

**IN THE NATIONAL COMPANY LAW TRIBUNAL
“CHANDIGARH BENCH, CHANDIGARH”**

**CA No.14/2018
IN
CP NO.124/Chd/Pb/2017**

**Under Sections 60(5)(a) and 60(5)(c)
of the Insolvency and Bankruptcy Code,
2016 read with Section 151 CPC.**

In the matter of:

Kamal Chemicals
having its office at
F-251, Phase-VIII,
Focal Point,
Ludhiana-141010(Punjab).

...Petitioner-Operational Creditor.

Versus

M/s T.C. Terrytex Limited
having its registered office
at Village Sarsini, Amb-Chd
Highway, Near Lalru,
Tehsil Derabassi, Lalru,
Punjab-140501.

... Respondent-Corporate Debtor

Order delivered on: 23.01.2018

Coram: Hon'ble Mr. Justice R.P.Nagrath, Member(Judicial).

For the petitioner:

1.Mr. Anand Chhibbar, Senior Advocate
2.Mr. Nahush Jain, Advocate.
3.Mr. Harsh Garg, Advocate with
4.Mr. Kamal Singhania, Proprietor,
in person.

For Interim Resolution:

Mr. Sanjay Kumar Aggarwal, IRP.

ORDER (Oral)**CA No.14/2018**

This application has been filed by the corporate debtor under Sections 60(5)(a) and 60(5)(c) of the Insolvency and Bankruptcy Code, 2016 on behalf of the suspended Board of Directors seeking release of the corporate debtor from the resolution process as the matter with the operational creditor who filed petition under Section 9 of the Insolvency and Bankruptcy Code, 2016 has been settled and no other claims have been received in response to the Public Announcement and the financial institutions have also given their certificates. Notice of this petition was given to the Interim Resolution Professional as well as Mr. Harsh Garg, Advocate who filed the petition under Section 9 of the Insolvency and Bankruptcy Code, 2016. Mr. Harsh Garg, Advocate has handed over the Power of Attorney from the operational creditor. Be taken on record. The petition under Section 9 of the Insolvency and Bankruptcy Code, 2016 filed by operational creditor was admitted on 08.01.2018 declaring the moratorium and appointing Mr. Sanjay Kumar Aggarwal as the Interim Resolution Professional.

2. When this application was listed on 16.01.2018, the matter was adjourned for today and in view of the submissions made, the Interim Resolution Professional was directed to file his report.

3. First weekly report was filed by the Interim Resolution Professional on 15.01.2018 with regard to various compliances like public announcement in the newspapers and appointment of the registered Valuers. The Interim Resolution Professional submitted that he interacted with the employees/staff of the company and also the time granted for filing of the claims, if any, by them for which the last date was on 21.01.2018 . In the 2nd weekly report dated 22.1.2018 the Interim Resolution professional submitted that he has filed the report in view of the directions issued by this Tribunal. It is stated that despite expiry of the period during which the claims were to be filed, no claims have been received from any Financial Creditors or the operational creditor including the employees. The Interim Resolution Professional states that on checking of the records the statutory dues are being paid by the corporate debtor regularly.

4. I have heard the Learned Senior Counsel for the applicant, Interim Resolution Professional and learned counsel for the operational creditor who filed the petition under Section 9 of the Code.

5. Learned counsel for the operational-creditor Kamal Chemicals states on instructions that the claim of the petitioner has been fully satisfied and that the corporate debtor has even reimbursed the amount of fee of the Interim Resolution Professional. The Interim Resolution Professional has given details of the financial creditors as per the balance sheet of the company. In the normal course the Interim Resolution professional was supposed to constitute the Committee of Creditors but with this report certificates from all

the financial creditors of the corporate debtor have been attached stating that the accounts of the corporate debtor are standard which factor is also not disputed by the corporate debtor.

6. Learned Senior Counsel for the petitioner on instructions states that the financial creditors of the corporate debtor are the ones which have been explained in the report of the Interim Resolution Professional and these are State Bank of India, Allahabad Bank, South Indian Bank, Indian Overseas Bank and Union Bank of India who have furnished certificates Annexures-B to G attached with the report of the Interim Resolution Professional that the accounts of the corporate debtor are in standard category and operations in the account are satisfactory. The Union Bank of India has mentioned in the certificate that the corporate debtor has always repaid its dues i.e. interest/instalments on time. The Punjab National Bank in the certificate Annexure-F has stated that the operations are satisfactory in the account with them. This aspect has also been reflected in the certificates given by other financial institutions.

7. In view of the above, the Interim Resolution Professional is not required to make any further efforts in preparing any resolution plan or to continue with the resolution process. The Interim Resolution Professional further states that the Valuers have not visited the property to make valuation because of the circumstances of the case nor they collected any record so far. In case there is any claim still outstanding in respect of the Valuer the same will be borne by the corporate debtor and to take care of for release of the same.

8. Accordingly, application is allowed and the Interim Resolution Professional is discharged of his duties. The moratorium dated 08.01.2018 stands vacated and the corporate debtor is released from the resolution process and shall keep functioning as a going concern. The management of the corporate debtor, therefore, stands restored. Consequently the freezing of the accounts shall stand lifted. CA No.14/2018 stands disposed of. Copy of this order be communicated to the applicant 'corporate debtor'; learned counsel for the operational creditor and the Interim Resolution Professional.

Sd/-

(Justice R.P. Nagrath)
Member(Judicial)

January 23, 2018
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