

**IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, CHENNAI**

MA/613/2019 in CP/1185/IB/2018
filed under Section 54 of the Insolvency
and Bankruptcy Code, 2016

In the matter of *M/s. United Steels And Structural Private Limited*

Mr. B. Hariharan,
IRP of *M/s. United Steels And Structural Private Limited*
... Applicant

Order delivered on 2nd of August, 2019

CORAM :

**CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)
ANIL KUMAR B, MEMBER (TECHNICAL)**

For Applicant : *Mr. S. Kannan, Counsel*
Mr. B. Hariharan, IRP in person

ORDER

CH. MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)

1. Under Adjudication is MA/613/2019 in CP/1185/IB/2018 that has been filed by the Interim Resolution Professional under Section 54 of the Insolvency & Bankruptcy Code 2016.

2. The Interim Resolution Professional in the Application has prayed as follows:

- a. Order the dissolution of the Corporate Debtor.*
- b. Order Interim Resolution Professional be relieved of his role as Interim Resolution Professional / Resolution Professional of the Corporate Debtor.*
- c. Pass such other orders/directions as this Hon'ble Tribunal may deem fit and proper in the facts and circumstances of the case.*

3. Originally, CP/1185/IB/2018 was filed by the Operational Creditor viz., M/s. Shah & Shah Steels under Section 9 of the I&B Code, 2016 against Corporate Debtor viz., M/s. United Steel and Structural Private Limited. The Application was admitted on 20.02.2019 whereby the Corporate Insolvency Resolution Process (CIRP) was initiated against the Corporate Debtor, moratorium was declared and thereafter the Applicant viz. Mr. B. Hariharan was appointed as IRP.

4. It is stated that immediately after receipt of the Order, the Applicant had issued the Newspaper Publication one in English and another in vernacular on 28.02.2019 as per Regulation 6 (1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Debtor) Regulations, 2016, inviting the claims from the Creditors. Pursuant to which the Applicant has received two claims. Thereafter, the Applicant has constituted the CoC on 15.03.2019 and in the 1st Meeting of CoC held on 22.03.2019, in which the claims of the Operational Creditors were approved.

5. It is stated by the Applicant that upon verifying the charges status of the Corporate Debtor, it was found that M/s. Reliance Asset Reconstruction Company Limited and M/s. Religare Finvest Limited were holding charges of movable and immovable properties and the same was closed. It is further stated that the Applicant visited the factory on 01.03.2019 and upon enquiry, it was found that the factory was acquired by a Company viz., M/s.

Press Mach Engineers Private Limited. It was also informed that no employees of the Corporate Debtor are employed in the Company that acquired the assets. On 04.03.2019, the Applicant has sent an email communication to one of the Directors of the Corporate Debtor informing the CIR Process and on the same date, a letter was also sent to M/s. Press Mach Engineers Private Limited, seeking details of such takeover and the copy of the said letter was marked to M/s. Reliance Asset Reconstruction Company Limited, M/s. Religare Finvest Limited and State Bank of India, to which the Applicant has received the reply from M/s. Press Mach Engineers Private Limited stating that it has taken the factory on lease from one M/s. Trident Forge and Coats, who is the owner of the property.

6. It is averred that on 07.03.2019, the Applicant visited the office of the Auditor of the Corporate Debtor and obtained financial papers relating to the financial years 2015-16, 2016-17 and 2017-18. Pursuant to

which, letters were sent to the debtors of the Corporate Debtor to which the Applicant received a claim in Form B from the Operational Creditor viz., M/s. Shah and Shah Steels, Chennai. Thereafter, the Applicant visited Bank of Baroda and also Kotak Mahindra Bank. The Officer of Kotak Mahindra Bank has stated that the account is in dormant status since 2014.

7. It is further stated by the Applicant that one of the Directors informed that no records are available, as Registered Office was demolished by the Corporation of Chennai on account of deviations with building plan and all the assets of the Company were auctioned during November, 2017. In the meanwhile, the Operational Creditor has sent an e-mail communication dated 12.04.2019 to the Applicant stating that it wanted to withdraw from CIR Process.

8. In the 3rd meeting of the CoC held on 24.04.2019, the agenda for withdrawal by Operational Creditor from

CIR Process was placed and the CoC could not make a decision as to whether to treat the Corporate Debtor as a 'going concern' and also on the appointment of Resolution Professional. On 03.05.2019, the Operational Creditor submitted Form FA for withdrawal of the 'admitted application' and has also paid the CIR Process costs of Rs.63,122/-.

9. In the 4th meeting of CoC held on 28.05.2019, approval of the Application in Form FA was placed for deliberations and the same was approved with 100% voting. It is stated by the Applicant that entire CIR Process costs stands recovered as on the date of filing of this Application.

10. It is stated by the Applicant that the M/s. Reliance Asset Reconstruction has issued No Dues Certificate on 30.11.2017 which confirms that the assets of the Corporate Debtor were acquired by it vide assignment agreement dated 31.03.2017. It is also stated by the

Applicant that as per the details furnished by the accountant of the Corporate Debtor, the Corporate Debtor has taken a loan from State Bank of India (SBI) and the account has been classified as NPA and the SBI had transferred the loan to ARC and the said asset was sold by ARC to M/s. Trident Forge and Coates on 23.11.2017 and the documents were submitted to Indian Bank by the transferee subsequently.

11. In view of the above and the other details such as there are no assets available for sale, this Authority in exercise of the powers conferred under Sub-section (2) of Section 54 of the I&B Code, 2016, hereby orders the dissolution of the Corporate Debtor, viz., *M/s. United Steels and Structural Private Limited* from the date of this Order, and the Corporate Debtor stands dissolved. Consequently, the Resolution Professional stands relieved.



12. The Resolution Professional and the Registry are directed to send the copy of this order within 7 days from the date of pronouncement to the RoC with which the Corporate Debtor is registered.

13. In terms of the above, the Application stands disposed of.

14. Order is pronounced in open court.

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ANIL KUMAR B
MEMBER (TECHNICAL)

-SD-
CH. MOHD. SHARIEF TARIQ
MEMBER (JUDICIAL)

P.ATHISTAMANI