



**NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH**

IA(IB) Liq No. 1/CB/2025

In

CP(IB) No. 29/CB/2022

{An Application under Section 33 & 34 of the Insolvency and Bankruptcy Code, 2016 read with Regulations 39B, 39C and 39D of the Insolvency and Bankruptcy Board of India (Insolvency Resolution for Corporate Persons) Regulations, 2016}

In the Matter of:

CANARA BANK

..... FINANCIAL CREDITOR

Vs.

GRIDS STEEL & ALLOYS LIMITED

..... CORPORATE DEBTOR

In the Matter of:

CANARA BANK,

Through Mr. Sanjay Shravan Hedao, Chief Manager
Assets Recovery Branch, 1st Floor, Sur Market Complex,
Managalabag Cuttack-753001

..... APPLICANT

ORDER PRONOUNCED ON: 26.09.2025

**CORAM: DEEP CHANDRA JOSHI, MEMBER JUDICIAL
BANWARI LAL MEENA, MEMBER TECHNICAL**

APPEARANCE:

FOR APPLICANT: MR. SASWAT KUMAR ACHARYA, ADVOCATE

MR. ABHIJEET AGARWAL, ADVOCATE

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ORDER

PER: DEEP CHANDRA JOSHI, MEMBER JUDICIAL

1. This instant application is filed by Canara Bank through Mr. Sanjay Shravan Hedao, Chief Manger of the Bank and the sole financial creditor of the Corporate Debtor, Grid Steel and Alloys limited (hereinafter referred to as “**Applicant**”) under Section 33 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “**Code**”) for seeking liquidation order of the Corporate Debtor.

2. **The averments made by the Applicant in its application are as follows:**

i. The Tribunal vide order dated 31.01.2023 admitted the Corporate Debtor into the CIRP process. Vide the same order, Mr. Giridhari Lal Sharma was appointed as the Interim Resolution Professional of the Corporate Debtor. After that, the IRP had made a public announcement as per Regulation 6 of the CIRP Regulations on 02.02.2023 in Financial Express (English Edition) and the Prameya (Odia Edition).

ii. The IRP, after receiving the claims, constituted the CoC and subsequent to that, the CoC, in its second meeting held on 28.02.2023, by a vote of 100% resolved to appoint the IRP as Resolution Professional under Section 22(1) of the Code. After that, the IRP after appointed as Resolution Professional, the Resolution Professional communicated with the suspended board of Directors of the Corporate Debtor to handover the documents of the Corporate Debtor, but they have not provided the required documents for which the Applicant had filed an application under Section 19(2) of the Code vide IA(IB) No.98/CB/2023.

iii. The Resolution Professional on 29.04.2023 had published invitation for expression of interest via FORM G and as per the timeline stipulated in the form, the last date for submission of EoI was on 20.05.2023, which was extended to 30.05.2023 and

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2. **The averments made by the Applicant in its application are as follows:**

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iii. The Resolution Professional on 29.04.2023 had published invitation for expression of interest via FORM G and as per the timeline stipulated in the form, the last date for submission of EoI was on 20.05.2023, which was extended to 30.05.2023 and

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the last date for submission of Resolution Plan was on 30.06.2023, which was also extended to 30.07.2023 as per the resolution passed in 6th CoC meeting on 28.06.2023.


iv. The Applicant submits that as 180 days from the date of admission of order had expired on 03.07.2023. Then, the Resolution Professional filed an application before this Tribunal seeking extension of CIRP period by 90 days and this Tribunal vide order dated 24.07.2023 granted extension. Meanwhile, on 10.07.2023, the suspended board of Directors had filed a Writ petition bearing W.P.(C) No. 21600 of 2023 before the Hon'ble High Court of Orissa, by challenging the order dated 26.06.2023 passed by this Tribunal wherein this Tribunal had directed the Resolution Professional to take custody and control of the plant premises and all assets of the Corporate Debtor. The Hon'ble High Court had passed an order not to act upon the order passed by this Tribunal on 26.06.2023 without the leave of the Hon'ble High Court.

v. Due to the order of the Hon'ble High Court, the entire process of CIRP period was stayed. For this reason, the CoC members in their 10th meeting dated 13.10.2023 unanimously resolved to exclusion of the CIRP period. As per the decision taken by the CoC in their respective meeting, the Resolution professional had filed an application (i.e., IA 332) before this Tribunal to exclude the period from 12.07.2023 (stay order by the Hon'ble High Court) to 18.10.2023 (filing of the application). Then, the Tribunal had allowed the said application vide order dated 07.11.2023 by excluding the said period.

vi. The Applicant submits that due to continuance of stay order passed by the Hon'ble High Court, the Resolution professional had filed another application (i.e., IA 45) before this Tribunal seeking exclusion of period from 19.10.2023 to

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02.02.2024 and this Tribunal vide order dated 12.02.2024 excluded the said period. Thereafter, the Resolution Professional had again filed an application (i.e., IA 159) for exclusion of the period from 03.02.2024 to 15.05.2024 and this Tribunal vide order dated 12.06.2024 excluded the said period.


vii. The Applicant further submits that during the pendency of the application, i.e., IA 159, the Hon'ble High Court had taken up the writ petition for hearing and vide order dated 21.05.2024 dismiss the said writ petition and vacated the stay order granted earlier. Thereafter, the Resolution Professional had filed another application seeking direction upon the police authorities to provide assistance to the Resolution Professional in taking over the possession and control over the assets of the Corporate Debtor in terms of the order passed by this Tribunal on 26.06.2023. The Tribunal vide order dated 01.08.2024 directed the authorities to assist the Resolution Professional in taking possession and control over the assets of the Corporate Debtor.

viii. The Resolution Professional had filed an application bearing IA No.247/CB/2024 for extension of 60 days beyond 270 days to complete the CIRP process. This Tribunal vide order dated 20.09.2024 allowed the said application and extended the CIRP period of the Corporate Debtor till 07.11.2024.

ix. The resolution Professional again filed an application bearing IA(IB) No.288/CB/2024 seeking direction upon the Inspector-In-Charge and Superintendent of Police, Cuttack, to provide assistance to him in taking over the physical possession and control over the assets of the Corporate Debtor in terms of the order dated 01.08.2024 passed by this Tribunal. Then, the SP of Cuttack had ordered payment of police deployment fees vide its order dated 18.10.2024. By complying the order made by SP, the Resolution Professional had paid requisite fees on

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21.10.2024. However, after payment, the RP requested the SP to deploy police personnel on an urgent basis, but it was informed by them that the deployment is only possible after 16.11.2024.

x. The CoC, in their 22nd meeting held on 23.10.2024, resolved to seek exclusion of the CIRP Period by filing an application bearing IA No.296/CB/2024 from 21.05.2024 to 03.11.2024. This Tribunal vide order dated 28.11.2024 excluded the period from 21.05.2024 to 22.11.2024 and thereby extended the CIRP period to 22.04.2025. Thereafter, the RP, with the help of the local administration took over the possession of the assets of the Corporate Debtor on 22.11.2024. Therefore, the IA 288 was disposed of as infructuous on 23.01.2025, as the RP took over the possession of the assets of the Corporate Debtor.

xi. After taking possession of the assets of the Corporate Debtor by RP, the valuers visited the plant premises in the first week of December, 2024. Then the valuation report filed by the valuers was put forth before the CoC in their 25th meeting held on 03.01.2025 to consider the reissuance of Invitation for expression of Interest via FORM G from the interested and eligible Prospective Resolution Applicants for submission of Resolution Plans in terms of Regulation 36A of IBBI, Regulations.2016. Thereafter, the CoC approved by 100 % vote in favour of the proposal to reissue the FORM G.

xii. The Resolution Professional, according to the approval of CoC published Fresh Form G on 08.01.2025, then multiple Expression of Interest were received, but only five EoI's were finalized and the final list of Prospective Resolution Applicant was prepared. From 5 PRA's only 2 PRA submitted their Resolution Plan to the Resolution Professional. Then this

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Tribunal had disposed of an IA 98 filed by the RP under Section 19(2) vide order dated 28.02.2025 with an observation that the suspended directors of the Corporate Debtor is directed to extend necessary cooperation.

xiii. The two Resolution Plans submitted by Maa Pahari Mercantile Pvt. Ltd. and Rajesh Agarwal were opened and discussed in the 29th CoC meeting held on 12.03.2025, but in 30th CoC meeting held on 18.03.2025, the PRA's proposed to further negotiate on the plan and sought time to submit their revised resolution plan by 04.04.2025. In 31st CoC meeting held on 04.04.2025, the PRA's sought a further 15 days' time to allow the revised Resolution Plan and the CoC also considered excluding the remaining time period from 23.11.2024 to 28.02.2025, as IA 98 was pending before this Tribunal. Then, the CoC allowed further time of 15 days to submit the revised Resolution Plan and resolved to file an exclusion application before this Tribunal.

xiv. As per the decision laid down by the CoC, the Resolution Professional then again filed an application bearing IA No.114/CB/2025 for exclusion of the period from 23.11.2024 to 28.02.2025. As per the application, this Tribunal had allowed the said application by excluding the said period vide order dated 23.11.2024, thereby extending the CIRP period to 28.07.2025. whereas, the Resolution Plans submitted by the PRA's were not accepted by the CoC as commercially it was not viable and rejected.

xv. Accordingly, the CoC in their 35th meeting held on 02.07.2025 decided to liquidate the Corporate Debtor by passing a resolution with 100% voting. The Applicant had relied upon the judgment of Hon'ble Supreme Court in **ArcelorMittal Pvt.**

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Ltd Vs. Satish Kumar Hupta & Ors, 2019, 2 SCC 1 to
substantiate its case.

3. We have heard the learned counsel appearing on behalf of the Applicant, and have perused the relevant materials available on record. It is noted that the Corporate Debtor was admitted into CIRP vide order dated 31.01.2023. The CoC was comprised of a sole Financial Creditor, i.e., Canara Bank, having 100% voting share. Form-G was published on 29.04.2023, and the last date for submission of EoI was on 20.05.2023, which was further extended to 30.05.2023. It is submitted by the Applicant that the last date for submission of the Resolution plan was on 30.06.2023, but it was also further extended to 30.07.2023 as per the resolution passed on the 6th CoC meeting held on 28.06.2023. As per the timeline prescribed under the Code, the 180 days were completed on 30.07.2023. Therefore, the RP had filed an application before this Tribunal for extension of CIRP Period by 90 days, which is evident from the order dated 24.07.2023 annexed in the application. Meanwhile, the suspended board of Directors had already filed a writ petition against the order of this Tribunal, wherein this Tribunal had ordered the suspended board of Directors to extend cooperation to the RP. The Hon'ble High Court of Orissa vide order dated 12.07.2023 granted a stay in the matter for which the RP sought an exclusion of a period of 90 days from 12.07.2023 to 18.10.2023, but this Tribunal allowed the application by excluding 99 days from 12.07.2023 to 04.12.2023 vide order dated 07.11.2023.

4. It is noted that the RP again sought for excluding the CIRP period from 19.10.2023 to 02.02.2024 i.e., of 107 days stating that the matter filed before the Hon'ble High Court of Orissa was still in pendency and stay order had not been vacated. Therefore, this Tribunal by allowing the said application had directed to exclude 107 days from 19.10.2023 to 02.02.2024. As stay order was in continuance, the RP had again sought for an exclusion of 109 days for the period of 03.02.2024 to

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21.05.2024 and this Tribunal had allowed the said application for the said period. It is observed that the Hon'ble High Court of Orissa vide its order dated 21.05.2024 had dismissed the writ petition filed by the suspended board of Directors. After the dismissal of the Writ Petition, the RP had again filed an application under Section 19(2) of the Code in pursuance of an order dated 26.06.2023 passed by this Tribunal wherein it was directed to applicant to take immediate custody and control of the plant premises of the Corporate Debtor and that in case of any resistance, the applicant shall have the liberty to approach this Tribunal to take possession in a coercive manner by the assistance of police. This Tribunal vide order dated 01.08.2024 had allowed the said application by directing the concerned police official to provide assistance to RP. Then the applicant had again filed an application for extension of the CIRP period for 60 days beyond 270 days, as the CIRP period was ending on 06.09.2024, and this Tribunal Vide order dated 20.09.2024 had allowed the said application by observing that the RP was unable to get possession of the Corporate Debtor.

5. It is observed that the Odisha Police, District Headquarters, Cuttack vide its office letter no. 5629/E, dated 18.10.2024, communicated to RP about the cost of police assistance for the execution of the order passed by this Tribunal. It is evident from the annexure 11 annexed in the application that the RP had deposited the said cost in the treasury of the Government of Odisha to get assistance of police officials. As the procedure for taking possession were still pending, therefore, the RP again filed an application for exclusion of the time period from 21.05.2024 to 03.11.2024 and this Tribunal vide order dated 28.11.2024 excluded the said period. It is observed from the order dated 23.01.2025 and 28.02.2025 of this Tribunal that the police and suspended board of Directors had extended full cooperation to the RP by handing over the premises of the corporate Debtor to the RP. It is also observed that the applicant had again sought for an exclusion of

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the period of CIRP from 23.11.2024 to 28.02.2025 in view of the pending application under Section 19(2), and this Tribunal, by observing the earlier extension and exclusion, decided to exclude the 97 days as per the prayer of the Applicant of the period from 23.11.2024 to 28.02.2025. Thereafter, in the 35th CoC meeting dated 02.07.2025, in which the Resolution Professional informed about two prospective resolution applicants, namely M/s Maa Pahari Mercantile Pvt. Ltd. and Mr. Rajesh Agarwal, who have submitted their Resolution Plan. The CoC member in the said meetings had rejected both their plans as they were not commercially viable, as mentioned in the Minutes of the 35th CoC Meeting. It was also decided by the CoC to refund the EMD and security deposit amounts deposited by them.

6. Further, the CoC in its 35th meeting resolved to liquidate the Corporate Debtor. In this regard, the COC, in accordance with Regulation 39B of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, resolved and approved the liquidation cost to be decided after the order of Liquidation of the Corporate Debtor. Further, the proposed Liquidator has provided his written consent to act as the Liquidator of the Corporate Debtor and has also agreed to the fees proposed by the CoC. Further, the proposed Liquidator in his written consent has affirmed that he is not subject to any disciplinary proceedings initiated by the IBBI or the Insolvency Professional Agency. As such, the application deserves to be allowed.

7. In view of the facts and circumstances and documents available on record, we pass the following order:

- (i) The Corporate Debtor, **Grid Steel & Alloys Ltd.** shall be put into liquidation in terms of the provisions of Section 33 (2) of the Code read with the Regulations made thereunder which shall be effective from the

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date of this order. Accordingly, we allow **IA (IB) (Liq) No. 1/CB/2025.**

- (ii) The Moratorium declared under Section 14 of the Code shall cease to have effect from the date of the order of liquidation.
- (iii) In accordance with Section 34(4)(b) of the Code and the Circular dated 18.07.2023 of IBBI, we hereby appoint **Mr. Suresh Chandra Pattanayak**, an Insolvency Professional Entity **having registration no. IBBI/IPA-002/IP-N00759/2018-19/12384** as a liquidator of the Corporate Debtor. The Liquidator so appointed shall complete the liquidation process of the Corporate Debtor as per the provisions of the Code read with the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- (iv) In furtherance of the recommendation of the CoC at its 35th meeting, the Liquidator so appointed shall explore the possibility of selling the Corporate Debtor as a going concern under Regulation 32 (e) or selling the business of the Corporate Debtor as a going concern under Regulation 32 (f) of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. In this regard, the Applicant is directed to provide the Liquidator the group-wise assets from the latest accounts of the Corporate Debtor which may be used for the sale of the Corporate Debtor as a going concern.
- (v) All the powers of the Board of Directors and Key Managerial Persons of the Corporate Debtor, as the case may be, hereafter cease to exist. All these

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powers henceforth vest with the Liquidator so appointed.

- (vi) The personnel of the Corporate Debtor are directed to extend all cooperation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- (vii) The CoC in its 35th meeting in furtherance of Regulation 39D of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 has approved the Liquidator fees shall be proposed after the Order of Liquidation.
- (viii) Once the liquidation process is initiated, subject to Section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor. The Liquidator has the liberty to institute a suit and other legal proceedings on behalf of the Corporate Debtor with the prior approval of this Adjudicating Authority, as provided in sub-section (5) of section 33 of the Code.
- (ix) This liquidation order shall be deemed to be notice of discharge to the officers, employees, and workmen of the Corporate Debtor except to the extent that the business of the Corporate Debtor continued during the liquidation process by the Liquidator.
- (x) This Adjudicating Authority directs the Liquidator to issue a public announcement stating that the Corporate Debtor is in liquidation. The Liquidator will also serve a copy of this order to the various Government Departments such as Income Tax, GST, VAT, etc., who are likely to have any claim upon the

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Corporate Debtor so that the authorities concerned are informed of the liquidation order timely. The Liquidator will also provide a copy of this order to the trade unions/employee associations of the Corporate Debtor so that the workman/employees can also be informed of this liquidation order through their association.

- (xi) The Registry is directed to communicate this order to the concerned Registrar of the Companies, the registered office of the Corporate Debtor, the Resolution Professional, and the Liquidator by speed post as well as e-mail within one week from the date of this order, after completion of all the formalities.
- (xii) The Applicant is directed to hand over the relevant documents and control of the Corporate Debtor to the newly appointed liquidator forthwith.

8. Accordingly, **IA (IB) (Liq) No. 1/CB/2025** is **Allowed** and **Disposed off**.

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BANWARI LAL MEENA
MEMBER TECHNICAL

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DEEP CHANDRA JOSHI
MEMBER JUDICIAL