



S.No.6

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
17-09-2024 AT 10:30 AM**

CP(IB) 745/7/HDB/2018

AND

IA(IBC) 1655 & 1721/2024 in CP(IB) 745/7/HDB/2018

u/s. 7 of IBC, 2016

IN THE MATTER OF:

IDBI Bank Ltd

...Financial Creditor

AND

Kanakadhara Ventures Pvt Ltd

...Corporate Debtor

C O R A M:-

**DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)
SH. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)**

O R D E R

Mr Rajesh Chillale, Liquidator present physically.

IA(IBC) 1655/2024

Orders pronounced. In the result, **this application is allowed. No costs.**

IA(IBC) 1721/2024

Orders pronounced. In the result, liquidation against the Corporate Debtor, is hereby ordered as per the terms and conditions mentioned therein.

Accordingly, **IA 1721/2024 is allowed and disposed of.**

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)



**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH -1**

IA NO. 1721 of 2024

In

CP(IB) No.745/HDB/2018

**APPLICATION U/S 35 (1)(N) & SECTION 60(5)(C) OF IBC, 2016 R/W
REGULATION 45 (3)(A) OF IBBI (LIQUIDATION PROCESS)
REGULATIONS, 2016**

IN THE MATTER OF

IDBI Bank

Versus

M/s. Kanakadhara Ventures Private Limited

The Liquidator for

M/s. Kanakadhara Ventures Private Limited

Mr. Rajesh Chillale,

IP Registration No. IBBI /IPA-001/1P-P00699/2017-2018/11226,

is resident of : B-713, Western Plaza, H.S Darga,

OU Colony, Hyderabad.

... Applicant

Date of order:17.09.2024

Coram:

Dr. Venkata Ramakrishna Badarinath Nandula, Hon'ble Member (Judicial)

Shri Charan Singh, Hon'ble Member (Technical)

Appearance of Parties/Counsels:

For Applicant	:	Mr. G Kalyan Chakravarthy, Advocate
Liquidator	:	Mr. Rajesh Chillale



PER: BENCH

ORDER

1. The present application is filed by the liquidator of the Corporate Debtor M/s. Kanakadhara Ventures Private Limited u/s 35 (1)(n) & Section 60(5)(c) of Insolvency and Bankruptcy Code 2016, read with Regulation 45 (3)(a) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (Liquidation Regulations) seeking for following reliefs:
 - i. For closure of the Liquidation process of the corporate debtor in terms of Regulation 45 (3)(a) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 from the date of order.
 - ii. To take on record the Final Report filed by the Liquidator in terms of Regulation 45 (3) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
 - iii. To take on record the Compliance certificate(Form- H) filed by the liquidator in terms of Regulation 45 (3)(a) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
2. It is submitted that the Corporate Insolvency Resolution Process (CIRP) for M/s Kanakadhara Ventures Private Limited (herein after referred as Corporate Debtor) was initiated upon an application filed by M/s IDBI Bank Limited (herein after referred as Financial Creditor) under Section 7 of the Insolvency and Bankruptcy Code, 2016(IBC). It is further



submitted that this Tribunal admitted the application vide its order dated 22.11.2019 in CP(IB) No. 745/7/HDB/2018, and appointed Sri B. Nagabhushanam as the Interim Resolution Professional (IRP), later confirmed as the Resolution Professional (RP) during the first meeting of the Committee of Creditors (CoC) held on 23.12.2019.

3. It is submitted that subsequently, IA No. 169/2021 was filed by the Resolution Professional, seeking the liquidation of the Corporate Debtor under Section 33 of the IBC 2016. It is further submitted that this Tribunal, vide order dated 17.08.2021 admitted into liquidation and appointed Mr. Chillale Rajesh as the Liquidator. Upon his appointment, the Liquidator made public announcements under Form B of Schedule II, inviting claims from stakeholders, which were subsequently finalized.

4. Brief overview of the liquidation process:-

- 4.1 The Liquidator issued public announcement, inviting claims from the stakeholders on 19.08.2021. On receipt of the same the Liquidator after verifying and collating the same prepared list of stakeholders, which was filed before this Tribunal. (Regulation 31 of Liquidation Process Regulations.)
- 4.2 The Preliminary Report and Asset memorandum were filed on 27.10.2021 (Regulations 13 and 34).



4.3 The Liquidator filed twelve quarterly progress reports in compliance with the Regulation 15 of Liquidation Process Regulations

S. No	Quarterly Period	Submitted date		
A.	Financial Year 2021-2022	1.	Q2	08.10.2021
	Quarterly progress report I,	2.	Q3	14.01.2022
	II, III, IV & Audit Report	3.	Q4	12.04.2022
B.	Financial Year 2022-2023	4.	Q1	12.07.2022
	Quarterly progress report I,	5.	Q2	14.10.2022
	II, III, IV & Audit	6.	Q3	07.01.2023
	Report	7.	Q4	10.04.2023
C.	Financial Year 2023-2024	8.	Q1	11.07.2023
	Quarterly progress report I,	9.	Q2	14.10.2023
	II, III, IV & Audit	10.	Q3	05.01.2024
	Report	11.	Q4	04.04.2024
D.	Financial Year April 2024- August 2024 Quarterly progress report I, II, III, IV & Audit Report	12.	Q1	08.07.2024



- 4.4 The Liquidator issued a call for Expressions of Interest (EOIs) via an e-auction notice dated 30.09.2023. M/s. Safe Bharat Enterprises Private Limited emerged as the highest bidder, and a Letter of Intent was issued in favor of the purchaser. The purchaser has duly paid the sale consideration. Subsequently, IA No. 850 of 2024 was filed by the purchaser for reliefs & concessions, which was subsequently confirmed by this Authority in an order dated 29.07.2024.
- 4.5 Subsequently, the Liquidator distributed the total realized amount of Rs. 255,481,988/- to the stakeholders in accordance with the order of priority set forth in Section 53 of the Insolvency and Bankruptcy Code (IBC), 2016. It is further stated that 100% of the amount was distributed to the stakeholders based on the waterfall mechanism.
5. It is submitted that the SCC had classified certain assets as Non-Realizable Recoverable Assets (NRRA). In accordance with the decision made during the 25th SCC meeting, an application under IA No. 1655 of 2024 for the distribution of unsold assets amongst the stakeholders filed was filed before this Tribunal. The Tribunal through its order dated 17.09.2024 has allowed this Application allowing distribution of NRRA amongst the stakeholders. After distribution of these NRRA, nothing remains in liquidation estate for realization and to distribute.



6. In the light of above facts and circumstances of the case, the only point that emerges for consideration of the Tribunal is,

Whether the Liquidation process of the Corporate Debtor can be closed?

7. We heard the Ld. Counsel for the Liquidator Mr. G Kalyan Chakravarthy Liquidator Mr. Rajesh Chillale and perused the record.

Point

Whether the Liquidation process of the Corporate Debtor can be closed?

8. Regulation 45 of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 reads as under: -

Regulation 45: Final report prior to dissolution.

- (1) When the corporate debtor is liquidated, the liquidator shall make an account of the liquidation, showing how it has been conducted and how the corporate debtor's assets have been liquidated.
 - (2) If the liquidation cost exceeds the estimated liquidation cost provided in the Preliminary Report, the liquidator shall explain the reasons for the same.
 - (3) The liquidator shall submit an application along with the final report and the compliance certificate in form H to the Adjudicating Authority for – (a) closure of the liquidation process of the corporate debtor where the corporate debtor is sold as a going concern; or (b) for the dissolution of the corporate debtor, in cases not covered under clause (a).]
9. The Ld. Liquidator submits that, pursuant to public announcement for e-auction 30.09.2023, M/s. safe Bharat Enterprises private Limited was declared as successful bidder to acquire the Corporate Debtor as a going concern. On-going through the facts aforementioned and the material placed along with the Application, it is evident that the assets of Corporate



Debtor were sold to M/s. safe Bharat Enterprises private Limited for Rs.255,481,988/- as a going concern, It is seen from Form-H that the amount of Rs.255,481,988/- realized from the sale was distributed among the stakeholders as per Section 52 or 53 of the Code. The amount distributed to the amount claimed is 100%. The details of distribution of the realized amount are mentioned in the Final Report. M G S Reddy & Co., Chartered Accountants furnished certificate on receipts and payments account for the liquidation period on 31.07.2024.

10. In light of the orders pronounced by this Authority in IA No. 1655 of 2024 filed by the Liquidator for the distribution of unsold assets. Further on going through the final report, it is evident that the Liquidator has successfully sold the Corporate Debtor as a going concern. Therefore, this is a fit case for the closure of the liquidation process.
11. As a sequel to the above, we hereby order closure of the Liquidation proceedings against the Corporate Debtor viz. **M/s. Kanakadhara Ventures Private Limited** from the date of this Order, in terms of Regulation 45 (3) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016. Consequently, the Liquidator stands relieved.



12. The Liquidator *is* directed to send the copy of this Order within 7 days from the date of *pronouncement* to the Registrar of Companies, Hyderabad and hand over all the books and files of the Corporate Debtor **M/s. Kanakadhara Ventures Private Limited** which are in possession of the Liquidator to the successful bidder.
13. The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data.
14. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.
15. In terms of the above, IA No. 1721 of 2024 filed by the Liquidator appointed for **M/s. Kanakadhara Ventures Private Limited** (Corporate Debtor) for closure of Liquidation Process of the Company under Regulation 45 (3)(a) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016, is allowed and stands disposed of. Accordingly, the case file shall be consigned to records room.

SD

Charan Singh
Member Technical

Shanmukh/pavani

SD

Dr. Venkata Ramakrishna Badarinath Nandula
Member Judicial