

BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
COURT 1

C.P. (I.B) No.453/7/NCLT/AHM/2018

Coram: Hon'ble Mr. MADAN BHALCHANDRA GOSAVI, MEMBER (JUDICIAL)  
Hon'ble Mr. VIRENDRA KUMAR GUPTA, MEMBER (TECHNICAL)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING THROUGH VIDEO CONFERENCING BEFORE  
THE AHMEDABAD BENCH OF THE NATIONAL COMPANY LAW TRIBUNAL ON 24.06.2020**

Name of the Company: Invent Assets Securitization & Reconstruction Pvt.  
Ltd.  
V/s.  
Garden Silk Mills Ltd

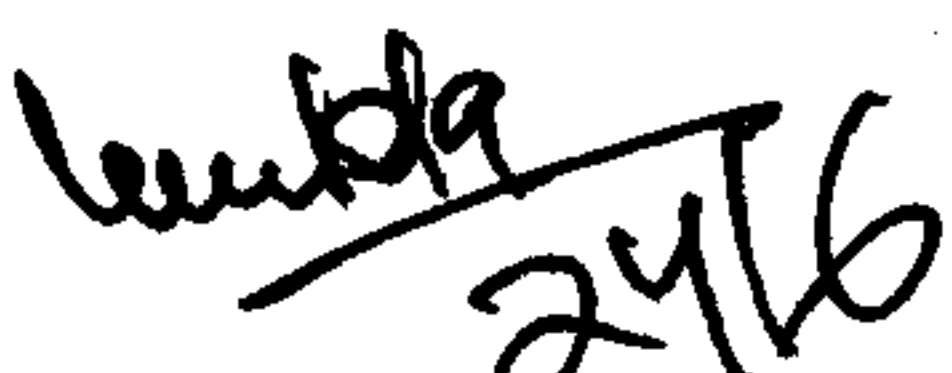
Section: Section 7 of the Insolvency and Bankruptcy Code


**ORDER**

The case is fixed for the pronouncement of order.

The order is pronounced in open Court, vide separate sheet.

CP(IB) No. 453/7/NCLT/AHM/2018 is allowed and stands disposed of accordingly.

  
(VIRENDRA KUMAR GUPTA)  
MEMBER (TECHNICAL)

  
(MADAN B GOSAVI)  
MEMBER (JUDICIAL)

Dated this the 24<sup>th</sup> day of June, 2020.

**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH  
AHMEDABAD**

**CP (IB) No.453/7/NCLT/AHM/2018**

(Application for initiating Corporate Insolvency Resolution Process under Section 7 of the Insolvency & Bankruptcy Code, 2016 r.w. Rule 4 of the Insolvency & Bankruptcy Code, 2016 (Application to Adjudicating Authority Rules, 2016))

**In the matter of :**

Invent Assets Securitization and Reconstruction Pvt. Ltd.

having its registered address at :

Bakhtawar, Suite 'B', Ground Floor,

Backbay Reclamation,

229 Nariman Point, Mumbai-400021

Through its Authorized Representative

(Mr. Ankit Shetty)

..Financial Creditor

Versus

Garden Silk Mills Limited

CIN:L17111GJ1979PLC003463

Registered Office at :

Tulsi Kurpa Arcade,

1<sup>st</sup> Floor, Nr. AAI Mata Chock,

Puna-Kumbharia Road, Dumbhal,

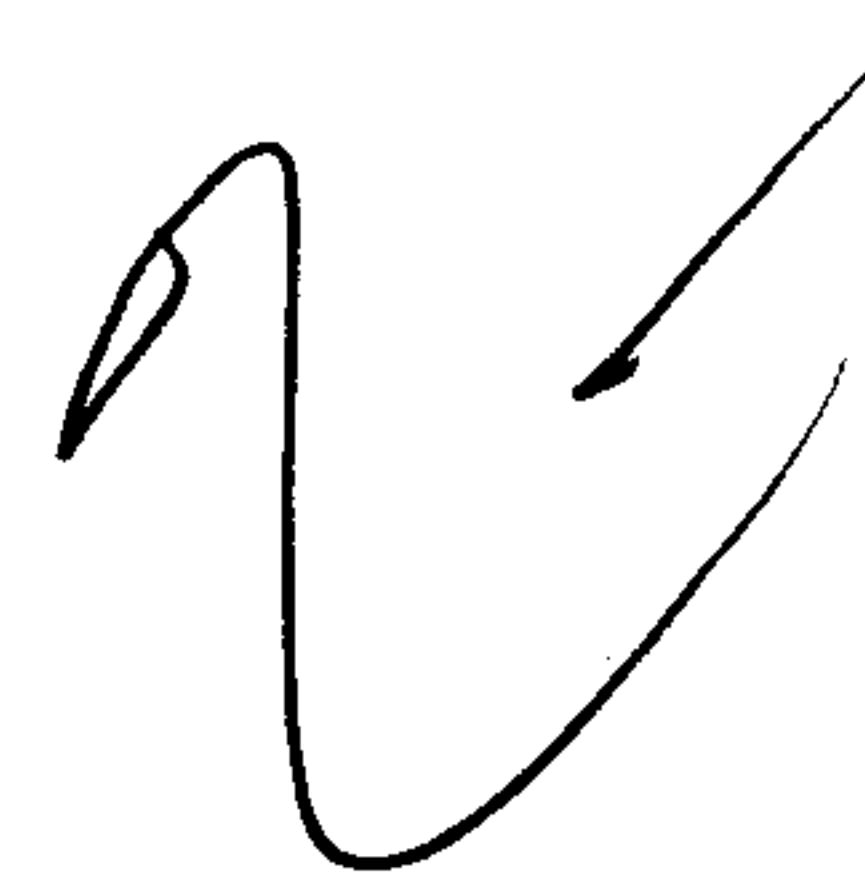
Surat-395 010.

..Corporate Debtor

**Date of Pronouncement of Order 24<sup>th</sup> June, 2020**

**Coram: HON'BLE MR. MADAN B. GOSAVI, MEMBER(J)**

**HON'BLE MR. VIRENDRA KUMAR GUPTA, MEMBER (T)**



**Appearance:**

Learned Senior Counsel Mr. Mihir Thakore, Learned Counsel Mr. Tarak Damani a.w. Learned Counsel Ms. Kristy Baptist for the Financial Creditor.

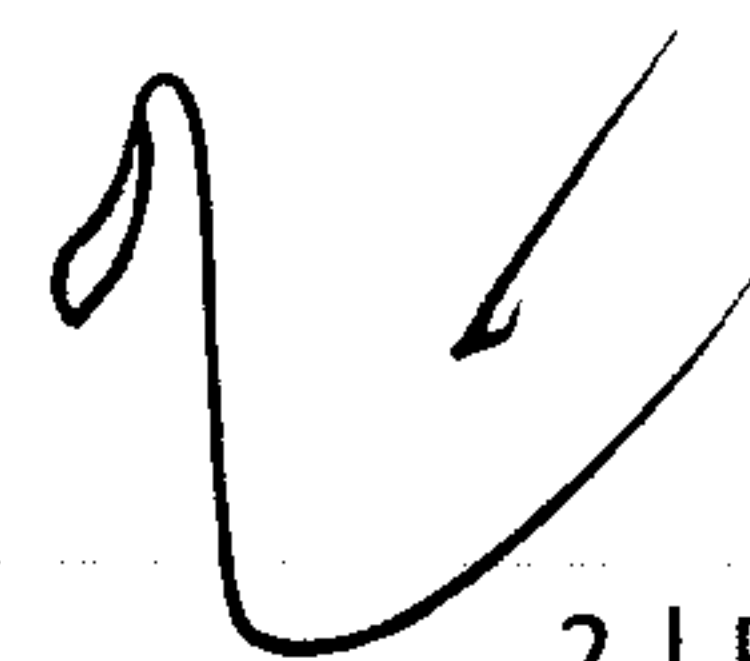
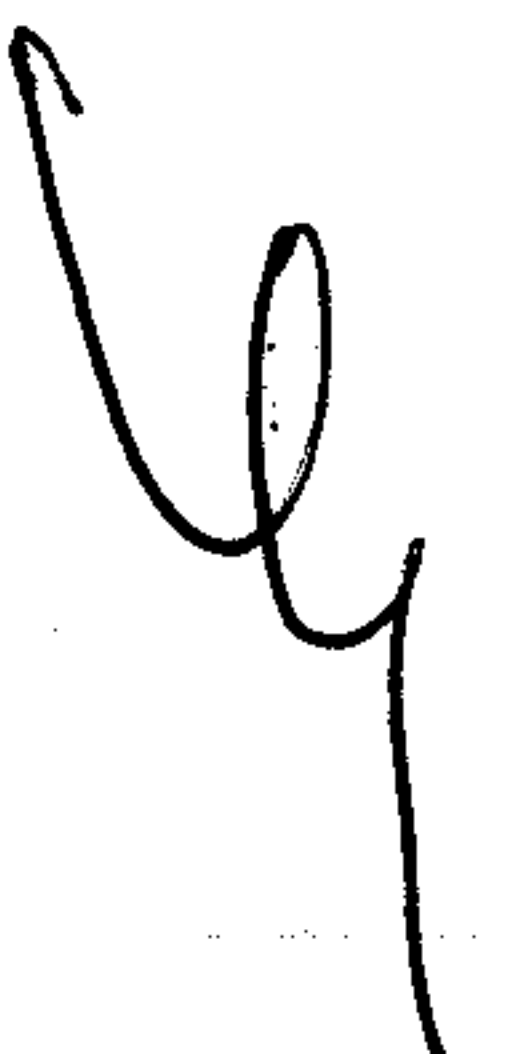
FCA Mr. Divyang Majumdar for the Corporate Debtor.

Learned Senior Counsel Mr. Saurabh Soparkar a.w. Learned Counsel Mr. Kunal P. Vaishnav for the Corporate Debtor

**ORDER**

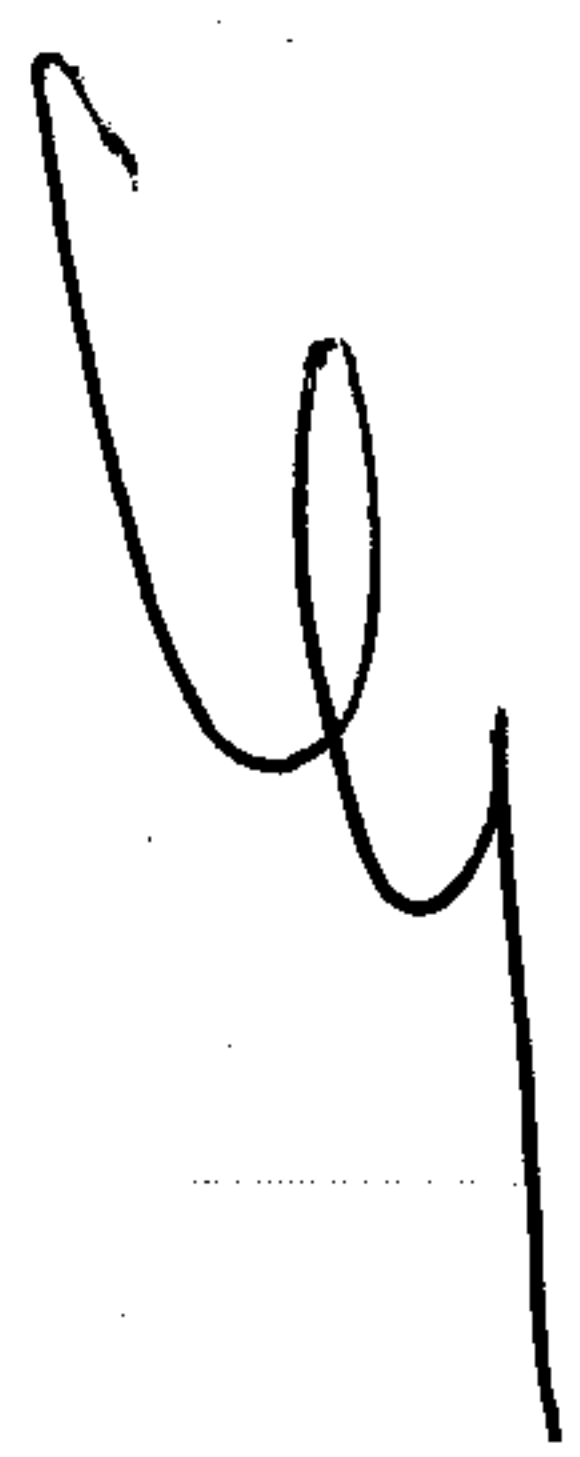
**[Per: HON'BLE MR. VIRENDRA KUMAR GUPTA, MEMBER (T)]**

1. An Application is filed by the Invent Assets Securitisation and Reconstruction Pvt Ltd., ( hereinafter referred to as the 'Financial Creditor') through its Authorised Signatory under Section 7 of the Insolvency & Bankruptcy Code, 2016, r.w. Rule 4 of the Insolvency & Bankruptcy Code, 2016, to start Corporate Insolvency Resolution Process (hereinafter referred to as the 'Corporate Insolvency Resolution Process') against the Garden Silk Mills, the Corporate Debtor, on the ground that, it has committed a default in paying the outstanding debt.
2. During the course of hearing, the Learned Senior Counsel for the Corporate Debtor fairly admitted that Corporate Debtor has outstanding debt due and payable to the Financial Creditor. The Corporate Debtor had no defence



in regards to such liability of Financial Creditor to pay such debt. We appreciate this approach of the Corporate Debtor.

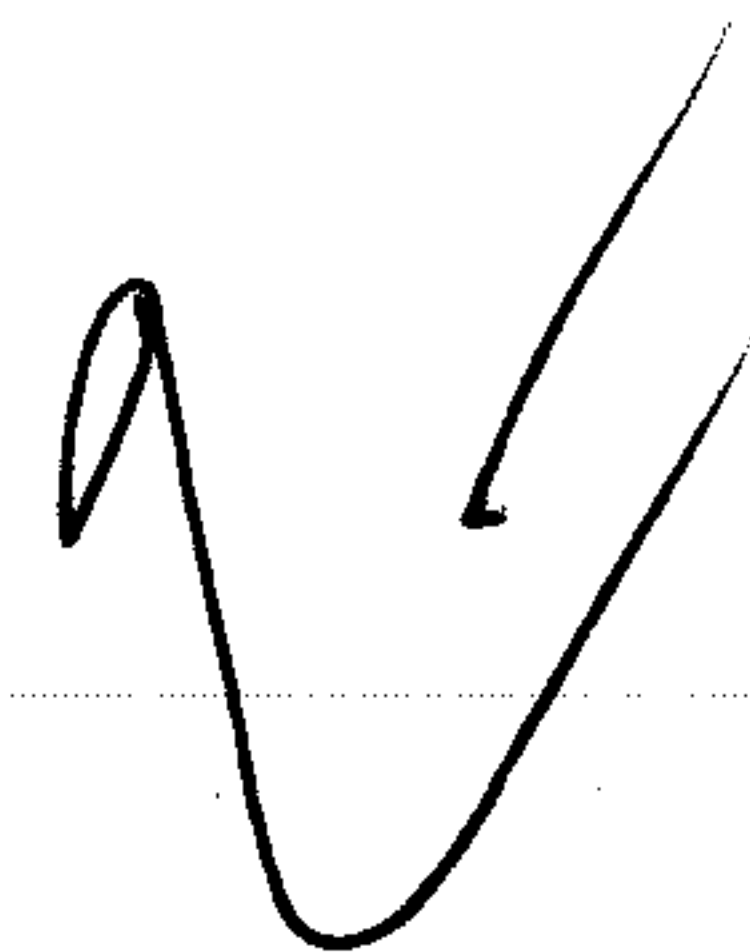
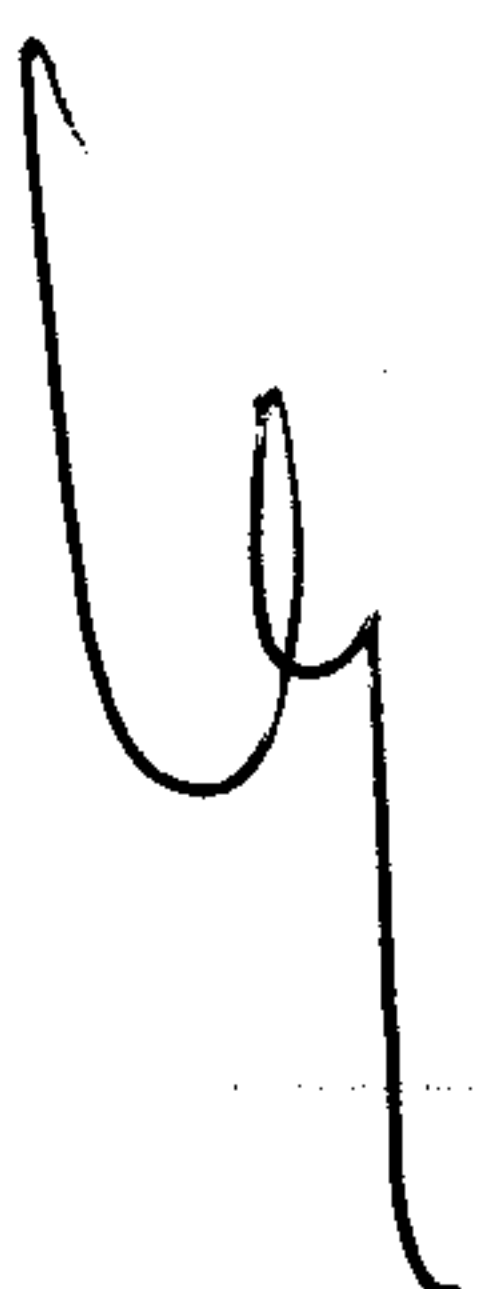
3. Learned Senior Counsel for the Corporate Debtor has also stated that an IA had been filed challenging the maintainability to this Application, which had now become infructuous, hence not pressed for. Accordingly, said has been disposed of as being infructuous vide separate order dated 18.06.2020.
4. At this stage, Learned Counsel for the Financial Creditor submitted that there was a change in the name of the proposed IRP, supported by an Application bearing no. IA No. 162 of 2020 in CP(IB) No. 453 of 2018. The same was not listed for hearing on 18.06.2020, however, we took on it record. Accordingly, the name of IRP shall be considered by this Adjudicating Authority (as proposed in this application).
5. In view of the above facts and applicable legal provisions of law, we are of the considered view that this Application needs to be admitted. It is otherwise complete, defect free and complies with the requirement(s) of relevant provisions of Insolvency & Bankruptcy Code, 2016 r.w. Regulations made thereunder.



6. The name of proposed IRP with requisite consent of such person is on record. It is also noted that no disciplinary proceedings are pending against such person. In view of the above facts, this Adjudicating Authority hereby admit IB application filed under Section 7 of the Insolvency & Bankruptcy Code, 2016, for initiation of Corporate Insolvency Resolution Process, in respect of the Corporate Debtor with the following directions :

**ORDER**

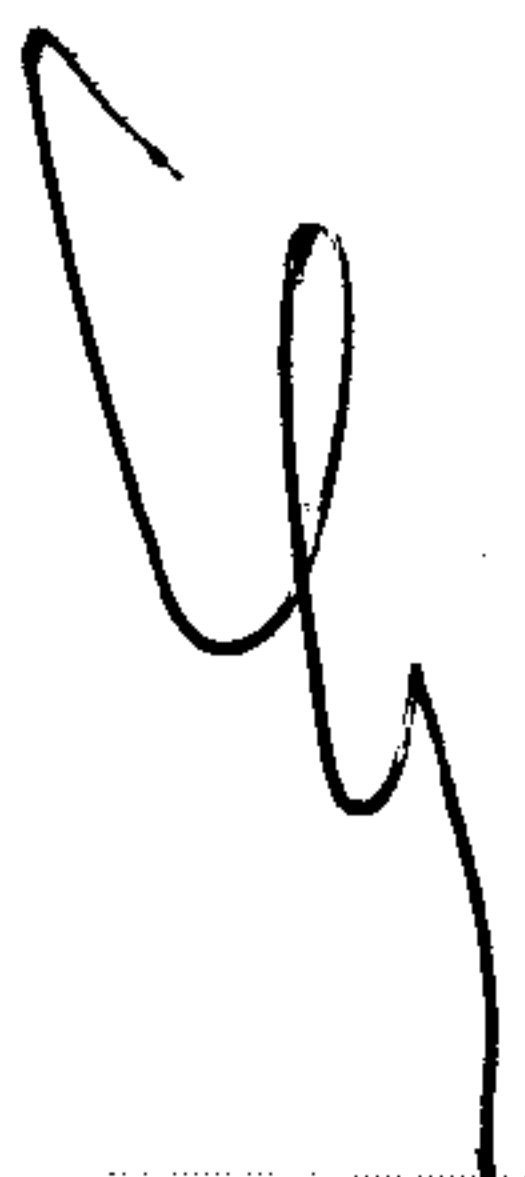
1. This Adjudicating Authority hereby appoints proposed IRP Mr. Kuresh Khambati, registration no. IBBI/IPA-001/IP-P-01521/2018-2019/12454, having address GT Restructuring Service LLP, kaledonia, 1<sup>st</sup> Floor, C wing (opposite J & J office), Sahar Road, Andheri East, Mumbai City, Maharashtra-400069, e-mail : Kuresh.Khambati.IP@outlook.com. under section 13(1) (c) of the IB Code.
  
2. That the Moratorium under Section 14 of the Code shall come to effect from 24.06.2020 till the completion of 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.

3. That the Bench hereby prohibits the institution of suits or continuation of pending suit 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(s), 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 SARFAESI 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.
4. Further, litigation or any application, if any, is pending before any competent Court of law under the provisions of the SARFAESI Act and RDB Act, prior to pronouncement of this order such proceedings are expected to be dealt with in accordance with law r.w. Section 14 and Section 238 of the Insolvency & Bankruptcy Code, 2016.

5. That the supply of essential goods or services to Corporate Debtor, if continuing, shall not be terminated or suspected or interrupted during the Moratorium, period. The Corroder Debtor to provide effective assistance to the IRP as and when he takes charge of the Corporate Debtor.
6. The IRP so appointed shall make Public announcement of Corporate Insolvency Resolution Process (CIRP) be made immediately as specified under Section 13 of the Code and by calling for submissions of claim under Section 15 of the Code.
7. 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 extend 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, IRP is at liberty to make appropriate



application to this Adjudicating Authority with a prayer for passing an appropriate order.

8. The IRP shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor Company' and manage the operations of the Corporate Debtor Company as a going concern as a part of obligation imposed by Section 20 of the Insolvency & Bankruptcy Code, 2016. The Financial Creditor shall pay an advance of Rs. 3.00 lacs (Rupees Three Lacs only) to the IRP for smooth conduct of Corporate Insolvency Resolution Process. Subsequently, IRP may raise further demands for interim funds, which shall be provided as per Rules.
9. The Registry is directed to communicate a copy of this order to the Petitioner-Financial Creditor, Corporate Debtor and to the Interim Resolution Professional and the concerned Registrar of Companies, after completion of necessary formalities, within three working days and upload the same on website immediately after pronouncement of the order.
10. **The commencement of Corporate Insolvency Resolution Process (CIRP) shall be effective from the date of this order.**



11. **CP(IB) No. 453/7/NCLT/AHM/2018 is allowed and stands disposed of. All pending IAs bearing Nos. I.A No. 487 of 2018, I.A No. 803 of 2019 & I.A No. 162 of 2020 also stand disposed of vide separate orders dated 18.06.2020.**

*Virendra*  
*24/6/20*

**(VIRENDRA KUMAR GUPTA)  
ADJUDICATING AUTHORITY  
& MEMBER (T)**

*Madan B*  
*24/6/2020*

**(MADAN B GOSAVI)  
ADJUDICATING AUTHORITY  
& MEMBER (J)**

Signed on this, the 24<sup>th</sup> June, 2020.

vc