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
09-09-2026 After Court-II

IA (IBC) 1238/2026 & IA(IBC) (Dissolution) 06/2026 in
CP (IB) No. 529/7/HDB/2018
u/s. 7 of IBC

IN THE MATTER OF:

Punjab National Bank **…Petitioner/s**

Vs

Lanco Vidarbha Thermal Power Ltd **…Respondent/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

IA (IBC) 1238/2026

Present: Mr. M. Rama Rao, Ld. Counsel along with Mr. Vatsa Kumar, Liquidator.

This application has been moved to take on record the Final Report of Dissolution of the Corporate Debtor. The same is taken on record. **Accordingly, this application is allowed and disposed of.**

IA (IBC) (Dissolution) 06/2026

Orders pronounced. Recorded vide separate sheets.

In the result, this IA (IBC) (Dissolution) 06/2026 is allowed.

Sd/- **Sd/-**
MEMBER (T) **MEMBER (J)**

Apoorva

NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH-1

IA (IBC) (Dis) No. 6 of 2026

IN

CP (IB) No. 529/7/HDB/2018

IN THE MATTER OF

PUNJAB NATIONAL BANK
(FINANCIAL CREDITOR)

VS

M/s LANCO VIDARBHA THERMAL POWER LIMITED
(CORPORATE DEBTOR)

Filed by:

Mr. K. Vatsa Kumar, Liquidator
M/s Lanco Vidarbha Thermal Power Limited
Flat No. 101, 1st Floor, AS Rao Enclave, Road No.2
Snehapuri Colony, Nacharam, Hyderabad – 500076 ... Applicant

Date of order: 09/09/2026

Coram:

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

Appearance:

For Applicant: Mr. K. Vatsa Kumar (Party-in-person), Ms. Mano Ranjani along with Mr. M. Rama Rao & Ms. M.Divya, Advocates

ORDER

1. This Application has been filed by Mr. K. Vatsa Kumar, Liquidator of M/s Lanco Vidarbha Thermal Power Limited ("Corporate Debtor"), under Section 54 of the Insolvency and Bankruptcy Code, 2016 ("Code"), read with Regulation 45 of the IBBI (Liquidation Process) Regulations, 2016, seeking dissolution of the Corporate Debtor upon completion of the liquidation process.

2. BRIEF OVERVIEW OF THE CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)

- This Adjudicating Authority, vide order dated 03.10.2019, admitted the petition filed by Punjab National Bank under Section 7 of the Code in CP (IB) No. 529/7/HDB/2018 and initiated CIRP of the Corporate Debtor. Mr. Vijay Kumar Garg, bearing Registration No. IBBI/IPA-002/IP-N00359/2017-18/11060, was appointed as Interim Resolution Professional/Resolution Professional.

- During CIRP, the Resolution Professional conducted the process in accordance with the provisions of the Code. The Committee of Creditors was constituted and efforts were undertaken for resolution of the Corporate Debtor.

- It is stated that despite the CIRP process and opportunities extended to prospective resolution applicants, no viable Resolution Plan was received for consideration and approval of the Committee of Creditors. Consequently, the CoC, in exercise of its commercial

wisdom, resolved to liquidate the Corporate Debtor and authorized filing of an application seeking liquidation.

3. **BRIEF OVERVIEW OF THE LIQUIDATION PROCESS**:

- Pursuant to the decision of the Committee of Creditors, IA No. 1185 of 2020 was filed seeking liquidation of the Corporate Debtor.

- This Adjudicating Authority, vide order dated 30.06.2021, ordered liquidation of the Corporate Debtor under Chapter III of Part II of the Code and appointed Mr. Vijay Kumar Garg as Liquidator. The liquidation commencement date is 30.06.2021. Subsequently, by order dated 23.07.2025 passed in IA No.1054 of 2025, Mr. K. Vatsa Kumar was appointed as the Liquidator of the Corporate Debtor in place of the earlier Liquidator.

- **Public Announcement and Invitation of Claims**

  The Liquidator made a public announcement in Form-B on 05.07.2021 inviting claims from stakeholders and creditors in accordance with Regulation 12 of the Liquidation Regulations. The announcement was published in Financial Express (English-All India Edition), Andhra Prabha (Telugu-All India Edition), Tarun Bharat (Marathi-Nagpur Edition) and Jansatta (Hindi-All India Edition) newspapers.

- **Constitution of Stakeholders' Consultation Committee**

  Upon receipt and verification of claims, the Liquidator prepared the initial list of stakeholders and constituted the Stakeholders'

Consultation Committee in terms of Regulations 30, 31 and 31A of the Liquidation Regulations. The list of stakeholders was revised from time to time and the final revised list was taken on record by this Tribunal vide order dated 04.04.2024 passed in IA No. 612/2024.

- **Preliminary Report along with Asset Memorandum**:

The Liquidator submitted that, in compliance with Regulation 13 of the IBBI (Liquidation Process) Regulations, 2016, he prepared the Preliminary Report, and in compliance with Regulation 34, prepared the Asset Memorandum, containing details of the capital structure, estimated assets and liabilities of the Corporate Debtor, together with particulars of the assets forming part of the liquidation estate and their valuation based on the reports received from the Registered Valuers. The Preliminary Report and Asset Memorandum were filed before this Adjudicating Authority on 10.09.2021. It is further stated that there are no pending PUFE proceedings in respect of the CD. Further, the Asset Memorandum filed by the erstwhile Liquidator confirms that no assets of the Corporate Debtor were classified as Not Readily Realisable Assets (NRRA).

- **Valuation of Assets**

In compliance with Regulation 35 of the Liquidation Regulations, the Liquidator appointed registered valuers on 06.07.2021 for undertaking the valuation of land and buildings, plant and machinery, and securities and financial assets. Subsequently, with the permission of this Tribunal, fresh valuations were carried out in respect of the unsold assets and certain other specific classes of assets. Based on the

initial valuation, the liquidation value was determined at approximately Rs. 374 Crores under Regulation 32(a) and Rs. 496 Crores under Regulation 32(e). Thereafter, upon revision of the valuations, the liquidation value was reassessed at Rs. 3,69,95,16,934/-.

- **Progress Reports Filed During the Liquidation Process**

The Liquidator submitted that, in compliance with Regulation 15 of the IBBI (Liquidation Process) Regulations, 2016, he periodically filed Progress Reports before this Adjudicating Authority during the course of the liquidation process. It is stated that a total of **22** Progress Reports were filed before this Adjudicating Authority detailing, inter alia, the steps undertaken for realization of assets, conduct of e-auctions, valuation exercises, constitution and meetings of the Stakeholders' Consultation Committee, distribution of sale proceeds, and other developments pertaining to the liquidation process. The said Progress Reports were taken on record by this Adjudicating Authority from time to time.

- **Process of Sale of Assets of the Corporate Debtor.**

In its 13th meeting held on 10.11.2020, the SCC advised the Liquidator to initially attempt the sale of the Corporate Debtor as a going concern, failing which the assets were to be sold under Regulations 32(a) to (d) of the IBBI (Liquidation Process) Regulations, 2016. Accordingly, the 1st e-auction was held on 27.09.2021 for sale of the CD as going concern, which however, did not materialise. Thereafter, between September 2021 and August

2025, the Liquidator conducted a total of **34 e-auctions**. The assets, categorized under Lots 1 to 14, were ultimately sold through this process, on an "AS IS WHERE IS", "AS IS WHAT IS", "WHATEVER THERE IS" and "WITHOUT RECOURSE" basis, and the corresponding sale certificates have been duly issued to the successful purchasers. The description and final outcome of each lot are summarised below:-

Lot No.	Description	Final Outcome	Successful Bidder
Lot 1	Furniture & Fixtures – Plant Site (Wardha, Maharashtra)	Sold in the 2nd E-Auction held on 24.03.2022.	**M/s Bohra Exports Private Limited.**
Lot 2	Furniture & Fixtures – Corporate Office (Gurugram, Haryana)	Sold in the 2nd E-Auction held on 24.03.2022.	**M/s Sri Kanagavalli Enterprises and Realty.**
Lot 3	Plant & Machinery including Civil Works/Structures (excluding certain specified items)	Sold in the 2nd E-Auction held on 24.03.2022.	**M/s HR Commercials Private Limited.**
Lot 4	Fire and Foam Tender	Sold in the 2nd E-Auction held on 24.03.2022.	**M/s MTC Business Private Limited.**
Lot 5	GRP Pipes (1100 mm Diameter)	Sold in the 33rd E-Auction held on 21.08.2025.	**M/s Jai Gurudev Industries.**
Lot **6**	Unit Auxiliary Transformer (16 MVA, 11/3.45 KV)	Sold in the 9th E-Auction held on 03.06.2023.	**M/s Asian Enterprises.**
Lot 7	765 KV Switchyard Material	Sold in the 33rd E-Auction held on 21.08.2025.	**M/s Jai Gurudev Industries.**
Lot 8	HCSD Pipes (Ash Handling System – 9-inch Seamless Pipes)	Initially sold in the 2nd E-Auction, the sale was later set aside by NCLT and the asset was finally sold in the 26th E-Auction held on 19.12.2024.	**M/s Tuba Steel.**
Lot 9	Land of the Plant near Wardha, Maharashtra	Sold in the 34th E-Auction held on 21.08.2025.	**M/s Kejriwal Resorts Pvt. Ltd.**

Lot No.	Description	Final Outcome	Successful Bidder
Lot 10	Umri Meghe Land near Wardha, Maharashtra	Sold in the 15th E-Auction held on 10.01.2024.	**Mr. Kishor Vishwanath Bhoot.**
Lot 11	Steel Material extracted from foundations (ESP, DM Plant, etc.) at the project site	Sold in the 11th E-Auction held on 25.10.2023.	**M/s Laxmi Trading Company.**
Lot 12	Boiler and Coal Mills Material located in the Customs Bonded Warehouse	Sold in the 26th E-Auction held on 19.12.2024.	**Mr. Kailash Agrawal**.
Lot 13	Sheds and Racks at the project site	Sold in the 31st E-Auction held on 02.07.2025. Mr. Kailash Agrawal.	**Mr. Kailash Agrawal**
Lot 14	Land at Tuticorin	Sold in the 32nd E-Auction held on 02.07.2025.	**Mr. Mayank Gupta.**

A summary of the 34 e-auctions conducted along with the private sale process undertaken and their respective outcomes is annexed and marked as Annexure A09.

- **Realisation and Distribution**

The Liquidator realized an aggregate amount of Rs.4,87,35,00,290/- against the liquidation value of Rs. 3,69,95,16,934/-. The sale proceeds were distributed in accordance with Section 53 of the Code after making provision for liquidation costs and statutory obligations. Multiple rounds of distributions were made to stakeholders from time to time and the final distribution was made on 18.08.2026. A total amount of Rs. 472,64,00,360.88/- was distributed which includes CIRP and Liquidations cost of Rs. 10,42,78,732.68. Further according to the Liquidator, an amount of Rs. 48,55,741/- has been remitted to Ex-Employees in compliance of this Tribunal order

passed in IA 640/2023 dated 11.06.2024. Tabulation of the distribution is annexed and marked as Annexure-11

- **Liquidation Account**

The liquidation account bearing Account No. 4615002100003217 was maintained with Punjab National Bank, Gurugram. The Applicant has submitted that all receipts and payments were routed through the said account and that the account reflects a NIL balance as on 19.08.2026.

- **Audit of Receipts and Payments Account**

The Liquidator submitted that all receipts and payments pertaining to the liquidation process were duly accounted for and maintained in accordance with the provisions of the IBC and the IBBI (Liquidation Process) Regulations, 2016, which has been duly certified by a Chartered Accountant i.e. Dimple Agarwal & Associates. The certified Receipts and Payments Account has been placed on record as Annexure A-12 to the present Application.

- **Liquidator's Fee:**

The Corporate Debtor has been under liquidation since 30.06.2021. Initially, Mr. Vijay Kumar Garg acted as the Liquidator and was subsequently replaced by Mr. K. Vatsa Kumar pursuant to the order dated 23.07.2025 passed by this Adjudicating Authority in IA No. 1054 of 2025. It is submitted that the Applicant proposed a fee of Rs.4,00,000/- per month before the SCC, however, as the proposal was not approved, the Applicant charged and received his fee in

accordance with Regulation 4 of the IBBI (Liquidation Process) Regulations, 2016. The total fee charged and received by the Applicant was Rs.28,66,428/-. The erstwhile Liquidator had charged and received Rs.49,67,916/- as Liquidator's fee and Rs.1,15,88,187/- has been paid towards IPE fee for the erstwhile Liquidator and his team.

- **Pending Legal Matters:-**

  It is stated that certain legal proceedings involving the CD remain pending before various judicial forums. However, there is no stay in any of the said proceedings restraining completion of the Liquidation process or dissolution of the Corporate Debtor. An arrangement has been made that upon dissolution of the CD and discharge of the Liquidator, PNB, being the lead bank, has been authorised to handle the pending legal matters on behalf of the Financial Creditors and take necessary action in relation thereto, as resolved in the 44th SCC meeting held on 17.02.2026 and 1st COC meeting held on 01.07.2026.

- **Liquidation costs**:-

  The estimated liquidation cost reported in the preliminary report filed by the erstwhile Liquidator on 10.09.2021 was Rs. 3,19,71,200/. However, the actual total liquidation cost incurred during the liquidation process is Rs. 15,68,24,707.44, owing to the extended duration of the liquidation process, i.e. beyond 57 months, resulting in an increase in expenditure. The total liquidation cost includes Rs. 1,67,27,439/- towards Bank Guarantee Commission incurred during the liquidation period up to 30.06.2022 and provision of Rs.

50,00,000/- towards pending legal and related expenses, parked with PNB, pursuant to the resolution of the SCC.

- **Other pending matters – SFA Valuation and pending matters of Bank Guarantees and Fixed Deposits.**

The Securities and Financial Assets of the Corporate Debtor were mainly FDRs in favour of various Govt authorities viz. Customs / Central Excise, most of which were paid and closed during the process However, certain lien marked Fixed Deposits (FDRs) and Bank Guarantees (BGs) remained pending for closure, the status of which and the arrangement made by COC are detailed as under:-

(a) All BGs of PNB were paid and closed as confirmed by PNB. Six lien-marked FDRs, having an outstanding value of approximately Rs.3.58 crore including interest, remained pending. The CoC decided that PNB would handle the closure/realisation of these FDRs and distribute unpaid amounts, if any, among the Financial Creditors in their inter-se ratio;

(b) IDBI Bank is contesting six BG claims aggregating Rs. 12.04 crore, with Rs.2,86,154/- remaining balance payable towards distribution received earlier for the said BGs, which was directed to be retained by PNB along with Rs.50 lakh towards pending/future legal and related expenses;

(c) Punjab & Sind Bank also confirmed approval for payment of ten BGs aggregating Rs. 29.56 crore to the beneficiaries.

The CoC has thus made arrangements for these residual BG/FDR matters to be dealt by the respective banks and hence the same would not impede dissolution and PNB would close the Liquidation account thereafter.

- **Completion of Liquidation**

  The Applicant has filed the Final Report and Compliance Certificate in Form-H certifying completion of the liquidation process in terms of Regulation 45 of the Liquidation Regulations.

4. We have heard the submissions of the Ld. Liquidator and the learned Counsel appearing for the Liquidator and perused the material placed on record.

FINDINGS OF THE TRIBUNAL

5. 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.

6. Further, 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).].

7. From the records, it is evident that:

(i) the liquidation process has been conducted in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 and the Liquidation Regulations;

(ii) the assets of the Corporate Debtor have been realised through the liquidation process;

(iii) the proceeds have been distributed amongst stakeholders in accordance with Section 53 of the Code;

(iv) the Final Report and Compliance Certificate have been filed by the Liquidator;

8. The Liquidator has submitted that, apart from the matters already dealt with during liquidation, certain residual issues relating to six Bank Guarantee claims are still pending. It is stated that IDBI Bank is contesting six Bank Guarantee claims aggregating to Rs.12.04 Crores. Against the amount receivable in relation to the said claims, a sum of Rs.2,13,093/- has already been adjusted in the final distribution made on 18.08.2026, leaving a balance amount of Rs.2,86,154/- payable by IDBI Bank to Punjab National Bank. The Applicant has further placed on record that there is no legal impediment for dissolution of the Corporate Debtor and that appropriate arrangements have been approved by the SCC and CoC authorising Punjab National Bank to pursue such proceedings after dissolution and to utilise the provision of Rs. 50,00,000/- kept with PNB together with Rs. 2,86,154/- receivable from IDBI Bank, towards such proceedings and related expenses. Having considered the submissions of the Liquidator, we are satisfied that the aforesaid residual matters do not affect the completion of the liquidation process. The said issues shall be dealt with in accordance with law and shall not come in the way of dissolution of the Corporate Debtor.

9. Accordingly, we are satisfied that the affairs of the Corporate Debtor have been completely wound up and the Corporate Debtor deserves to be dissolved under Section 54 of the Code.

O R D E R

10. Accordingly, IA (IBC) (Dis) No.6 of 2026 is allowed and it is hereby ordered that:

(1) **M/s Lanco Vidarbha Thermal Power Limited (CIN: U40100TG2005PLC045445)** stands dissolved under Section 54 of the Insolvency and Bankruptcy Code, 2016, with effect from the date of this Order.

(2) Mr. K. Vatsa Kumar, Liquidator, stands discharged from his duties as Liquidator of the Corporate Debtor.

(3) The Registrar of Companies, Telangana, shall record the dissolution of the Corporate Debtor and take all consequential steps in its records.

(4) The Punjab National Bank, being the Lead Bank, is permitted to pursue and manage the residual legal proceedings and other residual matters in terms of the resolutions approved by the Stakeholders' Consultation Committee and the Committee of Creditors. Punjab National Bank is further permitted to utilise the provision of Rs. 50,00,000/- retained for such purpose, together with the amount of Rs. 2,86,154/- receivable from IDBI Bank, towards meeting the expenses and costs associated with such proceedings.

(5) Punjab National Bank is permitted to take necessary steps for closure and realization of the remaining six lien-marked Fixed Deposit Receipts (FDRs). Any amount realized therefrom shall be distributed

amongst the Financial Creditors in accordance with their respective inter-se distribution percentages.

(6) Punjab National Bank is permitted to keep the Liquidation Account operational even after the dissolution of the Corporate Debtor, only for the purpose of dealing with the pending matters relating to the lien-marked FDRs and connected proceedings. After completion of such matters and distribution of the amounts realised, Punjab National Bank shall be free to close the said account.

(7) Any balance amount remaining with PNB after settlement of pending legal expenses, shall be dealt with in accordance with the resolutions passed by the stakeholders and financial creditors.

(8) The Registry is directed to communicate a copy of this Order to the Registrar of Companies, Telangana and the Insolvency and Bankruptcy Board of India.

(9) We direct the Liquidator to send the copy of this Order within 7 days from the date of pronouncement to the Registrar of Companies, Hyderabad.

(10) Upon dissolution of the Corporate Debtor, the records of the Company which are in possession of the Liquidator, will be retained both in physical as well as electronic form as per Regulation 39A of the CIRP Regulations.

(11) In terms of the above, IA (Diss) No. 06 of 2026 filed by the Liquidator appointed for M/s Lanco Vidarbha Thermal Power Limited (Corporate Debtor) for dissolution of the Company under Section 54 of IBC, 2016 stands disposed of accordingly. Since the Corporate Debtor stood dissolved vide this order, the Registry is directed to consign the file to records.

SD/-
(Sanjay Puri)
Member (Technical)

SD/-
(Rajeev Bhardwaj)
Member (Judicial)

Binnu