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**NATIONAL COMPANY LAW TRIBUNAL
GUWAHATI BENCH
GUWAHATI**

C.P (IB) No. 04/GB/2021

Coram: Hon'ble SHRI H. V SUBBA RAO, MEMBER (JUDICIAL)

Hon'ble SHRI PRASANTA KUMAR MOHANTY, MEMBER (TECHNICAL)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF THE NATIONAL COMPANY
LAW TRIBUNAL, GUWAHATI BENCH ON 26.08.2021**

Name of the Company: M/S. Navya Agro Products Private Limited Corporate Debtor

&

Punjab National Bank (PNB) Financial Creditor

Section: Section 10 of Insolvency and Bankruptcy Code, 2016

<u>S.No.</u>	<u>NAME (CAPITAL LETTERS)</u>	<u>DESIGNATION</u>	<u>REPRESENTATION</u>	<u>SIGNATURE</u>
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1.

2.

ORDER

The Applicant is represented through respective Learned Counsel(s).

The case is fixed for pronouncement of order.

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

**Sd/-
[PRASANTA KUMAR MOHANTY]
MEMBER (TECHNICAL)
& Adjudicating Authority**

**Sd/-
[H.V. SUBBA RAO]
MEMBER (JUDICIAL)
& Adjudicating Authority**

Dated this 26th day of August, 2021



ORDER

[Per se: Prasanta Kumar Mohanty, Member (T)]

- 1. This application has been filed by the Corporate Debtor/Applicant, namely M/s. Navya Agro Products Private Ltd., under Section 10 of the Insolvency & Bankruptcy Code, 2016 (hereinafter referred to as "Code of 2016") seeking initiation of Corporate Insolvency Resolution Process ("CIRP") against itself for the default committed in making payment of the loan availed from the Respondent Bank.**
- 2. It is submitted that the company i.e. Navya Agro Products Private Limited (CIN U01111AS2015PTC012154) is registered as Small Manufacturing Enterprise under UDYAM scheme of Central Government incorporated on 8th of July, 2015.**
- 3. The Nominal/Authorized Share Capital of the Corporate Debtor (CD) Company is Rs.2,00,000,00.00 (Rupees Two Crores Only) and the paid-up Share Capital is Rs.2,00,000,00.00 (Rupees Two Crores Only). The Registered office is situated at House No. 3/1, Rajdeep Complex FA Road, Kumarpara, Guwahati, Kamrup Assam 781009.**
- 4. It is further submitted that the petitioner borrowed Term loan of Rs.2,20,000,00.00 (Rupees Two Crores Twenty Lakhs Only) and Cash Credit limit of Rs.3,00,000,00.00 (Rupees Three Crores Only) from the Punjab National Bank (PNB) situated at LIC Building, S.S. Road, Fancy Bazar, Guwahati- 781001, during 2018 and present outstanding amount in Term loan account and cash credit account are Rs.2,40,42,794.40 (Rupees Two Crores Forty Lakhs Forty-Two Thousand Seven Hundred Ninety-Four and Forty Paise) and Rs.3,45,98,302.73 (Rupees Three Crores Forty-Five Lakhs Ninety-Eight Thousand Three Hundred Two and Seventy-Three Paise) respectively. The total outstanding together is **Rs.5,86,41,097.13** (Rupees Five Crores Eighty-Six Lakhs Forty-One **Thousand Ninety-Seven and Thirteen Paise**) as per petitioner's books of accounts. The CD has stated that it could pay principal, interest and other charges regularly for some time and thereafter defaulted.**



5. The following documents have been annexed by the Corporate Applicant in support of its claim:

Sl. No.	Particulars	Page No
1	Form No. 6- Section 10 Application	9-12
2	Form No. 2- Consent to act as IRP	13-14
3	Power of Attorney, Memorandum of appearance	15-18(a)
4	Copy of Special Resolution passed by Shareholders	19-20
5	Copy of Board resolution passed by CD	21
6	Certificate of Incorporation, MSME UDAYAM Certificate	22-23
7	List of Shareholders of CD	24
8	PNB Sanction Letter dated 19.02.2018	25-36
9	PNB Statement of CC account from 01.11.2019 to 31.10.2020 and from 01.11.2020 to 21.12.2020	37-41
10	PNB Term Loan overdue position enquiry dated 28.05.2020	42-43
11	PNB Term Loan statement from 01/01/2019 to 31.12.2019 and 01.01.2020 to 31.12.2020	44-47
12	Copy of books of account of CD evidencing default in Term loan taken from PNB	48-49
13	List of Operational and Financial Creditors of CD, Copy of books of account of CD evidencing dues of Financial Creditor and Operational Creditors (Trade Payables)	50-63
14	MCA Index of Charges of CD, Charge Registration Document	64-65
15	Audited Financial Statement of CD for Financial Year 2018-19	66-86
16	Audited Financial Statement of CD for Financial Year 2019-20	87-107
17	Provisional Financial Statement of CD for current Financial Year as on 29.12.2020	108-116
18	Valuation report of Land with structures of CD charged to PNB	117-121
19	SARFAESI Notice Sec 13 (2), Possession Notice, Auction Advertisement	122-135
20	Particulars of Debts owed by or to the Corporate Debtor to or by persons connected with it	136
21	Master Data of CD downloaded from MCA Portal	137
22	Certificate confirming the eligibility of the proposed insolvency	Included in



	professional for appointment as Resolution Professional in accordance with the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation, 2016	Form No. 6
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6. It is further submitted that the petitioner primarily sold its products to RSH Agro Products Ltd. RSH Agro's production got significantly declined due to various factors which ultimately resulted in hampering the business of the petitioner.

7. **It is also stated that due to downturn in demand for pet bottles in the market and difficulty in getting new customers, the petitioner suffered heavy losses. Owing to financial stress in the business, the petitioner company defaulted in payment of interest and/ installments to the Bank from 31.12.2019 in Term loan account and from 31.01.2020 in Cash Credit account and the default is continuing.**

8. It is stated that despite repeated requests made by the company to the bank to give time for paying off their over dues, Bank did not heed their request and went ahead to issue a Notice under Section 13 (2) of SARFAESI Act, 2002 on 01.06.2020 and also issued Possession Notice on 14.10.2020.

9. **It is also stated that the term loan was borrowed from Punjab National Bank (PNB) on 06.03.2018 and the date of default was 31.12.2019. Another Cash Credit Loan was borrowed by the Company from PNB dated 31.03.2018 and the same stands defaulted on 31.01.2020. The Bank declared NPA on 23.05.2020.**

10. It is further stated that PNB went ahead issuing Sale Notice dated 25.11.2020 in daily newspaper THE TIMES OF INDIA to auction the petitioner's mortgaged property. The petitioner knocked the doors of Hon'ble High Court, Guwahati and filed Writ Petition No. WP(C)/5617/2020 seeking relief against unjustified action of PNB. The Hon'ble High Court issued orders on 21.12.2020 putting on hold the auction of the petitioner's property till 08.01.2021, the next returnable date.



11. It is further stated in the application that the PNB's credit facilities are secured by

i. Equitable mortgage of Land, owned by the petitioner, measuring 01 Bigha covered by Dag No-88 of K P Patta-01 of Revenue village- Ambher under Mouza- Sonapur, Revenue circle- Sonapur, under SRO Kamrup (Metro), situated at village Ambher, 12th mile Jorabat, PO & Dist. Kamrup, Assam, with Godown building and Factory shed building constructed there on.

ii. Hypothecation of Plant & Machinery fixed in the above mentioned factory Land & Building Rs. 1,56,000,00.00 (Rupees One Crores and Fifty-Six Lakhs Only), Plant & machinery Rs. 2,50,000,00.00 (Rupees Two Crores and Fifty Lakhs only), together valued at Rs. 4,06,000,00.00 (Rupees Four Crores and Six Lakhs Only) as per Valuation report dated 26.10.2020.

iii. Hypothecation of Inventory & Book Debts:

Inventory Rs.15,000,00.00 (Rupees Fifteen Lakhs Only), Book-Debts Rs.5,82,000,00.00 (Rupees Five Crores Eighty-Two Lakhs Only) as of 29.12.2020

i. Assignment of LIC policies: Reportedly encashed by PNB

Sl. no	Policy Holder	Policy Number	Sum Assured	Surrender Value
1.	Mrs. Anupriya Harlalka	485676825	Rs. 30,00,000.00	Rs. 13,31,243.00
2.	Mrs. Nisha Harlalka	485677812	Rs. 12,00,000.00	Rs. 9,21,301.00

ii. Personal Guarantee of Nanda Rangsa Marak (Director), Frankline Rangsa Marak (Director), Vivek Agarwal (Director) & Kamal Kumar Harlalka (Promoter).



Sl.no.	Name of the Guarantor	Address of the Guarantor	Whether related to CD or Corporate Applicant
1	NANDA RANGSA MARAK	House No. 3/1, Rajdeep Complex FA Road, Kumarpara Guwahati	Director of CD
2	FRANKLINE RANGSA MARAK	20, Ambher, Near St. Jude School, Amerigog N.C Amerigog, Kamrup Metro, Assam-781023	Director of CD and Corporate applicant
3	VIVEK AGARWAL	Shreyana Enclave, Flat 4A, GMCH Road, Guwahati-781005	Director CD
4	KAMAL KUMAR HARLALKA	3 rd Floor, Shree Sadan, B R Phookan Road, Kumarpara, Guwahati, Kamrup (Metropolitan), Assam-781009	Shareholder in CD

12. The Corporate Applicant has also filed copy of audited financial statement for the financial year 2018-19 (**Page no. 66-86 of the application**), copy of audited financial statement for the financial year 2019-20 (**Page no. 87-107 of the application**) and Provisional financial statement for current Financial Year as on 29.12.2020 (**Page no. 108-116 of the application**).

13. As per section 10(3) (c) of the I & B Code, in order to maintain an application of this nature, the corporate applicant has to produce a special resolution passed by the shareholders of the corporate applicant company approving the filing of application of this nature. A copy of the said resolution dated 14.12.2020 is found **at Page no. 19 of the application**. It reveals that in the annual general meeting convened on 14.12.2020, the corporate applicant company has passed the following resolutions:

"RESOLVED THAT the consent of the Shareholders of the Company present and attended and is hereby agreed and accorded to the Board of Directors of the Company to file the petition before Hon'ble National Company Law Tribunal, Guwahati Bench, Assam State in the company petition titled as NAVYA AGRO PRODUCTS PRIVATE LIMITED.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to file and/or to defend the company petition titled as NAVYA AGRO PRODUCTS PRIVATE LIMITED under the applicable law before the competent court, Tribunal, Authorities or Forums including any Appellate Tribunal for and on behalf of the Company as and when required to give effect to the above resolution

RESOLVED FURTHER THAT the Board of Directors of the company, be and is hereby authorized to engage any Advocate/Solicitors/Consultants and to submit Vakalatnama, Power of Attorney, statements, documents, evidence, declarations etc. before the appropriate Authorities/ Court and/ or the Police Authorities for and on behalf of the Company as and when required and to enter into any compromise, settlement of case as they may consider appropriate in the interest of the company."

The above said resolutions show that the corporate applicant has been authorized to file an application of this nature and the signatory Mr. Frankline Rangsa Marak, Director of the corporate applicant company has been authorized to move the application by putting his signature.

14. The applicant has proposed insolvency professional **Shri Vakati Balasubramanyam Reddy** having his **registration No. IBBI/IPA-001/IP-P00662/2017-2018/11131** and **e-mail id Vbsreddy7@gmail.com**. To show that there is no disciplinary proceeding pending against the proposed resolution professional, the corporate applicant has produced FORM 2 (under rule 9 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016) and Written Communication by Proposed Interim Resolution Professional.

FORM-2 certifies that there are no disciplinary proceedings pending against the proposed resolution professional which is found at **Page no. 13 and 14 of the application.**



15. A reply dated 14th Day of July, 2021 for and on behalf of the Respondent Punjab National Bank to the Petition has been filed by Shri Swapan Kumar Mandal, aged about 59 years, S/O Lt. Haran Chandra Mandal working in the capacity of Assistant General manager, Punjab National Bank, Zonal SASTRA Centre, Guwahati under Section 10 of the Insolvency and Bankruptcy Code, 2016 (IBC) Read with Rule 7 of the 'THE APPLICATION TO ADJUDICATING AUTHORITY RULES, 2016' (The Rules) states as follows:

- a. That he has gone through the aforesaid petition and all documents. He is aware of the facts and circumstance of the case and he has also been authorized by Power of Attorney bearing no. 50 dated 17.01.2005 issued by United Bank of India subsequently amalgamated with PNB. He has also been authorized by a letter of authority dated 12.07.2021 issued by the competent higher authority of the respondent bank. As such he is fully competent to swear this affidavit for and on behalf of the Respondent Bank. In addition, he is ready and willing to furnish any other document showing his authority to act for and on behalf of the Respondent Bank, if the same is directed by this Hon'ble Tribunal.

Copy of power of attorney dated 17.01.2005 is annexed as **ANNEXURE 1** and copy of letter of authority dated 12.07.2021 is annexed as **ANNEXURE 2.**

- b. That the entire contents of the application filed by the petitioner may be treated to be denied by the respondent bank unless any part thereof is specifically admitted herein after. That the application filed under Section 10 by the petitioner is an attempt to escape its outstanding liabilities which are due and payable to the Respondent Bank, by using the mechanism of the IBC in order to obtain an order of moratorium in respect of the various recovery proceedings which have been instituted by the Respondent Bank.
- c. **That it is submitted that though there is an admitted default committed by the petitioner in the repayment of its dues, mere**



commission of such default is not sufficient to trigger the provisions of the IBC. The objective of the IBC is resolution and reorganization of the stressed debtors but in the case of the petitioner, it is the humble submission of the bank that the business model and financial structure of the petitioner is of such nature that no feasible resolution is possible in the present case. The petition under section 10 of the IBC is thus nothing but a device to gain time to drag the recovery proceedings by pretending to pursue the relief of resolution in this Hon'ble Tribunal.

16. That the authorized person of the petitioner namely Sri Kamal Kumar Harlalka, is a share-holder having 15 percentage share in the petitioner company and he is also a personal guarantor in respect of the facilities granted to the petitioner company. The said person is also a Director in M/s. RSH Agro Products Pvt. Ltd. which according to the petitioners is an unpaid creditor of the petitioner company and has alleged unpaid dues/claims to the extent of Rs.6.30 crores. Evidently, the said Sri Kamal Kumar Harlalka being the key person in both the petitioner company and M/s RSH Agro Products Pvt. Ltd, such claims of unpaid dues by the operational creditor is only a device to ensure the dominant participation of the existing promoters/Directors in any future Committee of Creditors (COC) which may be constituted after the admission of this instant application. The Respondent Bank is filling the relevant details from the website www.mca.gov.in.

Copy of the relevant details from the website is annexed as **ANNEXURE 3.**

17. That the petitioner's **cash credit account bearing no. 0189008700009615 and Term Loan account no. 018900IB00390959 were classified as NPA in accordance with RBI guidelines on 31.03.2020.** The loan accounts were classified as NPA on 31.03.2020 due to financial reasons (non-payment of interest, instalments due and non-submission of stock statements) which were IT based system automated. There was no manual intervention in NPA classification of the loan accounts. However,



immediately thereafter, in accordance with the RBI's Covid-19 Regulatory Package dated 27.03.2020 the loan accounts were again system reclassified to their prudential category as was during the end of February, 2020. In view of the RBI circular no. DOR.NO.BP.BC.71/21.04.048/2019-20 dated 23.05.2020 regarding Covid-19 regulatory Package, **the loan account of the petitioner was classified as NPA on 23.05.2020** after reconciliation of the stressed accounts which were initially classified as performing asset through IT based system automation on account of the RBI circular dated 27.03.2020. The loan accounts of the petitioner company were again classified as NPA as per RBI's IRAC norms vide circular no. DBR.NO.BP.BC.2/21.04.048/2015-16 dated 01.07.2015. However, this classification as NPA was done due to over-due in submission of stock statement by the petitioner company. The bank was constrained to send demand notice dated 01.06.2020 under section 13(2) of the SARFAESI Act, 2002 to the petitioner for payment of the secured debt. As no reply was received from the petitioner to the demand notice, the bank has taken symbolic possession of the secured assets by issuance of possession notice dated 14.10.2020. It is strongly denied that any representation U/S 13 (3A) of the SARFAESI Act was refused by the bank.

18. That the petitioner had filed W.P. (C) No. 5617/2020 in the Hon'ble Gauhati High Court challenging, inter-alia, the SARFAESI proceedings initiated by the bank, as well as the declaration of the account as NPA by the bank. The Hon'ble High Court passed an interim order dated 21.12.2020 by which the bank was directed not to put the properties of the petitioner to sale. However, by the final judgment and order dated 16.03.2021, the High Court dismissed the said writ petition with liberty to the petitioner to approach the Debts Recovery Tribunal, Guwahati for redressal of its grievances.

Copy of judgment and order dated 16.03.2021 in W.P. (C) No. 5617/2020 is annexed as **ANNEXURE 4.**



19. That however the petitioner chose not to approach the DRT, Guwahati as directed by the Hon'ble High Court. The SARFAESI notice issued by the respondent bank has thus attained finality. Meanwhile, the bank has also filed O.A. No. 74/2021 in the DRT, Guwahati under section 19 of the Recovery of Debts Due to Bank and Financial Institution Act, 1993. **The Bank has claimed an amount of Rs.6,09,86,598.31** (Rupees Six Crores Nine Lakhs Eighty-Six Thousand Five Hundred Ninety-Eight and Thirty-One Paise) as on 31.05.2021 against the petitioner and others, including Sri Kamal Kumar Harlalka. The said O.A No. 74/2021 was listed before the Ld. Presiding Officer of the DRT, Guwahati on 16.06.2021 and the DRT has been pleased to issue summons to the defendants therein as well as orders to disclose the particulars of their properties and other assets. The next date fixed before the DRT is on 16.08.2021.

Copy of the plaint of O.A. No.74/2021 along with copy of summons is annexed as **ANNEXURE 5.**

20. That the issue of the default and its quantum being presently pending adjudication before the Ld. DRT Guwahati, and the petitioner having admitted in the present petition under reply that it is willing to settle its debts by sale of the assets, no fruitful resolution or reorganization is possible in the case of the petitioner company. The petitioner has willfully defaulted on the repayment of its dues, and it is not a mere business failure but appears likely to be a case of diversion and improper use of the facilities granted by the Respondent Bank. The IBC is not to be permitted to be used by the promoters/directors as an escape route to avoid the consequences of their actions which have created the situation so as to lead to degradation of the accounts and slippage into NPA category.

21. That in view of the above, the Respondent Bank has strong reasons to object to the application under section filed by the petitioner, and prays that the same may be dismissed and the recovery proceedings may not be allowed to be delayed and frustrated due to the pendency of the same before this Hon'ble Tribunal.



22. It is submitted that as the Company incurred heavy losses, the promoters borrowed money from private sources at higher rate of interest. There are operational creditors and other creditors. All are putting a lot of pressure on the directors for recovery. The petitioner wants to sell the company along with factory/office, plant & machinery, business contracts, Goodwill etc. as a going concern to fetch more value and wants to settle all the stakeholders- PNB and other creditors, Employees and Workers.

23. The Petitioner in his application prays that the Honorable Tribunal may graciously be pleased to admit the petition in the interest of Natural Justice and the firm may be allowed to settle all the stakeholders-PNB and other creditors, Employees and workers as per IBC 2016.

ORDER

24. Heard the counsels for both the sides at length. The learned Counsel for the Respondent/Financial Creditor has reiterated the same what has been filed in its reply to the Application filed by the CD under Sec 10 of IBC. He has also confirmed that the account of the CD has been declared as NPA by the FC. On the other hand, the learned Counsel appearing for the Applicant has prayed for admission of the Application. Both the sides have submitted that they do not want further arguments on the matter.

25. By placing reliance on the judicial precedents of Hon'ble Supreme Court in the matter of *M/s Innovate Industries Ltd. vs. ICCI Bank & Anr.* as well as Hon'ble NCLAT in the matter of *Unigreen Global Pvt. Ltd. vs. Punjab National Bank & Ors., Co. Appeal (AT) (Insolvency) No. 81 of 2017*, we find that the contentions/objections of the Financial Creditor-Objector (Punjab National Bank) have no merits as the legal position in this respect has already been settled by the Hon'ble Supreme Court as well as Hon'ble NCLAT. Therefore, pendency of SARFAESI proceedings or proceedings before the DRT cannot be a valid ground not to initiate Corporate Insolvency Resolution Process under section 10 of the Code in respect of the



Corporate Applicant/Corporate Debtor, if such application is found complete in all respects. The provisions of section 238 of the IBC have been given overriding effect to the provisions and proceedings under any other law. Hence, such contentions of the Financial Creditor – Objector are not legally tenable.

26. The aforesaid discussion satisfactorily explains that the requirement to be meted out under section 10 of the Insolvency & Bankruptcy Code has been complied with by the applicant herein. The applicant has also succeeded in establishing the debt due to the FC has not been repaid and thereby defaulted in repayment of the amount found due to the FC. In view of the above said discussions, this Hon'ble Tribunal is satisfied that the application filed under section 10 of the Insolvency & Bankruptcy Code is complete and that the corporate applicant has committed default in repayment of the loan amount sanctioned by the FC. The FC admitted the default. In view of the fact that the application is complete, the present application filed under section 10 of the I & B Code is liable to be allowed upon the following orders:

- a) The Corporate Debtor availed the loan/credit facilities from the Financial Creditor;**
- b) The Applicant CD has also furnished the following:**
 - i. The information relating to its books of account and such other documents,**
 - ii. The information relating to the resolution professional proposed to be appointed as an interim resolution Professional; and**
 - iii. The special resolution passed by shareholders of the Corporate Debtor approving filing of the application.**
- c) Existence of debt is above Rupees One Lac;**
- d) Debt is due, payable and defaulted;**
- e) Default occurred on 31.12.2019;**



- f) Application has been filed within the limitation period, as the existence of the debt due, payable and defaulted on 31.12.2019 when the Application under Section 10 of the IBC has been filed by one of the Directors Mr. Frankline R Marak of the Company on 11.01.2021;**
- g) Further, the Corporate Debtor has acknowledged the debts/liabilities and the charge has been created with the ROC for Rs. 5,20,00,000.00 (Rupees Five Crores Twenty Lakhs only) on 23.02.2018;**
- h) Copy of the Application filed before this Bench has been sent to the Financial Creditor and the application filed by the Corporate Debtor under Section 10 of the IBC is found to be complete for the purpose of initiation of Corporate Insolvency Resolution Process against itself;**

Hence, the present IB Petition is admitted with the following directions/observations. The date of admission of this petition is 26.08.2021.

27. As per the provisions of Section 13 and 14 of the IB Code on the date of commencement of insolvency, this Adjudicating Authority declares moratorium with effect from today for prohibiting all of the following, namely: -

- I. (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 foreclosure, recover or enforce any security interest created by the Corporate Debtor in respect of its property



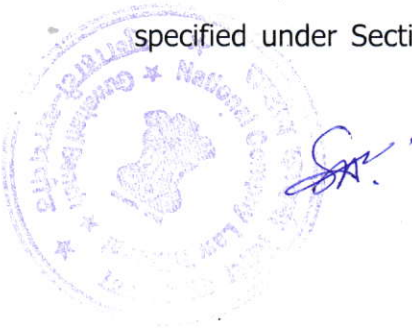
including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002).

(d) The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

- II. 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.
- III. The provisions of sub-section (I) shall not apply to-
 - (a) Such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- IV. The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process.

28. This Adjudicating Authority hereby appoints, as proposed by the FC, Mr. Vakati Balasubramanyam Reddy, E 505 Galaxy Apartments, Kurla (E), Mumbai 400070, E-mail ID: Vbsreddy7@gmail.com, having IP Registration no. IBBI/IPA-001/IP-P00662/2017-2018/1113 as an Interim Resolution Professional. The Interim Resolution Professional is further directed to make public announcement of moratorium in respect of Corporate Debtor soon after receipt of an authenticated copy of this order and to act further as per the order/direction issued by this Adjudicating Authority and to follow the provisions under Section 13 and 14 and other relevant provisions of the Insolvency and Bankruptcy Code. The IRP has to submit Assignment Declaration before the Registry within 2 days from today.

29. The IRP is hereby advised to adhere to the time limit as stipulated for completion of the Corporate Insolvency Resolution Process ("CIRP") and perform the duties as specified under Section 17, 18, 20 and 21 of IB Code. The IRP shall perform all his



functions contemplated, inter-alia, in Sections 15,17,18,19,20 & 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the 'Code', Rules and Regulations. It is further made clear that all the personnel connected with the Corporate Debtor, its promoters or any other persons associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every assistance and cooperation to the IRP as may be required by him in managing the day-to-day affairs of the Corporate Debtor. In case there is any violation, the IRP would be at liberty to make appropriate application to this Tribunal with a prayer for passing an appropriate order. The IRP shall be under duty to protect and preserve the value of the property of the Corporate Debtor as a part of its obligations imposed by Section 20 of the Code, Rules and Regulations.

30. One of the prime objectives of the Insolvency and Bankruptcy Code, 2016 is to quickly find out a viable Insolvency Resolution Plan for the Corporate Debtor and in order to have a Resolution Plan Viable, feasible and implementation successful, in the era of Minimum Cost of funds-based Lending Rate ("MCLR")/Repo Linked Interest rate/Interest rate falling regime and competitive market condition, the Committee of Creditors (COC) may explore, while finalizing the Resolution Plan for the Corporate Debtor a MSME Unit, the possibility of loading maximum interest at the Respondent Bank's One Year MCLR or One Year MCLR+ 1% without any penal/overdue interest.

31. The Registry is hereby directed to communicate the authenticated copy of this order to the Financial Creditor, Corporate Debtor Company, the IRP and also to the Registrar of Companies, Guwahati immediately through speed post/registered post and e-mail, if available.

32. The commencement of Corporate Insolvency Resolution Process shall be effective from the date of this order.



33. Thus, the present IB Petition filed under Section 10 of the IBC stands admitted today i.e. 26.08.2021 with the above observations and directions.

Sd/-

(Prasanta Kumar Mohanty)
Member (Technical) &
Adjudicating Authority

/Tanmoy/Deka-26.08.2021/

Sd/-

(H.V. Subba Rao)
Member (Judicial) &
Adjudicating Authority

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OF THE ORIGINAL

By REGISTRAR/ASST. REGISTRAR
NATIONAL COMPANY LAW TRIBUNAL
CHENNAI BENCH
DY NO. 131/NCLT/GB
DATE 30/8/21



Sushil Kr. Dns.