

**IN THE NATIONAL COMPANY LAW TRIBUNAL
NEW DELHI
BENCH-VI**

IB-2260/(ND)/2019

Section: Under Section 7 of the Insolvency and Bankruptcy Code, 2016 and Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority), Rules, 2016.

In the matter of:

UTSAV SECURITIES PRIVATE LIMITED
16/121-122, Jain Bhawan Faiz Road,
W.E.A. Karol Bagh,
New Delhi – 110005.

...Applicant

Versus

SNS DIAGNOSTICS Limited
Room No. 106, First Floor,
2162/T-10A, Guru Arjun Nagar,
Main Patel Road,
New Delhi – 110008.

...Respondent

Coram:

DR. P.S.N. PRASAD
Hon'ble Member (Judicial)

DR. V.K. SUBBURAJ
Hon'ble Member (Technical)

Counsel for Applicant: Sanchita Bhardwaj, PCS
Counsel for Respondent: Nikhil Verma, Advocate

C.P. IB-2260/ND/2019
Utsav Securities Pvt. Ltd. vs. SNS Diagnostics Ltd.



ORDER

Per Dr. V. K. Subburaj (Member Technical)

Date:14.01.2020

1. This is an application filed by Utsav Securities Pvt. Ltd. seeking to initiate corporate insolvency resolution process (“CIRP”) of SNS Diagnostics Ltd. under Section 7 of the Insolvency and Bankruptcy Code 2016 (“the Code”) for the alleged default on the part of the Respondent in settling an amount of Rs.21,38,637/- including interest towards the loan given by the Applicant. The details of transactions leading to the filing of this application as averred by the Applicant are as follows:
 - i. The Applicant and the respondent entered into an Overdraft Loan Agreement dated 30.01.2016 (“Agreement”) wherein the Applicant was supposed to advance Rs.20,00,000/- to the Respondent.
 - ii. Between 30.03.2016 to 26.10.2018 a total sum of Rs.17,57,185/- was received by the Respondent from the Applicant on various events through various bank account transfers.
 - iii. As the loan facility was renewed, the facility expired on 01.04.2019. As per the terms of the Agreement, the Respondent was liable to pay the outstanding dues last by 30.04.2019.

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- iv. The Applicant issued a letter dated 10.04.2019 informing the Respondent that the last day to repay the entire loan amount was 30.04.2019.
 - v. Thereafter, the Respondent has failed to make any payment to the Applicant. Thus, the present application has been filed.
2. Notice was issued to the Respondent by this Tribunal as well as the Applicant. The Respondent was represented through its counsel, who stated on 29.11.2019 that the Respondent acknowledges the debt and does not wish to file a reply. Thus, the respondent was barred from filing the reply.
 3. We have heard the arguments of the Applicant and gone through the Agreement and the demand letters sent by the Applicant to the Respondent, which bear the stamp of the Respondent. It is apparent from the documents that loan facility was availed by the Respondent from the Applicant and that the same has not been repaid, leading to a default by the Respondent. The Respondent has acknowledged the Applicant's claim and not objected to the application.
 4. In view of the above situation, this Tribunal admits this petition and initiates CIRP on the Respondent with immediate effect.



5. A moratorium in terms of Section 14 of the Code is imposed forthwith in following terms:

“(a) the institution of suits or continuation of pending suits or proceedings against the Respondent 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 Respondent 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 Respondent in respect of its property including any action under the Securitization 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 Respondent.

(2) The supply of essential goods or services to the Respondent as may be specified shall not be terminated or suspended or interrupted during moratorium period.

- (3) The provisions of sub-section (1) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- (4) The order of moratorium shall have effect from the date of such order till the completion of the corporate insolvency resolution process.”
5. The interim resolution professional (“IRP”) proposed by the Applicant is Mr. Yash Jeet Basrar (Email – ybasrar@gmail.com) and is being confirmed by this Bench. He shall take such other and further steps as are required under the statute, more specifically in terms of Section 15, 17 and 18 of the Code and file his report within 30 days before this Bench.

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(Dr. V.K. SUBBURAJ)
MEMBER (TECHNICAL)

- 2 d -

(DR. P.S.N. PRASAD)
MEMBER (JUDICIAL)

Deepak