

**NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH**  
**COURT III**

7. I.A. 2215/2022

IN

C.P.(IB)-4182(MB)/2018

CORAM: SHRI. H.V. SUBBA RAO, MEMBER (J)  
SMT. ANURADHA SANJAY BHATIA, MEMBER (T)

ORDER SHEET OF THE HEARING OF MUMBAI BENCH OF THE NATIONAL  
COMPANY LAW TRIBUNAL ON **22.08.2022**

NAME OF THE PARTIES: Union Bank of India

V/s

Indian Transformers Co. Ltd.

SECTION 9 OF INSOLVENCY AND BANKRUPTCY CODE, 2016

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**ORDER**

Ms. Bindu Bhatia, counsel appearing for the Applicant/RP along with RP  
Mr. Ankur Kumar, are present through virtual hearing.

**I.A. 2215/2022**

The above Interlocutory Application is filed by RP for Liquidation of the  
Corporate Debtor.

Heard the argument of counsel appearing for the RP and the above  
Interlocutory Application is **allowed. Detail order follow:**

Sd/-

ANURADHA SANJAY BHATIA  
Member (Technical)

Sd/-

H.V. SUBBA RAO  
Member (Judicial)

SKS

**Certified True Copy**  
Copy Issued "Free of cost"  
On 5/9/2022

*A.R.S. Sonawane*  
Deputy Registrar 5/9/2022

National Company Law Tribunal Mumbai Bench  
Government of India



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH  
COURT III

I.A. 2215 OF 2022

IN

CP (IB) – 4182/IBC/MB/2018

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

Filed by

**Mr. Ankur Kumar**

Resolution Professional for:

Indian Transformers Co. Ltd.

**...Applicant**

In the matter of

**Union Bank of India**

**...Financial Creditor**

Versus

**Indian Transformers Co. Ltd.**

**...Corporate Debtor**

**Order delivered on: 22.08.2022**

**Coram:**

Hon'ble Shri H.V. Subba Rao, Member (Judicial)

Hon'ble Smt. Anuradha Sanjay Bhatia, Member (Technical)

**Appearance:**

For the Applicant: Ms. Bindu Bhatia, Advocate a/w Mr. Ankur  
Kumar, Resolution Professional

1. The above application I.A. No. 2215/2022 is filed by Resolution Professional, Mr. Ankur Kumar (hereinafter referred to as the "Applicant") seeking liquidation of Indian Transformers Co. Ltd.



(hereinafter referred to as the “Corporate Debtor”) under Section 33 (1) of the Insolvency and Bankruptcy Code, 2016 (hereinafter called as “the Code”), praying for following reliefs:

- a. Allow the instant Application;
- b. Pass necessary orders to initiate liquidation proceedings against the Corporate Debtor in terms of section 33 (1) of the Code;
- c. To appoint the Applicant herein to act as the Liquidator of the Corporate Debtor as required under section 34 of the Code;
- d. Pass any other/further order as this Hon’ble NCLT may deem fit and proper.

2. The brief facts of the application are as follows:

- A. The Applicant mentions that this Tribunal vide its order dated 17.09.2021 in Company Petition No. 4182/IBC/MB/2018 admitted the petition under Section 7 of the Code, filed by Union Bank of India (hereinafter referred to as the “Financial Creditor”) and Corporate Insolvency Resolution Process (hereinafter referred to as the “CIRP”) was initiated against the Corporate Debtor. The Applicant was appointed as the Interim Resolution Professional of the Corporate Debtor by this Tribunal.
- B. It is further stated by the IRP that on 05.10.2021 a public announcement was made inviting claims from the Creditors of the Corporate Debtor in two newspapers at Mumbai i.e., in Financial Express (English) and Pratahkal (Marathi) for the attention of the Creditors of the Corporate Debtor.
- C. On 03.11.2021, the 1<sup>st</sup> meeting of the Committee of Creditors (hereinafter referred to as the “CoC”) took place wherein the



Applicant was appointed as the RP of the Corporate Debtor by the CoC.

- D. On 18.12.2021, in the 3<sup>rd</sup> CoC meeting, the CoC approved the invitation of Expression of Interest (hereinafter referred to as the “EoI”). The Form-G was published in two newspapers i.e. Business Line (English Newspaper) and Pratahkal (Marathi Newspaper) in Mumbai Edition on 25.12.2021. The last date of submission of EoI was 15.01.2022 which was further extended to 07.02.2022.
- E. The Applicant further states that one Resolution plan was received from Mahati Industries Private Limited (hereinafter referred to as the “PRA”), the Applicant informed the CoC that even after number of negotiations with the PRA the revised value offered was still substantially low considering the fair value and liquidation value of the assets of the Corporate Debtor.
- F. In the 10<sup>th</sup> CoC dated 27.06.2022 the CoC discussed as follows:

**RESOLUTION NO. 1**

**“RESOLVED THAT in accordance with the Insolvency and Bankruptcy Code, 2016 read with the regulation made thereunder for the time being in force, the Committee of Creditors hereby rejects the Resolution Plan submitted by Mahati Industries Private Limited for the Indian Transformers Company Limited, submitted with the Resolution Professional on 22<sup>nd</sup> March 2022 including revision made thereto.”**

**RESOLUTION NO. 2**

**“RESOLVED THAT in accordance with Section 33 of the Insolvency and Bankruptcy Code, 2016 read with regulations made thereunder for the time being in force,**



**the Committee of Creditors hereby approves the liquidation of Indian Transformers Company Limited, subject to the approval of Hon'ble National Company Law Tribunal, Mumbai, as the resolution plan submitted by the Mahati Industries Private Limited on 22<sup>nd</sup> March, 2022 including revision made thereto is rejected by the CoC and the maximum period (180 plus 90 days) permitted for completion of the corporate insolvency resolution process will end on 1<sup>st</sup> July, 2022;**

**RESOLVED FURTHER THAT Mr. Ankur Kumar, Resolution Professional is be and hereby authorized filed the necessary application with the Hon'ble National Company Law Tribunal, Mumbai and to do all such acts, deeds, matters and things as it may, in his absolute discretion deem necessary, expedient, usual or proper and to settle any question or difficulty that may arise with regard to the aforesaid resolution or any other matter incidental or consequential thereto and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution.”**

**RESOLUTION NO. 3**

**“RESOLVED THAT in accordance with Section 34 of the Insolvency and Bankruptcy Code, 2016 and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, the Committee of Creditors (“CoC”) hereby appoints Mr, Ankur Kumar, Insolvency Professional, having Registration No. IBBI/IPA-002/IP-00113/2017-2018/10283, subject to the consent of Mr. Ankur Kumar, to act as Liquidator of Indian Transformers Company Limited (“CD”) for a professional**



**fee as mutually decided between the committee and Mr. Ankur Kumar.**

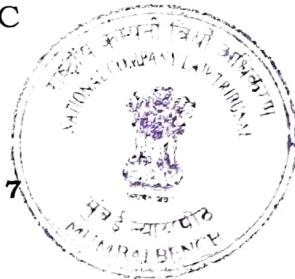
**RESOLVED FURTHER THAT in accordance with Regulation 39 B of the estimated liquidation cost to be incurred in the process of liquidation will be as under:**

| Sr. No. | Particulars   | Amount  |
|---------|---|---|
| 1.      | Fees of the liquidator  | As per regulation 4 of liquidation regulations* |
| 2.      | Fees of other professional (valuer, accountant, lawyer, etc.) | 3,00,000.00                                     |
| 3.      | Costs for publications  | 75,000.00                                       |
| 4.      | Cost for e-auction or private sale                            | 1,50,000.00                                     |
| 5.      | Security guards expenses (6 months)                           | 3,00,000.00                                     |
| 6.      | Miscellaneous Expenses (Travel, Printing Stationery etc.)     | 50,000.00                                       |

\* *Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016*

**and the CoC will in consultation with RP, determine the above costs and difference if any in estimated liquidation cost and the liquidation value of CD shall be borne by CoC in proportion to their voting share.”**

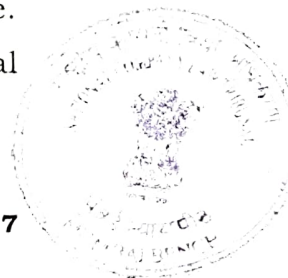
3. After hearing the submissions made by the Counsel appearing for the Applicant and upon perusing the material available on record, it is observed from the minutes of the 10<sup>th</sup> CoC meeting that the CoC



unanimously rejected the Resolution Plan submitted by the PRA and decided to liquidate the Corporate Debtor as a going concern for the first attempt and if it fails, then sale by other methods should be tried. The CoC has appointed the Applicant as Liquidator to carry on the process of Liquidation of the Corporate Debtor. The Applicant has agreed to act as Liquidator to carry on the process of Liquidation and given his consent to act as Liquidator. This bench, therefore allows the above Interlocutory Application Number 2215 of 2022 and passed the following:

**ORDER**

1. The above I.A. No. 2215/2022 is allowed and the Corporate Debtor Indian Transformers Co. Ltd. is ordered to be liquidated as a going concern for the first attempt and if it fails, then sale by other methods should be tried.
  - a. **Mr. Ankur Kumar**, having Registration No. IBBI/IPA-002/IP-N00113/2017-2018/10283, having office at: Office No. 18, 10<sup>th</sup> Floor, Pinnacle Corporate Park, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051, is hereby appointed as the Liquidator as provided under Section 34(1) of the Code.
  - b. That the Liquidator for conduct of the liquidation proceedings would be entitled to the fees as provided in Regulation 4 of the IBBI (Liquidation Process Regulations), 2016.
  - c. The Liquidator appointed in this case to initiate liquidation process as envisaged under Chapter-III of the Code by following the liquidation process given in the Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
  - d. The Liquidator appointed under section 34(1) of the Code. All 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 with the liquidator.

- e. That the Corporate Debtor to be liquidated in the manner as laid down in the Chapter by issuing Public Notice stating that the Corporate Debtor is in liquidation with a direction to the Liquidator to send this order to the ROC under which this Company has been registered.
- f. That the personnel of the Corporate Debtor are directed to extend all co-operation to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- g. That on having liquidation process initiated, subject to Section 52 of the Code, no suit or other legal proceeding shall be instituted by or against the Corporate Debtor save and except the liberty to the liquidator to institute suit or other legal proceeding on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority.
- h. This liquidation order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the liquidation process by the Liquidator.

With the above directions, this application i.e. I.A. No. 2215 of 2022 is hereby allowed and disposed of.

**Sd/-**  
**Anuradha Sanjaya Bhatia**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**H.V. Subba Rao**  
**MEMBER (JUDICIAL)**

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On 5.9.2022

*P. S. Srinivasan*  
D. Registrar 5/9/2022  
National Company Law Tribunal Mumbai Bench  
Government of India

