IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

[Through Physical hearing/VC Mode (Hybrid)]

ITEM No.24
I.A. (Liq.) No. 03/2025 in
C.P. (IB) No.16/BB/2023

IN THE MATTER OF:

M/s. Flow Bangalore Waterjet Private Limited … Petitioner

Order under Section 10 of I & B Code, 2016

Order delivered on: 25.08.2025

CORAM:

SHRI SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the RP : Ms. Noopur Dalal

ORDER

I.A. (Liq.) No.03/2025:

1. Heard the Ld. Counsel appearing for the RP.
2. Liquidation of Corporate Debtor is ordered vide separate Order.

C.P. (IB) No.16/BB/2023

List the case on **15.10.2025.**

-Sd-
RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)

-Sd-
SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH
*(Exercising powers of Adjudicating Authority under
The Insolvency and Bankruptcy Code, 2016)*

IA No. (Liq) 03/2025 in **C.P. (IB) No. 16/BB/2023**
U/s. 33(2) & section 60 (5) (c) of the Insolvency and Bankruptcy Code, 2016
read with Rule 11 of the NCLT Rules, 2016

In the matter of :

M/s. Flow Bangalore Waterjet Private Limited
Through its *Resolution Professional*
Mr. Srinivas Thatikonda …. Applicant

In the decided matter of:

M/s. Flow Bangalore Waterjet Private Limited …. Petitioner/Corporate Applicant

Order Delivered on: 25/08/2025

Coram: 1. Hon'ble Shri Sunil Kumar Aggarwal, Member (Judicial)
2. Hon'ble Shri Radhakrishna Sreepada, Member (Technical)

O R D E R

1. This Application was filed on 05.03.2025 under section 33 (2) and section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016 by Mr. Srinivas Thatikonda, Resolution Professional of the M/s. Flow Bangalore Waterjet Private Limited *("Corporate Debtor")* with following prayers: -
   A. *Pass the Order for Liquidation of the Corporate Debtor in terms of Section 33(2) of the Insolvency & Bankruptcy Code, 2016;*
   B. *Pass any other order pursuant to Section 33 of Insolvency & Bankruptcy Code, 2016 in relation to liquidation process of the Corporate Debtor;*
   C. *Consider appointing the Resolution Professional Mr. Srinivas Thatikonda as the liquidator of the Corporate Debtor in terms of the provisions of section 34(1) of the Insolvency & Bankruptcy Code, 2016 and declaring that on the appointment of a liquidator under section 34(2) of the IBC, 2016, all powers of the board of directors, key managerial personnel and the pa1tners of the corporate debtor, as the case may be, shall cease to have effect and shall be vested in the liquidator;*

D. Consider approving the fees payable to the liquidator as approved by the CoC in the 3rd CoC meeting held on 20th February 2025 in terms of provisions of Regulation 4 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016

E. Direct the Applicant to Issue a Public Announcement stating that the Corporate Debtor is in Liquidation;

F. Direct the Applicant to intimate the Order for Liquidation of the Corporate Debtor to the Registrar of Companies, Bengaluru;

G. Consider directing the Personnel of the Corporate Debtor to extend all assistance and co-operation to the Liquidator as may be required in liquidating the affairs of the Company in discharging his function as specified under Section 35 of Insolvency & Bankruptcy Code, 2016;

H. Pass such other and fu1ther relief/s as the Hon'ble Tribunal may deem fit be granted.

2. Brief facts of the application are given hereunder:

    a. The Company Petition bearing C.P (IB) No. 16/BB/2023 was filed under Section 10 of the Insolvency and Bankruptcy Code, 2016 by *"M/s. Flow Bangalore Waterjet Private Limited"* to initiate Corporate Insolvency Resolution Process ('CIRP') against itself and the same was **admitted on 13.09.2024** and Mr. Srinivas Thatikonda was appointed as Interim Resolution Professional ("IRP") of the Corporate Debtor.

    b. On receiving the Order of appointment as the IRP of the Corporate Debtor, the IRP had issued a Public Announcement in the newspapers in Form-A on 14.09.2024 as per Regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations 2016 (*for short - CIRP Regulations*) and the last date for submission of claims was 27.09.2024.

    c. In response to the Public Announcement, RP received claims from 2 related parties however, no claims were received from financial creditors. Hence, IA No. 786/2024 came to be filed seeking directions for the same, which was dismissed as withdrawn vide order dated 10.02.2025. The Committee of Creditors ("CoC") was then constituted with two Operational Creditors and the Report under CIRP Regulation 13 (2) (d) was filed as I.A. 121/2025 and taken on record vide order dated 10.02.2025.

d. The First Meeting of the CoC was held on 23.01.2025, wherein the IRP was appointed as the Resolution Professional of the Corporate Debtor. The CoC consists of the following members: -

S.No.	**Name of the Committee of Creditors**	**Amount Claimed (Rs.)**	**Amount of Claim Admitted (Rs.)**	**% of Voting share**
1.	Flow Asia Corporation	4,85,16,084	4,85,16,084	61.69%
2.	Flow International Corporation	3,01,30,796	3,01,30,796	38.31%

e. In the Second Meeting of the CoC held on 10.02.2025, the RP apprised the participants regarding the developments in the CIRP, appointment and remuneration payable to the registered valuers, publication of Form G, Eligibility criteria for Prospective Resolution Applicants, Evaluation Matrix, Request for Resolution Plan. However, after deliberations, the CoC decided not to proceed with the publication of Form G, stating that there was minimal likelihood of the corporate debtor's revival. Instead, the CoC resolved to move towards the liquidation process in the best interest of all stakeholders.

f. The Third Meeting of the CoC dated 20.02.2025, as the Corporate Debtor is no more a going concern, the Corporate Debtor has no employees, operations were already shut down, and since there is no possibility of having the resolution plan, there is no option or resources left with the Corporate Debtor to repay the liabilities outstanding, it is appropriate to go ahead with Liquidation of the Corporate Debtor. Hence, this Application.

3. We have carefully considered the submissions made in the application by the Resolution Professional and also perused the material on record.

4. The relevant provisions of sub-sections (1) and (2) of Section 33 of the Code read as follows:

"***33. Initiation of liquidation.-***
(1) Where the Adjudicating Authority, —
(a) before the expiry of the insolvency resolution process period or the maximum period permitted for completion of the corporate insolvency resolution process under section 12 or the fast-track corporate insolvency resolution process under section 56, as the case may be, does not receive a resolution plan under sub-section (6) of section 30; or
(b) rejects the resolution plan under section 31 for the non-compliance of the requirements specified therein, it shall:

(i) pass an order requiring the corporate debtor to be liquidated in the manner as laid down in this Chapter;
(ii) issue a public announcement stating that corporate debtor is in liquidation; and
(iii) require such order to be sent to the authority with which the corporate debtor is registered.
(2) Where the resolution professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the committee of creditors to liquidate the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1).”

5. **Prescribed period for filing application**: In view of the facts above narrated, this Application is one under sub-section (2) of Section 33 of the Insolvency and Bankruptcy Code, 2016.

6. **Appointment of Liquidator:** It is submitted that the Members of CoC in their 3rd CoC Meeting held on 20.02.2025 approved the appointment of ***Mr. Srinivas Thatikonda*** as Liquidator of the Corporate Debtor with 100% of votes as per section 34 of the Insolvency and Bankruptcy Code. Additionally, the Applicant has also given his written consent dated 19.02.2025, **Annexure F** to act as the Liquidator of the Corporate Debtor. Therefore, this Tribunal hereby approves the appointment of **Mr. Srinivas Thatikonda** with Registration No. IBBI/IPA-002/IP-N00631/2018-2019/ 11886 Email Id- srinivas@srinivasthatikonda.com as the Liquidator of the Corporate Debtor.

7. The CIRP Regulations 39B, 39C and 39D are examined hereunder.
    a. **Liquidation Cost [Regulation 39B]-** Pursuant to CIRP Regulation 39B the CoC in its 3rd meeting approved the estimated Liquidation cost of Rs. 11,25,000/- (Rupees Eleven Lakhs Twenty-Five Thousand Only).
    b. **Scheme of Compromise or Arrangement [Regulation 39BA]-** The COC informed that since it had been decided to proceed with the liquidation, it sees no prospects of any compromise and arrangement and thus does not wish to move forward with it. Accordingly, the resolutions on Regulations 39BA were rejected with majority vote of 100% by the CoC.
    c. **Assessment of Sale as a going concern [Regulation 39C] –** Since the CoC had approved the resolution with respect to the liquidation of the Corporate Debtor, the discussions on sale of Corporate Debtor as a going concern or sale

of business of the Corporate Debtor as a going concern were not relevant. Accordingly, the resolutions on Regulations 39C were rejected with majority vote of 100% by the CoC.

d. **Fees of the Liquidator [Regulations 39D]-** The fee of the liquidator shall be in accordance with CIRP Regulation 39D.

	Votes cast in favour	**Votes cast against**	**Abstained**
RESOLVED THAT the COC be and hereby considers and approves to appoint the existing RP i.e., Srinivas Thatikonda as the liquidator of the Corporate Debtor, pursuant to his consent to act as liquidator. *RESOLVED FURTHER THAT the Resolution Professional be and is hereby authorized to take such steps as may be required to give effect to the above resolution and do all such acts, deeds including filing of any application with the NCLT or any other authorities as may be required in this regard.*	100%	-	-

8. In view of the satisfaction of the conditions provided under sub-section (2) of section 33 of the Code, the **Application is allowed and Corporate Debtor *FLOW BANGALORE WATERJET PRIVATE LIMITED* is directed to be liquidated** in the manner as laid down in Chapter III of the Code. **Consequently, following directions are issued for compliance by all concerned:**

i) As per Section 33 (5) of the Code and subject to Section 52 of the code, no suit or other legal proceedings shall be instituted against the corporate Debtor, except with the prior approval of the Adjudicating Authority;

ii) The provisions of sub-section (5) of Section 33 of the Code shall 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;

iii) This order of liquidation under Section 33 of the Code 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;

iv) All the powers of the Board of Directors, key managerial personnel & partners of the Corporate Debtor shall cease to have effect and vest in the Liquidator;

v) The personnel of the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as may be required by him in managing the affairs of the Corporate Debtor and provision of Section 19 of the Code shall apply in relation to voluntary liquidation process as they apply in relation to liquidation process with the substitution of references to the liquidator for references to the Interim Resolution Professional;

vi) The Liquidator shall publish public announcement in accordance with Regulation 12 of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and in Form B of Schedule II of the said Regulations within five days from receipt of this order calling upon the stake holders to submit their claims as on liquidation commencement date and provide the last date for submission of claims which shall be 30 days from the liquidation commencement date.

vii) The Liquidator shall separately & individually intimate the concerned PF Department, Employee State Insurance Corporation, Income Tax Department, Inspector of Factories, GST/VAT Authorities, Registrar of Companies, Karnataka and other relevant statutory authorities about the commencement of liquidation process of the Corporate Debtor and specify the date of intimation to abovementioned statutory authorities in the Form-H as mandated under Regulation 45(3) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

viii) That the 'Liquidator' shall file his preliminary report within 75 days and to file regular progress reports as per Regulation 15 thereafter in accordance with Regulation 13 of the Insolvency and Bankruptcy Board of India (Liquidation Process), Regulations, 2016.

9. Copy of this order be forwarded to the Liquidator as well as the Registrar of Companies, Bengaluru forthwith at their respective e-mail addresses.

-Sd-	**-Sd-**
(RADHAKRISHNA SREEPADA)	**(SUNIL KUMAR AGGARWAL)**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**