



IN THE NATIONAL COMPANY LAW TRIBUNA.
CUTTACK BENCH
CUTTACK

CP (IB) No.31/CB/2023

In the matter of:

An application under section 7 of Insolvency and Bankruptcy Code 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016.

-And-

In the matter of:

Siemens Financial Services Pvt Ltd, Plot No.2, Sector 2, Kharghar Node, Navi, Mumbai-410210;

...**Financial Creditor**

-Versus-

Sanchi Mediaids Private Ltd, Plot No.3698/5940, Prachi Vihar Pandara Rasulgarh, Bhubaneswar, Khordha (Orissa)-751010.

...**Corporate Debtor**

Coram:

Shri P. Mohan Raj : Member (Judicial)
Shri Kaushalendra Kumar Singh : Member (Technical)

Appearance (through video conferencing)

For the Petitioner : Mr. Nikhilesh Bark, Advocate.

For the Respondent : *set exparte*

Order reserved on: 06.11.2023
Order Pronounced on: 29.11.2023

ORDER

1. This application under section 7 of Insolvency and Bankruptcy Code 2016 with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016, has been filed by the Siemens Financial Services Pvt. Ltd.



IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH

CP (IB) No.31/CB/2023

In res: Siemens Financial Services Pvt Ltd -vs- Sanchi Mediaids Pvt Ltd.

Financial creditor, seeking initiation of Corporate Insolvency Resolution Process (CIRP) in against Sanchi Mediaids Pvt. Ltd. the corporate debtor.

2. It is stated in the petition that the corporate debtor has availed the credit facilities by way of three secured loans. The corporate debtor availed the credit facility by way of hypothecation of a sum of 16,00,000/- by executing a loan agreement dated 27.02.2019. The corporate debtor availed a second loan of Rs.9.70,000/- by executing loan agreement dated 01.12.2020. The corporate debtor has availed another secured loan of hypothecation a sum of Rs.3,90,00,000/-/- by executing loan agreement dated 10.10.2021. The total amount availed as loan by the corporate debtor is Rs. 4,15,70,000/- These loans were granted to repay the loan amounts by Equal monthly instalments. When the corporate debtor committed default in payment of monthly instalments all three loans were foreclosed with effect from 20.12.2022. On the date of pre-termination/foreclosure of loan accounts, the amount payable/ due by the corporate debtor is as follows:

| Sr. No. | Nature of Facility | Date of Agreement | Sanctioned Amount | Outstanding Amount as on 20.12.2022 | Rate of Interest (per annum) | Default Interest (per month) |
|---------|--|-----------------------|-------------------|-------------------------------------|------------------------------|------------------------------|
| 1. | Loan Facility (Secured Loan by way of Hypothecation and Guarantee) | 27.02.2019 (A8950684) | Rs. 16,00,000 | Rs. 6,87,523/- | 11.50% | 3% |
| 2. | Loan Facility (Secured Loan by way of Hypothecation) | 01.12.2020 (A9461156) | Rs. 9,70,000 | Rs. 13, 62, 670/- | 11.50% | 3% |



IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH

CP (IB) No.31/CB/2023

In res: Siemens Financial Services Pvt Ltd -vs- Sanchi Mediaids Pvt Ltd.

| | | | | | | |
|----|--|-----------------------|-------------------------|------------------------|-----|----|
| | on and Guarantee) | | | | | |
| 3. | Loan Facility (Secured Loan by way of Hypothecation and Guarantee) | 24.02.2021 (A9508306) | Rs. 3,90,00,000/- | Rs. 4,12,39,502/- | 11% | 3% |
| | | | Total- Rs.4,15,70,000/- | Total- Rs. 4,32,89,695 | | |

3. The Corporate debtor committed default in payment of monthly instalments on 14.01.2022, when the default continues the account of the corporate debtor was termed as NPA on 14.04.2022. The financial creditor issued a notice dated 16.05.2022 demanding the amount of Rs. 4,05,51,327/- towards principal and interest as on 08.05.2022, in spite of receipt of notice no payment was made by the respondent. Then, the Petitioner has filed this petition on 19.04.2023.

4. In this petition notice sent by the Registry to the corporate debtor by speed post and by e-mail for a hearing date 17.07.2023 were served, the notice sent by the petitioner by post was also served, despite of service notice respondent not appeared after giving an opportunity the respondent was set *ex-parte* on 04.09.2023.

5. Heard the counsel for petitioner/Financial Creditor and perused the documents placed on record. The NeSL certificate filed by the petitioner also perused there it is mentioned that the date of default is 14.01.2022 and the debt is Deemed to be Authenticated. The charge created on the loans availed by the corporate debtor is registered with ROC Cuttack, the charge document is produced as Annexure 8. The three loan agreements executed by the corporate debtor are also produced. The loan-sanctioned letters and statement of account of each loan are also perused. We are convinced that the loan amount was duly disbursed to



IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH

CP (IB) No.31/CB/2023

In res: Siemens Financial Services Pvt Ltd -vs- Sanchi Mediaids Pvt Ltd.

the corporate debtor and thereafter the respondent committed default. The twin elements of debt and default are proved.

6. The financial creditor has taken consent from **Mr. Suresh Chandra Pattanayak**, having registration No. **IBBI/IPA-002/IP-N00759/2018-2019/12384**, having contact address- GKV-38, Gati Krushma Villa, Tankapani Road, Bhubaneswar, Odisha 751018. Cell No. 8826108353 an insolvency Professional to become interim Resolution Professional (IRP) of the Corporate Debtor in FormNo.2 and no disciplinary proceedings are pending against him.

7. In view of the answers arrived we are of the opinion that the application filed by the Financial Creditor, is required to be admitted under section 7 of the Insolvency and Bankruptcy Code 2016 and Corporate Insolvency Resolution Process to be initiated in relation to the corporate debtor. The operational creditor suggested **Mr. Suresh Chandra Pattanayak**, as an interim resolution professional, and the same is accepted. In view thereof, we pass the following order:

(i) The Corporate Debtor Sanchi Mediaids Private Limited is admitted in the Corporate Insolvency Resolution Process under Section 7 of the Insolvency and Bankruptcy Code, 2016.

(ii) The moratorium under section 14 of the Insolvency and Bankruptcy Code, 2016 is declared for prohibiting all of the following in terms of section 14(1) of the Code.

(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*



IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH

CP (IB) No.31/CB/2023

In res: Siemens Financial Services Pvt Ltd -vs- Sanchi Mediaids Pvt Ltd.

the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 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.

(iii) The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this 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 of the Insolvency & Bankruptcy Code, 2016, as the case may be.

(iv) As approved by the Financial Creditor, we appoint **Mr. Suresh Chandra Pattanayak**, having registration No. **IBBI/IPA-002/IP-N00759/2018-2019/12384**, having contact address- GKV-38, Gati Krushma Villa, Tankapani Road, Bhubaneswar, Odisha 751018. Cell No. 8826108353 to act as an Interim Resolution Professional (IRP) of the corporate debtor to carry out the functions as per the Code, subject to his possessing a valid Authorisation for Assignment (AFA) in terms of 7A of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations 2016. He shall conduct the Corporate Insolvency Resolution Process as per the provisions of Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder.

(v) The IRP so appointed shall make a public announcement of initiation of Corporate Insolvency Resolution Process (CIRP) and call for submission of claims under Section 15 as required by Section 13(1) (b) of the Code.

(vi) The supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period. The corporate debtor to provide effective assistance to



IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH

CP (IB) No.31/CB/2023

In res: Siemens Financial Services Pvt Ltd -vs- Sanchi Mediaids Pvt Ltd.

the IRP as and when he takes charge of the assets and management of the corporate debtor.

(vii) The IRP shall perform all his functions as contemplated, *inter-alia*, by sections 17, 18, 20 & 21 of the Code. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person associated with management of the Corporate Debtor are under legal obligation under section 19 of the Code extending every assistance and co-operation to the Interim Resolution Professional. Where any personnel of the Corporate Debtor, its Promoter or any other person required to assist or co-operate with IRP, do not assist or co-operate the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

(viii) The IRP shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' and manage the operations of the Corporate Debtor as a going concern as a part of obligation imposed by section 20 of the Insolvency & Bankruptcy Code, 2016.

(ix) The Financial Creditor is directed to pay an advance of Rs.2,00,000/- (Rupees Two Lakh Only) to the IRP within two weeks from the date of receipt of this order for the purpose of smooth conduct of Corporate Insolvency Resolution Process (CIRP) and IRP to file proof of receipt of such amount to this Adjudicating Authority along with First Progress Report. Subsequently, IRP may raise further demands for Interim funds, which shall be provided as per Rules.

(x) The Registry is directed to communicate a copy of this order to the Financial Creditor, Corporate Debtor and to the Interim Resolution Professional and to the concerned Registrar of Companies, of IBBI after completion of necessary formalities, within three working days and upload the same on website immediately after pronouncement of the order.



IN THE NATIONAL COMPANY LAW TRIBUNAL
CUTTACK BENCH

CP (IB) No.31/CB/2023

In res: Siemens Financial Services Pvt Ltd -vs- Sanchi Mediaids Pvt Ltd.

(xi) The IRP shall also serve a copy of this order to the various departments such as Income Tax, GST, State Trade Tax, and Provident Fund etc. who are likely to have their claim against Corporate Debtor as well as to the trade unions/employee's associations so that they are informed of the initiating of CIRP against the Corporate Debtor timely.

(xii) The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

8. Interim Resolution Professional shall file 1st Progress Report within six weeks from the date of this order.

9. Thus, the corporate debtor Sanchi Mediaids Private Limited **CP (IB) No.31/CB/2023 is admitted** into CIRP.

10. Certified copy of the order may be issued to all the concerned parties, if applied for, upon compliance with all requisite formalities.

**KAUSHALENDRA
KUMAR SINGH**

Digitally signed by
KAUSHALENDRA KUMAR
SINGH
Date: 2023.11.29 12:38:28
+05'30'

Kaushalendra Kumar Singh
Member (Technical)

**PANDIAN
MOHAN RAJ**

Digitally signed by
PANDIAN MOHAN RAJ
Date: 2023.11.29 15:37:59
+05'30'

P. Mohan Raj
Member (Judicial)

Signed on this, 29th day of November, 2023.

Supriya_P.S