In the National Company Law Tribunal
Kolkata Bench
Kolkata

CORAM: Shri Madan B. Gosavi, Member (Judicial)
Shri Virendra Kumar Gupta, Member(Technical)

CP(IB)No.644/KB/2019

In the matter of:

An application for initiation of Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016;

-And-

In the Matter of:

Indiabulls Consumer Finance Limited (Formerly IVL Finance Limited), a not-banking financial company incorporated under the provisions of the Companies Act, 1956 having its registered office at M-62 & 63, First Floor, Connaught Place, New Delhi-110001.

……..Financial Creditor

In the Matter of:

Aawrun Furnishings Man-tra Pvt. Ltd., a company having its registered office at AH-51, Krishnapur Road Ganapati Park, Block-A, Flat No.4h Kolkata-700102.

…….. Corporate Debtor

Counsels appeared:

For Financial Creditor

1. Mr. Debasish Chakrabarti, Advocate
2. Trish Saha, Advocate

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Date of pronouncement of order: 21ST October, 2019.

ORDER

Per Shri M.B. Gosavi, Member (J):

1. **Indiabulls Consumer Finance Limited** (Financial Creditor) filed this application under Section 7 of Insolvency and Bankruptcy Code, 2016 against **M/s Aawrun Furnishing Man-tra Private Limited** (Corporate Debtor) to start Corporate Insolvency Resolution Process (in short "CIRP") of the Corporate Debtor as the Corporate Debtor committed default in paying financial debt of Rs. 38,04,149/- (Rupees Thirty Lakh Four Thousand One Hundred and Forty-Nine Only).

2. The following facts are not in dispute.

2.1. On 10.05.2018, the Financial Creditor granted and disbursed a loan of Rs. 40 Lakhs in favour of the Corporate Debtor. The loan was repayable by equitable monthly installments including interest. The Corporate Debtor committed default in paying loan installment. Last default took place on 05.03.2019. The loan agreement permits the Financial Creditor to recall loan in case of one default. Hence, this application is filed to start CIRP of the Corporate Debtor.

2.2. Financial Creditor suggested name of on Mr. Shashi Agarwal, having registration no. IBBI/IPA-001/IP-P00470/2017-2018/10813for appointment as the Interim Resolution Professional against whom no disciplinary proceeding is pending.

3. The Corporate Debtor is served with the notice of this application. One of the directors of the Corporate Debtor, Mr. Arvind Bhawsinghka appeared on behalf of the Corporate Debtor and filed affidavit-in-reply dated 20.08.2019. The Corporate Debtor admitted the debt and default and also, they contended that time and again they have

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requested the Financial Creditor to restructure the loan but their request was not acceded to.

4. It appears to us that the Corporate Debtor admitted the debt to be payable to the Financial Creditor and it is default on their part. These are only facts being considered for admission of the Corporate Debtor in CIRP under Section 7 of I & B Code, 2016. The application is defect free. Hence we pass the following order.

ORDER

i) The application filed by the Financial Creditor under section 7 of the Insolvency & Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process against the Corporate Debtor, **M/s Aawrun Furnishings Mantra Private Limited**is hereby admitted.

ii) I declare a moratorium and public announcement in accordance with Sections 13 and 15 of the IBC, 2016.

iii) Moratorium is declared for the purposes referred to in Section 14 of the Insolvency & Bankruptcy Code, 2016. The IRP shall cause a public announcement of the initiation of Corporate Insolvency Resolution Process and call for the submission of claims under Section 15. The public announcement referred to in clause (b) of sub-section (1) of Section 15 of Insolvency & Bankruptcy Code, 2016 shall be made immediately.

iv) Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016 prohibits the following:

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;

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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 Securitization 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.

v) The supply of essential goods or services to the corporate debtor as may bespecified shall not be terminated, suspended, or interrupted during moratorium period.

vi) 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.

vii) The order of moratorium shall have effect from the date of admission till the completion of the corporate insolvency resolution process.

viii) 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.

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ix) Necessary public announcement as per Section 15 of the IBC, 2016 may be made.

x) Mr. Shashi Agarwal, having registration no. IBBI/IPA-001/IP-P00470/2017-2018/10813, residing at 21N, Block-A, New Alipore, Kolkata-700053, email id- shashiagg@rediffmail.com, is appointed as Interim Resolution Professional for ascertaining the particulars of creditors and convening a Committee of Creditors for evolving a resolution plan.

xi) The Financial Creditor to pay sum of Rs. 50,000/- (Rupees Fifty Thousand Only) to IRP as advance fees as per Regulation 33(2) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation 2016 which shall be adjusted from final bill.

xii) The Resolution Professional shall conduct CIRP in time bound manner as per Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016.

xiii) Registry is hereby directed under section 7(7) of the I.B.Code, 2016 to communicate the order to the Financial Creditor, the Corporate Debtor and to the I.R.P. by Speed Post as well as through e-mail.

List the matter on **05.12.2019**for the filing of the progress report.

Certified copy of the order may be issued to all the concerned parties, if applied for, upon compliance with all requisite formalities.

Sd 21/10/19

(Virendra Kumar Gupta)
Member(T)

Sd 21/10/2019

(Madan.B. Gosavi)
Member(J)

Signed on this, the 21st day of October, 2019.

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