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NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH
CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF CHENNAI BENCH, CHENNAI
NATIONAL COMPANY LAW TRIBUNAL, HELD ON 10/07/2017 AT 10.30 AM

PRESENT: SHRI Ch. MOHD SHARIEF TARIQ, MEMBER-JUDICIAL
SHRI S. VIJAYARAGHAVAN, MEMBER-TECHNICAL

APPLICATION NUMBER :
PETITION NUMBER : TCP/73/(IB)/2017
NAME OF THE PETITIONER(S) : MYLAR TRADERS
NAME OF THE RESPONDENT(S) : NAG LEATHER PVT LTD
UNDER SECTION : 433 (e)(f)

S.No.	NAME (IN CAPITAL)	DESIGNATION	SIGNATURE
		REPRESENTATION BY WHOM	

1. M. SANMEEETHA
For T. P. Prabakaran
Advocate

Counsel for Respondent M. Sankar

2. ROHAN RASASEKARAN
PREETHI. S. ARASU
for Rajagopal + Rajhunalhan
Advocates

Counsel for Petitioner

Preethi S. Arasu

IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH, CHENNAI

TCP/73/(IB)/CB/2017

Under Section 9 of the Insolvency and Bankruptcy Code 2016

In the matter of

M/s. Mylar Traders

Vs.

M/. Nag Leathers Pvt. Ltd.

Order delivered on 10th of July, 2017

CORAM :

CH MOHD SHARIEF TARIQ, MEMBER (JUDICIAL)
S. VIJAYARAGHAVAN MEMBER (TECHNICAL)

For the Petitioner(s) : Counsel Mr. Rohan Rajasekaran &
Preethi S. Arasu

For the Respondent(s): Counsel Ms. M. Sangeetha

ORDER

CH MOHD SHARIEF TARIQ, MEMBER (J)

1. Under adjudication is an application filed under Sections 9 of the Insolvency and Bankruptcy Code, 2016 (I&B Code 2016, for short) by the Operational Creditor, the detailed grounds have been referred

therein. The prayer made is to admit the application and to initiate the Corporate Insolvency Resolution Process under the I&B Code, 2016, by appointing an Interim Insolvency Resolution Professional. The present Petition has been filed by the Operational Creditor before Hon'ble High Court of Madras ~~way back~~ in December, 2016 and the same has been transferred before this Bench and renumbered as TCP/73/(IB)/CB/2017.

Heard the Counsel appearing on behalf of the Operational Creditor and Corporate Debtor and perused the Petition along with the documents placed on record. Counsel for the Corporate Debtor vehemently submitted for grant of two days but without any reason. Therefore, her submission is rejected.

2. The Applicant/Petitioner is Operational Creditor who has supplied dyes and other chemicals for processing of leather to the Respondent Corporate

Debtor. At present, the outstanding debt is Rs.50,81,943/-, with interest, it comes to Rs.90,71,755/-. The Operation Creditor at the time of filing the Petition issued statutory notice dated 20.10.2016, which is placed at page 180 of the typed set of papers to which the reply was given by the Corporate Debtor after the filing of the Petition. In the reply, it has been stated that the Operational Creditor may provide the correct accounts and the payment be made accordingly.

3. In short, the Corporate Debtor has admitted the liability to the tune of Rs.50,71,821/-, as on 01.04.2014, but failed to make payment of the outstanding debt. The Operational Creditor has also filed an Affidavit and the Bank certificate by complying with the provisions of Section 9 (3) (b) and (c) of the I&B Code, 2016. In the Affidavit, under para 6, it has been deposed that no notice has been given by the Corporate Debtor with regard to the existence of dispute pertaining to the unpaid debt. The Bank

certificate also reflects that the Corporate Debtor has not paid the outstanding debt. Therefore, TCP/73/(IB)/CB/2017 is admitted and we order the commencement of the Corporate Insolvency Resolution process which ordinarily shall get completed within 180 days, reckoning from the day this order is passed.

4. We appoint Mr. C. Ramasubramaniam, as Interim Insolvency Resolution Professional as proposed by the Operational Creditor. There is no disciplinary proceedings pending against the Interim Insolvency Resolution Professional and his name is reflected in IBBI website. The Interim Insolvency Resolution Professional is directed to take charge of the Respondent Corporate Debtor's management immediately. He is also directed to cause public announcement as prescribed under Section 15 of the I&B Code, 2016 within three days from the date the copy of this order is received, and call for submissions of claim in the manner as prescribed.

5. We declare the moratorium which shall have effect from the date of this Order till the completion of corporate insolvency resolution process, for the purposes referred to in Section 14 of the I&B Code, 2016. We order to prohibit 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 (54 of 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.

6. The supply of essential goods or services of the Corporate Debtor shall not be terminated or suspended or interrupted during moratorium period. The provisions of Sub-section (1) of Section 14 shall not apply to such transactions, as notified by the Central Government.

7. The Interim Resolution Professional shall comply with the provisions of Sections 13 (2), 15, 17 & 18 of the Code. The directors of the Corporate Debtor, its promoters or any person associated with the Management of the Corporate Debtor is expected to extend all assistance and cooperation to the Interim Resolution Professional as stipulated under Section 19 and for discharging his functions under Section 20 of the I&B Code, 2016. Accordingly, the application is admitted.

8. The Registry is directed to inform the Insolvency Resolution Professional to take charge of the entity and make compliance with this Order as per the provisions of I&B Code, 2016.

9. The Registry is directed to communicate this Order to the Operational Creditor and the Corporate Debtor. The address details of the Interim Resolution Professional are as follows: -

Mr. C. Ramasubramaniam,
Insolvency Resolution Professional
IP Registration No.IBBI/IPA-002/IP-N00052/2016-
2017/10096,
'SRINIDHI' G4 RMC Flats
No.1 Venkatesapuram Colony,
Vadapalani, Chennai – 600 026.

S. Vijayaraghavan

S. VIJAYARAGHAVAN
MEMBER (T)

PAM

CH. MOHD SHARIEF TARIQ
CH. MOHD SHARIEF TARIQ
MEMBER (J)