(2019) 12 NCLT CK 0005

In the National Company Law Appellate Tribunal

Case No : (IB) No. 1446(PB) Of 2018

Bank Of Baroda APPELLANT

Vs

Rathi Super Steels Ltd. RESPONDENT

Date of Decision : 06-12-2019

Acts Referred:

Citation : (2019) 12 NCLT CK 0005

Hon'ble Judges : M.M. Kumar, CJ;Santanu Kumar Mohapatra, Member (Technical)

Bench : Division Bench

Advocate : Jasmeeti Singh, Saif Ali, Pushpendra Singh Bhadoriya, Varun K. Chopra, Shubhani Sharma, Nitesh Jain

Final Decision : Disposed Of

Judgement

CA-2727(PB)/2019

This is an application with a prayer for extension of a period of 90 days beyond 180 days which is coming to an end on 09.12.2019. The application is supported by a resolution passed by the CoC in its 6th meeting held on 08.11.2019. The resolution is carried out with 85.33% voting share and the same reads thus:-

"The stipulated period of 180 days from the date of admission of the application of initiation of Corporate Insolvency Resolution Process (12.06.2019) is going to expire on 09th December 2019.

The process has been delayed as the PRA demanded further time for submission of resolution plans and a period of 30 days was additionally provided to them for submission of resolution plans. Now the Prospective resolution applicants vide email dated 07.11.2019 have requested for further time of 25 days for submission of resolution plans.

In order to have wider participation in EIO, the CoC has decided for issuance of fresh EOI on 11.11.2019 with last date for submission of EOI as 26.11.2019.

Further, the valuation and forensic audit are also under process and the same will also discussed in the CoC meeting.

The assessment of resolution plans to be submitted by PRAs, presentation of resolution plans by respective PRAs in the CoC meeting, discussion on resolution plans, approval of resolution plans by CoC members, submission of resolution plans voted by CoC members before the Hon'ble NCLT, approval of resolution plans by Adjudicating Authority, discussion on forensic audit, sale of scrap and vehicles will take time.

Keeping in mind the above-mentioned reasons, the CoC members were also of the opinion of extending the CIRP by 90 days.

The following resolutions was placed before the meeting, will form a part of E-voting agenda to be passed by vote of not less than 66% of voting share of the financial creditors.

"RESOLVED THAT, with the consent of CoC be and is hereby accorded for making an application to Hon'ble NCLT for extension of period of corporate insolvency resolution process in the matter of corporate debtor by a period of 90 days.

FURTHER RESOLVED THAT Resolution Professional be and is hereby authorized to make an application to Hon'ble NCLT for extension of period of Corporate Insolvency Resolution Process in the matter of M/s. Rathi Super Steel Limited by a period of 90 days."

A perusal of the aforesaid minutes of the CoC reveal that there are sufficient reasons for seeking extension of time beyond 180 days. We accept the aforesaid decision of the CoC and grant period of 90 days beyond 180 days w.e.f. 09.12.2019.

CA-2727(PB)/2019 stands disposed of.

CA-2588(PB)/2019

Ld. Counsel for the non applicant-respondent No. 6 has put in appearance. Mr. Manish Chaturvedi, Chief Financial Officer has put in appearance on behalf of non applicant-respondent No. 2, 3 & 5. Despite service no one has put in appearance on behalf of non applicant-respondent No. 1 & 4. They are proceeded exparte. The served and appearing respondent may file their reply within two weeks with a copy in advance to the counsel opposite.

List for further consideration on 09.01.2020.

