

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

IA/07/IB/2021 IN MA/1338/2019 IN
IBA/330/2019 filed under Regulation
44 (2) of the Insolvency and
Bankruptcy Board of India
(Liquidation Process) Regulations,
2016

In the matter of M/s. Perfect International Private Limited

Ms. Sripriya Kumar, Liquidator

M/s. Perfect International Fabricators Private Limited
224A (New 346/1) (Next to National Public School),
Avvai Shanmuga Salai,
Gopalapuram, Chennai-600086

---Applicant

CORAM :

R. SUCHARITHA, MEMBER (JUDICIAL)

B. ANIL KUMAR, MEMBER (TECHNICAL)

Counsel for Applicant : *Shri. N.P. Vijay Kumar, Advocate*
 Shri. R. Pradeep, Advocate
 For Ms. Sripriya Kumar, Liquidator

ORDER

Per: R. SUCHARITHA, MEMBER (JUDICIAL)

Order Pronounced on: 05.05.2021

Under adjudication is an application filed by the Liquidator of
M/s. Perfect International Fabricators Private Limited pursuant to
Regulation 44 (2) of Insolvency and Bankruptcy Board of India

(Liquidation Process Regulations, 2016 seeking for an extension of time period of Liquidation by 8 months with effect from 13.12.2020.

2. The learned counsel for the Applicant submitted that the Liquidation Process of the Corporate Debtor was commenced vide order of this Tribunal on 13.12.2019. The CIRP was initiated by one of the Operational Creditors (M/s. Jotun India Private Limited – IBA/330/2019) of the Corporate Debtor. The Applicant received claims in pursuance of the public announcement and proceeded to constitute 1st CoC meeting on 04.06.2019 wherein the applicant was appointed as RP. The RP issued paper advertisement for inviting Expression of Interest in Form-G in English Newspaper “Times of India” and in Tamil newspaper “Daily Thanthi” on 31.07.2019. However, there was no expression of interest received from the prospective Resolution Applicants. At the 3rd CoC meeting held on 21.10.2019 and 22.10.2019, the members had decided to proceed with the liquidation of the Corporate Debtor.

3. According to the Liquidator, intimation was sent to relevant persons and relevant statutory authorities about the commencement

of liquidation and e-form INC 28 has been filed with RoC, Chennai. The Liquidation Bank Account of the Company was opened on 24.01.2020. The Applicant had issued public announcement calling for Claims in Form-B on 23.12.2019 in one English newspaper "The New Indian Express" and in one vernacular language (Tamil) "Dinamani" having wide circulation in Trichy where registered office of the Corporate Debtor is located. The last date for submission of claims was on 17.01.2020. The total status of Claims Admitted in Liquidation is as under:

Name of the Party	Amount
Financial Creditor	Rs.14.20 Crores
Operational Creditor	Rs. 2.28 Crores
Workmen and Employees	Rs.10.05 Lakhs
Total	16.58 Cores

4. The Applicant has received claims from various creditors of the Corporate Debtor and the same was submitted to this Tribunal on 03.03.2020 along with preliminary report and asset memorandum. Further, four quarterly progress reports were also filed. The Applicant has appointed M/s.GBSV Associates, Chartered Accountants, Chennai in the place of existing Statutory Auditors

Mr. Kalyan of SKR & Co. LLP, Trichy on 09.07.2020 to complete the

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audit till the date of liquidation. The Applicant states that inspite of repeated requests to complete the audit of financial statement for the year 2018-2019 the erstwhile auditors was unable to close the same and hence the Liquidator had to change the Statutory Auditors. The Applicant has been following up on the assets of the Company.

5. According to the Applicant, three Avoidance Applications have been filed as under:

Name of the Applicant & Name of the Respondents	Particulars	Status
Sripriya Kumar, RP for Perfect International Fabricators Pvt. Ltd. Vs. Mr. Thomas Panagaraj – MA/984/2019 in IBA/330/2019	RP filed an application for recovery of Rs.1,36,55,890/- from Mr. Thomas Panagaraj (ex-promoter director of the Corporate Debtor) under section 45 read with section 60(5) of IBC, 2016	Pending before NCLT, Chennai
Sripriya Kumar, RP for Perfect International Fabricators Pvt. Ltd. Vs. Ingenium Advisory LLP & Mr. Deepak Parasuraman, designated partner of Ingenium Advisory LLP, P.R.Venkatesh, promoter managing director – MA/987/2019 in IBA/330/2019	RP filed an application for recovery of stock value of Rs.40,00,000/- from Mr. Ingenium Advisory LLP under section 43 and 66 read with section 60(5) of IBC, 2016	NCLT directed the respondents to pay Rs.65 lakh and Respondent No.1 and 2 have appealed to NCLAT and the matter is pending before the NCLAT.
Sripriya Kumar, RP for Perfect International Fabricators Pvt. Ltd. Vs.	RP filed an application for recovery of stock value of Rs.14.41 Crore	The application was withdrawn and has been re-filed along

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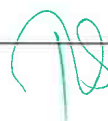
P.R.Venkatesh, promoter managing director – MA/1077/2019 IBA/330/2019 in	pertaining to the Corporate Debtor under section 43, 45 and 66 read with section 60(5) of IBC, 2016	with the the forensic audit report. Pending before NCLT, Chennai.
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6. The Liquidator had presented a budget for an amount of Rs.24.30 lakhs for liquidation in the 3rd CoC meeting held on 21.10.2019 and subsequently enhanced by Rs.10 lakh and communicated to the stakeholders in connection with the discussions of sharing of costs by secured creditors who have relinquished their security interest. The main pay-outs during liquidation are Rs.36,000/- per month paid to 4 security staff and Rs.54,000/- to the ex-employees of the Company including one Accountant and electricity charges of about Rs.30,000/- payable on a bi-monthly basis. The Average Liquidation Value of the total assets of the Corporate Debtor as per the Registered Valuer Report obtained during CIRP period are given under:

Valuer	Scope of Valuation	Fair Value (in Rs.)	Liquidation Value (in Rs.)
N. Ravidran (11.07.2019)	Land & Building	6,67,03,000/-	4,81,79,000/-
MC Muthuraman (16.07.2019)	Land & Building	6,86,45,000/-	4,88,67,000/-
VR. Na. Arunn (02.07.2019)	Plant & Machinery	6,52,39,000/-	5,87,15,499/-
P. Prince (19.07.2019)	Plant & Machinery	6,03,90,332/-	5,43,51,299/-



7. The Financial Creditor Claims of Rs.14.20 crore, there are 2 financial creditors of the company who have submitted claims in Form C of the Liquidation Process Regulations under the Code (i) M/s. State Bank of India (Claim of Rs.11.05 Crore); and (ii) Ms/ SREI Equipment Finance Limited (Claim of Rs.3.14. Crore). M/s. SBI have relinquished their security interest in favour of the liquidation estate while M/s. SREI have opted to realize their security interest which includes land of 6.35 crore at MR Palayam, Sanamangalam Village, Manachanallur Taluk, Tiruchirapalli-621104 and certain items of plant and machinery (invoice value Rs.5.12 crore as per Hypothecation Deed) which needed to be segregated from the total list of plant and machinery of the company to enable the liquidator to proceed with the sale of the balance assets. As decided in the stakeholders meeting held on 04.09.2020, two independent Valuers were appointed by the secured Financial Creditors for the segregation of assets and physical verification activity was commenced on 21.10.2020 and in the first week of November 2020. The final report on this matter is yet to be provided to the



Applicant. However, in the additional typed-set of documents filed on 05.03.2021, the Applicant has furnished as follows

- (i) copy of Segregation Report;
- (ii) copy of Forensic Audit Report;
- (iii) Signed copy of receipts and payments account till 31.12.2020; (iv) copy of Progress Report filed with NCLT; and
- (iv) copy of Asset Memorandum

8. The Applicant states that the liquidation process relating to sale of assets could not be proceeded mainly due to the COVID-19 lock down and assets of the company yet to be segregated. Details of extension sought have been placed at the Stakeholders Consultation Committee meeting held on 10.12.2020 and approval obtained. As per Regulation 47A of the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, the applicant seeks extension of liquidation period by 263 days from 24.03.2020 to 12.12.2020 for completing the liquidation process and for dissolution of the Company and such extension of time may be



granted from 13.12.2020 (conclusion of one year from the date of commencement of Liquidation i.e. 13.12.2019).

9. Upon perusal of documents, the relief sought for extension of period of 263 days from 24.03.2020 to 12.12.2020 for completing the Liquidation process from 13.12.2020 for completion of sale of assets of the Corporate Debtor and for dissolution of the Company is **granted.**

10. Accordingly, this application IA/07/2021 stands **allowed** with the aforesaid terms.

-sd-
(ANIL KUMAR B)
MEMBER (TECHNICAL)

-sd-
(R. SUCHARITHA)
MEMBER (JUDICIAL)

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