Received on 19/08/2022

NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH AT MANGALAGIRI
*** *** ***

IA No. 136/2022
IN
CP (IB) No. 67/10/AMR/2021

Under Section 33(1) (a) of the Insolvency and Bankruptcy Code, 2016

In the matter of
M/s. K.P.R. INDUSTRIES (INDIA) LIMITED

Between:

Mr. Chinna Gurappa,
Resolution Professional of
M/s.K.P.R. Industries (India) Limited,
Flat No.E1, Plot No.45, Surya Residency,
Siddartha Nagar, Vengalrao Nagar Post,
Near ICICI Bank Limited,
Kalyan Nagar Branch,
Hyderabad - 500038.

... **Applicant/ Resolution Professional**

Date of Pronouncement of Order: 16.08.2022

CORAM:

Justice Telaprolu Rajani, Member Judicial

Appearance:

For Applicant: Mr.Chinna Gurappa, RP.

Per: Justice Telaprolu Rajani, Member Judicial

Sd/-

ORDER

1. This is an Application filed by the Resolution Professional under Section 33 (1) (a) of the Insolvency and Bankruptcy Code, 2016 (the Code) seeking orders for Liquidation of the Corporate Debtor i.e. **M/s.K.P.R. Industries (India) Limited** and for appointment of Mr. Chinna Gurappa, Resolution Professional as Liquidator.

2. The brief facts of the Application are that:

   I. The NCLT, Amaravati vide order dated 19.01.2022 admitted the Petition i.e., CP (IB) No.67/10/AMR/2021 under Section 10 of the Insolvency Bankruptcy Code, 2016 initiating Corporate Insolvency Resolution Process (CIRP) of **M/s.K.P.R. Industries (India) Limited** and appointed Mr. Chinna Gurappa, as the Interim Resolution Professional (IRP) and directed him to take charge of the Corporate Debtor and take necessary steps in furtherance of CIRP.

   II. The Applicant has issued Public Announcement on 02.04.2022, inviting EoI in Form G. But no EoI has been received.

   III. The Applicant has given notice stating that the 4th CoC meeting was scheduled to be held on 02.05.2022, but it could

Sd/-

not be completed as there is technical problem and it was adjourned to 06.05.2022.

IV. In the 4th CoC meeting held on 06.05.2022, the Applicant informed to the CoC about the non-receipt of EoI and discussed about initiation of liquidation. The CoC approved the resolution made by the Applicant with 94.86% voting.

3. Hence the Applicant came up with this application and prayed to appoint him as Liquidator.

4. From the above, it would appear that despite all possible steps as required under the Code, taken during the CIRP, the CoC did not receive any viable proposal for revival of the Company.

ORDER

5. Heard. In view of the facts stated in the Application, this Tribunal allows the Application with the following directions.

   a) **Mr.Chinna Gurappa,** (Registration No. **IBBI/IPA-003/ICAI-N-00261/2020-2021/13035**), having office at Flat No.E1, Plot No.45, Surya Residency, Siddartha Nagar, Vengalrao Nagar Post, Near ICICI Bank Limited, Kalyan Nagar Branch, Hyderabad, Telangana - 500038, E-mail ID:**c_gurappa@rediffmail.com**, Mobile No.**9912171234** is

Sd/-

appointed as the Liquidator. No disciplinary proceeding is pending against him as per the IBBI website.

b) He shall issue public announcement stating that Corporate Debtor is in Liquidation.

c) The Moratorium declared under Section 14 of the IBC, 2016 shall cease to operate here from.

d) Subject to section 52 of the IBC 2016 no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. This shall however 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.

e) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.

f) The liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.

sd/-

g) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.

h) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.

i) This Order 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.

j) Copy of the Order shall be furnished to the IBBI, to the Regional Director (South Eastern Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Andhra Pradesh, the Registered Office of the Corporate Debtor; and the Liquidator.

6. With the above directions I.A.No.136/2022 in CP (IB) No.67/10/AMR/2021 is disposed of. Hen[illegible]er.

Sd/-

JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL

Swamy Naidu

NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH
(Video Conference)
PRESENT: JUSTICE TELAPROLU RAJANI – MEMBER JUDICIAL
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 16.08.2022 AT 10.30 AM

TC/CP. Nos.	CA/IA No.	Section/ Rule	Name of Parties
CP(IB)No.67/10/AMR/2021	IA(IBC)/136/2022, IA(IBC)/147/2022	33(1)(a) of IBC	Chinna Guruppa (RP of KPR Industries (India) Limited

Counsel for Petitioner(s):

Ries

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

Counsel for Respondent(s):

Ries

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature

ORDER

IA(IBC)/136/2022 is allowed, vide separate orders.

IA(IBC)/147/2022:

This Application is filed seeking to restrain the Respondent/Resolution Professional from considering the Fixed Deposit worth Rs.3,21,32,368/- owned by the Applicant, lying in the name of the Corporate Debtor with its Banker, Bank of India as an asset of the Corporate Debtor either in the Information Memorandum/CIRP Proceedings/Liquidation Proceedings and from alienating, creating any third party interest in the Fixed Deposit.

The Counsel for the Petitioner submits that this Fixed deposit has been transferred to the name of the Applicant and the same is evidenced by virtue of Business Transfer Agreement dated 18.02.2019 between Grasim Industries Limited i.e., the Applicant herein and K.P.R Industries (India) Limited i.e., Corporate Debtor. The same is also effected and the same is evidenced by the letter dated 18.02.2019 and 09.05.2019, wherein it is mentioned that the Fixed Deposit has already been transferred to the Grasim Industries Limited i.e., Applicant. In the counter filed by the Respondent it is categorically admitted that the referred asset Fixed Deposit with the Bank of India, Large Corporate Branch, AC Guards, Hyderabad has been transferred legally to the Applicant vide BTA. It is also stated that the Bank of India vide a letter dated 16.09.2019 wrote by confirming that the Bank will transfer the Fixed Deposit once the Bank Guarantees are closed or BGs outstanding to be covered by other BGs. It is further stated that the same would evidence clearly that the Fixed Deposits are legally transferred to the Applicant subject to the procedural aspects. The amounts referred in BG/Deposit with bank has been considered under CIRP of the Corporate Debtor and clearly excluded. Hence, due to the said part of the counter, there remains no issue before this Tribunal. The only contention of the Counsel for the Applicant is that the same is not communicated to the Applicant. However, since it is being recorded in this particular application, there need not be any further communication to the Applicant and the prayer as made by the Applicant already stands complied with by exclusion of the Fixed Deposit from the CIRP. Hence, recording the same, the Application is closed.

Sd/-
JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL