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**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH  
KOLKATA**

**Coram: 1. Shri Madan B. Gosavi,  
Member (Judicial)  
&  
2. Shri Virendra Kumar Gupta,  
Member (Technical)**

**C.P. (IB) No. 512/KB/2018**

**In the matter of:**

An Application for initiation of corporate insolvency resolution process by an Financial creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with applicable provisions of the Insolvency and Bankruptcy Board of India (Insolvency Resolution for Corporate Persons) Regulations, 2016.

**And**

**In the matter of:**

**UCO Bank**, a banking company constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and having its head office at 10, Biplabi Trailakya Maharaj Sarani, Kolkata-700001 and its Flagship Corporate Credit branch At 2, India Exchange Place, Kolkata-700001.

**-Applicant/Financial Creditor**

**Versus**

**Rabirun Vinimay Private Limited**, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Godrej Waterside, Suit No. 403, Plot No. 5, Block-DP, Sector-V, Salt Lake, Kolkata-700091; CIN:U51109WB1995PTCC068654.

**-Respondent/Corporate Debtor**

## Counsels on Record:

### For the Resolution Professional

1. Mr. Joy Saha, Sr. Advocate
2. Mr. Anuj Singh, Advocate
3. Mr. Pratik Mukhopadhyay, Advocate
4. Mr. Kannan Tiruvengadam, RP

### For Respondent No. 4 in CA(IB)No.1572/KB/2019

1. Mr. Shaunak Mitra, Advocate
2. Mr. Debayan Sen, Advocate

Date of pronouncement of Order: 5<sup>th</sup> March, 2020.

## **ORDER**

Per Shri Madan B. Gosavi, Member(J)

1. This application was filed by the consortium bank having **UCO Bank** as the lead bank for the initiation of Corporate Insolvency Resolution Process (in short "CIRP") against the Corporate Debtor **M/s. Rabirun Vinimay** under Section 7 of Insolvency and Bankruptcy Code, 2016 (in short "I & B" Code, 2016). By order dated 07.03.2019, this Adjudicating Authority admitted the Corporate Debtor in CIRP on the ground that the Corporate Debtor committed default in paying Financial debt of more than Rs. 600 Crores and appointed Mr. Kannan Tiruvengadam having registration no. IBBI/IPA-001/IP-P00253/2017-18/10482 as Interim Resolution Professional (in short "IRP").

2. On 07.03.2019, the IRP made public announcement of CIRP of the Corporate Debtor publishing notice in "Economic Times" (English Daily) and on "Anandabazar" (Bengal Daily) and called upon the creditors of the Corporate Debtor to submit claims with proof. In pursuant thereto, the IRP received claims from seven (7) financial creditors and seventy-two (72) operational creditors and two (2) from employees & operational creditors. He collated the claim as per Rule and formed Committee of Creditors (in short "CoC") consisting of following members giving them voting share in percentage as follows: -

(i) UCO Bank	: 19.88%
(ii) Canara Bank	: 17.36%
(iii) Central Bank of India	: 16.50%
(iv) Indian Overseas Bank	: 15.86%
(v) Jammu & Kashmir Bank Ltd.	: 14.13%
(vi) Corporation Bank	: 9.30%
(vii) Syndicate Bank	: 6.97%

3. In the first CoC meeting, the appointment of IRP was confirmed as RP. RP proceeded with CIRP as per rules.

4. The RP collected the information of assets and liabilities of the Corporate Debtor. He appointed Valuer and prepared the Information Memorandum. CoC directed him to publish notice calling expression of interest (EOI)/resolution plan from prospective resolution applicants. It was done by the RP. It is from record that RP received expression of interest from three applicants i.e. Jindal Stainless (Hisar) Limited, Ganpati

Entrepreneurs Private Limited and NRS Steel Traders LLP. It further appears from record that although above applicants have submitted expression of interest, but none of them submitted resolution plan for the Corporate Debtor. During CIRP, the RP held seven CoC meetings.

5. The CIRP period of 270 days completed on 01.12.2019. However, as the RP and CoC had requested this Authority that they may receive resolution plan and so certain period of CIRP was extended but ultimately the RP and the CoC did not receive any resolution plan.
6. It is already noted that no resolution plan is received by the RP and the CoC during entire period of CIRP. Although, CoC did not pass formal resolution recommending this Authority to pass order of liquidation of the Corporate Debtor but we left with no option that to pass order of liquidation of the Corporate Debtor because no resolution plan for the Corporate Debtor is received by the CoC and the RP.
7. It appears from perusal of six progress reports submitted by the RP that at one point of time, the Corporate Debtor was a going concern. The Corporate Debtor having assets in the form of land, machineries etc. In such situation while passing order of liquidation, we direct the RP should continue as the Liquidator to liquidate the Corporate Debtor as a going concern as far as possible. With this, we pass the following directions: -

## **ORDER**

(i) Corporate Debtor M/s **Rabirun Vinimay Pvt. Ltd.** having CIN: U51109WB1995PTCC068654, and having its registered office at Godrej Waterside, Suit No. 403, Plot No. 5, Block-DP, Sector-V, Salt Lake, Kolkata-700091, in the state of West Bengal is ordered to be liquidated.

(ii) Mr. Kannan Tiruvengadam having registration no. IBBI/IPA-001/IP-P00253/2017-18/10482 is appointed as the liquidator.

(iii) The Liquidator is directed to issue public announcement stating that the Corporate Debtor is in liquidation, in one of the leading English newspaper as well as in one vernacular newspaper having wide circulation where the registered office of the corporate debtor is situated as per Section 33(1) (b) (ii) of the Code read with Reg. 12 (1) of IBBI (Liquidation Process) Regulations, 2016.

(iv) The Registry is directed to communicate this order to the Registrar of Companies, West Bengal and to the Insolvency and Bankruptcy Board of India (IBBI), New Delhi.

(v) The Order of Moratorium passed under Section 14 of the I&B Code, 2016 shall cease to have effects and a fresh moratorium under Section 33 (5) shall commence.

(vi) This order is deemed to be a notice of discharge to the officers, employees and the workmen of the Corporate Debtor as per Section 33 (7) of I&B Code, 2016.

- (vii) Since the CD company is a going concern, the liquidator is at the liberty to sell the CD company as a going concern as per the provisions of the Code and regulation.
- (viii) The Liquidator is directed to proceed with the process of liquidation in a manner laid down in Chapter III of the Insolvency and Bankruptcy Code, 2016.
- (ix) Upon proceeding with the liquidation the Liquidator shall file a **preliminary report** as per regulation 5 read with Reg.13 of the IBBI (Liquidation) Regulations, 2016 at the registry within 75 days from the liquidation commencement date and continue to file **progress reports** as per Reg.15(1) within 15 days after the end of the quarter in which he is appointed.
- (x) The fee payable to the Liquidator shall form part of the liquidation cost as provided under Reg. 4(1) of the IBBI (Liquidation Process) Regulations, 2016.
- (xi) The free copy of this order is to be sent to the RP/Liquidator, Financial Creditor and the Corporate Debtor by Speed Post as well as by email for information and for taking necessary steps.
- (xii) CP(IB)No.512/KB/2018 is **disposed of** as order of liquidation is passed.
- (xiii) CA(IB)No.1572/KB/2019 is filed by the RP directing the customs to release the goods withheld by it and which is lying in godown of respondent nos. 2, 3 and 4 to be placed for further consideration on **24.03.2020**.

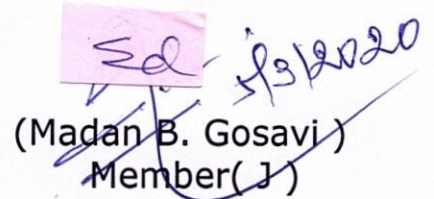
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Urgent photostat certified copy of this order, if applied for, be supplied to the parties, subject to compliance with all requisite formalities.

A pink rectangular stamp containing the handwritten initials 'SK' and the date '5/3/2020' written in blue ink.

(Virendra Kumar Gupta)  
Member( T )

A pink rectangular stamp containing the handwritten initials 'SG' and the date '5/3/2020' written in blue ink.

(Madan B. Gosavi)  
Member( J )

Signed on this, the 5<sup>th</sup> March, 2020.

*Deeksha(steno)*