

THE NATIONAL COMPANY LAW TRIBUNAL
"CHANDIGARH BENCH, CHANDIGARH"
(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)
(through web-based video conferencing platform)

IA No. 995/2022
In
CP (IB) No. 211/Chd/Hry/2019

Under Section 60(5) and Section 12 of
Insolvency and Bankruptcy Code, 2016 read
with Regulation 40 of CIRP Regulations.

In the matter of:
Signify Innovations India Ltd.

...Petitioner-Operational Creditor

Vs.

EON Electric Limited

...Respondent-Corporate Debtor

And in the matter of IA No. 995/2022

Ritu Rastogi
Resolution Professional
For EON Electric Limited
D-1B, 9A, Janakpuri,
New Delhi-110058

...Applicant

Judgment delivered on: 12.09.2022

Coram: Hon'ble Mr. Harnam Singh Thakur, Member (Judicial)
Hon'ble Mr. Subrata Kumar Dash, Member (Technical)

For the Applicant/Resolution Professional : 1). Mr. Abhishek Anand, Advocate
2) Mr. Viren Sharma, Advocate

Per: Harnam Singh Thakur, Member (Judicial)

IA No. 995/2022
In
CP (IB) No. 211/Chd/Hry/2019

ORDER

The present application is filed by Resolution Professional under Section 60(5) read with Section 12 of Insolvency and Bankruptcy Code, 2016 read with Regulation 40 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution process of corporate persons) Regulations, 2016 seeking an extension beyond the period of 330 days of Corporate Insolvency Resolution Process ("CIRP") by 30 days w.e.f. 19.08.2022 as resolved by Committee of Creditors in its 16th CoC meeting with 100% voting share.

2. It is stated by the Resolution Professional that the applicant has already placed three resolution plans before the CoC for voting and the time is required to seek approvals from the competent authority of the members of the CoC and in terms of RFRP, 7 days are required to be provided to the Successful Resolution Applicant for furnishing performance bank guarantee so that CIRP can be concluded.

3. It is averred that CIRP of corporate debtor got delayed due to non-availability of financial data of corporate debtor and subsequent non-cooperation on behalf of the corporate debtor in providing audited financial statements. The applicant has apprised the CoC that resolution plans are legally compliant but decision on some clauses like release of personal guarantee, financial strength and ability of prospective resolution applicants to pay the resolution debt amount, feasibility and technical aspects etc. are required to be decided by the CoC. In pursuant to the above, the CoC is of opinion that members are required to send the proposal to the competent authority and need 15-20 days to complete the voting on resolution plans.

4. The applicant has relied on ***Swiss Ribbons Pvt. Ltd. & Anr V Union of India & Ors, W.P. (C) No. 99 of 2018*** where the Apex Court has held that the primary focus of the legislation to ensure the revival and continuation of the corporate debtor by protecting the corporate debtor from its own management and from a corporate debt by liquidation. The Code is thus a beneficial legislation which puts the corporate debtor back on its feet, not being a mere recovery legislation for creditors.

5. In view of ***Anil Tayal, Resolution Professional for Nice Projects Limited v. Committee of Creditors of Nice Projects Limited in Company Appeal (AT)(Ins) No. 576 of 22***, where Hon'ble NCLAT has granted extension of CIRP period of Corporate Debtor for a short period of 18 days beyond 330 days to enable to vote upon the revised resolution plan. The present application bears the similar nature as above, thus, one more opportunity to be given for resolution of corporate debtor. We extend the period of CIRP for a period of 30 days from 19.08.2022. The CoC is further directed to adhere to the timeline strictly and take the necessary permissions from the competent authority as required.

6. The present application is accordingly, allowed and disposed of.

Sd/-

(Subrata Kumar Dash)
Member (Technical)

September 12, 2022
PB/ASH

Sd/-

(Harnam Singh Thakur)
Member (Judicial)