

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT-II**

CP (IB) 3484/MB/C-II/2019

Under section 7 of the Insolvency and
Bankruptcy Code, 2016

In the matter of

**Indiabulls Consumer Finance
Limited**

[CIN: U74899DL1994PLC062407]

M-62 & 63, First Floor, Connaught
Place, New Delhi – 110001.

...Financial Creditor/Petitioner

Versus

**Apollo Soyuz Electricals Private
Limited**

[CIN: U31100MH1997PTC106456]

EL – 74/75, Electronic Zone Mahape
Navi Mumbai 400701

...Corporate Debtor/Respondent

Order Delivered on 12.07.2021

Coram:

Hon'ble Member (Judicial) : Mr. Ashok Kumar Borah
Hon'ble Member (Technical) : Mr. Shyam Babu Gautam

Appearances:

For the Financial Creditor : Ms. Suyesha Kakarla, Advocate
i/b M/s Apex law Partners.
For the Corporate Debtor : Mr. Monoj Harit, Advocate.

ORDER

Per: Shyam Babu Gautam, Member

1. This is a Company Petition filed under section 7 (“**the Petition**”) of the Insolvency and Bankruptcy Code, 2016 (**IBC**) by **Indiabulls Consumer Finance Limited** (“the Financial Creditor”), seeking to initiate Corporate Insolvency Resolution Process (CIRP) against **Apollo Soyuz Electricals Private Limited** (“the Corporate Debtor”).
2. The Corporate Debtor is a Private company limited by shares and incorporated on 10.03.1997 under the Companies Act, 1956, with the Registrar of Companies, Maharashtra, Mumbai. Its Corporate Identity Number (CIN) is U31100MH1997PTC106456. Its registered office is at EL – 74/75, Electronic Zone Mahape Navi Mumbai 400701. Therefore, this Bench has jurisdiction to deal with this petition.

Submissions made by Financial Creditor by way of Application/Petition:

3. The Corporate Debtor approached the Financial Creditor for availing business Loan facilities. Subsequently, after accepting the request of the Corporate Debtor, Loan Agreement was executed by and between the parties vide loan agreement dated 22.06.2017 for Rs.30,30,000/- (Rupees Thirty Lakhs Thirty Thousand Only).

As per the Loan Agreement, facility under the said Loan Agreement was repayable in 36 Equated Monthly Instalment.

4. The Corporate Debtor committed breach of the Loan Agreement *inter alia* by making defaults in payment of the monthly as per the repayment schedule due and payable by the Corporate Debtor to the Financial Creditor as per the repayment schedule. Date of default 05.01.2018.
5. The Financial Creditor stated that the total amount due under agreement dated 22.06.2017, as on 20.08.2019 is Rs.30,78,933/- (Rupees Thirty Lakh Seventy-Eight Thousand Nine Hundred Thirty Three Only).
6. The Financial Creditor in furtherance of his claim annexed following documents:
 - i. Copy of Loan Agreement dated 22.06.2017
 - ii. Copy of Statement of Account
 - iii. Copy of Arbitral Award passed against Corporate Debtor
 - iv. Copy of Loan Recall Notice

Submissions made by the Advocate of Corporate Debtor by way of Affidavit in Reply:

7. Counsel Adv. Monoj Harit, appeared from the side of the Corporate Debtor on the date of final hearing of this Petition.

Submitted that the Corporate Debtor had not filed any formal reply in this matter. Counsel upon the instructions from the Corporate Debtor accepts the liability further submits that they are not in position to repay as company is not carrying on any business operation.

8. We have heard the arguments of Financial creditor and Corporate Debtor and perused the records.
9. It is noted from the submissions from counsel dated 02.07.2021 that the Corporate Debtor has admitted the liability. The Corporate Debtor further submits that it is not in a position to repay the debt. These submissions establish the existence of debt and default.
10. Upon perusal of records, this Bench is of the considered opinion that there is no dispute regarding the Corporate Debtor having availed the Loan facility from the Financial Creditor.
11. The Financial Creditor has proposed the name of **Mr. Sanjay Kumar Lalit**, Registration No. IBBI/IPA-002/IP-N00760/2018-2019/12370, as the Interim Resolution Professional of the Corporate Debtor. He has filed his written communication in Form 2 as required under rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 along with a copy of his Certificate of Registration.

12. The application made by the Financial Creditor is complete in all respects as required by law. It clearly shows that the Corporate Debtor is in default of a debt due and payable, and the default is in excess of minimum amount of one lakh rupees stipulated under section 4(1) of the IBC. Therefore, the debt and default stands established and there is no reason to deny the admission of the Petition. In view of this, this Adjudicating Authority admits this Petition and orders initiation of CIRP against the Corporate Debtor.
13. It is, accordingly, hereby ordered as follows: -
- (a) The petition bearing **CP (IB) 3484/MB/C-II/2019** filed by **Indiabulls Consumer Finance Limited**, the Financial Creditor, under section 7 of the IBC read with rule 4(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against **Apollo Soyuz Electricals Private Limited [CIN: U31100MH1997PTC106456]**, the Corporate Debtor, is **admitted**.
- (b) There shall be a moratorium under section 14 of the IBC, in regard to the following:
- (i) 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;

- (ii) Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
 - (iii) 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 (Sarfaesi) Act, 2002;
 - (iv) The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.
- (c) Notwithstanding the above, during the period of moratorium:-
- (i) The supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period;
 - (ii) That the provisions of sub-section (1) of section 14 of the IBC shall not apply to such transactions as may be notified by the Central Government in consultation with any sectoral regulator;
- (d) The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating

Authority approves the resolution plan under sub-section (1) of section 31 of the IBC or passes an order for liquidation of Corporate Debtor under section 33 of the IBC, as the case may be.

- (e) Public announcement of the CIRP shall be made immediately as specified under section 13 of the IBC read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- (f) **Mr. Sanjay Kumar Lalit**, Registration No. IBBI/IPA-002/IP-N00760/2018-2019/12370, having address at 207, United Business Park 2nd Floor, Behind Old Passport Office, Road No. 11, Wagle Estate, Thane (W), Mumbai - 400604 [email: jupiter.legal@yahoo.in], is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the IBC. The fee payable to IRP or, as the case may be, the RP shall be compliant with such Regulations, Circulars and Directions issued/as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the IBC.
- (g) During the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of section 17 of the IBC. The officers and managers of

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the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within a period of one week from the date of receipt of this Order, in default of which coercive steps will follow.

- (h) The Financial Creditor shall deposit a sum of Rs.2,00,000/- (Rupees Three Lakhs only) with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to approval by the Committee of Creditors (CoC).
- (i) The Registry is directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by Speed Post and email immediately, and in any case, not later than two days from the date of this Order.
- (j) A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai, for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court **within seven days** from the date of receipt of a copy of this order.

Sd/-

SHYAM BABU GAUTAM
Member (Technical)

12.07.2021
SAM

Sd/-

ASHOK KUMAR BORAH
Member (Judicial)