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**IN THE NATIONAL COMPANY LAW TRIBUNAL  
KOLKATA BENCH  
KOLKATA**

**C.P. (IB) No. 1510/KB/2018**

**IN THE MATTER OF:**

Section 9 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016;

**And**

**IN THE MATTER OF:**

Star India Private Limited, a company registered under the Companies Act, 1956, registered office at Star House, Urmi Estate, 95 Ganpatrao Kadam Marg, Lower Parel (W), Mumbai, 400013, Maharashtra;

.....Operational Creditor / Applicant

**And**

**IN THE MATTER OF:**

Advance Multisystem Broadband Communications Limited, a company registered under the Companies Act, 1956 and having its registered office at Bankim Kanan, Chinsurah Station Road, Near Radio Centre, P.O. Chinsurah, Chinsurah Hooghly - 712102, West Bengal.

....Corporate Debtor / Respondent

Sd

Sd

**CORAM:**

**Shri M. B. Gosavi., Member (Judicial)**

**Shri V.K. Gupta, Member (Technical)**

**COUNSELS ON RECORD:**

1. Mr. Maulik Nanavati
2. Mr. Barnik Ghosh } on behalf of Operational Creditor

**Date of pronouncement of order: 30/09/2019**

**O R D E R**

**Per Shri V.K. Gupta, Member (Technical)**

This petition has been filed under Section 9 of Insolvency and Bankruptcy Code 2016, read with Rule 6 of the Insolvency and Bankruptcy (application to adjudicating authority) Rules, 2016 by the Operational Creditor namely Star India Private Limited to initiate Corporate Insolvency Resolution Process against the Corporate Debtor namely Advance Multisystem Broadband Communications Limited.

2. An amount of default has been stated at Rs. 4,68,63,777 and period of default has been stated to have occurred from the month of November, 2017 when the licence fee amount invoice became due and remain unpaid.

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3. The facts, in brief, are that Operational Creditor and Corporate Debtor had entered into a subscription licence agreement whereby Operational Creditor granted non-exclusive rights for transmission of channels by the distribution system belonging to the Corporate Debtor. In the specific territory. The licensing fee was fixed at Rs. 50 lakhs per month excluding taxes. Another agreement was entered for distribution of high definition channels. On default by the Corporate Debtor, Operational Creditor issued a disconnection notice and deactivated supply of signals to the Corporate Debtor from 28.08.2017 which prompted to Corporate Debtor to execute a settlement agreement. However, Operational Creditor did not comply with the terms aor this agreement in spite of that Operational Creditor continued to supply signals. A fresh supplementary licence agreement was entered into which was effective from 1<sup>st</sup> January, 2018 upto 31<sup>st</sup> December, 2018. Corporate Debtor, however, failed to make payment which culminated into an action by Operational Creditor to issue demand notice as per the form IV on the Corporate Debtor on August, 2018. Such demand notice was sent through post as well as vide e-mail. The demand notice sent by e-mail did not bounce back, however, the demand notice sent by post returned unserved. Thereafter, demand notice was affixed on the premises of the Corporate Debtor.

4. None appeared on behalf of the Corporate Debtor. The Ld. Counsel appearing on behalf of the Operational Creditor narrated these facts and took us though the relevant clauses of various agreements, copies of invoices raised and other documents, to substantiate its claim. It was also contended that compliance to the provisions of Section 8 and 9 of IBC, 2016, had been done. It was also pointed out that no reply was submitted by the Corporate

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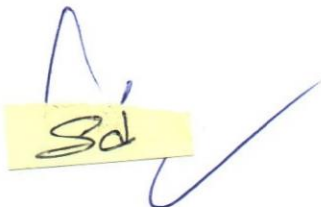
Debtor in response to the notice served under Section 8 of the Act. The Ld. Counsel accordingly, prayed that the petition be admitted.

5. We have considered the submissions made by the Ld. Counsel for the Operational Creditor as well as material on record. It is evident that the Corporate Debtor owes operational debt to the Operational Creditor which is due and payable. No dispute exists in respect of such sum in terms of provisions of Section 8 and 9 of IBC, 2016. The notice has been duly served on the Corporate Debtor and application is also complete in all respects. No name of the IRP has not been proposed. It has been requested that the Tribunal may appoint suitable Insolvency Resolution Professional as IRP under Section 16 (3) Code. We would appoint a qualified IRP from the panel maintained by IBBI. This application is thus admitted. We order as under:

6. Thus, there does not exist any dispute as evident from the material on record accordingly we hold that this petition is liable to be admitted. We order as under:

i. The application filed by the Operational Creditor under section 9 of the Insolvency & Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process against the Corporate Debtor, **Advance Multisystem Broadband Communications Limited**, is hereby admitted.

ii. We declare a moratorium and public announcement in accordance with Sections 13 and 15 of the IBC, 2016.





- iii. Moratorium is declared for the purposes referred to in Section 14 of the Insolvency & Bankruptcy Code, 2016. The IRP shall cause a public announcement of the initiation of Corporate Insolvency Resolution Process and call for the submission of claims under Section 15. The public announcement referred to in clause (b) of sub-section (1) of Section 15 of Insolvency & Bankruptcy Code, 2016 shall be made immediately.
- iv. Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016 prohibits the following:
- a) 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;
  - b) Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
  - c) 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 Operational Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
  - d) The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.
- v. The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated, suspended, or interrupted during moratorium period.

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- vi. The provisions of sub-section (1) shall not apply to such transactions as may be notified by the Central Government in consultation with any Operational sector regulator.
- vii. The order of moratorium shall have effect from the date of admission till the completion of the corporate insolvency resolution process.
- viii. Provided that where at any time during the corporate insolvency resolution process period, if the Adjudicating Authority approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of corporate debtor under Section 33, the moratorium shall cease to have effect from the date of such approval or liquidation order, as the case may be.
- ix. Necessary public announcement as per Section 15 of the IBC, 2016 may be made.
- x. Mr. Kuldeep Verma, IP Registration No. IBBI/IPA-001/IP-P00014/2016-2017/10038, E-mail ID: [kuverma@gmail.com](mailto:kuverma@gmail.com); Mob. No. 9836077900 is appointed as Interim Resolution Professional for ascertaining the particulars of creditors and convening a Committee of Creditors for evolving a resolution plan.
- xi. The Operational Creditor to pay sum of Rs. 1,00,000/- (Rupees one lakh only) to IRP as advance fees as per Regulation 33(2) of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation 2016 which shall be adjusted from final bill.

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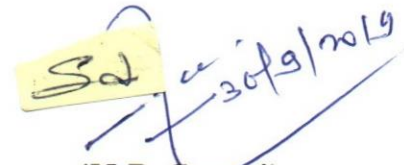
xii. The Resolution Professional shall conduct CIRP in time bound manner as per Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016.

xiii. Registry is hereby directed under section 7(7) of the I.B.Code, 2016 to communicate the order to the Operational Creditor, the Corporate Debtor and to the I.R.P. by Speed Post as well as through e-mail.

7. List the matter on 30/09/2019 for the filing of the progress report.
8. Certified copy of the order may be issued to all the concerned parties, if applied for, upon compliance with all requisite formalities.



**(V.K. Gupta)**  
**Member (Technical)**



**(M.B. Gosavi)**  
**Member (Judicial)**

Signed on this, the 30<sup>th</sup> day of September, 2019.

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