



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
NEW DELHI (COURT NO. VI)**

**Company Petition No. IB-522/ND/2022**

*[Under Section 10 of the Insolvency and Bankruptcy Code, 2016  
and Rule 7 of the Insolvency and Bankruptcy (Application to  
Adjudicating Authority), Rules, 2016.]*

**IN THE MATTER OF:**

**M/s. RAPID BUILDWELL LIMITED**

Registered office at:  
D-3, District Centre, Saket,  
New Delhi- 110017

.... Corporate Applicant

*ORDER PRONOUNCED ON: 21.11.2022*

**CORAM:**

**SHRI. P.S.N. PRASAD, MEMBER (JUDICIAL)**

**SHRI RAHUL BHATNAGAR, MEMBER (TECHNICAL)**

**FOR THE APPLICANT** : Mr Suresh Dutt Dobhal, Advocate

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## ORDER

### PER-RAHUL BHATNAGAR, MEMBER (TECHNICAL)

1. This is an application filed under Section 10 of Insolvency and Bankruptcy Code, 2016 (for brevity 'IBC, 2016') r/w rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for brevity 'the AAA Rules') by Mr. Sahil Anand & Mr. Praveen Kumar, being the directors authorized vide board resolution dated 27.04.2022 for initiation of Corporate Insolvency process in respect of M/s. Rapid Buildwell Ltd., the Corporate Debtor being the Corporate Applicant itself.
2. The Applicant has averred that the company was incorporated on 25.04.2005 as a Public Limited company under the provision of Companies Act, 1956 with the Registrar of Companies N.C.T. of New Delhi and Haryana, bearing CIN No. U45201DL2005PLC135266 and having registered office at D-3, District Centre Saket, New Delhi-110017. The authorized share capital of the company is Rs 25,00,000/- divided into 2,50,000/-, equity shares of Rs 10/- each.

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3. The Corporate Applicant had availed the unsecured short-term loan ('Facility-1') from Sharan Hospitality Private Limited (herein after also referred to as "SHPL") amounting Rs. 4,67,45,701/- (Rupees Four Crore Sixty-Seven Lacs Forty-Five Thousand Seven Hundred and One only) and first tranche amounting to Rs. 40,00,000/- (Rupees forty Lacs Only) was disbursed on 24.01.2017. The said facility was required to be repaid in full by 31.03.2019. The said facility was partly paid and in view thereof, the said facility stood reduced to Rs. 4,22,75,000/- (Rupees Four Crore Twenty-Two Lacs Seventy-Five Thousand only).
4. The Corporate Applicant had availed the unsecured short-term loan ('Facility-2') from Pawan Impex Private Limited (herein after also referred to as "PIPL") amounting to Rs. 2,33,50,000/- (Rupees Two Crore Thirty-Three Lacs Fifty Thousand Only). The first tranche amounting Rs. 37,00,000/- (Rupees Thirty-Seven Lacs) was disbursed on 08.06.2018. The said facility was required to be repaid in full by 31.03.2019. The said facility were partly repaid and in view thereof, the said facility stood reduced to Rs. 1,00,25,000/- (Rupees One Crore Twenty-Five Thousand Only). Further, considering the bad financial

IB-522/ND/2022

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situation of the Corporate Applicant, PIPL had paid the professional fees on behalf of the Corporate Applicant amounting Rs. 2,61,023/- (Rupees Two Lacs Sixty-One Thousand Twenty-Three Only) on 22.05.2019 and in view thereof, the total amount of default towards PIPL stood increased to Rs. 1,02,86,023/- (Rupees One Crore Two Lacs Eighty-Six Thousand Twenty-Three Only).

5. The Corporate Applicant is unable to repay / reimburse the abovementioned amount to its creditors. Hence, the present application was filed by the Corporate Applicant, for initiation of corporate insolvency resolution process, under Section 10 of the Insolvency and Bankruptcy Code, 2016.
6. The total outstanding amount due and payable by the Corporate Applicant to its creditors is as under:
- Sharan Hospitality Private Limited: Rs.4,22,75,000/- (Rupees Four Crore Twenty-Two Lacs Seventy-Five Thousand only);
  - Pawan Impex Private Limited: Rs. 1,02,86,023/- (Rupees One Crore Two Lacs Eighty-Six Thousand Twenty-Three Only);

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- SVIIT Software Private Limited: Rs. 1,35,000/- (Rupees One Lacs Thirty-Five Thousand Only)

7. The Corporate Applicant has annexed the minutes of the Extraordinary General Meeting dated 29.04.2022 in compliance of Section 10(2)(c). The members of the Corporate Applicant resolved by way of Special Resolution as follows: -

**"RESOLVED FURTHER THAT** Mr. Sahil Arland and/or Mr. Praveen Kumar and/or Md. Makhdoom Ahmad, Directors of the Company (**the Authorised officers**) be and are hereby jointly any two authorized on behalf of the Company to sign, file and execute documents/ applications /undertakings/ petitions for initiating corporate insolvency resolution process under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("IBC, 2016") before the National Company Law Tribunal and to do all such acts, things, deeds as may be deemed necessary and incidental for giving effect to the foregoing resolutions."

**"RESOLVED FURTHER THAT** Mr. Raman Devarajan (IBBI/ IPA-002/ IP-N00323/ 2017-2018/ 10928) is hereby proposed for appointment as the Interim Resolution Professional for conducting CIRP subject to approval of the members of the Company,"

**"RESOLVED FURTHER THAT** a copy of the above resolution certified by any Director of the Company be submitted to the concerned authorities and they may be requested to act upon the same."

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8. The Corporate Applicant has enclosed the audited financial statements for the years 2019-2020 and 2020-2021, the provisional financial statement as on 27.06.2022.
9. The registered office of the Corporate Applicant is situated at Delhi and therefore this tribunal has jurisdiction to entertain and try this application.
10. The present application is filed on the Performa prescribed under Rule 7 of the Insolvency and Bankruptcy Code, 2016 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 r/w Section 10 of the code and is complete.
11. Considering the documents on records and submission made, this Bench is of the view that the Corporate Applicant has defaulted in making payment of its debt to the creditors. Hence, this application is admitted.
12. Sub-section (3) (b) of Section 10 mandates the Corporate Applicant to furnish the name of an Interim Resolution Professional. In compliance thereof, the Corporate Applicant has proposed the name of Mr. Raman Devarajan for

IB-522/ND/2022

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appointment as Interim Resolution Professional having registration number IBBI/IPA-002/IP-N00323/2017-2018/10928 and e-mail address-Devarajan.raman@gmail.com. Mr. Raman Devarajan has agreed to accept the appointment as the interim resolution professional and has signed a communication in Form 2 in terms of Rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 dated 27.04.2022. Accordingly, it is seen that the requirement of Section 10 (3) (b) of the Code has been satisfied.

13. Section 16(1) and Section 16 (2) of the Code mandate that the Resolution Professional proposed in the Application u/s 7 or 10 of the Code shall be appointed as the Interim Resolution Professional ( IRP) by the Adjudicating Authority (Tribunal) if no disciplinary proceedings are pending against him. Rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, require the proposed Interim Resolution Professional to make a declaration in Form 2 confirming his eligibility to be appointed as a Resolution Professional as well as a declaration confirming that no disciplinary proceedings are pending against him in the

IB-522/ND/2022

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Insolvency and Bankruptcy Board or elsewhere. The proposed Interim Resolution Professional Mr. Raman Devarajan has submitted the declaration in Form 2 dated 27.04.2022. The proposed Interim Resolution Professional Mr. Raman Devarajan has also submitted an "Authorisation for Assignment" dated 22.12.2021 issued by Institute of Insolvency Professionals.

14.As a consequence of the application being admitted, moratorium as envisaged under the provisions of Section 14(1), shall follow in relation to the corporate debtor, prohibiting as per proviso (a) to (d) of the Code. However, during the pendency of the moratorium period, terms of Section 14(2) to 14(4) of the Code shall come in force.

15.We direct the Corporate Applicant to deposit a sum of Rs. 2 lacs (Rs. Two Lacs) with the Interim Resolution Professional, namely Mr. Raman Devarajan to meet out the expenses and perform the functions assigned to him in accordance with regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The needful shall be done within one week

IB-522/ND/2022

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from the date of receipt of this order by the applicant. The amount however, be subject to adjustment by the Committee of Creditors, as accounted for by Interim Resolution Professional, and shall be paid back to the Applicant.

16. A copy of the order shall be communicated to the Applicant by the Registry. The said order shall be communicated to the IRP above named. Applicant is also directed to provide a copy of the complete paper book with copy of this order to the IRP. In addition, a copy of said order shall also be forwarded to IBBI for its records and to RoC for updating the Master Data. RoC shall send compliance report to the Registrar, NCLT.

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**(RAHUL BHATNAGAR )  
MEMBER (TECHNICAL)**

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MEMBER (JUDICIAL)**