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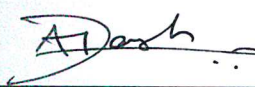
**NATIONAL COMPANY LAW TRIBUNAL
AMARAVATHI BENCH**

PRESENT: HON'BLE JANAB MOHAMMED AJMAL - MEMBER JUDICIAL

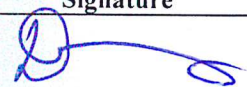
ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 18.09.2019 AT 10.30 AM

TRANSFER PETITION NO.	TCP (IB) NO. 33/7/AMR/ 2019
COMPANY PETITION/APPLICATION NO.	IA NO. 536&607/2019 in CP(IB) NO 47/7/HDB/2018
NAME OF THE COMPANY	Transstroy (India) Ltd
NAME OF THE PETITIONER(S)	Canara Bank
NAME OF THE RESPONDENT(S)	Transstroy (India) Ltd
UNDER SECTION	7 OF IBC

Counsel for Petitioner(s):

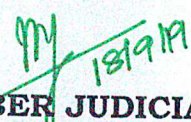
Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature
Atul Deepak Bhattacharyee Senior Counsel with Abhishek Dash, Advocate	Counsel for R.P.	9652348372	

Counsel for Respondent(s):

Name of the Counsel(s)	Designation	E-mail & Telephone No.	Signature
Divya Datta	Adv	9880192334	

ORDER

Counsel for both the sides are present. Counsel for the Respondent files a memo that the Respondents are approaching the Hon'ble NCLAT challenging the order dated 17.09.2019 in IA No.08/2019 and under the circumstances the orders in IA No.607/2019 filed for initiation of liquidation proceedings be deferred and they may be allowed to file counter in IA No.607/2019. Sufficient time has been granted to the Respondents to file counter in IA No.607/2019 filed for initiation of liquidation proceedings, which they did not. For approaching the Hon'ble NCLAT challenging another order, the pronouncement of the order in IA No.607/2019 cannot be deferred. Memo is not accepted. Order pronounced in IA No.607/2019 vide separate sheets. IA is allowed.


MEMBER JUDICIAL

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

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IA No. 607 of 2019
TP (IB) No. 33/7/AMR/2019
CP (IB) No. 47/7/HDB/2018

**In the matter of Liquidation of Transstroy (India) Limited
(Corporate Debtor)
and
In the matter of Petition under Sec. 33 (2) of I & B Code 2016**

Dr. G. V. Narasimha Rao
Resolution Professional
for Transstroy (India) Limited
201, 202A & 202B, Guttala Begunpet,
Kavuri Hills, Hyderabad – 500 081.

... Applicant

Date of Order: 18.09.2019

CORAM:

Hon'ble Janab Mohammed Ajmal, Member Judicial

Appearance:

For Applicant

... Mr. Abhishek Dash, Advocate.

ORDER

1. This is an Application by the Resolution Professional under Section 33(2) of the Insolvency and Bankruptcy Code (the Code) seeking orders for liquidation of the Company/Corporate Debtor.
2. The NCLT, Hyderabad vide order dated 10.10.2018 admitted the Petition (CP (IB) No. 47/7/HDB/2018) under Section 7 of the Code initiating Corporate Insolvency Resolution Process (CIRP) of the Company and appointed the present Applicant as the Interim Resolution Professional (IRP). The IRP constituted a Committee of Creditors (CoC) and its first meeting was conducted on 06.11.2018. The CoC in its first meeting

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appointed the IRP as the Resolution Professional (RP) of the Corporate Debtor Company. Six subsequent meetings were held between 09.12.2018 and 12.06.2019. The RP obtained liquidation value and fair value of the assets of the Corporate Debtor as required under the Code and its Regulations. In response to the publication inviting resolution plans the applicant on 08.01.2019 received one resolution plan from Assets Care and Reconstructions Enterprises Limited (ACREL). The CoC in its 3rd meeting on 11.01.2019 resolved to extend the time to invite further Resolution Plans. As per the notice published on 12.01.2019 the resolution plan(s) was expected by 07.03.2019. Subsequently on an application (IA No. 285/2019) the NCLT, Hyderabad vide order dated 20.06.2019 directed the management of the corporate debtor to furnish the necessary information to the RP. No other Resolution Plan was received by 07.03.2019. On 08.03.2019, the only Resolution Applicant (ACREL) requested extension of time to submit a fresh resolution plan. The CoC in its 5th meeting on 13.03.2019 decided to extend the time up to 06.04.2019. The statutory period of 180 days was to expire on 08.04.2019. The CoC in its 5th meeting by a vote of 73.10% favoured extension of the period of CIRP. The NCLT, Hyderabad vide its order dated 08.04.2019 in IA. No. 263/2019 extended the period by 90 days. By the 6th Meeting of the CoC on 07.05.2019 no fresh resolution plan was received from ACREL.

3. The CoC in its 6th meeting dated 07.05.2019 voted in favour of liquidation of the Company by a vote of 95.04% and resolved to seek liquidation of the Corporate Debtor and authorised the RP to make an application in that regard. In their 7th meeting on 12.06.2019, the CoC requested the RP to continue as the Liquidator in the event its resolution for liquidation is approved by the Authority. Hence the RP came up with this application on 04.07.2019.

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4. The directors of the company have not filed any counter to the application. Application has been heard.
5. The Hon'ble Apex Court in **K. Sashidhar v. 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".
6. 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 resolution plan/proposal for revival of the Company. The CoC in its wisdom has resolved with 95.04% voting share 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, it has no option than to pass an order for liquidation of the Company in the manner laid down in Chapter III of the Code. Hence ordered.

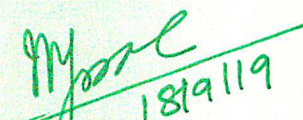
ORDER

The application be and the same is allowed on contest. The Application is accordingly allowed with the following directions.

- a) The Corporate Debtor i.e. M/s Transstroy (India) Limited shall be liquidated in the manner as laid down in Chapter-III of the Code.
- b) The present Applicant Dr. G. Narasimha Rao, presently RP of the Transstroy (India) Limited is appointed as the Liquidator.
- c) He shall issue public announcement stating that Corporate Debtor is in liquidation.
- d) The Moratorium declared under Section 14 of the IBC 2016 shall cease to operate here from.

Handwritten signature and date:
18/11/19

- e) 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.
- 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 and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- h) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will 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 the IBBI, to the Regional Director (South Eastern Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Andhra Pradesh, the Registered Office of the Corporate Debtor; and the Liquidator.


18/11/19
MOHAMMED AJMAL
MEMBER JUDICIAL