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IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI BENCH
COURT-IV

I.A. NO. 6123 OF 2024
IN
C.P. (IB) NO. 659 OF 2021

[Under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the NCLT Rules, 2016]

IN THE MATTER OF:

Punjab National Bank

...Financial Creditor

Versus

Karnal Agriculture Industries Limited

...Corporate Debtor

AND IN THE MATTER OF:

Arvind Kumar

...Applicant

Order Delivered on: 27.03.2025

CORAM:

SHRI MANNI SANKARIAH SHANMUGA SUNDARAM,
HON'BLE MEMBER (JUDICIAL)

DR. SANJEEV RANJAN,
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Applicant/IRP : Mr. Ishwar Mohapatra, Mr. Animesh Pandey, Advs.
For the ex-Directors : Ms. Deboleena Dutta, Adv.

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ORDER

PER: MANNI SANKARIAH SHANMUGA SUNDARAM, MEMBER (JUDICIAL)

1. The instant application is filed by Mr. Arvind Kumar, i.e., 'Applicant', who had been appointed as Interim Resolution Professional of M/s. Karnal Agriculture Industries Limited ('Corporate Debtor') under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as 'Code') duly appointed by this Adjudicating Authority vide Order dated 10.12.2024, *inter-alia* seeking the following prayers:
 - a. *To appoint some other Insolvency Professional to act as the Interim Resolution Professional in the CIRP of the Corporate Debtor; and*
 - b. *To allow the discharge of Mr. Arvind Kumar, the undersigned applicant/IRP from his duties as an IRP in the CIRP of Corporate Debtor; and*
 - c. *To pass any such order or directions as this Hon'ble Tribunal deems fit in the facts and circumstances of the present case.*
2. Briefly stated, the facts of the present case as averred by the Applicant are that this Adjudicating Authority vide order dated 10.12.2024 had initiated Corporate Insolvency Resolution Process against M/s. Karnal Agriculture Industries Limited ('Corporate Debtor') on an application filed by the above-captioned Financial Creditor under Section 7 of the Code and appointed Mr. Arvind Kumar as the Interim Resolution Professional of the Corporate Debtor.
3. The Applicant herein was intimated about his appointment in accordance with the admission order dated 10.12.2024 vide an email dated 12.12.2024. Thereafter, the Applicant herein submits that he does not hold valid Authorization for Assignment which is a mandatory requirement in accordance with the relevant laws of the Code along with other allied rules.
4. That one of the Suspended Directors of Corporate Debtor filed an appeal before the Hon'ble National Company Law Appellate Tribunal, New Delhi (hereinafter referred to as 'NCLAT') bearing Company Appeal (AT)(Ins.) No.: 2342 of 2024 whereby the Hon'ble NCLAT vide order dated 18.12.2024

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directed the Applicant to not take any further steps in the context of the constitution of the Committee of Creditors. However, the Hon'ble NCLAT had directed for the submission as well as the collation of the claims by the Interim Resolution Professional in the meanwhile. Thereafter, the said appeal came up for hearing on multiple occasions wherein the aforementioned directions had been stated to be continuing. The germane excerpt of the aforementioned Order dated 18.12.2024 passed by the Hon'ble NCLAT has been reiterated hereinbelow:

"...In the meanwhile, IRP shall proceed to collate the claim but shall not constitute the CoC..."

5. It is averred in the instant Application that the Applicant herein does not hold valid Authorization for Assignment, which is a mandatory requirement in accordance with Rule 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 read in conjunction with Rule 2(aa) of the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016.
6. It is further submitted that as soon as the Applicant herein was intimated of the Assignment that was being conferred upon him, the Applicant herein filed the instant Application before this Adjudicating Authority to apprise this Bench of the invalid Authorisation for Assignment that the Applicant herein holds, due to which he becomes ineligible to carry out the functions as well as obligations of a Resolution Professional. The expired Authorisation for Assignment has been placed on record by the Applicant herein.
7. It is submitted by the Applicant herein that the Applicant, due to lack of valid Authorisation for Assignment, is also ineligible of complying with the directions passed by the Hon'ble NCLAT vide Order dated 18.12.2024 concerning the collation of claims from the Creditors.
8. In view of the aforesaid discussions, this Adjudicating Authority wishes to refer to the provision from the Insolvency and Bankruptcy Board of India (Insolvency Professionals) Regulations, 2016 relating to eligibility of

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Resolution Professional by Committee of Creditors contained in IB Code, which is as below:

Authorisation for Assignment: 7A. An insolvency professional shall not accept or undertake an assignment after 31st December, 2019 unless [it] holds a valid authorisation for assignment on the date of such acceptance or commencement of such assignment, as the case may be:

Provided that provisions of this regulation shall not apply to an assignment which an insolvency professional is undertaking as on:

(a) 31st December, 2019; or

(b) the date of expiry of his authorisation for assignment

9. In view of the aforementioned facts and circumstances highlighted by the Applicant herein, this Adjudicating Authority approves the replacement of Mr. Arvind Kumar, Interim Resolution Professional. It has been observed by this Adjudicating Authority that there has been no name proposed by the Financial Creditor who had initiated the Corporate Insolvency Resolution Process against the Corporate Debtor herein. Therefore, this Adjudicating Authority appoints **Mr. Ravi Bansal** as the Interim Resolution Professional for the above-captioned matter filed under Section 7 of the Code, whose details are provided hereinbelow:

IBBI Registration No. : IBBI/IPA-001/IP-P00162/2017-2018/10331
E-mail Address : ipravibansal@gmail.com
Contact Number : +91-9868543031

10. Taking into consideration the said submissions made by the Ld. Counsel for the Applicant as well as the averments contained in the Application, this Adjudicating Authority is inclined to **allow** the instant Application seeking the replacement of the IRP & appoint **Mr. Ravi Bansal** as

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Resolution Professional in place of the Applicant herein, i.e., Mr. Arvind Kumar, present 'TRP'.

Resultantly, the instant application, i.e., **I.A. No.: 6123 of 2024** in **C.P. (IB) No.: 659 of 2021**, *Punjab National Bank vs. Karnal Agriculture Industries Limited*, stands allowed and disposed off.

Sd/-
DR. SANJEEV RANJAN
MEMBER (TECHNICAL)

Sd/-
MANNI SANKARIAH SHANMUGA SUNDARAM
MEMBER (JUDICIAL)



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03/04/2025

Prakash
04.04.2025
Deputy Registrar
National Company Law Tribunal
CGO Complex, New Delhi-110003

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