



**NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH
(Video Conference)**

**PRESENT: JUSTICE TELAPROLU RAJANI – MEMBER JUDICIAL
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 27.03.2023 AT 10.30 AM**

TC/CP. Nos.	CA/IA No.	Section/ Rule	Name of Parties
CP(IB)No.32/7/AMR/2021	Main Case	7 of IBC	State Bank of India Vs Ethnic Agros Ltd
	IA(IBC)/339/2022	33 of IBC	Mr. Kasi Srinivas, RP of Ethnic Agros Limited

ORDER

IA(IBC)/339/2022:

Mr.V.V.S.N.Raju, counsel for the Applicant present. Orders pronounced.

IA(IBC)/339/2022 is allowed, vide separate orders.

Sd/-
**JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL**

RSN



NCLT Amaravati Bench
IA(IBC)/339/2022 IN CP (IB)/32/7/AMR/2021

**NATIONAL COMPANY LAW TRIBUNAL
AMARAVATI BENCH AT MANGALAGIRI**

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IA(IBC)/339/2022
IN
CP (IB)/32/7/AMR/2021

**Under Section 33 of Insolvency and Bankruptcy Code, 2016 Read with
Regulation 3 of IBBI (Liquidation Process) Regulations, 2016**

**In the matter of
M/s. ETHNIC AGROS LIMITED**

Between:

Mr. Kasi Srinivas
Resolution Professional of
Ethnic Agros Limited,
Flat No 104, Kavuri Supreme Enclave,
Kavuri Hills, Madhapur, Hyderabad-500033

.....Applicant

Date of Pronouncement of Order: 27.03.2023

CORAM:

Justice Telaprolu Rajani, Member Judicial

Appearance:

For Applicant/RP: Mr.V.V.S.N.Raju, Advocate.

ORDER

Per: Justice Telaprolu Rajani, Member Judicial

1. This is an Application filed by the Resolution Professional under Section 33 of the Insolvency and Bankruptcy Code, 2016 Read with Regulation 3 of IBBI (Liquidation Process) Regulations, 2016 seeking orders for Liquidation of the Corporate Debtor i.e., M/s. Ethnic Agros



Limited and for appointment of Mr. Kasi Srinivas, Applicant/RP herein as the Liquidator.

2. The brief facts of the Application are:

- i. The Company Petition i.e., CP (IB)/32/7/AMR/2021 is filed under section 7 of the Insolvency and Bankruptcy Code, 2016 by **State Bank of India (Financial Creditor)** (in short **FC**) to initiate the Corporate Insolvency Resolution Process (CIRP) against **Ethnic Agros Limited (Corporate Debtor)** (in short **CD**) for the default committed in discharging the due of Rs.96,17,15,861.76/- and was admitted by the Hon'ble Tribunal vide its order dated 23.12.2021. Mr. Kasi Srinivas (Applicant herein), appointed as Interim Resolution Professional (IRP). The Applicant constituted the Committee of Creditors (CoC) and the CoC confirmed the Applicant as the Resolution Professional (RP).
- ii. The Applicant prepared the list of creditors in terms of regulation 13 (2) (e) of IBBI (Insolvency Resolution Process for Corporate Persons), Regulations, 2016 and invited claims from the creditors and collated the information relating to the claims of the financial creditors, operational creditors, employees, etc.
- iii. On 08.03.2022, the Applicant published Form G, inviting Expression of Interest (EoI) from the Prospective Resolution Applicants (PRAs, in which, the Applicant received 5 offers, out of which, only 3 qualified as per the criteria laid down by the



Committee of Creditors (“CoC”). Even among the 3 PRAs, 2 Resolution Plans were received and the same were placed before the CoC. The CoC opined that the plans needed to be revised. The revision could not have been done within a period of 180 days and hence, the CoC directed the Applicant to file an application for extension of the CIRP period of 90 days. Therefore, the Applicant filed IA(IBC)/101/2022 in CP(IB)/32/7/AMR/2021 before this Tribunal and the same was allowed by this Tribunal vide orders dated 17.06.2022.

- iv. In the CoC meeting held on 03.09.2022, the Resolution Plans submitted by the Resolution Applicants were found as not acceptable and hence alternative steps for revival of the CD were decided to be explored. Therefore, the CoC resolved with 100% voting, to extend the CIRP for a further period of 60 days and has directed this Applicant to file an I.A for the extension of CIRP. Therefore, the Applicant filed IA((BC)/220/2022 for extension of the CIRP for a period of further 60 days and the same was allowed by this Tribunal vide orders dated 21.09.2022.
- v. The revised resolution plan submitted by the PRAs has not been approved by the CoC. The Applicant advised the CoC to take a final call on the said Resolution Plan before the expiry of maximum period of 330 days on 18.11.2022. But the CoC has not approved any resolution plan and also not proposed any step for inviting for expression once again. There are no special circumstances or any hope for revival of the CD. Hence, it may



be concluded that there is no other alternative except liquidation of the CD. The applicant/RP gave his consent to act as Liquidator during the discussions with the CoC. Hence, this Application.

3. From the above, it would appear that despite all possible steps as required under the Code, taken during the CIRP, the CoC did not receive any viable proposal for revival of the Company.

ORDER

4. In view of the facts stated in the Application, this Tribunal allows the Application with the following directions.
 - a) Mr. Kasi Srinivas (Registration No. IBBI/IPA-003/IPA-ICAI-N-00237/2019-2020/12840), having office at 1-2-37/B, Flat No.4B, Jains Bhavani Residency, St.No.3, Kakatiyanagar, Hubsiguda, Hyderabad, Telangana - 500007; e-mail: srinivaskashyap111080@gmail.com; Mobile:(+91)8008022887 is appointed as the Liquidator. No disciplinary proceedings are pending against him as per the IBBI website.
 - b) He shall issue public announcement stating that Corporate Debtor is in Liquidation.
 - c) The Moratorium declared under Section 14 of the IBC, 2016 shall cease to operate here from.
 - d) Subject to section 52 of the IBC 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.

- e) 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.
- f) 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 and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- g) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.
- h) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
- i) 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.
- j) Copy of the Order shall be furnished to the IBBI, to the Regional Director (South Eastern Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Andhra Pradesh,



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the Registered Office of the Corporate Debtor; and the Liquidator.

5. With the above directions IA(IBC)/339/2022 in CP (IB)/32/7/AMR/2021 is disposed of. Hence this Order.

Sd/-
JUSTICE TELAPROLU RAJANI
MEMBER JUDICIAL

Svamy Naidu