

**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD  
COURT 1**

CP(IB) 213/7/NCLT/AHM/ 2018

Coram: Hon'ble Mr. HARIHAR PRAKASH CHATURVEDI, MEMBER (JUDICIAL)  
Hon'ble Mr. PRASANTA KUMAR MOHANTY, MEMBER (TECHNICAL)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF THE NATIONAL COMPANY LAW TRIBUNAL ,  
AHMEDABAD BENCH ON 02.06.2020**

Name of the Company: Bank of India  
V/s  
May Fair Leisures Ltd

Section: Section 7 of Insolvency & Bankruptcy Code

S.NO.	NAME (CAPITAL LETTERS)	DESIGNATION	REPRESENTATION	SIGNATURE
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**ORDER**

The case is taken up through video conferencing.

The case is fixed for pronouncement of order today.

The order in detail is recorded vide separate sheet.

  
(PRASANTA KUMAR MOHANTY)  
MEMBER (TECHNICAL)

  
(HARIHAR PRAKASH CHATURVEDI)  
MEMBER (JUDICIAL)

Dated this the 2nd June,, 2020

**BEFORE THE ADJUDICATING AUTHORITY  
(NATIONAL COMPANY LAW TRIBUNAL)  
AHMEDABAD BENCH  
AHMEDABAD**

**C.P. (I.B.) No. 213/7/NCLT/AHM/2018**

**Coram: Hon'ble Mr. Harihar Prakash Chaturvedi, Member (Judicial)  
Hon'ble Mr. Prasanta Kumar Mohanty, Member (Technical)**

**In the matter of:**

M/s. Bank of India,  
Having its registered office at:  
Bandra Kurla Complex, Star House,  
C-5, G Block, Bandra (E),  
Mumbai – 400051,  
Branch office:  
Ahmedabad Large Corporate Branch,  
2<sup>nd</sup> Floor, Bank of India Building,  
Bhadra, Ahmedabad – 380001.

**..... Petitioner/ Financial Creditor**

**Versus**

M/s. Mayfair Leisures Ltd.  
5/12, "Essen House,"  
B.I.D.C. Gorwa,  
Vadodara – 390016,  
Gujarat, India.

**.....Respondent/ Corporate Debtor**

**Appearance:**

Mr. Ketan M. Parikh for the Petitioner.  
None for the Respondent.

**Order delivered on 2<sup>nd</sup> June, 2020.**



**ORDER**

**[Per: Mr. Harihar Prakash Chaturvedi, Member (Judicial)]**

1. The present I.B. Petition is preferred by the Petitioner/ Financial-Creditor **M/s. Bank of India** under **Section 7** of the Insolvency and Bankruptcy Code, 2016 (herein after referred to as a "Code"), seeking initiation of Corporate-Insolvency-Resolution-Process ("CIRP" in Short) in respect of the Corporate-Debtor-Company namely, **M/s. Mayfair Leisures Ltd.** The Petitioner/ Financial Creditor, Bank of India (BOI) is a Bank, incorporated under the provisions of the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970. The application has been filed by the duly authorised officer **Mr. Priyaranjan Kumar, Chief Manager, Bank of India** Ahmedabad Large Corporate Branch, Ahmedabad. The Petitioner is having its registered office at: Bandra Kurla Complex, Star House, C-5, G Block, Bandra (E), Mumbai – 400051 and Branch office at: Ahmedabad Large Corporate Branch, 2nd Floor, Bank of India Building, Bhadra, Ahmedabad – 380001.
2. The Respondent/Corporate-Debtor-Company, namely M/s. Mayfair Leisures Ltd. was incorporated on 07.12.2011 with CIN: U55101GJ2011PLC068108. As submitted, the authorised share capital of the company is Rs.10,00,00,000/- (Rupees Ten Crore only) divided

into 1,00,00,000 (one crore) equity shares of Rs.10/- (Rs.Ten) each. The issued, subscribed and paid up share capital is Rs.10,00,00,000/- (Rupees Ten Crore only) divided into 1,00,00,000 (One Crore) equity shares of Rs.10/- (Rs.Ten). As mentioned in the Memorandum of Association, the Respondent Company is engaged in the business of hotels, resorts and restaurant related business.

3. It is submitted in the Memorandum of Association that the Directors of the Respondent Company are **Madhurilata Suresh Bhatnagar, Mona Amit Bhatnagar, Richa Sumit Bhatnagar and Rajesh Mohan Nimkar.**

The Respondent/ Corporate-Debtor-Company is situated at: 5/12, Essen House, B.I.D.C., Gorwa, Vadodara - 390016, Gujarat.

4. It is submitted that the Respondent/ Corporate Debtor had passed a resolution in its meeting dated 07.11.2012 and thus proposed to avail credit facility of Rs.63.00 crores for the purpose of building , developing a five star hotel it approached the Petitioner. The minutes of meeting of the Board of Corporate Debtor are annexed with the present petition as Annexure -I, (page 115).

5. The said Term Loan was required to be repaid in 26 quarterly instalments of **Rs.2.425 Crores** each, which



commenced from December 2015. The Petitioner duly has annexed copies of Registered Memorandum of entry dated 10.12.2012 executed by and between the Respondent and with the Petitioner Bank BOI Consortium, registered at Sr. No. 14067 dated 10.12.2012 with SRO/Akola as Annexure I/6.

6. As per the details submitted by the Petitioner in Form I, part – IV, the total outstanding is tabulated as under:

Principal O/s. amount as on 30.04.2016 classified as NPA	Rs.63,76,18,596.50
Interest up to 30.04.2018	Rs.20,48,73,814.59
Penalty up to 30.04.2018	Rs.2,30,54,038.03
Recovery made by Bank up to 30.04.2018 after NPA date	Rs.9,57,00,000.00
Total Outstanding amount payable as on 30.04.2018	Rs.76,98,46,449.12

7. In response to the present petition, the Respondent/ Corporate Debtor has filed an additional affidavit in reply by opposing the admission of the present petition, wherein, it has submitted that he was having correspondence with the Petitioner Bank for restructuring of loan disbursed which has not been brought to the notice of this Court and the debt has not been crystallised and there arises some dispute. Thus,

the Corporate Debtor initially opposed the admission of the present petition and submitted that it has submitted a settlement proposal to the Bank to the extent of Rs.76,98,46,190/- without prejudice to its right of contentions. However, the Bank has not yet replied, which means that the Petitioner has conceded with this fact that he applied for the loan and the Bank of India sanctioned the term loan it was disbursed to the Corporate Debtor. Therefore, the Corporate Debtor made settlement proposal for restructuring such loan.

8. During the course of hearing, the Corporate Debtor filed subsequent additional affidavit in this Court on 17.12.2019 and submitted that the Corporate Debtor has been informed through email communication dated 19.09.2019 about its outstanding amount of Rs.54,19,18,596.50 paisa as on 30.01.2019.
9. Thus, after reconciliation of the amount, the Corporate Debtor has shown his loyalty to pay the such amount within i.e. three months from the date when the attachment on the property of the Corporate Debtor as lifted by the **Enforcement Directorate** and the property is made free from the encumbrance, if, any, and its sale is allowed to clear of the dues of the Financial Creditor.



The le.. portion of above referred additional affidavit of the Corporate Debtor is reproduced herein below:

*“2. I submit that the Corporate Debtor was informed by the financial creditor by an email dated 9/9/2019 about their outstanding amount as on 31/3/2019 was Rs.54,19,18,596.50. However, after reconciliation of the accounts if the amount is so claimed in the form 1 of the said petition is True and in Compliance to Sanction letter & Loan agreement, the Corporate Debtor is willing to pay the said amount within 3 months from the date where the attachment of the Enforcement Directorate is lifted and the property is free of all encumbrances if any for sale & the sale is permitted subject to clearance of all dues to Financial Creditor.*

*3. I submit that the Corporate Debtor is ready and willing to pay the entire amount and in this development the Corporate Debtor shall be given opportunity for the same as the property is even otherwise attached with the Enforcement Directorate and therefore if the attachment is lifted as even prayed by the Financial Creditor before the Appellate Authority of PMLA.”*

10. We considered the averments made by the Petitioner and the Corporate Debtor in the subsequent circumstances and it is clearly established that the Corporate Debtor has admitted its loan liability to the extent of Rs.54,19,18,596.50 and is willing to pay such amount conditionally that the Enforcement Directorate to lift its attachment from the property of the Corporate Debtor by other Financial Creditors.

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11. By taking in to consideration the above given facts and circumstances of the present case, it is evident that the debt is well established and the default has been occurred. Such loan was sanctioned by in the year 2012 as per the documents annexed with the present I.B. Petition and the loan was classified as NPA on 30.04.2016 by the Bank as date of default. While, the present I.B. Petition is filed on 29.05.2018. Hence, it is found to be filed well within the limitation.
12. Further, the Financial Creditor has also furnished the details of and necessary particulars about Insolvency Professional Mr. Chandra Prakash Jain as an I.R.P. if the present petition is admitted. Therefore, the present I.B. Petition is found complete and deserves for admission.
13. Therefore, the present IB petition is admitted with following observations/ Orders /Directions:
14. Hence, this Adjudicating Authority hereby appoints **Mr. Chandra Praksah Jain**, having Insolvency Professional Registration No. **IBBI/IPA-001/IP-P00147/2017-18/10311**, Email ID: **jain\_cp@yahoo.com**, Resi. Ph. (N/A), Mobile No. **9825036127**, Address: **D-501, Ganesh Meridian, Opp. Gujarat High Court, Ahmedabad - 380060** as an **Interim-Resolution-Professional**. The

Interim-Resolution-Professional is further directed to make public announcement of moratorium in respect of Corporate-Debtor-Company soon after receipt of an authenticated copy of this order and to act further as per the order/direction issued by this Adjudicating-Authority and to follow the provisions Section 13 and 14 and relevant provisions of the Insolvency and Bankruptcy Code.

15. As per the provisions of Section 13 and 14 of the I.B. Code on the date of commencement of insolvency, this adjudicating authority declares moratorium for prohibiting all of the following, namely: -

*I.(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 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 (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.*

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

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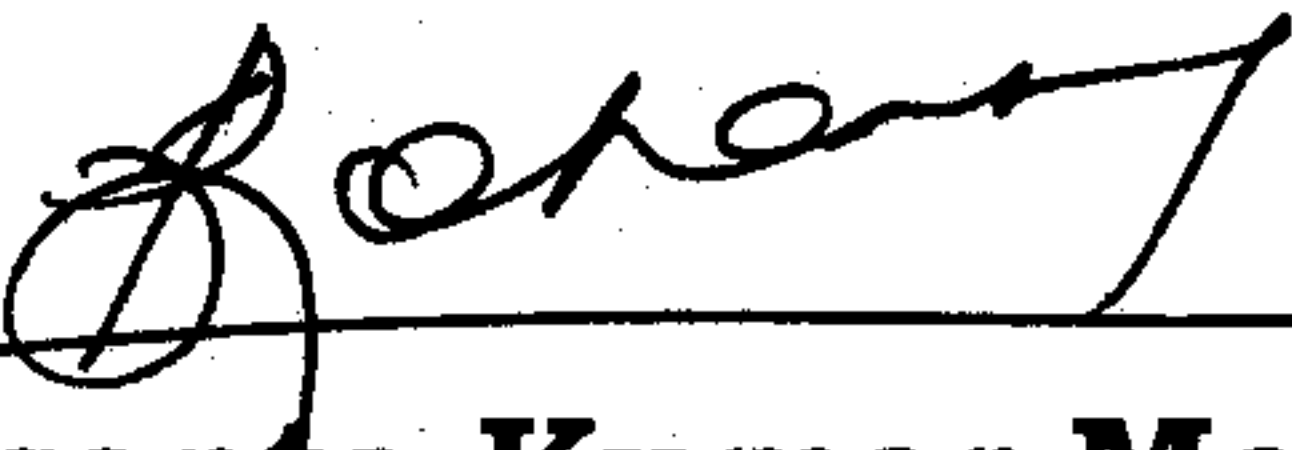
III. *The provisions of sub-section*


*(a) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.*

*(b) a surety in a contract of guarantee to a corporate debtor.*

IV. *The order of moratorium shall have effect from the date of such order till the completion of the corporate insolvency resolution process.*

16. The Petitioner/Corporate-Debtor has suggested the name of a proposed Insolvency Professional, in case, if this petition is allowed.
17. An authentic copy of this order to be communicated by the Petitioner as well as by this Registry to the Corporate-Debtor-Company, as well as to the Interim-Resolution-Professional and the Registrar of Companies at the earliest.
18. The present IB-Petition is admitted accordingly.

  
**(Prasanta Kumar Mohanty)**  
Adjudicating Authority &  
Member (Technical)

  
**(Harihar Prakash Chaturvedi)**  
Adjudicating Authority &  
Member (Judicial)

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