

BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT 1

CP (IB) No.665/10/NCLT/AHM/2019

Coram: Mr. MADAN BHALCHANDRA GOSAVI, MEMBER (JUDICIAL)
Mr. VIRENDRA KUMAR GUPTA, MEMBER (TECHNICAL)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING THROUGH VIDEO CONFERENCING BEFORE THE
AHMEDABAD BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 11.11.2020

Name of the Company: Gujarat State Construction Corporation Ltd

Section: Section 10 of the Insolvency & Bankruptcy Code, 2016

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.


(VIRENDRA KUMAR GUPTA)
MEMBER (TECHNICAL)


(MADAN B GOSAVI)
MEMBER (JUDICIAL)

Dated this the 11th day of November, 2020.

**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT-1**

CP (IB) No.665/10/NCLT/AHM/2019

[Application under Section 10 of the Insolvency and Bankruptcy Code, 2016]

In the matter of:

M/s. Gujarat State Construction Corporation Limited;
CIN: U99999GJ1974SGC002635
Having its registered office at:
G-1, 201, Sector – 30,
Gandhinagar – 382030.

... Petitioner/Corporate Debtor/ Corporate Applicant

Date of Hearing: 4th November, 2020
Date of Pronouncement of Order: 11th November, 2020

Coram: Madan B. Gosavi, Member (Judicial)
Virendra Kumar Gupta, Member (Technical)

Appearance:

Learned Counsel Mr. Pavan Godiawala appeared for the
Corporate Person.

ORDER

[Per: Madan B. Gosavi, Member (Judicial)]
(Through Video Conferencing)

1. This application under Section 10 of the Insolvency and Bankruptcy Code, 2016 is filed by Gujarat State

Construction Corporation Limited for self-declaration of the insolvency.

2. It is stated that the Corporate Person was established by the State Government for undertaking certain infrastructural developments. It raised finance from various financial institutions. However, the company kept suffering losses and could not pay its debts.
3. As on 31.03.2018, the company was liable to pay an aggregate debt of Rs.65,80,37,840/-. Hence, the Director in its extra-ordinary general meeting on 06.03.2019, passed a special resolution thereby deciding to file this application to start the Corporate Insolvency Resolution Process of the Corporate Person, hence, this application.
4. We have gone through the records and proceeding of this application. Annexure-2 is the special resolution passed in extra-ordinary general meeting dated 06.02.2019 of the members of Gujarat State Construction Corporation Limited resolving to file application under Section 10 of the I.B. Code to start the application of Corporate Insolvency Resolution Process.
5. We have gone through provisions of Section 10 of the I.B. Code and Regulations thereto. Sub-Section (3) of Section 10 states that:

"(3) The corporate applicant shall, along with the application, furnish—

(a) the information relating to its books of account and such other documents for such period as may be specified;
(b) the information relating to the resolution professional proposed to be appointed as an interim resolution professional; and
(c) the special resolution passed by shareholders of the corporate debtor or the resolution passed by at least three-fourth of the total number of partners of the corporate debtor, as the case may be, approving filing of the application.]”

6. Keeping in our sight the above provisions of Law, we have verified the record. The applicant has produced before us all the details relating to the accounts and special resolution passed by its members in the meeting dated 06.03.2019.
7. It has suggested the name of one Mr. Arvind Gaudana for appointment of Interim Resolution Professional (“IRP”) having registration no. IBBI/IPA-002/IP-N00283/2017-18/10841, against whom, no disciplinary proceeding is pending. The proposed IRP has also given his consent for such appointment.
8. This application is defect free. Hence, we allow this application and admit the Corporate Person in Corporate Insolvency Resolution Process under Section 10 of the I.B. Code, 2016 by following order.

ORDER

1. The Corporate Debtor, **M/s. Gujarat State Construction Corporation Limited** is admitted in Corporate Insolvency Resolution Process under **Section 10** of the Insolvency and Bankruptcy Code, 2016.

2. The moratorium under Section 14 of Insolvency and Bankruptcy Code, 2016 is declared for prohibiting all of the following in terms of Section 14(1) of the Code.
 - a. the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
 - b. transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
 - c. any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
 - d. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

3. The order of moratorium shall have effect from the date

of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under subsection (1) of the Section 31 or passes an order for liquidation of Corporate Debtor Company under Section 33 of the Insolvency & Bankruptcy Code, 2016, as the case may be.

4. We hereby appoint **Mr. Arvind Gaudana, having registration no. IBBI/IPA-002/IP-N00283/2017-18/10841, address: 307, Ashirwad Paras, Near Prahladnagar Garden, Corporate Road, Prahladnagar, Satellite, Ahmedabad, India - 380015, email: arvindg_cs@yahoo.com,** to act as an IRP under Section 13(1)(c) of the Code. He shall conduct the Corporation Insolvency Resolution Process as per the provision of Insolvency and Bankruptcy Code, 2016 r.w Regulation made thereunder:

5. The IRP shall perform all his functions as contemplated, inter-alia, by Sections 17, 18, 20 & 21 of the Code. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person associated with management of the Corporate Debtor are under legal obligation under Section 19 of the Code extending every assistance and co-operation to the Interim Resolution Professional. Where any personnel of the Corporate Debtor, its Promoter or any other person required to assist or co-operate with IRP, do not assist or

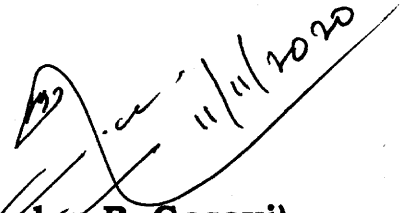
Co-operate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

6. This Adjudicating Authority directs the IRP to make a public announcement of initiation of Corporate Insolvency Resolution Process (CIRP) and call for submission of claims under Section 15 as required by Section 13(1)(b) of the Code.
7. It is further directed that the supply of goods/service to the Corporate Debtor Company, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.
8. The IRP shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor Company' and manage the operations of the Corporate Debtor Company as a going concern as a part of obligation imposed by Section 20 of the Insolvency & Bankruptcy Code, 2016. The Operational Creditor is directed to pay an advance of **Rs.50,000/- (Rupees Fifty Thousand Only)** to the IRP within two weeks **from the date of this order** for the purpose of smooth conduct of Corporate Insolvency Resolution Process ("CIRP") and IRP to file proof of receipt of such amount to this Adjudicating Authority along with First Progress Report. Subsequently, IRP may raise further demands for Interim funds, which shall be provided as per Rules.

9. The Registry is directed to communicate a copy of this order to the Operational Creditor, Corporate Debtor and to the Interim Resolution Professional and the concerned Registrar of Companies, after completion of necessary formalities, within seven working days and upload the same on website immediately after pronouncement of the order.
10. Accordingly, CP (IB) No.665/10/NCLT/AHM/2019 stands admitted.



(Virendra Kumar Gupta)
Member (Technical)



(Madan B. Gosavi)
Member (Judicial)

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