

**IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH**

I.A.No.476 of 2019 in
C.P.(IB)No.228/BB/2018
U/s 60, R/w Section 12(2) of the IBC, 2016

Mr. Shivadutt Bannaje

Resolution Professional of
M/s.Bhuwalka Steel Industries Limited
10th Mile, Old Madras Road,
Bandapura Village,
Bangalore – 560 049.

- Applicant/
Resolution Professional

In the matter of:

M/s.Indu Corporation Private Limited

“Nishuvi”, 4th Floor, No.75,
Dr. Annie Beasant Road, Worli,
Mumbai – 400 018.

- Petitioner/Operational Creditor

Versus

M/s.Bhuwalka Steels Industries Limited

10th Mile, Old Madras Road,
Bandapura Village,
Bangalore – 560 049.

- Respondent/Corporate Debtor

Date of Order: 20th September, 2019

Coram:

1. Hon’ble Shri Rajeswara Rao Vittanala, Member (Judicial)
2. Hon’ble Dr. Ashok Kumar Mishra, Member (Technical)

Parties/Counsels Present:

For the Applicant/RP : Mr. Shivadutt Bannanje

ORDER

Per: Rajeswara Rao Vittanala, Member (J)

1. I.A.No.476 of 2019 in C.P.(IB)No.228/BB/2018 is filed by Mr. Shivadutt Bannanje, Resolution Professional (hereinafter referred to as ‘Applicant/RP’) of M/s.Bhuwalka Steel Industries Limited under Section 60, R/w Section 12(2) of the IBC, 2016, by inter alia seeking

to consider for extension of the CIRP by further a period of 90 days with effect from October 4th 2019 etc.

2. Brief facts of the case, as mentioned in the Application, are as follows:

(1) The main Company petition filed by M/s.Indu Corporation Private Limited, a Operational Creditor, under Section 9 of the IBC, 2016 R/w Rule 6 of the I&B (AAA) Rules, 2016 was admitted by this Adjudicating Authority vide order dated April 08th, 2019 ('Admission Order') by initiating CIRP, appointing Mr. Shivadutt Bannanje (IBBI Registration No.IBBI/IPA-002/IP-N00266/2017-2018/10779 as appointed as the IRP, moratorium etc. The Resolution Professional published advertisements in Form G-Expression of Interest as per Regulation 36(A) on June 27th, 2019 in Financial Express (English Paper) and Vishwavani (Kannada Paper) to invite Expression of Interest from Prospective Resolution Applicants. The last date for submission of the Expression of Interest was July 15th 2019. As on the last date of submission of Expression of Interest, eight (8) Expression of Interest were received in respect of the Corporate Debtor.

(2) It is stated that the CoC in their meeting dated August 14th, 2019, decided to invite Resolution Plans from those eight Applicants whose Expression of Interest was received. The last date for submission of the Resolution Plan for the revival of the Corporate Debtor was September 13th, 2019. As on the last date of submission of Resolution Plan i.e. September 13th, 2019 even though Resolution Plans were not received, there were requests from some of the Prospective Resolution Applicants to extend the time for submission of the Resolution Plan because some due diligence had to be completed in respect of the Corporate Debtor specifically relating to the Bangalore Property. The Resolution Professions called the CoC meeting on September 16th, 2019 to discuss the issue of granting an extension of time for submission

of Resolution Plan for the revival of the Corporate Debtor since no Resolution Plan for the revival of the Corporate Debtor since no Resolution Plan had been received as on the last date for submission of the same but only requests for an extension was received.

(3) It is also stated that the Resolution Professional informed the Committee that CIRP period of 180 days shall be completed on October 4th, 2019 and as per Reg. 39(4) of the IBBI (IRP for Corporate Persons) Regulations, 2016, the Resolution Professional is required to submit the Resolution Plan so approved by the Committee to the Adjudicating Authority at least 15 days prior to the time for completion of the CIRP period. At the meeting of the CoC it was proposed to seek extension of CIRP period by 90 days with effect from October 4th, 2019 and the following Resolution was proposed:

“RESOLVED THAT the approval of the Committee be and is hereby granted to extend the CIRP process by a further period of 90 days with effect from October 4th, 2019 so as to complete the CIRP as per the designed Regulations of the IBC, 2016.”

“RESOLVED FURTHER THAT Mr. Shivadutt Bannanje, Resolution Professional be and is hereby authorized to file necessary application before the NCLT, Bengaluru Bench to give effect to this resolution and further seek for direction and order under Section 12(3) of the IBC, 2016 from the Adjudicating Authority.

The above two proposals were put for e-voting by the Resolution Professional. Both the proposals were passed unanimously (100%) by the Committee.

3. Heard Mr. Shivadutt Bannanje, learned Resolution Professional. We have carefully perused the pleadings of the party and the extant provisions of the Code.

4. We are convinced with the reasons cited by the RP for extension of time for a further period of 90 days of the period of CIRP beyond statutory period of 180 days i.e. w.e.f. October 4th, 2019. The Application is filed in accordance with law and the resolution is passed with requisite majority. Hence, we are inclined to allow the instant application in the interest of justice.
5. In the result, I.A.No.476 of 2019 in C.P.(IB)No.228/BB/2018 is hereby allowed by extending further period of 90 days beyond 180days to continue the CIRP of the Corporate Debtor. The RP is directed to expedite the process of CIRP without further delay.

(ASHOK KUMAR MISHRA)
MEMBER, TECHNICAL

(RAJESWARA RAO VITTANALA)
MEMBER, JUDICIAL

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