

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH**

CP 1945 (IB)/MB/2019

Under Section 7 of the I&B Code, 2016

In the matter of

Corporation Bank

...Financial Creditor/ Applicant

v/s

Belgium Aluminium & Glass Industries

Private Limited

...Corporate Debtor

Order Dated 27th August 2019

Coram: Hon'ble Member (Judicial) Mr V.P. Singh

Hon'ble Member (Technical) Mr Rajesh Sharma

For the Petitioner: Adv. Anup Khaitan, and Adv. Vijay Hinge

For the Respondent: None Present.

Per V.P. Singh, Member (Judicial)

ORDER

1. This is an application being CP 1945/2019 filed by **Corporation Bank**, Financial Creditor or Applicant, under section 7 of Insolvency & Bankruptcy Code, 2016 (**I&B Code**) against **Belgium Aluminium & Glass Industries Private Limited**, Corporate Debtor, for initiating Corporate Insolvency Resolution Process (**CIRP**). The Petition is filed on 27.05.2019.
2. This application is filed by Mr Digambhar Behera, Chief Manager of the applicant Bank, who is duly authorised to do the same vide authorisation dated 16.03.2019.
3. The Applicant had extended a loan to the Corporate Debtor for ₹25,00,00,000/-, vide its sanction letters dated 27.01.2016 and revised the said limits vide its letter dated 25.05.2018. The account of the Corporate Debtor was declared Non-Performing Asset (NPA) on 16.07.2018. The Applicant sent a notice under section 13 (2) of

SARFAESI Act recalling an outstanding amount of ₹16,45,64,027.34/- including interest as on 01.08.2017. The Applicant submits that as on 30.04.2019, the total outstanding amount in default is ₹18,76,36,277/-.

4. The Applicant has filed an affidavit by the Corporate Debtor admitting its liability to pay the Applicant Bank ₹17,28,94,785.34 as on 12.12.2018.
5. The Applicant has filed extracts of Commercial Credit Information Report (CIBIL) dated 31.03.2019 reflecting the classification of the Corporate Debtor's account as sub-standard. The Applicant has also submitted the copy of the bank statement along with the certificate under the Banker's Book of Evidence Act, 1891 dated 03.05.2019, certifying that the account statement is as per Ledger entries of the Bank Account of the Corporate Debtor for the period 01.04.2018 to 30.04.2019.
6. The Corporate Debtor was served with the court notice, and still it chose not to make any representation before this Tribunal. No objection has been raised by the Corporate Debtor to date, despite service of Court notice and after providing ample opportunities.
7. On perusal of the documents submitted by the financial creditor, it is clear that debt amounting to Rs 18,76,36,277 is due and payable by the Corporate Debtor to the Applicant. The outstanding debt is acknowledged by the Corporate Debtor on affidavit vide its letter dated 12.12.2018. The outstanding amount that is admittedly in default is more than ₹1,00,000/-.
8. The application filed by the financial creditor is on proper form 1, as prescribed under the Adjudicating Authority Rules and application is complete.
9. The Applicant has proposed the name of Mr Ravindra Chaturvedi, a registered Insolvency Resolution Professional having Registration Number [IBBI/IPA-001/IP-P00792/2017-18/11359] as **Interim Resolution Professional**, to carry out the functions as mentioned under I&B Code. In Form 2 annexed to the Application, the proposed IRP has declared that there are no disciplinary proceedings pending against him.

10. The Application under sub-section (2) of Section 7 of I&B Code, 2016 filed by the financial creditor for initiation of CIRP in prescribed Form No1, as per the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 is complete. The existing financial debt of more than rupees one lakh against the corporate debtor and its default is also proved. Accordingly, the petition filed under section 7 of the Insolvency and Bankruptcy Code for initiation of corporate insolvency resolution process against the corporate debtor deserves to be admitted.

ORDER

This petition filed under Section 7 of I&B Code, 2016, filed by **Corporation Bank**, against **Belgium Aluminium & Glass Industries Private Limited**, for initiating corporate insolvency resolution process is at this moment **admitted**. We further declare moratorium u/s 14 of I&B Code with consequential directions as mentioned below:

- I. That this Bench as a result of this prohibits:
- 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 activity 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 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 the moratorium period.
- III. That the provisions of sub-section (1) of Section 14 of I&B Code 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 the date of this order till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of section 31 of I&B Code or passes an order for the liquidation of the corporate debtor under section 33 of I&B Code, 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 I&B Code.
- VI. That this Bench at this moment appoints Mr Ravindra Chatruvedi, a registered insolvency professional having Registration Number [IBBI/IPA-001/IP-P00792/2017-18/11359] as Interim Resolution Professional to carry out the functions as mentioned under I&B Code. The fee payable to IRP/RP shall comply with the IBBI Regulations/Circulars/Directions issued in this regard.
11. The Registry is at this moment directed to immediately communicate this order to the Financial Creditor, the Corporate Debtor and the Interim Resolution Professional even by way of email or WhatsApp. **Compliance report of the order by Designated Registrar is to be submitted today.**

Sd/-

RAJESH SHARMA
Member (Technical)

27th August 2019

Sd/-

V.P. SINGH
Member (Judicial)