



RAJ RAYON INDUSTRIES LIMITED

(A Government Recognised Star Export House)



Corporate Off. : 5C/196 & 197, AKSHAY MITTAL INDUSTRIAL ESTATE, SAKINAKA, ANDHERI (E), MUMBAI-400 059 (INDIA)
☎ : +91 - 22 - 4034 3434 ● Fax : +91 - 22 - 4034 3400 ● E-mail : mumbai@rajrayon.com ● Website : www.rajrayon.com
CIN NO. : L17120DN1993PLC000368

Date: 04/06/2019

To,

The Secretary BOMBAY STOCK EXCHANGE LIMITED P J Towers Dalal Street, Fort, Mumbai 400 001	NATIONAL STOCK EXCHANGE OF INDIA LIMITED Listing Department Exchange Plaza, 5 th Floor, Bandra-kurla Complex, Bandra (East), Mumbai - 400 051.
Company Code No. : 530699	Company Code : RAJRAYON

Dear Sir,

Sub.: Announcement of NCLT Final order received by the Company.

In continuation of our submission dated 17.05.2019 and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to inform you that, the creditor of the Company has imitated the proceedings against the company for the outstanding dues with the Ahmedabad Bench of National Company Law Tribunal (NCLT).

The Company has admitted the dues but after presenting the case the NCLT also confirms that the Company is not in a position to pay the dues and allowed the petitioner to file written submission.

After herring and submission the NCLT gave confirmation that, Company is not in a position to pay the dues.

We are attaching the Copy of the Final Order of NCLT - Ahmedabad Bench.

The above is for your information and dissemination to all the stakeholders.

Thanking you,

Yours faithfully,

For RAJ RAYON INDUSTRIES LIMITED

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(SUSHIL KUMAR KANODIA)
CEO CFO



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**BEFORE THE ADJUDICATING AUTHORITY
(NATIONAL COMPANY LAW TRIBUNAL)
AHMEDABAD BENCH
AHMEDABAD**

C.P. (I.B) No. 26 /9/NCLT/AHM/2019

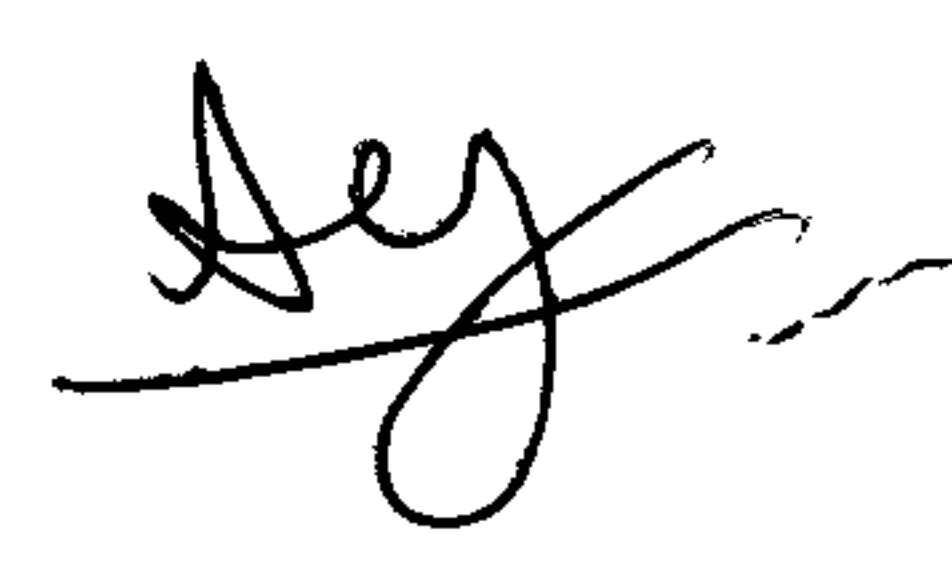
Coram: **Hon'ble Ms. MANORAMA KUMARI, MEMBER JUDICIAL**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH
OF THE NATIONAL COMPANY LAW TRIBUNAL ON 29.05.2019**

Name of the Company: Khanna & Khanna Ltd.
V/s.
Raj Rayon Industries Ltd.

Section of the Companies Act: Section 9 of the Insolvency and Bankruptcy Code


S.NO. NAME (CAPITAL LETTERS) DESIGNATION REPRESENTATION SIGNATURE

1.	Aditya C. Yagnik	Advocate	Raj Rayon.	
2.	with Jayani B. Shah.			

ORDER

The respondent is represented through learned counsel.

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


**MANORAMA KUMARI
MEMBER JUDICIAL**

Dated this the 29th day of May, 2019

**BEFORE ADJUDICATING AUTHORITY (NCLT)
AHMEDABAD BENCH**

C.P. No.(IB) 26/9/NCLT/AHM/2019

In the matter of:

M/s. Khanna & Khanna Limited.

Plot No. CF-6, Industrial Area

Pani Site – 5, Udyog Kunj

Kanpur (U.P.) 208 022

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Petitioner
[Operational Creditor]

Versus

M/s. Raj Rayon Industries Limited

Survey No. 177/1/3,

Village Surangi, Silvassa

Dadra & Nagar Haveli 396 230

Respondent
[Corporate Debtor]

Order delivered on 29th May, 2019.

Coram: Hon'ble Ms. Manorama Kumari, Member (J).

Appearance:

Advocate Mr. Salil M. Thakore for the applicant.

Advocates Mr. Aditya C. Yagnik and Ms. Jayoni B. Shah for respondent

ORDER

1. That, the instant application is filed by Mr. Shalab Srivastava, authorised representative of the applicant/operational creditor M/s. Khanna & Khanna Limited under Section 9 of the Insolvency and Bankruptcy Code, 2016 [hereinafter referred to as "the Code"].
2. That, the applicant/operational creditor M/s. Khanna & Khanna Limited, having identification number U24117UP1984PLC006465 and having its registered office at Plot No. CF-6, Industrial Area, Panki Site – 5, Udyog Kunj,

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Kanpur, Uttar Pradesh 208 022 is engaged in the business of supply of Spin Finish Oil and other lubricating materials used in textile materials, leather, fur skin etc.

3. That, M/s. Raj Rayon Industries Limited is a company incorporated under the Companies Act, 1956 on 17th August, 1993, having its registered office at Survey No. 177/1/3, Village Surangi, Silvassa, Dadra & Nagar Haveli and having identification No. L17120DN1993PLC000368. That, authorised share capital of the corporate debtor is Rs. 86,00,00,000/- and paid up share capital is Rs. 48,64,54,000/-.

4. The applicant has submitted that an amount of **Rs. 36,06,136/- (Rupees thirty six lacs six thousand one hundred and thirty six only)** is due from the respondent as per the details given at **Annexure IV** to the application. That, the above figure includes a principal amount of operational debt for supply of goods to the corporate debtor for Rs. 33,91,911/- (Rupees thirty-three lacs ninety-one thousand nine hundred eleven only) and Rs. 2,14,225/- (Rupees two lacs fourteen thousand two hundred twenty-five only) towards interest calculated at the rate of 18% per annum on the outstanding invoice amount from the due dates until 25.08.2018. That, the details of the transactions on account of which the operational debt fell due are stated in the affidavit in support of the application.

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5. The applicant has submitted copy of the following documents in support of his claim: -

Sr. No.	Particulars	Page Nos.
01	Company master data of the respondent as available on the website of the MCA	17-18
02	Invoice No. 101483 dated 25.1.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	19-26
03	Invoice No. 101683 dated 21.2.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	27-31
04	Invoice No. 101755 dated 06.03.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	32-37
05	Invoice No. 101839 dated 17.03.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	38-43
06	Invoice No. 101967 dated 29.03.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	44-49
07	Invoice No. 0074 dated 09.04.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	50-56
08	Invoice No. 0147 dated 16.04.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	57-62
9.	Invoice No. 0233 dated 25.4.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	63-68
10.	Invoice No. 0308 dated 05.05.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	69-73
11.	Invoice No. 392 dated 16.05.2018 raised by the applicant on the respondent along with documents evidencing dispatch and delivery of the goods.	74-78
12.	Ledger of the respondent in the books of the applicant as on 25.08.2018	79
13.	Table giving details of the outstanding invoices along with calculation of interest and other necessary details	80
14.	Documents evidencing receipt of demand notice issued on 25.08.2018 by the applicant to the respondent	81-82
15.	Board Resolution dated 20.08.2018 (giving authority for issuing demand notice)	83
16.	Board Resolution dated 25.08.2018 (giving authority for proceedings before NCLT)	84

6. The respondent filed affidavit in reply inter alia stating that the respondent has no intention of defaulting on its part either with respect to the amount claimed by the applicant or otherwise. However, there is merely delay in payment of the debt. That, the respondent company is facing economic

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and financial crunch and at present is not in a position to repay the outstanding debt.

7. Heard the arguments of the learned lawyers appearing for both the sides.

Findings:

8. On perusal of the material available on record it is found that the respondent has admitted its inability to clear the overdue payment. That, during the course of hearing also Learned lawyer appearing on behalf of the respondent fairly admitted that the respondent company is not in a position to pay the debt amount. The operational debt is due to the Applicant. Therefore, Applicant is an Operational Creditor within the meaning of sub-section (5) of Section 20 of the Code. From the aforesaid material on record, petitioner is able to establish that there exists debt as well as occurrence of default.
11. That, the Application filed by the Applicant is complete in all respects.
12. The applicant/operational creditor has not proposed the name of Interim Insolvency Professional. This Adjudicating Authority hereby appoint Shri Akhilkumar Amrutlal Thakkar, Akhil A. Thakkar & Co., B-2, Sanskar Residency, Sattar Taluka Society, Navjeevan Post, Income Tax, Ashram Road,

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Ahmedabad 380 014 having registration No. IBBI/IPA-001/IP-P01392/2018-19/12159 (akhilthakkar@gmail.com. Mobile 09825207701) to act as an interim resolution professional under Section 13(1)(c) of the Code.

13. Section 13 of the Code enjoins upon the Adjudicating Authority to exercise its discretion to pass an order to declare a moratorium for the purposes referred to in Section 14, to cause a public announcement of the initiation of corporate insolvency resolution and call for submission of claims as provided under Section 15 of the Code. Sub-section (2) of Section 13 says that public announcement shall be made immediately after the appointment of Interim Insolvency Resolution Professional. This Adjudicating Authority directs the Insolvency Resolution Professional to make public announcement of initiation of Corporate Insolvency Process and calls for submission of claims under Section 15 as required by Section 13(1)(b) of the Code.
14. From the above stated discussion and on the basis of material available on record it is a fit case to initiate Insolvency Resolution Process by admitting the Application under Section 9(5)(1) of the Code.
15. The petition is, therefore, admitted and the moratorium is declared for prohibiting all of the following in terms of sub-section (1) of Section 14 of the Code: -



- (i) 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;
 - (ii) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
 - (iii) 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 (54 of 2002);
 - (iv) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.
16. It is further directed that the supply of goods and essential services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period. The provisions of sub-section (1) shall, however, not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
17. The order of moratorium shall have effect from the date of receipt of authenticated copy of this order till the completion

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of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of corporate debtor under Section 33 as the case may be.

18. This Petition stands disposed of accordingly with no order as to costs.
19. Communicate a copy of this order to the Applicant, Financial Creditor, Corporate Debtor and to the Interim Insolvency Resolution Professional.



Ms. Manorama Kumari
ADJUDICATING AUTHORITY
MEMBER JUDICIAL

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