

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

IA No. 507 of 2026

In

CP (IB) No. 407/7/HDB/2018

Application u/s 35(n) of IBC, 2016 R/w Regulation 32 & 45(3)(a) of IBBI
(Liquidation Process) Regulations, 2016

**In the matter of State Bank of India vs M/s PPS Enviro Power
Private Limited**

Filed By

K Vatsa Kumar

Liquidator of PPS Enviro Power Private Limited

Office at: Plot No. 717, Journalist Colony

Road No. 2, Banjara Hills, Hyderabad – 500034

Ph: 9061640003; eMail: liquidator.ppsenviro@gmail.com

... Applicant / Liquidator

Date of order: 26.03.2026

Coram:

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Shri Sanjay Puri, Hon'ble Member (Technical)

Appearance:

For Applicant: Ms. Mano Ranjani, Advocate



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ORDER

1. The present Application has been filed by the Liquidator, Mr. Vatsa Kumar seeking closure of liquidation process upon sale of M/s **PPS Enviro Power Private Limited** as a going concern to M/s GK Ispat Private Limited and M/s Frontline Wind Energy Private Limited (herein after referred to as **Successful Bidders**).

BRIEF FACTS AS STATED BY THE LIQUIDATOR

2. The Company Petition bearing CP (IB) No. 407/7/HDB/2018 filed by the Financial Creditor/State Bank of India, under Section 7 of the IBC, 2016 was admitted by this Tribunal on 13.08.2019.
3. Upon failure of the resolution process, the Resolution Professional moved an application bearing IA No. 144/2021 and this Authority ordered liquidation of the Corporate Debtor on 24.12.2021 and appointed Mr. Vatsa Kumar (IBBI/IPA-002/IP-N00922/2019-2020/12980) as the Liquidator.
4. Pursuant to the liquidation order, the Liquidator issued a public announcement on 01.01.2022¹ inviting claims from the stakeholders as on the liquidation commencement date. The

¹ Annexure A02



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initial list of stakeholders has been filed before this Tribunal as required under Regulation 31 of Liquidation Process Regulations on 25.02.2022 and the revised list vide IA No. 61/2022 on 09.01.2023.².

5. (a) The Liquidator, in compliance with Regulation 35 of the Liquidation Regulations, appointed IBBI registered valuers to determine the fair value and liquidation value of the assets of the CD across different asset classes, namely Land & Buildings, Plant & Machinery, Securities & Financial Assets and Not Readily Realizable Assets (NRRA). The valuers independently carried out inspection, analysis and valuation of the respective assets based on the information and records made available, and submitted their valuation reports determining the fair value and liquidation value of the assets of the CD as on the relevant valuation date. The particulars of the valuers appointed are as under:

SNo	Asset Category	Name of Valuer	IBBI Regn No
1	Land & Buildings	P. Pradeep	IBBI/RV/05/2018/10099
2	Land & Buildings	J. Vivekanandan	IBBI/RV/02/2018/10142

² Annexure A03



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SNo	Asset Category	Name of Valuer	IBBI Regn No
3	Plant & Machinery	Er. P. Anandaraj	IBBI/RV/05/2019/10667
4	Plant & Machinery	M. Muniyandi	IBBI/RV/C/02/2018/10308
5	Securities & Financial Assets	Kasivajjula Shriramarao	IBBI/RV/05/19-20/12224
6	Securities & Financial Assets	Gutta Koteswara Rao	IBBI/RV/05/2019/10939
7	NRRA	Nagarajan Venkateswaran	IBBI/RV/05/2022/14663
8	NRRA	Gutta Koteswara Rao	IBBI/RV/05/2019/10939

(b) The asset values derived from valuations for each category are tabulated below:

Rs. in Crores

Asset Category	Valuer 1	Valuer 2	Average
Land & Buildings - Industrial Property, 34 Wind Mills Land - Tamil Nadu	22.30	22.93	22.61
Plant & Machinery	57.87	65.02	61.45
Securities & Financials	1.82	2.05	1.93
NRRA	Nil	Nil	Nil
Total Fair Value	81.99	90.00	85.99



Land & Buildings - Industrial Property, 34 Wind Mills Land - Tamil Nadu	17.88	18.36	18.12
Plant & Machinery	49.24	55.22	52.23
Securities & Financials	1.82	1.96	1.89
NRRA	Nil	Nil	Nil
Total Liquidation Value	68.94	75.54	72.24

The average liquidation value was assessed at approximately Rs. 72,24,23,060/-. The fair value as per Form-H is Rs. 85,99,94,754/-.

6. **Asset Memorandum**: The Liquidator prepared the Asset Memorandum in accordance with Regulation 34 of the Liquidation Regulations, containing the details of the assets of the Corporate Debtor, and filed the same before this Tribunal on 08.04.2022 on the basis of CIRP valuation done in December 2020. The updated Asset Memorandum was filed on 04.07.2023 on basis of valuation undertaken in Liquidation.³

7. **SCC Meetings during Liquidation**⁴: The Liquidator convened 31 meetings of the Stakeholders' Consultation Committee (SCC) during the liquidation process in accordance with Regulation 31A of the Liquidation Regulations for consultation on matters relating to the conduct of the liquidation process including valuation of assets, mode of sale, approval of

³ Annexure A04

⁴ Annexure A05 The key points discussed and deliberated in the SCC minutes.

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expenditure, conduct of e-auctions, distribution of proceeds and other related matters.

8. **Progress Reports filed during the conduct of Liquidation Process**⁵: In compliance with Regulations 13 and 15 of the Liquidation Regulations, the Liquidator filed the Preliminary Report and subsequent Progress Reports periodically before this Hon'ble Adjudicating Authority during the course of the liquidation process. The said reports were taken on record by this Tribunal from time to time.

9. **Process of Sale of Assets through E-Auctions and Outcome thereof as stated by the Liquidator:**

Pursuant to the liquidation order of this Tribunal and in accordance with the Insolvency and Bankruptcy Code, 2016 read with the Liquidation Regulations, the Applicant initiated steps for realization of the assets of the Corporate Debtor through e-auctions.

(a) The secured financial creditors, State Bank of India and Indian Overseas Bank, relinquished their security interest to the liquidation estate on 17.12.2022 and 20.12.2022 respectively.

(b) Owing to non-cooperation by the erstwhile Resolution Professional in handing over the assets, the Stakeholders'



⁵ Annexure A06: Details of Preliminary report and progress reports

Consultation Committee (SCC), in its 3rd meeting with 92.48% voting share, authorized the Liquidator to take possession of the assets on an "as is where is basis" in the presence of officials of State Bank of India and Indian Overseas Bank, under a panchnama. Accordingly, the Liquidator took possession of the assets between 09.02.2023 and 17.02.2023 in the presence of bank officials as witnesses.

- (c) In respect of certain assets reflected in the books but not handed over, the Liquidator filed IA No. 743/2023 before the Adjudicating Authority. Vide order dated 04.10.2024, the erstwhile Resolution Professional was directed to contribute Rs. 15,97,475.13 to the liquidation estate within one month. The said order is under challenge before the Appellate Authority and is presently pending with interim relief granted.
- (d) Between May 2023 and March 2026, the Liquidator conducted 13 e-auctions, issuing sale notices in English and regional language newspapers in compliance with Regulation 12 of the Liquidation Regulations.
- (e) The SCC was duly consulted at each stage regarding the mode of sale, asset grouping, reserve price, eligibility criteria, and other auction-related aspects.
- (f) The liquidation estate comprised primarily (i) a factory asset at Plot No. D-97/A, Phase-I, IDA Jeedimetla,



Hyderabad, and (ii) wind energy assets consisting of 33 windmills across 34 sites in Nagercoil, Tenkasi, and Theni districts of Tamil Nadu, along with associated financial assets.

- (g) The 1st e-auction, pursuant to the public announcement dated 17.05.2023, was conducted for sale of the Corporate Debtor as a going concern with a reserve price of Rs. 72.24 crore. Although four bidders were found eligible, none remitted the Earnest Money Deposit, and the auction held on 14.06.2023 failed.
- (h) In the 2nd e-auction held on 17.07.2023, assets were offered in three lots. M/s Velan Infra Projects Pvt. Ltd. emerged as the highest bidder for Lot-1 (going concern sale) with a bid of Rs. 65.07 crore and was issued a Letter of Intent, subject to pending litigation. However, upon failure to pay the balance consideration within the stipulated time, the sale was cancelled and the EMD of Rs. 3.26 crore was forfeited in terms of the process document.
- (i) In the 3rd e-auction held on 21.03.2024, Lot-3 comprising the Hyderabad factory asset was successfully sold to M/s GK Ispat Pvt. Ltd. for Rs. 5.15 crore, and a Letter of Intent dated 23.03.2024 was issued.
- (j) The entire consideration was received by 18.06.2024, and a Sale Certificate was issued on 26.06.2024. Possession was handed over under a panchnama on the same date,



and the Asset Sale Report was duly filed with the progress report for the period ending 30.09.2024.

- (k) The 4th e-auction held on 10.05.2024 for sale of entire wind energy assets comprising 34 windmill sites with land admeasuring approximately 69 acres and 33 windmills of total capacity approximately 33.125 MW located in the districts of Nagercoil, Tenkasi and Theni in the State of Tamil Nadu, together with the securities and financial assets of the CD (excluding the bank balance), on “as is where is”, “as is what is”, “whatever there is” & “without recourse” basis, failed as no bidder remitted the EMD despite receipt of 9 Expressions of Interest.
- (l) The 5th e-auction held on 18.06.2024, the 6th e-auction held on 29.07.2024, and the 7th e-auction held on 13.09.2024 failed due to non-remittance of EMD by interested applicants.
- (m) The 8th e-auction, pursuant to the auction notice dated 01.10.2024, was conducted on 28.10.2024 for sale of the wind energy assets along with the CD. In the said auction, M/s Schakralaya Motors Pvt. Ltd. emerged as the highest bidder with a bid amount of Rs. 54.20 crore and a Letter of Intent was issued to the bidder. However, the bidder failed to remit the balance sale consideration within the stipulated timelines despite extensions granted. Consequently, the sale was cancelled and the



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EMD of Rs. 1.50 crore was forfeited in accordance with the terms of the e-auction process document. The forfeited amount was thereafter distributed to the stakeholders in accordance with Section 53 of the Code.

- (n) In order to realize certain arbitration claims of the CD categorized as Non-Readily Realisable Assets (NRRRA), the Applicant conducted the **9th e-auction** on 17.02.2025. However, no Expression of Interest was received and the auction failed.
- (o) The Applicant conducted the **10th e-auction** on 19.03.2025, pursuant to notice dated 16.02.2025 for sale of the Corporate Debtor as a going concern, comprising the entire wind energy assets (33 windmills across 34 sites admeasuring approximately 69 acres with an installed capacity of approximately 33.125 MW in Nagercoil, Tenkasi and Theni districts, Tamil Nadu), along with associated securities and financial assets (excluding bank balances), on an "as is where is", "as is what is", "whatever there is" and "without recourse" basis. **M/s Frontline Wind Energy Pvt. Ltd. (FWEPL)** emerged as the highest bidder with a bid of Rs. 54.20 crore and was issued LOI dated 22.03.2025. Though the balance consideration was payable within 90 days (with interest @12% p.a. beyond 30 days), extensions were granted by this Authority upon the bidder's request. The entire consideration, along with interest aggregating to Rs.



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58,93,19,735/- was subsequently paid, and the Sale Certificate dated 10.01.2026 was issued in favour of FWEPL, thereby completing the going concern sale.

- (p) Further, the **13th e-auction** held on 02.03.2026 for realization of the arbitration claims categorized as NRRR also failed as no EMD was received.

10.

Treatment of Non-Readily Realizable Assets (NRRR) under Regulation 38 of Liquidation Regulations: -

- (a) The Liquidator submitted that two arbitration matters of the Corporate Debtor, namely (i) PPS Enviro Power Pvt. Ltd. vs PAN Time Finance Company Pvt. Ltd. (Claim: Rs. 45.55 crore; Counter-claim: Rs. 41.97 crore) and (ii) PPS Enviro Power Pvt. Ltd. vs Mahavir Ferro Alloys Pvt. Ltd. (Claim: Rs. 32.24 crore; Counter-claim: Rs. 38.79 crore), were classified as NRRR and are proposed to be distributed to State Bank of India under Regulation 38 of the Liquidation Regulations.
- (b) The Liquidator undertook efforts to realize the NRRR assets through e-auction; however, the 9th e-auction held on 17.02.2025 (first attempt) failed due to absence of bidders.
- (c) Pursuant to the advice of the SCC in its 24th meeting dated 07.07.2025, the sale of NRRR assets was deferred until completion of the going concern sale. Thereafter, a further attempt was made in the 13th e-auction held on



02.03.2026, which also failed due to non-receipt of any EMD.

(d) In view of the prolonged liquidation period (commenced on 29.12.2021) and absence of any reasonable prospects of realization, the SCC resolved to recommend distribution of the NRRA assets to State Bank of India under Regulation 38 to facilitate closure of liquidation.

(e) The Liquidator has complied with Regulation 38 (2) (a) to (d) with regard to distribution of unsold assets, as under:

(a) **Identification of assets:** Two arbitration matters classified as NRRA;

(b) **Provide a value of the asset:** Out of 26 valuers approached, two IBBI-registered SFA valuers (Gutta Koteswar Rao and Nagarajan Venkateswaran) assigned NIL value considering uncertainties in realization;

(c) **Efforts for sale:** Two failed auctions—(i) 17.02.2025 (reserve price NIL) and (ii) 02.03.2026 (reserve price Rs. 5 crore), with no EOI/EMD received;

(d) **Reasons for distribution:** Prolonged liquidation exceeding four years and lack of realizable value.



The SCC, in its 30th meeting held on 02.03.2026⁶, approved the proposal with 91.9243% voting share in favour, resolving to recommend distribution of the aforesaid NRRRA assets to State Bank of India under Regulation 38 for closure of the liquidation process. The resolution passed by the SCC is as under:-

“Resolved to recommend to Hon’ble NCLT for distribution of NRRRA assets comprising of aforesaid 2 arbitration matters to State Bank of India under Regulation 38 of IBBI Liquidation Process Regulations to enable closure of the liquidation process of the CD”.

11. E-Auction Proceeds Distribution:

Upon receipt of the entire sale consideration along with applicable interest, the proceeds realized during liquidation were distributed in strict compliance with the Insolvency and Bankruptcy Code, 2016 and the Liquidation Regulations, in accordance with the waterfall mechanism under Section 53. CIRP costs were discharged in priority under Section 53(1)(a). It is further submitted that the secured financial creditors relinquished their security interest nearly one year after the liquidation commencement date and had incurred certain expenses in the interim; however, the same were not reimbursed in the absence of prior relinquishment. The



⁶ Annexure A-10

liquidation costs were met from the existing balance in the liquidation account and were subsequently supplemented through forfeited EMD amounts.

12. **Designated Bank Account for the CD in Liquidation:**

In terms of Regulation 2A(2) of the Liquidation Regulations, the Liquidator operated a designated liquidation account of the Corporate Debtor with ICICI Bank bearing A/c no. 035005501332. The account reflects a nil balance as on 12.03.2026. A closure certificate obtained from ICICI Bank is annexed.⁷

13. **Ongoing cases of the CD:**

The Liquidator stated that SCC in its 30th Meeting held on 02.03.2026 adopted the following resolutions with a voting of 91.9243% in favour of the resolutions:-

"Resolved to authorize SCC member State Bank of India to represent all Legal matters in the matter of CD PPS Enviro Power P Ltd and its Liquidation Process, if any, after orders of Closure of Liquidation Process by Hon'ble NCLT".

"Resolved to keep a provision of Rs. 20 lakhs (Rupees Twenty Lakh Only) and to park it with SCC member State Bank of India to meet all expenditures after filing for Closure of Liquidation Process by Liquidator till NCLT approval thereof and including litigations and expenditures, if any, thereafter".



⁷ Annexure A-15

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As such, the ongoing litigation involving the CD after closure of the Liquidation process will be handled by State Bank of India.

14. The Liquidator submits that the Office of the Registrar of Companies, Telangana, Hyderabad, vide letter dated 21.08.2025 issued under Section 206(1) of the Companies Act, 2013, initiated an enquiry under Section 206(4) and sought information from the Liquidator and the suspended directors. The Liquidator furnished the requisite information on 02.09.2025. No further communication has been received to date.
15. **Liquidation Costs:** The estimated liquidation cost of Rs. 2,72,92,500/- as per the preliminary report was revised to Rs. 2,92,93,317/-, an increase of Rs.20,00,817/- (7.33%) due to extension of the liquidation period to 50 months as against the originally envisaged 12 months. The revised cost has been concurred with by the SCC.
16. The Applicant/Liquidator submits that, in terms of Regulation 44 of the Liquidation Regulations, the liquidation process is to be completed within one year from the Liquidation Commencement Date (LCD). However, considering the nature of the assets, multiple e-auction attempts for value maximization, and the time required for completion of sale and distribution, extensions were sought and granted by this



Tribunal from time to time. The liquidation period is summarized as under:

SNo	From	To	Order Details
1.	24.12.2021	23.12.2022	Statutory liquidation period of one year from the LCD
2.	29.12.2022	28.06.2023	1 st extension of liquidation period granted by Hon'ble NCLT vide Order dtd 09.12.2022 in IA#1467/2022
3.	29.06.2023	28.03.2024	2 nd extension of liquidation period granted by Hon'ble NCLT vide Order dtd 22.06.2023 in IA#983/2023
4.	29.03.2024	28.09.2024	3 rd extension of liquidation period granted by Hon'ble NCLT vide Order dtd 13.03.2024 in IA#569/2024
5.	29.09.2024	28.03.2025	4 th extension of liquidation period granted by Hon'ble NCLT vide Order dtd 04.10.2024 in IA#1910/2024
6.	29.03.2025	28.09.2025	5 th extension of liquidation period granted by Hon'ble NCLT vide Order dtd 04.03.2025 in IA#461/2025
7.	29.09.2025	28.03.2026	6 th extension of liquidation period granted by Hon'ble NCLT vide Order dtd 23.09.2025 in IA#1527/2025

17. In view of the successful sale of the Corporate Debtor as a going concern and completion of distribution, the Liquidator now



seeks closure of the liquidation process and his discharge from duties.

FINDINGS

18. We heard Ms. Mano Ranjani, Ld. Counsel for the Liquidator and perused the application filed by the Liquidator. She has filed necessary documents along with the application. The Final report in Form-H is filed.⁸
19. This IA is filed under Section 35(1)(n) and Regulation 45 (3) (a) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 praying the Adjudicating Authority to order for closure of the liquidation process of the Corporate Debtor Company as liquidation process is complete. The said provision reads as under:

"Regulation 45 (3) (a): Final report prior to dissolution. (3) The liquidator shall submit an application along with the final report and the compliance certificate in form-H to the Adjudicating Authority for - (a) closure of the liquidation process of the corporate debtor where the corporate debtor is sold as a going concern;



20. Upon hearing the Learned Counsel for the Liquidator and upon material placed on record, we are satisfied that the Corporate Debtor has been sold as a going concern in accordance with the

⁸ Annexure A14-Form-H Final report

provisions of the Insolvency and Bankruptcy Code, 2016 and the IBBI (Liquidation Process) Regulations, 2016, and that the sale consideration has been fully realised and distributed in terms of Section 53 of the Code. The Liquidator has also filed Auditor's Certificate on Receipts and Payments account for the period 29.12.2021 to 12.03.2026⁹

21. As a sequel to the above, we hereby order closure of the Liquidation proceedings against the Corporate Debtor viz. **M/s PPS ENVIRO POWER PRIVATE LIMITED** from the date of this Order, in terms of Regulation 45 (3) of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016. Consequently, the Liquidator stands relieved.
22. The Liquidator is directed to send the copy of this Order within seven days from the date of pronouncement to the Registrar of Companies, Hyderabad and the concerned authorities and hand over all the books and files of the Corporate Debtor as per provisions of the Code.
23. The distribution of Not Readily Realisable Assets (NRRA), comprising two arbitration matters of the Corporate Debtor, namely (i) *PPS Enviro Power Pvt. Ltd. vs PAN Time Finance Company Pvt. Ltd.* (Claim: Rs. 45.55 crore; Counter-claim: Rs. 41.97 crore) and (ii) *PPS Enviro Power Pvt. Ltd. vs Mahavir*

⁹ Annexure-A12

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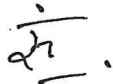
Ferro Alloys Pvt. Ltd. (Claim: Rs. 32.24 crore; Counter-claim: Rs. 38.79 crore), to State Bank of India is hereby permitted under Regulation 38 of the IBBI (Liquidation Process) Regulations, 2016.

24. It is further directed that a sum of Rs. 20 lakhs shall be earmarked and retained with State Bank of India towards meeting post-closure litigation and related expenses. Any surplus remaining after meeting such expenses shall be distributed amongst the Financial Creditors forming part of the Stakeholders' Consultation Committee (SCC) in accordance with their inter se distribution ratio. In the event of any shortfall beyond the said amount, the additional expenditure shall be contributed by such Financial Creditors in the same inter se proportion.
25. We hereby order that all pending litigations in various forums will be pursued by the Lead Banker, i.e. State Bank of India, post closure of liquidation process.
26. The Registry is directed to communicate this order to the Registrar of Companies, Hyderabad and concerned authorities for updating the master data.
27. A copy of this order be also forwarded to the Insolvency & Bankruptcy Board of India, New Delhi.




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28. Certified Copy of this order may be issued, if applied for, upon compliance of all requisite formalities.
29. In terms of the above, IA (IBC) No. 507 OF 2026 stands disposed of accordingly.


(SANJAY PURI)
MEMBER (TECHNICAL)




(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL)


Deputy Registrar / Assistant Registrar / Court Officer
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रति
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केस संख्या
CASE NUMBER...C.P.C.I.B) NO 407/7/HDB/2018
निर्णय का तारीख
DATE OF JUDGEMENT...26/03/2026
प्रति तैयार किया गया तारीख
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