

**NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH**

SPECIAL BENCH (URGENT HEARING THROUGH VIDEO CONFERENCE)

PRESENT: HON'BLE SHRI RATAKONDA MURALI- MEMBER JUDICIAL

HON'BLE SHRI VEERA BRAHMA RAO AREKAPUDI - MEMBER TECHNICAL

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 04.09.2020 AT 10.30 AM

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|----------------------------------|---|
| TRANSFER PETITION NO. | |
| COMPANY PETITION/APPLICATION NO. | IA No. 630/2020 in CP (IB) No. 745/7/HDB/2018 |
| NAME OF THE COMPANY | Kanakadhara Ventures Pvt Ltd |
| NAME OF THE PETITIONER(S) | IDBI Bank Ltd |
| NAME OF THE RESPONDENT(S) | Kanakadhara Ventures Pvt Ltd |
| UNDER SECTION | 7 of IBC |

Counsel for Petitioner(s):

| Name of the Counsel(s) | Designation | E-mail & Telephone No. | Signature |
|------------------------|-------------|------------------------|-----------|
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Counsel for Respondent(s):

| Name of the Counsel(s) | Designation | E-mail & Telephone No. | Signature |
|------------------------|-------------|------------------------|-----------|
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ORDER

IA 630/2020 is listed today for hearing by mistake. Actually, it was heard on 25.08.2020.

Therefore, orders passed in **IA 630/2020 vide separate orders.**


MEMBER (T)


MEMBER(J)

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

IA No. 630 of 2020

In

CP (IB) No. 745/7/HDB/2018

*Application under Section 12 (3) of IBC, 2016
Read with Regulation 40 of CIRP Regulations, 2016*

In the matter of IDBI Bank

Versus

M/s Kanakadhara Ventures Private Limited

B. Naga Bhushan
Resolution Professional for
M/s Kanakadhara Ventures Private Limited
1-1-380/38, Ashok Nagar Extension
Hyderabad – 500 020

...Applicant

Date of order: 04.09.2020

Coram:

Hon'ble Shri Ratakonda Murali, Member (Judicial)
Hon'ble Shri Veera Brahma Rao Arekapudi, Member (Technical)

Appearance:


For Applicant: Shri B. Naga Bhushan, Resolution Professional
(Through video conference)

Heard on: 25.08.2020

**PER: SHRI VEERA BRAHMA RAO AREKAPUDI
MEMBER (TECHNICAL)**

ORDER

1. This Application is filed by the Applicant who is the Resolution Professional appointed for M/s Kanakadhara Ventures Private Limited / Corporate Debtor, under Section 12 read with Section 60 (1) (5) and (6) of Insolvency & Bankruptcy Code, 2016, ("CODE") Read with Regulation 40 of the Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP REGULATIONS) and Rule 11 of NCLT Rules, 2016,

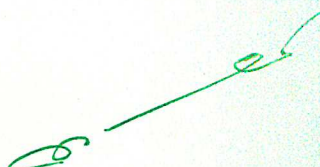


seeking extension of 90 days beyond 180 days from 25.08.2020 and exclusion of lockdown period.

2. The averments apropos to this Application in brief:-
 - 2.1 That this Tribunal on **22.11.2019** admitted the petition filed by IDBI/ Financial Creditor under Section 7 of the Code and Corporate Insolvency Resolution Process (CIRP) commenced against Corporate Debtor i.e. M/s Kanakadhara Ventures Private Limited by appointing the Applicant herein as Interim Resolution Professional.
 - 2.2 Pursuant to public announcement made by the Applicant on 26.11.2019 inviting claims from the creditors of Corporate Debtor, the Applicant received claims, collated and verified the same and constituted Committee of Creditors (COC) on 16.12.2019. The CoC comprised of five Banks as mentioned at para 3 of the Application.
 - 2.3 The CoC in its 2nd meeting held on 07.01.2020 resolved to appoint the Applicant herein as Resolution Professional. It is further stated, in the 3rd CoC meeting held on 05.02.2020, the CoC accorded approval to the Applicant for carrying out advertisement for Expression of Interest (EoI) and accordingly Form G was published in newspapers on 07.02.2020 and the last date for submission of resolution plans was 07.04.2020.
 - 2.4 The Applicant submits that in the normal course, 180 days CIRP would have expired on 20.05.2020. However, owing to lockdown imposed from 25.03.2020 to 30.06.2020 Covid-19 pandemic through notifications issued by the Central Government/ Govt. of Telangana, the resolution process was hindered. It is also stated that CoC resolved to reissue Form-G and accordingly the Resolution Professional issued the same on 02.03.2020 mentioning the last date for submission of the Resolution plan as 21.04.2020, which was later ratified by the CoC in its 4th meeting held on 21.03.2020.
 - 2.5 The CoC in its 5th CoC meeting held on 10.07.2020 accorded approval to extend the date for submission of resolution plans from 21.04.2020 to 29.07.2020 due to lockdown. The date was

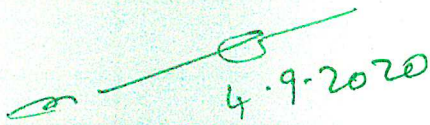
again extended to 18.08.2020 by passing a resolution by the CoC on 27.07.2020, which was ratified in the 6th CoC meeting held on 18.08.2020.

- 2.6 At the request of the prospective Resolution Applicants, the CoC in its 6th CoC meeting held on 18.08.2020 unanimously agreed to grant time up to 31.08.2020 for submission of the plans
- 2.7 Further in the 6th CoC meeting, the CoC with 100% voting share resolved to seek extension of CIRP period by another 90 days as there is a possibility of getting a resolution plan and accordingly, the Applicant / Resolution Professional was instructed to move this Application for extension of 90 days CIRP and exclusion of lockdown period.
3. We have heard the Resolution Professional through vide conference. This application is filed under section 12(3) of Insolvency & Bankruptcy Code, 2016 read with Regulation 40 (C) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 seeking extension of CIRP period by another **90 days w.e.f. 25.08.2020 to 23.11.2020** to enable the Resolution Professional to complete CIRP Process within 270 days.
4. The Applicant would contend that 180 days period of CIRP came to an end on 20.05.2020. However, owing to lockdown from 25.03.2020 to 30.06.2020, no activities were undertaken during the said period. By relying on Regulation 40 (c) of CIRP Regulations, 2016 and Hon'ble NCLAT Suo Moto order dated 30.03.2020 the Applicant requested to **exclude the lockdown period of 98 days from the CIRP period.**
5. We have seen the minutes of 6th CoC meeting held on 18.08.2020 where in CoC after considering the facts of the case and keeping the best interests of all the stakeholders involved, authorised the Applicant to prefer this Application seeking 90 days extension of time and further exclusion of Covid-19 lockdown period.



6. In view of circumstances stated by the Resolution Professional supra, the Application deserves favourable consideration.
7. In the result, the Application is accordingly allowed. The CIRP stands extended for another 90 days w.e.f. 25.08.2020 to 23.11.2020 after excluding lockdown period w.e.f 25.03.2020 to 30.06.2020.


VEERA BRAHMA RAO AREKAPUDI
MEMBER (TECHNICAL)


RATAKONDA MURALI
MEMBER (JUDICIAL)

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