

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

IA No.31/2021
In CP (IB) No.12/10/HDB/2017
Under section 60 and Regulation 47A of the IBBI
(Liquidation Process) Regulations, IBC, 2016

In the matter of:-
M/s. V. N. R. Infrastructures Ltd.

Between:-

M/s. V.N.R Infrastructures Ltd
Represented by Mr. TSN Raja (Liquidator),
R/o. Plot No.16, Shop.com Flat,
HUDA Complex, Kothapet,
Hyderabad – 500 035.

...Applicant/Liquidator

Date of Order: 07.01.2021.

**Coram: Shri. K. Anantha Padmanabha Swamy, Member Judicial.
Dr. Binod Kumar Sinha, Member Technical.**

Parties/Counsels present:-

For the Applicant:

Mr. TSN Raja, Liquidator.

Per: Dr. Binod Kumar Sinha, Member Technical

ORDER

1. Under consideration is an Interlocutory Application bearing IA No. 31/2021 filed by Liquidator under Section 60 and Regulation 47A of the IBBI (Liquidation Process) (Second Amendment) Regulations, 2020, *inter-alia* seeking the following relief(s).
 - a) To pass necessary directions to exclude the lockdown period between 21.03.2020 to 30.11.2020 in counting Liquidation period.
2. It is stated that the liquidator of the Corporate Debtor i.e., M/s. VNR Infrastructure Ltd took control of the Company as liquidator on 21.09.2017.
3. That the Liquidator sold the Intangible Assets of the Corporate Debtor as a 'Going Concern' Credentials, Arbitration Receivables, Contracts

(WIP) and furniture on 09.03.2020 to M/s. Fortuna Engineering represented by Mr. Raj Kishore for Rs.12.43 Crores and it was stipulated as part of the sale conditions that the sale will be subject to approval by this Adjudicating Authority. The Liquidator filed Application in IA No.753/2020 for confirmation of sale of assets of the Company in favour of highest bidder i.e., Mr. Raj Kishore and others.

4. That due to spread of COVID-19 pandemic, the Applicant herein found difficult to coordinate the pending works. Since the Liquidation period came to end on 20.03.2020, the Liquidator has filed IA No.289/2020, inter-alia sought an extension of three months to complete the process. This Adjudicating Authority vide its order dated 20.03.2020 allowed the said IA and the same was expired on 20.06.2020. However, due to continuous COVID-19 and lockdown situation in and around Hyderabad, the Liquidator could not complete the pending works. The Applicant has filed for finalization of the sale of certain assets as 'Going Concern' and it is yet to get the approval of this Adjudicating Authority.
5. Reiterating above, the Liquidator prayed to allow the Application as sought for.
6. Heard liquidator and perused the records.
7. The instant Application is filed seeking to exclude the lockdown period of 254 days i.e., 21.03.2020 to 30.11.2020 from computing the period of liquidation process under Regulation 47A of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016 which stipulates as under:

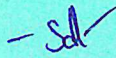
“Exclusion of period of lockdown. 47A.

Subject to the provisions of the Code, the period of lockdown imposed by the Central Government in the wake of COVID-19 outbreak shall not be counted for the purposes of computation of the time-line for any task that could not be completed due to such lockdown, in relation to any liquidation process.”


8. The liquidation period in the instant case was extended up to 20.06.2020 by this Adjudicating Authority vide order dated 20.03.2020 in IA No. 289/2020. However, the period w.e.f. 25.03.2020 to 20.06.2020 (86 days) falls within the Lockdown period. Having considered the averments made by the Liquidator and the fact that Post-

Covid-19 pandemic, lockdown was imposed w.e.f. 25.03.2020 and up to 31.08.2020 in the State of Telangana where the assets of the Corporate Debtor under liquidation are mainly situated, and in view of provisions introduced in Regulation 47A extracted above, we hereby allow exclusion of the lockdown period of 25.03.2020 to 31.08.2020 (159 days) from the timeline for completion of the Liquidation process in the case of the Corporate Debtor. Thereafter, the remaining period of extension granted by this Adjudicating Authority, i.e. 86 days will be counted w.e.f.01.09.2020 for completion of the liquidation process.

9. With the above directions, this Application bearing IA No.31 of 2021 is disposed of.



Dr. BINOD KUMAR SINHA
MEMBER TECHNICAL



K. ANANTHA PADMANABHA SWAMY
MEMBER JUDICIAL

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