

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

C.P. (IB) 3547/2019

Under section 9 of the IBC, 2016

In the matter of

Hemant Shah & Associates LLP

Office No: 304, Jai Ganesh Vishwa,
Vishrantwadi Square, Pune,
Maharashtra – 411 015

.... Operational Creditor

v/s.

Liveminds Solutions Private Limited

Unit No. 2, Apollo Industrial Estate,
Off Mahakali Caves Road,
Andheri (E), Mumbai – 400 093

.... Corporate Debtor

Order delivered on: 24.01.2020

Coram: Hon'ble Bhaskara Pantula Mohan, Member (Judicial)
Hon'ble Shyam Babu Gautam, Member (Technical)

For the Petitioner: Raina Birla, Advocate

For the Corporate Debtor: Arun Kharat, Director

Per: Bhaskara Pantula Mohan, Member (Judicial)

ORDER

1. This Company Petition is filed by one Hemant Shah & Associates LLP, (hereinafter called "Operational Creditor") seeking to set in motion the Corporate Insolvency Resolution Process (CIRP) against Liveminds Solutions Private Limited (hereinafter called "Corporate Debtor") alleging that the Corporate Debtor committed default in making payment to the petitioner in view of the invoices raised by

them, by invoking the provisions of Section 8 and 9 of Insolvency and Bankruptcy Code (hereinafter called "Code") read with Rule 6 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

2. The Operational Creditor is a Limited Liability Partnership whereas the Corporate Debtor is a company incorporated on 16/11/2005 bearing CIN U51909MH2005PTC157321, having authorized share capital of Rs.10,75,000/- and paid up share capital of Rs.4,05,330/- .
3. The counsel appearing on behalf of the Operational Creditor submitted that they provided auditing services to the Corporate Debtor for which four invoices numbered ID-2906, ID-7810, ID-7820 & ID-2890, all dated 02/11/2018 were raised which amounted to a sum total of Rs.6,49,000/-. Out of the above mentioned four invoices, three invoices numbered ID-2906, ID-7820 and ID-2890 amounts to Rs.1,77,000/- each and the fourth invoice numbered ID-7810 amounts to Rs. 1,18,000/-, hence totaling to Rs.6,49,000/-.
4. The total amount claimed by the Operational Creditor is Rs.7,27,733/- which includes the principal amount of Rs.6,49,000/- along with interest of Rs.78,733/- at the rate of 18% p.a. calculated till 05/08/2019 from the due date of payment. All the invoices bear a note stating the Financial Charge to be at the rate of 1.5% p.m. and therefore, the interest at the rate of 18% have been calculated.
5. The Operational Creditor had sent a demand notice dated 10.08.2019 demanding payment of the principal amount of Rs.6,49,000/- along with interest of Rs.1,04,978/- and the total amount comes to the tune of Rs.7,53,978/-. There was neither any reply from the Corporate Debtor to this notice nor was the payment made by them and therefore, this petition was preferred by the Operational Creditor.
6. The Operational Creditor has annexed the following documents in support of the contentions made:
 - i. Copy of Demand Notice dated 10/08/2019 in Form 3 and Form 4.

- ii. Four Invoices dated 02/11/2018.
 - iii. Tabular working for computation of amount and dates of default.
 - iv. Master Data of the Corporate Debtor downloaded from the website of MCA.
 - v. Copy of Consent from the proposed Interim Resolution Professional in Form 2
7. The Director of the Corporate Debtor company had appeared before this Bench on the last date of hearing and has admitted his liability and default by stating that the company admit the amount of the debt but is not in a position to repay the dues and hence has no objection on the admission of this petition.
8. Therefore, after hearing both the parties, the following order is hereby passed:

FINDINGS

9. We have heard the counsel appearing on behalf of the Operational Creditor in detail as well as heard the Corporate Debtor and after perusal of all the documents submitted by the Operational Creditor, there remains no doubt that four invoices numbered ID-2906, ID-7810, ID-7820 & ID-2890, all dated 02/11/2018 were raised by them in favour of the Corporate Debtor for which no payment has been made till date.
10. The said invoices which were raised by the Operational Creditor upon the Corporate Debtor were for a total amount of Rs.7,27,733/- including principal of Rs.6,49,000/- and an interest of Rs.78,733/- calculated at the rate of 18% p.a. as the invoices bear a note indicating a financial charge of 1.5% on unpaid balance after 30 days from the date of invoice.
11. Also, a demand notice dated 10/08/2019 was sent to the Corporate Debtor by the Operational Creditor to which there was neither any reply nor any payment was made. Therefore, this Bench is of the firm view that the petition fulfills all the requisite conditions necessary to

admit a petition under Section 9 of the Insolvency and Bankruptcy Code, 2016.

12. Moreover, the Director of the Corporate Debtor himself was present before this bench and had admitted his liability as well as the amount in default. He also stated his inability to pay the dues because of the poor financial position of the company. Hence, this petition deserves to be admitted.
13. Therefore, this Bench having been satisfied with the Petition filed by the Operational Creditor which is in compliance of provisions of section 8 & 9 of the Insolvency and Bankruptcy Code admits this petition 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 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.
 - (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 24.01.2020 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.

- (e) That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- (f) That this Bench hereby appoints Laxman Digambar Pawar, having his registered office at 15 & 16 Bhakti Complex, 1st Floor, Behind Dr. Ambedkar Statue, Pimpri, Pune – 411 018 and having Registration No: IBBI/IPA-003/IP-N00015/2017-18/10104 as an interim resolution professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code.

14. Accordingly, this Petition is admitted.

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

Sd/-

SHYAM BABU GAUTAM
Member (Technical)

Sd/-

BHASKARA PANTULA MOHAN
Member (Judicial)

/SNEHA BOTWE/