

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

CP (IB) No. 221/7/NCLT/AHM/2019

Coram: Hon'ble Mr. MADAN BHALCHANDRA GOSAVI, MEMBER (JUDICIAL)
Hon'ble Mr. VIRENDRA KUMAR GUPTA, MEMBER (TECHNICAL)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING THROUGH VIDEO CONFERENCING BEFORE THE
NATIONAL COMPANY LAW TRIBUNAL , AHMEDABAD BENCH ON 09.11.2020

Name of the Company: Standard Chartered Bank
V/s
M/s. Pradip Overseas Limited

Section: Section 7 the Insolvency & Bankruptcy Code, 2016

ORDER

The case is fixed for pronouncement of order.

The Order is pronounced in the open court, vide separate sheet.


(VIRENDRA KUMAR GUPTA)
MEMBER (TECHNICAL)


(MADAN B GOSAVI)
MEMBER (JUDICIAL)

Dated this the 9th day of November, 2020.

**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
COURT-I**

CP (IB) No.221/7/NCLT/AHM/2019

(Application for initiating Corporate Insolvency Resolution Process under Section 7 of the Insolvency & Bankruptcy Code, 2016 r.w. Rule 4 of the Insolvency & Bankruptcy Code, 2016 (Application to Adjudicating Authority Rules, 2016))

In the matter of :

Standard Chartered Bank

having its Principal Office at
1, Basinghall Avenue, London,
EC2V 5DD and a Branch Office
at Crescenzo 7th Floor, C-38/39,
G Block, B/h. MCA Club Bandra
Kurla Complex, Bandra (E),
Mumbai-400 051

..Financial Creditor

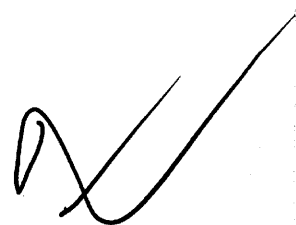
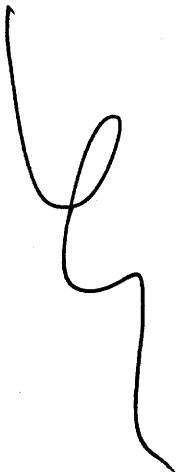
V/s

M/s. Pradip Overseas Limited

Chancharwadi Vasna, Opp. Zydus
Cadila, Sarkhej-Bavla High Way,
Tal: Sanad, Ahmedabad-382213

..Corporate Debtor

**Order Reserved on 3rd November, 2020
Order Pronounced on 9th November, 2020**



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

Appearance:

Learned Counsel Mr. Sandeep Singhi for the Financial Creditor
Learned Senior Counsel Mr. Navin Pahwa appeared for the
Corporate Debtor

ORDER

[Per: MADAN B. GOSAVI, MEMBER(J)]

1. This Application is filed by the **Standard Chartered Bank** (hereinafter referred to as the 'Financial Creditor') through its Authorised Signatory under Section 7 of the Insolvency & Bankruptcy Code, 2016, r.w. Rule 4 of the Insolvency & Bankruptcy Code, 2016, to start Corporate Insolvency Resolution Process (hereinafter referred to as the 'CIRP') against the **M/s. Pradip Overseas Ltd.** the Corporate Debtor, on the ground that, it has committed a default in paying the financial debt of **Rs. 966,358,824.61/-**.
2. It is stated that initially in the year 2007, the Financial Creditor granted and disbursed certain loan amount and

cash credit facilities to the Corporate Debtor. The term re-payment of loan is extended from time to time by way of reconstructing. The last re-constructions of loan were done on 12.07.2015. In spite of repeated demands the Corporate Debtor failed to pay the debt as agreed as per the terms of loan disbursement agreement. However, on 29.05.2017, the Corporate Debtor executed the letter of acknowledgment of debt and securities in favour of the Financial Creditor. In the year 2018 the Corporate Debtor given proposal of One Time Settlement (OTS) but it was rejected by the Bank. Since the Corporate Debtor committed default in paying the financial debt, this proceeding is file to start Corporate Insolvency Resolution Process of the Corporate Debtor.

3. The Corporate Debtor was duly served with the notice of this proceeding. Learned Senior Counsel Mr. Navin Pahwa appeared for the Corporate Debtor. It appears from the record that the Corporate Debtor was trying to settle the matter with the Bank but it could not happen. On the last date of hearing, Learned Senior Counsel Mr.

Navin Pahwa appeared for the Corporate Debtor and made submissions that his client not in a position to pay financial debt. Hence, this Adjudicating Authority may pass order on merits.

4. The Financial Creditor has proposed the name of Interim Resolution Professional. The proposed IRP has given his written consent which is reflected at Annexure-6 of the application and no disciplinary proceedings are pending against him.
5. We have perused the record and evidence. It is not in dispute that financial debt of **Rs. 966,358,824.61/-** is due and payable by the Corporate Debtor to the Financial Creditor and Corporate Debtor has committed default in paying the same. These are only two relevant facts required to be established, which the Financial Creditor has established on record. It is not in dispute that the proceeding is filed within limitation from the date of default. Hence, we admit the Corporate Debtor under Corporate Insolvency Resolution Process under

Section 7 of the Insolvency & Bankruptcy Code, 2016
and we pass following order :

ORDER

1. **M/s. Pradip Overseas Ltd.**, the Corporate Debtor is admitted in Corporate Insolvency Resolution Process (CIRP) under Section 7 of the Insolvency & Bankruptcy Code, 2016 and the moratorium is declared for prohibiting all of the following in terms of Section 14(1) of the Code.

- (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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;*

(d) *the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.*

2. The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of the Section 31 or passes an order for liquidation of Corporate Debtor Company under Section 33 of the Insolvency & Bankruptcy Code, 2016, as the case may be.

3. The Financial Creditor has proposed the name of the Interim Resolution Professional(IRP). Therefore, this Adjudicating Authority hereby appoint **Mr. Ravi Kapoor, 402, Shaival Plaza, Nr. Gujarat College, Ellisbridge, Ahmedabad-380 006 IBBI/IPA-002/IP-N00121/2017-18/10290** to act as an IRP under Section 13(1) (c) of the Code.

The IRP did not given his fee schedule.

4. 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.

5. We direct the IRP to make public announcement of initiation of Corporate Insolvency Resolution Process (CIRP) and call for submission of claims

under Section 15 as required by Section 13(1) (b) of the Code.

6. It is further directed that the supply of goods/service to the Corporate Debtor Company, it continuing, shall not be terminated or suspended or interrupted during moratorium period.

7. 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. **The Financial Creditor is directed to pay an advance of Rs. 1,00,000/- (Rupees One Lakh only) to the IRP within two weeks from the date of this order for the purpose of smooth conduct of Corporate Insolvency Resolution Process (CIRP) and IRP to file proof of receipt of such amount to this Adjudicating Authority alongwith First**

Progress Report.

8. The Registry is directed to communicate a copy of this order to the Financial Creditor, Corporate Debtor and to the Interim Resolution Professional and the concerned Registrar of Companies, after completion of necessary formalities forthwith and upload the same on website immediately after pronouncement of the order.
9. Accordingly, **CP(IB) No. 221/7/NCLT/AHM/2019 is allowed.**
10. The matter to be listed on 04.01.2021 for further consideration.


(VIRENDRA KUMAR GUPTA)
MEMBER (TECHNICAL)


(MADAN B GOSAVI)
MEMBER (JUDICIAL)

Signed on this, the 9th November, 2020

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