NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH
COURT NO.1

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH, BENGALURU, HELD ON 18.02.2020

CAUSE LIST - 2

PRESENT: 1. Hon'ble Member (J), **Shri Rajeswara Rao Vittanala**
2. Hon'ble Member (T), **Shri Ashutosh Chandra**

CP/CA No.	Purpose	Sec	Name of Petitioner	Petitioner Advocate	Name of Respondent	Respondent Advocate
CP(IB) No. 137/BB/2019	For hearing- IA 94/2020 - **CIRP**	Sec 7 of I&B code 2016	M/s India Renewable Energy Development Ltd	Sushant Kumar Dey	M/s Nobel Inspat & Energies Ltd	Shri Giridhari Lal Sharma, RP, Hemanth R, Advocate for RP

ADVOCATE FOR PETITIONER/s:

(GIRIDHARI LAL SHARMA)
RP

(HEMANTH R RAO) 8017421549
Adv for RP

ADVOCATE FOR RESPONDENT/s:

ORDER

Heard Mr. Hemanth R. Rao, learned counsel for Resolution Professional.

IA. No. 94/2020 is allowed by separate order.

Post the C.P on **13.03.2020**

MEMBER (T) **MEMBER (J)**

Brunda

IN THE NATIONAL COMPANY LAW TRIBUNAL
<u>BENGALURU BENCH</u>

I.A. No.94 of 2020 in
C.P. (IB) No.137/BB/2019
U/s 12(3) of IBC, 2016
R/w Regulation 15 of the NCLT Rules, 2016

IN THE MATTER OF:

Mr. Giridhar Lal Sharma,
Resolution Professional of
M/s. Nobel Ispat & Energies Ltd
Office at A/1, PC Plaza, Bomikhal,
Bhubaneshwar – 751 006 - Applicant /RP

Date of Order: 18th February, 2020

Coram: 1. Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
2. Hon'ble Shri Ashutosh Chandra, Member (Technical)

Parties/Counsels Present:

For the Applicant/RP : Mr. Hemanth R. Rao

ORDER

Per: Rajeswara Rao Vittanala, Member (J)

1. I.A. No. 94 of 2020 in C.P. (IB) No.137/BB/2019 is filed by Mr. Giridhar Lal Sharma, Resolution Professional of M/s. *Nobel Ispat & Energies Ltd* (hereinafter referred to as 'Applicant/Resolution Professional') U/s 12(3) of the IBC Code, 2016, read with Regulation 15 of the NCLT Rules, 2016 by inter alia seeking to extend the period of CIRP by 60 days beyond 180 days with effect from 22.02.2020.

2. Briefs facts of the case, as mentioned in Application, which are relevant to the issue in question, are as follows:

   (a) C.P (IB) No.137/BB/2019 filed by M/s. Indian Renewable Energy Development Agency Limited (Petitioner/Financial

Creditor) to initiate CIRP in respect of M/s. Nobel Ispat & Energies Limited (Respondent/Corporate Debtor), was admitted by the Adjudicating Authority, vide order dated 26.08.2019, by appointing Mr. Rajendra Prasad Tak as IRP, imposing moratorium etc. It is stated that the IRP has constituted the COC consisting of Canara Bank with a voting share of 83.15% and Indian Renewable Energy Development Agency Ltd., with a voting share of 16.85%.

(b) Subsequently, the COC decided to replace the IRP and appointed Mr. Giridhar Lal Sharma as the Resolution Professional of the Corporate Debtor by passing a resolution on 22.10.2019. Accordingly, the same was approved by the Adjudicating Authority on 27.11.2019. Due to unavoidable circumstances and resultant delay in appointment of a new RP, the CIRP process slowed down. Further, no progress in the CIRP process was made between the date COC passed a resolution for replacing the IRP on 22.10.2019 and the date on which Mr. Giridhar Lal Sharma appointment was approved by this Hon'ble Tribunal on 27.11.2019. Thus, almost 40 days have been lost in the said process due to various extraneous reasons.

(c) It is also stated that immediately upon appointment, he has visited unit of CD, held meeting with Financial Creditors, took over records from IRP, initiated steps for preparation of Information Memorandum, appointed valuers as required under the Code. Thereafter, prepared Expression of Interest and the same has been published in two daily newspapers on 04.01.2020. Thereafter RFRP documents were prepared which was approved by COC.

(d) It is stated that as per timelines released by RP in Form G in strict compliance of CIRP Regulation, RP has received EOI from 3 Prospective Resolution Applicants as given below:

1. M.S Agarwal Foundaries Pvt Ltd, Securenderbad-3
2. Radha Smeltors Pvt Ltd, Hyderabad -34
3. SLD Steels Pvt Ltd, Bellary – 583 104

(e) It is stated that these PRAs are eligible as per the eligibility conditions approved by COC as per the provisions of Sec 25(2)(h) of IBC. Further, as per Form G, the last date for receipt of Resolution Plan is 26th February, 2020 and the CIRP period is expiring on 5th March 2020 considering 05.09.2019 as the date of commencement of CIRP in place of 26th August, 2019. In the event that any of the Prospective Resolution Applicants submit a Resolution Plan, he requires at least 30 days to verify if the plan is in accordance with the Insolvency and Bankruptcy Code, 2016 and also to obtain the approval of the COC.

(f) It is stated that the COC considered the aforementioned factors in the 5th COC meeting held on 24.01.2020 passed a unanimous resolution approving to seek further extension of CIRP by another 60 days. Further, the COC is confident of completing the CIRP before the 330 days limit. It is contended that there will grave hardship and legal injury will be caused to the Corporate Debtor as well as its Creditors if the accompanying Application is not allowed as the Corporate Debtor will have to be liquidated. Therefore, during fifth meeting of the COC held on 24.01.2020, resolution to seek further extension of time is approved. In the meeting, the following resolution was duly approved. Hence, this Application is filed.

3. Heard Mr. Hemanth R. Rao, learned counsel for Resolution Professional. We have carefully perused the pleadings of the Party and extant provisions of the Code and the Rules made thereunder.

4. As narrated supra, the Resolution Professional is making every effort

to conclude the CIRP in question within stipulated time but due to circumstances as explained above, it is not possible to conclude the CIRP within a period of 180 days as stipulated under the Code. An appropriate Resolution was also passed unanimously by the COC Members in its Fifth meeting held on 24.01.2020 in favour of the extension of CIRP period by further 60 days. Therefore, we are satisfied with reasons cited by the Resolution Professional for seeking extension of time, and thus it is just and proper to extend a further period of 60 days beyond 180 days, which is going to expire on 22.02.2020.

5. In the result, I.A.No.94 of 2020 in C.P. (IB) No.137/BB/2019 is allowed with the following directions:

   (a) Hereby extended for a further period of 60 days beyond 180 days starting from 22nd February, 2020 till 22nd April, 2020 (Original period of 180 days will expire on 22nd February, 2020) in order to conclude the CIRP process in respect of Corporate Debtor as per Order dated 26th August, 2019 passed in C.P. (IB) No.137/BB/2019.

   (b) We further direct the Resolution Professional to take all expeditious steps to complete the CIRP within the extended period.

ASHUTOSH CHANDRA
MEMBER, TECHNICAL

RAJESWARA RAO VITTANALA
MEMBER, JUDICIAL

Brunda