

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH, HYDERABAD**

**IA No. 1017/2019  
In  
CP(IB)No.346/7/HDB/2018**

**In the matter of:**

M/s. Metkore Alloys & Industries Limited  
Having its Registered Office at:  
Plot No.18, Sagar Society, Street No.1,  
Road No.2, Banjara Hills,  
Hyderabad – 500034, Telangana.  
(Rep. by its RP, Mr. Sisir Kumar Appikatla)

**...Applicant/  
Corporate Debtor**

**Order pronounced on: 24.12.2020**

**Parties/ Counsels Present:-**

For the Applicant: Mr. Sisir Kumar Appikatla, RP

**Per: K. Anantha Padmanabha Swamy, Member Judicial**

**ORDER**

1. The present Application bearing IA No. 1017/2019 in CP(IB)No.346/7/HDB/2018 is filed by Resolution Professional U/s. 33 of the IB Code, 2016 inter-alia seeking following prayers:-
  - a. Take on record the intimation of liquidation of the Corporate Debtor namely Metkore Alloys & Industries Limited, and
  - b. Pass a liquidation order requiring the Corporate Debtor to be liquidated in the manner as laid down in Chapter III of IBC, 2016, and
  - c. Direct for issuance of Public Announcement stating that the Corporate Debtor is in liquidation, and
  - d. Direct issuance and furnishing of order to be sent to RoC Hyderabad, with which the Corporate Debtor is registered, and



- e. Direct that the Resolution Professional as also confirmed by Committee of Creditors be permitted to act as Liquidator, and
  - f. Pass such other orders as this Hon'ble Tribunal deems fit and proper.
2. Brief facts as stated by the counsel for the Applicant are as follows:-
- a. That M/s. Hero Wiretex Limited (Financial Creditor) filed CP(IB)No.346/7/HDB/2018 against M/s. Metkore Alloys & Industries Limited (Corporate Debtor) under Section 7 of the IB Code and vide order dated 12.12.2018, this Adjudicating Authority admitted the said Application and Mr. Sisir Kumar Appikatla was appointed as the Interim Resolution Professional and subsequently he was confirmed as the Resolution Professional.
  - b. That this Adjudicating Authority vide its order dated 26.06.2019 has granted extension of CIRP beyond 180 days for 90 days from 10.06.2019.
  - c. That in response to the invitation of EoI in Form-G dated 25.02.2019, the RP received EoI from seven Prospective Resolution applicants, out of which, two Resolution Applicants finally submitted the Resolution Plans.
  - d. The CoC in its 8<sup>th</sup> meeting held on 02.11.2019, rejected the offer made by Mr. Bhaskar Rao, the Resolution Applicant.
  - e. That according to the minutes of the 8<sup>th</sup> CoC meeting, the members resolved to reject the Resolution Plan submitted by the Resolution applicant and to seek the liquidation order for the Corporate Debtor with 100% voting in favour.
  - f. That CoC in its 8<sup>th</sup> meeting held on 02.11.2019 has resolved as under:-  
  

***“RESOLVED*** that all the members would take the views of their respective competent authority and let their consent or decent be

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*known to the RP by e-mail before 5<sup>th</sup> November 2019 and by e-voting by those members who participated through video conferencing.”*

*“To Liquidate the Corporate Debtor if the resolution plan is not approved”*

**“RESOLVED THAT** *as per section 34 of the IBC, 2016 the Committee of Creditors had decided to continue Mr. Sisir Kumar Appikatla, the Resolution Professional as Liquidator.”*

3. Heard the RP and perused the records.
4. In view of the facts and circumstances as recorded by RP in IA No.1017 of 2019 filed in CP(IB) No. 346/7/HDB/2018, this Adjudicating Authority did not receive any Resolution Plan under Sub-Section (6) of Section 30 of the I&B Code, 2016, this Adjudicating Authority deems it proper to allow the Application bearing IA No. 1017/2019 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, I proceed to pass Order as follows:—
  - (i) This Adjudicating Authority hereby order for Liquidation of M/s. Metkore Alloys & 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 Mr. Sisir Kumar Appikatla who has given his consent dated 07.11.2019 to act as Liquidator in the present case. He is further directed to file its Authorisation for Assignment (AoA) within 7 days from date 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) I 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., Mr. Sisir Kumar Appikatla. 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., Mr. Sisir Kumar Appikatla for information and compliance.
- (xii) Registry is directed to furnish a copy of this order to IBBI for confirmation of appointment of Liquidator.
- (xiii) Accordingly, Applications bearing IA No. 1017/2019 stands disposed off.



**K.ANANTHA PADMANABHA SWAMY**  
**MEMBER JUDICIAL**