

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD**

SPECIAL BENCH - COURT 1 (VEDIO CONFERENCE)

PRESENT: HON'BLE SHRI BHASKARA PANTULA MOHAN – MEMBER JUDICIAL

HON'BLE SHRI VEERA BRAHMA RAO AREKAPUDI - MEMBER TECHNICAL

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 26.04.2021 AT 10:30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA (IBC) No. 111/2021 in CP (IB) No. 229/7/HDB/2020
NAME OF THE COMPANY	Tradeinox Industries Ltd
NAME OF THE PETITIONER(S)	Infinite Metal Products India Ltd
NAME OF THE RESPONDENT(S)	Tradeinox Industries Ltd
UNDER SECTION	7 of IBC

Counsel for Petitioner(s):

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


Counsel for Respondent(s):

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

ORDER

Orders passed vide separate orders in IA NO.111/2021


Member(Technical)


Member(Judicial)

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

IA No. 111 of 2021
In
CP (IB) No. 229/7/HDB/2020

Application under Section 33 (1)(a) of IBC, 2016

In the matter of **M/s Tradeinox Industries Limited**

Filed by

CA S. Prabhu
Resolution Professional
M/s Tradeinox Industries Limited
M/s SPP & Co, Chartered Accountants
No. 27/9, Nivedh Vikas, Pankaja Mill Road
Puliyakulam, Coimbatore - 641045

...Applicant/
Resolution Professional

Date of order: 26.04.2021

Coram

Hon'ble Shri Bhaskara Pantula Mohan, Member (Judicial)
Hon'ble Shri Veera Brahma Rao Arekapudi, Member (Technical)

Appearance

For Applicant: Shri Mayur Mundra, Advocate

Heard on: 17.03.2021

**PER: SHRI BHASKARA PANTULA MOHAN
MEMBER (JUDICIAL)**

1. This is an Application by the Resolution Professional under Section 33 (1)(a) of the Insolvency and Bankruptcy Code, 2016 (herein after referred to as CODE) seeking orders for liquidation of M/s Tradeinox Industries Limited/ Corporate Debtor.
2. This Tribunal vide order dated 13.01.2021 admitted the petition bearing CP (IB) No. 229/7/HDB/2020 under Section 7 of the

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Code initiating Corporate Insolvency Resolution Process (CIRP) of the Company. Shri S. Prabhu, the Applicant herein is appointed as Interim Resolution Professional. The CoC in its 1st meeting held on 18.02.2021 unanimously decided to proceed with the Liquidation process since the Company was not operating for more than 3 years and has no fixed assets and resolved to seek liquidation of the Corporate debtor and to appoint the Applicant herein as Liquidator of the Corporate Debtor.

3. We have heard the Applicant in the matter. The Hon'ble Apex Court in K. Sashidhar vs. Indian Overseas Bank and Ors (2019) 148 LA 497 (SC) inter-alia held that,

“The Adjudicating Authority (NCLT) is not expected to do anything more; but is obligated to initiate liquidation process under Section 33 (1) of I&B Code. The legislature has not endowed the adjudicating authority (NCLT) with the jurisdiction or authority to analyse or evaluate the commercial decision of the CoC much less to enquire into the justness of the rejection of the resolution plan by the dissenting financial creditors”.

4. From the above, it would appear that the CoC in its first meeting itself resolved in favour of the liquidation of the Company. This 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 Company in the manner laid down in Chapter-III of the Code. The Applicant has assented to act as Liquidator for the Company and furnished his written consent as required under Section 34 of the Code.

ORDER

5. The Application is accordingly allowed with the following directions:-
- (a) The Corporate Debtor i.e **M/s Tradeinox Industries Limited** shall be liquidated in the manner laid down in Chapter-III of the Code.
 - (b) Mr.S.Prabhu having IBBI Registration No. IBBI/IPA-001/IP-P01275/2018-19/11948 is appointed as Liquidator for conducting liquidation of the Corporate Debtor.
 - (c) He shall issue public announcement stating that the Corporate Debtor is in liquidation.
 - (d) The Moratorium declared under Section 14 of the code shall cease to operate here from.
 - (e) Subject to Section 52 of the Code, 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.
 - (f) 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.
 - (g) 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 & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
 - (h) Personnel connected with the Corporate Debtor shall extend all assistance and co-operation to the Liquidator as would be required for managing its affairs.
 - (i) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
 - (j) 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.

- (k) Copy of the order shall be furnished to IBBI, to the Regional Director, Ministry of Corporate Affairs, Registrar of Companies & Official Liquidator, Hyderabad, the Registered Office of the Corporate Debtor and the Liquidator.

(VEERA BRAHMA RAO AREKAPUDI)
MEMBER (TECHNICAL)

(BHASKARA PANTULA MOHAN)
MEMBER (JUDICIAL)

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