

GOVERNMENT OF INDIA
MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
LOK SABHA
UNSTARRED QUESTION NO. 391
ANSWERED ON 19.11.2019

JAGI ROAD AND PANCHGRAM PAPER MILLS

391. SHRI PRADYUT BORDOLOI:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES भारी उद्योग एवं लोक उद्यम मंत्री be pleased to state:

- (a) whether the Government is aware that the employees of Jagiroad and Panchgram Paper Mills of the HPCL have not been receiving their salaries and dues for the last 35 months and that several of the highly distressed employees have committed suicides;
- (b) if so, the details thereof; and
- (c) the action plan proposed to be taken by the Ministry to salvage and operationalize the Jagiroad and Panchgram Paper Mills of HPCL and payment of dues and salaries to the employees of these mills?

ANSWER

THE MINISTER OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES
(SHRI PRAKASH JAVADEKAR)

(a) to (c) Cachar Paper Mill, Panchgram and Nagaon Paper Mill, Jagiroad are mills of Hindustan Paper Corporation Limited (HPC) in Assam. These mills are not in operation. The National Company Law Tribunal (NCLT) through an order dated 13.06.2018 directed initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code (IBC), 2016 against HPC. Thereafter, as per the provisions of IBC, the Board of Directors of HPC stood suspended and a Resolution Professional (RP) and a Committee of Creditors were appointed for HPC.

The Chairman and Managing Director, HPC had filed an appeal in the National Company Law Appellate Tribunal (NCLAT) against the aforementioned NCLT order dated 13.06.2018. The said appeal was dismissed by the Appellate Tribunal vide order dated 08.01.2019.

The NCLT, during the hearing of the case on 02.05.2019, ordered for the liquidation of HPC and appointed an Official Liquidator for HPC. Subsequently, NCLAT on 29.05.2019 directed the Official Liquidator, HPC to ensure that the HPC remains a 'going concern' during the liquidation. The Official Liquidator, HPC is proceeding as per the provisions of the Indian Bankruptcy Code 2016.
