



## Nagarjuna Oil Refinery Limited

Registered Office : Nagarjuna Hills, Punjagutta, Hyderabad - 500 082  
Tel : +91 40 23355317 | www.norl.co.in  
CIN : L23200AP2010PLC071242

April 23, 2019

**The Secretary, Listing Dept  
BSE Limited**

P J Towers, 25<sup>th</sup> Floor,  
Dalal Street, Mumbai – 400001  
Maharashtra, India.  
Scrip Code: **534184**

**The Manager, Listing Department  
The National Stock Exchange of India Ltd**

Exchange Plaza, Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400051  
Maharashtra, India.  
Symbol: **NAGAROIL**

Dear Sir/Madam,

**Sub: Intimation of initiation of Corporate Insolvency Resolution Process (CIRP) and  
appointment of Interim Resolution Professional (IRP)  
In the Matter of Nagarjuna Oil Refinery Limited (CIN: L23200AP2010PLC071242)**

I here by intimate you that CIRP has been initiated in respect of Nagarjuna Oil Refinery Limited (CIN: L23200AP2010PLC071242) under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) by way of Honourable NCLT, Hyderabad bench ,order dated 9<sup>th</sup> April, 2019 (copy of the Order received by me on 22<sup>nd</sup> April , 2019)

As per section 17 of the IBC, 2016, the powers of the Board of Directors stands suspended and such powers shall be vested with me, i.e. Kranthi Kumar Kedari (IP Registration no. IBBI/IPA-001/IP-P00173/2017-2018/10342) appointed as the IRP with respect to the above Company.

It may further be noted that as per section 14 of IBC, 2016 the said NCLT order has declared a moratorium prohibiting all of the following, namely:-

- a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including
- b) execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
- c) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
- d) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
- e) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

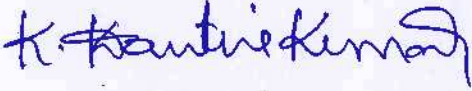
*K. Kranthi Kumar*

KRANTHI KUMAR KEDARI  
IBBI  
IPA-001  
IR-P00173  
2017-18  
10342  
INSOLVENCY PROFESSIONAL

This is for your information and record. The Company will keep the statutory authorities posted on further developments in this regard.

Thanking you.

Yours faithfully  
For **Nagarjuna Oil Refinery Limited**



**Kranthi Kumar Kedari**  
**Interim Resolution Professional**



**IBBI/IPA-001/IP-P00173/2017-2018/10342**

**Enclosed:**

Copy of NCLT order

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH, HYDERABAD**

CP (IB)No.48/7/HDB/2019  
Under Section 7 of the I&B Code, 2016,  
Read with Rule 4 of the Insolvency and Bankruptcy  
(Application to Adjudicating Authority) Rules, 2016.

**In the matter of:- M/s. Nagarjuna Oil Refinery Limited,**

M/s. Nagarjuna Fertilizers and Chemicals Limited,  
Regd. Office: D.No.8-2-248,  
Nagarjuna Hills, Punjagutta,  
Hyderabad, Telangana - 500 082.

...Petitioner/  
Financial Creditor

**Vs**

M/s. Nagarjuna Oil Refinery Limited,  
Nagarjuna Hills, Punjagutta,  
Hyderabad, Telangana - 500 082.

...Respondent/  
Corporate Debtor

**Order delivered on: 09.04.2019**

**Parties/Counsel Present:**

For the Petitioner/Financial Creditor:

Mr.Nitish Bandary, Counsel.

For the Respondent/Corporate Debtor:

Mr.Raja Shekar Rao Salvaji, Counsel.

**PER: K.ANANTHA PADMANABHA SWAMY,**  
**MEMBER JUDICIAL**

**ORDER**

1. The present petition is filed by 'Nagarjuna Fertilizers and Chemicals Limited' (hereinafter referred to as 'Financial



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Creditor') under section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as IBC) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (Rules) against M/s. Nagarjuna Oil Refinery Limited (hereinafter referred to as 'Corporate Debtor').

2. Before proceeding with this matter, it would be appropriate to make a note of background facts for the purpose of determination of this petition.

3. The Petitioner/Financial Creditor, is a body corporate under the Companies Act, 1956, having its Registered Office at D.No.8-2-248, Nagarjuna Hills, Punjagutta, Hyderabad, Telangana and engaged in the business of manufacturing and selling fertilizers, micro irrigation equipment etc., whereas the Respondent/Corporate Debtor is a public Limited Company incorporated under the provisions of Companies Act, 1956 and having its registered office at Nagarjuna Hills, Punjagutta, Hyderabad, Telangana State.

4. The Respondent Company is engaged in the business of promoting, conceiving, planning, co-ordinating, executing and monitoring setting up of any business projects relating to extraction of oil by any means within India and/ or elsewhere in the world, either directly or through one or more special purpose vehicles and to enter into partnership, agreements, raise funds in order to carry out any one or more of the aforementioned activities.

5. In the Year 2011 , the erstwhile Nagarjuna Fertilizers and Chemicals Limited underwent restructuring after the Financial Closure of its oil business subsidiary Nagarjuna Oil Corporation



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Limited (NOCL) in order to unlock value shareholder value, where-under the oil business undertaking of the erstwhile Nagarjuna Fertilizers and Chemicals Limited along with its subsidiary got demerged and transferred to the Corporate Debtor.

6. Upon transfer of oil business to the Corporate Debtor, all the assets, liabilities and undertakings pertaining to oil business but not limited to the assets, and liabilities arising out of activities or operations of the oil business undertaking also stood transferred to the Corporate Debtor. Further the residual business after demerger of the oil business undertaking of the erstwhile Nagarjuna Fertilizers and Chemicals was transferred to Kakinada Fertilizers Limited. As part of the same scheme Ikisan Limited (agri Informatics Company) also merged into Kakinanda Fertilizers Limited. Pursuant to the above Demerger and Merger, the erstwhile Nagarjuna Fertilizers and Chemicals Limited was dissolved without being wound up. Kakinada Fertilizers Limited was later renamed as Nagarjuna Fertilizers and Chemicals Limited i.e the Financial Creditor.



7. The Petitioner/Financial Creditor has supported the Corporate Debtor with a debt as per the court scheme for period, extending credit amounting to Rs.18,65,85,880/- (Rupees Eighteen Crore Sixty Five Lakhs Eighty Five Thousand Eight Hundred and Eighty Only). It is also stated that the Financial Creditor has time and again requested and reminded the Corporate Debtor regarding the financial support extended. However, the Respondent/Corporate Debtor has neither made any effort to

respond nor taken any action or provided a plan to repay the same.

8. The Petitioner/Financial Creditor vide its letter dated 10.04.2018 requested the Corporate Debtor to confirm the due amount of Rs.17,78,37,634/- (Rupees Seventeen Crores Seventy Eight Lakhs Thirty Seven Thousand Six Hundred and Thirty Four Only) and the same was acknowledged and admitted by the Corporate Debtor vide its reply letter dated.25.04.2018.

9. The Petitioner/Financial Creditor has addressed a demand notice to the Respondent /Corporate Debtor dated.30.09.2018 requiring them to pay an amount of Rs.18,65,85,880/- (Rupees Eighteen Crore Sixty Five Lakhs Eighty Five Thousand Eight Hundred and Eighty Only), but till date the Corporate Debtor did not make any payments. The debt amount fell due on 11<sup>th</sup> of October, 2018 when the Corporate Debtor failed to make the payment to Petitioner/Financial Creditor in spite of repeated requests and reminders.

10. The following documents are enclosed with the petition in support of the proof of debt:

- i. Computation Table and interest calculation working sheet and Ledger Account.
- ii. Copy of Certificate of Incorporation and Memorandum & Articles of Association of the Financial Creditor.
- iii. Copy of Certificate of Incorporation and Memorandum & Articles of Association of the Corporate Debtor.
- iv. Copy of Annual Report of Financial Creditor for the years 2017-2018.



- v. Copy of Annual Report of Corporate Debtor for the years 2017-2018.
  - vi. Copy of balance confirmation letter dated.10.04.2018 issued by the Financial Creditor.
  - vii. Copy of reply given by the Corporate Debtor to the letter dated.25.04.2018.
  - viii. Copy of the Demand Notice dated.30.09.2018 addressed by Financial Creditor to the Corporate Debtor.
11. The Respondent/Corporate Debtor filed counter.
12. The learned counsel for the Respondent in its counter stated that NOCL was promoted by Tamil Nadu Industrial Development Corporation Limited (TIDCO), a Government of Tamil Nadu undertaking, for setting up a Petroleum Refinery near Cuddalore in Tamil Nadu. Subsequently, company's viz., the Tata Group, Trafigura Pte (Singapore), Cuddalore Port Company Private Limited, and M/s. Uhde GmbH have also entered the fray as shareholders.
13. The project construction undertaken by the Associate of Corporate Debtor, substantially slowed down from the year 2012-2013 due to delay in getting equity for a re-assessed cost. In the meanwhile, the implementation schedule was severally interrupted. The physical completion of the project as on December, 2011 was 58%. Subsequent to this, the project activities are severally restricted due to cost and time overruns. Associate of the Corporate Debtor actively pursued with Strategic Investors to participate in equity investment in view of escalation in the Project Cost and made all possible endeavours to achieve the financial closure. However, owing to the global recessionary environment and unfavourable investment climate



*[Handwritten signature]*

for the refinery sector, despite its best efforts, adequate additional equity could not be mobilised and infused. During such period NOCL faced further proceedings initiated by various creditors under the provisions of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal (NCLT), Chennai Bench. The Hon'ble Tribunal had admitted the applications of the Corporate Creditors of NOCL and initiated the Corporate Insolvency Resolution Process and had appointed an Insolvency Resolution Professional (RP) for NOCL on July 26, 2017. The Resolution Professional of NOCL has received Resolution Plan from Resolution Applicants but nothing came through. Ultimately National Company Law Tribunal (NCLT), Chennai Bench had ordered liquidation of NOCL vide order dated December 11, 2018.

14. It is further stated that, in view of liquidation order passed by Hon'ble NCLT, Chennai Bench against NOCL, the Corporate Debtor which is merely a holding company is without any business of its own left bereft of any business activity. It is stated that Financial Creditor supported the Corporate Debtor with amounts to the tune of Rs.18,65,85,880/- (Rupees Eighteen Crore Sixty Five Lakhs Eighty Five Thousand Eight Hundred and Eighty Only) and currently the Corporate Debtor is not in a position to discharge its liability. At the outset, the Respondent/Corporate Debtor do admit that the current financial position is very much tight and has deteriorated continuously over past few years, more so by NOCL being liquidated under due process of law.

15. Heard both the sides and perused the record.

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Resolution Process, for the purpose referred to in Section 14 of the I & B Code, 2016. It is hereby ordered to prohibit all of the following, namely:-

- a) The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority.
- b) Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
- c) Any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
- d) The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.



The supply of essential goods or services of the Corporate Debtor shall not be terminated or suspended or interrupted during moratorium period. The provision of Sub-section (1) of Section 14 shall not apply to such transaction, as notified by the Central Government.

21. The IRP shall comply with the provisions of Sections 13 (2), 15, 17, & 18 of the Code. The directors of the Corporate Debtor, its promoters or any person associated with the Management of the Corporate Debtor is expected to extend all assistance and

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cooperation to the IRP as stipulated under Section 19 and for discharging his function under Section 20 of the I & B Code, 2016.

22. The Financial Creditor and the Registry are directed to send the copy of this Order to IRP so that he could take charge of the Corporate Debtor's assets etc., and make compliance with this Order as per the provisions of I & B Code, 2016.

23. The Registry is directed to communicate this Order to the Financial Creditor and the Corporate Debtor.

24. The details of RP are as follows:

Kranthi Kumar Kedari,  
IP Regd. No.IBBI/IPA-001/IP-P00173/2017-2018/10342,  
Flat No.202, D.No.8-3-16/D/49,  
Balaji Kalyan Apts, Next to Axis Bank,  
Kalyan Nagar, Hyderabad – 500038,  
Ph.No.040-65459955, 8374799955,  
Email : kranthikumar1980@gmail.com



*hi*

**K.ANANTHA PADMANABHA SWAMY  
MEMBER JUDICIAL**

  
**Dy. Regr./Asst. Regr./Court Officer**  
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रति  
**CERTIFIED TRUE COPY**

केस संख्या (P(IB) No. 48/7/1-HDB/2019)  
CASE NUMBER.....  
निर्णय का तारीख 9/4/19  
DATE OF JUDGEMENT.....  
प्रति तैयार किया गया तारीख  
COPY MADE READY ON... 16/4/19