NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH
COURT NO.1

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH, BENGALURU, HELD ON 17.02.2020

CAUSE LIST - 2

PRESENT: 1. Hon'ble Member (J), **Shri Rajeswara Rao Vittanala**
2. Hon'ble Member (T), **Shri Ashutosh Chandra**

CP/CA No.	Purpose	Sec	Name of Petitioner	Petitioner Advocate	Name of Respondent	Respondent Advocate
CP(IB) No. 159/BB/2019	For hearing IA 100/2020 – **CIRP**	Sec 7 of I&B Code 2016	M/s Cholamandalam Investments & Finance Company Ltd	FX & Co., Advocates	M/s SA Rawther Spices (P) Ltd	Aneetha, IRP

SHUBHARANJANI ANANTH
COUNSEL FOR APPLICANT/
RESOLUTION PROFESSIONAL

ADVOCATE FOR PETITIONER/s:

ADVOCATE FOR RESPONDENT/s:

ORDER

Heard Ms. Shubharanjani Ananth, learned Counsel for the RP

I.A No.100/2020 is allowed by separate order.

Post the C.P for hearing on **18.03.2020**

MEMBER (T) **MEMBER (J)**

Brunda

IN THE NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH

I.A. No.100 of 2020 in
C.P. (IB) No.159/BB/2019
U/s 12(2) of IBC, 2016
& Under Sub-Regulation (2) of Regulation
40 of the IBBI Regulations 2016
& Section 60(5) of the Code
R/w Rule 11 of NCLT Rules, 2016

IN THE MATTER OF:

Ms. Subramaniam Aneetha
Resolution Professional of
M/s. SA Rawther Spices Pvt Ltd
Office at A2, Sarada Apartments,
17/6, Sringeri Mutt Road,
R.A.Puram, Mandaveli,
Chennai- 600 028. - Applicant /RP

Date of Order: 17th February, 2020

Coram: 1. Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
2. Hon'ble Shri Ashutosh Chandra, Member (Technical)

Parties/Counsels Present:

For the Applicant/RP : Ms. Shubharanjani Ananth

For Financial Creditor : None

ORDER

Per: Rajeswara Rao Vittanala, Member (J)

1. I.A. No. 100 of 2020 in C.P. (IB) No.159/BB/2019 is filed by Ms. Subramaniam Aneetha, Resolution Professional of M/s. *SA Rawther Spices Pvt Ltd* (hereinafter referred to as 'Applicant/Resolution Professional') U/s 12(2) of the Code, 2016, and under Sub-Regulation (2) of Regulation 40 of the IBBI Regulations

2016 & Section 60(5) of the Code read with Rule 11 of NCLT Rules, 2016 by inter alia seeking to extend the period of CIRP by 90 days beyond 180 days with effect from 18.02.2020.

2. Briefs facts of the case, as mentioned in Application, which are relevant to the issue in question, are as follows:

(a) C.P (IB) No.159/BB/2019 filed by M/s. Cholamandalam Investment and Finance Company Limited (Petitioner/Financial Creditor) to initiate CIRP in respect of M/s. SA Rawther Spices Pvt ltd(Respondent/Corporate Debtor), was admitted by the Adjudicating Authority, vide order dated 21.08.2019, by appointing Ms. Subramaniam Aneetha as IRP, imposing moratorium etc. The order copy was received by the IRP on 30.08.2019. Accordingly, IRP had upon invitations of claims, received the claims, verified and constituted a Committee of Creditors, after causing Public Notice in the Business Standard and the Prajashakti Newspapers. A copy of the Publications effected together with the Report under Regulations 17(2) and Regulations 13(2) the Code has already been filed before this Hon'ble Tribunal on 23.09.2019.

(b) It is stated that on 09.10.2019, the RP has appointed Valuers for the purpose of preparations of the Information Memorandum and has ascertained the Fair Value as well as Liquidation value. Subsequently, in the 2nd Meeting of the COC held on 23.10.2019, the IRP was appointed as the Resolution Professional The Corporate Debtor was the largest processor and exporter of black paper, Turmeric, Coffee, Cloves, Chilies, nutmug, dry ginger and same line of products. The Credit exposure of the Corporate Debtor to Financial Creditors is a sum of Rs.433.91 Crores the Corporate Debtor had ceased business in from September 2017 and is not presently a going concern.

(c) It is further stated that the Applicant had been conducting Meeting of the Committee of Creditors as required under the Code for resolution of the Corporate Debtor. Further, in the 3rd Meeting of the COC, the Members approved the draft expression of interest (EoI) put forth by the RP and has instructed him to issue the EoI. The RP, thereafter, issued an EOI in Form-G. The EoI and response of a prospective Resolution Applicant, was discussed in the 4th COC conducted on 14.01.2020. In the said 4th COC, a Representative of the prospective Resolution Applicant was not only present but also confirmed his interest in submitting a Resolution Plan for taking over the Corporate Debtor.

(d) It is stated that the RP has taken ill and had been advised isolation and bed-rest. Therefore the CIRP could not at once be proceeded with. Since a Resolution would be in the greater interest of maximisation of asset value; in these circumstances, the 5th Meeting of the COC was held on 12.02.2020 and the Members unanimously agreed to seek extension of the CIRP period of 180 days by a further period of 90 days and advised the RP to approach this Hon'ble Tribunal for the same. Hence the present Application for extension of the period of CIRP by 90 days with effect from 17.02.2020 which is the 180th day of the CIRP. The extension presently sought has been approved by 100% of the members present and voting.

(e) In the above circumstances, the RP was able to convene the fifth meeting of the COC only on 12.02.2020. In the meeting, the following resolution was passed:

> *"Resolved that the consent of the all members of the Committee of Creditors present at the meeting including thorough conference call be and are hereby approved for making an application to the Adjudicating Authority to*

seek Extension of the Corporate Insolvency Resolution Period for a period of 90 days beyond the completion of the mandatory 180 day period of the Corporate Debtor which ended on 17.02.2020"

3. Heard Ms. Shubharanjani Ananth, learned counsel for Resolution Professional. We have carefully perused the pleadings of the party and extant provisions of the Code and the Rules made thereunder.

4. As narrated supra, the Resolution Professional is making every effort to conclude the CIRP in question within stipulated time but due to circumstances as explained above, it is not possible to conclude the CIRP within a period of 180 days as stipulated under the Code. An appropriate Resolution was also passed unanimously by the CoC Members in its Fifth meeting held on 12.02.2020 in favour of the extension of CIRP period by further 90 days. Therefore, we are satisfied with reasons cited by the Resolution Professional for seeking extension of time, and thus it is just and proper to extend a further period of 90 days beyond 180 days, which is going to expire on 17.02.2020.

5. In the result, I.A.No.100 of 2020 in C.P. (IB) No.159/BB/2019 is allowed with the following directions:

   (a) Hereby extended for a further period of 90 days beyond 180 days starting from 18th February, 2020 till 17th May, 2020 (Original period of 180 days will expire on 17th February, 2020) in order to conclude the CIRP process in respect of Corporate Debtor as per Order dated 21st August, 2019 passed in C.P. (IB) No.159/BB/2019.

(b) We further direct the Resolution Professional to take all expeditious steps to complete the CIRP within the extended period.

ASHUTOSH CHANDRA
MEMBER, TECHNICAL

RAJESWARA RAO VITTANALA
MEMBER, JUDICIAL

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