IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT-V, MUMBAI BENCH

C.P. No. 648/IBC/MB/2021

Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rule 2016)

In the matter of

Luhariwala Finance and Investment Private Limited
Having registered office at:
1/1, Manish Darshan J. B. Nagar, Andheri (East), Mumbai – 400059, Maharashtra (India)

......Financial Creditor/Petitioner

Vs

Slogan Infotech Private Limited
(CIN: U72900MH2005PTC158468)
Registered office at:
A/401, Pearl Arcade, Dawood Baug Lane, Off. J. P. Road, Opposite P. K. Jewellers, Andheri (West), Mumbai- 400058, Maharashtra (India)

.......Corporate Debtor

Order delivered on: 15.07.2022

Coram:

Hon'ble Shri H.V. Subba Rao, Member (Judicial)

Hon'ble Smt. Anuradha Sanjay Bhatia, Member (Technical)

For the Petitioner: Mr. Ayush J Rajani a/w. Khushboo Shah i/b AKR Advisors professional for the Petitioner.

For the Corporate Debtor/ Respondent: Mr. Nishant Chotani i/b Parshav Gandhi counsel for the Corporate Debtor

Order

1. The above Company Petition is filed by Luhariwala Finance and Investment Private Limited, hereinafter called as "Petitioner" seeking to initiate of Corporate Insolvency Resolution Process (CIRP) against Slogan Infotech Private Limited hereinafter called as "Corporate Debtor" by invoking the provisions of Section 7 Insolvency and Bankruptcy code (hereinafter called "Code" read with rule 4 of Insolvency & Bankruptcy (Application to Adjudication Authority) Rules, 2016 for a Resolution of an unresolved Financial Debt of Rs. 1,03,74,800.77/-.

2. The Financial Creditor is engaged in the business of providing access to home loans, loan against property, against shares, personal loans and educational loan, car loan at insight competitive interest rates whereas the Corporate Debtor is a private, non-government and unlisted company.

3. The Corporate Debtor had approached the Financial Creditor for availing the loan facility against the shares for an amount of Rs. 1,10,00,000/- after agreeing and approving the terms and conditions of the sanction letter dated 24.03.2021. Accordingly, an amount of Rs. 1,00,00,000/- was disbursed to the Corporate Debtor and amount of Rs. 10,00,000/- was adjusted against the advance EMI and some part of the processing fees.

4. The Financial Creditor and the Corporate Debtor entered into the Loan agreement and as per the loan agreement, the Corporate Debtor had pledged the shares as security against the said loan and accordingly an amount an amount of Rs. 1,10,00,000/- was furnished as loan against the shares to the Corporate Debtor. The Corporate Debtor had also issued 3 post-

dated cheques in favour of the Financial Creditor against the loan. Further on perusal of the ledger account of the Corporate Debtor for the period of 01.04.2021 to 15.05.2021, it appears that the Corporate Debtor had defaulted in making the payment towards the loan amount.

5. Therefore, on default of the loan repayment and payment of interest, the Financial creditor sent an email requesting the Corporate Debtor to pay EMI. The Corporate Debtor had responded the mail by apologizing for the delay and requested for some time.

6. The Corporate Debtor failed to repay the outstanding dues. Therefore, the Financial Creditor issued the Loan Recall Notice to the Corporate Debtor to repay the entire loan amount along with the interest as per the Loan Agreement dated 15.04.2021. the Loan recall notice was delivered upon the Corporate Debtor on 03.06.2021.

7. The Petitioner enclosed the following details of documents, records and evidence of default in respect of sanctioning the term loan facilities to the Corporate Debtor:

   i. Copy of the Sanction Letter dated 24.03.2021 along with the bank statement of Financial Creditor
   ii. Copy of the Loan agreement dated 15.04.2020 along with the copy of the ledger account of the Corporate Debtor for the period 01.04.2020 to 15.05.2021 maintained in the books of the Financial Creditor.
   iii. Copy of the Share Pledge Agreement dated 15.04.2021.
   iv. Copy of the email dated 11.05.2021.
   v. Copy of the Loan Recall Notice dated 01.06.2021.

8. Reply has been filed by the Corporate Debtor in the main Company Petition. The learned Counsel Appearing for the Financial Creditor brought the attention of this Bench to the additional affidavit along with the consent terms dated 03.11.2021, entered into by both the parties whereunder the Corporate Debtor has agreed to pay an amount of Rs. 1,15,00,000/- in installments as mentioned in the consent terms starting from 16th November 2021 to 31st March, 2022.
9. The learned Counsel appearing for the Operational Creditor submits that the Corporate Debtor has so far made payment of only two installments of Rs. 5,00,000/- each on 03.11.2021 and 16.11.2021 respectively and committed default of the remaining installments. Learned Counsel appearing for the Corporate Debtor did not dispute the debt and default nor the consent terms entered between the parties.
10. In view of above, nothing survives to be adjudicated in the Company Petition. Since, it is a clear case of admission of debt and default, this Bench has no option except to admit the above Company Petition. Accordingly, the above Petition is admitted by passing the following:

ORDER

a. The above Company Petition No. 648/IBC/MB/2021 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against Slogan Infotech Private Limited.

b. This Bench hereby appoints Mr. Shreyansh Jain Insolvency Professional, Registration No: IBBI/IPA-001/IP-P-01683/2019-2020/12727 residing B- 401, Twin Arcade, Marol Military Road, Andheri East, Mumbai - 400059 as the interim resolution professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.

c. The Financial Creditor shall deposit an amount of Rs.5 Lakhs towards the initial CIRP costs by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The IRP shall spend the above amount towards expenses and not towards fee till his fee is decided by CoC.

d. That this Bench hereby prohibits 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; transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; 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; the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

e. 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.

f. 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.

g. That the order of moratorium shall have effect from the date of pronouncement of this order 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.

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

i. During the CIRP period, the management of the corporate debtor will vest in the IRP/RP. The suspended directors and employees of the corporate debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.

j. Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.

k. Accordingly, C.P. No. 648/IBC/MB/2021 is **admitted**.

l. The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

SD/- SD/-

ANURADHA SANJAY BHATIA **H.V. SUBBA RAO**

MEMBER (TECHNICAL) **MEMBER (JUDICIAL)**