

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, SPECIAL BENCH COURT No. II**

**IA No. 1088 / 2020
in
CP (IB) No. 4258 / 2019**

**Under Section 12 (2), 12 (3) and 60(5) of the
Insolvency and Bankruptcy Code, 2016 Read
with Regulation 40 of the IBBI (Insolvency
Resolution Process for Corporate Persons)
Regulations, 2016**

R. SUBRAMANIAKUMAR

Administrator of Dewan Housing Finance
Corporation Limited

... Applicant

In the matter of:

Reserve Bank of India

**... Original Petitioner/
Appropriate Regulator**

Order delivered on:14.10.2020

Coram :

**Hon'ble Janab Mohammed Ajmal : Hon'ble Ravikumar Duraisamy
Member (Judicial) Member (Technical)**

Appearance:-(through video conferencing):

For the Applicant

: Mr. Rohan Rajadhyaksha,
Counsel i/b Sonu
Tandon, Advocate

Per: Ravikumar Duraisamy, Member

ORDER

This is an Application by the Administrator of the Corporate Debtor seeking extension of the period of Corporate Insolvency Resolution Process (CIRP).

2. The CIRP of Dewan Housing Finance Corporation Limited (the Corporate Debtor) began on 03.12.2019, pursuant to notification of Section 227 read with Clause (zk) of Sub-Section (2) of Section 239 of the Code read with Rules 5 and 6 of the Insolvency and Liquidation Proceedings of Financial Service Providers filed by a Petitioner/ Appropriate Regulator. This Tribunal appointed the present Applicant as the Administrator. The Applicant submits that Public Announcement was made on 05.12.2019 inviting the Financial Creditors and Public Depositors to submit their claim on or before 17.12.2019. In view of the Admission Order, the CIRP of the Corporate Debtor was scheduled to expire on 31.05.2020. The Applicant submits that Central Government vide notification dated 25.03.2020, imposed nationwide lockdown due to global Pandemic Covide-19 with effect from 25.03.2020 and was in force till 31.05.2020.
3. The Applicant further submitted that due to the nationwide lockdown, the Insolvency and Bankruptcy Board by its notification dated 29.03.2020 inserted Regulation 40C in CIRP Regulations as to the Special Provisions relating to time-line read as “the period of lockdown imposed by the Central Government in the wake of Covid-19 would not be counted for the purpose of the time-line for any activity in relation to the CIRP”.

4. The Applicant further submitted that the lockdown in the state of Maharashtra was extended till 31.07.2020 therefore, a period of 129 days from 25.03.2020 till 31.07.2020 will be excluded from the CIRP period. Hence, the CIRP period of the Corporate Debtor which was to expire on 31.05.2020, would now end on 07.10.2020. The present Application is filed for extension of CIRP period by 90 days i.e. up to 05.01.2021 or such period excluding the period of lockdown under Section 12(2) of the Insolvency and Bankruptcy Code.
5. The Applicant submits that the 5th CoC Meeting held on 12.05.2020 the members decided to file an application under Section 12(2) of the Insolvency and Bankruptcy Code, 2016 for extension of CIRP period for a further period of 90 days and was approved by majority of 97.7% votes.
6. The Bench perused the documents and considered the submissions made by the Ld Counsel for the RP and RP himself. We may also add that the Hon'ble NCLAT vide its suo moto order dated 30.30.2020 excluded the period of lock down imposed by the Central Government and State Government from calculating the CIRP period. Accordingly the period of lockdown imposed by both the Central and State Government from 25.03.2020 till 31.07.2020 is excluded. This Bench is of the conscientious view that the present Application is bona fide and grounds submitted for the exclusion and extension of CIRP period are genuine for the completion of CIRP and CoC also passed a resolution with 97.7% vote share. Furthermore, in view of the intent of the Code, the possibility of success of CIRP and the interest of the Corporate Debtor wherein there is a possibility of resolution of insolvency, the time period for completion of CIRP is extended by further 90 days starting from 08.10.2020 (inclusive).

ORDER

Hence, IA 1088 of 2020 in CP (IB) No.4258 of 2019 is allowed. The CIRP period is extended by 90 days from and including 08.10.2020 and would ordinarily end on 05.01.2021. The Applicant shall take all expeditious steps to complete the CIRP by that date.

**Sd/-
JANAB MOHAMMED AJMAL
MEMBER (JUDICIAL)**

**Sd/-
RAVIKUMAR DURAISAMY
MEMBER (TECHNICAL)**