

**NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH
SPECIAL BENCH, COURT No. II**

*** **

IA No. 1038 of 2020

in

[CP (IB) 1874 (MB) of 2019]

*** **

Paramount Consultants and Corporate Advisors Pvt. Ltd.

Vs.

Prabhat Technologies(India) Ltd

*** **

Dated 10th August, 2020

The work of the Tribunal has been closed due to Covid-19 pandemic as per letter dated 22.03.2020 and subsequent follow up orders of the Principal Bench, National Company Law Tribunal. The Principal Bench vide Notice dated 15.06.2020, constituted this Bench for hearing of the urgent matters through Video Conference (VC).

The matter is taken up on Video Conference. The Learned Counsel Mr. Prateek Mishra, Mr. Darryl Pereira, Mr. Tejas Gokhle and Mr. Indrajeet Hingane for both the parties are present. The Judgment is pronounced through Video Conference (VC). The Application IA No. 1038 of 2020 is allowed. CIRP period is extended by 90 days from and including 13.08.2020 and would ordinarily end on 10.11.2020.

Sd/-

**MEMBER JUDICIAL
(Janab Mohammed Ajmal)**

Sd/-

**MEMBER TECHNICAL
(Ravikumar Duraisamy)**

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, SPECIAL BENCH COURT No. II**

**IA No. 1038 / 2020
in
CP (IB) No. 1874 / 2019**

**Under Section 12 (2) of the Insolvency and
Bankruptcy Code, 2016**

Rajendra K Bhuta,
Resolution Professional of Prabhat Technologies
(India) Limited [formerly known as Prabhat
Telecoms (I) Ltd]

... Applicant

In the matter of:

Paramount Consultant & Corporate Advisors
Private Limited
{CIN: L72100MH2007PLC169551}

... Financial Creditor

Order delivered on: 10.08.2020

Coram :

Hon'ble Janab Mohammed Ajmal, Member (Judicial)

Hon'ble: Mr. Ravikumar Duraisamy Member (Technical)

Appearance: (through video conferencing):

For the Applicant: Mr D. B. Pereira, Advocate

Per: Ravikumar Duraisamy, Member Technical

ORDER

This is an Application by the Resolution Professional of the Corporate Debtor seeking extension of the period of Corporate Insolvency Resolution Process (CIRP).

2. The CIRP of Prabhat Technologies (India) Limited [formerly known as Prabhat Telecoms (I) Ltd] (the Corporate Debtor) began on 10.10.2019, pursuant to admission of Section 7 Application filed by a Financial Creditor. This Tribunal appointed the present Applicant as the Resolution Professional. The Applicant submits that the Public Announcement was made on 21.10.2019 in two Newspapers inviting claims from all the creditors to be filed by 04.11.2019. The Committee of Creditors (CoC) was subsequently formed. The Applicant submits that the 2nd CoC meeting was held on 30.11.2019 where the issue on classification of Creditors was discussed. At the 3rd CoC meeting held on 13.12.2019 the invitation of Expression of Interest (EOI) and also the Eligibility Criteria of Resolution Applicants was discussed.
3. The Applicant submits that at the 4th CoC Meeting held on 13.02.2020 the Applicant informed the CoC Members that he had received only one EOI from Prospective Resolution Applicant (PRA). The CoC members discussed and decided to advertise a 2nd cycle of EOI on 24.02.2020 and the last date of the submission of EOI was fixed on 10.03.2020.
4. The PRA vide their letter dated 22.02.2020 requested the Applicant for extension of time to submit the Resolution Plan by 06.03.2020. The State Bank of India (one of the Financial Creditors) informed that since the 2nd cycle of advertisement of EOI is published, the PRA needed to submit a fresh EOI.

5. The Applicant submits that the 5th CoC Meeting held on 05.05.2020 via video conferencing due to the Covid-19 Pandemic the CoC, members duly approved and authorized the Applicant via E-voting with a majority of 94% votes to file an Application under Section 12(2) of the Insolvency and Bankruptcy Code, 2016 for extension of CIRP period for a further period of 90 days as the Resolution Plan is still pending for consideration and a MA No 440 of 2020 was filed by the State Bank of India for classification of claims received from 2 entities and period of 180 days was going to expire on 06.04.2020.
6. The applicant further submitted that Hon'ble National Company Law Appellate Tribunal (NCLAT) vide Order dated 30.03.2020 directed that the period of nationwide lockdown announced by the Government of India due to the outbreak of Covid-19, shall not be included in CIRP period. The lockdown in the state of Maharashtra has been extended and will now expire on 31.08.2020. Hence, the CIRP period of the Corporate Debtor which was to expire on 06.04.2020, would now end on 12.08.2020. The present Application is filed for extension of CIRP period by 90 days i.e. up to 10.11.2020 or such period excluding the period of lockdown under Section 12(2) of the Insolvency and Bankruptcy Code.
7. The Bench perused the documents and considered the submissions made by the Ld Counsel for the RP and RP himself. This Bench is of the conscientious view that the present Application is bona fide and grounds submitted for the extension of CIRP period are genuine for the completion of CIRP. Furthermore, in view of the intent of the Code, the possibility of success of CIRP and the interest of the Corporate Debtor wherein there is a possibility of resolution of insolvency, the time period for completion of CIRP is extended by further 90 days starting from 13.08.2020 (inclusive).

ORDER

Hence, IA 1038 of 2020 in CP (IB) No.1874 of 2019 is allowed. The CIRP period is extended by 90 days from and including 13.08.2020 and would ordinarily end on 10.11.2020. The Applicant shall take all expeditious steps to complete the CIRP by that date.

**Sd/-
JANAB MOHAMMED AJMAL
MEMBER (JUDICIAL)**

**Sd/-
RAVIKUMAR DURAISAMY
MEMBER (TECHNICAL)**

A.M.