

Brief about decision:

Corporate Debtor or Resolution Professional are not liable to pay the dues of period prior to passing of order of moratorium, which can be considered at the time of payment of dues to the creditors (Resolution Plan)

Facts & NCLAT verdict:

Learned counsel appeared on behalf of the respondent – Maharashtra State Electricity Distribution Company Limited submits that in view of the earlier order dated 21st September, 2017, respondent is inclined to restore the electrical connection of the 'Corporate Debtor', if the amount towards consumption of electricity due since the date of moratorium (17.01.2017) till September, 2017 is paid.

In the circumstances, we allow the (Interim) Resolution Professional (IRP) to pay the charges due to respondent towards consumption of electricity since the date of moratorium i.e. 17th January, 2017 till September, 2017. If such amount is deposited, the respondent will restore the electrical connection within 48 hours from the date of receipt of amount to ensure that the company remains on going and functional. On such restoration of such electricity, the IRP on behalf of the 'Corporate Debtor' will also pay month to month charges towards consumption of electricity failing which it will be open to the respondent – Maharashtra State Electricity Distribution Company Limited to take appropriate steps.

We make it clear that the Corporate Debtor or Resolution Professional are not liable to pay the dues of period prior to passing of order of moratorium, which can be considered at the time of payment of dues to the creditors (Resolution Plan).

The appeals stands disposed of with the aforesaid observations and directions.

Case Reference: *NCLAT NEw Delhi, Company Appeal (AT) (Insolvency) No. 156 of 2017 & I.A. No. 612 of 2017.*