

**NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, CHANDIGARH**

**CA No. 11/2019
In
CP (IB) No. 35/Chd/HP/2018**

In the matter of:-

Phoenix Arc Private Limited ...Petitioner

Vs.

M/s GPI Textiles Limited ...Respondent

And in the matter of:-

Committee of Creditors of
GPI Textiles Limited ...Resolution Professional

Order delivered on 10.01.2019

**Coram: Hon'ble Mr.Justice R.P.Nagrath, Member (Judicial)
Hon'ble Mr.Pradeep R.Sethi, Member (Technical)**

For the Applicant-Resolution
Professional : Mr. G.S. Sarin, Practising Company
Secretary

Per: Justice R.P.Nagrath, Member (Judicial)

Order (Oral)

This application has been filed by the Resolution Professional seeking extension by 90 days for completion of the Insolvency Resolution Process in respect of the corporate debtor.

2. The petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 (for brevity the 'Code') was filed by the Phoenix Arc Private Limited as a financial creditor which was registered as CP (IB) No.35/Chd/HP/2018 and the same was admitted by this Tribunal on 06.07.2018 declaring moratorium under Section 14(1) of the Code and by a subsequent order dated 12.07.2018, the Interim Resolution Professional was appointed with necessary directions. In view of the amendment made by adding proviso to sub-section 12(5) of the Code, CA 391 of 2018 was filed by the Directors of the Suspended Board of Directors and the same was allowed by this Tribunal on 05.10.2018 holding that the moratorium would be effective from 12.07.2018.

3. It is stated that the Interim Resolution Professional issued public announcement inviting the claims and on receipt of the claims the same were collated and the Committee of Creditors was constituted comprising of Phoenix Arc Private Limited and State Bank of India being the financial creditor. It is contended that many claims from the operational creditor were also received. In the meeting of Committee of Creditors held on 10.08.2018, the Interim Resolution Professional was confirmed as the Resolution Professional. The valuers were also appointed and the Information Memorandum was prepared on the basis of the provisional balance sheet for the year ending 31.03.2018. The expression of interest was invited and so far the Resolution Professional has received one resolution plan and two more persons have expressed their interest in submitting the plan. The invitation of expression of interest was advertised again.

4. We have heard authorized representative of the Resolution Professional-applicant and have perused the records.

5. Mr. Sarin, has referred to the minutes of meeting held on 17.12.2018 Annexure A-17 at Page 272 of the paper book minutes it was discussed that the initial period of 180 days for completion of the resolution process as prescribed in Section 12(1) of the Code was expiring on 07.01.2019. It was also discussed that only one resolution plan was received which was kept in a sealed cover and another advertisement for inviting expression of interest may have to be advertised. In view of these facts the Committee decided unanimously for seeking extension of 90 days more in completion of the Insolvency Resolution Process.

6. In view of the aforesaid discussion, we are satisfied that the subject matter of the case is that the Corporate Insolvency Resolution Process cannot be completed within the period of 180 days. In exercise of the jurisdiction under sub-section 3 of Section 12 of the Code, we allow the application and extend the period for completion of the Insolvency Process by another 90 days w.e.f. 08.01.2019.

Copy of the order be communicated to the authorized representative for the Resolution Professional.

Accordingly, CA No. 11/2019 stands disposed of.

Sd/-
(Pradeep R. Sethi)
Member (Technical)

Sd/-
(Justice R.P. Nagrath)
Member (Judicial)

January 10, 2019
Yashpal