IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD

IA No.193/2021
In
CP(IB)No.504/10/HDB/2018

In the matter of

M/s. HANDUM INDUSTRIES LIMITED
Survey No.296/7/7, 8 & 11,
Sheribollarum, Jinnarm Mandal,
Medak District, Telangana.
(Rep. by Shri Ramachander Rao Bikumalla, Resolution Professional)

...Applicant/Corporate Debtor

Order pronounced on: 11.06.2021

Coram: Madan B. Gosavi, Member Judicial.
Dr. Binod Kumar Sinha, Member Technical.

Parties/ Counsels Present:-

Mr. Shri Ramachander Rao Bikumalla, RP

[Per Bench]

ORDER

1. The present Application bearing IA No.193/2021 in CP(IB)No.504/10/HDB/2018 is filed by Resolution Professional of Applicant Company i.e., M/s Handum Industries Limited, U/s.33(1)(a)(i) to (iii), 34(1), (2), (3) and (8) & (9) R/w section 60(5) of the IBC, 2016 and Rule 32 and Rule 11 of the NCLT Rules, 2016 seeking orders for liquidation of the Corporate Debtor i.e., Handum Industries Limited and to

appoint Resolution Professional/Applicant herein to act as Liquidator.

2. That on an Application filed by the Corporate Debtor (CD), against itself under Sec.10 of the Insolvency and Bankruptcy Code, 2016, this Adjudicating Authority has initiated Corporate Insolvency Resolution Process (CIRP) vide its order dated 04-03-2020 in CP(IB) No.504/10/HDB/2018.
3. The applicant/IRP has carried out the publication on 12-03-2020 inviting claims to be submitted by 24-03-2020 and the first COC meeting was held on 3.10.2020 and the meeting was adjourned without passing any resolution. That the COC has taken a decision to appoint IRP as RP only at their second COC meeting held on 17.11.2020.
4. The applicant has received interest from two prospective resolution applicants and the Resolution Professional has finalized provisional list of Prospective Resolution applicants on 15.12.2020.
5. The RP has received only one Resolution application from M/s Kamini Metallic Private Limited within the due date i.e., on 19.01.2021.
6. That after due deliberations at the 5th COC Meeting held on 25.02.2021, to approve the Resolution plan, the Resolution Plan was put before the CoC meeting for E Voting. The Result of E-Voting with regard to the approval of the Resolution plan is as under:-

Voting Result

% of votes casted in favour of the Resolution	% of votes casted against the Resolution + % of Votes Abstained	Voting Result Resolution – B1
07.32%	92.68% (78.00 + 13.69)	RESOLUTION NOT PASSED

7. That as the requisite percentage of 66% of voting share of COC has not been casted in favour the resolution plan, the resolution plan thus stood declared as rejected by COC. Therefore, the applicant herein has moved this application under Section 33(1)(a)(i) to (iii) read with Section 34(1), (2), (3) & (8) & (9) of the IBC, 2016 seeking orders for liquidating the Corporate Debtor.

8. Heard. Perused the record.

9. In view of the facts and circumstances as recorded by RP in IA No. 193 of 2021 filed in CP(IB) No. 504/10/HDB/2018, this Adjudicating Authority did not receive any Resolution Plan under Sub-Section (6) of Section 30 of the I&B Code, 2016. Thus this Adjudicating Authority deems it proper to allow the Application bearing IA No. 193/2021 as prayed for. Accordingly, in exercise of powers conferred under Sub-Clauses (i), (ii) and (iii) of Clause (b) of Sub-Section (1) of Section 33 of the I&B Code, 2016, we proceed to pass Order as follows:—

   (i) This Adjudicating Authority hereby order for Liquidation of M/s. Handum Industries Limited, which shall be conducted in the manner as laid down in Chapter III of part II of the I&B Code, 2016;

(ii) This Adjudicating Authority hereby appoint Shri Ramachander Rao Bikumalla, who has given his consent dated 25.02.2021 to act as Liquidator in the present case. He is directed to file his Authorisation for Assignment (AoA) within three days from receipt of copy of this order. He shall issue a public announcement stating therein that the Corporate Debtor is in Liquidation;

(iii) The moratorium declared under Section 14 of the I&B Code, 2016, shall cease to have effect from the date of the order of Liquidation;

(iv) Subject to Section 52 of the I&B Code, 2016, no suit or other legal proceedings shall be instituted by/or against the Corporate Debtor. However, a suit and other legal proceedings may be instituted by the Liquidator, on behalf of the Corporate Debtor, with the prior approval of this Authority.

(v) We make it clear that para (iv) hereinabove shall not apply to legal proceedings in relation to such transactions as notified by the Central Government in consultation with any financial sector regulator.

(vi) 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.

(vii) All the powers of the Board of Directors, Key Managerial Personnel and the Partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested in the Company Liquidator viz., Shri Ramachander Rao Bikumalla. In addition to this, the Company Liquidator shall exercise the powers and duties as enumerated in Sections 35 to 50, 52 to 54 of the I&B Code, 2016, r/w Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

(viii) The personnel of the Corporate Debtor shall extend all assistance and co-operation to the Company Liquidator as may be required by him in managing the affairs of the Corporate Debtor.

(ix) The Liquidator shall keep in view the provisions of Regulation 32A of Insolvency and Bankruptcy Board Of India (Liquidation Process) Regulations, 2016 and shall endeavour to first sell the Corporate Debtor or its business as going concern. However, if he is unable to sell the Corporate Debtor or its business within 90 days from liquidation commencement date, Liquidator shall proceed to sell the assets of the Corporate Debtor under clauses (a) to (d) of Regulation 32 of Insolvency and Bankruptcy Board Of India (Liquidation Process) Regulations, 2016.

(x) The Company Liquidator shall be entitled to charge such fee for conducting the Liquidation proceedings in such a proportion to the value of the Liquidation estate assets as specified by the Board under Regulation 4(3) of IBBI

(Liquidation Process) Regulations, 2016. Accordingly, the fees for conducting the Liquidation proceedings shall be paid to the Company Liquidator from the proceeds of the Liquidation estate.

(xi) Copy of this Order shall be sent to the concerned Registrar of Companies, RD, OL, Registered Office of the Corporate Debtor and Company Liquidator viz., Shri Ramachander Rao Bikumalla, for information and compliance.

(xii) Registry is directed to furnish a copy of this order to IBBI for confirmation of appointment of Liquidator.

10. Accordingly, Application bearing IA No. 193/2021 stands disposed off. Pending Applications, if any, shall stand closed.

DR. BINOD KUMAR SINHA
MEMBER TECHNICAL

MADAN B. GOSAVI
MEMBER JUDICIAL

राष्ट्रीय कम्पनी विधि अधिकरण
National Company Law Tribunal
हैदराबाद न्यायपीठ
Hyderabad Bench

...uty Registrar / Assistant Registrar / Court Officer
...tional Company Law Tribunal, Hyderabad Bench
15/06/21

प्रमाणित प्रति
CERTIFIED TRUE COPY
केस संख्या
CASE NUMBER CP(IB)No:504/10/HDB/2018
निर्णय का तारीख
DATE OF JUDGEMENT 11/6/2021
प्रति तैयार किया गया तारीख
COPY MADE READY ON 15/6/2021