



IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **18.02.2026** THROUGH VIDEO CONFERENCE

CORAM: HON'BLE SHRI SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

IN THE MATTER OF : Dena Bank Ltd
Vs
Sri Venkatesa Paper And Board Ltd

MAIN PETITION NUMBER : CP(IBC)/1353(CHE)/2018

(IA/MA) APPLICATION NUMBERS

IA(IBC)(DIS)/59/CHE/2025

ORDER

IA(IBC)(DIS)/59/CHE/2025

Present: Mr. A.G.Sathyannarayana, Ld. Counsel for the Liquidator.

Vide separate order pronounced in the open Court, the application is allowed.

The Corporate Debtor i.e. Sri Venkatesa Paper And Board Ltd is dissolved.

File be consigned to records.

-sd-

[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)

MS

-sd-

[SANJIV JAIN]
MEMBER (JUDICIAL)

Date: 18.02.2026



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

IA(DIS)/59(CHE)/2025

In

IA(IBC)/800(CHE)2021 in CP/1353/IB/2018

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

In the matter of Sri Venkatesa Paper and Boards Limited

Vasudevan Gopu,

Liquidator of Sri Venkatesa Paper and Boards Limited

IP Reg No. IBBI/IPA-002/IP-N00291/2017-18/10849

'G.V. Enclave' 18/30, Ramani Street, K.K. Pudur,

Saibaba Colony (4th Right Opp. Road to Saibaba

Colony Hotel Annapoorna Road) Coimbatore - 641038.

Order Pronounced on 18th February, 2026

CORAM

SHRI. SANJIV JAIN, MEMBER (JUDICIAL)

SHRI. VENKATARAMAN SUBRAMANIAN, MEMBER (TECHNICAL)

For Liquidator : Mr. A.G. Sathyanarayana.

ORDER

(Heard 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 Debtor seeking for Dissolution of the Corporate Debtor viz., **Sri Venkatesa Paper and Boards Limited.**

2. Briefly the facts are that an application was filed by the Financial Creditor namely Bank of Baroda (Formerly Dena Bank Limited) under Section 7 of the



Insolvency and Bankruptcy Code, 2016 against Sri Venkatesa Paper and Boards Limited (hereinafter, Corporate Debtor") and the same was admitted by this National Company Law Tribunal, Chennai Bench (hereinafter, "tribunal") vide order CP/1353/IB/2018 dated 11.12.2019 and Mr. S. Muthuraju an Insolvency Professional holding registration number IBBI/IPA-002/IP-N00009/2016-2017/10013 was appointed as Interim Resolution Professional (IRP). Copy of the CIRP order is enclosed herewith as "**Annexure-1**".

3. During the CIRP, the Resolution Professional, with the approval of the Committee of Creditors (CoC), filed an application before this Tribunal seeking direct dissolution of the Corporate Debtor on the ground that the Corporate Debtor has no assets. However, this tribunal observed that, in terms of the provisions of the Insolvency and Bankruptcy Code, 2016, an application for dissolution can be filed only by the Liquidator upon completion of the liquidation process.

4. Following which, this tribunal ordered for the liquidation of the corporate debtor Sri Venkatesa Paper and Boards Limited vide order dated 13.02.2023 in IA(IBC)/800(CHE)/2021 in CP/1353/IB/2018 and Mr. Vasudevan Gopu, an Insolvency Professional holding registration number IBBI/IPA-002/IP-N00291/2017-18/10849 was appointed as the Liquidator of the corporate debtor Sri Venkatesa Paper and Boards Limited. The extract of the order is as under:

"11. Section 54 of IBC, 2016 clearly stipulates that the Adjudicating Authority can order for dissolution of the Corporate Debtor under sub-section (1) of Section 54 of IBC, 2016 only on an Application filed by the Liquidator. Admittedly in the present case, the Corporate Debtor is under CIRP and the present Application has been filed by the 'Resolution Professional' of the Corporate Debtor and not by the 'Liquidator'. Further, Regulation 14 which was referred to by the Applicant in the present Application pertains



to the Liquidation Process and not the Corporate Insolvency Resolution Process which the Corporate is undergoing as of now.

14. Hence, for the reasons aforesaid, the present Application seeking dissolution of the Corporate Debtor cannot be ordered by this Adjudicating Authority since the Corporate Debtor is presently under CIRP and not under Liquidation. However, in the best interest of justice and to uphold the correct position of law, based on the Resolution passed by CoC in its 3rd CoC meeting resolving to liquidate the Corporate Debtor, we hereby order for Liquidation of Corporate Debtor. “

5. In compliance with Regulation 12 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016, the Applicant issued a public announcement on 25th February 2023, inviting claims from the creditors of the Corporate Debtor (CD). This announcement was made in Form-B and was published in two widely circulated newspapers: "Times of India" (an English daily) and "Hindu Tamil Thisai" (a Tamil vernacular daily). Additionally, the announcement was placed on the official website of the Insolvency and Bankruptcy Board of India (IBBI) to ensure broad visibility. The Applicant set the deadline for the submission of claims as 15th March 2023, thereby providing creditors a clear and reasonable timeframe to submit their claims as part of the liquidation process. Copy of the public announcement is placed as "**Annexure-3**".

6. Subsequently, Notice was sent under Section 178 of Income Tax Act, 1961 to Income tax assessing officer, Circle 1, Tirupur informing the Commencement of Liquidation process. Notices were also sent to government authorities Commercial tax department -Palani II Assessment Circle, Employee State Insurance Corporation- Madurai and financial creditor Bank of Baroda, Stressed Assets Management Branch, Chennai being those who had submitted their claims during CIRP. Copy of email notice sent to Statutory authorities and Creditors is placed as "**Annexure-4**".



7. In response to the Public Announcement and intimations, claims were received, which were processed by the liquidator and the decisions on admission or rejection of the claims were communicated to the claimants.

8. Based on the claims submitted and accepted, the liquidator prepared the list of stakeholders dated 24th April 2023 and submitted to this Tribunal and also uploaded on IBBI website in compliance with the Regulation 31 of the IBBI (Liquidation Process) Regulations, 2016. Copy of the List of stakeholders submitted with the Registry of this Tribunal and uploaded on IBBI website is placed as "**Annexure-5**".

9. Further based on the list of stakeholders prepared, liquidator constituted the Stakeholder Consultation Committee ("SCC") dated 24.04.2023 as per Regulation 31A of the IBBI (Liquidation Process) Regulations, 2016. Copy of the report constituting Stakeholder Consultation Committee (SCC) sent to the Registry of this Tribunal is placed herewith as "**Annexure-6**".

10. Details of stakeholders of the corporate debtors and their voting share in committee based on the claims accepted are as follows:

S.NO	NAME OF CREDITOR	CATEGORY	AMOUNT OF CALIM ADMITTED	VOTING % BASED ON CLAIMS ADMITTED
1.	Bank of Baroda, Stressed Assets Management Branch, Chennai	Financial Creditor	2,46,19,05,451	86.59%



2.	Commercial Taxes Department, Palani 11 Assessment Circle	Government Dues	34,21,07,688	12.03%
3.	Employees provident fund organization, Dindigul	Government Dues	3,12,52,220	1.1%
4.	Employee State Insurance Corporation, Madurai	Government Dues	78,72,581	0.28%
TOTAL			2,84,31,37,940	100%

11. The applicant prepared the preliminary report on 29.04.2023 and submitted it to Tribunal in compliance with Regulation 13 of (Liquidation Process) Regulations, 2016. Copy of the report filed is placed as "**Annexure-7**".

12. It is stated that during the course of liquidation, the applicant found no assets identifiable or in the name of the Corporate Debtor. Owing to this reason, the applicant could not file the Asset Memorandum. It is submitted that during CIRP, the erstwhile RP also could not find any assets standing in the name of the corporate debtor, hence, with the consent of CoC, an application was filed before this tribunal seeking direct dissolution. This tribunal observed that under Insolvency and Bankruptcy Code, 2016, dissolution can be sought only by the liquidator upon completion of the liquidation process, and therefore ordered for liquidation appointing the applicant as the Liquidator.



13. During liquidation, while collating information, it came to the notice of the liquidator that the security interest on the movable and immovable properties of the corporate debtor had been assigned by IDBI Bank limited, South Indian Bank and Life Insurance corporation to Asset Care & Reconstruction enterprise Limited, which is an Asset Reconstruction Company.

14. Upon the direction of the Stakeholders' Committee, the liquidator issued notice to Asset Care & Reconstruction enterprise Limited calling for information. The Asset Care & Reconstruction enterprise Limited provided Assignments agreements and Sale certificate with respect to sale of Movable and immovable assets of the corporate debtor and summary details of the assets sold during year 2011-2018 and the amount realised.

15. It is stated that the details received from Asset Care & Reconstruction Enterprise Limited were placed before the Stakeholders' Consultation Committee. After perusal of it, the SCC suggested to appoint a Private Investigating agency to identify the assets remaining in the name of the corporate debtor.

16. Following the direction, the liquidator appointed PNS Risk Management Services LLP on 08.05.2024 to search and investigate property or assets of the corporate debtor. The Private investigating agency filed two periodical reports respectively on 24.06.2024 and 28.08.2024. Further, the Stakeholders' Consultation Committee decided to give additional time to the private investigating agency to find any documentary evidences of unencumbered property belonging to the Corporate Debtor. It is stated that even after such additional time, the PNS Risk Management Services LLP could not trace any documentary evidences of unencumbered property belonging to the Corporate Debtor other than the mortgaged property to the banks.



17. The Applicant submitted the periodical progress reports from time to time dealing with the status of the liquidation. The details are as under:

S.No.	Particulars	Filing date
1.	March 2023 - 1st Quarter	15-04-2023
2.	June 2023 - 2nd Quarter	15-07-2023
3.	September 2023 – 3rd Quarter	28-10-2023
4.	December 2023 – 4th Quarter	13-01-2024
5.	March 2024 - 1st Quarter	11-04-2024
6.	June 2024 - 2nd Quarter	13-07-2024
7.	September 2024 – 3rd Quarter	15-10-2024
8.	December 2024 – 4th Quarter	09-01-2025
9.	March 2025 - 1st Quarter	12-04-2025
10.	June 2025 - 2nd Quarter	15-07-2025
11.	September 2025 – 3rd Quarter	15-10-2025

18. Pursuant to the information provided by the Asset Care & Reconstruction enterprise Limited and the private investigating agency's, the Liquidator concluded that there are no assets pertaining to the Corporate Debtor remaining, which can be appropriated. Hence, the Stakeholders' Consultation Committee vide meeting held on 30.09.2026 approved the resolution for filing application for dissolution of the Corporate Debtor. The Applicant submits that the completion of the process could not be achieved within the prescribed period of one year primarily on account of time taken in verifying and investigating the existence of any assets of the Corporate Debtor based on SCC recommendations, as detailed above. It is submitted that upon expiry of one year from the commencement of liquidation, the liquidator filed an application before this tribunal seeking extension. The Applicant was granted a further period of six months by this tribunal vide order dated 29.02.2024. The extract of order is as under:

"IA/523(CHE)/2024 has been filed seeking extension of the timeline till 20.08.2024. Reasons have been stated in para-Nos. 9, 10 and 11 of the



application. Ld. Counsel for the Liquidator/ Applicant submits that the Liquidator will not seek further extension thereafter. Recording the above submissions and in view of the reasons stated in the application, the liquidation timeline is extended till 20.08.2024."

The Applicant submits that based on the recommendation of the Stakeholders' Consultation Committee (SCC) to conduct further investigation regarding possible assets of the Corporate Debtor, the Liquidator filed another application for extension. It is stated that the application could not be listed before this Tribunal due to technical reasons at the Registry.

19. The Applicant submits that he has not opened any liquidation bank account with any scheduled bank as no assets were available in the name of the corporate debtor and no funds were realized and there was no distribution to the stakeholders.

20. It is submitted that as the corporate debtor had no liquidation assets, the financial creditor Bank of Baroda, Stressed Assets Management Branch, Chennai at the stakeholders' consultation committee meeting held on 30.09.2025 agreed to make payment for liquidator fee, make reimbursement for the expenses incurred by the liquidator and also make payment for estimated dissolution application expenses. Further to that, the financial creditor paid the liquidator's fee and other liquidation costs to the Liquidator as agreed at the stakeholders' consultation committee meeting.



21. The Applicant has provided the details of pending litigations involving the Corporate Debtor as under:

S. No	Court or Tribunal	Case No	Case title / Parties involved	Remarks / Details of case
1.	Principal District Court, Tiruppur	CRLA/306 /2024	Petitioners/Appellants 1) Sri Venkatesa Paper and Board Limited, Soundararajan 2) Soundararaj 3) Sumathi 4) Meena R.Sampath Respondents/ Complainant 1. M/s. New Golden Eagle Paper Converting works, Proprietor of Mr.Purushothaman	This case is an appeal filed by erstwhile directors/Promoters of the corporate debtor against the order by the Judicial Magistrate No.I, Udumalpet for the offence punishable under section 138 of Negotiable Instruments Act in S.T.C.No.488 of 2019 on 22.03.2024 in which directors/Promoters of the corporate debtor who were parties to the case has been sentenced to undergo one year simple imprisonment and also directed parties to the case to pay the Cheque amount of Rs.55,74,224/- as compensation to the complainant. In this appeal filed by erstwhile

				directors/Promoters, the corporate debtor was also included as one of the party.
2.	Principal District Court, Tiruppur	CRLA/307 /2024	Petitioners/Appellants 1) Sri Venkatesa Paper and Board Limited, Soundararajan 2) Soundararaj 3) Sumathi 4) Meena R.Sampath Respondents/ Complainant 1. M/s. New Golden Eagle Paper Converting works, Proprietor of Mr.Purushothaman	This case is an appeal filed by erstwhile directors/Promoters of the corporate debtor against the order by the Judicial Magistrate No.I, Udumalpet for the offence punishable under section 138 of Negotiable Instruments Act in S C.C.No.228 of 2011 on 22.03.2024 in which directors/Promoters of the corporate debtor who were parties to the case has been sentenced to undergo one year simple imprisonment and also directed parties to the case to pay the Cheque amount of Rs. 23,50,000/- as compensation to the complainant. In this appeal filed by erstwhile directors/Promoters, the corporate debtor was also included as one of the party.



22. The Applicant submits that there are no applications pending as regard to any Preferential, Undervalued, Fraudulent or Extortionate credit transactions.

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

S.NO	COMPLIANCE	DATE OF EVENT	PG NO.
1.	(Regulation 12) Public Announcement in Form B within five days of the appointment of the Liquidator.	25-02-2023	54-59
2.	(Regulation 35(2)) Appointment of Registered Valuers in matters where no valuation conducted during the CIRP.	NA	No Valuation
3.	Regulation 31(2) Filing the List of Stakeholders within forty-five days from the last date for receipt of the claims.	29.04.2023	64-79
4.	(Regulation 31A) Constitution of SCC within sixty days from LCD.	24.04.2023	80-86
5.	(Regulation 13) Filing 'Preliminary Report' before the Adjudicating Authority within seventy-five days from the LCD.	29.04.2023	87-95
6.	(Regulation 34) Preparation of Asset Memorandum within seventy-five days from LCD.	NA	NA



7.	Regulation 41) Opening of Bank Account in the name of the Company followed by the words 'in liquidation' in a Scheduled Bank.	NA	NA
8.	Proof of Closure of the above Bank Account and any other account in the name of the Company.	NA	NA
9.	(Regulation 15) Quarterly Progress Reports and proof of filing the same before the Adjudicating Authority.	15.04.2023, 15.07.2023, 28.10.2023, 13.01.2024, 11.04.2024, 13.07.2024, 15.10.2024, 09.01.2025, 12.04.2025, 15.07.2025, 15.10.2025.	155-206
10.	(Regulation 36) Asset Sale Report after sale	NA	NA
11.	(Regulation 42(2)) Proof of distribution within ninety days from the receipt of realization.	NA	NA
12.	(Regulation 45(3)) 'Final Report' along with Compliance Certificate in Form-H to be filed along the Application.	27.11.2025	207-230
13.	(Regulation · 5(1)(e)) (Compilation of the Minutes of SCC	11 Meetings	114-153
14.	(Regulation 15) Audited accounts of receipts and	NA	NA



	payments. (Page No. of the Auditor Certificate in the Application Typeset)		
15.	(Regulation 37) Completion of liquidation process within one year from LCD or extension if any, date of the order & period.	Date of filing final report to ROC and IBBI 27.11.2025	154
16.	To furnish of details of any application pending before the Adjudicating Authority if any.	NA	NA
17.	Whether any application pending before this Tribunal in relation to the Corporate Debtor, if any. (Details to be furnished)	NA	NA



24. The liquidator has filed the Form H, showing realization and distribution which are reproduced as under:

(Amount in Rs. lakh)						
Sl. No.	Stakeholders under section 52 and 53 (1)	Amount Claimed	Amount Admitted	Amount Distributed	Amount Distributed to the Amount Claimed (%)	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	Realization of Security Interest	NIL	NIL	NIL	NIL	NIL
2.	Liquidation Cost [Sec. 53(1)(a)]	3.16	3.16	NIL*	0%	*Refer note-1 given below
3.	Workmen's Dues [Sec. 53(1)(b)(i)]	NIL	NIL	NIL	NIL	NIL
4.	Debts of Secured Creditors [Sec. 53(1)(b)(ii)]	NIL	NIL	NIL	NIL	NIL
5.	Wages and Unpaid Dues to Employees[Sec. 53(1)(c)]	NIL	NIL	NIL	NIL	NIL
6.	Debts of Unsecured Financial Creditors [Sec. 53(1)(d)]	24625.20	24619.05	NIL*	0%	*Refer note-2 given below
7.	Government Dues + Amount Unpaid following Enforcement of Security Interest [Sec.53(1)(e)]	NIL	NIL	NIL	NIL	NIL
8.	Any remaining Debts and Dues [Sec. 53(1)(f)]	3812.32	3812.32	NIL*	0%	*Refer note-2 given below
9.	Preference Shareholders [Sec. 53(1)(g)]	NIL	NIL	NIL	NIL	NIL



10.	Equity Shareholders [Sec.53(1)(h)]	NIL	NIL	NIL	NIL	NIL
TOTAL		28,440.68	28,434.53	NIL	0%	NIL
<p><u>*Note -1 Liquidation Cost</u></p> <p>As the corporate debtor have no liquidation assets, the financial creditor Bank of Baroda, Stressed Assets Management Branch, Chennai at the stakeholders consultation committee meeting held on 30th September 2025 agreed to make payment for liquidator fee and other liquidation costs. Further to that the financial creditor had paid the liquidator fee and other liquidation costs to the Liquidator.</p> <p><u>*Note -2 Distribution to stakeholders</u></p> <p>The corporate debtor has no liquidation assets hence there were no funds available for distribution to stakeholders.</p>						

25. We have heard Learned Counsel for the Applicant and perused the report of the Applicant.

26. From the averments made in the Application and on perusal of final report and the Compliance certificate filed in Form-H by the Applicant, it is seen that there exists no traceable unencumbered and unrealized property pertaining to the Corporate Debtor for distribution among the stakeholders of the Corporate Debtor. We observe that there was a delay in the liquidation process spread over 469 days, ending with this present application for dissolution of the corporate debtor. Based on the submission of the Applicant, we take note that the application for further extension of the Liquidation period, was not listed, owing to technical reasons at the Registry.

27. The disclosure as to pending litigations show that the litigations are in the nature of appeals filed by the erstwhile directors and promoters of the Corporate Debtor against the order of Judicial Magistrate No. I Udumalpet in Section 138 of



NI Act cases. The proceedings under Section 138 of NI Act, though arising out of financial obligation owed, are not akin to recovery proceedings. Since, dissolution of the corporate debtor does not absolve personal penal liability of the directors and promoters of the corporate debtor, as elucidated by Hon'ble Supreme Court in the case of *Ajaykumar Radheyshyam Goenka Vs Tourism Finance Corporation of India Ltd reported in (2023) 10 SCC 545*, these erstwhile directors and promoters are at liberty to pursue the appeals. The relevant extract of the decision is as hereunder:

“85. Thus, the upshot of all the decisions referred to above is where the proceedings under Section 138 of the NI Act had already commenced with the Magistrate taking cognizance upon the complaint and during the pendency, the company gets dissolved, the signatories/directors cannot escape from their penal liability under Section 138 of the NI Act by citing its dissolution. What is dissolved, is only the company, not the personal penal liability of the accused covered under Section 141 of the NI Act.....”

28. Drawing inference from the records submitted, we find that the Corporate Applicant Sri Venkatesa Paper and Boards Limited 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. **We, therefore order for the dissolution of the Corporate Debtor viz., Sri Venkatesa Paper and Boards Limited** condoning the delay.

29. The liquidator Mr. **Vasudevan Gopu**, is discharged as the Liquidator of the corporate debtor. The RoC is directed to change the status of the corporate debtor as “Dissolved.”



30. The Liquidator shall preserve physical or electronic copy of the reports, registers, and books of account referred to in Regulations 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.

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

32. In terms of the above, this **IA(DIS)/59(CHE)/2025 in IA(IBC)/800(CHE)2021 in CP/1353/IB/2018** is **disposed**.

33. File to be consigned to records.

Sd-

VENKATARAMAN SUBRAMANIAM
MEMBER (TECHNICAL)

Sd-

SANJIV JAIN
MEMBER (JUDICIAL)