



S.No.5

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH – 1
VC AND PHYSICAL (HYBRID) MODE
ATTENDANCE CUM ORDER SHEET OF THE HEARING HELD ON
05-11-2024 AT 10:30 AM**

CP(IB) No. 167/7/HDB/2022

AND

IA (IBC) (Liq) 18/2024 in CP(IB) No. 167/7/HDB/2022

u/s. 7 of IBC, 2016

IN THE MATTER OF:

M/s Pegasus Assets Reconstruction

...Financial Creditor

AND

Ravi Electronics Pvt Ltd

...Corporate Debtor

C O R A M:-

**DR. VENKATA RAMAKRISHNA BADARINATH NANDULA, HON'BLE MEMBER (JUDICIAL)
SH. CHARAN SINGH, HON'BLE MEMBER (TECHNICAL)**

O R D E R

IA (IBC) (Liq) 18/2024

Heard the erstwhile Resolution Professional Mr.Kasturi Rangan. Perused the memo dated 30.10.2024. Orders pronounced in IA (IBC) (Liq) 18/2024. Having regard to the facts and circumstances of the case, this Tribunal is of the opinion that the Liquidation of the Corporate Debtor is the only remedy to proceed further. Hence, the same is hereby ordered. Ms. G.Kalpana having IP Registration No. IBBI/IPA-001/IP-00756/2017-18/11288 is appointed as Liquidator whose consent filed. **Accordingly, this IA (IBC) (Liq) 18/2024 is allowed and disposed of.**

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)



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

**IA (LIQ) NO. 18/2024
IN
CP(IB) NO. 167/7/HDB/2022**

Application filed u/s 33 (2) of IBC, 2016

**IN THE MATTER OF
M/S.PEGASUS ASSETS RECONSTRUCTION PRIVATE LIMITED
VS
RAVI ELECTRONICS PRIVATE LIMITED**

FILED BY

**S. KASTHURI RANGAN
RESOLUTION PROFESSIONAL
Of Ravi Electronics Private Limited**

M.NO IBBI/IPA-001/IP-P000064/2017-18/10150

...Applicant
Liquidator

Date of order: 05.11.2024

Coram

Dr. N. Venkata Ramakrishna Badarinath, Hon'ble Member (Judicial)

Shri Charan Singh, Hon'ble Member (Technical)

Appearance:

For Applicant: Party-in-person



PER: BENCH

ORDER

1. This is an application filed by the Resolution Professional of Ravi Electronics Private Limited (Corporate Debtor) under Section 33(2) of IBC, 2016, seeking liquidation of the Corporate Debtor.

2. **AVERMENTS IN THE APPLICATION IN BRIEF: -**

BACKGROUND AND BUSINESS OF CORPORATE DEBTOR

- (1) The corporate Debtor guaranteed the loan taken by M/s Instruments Techniques Private Limited from Catholic Syrian Bank Ltd on 28.03.2012. The corporate debtor offered their property situated at F-1/A, Industrial Development Area, Kukatpally, Hyderabad as a collateral security for the above loan taken by M/s Instruments Techniques Private Limited. Pursuant to the account becoming NPA the loan account was assigned to Pegasus Asset Reconstruction Private Limited (ARC).
- (2) The premises offered as collateral security which is also the registered office address of the corporate debtor comprise of 2655 sq. Yards with a building of 5838 sq. Fts.
- (3) The premises was let out on rent to various tenants who have been occupying this premises since many years.
- (4) The only source of income for the corporate debtor is the rental income and no other business income was appearing in the financial statements as per the financial statements of corporate debtor displayed on the MCA portal.



- (5) The Applicant states that despite issuing notice to all the tenants on 19.07.2024 and 01.08.2024 to vacate the premises, none complied the same
- (6) The Applicant states that neither the registered office nor any other office of the corporate Debtor is situated at the address given in the MCA records. Further it is alleged that no records of corporate Debtor were made available to the Applicant by suspended directors of corporate debtor and none of members of suspended Board of Directors of the company attended any COC meetings conducted during CIRP.
- (7) The Applicant stated that the corporate debtor has not complied with respect to the provisions of Companies Act relating to filing of annual financial statements and Annual returns for the financial year 2022-23 with Registrar of Companies Telangana.

3. ADMISSION OF THE PETITION & BRIEF OVERVIEW OF CIRP

- (1) This Tribunal on 15.04.2024 admitted the petition filed by PEGASUS RECONSTRUCTION PRIVATE LIMITED (Financial Creditor) under Section 7, of the Insolvency and Bankruptcy Code, 2016 and appointed Mr. S. KASTHURI RANGAN as Interim Resolution Professional
- (2) Pursuant to his taking over charge as Interim Resolution Professional, the Applicant herein complied with Section 13, Section 15 and other applicable sections of the Insolvency and Bankruptcy Code, 2016 read with Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations 2016, had carried out a public announcement in Financial Express and Mana Telangana on 20th April 2024 intimating the commencement of



Corporate Insolvency Resolution Process against **RAVI ELECTRONICS PRIVATE LIMITED** and Invited claims from the creditors mentioning the last date of submission of claims as 01.05.2024.

- (3) Pursuant to the public notice, the Interim Resolution Professional has received & admitted claims from the following creditors and the list of creditors was filed with the Hon'ble National Company Law Tribunal, Hyderabad Bench in compliance with Regulation 13 (2)(d).

S.No	Name of the Financial Creditor	Amount (Rs.)	Percentage (%) of holding
1	Pegasus Assets Reconstruction Private Limited	Rs.2,95,11,666.50 (Rupees Two Crores Ninety five lacs Eleven Thousand six hundred and sixty six and fifty paise)	100%

- (4) No other claims were received from other operational creditors, work man/employee/Authorised representative of workmen and employees.
- (5) In compliance of Section 18 and other applicable sections of the code, the Applicant herein tried to collect information relating to the assets, finances and operations of corporate debtor including information relating to Business operations for the previous two years, Financial and operational payments for the previous two years, List of assets and liabilities as on the date of initiation of CIRP.
- (6) In compliance with Section 21(1) of the Code, the resolution professional constituted the Committee of Creditors comprising of one Financial Creditor and the same was filed with the Tribunal as required under Regulation 17 (1) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016.



(7) The First meeting of Committee of Creditors was convened on 19.04.2024 where in the Applicant was appointed as Resolution Professional by committee of Creditors and minutes of the meeting has been filed with the Tribunal along with consent vide form AA.

(4) LIQUIDATION VALUE

Two IBBI registered valuers were appointed with the consent of COC for each class of Assets in accordance with the regulation 27 of IBBI (Insolvency Regulation Process for Corporate persons) Regulations 2016 who have submitted their valuation reports. The Fair & Liquidation value estimated in accordance with regulation 35 of **IBBI (Insolvency Resolution Process for Corporate Persons) Regulations 2016** is given here under: -

LAND & BUILDING

(Rs.in lacs)				
S.No.	NAME OF THE VALUER	CLASS OF ASSET	FAIR MARKET VALUE	LIQUIDATION VALUE
1	INN TECH GLOBAL VALUERS PRIVATE LIMITED	LAND	15,43,96,000.00	12,35,16,800.00
		BUILDING	34,41,096.00	27,52,877.00
		TOTAL	15,78,37,096.00	12,62,69,677.00
2	A.SARAT CHANDRA SRINIVAS	LAND	15,44,00,000.00	12,35,00,000.00
		BUILDING	40,00,000.00	32,00,000.00
		TOTAL	15,84,00,000.00	12,67,00,000.00

AVERAGE OF FAIR MARKET VALUE OF LAND AND BUILDING: - 1581.18 LAKHS

AVERAGE LIQUIDATION VALUE OF LAND & BUILDING: -1264.84 LAKHS



(5) TRANSACTION COVERED U/S 43,45,50 AND 56

The corporate debtor has not been in business operations since many years, and we did not find any transactions covered under section 43,45,50 & 56.

(6) EXPRESSION OF INTEREST (EOI)

The Resolution Professional apprised the COC that the Corporate Debtor has no business activity other than renting the premises given as security. Therefore, the COC was of the opinion that it is a futile exercise to call for resolution plans under the CIRP and decided not to issue any expression of interest calling for Resolution Plan in accordance to regulation 36A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations.

(7) LIQUIDATION RESOLUTION

The of COC in its 4th meeting held on 30th July 2024, has observed that there was no business operations in the Company and the only asset has been let out on rent. As such the COC resolved to directly liquidate the corporate debtor without inviting resolution plans and passed the following resolution unanimously.

LIQUIDATION UNDER SECTION 33(2) OF IBC, 2016

“RESOLVED THAT as there is no possibility of resolution, Corporate Debtor be liquidated and advised RP to file an application with Hon’ble NCLT under section 33(2) of IBBI to get the order of Liquidation from Hon’ble NCLT.



Thus submitting, the present application is filed by the Resolution Professional seeking an order requiring the Corporate Debtor (RAVI ELECTRONICS PRIVATE LIMITED) to be liquidated as per Section 33 (2) of the Insolvency & Bankruptcy Code 2016. The said Section is extracted as below:-

Section 33(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] [Inserted by Act No. 26 of 2018, dated 17.8.2018.] 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. [Inserted by Act No. 26 of 2019, dated 5.8.2019.] - For the purposes 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 (7) of section 21 and before the confirmation of the resolution plan, including at any time before the preparation of the information memorandum.]

- (8) We have heard the Ld. Resolution Professional Shri S.Kasturi Rangan and perused the records.
- (9) According to the Applicant, the CoC in its 4nd CoC meeting dated 30.07.2024 with 100% voting, resolved to directly seek order of liquidation without inviting Resolution Plans. However, it is seen from the records that the COC has not passed any resolution with regard to appointment of Liquidator and Liquidator's fee were passed. Hence, this Tribunal on 16.10.2024, a clarification was sought from the Applicant, who claim to have been recommended to act as a Liquidator, by the COC, to file any resolution appointing him as Liquidator.



- (10) The Applicant, complying the direction of this Tribunal, called for a special COC meeting on 29.10.2024 for considering the recommendation for appointment as Liquidator. Though the COC had initially proposed appointing the Applicant/Resolution Professional as Liquidator considering the background of the Corporate Debtor. However, taking into consideration the advisory issued by IBBI vide No. Liq-1-2011/214/2023-IBBI/840 dated 18.07.2023 on appointment of new Insolvency Professional in the place of existing IRP/RP in all the cases where liquidation order is to be passed, the COC unanimously proposed Mrs. Kalpana.G, having IP Registration No. IBBI/IP-001/IP-00756/2017-2018/11288 as Liquidator.
- (11) We have gone through the minutes of the special meeting of the COC held on 29.10.2024, wherein the following resolutions were passed:-
- Resolved that subject to approval by Hon'ble Bench of NCLT, Mrs. Kalpana G, Insolvency Professional having IP Registration No. IBBI/IPA-001/IP-00756/2017-18/11288 be appointed as Liquidator who is having valid AFA and also submitted her consent to act as Liquidator, if appointed.*
- Further resolved that the Liquidator shall be paid a remuneration of Rs. 1 lakh per month plus applicable taxes (or) as per the table mentioned in the Liquidation Regulations, Regulation 4 (Liquidator's fee) whichever is higher. The Liquidator's remuneration/fees will be taken from the realization of sale proceeds of the Company once the Company has been sold. Additionally, all the expenses incurred by the Liquidator shall be reimbursed at actuals on submission of Invoice for the same and approval of SCC.*
- (12) Therefore, taking into consideration the provisions of law, particularly Section 33 (2) of IBC, 2016, as well as the documents on record, this Adjudicating Authority is of the view that since there is no scope for resolution of the Corporate Debtor through the CIRP, the only option left, under the



circumstances being liquidation process, we allow this petition, directing the liquidation of the Corporate Debtor.

ORDER

- (a) The Corporate Debtor **I.E. M/s Ravi Electronics Private Limited**, is put under liquidation process in the manner laid down in Chapter-III of the Code with effect from the date of order.
- (b) Mrs. G. Kalpana, Insolvency Professional having IP Registration No. IBBI/IPA-001/IP-00756/2017-18/11288 is appointed as Liquidator. She has filed consent in Form AA along with the memo dated 01.11.2024.
- (c) She shall issue public announcement stating that the Corporate Debtor is in liquidation in terms of Regulation 12 of IBBI (Liquidation Process) Regulations, 2016.
- (d) The Moratorium declared under Section 14 of the code shall cease to have its effect.
- (e) Subject to Section 52 of the Code, no suit or other legal proceedings shall be instituted by or against the Corporate Person. This shall however 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.
- (f) All powers of the Board of Directors, Key Managerial Personnel and partners of the Corporate Debtor shall cease to have effect and shall be vested in the Liquidator.



- (g) The Liquidator shall exercise the powers and perform duties as envisaged under Sections 35 to 50 and 52 to 54 of the Code, read with Insolvency & Bankruptcy Board of India (Liquidation Process) Regulations, 2016.
- (h) The personnel connected with the Corporate Debtor shall extend all assistance and co-operation to the Liquidator as would be required for managing its affairs.
- (i) The Liquidator shall be entitled to such fees as may be specified by the Board in terms of Section 34 (8) of the Code.
- (j) This order 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.
- (k) The Applicant herein is directed to serve a copy on the Liquidator appointed herein above.
- (l) The Regional Director, Ministry of Corporate Affairs, Registrar of Companies & Official Liquidator, Hyderabad, the Registered Office of the Corporate Debtor and the Liquidator.

SD/-

(CHARAN SINGH)
MEMBER (TECHNICAL)

SD/-

(DR N.V. RAMAKRISHNA BADARINATH)
MEMBER (JUDICIAL)

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