

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

CP (IB) No. 264/MB/2018

Under section 10 of IBC, 2016

In the matter of

Nandkishore Steel Industries Pvt. Ltd.
6th Floor, Gupta Tower, RN Tagore Marg,
Civil Lines,
Nagpur- 440 001.

.... Corporate Debtor/Applicant

Order delivered on 3.4.2018

Coram:

Hon'ble Mr. Bhaskara Pantula Mohan, Member (J)

Hon'ble Mr. V. Nallasenapathy, Member (T)

For the Applicant: Nitin Lalwani, Advocate

Per : Bhaskara Pantula Mohan, Member (Judicial)

ORDER

This Company Petition is filed by Nandkishore Steel Industries Pvt. Ltd. (hereinafter called Corporate Debtor), under Section 10 of Insolvency and Bankruptcy Code 2016 ("the Code") read with Rule 7 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016, for initiation of Corporate Insolvency Resolution process.

2. The Corporate Debtor says that its registered office is at 6th Floor, Gupta Tower, RN Tagore Marg, Civil Lines, Plot No. 1, Nagpur - 440 001, incorporated on 02.01.2004 vide CIN U27100MH2004PTC143824 on the file of Registrar of Companies Maharashtra, having paid up share capital of Rs.1,79,10,000/-.

3. The Board of Directors of the Corporate Debtor in their meeting held on 15.08.2017 authorised Mr. Mahesh Gupta, Director of the Company, to file necessary application under the Code.

M. Pantula Mohan

4. The Corporate Debtor has disclosed that a sum of ₹26,28,52,806/- is due to Creditors which is in default.

6. The Corporate Debtor enclosed the sanction letter received by the Akola Urban Co-operative Bank Limited, Akola dated 17.5.08 in proof of debt wherein a term loan of ₹1.50 crores and hypothecation limit of ₹4.00 crores was sanctioned to the Corporate Debtor. The Corporate Debtor also enclosed the certificate of registration of mortgage under Section 132 of Companies Act 1956 in favour of the Akola Urban Co-operative Bank for the facilities sanctioned by it. The said bank issued a notice on 18.7.12 under Section 13(2) of the SARFAESI Act, 2002 that a sum of ₹4,97,58,400/- is due as on 30.6.12 along with future interest and the loan accounts were irregular and overdue.

7. The Corporate Debtor has enclosed the audited financial statements for the years 2015-16 and 2016-17, the provisional financial statement for the period from 1.4.2017 to 10.2.2018, list of assets and liabilities of the Corporate Debtor as on 10.02.2018, list of financial creditors and operational creditors as on 10.2.18, list of properties given as security for the loans availed and extract of charges registered with the Registrar of Companies taken from MCA portal. The Corporate Debtor disclosed the names and addresses of the members of the Company with details of their shareholding, details of debt owed by or to the Corporate Debtor to or by persons connected with it and details of personal guarantors of the Corporate Debtor.

8. The Corporate Debtor proposed Mr. Charudutt Marathe, Gomed, 915, Khare Town, Dharampeth, Nagpur, Maharashtra- 440 010 having Registration No. IBBI/IPA-001/IP-P00350/2017-18/10651, as Interim Resolution Professional to carry the functions as mentioned under the Code.

Mr. Charudutt Marathe

9. On reading the Petition and the supporting documents annexed with the Petition, this Bench is of the view that the Corporate Debtor has committed default and the Petition contains the particulars as required u/s 10 of the Code. Hence, this Bench hereby admits this petition, declaring moratorium with consequential directions as mentioned below:

- (i) 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 Securitisation 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.
- (ii) 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.
- (iii) 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.
- (iv) That the order of moratorium shall have effect from 3.4.2018 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.

(v) That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under Section 13 of the Code.

(vi) That this Bench hereby appoints Mr. Charudutt Marathe, Gomed, 915, Khare Town, Dharampeth, Nagpur, Maharashtra- 440 010. having Registration No. IBBI/IPA-001/IP-P00350/2017-18/10651, as Interim Resolution Professional to carry the functions as mentioned under the Code.

12. Accordingly, this Petition is admitted.

13. The Registry is hereby directed to communicate this order to the Applicant.

Sd/-

V. NALLASENAPATHY
Member (Technical)

Sd/-

BHASKARA PANTULA MOHAN
Member (Judicial)