

**IN THE NATIONAL COMPANY LAW TRIBUNAL
ALLAHABAD BENCH
PRAYAGRAJ**

C.P. (I.B.) No. 118/ALD /2020

In the matter of:

A Petition under section 10 of the Insolvency and Bankruptcy Code, 2016 read with rule 7 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons), Regulations 2016.

And

In the matter of:

M/s Dehradun Integrated Arena Ltd.

(CIN:U74999UR2018PLC008760)

Having its registered office at: - 23, Raipur Road, Dehradun -248001

.....Corporate Applicant

Coram:

Shri Rajasekhar V.K.

: Member (Judicial)

Shri Virendra Kumar, Gupta

: Member (Technical)

Date of hearing: 16.02.2022

Order pronounced on: 02.03.2022

Appearances (through video conference)

For the Applicant

: Sh. Tanmay Sadh, Adv
Sh. Sarojanand Jha, Adv.

For the Operational Creditors

:Sh. Suraj Sampath,
Sh. Satya Prakash Pandey,
Sh. Ramesh Shukla
Sh. Yakesh,
Ms. Sonam & Sh. Gaurav Mahajan,
Advocates

ORDER

Per:Virendra Kumar Gupta, Member (Technical)

1. The present Petition has been filed by M/s Dehradun Integrated Arena (CIN:U74999UR2018PLC008760), the Corporate Applicant, under section 10 of the Insolvency and Bankruptcy Code, 2016 (the Code) for initiation of

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Corporate Insolvency Resolution Process (CIRP) against itself. The Application has been filed through its Director Mr. Vijay Kumar Banga, DIN: 03449257, duly authorised *vide* Board Resolution dated 13.05.2020. A copy of the Board Resolution dated 13 May, 2020 is annexed to the Application and marked as Annexure-2 on Page 48.

2. The Corporate Applicant was incorporated on 23rd May, 2018 and is a special purpose company which has been granted concession right for a period of 30 years by M/s Rajiv Gandhi International Cricket Stadium and Sports Complex Society (RGICS), a society registered under the Societies Registration Act, 1860 by the State of Uttarakhand, under Concession Agreement dated 26.05.2018 to operate and maintain and to develop additional facility in accordance with the Concession Agreement.
3. The reasons for applying for initiation of the CIRP by the Corporate Applicant are as follows: -
 - (i) The RGICS has pointed out various default to the corporate applicant including non-renewal of the performance Bank Guarantee under the Concession Agreement as the RGICS has already invoked the Performance Bank Guarantee of Rs. 12 Crores furnished under the Concession Agreement. Thus, there is an imminent threat of termination of concession rights by RGICS, which is the only asset of the applicant and its only hope for an effective resolution process as per the objective of the Code.
 - (ii) In addition to the above, the corporate applicant has not been able to even renew the insurance to cover the project assets, i.e. cricket stadium and its associated facilities and had taken an insurance cover of approx. Rs. 322 Crores to secure the projects assets, however, due to severe cash flow issues and further by on-going covid-19 pandemic, the situation has become extremely precarious and the applicant has not been able to pay monthly insurance premium of Rs. 7.47 lakhs since May, 2020.

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- (iii) Further salaries and wages due by the corporate applicant to its workmen has also not been paid and is constrained to continue incurring these liabilities which it is not in a position to discharge and in view of the Covid 19 pandemic and lockdown that prevailed in the country there is no inflow of the revenue and there is no new events getting booked at the stadium. Thus, prays for the application to be allowed.
4. It is stated by the corporate applicant is in default of total debt owed to:-
- (i) Financial Creditors is Rs.48,199,338/- (Rupees Forty Eight Crores Nineteen Lakhs Nine Thousands Three Hundred and Thirty Eight Only).
 - (ii) Operational creditors is Rs. 58,941,103/- (Fifty Eight Crores Ninety Four Lakhs One thousands and three Only).
 - (iii) Statutory dues is Rs. 21,24, 826/- (Rupees Twenty One Lakhs Twenty Four Thousands Eight Hundred Twenty Six Only).
5. The members/shareholders of the Corporate Applicant have given their consent by way a special resolution passed in the Extraordinary General Meeting held on 13th May, 2020 to file the application under section 10 of the Code. A copy of the Resolution dated 13th, May 2021 is annexed to the Application and marked as Annexure-3 of the present petition.
6. In support of its Application, the Corporate Applicant has submitted, *inter alia*, the following documents: -
- (a) Financial statements of the Corporate Debtor for the Financial Year being 2018-19 and provisional FinancialStatement for the Financial Year 2019-2020.
 - (b) List of financial creditors and operational creditors.
7. The Corporate debtor has proposed the name of Mr. Anshul Pathania (Regn No.IBBI/IPA-001/IP-P01529/2019-2020/12461) to function as the Interim resolution Professional (IRP). Mr. Anshul Pathania has submitted his written communication in Form 2. The written communication is annexed to the

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application and marked as Annexure -4 on pages 54-55.

8. The objection has been filed on behalf of Uttarakhand Power Corporation Limited (“UPCL”) as operational Creditor to the corporate person and submitted that the corporate debtor has been defaulting in making payment towards the electricity bills raised by the UPCL and the outstanding dues are multiplying day to day.
9. Another objection is filed on behalf of M/s Professional Facility Management Solutions Pvt. Ltd., one of the operational creditors, and stated that an outstanding dues and amount in default against the said operational creditor is wrongly mentioned in the petition and it is much higher.
10. We have heard the learned Counsel appearing for the parties and have perused the documents on record.
11. We are of the view that there is no malafide in filing this application by the corporate applicant as the Covid facility in the stadium is turned up by the government and because of Covid, the issues arose and further the usage of that facility was changed to make it a makeshift Covid hospital by the State Government, thus if the party has any option they may explore for recovery of their outstanding dues from the government.
12. Further, the Corporate Applicant has furnished the books of accounts for the relevant period under Section 10(3)(a); the Corporate Applicant has proposed the name of the IRP who has submitted its written consent (Section 10(3)(b)); the Corporate Applicant has also filed the Special Resolution passed by shareholders in Extraordinary General meeting dated 13.05.2020 under Section 10(3)(c).
13. The application is free from defects and complete in all aspects as required under the law. The Application shows that the Corporate Debtor is in default of a debt that is due and payable, and the default is more than the threshold amount as stipulated under section 4(1) of the Code at the relevant time. The default stands established and there is no reason to deny the admission of the present Application.

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14. Therefore, in the light of the facts stated in the application and the evidence placed on record, this Adjudicating Authority admits this Application and orders initiation of CIRP against the Corporate Debtor under the following terms:

- (a) The Application bearing C.P.(IB)No. 118/ALD/2020 filed by the Corporate Applicant under section 10 of the Insolvency & Bankruptcy Code, 2016, is hereby admitted for initiating the Corporate Insolvency Resolution Process in respect of M/s Dehradun Integrated Arena Ltd. (CIN:U74999UR2018PLC008760)
- (b) There shall be a moratorium under section 14 of the IBC.
- (c) The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 of the IBC or passes an order for liquidation of Corporate Debtor under section 33 of the IBC, as the case may be.
- (d) Public announcement of the CIRP shall be made immediately as specified under section 13 of the Code read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- (e) As per the proposal given by the Corporate Applicant, Mr. Anshul Pathania (Regn. No. IBBI/IPA-001/IP-P01529/2019-2020/12461) is appointed as the IRP for ascertaining the particulars of Creditors and convening a Committee of Creditors for evolving a Resolution Plan.
- (f) During the CIRP period, the management of the Corporate Person shall vest in the IRP or, as the case may be, the RP in terms of section 17 of the IBC. The officers and managers of the Corporate Person shall provide all documents in their possession and furnish every information in their knowledge to the IRP within one week from the date of receipt of this Order, in default of which coercive steps will follow.
- (g) The IRP/RP shall submit to this Adjudicating Authority periodical reports on quarterly basis with regard to the progress of the CIRP in respect of the Corporate Debtor.
- (h) The Corporate Applicant to pay to IRP a sum of Rs.3,00,000/- (Rupees Three Lakh only) to meet the initial costs, as per Regulation 33(3) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, which amount shall be adjusted at the time of final payment.
- (i) The Resolution Professional shall conduct CIRP in a time-bound manner as per Regulation 40A of IBBI (Insolvency Resolution Process

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for Corporate Persons) Regulation, 2016.

- (j) The Registry of this Court is hereby directed to communicate this Order to the Corporate Person and the IRP by Speed Post and email immediately, and in any case, not later than two days from the date of this Order.
- (k) Additionally, the Corporate Person shall serve a copy of this Order on the IRP and on the Registrar of Companies, Uttarakhand by all available means for updating the Master Data of the Corporate Person. The said Registrar of Companies shall send a compliancereport in this regard to the Registry of this Court within seven days from the date of receipt of a copy of this order.

15. **CP (IB) No. 118/ALD/2020** to come up on 27.04.2022 for filing the first periodical report.

16. A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

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Virendra Kumar Gupta
Member (Technical)

Kumud Narayan (PS)

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Rajasekhar V.K.
Member (Judicial)