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**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH -I, CHENNAI**

**IA/808(CHE)/2021 IN CP/595/IB/2017**

*(Filed under Section 60(5) of the Insolvency and Bankruptcy Code,  
2016 read with Regulation 44 of the IBBI (Liquidation Process)  
Regulations 2016 read with Rule 11 of the NCLT Rules, 2016*

*In the matter of **M/s. Deivaanai Sinter Metals (P) Ltd.***

**M/s.Chandramouli Ramasubramaniam**

Liquidator of M/s. Deivaanai Sinter Metals (P) Ltd.  
"RAJI", 3B1, 3<sup>rd</sup> Floor, Gaiety Palace,  
No.1L, Blackers Road,  
Chennai - 600002

*... Applicant*

*Order Pronounced on 23<sup>rd</sup> November 2021*

CORAM:

**R. SUCHARITHA, MEMBER (JUDICIAL)  
SAMEER KAKAR, MEMBER (TECHNICAL)**

*For Applicant : S. Sathiyarayanan, Advocate*

**ORDER**

**Per: SAMEER KAKAR, MEMBER (TECHNICAL)**

The IA/808/CHE/2021 has been filed by the Applicant under Section 60(5) of the insolvency and Bankruptcy Code, 2016 read with Regulation 44 of the IBBI (Liquidation Process) Regulations 2016 read with Rule 11 of the NCLT Rules, 2016 seeking relief as follows;

- a. *An order extending the time for completion of Liquidation by another 1 (one) year from 01.03.2021 or such other period as this Hon'ble Tribunal may deem fit and appropriate.*

2. It is averred in the Application that this Tribunal vide order dated 11.10.2017 initiated the Corporate Insolvency Resolution Process (CIRP) in relation to the Corporate Debtor and appointed the Applicant herein as the Interim Resolution Professional (IRP), who was subsequently appointed as the Resolution Professional of the Corporate Debtor.

3. Thereafter, it is seen that the Applicant herein has filed an Application before this Tribunal under Section 33(2) of IBC, 2016 seeking Liquidation of the Corporate Debtor and this Tribunal in MA/23/2018 vide its order dated 03.05.2018 has passed an order of Liquidation of the Corporate Debtor and appointed the Applicant herein as the Liquidator of the Corporate Debtor.

4. The Learned Counsel for the Applicant/Liquidator submitted that as against the Liquidation order passed by this Tribunal, one of the Prospective Resolution Applicant filed an appeal before the Hon'ble NCLAT vide Company Appeal No.288 & 289 of 2018 and the Hon'ble NCLAT vide its order dated 04.06.2018 has ordered not to dispose off the properties of the Corporate Debtor till the next date of hearing and it was submitted that the said appeal before the NCLAT came to be dismissed on 09.08.2018. Thus, it was submitted that the Liquidator

was unable to initiate any steps towards the sale of the Corporate Debtor assets and even the valuation of the Assets, Plant and Machineries.

5. The Learned Counsel for the Applicant further submitted that as per Regulation 33(1) of IBBI (Liquidation Process) Regulations, 2016 that Applicant initiated steps to sell the assets of the Corporate Debtor through e-auction and inspite of receiving enquiries from prospective buyers, due to the lockdown imposed by the Central Government on account of Covid-19 pandemic, the Prospective buyers were unable to visit the property. It is further submitted that all e-auction conducted by the Applicant has become unsuccessful. In the last E-Auction conducted on 2<sup>nd</sup> November 2020, though there were 2 buyers and had also remitted EMD amount of 10% on the reserve price but they did not place any bid amount and hence the e-auction has become unsuccessful.

6. The Learned Counsel for the Applicant further submitted that due to the prevailing pandemic COVID-19 and subsequent Lock-Down imposed by the Government of India and the State Governments, the Applicant/Liquidator is unable to complete the liquidation process of the Corporate Debtor within the time limit prescribed under the code. In terms of the Regulation 44 of the IBBI

(Liquidation Process) Regulation, 2016 as was in force as on the date of order of liquidation i.e.03.05.2018, the liquidation process has to be completed within 2 years from the date of such order. By considering the Regulation 44 of IBBI (Liquidation Process) Regulation, as was in force as on the date of order of liquidation, the Liquidation period of the Corporate Debtor expired on 02.05.2020.

7. The Learned Counsel for the Applicant/Liquidator further submitted that the Applicant filed an application for exclusion of period of lockdown as provided under Regulation 47A of the IBBI (Liquidation Process) Regulation, 2016 in computing the time limit for completion of liquidation process of the Corporate Debtor and to further extend the time limit for completion of the liquidation process of the Corporate Debtor by another one year and the application was numbered as IA.No.52/2021. Further in that application the Applicant informed to the Bench about a Scheme U/s 230 of the Companies Act,2013 and this Tribunal vide its order dated 26.03.2021 granted extension of the Liquidation period up to 31.07.2021.

8. The Learned Counsel for the Applicant/Liquidator further submitted that the Application filed in relation to the Scheme calling

for the meeting of the Stakeholders is numbered as CA(CAA)/61/CHE/2021 and that it is posted for hearing on 04.08.2021.

9. The learned Counsel for the applicant further submitted that during such period, the Applicant continued to function in her capacity as the Liquidator of Deivaanai Sinter Metals (P) Ltd. and carried out various duties and functions. The relevant dates and major events pertaining to the Liquidation Process of Deivaanai Sinter Metals (P) Ltd. from May 2018 until date are set out in the tabulated format at page Nos. 4 to 8 of the application.

10. Heard the submission made by the Learned Counsel for the Liquidator. From the submission made by the Learned Liquidator it is seen that the Liquidator is yet to complete the Liquidation process in relation to the Corporate Debtor and that the distribution of the proceeds to the stakeholders is yet to be completed. Further, due to the prevailing Covid – 19 pandemic and subsequent lock-down imposed by the Government of India and the State Governments, the Liquidator was unable to complete the Liquidation process of the Corporate Debtor within the time limit prescribed under the Code and in terms of Regulation 44 of the IBBI (Liquidation Process) Regulations, 2016.

11. It is to be noted here that the Regulation 44 mandates the Liquidation process to be completed within a period of 2 year and as such the liquidation process in relation to the Corporate Debtor is required to be completed on or before 02.05.2020 However, the Liquidator not being in a position to complete the process and under the circumstances, the Liquidator has filed the present Application under Regulation 44(2) of IBBI (Liquidation Process) Regulations, 2016 for extension of the lockdown period.

12. Thus, by taking into consideration all the facts mentioned above, this Authority feels that it is just and proper to extend the Liquidation period for a period **6 months** and as such the Liquidation period of the Corporate Debtor is extended for a period of **6 months** from 01.08.2021 and the Liquidation process in relation to the Corporate Debtor is required to be completed on or before **01.02.2022**. Further, the Liquidator shall make every endeavour to complete the liquidation process within the extended period and not to seek any further extension. The Liquidator, in view of the extension granted as above, is directed to abide by the model timelines as prescribed by IBBI in Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 and thereby complete the process in all earnest and in accordance with the said Regulations



including filing of reports as required, with this Tribunal. With the above said directions, IA/808/CHE/2021 stands **allowed**.

-Sd-

**SAMEER KAKAR**  
MEMBER (TECHNICAL)

-Sd-

**R. SUCHARITHA**  
MEMBER (JUDICIAL)

*Sriram Ananth V*