

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH**

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

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 12.12.2018 AT 10.30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	CP(IB) NO. 346/7/HDB/2018
NAME OF THE COMPANY	Metkore Alloys & Industries Ltd
NAME OF THE PETITIONER(S)	Hero Wiretex Ltd
NAME OF THE RESPONDENT(S)	Metkore Alloys & Industries Ltd
UNDER SECTION	9 OF IBC

Counsel for Petitioner(s):

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

Counsel for Respondent(s):

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

ORDER

Order pronounced in Open Court. CP is admitted vide separate order.


MEMBER JUDICIAL

AS

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

CP (IB) No.346/07/HDB/2018

Under Section 7 of the Insolvency and Bankruptcy
Code, 2016, Read with Rule 4 of the Insolvency and
Bankruptcy (Application to Adjudicating Authority)
Rules, 2016.

**In the Matter of METKORE ALLOYS & INDUSTRIES
LIMITED**

M/s. HERO WIRETEX LIMITED

Having Regd. Office at:

Survey No.116, Anthakapalli Village,
Rajam – 532 127, Srikakulam District,
Andhra Pradesh.

...Petitioner/
Financial Creditor

Versus

M/s. METKORE ALLOYS & INDUSTRIES LIMITED

Having Regd. Office at:

Plot No. 18, Sagar Society, Street No.1,
Road No.2, Banjara Hills,
Hyderabad – 500 034, Telangana.

...Respondent/
Corporate Debtor

Order Delivered on: 12.12.2018

Parties/Counsel present:-

For the Petitioner/Financial Creditor:

Smt. B.Aparna, Advocate.

For the Respondent/Corporate Debtor: None

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PER: HON'BLE SHRI. K.ANANTHA PADMANABHA SWAMY
MEMBER JUDICIAL

ORDER

1. The present petition is filed by M/s. HERO WIRETEX LIMITED (hereinafter referred to as 'Financial Creditor') under section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as IBC) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 against M/s. METKORE ALLOYS & INDUSTRIES LIMITED (hereinafter referred to as 'Corporate Debtor').
2. The learned counsel appearing on behalf of the Petitioner/Financial Creditor submitted that the Petitioner/Financial Creditor (Formerly known as SVR Cables Pvt Ltd) is a Company registered under Companies Act, 1956 is engaged in business of manufacturing of LTAB Cables , AA/AAA/AACR Conductors, Merchant Exporters/Importers for Minerals, Metals, Textiles, Ferro Chrome etc., and has business relation with Corporate Debtor who approached the Financial Creditor in the year 2017 for release of unsecured loan of Rs.50,00,000/- (Rupees Fifty Lakhs Only) @ 18% per annum interest payable in quarterly basis and entered into Memorandum of Understanding (MoU) dated

10.4.2017 with the Corporate Debtor to meet his urgent commitments.

3. It is further submitted that the Financial Creditor released Rs.33,00,000/- (Rupees Thirty Three Lakhs Only) in two instalments dated 04.05.2017 for Rs. 16,00,000/- (Rupees Sixteen Lakhs Only) and 05.08.2017 for Rs. 17,00,000/- (Rupees Seventeen Lakhs Only) respectively, based on the requirement of the Corporate Debtor.
4. The Corporate Debtor availed financial assistance, granted by the Financial Creditor to the Corporate Debtor by way of various agreements. The Corporate Debtor was due to pay the debt amount of Rs.33,00,000/- (Rupees Thirty Three Lakhs Only). In support of its claim, petitioner has filed all details of loan facilities agreements along with dates of disbursement under each of the facilities and transactions between the parties.
5. The matter was posted on 20.07.2018, 20.08.2018, 06.09.2018, 25.09.2018 and lastly on 10.10.2018 for hearing before admission. Before proceeding with the matter, it is necessary to mention herein that a final chance was given to the Respondent for appearance before this Adjudicating Authority and this Tribunal adjourned the matter to 13.11.2018 but Corporate Debtor failed to appear. The Adjudicating Authority



directed the counsel for Petitioner/Financial Creditor to issue newspaper publication issuing notices regarding intimation of next date of hearing to the Corporate Debtor and the same was carried out by the Petitioner in Prajashakti (Vernacular Language) and Financial Express (English) on 18.10.2018 edition in the region where the office of the Respondent/Corporate Debtor is located. The Respondent neither filed any counter nor caused appearance before Adjudicating Authority in spite of several notices. The Petitioner has also placed on record proof of sending notices and its deliveries. The Petitioner has complied with all the requirements as stipulated under the provision of I & B Code, 2016 for the purpose of initiating CIRP.

6. Having satisfied with the service of notice and when there was no representation, Respondent was set as Ex-parte on 13.11.2018.
7. Heard submissions of the Petitioner and perused the record.
8. After hearing submissions of the counsel for the Petitioner/Financial Creditor and having perused the record, this Adjudicating Authority is satisfied that the Petitioner/Financial has clearly made out his case by establishing that the Corporate Debtor has defaulted the repayment of loan to the



Petitioner/Financial Creditor. Also, the Petitioner has proved by placing evidence viz. Legal Notice, Financial Transactions, Loan Agreement, Bank Statements and copies of entries in Bankers Book in accordance with the Bankers Books Evidence Act, 1891 (18 of 1891) proving that the default has occurred for which the Corporate Debtor was liable to pay. In these circumstances, having satisfied with the submissions put forth by the learned counsel for the Petitioner/Financial Creditor, I hereby admit the instance petition.

9. The Financial Creditor has fulfilled all the requirement of law and has also proposed the name of IRP after obtaining the written consent in Form-2. Therefore, CP (IB) No.346/07/HDB/2018 is admitted and the commencement of the Corporate Insolvency Resolution Process is ordered which ordinarily shall get completed within 180 days, reckoning from the day this order is passed.

10. This Adjudicating Authority hereby Appoint Mr. Sisir Kumar Appikatla, as IRP as proposed by the Financial Creditor. There is no disciplinary proceedings pending against the IRP as evidenced from Form-2 and his name is reflected in IBBI website.

The IRP is directed to take charge of the



Respondent/Corporate Debtor's management immediately. He is also directed to cause public announcement as prescribed under Section 15 of the Insolvency and Bankruptcy Code, 2016 within three days from the date the copy of this order is received, and call for submissions of claim in the manner as prescribed.

11. The moratorium is hereby declared which shall have effect from the date of this Order till the completion of Corporate Insolvency Resolution Process, for the purpose referred to in Section 14 of the I & B Code, 2016. It is hereby ordered to prohibit all of the following, namely:-

- a) *The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority.*
- b) *Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;*
- c) *Any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial*

*Assets and Enforcement of Security Interest Act,
2002 (54 of 2002);*

*d) The recovery of any property by an owner or lessor
where such property is occupied by or in the
possession of the Corporate Debtor.*

12. The Supply of essential goods or services of the Corporate Debtor shall not be terminated or suspended or interrupted during moratorium period. The provision of Sub-section (1) of Section 14 shall not apply to such transaction, as notified by the Central Government.
13. The IRP shall comply with the provisions of Sections 13 (2), 15, 17, & 18 of the Code. The directors of the Corporate Debtor, its promoters or any person associated with the Management of the Corporate Debtor is expected to extend all assistance and cooperation to the IRP as stipulated under Section 19 and for discharging his function under Section 20 of the I & B Code, 2016.
14. The Financial Creditor and the Registry are directed to send the copy of this Order to IRP so that he could take charge of the Corporate Debtor's assets etc., and make compliance with this Order as per the provisions of I & B Code, 2016.
15. The Registry is directed to communicate this Order to the Financial Creditor and the Corporate Debto



16. The detailed address of the IRP are as follows:-

Mr. Sisir Kumar Appikatla
Insolvency Resolution Professional,
IP Registration No. IBBI/IPA-001/IP-P00751/2017-
18/11283,
106 First Floor, Bharat Towers,
5th Lane Dwarkanagar,
Vishakapatnam,
Andhra Pradesh – 530016.
Email: sisir_appi@yahoo.co.in.

17. The Present Petition is hereby Admitted.


K.ANANTHA PADMANABHA SWAMY
MEMBER JUDICIAL