



HINDUSTHAN NATIONAL GLASS & INDUSTRIES LTD.

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CIN - L26109WB1946PLC013294



SEC/SE/215

January 20, 2022

1. The Dy. Manager (Listing)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 023
(Scrip Code: 515145)
2. The Manager, Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051
(Scrip Code: HINDNATGLS)
3. The Secretary
The Calcutta Stock Exchange Ltd.,
7, Lyons range, Kolkata-700 001
(Scrip Code: 10018003)

Dear Sir(s)/Madam,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

Further to our letter dated 14th January 2022, please note that the appeal filed by the Promoter Director of the Company against the Order of the Hon'ble NCLT, Kolkata Bench dated 21st October 2021 was heard by the Hon'ble National Company Law Appellate Tribunal, New Delhi (NCLAT) on 18th January 2022, wherein the Hon'ble NCLAT has inter alia, fixed the next date of hearing of the matter as 11th February 2022.

Further, the Hon'ble Tribunal has lifted the stay on the constitution of Committee of Creditors (CoC) and directed the Interim Resolution Professional (IRP) to take steps for constitution of CoC and also maintain the timeline of completion of CIRP proceedings.

A copy of the order of the Hon'ble NCLAT dated 18th January, 2022 (which was received on 20th January, 2022) is annexed herewith for reference and records.

Thanking you.

Yours faithfully,
For **Hindusthan National Glass & Industries Ltd.**

(Mukund Chandak)
Company Secretary

Encl: as above

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

Company Appeal (AT) (Insolvency) No. 884 of 2021

&

I.A. No. 2568-2569 of 2021

IN THE MATTER OF:

Mukul Somany

...Appellant.

Versus

DBS Bank Ltd. & Anr.

...Respondents.

For Appellant: Mr. Jishnu Saha, Sr. Advocate along with Ms. Sonia Dube, Ms. Sudeshna Bagchi, Ms. Labanyasree Sinha, Ms. Kanchan Yadav and Mr. Kuldip Malik, Advocates.

For Respondents: Mr. Vikram Wadehra, Ms. Vidushi Chokhani, Mr. Kunal Tandon, Advocates for R-1.

Mr. Samrudhi Chothani, Mr. Siddharth Ranade, Mr. Raghav Bhargava, Ms. Richa Sandilya, Advocates for R-2/IRP.

Mr. Vikram Nankani, Sr. Advocate with Mr. Kumar Anurag Singh, Ms. Aastha Shrestha, Mr. Zain A. Khan, Lekden Basi, Advocates for Intervenor.

Mr. Parth Bhatt, Ms. Vishakha Gupta, Advocates for Intervenor.

Mr. Karan Bharihoke, Advocate for Intervenor (EARC).

Mr. Abhinav Vasisht, Sr. Advocate with Mr. Sanjay Goyal, Moulshree Shukla, Ishani Mookherjee, Ms. Priya Singh Advocate for SBI.

Mr. Girish Juneja and Mr. Devendra Mehta, (IRP)

ORDER
(Virtual Mode)

18.01.2022 I.A. No. 2568-2569 of 2021 has been filed in Company Appeal (AT) (Insolvency) No. 884 of 2021 on behalf of “Edelweiss Asset Reconstruction Company Ltd.” – Applicant. The Learned Counsel for the Applicant has filed I.A. No. 2568-2569 of 2021 under Rule 11 of the NCLAT Rules, 2016 read with Rule 31 of the NCLAT Rules, 2016 seeking to intervene

in Company Appeal (AT) (Insolvency) No. 884 of 2021 against the judgment dated 21st October, 2021 passed by the Kolkata Bench in CP(IB) 369/KB/2020.

2. The Learned Counsel for the Applicant submits that “Edelweiss Asset Reconstruction Company Ltd”, a Financial Creditor (Applicant/Intervenor) of the Corporate Debtor is constrained to file the instant intervention application before this Appellate Tribunal praying for directions for allowing the Applicant/Intervenor to intervene and object to the Appeal filed by the Appellant seeking setting aside of the judgment dated 21st October, 2021 passed by the Kolkata Bench in CP(IB) No. 369/KB/2020 admitting the application filed by DBS Bank Limited for initiation of Corporate Insolvency Resolution Process.

3. It is further submitted that vide Order dated 28.10.2021, this Appellate Tribunal has granted a stay in Company Appeal (AT) (Insolvency) No. 884 of 2021 and have passed the following order:

“ After hearing Learned Counsel for the Financial Creditor and Corporate Debtor took note of the submissions that pursuant to the Order dated 23rd July, 2021 passed by Learned NCLT, Kolkata bench is as under: -

“In pursuance of the settlement talks that had taken place, a meeting of the Consortium lenders took place on 9th July, 2021, at which the restructuring proposals submitted by the Corporate Debtor were discussed. The minutes of the meeting have been placed on record from which it appears that the majority of the Consortium members are in favour of the restructuring plan submitted by the Corporate Debtor. The Ld. Senior Counsel seeks some more

time to report the outcome of the final decisions of the members of the Consortium. At the request and in the interest of settlement, time is granted. List this matter on 8th October, 2021, for reporting the outcome of the restructuring proposals submitted by the Corporate Debtor.”

It is further informed that now the matter has been adjourned as the Terms of Settlement is going on outside of the Court.

Further, Learned Senior Counsel for the Appellant submits that Impugned Order was allowed in the instant case under Section 7 of the IBC, 2016.

Learned Counsel for the Appellant is directed to take fresh steps for issuance of Notice on Respondent No. 2 by both modes. File requisites along with process fees within one week after Diwali Vacation.

Further, Learned Counsel for the Respondents are directed to file hard copy of the Reply Affidavit, within three weeks after Diwali Vacation. Rejoinder, if any, may be filed by Learned Counsel for the Appellant as a hard copy, within one week, thereafter.

List this matter on ‘For Admission (After Notice)’ on 8th December, 2021. Till next date constitution of CoC shall remain stay.”

4. It is further submitted that the Appellate Tribunal may be pleased to recall and vacate the stay granted vide order dated 28.10.2021 in the larger interest of the creditors of the Corporate Debtor.

5. It is further submitted that the Corporate Debtor is heavily under debt and in fact, is liable for debt to the tune of INR 789,22,33,407.93/-. Despite the constitution of a consortium of lenders and approval of resolution /

settlement plans, the Corporate Debtor has continually defaulted and evaded payment of its dues.

6. It is further submitted that the Corporate Debtor in 2019 instituted a suit bearing CS No. 52 of 2019 before the Hon'ble High Court of Kolkata seeking stay on implementation of the settlement/compromises with the creditors.

7. It is further submitted that the Corporate Debtor has defaulted upon and therefore, breached all settlement agreements and resolution plans that have been approved by the consortium of lenders over the years, and now when it is admitted into the CIRP, it has sought to wriggle out of its liabilities once again by making false promises of settlement before this Appellate Tribunal.

8. It is further submitted that there are another application filed against the Corporate Debtor before the Ld. Adjudicating Authority, Kolkata Bench i.e. CP(IB) 1341/2019 titled State Bank of India Vs. Hindustan National Glass & Industries Limited and CP(IB) 482/2020 titled Vital Paper Products Pvt. Ltd. Vs. Hindustan National Glass & Industries Ltd.

9. It is further submitted that the Applicant on 8th September, 2021 had also filed an application under Section 7 of the IBC bearing Company Petition (IB) No. 279/2021 before the Ld. Adjudicating Authority, Kolkata. It is further submitted that by supposedly settling or promising to settle with the Respondent No. 1, the Corporate Debtor is attempting to only delay the process of CIRP. Based on these submissions, the Applicant made following prayer:

“ a. Allow the instant intervention application and add the Applicant/intervener as a party respondent to the instant Appeal;

b. Recall and vacate the stay on constitution of the CoC as granted by this Hon’ble Tribunal vide its order dated October 28, 2021;

c. Pass such other/further order/directions, which this Hon’ble Tribunal may deem fit and proper in the facts and circumstances of the present case.”

10. The aforesaid I.A. was heard on 06.01.2022 and further the Learned Counsel for the Appellant was directed to file Reply Affidavit to the IA, which was filed on 11.01.2022.

11. The Learned Sr. Counsel for the Appellant during the course of argument and his Reply Affidavit submitted that the Applicant seeking for recalling or vacating or constitution of the COC as granted by this Appellant Tribunal vide its order dated 28th October, 2021 and also for intervention and be added as a party Respondent to the instant Appeal.

12. It is further submitted that the Applicant is neither a necessary nor the proper party in the instant litigation and therefore ought not be added as a party to the Appeal being Company Appeal (AT) (Insolvency) No. 884 of 2021.

13. It is further submitted that the instant Appeal has arisen from the impugned order dated 21st October, 2021 passed by Ld. Adjudicating Authority in CP(IB) No. 369/KB/2020 wherein the Ld. Adjudicating Authority

without granting an opportunity of hearing to the Corporate Debtor has admitted the petition, thereby violating the principles of natural justice.

14. It is further submitted that the Applicant was nowhere involved when the said CP(IB) No. 369/KB/2020 was heard, therefore, the instant IA is not maintainable, it is fit to be rejected.

15. After hearing the parties and gone through the different orders passed by this Appellate Tribunal in the instant Appeal i.e. Company Appeal (AT) (Insolvency) No. 884 of 2021, this Appellate Tribunal on 08.12.2021 passed the following orders:

“ Heard the Learned Sr. Counsel for the Appellant. Learned Counsel for Respondent No. 1 & 2 are present.

From the perusal of the Order dated 28.10.2021, Counsel for Respondent No. 1 was directed to file his Reply Affidavit.

Further, Notices were issued to Respondent No. 2. Today Respondent No. 2 has appeared.

Further, the Constitution of CoC was stayed under the Order till today.

Today when the case was called out, Learned Counsel for Respondent No. 1 is present and has not filed his Reply Affidavit yet.

Learned Counsel for the Appellant submits that the Settlement outside the Court is going on and has been formalised and consent has been withdrawn.

Learned Counsel for Respondent No. 1 DBS Bank Limited, submitted that talks are going on. We are hopeful that parties will settle the matter very soon.

Learned Counsel for Respondent No. 1 is directed to comply the Order dated 28.10.2021 and file the Hard Copy of his Reply Affidavit within two weeks. Office of the Registry is directed to accept it.

Today one I.A. Application bearing Nos. 2568 of 2021 & 2569 of 2021 have been filed by Edelweiss Asset Reconstruction Company Ltd. stating that they have 21.76% voting rights. These rights are reflected in Page 400 (Volume II) of the I.A. Application.

Learned Sri Abhinav Vashisht assisted by Mr. Siddhant Kant, Ms. Suhani Dwivedi, Ms. Moulshree Shukla, Mr. Ganesh Palwankar, Deepanjan Dutt Roy, Ms. Ishani Mookherjee & Ms. Priya Singh, also proposed to intervene on behalf of the Lead Banker SBI having 37% of voting rights. He is directed to file his Hard Copy of I.A. Applications within two weeks. Office of the Registry is directed to accept it.

Further, Learned Counsel for Respondent No. 2 Mr. Girish Sriram Juneja, the IRP of Hindustan National Glass & Industries Ltd. submits that the IRP has taken over the charge and currently verifying the claims pursuant to the issuance of Expression of Interest.

He is directed to file the Hard Copy of his Reply Affidavit of the latest status within two weeks. Registry is directed to accept it.

List this matter 'For Admission (After Notice)' on 06th January, 2022.

Interim Order dated 28.10.2021 to continue till next date of hearing.”

16. Thereafter, vide order dated 06.01.2022 the following order was passed:

“I.A. No. 2568 & 2569 of 2021 in Company Appeal (AT) (Insolvency) No. 884 of 2021 filed on behalf of the Applicant with following prayer:

“ a. Allow the instant intervention application and add the Applicant/intervener as a party respondent to the instant Appeal;

b. Recall and vacate the stay on constitution of the CoC as granted by this Hon’ble Tribunal vide its order dated October 28, 2021;

c. Pass such other/further order/directions, which this Hon’ble Tribunal may deem fit and proper in the facts and circumstances of the present case.”

2. Heard Mr. Vikram Nankani, Sr. Advocate assisted by Mr. Kumar Anurag Singh, Advocate appears on behalf of the Applicant.

3. Mr. Jishnu Saha, Sr. Advocate assisted by Ms. Sonia Dube, Advocate appears on behalf of the Appellant submits that he has not filed the Reply to I.A. No. 2568 & 2569 of 2021. He is directed to file hard copy of the same latest by 11.01.2022.

4. List the Appeal along with I.A. No. 2568 of 2021 ‘For Order’ on 13th January, 2022.

In the meanwhile, Learned Counsel for the Applicant is directed to serve soft copy of I.A. 2568 of 2021 to the Learned Counsel for the Resolution Professional latest by 07.01.2022.”

17. Again on 13.01.2022 the following order was passed:

“ Today the matter was fixed for hearing in I.A. No. 2568-2569 of 2021 filed in Company Appeal (AT) (Ins.) No. 884 of 2021 (Mukul Somany vs. DBS Bank Ltd. & Anr.).

This matter was heard on 06.01.2022, whereby, Learned Counsel for the Appellant was directed to file hard copy of the Reply in I.A. No. 2568 & 2569 of 2021. Learned Counsel for the Appellant has filed Reply on 11.01.2022, which is taken on record.

Today, this matter was called out thrice time but Learned Counsel Mr. Kuldeep Malik appears on behalf of the Appellant but Learned Senior Counsel Mr. Jishnu Saha could not appear despite audio-video link been sent to them.

Learned Counsel Applicant who has filed the aforesaid I.A is represented by Learned Senior Counsel Mr. Vikram Nankani and Learned Counsel Mr. Vikram Wadehra are present.

Learned Senior Counsel Mr. Abhinav Vasisht for State Bank of India is also present.

*So, list this matter again along with the I.A. No. 2568-2569 of 2021 **'For Orders'** on **18th January, 2022.***

In the meanwhile, Interim Order dated 28.10.2021 to continue till next date.”

18. After hearing the parties and having gone through the record it appears that due to order dated 28.10.2021 entire CIRP has come to standstill and there is no progress in settlement outside the court in the matter and only oral assurance of different dates was given by the Learned Counsel for the Appellant and Respondent.

19. Taking all these views the I.A. No. 2568-2569 of 2021 stands disposed off with the following directions.

i) This Bench of this Tribunal invoking inherent power and hereby ordered to vacate the interim order dated 28.10.2021 passed by this Bench in Company Appeal (AT) (Insolvency) No. 884 of 2021 whereby the constitution of COC was stayed.

ii) This Bench further directs the IRP to take steps for constitution of COC and also maintain the time line of completion of CIRP proceedings.

20. Registry to upload the Order on the website of this Appellate Tribunal and send the copy of this Order to the Ld. Adjudicating Authority (National Company Law Tribunal), Kolkata Bench, Kolkata forthwith.

21. Since, pleadings is complete in the instant Appeal, list the instant Appeal i.e. Company Appeal (AT) (Insolvency) No. 884 of 2021 'For Admission (After Notice)' on **11th February, 2022.**

[Justice Anant Bijay Singh]
Member (Judicial)

[Ms. Shreesha Merla]
Member (Technical)

R. N./ Kam./