

IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH
CUTTACK

CP (IB) No. 249/CB/2020

CORAM: 1. Ms. Sucharitha R. (J)
2. Shri Satya Ranjan Prasad (T)

In the matter of:
INSOLVENCY AND BANKRUPTCY CODE, 2016.

-And-

In the Matter of:
An application under Section 10 of the Insolvency and Bankruptcy Code, 2016 read with Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

-And-

In the Matter of:
M/s. Hariom Rice Mills Pvt. Ltd., a company incorporated under the Companies Act, 1956 having its Registered Office situated at: Vill. & Post – Darrighat Masturi Road, Bilaspur – 495 551, Chhattisgarh.

... .. Corporate Debtor

-And-

In the Matter of:
Mr. Subhash Agrawal, Director of M/s. Hariom Rice Mills Pvt. Ltd. resident of: Vill. & Post – Darrighat Masturi Road, Bilaspur – 495 551, Chhattisgarh.

... .. Corporate Applicant

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Counsels on record for the Petitioner (S):

1. Mr. Sanwal Tibrewal

Counsels on record for the Respondent (S):

Date of pronouncement of Order: day of April, 2021.

ORDER

Per Ms. Sucharitha R., Member (J):

1. This application is filed under Section 10 of Insolvency and Bankruptcy Code, 2016 (hereinafter referred as "the Code") by the Corporate Person for M/s. **Hariom Rice Mills Pvt. Ltd.** to start its Corporate Insolvency Resolution Process as the Corporate Person is unable to pay the debt of Rs. 27,33,57,528.36/-. Seeking relief in this application are as under: -

"a. For initiation of Corporate Insolvency Resolution Process against the applicant/Corporate Debtor under Section 10 of the Code;

b. Such further or other order or orders be passed and/or directions are given as

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this Hon'ble Tribunal may deem fit and proper."

2. The applicant submits that the Company is going through severe financial crisis from past few years. The Company was doing well and never defaulted in any kind of payment to Financial Institution or any other creditors. Unfortunately, the rice mill of the Company has a severe incident of fire on 17.05.2017. The loss due to the said fire was assessed to about Rs. 35.00 crores. Due to the loss, the Company could not pay the banks and other creditors. As a result, the account became Non-Performing Asset (N.P.A.). The applicant further submits that the financial debt owed to Punjab National Bank was sanction on 30.03.2017. The said facility was utilised from time to time as and when the funds were required. Due to the severe incident of the fire and several losses, the Directors of the company were of the view that company will not be able to repay the defaults. Hence, the Corporate Person, keeping in view the interest of all stakeholders, filed this petition for revival of the Company CIRP U/s. 10 of the Code.

3. In this case, perusal of records shows that the Corporate Person furnished/disclosed all information relating to all Books of Account. The applicant has produced on record the Board Resolution dated 03.10.2020 authorising the Director i.e., Mr. Subhash Agrawal/applicant to file this

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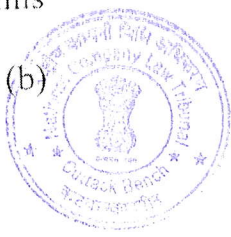
application U/s. 10 of the Code for initiation of the CIRP. The Corporate Person suggested/proposed name of one **Mr. Pratim Bayal** having **Registration No. IBBI/IPA-003/IP-N00213/2018-19/12385** and Email id – pratimbaval@gmail.com resident of 18/1, Tarapukur Main Road, Ghosh Para, Agarpara, Kolkata – 700 109, W.B. for appointment as Interim Resolution Professional. This application is defect free. Hence, we are inclined to admit this application by following Order.

ORDER

- (i) The application filed by the Corporate Applicant under Section 10 of the Insolvency & Bankruptcy Code, 2016 is hereby **ADMITTED** for initiating the Corporate Insolvency Resolution Process against **M/s. Hariom Rice Mills Pvt. Ltd.** (Corporate Applicant/Corporate Debtor). Moratorium order is passed for a public announcement as stated in Section 13 of the IBC, 2016.
- (ii) The 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)

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of sub-Section (1) of Insolvency & Bankruptcy Code, 2016 shall be made immediately.

(iii) 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 possession of the Corporate Debtor.

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- (iv) The supply of essential goods or services to the Corporate Debtor as may be specified shall not be terminated or suspended or interrupted during the moratorium period.
- (v) 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.
- (vi) The order of moratorium shall affect the date of admission till the completion of the Corporate Insolvency Resolution Process. 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.
- (vii) Necessary public announcement as per Section 15 of the IBC, 2016 may be made by the Resolution Professional upon receipt of the copy of this Order.

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- (viii) **Mr. Pratim Bayal** registered with the ICSI Insolvency Professionals Agency having **Registration No. IBBI/IPA-003/IP-N00213/2018-19/12385** and Email id – pratimbayal@gmail.com resident of 18/1, Tarapur Main Road, Ghosh Para, Agarpara, Kolkata – 700 109, W.B. is appointed as Interim Resolution Professional for ascertaining the particulars of creditors and convening a meeting of Committee of Creditors for evolving a Resolution Plan.
- (ix) The applicant to pay sum of Rs. 1,00,000/- (Rs. One Lakh only) to Interim Resolution Professional as advance fees as per Regulation 33 (2) Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 which shall be adjusted from final bill.
- (x) The Resolution Professional shall conduct CIRP in time bound manner as per Regulation 40A of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- (xi) The Interim Resolution Professional should convene a meeting of the Committee of Creditors and submit the Resolution passed by the Committee of Creditors.

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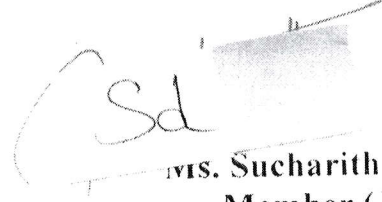
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(xii) Interim Resolution Professional to file 1st Progress Report
on List the matter on

(xiii) Registry is hereby directed to communicate this Order to the
Corporate Applicant/Corporate Debtor and to the Interim Resolution
Professional by Speed Post as well as through Email. Let the
certified copy of the order be issued upon compliance with requisite
formalities.

Sh.  An Prasad
Member (T)


Mrs. Sucharitha R.
Member (J)

Signed on this, the ...⁹ day of ~~April~~^{June} 2021.

Santosh_P.S.

