S.No.2

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
26-11-2026 After Court-II

IA (IBC) (Dissolution) 11/2026 in
CP (IB) No. 17/10/HDB/2026
u/s. 10 of IBC

IN THE MATTER OF:
M/s. KSK Wind Power Sankonahatti Athni Pvt Ltd.,
Rep., by its Director Mr. Siva Kumar Voopvati **…Petitioner/s**

C O R A M:-
SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

O R D E R

Orders pronounced, recorded vide separate sheets.

In the result, this Application is allowed.

Sd/- **Sd/-**

MEMBER (T) **MEMBER (J)**

Apoorva

NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – I

IA (IBC) (DIS) No.11 of 2026
IN
CP (IB) No. 17/10/HDB/2026

Application under Regulation 40E(2) of CIRP Regulations

IN THE MATTER OF:

M/s. KSK WIND POWER SANKONAHATTI ATHNI PRIVATE LIMITED
(CORPORATE APPLICANT)
CIN No. U40105TG2011PTC071999

Filed by:

Veera Brahma Rao Arekapudi,
Interim Resolution Professional/Applicant of
M/s. KSK Wind Power Sankonahatti Athni Private Limited
IBBI Registration No. IBBI/IPA-001/IP-P01360/2018-2019/12019
414, A-Block, Usha Enclave, Navodaya Colony
Srinagar Colony Extension, Yellareddyguda
Hyderabad – 500073, Telangana ... Applicant

Date of Order 26.11.2026

CORAM:

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)
Shri Sanjay Purci, Hon'ble Member (Technical)

Appearances:

For the Applicant: Shri D. Narendar Naik and Shri Srinivas, Advocates

ORDER

1. The present Interlocutory Application has been filed by Mr. Veera Brahma Rao Arekapudi, Interim Resolution Professional (IRP) of M/s. KSK Wind Power Sankonahatti Athni Private Limited (hereinafter referred to as the "Corporate Applicant/Corporate Debtor"), under Sub-Regulation (2) of Regulation 40E of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (hereinafter referred to as the "CIRP Regulations"), read with Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the "Code"), seeking dissolution of the Corporate Applicant during the Corporate Insolvency Resolution Process (CIRP).

2. The Applicant submits that this Adjudicating Authority, vide order dated 04.09.2026, passed in CP (IB) No. 17/10/HDB/2026, admitted the Company Petition filed by the Corporate Applicant under Section 10 of the Code and commenced CIRP against the Corporate Applicant, appointing the Applicant herein as the Interim Resolution Professional.

3. It is submitted that the Applicant issued the public announcement in Form A on 07.09.2026, inviting claims from the creditors of the Corporate Applicant. The Committee of Creditors (CoC) was constituted with M/s. INR Engineering and Infra Projects Private Limited as the sole Financial Creditor with an admitted claim of Rs. 6,23,288/-, holding 100% voting share. The Deputy Commissioner of Income Tax, Central Circle – 3, Hyderabad, was admitted as an

Operational Creditor in respect of Government dues and was given notice of the CoC meetings as an observer in terms of Section 24(3)(c) of the Code read with Regulation 16E of the CIRP Regulations.

4. The Applicant submits that the First Meeting of the CoC was held on 06.10.2026, wherein the Applicant placed before the CoC the financial position of the Corporate Applicant including the Going Concern Assessment Report prepared under Regulation 31B(2) of the CIRP Regulations.

5. It is stated that the Corporate Applicant had no business operations, no employees and no tangible assets. Its revenue was NIL during FY 2024-25 and only Rs.100/- during the eight months ended 30.11.2025. The suspended Board of Directors did not respond to the requisition issued by the Applicant dated 11.09.2026, and no books of accounts, records or assets were handed over to the Applicant.

6. The Applicant further submits that the Financial Creditor, by its e-mails dated 09.10.2026 and 13.10.2026, expressed its view that there was no possibility of recovery from the Corporate Applicant and that there were no assets available to meet the costs of the CIRP. Accordingly, the Financial Creditor requested that a Second Meeting of the CoC be convened to consider dissolution of the Corporate Applicant under Regulation 40E of the CIRP Regulations.

7. Pursuant thereto, the Second Meeting of the CoC was convened on 17.10.2026, wherein the Applicant placed before the CoC the details of the assets and liabilities of the Corporate Applicant, the status of the claims received, the estimated CIRP costs and the likely liquidation costs. Upon consideration of the material placed before it, the CoC observed that:-

a. There was nothing realisable from the assets of the Corporate Applicant;
b. The Corporate Applicant had no cash or bank balance sufficient to meet the insolvency resolution process costs and the likely liquidation costs;
c. The Corporate Applicant had neither movable nor immovable property, and nothing was likely to be realised in the interest of the stakeholders; and
d. The Continuation of the CIRP would only result in a financial burden upon the stakeholders.

8. Accordingly, the CoC passed a resolution under Regulation 40E(1) of the CIRP Regulations, resolving to seek dissolution of the Corporate Applicant. The said resolution was approved with 100% of the voting share. The Applicant was authorised to file the present application before this Adjudicating Authority within the prescribed period of ten days.

9. The Applicant has further submitted that the resolution for appointment of the Applicant as Resolution Professional under Section 22(2) of the Code was not approved by the CoC and no other Insolvency Professional was proposed in his place. Consequently, the Applicant continues in office as Interim Resolution Professional in terms of Section 16(5) of the Code and has filed the present application in the said capacity.

10. With regard to the claims received during the CIRP, the Applicant has furnished the following particulars:

Particulars	**Amount claimed**	**Amount admitted**
M/s. INR Engineering and Infra Projects Private Limited (Unsecured Financial Creditor)	Rs.6,29,205/-	Rs.6,23,288/-
Deputy Commissioner of Income Tax, Central Circle – 3, Hyderabad (Operational Creditor – Government dues)	Rs.2,30,59,784/-	Rs.2,29,49,234/-
Total	**Rs.2,36,88,989/-**	**Rs.2,35,72,522/-**

11. It is further submitted that a sum of Rs.1,10,550/- out of the Income Tax Department's claim is under verification, of which Rs.1,10,370/- relates to a penalty order under Section 270A of the Income-tax Act, 1961, dated 16.09.2026, passed after commencement of CIRP and during the moratorium. Further, a sum of Rs.5,917/- out of the Financial Creditor's claim has not been admitted, being interest for the period subsequent to commencement of insolvency proceedings.

The Memorandum of Agreement dated 19.06.2025, under which the claim of the Financial Creditor arises, makes the Corporate Debtor and four other KSK group companies liable as co-borrowers for the shole of the tranche of Rs. 25,00,000/-. It is stated that the Financial Creditor has claimed only Rs. 5,00,000/- of the principal from the Corporate Debtor, and the balance stands disclosed and unclaimed.

12. Regarding the assets of the Corporate Applicant, the Applicant has furnished the particulars as reflected in the financial statements filed along with the Section 10 main petition. The assets comprise principally of optionally convertible debentures, loans and advances, interest accrued on advances, advances for goods and services, capital advances, advance tax and TDS receivable and cash and bank balances. The aggregate carrying value of the assets is stated to be Rs.54,20,050/-, against a gross value of Rs.18,66,82,450/- and impairment of Rs.18,12,62,400/-. The CoC has declined the appointment of Registered Valuer.

13. The Applicant submits that the estimated CIRP costs placed before the CoC at its Second Meeting were Rs.17,42,608/-. Against the bank balance of Rs. 7,99,580/-, the CoC approved CIRP costs aggregating to Rs.4,71,608/-, comprising Rs.21,608/- approved at the First Meeting and lump sum amounts aggregating to Rs.4,50,000/- approved at the Second Meeting, leaving a shortfall of Rs. 9,43,028/-, with no other source of funds, and continuation of the proceedings or

commencement of liquidation would entail further costs without any corresponding benefit to the stakeholders.

14. The Applicant further seeks permission to meet the said costs from the current account of the Corporate Debtor maintained with Union Bank of India, Rajbhavan Road Branch, Hyderabad, bearing Account No. 1006111000000821, which is stated to be the only available source of funds.

15. No application under Sections 43, 45, 47, 49, 50 or 66 of the Code is pending. The CoC decided not to appoint a Transactor Auditor in view of the lack of funds. The Applicant states that certain matters require explanation: the write-off of the investment in debentures, the impairment of advances, payments to trade payables during periods of nil revenue, and the credit balance in capital work-in-progress. No avoidance transaction has been finally determined on the material available. An Income-Tax Appeal, ITA No. 34/Hyd/2019, is recorded as pending, and the Applicant states that it holds no potential benefit or liability.

16. The Applicant, therefore, prays for dissolution of the Corporate Debtor, closure of the CIRP, permission to discharge the approved CIRP costs and consequential directions to the Registrar of Companies and the Insolvency and Bankruptcy Board of India. The Applicant also seeks discharge from the office of Interim Resolution Professional upon completion of the requisite statutory filings.

LEGAL FRAMEWORK

17. Section 33(2) of the Code, as substituted by the Amendment Act of 2026 (in force from 26.05.2026), enables the Resolution Professional, at any time during the CIRP after constitution of the CoC and before confirmation of a Resolution Plan, to intimate to the Adjudicating Authority a decision of the CoC, approved by not less than 66% of the voting share, to liquidate or to dissolve the Corporate Debtor. On such intimation the Adjudicating Authority passes a Liquidation Order under Section 33(1) or a dissolution order under Section 54(2A), as the case may be.

18. Section 54(2A), inserted by the same Act, empowers the Adjudicating Authority, on receipt of the CoC's decision to dissolve under Section 33(2), to order that the Corporate Debtor be dissolved from the date of the order. Under its proviso, any asset still remaining with the Corporate Debtor may be disposed of in the manner specified, with the proceeds applied towards Insolvency Resolution Process costs and any surplus credited to the Insolvency and Bankruptcy Fund under Section 224.

19. Section 54(1A) and (1B) provide for the CoC to arrange the pursuit of pending avoidance, fraudulent or wrongful trading, Section 47 or other proceedings and the distribution of their proceeds. Section 54(2B) provides that a dissolution order does not affect the continuation of such proceedings. Section 54(3) requires a copy of the dissolution order to be forwarded within seven days to the authority with which the Corporate Debtor is registered. Section 54(4) requires

the dissolution order to be passed within thirty days of receipt of the intimation, failing which reasons for the delay are to be recorded in writing.

20. Regulation 40E of the CIRP Regulations, inserted by the IBBI (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2026 (notified 01.06.2026), permits the CoC, by not less than 66% of the voting share, to resolve to seek dissolution where it is satisfied that (a) the assets are insufficient to meet the insolvency resolution process costs and the likely liquidation costs, or (b) the available assets cannot be effectively realised in the ordinary course of liquidation. Under Regulation 40E(2), the Resolution Professional must file an application within ten days of the resolution, enclosing (a) the resolution; (b) details of the movable, immovable, financial and intangible assets; (c) details of claims, avoidance transactions and contingent assets, if any; and (d) a statement showing that continuing the CIRP or commencing liquidation would not be economically beneficial to stakeholders. Analysis and findings

ANALYSIS AND FINDINGS

21. **Jurisdiction.** The registered office of the Corporate Debtor is in Telangana and its CIRP is pending before this Bench. This Tribunal has jurisdiction under Section 60 read with Sections 33 and 54 of the Code.

22. **Stage of the process.** The CoC was constituted and its constitution was taken on record on 25.09.2026. No Resolution Plan has been received or approved. The decision of 17.10.2026 was therefore taken during the CIRP, after constitution of the CoC and before confirmation of any Resolution Plan, as Section 33(2) requires.

23. **Voting threshold.** The decision was approved by the sole CoC member holding 100% of the voting share, well above the threshold of 66% under Section 33(2) and Regulation 40E(1).

24. **Grounds under Regulation 40E(1).** The CoC has recorded satisfaction on both grounds. The material supports that satisfaction. The only liquid asset is Rs. 7,99,580/-. The approved CIRP costs is Rs. 4,50,000/- and admitted claims is Rs. 2,35,72,522.00. The other recorded assets are fully or substantially impaired, unsupported by underlying documents, or, in the case of the capital work-in-progress, carry a credit balance. The Corporate Debtor has had no business and holds no physical asset. A liquidation would add appointment, valuation, sale, compliance and professional costs without a realistic prospect of realisation. The assessment of economic viability is a matter of the CoC's commercial wisdom, which this Tribunal does not substitute with its own **(K. Sashidhar v. Indian Overseas Bank, (2019) 12 SCC 150; Committee of Creditors of Essar Steel India Ltd. v. Satish Kumar Gupta, (2020) 8 SCC 531)**. This Tribunal's examination is confined to whether the statutory conditions are met, and they are.

a. **Timeline and contents under Regulation 40E(2).** The resolution was passed on 17.10.2026. The application is dated and digitally signed on 19.10.2026, within the ten-day period ending 27.10.2026. It encloses the CoC resolution and minutes (Annexure A-5), details of the assets (paragraphs 16), details of claims (paragraph 14), the position on avoidance transactions and contingent assets (paragraphs 18 & 19), and a statement of economic non-benefit (paragraphs 20-24). The requirements of Regulation 40E(2) are satisfied.

b. **Avoidance transactions and conduct of the suspended management**. No proceeding under Sections 43, 45, 47, 49, 50 or 66 is pending, so Section 54(1A) is not attracted at present. The Applicant has candidly disclosed that the records are incomplete and that certain transactions warrant explanation. This order does not record any finding that no avoidance transaction or fraudulent or wrongful trading exists. It also does not absolve the suspended directors or other personnel of any liability under the Code or any other Law, including for non-cooperation with the IRP.

c. **Remaining assets**. The bank balance, and any refund of the advance tax and TDS of Rs. 9,470/- or other residual receivable, are assets remaining with the Corporate Debtor within the meaning of the proviso to Section 54(2A). They shall be applied towards the Insolvency Resolution Process costs approved by the

CoC, and any surplus shall be credited to the Insolvency and Bankruptcy Fund under Section 224.

Order and directions:

25. We are satisfied that the criteria laid down under Law have been fully complied with. As such, the Corporate Debtor is liable to be dissolved. Hence, I.A. (IBC) (Dis.) No. 11 of 2026 is allowed, and we hereby order dissolution of the Corporate Debtor as under:

(a) The decision of the CoC dated 17.10.2026, approved with 100% voting share, to seek dissolution of the Corporate Debtor is taken on record.

(b) The Corporate Debtor, **M/s. KSK WIND POWER SANKONAHATTI ATHNI PRIVATE LIMITED** stands dissolved from the date of this order, in terms of Section 54(2A) read with Section 33(2) of IBC, 2016 and Regulation 40E of the CIRP Regulations. No liquidation order under Section 33(1) shall be passed and no liquidator shall be appointed.

(c) The Applicant shall utilise the balance lying in Union Bank of India Account No. 100611100000821, together with any refunds of advance tax, TDS or other residual receivables, towards payment of the Insolvency Resolution Process Costs, as approved by the Committee of Creditors (CoC), in accordance with the provisions of the Code and the applicable regulations. Any

surplus remaining after payment of the aforesaid costs shall be remitted to the Insolvency and Bankruptcy Fund in terms of Section 224 of the Code. Upon completion of the aforesaid payments and remittance, the Applicant shall take necessary steps to close the said bank account.

(d) The moratorium declared under Section 14 by order dated 04.09.2026 ceases to have effect.

(e) The Applicant is directed to send a copy of this order within 7 days from the date of pronouncement to the Registrar of Companies, Hyderabad, in terms of Section 54(3) of IBC, 2016. The Registry is also directed to communicate this order to the Registrar of Companies, Hyderabad, for updating the master data.

(f) Upon dissolution of the Corporate Debtor, the records of the Company which are in the possession of the Applicant be handed over by the Applicant to the IBBI. The Applicant shall preserve the records relating to the CIRP in terms of Regulation 39A of the CIRP Regulation.

(g) A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi. The Applicant shall file the intimations and forms required by the Board.

(h) Nothing in this order affects any proceeding referred to in Section 54(1A) or (1B) of the Code, as provided in Section

54(2B), or any liability of the suspended directors or personnel of the Corporate Debtor under the Code or any other Law.

(i) A copy of this order shall be sent to the Deputy Commissioner of Income Tax, Central Circle-3, Hyderabad, for information.

(j) On completion of the compliances under clauses (c), (e), (f) and (g) above, the Applicant stands relieved as Interim Resolution Professional of the Corporate Debtor.

(k) In terms of the above, this application filed for dissolution of the Corporate Debtor stands disposed of accordingly. All pending interlocutory applications, if any, in C.P. (IB) No. 17/10/HDB/2026 also stand disposed of. Since the Corporate Debtor stands dissolved by this order and no proceedings are now pending, the Registry is directed to consign the file to records.

(l) Certified copy of this order may be issued to the parties on payment of the prescribed fee.

SD/-
(SANJAY PURI)
MEMBER (TECHNICAL)

SD/-
(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)