

**National Company Law Tribunal
Allahabad Bench**

C P No. (IB) 110/ALD/2017, C A No.

100/2018

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF ALLAHABAD BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 28.05.2018

NAME OF THE COMPANY: Shree Bhawani Paper Mills Limited

SECTION OF THE COMPANIES ACT/I & B CODE: 60(5) IBC

<u>Sl. NO.</u>	<u>Name</u>	<u>Designation</u>	<u>Representation</u>	<u>Signature</u>
1.	Siddharth Singhal	Advocate	Applicant	S. Singhal
2.	Vinod Kant	AAG	Stated UP.	Vinod Kant
3	Dr. Y.K. Srivastava	CSC	" "	YK
4	Amit Verma	SC	" "	A

CP NO. (IB) 110/ALD/2017, CA NO. 100/2018

Sh. Siddharth Singhal, Advocate for the Resolution Professional and Sh. Vinod Kant, Additional Advocate General on behalf of the State Govt. And Dr Y.K. Srivastava Chief Standing Counsel, alongwith Sh. Amit Verma, Advocate on behalf District Magistrate present in this Court. Counter Affidavit has been filed by the State Counsel, which is taken on record.

The CA NO. 100/2018 has been filed by the RP seeking certain direction against the District Magistrate/SDM Raebareli to open the Account/Administrative office of the Corporate Debtor situated at Industrial Area-1, Sultanpur Road, Raebareli, as well as to remove the seals on the Plant & Machinery to give effect to the order dated 13.02.2018.

Counter Affidavit has been filed by the State counsel on behalf of the District Magistrate, wherein it is stated that the provision of Section 14 of Insolvency & Bankruptcy Code, 2016 provides for prohibiting pending suits and proceedings against the Corporate Debtor. The act further provides that the Resolution Professional appointed by the Court is also entrusted with the responsibility of

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managing the operations of Corporate Debtor and to preserve and protect assets of the Corporate Debtor as provided under Section 17, 18, 20,21,25, 29, and 30 of the Insolvency & Bankruptcy Code, 2016 and therefore, the District Magistrate would be liable to act in accordance with the directions issued by this court.

It is further stated that in pursuance to the recoveries, attachment of the properties was made by the District Magistrate and once instant company application is allowed then the safety and security of the original documents/records and all the assets/belongings and accounts/Administrative Office of the corporate debtor, the entire responsibility of all the assets/belongings of the corporate debtor kept inside the Accounts/Administrative office will vest with the applicant Resolution Professional in terms of the provisions of insolvency and bankruptcy code. The Resolution Professional would take control/custody of the property in question from the date of opening/releasing the property in question, hence request is made for passing order after considering the above mentioned things.

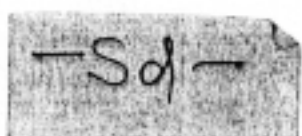
It is also pertinent to mention that the Hon'ble Court in writ petition no. 51891/2016 has passed an order that the recovery certificate dated 25th August 2015, as well as Demand Notices dated 13th September 2015 and 23rd September 2015 as well as Recovery Certificate dated 24th June 2016 and 14th January 2016 shall remain in abeyance during the pendency of the writ petition. It is pertinent to mention that Corporate Insolvency Process has been initiated against the Corporate Debtor Sh. Bhawani Paper Mills Limited by our order dated 13th February 2018 and moratorium order under Section 14 of Insolvency & Bankruptcy Code has been passed and certain direction has been issued. During the Moratorium period supply of essential goods and services to the Corporate Debtor, if continuing shall not be terminated or suspended or interrupted. IRP has to take control of the entire management and affair of the Company during the CIRP Process. Therefore, we at this moment direct that

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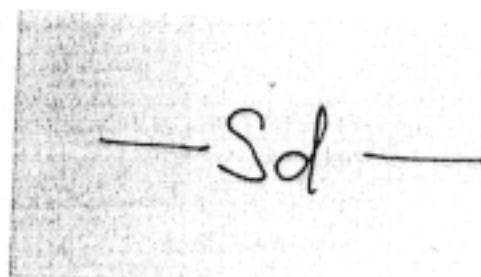
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access of Accounts Office/Administrative Office of the Corporate Debtor Company be provided to the RP. The IRP be given charge over the assets of the company during Corporate Insolvency Resolution Process (CIRP) with immediate effect. It is clarified before handing over charge to the RP State Govt. have to prepare the inventory of the documents and belongings, which are to be handed over to the Insolvency Resolution Professional. Compliance report may be submitted within seven days. We further direct to the State Govt. to fully cooperate with the insolvency Resolution Process so that CIRP may be completed as per order of the court. A certified copy of the order be handed over to both parties.

Dated: 28.05.2018



**SAROJ RAJWARE,
MEMBER (T)**



**V.P. SINGH,
MEMBER (J)**

Typed by:
Md. Zaid