

**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH, DELHI  
COURT- III**

**IB-921(ND)/2020** filed under Section 7 of IBC, 2016  
R/w Rule 4 of Insolvency and Bankruptcy  
(Application to Adjudicating Authority) Rules, 2016

*In the Matter of M/s. Gem Batteries Private Limited*

RBL BANK LIMITED

.....FINANCIAL CREDITOR

V/S

M/S. GEM BATTERIES PRIVATE LIMITED

...CORPORATE DEBTOR

*Order Delivered on 1<sup>st</sup> of December, 2020*

Coram:

**CH. MOHD SHARIEF TARIQ, Member (Judicial)**

**Shri NARENDER KUMAR BHOLA, Member (Technical)**

*For Financial Creditor:* Mr. Kunal Tondon, Mr. Chetan Roy,  
Mr. Surendra Kumar, Mr. Shahank Shekher,  
Mr. Richa Sandilya, Ronnie S. Brara,  
Mr. Rishabh Gupta, Mr. Anmandeep Singh (Advocates)

CORPORATE DEBTOR : *EX-PARTE-on 28.10.2020.*

**ORDER**

(through Video Conferencing)

1. The Ld. Counsel for the Financial Creditor is present. The corporate debtor is already proceeded *ex-parte*. The Applicant i.e., RBL Bank Limited has filed the present application under Section 7 of Insolvency and Bankruptcy Code, 2016

(hereinafter referred as "IBC, 2016/Code") R/w Rule 4 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 to initiate Corporate Insolvency Resolution Process (hereinafter referred as "CIR Process") against the Corporate Debtor namely *Gem Batteries Private Limited*, declare moratorium and appoint Interim Resolution Professional (hereinafter referred as "IRP").

2. It is submitted by the Ld. Counsel for the Financial Creditor that loan facility amounting to Rs.5.50 Crores was extended to the Corporate Debtor on 28.04.2012. The credit facilities were renewed from time to time and lastly extended vide sanction letter dated 15.02.2016 for an aggregate amount of Rs. 14.50 Crores. The outstanding shown is Rs. 18,17,49,217.10 as on 31.01.2020 along with future interest @ 10.70 p.a. + 2% penal interest. It is on record that the account of the Corporate Debtor was declared as NPA on 31.05.2017 and the petition has been filed on 20.03.2020 which is within the period of limitation.
3. In support of the claim the Financial Creditor has placed on record the credit facility agreement dated 04.05.2012, Composite deed of hypothecation dated 04.05.2012, Demand Promissory Notes dated 04.05.2012, Agreement for Irrevocable Documentary Letter of Credit dated 04.05.2012, Personal guarantee dated 04.05.2012 and other documents executed on behalf of the Corporate Debtor. The documentary evidence placed on record is supporting the contents of the application filed under Section 7 of IBC, 2016 and sufficient to ascertain the default on the part of the Corporate Debtor.
4. The Financial Creditor has proposed the name of the Resolution Professional viz., *Mr. Chandra Prakash*. The Form-2 is placed on record which shows that no inquiry and investigation is pending against the proposed Resolution Professional. Therefore, the applicant has fulfilled all the requirements as per the provisions of Section 7 of IBC, 2016.
5. In the light of the above, this Authority is inclined to admit the application. Therefore, the Application is **admitted**, and the CIR Process is initiated against the Corporate Debtor w.e.f. the date of this Order. The Applicant has proposed the name of the Interim Resolution Professional therefore, we appoint **Mr. Chandra Prakash** as IRP in the matter, who is directed to make the public announcement within three days

from the date of receipt of the copy of this Order and make compliances with other provisions of the code to make progress in the CIR Process, as prescribed.

6. The IRP is directed to take control of the assets and bank accounts of the Corporate Debtor expeditiously and the notice shall be sent to the Managers of the Banks where the accounts of the Corporate Debtor are being operated for information that CIR Process is initiated against the Corporate Debtor and no withdrawal shall be allowed through the authorize signatory of the Corporate Debtor. The IRP shall be entitled to operate Bank accounts of the Corporate Debtor.

7. The CIR Process shall be completed within a period of one hundred and eighty days from the date of admission of the application. The IRP/RP could file an application before this Authority to extend the period of the CIRP beyond one hundred and eighty days, if instructed to do so by the committee of creditors through a resolution passed with sixty-six per cent of the voting share.

8. The Moratorium is declared which shall have effect from the date of this Order till the Completion of CIRP, for the matters referred in Section 14 of the IBC, 2016. It is ordered to prohibit all the following namely:

(a) The institution of suits or continuation of pending suits 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.

(b) Transferring, encumbering, alienating, or disposing off 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.

9. 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. The provisions of Sub-Section (1) of Section 14 shall not apply to such transactions, as notified by the Central Government.

10. The IRP shall comply with the provisions of Section 13 (2), 15,17 & 18 of IBC, 2016. The personnel of the corporate debtor, its promoters or any other person associated with the management of the corporate debtor are directed to extend all assistance and cooperation to the IRP as may be required by him in managing the affairs of the corporate debtor as stipulated under Section 19. So that he could discharge his functions under Section 20 of IBC, 2016.

11. The Financial Creditor is directed to send the copy of this Order to IRP, so that he could take charge of the Corporate Debtor's assets etc., and make compliance with this Order as per the provisions of the Code. The details of IRP are as under:

Name: **Mr. Chandra Prakash**

Registration No.: IBBI/IPA-002/IP-N00660/2018-2019/12023.

Address: 58-B, Pocket-4, Mayur Vihar, Phase - I

E-mail ID: cppumba2409@gmail.com

Mobile No: 9310403033.

12. The Registry is directed to communicate this Order to the Financial Creditor, Corporate Debtor with immediate effect.

13. The Order is dictated and pronounced through video conferencing.



**NARENDER KUMAR BHOLA**  
Member (Technical)



**CH. MOHD SHARIEF TARIQ**  
Member (Judicial)