

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH – 1**

ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON  
10-01-2023 AT 10:30 AM THROUGH VIDEO CONFERENCE

**IA (IBC) 1369/2022 in CP(IB) No.19/7/HDB/2021**  
u/s. 7 of IBC, 2016

**IN THE MATTER OF:**

Bank of Maharashtra

**...Petitioner**

**Vs**

M/s. SVSVS Projects Pvt Ltd

**...Respondent**

**C O R A M:-**

**DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)  
SHRI. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)**

**ORDER**

**IA (IBC) 1369/2022**

Ld. Resolution Professional Shri. Kasi Srinivas present.

Order in IA (IBC) 1369/2022 pronounced. Recorded vide separate sheets. In the result this application is allowed and liquidation of the Corporate Debtor is hereby ordered.

**Sd/-**

**MEMBER (T)**

**Sd/-**

**MEMBER (J)**

**NATIONAL COMPANY LAW TRIBUNAL  
HYDERABAD BENCH-1**

**IA (IBC)/1369/2022**

**In CP (IB) No. 19/7/HDB/2021**

Under Section 33 (1) of the Insolvency and Bankruptcy Code,  
2016.

**Filed by,**

M/s. SVSVS Projects Pvt Ltd,  
Reg.Office: Plot No. 31, 2<sup>nd</sup> Floor,  
Near Central Bank Of India,Phase I,  
Kalyan Nagar, Hyderabad,Telangana,  
Pin. 500038,

Represented by its Resolution Professional  
Mr. Kasi Srinivas

**... Applicant/Resolution Professional**

**AND**

Bank Of Maharastra,  
Stressed Asset Management Branch,  
H.No. 4-3-448 to 460 & 465 to 458,  
First Floor, Incotha Pittie's Majesty,  
Gopal Bagh , Near Bank Street,  
Koti, Hyderabad, Telangana  
50001

**... Operational Creditor**

**Date of order: 10.01.2023**

**Coram:**

Shri Dr. N. Venkata Ramakrishna Badarinath, Hon'ble, Member (Judicial)

Shri Charan Singh, Hon'ble Member (Technical)

**Appearance:**

For Applicant: A Chandra Shaker, Advocate

**PER: BENCH**

1. The instant Application is filed by the Resolution Professional of the Corporate Debtor, M/s. SVSVS Projects Pvt Ltd,(hereinafter referred to as Corporate Debtor) under Section 33 (1) (a) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "Code") for the liquidation of the Corporate Debtor due to non-receipt of resolution plan.
2. The Insolvency petition was filed by Bank Of Maharashtra under Section 7 of the Code against the Corporate Debtor vide CP (IB) No. 19/7/HDB/2021 and the same was admitted by this Tribunal vide order dated 26.04.2021. Shri Kasi Srinivas was appointed as an Interim resolution Professional (IRP) for the Corporate Debtor.

3. The Applicant has made Public Announcement in FORM – A which was published in Financial Express and Mana Telangana newspapers on 30.04.2021. The applicant received claim from only one Financial Creditor i.e., Bank Of Maharastra. The applicant constituted Committee of Creditor with sole Financial Creditor and in 1<sup>st</sup> CoC meeting members resolved to appoint Mr.Kasi Srinivas as Resolution Professional as per Section 22 of IBC 2016.
4. The applicant published Form – G for resolution plans and invited Expression of Interest (EOIs) from prospective Resolution Applicants (PRAs) for submission of Resolution Plan of the Corporate Debtor and last date for receipt of EOI was fixed on 25.07.2021.The applicant received EOI from four prospective resolution applicants as follows:

Sl.No	Name of The Prospective Resolution Applicant	Address
1	Sreenidhi Infra Pvt. Limited	Plot.No.508/A, Shanti Villa, Road No. 22, Jubilee Hills, Hyderabad-500033. Email: sreenidhivy@gmail.com
2	Kalyan Toll Infrastructure Limited	Vidya Deep, 15/3 Manoramaganj, Indore-452001 (MP)

		Email: technical@kalyangroup.com
3	Siddharadha Constructions Private Limited	H.No. 1-8-865, 14/3RT, Sreenilayam, Prakashnagar, Begumpet, Hyderabad 500016 E-mail: siddhardha6@gmail.com
4	Rammohan Rao Veeramachineni	Flat No: 302, Prashanthi Towers, Srinivas Nagar West, SR Nagar, Hyderabad-500038 E-mail: svsvsprojects@gmail.com

5. In 3<sup>rd</sup> CoC meeting, the applicant got approval of Committee of Creditor for RFRP, Evaluation Matrix, Earnest Money Deposit of 20 lakhs and performance Guarantee amount equivalent to 10 % of resolution Plan Amount proposed by the applicant and issued Request for Resolution Plan and Evaluation matrix to all the prospective resolution applicant and informed them that the last date for submission of resolution plan was on 09.08.2021.

6. Mr.Veeramachineni Rama Mohan Rao, promoter of the Corporate Debtor filed a Writ Petition Numbered as WP .No 20353 of 2021 before the Hon'ble High Court of Telangana on 25.08.2021 to set aside this Tribunal's Order dated 26.04.2021(CIRP admission order). The Hon'ble High Court suspended CIRP process till pending of the said Writ Petition and thereafter upon hearing the WRIT Petition the Hon'ble High Court dismissed the petition filed by the promoter of Corporate Debtor.
7. The applicant with the approval of Committee of Creditor filed an application for exclusion of 403 days (includes period during which Hon'ble High Court Of Telangana granted stay) from the CIRP period and extension CRIP period for 90 days which was allowed by This Tribunal.
8. The applicant placed the resolution plan submitted by the Veramachineni Rama Mohan Rao along with EMD of Rs. 20,00,000/-in the 5<sup>th</sup> CoC meeting and in 6<sup>th</sup> CoC meeting the Committee of Creditors permitted the Resolution Applicant to submit a revised Resolution by 31.07.2022.
9. The applicant placed the revised resolution plan before Committee of Creditor during 7<sup>th</sup> CoC meeting but the members of Committee of Creditors deferred the decision on resolution plan as they had received an OTS proposal from the promotor of the Corporate Debtor for 32 crores which was

higher than the resolution plan amount. There after Committee of creditors gave time to Promoter of the Corporate Debtor V. Ram Mohan, to pay at least Rs.1.5 Crores before 20.08.2022 as to consider withdrawal under 12A in next CoC meeting.

**10.**The Committee of Creditor in view of negotiations with resolution applicants/ OTS proposal resolved and approved for seeking extension of CIRP period for another 60 days which beyond 270 days in its 8<sup>th</sup> CoC meeting. The applicant accordingly filed an application for extension for 60 days and This Tribunal allowed the said extension of CIRP period for 60 days.

**11.**The Committee of Creditors in its 9<sup>th</sup> CoC meeting rejected the resolution plan and resolved to liquidate the Corporate Debtor with 94.34% of voting. Further resolved that not to appoint the resolution professional as liquidator of Corporate and didn't express its decision on appointment of a liquidator, liquidator fee, meeting of liquidation costs which are mandatory decisions under CIRP regulations.

**12.**This Tribunal allowed an application filed by the financial Creditor vide order dated 08.12.2022 in IA (IBC)/1464/2022 for taking on record of name of

liquidator, liquidator fee and other costs pursuant to mandatory CIRP regulations.

13. We have heard the Applicant in this matter, at the outset, it would be appropriate to refer to Section 33 of the Code, 2016, which reads as under:

**Section 33. Initiation of liquidation.**

(1) Where the Adjudicating Authority, –

(a) before the expiry of the insolvency resolution process period or the maximum period permitted for completion of the corporate insolvency resolution process under section 12 or the fast track corporate insolvency resolution process under section 56, as the case may be, does not receive a resolution plan under sub-section (6) of section 30; or

(b) rejects the resolution plan under section 31 for the non-compliance of the requirements specified therein, it shall –

(i) pass an order requiring the corporate debtor to be liquidated in the manner as laid down in this Chapter;

(ii) issue a public announcement stating that the corporate debtor is in liquidation; and

(iii) require such order to be sent to the authority with which the corporate debtor is registered.

(2) Where the resolution professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the committee of creditors approved by not less than sixty-six per cent. of the voting share to liquidate the corporate debtor, the Adjudicating Authority shall pass a liquidation order as referred to in sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1).

[*Explanation.* – For the purpose of this sub-section, it is hereby declared that the committee of creditors may take the decision to liquidate the corporate debtor, any time after its constitution under sub-section (1) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum.]

(3) Where the resolution plan approved by the Adjudicating Authority under section 31 or under sub-section (1) of section 54L, is contravened by the concerned corporate debtor, any person other than

the corporate debtor, whose interests are prejudicially affected by such contravention, may make an application to the Adjudicating Authority for a liquidation order as referred to in sub-clauses (i), (ii), (iii) of clause (b) sub-section (1).

(4) On receipt of an application under sub-section (3), if the Adjudicating Authority determines that the corporate debtor has contravened the provisions of the resolution plan, it shall pass a liquidation order as referred to in sub-clauses (i), (ii) and (iii) of clause (b) of sub-section (1).

(5) Subject to section 52, when a liquidation order has been passed, no suit or other legal proceeding shall be instituted by or against the corporate debtor:

Provided that a suit or other legal proceeding may be instituted by the liquidator, on behalf of the corporate debtor, with the prior approval of the Adjudicating Authority,

(6) the provisions of sub-section (5) shall 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.

(7) The order for liquidation under this section 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.

**14** Section 33 (1)(a)(i) mandates that this Adjudicating Authority shall pass an order requiring the Corporate Debtor to be liquidated where the Adjudicating Authority does not receive a resolution plan, before the expiry of the insolvency resolution process period or the maximum period permitted for completion of the corporate insolvency resolution process under Section 12.

**15** Further, Section 33(2) mandates that the Adjudicating Authority shall pass a liquidation order, when the Resolution Professional, at any time during the corporate insolvency resolution process but before confirmation of resolution plan, intimates the Adjudicating Authority of the decision of the CoC. It is pertinent to note here that the CoC has, in its commercial wisdom, approved the liquidation of the Corporate Debtor with a 94.34% majority, in view of the fact that no resolution plans had been approved by it. Considering that the CoC has voted in favour of liquidation of the Corporate Debtor with a 94.34% majority, much above the threshold mandated by the provision referred to above, the requirements of both, Section 33 (1)(a)(i) and Section 33 (2) have been

satisfied in the instant case. Further, all necessary mandatory provisions under CRIP regulations were also complied by the financial creditor.

**16** On consideration of the facts and circumstances of the matter, we deem it proper to allow the instant Application and permit the liquidation of the Corporate Debtor, as prayed for.

### **ORDER**

**17** The Application is accordingly allowed with the following directions:-

A. This Adjudicating Authority hereby order for Liquidation of M/S.SVSVS Projects Pvt Ltd, which shall be conducted in the manner as laid down in Chapter III of Part II of the Code, 2016;

B. This Adjudicating Authority, hereby, appoints Mr. Golla Ramakantha Rao having registration No. IBBI/IPA-003/ICAI-N-0310/2020-2021/13364, as the Liquidator as approved by the CoC, who has also filed his written consent to act as Liquidator. He shall issue a public announcement stating therein that the Corporate Debtor is in liquidation. Further directed that Mr. Kasi Srinivas shall handover all the records of Corporate Debtor to Liquidator and shall be discharged from the duties of Resolution Professional of the Corporate Debtor

- C. The moratorium declared under Section 14 of the Code, 2016, shall cease to have effect from the date of this order of liquidation.
- D. Subject to Section 52 of the Code, 2016, no suit or other legal proceedings shall be instituted by/or against the Corporate Debtor. However, a suit and other legal proceedings may be instituted by the Liquidator, on behalf of the Corporate Debtor, with the prior approval of this Adjudicating Authority.
- E. We make it clear that para (iv) hereinabove shall not apply to legal proceedings in relation to such transactions as notified by the Central Government in consultation with any financial sector regulator.
- F. 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.
- G. All the powers of the Board of Directors, key managerial personnel and the partners of the Corporate Debtor, as the case may be, shall cease to have effect and shall be vested in the Company Liquidator. In addition to this, the Liquidator shall exercise the powers and duties as enumerated in Sections 35 to 50, 52 to 54 of the Code, 2016, read with the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016.

- H. The personnel of the Corporate Debtor shall extend all assistance and co-operation to the Company Liquidator as may be required by him in managing the affairs of the Corporate Debtor.
- I. The Liquidator shall be entitled to charge such fee for conducting the Liquidation proceedings in accordance with Regulation 4(2) of IBBI (Liquidation Process) Regulations, 2016.
- J. Copy of this Order shall be sent to the concerned Registrar of Companies, RD, OL, registered office of the Corporate Debtor and the Liquidator, for information and compliance.
- K. Registry is directed to furnish a copy of this order to the IBBI for confirmation of appointment of Liquidator.
- L. Accordingly, this Application stands disposed of.

**Sd/-**

**Charan Singh**  
**MEMBER (TECHNICAL)**

**Sd/-**

**Dr. Nandula Venkata Ramakrishna Badarinath**  
**MEMBER (JUDICIAL)**

*Yasaswi (LRA)*