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Sl. No. 1

NATIONAL COMPANY LAW TRIBUNAL  
AMARAVATI BENCH

(Virtual Hearing)

PRESENT: SHRI RAJEEV BHARDWAJ – MEMBER (JUDICIAL)

: SHRI SANJAY PURI – MEMBER (TECHNICAL)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING HELD ON 08.01.2025 AT 01:00 P.M.

TC/CP. Nos.	IA No.	Present stage of the case	Section/Rule	Name of Parties
CP(IB)/54/7/AMR/2021	Liquidation approved	Admitted on 24.04.2024	7 of IBC	State Bank of India Vs Karuturi Ceramics Pvt Ltd
	IA(IBC)(LIQ)/6/2024	For Orders	U/s 33(2) of IBC, Code 2016	Mr. Naga Bhushan Bhagawati, RP of M/s. Karuturi Ceramics Pvt Ltd

ORDER

IA (IBC) (Liq)/6/2024:

Present: Mr. P. Ramesh babu, Ld. Counsel for the Applicant.

Mr. B. Naga Bhushan, Ld. RP.

Orders pronounced. IA (IBC) (Liq)/6/2024 is allowed and recorded vide separate sheets.

Sd/

SANJAY PURI  
MEMBER (TECHNICAL)

Sd/

RAJEEV BHARDWAJ  
MEMBER (JUDICIAL)

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
AMARAVATI BENCH AT MANGALAGIRI**

IA (IBC) (LIQ.)/6/2024

In

CP (IB)/54/7/AMR/2021

[Application under Section 33(2) of the Insolvency and Bankruptcy Code,  
2016]

**Filed by:**

Mr. Naga Bhushan Bhagawati,  
Resolution Professional of M/s. Karuturi Ceramics Private Limited,  
[IBBI/PA-001/IP-P00032/2016-17/10085]

Address: 1-1-380/38,  
Ashok Nagar extension,  
Hyderabad – 500020.

...Applicant/Resolution Professional

**In the matter of:**

State Bank of India

Versus

M/s. Karuturi Ceramics Private Limited

... Financial Creditor

... Corporate Debtor

Date of Order: 08.01.2025

**CORAM:**

SHRI RAJEEV BHARDWAJ, HON'BLE MEMBER (JUDICIAL)

SHRI SANJAY PURI, HON'BLE MEMBER (TECHNICAL)

**Parties/Counsels Appearance:**

For Applicant/RP: Mr. Naga Bhushan Bhagawati, Resolution Professional.

**ORDER  
[PER: BENCH]**

1. The present application has been filed by Mr. Naga Bhushan Bhagawati, Resolution Professional ("Applicant" or "RP") of M/s. Karuturi Ceramics

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Private Limited ("Corporate Debtor" or "CD"), under Section 33(2) of the Insolvency and Bankruptcy Code, 2016, ("IB Code" or "Code") seeking Liquidation of the Corporate Debtor and to appoint the Liquidator.

2. Brief facts of the Application are as follows:

- a. This Tribunal admitted the CD into Corporate Insolvency Resolution Process ("CIRP") vide its order dated 24.04.2024 and appointed the Applicant herein as Interim resolution Professional ("IRP"). Pursuant to the said CIRP order, the Applicant issued a Public Announcement in FORM-A inviting claims on 28.04.2024.
- b. IRP received one (1) claim from the Financial Creditor prior to holding of the first meeting. The IRP verified the claims and constituted Committee of Creditors ("CoC") on 17.05.2024 as required under section 21(1) of the Code. Accordingly the same was filed before this Tribunal and vide order dated 2.05.2024 passed in IA (IBC)/172/2024 this Tribunal allowed the same.

**List of Claims received from Financial Creditors as on 17.05.2024**

S.No.	Name of the Creditor	Claim submitted (in Rs.)	Claim Admitted (in Rs.)	Voting %
1.	State Bank of India	73,88,23,344	73,88,23,344	100%
		73,88,23,344	73,88,23,344	100%

- c. During the 1<sup>st</sup> CoC meeting held on 22.05.2024, the CoC confirmed the Applicant herein as the RP. Further in the 2<sup>nd</sup> CoC meeting held on 10.06.2024, the CoC approved the eligibility criteria for Prospective Resolution Applicants ("PRA's") and publication of Form -G inviting Expression of Interest ("EoI"). The RP published the Form-G in newspapers on 17.06.2024 and the last date for submission of EoI as

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02.07.2024. Considering the poor response for the same, with the approval of the CoC, RP issued Form-G twice on 03.07.2024 and 13.07.2024 and the last date for submission of EoI was extended upto 02.08.2024.

- d. During the 3<sup>rd</sup> CoC meeting held on 24.07.2024, the CoC approved the Request for Resolution Plan ("RFRP") and Evaluation Matrix. In response to the Form-G, 3 (three) PRAs submitted EOI's and the final list of PRA's was published on 12.08.2024 which are as follows:

S. No.	Name	Address	Eoi receipt date
1.	Resurgent Property Ventures Private Limited	903-906, 9 <sup>th</sup> Floor, Tower C, Unitech Business Zone, Sector-50, Gurugram, Haryana – 122018. resurgentgroupibc@gmail.com.	02.07.2024
2.	Siva Chaitanya Saikam	Sy No. 70, Chikkadasarahalli, Bangalore – 562125. saikamsc@gmail.com	18.07.2024
3.	Mr. Amit Chaturvedi	23-16-44, Haripuram, CTRJ Quarters Backside, Karukonda Road, Rajahmundry Urban, East Godavari District, Andhra Pradesh – 533101. iykaceramica@gmail.com	10.07.2024

The RP circulated the Information Memorandum and RFRP to all the Resolution Applicants ("RAs") on 17.08.2024 and the last date for submission of Resolution Plans as 16.09.2024.

- e. In the 4<sup>th</sup> CoC meeting held on 27.08.2024, the CoC approved the revised CIRP budget. The RAs requested the RP to extend the last date for submission of Plans and accordingly, with the approval of the CoC, the last was extended from 16.09.2024 to 23.09.2024 and again from 23.09.2024 to 08.10.2024 and intimated the same to all the RAs.

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- f. During the 5<sup>th</sup> CoC meeting held on 24.09.2024, the CoC directed the RP to seek extension of CIRP period by 90 days beyond 180 days, i.e., from 20.10.2024 to 18.01.2025 and accordingly, RP filed IA (IBC)/379/2024 and this Tribunal vide order dated 17.10.2024 allowed the same and granted an extension of 90 days beyond 180 days.
- g. During the 6<sup>th</sup> CoC meeting held on 09.10.2024, the RP informed the CoC that the last date for submission of plans was 08.10.2024 and no resolution plans were received on or before the due date. At the request of the few RAs, CoC decided to extend 10 days as last chance for submission of plans i.e., upto 18.10.2024.
- h. During the 7<sup>th</sup> CoC meeting held on 22.10.2024, the RP informed the CoC that he had circulated the Forensic Audit report furnished by SNMR & Associated and no avoidance transactions were reported by the Forensic Auditor nor did RP's scrutiny reveal any such transactions. Further, the RP informed the CoC that the last date for submission of resolution plans was 18.10.2024 and no plans have been received and the option left for is to liquidate the CD. Accordingly, the CoC approved and voted for Liquidation of the CD on 05.12.2024 with 100% voting and resolved as under:

Resolution I:

ITEM NO. 9 OF THE AGENDA

*To vote on the Resolution for Liquidation of Corporate Debtor*

*"RESOLVED THAT pursuant to Section 33(1) (a) of the Insolvency and Bankruptcy Code, 2016 and in accordance with the applicable rules and regulations made thereunder, the consent of the Committee of Creditors be and is hereby accorded for the Liquidation of the Corporate Debtor under Section 33(1) (a) of the Insolvency and Bankruptcy Code, 2016."*

*"FURTHER RESOLVED THAT Mr. Naga Bhushan Bhagawati, the Resolution Professional be and is hereby authorised to submit the necessary*

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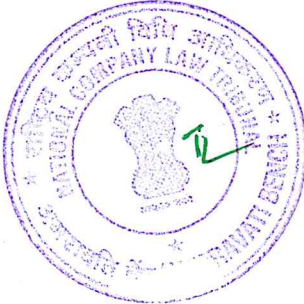
*application with Hon'ble NCLT seeking an order to be passed under section 33(1) (a) of the Insolvency and Bankruptcy Code, 2016."*

Resolution 2:

ITEM NO. 10 OF THE AGENDA

*To vote on the Resolution for Appointment of Liquidator*

*"RESOLVED THAT in accordance with Section 5(18), Section 34 of the Insolvency and Bankruptcy Code, 2016 and in accordance with the applicable rules and regulations made thereunder, Mr. Naga Bhushan Bhagawati, who has been proposed by the CoC to act as the Liquidator and who expressed his willingness to continue as Liquidator in Form AA, be and is hereby appointed as the Liquidator of the Corporate Debtor."*

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- i. The Resolution Professional has submitted his Written Consent to act as Liquidator under Section 34 (1) of the Code and IBBI (Liquidation Process) Regulations, 2016.
  - j. Therefore, for the reasons stated above, the RP is seeking this Tribunal to pass an order for Liquidation of the CD and appoint him as the Liquidator, which has been approved by the CoC with 100% voting in the 7<sup>th</sup> CoC meeting.

3. We have heard Mr. Naga Bhushan Bhagawati, Ld. Resolution Professional and perused the record.
4. This Adjudicating Authority, under Section 33(2) of the Insolvency & Bankruptcy Code, 2016, has the power to pass an order of liquidation for a corporate debtor. The Committee of Creditors has not received any Resolution Plan, and the Adjudicating Authority has no option but to proceed with the liquidation order. The Hon'ble Supreme Court in the matter of **K. Sashidhar Versus Indian Overseas Bank & Ors in Civil Appeal No. 10673 of 2018** has held that the commercial decision of the Committee of Creditors is non-justiciable, and in this case, the Committee of Creditors

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with 100% majority has passed the resolution seeking liquidation of the Corporate Debtor.

5. Hence, the Adjudicating Authority deems it proper to allow this Application, exercising powers conferred under Sub-Clause (i), (ii) & (iii) of Clause (b) of Sub-Section (1) of Section 33 of the Insolvency & Bankruptcy Code, 2016. Hence, the following order:

**ORDER**

- a) This Adjudicating Authority hereby order for Liquidation of M/S. **KARUTURI CERAMICS PRIVATE LIMITED**, which shall be conducted in the manner as laid down in Chapter III of Part II of the Insolvency & Bankruptcy Code, 2016.
- b) **Mr. Naga Bhushan Bhagawati** having Reg. No: IBBI/IPA-001/IP-P00032/2016-17/10085. Address: 1-1-380/38, Ashok Nagar extension, Hyderabad – 500020, email Id: bnagabhushan@yahoo.com, is appointed as Liquidator of the Corporate Debtor as resolved by the Committee of Creditors.
- c) The Liquidator shall issue public announcement stating that Corporate Debtor is in Liquidation.
- d) The Moratorium declared under Section 14 of the IBC, 2016 shall cease to operate here from.
- e) Subject to section 52 of the IBC 2016 no suit or other legal proceedings shall be instituted by or against the Corporate Debtor. 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.



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- 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 and Bankruptcy Board of India (Liquidation Process) Regulations 2016.
- h) Personnel connected with the Corporate Debtor shall extend all assistance and cooperation to the Liquidator as will 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 Liquidation process by the Liquidator.
- k) Copy of the Order shall be furnished to the IBBI, to the Regional Director (South Eastern Region), Ministry of Corporate Affairs; Registrar of Companies & Official Liquidator, Andhra Pradesh, the Registered Office of the Corporate Debtor; and the Liquidator.

6. With the above directions, IA (IBC) (LIQ)/6/2024 in CP (IB)/54/7/AMR/2021 is disposed of.

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SANJAY PURI  
MEMBER (TECHNICAL)

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RAJEEV BHARDWAJ  
MEMBER (JUDICIAL)

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त संख्या IA(IBC)(LIQ)/6/2024 in  
BE NUMBER CP(IB)/54/7/AMR/2021

य का तरीका  
TE OF JUDGEMENT .08.01.2025

य तैयार किया गया तरीका

COPY MADE READY ON .10.01.2025

Deputy Registrar / Assistant Registrar /  
Court Officer  
NATIONAL COMPANY LAW TRIBUNAL  
AMARAVATI BENCH