

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

CA No.154/ 2017
IN
CP (IB) 10/7/HDB/2017
U/s 12 of Insolvency and Bankruptcy Code, 2016
R/w Regulation 40 of
IBBI (Insolvency Resolution Process for Corporate Persons)
Regulations, 2016

In the matter of Indian Bank Vs. Kadevi Industries Limited

Shri Raghu Babu Gunturu
Interim Resolution Professional
T 202, Technopolis
1-10-74/B, Above Ratnadeep Super Market
Chikoti Gardens, Begumpet
Hyderabad – 500 016

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OF THE ORIGINAL**

...Applicant

Date of order: 01.09.2017

CORAM:

Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)

Hon'ble Shri Ravikumar Duraisamy, Member (Technical)

Parties present

For the Financial Creditor : Shri V.K. Sajith, Advocate
Shri G. Raghu Babu, IRP

Per: Rajeswara Rao Vittanala, Member (Judicial)



ORDER

1. The present Company Application bearing CA No. 154/2017 in CP (IB) 10/7/HDB/2017 is filed by Shri Raghu Babu G, Resolution Professional under Section 12 of Insolvency and Bankruptcy Code, 2016 R/w Regulation 40 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, by seeking a direction to extend the Corporate Insolvency Resolution Process for a further period of 90 days from 11.09.2017.
2. Heard Shri V.K. Sajith, Learned Counsel for the Financial Creditor and Shri G. Raghu Babu, Learned Interim Resolution Professional.
3. The Learned IRP submitted, that in pursuant to admission of the case by the Adjudicating Authority on 15.03.2017 appointing him as IRP, the following developments taken place:-

(a) CIRP Time line and Members of CoC

Date of commencement of CIRP	15 th March 2017
180 days period ends on	11.09.2017
CoC Members	Indian Bank, State Bank of India, Axis Bank and Corporation Bank
Voting share of CoC Members	
Indian Bank	48.09%
State Bank of India	20.14%
Axis Bank	16.50%
Corporation Bank	15.28%

- (b) During the process of CIRP, Mr M.S. Prabhakar, Resolution Applicant & Promoter of CD, has come with the proposal of investment from Citax Ventures Limited, Special Purpose Vehicle of Netoil (Singapore) (Pte)



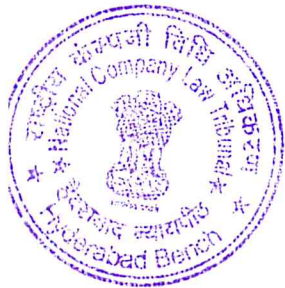
Limited, to submit the Resolution Plan that includes the dues of the Financial Creditors and Resolution plan dated 6th July, 2017 submitted by Mr. M.S. Prabhakar, Resolution Applicant and Promoter, was discussed in the 4th CoC meeting held on 07th July, 2017. Thereafter, Financial Creditors sought for improvement of the settlement amount from Rs. 150 crores and additional fund to cover the unexpired Bank Guarantees.

- (c) Accordingly, the settlement amount was increased from Rs. 150 cores to Rs. 155 crores, and it was also agreed to provide for Rs. 3.46 crore towards 100% cash margin with the banks, for the outstanding Bank Guarantee issued by State Bank of India and Indian Bank.
- (d) Subsequently, Financial Creditors submitted their letters for in-principle approval for Rs. 155 crores, and Rs. 3.46 crores towards 100% cash Margin with the Banks, for the outstanding Bank Guarantee issued by State Bank of India and Indian Bank and he has also stated therein that the Financial Creditors are insisting Rs. 27 crore of Escrow amount instead of Rs. 23.25 crores and submit that this issue is under negotiation with the concerned higher authorities of the CoC and submit that this issue is likely to be resolved soon.
- (e) It is further stated that the CIRP period of 180 days as prescribed under the IBC would expire on 11.09.2017 and since above issue is still to be resolved, four similar circular Resolutions dated 9th August, 2017 are passed by all the members of the CoC by authorizing Shri G. Raghu Babu, Resolution Professional to make application before NCLT, Hyderabad Bench, seeking extension of the period of 180 days for completion of CIRP in question. Therefore, the Learned Resolution Professional



pray this Tribunal to further extend a period of 90 days beyond 180 days.

4. Shri V.K. Sajith, Learned Counsel for Financial Creditor submits that the Adjudicating Authority can consider for extension of time and by affirming with regard to extension by Resolution Professional in his affidavit.
5. We have perused all the affidavits and material papers filed by them along with the main Company Petition. We are satisfied that the parties to the issue are making every bonafide effort in finalizing the Resolution Plan. Therefore, it is a fit case for extension for a further period of 90 days from 11.09.2017.
6. In the result, the Company Application bearing CA No.154/2017 in CP (IB) No. 10/7/HDB/2017 is allowed by exercising powers under Section 12(3) of Insolvency and Bankruptcy Code, 2016, by granting further extension of 90 days from 11.09.2017, with a direction to the Resolution Professional to complete the CIRP at the earliest possible time without waiting for the completion of the extended time of 90 days and he is further directed to pursue with CoCs to come forward to resolve the issue and all CoC members are directed to extend full co-operation without any further delay so that the CIRP in question would be resolved at the earliest.
7. Shri V.K. Sajith, Learned Counsel for the Financial Creditor is advised to extend full cooperation to Resolution Professional without waiting for completion of 90 days extended period.
12. Post the C.P. on 05.10.2017.



Sd/-
Ravikumar Duraisamy
Member (Technical)

Sd/-
Rajeswara Rao Vittanala
Member (Judicial)

Order Received by the Registry on 13.9.2017

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For Dy. Regr./Asst. Regr./Court Officer/
National Company Law Tribunal, Hyderabad Bench

प्रमाणित प्रति
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केस नंबर
CASE NUMBER *CA No. 154/2017 IN CP (IB) No. 10/7/HDB/2017*
दिनांक
DATE OF JUDGEMENT *13.9.2017*
कॉपी तैयार करने की तारीख
COPY MADE READY ON *13.9.2017*