IN THE NATIONAL COMPANY LAW TRIBUNAL
KOCHI BENCH, KERALA

IA/06/KOB/2020
&
IBA No.41/KOB/2019

(Under Section 7 of Insolvency and Bankruptcy Code, 2016)
(In the matter of M/s Green Gateway Leisure Limited)

Order delivered on: 06.01.2020.

Coram:

Hon'ble Mr. Ashok Kumar Borah, Member (Judicial)
Hon'ble Mr. Veera Brahma Rao Arekapudi, Member (Technical)

Dhanalaxmi Bank ltd
Trivandrum Fort Branch,
Represented by its Senior Manager,
Mr.Jayadev.
.... Financial Creditor/Applicant

Versus

M/s Green Gateway Leisure Limited,
1st Floor,New Coporation Building,
Palayam,
Thiruvananthapuram
Represented by its Director
Najeeb Ellias
T.C.4/1240(2),No.66
RPD Marg,Kowdiar P.O.,
Thiruvananthapuram. ....Corporate Debtor/Respondent

Appearance -
For Financial Creditor/Applicant ... Umarani M.N.
For Corporate Debtor/Respondents ... P.V. George (Puthiyedam)

O R D E R

1. This petition has been filed by Dhanalaxmi Bank Limited, CIN L65191KL1927CL000307 Financial Creditor under Section 7 of the Insolvency

and Bankruptcy Code, 2016 (for short to be referred hereinafter as the "Code") for initiating insolvency resolution process against M/s Green Gateway Leisure Limited, the Corporate Debtor, a company registered under the Companies Act, 1956. The Corporate Debtor was incorporated on 28-09-2004 under the Companies Act, 1956 and continue now its existence with CIN No: U55101KL2004PLC017474 and has its registered office at 1st Floor, New Corporation Building, Palayam P.O., Thiruvananthapuram 695033 in the State of Kerala and therefore, the matter falls within the territorial jurisdiction of this Tribunal.

2. The Financial Creditor sanctioned a term loan of Rs. 16 Crores to the Corporate Debtor on 31-08-2015. The account was later classified as Non-Performing Asset on 01-10-2015, due to the default committed by the Corporate Debtor in making the repayments. The applicant has approached this Hon'ble Tribunal by filing the aforesaid application under the Insolvency and Bankruptcy Code, 2016 for appointing an IRP for recovery of the amounts due to the applicant more particularly described in the application from the Corporate Debtor. The amount claimed to be in default was Rs. 20,86,53,945.00 as on 04.10.2019 and the disbursement date is 28.09.2015.

3. Corporate Debtor in their counter/reply stated that the company is promoted by the Directors and shareholders of Air Travel Enterprises India Ltd, a Public Limited Company having an impeccable track record of more than 40 years in travel and tourism industry. The Corporate Debtor started construction of the resort during 2009-2010 by obtaining all mandatory approvals and clearance from all the concerned authorities. Based on the estimate, Corporate Debtor

had obtained financial assistance of Rs. 20 Crores from State Bank of India in the year of 2010 and Rs. 25 Crores from Union Bank of India and Rs. 20 Crores from the State Bank of Travancore. The promoters have mobilized funds from investors including NRIs to promote tourism and generate employment opportunities. Later on, the total cost of the project was revised to Rs. 151 Crores. The Corporate Debtor intimated the Bankers for additional facility on 26-11-2012. In the joint lenders meeting convened on 22-10-2013, the Bankers agreed to give additional facility and a consensus had been reached to fund Rs 8.8 Crores each by the three Bankers i.e., Rs. 26.4 Crores and the balance by equity.

4. Contrary to the decision on 22.10.2013, State Bank of India sanctioned Rs. 8 Crores on 28-05-2014 after a lapse of 1 ½ years with additional terms and conditions which were not acceptable to the Corporate Debtor. Hence the same was not availed. The State Bank of Travancore sanctioned a sum of Rs. 8 Crores on 09-02-2015 with existing conditions after lapse of 2 years and 3 months. Union Bank was not ready to sanction the financial assistance. Hence, the Corporate Debtor approached Dhanalaxmi Bank Ltd for the financial assistance of Rs. 16 crores which was sanctioned and disbursed on 28-09-2015.

5. The Corporate Debtor further submitted that they have repaid substantial amount towards principal and interest. The Corporate Debtor also submitted that they are ready and willing to settle the dispute with the Financial Creditor under One Time Settlement Scheme and the Corporate Debtor already

submitted a revised proposal as demanded by the applicant which was suppressed by the Financial Creditor.

6. On 14-11-2019, the Learned counsel for the Corporate Debtor stated that the matter will be settled and sought time to file a settlement memo and the matter was posted to 27-11-2019 for filing settlement memo. On 27.11.2019 the Learned counsel for the Financial Creditor stated that the compromise offer submitted by the Corporate Debtor was processed and put up for approval of the Board of the Bank and also submitted that there is a Board meeting arranged on 14-12-2019, hence the matter was adjourned to 16-12-2019. On 16-12-2019 the Learned counsel for the Financial Creditor sought another adjournment which was granted and made it clear that no further adjournment would be granted and posted the matter to 30-12-2019. On 30-12-2019 the Learned counsel for the Financial Creditor stated that upfront amount has already been deposited and on that day morning an amount of Rs. 25 lakhs more has been deposited and Rs. 61 lakhs is pending for payment. The Learned counsel for the Corporate Debtor stated that the amount of Rs. 61 Lakhs would be remitted on 31.12.2019 and the matter was adjourned to 01-01-2020 for withdrawing the petition. On 01-01-2020 Learned counsel for the Financial Creditor stated that the learned counsel who have vakalth was laid-up and this Hon'ble Tribunal gave last chance for filing settlement memo stating that otherwise the matter will be decided based on available records and the matter adjourned to 06-01-2020.

7. Today, the Financial Creditor has filed a petition for withdrawal of the IBA/41/KOB/2019 stating that consequent to filing of said application the

Corporate Debtor has approached the applicant for settlement of the outstanding dues and offered to settle the amount for Rs. 12.50 Crores. The said offer was accepted by the Financial Creditor with terms and conditions. The One Time Settlement certain terms and conditions are duly accepted by the Corporate Debtor and remitted initial 5% of the One Time Settlement amounting to Rs. 62.50 Lakhs on 13.12.2019.

8. It is also submitted that the other initial conditions on acceptance of One Time Settlement terms are also complied with by the Corporate Debtor and prayed for withdrawal of the application filed under Section 7 of the Insolvency and Bankruptcy Code, 2016.

9. In view of the withdrawal petition vide IA/06(KOB)/2020 filed by the Financial Creditor, IBA 41/KOB/2019 is disposed of as withdrawn. IA/06/KOB/2020 also stands disposed of. No order as to costs.

Dated this the 6th day of January, 2020

Sd/- Sd/-

(Veera Brahma Rao Arekapudi)
Member (Technical)

(Ashok Kumar Borah)
Member (Judicial)