

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH, AT MUMBAI  
INSOLVENCY AND BANKRUPTCY APPLICATION NO. 1026  
OF 2017**

Madhuban Trade Steels Private  
Limited

...Operational Creditor

Versus

Shree Vaishnav Metal and Power  
Private Limited

...Operational Debtor

**CONSENT TERMS**

1. The abovenamed Operational Creditor has filed the captioned application/petition under Section 9 of the Insolvency and Bankruptcy Code, 2016, against the abovenamed Operational Debtor for the outstanding dues to the tune of Rs. 3, 47, 51,285/- (Rupees Three Crores Forty Seven Lakh Fifty One Thousand Two Hundred Eight Five Only) ("**Total Debt**") along with interest payable by the Operational Debtor to the Operational Creditor.
2. Out of the Total Debt, an amount of Rs. 1,54,01,285/- (Rupees One Crore Fifty Four Lakh One Thousand Two Hundred Eighty Five Only) is undisputed/admitted by the Operational Debtor ("**Undisputed Debt**") and an amount of Rs. 1,93,50,000/- (Rupees One Crore Ninety Three Lakh Fifty Thousand Only) is disputed by the Operational Debtor ("**Disputed Debt**"). The Operational Debtor has offered to pay (as more particularly provided herein below) to the

Operational Creditor the Undisputed Debt and adjudicate the Disputed Debt by reference to arbitration and thereby settle the matter. In good faith and with a view to settle the disputes the, Operational Creditor has agreed to settle the matter on the terms of the settlement mentioned below:

**Undisputed Debt:**

2.1. The Operational Debtor agrees and undertakes to the Hon'ble Tribunal to pay to the Operational Creditor and the Operational Creditor agrees to accept the Undisputed Debt of Rs. 1,54,01,285/- (Rupees One Crore Fifty Four Lakh One Thousand Two Hundred Eighty Five Only) without any deduction, set-off or adjustment whatsoever, in the manner mentioned below:

| <b><u>Sr.<br/>No.</u></b> | <b><u>Date of payment</u></b> | <b><u>Amount (Rs.)</u></b> |
|---------------------------|-------------------------------|----------------------------|
| 1.                        | 30.01.2018                    | 16,01,285/-                |
| 2.                        | 28.02.2018                    | 15,00,000/-                |
| 3.                        | 31.03.2018                    | 15,00,000/-                |
| 4.                        | 30.04.2018                    | 15,00,000/-                |
| 5.                        | 31.05.2018                    | 15,00,000/-                |
| 6.                        | 30.06.2018                    | 15,00,000/-                |
| 7.                        | 31.07.2018                    | 21,00,000/-                |
| 8.                        | 31.08.2018                    | 21,00,000/-                |
| 9.                        | 30.09.2018                    | 21,00,000/-                |
| <b>Total</b>              |                               | <b>1,54,01,285/-</b>       |



- 2.2. The Corporate Debtor has on execution of the present terms handed over to the Operational Creditor post-dated cheques in favour of the Operational Creditor towards payment of the Undisputed Debt, details of which are given below:

| <u>Sr.<br/>No.</u> | <u>Bank</u> | <u>Cheque<br/>No.</u> | <u>Date</u> | <u>Amount (Rs.)</u>  |
|--------------------|-------------|-----------------------|-------------|----------------------|
| 1.                 |             |                       | 30.01.2018  | 16,01,285/-          |
| 2.                 |             |                       | 28.02.2018  | 15,00,000/-          |
| 3.                 |             |                       | 31.03.2018  | 15,00,000/-          |
| 4.                 |             |                       | 30.04.2018  | 15,00,000/-          |
| 5.                 |             |                       | 31.05.2018  | 15,00,000/-          |
| 6.                 |             |                       | 30.06.2018  | 15,00,000/-          |
| 7.                 |             |                       | 31.07.2018  | 21,00,000/-          |
| 8.                 |             |                       | 31.08.2018  | 21,00,000/-          |
| 9.                 |             |                       | 30.09.2018  | 21,00,000/-          |
| <b>Total</b>       |             |                       |             | <b>1,54,01,285/-</b> |

Hereto marked and annexed as "**Annexure 1 Colly**" are copies of the said post-dated cheques handed over by the Operational Debtor to the Operational Creditor.

- 2.3. The Operational Creditor undertakes to this Hon'ble Tribunal that the aforesaid cheques shall be honoured on presentation. If any two cheques are dishonoured on presentation, the captioned application/petition shall stand admitted, without prejudice to any other rights of the Operational Creditor to initiate proceedings against the

Operational Debtor and its Directors for such dishonour of cheques and the default in payment of the debt/liability.

- 2.4. It is agreed and undertaken by the Operational Creditor that upon the aforesaid cheques being honoured in full, the Operational Creditor shall have no claim whatsoever against the Operational Debtor save and except for the claim to be referred to Arbitration with regard to the Disputed Debt.

**Disputed Debt:**

- 2.5. The parties hereby agree that in relation to the Disputed Debt of Rs. 1,93,50,000/- (Rupees One Crore Ninety Three Lakh Fifty Thousand Only), the same will be resolved by a final and binding arbitration held in accordance with the provisions of the Arbitration and Conciliation Act, 1996, as amended from time to time.

- 2.6. The parties hereby mutually agree to appoint one of the following persons in the order of preference as the Sole Arbitrator:

- 1 Advocate Mr. Arif Doctor; or
- 2 Advocate Mr. Sharan Jagtiani; or
- 3 Advocate Mr. Aditya Thakker.

- 2.7. The parties hereby mutually agree that the place, seat and legal venue of arbitration shall be Mumbai, India and the language to be used in arbitral proceedings shall be English.



- 2.8. The parties hereby mutually agree to have their dispute resolved by fast track procedure in accordance with Section 29-B of the Arbitration and Conciliation Act, 1996.
3. The undertakings of the parties are accepted by the Hon'ble Tribunal.
4. Mr. \_\_\_\_\_ (Director) is hereby authorized to sign/execute the present terms on behalf of the Operational Creditor vide board resolution dated \_\_\_\_\_.
5. Mr. \_\_\_\_\_ (Director) is hereby authorized to sign/execute the present terms on behalf of the Operational Debtor vide board resolution dated \_\_\_\_\_.
6. These Consent Terms shall form part of the order passed by the Hon'ble Tribunal in the Insolvency and Bankruptcy Application No. 1026 of 2017 filed with the National Company Law Tribunal, Mumbai Bench.

Dated: January \_\_\_\_, 2018

Madhuban Trade Steels Private  
Limited  
(Operational Creditor)

Shree Vaishnav Metal and  
Power Private Limited  
(Operational Debtor)

(Director)

(Director)

(Advocates  
Creditor)

for

Operational

(Advocates  
Debtor)

for

Operational

DSK Legal

Acuity Law