



S.No.2

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – II
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
06.03.2026 AT 10:30 A.M.**

**IA (IBC)/1942/2025 in Company Petition IB/36/7/HDB/2022
U/s 7 of IBC**

IN THE MATTER OF:

Indian Overseas Bank

...Petitioner

AND

Ravi Cranes Movers Ltd

...Respondent

C O R A M:-

**SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)
SHRI. SANJAY PURI, HON'BLE MEMBER (TECHNICAL)**

ORDER

IA (IBC)/1942/2025

Orders pronounced, recorded vide separate sheets. In the result, this Application is disposed of.

Sd/-

MEMBER (T)

Sd/-

MEMBER (J)



THE NATIONAL COMPANY LAW TRIBUNAL

HYDERABAD BENCH -II

IA (IBC) No. 1942 of 2025 in

C.P (IB) No. 36/7/HDB/2022

IN THE MATTER OF RAVI CRANES AND MOVERS LTD

BETWEEN:

MAXIMUS ARC LIMITED

302 B, Jain Sadguru Image's Capital Park,
Image Garden Road, VIP Hills,
Madhapur, Hyderabad -500 081.

...Applicant/Financial Creditor

AND

Ms. Mummaneni Vazra Laxmi

Acted as Liquidator for
M/s. Ravi Cranes & Movers Ltd
IBBI/IPA-001/IP-P00919/2017-2018/11526
Flat No.107, V.V.Vintage Residency,
Somajiguda, Rajbhavan Road, Hyderabad-500082

... Respondent/Liquidator

Date of Order: 06.03.2026

CORAM:

Shri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Shri Sanjay Puri, Hon'ble Member (Technical)

Counsel/Parties present:

For the Petitioner : Mr. VVSN Raju, Ld. Counsel

For the Respondent : Ms. M. Vazra Laxmi, Ld. Counsel



ORDER

1. This application is filed by the M/s. Maximus ARC Limited (“**Financial Creditor**”) is the sole Financial Creditor of the M/s. Ravi Cranes & Movers Ltd (“**Corporate Debtor**”), seeking to recall the Liquidation order dated 27.09.2024 passed by this Adjudicating Authority in IA(IBC)(Liq)/14/2014 and consequently close all the proceedings pending against the Corporate Debtor.

Application

2. This petition was filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“**the Code**”) by Indian Overseas Bank for initiation of Corporate Insolvency Resolution Process (“**CIRP**”) which was admitted¹ vide order dated 26.09.2022 and Ms Mummaneni Vazra Laxmi was appointed as the Interim Resolution Professional (“**IRP**”), who later confirmed as Resolution professional (“**RP**”).
3. The RP received the Resolution Plan, which was unviable. The Committee of Creditors (“**CoC**”) in the 21st CoC meeting resolved to liquidate the Corporate Debtor. Consequently, the RP filed an application vide IA(IBC)(Liq)/14/2014, seeking Liquidation of the Corporate Debtor, which was allowed vide order² dated 27.09.2024, and the Resolution Professional was continued as the Liquidator.
4. Subsequent to the initiation of the CIRP against the Corporate Debtor, Union Bank of India and Indian Overseas Bank assigned their debt vide the Assignment Agreement³ dated 19.08.2024 and 18.08.2025, respectively, to the Applicant. As a result of these Assignments, the Applicant herein has become the Sole Financial Creditor of the Corporate Debtor, holding a total debt of Rs 173.43 Crore, comprising Rs 113.12 Crore from Union Bank of India and Rs 60.31 Crore from Indian Overseas Bank.

¹ Copy of CIRP Order dated 26.09.2022 at page 10

² Copy of the Liquidation Order dated 27.09.2024 at page 18

³ Copy of Assignment Agreement dated 19.08.2024 and 18.,the 08.2025 at pages 30-205



5. During the Liquidation period, the Liquidator had invited claims in accordance with the provisions of the Code, 2016. The claim of the Financial Creditor, along with the claim submitted by the Employees Provident Fund (EPF) Department, was duly received by the Liquidator.
6. It is submitted that the Corporate Debtor stands as the Corporate Guarantor for the Principal Borrower, RCM Infrastructure Ltd., which was admitted into the CIRP by this Adjudicating Authority vide order dated 03.01.2019. A comprehensive settlement proposal for debt dated 30.09.2025, along with an addendum⁴ dated 04.10.2025, has been executed between the Promoters and the Creditors of the Principal Borrower.
7. It is submitted that clause 4(c) of the settlement proposal explicitly stipulates the withdrawal of the Liquidation proceedings pending against the Corporate Debtor herein.
8. Pursuant to this settlement, the CIRP against the Principal Borrower RCM Infrastructure Limited was withdrawn under Section 12A of the Code, 2016 vide order dated 17.11.2025 in IA (IBC) No. 1764 of 2025. The Bankruptcy proceedings against the Personal Guarantors were also withdrawn⁵ vide order of this Adjudicating Authority dated 14.11.2025.
9. It is submitted that upon recall of the Liquidation order, the position of the EPF Department shall revert to status quo ante, and the Department shall thereafter be at liberty to deal and adjudicate its claim independently in accordance with law.
10. The Liquidator filed an application bearing IA (IBC) 1565/2025 seeking extension of Liquidation Period for 90 days, which was dismissed by this Adjudicating Authority due to non-compliance with

⁴ Copy of proposal of settlement of debt under section 12A and addendum at page 206

⁵ Copy of Section 12A Order of withdrawal of Principal Borrower and bankruptcy process at page 212



the directions passed vide order⁶ dated 01.10.2025. As the Liquidation period has lapsed, the Liquidator is functus officio and lacks the authority to file an application for recall of the Liquidation proceedings and withdrawal of the instant Company Petition. Therefore, the Applicant, being the Sole Financial Creditor, is constrained to file the instant Application.

11. It is stated that, the Applicant, being the sole Financial Creditor, has the unequivocal right to seek termination of the Liquidation proceedings. The settlement ensures full and final discharge of all claims against the Corporate Debtor. This settlement yields a far superior outcome compared to meagre realisation expected from a protracted liquidation, aligning with the Code's objective of value maximisation.
12. It is stated that, the withdrawal will allow the Corporate Debtor to be restored to its Promoters, who have undertaken to maintain it as a viable, going concern. This preserves the economic and social value of the corporate entity, its assets, and employment, which would otherwise be destroyed in liquidation.
13. It is further submitted that this Adjudicating Authority, vide order dated 17.11.2025, has already approved the interconnected settlement in respect of the Principal Borrower. In the interest of consistency, judicial discipline, and to give full and effective implementation to the comprehensive settlement between the Parties, a similar approach is warranted in the instant matter as well.

Counter

14. The Respondent here is the Liquidator of the Corporate Debtor and states that the Liquidator has initiated the Liquidation Process of the Corporate Debtor by making a Public Announcement on 04.10.2024 in accordance with the Code and calling the stakeholders to submit their claims as on the Liquidation commencement date on or before

⁶ Copy of order dated 01.10.2025 and 28.10.2025 at page 218



02.11.2024. The Claims were received from (i) Indian Overseas Bank, (ii) Maximus ARC Limited, and (iii) EPF Department

15. It is asserted that upon assignment of debt in favour of the Applicant, the list of creditors was revised and filed before this Tribunal, showing the Applicant as Financial Creditor and EPF Department as Operational Creditor.
16. It is submitted that, the promoters of the Principal Borrower M/s RCM Infrastructure Limited submitted a settlement proposal to the sole financial creditor Maximus ARC Limited which a composite settlement proposal for withdrawal of the CIRP admission order under section 12A of IBC of the Principal borrower & recall of bankruptcy order of the guarantors and recall of the Liquidation order of the Corporate Guarantor M/s Ravi Cranes and Movers Limited.
17. Pursuant thereto, the CIRP against the Principal Borrower RCM Infrastructure Ltd was withdrawn under Section 12A of the Code, 2016 vide order dated 17.11.2025 in IA (IBC) No. 1764 of 2025. The Bankruptcy proceedings against the Personal Guarantors were also withdrawn vide order dated 14.11.2025.
18. It is submitted that, Clause 4(c) of the settlement proposal, the withdrawal of the Liquidation proceedings pending against M/s. Ravi Cranes and Movers Limited i.e., the Corporate Debtor herein.
19. It is further submitted that all dues of the Corporate Debtor stand settled under the proposal, with EPF dues of Rs 13,74,726/- are to be dealt by the Corporate Debtor. If the Liquidation order is recalled, the position of the EPF Department shall revert to status quo ante, and the Department shall thereafter be at liberty to deal and adjudicate its claim independently in accordance with law.

Findings and Decision

20. The present application has been filed during the liquidation process of the Corporate Debtor, whose CIRP was initiated on 26.09.2022 and



which was subsequently ordered into liquidation vide order dated 27.09.2024. The Corporate Debtor stood as a corporate guarantor in respect of the credit facilities availed by M/s RCM Infrastructure Limited, the principal borrower, whose CIRP had commenced earlier on 03.01.2019.

21. During the pendency of the CIRP proceedings against the principal borrower, the financial creditors, namely Union Bank of India and Indian Overseas Bank, assigned⁷ their respective debts, along with all rights, title, and interest in relation to the guarantees issued in respect thereof, in favour of M/s Maximus ARC Limited.
22. The assignee thereafter entered into a settlement⁸ with the principal borrower, pursuant to which withdrawal of the CIRP proceedings was sought. The Coordinate Bench of this Tribunal permitted such withdrawal vide order⁹ dated 17.11.2025 under Section 12A of the Insolvency and Bankruptcy Code, 2016 read with Regulation 30A of the CIRP Regulations, noting the approval of the Committee of Creditors with a voting share of 97.53%.
23. Consequent upon the said settlement, applications were also filed seeking recall of the insolvency/bankruptcy proceedings initiated against the personal guarantors of the principal borrower, which came to be allowed under section 142 of IBC vide orders¹⁰ dated 14.11.2025.
24. In the present application, the Applicant seeks similar relief in respect of the Corporate Debtor herein, who stood as a corporate guarantor for the principal borrower. The Applicant contends that in view of the complete settlement of the debt of the principal borrower,

⁷ Assignment Agreements dated 19.08.2024 (Union Bank of India) and dated 18.08.2025 (Indian Overseas Bank) : respectively at Pages 30-119 and Pages 120-205 of the Application

⁸ Page 206- 211 of the Application

⁹ Page 212-213 of the Application

¹⁰ Page 214 to 217 of the Application



continuation of liquidation proceedings against the Corporate Debtor would serve no useful purpose.

25. It is true that the Insolvency and Bankruptcy Code, 2016 does not expressly provide for recall or withdrawal of liquidation proceedings once an order of liquidation has been passed, unlike the mechanism available under Section 12A at the CIRP stage.
26. However, the absence of an express provision does not, in appropriate cases, preclude this Tribunal from exercising its inherent jurisdiction to pass such orders as may be necessary to meet the ends of justice or to prevent abuse of the process of the Tribunal, in respect of questions of law or fact arising out of or in relation to the CIRP or liquidation proceedings of a Corporate Debtor.
27. In the present case, the debt in respect of which the Corporate Debtor stood as a guarantor stands fully settled. The Applicant, having stepped into the shoes of the erstwhile financial creditors, itself seeks discontinuation of the liquidation process. In these peculiar facts, where the *raison d'être* for initiation of CIRP against the Corporate Debtor in its capacity as a guarantor no longer subsists, continuation of liquidation proceedings against the Corporate Debtor would neither advance the object of value maximisation nor further the overarching objectives of the Code, and may, in fact, result in an inequitable outcome.
28. Accordingly, having regard to the peculiar facts and circumstances of the present case, this Tribunal is of the considered view that no useful purpose would be served in continuing the liquidation proceedings against the Corporate Debtor. The liquidation process is, therefore, directed not to be proceeded with any further.

The present IA is disposed of in the above terms.

Sd/-

SANJAY PURI
MEMBER (TECHNICAL)

Sd/-

RAJEEV BHARDWAJ
MEMBER (JUDICIAL)