BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT 1

C.P. (I.B) No. 379/7/NCLT/AHM/2019

Coram: MADAN B. GOSAVI, MEMBER (JUDICIAL)
VIRENDRA KUMAR GUPTA, MEMBER (TECHNICAL)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING THROUGH VIDEO CONFERENCING BEFORE THE AHMEDABAD BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 11.12.2020

Name of the Company: Central Bank of India
V/s
Octopus Papers Ltd

Section: Section 7 of the Insolvency and Bankruptcy Code

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open Court vide separate sheet.

(VIRENDRA KUMAR GUPTA)
MEMBER (TECHNICAL)
Dated this the 11th day of December, 2020

(MADAN B GOSAVI)
MEMBER (JUDICIAL)

Prakash

BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT 1

CP (IB) No.379/7/NCLT/AHM/2019

<u>In the matter of</u> :

Central Bank K.N. Mistry, Chief Manager)
Having Registered office at
H.O.: Chander Mukhi,
Nariman Point,
Mumbai-400021
And Regional Office at
Regional Office, Athugar Street,
Nanpura, Surat ... Financial Creditor

Versus

M/s Octopus Papers Limited.,
CIN:U21093GJ2007PLC050283
Registered Office at :
Plot No. 40, Damanganga
Industrial Park, Near Noor Weigh
Bridge, Degam Road,
Taluka-Pardi, Vapi, Valsad .... Corporate Debtor

Date of Hearing: 9th December, 2020
Date of Pronouncement of Order 11th December, 2020

Coram: MADAN B. GOSAVI, MEMBER(J)
VIRENDRA KUMAR GUPTA,MEMBER (T)

Appearance:

Learned Counsel Mr. S. C. Bhatt appeared for the Financial Creditor.
Learned Counsel Mr. Ritesh Patadia for the Corporate Debtor.

ORDER

[Per: Madan B. Gosavi, Member (Judicial)]

1. Central Bank of India – Financial Creditor filed this application under Section 7 of IB Code, 2016 to initiate CIRP of the Corporate Debtor M/s. Octopus Papers Limited having CIN No. U21093GJ2007PLC050283 on a ground that Corporate Debtor committed default in paying financial debt of Rs.11,62,87,702/-.

2. Notice of this application was duly served on the Corporate Debtor. Initially prior to lockdown period due to Novel Corona Virus Pandemic. No one was appearing for the Corporate Debtor. Thereafter, on 16.09.2020, the matter was listed for ex-parte hearing, Learned Counsel Mr. Ritesh Patadia appeared for the Corporate Debtor and requested for some time to file affidavit in reply and at his request, matter was adjourned to 02.11.2020. On 02.11.2020, again Learned Counsel Mr. Patadia appeared for the Corporate Debtor and sought adjournment for filing affidavit in reply. The matter was adjourned at his request on 09.12.2020.

3. On 09.,12.2020, no one appeared for the Corporate Debtor. Affidavit in reply has not been filed by the Corporate Debtor, hence, we heard the matter ex-parte.

4. The Financial Creditor / bank has produced on record letter of disbursement of the loan, demand promissory note executed by authorized signatory of the Corporate Debtor having received the loan amount and making promise to pay it as per terms of the agreement. The Financial Creditor stated that the Corporate Debtor did not repay the loan as agreed and thereby committed default in paying the financial debt of Rs.11,62,87,702/-. The date of default is stated to be 05.05.2019, This evidence of the Financial Creditor is un-challenged on record. The Financial Creditor established two relevant facts against Corporate Debtor (i) financial debt of Rs.11,62,87,702/- was due and payable by the Corporate Debtor on 05.05.2019 & (ii) the Corporate Debtor committed default in paying the same. These are only facts required to be proved against the Corporate Debtor for admitting the Corporate Debtor in CIRP under Section 7 of IB Code, 2016.

5. The Financial Creditor suggested the name of one Mr. Premraj Ramratan Laddha, having Registration No.IBBI/IP-00060/2017-2018/10138 for appointment as Interim Resolution Professional against whom, no disciplinary proceeding is pending. The application is defect free. Hence, we admit the Corporate Debtor in CIRP and order as under:

ORDER

1. Corporate Debtor M/s Octopus Papers Limited is admitted in Corporate Insolvency Resolution Process under Section 7 of Insolvency and Bankruptcy Code, 2016.

2. We appoint Mr. Premraj Ramratan Laddha, registration no. IBBI/IPA-001/IP-00060/2017-2018/10138, having address Vaibhav Apartment-2, Opp: BoOmbay Garraige, Shahibaug, Ahmedabad-380027, Email Premladha@yahoo.com under Section 12(1)(c) of the IB Code as IRP.

3. That the Moratorium under Section 14 of the Code shall come to effect from **11.12.2020** till the completion of Corporate Insolvency Resolution Process or until this Bench approves the Resolution Plan under Sub- Section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, as the case may be.

4. That the Bench hereby prohibits the institution of suits or continuation of pending suit 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(s), transferring, encumbering, alienating or disposing of by the

Corporate Debtor any of its assets or any legal right or beneficial interest therein; 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 SARFAESI Act, 2002 the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

5. Further, litigation or any application, if any, is pending before any competent Court of law under the provisions of the SARFAESI Act and RDB Act, prior to pronouncement of this order such proceedings are expected to be dealt with in accordance with law r.w. Section 14 and Section 238 of the Insolvency & Bankruptcy Code, 2016.

6. That the supply of essential goods or services to Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the Moratorium, period. The Corporate Debtor to provide effective assistance to the IRP as and when he takes charge of the Corporate Debtor.

7. The IRP so appointed shall make Public announcement of Corporate Insolvency Resolution Process (CIRP) be made immediately as specified under Section 13 of the

Code and by calling for submissions of claim under Section 15 of the Code.

8. The IRP shall perform all his functions as contemplated, *inter-alia,* by Sections 17,18,20 & 21 of the Code. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person associated with management of the Corporate Debtor are under legal obligation under Section 19 of the Code extend every assistance and co-operation to the Interim Resolution Professional. Where any personnel of the Corporate Debtor, its Promoter or any other person required to assist or co-operate with IRP, do not assist or Co-operate, IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

9. The IRP shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor Company' and manage the operations of the Corporate Debtor Company as a going concern as a part of obligation imposed by Section 20 of the Insolvency & Bankruptcy Code, 2016.

10. We direct the Financial Creditor / Applicant to pay the IRP a sum of **Rs. 50,000/- (Rs. Fifty Thousand)** as fees & expenses till the COC decides about his fees / expenses.

11. The Registry is directed to communicate a copy of this order to the Petitioner-Financial Creditor, Corporate Debtor and to the Interim Resolution Professional and the concerned Registrar of Companies, after completion of necessary formalities, within three working days and upload the same on website immediately after pronouncement of the order.

12. The commencement of Corporate Insolvency Resolution Process (CIRP) shall be effective from the date of this order.

13. CP(IB) No. 379/7/NCLT/AHM/2019 is allowed and stands disposed of.

(Virendra Kumar Gupta)
Member (Technical)

(Madan Bhalachandra Gosavi)
Member (Judicial)

Signed on this, the 11th day of December, 2020.

Prakash