

Noida, Uttar Pradesh-201301

....Respondent No.2

3. Anil Kumar

Promoter and Suspended Director
R/o House No.171-R,
Model Town, Ludhiana-141001

....Respondent No.3

4. Rajinder Kumar

Promoter and Suspended Director
R/o House No.583-L,
Model Town, Ludhiana-141002

....Respondent No.4

Order delivered on: 09 .09.2022

**Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)**

Present through video-conferencing:

For the Applicant : Dr. Rajansh Thukral, Advocate
: Mr. Sumat Kumar Gupta, Resolution Professional

For the Respondents : None for respondents/Ex-Directors

Per: Subrata Kumar Dash, Member (Technical)

ORDER

CIRP proceedings were initiated against M/s Bharat Papers Limited, the corporate debtor, when CP (IB) No. 135/Chd/Pb/2019, was admitted by this Adjudicating Authority vide order dated 01.10.2020. The application has been filed by Interim Resolution Professional under Section 19 and Section 60(5) of IBC, 2016

IA No.162/2021

in

CP (IB) No.135/Chd/Pb/2019
(admitted)

seeking direction against the personnel of the corporate debtor including the promoters/suspended board to provide all documents/information required by the Interim Resolution Professional for the purpose of CIRP and to comply with the directions/instructions issued by the Interim Resolution Professional from time to time in connection with the CIRP.

2. The brief facts of the instant application are as follows: -

2.1. It is submitted by the applicant that post initiation of the CIRP, the applicant visited the registered office of the corporate debtor situated in Ludhiana, and contacted the promoter and Ex-CFO of the corporate debtor and sought information for them for the purpose of the CIRP, including for preparation of information memorandum, valuation etc. However, the personnel of the Corporate Debtor have not been fully cooperating with the IRP in this regard, which is delaying the process of valuation.

2.2. It is averred that IRP had on various occasions, requested the promoters/suspended directors of the Corporate Debtor Mr. Parveen Kumar, Mr. Anil Kumar, Mr. Baljinder Kumar and Mr. Rajinder Kumar as well as other personnel of the Corporate Debtor, Ex-CFO for relevant information but the same was not received in full.

2.3. It is further contended that the 2nd COC meeting was conducted on 2nd January 2021 and was attended by all the COC members and Mr. Parveen Kumar (Suspended Director) members were informed that apart from other

information which is required, the details of plant and machinery is pending. Mr. Parveen Kumar replied that he has shared all information which was available with him and rest of the information is not available. The COC of the view, that appropriate legal remedy shall be taken for extracting the information so that the resolution process can be managed in a smooth manner.

2.4. It is stated that IRP along with his team visited the factory site in Kathua on 28.12.2020 to take over the possession, where Mr. Parveen Kumar (Suspended Director) was also present. It was observed that the majority of the plant machinery has been uprooted and damaged. Further, various sections of the machinery and systems were incomplete, electrical wires and panels were damaged and missing. No furniture and fixtures were found in the admin block and factory building. The IRP has received the incomplete information from the personnel of the corporate debtor.

2.5. The IRP has requested personnel to provide Fixed Assets Registered which is a statutory record of the Company and has to be maintained under the Companies Act, 2013. The IRP received the copy of the general ledgers for the period from 01.04.2014 to 08.12.2020, wherein, the narrations of a large number of entries and journals are missing. The applicant has appointed registered valuers for conducting the valuation of assets of the corporate debtor and has requested the promoters/suspended board of the corporate debtor to provide the information for completion of the process but despite repeated requests the information is still pending.

2.6. It is stated that the State Bank of India (lead Bank of Consortium) has already filed the complaint before the Central Bureau of Investigation (CBI), for removal of large number of machinery by the promoters of the corporate debtors, when unit was in their possession, for the same, CBI has overtaken the matter and investigating the same.

3. As per order dated 21.07.2022, it was observed that respondents were served, but there was no representation on behalf of them. The Applicant Resolution Professional was directed to file a short note detailing the documents and information required by him. Pursuant to the above the Resolution Profession has filed the same vide Diary No.00176/4 dated 29.07.2022, whereby, the following information along with remarks has been sought from the respondents;

Sr. No.	Documents / Information	Remarks
1.	Complete details of all assets and liabilities with vis a vis date of acquisition, cost of acquisition, remaining useful life, identification number, depreciation charged, book value, and any other relevant details	Not received as per reply from the suspended board same is not maintained.
2.	Complete books of accounts of the company including complete electronic record.	Only ledger in PDF copy were provided which is not complete in record. There are lot of missing entries and narrations in the general ledgers and cash book and vouchers are needed. Moreover. It was informed that ERP system is not operational.
3.	Details of a debt or any amount due from or to the company with respect to related party.	Only ledgers in PDF copy provided for last 2 years not the complete record. It was informed that ERP system is not operational. No other details is provided.
4.	Details of all the litigations and ongoing investment or proceeding initiated by	Latest order & updated status of the pending litigation or ongoing investment not received.

	government/ statutory authorities or any other authority	
5.	Fixed assets register as per companies Act or complete list of plant & Machinery & Furniture & fixtures & all other assets installed/ Purchased by the CD since its incorporation along with the details vis a vis date of acquisition, remaining useful life, identification number, depreciation charged, book value, and any other relevant details.	It was informed no such record is maintained the detail of vehicle with RC, its location & present position is not provided & same is not traceable physically.
6.	Complete inventory list of the fixed assets and stock as on 1 st October 2010	Not Received.
7.	Details of all the properties in the name of corporate debtor along with the copy of the land title deed and all other property documents like occupation certificate, completion certificate, etc. and details of the charge created over the.	Complete record are not provided.
8.	Copy of all the approvals, permissions, authorizations, registration, certificates, industrial, license and all other clearance typical to the nature of the business carried out by corporate debtor & the current validity and status.	Received only pollution board consent (1 st June 2011). Grant for handling hazardous waste (valid up to Dec-2009) and sanction of 5MW power connection are received. No other document received.
9.	Details of all the agreements/ Contracts whether commercial or otherwise, all lease deeds etc., along with the copy of the same.	No detail received.
10.	Complete details of the Bank guarantees along with all the document such as Agreement FDRs., Lien information & other communications regarding Bank Guarantee.	Not Received
11.	Copies of ground rent, Property tax/ Municipal Tax/ Local Tax/ or nay the payment receipts for the last 5 years	Not Received
12.	Copy of the Layout Plan, sanction plans or approved plans of the business premises	Single page building plan is received. Which is not clearly visible and other details are not available.
13.	Copy of any power of attorneys or other delegated authority by which the CD may be bound.	Not Received.
14.	Details of the subsidy obtained whether state or central.	No details received. However, as per the information provided there is subsidy receivable of Rs. 1,26,19,956/- but documents related to the subsidy has not been provided,

		to verify the authenticity of the transaction.
15.	Complete details regarding any liability of the corporate debtor towards the Government dues/ Power dept. State govt/ Local authority along with their notices and other documents	Amounts of dues was received but the notices and other documents are not received except the notice of SIDCO.
16.	Complete interest statement of all the FDRs along with the renewals history.	Not Received.
17.	Complete details of the workers and employees. Whose dues are being shown/ mentioned in the provisional balance sheet as on 01-10-2020	The details of the same are not available with the CD. Reply received that the old records are not traceable by the suspended board.
18.	Complete details and break up of security deposits (shown in provisional Balance sheet as on 1 st October 2020n along with all the related documents like agreement receipt etc.	Break up details but the related documents such as agreement payment receipts & other related documents are not provided.
19.	Complete details and documents related to the prepaid taxes as shown in provisional Balance sheet as on 1 st October 2020 and the year wise breakup of taxes & with all the related documents such as 26AS	Not received, the same is required by the valuer also.
20.	All the deposit certificates, Maturity and other related documents of non-current bank balances (shown in provisional Balance sheet as on 1 st October 2020)	Break up details is received but the related documents such as copy of FDR, Payment receipt are not received. It's authentication can't be verified. The details of the same are also required by the valuer.
21.	Calculation of the accrued interest on fixed deposits (shown in provisional Balance sheet as on 1 st October 2020) along with the interest certificated.	Not Received, nor interest certificate or other documents are provided to verify the authenticity of the same. These details are also required by the valuers.
22.	Complete details and breakup of the Balance sheet with Government Authorities (Shown in Provisional Balance Sheet as on 1 st October 2020) along with all the notices and related documents	Breakup details is received but the related documents such as agreement, payment receipts and others related documents are not provided. Further, the same can't be verified whether the same is still lying with the department the same is also required by the valuer.
23.	As per provisional Balance Sheet as on 01-10-2020 (ICD) there is capital work in progress of amount INR 8,25,73,103/- complete details of all assets under the head CWIP along with the details vis a vis date of payment,	The details of the same have not been provided moreover, the same are also required by the valure.

	agreement, purchase invoice along with the related documents.	
24.	As per the provisional balance sheet as on 01-10-2022 (ICD) there is vehicles of Amounts INR 99,280/- details of the vehicles along with all the related documents such as RC, Insurance.	The present location of vehicle along with its RC, insurance and other related documents have not been provided, the details are also required by the valuer.

4. Since there is no response on behalf of the respondents. Thus, to meet the ends of justice, we direct the respondent suspended/directors/promoters to extend all assistance and cooperation to the Interim Resolution Professional as required above by him in managing the affairs of the Corporate Debtor and we direct such personnel as mentioned in the instant application to comply with the instructions of the Interim Resolution Professional and to cooperate with him in collection of information and management of the Corporate Debtor and to provide assistance as required by the IRP within fifteen days from the date of this order, failing which the IRP is at liberty to approach local police on the basis of this order and local police to render all necessary assistance to IRP. In case of non-compliance, the IRP is at liberty to move an appropriate application before this Adjudicating Authority.

5. In addition to this, considering the nature of information required by the applicant-resolution professional, this Bench directs that the applicant should also make all efforts simultaneously to retrieve the required information from the computerized data of the corporate debtor from the system presently available to him. If required, the Resolution Professional is also directed to take the help of any digital forensic companies from the empanelled list available with the

Registry of this Bench. He is further required to mention the outcome of these efforts in the next status report due after 30 days from this order.

6. Accordingly, IA No.162/2021 is allowed and disposed of.
7. Copy of this order be supplied to the parties by the Registry.

Sd/-
(Subrata Kumar Dash)
Member (Technical)

Sd/-
(Harnam Singh Thakur)
Member (Judicial)

September, 09, 2022
SD/ ASH