

National Company Law Tribunal

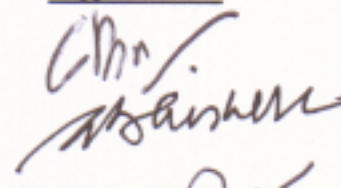
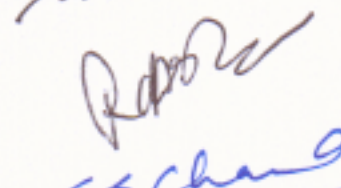
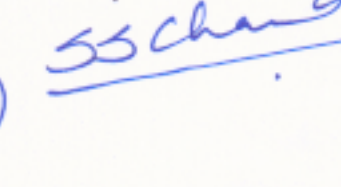
Allahabad Bench

CP NO. IB (SS) Ald / 2017 .

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF ALLAHABAD BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 30.05.2017

NAME OF THE COMPANY: LML Limited.

SECTION OF THE COMPANIES ACT: U/S 10 of I & B code 2016

<u>Sl. NO.</u>	<u>Name</u>	<u>Designation</u>	<u>Representation</u>	<u>Signature</u>
1.	MR. SUMANT BATRA,	ADV	APPLICANT	   <u>SS chandra</u>
2.	MR. ADHISHEK ANAND	ADV	APPLICANT	
3.	MR. RAKESH KUMAR	ADV	"	
4.	Ms. Sujata Chandra,	AGM, SBI	(Secured Creditor)	

Order dated : 30.05.2017CP (IB) No. 55/ Ald/ 2017 : LML Limited

1. The present Petition is filed on behalf of the Corporate Applicant/Corporate Debtor under Section 10 of Insolvency and Bankruptcy Code, 2016 read with Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.
2. The Corporate Debtor/ Applicant has submitted that total amount of Debt is **Rs. 35121.91 Lacs**, it has committed default in making payment of Principal Amount Rs. 10308.82 Lacs and interest amount of Rs. 23900.31 Lacs, which is in excess of Rs. 1,00,000/- (Rs. 1 lac) eligibility for initiation for the Corporate Insolvency Resolution Process as per the Insolvency and Bankruptcy Code, 2016.
3. Further, the Corporate Applicant/ Debtor duly submitted in the application that a written communication is received from the proposed Interim Resolution Professional whereby he has agreed to accept such appointment as Interim Resolution Professional. It is stated that there are no disciplinary proceedings pending against him.



4. Having heard Shri Sumant Batra and Shri Abhishek Anand learned Counsel for Applicant/Corporate Debtor seeking admission of the Petition and to declare Moratorium. We have gone through the contents of the Petition and perused the documents enclosed therewith. We also examined the relevant sections of Insolvency and Bankruptcy Code, 2016.
5. The order in detail is dictated separately, the operative portion of order reads as under:

“A plain reading of Section 10 reads as under:

Section 10: Initiation of corporate insolvency resolution process by corporate applicant:

1. Where a corporate debtor has committed a default, a corporate applicant thereof may file an application for initiating corporate insolvency resolution process with the Adjudicating Authority.
2. The application under sub-section (1) shall be filed in such form, containing such particulars and in such manner and accompanied with such fee as may be prescribed.
3. The corporate applicant shall, along with the application furnish the information relating to—
 - a. its books of account and such other documents relating to such period as may be specified; and
 - b. the resolution professional proposed to be appointed as an interim resolution professional.
4. The Adjudicating Authority shall, within a period of fourteen days of the receipt of the application, by an order—
 - a. admit the application, if it is complete; or
 - b. reject the application, if it is incomplete:

Provided that Adjudicating Authority shall, before rejecting an application, give a notice to the applicant to rectify the defects in his application within seven days from the date of receipt of such notice from the Adjudicating Authority.

5) The corporate insolvency resolution process shall commence from the date of admission of the application under sub-section (4) of this section."

Further the Provision of Section 14 reads as under:

Section 14 Moratorium

- (1). Subject to provisions of sub-sections (2) and (3), on the insolvency commencement date, the Adjudicating Authority shall by order declare moratorium for prohibiting all of the following, namely: —
 - a. 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;
 - b. transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
 - c. 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;
 - d. the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.
2. The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during moratorium period.
3. The provisions of sub-section (1) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

4. The order of moratorium shall have effect from the date of such order till the completion of the corporate insolvency resolution process:

Provided that where at any time during the corporate insolvency resolution process period, if the Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 or passes an order for liquidation of corporate debtor under section 33, the moratorium shall cease to have effect from the date of such approval or liquidation order, as the case may be.

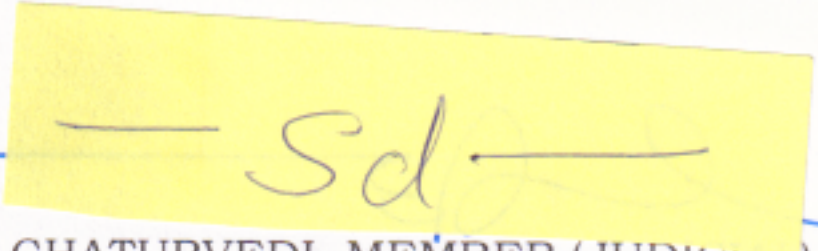
6. In view of the above stated factual and legal position of the case, we find that the corporate debtor has complied with requirement of Section 10 of the Code. In view of the above the present Application deserved to be allowed hence is allowed. We admit the petition for declaring Moratorium with Consequential Directions which are given as under:

- i. That the order of moratorium u/s 14 shall have effect from 30.05.2017 till the completion of corporate insolvency resolution process or until this Bench approves the resolution plan under subsection (1) of Section 31 or passes an order for liquidation of corporate debtor under section 33 as, the case may be.
- ii. That the Bench hereby prohibits the institution of suits or continuation of pending suit or proceedings against the corporate debtor including execution of any judgement ,decree or order in any court of law, tribunal ,arbitration panel or other authority ; transferring , encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein ; 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 SARFESI Act, 2002; the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

- iii. That the supply of essential goods or services to corporate debtor, if continuing, shall not be terminated or suspended or interrupted during the Moratorium period.
- iv. That the provisions of Section 14 sub – section (1) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- v. That this Bench hereby appoints **Mr. Anil Goel**, Registration No.: IBBI/ IPA-001/IP-00020/2016-2017/1623, Address : AAA Insolvency Professionals LLP , E- 10A , Kailash Colony, New Delhi -110048, email.id anilgoel@akgindia.in as Interim Resolution Professional to carry the functions as mentioned under Insolvency and Bankruptcy Code, 2016.
- vi. That the public announcement of corporate insolvency resolution process be made immediately as specified under Section 13 of the code and calling for submissions of claim under Section 15 of the Code.
- vii. An authentic copy of this order be issued to parties including Interim Resolution Professional after the completion of necessary formalities.

In view of the above, the Application is admitted and accordingly stand disposed of.

Dated: 30th May, 2017
Aparna Trivedi


H.P. CHATURVEDI, MEMBER (JUDICIAL)