

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD**

SPECIAL BENCH - COURT 1 (URGENT HEARINGS THROUGH VIDEO CONFERENCE)

PRESENT: HON'BLE SHRI K ANANTHA PADMANABHA SWAMY – MEMBER JUDICIAL

HON'BLE SHRI VEERA BRAHMA RAO AREKAPUDI - MEMBER TECHNICAL

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 15.12.2020 AT 10:30 AM

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| TRANSFER PETITION NO. | |
| COMPANY PETITION/APPLICATION NO. | IA No. 241, 796, 992, 993 & 994/2020 in CP (IB) No. 11/10/HDB/2017 |
| NAME OF THE COMPANY | Kamineni Steel And Power India Pvt Ltd |
| NAME OF THE PETITIONER(S) | Kamineni Steel And Power India Pvt Ltd |
| NAME OF THE RESPONDENT(S) | |
| UNDER SECTION | 10 of IBC |

Counsel for Petitioner(s):

| Name of the Counsel(s) | Designation | E-mail & Telephone No. | Signature |
|------------------------|-------------|------------------------|-----------|
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Counsel for Respondent(s):

| Name of the Counsel(s) | Designation | E-mail & Telephone No. | Signature |
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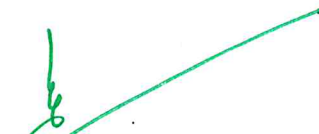
ORDER

IA 992/2020 : IA allowed. Orders pronounced vide separate orders.

IA 993 & IA 796/2020: Counsel for Applicant and Liquidator are appeared through video.

Registry is directed to list all the IAs on 21.12.2020.


MEMBER (T)


MEMBER(J)

Syamala

**NATIONAL COMPANY LAW TRIBUNAL
BENCH-1, HYDERABAD**

IA No. 992 of 2020
In
CP (IB) No. 11/10/HDB/2017

In the matter of

**KAMINENI STEEL & POWER INDIA PRIVATE LIMITED
(COMPANY UNDER LIQUIDATION)**

Filed by:

Shri R. Ramakrishna Gupta
Liquidator for
M/s Kamineni Steel & Power India Private Limited
"KAMINENI", 4th Floor, King Koti
Hyderabad, Telangana _ 500001

.... Applicant/
Liquidator

Date of order: 15.12.2020

Coram:

Hon'ble Shri K. Anantha Padmanabha Swamy, Member (Judicial)
Hon'ble Shri Veera Brahma Rao Arekapudi, Member (Technical)

Appearance: (via video-conference)

For Applicant: Shri R. Ramakrishna Gupta, PCS

Heard on: 27.11.2020

**PER: SHRI K. ANANTHA PADMANABHA SWAMY
MEMBER (JUDICIAL)**

ORDER

1. This is an Application filed under Section 35 (1) and 60 (5) of Insolvency & Bankruptcy Code, 2016, read with Regulation 44 (2) and Regulation 47 A of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 seeking direction of the Adjudicating Authority by the Liquidator appointed for **M/s KAMINENI STEEL & POWER INDIA PRIVATE LIMITED** seeking exclusion of Covid-19 induced lockdown from the Liquidation period.
2. The averments apropos to the Application in brief are that Petition filed by M/s KAMINENI STEEL & POWER INDIA PRIVATE LIMITED as Corporate Applicant was admitted vide this Tribunal order dated

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10.02.2017 and Corporate Insolvency Resolution Process started against the Corporate Applicant by appointing Shri C.B. Mouli as Interim Resolution Professional who was later confirmed as Resolution Professional.

3. Subsequently, this Tribunal ordered liquidation of the Corporate Applicant vide order dated 26.10.2018 and appointed the Applicant herein as Liquidator. Complying with Regulation 12 of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016, the Applicant made public announcement on 31.10.2018 in "Sakshi" Telugu Newspaper and "The Hindu" (English newspaper) inviting stakeholders to submit claims by 25.11.2018.
4. It is averred, M/s Satyanarayana Raju & Co, Chartered Accountants was appointed by the Liquidator for collating and verification of the claims. The Liquidator filed the initial List of Stakeholders with the Tribunal and updated the List of Stakeholders.
5. It is further averred the Liquidator appointed M/s Dhanapathi Rao & Valuers Private Limited & M/s Intech Insurance Surveyor and Loss Assessors Private Limited as Valuers for assessing the estimates of the realizable value and for the preparation of Asset Memorandum.
6. The Liquidator further appointed M/s Raju & Prasad, Chartered Accountants for conducting transaction audit of the Company who submitted their audit report on 12.12.2019. The Liquidator filed the Asset Memorandum before this Tribunal on 05.09.2019.
7. The Applicant avers that he has submitted the preliminary Report to the Adjudicating Authority on 07.01.2019 and has been submitting quarterly progress reports regularly. Till date eight quarterly reports have been filed and taken on record.
8. M/s e-Procurement Technologies Limited was appointed by the Liquidator as the agency to conduct the e-Auction /sale of the Company as a "going concern". For conducting the e-auction process, the Liquidator has issued four sale notices on various dates. No bids were received for the first three sale notices. However, in response to the 4th sale notice dated 26.07.2020, the Liquidator received two bids. It is stated EMD of Rs. 5 crores was received from one of the successful bidders i.e. M/s Nimmagadda Surya Pradeep Biotech Private Limited.



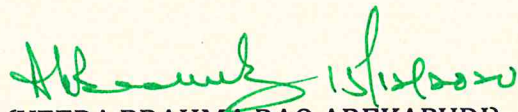
9. Pursuant to the above, Letter of Intent (LoI) dated 28.08.2020 was issued to the successful bidder and the successful bidder is required to pay the complete bid amount within a maximum of 90 days from the date of LoI i.e. 26.11.2020. It is stated the successful bidder has requested 90 days' time for arranging the balance funds on the ground of present economic scenario caused due to covid-19 induced lockdown.
10. The Liquidator, the Applicant herein further stated that owing to lockdown with effect from 25.03.2020, the liquidation process was adversely affected and delayed the entire process and relied on Regulation 47A of Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and Government of Telangana GO Ms No. 120 dated 31.08.2020 for seeking exclusion of lock down period.
11. It is stated by the Liquidator that the liquidation period of two years was to end on 24.10.2020 and hence filed this Application seeking extension of liquidation period for a further period of six months from 25.10.2020.
12. We heard the Liquidator via videoconference. The present Application is filed under Regulation 44 of IBBI (Liquidation Process) Regulations, 2016 read with Regulation 47A seeking extension of liquidation period by another six months. Regulation 44 IBBI (Liquidation Process) Regulations, 2016 before the amendment under IBBI (Liquidation Process) (Amendment) Regulations, 2019 reads as follows:
- 44. Completion of liquidation.**
- (1) The liquidator shall liquidate the corporate Debtor within a period of two years.**
- (2) If the liquidator fails to liquidate the corporate debtor within two years, he shall make an application to the Adjudicating Authority to continue such liquidation, along with a report explaining why the liquidation has not been completed and specifying the additional time that shall be required for liquidation.**
13. The main contention of Liquidator is that the liquidation process could not be completed by 24.10.2020 owing to the disruption caused by Covid-19 induced lockdown from 25.03.2020 to 30.09.2020. Further it is also contended that the successful bidder requested 90 days' time from the Liquidator for arranging the balance funds.
14. As can be seen from the records, the Liquidator has filed progress report and the last progress report for the quarter ended 30.09.2020 is filed on 09.10.2020. The Liquidator is seeking extension of time by six months.

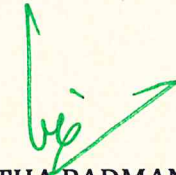
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Considering the submissions made by the Liquidator and the stage of the liquidation, the Bench deems it fit proper to exclude covid-19 induced lockdown period from 25.03.2020 to 20.09.2020 from the Liquidation period which comes to 180 days instead of 25.03.2020 to 30.09.2020, so as to enable the Liquidator to complete the remaining liquidation process. The Liquidation started prior to amendment of IBBI (Liquidation Process) (Amendment) Regulations, 2019.

15. As a sequel to the above, the Application is allowed. The period from 25.03.2020 to 20.09.2020 (i.e. 180 days) stands excluded from the liquidation period. This exclusion is granted after having considered the steps already taken by the Liquidator and the current stage of the liquidation in respect of M/s KAMINENI STEEL & POWER INDIA PRIVATE LIMITED. The Liquidator is further directed to complete the remaining process well within time.


(VEERA BRAHMA RAO AREKAPUDI)
MEMBER (TECHNICAL)


(K. ANANTHA PADMANABHA SWAMY)
MEMBER (JUDICIAL)

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