

S.No.1

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
10-05-2024 AT 10:30 AM**

CP(IB) No. 11/10/HDB/2017

AND

**IA (IBC) (Dissolution) 02/2024 & IA (IBC) No: 903/2024 in CP(IB) No. 11/10/HDB/2017
u/s. 10 of IBC, 2016**

IN THE MATTER OF:

Kamineni Steels & Power India Pvt Ltd.,

...Petitioner

C O R A M:-

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

ORDER

IA (IBC) (Dissolution) 02/2024

Order pronounced. In the result, the Company i.e. M/s Kamineni Steels & Power India Private Limited is hereby dissolved as per the terms mentioned in the order and the Liquidator stands discharged.

IA (IBC) No: 903/2024

Mr K Vatsa Kumar, Liquidator present through Video Conference.

This is an application to take on record 5th Progress report. Report taken on record.

Accordingly, **this application is allowed and disposed of.**

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH-I**

IA (Dissolution) No.2 of 2024

In

CP (IB) NO. 11/10/HDB/2017

**IN THE MATTER OF M/S KAMINENI STEEL & POWER INDIA PVT LTD
(COMPANY IN LIQUIDATION)**

Filed by:

M/s Kamineni Steel & Power India Pvt Ltd

Represented by its Liquidator K Vatsa Kumar

Office at Plot 717, Journalist Colony, Road No.2

Banjara Hills, Hyderabad 500034.

... Applicant / Liquidator

Date of order: 10.05.2024

Coram:

Dr. N. Venkata Ramakrishna Badarinath, Hon'ble Member Judicial

Shri Charan Singh, Hon'ble Member Technical

Appearance:

For Applicant: Ms. MS Mano Ranjani & Mr. M Rama Rao, Advocates
Mr.K. Vatsa Kumar, Liquidator in person

**PER: BENCH
ORDER**

1. This application is filed under Section 54 of the Insolvency & Bankruptcy Code, 2016 (herein after referred to as "CODE") r/w Regulation 45 of Insolvency & Bankruptcy Board of India (Liquidation Process) by the Liquidator appointed for M/s **KAMINENI STEEL & POWER INDIA PVT LTD**, seeking dissolution of the Corporate Person/
M/s KAMINENI STEEL & POWER INDIA PVT LTD.

2. The averments in brief of the Application are that;
- 2.1 This Tribunal vide order dated 10.02.2017 admitted the petition filed U/S 10 of the Code and Corporate Insolvency Resolution Process (CIRP) was initiated against the Corporate Person.
- 2.2 Subsequently on 26.10.2018, when the Resolution Plan submitted by Corporate Applicant was declared as not approved with requisite majority by the Hon'ble Apex Court, this Hon'ble AA ordered for Liquidation of the Corporate Person and appointed, Mr Racharla Ramakrishna Gupta as the Liquidator.
- 2.3 **Period of Liquidation Process:** The Liquidation process commenced on 26.10.2018 and the final report was filed on 08.03.2024. The necessary approvals for extension of the liquidation period from time to time accorded by this Adjudicating Authority are tabled as below:

SNo	Particulars and Reason	Valid upto
1	Liquidation commencement date	26.10.2018
2	Liquidation Period as per Regulation 44(2) applicable in the case of Corporate Person is 2 years	25.12.2020
3	Exclusion of 180 days due to COVID lockdown granted by (IA 992 of 2020)	23.04.2021
4	Extension of 6 months (from 16.06.2021 (IA 208 of 2021) – To complete Liquidation as E Auctions held were unsuccessful	15.12.2021
5	Extension of 6 months (from 18.04.2022 (IA 727 of 2022)- To complete Liquidation as E Auctions held were unsuccessful	17.10.2022
6	Extension of 3 months (from 26.10.2022 (IA 1093 of 2022)- To complete Liquidation as E Auctions held were unsuccessful	25.01.2023
7	Extension of 4 months (from 25.01.2023 (IA 90 of 2023)- To complete Liquidation as E Auctions held were unsuccessful	24.05.2023
8	Extension of 3 months (from 26.05.2023 (IA 859 of 2023) - To complete Liquidation as E Auctions held were unsuccessful	09.09.2023

	IA 1476- Interim order - To enable liquidator to discharge functions	25.09.2023
9	IA 1476 – Final Order - Extension of 4 weeks from 16.10.2023 for SCC to complete valuation	12.11.2023
10	Extension of 6 months (from 13.11.2023 (IA 1827 of 2023) - To complete Liquidation as E Auctions held were unsuccessful	12.05.2024

2.4 Later, this Adjudicating Authority vide orders in IA# 1637/2023 dated 08.11.2023 appointed Mr Kallat Vatsa Kumar (Regn# IBBI/IPA-002/IP-N00922/2019-2020/12980), the applicant herein as the Liquidator, who filed his consent in Form AA on 10.11.2023.

2.5 Upon assuming the role of Liquidator, the Applicant/Liquidator on 16.11.2023, officially took custody of the Corporate Person's assets through execution of a Panchnama. Subsequently, on 17.11.2023, the Liquidator received possession of the original title deeds, along with link documents provided by Indian Bank, from the Erstwhile Liquidator. Physical files pertaining to the liquidation process were also transferred into the custody of the Liquidator on 20.11.2023,.

2.6 It is stated that the Applicant/Liquidator convened 21st meeting of the SCC, which comprised of the following members:

SNo	SCC Members Name	Type of Claim/ Representing	Amount (Rs. Cr)	Voting %
1.	Indian Bank	Secured FC	431.75	21.37%
2.	Indian Bank e Allahabad Bank	Secured FC	150.94	7.47%
3.	Union Bank of India e Andhra Bank	Secured FC	241.01	11.93%
4.	Bank of Maharashtra	Secured FC	118.35	5.86%
5.	Central Bank of India	Secured FC	218.76	10.83%

6.	Indian Overseas Bank	Secured FC	287.35	14.23%
7.	Punjab National Bank e Oriental Bank of Commerce	Secured FC	206.35	10.22%
8.	JM Financial ARC Ltd	Secured FC	240.65	11.91%
9.	SMS India Pvt Ltd	OC	5.57	0.28%
10.	Maharashtra Seamless Ltd eUnited Seamless Tubular P Ltd	OC	99.51	4.93%
11.	TSSPDCL, Nalgonda	OC	19.65	0.97%
12.	United Steel Allied Industries Private Ltd	Shareholder	NA	Nil
Total			2019.88	100.00%

2.7 **Brief overview of the liquidation process and how the assets of Corporate Person were liquidated including subsequent distribution of the liquidation proceeds**

2.7.1 **Invitation of Claims in Form B:** The liquidator notified the stakeholders about commencement of the liquidation of the Corporate person by issuing a Public Announcement on 30.10.2018 in “The Hindu” (English) and “Sakshi” (Telugu-Vernacular language) newspapers, as per Section 33(1)(a)(ii) of the Code and Regulation 12 of the IBBI (Liquidation Process) Regulations, 2016 (“Liquidation Regulations”), and invited claims from the stakeholders on or before 25.11.2018.

2.7.2 **Constitution of SCC/ List of Stakeholders:** The Liquidator verified the claims received in accordance with Regulation 30 of the Liquidation Process Regulations and compiled the list of stakeholders. The same was filed with this Tribunal on 05.01.2019. Subsequently the list of stakeholders was modified three times i.e. on 27.05.2020, 12.08.2021, and 07.09.2023.

2.7.3 **Valuation of the Corporate Person's Assets:** Pursuant to Regulation 35 of Liquidation Regulations, the Erstwhile Liquidator appointed the IBBI registered valuers in January 2019 to ascertain the values of the assets of the Corporate Person. As the sale of assets could not be completed until recently, a revaluation of the Corporate Person's assets was conducted by the Erstwhile Liquidator in June 2022. Subsequently, in November 2023, with the knowledge of this Adjudicating Authority, the valuation was redone by the SCC. Details of the asset values derived from these three valuations taken on average of valuation done by 2 valuers for each category are tabulated below:

(Rs. In Crores)

Asset Class	First	Second	Third
Valuation done during	Jan-19	Jun-22	Nov-23
Land & Buildings	150.25	152.63	176.99
Plant & M/c (incl Vehicles)	316.32	324.54	434.96
Securities & Financial Assets	7.22	1.9	0.88
Total Fair Value	473.79	479.07	612.83
Land & Buildings	105.18	102.6	146.03
Plant & M/c (incl Vehicles)	237.28	224.07	304.47
Securities & Financial Assets	7.22	1.9	0.88
Total Liquidation Value	349.68	328.57	451.38

2.7.4 **Asset Memorandum:** The erstwhile Liquidator prepared the Asset Memorandum which was filed with this Tribunal on 05.09.2019. The indicated value of the assets in the Asset Memorandum is Rs. 403.79 cr.

2.7.5 **SCC Meetings during Liquidation:** The Liquidators conducted 22 meetings with the SCC members as tabled below:

SNo	Date of the SCC Meeting	Liquidator Name
1.	17.12.2018	Mr Ramakrishna Gupta
2.	19.02.2019	Mr Ramakrishna Gupta
3.	24.09.2019	Mr Ramakrishna Gupta
4.	11.03.2020	Mr Ramakrishna Gupta
5.	09.06.2020	Mr Ramakrishna Gupta
6.	24.11.2020	Mr Ramakrishna Gupta
7.	26.02.2021	Mr Ramakrishna Gupta
8.	17.03.2021	Mr Ramakrishna Gupta
9.	28.05.2021	Mr Ramakrishna Gupta
10.	20.07.2021	Mr Ramakrishna Gupta
11.	25.08.2021	Mr Ramakrishna Gupta
12.	17.03.2022	Mr Ramakrishna Gupta
13.	05.05.2022	Mr Ramakrishna Gupta
14.	13.07.2022	Mr Ramakrishna Gupta
15.	21.12.2022	Mr Ramakrishna Gupta
16.	14.02.2023	Mr Ramakrishna Gupta
17.	20.04.2023	Mr Ramakrishna Gupta
18.	05.05.2023	Mr Ramakrishna Gupta
19.	21.06.2023	Mr Ramakrishna Gupta
20.	29.09.2023	Mr Ramakrishna Gupta
21.	29.11.2023	Mr K Vatsa Kumar
22.	29.01.2024	Mr K Vatsa Kumar

2.7.6 **Progress Reports filed during the conduct of Liquidation Process:** Complying with Regulations 13 & 15 of Liquidation Regulations, the Liquidator regularly filed the Progress Reports and this Adjudicating Authority took them on record; as tabulated below:

SNo	Progress Report	Quarter	Filed on	IA/Memo
1.	Preliminary Report in 75 days	To be filed by 09.01.2019	05.01.2019	Memo
2.	1 st Progress Report	Oct-Dec 2018	11.01.2019	Memo
3.	2 nd Progress Report	Jan-Mar 2019	15.04.2019	Memo

4.	3 rd Progress Report	Apr-Jun 2019	11.07.2019	Memo
5.	4 th Progress Report	Jul-Sep 2019	14.10.2019	Memo
6.	5 th Progress Report	Oct-Dec 2019	10.01.2020	Memo
7.	6 th Progress Report	Jan-Mar 2020	08.06.2020	Memo
8.	7 th Progress Report	Apr-Jun 2020	13.07.2020	Memo
9.	8 th Progress Report	Jul-Sep 2020	08.10.2020	Memo
10.	9 th Progress Report	Oct-Dec 2020	08.01.2021	Memo
11.	10 th Progress Report	Jan-Mar 2021	08.04.2021	Memo
12.	11 th Progress Report	Apr-Jun 2021	12.07.2021	Memo
13.	12 th Progress Report	Jul-Sep 2021	11.10.2021	Memo
14.	13 th Progress Report	Oct-Dec 2021	07.01.2022	Memo
15.	14 th Progress Report	Jan-Mar 2022	12.04.2022	Memo
16.	15 th Progress Report	Apr-Jun 2022	07.07.2022	Memo
17.	16 th Progress Report	Jul-Sep 2022	10.10.2022	Memo
18.	17 th Progress Report	Oct-Dec 2022	11.01.2023	89/2023
19.	18 th Progress Report	Jan-Mar 2023	12.04.2023	678/2023
20.	19 th Progress Report	Apr-Jun 2023	13.07.2023	1225/2023
21.	20 th Progress Report	Jul-Sep 2023	13.10.2023	1637/2023
22.	21 st Progress Report	Oct-Dec 2023	10.01.2024	174/2024

2.7.7 **Sale Notices issued during the Liquidation Process:** The erstwhile Liquidator, Mr Racharla Ramakrishna Gupta, issued sale notices 1 -5 and announced 11 e-auctions during the Liquidation process while the applicant/Liquidator, Mr Vatsa Kumar issued the 6th sale notice, details are as tabulated below:

Sale Notice #	Sale Notice Dt	Reserve Price	Dt of Auction
1.	12.10.2019	610 Crores	14.11.2019
	14.11.2019		04.12.2019
	13.12.2019		16.01.2020
2.	27.01.2020	460 Crores	29.02.2020
	26.02.2020		30.03.2020
	01.04.2020		24.04.2020
3.	10.06.2020	410 Crores	10.07.2020
4.	26.07.2020	350 Crores	26.08.2020
5.	10.08.2022		02.09.2022

	26.09.2022 08.11.2022	330 Crores	26.10.2022 10.12.2022
6.	09.12.2023	450 Crores	05.01.2024

Except for the 4th Auction Notice, all the other eAuction notices issued by the erstwhile liquidator failed due to non-participation of interested bidders. Under the 4th sale notice M/s Nimmagadda Surya Pradeep Biotech P Ltd participated in eAuction and was declared as successful bidder to acquire the Corporate Person as a going concern for a bid amount of Rs.351 Cr and paid EMD of Rs. 5 Crores. However, as the successful bidder failed to honour its commitments, this Adjudicating Authority vide orders in IA#727/2022 and IA#114/2022 directed the erstwhile Liquidator to forfeit the EMD of Rs.5Cr paid and to start the bidding process afresh.

- 2.7.8 **Reason for increasing the Reserve Price from 330 Crores to 450 Crores in the 6th Sale Notice:** According to the Liquidator/Applicant herein, during its 21st meeting, the SCC clarified that this Adjudicating Authority recognized its intention to reevaluate the Corporate Person's Assets in the order dated 16.10.2023 passed in IA#1476/2023. Accordingly, the SCC decided to conduct valuations for Land & Building and Plant & Machinery and the valuation for Securities and Financial Assets was then underway. Thus, the Liquidator, as per the valuation determined by the SCC and as per the directions of this Tribunal vide the order dated 07.12.2023 in IA#1907/2023, had got issued the 6th sale notice at a reserve price of Rs. 450 crores.

2.7.9 **Details of the Corporate Person's properties and Sale Process:**

2.7.9.1 The Corporate Person possesses the following properties:

Land admeasuring 143.825 acres located at Survey Nos.115, 117, 118, 119, 120, 121, 174, 175, 176, 177, 178, 179 of Yellareddigudem Village and 46, 47, 48, 49, 50, 796 of Cheruvugattu Village, Narketpally Mandal, Nalgonda District with building thereon along with Plant & Machinery of 350,000 MTPA Steel Billet Plant including vehicles.

2.7.9.2 According to the Liquidator, the 6th Sale Notice, issued on 09.12.2023 was for sale of assets in 3 parcels (i) all assets together (ii) Factory assets (iii) Non-core vacant land, keeping the reserve price equivalent to the forced sale value as per the valuation undertaken by SCC. He further stated that Parcel 1 included Parcel 2 and Parcel 3. The Reserve Price of the 3 Parcels was Rs. 450 cr, Rs. 422 cr and Rs. 28 cr respectively. Further, it was indicated that eAuction of Parcel 2 and 3 will commence only if there are no bidders for Parcel 1.

2.7.9.3 In response to the 6th sale notice, 2 EOIs were received i.e (i) EOI for Parcel 1 from Kalyani Steels Ltd and (ii) EOI for Parcel 3 from Mahidhara Projects Ltd. Both qualified as eligible bidders. Though Kalyani Steel Ltd submitted the EMD on time, the Mahidhara Projects submitted EMD after stipulated timeline and hence, was not considered. The eAuction took place on 05.01.2024, and Kalyani Steels Ltd with a Bid amount of Rs. 450 cr, was declared as the successful bidder. The Liquidator issued the LOI on 08.01.2024 which was duly accepted by the successful bidder on 10.01.2024.

2.7.9.4 Pursuant thereto, Kalyani Steels Ltd remitted the entire sale consideration of Rs. 450 cr after deducting applicable TDS on 07.02.2024 (including EMD of Rs. 23 Cr). The amount received from Kalyani Steels Ltd is Rs. 4,48,23,60,000/-, (after deduction of applicable TDS of Rs. 1,76,40,000/-). Additionally, they remitted the applicable GST amount for plant and machinery on 09.02.2024, of Rs.54,72,00,000/- which has been remitted to the GST department.

2.7.10 **Sale Certificate and handing over to the Corporate Person's Assets to M/s Kalyani Steels Limited:** The sale certificate has been issued to the successful bidder, M/s Kalyani Steels Limited, on 10.02.2024, by the Liquidator which has been duly acknowledged as received by M/s Kalyani Steels Limited and on the same day they took physical possession of the Corporate Person's assets.

2.7.11 **Details of realisation and distribution of proceeds:** It is submitted that:

2.7.11.1 During the period 26.10.2018 to 08.01.2024 (ie prior to receipt of consideration for sale of assets under 6th E Auction) a total amount of Rs. 11,24,40,391/- recovered from the receivables and forfeited EMD under 4th sale notice, has been distributed by the erstwhile Liquidator amongst the Financial Creditors as per Section 53 of the code. The amount has been distributed from the receipts as detailed below:

SNo	From	Amount	Remarks
1.	Orient Refractories Ltd	52,947.00	Recovered from Receivables
2.	Simtech Services Pvt Ltd	21,185.00	
3.	Steel Exchange India Ltd	28,21,159.00	
4.	Wartsila India Pvt Ltd	8,39,65,828.00	
5.	Nimmagadda Surya Pradeep Bio Tech P Ltd	5,00,00,000	EMD Forfeited
		13,68,61,119	

2.7.11.2 The details of proceeds realised from sale of Corporate Person's assets following the 6th sale notice and their distribution are as under:

SNo	Particulars	Amount (Rs.)
1.	Amount received towards Sale Consideration from Kalyani Steels Ltd (after deduction of TDS of Rs. 1,76,40,000/-). GST amount received of Rs. 54,72,00,000/- has been remitted to GST department.	4,48,23,60,000
2.	HDFC Liquidation A/c Balance of the Corporate Person	77,95,581
3.	Total Funds (1 + 2)	4,49,01,55,581
4.	Contingency provision is kept to address future litigation etc as decided by 22 nd SCC & parked with Lead Bank ie Indian Bank	30,00,000
5.	Funds available for Distribution under Section 53 (3 - 4)	4,48,71,55,581

The Liquidator further submits that residual amount of Rs. 1,14,776.86/- left in the HDFC Bank account after meeting all estimated expenses (and prior to closure of account) has also been passed on to the Lead Bank i.e. Indian Bank for meeting any contingency / litigation along with the provision of Rs. 30 lakh earmarked above.

2.7.11.3 As per Section 53 of the code, the amount received on Sale of assets has been distributed / disbursed as under:

SNo	Distributed to	Amount in Rs.
1.	Insolvency Resolution Process Costs	0
2.	Liquidation Costs	14280619
3.	Liquidator Fee on Distribution	6607336
4.	Workers Dues for 24 months prior to Liquidation Commencement Date	0
5.	Indian Bank - e Allahabad Bank	355715547
6.	Indian Bank	1017498772
7.	Union Bank of India - e Andhra Bank	567974271
8.	Bank of Maharashtra	278902694
9.	Central Bank of India	515557396
10.	Indian Overseas Bank	677186169
11.	Punjab National Bank - e Oriental Bank of Commerce	486295236
12.	JM Financial Asset Reconstruction Company Limited	567137539
13.	Amount Distributed on sale of assets in 6 th E Auction	4,48,71,55,581
14.	Amount distributed to Financial Creditors on sale of assets in 6 th E Auction	446,62,67,624
15.	Amount distributed to Financial Creditors prior to 6 th E Auction	11,24,40,391
16.	Total Amount distributed to Financial Creditors	457,87,08,015

2.7.12 As per Regulation 15(5) audited accounts of the Liquidator's receipts and payments for all the financial years were annexed along with the progress report for the 4th quarter of the respective financial year and the audited accounts of the Liquidator's receipts and payments for the period 26.10.2018 to 04.03.2024 is annexed and marked as **Annexure A14.**

2.8 **Details of the matters pending for decision concerning the Corporate Person are submitted as below:**

As seen from the records, Company Appeal (AT) (CH) (Ins) No.187/2022 which is filed by Nimmagadda Suryapradeep Biotech P Ltd (successful bidder in the 4th E Auction) seeking not to cancel their bid and further not to forfeit EMD is pending before Hon'ble NCLAT, Chennai.

2.9 **Liquidation Cost details:** The total Liquidation cost of the Corporate Person incurred is Rs. 6,50,14,956 /-.

2.10 It is averred that Designated Bank Account for the Corporate Person during liquidation period i.e. from 26.10.2018 to 26.11.2019, in terms of Regulation 2A (2) of the Liquidation Regulations, was opened with State Bank of India. Thereafter, a designated liquidation account was opened with HDFC Bank on 05.10.2019, which was closed on 16.03.2024 after the completion of the liquidation process. All the receipts and payments during the liquidation process of the Corporate Person have been done through these accounts and after the proceeds are distributed as per the waterfall mechanism, the account has been closed on 16.03.2024 with a zero balance. Further, an amount of Rs. 31,14,776.86 /- towards contingency was kept with the lead bank, Indian Bank. The Liquidator has filed the receipts and payments of the Corporate Person during liquidation duly audited by Dimple Agarwal and Associates. The certificate dated 05.04.2024 issued by the Auditor is annexed and marked as Annexure A14.

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

Whether the Corporate Person can be dissolved?

4. We heard the Ld. Counsel for the Liquidator Ms. Manoranjani and Ld. Liquidator Mr. K. Vatsa Kumar and perused the record.

5. The record reveals that six sale notices were issued by the Liquidator. Except for the 4th Auction Notice, all other e-auction notices failed. Under the 4th sale notice M/s Nimmagadda Surya Pradeep Biotech (P) Ltd participated in e-auction and was declared as successful bidder to acquire the Corporate Person as a going concern for a bid amount of Rs. 351 cr and paid the EMD of Rs. 5 Crores. However, the successful bidder failed to honour its commitments and this Tribunal vide order passed in IA 727/2022 and IA 114/2022 directed the erstwhile Liquidator to forfeit the EMD of Rs. 5 crores and initiate fresh bidding process.

6. Accordingly, the present Liquidator issued 6th e-auction notice and as per the decision taken in the 21st SCC meeting the reserve price was increased from Rs.330 crores to Rs. 450 crores. M/s Kalyani Steel Limited was declared as the Successful Bidder in the e-auction held on 05.01.2024 with the bid amount of Rs.450 crores.

7. The record further reveals that prior to 6th e-auction notice, i.e. during the period from 26.10.2018 to 08.01.2024, and amount of Rs. 11,24,40,391/- was distributed by the erstwhile Liquidator amongst the Financial Creditors as per Section 53 of the Code. Likewise, post

realization of the assets under 6th e-auction notice, Rs. 4,48,71,55,581/- was distributed and the residual amount of Rs.1,14,776.86 left in the HDFC Bank account, after meeting all estimated expenses (prior to closure of accounts) has been transferred to the Lead Bank i.e. Indian Bank, for meeting any contingency/litigation along with Rs. 30 lakhs already earmarked towards contingency claims, as per the decision taken by the SCC in its 22nd meeting.

8. Further the record reveals that a Company Appeal (AT) (CH) (Ins) No. 187/2022 filed by M/s Nimmagadda Suryapradeep Biotech P Ltd, who was the successful bidder under 4th e-auction sale notice, challenging this Tribunal order dated 18.04.2022, is pending before Hon'ble NCLAT, Chennai. However, no stay is granted by the Hon'ble NCLAT and the matter is posted to 21.06.2024.
9. At the outset it may be stated that Section 54 of the IBC lays down the criteria for dissolution of the Corporate Debtor.

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 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.*

10. 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).]*

11. The final Compliance certificate in Form-H is filed by the Liquidator. As per Regulation 44(2) applicable then, the period for liquidation was two years. The Liquidation commenced on 26.10.2018 and the period was extended from time to time and the final extension was granted up to 12.05.2024. Further As per the final report the Liquidation value of the liquidation estate is Rs. 450.50 crores. The amount realized from sale of liquidation estate pursuant to the 6th e-auction notice is Rs. 450 crores and the amount has been distributed to the stakeholders as per section 52 or 53 of the Code, under waterfall mechanism. The Liquidator has paid all the CIRP costs and Liquidation expenses.

12. In view of the above facts, we are satisfied that the criteria laid down under law has been fully complied with. As such, the Corporate Person is liable to be dissolved. Hence, we hereby order dissolution of the Corporate Person as under: -
- 12.1 The Corporate Person/**M/s Kamineni Steel & Power India Private Limited** stands **dissolved** from the date of this Order, in terms of Section 54(1) of IBC, 2016, and the Liquidator stands relieved.
- 12.2. The Liquidator is directed to send the copy of this Order within 14 days from the date of pronouncement, to the Registrar of Companies, Hyderabad.
- 12.3 Upon dissolution of the Corporate Person, the records of the Company which are in possession of the Liquidator, be handed over by the Liquidator to the IBBI.
- 12.4 The Registry is also directed to communicate this order to the Registrar of Companies, Hyderabad for updating the master data.
- 12.5. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.

12.6 In terms of the above, IA (Dissolution) No. 2/2024 filed by the Liquidator appointed for **M/s KAMINENI STEEL & POWER INDIA PVT. LTD** (Corporate Person) for dissolution of the Company under Section 54 (1) of IBC, 2016, is allowed and stands disposed of accordingly. Since the Corporate Person stood dissolved vide this order and no proceedings are now pending, therefore, the Registry is directed to consign the file to records.

SD/-
(Charan Singh)
MEMBER (TECHNICAL)

SD/-
(Dr. N.Venkata Ramakrishna Badarinath)
MEMBER (JUDICIAL)

Binnu