IN THE NATIONAL COMPANY LAW TRIBUNAL

MUMBAI BENCH

CP (IB) 3179/MB/2019

Under Section 7 of the I&B Code, 2016

In the matter of

Stepping Stone Financial Services Pvt. Ltd.,

D- 612, International Trade Centre, Majura Gate, Surat, Gujarat- 395002

… Petitioner

V/s

Pacific Multi- Commodity Limited,

419B, 4th Floor, Plot No. 21, Panchratna, Mama Parmanand Marg, Opera House, Girgaon, Mumbai- 400004

… Corporate Debtor

Order delivered on: 02.01.2020

Coram:

Hon'ble Smt. Suchitra Kanuparthi, Member (J)
Hon'ble Shri V. Nallasenapathy, Member (T)

For the Petitioner: Mr. Harsh Kesharia Adv.
For the Corporate Debtor: Ms. Raina Birla Adv.

Per: Suchitra Kanuparthi*, Member (Judicial)*

ORDER

1. Stepping Stone Financial Services Pvt. Ltd. (hereinafter called 'Petitioner') has sought the Corporate Insolvency Resolution Process against Pacific Multi- Commodity Limited (hereinafter called the

'Corporate Debtor') on the ground that the Corporate Debtor committed default to the extent of ₹42,55,000/-, as provided under Section 7 of Insolvency and Bankruptcy Code, 2016 (hereafter called the 'Code') read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

2. The Petitioner company disbursed an amount of ₹1,15,00,000/- under the loan agreement dated 15.04.2018. It was agreed that an interest @12% per annum will be payable on the principal. The agreed term for the loan would start for the effective and shall continue till the repayment date as specified by the lender in the demand notice/ demand call.

3. The Petitioner enclosed the ledger account which states that an amount of ₹42,55,000/- is due and payable as on 01.06.2019. The Petitioner had issued for default for a payment of ₹42,55,000/- dated 04.06.2019 and called upon the payment of the said sum within 15 days. The Corporate Debtor/Respondent vide their letter dated 29.05.2019 and stated has follows:

"To,

Stepping Stone Financial Services Pvt. Ltd.
D- 612, International Trade Centre,
Majura Gate, Surat, Gujarat- 395002

Sub; Reply to your letter dated May 4, 2019

Dear Sir,

We are in receipt of your letter dated May 4, 2019, for release the Interest Component.

We have discussed many times and again we would like to state that our company is in very much financial crunch and you know how we managed to repay your principal amount.

It's a request that kindly waive off the Interest amount as we are not in a condition pay the said amount.

Thanking you,

Yours faithfully,

For and on behalf of
Pacific Multi-Commodity Limited

Sunil Bhandari
Director"

4. The Corporate Debtor filed the reply and submitted that pursuance to the default of ₹42,55,000/- they have agreed to settle the total outstanding dues for a lumpsum an amount of ₹40,00,000/- and thereby issued a cheque no.4011 dated 04.11.2019 amounting to ₹10,00,000/- and agreed to pay the balance amount in tranches of ₹10,00,000/- in the first week of December and ₹20,00,000/- in the first week of January.

5. During the course of hearing on 27.11.2019, the counsel for the Petitioner furnished a copy of the cheque dated 14.11.2019 amounting to Rs. 10,00,000/-, the same was dishonoured due to the insufficiency of funds on 15.11.2019.

6. The counsel for the Corporate Debtor sought further time and expressed the inability of the Corporate Debtor to honour the commitment as per the settlement terms.

7. Hence, it can be said that there is a default of payment of ₹42,55,000/- on the part of the Corporate Debtor and therefore, the petition deserves admission.

8. This Adjudicating Authority is of the view that the Corporate Debtor defaulted in repaying the loan availed and also placed the name of the Insolvency Resolution Professional to act as Interim Resolution Professional and there being no disciplinary proceedings pending against the proposed resolution professional, therefore the

Application under sub-section (2) of Section 7 is taken as complete, accordingly this Bench hereby admits this Petition prohibiting all of the following of item-I, namely:

I. (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 (SARFAESI Act);

(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.

II. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.

III. That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

IV. That the order of moratorium shall have effect from 02.01.2020 till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, as the case may be.

V. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under Section 13 of the Code.

VI. That this Bench hereby appoints, Mr. Manoj Kumar Jain, having office 11, Friend's Union Premises Co-Operative Society ltd, 2nd floor, 227, P.D Mello Road, Beside Manama Hotel, Opp. St. George Hospital Mumbai-400001 having Registration No. IBBI/IPA-001/IP-P00535/2017-2018/10960 having emailid manojj2102@gmail.com as Interim Resolution Professional to carry the functions as mentioned under Insolvency & Bankruptcy Code.

9. The Registry is hereby directed to communicate this order to both the parties and the Interim Resolution Professional immediately.

Sd/-	Sd/-
V. Nallasenapathy Member (T)	Suchitra Kanuparthi Member (J)