

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH-1, HYDERABAD**

IA.No. 225/2021

in

CP (IB) No. 319/7/HDB/2020

(Application u/s.33(2) r/w Section 34 of I & B Code, 2016)

G. Madhusudan Rao  
Interim Resolution Professional of  
M/s. Hindustan Ispat Private Limited  
H.No.7-1-285, Flat No.103  
Sri Sai Swapna Sampada Apartments  
Balkampet, S.R.Nagar  
Hyderabad – 500 038

... Applicant / Interim Resolution Professional

**In the matter of:**

Bollina Uma Devi  
W/o. BSVS Dharmavatar  
Flat No.H2, Trendset Vantage, Road No.14  
Banjara Hills  
Hyderabad – 500 038

... Financial Creditor

**Vs.**

M/s. Hindusthan Ispat Private Limited  
Registered Office situated at  
8-3-167/A/39, Flat No.GA, Vijaya Sri Enclave  
Plot No.39, Vikaspuri Colony  
Hyderabad, Telangana State

...Corporate Debtor

**Date of Order: 01.10.2021**

**Coram:**

Hon'ble Shri. Madan B. Gosavi, Member (Judicial)  
Hon'ble Shri Veera Brahma Rao Arekapudi, Member (Technical)

**Parties / Counsels present:**

For the Applicant : Mr. G. Madhusudhan Rao, IRP

**Heard on:** 23.06.2021, 11.08.2021, 23.09.2021

*Abh...*

*[Signature]*



[ Per: Bench ]

**ORDER**

1. This is an Application filed by the Interim Resolution Professional under Section 33 (2) and 34 of the Insolvency and Bankruptcy Code, 2016 ("I&B Code, 2016") seeking orders for liquidation of **M/s Hindusthan Ispat Private Limited / Corporate Debtor**.
2. This Adjudicating Authority, vide Order dated 23.02.2021 admitted the Company Petition CP (IB) No. 319/7/HDB/2020 filed under Section 7 of I&B Code, 2016 initiating the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor and appointed Mr. G. Madhusudhan Rao as Interim Resolution Professional (IRP).
3. On assuming charge as IRP, the IRP issued public announcement on 02.03.2021 intimating the commencement of CIRP against the Corporate Debtor and calling the creditors to submit their claims. The claim submitted by Ms. Bollina Uma Devi, who is the sole creditor, was verified and the same was intimated to the Adjudicating Authority on 17.03.2021.
4. The Committee of Creditors (COC) at their 1<sup>st</sup> meeting held on 22.03.2021 decided to replace the IRP with Resolution Professional (RP) and appointed Mrs. Mummaneni Vazra Laxmi with 100% voting share and filed IA 163/2021 before the Adjudicating Authority intimating the appointment of RP, which is pending for adjudication.
5. The provisions of Regulation 17(3) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 states that –



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*“Where the appointment of Resolution Professional is delayed, the Interim Resolution Professional shall perform the functions of the Resolution Professional from the fortieth day of the insolvency commencement date till a Resolution Professional is appointed under Section 22”.*

6. The Committee of Creditors (COC) at their 2<sup>nd</sup> meeting held on 28.04.2021 with 100% voting share decided to Liquidate the Corporate Debtor as there is no chance of reviving the Corporate Debtor and also appointed Mrs. Mummaneni Vazra Laxmi as Liquidator. The proposed Liquidator has given her consent to act as Liquidator of the Corporate Debtor.
4. We have heard the Learned RP / Applicant herein in the matter and gone through the records submitted before us. During the hearing, the Applicant submitted that there are no immovable assets or even no Plant and Machinery available and the possibility of Debtors recoverability generally is very low even to cover the IRP fee, Public Announcement Expenses, Valuers Fee and other expenses. Therefore, in the 2<sup>nd</sup> COC meeting held on 28.04.2021, the COC decided to Liquidate the Corporate Debtor with 100% voting.
5. This Adjudicating Authority has no reason before it to take a contrary view in terms of Section 33 (1) (a) of the Code. Therefore, we have no option than to pass an Order for Liquidation of the Corporate Debtor in the manner laid down in Chapter-III of the Code.

**ORDER**

6. The Application is accordingly allowed with the following directions:
- i. M/s. Hindusthan Ispat Private Limited / Corporate Debtor shall be liquidated in the manner laid down in Chapter-III of the Code;



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- ii. Mrs. Mummaneni Vazra Laxmi is appointed as Liquidator. She shall issue Public Announcement stating that the Corporate Debtor is in liquidation;
- iii. The Moratorium declared under Section 14 of I&B Code shall cease to operate here from;
- iv. Subject to Section 52 of I&B Code, 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;
- v. 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;
- vi. The Liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the I&B Code, 2016 r/w Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016;
- vii. Personnel connected with the Corporate Debtor shall extend all assistance and co-operation to the Liquidator as would be required for managing its affairs;
- viii. The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34(8) of the Code;
- ix. 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;



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- x. Copy of the Order shall be furnished to IBBI, Regional Director, Ministry of Corporate Affairs, Registrar of Companies, Official Liquidator, Hyderabad, Registered Office of the Corporate Debtor and the Liquidator.



*Veera Brahma Rao Arekapudi*  
**VEERA BRAHMA RAO AREKAPUDI**  
**MEMBER (TECHNICAL)**

*Madan B. Gosavi*  
**MADAN B. GOSAVI**  
**MEMBER (JUDICIAL)**

Syamala

*K. Sanjiv*

Deputy Registrar / Assistant Registrar / Court Officer  
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रति  
CERTIFIED TRUE COPY  
केस संख्या  
CASE NUMBER... (CIB) No. 319/7/HDB/2020.  
निर्णय का तिथि  
DATE OF JUDGEMENT... 1/10/2021  
प्रति किया गया तारीख  
COPY MADE READY ON... 5/10/2021