



**NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING  
HELD ON **16.01.2023** at **02.30 PM** THROUGH VIDEO CONFERENCING

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**PRESENT: JUSTICE RAMALINGAM SUDHAKAR, HON'BLE PRESIDENT  
HON'BLE SHRI. SAMEER KAKAR, MEMBER (TECHNICAL)**

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**IN THE MATTER OF** : Shri Sakthi Paper India Pvt Ltd

**MAIN PETITION NUMBER** : IBA/370/2019

**(IA/MA) APPLICATION NUMBERS**

IA/1056(CHE)/2022; IA/1057(CHE)/2022; IA/1066(CHE)/2022; IA/1332/IB/2020 IN MA/654/2019;  
IA/337/2019

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210 IBA/370/2019  
IA/1056(CHE)/2022; IA/1057(CHE)/2022; IA/1066(CHE)/2022;  
IA/1332/IB/2020 IN MA/654/2019; IA/337/2019

### **ORDER**

IA/1066/2022 was filed by the RP of the Corporate Debtor under Section 12(2) seeking an extension of time. In this matter, a Memo has been filed vide SR.No.225 dated 13.01.2023 in IA/1066/2022.

2. It is stated in the Memo that on 18.11.2022, this Tribunal gave a last chance to the Sole Member of the CoC, i.e. State Bank of India, to take a decision on the OTS proposal within 2 weeks from the hearing, failing which appropriate orders will be passed.

3. In Annexure – II to the Memo at Pages No. 5 to 8 it is seen that a letter has been issued by State Bank of India dated 23.11.2022 stating that the OTS has been approved for a sum of Rs.35.71 Crore plus CIRP expenses of Rs.1.71 Crore, by imposing certain terms and conditions and one among them being that the State Bank of India will be voting in favour of withdrawal of CIRP only after receipt of the CIRP expenses plus 50% of the compromise settlement amount is being paid. It was submitted by the Learned Counsel for the RP that in terms of OTS letter, a sum of Rs.14 crores has been paid to State Bank of India.

4. In view of the explicit letter of SBI dated 23.11.2022 allowing terms of settlement to the Corporate Debtor and also the Corporate Debtor has acted upon the said letter by making payments to SBI, who is the sole Financial Creditor, it may not be appropriate to continue with the CIRP in respect of the Corporate Debtor.



5. The One Time Settlement and its terms will be binding on the parties and this Tribunal also finds that substantial amounts have been paid to SBI in terms of the One Time Settlement (OTS).

6. We are of the view that the present proceedings are being continued merely to aid the Financial Creditor in the recovery proceedings, which is not the object of IBC, 2016.

7. Further, it could be seen that the present Petition was filed under Section 10 of IBC, 2016 and hence filing of Form - FA also would not arise.

8. Therefore, in the exercise of the power vested under Rule 11 of NCLT Rules, 2016, we hereby order that the Corporate Debtor be released from the rigors of CIRP. The moratorium order passed in respect of the Corporate Debtor is lifted. The Corporate Debtor is allowed to function through its own Board of Directors.

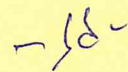
9. In respect of other IA's relating to rejection of claim, since the Corporate Debtor is now out of CIRP, the Applicants can pursue the matter as per law.

10. Accordingly, **IBA/370/2019** stands closed as settled out of court.

11. All the connected IA/MA in this matter are **closed**.



**SAMEER KAKAR**  
MEMBER (TECHNICAL)



**Justice RAMALINGAM SUDHAKAR**  
PRESIDENT