

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH  
CHENNAI (COURT-II)**

**IA/(IBC)/1037(CHE)/2023 in IA/453/2023 in CP/IB/22/CHE/2022**  
*filed under Section 33(2) of Insolvency & Bankruptcy Code, 2016*

*And*

**IA/(IBC)/453(CHE)/2023 in IA/239/2023 in CP/IB/22/CHE/2022**  
*filed under Section 12(2) of Insolvency & Bankruptcy Code, 2016*

*In the matter of M/s. Sri Ramani Resorts and Hotels Pvt. Ltd*

**Navneeth Vasudevan,**

Aged 49 years, Son of S.Vasudevan,  
Resolution Professional of

M/s. Sri Ramani Resorts and Hotels Pvt. Ltd  
No.12, 1<sup>st</sup> Street, Raghavan Colony,  
Ashok Nagar, Chennai 600 083

*... Applicant*

*Order pronounced on 13<sup>th</sup> July, 2023*

CORAM:

**SANJIV JAIN MEMBER (JUDICIAL)**

**SAMEER KAKAR, MEMBER (TECHNICAL)**

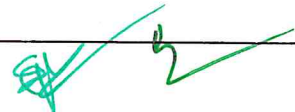
For Applicant: Mr. B.Deepak Narayanan, Advocate

**ORDER**

**Per: SAMEER KAKAR, MEMBER (TECHNICAL)**

1. **IA/(IBC)/1037(CHE)/2023** was filed on 30.04.2023 by the RP of **M/s. Sri Ramani Resorts and Hotels Pvt. Ltd** seeking the following relief:-

*"It is prayed that this Honorable Tribunal may be pleased to pass appropriate orders for liquidation of the Corporate Debtor i.e., M/s. Sri Ramani Resorts and Hotels Pvt Ltd. under Section 33(2) of the IBC, 2016 and pass such other and further orders as this*



*Tribunal may deem fit and proper in the facts and circumstances of the case."*

2. **IA/(IBC)/453(CHE)/2023** was filed on 04.03.2023 seeking the following relief:-

*"It is prayed that this Hon'ble Tribunal may be pleased to extend the time period of the Corporate Insolvency Resolution Process of the Corporate Debtor by a further period of 60 days after March 3<sup>rd</sup>, 2023, in terms of Section 12(3) of the IBC, 2016 and pass such other and further orders as this Tribunal may deem fit and proper in the facts and circumstances of the case."*

3. On an application under Section 7 of the Code, this Tribunal vide Order dated 06.06.2022 ordered for commencement of CIRP proceedings on the Corporate Debtor and appointed the Applicant herein as the IRP.
4. The IRP made Public Announcement on 08.06.2022 and after collating the claim on the Committee of Creditors (CoC) on 05.07.2022. The Applicant was confirmed as RP on 05.07.2022 by the CoC in the first meeting.
- 5.
- i. The CoC of the Corporate Debtor comprised of the following two creditors.

| <b>Name of Financial Creditor</b> | <b>Nature</b> | <b>Amount admitted in Rs.</b> | <b>Vote Share</b> |
|-----------------------------------|---------------|-------------------------------|-------------------|
| State Bank of India               | Secured       | 22,54,51,432                  | 65.15%            |
| Punjab National Bank              | Unsecured     | 12,05,91,122                  | 34.85%            |
|                                   |               | <b>34,60,42,554</b>           | <b>100%</b>       |

- ii. The Applicant conducted Ten CoC meetings on different dates. The details of which are given at page No.3 of the Application.
  - iii. Two valuers were appointed in the second CoC meeting held on 16.08.2022 who submitted their valuation reports.
  - iv. Form-G was published on 24.08.2022 and the last date for submitting the Expression of Interest (EoI) was on 08.09.2022. It was published in the newspapers i.e., "The Hindu" (Tamil) and "Financial Express" (English) on 24.08.2022 and also on the website of IBBI.
6. It is stated that the Suspended Director and the CoC were in discussion for a settlement under Section 12A of IBC. Contemplating the settlement proposals, the RP filed an Application for extension of CIRP period. 180 days of CIRP period ended on 03.12.2022. Vide an order dated 16.02.2023 in IA(IBC)/239(Che)2023, this Tribunal extended the CIRP period till 04.12.2022.
  7. It is stated that in the meanwhile, the CoC authorised the RP to file an another Application seeking extension for further period of 60 days in the meeting held on 02.03.2023 and the RP subsequently filed the Application in IA/453/2023.
  8. In the 10<sup>th</sup> CoC meeting held on 24.04.2023, the CoC members with 100% voting majority resolved as under:

*"Resolved that the M/s. Sri Ramani Resorts and Hotels Private limited (Corporate Debtor) is hereby liquidated, further to the non-acceptance of proposal u/s. 12A given by Mr. Shanmugam (Suspended Director) by the COC and no response has been received for Expression of Interest issued in Form G".*

*"Resolved further that Mr. Vasudevan Navneeth, Resolution Professional be and is here by authorized to submit the Application u/s 33(2) of I&B Code, 2016 along with necessary documents to Adjudicating Authority to initiate the liquidation process against the corporate debtor, and also resolved that Mr. Ashok Seshadri (IP REGISTRATION NO: IBBI/IPA-001/IP-P00937/2017-2018/11541) be proposed to be appointed as Liquidator", be and is hereby put to vote."*

9. Subsequent to the above, the RP has filed IA/(IBC)/1037(CHE)/2023.
10. Form-H is attached at page No.139. Written consent of the Liquidator is attached at page No.136. Authorisation for Assignment (AFA) of the proposed Liquidator is attached at page No.137. The AFA is valid till 15.11.2023.
11. **IA/(IBC)/453(CHE)/2023** has been filed by the RP based on the CoC meeting held on 01.03.2023. The Resolution was approved with 100% majority by the CoC. The extract of the said Resolution is reproduced below: -

*"Resolved that Mr. Vasudevan Navneeth, Resolution Professional be and is hereby authorized to make an application to the Adjudicating Authority under Section 12 to extend the insolvency resolution process period".*

*"Resolved that Mr. Vasudevan Navneeth, Resolution Professional be and is hereby authorized to make the payment of fees if any*

*and the same will be part of Corporate Insolvency Resolution Process Cost."*

12. Heard the Counsel for the Applicant.

13. It is seen from the record that CoC in the meeting held on 24.04.2023 with 100% majority has decided to liquidate the Corporate Debtor viz., M/s. Sri Ramani Resorts and Hotels Pvt. Ltd.

14. Section 33 of the Code is reproduced below:-

**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) and (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.*

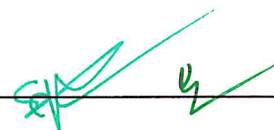
*(6) The provisions of sub-section (5) shall not apply to legal proceedings in relation to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.*

*(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.*

15. As the CoC has passed the Resolution with requisite majority to liquidate the Corporate Debtor, this Tribunal is left with no other option but to order for liquidation of the Corporate Debtor.

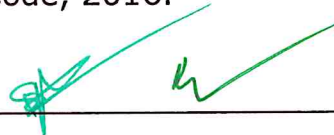
16. Accordingly, the Corporate Debtor is ordered for liquidation.

**Mr. Ashok Velamur Seshadri (IP REGISTRATION NO: IBBI/IPA-001/IP-P00937/2017-2018/11541)** is hereby appointed as the



Liquidator of the Corporate Debtor to carry out the liquidation process subject to the following terms of the directions:-

- a) The Liquidator shall strictly act in accordance with the provisions of IBC, 2016 and the attendant Rules and Regulations including Insolvency and Bankruptcy (Liquidation Process) Regulations, 2017 as amended upto date enjoined upon her.
- b) The Liquidator shall issue the public announcement that the Corporate Debtor is in liquidation. In relation to officers/ employees and workers of the Corporate Debtor, taking into consideration Section 33(7) of IBC, 2016, this order shall be deemed to be a notice of discharge.
- c) The Liquidator shall investigate the financial affairs of the Corporate Debtor particularly, in relation to preferential transactions/ undervalued transactions and such other like transactions including fraudulent preferences and file suitable application before this Adjudicating Authority.
- d) The Registry is directed to communicate this order to the Registrar of Companies, Chennai and to the Insolvency and Bankruptcy Board of India;
- e) In terms of section 178 of the Income Tax Act, 1961, the Liquidator shall give necessary intimation to the Income Tax Department. In relation to other fiscal and regulatory authorities which govern the Corporate Debtor, the Liquidator shall also duly intimate about the order of liquidation.
- f) The order of Moratorium passed under Section 14 of the Insolvency and Bankruptcy Code, 2016 shall cease to have its effect and that a fresh Moratorium under section 33(5) of the Insolvency and Bankruptcy Code shall commence.
- g) The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of Part II of the Insolvency and Bankruptcy Code, 2016.




- h) The Liquidator is directed to investigate the financial affairs of the Corporate Debtor in terms of the provisions of Section – 35(1) of IBC, 2016 read with relevant rules and regulations and also file its response for disposal of any pending Company Applications during the process of liquidation.
- i) The Liquidator shall submit a Preliminary report to this Tribunal within 75 (seventy-five) days from the liquidation commencement date as per regulation 13 of the Insolvency and Bankruptcy (Liquidation Process) Regulations, 2016. Further such other or further report as are required to be filed under the relevant Regulations, in addition, shall also be duly filed by him with this Adjudicating Authority.
- j) Copy of this order be sent to the financial creditors, Corporate Debtor and the Liquidator for taking necessary steps and for extending the necessary co-operation in relation to the Liquidation process of the Corporate Debtor.

17. With the above directions, this **IA/(IBC)/1037(CHE)/2023** stands **allowed**.

18. **IA/(IBC)/453(CHE)/2023**: - As this Tribunal has already ordered for liquidation of the Corporate Debtor in IA/(IBC)/1037(CHE)/2023, this **IA/(IBC)/453(CHE)/2023** has become infructuous and is accordingly **disposed off**.

  
**(SAMEER KAKAR)**  
MEMBER (TECHNICAL)

  
**(SANJIV JAIN)**  
MEMBER (JUDICIAL)