

**In the National Company Law Tribunal  
Kolkata Bench  
Kolkata**

**CORAM: Shri Madan B. Gosavi, Member (Judicial)  
Shri Virendra Kumar Gupta, Member(Technical)**

**CP(IB)No.132/KB/2019**

**In the matter of:**

An application for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016;

**-And-**

**In the Matter of:**

United Bank of India, a body corporate constituted under the Banking Companies (Acquisitions and Transfer of undertaking) Act of 1970 having its Head Office at 11, Hemanta Basu Sarani, Kolkata-700001 and having its Branch, among others, at United Bank of India, Champadanga Branch, Champadanga Bazar Entrance Road, Hooghly-712401 of the Applicant Bank and having its Recovery Branch familiarly known as Stressed Asset Management Branch 4, N.C. Dutta Sarani, Kolkata-700001.

.....Financial Creditor

**In the Matter of:**

M/s Pannalal Cold Storage Pvt. Ltd., a company incorporated under the provisions of the Companies Act, 1956 and a company having its Registered Office at Lakshmanpur, Utterpara, Nandipara, Majherpara, P.O.-Lakshmanpur, P.S-Jangipara, Dist-Hooghly, West Bengal-712404.

..... Corporate Debtor

Sd

Sd

Counsels appeared:

For Financial Creditor

1. Mekhala Kanji, Advocate
2. Gitasree Chattopadhyaya, Advocate

Date of pronouncement of order: 21<sup>st</sup> October, 2019.

**ORDER**


Per Shri M.B. Gosavi, Member (J):

1. **United Bank of India** (Financial Creditor) filed this application under Section 7 of Insolvency and Bankruptcy Code, 2016 against **M/s Pannalal Cold Storage Pvt. Ltd.** (Corporate Debtor) to start Corporate Insolvency Resolution Process (in short "CIRP") of the Corporate Debtor as the Corporate Debtor committed default in paying financial debt of Rs. 13,70,29,544/- (Rupees Thirteen Crore Seventy Lakh Twenty-Nine Thousand Five Hundred and Forty-Four Only).
2. The following facts are not in dispute.
  - 2.1. By letter of sanction dated 13.03.2014, the Bank granted and disbursed in favour of the Corporate Debtor loan of Rs. 933.76 Lakh by way of term loan and CC facilities. The loan was repayable on or before October 2015 as per the loan agreement (page 196 of paper book).
  - 2.2. The Financial Creditor states that the Corporate Debtor failed and neglected to pay a loan and interest accrued thereon as agreed. Hence, this proceeding is filed to start CIRP of the Corporate Debtor.
  - 2.3. Financial Creditor suggested name of one Mr. Santanu Bhattacharjee, having registration no. IBBI/IPA-001/IP-



P01141/2018-2019/11868 for appointment as the Interim Resolution Professional against whom no disciplinary proceeding is pending.

3. The Corporate Debtor is served with the notice of this application. One of the directors of the Corporate Debtor, Mr. Sisir Bali appeared on behalf of the Corporate Debtor and filed affidavit-in-reply. We have perused the affidavit-in-reply. The Corporate Debtor did not dispute that the loan amount of Rs. 933.76 Lakh was granted and disbursed in favour of the Corporate Debtor. The Corporate Debtor did not dispute that they committed default in paying the loan.
4. The Corporate Debtor raised number of other contentions that the loan was granted without securing sufficient security, the Board of Directors of the Corporate Debtor did not pass any resolution requesting loan, the Directors of the Corporate Debtor were made to sign blank loan agreement and other documents, hypothecation of their property was not properly done etc.
5. We make it clear that while considering application under Section 7 of I & B Code, 2016 for admission of the Corporate Debtor in CIRP, this Authority has to see whether there is a financial debt of more than Rs. 1 Lakh due and payable by the Corporate Debtor and whether Corporate Debtor committed default in paying the same. In this case, both the facts are not disputed.
6. The Financial Creditor produced on record numbers of documents duly signed and executed by the directors of the Corporate Debtor having received loan amount. Moreover, on 29.03.2017, the Corporate Debtor admitted and acknowledged the debt and showed their willingness to pay the sum of Rs. 6 Crores towards overall settlement. It appears to us that the Bank rejected their offer. If nothing was due and payable by the Corporate Debtor to the Bank,



then question remained unanswered as to why the Corporate Debtor gave offer to pay Rs. 6 Crores towards One time Settlement. On the basis of evidence on record, we hold that Financial Creditor proved that loan amount/financial debt of Rs. 13,70,29,544/- (Rupees Thirteen Crore Seventy Lakh Twenty-Nine Thousand Five Hundred and Forty-Four Only) is due and payable by the Corporate Debtor and the Corporate Debtor committed default in paying the same. This application is defect free and complete in all respects. Hence, we admit the Corporate Debtor in CIRP by following Orders.

### ORDER

- i) The application filed by the Financial Creditor under section 7 of the Insolvency & Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process against the Corporate Debtor, **M/s Pannalal Cold Storage Private Limited** is hereby admitted.
- ii) I declare a moratorium and public announcement in accordance with Sections 13 and 15 of the IBC, 2016.
- iii) Moratorium is declared for the purposes referred to in Section 14 of the Insolvency & Bankruptcy Code, 2016. The IRP shall cause a public announcement of the initiation of Corporate Insolvency Resolution Process and call for the submission of claims under Section 15. The public announcement referred to in clause (b) of sub-section (1) of Section 15 of Insolvency & Bankruptcy Code, 2016 shall be made immediately.
- iv) Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016 prohibits the following:
  - 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 Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 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.
- v) The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated, suspended, or interrupted during moratorium period.
- vi) The provisions of sub-section (1) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- vii) The order of moratorium shall have effect from the date of admission till the completion of the corporate insolvency resolution process.
- viii) Provided that where at any time during the corporate insolvency resolution process period, if the Adjudicating Authority approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of corporate debtor under Section 33, the moratorium shall cease to have effect from the date of such approval or liquidation order, as the case may be.


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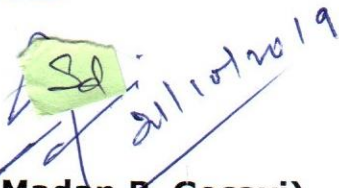
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- ix) Necessary public announcement as per Section 15 of the IBC, 2016 may be made.
- x) Mr. Santanu Bhattacharjee, having registration no. IBBI/IPA-001/IP-P01141/2018-2019/11868, residing at Janai, Dist-Hooghly, Pin-712304, e-mail id- [neelijai@gmail.com](mailto:neelijai@gmail.com) is appointed as Interim Resolution Professional for ascertaining the particulars of creditors and convening a Committee of Creditors for evolving a resolution plan.
- xi) The Financial Creditor to pay sum of Rs. 50,000/- (Rupees Fifty Thousand Only) to IRP as advance fees as per Regulation 33(2) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation 2016 which shall be adjusted from final bill.
- xii) The Resolution Professional shall conduct CIRP in time bound manner as per Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016.
- xiii) Registry is hereby directed under section 7(7) of the I.B.Code, 2016 to communicate the order to the Financial Creditor, the Corporate Debtor and to the I.R.P. by Speed Post as well as through e-mail.

List the matter on **05.12.2019** for the filing of the progress report.

Certified copy of the order may be issued to all the concerned parties, if applied for, upon compliance with all requisite formalities.

  
**(Virendra Kumar Gupta)**  
**Member(T)**

  
**(Madan B. Gosavi)**  
**Member(J)**

Signed on this, the 21<sup>ST</sup> day of October, 2019.