NATIONAL COMPANY LAW APPELLATE TRIBUNAL NEW DELHI

Company Appeal (AT) (Insolvency) No. 104 of 2019

IN THE MATTER OF:

Committee of Creditors of M/s. Xalta Food and Beverages Pvt. Ltd.

...Appellant

Versus

Ms. Prerna Singh

...Respondent

Present: For Appellant: Mr. Brijesh Kumar Tamber, Advocate

ORDER

The 'Corporate Debtor' (Company) is situated in a rented premises for which rent of every month is liable to be paid. The 'Resolution Professional' has moved the matter before the 'Committee of Creditors' but they disallowed the payment of rent. In this background, when the matter was brought to the notice of the Adjudicating Authority (National Company Law Tribunal), New Delhi Bench, the Adjudicating Authority directed the 'Committee of Creditors' to pay the rent w.e.f. 1st December, 2018 or make suitable arrangements in the alternative. Learned counsel appearing on behalf of the appellant (Committee of Creditors) submitted that the outstanding dues is Rs. Two crores and the security lying with the landlord is of Rs. 3.4 Crores. However, such argument cannot be accepted in view of the order of the moratorium. The landlord cannot negotiate the security amount nor can adjust the payment. With regard to the current rent as Section 14 moratorium is not applicable, we are of

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the view that Adjudicating Authority has rightly directed the parties to pay rent

w.e.f. 1st December, 2018 or make suitable arrangements in the alternative.

Learned counsel appearing on behalf of the appellant submits that some more

time may be given to pay the rent. We accordingly allow the appellant to pay the

rent w.e.f. 1st December, 2018 and onwards i.e. up to the date of moratorium.

Rent of December, 2018 be paid by 15th February, 2019. Rent for the month of

January, 2019 be paid by 28th February, 2019. Thereafter the rent for each

month should be paid by 15th of next month.

With the aforesaid observations, while we condone five days delay in

preferring the appeal, the appeal stands disposed of with the aforesaid

observations and directions. No cost.

[Justice S.J. Mukhopadhaya] Chairperson

[Justice Bansi Lal Bhat] Member (Judicial)

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