



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

**C.P.(IB) No. 1197 of 2022**

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*

**Samata Nagari Sahkari Patsanstha  
Maryadit, Kopargaon,**

Samata Marg, Khandaknala, Main Road,  
Kopargaon Dist. Ahmednagar 423601.

**...Financial Creditor/ Petitioner**

**Vs**

**Souvenir Developers (India) Private  
Limited,**

**(CIN: U45200MH2004PTC147269)**

1, Animesh Marketjanki Nagar,  
Wadibhokar Road, Deopur, Dhule,  
Maharashtra-424002,

**...Corporate Debtor/ Respondent**

**Order Dated: 01.08.2023**



**Coram:**

Hon'ble Sh. Kuldip Kumar Kareer, Member (Judicial)

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

**Appearances:**

**For the Financial Creditor:** Ms. Seetalaxmi Swamy, Ld. Counsel

**For the Corporate Debtor:** Ex-parte

***Per: Kuldip Kumar Kareer, Member (Judicial)***

**ORDER**

1. This Company Petition is filed by Petitioner, namely Samata Nagari Sahkari Patsanstha Maryadit (hereinafter called "**Petitioner**" /"**Financial Creditor**") seeking to initiate Corporate Insolvency Resolution Process (**CIRP**) against Souvenir Developers (India) Private Limited, (hereinafter called "**Respondent**" /"**Corporate Debtor**") alleging that the Corporate debtor committed default in making payment to the Financial Creditors. This petition has been filed by invoking the provisions of Section 7 Insolvency and bankruptcy code (hereinafter called "**Code**") read with Rule 4 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for a Resolution of Financial Debt of **Rs. 1,08,16,581.54/-**.

**FACTS OF THE CASE**

2. Samata Nagari Sahkari Patasanstha Maryadit Kopargaon (Petitioner) is a Cooperative Society registered under Maharashtra Cooperative Societies Act 1960. Souvenir Developers (India) Private Limited (Respondent) is Private Limited Company incorporated under Companies Act, 1956.
3. On 24.03.2019, the Financial Creditor advanced a credit facility i.e. working capital cash credit of Rs. 1,00,00,000/- to the Corporate Debtor.



4. On 09.09.2021, the Corporate Debtor approached the Financial Creditor for renewal of credit facilities for expansion of Corporate Debtor's business. Consequently, the credit facility was renewed by the Financial Creditor vide Board Resolution dated 18.02.2022. The credit facility was availed for a period of 3 years repayable in 36 instalments from the Loan Agreement dated 03.03.2022. Interest on the loan was to be charged at the end of every month.
5. The Financial Creditor has submitted that the first instalment fell due for payment on 30.04.2022. However, the Corporate Debtor defaulted in making the payment of the first instalment of the sanctioned credit facilities.
6. The Financial Creditor issued demand notice dated 16.09.2022, calling upon the Corporate Debtor to make the repayment of the amount due within 15 days of the receipt of the notice.
7. The Financial Creditor has submitted that outstanding amount as of 10.10.2022 was Rs. 1,08,16,581.54/-.
8. The Corporate Debtor has not made the repayment of the outstanding loan amount despite having received the demand notice dated 16.09.2022 which necessitated the filing of the present petition.
9. The Corporate Debtor has not appeared before the Bench despite valid service neither has filed its reply to controvert the averments made in the petition under Section 7 of the Code. Eventually, the Corporate Debtor was proceeded against exparte vide order dated 30.03.2023.

### **FINDINGS**

10. We have heard the Ld. Counsel appeared for the Petitioner and perused the documents available on record.



11. The present Company Petition has been filed by the Petitioner seeking for the initiation of Corporate Insolvency Resolution Process against the Respondent for an outstanding due amount of Rs. 1,08,16,581.54/-.
12. The Ld. Counsel for the Petitioner has argued that the Respondent has approached the Petitioner vide loan application dated 09.09.2021 for availing the credit facility of Rs. 1,00,00,000/-. The Petitioner sanctioned the credit facility vide Board Resolution dated 18.02.2022. In this regard, the Petitioner and the Respondent executed a loan agreement dated 03.03.2022. The credit facility was disbursed to the Respondent on 03.03.2022. The loan amount was sanctioned for a period of three years repayable in 36 months. It has further been pointed out that the first instalment fell due on 30.04.2022 and the Respondent defaulted in repayment of the due amount. Since the Respondent failed to repay the due amount, the Petitioner sent a demand notice dated 16.09.2022, calling upon the Corporate Debtor to make the repayment of the amount due within 15 days of the receipt of the notice.
13. From the Board Resolution dated 18.02.2022 and the Loan Agreement dated 03.03.2022, it is clear that the Respondent has availed the credit facility in the form of working capital cash credit of Rs. 1,00,00,000/- for the expansion of its business. On the first instalment of the due date, the Respondent failed to repay the amount. Resultantly, the Petitioner sent a Demand Notice 16.09.2022 which was not replied by the Respondent. This establishes that the default took place on 30.04.2022 when the instalment fell due but the same was not paid by the Corporate Debtor. The Corporate Debtor further committed default when despite notice dated 16.09.2022 it failed to pay the outstanding amount as on or before 1.10.2022 as stated in the notice.
14. Despite receiving the court notices, the Corporate Debtor has not appeared before the court to contest the matter through himself or through its



representative. Resultantly, no reply has been filed by the Corporate Debtor to controvert the facts.

15. After hearing the submissions and upon perusing the material available on record and considering that the Corporate Debtor has not filed any reply to controvert the matter, the claim of Financial Creditor stands proved on record. Hence, this Bench feels that the Petitioner has successfully demonstrated the existence of “**debt**” and “**default**” committed by the Corporate Debtor in this case and further that the petition has been filed within time. The above petition is, therefore, allowed in the following terms:

**ORDER**

- a. The above Company Petition No. (IB) 1197 of 2022 is hereby **admitted** and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against **Souvenir Developers (India) Private Limited**.
- b. This Bench hereby appoints **Smt. Mona L. Vora**, Insolvency Professional, Registration No: IBBI/IPA-002/IP-N00938/2019-20/12997 and having Email Id: advmonavora@gmail.com 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. Five 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.
- d. 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, Company Petition No. 1197 of 2022 is hereby **admitted**.

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

**Sd/-**

**ANURADHA SANJAY BHATIA**  
**MEMBER (TECHNICAL)**

**Sd/-**

**KULDIP KUMAR KAREER**  
**MEMBER (JUDICIAL)**