) A copy of an order under Sub Section (2) shall within seven days from the date of such order, be forwarded to the authority with which the corporate debtor is registered.”

6. From the averments made in the application along with the perusal of the final report and the Compliance Certificate filed in Form-H by the Liquidator categorically discloses that the Estimated liquidation value of the assets of the corporate debtor is valued @ Rs. 34,106/- and that the corporate debtor does not have any assets. It is seen that the corporate debtor has been completely liquidated and in the said circumstances as averred and as prayed for by the applicant that an order for dissolution is required to be passed by this Adjudicating Authority under Section 54 of the IBC, 2016.
7. We are satisfied that the criteria laid down under law has been fully complied with. As such, the corporate debtor is liable to be dissolved. Hence, we hereby order the dissolution of the corporate debtor as under: -



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- (i) The Corporate debtor **Namratha Power Private Limited**, stands dissolved from the date of this order, in terms of Section 54 (2) of IBC, 2016.
 - (ii) The Liquidator shall stand discharged from his responsibilities, subject to completion of procedural compliances, if any.
 - (iii) Copy of this order be sent/communicated to the Registrar of Companies, Cuttack, Odisha within seven days from the date of this order for further necessary action as prescribed under Law.
 - (iv) Upon dissolution of the corporate debtor, the records of the Company which are in possession of the Liquidator, be handed over by the Liquidator to the IBBI.
8. Accordingly, IA(IB) No. 88/CB/2023 in CP (IB) 244/CB/2020 stands **disposed of**.
9. The Registry is directed to send e-mail copies of the order forthwith to all the parties and their Ld. Counsel for information and for taking necessary steps.
10. Certified copy of this order may be issued, if applied for, upon compliance of all requisite formalities.

SATYARANJAN PRASAD Digitally signed by SATYARANJAN PRASAD
Date: 2023.05.08 16:49:56 +05'30'

Satya Ranjan Prasad
Member (Technical)

PANDIAN
MOHAN RAJ

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MOHAN RAJ
Date: 2023.05.08 15:16:21 +05'30'

P. Mohan Raj
Member (Judicial)

Signed on this, 8th day of May, 2023

Supriya _P. s_