IN THE NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH
(*Through Hybrid Mode)*

Item No.1
IA (IBC)/398/2026, & IA (IBC)(Liq.)/6/2026 in
CP (IB)/12/7/AMR/2025
(Admitted on 20.08.2025)

IN THE MATTER OF:

Canara Bank … Petitioner/Financial Creditor

Versus

Sri Krishna Stockist & Traders Pvt Ltd
… Respondent/Corporate Debtor

Under Section: 7, 12, 33(2) of IBC, 2016
Regulation: 40 of IBBI Regulations, 2016

Order delivered on 14.10.2026

CORAM:

SHRI KISHORE VEMULAPALLI, HON'BLE MEMBER (JUDICIAL)
SHRI UMESH KUMAR SHUKLA, HON'BLE MEMBER (TECHNICAL)

PRESENT:

In CP
Resolution Professional : Mr. Chillale Rajesh

In IA (IBC)/398/2026 &
IA (IBC)(Liq)/6/2026
For the RP/ Applicant : Mr. M.M. Viswaraj, Adv.

ORDER

Order pronounced and recorded vide separate sheets. Application bearing **IA (IBC)/398/2026** filed by the RP is **dismissed**, and Application bearing **IA (IBC)(Liq.)/6/2026** in CP (IB)/12/7/AMR/2025 filed by the RP is **allowed**, and Liquidator is appointed.

Sd/-
(UMESH KUMAR SHUKLA)
MEMBER (TECHNICAL)

Sd/-
(KISHORE VEMULAPALLI)
MEMBER (JUDICIAL)

Jahnavi (Steno) & RSN (PS)

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

IA(IBC)(Liquidation)/6/2026
in CP(IB)/12/7/AMR/2025
AND
IA(IBC)/398/2026 in
CP(IB)/12/7/AMR/2025

IN THE MATTER OF CP(IB)/12/7/AMR/2025:

Canara Bank

…….... Petitioner/ Financial Creditor

Versus

Sri Krishna Stockist & Traders Private Limited

…….. Respondent/ Corporate Debtor

AND IN THE MATTER OF IA(IBC)(Liquidation)/6/2026:

Under Section 33(2) of the Insolvency and Bankruptcy Code, 2016

Mr. Chillale Rajesh
Resolution Professional of
Sri Krishna Stockist & Traders Private Limited
B-725, Western Plaza, OU Colony,
HS Darga, Manikonda,
Hyderabad-500008, Telangana

.....Applicant/ Resolution Professional

AND IN THE MATTER OF IA(IBC)/398/2026:

Under Section 12 of the Insolvency and Bankruptcy Code, 2016 read with Regulation 40 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016

Mr. Chillale Rajesh
Resolution Professional of
Sri Krishna Stockist & Traders Private Limited
B-725, Western Plaza, OU Colony,
HS Darga, Manikonda,
Hyderabad-500008, Telangana.

... Applicant/ Resolution Professional

ORDER DELIVERED ON: 14.10.2026

CORAM: HON'BLE SHRI KISHORE VEMULAPALLI, MEMBER (JUDICIAL)
HON'BLE SHRI UMESH KUMAR SHUKLA, MEMBER (TECHNICAL)

PRESENT:
In CP
Resolution Professional (RP) : Mr. Chillale Rajesh
In IA (IBC)/398/2026 &
IA (IBC)(LIQ)/6/2026
For the RP/ Applicant : Mr. M.M. Viswaraj, Adv.

COMMON ORDER
[PER: BENCH]

IA(IBC)(Liquidation)/6/2026 in CP(IB)/12/7/AMR/2025

This Interlocutory Application bearing No. IA(IBC)(Liquidation)/6/2026 (hereinafter referred to as the "**IA 6/2026**") was e-filed on 09.08.2026 and physically filed vide Diary No. 1527 dated 14.08.2026 by Mr. Chillale Rajesh, Resolution Professional (hereinafter referred to as the "**Applicant**" or the "**RP**") of Sri Krishna Stockist & Traders Private Limited (hereinafter referred to as the "**Corporate Debtor**") under Section 33(2) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the "**IBC**" or "**Code**") seeking the following reliefs:

(i) Pass an order for liquidation of the Corporate Debtor under Section 33(2) of the Code;

(ii) Appoint Insolvency Professional (hereinafter referred to as the "**IP**"), Mr. Mannava Divakara Sarma, bearing IBBI Registration No. IBBI/IPA-001/IP-P-01192/2018-19/11917, having a valid

Authorisation for Assignment (hereinafter referred to as the "**AFA**") up to 31.12.2026, as the Liquidator of the Corporate Debtor;

(iii) Pass such other and further orders as this Adjudicating Authority may deem fit and proper, in the facts and circumstances of the case.

2. The facts of the case as averred by the Applicant are summarized below:

(i) A Petition bearing no. CP(IB)/12/7/AMR/2025 for initiation of the Corporate Insolvency Resolution Process (hereinafter referred to as the **"CIRP"**) was filed by the Canara Bank (hereinafter referred to as the "**Canara Bank**") under Section 7 of the Code read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as the "**IB Rules**"), wherein this Adjudicating Authority vide its Order dated 20.08.2025, admitted the Corporate Debtor into CIRP and appointed the Applicant as the Interim Resolution Professional (hereinafter referred to as the "**IRP**").

(ii) The Applicant made the public announcement in Form-A under Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (hereinafter referred to as the **"CIRP Regulations"**) on 23.08.2025 in 'Mana Telangana' All Telangana Editions (Regional Language), 'Prajashakthi' All Andhra Pradesh Editions (Regional Language) and 'Financial Express' All Andhra Pradesh & Telangana Editions

(English Language) - Common Edition (English language) inviting the claims by 03.09.2025.

(iii) In compliance with Regulation 13 of the CIRP Regulations, the claims received were verified, the list of creditors was finalized and a report on the constitution of the Committee of Creditors (hereinafter referred to as the **"CoC"**) under Regulation 17(1) of the CIRP Regulations was filed by the IRP/ Applicant vide IA(IBC)/298/2025, which was taken on record by this Adjudicating Authority, vide its Order dated 24.09.2025.

(iv) In the 1st meeting of the CoC held on 18.09.2025, the Applicant was confirmed as the RP in accordance with the provisions of Section 22(2) of the Code.

(v) Upon verification of records, it was observed that the Corporate Debtor had filed its audited financial statements up to the financial year ending 31.03.2014 and the Income Tax Returns up to the Assessment Year 2018-19, and no financial statements, annual returns, or other statutory filings were available on record for the subsequent period.

(vi) In view of the continued non-cooperation, the Applicant filed IA No. 327/2025 under Section 19(2) of the Code, before this Adjudicating Authority, after which the suspended Directors submitted the financial statements of the Corporate Debtor as on the Insolvency Commencement Date, which placed before the CoC.

(vii) During the 1st meeting of the CoC held on 18.09.2025, the Applicant apprised the CoC members about the assets of the Corporate Debtor based on the information available from public records, and preliminary verification conducted by the Applicant. The Applicant also filed the First Progress Report before this Adjudicating Authority vide IA (IBC)/373/2025.

(viii) The 2nd meeting of the CoC was held on 16.10.2025, wherein the overall status and financial position of the Corporate Debtor were comprehensively discussed and it was noted that the stocks and inventory of the Corporate Debtor had already been sold by the Creditors prior to the commencement of the CIRP and out of the immovable properties of the Corporate Debtor exclusively mortgaged to the IDBI Bank, two have already been sold under the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as the **"SARFAESI"**). Further, out of the remaining asset, which is a parcel of land admeasuring 9,196 square yards, situated at Survey No.362/7, Kapavaram Village, Devarapalli Mandal, West Godavari District, Andhra Pradesh, an area of 3,678.40 square yards has been acquired by the National Highways Authority of India (hereinafter referred to as the **"NHAI**")/ GAIL (India) Limited (hereinafter referred to as the **"GAIL**") for public purposes, and only a balance 5,517.60 square yards remains available for sale. Even in the balance land, there are certain legal issues concerning approximately 500 square yards, due to which

all four auctions under the SARFAESI by the IDBI Bank have failed due to lack of bidders. Considering the above, the CoC concluded that proceeding with valuation, preparation of the Information Memorandum, and inviting Resolution Plans would be a futile exercise, leading only to unnecessary expenditure of time and CIRP costs without any practical benefit to stakeholders and therefore, with 100% voting share, resolved to liquidate the Corporate Debtor under Section 33(2) of the Code.

(ix) Pursuant to the above resolution, the Applicant filed IA(IBC)(Liquidation)/1/2026 (hereinafter referred to as the **"IA 1/2026"**) before this Adjudicating Authority seeking to initiate the liquidation proceedings against the Corporate Debtor and appoint the IP recommended by the CoC as the Liquidator. As the IP recommended by the CoC did not belong to the East Zone Panel, the IA 1/2026 was disposed of vide order dated 03.07.2026 of this Adjudicating Authority, by granting liberty to the RP and the CoC to file fresh application under Section 33(2) of the Code, along with the recommendation of an eligible IP/ Insolvency Professional Entity (hereinafter referred to as the "**IPE**").

(x) Thereafter, the Applicant, after duly circulating the agenda to all the members, convened the 7th Meeting of the CoC on 18.07.2026, (which was continued on 24.07.2026), wherein, the CoC, after detailed deliberations, unanimously resolved, with the requisite voting share, to recommend the appointment of Mr. Mannava Divakara Sarma, as the Liquidator for conducting the liquidation

process of the Corporate Debtor and authorised the Applicant to file a fresh application before this Adjudicating Authority under Section 33(2) of the Code.

IA(IBC)/398/2026 in CP(IB)/12/7/AMR/2025

3. The CoC, in its 7th Meeting held on 18.07.2026, also observed that the pendency of the IA 1/2026 from 27.11.2025 till its disposal on 30.06.2026 materially impeded the progress of the CIRP and, therefore, resolved, by the requisite majority, that the said period ought to be excluded from the computation of the CIRP period and authorised the RP to file an application seeking exclusion of the said period. Thereafter. an application seeking exclusion was filed and numbered as IA(IBC)/348/2026 (hereinafter referred to as the "**IA 348/2026**"), but was subsequently withdrawn on 24.08.2026, as the RP decided to seek extension of the CIRP period instead of exclusion.

4. Thereafter, the Interlocutory Application bearing No. IA(IBC)/398/2026 (hereinafter referred to as the **"IA 398/2026"**) has been e-filed on 09.09.2026 and physically filed vide Diary No. 1733 dated 10.09.2026 by the Applicant under Section 12 of the Code read with Regulation 40 of the CIRP Regulations seeking for the extension of CIRP of the Corporate Debtor by 227 days, from 16.02.2026 to 30.09.2026, in terms of Section 12 of the Code. It is stated in the IA 398/2026 that:

(i) The CIRP of the Corporate Debtor commenced on 20.08.2025 and the initial period of 180 days of the CIRP expired on 15.02.2026,

and accordingly, the last date for completion of CIRP was 16.02.2026.

(ii) Thereafter, the matter regarding extension of the CIRP period was placed before the CoC for consideration in its 8th meeting held on 03.09.2026 and the CoC, in accordance with the provisions of Section 12 of the Code and Regulation 40 of the CIRP Regulations, resolved with 69.8% of the voting share (no votes were cast against and 30.2% of the voting share abstained), to seek extension of the CIRP period by 227 days, i.e., from 16.02.2026 to 30.09.2026 and authorised the RP to take all necessary steps for giving effect to the resolution seeking extension of the CIRP period.

ANALYSIS AND FINDINGS:

5. We have heard the RP, the Counsel for the RP and perused the records carefully.

6. Before proceeding further, we consider it appropriate to peruse the facts of the case:

(i) This Adjudicating Authority vide its Order dated 20.08.2025 in Section 7 Petition filed by the Canara Bank, admitted the Corporate Debtor into CIRP and the Applicant (Mr. Chillale Rajesh), who was proposed by the Canara Bank, was appointed as the IRP.

(ii) The 1st meeting of the CoC was held on 18.09.2025, wherein the following deliberations/ discussion took place:

(i) The Applicant informed that based on the public announcement made on 23.08.2025, the claims were received from the Canara Bank, IFCI Limited and IDBI Bank Limited as Secured Financial Creditors and Income Tax Department as Operational Creditors, which have been admitted.

Item no. A4 – To take a note of the claim received by the IRP:

The IRP presented the abstract of claims received.

Rupees in crores

Sl. No.	Count	% of total Debt	Voting Share	Name of Creditor	Amount Claimed	Amount Admitted	Claim not admitted	Claim under verification
1	3	99.8%	100.0%	Secured Financial Creditors	953.14	953.14	-	-
2	0	0.0%	0.0%	Unsecured Financial Creditors	-	-	-	-
3	1	0.2%	-	Operational Creditors	22.83	1.87	-	20.95
5	0	0.0%	-	Govt. Dues	-	-	-	-
6	0	0.0%	-	Workmen & employee dues	-	-	-	-
	4	**100%**	**100%**	**Total**	**975.96**	**955.01**	**-**	**20.95**

Secured Financial Creditors:

Amount in rupees crores

S. No.	Nature of Claim	Name of the Creditor	Date of receipt of claim	Principal	Interest	Total amount of Claim	Claim Admitted	Amount of claim not admitted	Amount of claim under verification
1	SFC	Canara Bank	02.09.25	152.00	513.11	665.11	665.11		-
2	SFC	IFCI Limited	03.09.25	80.00	100.94	180.94	180.94		-
3	SFC	IDBI Bank Limited	01.09.25	30.00	77.09	107.09	107.09		-
3		**Total**		**262.00**	**691.14**	**953.14**	**953.14**	**-**	**-**

Operational Creditors:

Amount in rupees in crores

#	Nature of claim	Name of Creditor	Date of receipt	Principal Outstanding	Interest	Amount Claimed	Claim admitted	Amount of claim not admitted	Amount of claim under verification
1	OC	Income Tax	03.09.25	22.83	-	22.83	1.87	-	20.95
1		**Total**		22.83	-	22.83	1.87	-	20.95

(ii) Based on the claims received, the Applicant constituted the CoC with Canara Bank, IFCI Limited and IDBI Bank Limited having voting share of 69.8%, 19.0% and 11.2% respectively:

Item no. A5 – To take a note of the committee of creditors constituted by the IRP:

Chairman presented that as per provisions of Section 18(1) (c) of the Code, the IRP/RP to constitute a CoC. Further as per Section 21 (1) the IRP shall after collation of all claims received against the Corporate Debtor and determination of the financial position of the Corporate Debtor, constitute a CoC.

The claim amount is determined in accordance with Reg. 14 of the CIRP Regulation on the information available and applied best estimates of IRP.

Committee of Creditors & voting rights

Rupees in crores

S. No.	Nature of Claim	Name of the Creditor	Date of receipt of claim	Principal	Interest	Total amount of Claim	Claim Admitted	Voting rights
1	SFC	Canara Bank	02.09.25	152.00	513.11	665.11	665.11	69.8%
2	SFC	IFCI Limited	03.09.25	80.00	100.94	180.94	180.94	19.0%
3	SFC	IDBI Bank Limited	01.09.25	30.00	77.09	107.09	107.09	11.2%
3		**Total**		**262.00**	**691.14**	**953.14**	**953.14**	**100.0%**

- The IRP have constituted the CoC as on 10.09.2025 and
- A report dated 10.09.2025 certifying List of Creditors in compliance with Regulation no. 13(2)(d) & certifying Constitution of Committee of Creditors under section 21 of the Insolvency and Bankruptcy Code 2016, read with Regulation no. 17(1) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 have been filed before the Hon'ble NCLT, Hyderabad on 10.09.2025.

Members of the CoC took the note of the same.

(iii) The Applicant informed that the Corporate Debtor has filed Annual Reports only up to financial year ending 31.03.2014 and presented the balance sheet analysis as below:

Item no. A7 – Financial Analysis of the Corporate Debtor:

The IRP presented the **Financial Analysis of the Corporate Debtor:**

Balance sheet analysis

Rupees in crores

	Application of Funds	**FY 2011-12**	**FY 2012-13**	**FY 2013-14**
1	Fixed Assets			
2	Tangible Assets	27.51	27.14	26.87
3	Intangible Assets	-	-	-
		27.51	**27.14**	**26.87**
	Currents Assets			
1	Inventory/ WIP	41.55	51.67	142.79
2	Trade Receivables	3.91	0.65	0.61
3	Cash & Bank Balances	2.67	0.16	20.39
4	Short term loans and advances	-	-	-
5	Other Current Assets	0.77	-	1.51
		48.90	**52.48**	**165.30**
	Total Assets	**76.41**	**79.62**	**192.17**
	Sources of Funds			
1	Share Capital	16.10	16.10	28.04
2	Reserve and Surplus	19.12	23.29	29.99
3	Share Application Money	2.76	2.76	7.75
		37.98	**42.15**	**65.78**
1	Deferred Tax Liability	-	-	-
2	Long Term Borrowings	6.59	4.45	5.69
3	Other Long Term Liabilities	0.82	-	-
4	Long Term Provisions	-	-	-
		7.41	**4.45**	**5.69**
	Current Liabilities			
1	Short Term Borrowings	29.06	32.93	105.41
2	Trade Payables	0.83	0.09	1.76
3	Other Current Liabilities	-	-	9.54
4	Short Term Provisions	1.13	-	3.99
		31.02	**33.02**	**120.70**
	Total Liabilities	**76.41**	**79.62**	**192.17**

Further IRP submitted that the Company filed Annual Reports up to FY 31.03.2014 only, the said information was extracted from the ROC.

The members of the CoC are requested to take note of the same.

(iv) The Applicant also presented the security Interest held among respective creditors, which is reproduced below:

Item no. A13 – Summary of assets of the CD.

IRP presented the Security Interest held among respective creditors:

Rupees in crores

S. No.	Description / Name of the Creditor	Canara Bank	IFCI Limited	IDBI Bank Limited
	Total admitted claim 953.14 crs.	665.11	180.94	107.09
1	**Primary:** First Pari Passu charge on all the assets of the company	Stocks & Inventory Nil (sold before CIRP under Sarfesi)	Stocks & Inventory Nil (sold before CIRP under Sarfesi)	Stocks & Inventory Nil (sold before CIRP under Sarfesi)
2	**Collateral:** CD assets (Exclusively mortgaged.)	-	-	(3 properties of CD assets exclusively mortgaged (2 sold) **Left asset (1)** Land admeasuring 9196 Sq Yds at Sy. No. 362/7, Kapavaram village, Devarapalli Mandal, W. G. Dist., Andhra Pradesh. (Part of property acquired by NHAI)
3	**Collateral:** Personal properties of promoters exclusively mortgaged.	(13 properties) Sold - Nil	(6 properties) Sold - Nil	(6 properties) Sold - Nil
4	**Personal Guarantees:**	Shri Thota Kanna Rao, and Smt. Thota Venkata Ramana	Shri Thota Kanna Rao, and Smt. Thota Venkata Ramana	Shri Thota Kanna Rao, and Smt. Thota Venkata Ramana

Members of the CoC took the note of the same.

(v) The Applicant was appointed as RP with 88.8% voting share of the CoC. The relevant extract of the minutes are as below:

Item no. B2 – Appointment of Resolution Professional:

TO APPOINT RESOLUTION PROFESSIONAL IN TERMS OF SECTION 22(2) OF THE INSOLVENCY & BANKRUPTCY CODE, 2016 AND THE INTERIM RESOLUTION PROFESSIONAL, BEING ELIGIBLE, OFFERS HIMSELF FOR APPOINTMENT AS RESOLUTION PROFESSIONAL;

Facts and Explanatory Statement:

As per Section 22(2) of the Insolvency and Bankruptcy Code, 2016, the Committee of Creditors (CoC), may, in the first Meeting, by a majority vote of not less than Sixty-six per cent of the voting share of the members of the CoC, either resolve to appoint the IRP as a Resolution Professional ("RP") or to replace the IRP by another Insolvency Professional.

The undersigned, Mr. Rajesh Chillale, being eligible for the appointment as Resolution Professional, offers himself for appointment as Resolution Professional before the members of the Committee in the Corporate Insolvency Resolution Process of M/s. Sri Krishna Stockist & Traders Private Limited and if considered favourable, then in terms of Regulation 3 (1A) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 the undersigned shall place his written consent to act as Resolution Professional in the specified Form-AA in the meeting.

Accordingly, the following Resolution for appointment of RP placed before the Committee of Creditors for their consideration in the meeting.

Resolution:

"RESOLVED THAT pursuant to Section 22(2) and other applicable provisions, if any, of the Insolvency and Bankruptcy Code, 2016 and in accordance with regulations made thereunder, the approval of committee of creditors be and is hereby accorded for appointment of Mr. Rajesh Chillale, an Insolvency Professional having IBBI Registration No. IBBI/IPA-001/IP-P00699/2017-2018/11226, to act as Resolution Professional in the Corporate Insolvency Resolution Process of M/s. Sri Krishna Stockist & Traders Private Limited.

RESOLVED FURTHER THAT the Interim Resolution Professional of the Corporate Debtor be and is hereby authorised to take such steps as may be necessary, in relation to the above if required and to settle all matters arising out of and incidental thereto and sign and execute all documents and writings that may be required and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved by Requisite Majority.
2	IFCI Limited	180.94	19.0%	19.0%	-	-	
3	IDBI Bank Limited	107.09	11.2%	-	11.2%	-	
	TOTAL	953.14	100.0%	88.8%	11.2%	0.0%	

(vi) The Applicant proposed his fee @ Rs. 3,00,000/- per month plus applicable taxes, however, the CoC advised the Applicant to defer this matter to the next meeting of the CoC.

(vii) Proposal to appoint M/s G. Joshi & Co. (Support Services) for day to day activities in the CIRP Process at a fee of Rs.1,00,000/- per month + applicable taxes was deferred to the next meeting of the CoC. The relevant extract of the minutes are as below:

Item no. B4 – Appointment of G. Joshi & Co (Support Services):

To ratify the appointment and remuneration payable to M/s. G. Joshi & Co for providing support services for handling day to day operations at the plant & to the Insolvency Professional for the smooth conduct of CIRP of M/s. Sri Krishna Stockist & Traders Private Limited.

To handle day to day CD activities in the of CIRP Process it is proposed to appoint M/s. G. Joshi & Co @ a fee of Rs. 100,000/- per month/ or part thereof + applicable taxes

Broad activities:

Update of books of accounts of CD, financial statements.

Claim verification.

To take CD assets in possession

Regular visits to unit to take care of etc.

To coordinate between RP & CD assets etc.

To coordinate with the prospects.

To ensure compliances under Companies Act & Income Tax Act and other statutory compliances.

The CoC shall advise the RP, by a vote of not less than sixty-six percent of the votes

Members of the CoC advised the RP to defer this matter to the next CoC

(iii) The 2nd meeting of the CoC was held on 16.10.2025, wherein the following deliberations/ discussion took place:

(a) The CoC resolved with 100% voting share of the CoC, to liquidate the Corporate Debtor and authorised the Applicant to make necessary application to this Adjudicating Authority. The relevant extract of the minutes are as below:

Item no. A11 – Liquidation of the Corporate Debtor:

RP presented that

- During the 1st CoC meeting held on 18.09.2025, the RP informed the members that as per details received from Suspended Board, the CD is an trading company and the CD is not in operation 2015 onwards and had no employee on its payroll members. In view of the above, Canara Bank and IDBI Bank advised the IRP/RP to explore the possibility of moving an application for Liquidation / Dissolution of the CD.
- The last audited Balance Sheet filed with RoC was 31.03.2014.
- The last audited Balance Sheet filed with Income Tax Dept is 31.03.2018.

Analysis of Balance Sheet account

Rupees in crores

Sl No	Particulars	Audited 2016-17	Audited 2017-18
	Application of Funds		
1	Fixed Assets		
2	Tangible Assets	125.33	125.34
3	Differed Tax Net	0.25	
		125.58	**125.34**
	Currents Assets		
1	Inventory/ WIP	45.85	14.87
2	Trade Receivables	3.82	
3	Cash & Bank Balances	3.70	3.29
		53.37	**18.16**
	Total Assets	**178.95**	**143.50**
	Sources of Funds		
1	Share Capital	68.00	68.00
2	Reserve and Surplus	(157.58)	(220.74)
		(89.58)	**(152.74)**
1	Long Term Borrowings	**85.12**	**86.11**
	Current Liabilities		
1	Short Term Borrowings	183.41	204.55
2	Trade Payables		5.58
		183.41	**210.13**
	Total Liabilities	**178.95**	**143.50**

Analysis of Profit & Loss account

Rupees in crores

Sl No	Particulars	Audited 2016-17	Audited 2017-18
1	Gross Revenue – Operation	179.56	14.18
2	Other Income	1.00	0.06
	Total Income	**180.56**	**14.24**
1	Cost of Materials & Consumed	333.59	42.25
2	Admin Expense	9.54	0.71
3	Financial Cost	35.54	34.43
	Total Expenses	**378.67**	**77.39**
	Profit & Loss for the year	**(198.11)**	**(63.15)**

Details of assets of the CD as per the claim submitted by creditors.

S. No.	Description / Name of the Creditor	Canara Bank	IFCI Limited	IDBI Bank Limited
1	**Primary:** First Pari Passu charge on all the assets of the company	Stocks & Inventory Nil (sold before CIRP under Sarfesi)	Stocks & Inventory Nil (sold before CIRP under Sarfesi)	Stocks & Inventory Nil (sold before CIRP under Sarfesi)
2	**Collateral:** CD assets (Exclusively mortgaged.)	Nil	Nil	(3 properties of CD are exclusively mortgaged to IDBI (2 sold) **Left asset (1)** Land admeasuring 9196 Sq Yds at Sy. No. 362/7, Kapavaram village, Devarapalli Mandal, W. G. Dist., Andhra Pradesh. (Part of property acquired by NHAI)

Section 33(2) of the Insolvency and Bankruptcy Code, 2016,

(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 **1[**approved by not less than sixty-six per cent. of the voting share**]** 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).

2[*Explanation.* – For the purpose of this sub-section, it is hereby declared that the committee of creditors may take the decision to liquidate the corporate debtor, any time after its constitution under sub-section *(1)* of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum.**]**

Deliberations

In reply to IFCI query, about the present status of that, last asset which is charged to IDBI Bank. IDBI submitted that there were total 3 CD properties that were exclusively mortgaged to IDBI, IDBI could sell 2 properties & the other property despite 4 attempts to sell the asset under Sarfesi failed.

Description of unsold property held by IDBI.	Issues expressed by IDBI
All that open land admeasuring 9196 Sq Yds at Sy. No. 362/7, Kapavaram village, Devarapalli Mandal, W. G. Dist., Andhra Pradesh. (Part of property acquired by NHAI)	Out of the above 3678.40 sq.yard is acquired by NHAI/GAIL and hence an area of 5517.60 sq yards available for sale. Further, there are certain legal issues with respect to 500 sq. Yards of land out of the balance 5517.60 sq. Yards. IDBI efforts to liquidate the asset through Sarfesi auction failed in last 4 occasions and The last failed reserve price was Rs.89.38 lakh.

IFCI enquired any asset-tracing agency appointed to identify undisclosed assets of the CD. Other members seconded the opinion to appoint an agency for asset tracing. IFCI representative also opined that agenda for liquidation may be taken up after review of asset tracing report, after knowing the details of assets available with the CD.

However, IDBI submitted that asset tracing can be taken up during the liquidation process also. and in case we are finding any assets, nevertheless, if the liquidation comes, it doesn't bar lenders from selling those assets. Further submitted that, the objective of IBC is to revive the company, but when there is no soul left in the company. I don't think there is any way other than to take this company into liquidation.

In reply to members query, RP submitted that the appointment of asset tracing agency is an activity can be taken up parallely with filing of application for Liquidation.

Members of the CoC advised RP to take septs for appointment of Asset Tracing Agency.

RP submitted that they have spoken to Mr. Kanna Rao, suspended director informed that there were no operations in the CD and no assets of the CD (other than those charged to banks) post FY 2017-18.

In the instant case, the only valuable asset remaining with the Company was its fixed assets i.e. land (and is exclusively mortgaged to IDBI Bank Limited). So, the chances of running a CIRP with the available information and with the available data are very grim.

Ms. Chanchal IFCI submitted that anyways, the audit is also pending, The auditor will also prepare the financial statements, etc. in the meanwhile. Other members submitted that if we are filing liquidation application on one hand, and in the background, all these things will help us. Even if this goes to liquidation, the details, if any, recovered, will help us in the liquidation process.

The committee of creditors made the following conclusive observations:

a) The CD is a trading co. in agricultural produce.
b) Business prospects for the company are very grim;
c) There is no substance in chasing the legal suits and cases for recovery.
d) There is no point in spending good money to make efforts to recover bad money, having very remote chance of recovery.
e) The assets in the form of land are also not easily recoverable.
f) The chances of Resolution (through CIRP) are very remote, and liquidation is the better solution.

Members further submitted that appointment of Liquidator they will decide in the JLM. After deliberations members advised RP to put the following Resolutions placed before the Committee of Creditors for their consideration in the meeting: -
The resolution requires 66% voting

Resolution:
"RESOLVED THAT pursuant to Section 33 (2) of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), consent of Committee of Creditors be & is hereby accorded to Liquidate the Corporate Debtor M/s. Sri Krishna Stockist & Traders Private Limited.
RESOLVED FURTHER THAT pursuant to Section 33 of the Insolvency and Bankruptcy Code, 2016, the committee be and is hereby authorize Mr. Rajesh Chillale, Resolution Professional to make necessary application to the Adjudicating Authority and do all acts, deeds and things as may be necessary to give effect to said resolution & to do all such acts, deeds matters necessary incidental thereto.

The resolution requires 66% voting.
Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved by Requisite Majority.
2	IFCI Limited	180.94	19.0%	19.0%	-	-	
3	IDBI Bank Limited	107.09	11.2%	11.2%	-	-	
	TOTAL	**953.14**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

(b) The CoC with 100% voting share of the CoC, fixed the remuneration of the IRP/ RP Mr. Rajesh Chillale at Rs.2,00,000/- per month/ or part thereof plus applicable taxes (including RP support services) from the date of appointment of

IRP till the date of liquidation of the Corporate Debtor). The relevant extract of the minutes are as below:

Item no. B1 – To Fix & Ratify the remuneration of IRP / RP.

TO FIX AND RATIFY THE REMUNERATION OF IRP/RP WHICH, IF RATIFIED, SHALL BE TREATED AS PART OF THE INSOLVENCY RESOLUTION PROCESS COST IN TERMS OF REGULATION 31 READ WITH REGULATION 33 OF THE INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (INSOLVENCY RESOLUTION PROCESS FOR CORPORATE PERSONS) REGULATIONS, 2016

Facts and Explanatory Statement:

In an application filed by M/s. Canara Bank (Financial Creditor) for initiation of CIRP before the Hon'ble Adjudicating Authority(AA), NCLT, Amaravathi Bench, the AA admitted the application vide order dated 20.08.2025 initiated Corporate Insolvency Resolution Process ("CIRP") and appointed the undersigned, Mr. Rajesh Chillale, having IBBI registration no. IBBI/IPA-001/IP-P00699/2017-2018/11226 to act as the Interim Resolution Professional (IRP).

As per Regulation 34B (2) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the fee of the IRP/ RP appointed on or after 1st October 2022, shall not be less than the fee specified in clause 1 for the period specified in clause 2 of Schedule-II:

Table-1: Minimum Fixed Fee Structure

Structure Quantum of Claims Admitted	Minimum Fee Per Month Rs. in lacs
(i) Less than or equal to Rs. 50 crore	1.00
(ii) More than Rs.50 crore but less than or equal to Rs.500 crore	2.00
(iii) More than Rs.500 crore but less than or equal to Rs. 2,500 cr.	3.00
(iv) More than Rs.2,500 crore but less than or equal to Rs.10,000 cr.	4.00
(v) More than Rs.10,000 crore	5.00

Provided that the applicant or the committee may decide to fix higher amount of fee for the reasons to be recorded, taking into consideration market factors such as size and scale of business operations of corporate debtor, business sector in which corporate debtor operates, level of operating economic activity of corporate debtor and complexity related to process

As the admitted claim is Rs. 953.14 crores.

Therefore, the IRP / RP proposes his fee payable before the CoC Rs. 3,00,000/- (Rupees three lacs only) per month/part of month plus applicable taxes, which is subject to change as per the modification in the quantum of claims admitted from time to time, as the monthly remuneration/fee of Interim Resolution Professional / Resolution Professional from the date of appointment for the period CIRP specified in clause 2 of Schedule-II.

Deliberations:

RP submitted that as per the Regulation the minimum mandatory fee is payable. Members opined that there is no recovery for the creditors & there are no activity in the CD except that of coordinating with the Suspended Board for completing the possible compliances. Further advised RP that the Regulation governing the fees payable are not mandatory but are directory in nature. So they informed RP they cannot pay the fee as per mandatory Guidelines. & advised RP a fee of Rs. 2,00,000/- (including support services)+taxes.

Accordingly, the following Resolutions placed before the Committee of Creditors for their consideration in the meeting: -

Resolution:

"**RESOLVED THAT** pursuant to Section 5(13) of the Insolvency and Bankruptcy Code, 2016 read with Regulation 31, Regulation 34 and Regulation 34B of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the remuneration/fee of the IRP / RP Mr. Rajesh Chillale be Rs. 2,00,000/-

(Rupees two lacs only) per month/part or thereof plus applicable taxes (including RP support services) from the date of appointment of Interim Resolution Professional till the date of Liquidation of the Corporate Debtor be and is hereby approved.

RESOLVED FURTHER THAT the Committee of Creditors hereby agrees to reimburse and disburse the said expenses by debiting the bank accounts, if any, maintained by the corporate debtor and authorize Mr. Rajesh Chillale, Interim Resolution Professional / Resolution Professional to do all acts, deeds and matters as may be necessary to give effect to this resolution."

The resolution requires 66% voting.

Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved by Requisite Majority.
2	IFCI Limited	180.94	19.0%	19.0%	-	-	
3	IDBI Bank Limited	107.09	11.2%	11.2%	-	-	
	TOTAL	**953.14**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

(iv) Thereafter, the Applicant filed the IA 1/2026 on 27.11.2025 seeking the liquidation of the Corporate Debtor.

(v) Since the balance sheet of the Corporate Debtor as on 31.03.2018 considered by the CoC for taking a decision to liquidate the Corporate Debtor reflects the assets of Rs.143.50 crores including intangible assets of Rs.125.34 crores, this Adjudicating Authority vide its Order dated 11.02.2026, remanded back the matter to the CoC for reconsideration in light of the latest financial statements.

(vi) The 3rd meeting of the CoC was held on 02.03.2026, wherein the following deliberations/ discussion took place:

(a) It was observed that as per the Audited Balance Sheet as on 20.08.2025, the Corporate Debtor has tangible assets of Rs.23.33 crores, whereas the suspended board has provided only details of assets to the extent of Rs.2.66 crores. The relevant extract of the minutes are as below:

Item no. A7 – (IA (IBC)/372/2025) Non-Cooperation from the Suspended Directors IBC:

xxxxxxxxxxxxxxxx

Taking note of the bench directions the RP has sent email on 13.02.2026, to provide the following data on or before 25.02.2026:

1	As per the balance sheet as on 20.08.2025 the CD has a tangible fixed assets of Rs. 23.33 crores. Kindly provide . Viz all land title documents, Encumbrance Certificate's location of the land etc. (along with abstract)
2	Tally Data/any other software data / Books of accounts & Tally data to reconcile the books.

Particulars of required documents	Rs. in crores.
Free hold Land	21.77
Buildings – Godown	1.16
Plant & Machinery	0.52
Furniture & fixtures	0.01
Total	23.33

Reminder emails were sent on 18.02.2026 & another email sent on 24.02.2026, despite repeated calls & emails Mr. Kanna has failed to provide the above information.

Deliberations:

Just before the meeting at 2:45 PM on 02.03.2026 Mr. Kanna Rao has sent a statement containing the as below.

#	Doc no.	RS No.	Date	Acres – Cents	Description of land	Registered value & reg. fee Rupees in lacs	Remarks
1	3569/2010	146/2	06.09.2010	0 - 85	I.Pangidi Village, Kovvuru Mandal, W.G.Dist., Kovvuru Sub Register Office	16.56	Exclusively charged to IDBI IDBI Sold & realised.
2	3570/2010	146/2	06.09.2010	0 - 63		71.72	
3	3571/2010	146/2B	06.09.2010	1 - 78		111.56	
4	136/2010	362/8 & 362/9	12.01.2010	1 - 87	Kapavaram Village, Kovvuru Mandal, W.G.Dist., Kovvuru Sub Register Office	25.80	Exclusively charged to IDBI IDBI Sold & realised.
5	137/2010	362/8 & 362/9	12.01.2010	1 - 20		16.56	
6	456/2010	362/7	05.02.2010	0 - 11		1.30	Exclusively charged to IDBI. (unsold)
7	451/2010	362/7	05.02.2010	1 - 79 ½		22.65	
		Total				266.14	

As per the Audited Balance sheet as on 20.08.2025, the CD has tangible assets of Rs. 23.33 crores, whereas the suspended board has provided only to the extent of Rs. 2.66 crores.

RP to write a letter to the statutory auditors asking to provide details of the assets.

The non-cooperation will be apprised to the bench on the next date of hearing i.e on 09.03.2026.

Members of the CoC took note of the same.

(b) Based on the RP's submissions and deliberations in the meeting, the CoC formed the opinion that the liquidation of the Corporate Debtor will result in better value than resolution under CIRP. The relevant extract of the minutes are as below:

Item no. A8 – Liquidation of the Corporate Debtor:

RP presented that during the 1st CoC meeting held on 18.09.2025, members opined that the CD is an trading company and the CD is not in operation since 2015 and had no employee advised the IRP/RP to explore the possibility of moving an application for Liquidation / Dissolution of the CD.

During the 2nd CoC meeting held on 16.10.2025, the CoC with 100% (voting vide voting results 16.11.2025) resolved to Liquidate the CD. The voting results were declared on 16.11.2025

An IA (IA no. 1/ (IBC) LIQ /2026 filed before the Honorable NCLT Amaravati bench on 25.11.2025 intimating the decision of the CoC with prayers to allow the Liquidation of the CD.

The matter was heard by the bench at several occasions, because of non availability of financial statements the bench could not pass any orders. Further during the hearing held on 11.02.2026 the bench made the following observations:

The decision of the Committee of Creditors (CoC) recommending liquidation is remanded to the CoC for reconsideration in light of the latest audited balance sheets submitted by the Resolution Professional. The CoC shall take the said financial statements into consideration, deliberate afresh in its next meeting, and file a report before this Adjudicating Authority. List the matter on 09.03.2026 for further consideration.

The financial statements as on CIRP admission dated (20.08.2025) as submitted by the suspended board has been forwarded to the CoC for their evaluation & deliberation. The salient features of the audited financials for the last 5 years are hereunder:

Profit & Loss Account statement Rs. in crs.

#	Particulars	2021-22	2022-23	2023-24	2024-25	as on 20.08.25
		Audited	Audited	Audited	Audited	Audited
1	Gross Revenue - Operation	-	-	-	-	-
	Total Income	**-**	**-**	**-**	**-**	**-**
1	Other Expenses	0.01	0.01	0.01	0.01	0.01
2	Depreciation	0.29	0.26	0.23	0.20	0.10
	Total Expenses	**0.30**	**0.27**	**0.24**	**0.21**	**0.11**
1	**Net Profit**	**(0.30)**	**(0.27)**	**(0.24)**	**(0.21)**	**(0.11)**

Balance Sheet

#	Particulars	2021-22	2022-23	2023-24	2024-25	as on 20.08.25
		Audited	Audited	Audited	Audited	Audited
	Application of Funds					
	Tangible Assets	24.11	23.85	23.62	23.42	23.33
1	Currents Assets	0.01	0.01	0.01	0.01	
	Total Assets	**24.12**	**23.86**	**23.63**	**23.43**	**23.33**
	Sources of Funds					
1	Share Capital	68.00	68.00	68.00	68.00	68.00
2	Reserve and Surplus	(336.92)	(337.19)	(337.43)	(337.64)	(337.75)
		(268.92)	**(269.19)**	**(269.43)**	**(269.64)**	**(269.75)**
1	Long Term Borrowings	**86.11**	**86.11**	**86.11**	**86.11**	**86.11**
	Current Liabilities				-	-
1	Short Term Borrowings	201.31	201.31	201.31	201.31	201.31
2	Other Current Liabilities	5.62	5.63	5.64	5.65	5.66
		206.93	**206.94**	**206.95**	**206.96**	**206.97**
	Total Liabilities	**24.12**	**23.86**	**23.63**	**23.43**	**23.33**

Breakup of the Tangible Assets

Rs. in crs.

Sl No	Particulars	2021-22	2022-23	2023-24	2024-25	as on 20.08.2025
		Audited	**Audited**	**Audited**	**Audited**	**Audited**
1	Freehold Land	21.77	21.77	21.77	21.77	21.77
2	Buildings - Godown	1.50	1.36	1.23	1.12	1.06
3	Plant & Machinery	0.84	0.72	0.62	0.53	0.50
	Total	**24.11**	**23.85**	**23.62**	**23.42**	**23.33**

Members of the CoC deliberated the following:

1. The CD is a trading company dealing with agricultural produce. The CD has no business for the last 10 years. There were no employees for the last 10 years.
2. The CoC assessed the Annual Reports of the CD as on the CIRP admission date (i.e 20.08.2025).
3. As reported by the suspended board and as per the Audited Financials as on 20.08.2025 (CRIP admission date) the assets of the CD consists of only Tangible Fixed Assets of Rs. 23.33 crores.

Description	Amount	Remarks
Free hold land	6.19 crs.	Total Rs. 21.77 crores.
Revaluation reserve	15.58 crs.	Breakup details or further details not available
Godowns & Plant & machinery	1.56 crs.	Physically No asset available.
Total	23.33 crs.	

4. However, the suspended board has failed to produce the breakup details of Rs. 23.33 crores despite orders of Honorable Tribunal.
5. Further any activities pending before the RP can be pursued by the Liquidator during the Liquidation Process.

Under circumstances, based on the submissions made by the RP and deliberations during the meeting the CoC formed the opinion that the Liquidation of the CD will result in better value rather than resolution under CIRP.

Members of the CoC took note of the same.

(c) Pursuant to Regulation 39D of the CIRP Regulations, the Members of the CoC opined that in terms of Regulation 4(1A) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 (hereinafter referred to as the **"Liquidation Regulations"**) the Liquidator fees shall be discussed and approved in the 1st Stakeholders' Consultation Committee (hereinafter referred to as the **"SCC"**) or subsequent SCC meeting post approval of the liquidation of the Corporate Debtor. The relevant extract of the minutes are as below:

Item no. A10 – Regulation 39 D – Fee of the Liquidator:

PURSUANT TO THE PROVISION OF REGULATION 39D OF THE INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (INSOLVENCY RESOLUTION PROCESS FOR CORPORATE PERSONS) REGULATIONS, 2016 ("CIRP REGULATIONS") TO FIX THE FEE OF THE LIQUIDATOR

Explanatory Statement

That in terms of the provisions of Regulations 39D of the IBBI Regulations, which have to be complied with by the COC keeping in mind the situation where the Hon'ble Adjudicating Authority passes an order for Liquidation of the Corporate Debtor instead of approving the Resolution Plan.

The COC thus, while approving a Resolution Plan under Section 30(4) of IBC, 2016 or deciding to liquidate the Corporate Debtor under section 33(2) of IBC, 2016, pursuant to Regulations 39D of the IBBI Regulations, is also required to fix in consultation with the Resolution Professional the fee payable to the liquidator, in case an order for liquidation is passed under Section 33.

Deliberations:

Members of the CoC opined that the Liquidators fees in terms of Regulation 4(1A) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, shall be discussed and approved in the 1st Stakeholders' Consultation Committee or subsequent SCC meeting post approval of the Liquidation of the CD.

Members of the CoC took note of the same.

(d) Pursuant to Regulation 39B of the CIRP Regulations, the CoC with 100% voting share of the CoC, approved the estimates to meet liquidation costs of the Corporate Debtor at Rs.5.00 lacs for the period of 12 months. The relevant extract of the minutes are as below:

Item no. A9 – Regulation 39 B - To Make the best estimate of the amount required to meet the Liquidation costs.

PURSUANT TO THE PROVISION OF REGULATION 39B OF THE INSOLVENCY AND BANKRUPTCY BOARD OF INDIA (INSOLVENCY RESOLUTION PROCESS FOR CORPORATE PERSONS) REGULATIONS, 2016 ("CIRP REGULATIONS") TO MAKE A BEST ESTIMATE OF THE AMOUNT REQUIRED TO MEET LIQUIDATION COSTS AND OF LIQUID ASSETS AVAILABLE TO MEET THE LIQUIDATION COSTS AND TO APPROVE A PLAN PROVIDING FOR CONTRIBUTION FOR MEETING THE DIFFERENCE BETWEEN THE TWO IN THE EVENT AN ORDER FOR LIQUIDATION IS PASSED UNDER SECTION 33 OF IBC

Facts of the case

The Corporate Debtor is not operational and the funds available in its Current Bank Account as on the CIRP Commencement date is NIL, the Liquidation cost would not be covered through its liquid assets. Hence, it was proposed that the Committee Members being secured financial creditors shall contribute towards the Liquidation Cost of the Corporate Debtor as per their respective claim ratio in the Liquidation Process.

Explanatory Statement

That in terms of the provisions of Regulations 39B of the IBBI Regulations, which have to be complied with by the COC keeping in mind the situation where the Hon'ble Adjudicating Authority passes an order for Liquidation of the Corporate Debtor instead of approving the Resolution Plan.

The COC thus, while approving a Resolution Plan under Section 30(4) of IBC, 2016 or deciding to liquidate the Corporate Debtor under section 33(2) of IBC, 2016, pursuant to Regulations 39B of the IBBI Regulations, is also required to make estimates of the liquidation costs, liquid assets, a Plan to meet the shortfall in meeting the liquidation costs in case an order for liquidation is passed under Section 33.

As such, the provisions of Regulation 39B require the COC to make best estimates of the amount required to meet liquidation costs and of the amount of liquid assets available to meet the liquidation costs and the COC has to approve a plan providing for contribution for meeting the difference between the two, in the event an order for liquidation is passed under Section 33 of IBC, 2016. Further, the Resolution Professional has to submit the recommendations of the committee with Adjudicating Authority while filing the approval or decision of the Committee under Section 30 of IBC, 2016.

In light of the aforesaid, a table indicating the estimate of the liquidation cost to be incurred has been prepared by the Resolution Professional and will be placed before the committee for approval.

Rs. in lacs

PARTICULARS	Amount
Advertisement Expenditure on Public Announcement /Liquidation Order, E-auction/Sale	1.00
Legal Advisors Fees for Filing, Opinions on need basis Professional Fees for Company Secretaries, Tax Consultants, Etc	1.00
Registered Valuers Fees - Two Valuers	1.00
Statutory Compliances Expenses	1.00
Other Sundries @ 20%	1.00
TOTAL LIQUIDATION COST (Estimated)	**5.00**

Accordingly, the following resolution placed before the members of the committee for consideration.

Resolution:

"RESOLVED THAT pursuant to Regulation 39B(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the Committee, in consultation with the Resolution Professional, hereby makes the estimate of liquidation cost required to meet liquidation costs of the Corporate Debtor of Rs. 5.00 lacs for the period of 12 months and the estimates of liquid assets available to meet the liquidation costs and the Plan for meeting the shortfall in the event an order for liquidation is passed under Section 33, be and are hereby approved.

RESOLVED FURTHER THAT the committee hereby authorize Mr. Rajesh Chillale, Resolution Professional to do all acts, deeds and matters as may be necessary to give effect to this resolution."

The resolution requires 51% voting.

Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved by Requisite Majority.
2	IFCI Limited	180.94	19.0%	19.0%	-	-	
3	IDBI Bank Limited	107.09	11.2%	11.2%	-	-	
	TOTAL	**953.14**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

(e) Pursuant to Regulation 39BA of the CIRP Regulations, the CoC with 100% voting share of the CoC, resolved that the RP and the CoC shall keep exploring the possibility of compromise or arrangement during the period, the application to liquidate the Corporate debtor is pending before the Adjudicating Authority. The relevant extract of the minutes are as below:

Item no. A11 - Regulation 39BA - To discuss on Assessment of Compromise or Arrangement:

Regulation 39BA - Assessment of Compromise or Arrangement introduced in IBBI (Corporate Insolvency and Resolution), Regulations, 2016.

(1) While deciding to liquidate the corporate debtor under section 33, the committee shall examine whether to explore compromise or arrangement as referred to under sub -regulation (1) of regulation 2B of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016 and the resolution professional shall submit the committee's recommendation to the Adjudicating Authority while filing application under section 33.

(2) Where a recommendation has been made under sub-regulation (1), the resolution professional and the committee shall keep exploring the possibility of compromise or arrangement during the period the application to liquidate the Corporate Debtor is pending before the Adjudicating Authority.

RESOLUTION: "RESOLVED THAT pursuant to Regulation 39BA (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the Committee hereby accord approval to the Resolution Professional to submit the committee's recommendation to the Adjudicating Authority while filing application under section 33.

"RESOLVED FURTHER THAT pursuant to Regulation 39BA (2), the resolution professional and the committee shall keep exploring the possibility of compromise or arrangement during the period the application to liquidate the Corporate debtor is pending before the Adjudicating Authority.

"RESOLVED FURTHER THAT pursuant to Regulation 39BA (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, (Including all the amendments and modifications for the time being in force), the committee be and is hereby authorize Mr. Rajesh Chillale, Resolution Professional to make necessary application to the Adjudicating Authority and do all acts, deeds and things as may be necessary to give effect to said resolution & to do all such acts, deeds matters necessary incidental thereto.

The resolution requires 66% voting.

Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved by Requisite Majority.
2	IFCI Limited	180.94	19.0%	19.0%	-	-	
3	IDBI Bank Limited	107.09	11.2%	11.2%	-	-	
	TOTAL	**953.14**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

(vii) During the course of hearing dated 09.03.2026, the RP submitted that in compliance with the order dated 11.02.2026, all balance sheets were placed before the CoC for taking a decision on whether to proceed with the CIRP or liquidation. It was further submitted that the voting process has been completed and the CoC has resolved to proceed with the liquidation of the Corporate Debtor and sought time to file the hard copies of the same.

(viii) The RP vide Diary No. 486 dated 16.03.2026, filed the Compliance Memo dated 16.03.2026 stating that after due notice to all the CoC members, the RP convened the Meeting of the CoC on 02.03.2026, wherein the audited balance sheets/ financial statements of the Corporate Debtor as on CIRP period were placed and discussed in detail. The members of the CoC deliberated upon the financial position of the Corporate Debtor, viability of resolution, and the value likely to be realized in liquidation. After detailed deliberations, the CoC, with requisite voting share, again resolved to liquidate the Corporate Debtor, and formed the opinion that the liquidation of the Corporate Debtor would result in better value maximization, and continuation of CIRP would not be beneficial to the stakeholders.

(iii) During the course of hearing dated 17.03.2026, the RP sought three weeks' time to place on record the Memo clarifying the CoC decision for appointment of the Liquidator. Pursuant to this Adjudicating Authority Order dated 17.03.2026, the RP vide Diary No.597 dated 06.04.2026, filed Memo dated 06.04.2026 stating that the lead member of the CoC, Canara Bank, holding 69.8% voting

share, vide its email dated 24.03.2026, has informed that the process of appointment of the Liquidator involves calling for quotations from a panel of IPs and selection based on an eligibility matrix, which would take a minimum period of one month. During the course of hearing dated 06.04.2026, the RP sought further two weeks' time to file a Memo with regard to name of the proposed Liquidator enclosing the Minutes of the meeting of CoC of the Corporate Debtor.

(ix) The 4th meeting of the CoC was held on 16.04.2026, wherein the following deliberations/ discussion took place:

(a) It was informed by the RP that the suspended board has provided the breakup details of Fixed Assets Schedule as per the audited Balance Sheet for the Financial year 2024-25 & as per the Provisional Balance Sheet as on 20.08.2025 was discussed. The relevant extract of the minutes are as below:

Item no. A7 – (IA (IBC)/372/2025) Non-Cooperation from the Suspended Directors IBC:

xxxxxxxxxxxxxxx

Deliberations:

Just before the meeting at 10:00 AM on 16.04.2026 Mr. Kanna Rao has sent a statement containing the as below.

As per the audited Balance Sheet for the FY 2024-25 & as per the Provisional Balance Sheet for the as on 20.08.2025, the following are the breakup details of Fixed Assets Schedule.

Rs. in crores

#	Description	Book value	Written down value as on 20.08.2026	Actual book value (restated) as on 20.08.2025 (after adjusting to current actual position)	Remarks
1	Free hold land	21.77	21.77	0.24	This freehold land (includes Land development cost). Refer to Annexure – I
2	Buildings & Godowns	3.26	1.06	-	The Godowns & Temporary structures were constructed by doiong earth work, land filling leveling of the drying yards on the leased lands. The leased premises were vacated. The present value of these buildings & godowns are 0.

3	Plant & Machinery	3.26	0.49	-	The machinery was operational till the unit running, Presently the machineries are scrapped. The present value of the Plant & Machinery is 0.
4	Furniture & Fixtures	0.01	0.01	-	Due non usage & complete closure of the unit the furniture is completely damaged. The present value of furniture & fixtures is 0.
	Total	**28.29**	**23.33**	**0.24**	

Annexure – I

Rs. in crores

#	Description	Book value & Written down value as on 20.08.2026	Restated book value	Remarks
1	Free hold land	2.00	0	Ac 3-26 cents in survey no. 146/2 & 143/2B in I.Pangidi Village, Kovvuru Mandal, W.G.Dist., Kovvuru Sub Register Office (vide document no. 3569/2010, 3570/2010 & 3571/2010. Exclusively charged to IDBI . IDBI Sold & realised.
2	Free hold land	0.42	0	Ac 3-07 cents in survey no. 362/8 & 362/9 in Kapavaram Village, Kovvuru Mandal, W.G.Dist., Kovvuru Sub Register Office (vide document no. 136/2010 & 167/2010) Exclusively charged to IDBI. IDBI Sold & realised.
3	Free hold land	0.24	23.95	Ac 1-90½ cents in survey no. 362/7 in Kapavaram Village, Kovvuru Mandal, W.G.Dist., Kovvuru Sub Register Office (document no. 456/2010 & 451/2010) Exclusively charged to IDBI. (unsold)
4	Revaluation of Fixed Assets	15.58	0	The above 3 freehold land was revalued during FY 2009-10 & brought book values to the market value.
5	Land development activities	3.53	0	The land development activities earthwork land filling leveling of the drying yards on the free hold lands of the company. The major part of the freehold land already sold by IDBI bank.
	Total	**21.77**	0.24	

RP submitted that the said certificate dated 27.03.2026 was signed by Mr. Kanna Rao, and requested Mr Kumara swamy (rep. of Mr. Kanna Rao) to get the same certified from their Statutory Auditors. Mr. Kumara Swamy agreed to get the same certified from their Statutory Auditors.

Further Mr. Kumara Swamy submitted that he would be filing this certificate before the Honorable Tribunal by way of a memo.

RP submitted the next date of hearing is on 06.05.2026. The non-cooperation will be apprised to the bench.

Members of the CoC took note of the same.

(b) Pursuant to Section 34 of the Code, 2016, the CoC with 100% voting share of the CoC, resolved to appoint Sri K.B Kumar IBBI Registration No. IBBI/IPA-002/IP-N01314/2025-2026/14511 as

the Liquidator for the liquidation of the Corporate Debtor. The relevant extract of the minutes are as below:

Item no. A8 – Liquidation of the Corporate Debtor & Appointment of Liquidator:

xxxxxxxxxxxxxxxxx

During the hearing held on 17.03.2026, bench observed that there is no reference of any proposed Liquidator in the IA. The Bench directed the CoC/RP either to propose the name of the Liquidator or to inform the bench to appoint the Liquidator from the panel.

Lead member Canara Bank vide email 24.03.2026 informed RP to place its recommendation before the Hon'ble tribunal to appoint a Liquidator from its own panel.

Accordingly RP vide memo dated 06.04.2026 placed before the Hon'ble tribunal, to exercise its powers and appoint a Liquidator from its own panel in the matter of M/s. Sri Krishna Stockist & Traders Private Limited., in the interest of justice and to avoid further delay in the liquidation proceedings.

Hon'ble tribunal vide order dated 06.04.2026 advised the RP to file by way of Minutes of Meeting.

Canara Bank vide email dated 13.04.2026 proposed Sri. K.B Kumar IBBI No. **IBBI/IPA-002/IP-No1314/2025-2026/14511** to act as a liquidator in the said matter. (the EoI of Sri. K.B Kumar is attached herewith.

In the present meeting at the request of IFCI, Canara Bank explained the profile of the proposed Liquidator Sri. K.B Kumar.

On the fees payable to the Liquidator, RP submitted that in the 3rd CoC meeting it was resolved that the fee of the Liquidator will be fixed in the 1st SCC meeting.

After deliberations members advised RP to place the resolution for appointment of Liquidator for voting.

The Resolution requires 66% voting.

Resolution:

"RESOLVED THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), consent of Committee of Creditors be & is hereby accorded to appoint Sri. K.B Kumar IBBI No. **IBBI/IPA-002/IP-No1314/2025-2026/14511** as the Liquidator for the Liquidation of the Corporate Debtor M/s. Sri. Krishna Stockist & Traders Private Limited.

RESOLVED FURTHER THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), the

committee be and is hereby authorize Mr. Rajesh Chillale, Resolution Professional to make necessary application to the Adjudicating Authority and do all acts, deeds and things as may be necessary to give effect to said resolution & to do all such acts, deeds matters necessary incidental thereto.

Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved with Requisite Majority.
2	IFCI Limited	180.94	19.0%	19.0%	-	-	
3	IDBI Bank Limited	107.09	11.2%	11.2%	-	-	
	TOTAL	**953.14**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

(x) Pursuant to this Adjudicating Authority Order dated 06.04.2026, the RP vide Diary No. 800 dated 05.05.2026, filed Memo dated 29.04.2026 stating that the CoC in its 4th Meeting held on 16.04.2026, with 100% voting share, unanimously resolved to appoint Mr. Kopuri Barnard Kumar (K.B Kumar) as the Liquidator of the Corporate Debtor. The written consent of the proposed Liquidator, along with his Certificate of Registration & AFA and minutes of the 4th meeting of the CoC were also enclosed with the Memo.

(xi) During the course of hearing dated 03.06.2026, the CoC was directed to file a Memo clarifying the legal position with regard to the appointment of the Liquidator, taking into consideration of the provisions of the Code amended vide the Insolvency and Bankruptcy Code (Amendment) Act, 2026, which has come into force with effect from 26.05.2026.

(xii) The 5th meeting of the CoC was held on 09.06.2026, wherein the CoC with 100% voting share of the CoC, reaffirmed its earlier

decision recommending Mr. K. B. Kumar, as the Liquidator. The relevant extract of the minutes are as below:

Item no. A7 – Liquidation of the Corporate Debtor:

xxxxxxxxxxxxxxxxxxxx

Deliberations during the 5th CoC meeting:

1. Lead member Canara Bank vide email 24.03.2026 informed RP to place its recommendation before the Hon'ble tribunal to appoint a Liquidator from its own panel.
2. The CoC in the 4th CoC meeting held on 16.04.2026 with 100% voting rights approved to appoint Sri. K.B Kumar IBBI No. IBBI/IPA-002 /IP-No1314/2025-2026/14511 to act as a liquidator in the said matter. (voting report dated 24.04.2026).

Accordingly,

Members of the CoC after deliberations advised RP to put the following resolution for voting.
The Resolution requires 66% voting.

Resolution:

"RESOLVED THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016, Regulation 3A of the IBBI (Liquidation Process) Regulations, 2016, as amended, and in compliance with the order dated 03.06.2026 passed by the Hon'ble National Company Law Tribunal, Amaravati Bench in IA (IBC)/(Liq)/1/2026 in CP (IB)/12/7/AMR/2025, the Committee of Creditors hereby ratifies and reaffirms its earlier decision recommending Mr. K. B. Kumar, Insolvency Professional bearing Registration No. IBBI/IPA-002/IP-N01314/2025-2026/14511, for appointment as Liquidator of M/s. Sri Krishna Stockist & Traders Private Limited."

"RESOLVED FURTHER THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), consent of Committee of Creditors be & is hereby accorded in the event the Hon'ble Adjudicating Authority is not inclined to appoint the Insolvency Professional as recommended by the Committee of Creditors, the Hon'ble Tribunal may appoint any other eligible Insolvency Professional from the panel maintained by the Insolvency and Bankruptcy Board of India, in accordance with Section 34 of the Code and the applicable regulations.

"RESOLVED FURTHER THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), remuneration of the Liquidator's shall be fixed **after commencement of liquidation in accordance with Regulation 4 of the Liquidation Regulations.**

"RESOLVED FURTHER THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), consent of Committee of Creditors is hereby accorded authorizing the Resolution Professional Mr. Rajesh Chillale to file a compliance memo on behalf of the CoC before the Hon'ble NCLT (for compliance of order dated 03.06.2026).

RESOLVED FURTHER THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), the committee be and is hereby authorize Mr. Rajesh Chillale, Resolution Professional to make necessary application to the Adjudicating Authority and do all acts, deeds and things as may be necessary to give effect to said resolution & to do all such acts, deeds matters necessary incidental thereto.

Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved with Requisite Majority.
2	IFCI Limited	180.94	19.0%	19.0%	-	-	
3	IDBI Bank Limited	107.09	11.2%	11.2%	-	-	
	TOTAL	**953.14**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

(xiii) Pursuant to this Adjudicating Authority Order dated 03.06.2026, the RP vide Diary No. 1012 dated 16.06.2026, filed Memo dated 15.06.2026 stating that the CoC after due deliberations ratified and reaffirmed its earlier decision, with 100% voting share, recommending Mr. K.B. Kumar for appointment as Liquidator of the Corporate Debtor.

(xiv) During the course of hearing dated 17.06.2026, the RP sought two weeks' time to file a Compliance Memo along with the resolution of the CoC recommending the name of an IP for appointment as the Liquidator from the panel prepared by the IBBI in accordance with the provisions of Section 34 of the IBC read with Regulation 3A of the Liquidation Regulations.

(xv) The 6th meeting of the CoC was held on 22.06.2026, wherein the following deliberations/ discussion took place:

(a) CoC emphasised that recommendation of proposed Liquidator or changing of the proposed Liquidator needs approval from

higher committees. In the absence of any written orders the same cannot be taken up. The relevant extract of the minutes are as below:

Item no. A7 – Liquidation of the Corporate Debtor:

XXXXXXXXXXXXXX

In the present 6th CoC meeting held on 22.06.2026 the following were deliberated:

IDBI submitted that CoC cannot act on the basis of verbal discussions that has taken place before the AA on the hearing day, as an Organisation the IDBI/CoC will only consider written orders of NCLT (i.e order dated 17.06.2026).

CoC emphasised that certain decisions viz recommendation of proposed Liquidator or changing of the proposed Liquidator needs approval from higher committees. In the absence of any written orders the same cannot be taken up.

Members of the CoC opined that as per the order dated 17.06.2026, the appointment of the Liquidator should be in accordance with the provisions of Section 34 of the IBC read with Regulation 3A of the IBBI (Liquidation Process) Regulations. The proposed IRP Mr. K. B. Kumar's appointment as Liquidator is in accordance with the provisions of Section 34 of the IBC read with Regulation 3A of the IBBI (Liquidation Process) Regulations & further the proposed Liquidator is from the panel prepared by the IBBI.

The CoC reaffirmed the Resolution dated 09.06.2026 passed by the CoC with 100% voting to appoint Mr. K. B. Kumar as the proposed Liquidator for the Liquidation Process of the CD M/s. Sri Krishna Stockist & Traders Private Limited.

The CoC further reaffirmed the Resolution dated 09.06.2026 passed by the CoC with 100% voting that in the event the Hon'ble Adjudicating Authority is not inclined to appoint the Insolvency Professional as recommended by the Committee of Creditors, the Hon'ble Tribunal may appoint any other eligible Insolvency Professional from the panel maintained by the Insolvency and Bankruptcy Board of India, in accordance with Section 34 of the Code and the applicable regulations.

"RESOLVED FURTHER THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), consent of Committee of Creditors is hereby accorded authorizing the Resolution Professional Mr. Rajesh Chillale to file a compliance memo on behalf of the CoC before the Hon'ble NCLT.

Members of the CoC took note of the same.

(b) The CoC requested the RP to consider in reduction in RP fee or a consolidated amount until the liquidation is approved, given that lenders are incurring costs without any recovery in sight. The relevant extract of the minutes are as below:

Item no. A8 –CIRP costs as on 31.05.2026:

RP presented the CIRP costs as on 31.05.2026

Rupees in lacs

S. no	DESCRIPTION	Total	Payment as on 31.05.2026	Balance as on 31.05.2026
1	IRP/ RP Fees (Incl. Support services)	**18,80,000**	680,000	12,00,000
2	GST	**338,400**	122,400	216,000
3	Public announcement expenses - Form A (Geetha advertisement)	**29,610**	29,610	-
4	Legal Councils fees	**150,000**	67,500	82,500
5	Travel & Conveyance Expenses	**32,688**	**32,688**	-
6	OPE Expenses	**6,755**	6,755	-
7	Printing and Stationery expenses	**13,900**	13,900	-
	Total	**24,51,353**	**952,853**	**14,98,500**

Contribution to be made by each CoC member

Rs in lacs

Sl. No.	Name of Creditor	Admitted claim (in crs)	Voting Share	Corpus	Contribution Received	Balance to be received
1	Canara Bank	665.11	69.8%	17.11	5.00	12.11
2	IFCI Limited	180.94	19.0%	4.65	3.31	1.34
3	IDBI Bank Limited	107.09	11.2%	2.75	1.63	1.12
	TOTAL	**953.14**	100.0%	24.51	9.94	14.57

A current account in the name of Sri Krishna Stockiest & Traders Private Limited has been opened with RBL Bank Limited, Manikonda branch, Hyderabad.

Bank Name	RBL Bank
Name of the account	Sri Krishna Stockist & Traders Private Limited
Branch Address	Manikonda Branch.
A/c. No.	409002490220
IFS code	RATN0000494

The CoC requested RP for consideration in reduction in RP fee or a consolidated amount until liquidation is approved, given that lenders are incurring costs without any recovery in sight.
IDBI: further submitted that lenders are not getting anything and expenses are mounting & requested that the RP consider a reduction in fees.
IFCI: Acknowledged the RP's efforts but noted that the company has no operations and no known assets, making the ongoing cost difficult to justify to management.

RP clarified that the current fee of ₹2 lakh per month is already a negotiated fee & reduced from the IBBI-prescribed ₹3 lakh. stated that the team is actively pursuing for closure of the process at the earliest.

RP submitted that if the process is further delayed even after next 2 hearing, the same can be discussed in the subsequent CoC meetings.

RP requested the CoC members for release of the balance pending costs.

Members of the CoC took the note of the same.

(xvi) Pursuant to the order dated 17.06.2026, the RP vide Diary No.1130 dated 02.07.2026, filed a Memo along with Minutes of the 6th Meeting of the CoC held on 22.06.2026 stating that the matter was deliberated in the aforesaid CoC meeting, wherein the Members of

the CoC opined that Mr. K.B. Kumar's appointment as the Liquidator is in accordance with the provisions of Section 34 of the IBC and Regulation 3A of the Liquidation Regulations and he is from the panel prepared by the IBBI and thus reaffirmed the resolution dated 09.06.2026 passed by the CoC in its 5th meeting held on 09.06.2026 with 100% voting share of the CoC, to appoint Mr. K.B. Kumar as the proposed Liquidator for conduct of liquidation process of the Corporate Debtor and that in the event this Adjudicating Authority is not inclined to appoint the IP as recommended by the CoC, it may appoint any other eligible IP from the panel maintained by the IBBI in accordance with Section 34 of the Code and other applicable provisions.

(xvii) During the course of hearing dated 03.07.2026, this Adjudicating Authority taking into consideration the Section 34 of the Code, Regulation 3A of the Liquidation Regulations and 'Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2026 issued by the IBBI, observed that the CoC can recommend the name of the proposed Liquidator only either from the Pan India list of IPEs or from the Zonal list of the East Zone of the IP. It was further observed that despite repeated opportunities and specific directions issued by this Adjudicating Authority, the CoC has once again recommended the same IP from the IBBI panel pertaining to the South Zone and therefore, this Adjudicating Authority has no option, but to dispose

of the IA 1/2026 with the liberty to the RP and the CoC to file a fresh application with a recommendation of an eligible IP/ IPE.

(xviii) The 7th meeting of the CoC was held on 18.07.2026 (continued on 24.07.2026), wherein the following deliberations/ discussion took place:

(a) The members of the CoC unanimously concurred with the views of the RP to file necessary application before this Adjudicating Authority for exclusion 220 days. The relevant extract of the minutes are as below:

Item no. A9 – Exclusion of 220 days from CIRP Period lost due to pending Liquidation IA

APPROVAL OF THE COC FOR EXCLUSION OF 220 days from CIRP PERIOD.

RP presented that

1. M/s. Sri Krishna Stockiest & Traders Private Limited was admitted to CIRP on 20.08.2025 by Honorable NCLT, Amaravati bench and the last date for closure of the CIRP process was 16.02.2026.
2. **During the 1st CoC meeting held on 18.09.2025,** members opined that the CD is an trading company and the CD is not in operation 2015 onwards and had no employee on its payroll members advised the IRP/RP to explore the possibility of moving an application for Liquidation / Dissolution of the CD.
3. **During the 2nd CoC meeting held on 16.10.2025,** the CoC with 100% voting vide voting results 16.11.2025 resolved to Liquidate the CD. The voting results were declared on 16.11.2025
4. An IA (IA no. 1/ (IBC) LIQ /2026) filed before the Honorable NCLT Amaravati bench on 25.11.2025 intimating the decision of the CoC with prayers to allow the Liquidation of the CD.
5. The said IA was dismissed on 03.07.2026.
6. The following CIRP process dates

#	Description	from date	to date	Exclusion days	Effective days	Remarks
1	CIRP start date	20.08.25	24.11.25		97	
2	IA filed for Liquidation of CD (IA no. 1/ (IBC) LIQ /2026) (IA filed on 25.11.2025 & disposed of on 03.07.2026)	25.11.25	03.07.26	220		
3	Effective Days	04.07.26	18.07.26		15	
	Total completed days			220	112	

	Last date for completion of CIRP period		24.09.26			180
	Balance days		68			

7. If the NCLT approves the exclusion, the last date for closure of CIRP process is 25.09.2026.

The members of the CoC unanimously concurred with the views of the RP to file necessary application before the Honourable NCLT, Amaravati bench for exclusion 220 days.

(b) The CoC with 100% voting share of the CoC resolved to appoint Sri Mannava Divakara Sarma having IBBI registration No. IBBI/IPA-001/IP-P-01192/2018-19/11917 as the Liquidator for

the liquidation process of the Corporate Debtor. The relevant extract of the minutes are as below:

Item no. A7 – Liquidation of the Corporate Debtor:

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During the present 7th CoC meeting held on 18.07.2026 the following were deliberated:

The lead bank M/s. Canara Bank vide email dated 16.07.2026 proposed Sri. Baji Shaik CA, Insolvency Professional having IBBI registration No. IBBI/IPA-001/IP-P-02999/2025-26/14616 AFA valid up to 30/06/2027 as Liquidator for the Liquidation Process of Sri Krishna Stuckists and Traders Private Limited. Sri. Baji Shaik CA is at srl. no. 3 in the Amaravati Bench Panel (East zone).

During the present follow on 7th CoC meeting held on 24.07.2026 the following were deliberated:

The lead bank M/s. Canara Bank vide email dated 23.07.2026 informed the RP that the proposed Liquidator Sri. Baji Shaik CA, is not in the panel of Insolvency Professional of Canara Bank & suggested Sri. CA Mannava Divakara Sarma having IBBI registration No. IBBI/IPA-001/IP-P-01192/2028-19/11917 AFA valid up to 31.12.2027 as Liquidator for the Liquidation Process of Sri Krishna Stuckists and Traders Private Limited.

Sri. CA Mannava Divakara Sarma is at srl. no. 10 in the Amaravati Bench Panel (East zone).

After deliberations members of the CoC advised to put the resolution for voting.

The Resolution requires 66% voting.

Resolution:

"RESOLVED THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), consent of Committee of Creditors be & is hereby accorded to appoint Sri. CA Mannava Divakara Sarma having IBBI registration No. IBBI/IPA-001/IP-P-01192/2028-19/11917 AFA valid up to 31.12.2027 as the Liquidator for the Liquidation Process of the Corporate Debtor M/s. Sri. Krishna Stuckist & Traders Private Limited.

RESOLVED FURTHER THAT pursuant to Section 34 of the Insolvency and Bankruptcy Code, 2016 (Including all the amendments and modifications for the time being in force), the committee be and is hereby authorize Mr. Rajesh Chillale, Resolution Professional to make necessary application to the Adjudicating Authority and do all acts, deeds and things as may be necessary to give effect to said resolution & to do all such acts, deeds matters necessary incidental thereto.

Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved with Requisite Majority.
2	IFCI Limited	180.94	19.0%	19.0%	-	-	
3	IDBI Bank Limited	107.09	11.2%	11.2%	-	-	
	TOTAL	**953.14**	**100.0%**	**100.0%**	**0.0%**	**0.0%**	

(xix) Pursuant to the liberty granted by this Adjudicating Authority vide Order dated 03.07.2026, the Applicant filed the IA 6/2026 on 09.08.2026 seeking for liquidation of the Corporate Debtor. The Applicant on 09.08.2026, also filed IA 348/2026 seeking for exclusion of 220 days (from 27.11.2025 till 30.06.2026, i.e. from the date of filing of IA 1/2026 to the date of its disposal), from the computation of the CIRP period. However, during the course of hearing dated 24.08.2026, the RP sought leave to withdraw the IA 348/2026 and accordingly, IA 348/2026 was dismissed as withdrawn.

(xx) The 8th meeting of the CoC was held on 03.09.2026, wherein the following deliberations/ discussion took place:

(a) The RP filed an IA on 03.08.2026 for liquidation of the Corporate Debtor and to appoint Mr. Mannava Divakara Sarma as the Liquidator for the liquidation process of the Corporate Debtor. The registry advised the RP that after the approval of exclusion/ extension of the CIRP period, the IA for Liquidation of the Corporate Debtor will be numbered and listed.

(b) The RP presented that as resolved and deliberated in the 7th CoC meeting held on 24.07.2026, the RP filed an IA 348/2026 on 03.08.2026, seeking exclusion of 220 days from the CIRP period, which was dismissed as withdrawn vide this Adjudicating Authority Order dated 24.08.2026.

(c) The CoC instructed the RP to make an application to the Adjudicating Authority to extend the CIRP period by 227 days from 16.02.2026 to 30.09.2026. The relevant extract of the minutes are as below:

Item no. B1- Extension of CIRP Period by 227 Days:

APPROVAL FOR EXTENSION OF CIRP PERIOD BY 227 DAYS.

1. M/s. Sri Krishna Stockiest & Traders Private Limited was admitted to CIRP on 20.08.2025 by Honorable NCLT, Amaravati bench and the last date for closure of the CIRP process was 16.02.2026.
2. **During the 1st CoC meeting held on 18.09.2025,** members opined that the CD is an trading company and the CD is not in operation 2015 onwards and had no employee on its payroll members advised the IRP/RP to explore the possibility of moving an application for Liquidation / Dissolution of the CD.
3. **During the 2nd CoC meeting held on 16.10.2025,** the CoC with 100% voting vide voting results 16.11.2025 resolved to Liquidate the CD. The voting results were declared on 16.11.2025
4. An IA (IA no. 1/ (IBC) LIQ /2026) filed before the Honorable NCLT Amaravati bench on 25.11.2025 intimating the decision of the CoC with prayers to allow the Liquidation of the CD. The said IA was dismissed on 03.07.2026.
5. The matter of dismissal of the Liquidation IA was deliberated during the 7th CoC meeting held on 24.07.2026. The CoC with 100% voting resolved to appoint Sri. CA Mannava Divakara Sarma as Liquidator for the Liquidation Process of Sri Krishna Stockiest and Traders Private Limited. Sri. CA Mannava Divakara Sarma is at srl. no. 10 in the Amaravati Bench Panel (East zone).
6. Accordingly, a fresh IA was filed on 03.08.2026 for Liquidation of the CD & proposing Sri. CA Mannava Divakara Sarma as Liquidator. (the said IA not yet numbered pending exclusion / extension of lost period).
7. In the same 7th CoC meeting the CoC deliberated on the filing of IA for exclusion of 220 days from the CIRP period, since the CIRP period expired on 16.02.2026. the IA (IA 348/2026) filed for exclusion of 220 days from the CIRP period was dismissed as withdrawn.
8. The counsel for the RP vide email dated 01.09.2026 advised for filing IA for extension of CIRP period.

9. The following CIRP process dates

#	Description	from date	to date	Remarks
1	CIRP start date to 180 days	20.08.2025	15.02.2026	180 days
2	Extensions sought (by keeping few days buffer)	16.02.2026	30.09.2026	227 days

10. Any extension of the period of corporate insolvency resolution process under this section shall not be granted more than once.
11. The resolution requires 66% voting.
12. If the NCLT approves the extension, the last date for closure of CIRP process is 30.09.2026.

The following resolution placed before the CoC for consideration and approval.
Resolution:
"**RESOLVED THAT** pursuant to Regulation 40 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and section 12 of the Insolvency and Bankruptcy Code, 2016, the committee hereby instruct the Resolution Professional to make an application to the Adjudicating Authority under section 12 to extend the Corporate Insolvency Resolution Process period by 227 days from 16.02.2026 to 30.09.2026.

RESOLVED FURTHER THAT the Resolution Professional of the Corporate Debtor be and is hereby authorised to take such steps as may be necessary, in relation to the above if required and to settle all matters arising out of and incidental thereto and sign and execute all documents and writings that may be required and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

Record of voting

Sl. No.	Member of the CoC	Claim Amount Admitted Rs. in crs.	Voting share	Votes casted in favour	Votes casted against	Abstained from voting	Remarks
1	Canara Bank	665.11	69.8%	69.8%	-	-	Approved with Requisite Majority.
2	IFCI Limited	180.94	19.0%	-	-	19.0%	
3	IDBI Bank Limited	107.09	11.2%	-	-	11.2%	
	TOTAL	**953.14**	**100.0%**	**69.8%**	**0.0%**	**30.2%**	

(xxi) Thereafter, the RP filed IA 398/2026 on 09.09.2026 seeking for the extension of **CIRP** of the Corporate Debtor by 227 days, from 16.02.2026 to 30.09.2026, in terms of Section 12 of the Code and Regulation 40 of the CIRP Regulations.

7. It is noted that Section 12 of the Code provides for completion of the CIRP within 180 days and the Adjudicating Authority, if satisfied, may extend the CIRP period beyond 180 days on an application filed by the RP based on the instructions of the CoC by a resolution passed at a meeting of the CoC by a vote of 66 per cent, however, the CIRP shall be completed within 330 days, including any extension of the period of CIRP granted and the time taken in legal proceedings in relation to such

resolution process of the corporate debtor. The Section 12 of the Code is reproduced below:

> ***Section 12: Time-limit for completion of insolvency resolution process.-*** *(1) Subject to sub-section (2), the corporate insolvency resolution process shall be completed within a period of one hundred and eighty days from the date of admission of the application to initiate such process.*
>
> *(2) The resolution professional shall file an application to the Adjudicating Authority to extend the period of the corporate insolvency resolution process beyond one hundred and eighty days, if instructed to do so by a resolution passed at a meeting of the committee of creditors by a vote of sixty-six per cent. of the voting shares.*
>
> *(3) On receipt of an application under sub-section (2), if the Adjudicating Authority is satisfied that the subject matter of the case is such that corporate insolvency resolution process cannot be completed within one hundred and eighty days, it may by order extend the duration of such process beyond one hundred and eighty days by such further period as it thinks fit, but not exceeding ninety days:*
>
> *Provided that any extension of the period of corporate insolvency resolution process under this section shall not be granted more than once.*
>
> *Provided further that the corporate insolvency resolution process shall mandatorily be completed within a period of three hundred and thirty days from the insolvency commencement date, including any extension of the period of corporate insolvency resolution process granted under this section and the time taken in legal proceedings in relation to such resolution process of the corporate debtor:*
>
> *Provided also that where the insolvency resolution process of a corporate debtor is pending and has not been completed within the period referred to in the second proviso, such resolution process shall be completed within a period of ninety days from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2019.*

8. The Regulation 40 of the CIRP Regulations further provides that the RP shall make an application to the Adjudicating Authority under section

12 to extend the CIRP period, if instructed by the CoC. Regulation 40 of the CIRP Regulations is reproduced below:

> ***Regulation 40. Extension of the corporate insolvency resolution process period.-*** *(1) The committee may instruct the resolution professional to make an application to the Adjudicating Authority under section 12 to extend the insolvency resolution process period.*
>
> *(2) The resolution professional shall, on receiving an instruction from the committee under this Regulation, make an application to the Adjudicating Authority for such extension.*
>
> *Clarification: It is clarified that the resolution professional shall continue to discharge his responsibilities under the corporate insolvency resolution process, till the application for extension is decided by the Adjudicating Authority.*

9. We observe that the extension of the CIRP period has not been recommended by the CoC for resolution of the Corporate Debtor, but due to failure of the RP for placing the necessary resolutions under Regulations 39B, 39BA and 39D and failure to propose the Liquidator in accordance with law. We further observe that no useful purpose would be served by granting extension of the CIRP merely to keep the CIRP alive, when the CoC had already resolved to liquidate the Corporate Debtor and the liquidation application is being considered by this Adjudicating Authority.

10. **In view of the above, we are not inclined to allow the extension as prayed for in the IA 398/2026. Accordingly, the IA(IBC)/398/2026 in CP(IB)/12/7/AMR/2025 is dismissed and disposed of.**

11. It is noted that there is significant decrease in value of the assets of the Corporate Debtor from Rs.125.34 crore as on 31.03.2018 (as per the audited balance sheet as on 31.03.2018, which was considered in the 2nd

meeting of the CoC held on 16.10.2025) to Rs.23.33 crore as on 20.08.2025 i.e. CIRP date (which was considered in the 3rd meeting of the CoC held on 02.03.2026) as shown below:

Rs. Crores

	31.03.2018	**20.08.2025**
Fixed Assets		
Tangible Assets	125.34	23.33
Differed Tax Net	-	-
	125.34	**23.33**
Currents Assets		
Inventory/ WIP	14.87	-
Trade Receivables	-	-
Cash & Bank Balances	3.29	-
	18.16	**-**
Total Assets	**143.50**	**23.33**

Such a wide variation requires detailed examination to identify the possibility of transactions under Sections 43, 45, 50, and 66 of the Code.

12. It is further noted that as per the Audited Balance sheet as on 20.08.2025 (CIRP date) filed vide Memo dated 16.03.2026, the Corporate Debtor has tangible assets of Rs. 23.33 crores as shown below:

SRI KRISHNA STOCKIST &TRADERS PRIVATE LIMITED

NOTE 7 : FIXED ASSETS — Amount (Rs in Hundreds)

Particulars		GROSS BLOCK				DEPRECIATION/AMORTISATION				NETBLOCK	
		AS AT 31.03.2025	Additions	Deductions	AS AT 20.08.2025	AS AT 31.03.2025	During the year	Deductions	AS AT 20.08.2025	AS AT 20.08.2025	AS AT 31.03.2025
Free Hold Land	0.00%	2177079.91	0.00	0.00	2177079.91	0.00	0.00	0.00	0.00	2177079.91	2177079.91
Buidlings -Godown	9.50%	325549.18	0.00	0.00	325549.18	213955.53	5300.70	0.00	219256.23	106292.95	111593.65
Furniture & Fixtures	25.89%	567.84	0.00	0.00	567.84	547.98	2.57	0.00	550.56	17.28	19.86
Plant & Machinery	13.91%	325614.43	0.00	0.00	325614.43	272769.97	3675.33	0.00	276445.30	49169.13	52844.46
		2828811.36	0.00	0.00	2828811.36	487273.49	8978.60	0.00	496252.09	2332559.27	2341537.87
Building Constructions-WIP Earth filling, Leveling, Drying yard sites earth work	0.00%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total		2828811.36	0.00	0.00	2828811.36	487273.49	8978.60	0.00	496252.09	2332559.27	2341537.87
Previous year		2828811.36	0.00	0.00	2828811.36	467013.95	20259.54	0.00	487273.49	2341537.87	2361797.41

Sudhakar & Kumar Associates HYDERABAD Chartered Accountants

It is also noted from the minutes of the 4th meeting of the CoC that the RP submitted that the suspended Directors have furnished the details of freehold land of Rs.21.77 crores, which comprises of Rs.2.66 crores of book value of the freehold land, Rs.15.58 crores of Revaluation of fixed assets and Rs.3.53 crores of Land development activities. As per Para 38 of the Indian Accounting Standard (Ind AS) 16: Property, Plant and Equipment, if an asset's carrying amount is increased as a result of a revaluation, the increase shall be shown under the heading of revaluation surplus; however, no such revaluation reserve/ surplus is reflected in the balance sheet of the Corporate Debtor. Thus, the above submission of the suspended directors needs detailed examination to identify the possibility of transactions under Sections 43, 45, 50, and 66 of the Code.

13. It is noted that the Regulation 39B of the CIRP Regulation provides that while deciding to liquidate the corporate debtor, the CoC is required to make a best estimate of the liquidation costs and value of the liquid assets and if the estimated value of the liquid assets is less than the estimated liquidation costs, the CoC shall approve a plan providing for contribution for meeting the difference between the two. The Regulation 39B of the CIRP Regulations is reproduced below:

> ***Regulation 39B. Meeting liquidation cost.-*** *(1) While approving a resolution plan under sub-section (4) of section 30 or deciding to liquidate the corporate debtor under sub-section (2) of section 33, the committee may make a best estimate of the amount required to meet liquidation costs, in consultation with the resolution professional, in the event an order for liquidation is passed under section 33.*
>
> *(2) The committee shall make a best estimate of the value of the liquid assets available to meet the liquidation costs, as estimated in sub-regulation (1).*

> *(3) Where the estimated value of the liquid assets under sub-regulation (2) is less than the estimated liquidation costs under sub-regulation (1), the committee shall approve a plan providing for contribution for meeting the difference between the two.*
>
> *(4) The resolution professional shall submit the plan approved under sub-regulation (3) to the Adjudicating Authority while filing the approval or decision of the committee under section 30 or 33, as the case may be.*
>
> *Explanation.- For the purposes of this regulation, 'liquidation costs' shall have the same meaning as assigned to it in clause (ea) of sub-regulation (1) of regulation (2) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.*

14. We observe that the CoC in its 3rd meeting held on 02.03.2026 vide Agenda Item No. A9 has approved with 100% voting share of the CoC, the estimated liquidation costs of the Corporate Debtor at Rs.5.00 lacs for the period of 12 months, however, the value of the liquid assets has not been estimated and consequently, the shortfall and plan to meet the same has not been submitted by the RP. In view of the above, we direct that if there is any shortfall, the same shall be met by the CoC members in the ratio of their voting shares in terms of Regulation 2A of the Liquidation Regulations, which prescribes as below:

> ***Regulation 2A. Contributions to liquidation costs.-*** *The liquidator may call upon the members of the committee to contribute the excess of the liquidation costs over the liquid assets of the corporate debtor, as estimated by him, in such manner and subject to such terms and conditions as approved by the committee.*

15. It is noted that the Regulation 39BA of the CIRP Regulations provides that the RP is required to submit the CoC's recommendation to the Adjudicating Authority regarding exploring the possibility of compromise or arrangement during the pendency of the liquidation

application. The Regulation 39BA of the CIRP Regulations is reproduced below:

> ***Regulation 39BA. Assessment of Compromise or Arrangement.-*** *(1) While deciding to liquidate the corporate debtor under section 33, the committee shall examine whether to explore compromise or arrangement as referred to under sub regulation (1) of regulation 2B of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulation, 2016 and the resolution professional shall submit the committee's recommendation to the Adjudicating Authority while filing application under section 33.*
>
> *(2) Where a recommendation has been made under sub-regulation (1), the resolution professional and the committee shall keep exploring the possibility of compromise or arrangement during the period the application to liquidate the corporate debtor is pending before the Adjudicating Authority.*

16. We observe that the CoC in its 3rd meeting held on 02.03.2026 vide Agenda Item No. A11 has approved with 100% voting share of the CoC, that the RP and the CoC shall keep exploring the possibility of compromise or arrangement during the period, the application to liquidate the Corporate debtor is pending before this Adjudicating Authority.

17. It is noted that the Regulation 39D of the CIRP Regulation provides that the CoC may, in consultation with the RP, fix the fee payable to the liquidator for the period, if any, used for compromise or arrangement under section 230 of the Companies Act, 2013; and the balance period of liquidation. The Regulation 39D of the CIRP Regulations is reproduced below:

> ***Regulation 39D. Fee of the liquidator.-*** *While approving a resolution plan under section 30 or deciding to liquidate the corporate debtor under section 33, the committee may, in consultation with the resolution professional, fix the fee payable to the liquidator, if an order for liquidation is passed under section 33, for –*

(a) the period, if any, used for compromise or arrangement under section 230 of the Companies Act, 2013; and

(b) deleted

(c) the balance period of liquidation.

18. We observe that the CoC in its 3rd meeting held on 02.03.2026 vide Agenda Item No. A10 has approved with 100% voting share of the CoC, that the Liquidator fees shall be discussed and approved in the 1st SCC. However, we observe that after IBC Amendment Act 2026, the SCC does not exist and subsequently, no resolution has been passed in subsequent CoC meetings.

19. It is noted that the Section 33 of the IBC prescribes that the Adjudicating Authority shall pass liquidation order of the corporate debtor, if before the expiry of the CIRP period or the maximum period permitted for completion of the CIRP under section 12, does not receive a resolution plan. The relevant extracts of the Section 33 of the IBC is reproduced below:

Section 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, as the case may be, does not receive a resolution plan under sub-section (6) of section 30; or

xxxxxxxxxxxxxxxx

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 the corporate debtor is in liquidation;

(iii) require such order to be sent to the authority with which the corporate debtor is registered.

(iv) subject to the provisions of section 52, declare a moratorium for the purposes referred to in clauses (a) and (c) of sub-section (1) read with sub-section (3) of section 14, which shall, mutatis mutandis, apply to the proceedings under this Chapter:

Provided that provisions of this sub-clause 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 or any other authority; and

(v) pass an order appointing a liquidator for the liquidation process in accordance with section 34.

(1A) Notwithstanding anything contained in sub-section (1), where the Adjudicating Authority is satisfied that the grounds mentioned in clause (a) or clause (b) of sub-section (1) of this section exist, it shall, before passing the liquidation order, consider an application made by the committee of creditors, in such manner and subject to such conditions as may be specified, by not less than sixty-six per cent. of the voting share, for restoring the corporate insolvency resolution process, and after considering such application, it may, by an order-

(a) if the ground mentioned in clause (a) of sub-section (1) exists, restore the corporate insolvency resolution process to be completed within such duration as it deems fit, but not exceeding one hundred and twenty days; or

(b) if the ground mentioned in clause (b) of sub-section (1) exists,–

(i) restore the corporate insolvency resolution process to the stage of invitation for submission of a resolution plan, which shall be completed in such manner and subject to such conditions as may be specified; and

(ii) provide the duration for completion of such restored corporate insolvency resolution process as it deems fit, but not exceeding one hundred and twenty days.

Explanation.- For the purposes of this section, it is hereby declared that on and from the date of commencement of the Insolvency and Bankruptcy Code (Amendment) Act, 2026, the provisions of sub-sections (1A) and (1B) shall also apply to the corporate insolvency resolution process of a corporate debtor initiated under Chapter II before such date of commencement, where the Adjudicating

Authority has not passed a liquidation order under sub section (1) of this section, and shall not apply where the liquidation order is passed.

(1B) The corporate insolvency resolution process of a corporate debtor may be restored in accordance with sub-section (1A) only once.

Explanation.- For the purposes of this section, it is hereby clarified that where the Adjudicating Authority does not receive a resolution plan under sub-section (6) of section 30 within the period provided under clause (a) or clause (b) of sub-section (1A) or rejects the resolution plan received by it during such period under sub-section (2) of section 31, it shall pass a liquidation order under sub-section (1).

(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 approved by not less than sixty-six per cent. of the voting share to liquidate or dissolve the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in sub-clauses (i), (ii), (iii), (iv) and (v) of clause (b) of sub-section (1) or a dissolution order under sub section (2A) of section 54, as the case may be:

xxxxxxxxxxxxxxx

Explanation.- For the purpose of this sub-section, it is hereby declared that the committee of creditors may take the decision to liquidate or dissolve the corporate debtor, any time after its constitution under sub-section (1) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum.

xxxxxxxxxxxxxxx

(6) Where a liquidation order has been passed, no suit or other legal proceeding shall be commenced, or if pending at the date of the liquidation order, shall be proceeded with by the liquidator, on behalf of the corporate debtor, except with the leave of the Adjudicating Authority and subject to such terms as the Adjudicating Authority may impose.

(7) The order for liquidation under this section 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.

20. As per Section 34 of the IBC, this Adjudicating Authority needs to refer to the IBBI for recommending the name of the Liquidator, which shall propose the name of an IP, other than the RP appointed for the CIRP under Chapter II. The Section 34 further provides that the Liquidator shall charge fee in such proportion to the value of the liquidation estate assets, as may be specified by the Board. The Section 34 is reproduced below:

Section 34: Appointment of liquidator and fee to be paid.

(1) Where the Adjudicating Authority passes an order for liquidation of the corporate debtor under section 33, it shall refer to the Board for making recommendation of an insolvency professional to be appointed as the liquidator and on receipt of the recommendation, appoint such insolvency professional as the liquidator.

(2) On the appointment of a liquidator under this section, all powers of the board of directors, key managerial personnel and the partners of the corporate debtor, as the case may be, shall cease to have effect and shall be vested in the liquidator.

(3) Any person who is or has been a personnel of the corporate debtor, or its promoter, or associated with the management of the corporate debtor, or engaged in a contract for service with the corporate debtor, shall extend all assistance and cooperation to the liquidator as may be required by him for the purposes of managing the affairs of the corporate debtor or performing the duties conferred on him under this Chapter and the provisions of section 19 shall apply in relation to liquidation and voluntary liquidation process as they apply in relation to corporate insolvency resolution process with the substitution of references to the liquidator for references to the interim resolution professional and resolution professional and references to the corporate insolvency resolution process with liquidation and voluntary liquidation process, respectively.

(4) Notwithstanding anything contained in this section and section 34A, an insolvency professional appointed as a resolution professional for the corporate insolvency resolution process under Chapter II, shall not be appointed or replaced as the liquidator for the liquidation process of such corporate debtor.

(5) After an order of liquidation has been passed, the resolution professional shall forward to the liquidator, all records relating to the conduct of the corporate insolvency resolution process.

(6) The Board shall propose the name of an insolvency professional, other than the resolution professional appointed for the corporate insolvency resolution process under Chapter II, along with written consent from such insolvency professional in the specified form, within ten days of the reference made by the Adjudicating Authority under sub-section (1).

(7) The Adjudicating Authority shall, on receipt of the proposal of the Board for the appointment of an insolvency professional as liquidator, appoint such insolvency professional as the liquidator.

(8) An insolvency professional proposed to be appointed as a liquidator shall charge such fee for the conduct of the liquidation proceedings and in such proportion to the value of the liquidation estate assets, as may be specified by the Board.

(9) The fees for the conduct of the liquidation proceedings under sub-section (8) shall be paid to the liquidator from the proceeds of the liquidation estate under section 53.

21. The Regulation 3A of the Liquidation Regulations provides that the CoC by a vote of not less than sixty-six per cent of the voting share, shall recommend the name of an IP from the panel of IPs prepared by the IBBI in this regard, for appointment as liquidator. The extracts of Regulation 3A are reproduced below:

*"**3A. Recommendation of liquidator by committee of creditors.***
(1) For the purposes of sub-section (1) of section 34 of the Code, the committee shall, prior to the passing of the order for liquidation, recommend the name of an insolvency professional from the panel of insolvency professionals prepared by the Board in this regard, for appointment as liquidator.
(2) The recommendation under sub-regulation (1) shall be made by a vote of not less than sixty-six per cent of the voting share of the committee.
(3) Upon receipt of the recommendation under sub-regulation (2), the Adjudicating Authority shall consider such recommendation while appointing the liquidator."

22. The IBBI on 18.05.2026 issued the 'Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2026' (IBBI Guidelines), the Annexure-1 of which clarifies the area covered in different zones for selection of IPs as below:

Annexure-I

An IP will be included in the Panel against the Zone where his registered office (his address as registered with the Board) is located. For example, an IP located in the city of Surat (Gujarat) will be included in West Zone, which covers the Ahmedabad, Indore and Mumbai Benches of NCT. He shall be eligible for appointment by any bench of NCLT or DRT in the West Zone. However, the zone criteria is not applicable to IPE as IP as they are eligible for appointment across all Benches. The areas covered in different Zones, other than for IPE as IP are as under:

Zone	NCLT Bench	Areas covered
North	1. New Delhi	• National Capital Territory of Delhi
	2. Allahabad	• State of Uttar Pradesh • State of Uttarakhand
	3. Chandigarh	• State of Himachal Pradesh • State of Punjab • State of Haryana • Union Territory of Chandigarh • Union Territory of Jammu and Kashmir • Union Territory of Ladakh
	4. Jaipur	• State of Rajasthan
West	1. Ahmedabad	• State of Gujarat • Union Territory of Dadra and Nagar Haveli • Union Territory of Daman and Diu
	2. Indore	• State of Madhya Pradesh
	3. Mumbai	• State of Goa • State of Maharashtra
East	1. Kolkata	• State of Bihar • State of Jharkhand • State of West Bengal • Union Territory of Andaman and Nicobar Islands
	2. Guwahati	• State of Arunachal Pradesh • State of Assam • State of Manipur • State of Mizoram • State of Meghalaya • State of Nagaland • State of Sikkim • State of Tripura
	3. Amravati	• State of Andhra Pradesh
	4. Cuttack	• State of Chhattisgarh. • State of Odisha
South	1. Bengaluru	• State of Karnataka
	2. Hyderabad	• State of Telangana
	3. Chennai	• State of Tamil Nadu • Union Territory of Puducherry
	4. Kochi	• State of Kerala • Union Territory of Lakshadweep

23. Accordingly, the CoC can recommend the name of the proposed Liquidator either from the Pan India list of IPEs or from the Zonal list of the IPs under the East Zone as the Amaravati Bench (State of Andhra Pradesh) falls under the East Zone in the IBBI Guidelines. The CoC has recommended Mr. Mannava Divakara Sarma, bearing IBBI Registration No. IBBI/IPA-001/IP-P-01192/2018-19/11917, having a valid AFA up to 31.12.2026, as the Liquidator of the Corporate Debtor. We observe that the name of the proposed IP is in the IBBI panel of IPs under the East Zone.

24. In view of the foregoing facts and circumstances, this Adjudicating Authority observes that the CoC, in its 2nd meeting held on 16.10.2025, had already resolved with 100% voting share to liquidate the Corporate Debtor. Subsequently, pursuant to the directions issued by this Adjudicating Authority, the CoC, in its 7th meeting held on 18.07.2026 (continued on 24.07.2026), recommended Mr. Mannava Divakara Sarma, whose name is included in the eligible East Zone Panel of IPs, for appointment as the Liquidator. Having regard to the fact that the CoC had already resolved to liquidate the Corporate Debtor, no resolution plan has been approved, and the CIRP period has not been extended, this Adjudicating Authority considers it appropriate to examine the present liquidation application under the applicable provisions of Section 33 of the Code.

25. Accordingly, the liquidation order is passed under Section 33(1) of the Code, subject to the statutory requirements being satisfied, and the

appointment of the Liquidator is considered in accordance with Section 34 of the Code, read with the applicable Liquidation Process Regulations and IBBI Guidelines.

26. As a sequel to the aforesaid discussions, **the Corporate Debtor, Sri Krishna Stockist & Traders Private Limited, is ordered to be liquidated under Section 33(1) of the Code** with the following directions:

(i) The Moratorium under Section 14 of the Code shall cease to have effect from the date of this order and a fresh moratorium under Section 33(1)(b)(iv) of the Code shall commence.

(ii) Mr. Mannava Divakara Sarma, having IBBI Registration No. IBBI/IPA-001/IP-P-01192/2018-19/11917, is hereby appointed as the Liquidator of the Corporate Debtor for the liquidation process in accordance with Section 34 and other provisions of the Code, the Liquidation Regulations, and other applicable laws, as amended from time to time.

(iii) The Liquidator shall make a public announcement stating that the Corporate Debtor is in liquidation, in terms of Section 33(1)(b)(ii) of the Code.

(iv) The Liquidator shall exercise all the powers and perform all the duties as envisaged under the Code and the Liquidation Regulations, as amended from time to time.

(v) No suit or other legal proceeding shall be commenced, or if pending at the date of the liquidation order, shall be proceeded with by the

liquidator, on behalf of the Corporate Debtor, except with the leave of this Adjudicating Authority and subject to such terms as this Adjudicating Authority may impose.

(vi) The order for liquidation under this section 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.

(vii) The Liquidator shall prepare the audited balance sheet as on Liquidation commencement date along with the reconciliation of assets reflected in the balance sheet with those considered in the valuation reports and the reconciliation of liabilities reflected in the balance sheet with those considered by the Liquidator and file the same along with the First Progress Report.

(viii) The CoC may consider to conduct the Transaction Audit of the Corporate Debtor to identify the possibility of transactions under Sections 43, 45, 50, and 66 of the Code. If the Transaction Audit Report or any further examination discloses transactions, which prima facie attract Sections 43, 45, 50 or 66 of the Code, the Liquidator shall take appropriate steps and file the necessary applications before this Adjudicating Authority in accordance with law.

(ix) The CoC and the Liquidator shall ensure that the liquidation process of the Corporate Debtor is completed within the estimated liquidation cost of Rs.5,00,000/-, as approved by the CoC and if

there is any shortfall, the same shall be met by the CoC members in the ratio of their voting shares.

(x) The Liquidator shall charge such fee for conduct of the liquidation proceedings and in such proportion to the value of the liquidation estate assets, as may be specified by the Board.

27. The Registry is directed to communicate a copy of this order to the Financial Creditor, Corporate Debtor, Liquidator, erstwhile RP, CoC through its Counsel, Registrar of Companies, Vijayawada and the Insolvency and Bankruptcy Board of India and other necessary parties forthwith.

28. In view of the above, **IA (IBC)(Liquidation)/6/2026** in **CP(IB)/12/7/AMR/2025 stands allowed and disposed of.**

Sd/-
(Umesh Kumar Shukla)
Member (Technical)

Sd/-
(Kishore Vemulapalli)
Member (Judicial)

~Anusha/ Krishna/ Naidu