

IN THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH

C.P. No. 3942/I&BP/2019

Under section 8 & 9 of the IBC, 2016

In the matter of

Wood Preservers Private Limited

F-27, MIDC Industrial Estate, Hingna  
Road, Nagpur – 440 016.

.... Petitioner

v/s

LB Industries Private Limited

Plot No. 2A, Mount Road Extension, Sadar,  
Nagpur – 440 001

.... Corporate Debtor

Order delivered on: 19.11.2019

Coram: Hon'ble Smt. Suchitra Kanuparthi, Member (Judicial)  
Hon'ble Shri V. Nallasenapathy, Member (Technical)

For the Petitioner : Mr. Harsh Kesharia, Advocate.

For the Corporate Debtor: Mr. Asmit Agrawal, Advocate.

*Per: Suchitra Kanuparthi, Member (J)*

ORDER

1. This company Petition is filed by Wood Preservers Private Limited (hereinafter called "Petitioner") seeking to set in motion the Corporate Insolvency Resolution Process (CIRP) against LB Industries Private Limited (hereinafter called "Corporate Debtor") alleging that Corporate Debtor committed default on 17.03.2019 in making payment of Rs. 4,51,604/-, by invoking the provisions of Section 8 and 9 of the Insolvency & Bankruptcy Code (hereinafter called "Code")

read with Rule 5 and 6 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

2. Petition reveals that the Petitioner has supplied wooden flooring to the Corporate Debtor and raised invoices to the extent of Rs. 4,51,604/-. Invoices were raised during the period from January, 2019 to March, 2019. In view of the non-payment of the due by the Corporate Debtor, the Petitioner issued demand notice on 07.09.2019 under Section 8 of the Code demanding outstanding amount of Rs. 4,51,604/-. The Corporate Debtor has not replied to the demand notice and subsequently this Petition has been filed.

3. Petitioner has filed affidavit as required under Section 9 (3) (b) since there is no reply stating that no dispute has been raised by the Corporate Debtor regarding unpaid operational debt.

4. Heard both sides. On 19.11.2019 during the hearing of the matter, the counsel for the Corporate Debtor accepts the liability as well as default.

5. One Ms. Megha Agrawal, office at 001, Shivranjini Apartments in circle of Congress Nagar Garden, Congress Nagar, Nagpur – 440 012; having Registration No. IBBI/IPA-001/IP-P01456/2018-19/12272 has given his consent in Form No. 2 to act as an Interim Resolution Professional.

6. This Bench having been satisfied with the application filed by the Operational Creditor which is in compliance of provisions of Section 8 & 9 of the Insolvency & Bankruptcy Code admits this application declaring Moratorium with the directions as mentioned below:

- (a) that this bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgement, decree or other in any court of law; 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.

- (b) 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.
- (c) 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.
- (d) that the order of moratorium shall have effect from 19.11.2019 till the completion of the CIRP 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.
- (e) that the public announcement of the CIRP shall be made immediately as specified under Section 13 of the Code.
- (f) that this Bench hereby appoints Ms. Megha Agrawal, office at 001, Shivranjini Apartments in circle of Congress Nagar Garden, Congress Nagar, Nagpur – 440 012; having Registration No. IBBI/IPA-001/IP-P01456/2018-19/12272 as Interim Resolution Professional to carry the functions as mentioned under the Code.

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

SD/-  
V. Nallasenapathy  
Member (Technical)

SD/-  
Suchitra Kanuparthi  
Member (Judicial)