

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOCHI BENCH, KERALA

IA(IBC)195 /KOB /2021

IN

IBA/13/KOB/2020

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

Order delivered on: 09.02.2022

Coram:

Hon'ble Mr. Ashok Kumar Borah, Member (Judicial)
Hon'ble Mr. Anil Kumar B, Member (Technical)

Mr. K. Parameswaran Nair
Resolution Professional
Reg No. IBBI/IPA-001/IP-P01773/2019-2020/ 12702
37/1736E, Kripasagaram, K. Murali Road
Kadavanthra, Kochi-682020

--- Applicant

In the matter of:

M/s Sri Ramani Resorts and Hotels Pvt. Ltd.
Registered Office at
8/42, Maharaja Surya Road, Alwarpet,
Chennai-600018.

...Financial Creditor

Versus

M/s Sree Bhadra Parks and Resorts Limited
27/480(1), Museum Road,
Chembukkavu,
Thrissur, Kerala -680 020.

...Corporate Debtor

This Application has been filed under Section 33(1)(a) of the I&B Code,2016 by **Mr.K. Parameswaran Nair** Resolution Professional in the matter of **M/s.Sri Ramani Resorts and Hotels Pvt. Ltd** Versus **M/s. Sree Bhadra Parks and Resorts Limited** for initiation of Liquidation Process of the Corporate Debtor and to appoint the Resolution Professional as the Liquidator of the Corporate Debtor.

2. The brief facts are: -

This Tribunal vide order dated 30.03.2021 admitted the application filed by the Financial Creditor **M/s. Sri Ramani Resorts and Hotels Pvt. Ltd** and initiated Corporate Insolvency Resolution Process (CIRP) against **M/s.Sree Bhadra Parks and Resorts Limited** and appointed the Applicant herein as the Interim Resolution Professional to carry out the CIR Process. The Applicant published a public Announcement in Newspapers in Form A and on receipt of claims verified the claims and formed the Committee of Creditors (CoC) on 26.04.2021. The first CoC meeting of the Corporate Debtor resolved to continue the Interim Resolution Professional as the Resolution Professional and as sought in IA(IBC)/94/KOB/2021 this Tribunal vide order dated 08.07.2021 approved the appointment of applicant as the Resolution Professional.

3. It is also stated that pursuant to the decision of the 3rd CoC meeting held on 12th June 2021, the Resolution Professional Published Form G on the very same day. In the 4th CoC meeting held on 28th July 2021 the CoC approved the addendum to Form G and the same was published in the newspapers, websites of IBBI and Corporate Debtor. Further to the publication of EOI, the RP has contacted potential applicants who are in the same line of business-like Amusement Parks and real estate developers and the unsecured Financial Creditors who have given advances for buying the Company. The Expression of Interest (EOI) was submitted by 4 Prospective Resolution Applicants and on 5th August 2021, the Resolution Professional published the provisional list of eligible Prospective Resolution Applicants. The Final list of Prospective Resolution Applicants was

published on 18th August 2021 in the website of Corporate Debtor and IBBI and also placed before the CoC and also sent to all the Prospective Resolution Applicants namely (1) M/s Sunrise Industries (2) M/s Black Thunder Theme Park Private Limited (3) M/s Kundan Care Products Limited and (4) Smt. Rajani Sanal. In the 6th CoC meeting held on 13th October 2021, it was resolved to extend the last date for the submission of Resolution Plan till 11th November 2021 based on the request from the Prospective Resolution Applicants. In spite of the multiple public announcements, extension and maximum period having been done and granted, no Resolution Plan has been received for the Corporate Debtor. The Resolution Professional brought this to the notice of CoC proposing to make a fresh issue of Form G by way of public announcement. However, the CoC in its 7th meeting held on 15.11.2021 resolved with 53.26% majority through e-voting, not to issue a fresh Form G for Expression of Interest and decided to call another CoC to initiate Liquidation Process, under Section 33(1)(a) of the Insolvency and Bankruptcy Code, 2016. Accordingly, the CoC in their 8th meeting held on 2.12.2021 resolved with 88.24% (by e-voting) the following: -

- (i) to initiate Liquidation process under Section 33(1) (a) of the Corporate Debtor Sree Bhadra Parks and Resorts Ltd.*
- (ii) approved agenda on items on the estimated cost of Liquidation, Assessment of Sale as a going Concern appointment of the liquidator as required under Regulation 39(B), 39(C) and 39(D) of the IBBI (Insolvency Resolution Process of Corporate Persons) Regulations 2016.*
- (iii) Appointment of the Resolution Professional, Mr.K Parameswaran Nair with IBBI Registration No. IBBI/IPA-001/1P-PO1773/2019-2020/12702 as Liquidator for the liquidation process with a fee as per*

Regulation 4(2) of IBBI (Liquidation Process) Regulations 2016 on his written consent subject to the approval of Adjudicating Authority.

(iv) For making application with Adjudicating Authority under Section 33 and 34(1) for initiation of liquidation process.

4. When the matter came up on 22.12.2021, this Tribunal decided to hear the Promoters/Suspended Directors before proceeding with the liquidation process in order to see that the Corporate Debtor continues as an ongoing concern. Notice was issued to the Promoters/Suspended Directors. But the Suspended Directors did not appear, instead one learned Adv. Abdul Lathief appeared and stated that he is filing vakalath for the Suspended Directors and that the Resolution Plan of his clients (Suspended Directors) are ready and they will submit the Resolution Plan before the Resolution Professional on 4th January, 2022. Hence, the matter was adjourned to 7th January, 2022. On 7th January, 2022 Shri. Narayanan Namboodiri, one of the Suspended Directors appeared along with his counsel and sought some more time to submit the Resolution Plan. He was granted time upto 21.1.2022 to submit the Resolution Plan and the Resolution Professional was directed to report the progress in the matter. It was made clear that no further time will be granted to submit the Resolution Plan and on failure to do so, orders in the IA for liquidation would be passed. On 31.1.2022, when the matter was taken up, the Resolution Professional stated that the Promoter Director has not submitted any Resolution Plan. Learned counsel for the Promoter Director stated that the Promoter Director has not filed the Resolution Plan, but he has filed an appeal before the Hon'ble Supreme Court. However, he could not produce any order of the Hon'ble Supreme Court staying the proceedings in this matter. Hence, we have proceeded to decide the IA.

5. We have heard the Resolution Professional appeared in person and Adv. Shri T.M Abdul Lathief for one of the Suspended Directors through video conferencing and had gone through the records placed before this Tribunal.

6. The CoC in its 5th meeting held on 2.12.2021 recommended the liquidation of the Corporate Debtor with 88.24% voting right. We have gone through the minutes of the 8th meeting of the Committee of Creditors held on 02.12.2021 in which as item No.8 the following resolution has been passed: -

"RESOLVED THAT the approval for initiation of liquidation process of the Corporate Debtor M/s Sree Bhadra Parks and Resorts Ltd (Under CIRP) be and is hereby approved pursuant to Section 33(2) of IBC, 2016, since no Resolution Plans were submitted /received from the Final list of Prospective Resolution Applicants in spite of multiple extensions w.r.t public announcements for EOI in Form G made on 14th June 2021, 15th June 2021 with timeline of 31st August 2021 and 1st extension till 13th September 2021, 2nd extension till 13th October 2021 and 3rd extension till 11th November 2021, and the Resolution Professional be and is hereby authorized to intimate the Adjudicating Authority the decision of the Committee of Creditors to liquidate the Corporate Debtor and request for the Liquidation order.

RESOLVED FURTHER THAT RP Mr. K. Parameswaran Nair with IBBI registration number IBBI/IPA-001/1P-P01773/2019-2020/12702 be appointed as liquidator for the liquidation process as per the written consent from Mr. K Parameswaram Nair with the approval of Adjudicating Authority.

7. Section 33 (1)(a) of the I&B Code,2016 empowers this Tribunal for ordering Liquidation of the Corporate Debtor if the CoC do not receive a Resolution Plan

under Sub Section (6) of Section 30, after completion of the formalities provided in the Regulation. Section 33 (1)(a) of the I&B Code,2016 is as under: -

“33. (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 fasttrack 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”

8. In this case even though four Prospective Resolution Applicants had submitted their EOI, they have not come forward to file the Resolution Plan. In order to see that the Corporate Debtor should continue as a going concern, this Tribunal directed the Suspended Directors to appear and explore the possibility to file the Resolution Plan. One of the Suspended Directors appeared and sought time to file the Resolution Plan. Even though sufficient time was granted as narrated in paragraph 4 of this order, he did not submit any Resolution Plan till date. Hence, this Tribunal is compelled to proceed under Section 33(1) of the I&B Code to put the Corporate Debtor under liquidation.

9. For the aforesaid reasons, we hereby order liquidation of the Corporate Debtor as under: -

ORDER

- (i) **M/s. Sree Bhadra Parks and Resorts Limited** is hereby put under liquidation with immediate effect under Section 33 (1) of I&B Code, 2016.
- (ii) **Shri. K. Parameswaran Nair**, with Registration No.**IBBI/IPA-001/1P-P01773/2019-2020/12702**, having address **37/1736 E, Kripasagaram, Kmurali Road, Kadavanthara, Kochi 20, Ernakulam, Kerala, 682020** is appointed as the Liquidator of the Corporate Debtor. He has submitted the

Authorisation for Assignment issued by the Indian Institute of Insolvency Professional of ICAI on 24.11.2021 valid upto 23.11.2022.

- (iii) The Liquidator is directed to adhere to Section 33(1) (ii) & (iii) and discharge his powers and duties as specified under Section 35 to 41 of IBC, 2016 and meticulously adhere to the Rules and Regulations issued by IBBI in this regard from time to time.
- (iv) The Liquidator shall initiate the liquidation process as envisaged under Chapter-II of the Code and the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016;
- (v) Whenever the Liquidator issues any publication in the newspapers, the said shall be published in widely circulated newspapers in the State in which the Registered Office of the Company is incorporated.
- (vi) Public Notice shall be issued in two newspapers, viz., one in English and another in Malayalam language, stating that the Corporate Debtor is in liquidation, as required under Section 33(1) of the Code;
- (vii) All the powers of the Board of Directors and the key managerial persons of the Corporate Debtor shall cease to exist. All these powers shall henceforth be vested with the Liquidator.
- (viii) The personnel/promoters of the Corporate Debtor are directed to extend all co-operations to the Liquidator as required by him in managing the liquidation process of the Corporate Debtor.
- (ix) On initiation of the Liquidation Process but subject to Section 52 of the Code, no suit or other legal proceedings shall be instituted by or against the Corporate Debtor save and except the liberty to the Liquidator to institute suit or other

legal proceedings on behalf of the Corporate Debtor with prior approval of this Adjudicating Authority, as provided in Section 33(5) of the Code read with its proviso.

- (x) This liquidation order shall be deemed to be a notice of discharge to the officers, employees and workmen of the Corporate Debtor except to the extent of the business of the Corporate Debtor continued during the Liquidation Process by the Liquidator.
- (xi) The Deputy Registrar/Assistant Registrar shall forward a copy of this Order to (i) the Liquidator and (ii) the Registrar of Companies, Kerala, immediately upon pronouncement of this Order for updating the Master Data of the Corporate Debtor.
- (xii) The fee payable to the Liquidator shall be in compliance with Regulation 4 of IBBI (Liquidation Process) Regulations, 2016.

Dated this the 9th day of February 2022

Sd/-

(Anil Kumar. B)
Member (Technical)

Sd/-

(Ashok Kumar Borah)
Member (Judicial)

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