

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II**

PHYSICAL HEARING

**CORAM: JUSTICE TELAPROLU RAJANI – HON’BLE MEMBER (J)
CORAM: SHRI CHARAN SINGH - HON’BLE MEMBER (T)**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
HYDERABAD BENCH, HELD ON 07.07.2023 AT 02:30 PM**

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	IA (IBC)/1037/2023 in Company Petition IB/112/2021
NAME OF THE COMPANY	Veda Vyas Gangula
NAME OF THE PETITIONER(S)	Infiniti Techlabs LLP
NAME OF THE RESPONDENT(S)	Veda Vyas Gangula
UNDER SECTION	10 of IBC

ORDER

IA (IBC)/1037/2023

This application is allowed, vide separate orders.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)

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

**I.A. No. 1037 of 2023 in
C.P. (IB) No. 112/7/HDB/2021
Under Section 33(1)(a) of the IB Code, 2016**

**In the matter of
M/S Infinit Techlabs L.L.P.**

Mr. Rachamalla Ramachandra Reddy

M/s Infiniti Techlabs L.L.P.
R/o 508, Block A1, TVS Lake View Apartments,
Road No. 10, Panchavati Colony,
Manikonda, Hyderabad – 500 089

...Applicant/Resolution Professional

In the matter of CP(IB) 112/10/HDB/2021

Smt. Gautami Gangula,

Designated Parnter, M/s Infinit Techlabs LLP

... Corporate Debtor

Vs.

Mr. Vedavyas Gangula

... Financial Creditor

Date of Order: 07.07.2023

Coram:

Justice Telaprolu Rajani, Member, Judicial

Sri Charan Singh, Member, Technical

Counsel present:

For the Applicant : Ms. J.V.L. Bharati, Advocate

Heard on : 03/07/2023

Per : Bench

O R D E R

1. This is an application filed by the Resolution Professional (hereinafter referred to as "RP") under Section 33(2) read with Section 60(5) of the

Insolvency and Bankruptcy Code, 2016 praying this Adjudicating Authority to order liquidation of M/s. Infiniti Techlabs L.L.P. (hereinafter referred to as “Corporate Debtor”).

2. The brief facts of the case are as follows:

- a. The Corporate Insolvency Resolution Process (CIRP) was initiated against the Corporate Debtor (CD) vide order dated 10th March, 2023 of this Tribunal.
- b. Mr. Kedari Narasimha was appointed as Interim Resolution Professional (IRP) and he was replaced by Rachamalla Ramachandra Reddy, the applicant herein, vide order dated 21/04/2023 of this Tribunal (IA No. 635/2023).
- c. After assuming charge, IRP constituted CoC with the Financial Creditor, Operational Creditors and the Workmen/Ex-employees. The IRP, in the first meeting, held on 12/04/2023, informed that the Registered Office of the CD was locked and one of the CD’s Partners who accompanied the IRP confirmed that there were no operations of the Company since 2021. Further, the IRP informed CoC Members that there is a credit balance of Rs. 6,79,010/- in CD’s current account no. 5020001927105 maintained with HDFC Bank Malkajgiri Branch and the CD also owned a Car, which was hypothecated to HDFC Bank and the IRP has taken control of the Car.
- d. The Applicant/RP assumed charge on 24/04/2023 and came to know that CD’s office was locked and no operations were found in the office of the CD. No assets are available except the Car, which was taken over by the IRP.
- e. The Securities and Financial Valuers submitted their reports to the RP as per which, the value of the assets is very meagre which is not

sufficient to cover the CIRP and the liquidation Costs. RP has not appointed valuers for the land and building assets as no such assets have been identified.

- f. In the Second CoC held on 09/06/2023, CoC Members expressed their view that the value of the assets of the CD is very meagre and the liquidation value of the assets is also meagre and they may not fetch a good resolution plan. Therefore, CoC member/FC resolved as follows: **“Resolved that the approval of Committee of Creditors of Infiniti Techlabs LLP, Hyderabad be and hereby accorded for liquidation of the CD as per section 33(2) of Insolvency and Bankruptcy Code, 2016”**
- g. It was further resolved by the CoC that Mr. Rachamalla Ramachandra Reddy, RP be authorized to carry out all necessary actions for giving effect to the above said resolution.
- h. As per the provisions of Regulation 39(B) of CIRP Regulations, CoC members discussed with the RP and estimated the liquidation costs and approved the following costs:

S.No.	Particulars of expenses	Amount in Rs.
1.	Liquidator's fee @ 60,000/- per month for three months	1,80,000
2.	Remuneration payable to professional	15,000
3.	Legal counsel expenses	35,000
4.	Public announcement expenses	20,000
5	SCC Meeting expenses	5,000
6	NCLT filing expenses	5,000
7	Statutory audit as on 31/03/2023 and receipts and payments audit during liquidation	60,000

8.	E-auction expenses and advertisement	20,000
9	Insurance	10,000
10	Repairs and maintenance	10,000
11	RoC filing	5,000
12	Record keeping – Old records of CD for 8 years	25,000
13	Stationery, Printing, xerox, scanning etc.	10,000
14	Conveyance	25,000
	Total	4,25,000

- i. As per the provisions of Regulation 39(D), Co approved the Liquidator's fee and resolved that pursuant to provisions of Insolvency and Bankruptcy Code, 2016 and Regulation 39(D) of the IBBI (Insolvency Regulation Process of Corporate Persons) Regulations, 2016 and other applicable provisions of the Code and Regulation, the Committee of Creditors approves the fee of the liquidator Rs. 60,000 (Rupees Sixty Thousand only) per month. A copy of the Minutes of Second CoC held on 09/06/2023 is enclosed as Annexure – 2 to the application.
- j. The appointment of a Transaction Auditor was not approved by the CoC.

3. In view of the above factual matrix, the applicant/RP has filed this application seeking for an order requiring the Corporate Debtor to be liquidated.

4. We have heard the Counsel appearing for the Liquidator. A perusal of the contents of the application would show that the Resolution Professional has made his best efforts to keep the Corporate Debtor as a going concern,

but since no Resolution Plan, which was viable, was received, the CoC with 100% voting has recommended for liquidation of the Corporate Debtor.

5. From the above, it would appear that despite all possible steps as required under the Code, taken during the CIRP, the CoC did not receive any viable proposal for revival of the Company.

ORDER

6. We pass the order for initiation of liquidation of Corporate Debtor in terms of provisions of section 33(1) and 33(2) of IBC, 2016 read with regulations made thereunder which shall be effective from the date of this order.

- a) Mr. Rachamalla Ramachandra Reddy. (Registration No. IBBI/IPA-001/IP/P-01472/2018-19/12270), having office at Flat No. 508, Block - A1, TVS Lakeview Apartment, Road No. 10, Panchavati Colony, Manikonda, Hyderabad - 500 089 **e-mail: umarachamalla12081961@gmail.com, and process email: infinititechlabs.cirp@gmail.com, Mobile No. 9441279037** is appointed as the Liquidator. No disciplinary proceeding is pending against him as per the IBBI website.
- b) He shall issue public announcement stating that Corporate Debtor is in Liquidation.
- c) The Moratorium declared under Section 14 of the IBC, 2016 shall cease to operate here from.
- d) Subject to section 52 of the IBC 2016 no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. This shall however not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

- e) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.
- f) The liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- g) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will be required for managing its affairs.
- h) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
- i) This Order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor, except when the business of the Corporate Debtor is continued during the Liquidation process by the Liquidator.
- j) Copy of the Order shall be furnished to the IBBI, to the Regional Director (South Eastern Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Telangana, the Registered Office of the Corporate Debtor; and the Liquidator.

7. With the above directions **IA.No.1037/2023 in CP (IB) No.112/10/HDB/2021** is allowed and stands disposed of.

Sd/-
(Charan Singh)
Member, Technical

Sd/-
(Justice Telaprolu Rajani)
Member, Judicial

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