

**IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **24.04.2024** THROUGH VIDEO CONFERENCE

PRESENT: HON'BLE SHRI SANJIV JAIN, MEMBER (JUDICIAL)
HON'BLE SHRI VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

IN THE MATTER OF : Regeena Jeppiar Murali
Vs
Jeppiar Furnace & Steels Pvt Ltd

MAIN PETITION NUMBER : CP/17/2018
(IA/MA) APPLICATION NUMBERS

IA/09/2019; IA/375/2020

ORDER

IA/375/2020:

Present: Mr. P.H.Arvinth Pandian, Ld. Senior Counsel for Applicant.
Mr. Sidharth, Ld. Counsel for Respondent.

Heard.

This application has been filed seeking permission to create charge over the assets of the 1st Applicant / Respondent No.1 in the main petition for the purpose of availing financial assistance, including additional loan.

Ld. Counsel submits that this Tribunal vide an order dated 04.10.2019 in IA/9/2019 filed by the Respondent No.1 / Petitioner had restrained the Respondents / Applicants herein from creating further charge on the assets of the 1st Applicant / Respondent till further orders. He submits that day to day operations / activities of 1st Applicant had come to a standstill due to the restrictions imposed by the Government during Covid-19 pandemic. It had approached City Union Bank Limited for a Term Loan of Rs.5.00 crores which was sanctioned vide letter dated 29.04.2020 subject to the 1st Applicant creating charge over its assets. He submits that because of the restrain order dated 04.10.2019 it is unable to registered the charge.

Ld. Counsel has shown us a letter received from City Union Bank Ltd dated 18.04.2024 informing that the procedure of filing with RoC in terms to the sanctioned credit facilities are not yet completed for a long time. He submits that the facilities are required for day to day operations of the 1st Applicant since there is no cash flow.

Ld. Counsel for the Respondents on instructions submits that the Respondents have no objection as to the vacation of the interim order dated 04.10.2019 but subject to the condition that if the petition is decided in favour of the petitioners, the Respondents / Applicants / its directors would indemnify the Petitioners.

Ld. Counsel for the Applicant on instructions submits that they are willing to indemnify the Petitioners as submitted above.

Recording the above submissions, in the facts and circumstances of the case, the interim order dated 04.10.2019 is vacated and the Applicants are permitted to create charge over the assets of the 1st Applicant / Respondent No.1 in the main petition for availing the financial assistance from City Union Bank Limited. This is subject to the condition that in case the Petition is decided in favour of the Petitioners, the Respondents / Directors would indemnify the Petitioners.

IA/375/2020 is accordingly **disposed of**.

List the main CP and IA/09/2019 for hearing on **26.06.2024**.

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**[VENKATARAMAN SUBRAMANIAM]
MEMBER (TECHNICAL)**

MS

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**[SANJIV JAIN]
MEMBER (JUDICIAL)**