

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

I.A.No.125 of 2021 in
C.P. (IB) No.48/BB/2018
U/s. 35(1) (N) of the I&B Code, 2016
R/w Regulation 44(2) of the IBBI
(Liquidation Process) Regulations, 2016

Mr. Vinod Sunder Raman,
(Liquidator of
M/s. Pranee Infrastructures Private Limited)

318, 19th Main, 41st Cross,
5th Block, HBR Layout,
Bangalore - 560 043.

- Applicant/Liquidator

Order delivered on: 06 .08.2021

Coram: 1. Hon'ble Shri Bhaskara Pantula Mohan, Acting President
2. Hon'ble Shri Hemant Kumar Sarangi, Member (Technical)

Parties/Counsels Present (Through Video Conference):

The Applicant/Liquidator : Shri Vinod Sunder Raman

ORDER

Per: Bhaskara Pantula Mohan, Acting President

1. I.A.No.125 of 2021 in C.P. (IB) No.48/BB/2018 is filed by Mr. Vinod Sunder Raman, Liquidator of M/s. Pranee Infrastructures Private Limited (hereinafter referred to as 'Applicant/Liquidator') Under Section 35(1) (N) of the I&B Code, 2016 R/w Regulation 44(2) of the IBBI (Liquidation Process) Regulations, 2016, by inter alia seeking to extend the period of liquidation of the Corporate Debtor by a period of one year beyond 11.04.2021 etc.
2. Brief facts of the Application, which are relevant to the question, are as follows:



- (1) Initially, C.P. (IB) No.48/BB/2018 filed by M/s. Vishwas Concrete Private Limited., U/s 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 16.07.2019 by initiating CIRP in respect of M/s. Pranee Infrastructure Private Limited, appointed Shri Vinod Sunder Raman as the IRP. Further I.A No. 598 of 2019 was filed seeking Liquidation in respect of the Corporate Debtor and to appoint the IRP to act as Liquidator to liquidate the Corporate Debtor and the same was allowed by the this Adjudicating Authority vide order dated 20.11.2019. Pursuant to appointment of Liquidator the Liquidator made a public announcement on 02.12.2019 in Financial Express and Vijayavani.
- (2) It is stated that to keep the Corporate Debtor as going concern for its beneficial Liquidation, the Liquidator continued the operations of Corporate Debtor. The Liquidator made all the possible efforts to keep the project related to Government dues (ISRO) ongoing in order to be able to release the contract amount from the Government. On February 15, 2021, the Liquidator wrote to ISRO stating that the project was completed and is ready for possession. The Liquidator also sought declaration from ISRO that the project was completed. However the Liquidator is yet to receive any response, in spite of follow up with ISRO.
- (3) It is further stated that the Liquidation process in the above mentioned matter has not been completed and in the meantime, the nationwide lockdown was imposed by the Government of India and the period of 365 days of Liquidation was going to expire on 19.11.2020. However, as per the provisions of section 47A of the IBBI (Liquidation) Regulations, 2016, an application for exclusion of 143 days on account of lockdown period from 25.03.2020 till 15.08.2020 was filed before this Hon'ble Tribunal and this Hon'ble Tribunal was pleased to exclude the Lockdown period of 143 days from the Liquidation period vide order dated 01.12.2020.



- (4) Pertinently, the Liquidator has been performing his duty as per the provisions of I&B Code, 2016 duly on time before the lockdown was imposed and also simultaneously kept the business of Corporate Debtor to ensure its beneficial Liquidation. It is stated that there are two residential villas in the name of Corporate Debtor. The Financial Creditors i.e. City Union Bank and UCO Bank have their respective charge over the said villas. Further, as per the claim Forms submitted by these Financial Creditors, both the Financial Creditors had chosen not to relinquish their security interest in Liquidation estate and to realize their security interest by themselves. However, City Union Bank, vide letter dated 01.10.2020 has relinquished its security interest to the Liquidation estate. It is further stated that the relinquishment of assets of Corporate Debtor by this secured Financial Creditor took almost a year since the commencement of Liquidation process.
- (5) It is further stated that till date the Liquidator has made two attempts to sell the assets of Corporate Debtor via e-auction process as per Regulation 33 of the IBBI (Liquidation Process) Regulations, 2016 read with schedule 1 mode of sale. Below are the details of abovementioned e-auction attempts made by Liquidator in the matter:

Sl. No.	Mode of Sale	Date of Auction	Asset	Asset Sold
1	E -Auction under IBC-2016	12.01.2021	Lot - 1: Residential Villa Lot - 2: Plant & Machinery	Lot-2: Plant & Machinery
2	E -Auction under IBC-2016	12.03.2021	Lot - 1: Residential Villa	--

At the first attempt of sale only Lot No.2 of Plant and Machinery was sold.

- (6) The Liquidator has also stated that as per Regulation 44 (1) of the Liquidation Process Regulations the time period given to the Liquidator for the Liquidation of the Corporate Debtor is has come to an end on



11.04.2021 and seeks additional time of one year from 12.04.2021 till 11.04.2022 for the completion of the Liquidation process of the Corporate Debtor. Further, as per the Regulation 44(2) of the IBBI (Liquidation Process) Regulations, 2016, the report is prepared by the Liquidator explaining the reasons for seeking extension of the Liquidation period along with the other details regarding the development in the Liquidation process.

(7) Subsequently, the Liquidator has filed an affidavit dated 22.04.2021 seeking four month's extension from the expiration of Liquidation period i.e. 11.04.2021 of the Liquidation process.

3. It is submitted that the Hon'ble Supreme Court of India, in *Suo Motu Writ Petition (Civil) No(s).3/2020 in Re: cognizance for extension of Limitation vide order dated 23.03.2020*, has *inter alia* observed as under:

"This Court has taken Suo Motu cognizance of the situation arising out of the challenge faced by the Country on account of Covid-19 Virus and resultant difficulties that may be faced by litigants across the Country in filing their Petitions/Applications/Suits/Appeals/all other proceedings within the period of limitation prescribed under the general law of limitation or under Special Laws (both Central and/or State).

To obviate such difficulties and to ensure that lawyers/litigants do not have to come physically to file such proceedings in respective Courts/Tribunals across the Country including this Court, it is hereby ordered that a period of limitation in all such proceedings, irrespective of the limitation prescribed under the general law or special Laws whether condonable or not shall extended w.e.f. 15th March, 2020 till further order/s to be passed by this Court in present proceedings.

We are exercising this power under Article 142 read with Article 141 of the Constitution of India and declare that this order is a binding order within the meaning of Article 141 on all Courts/Tribunals and authorities. This order may be brought to the notice of all High Courts for being communicated to all



subordinate Courts/Tribunals within their respective jurisdiction. Issue notice to all the Registrars General of the High Courts, returnable in four weeks."

IBBI has also inserted Regulation 47A to the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, vide notification dated 20.04.2020, which reads as under:

"Exclusion of period of lockdown"

47A. Subject to the provisions of the Code, the period of lockdown imposed by the Central Government in the wake of Covid-19 outbreak shall not be counted for the purposes of computation of the time-line for any task that could not be completed due to such lockdown, in relation to any liquidation process."

4. Heard Shri Vinod Sunder Raman, learned Liquidator **through Video Conference**. We have carefully perused the pleadings of the parties and the extant provisions of the Rules.
5. As stated supra, the material facts of the issue are not in dispute, and the law on the issue is also settled by the judgments cited above. This Adjudicating Authority has also been taking a view that the hardship caused by the COVID-19 pandemic, the lockdown enforced by the Central and State Governments, and the resulting disruption to movement of men and material during the last few months constitute exceptional circumstances as contemplated in Section 60(5) of the Code wherein this Adjudicating Authority is empowered to pass orders as it deems fit. In view of the circumstances narrated in the Petition, we are of the considered view that the extension of time period prayed for deserves to be acceded to.
6. In the result, I.A.No.125 of 2021 in C.P. (IB) No. 48/BB/2018 is hereby disposed of with the following directions:
 - a. Extension of four months from 11.04.2021 in the Liquidation process period of the Corporate Debtor is hereby granted.



- b. The Liquidator is directed to take expeditious steps to finalize the Liquidation process, without any further delay.



**BHASKARA PANTULA MOHAN
ACTING PRESIDENT**



**HEMANT KUMAR SARANGI
MEMBER, TECHNICAL**

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