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IN THE NATIONAL COMPANY LAW TRIBUNAL,
DIVISION BENCH NEW DELHI
COURT- III

IB-793/2020 filed under Section 94 (1) r/w
Sections 96, 97, 99 & 100, r/w Rule 6 (1) of
the IB (Application to Adjudicating Authority
for IRP for Personal Guarantors to CD)
Rules, 2019.

In the matter of Narinder Singh Azad

Narinder Singh Azad

....Applicant/ Personal Guarantor/Debtor

Coram

CH. MOHD SHARIEF TARIQ

Member (Judicial)

Shri NARENDRA KUMAR BHOLA

Member (Technical)

For Debtor/ Personal guarantor: Mr. Om Pal (Advocate)

Order delivered on 28th September, 2020

ORDER

(Through virtual mode)

Per: CH. Mohd Sharief Tariq, Member (Judicial)

1. Under consideration is an Application filed through SPA holder of the Applicant having number IB-793/2020 filed under Section 94 (1) r/w sections 96, 97, 99 & 100 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred as "IBC, 2016") r/w Rule 6 (1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for IRP for Personal Guarantors to Corporate Debtor) Rules, 2019. The prayer made is to initiate the Insolvency Resolution Process (hereinafter referred as "IR Process") against the Applicant/ Debtor who is the Personal Guarantor of Vijaya Bank (now Bank of Baroda) (hereinafter referred as the "the Bank") for an amount of Rs. 5,51,83,692.23 in relation to the credit facility extended by the Bank in favour of M/s. V. Angelz Technologies Pvt Ltd. (hereinafter referred as the "the Company").

IB-793/2020



2. The Credit facilities were sanctioned by the Bank to the Company in the year 2006 and the Applicant/Debtor stood as a guarantor to secure due repayment of the credit facilities disbursed by the Bank to the Company. The Company could not maintain financial discipline with the Bank as a result of which the loan accounts were classified as Non-Performing assets in the year 2012. In the year 2014, the Bank filed a recovery suit before the Debt Recovery Tribunal under Section 19 of the RDB Act, 1993. As per the order that was passed by the Debt Recovery Tribunal, the debt of the Bank is Rs. 5,51,83,692.23 along with pendentelite and future interest @ 13.75% P.A. with monthly rests in cash credit facility @11.75% P.A. with monthly rests in PCL Limit and 14% P.A. with monthly rests w.e.f 03.01.2014 till realization as per the recovery certificate issued by DRT, Delhi along with cost of Rs. 1,50,000/-. The Bank initiated execution proceedings against the Company, the Applicant/Debtor and other Judgement Debtors as per the judgement. The company now stands dissolved by virtue of the Order dated 26.07.2019 passed in CO.PET. 364/2011 by the Hon'ble Delhi High Court.

3. The Applicant/ Debtor has clearly brought it out in his application that he has committed default in making payments to the Bank for the amount for which he has given the personal guarantee on behalf of the Company, therefore, it will be in the interest of the Creditors of the Applicant/Debtor to initiate the IR Process under Chapter III of Part III of the IBC, 2016.

4. The Applicant/Debtor has filed the Application in respect of debts which are not excluded debts as enumerated under sub-section (4) of section 94 of IBC, 2016. It is noted that no application under this Chapter has been admitted in respect of the Applicant/Debtor during the period of 12 months preceding the date of submission of the Application. The Application under consideration is in Form and manner and accompanied with the fee as prescribed and contains the required details. Thus, *prima facie* the requirements of Sub-section (6) of Section 94 are also fulfilled.

5. It is made known to everyone that on filing this Application by the Applicant/Debtor the interim-moratorium commences as is stipulated under Section 96 (1) (a) in relation to all the debts and shall cease to have effect on the date of



admission of this Application and during the interim- moratorium period the following is prohibited:

- a) Any pending legal action or proceeding in respect of any debt shall be deemed to have been stayed; and
- b) The creditors of the debtor shall not initiate any legal action or proceedings in respect of any debt.
- c) 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.

6. The Applicant/Debtor has not proposed the name of Insolvency Professional for appointment as Resolution Professional. Therefore, Mr. Ravinder Singh Kathuria whose name appears in the list of the Insolvency Professionals provided by the IBBI to NCLT Delhi is hereby appointed as Resolution Professional in exercise of the powers conferred under Section 97 of the IBC, 2016 upon this Authority subject to the Regulation 4 (1) and (2) of the Insolvency and bankruptcy Board of India (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019. The detail of the Resolution Professional is as under; -

Name: Mr. Ravinder Singh Kathuria

Registration No. IBBI/IPA-002/IP-N00590/2018-19/11860

Address: A-215/55, Chawla Complex, Vikas Marg, Shakarpur, New Delhi

E-mail: rsk04069@rediffmail.com

7. The Resolution Professional shall exercise all the powers as enumerated under Section 99 of the IBC, 2016 r/w the Rules made thereunder. He is directed to initiate the IR Process and to make the recommendations with the reasons in writing for acceptance or rejection of this Application within stipulated time as envisaged under



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the provisions of Section 99 of the IBC, 2016. The RP shall give a copy of the report under Sub-Section (7) of Section 99 to the applicant/debtor, as soon as the same is filed before this Authority.

8. The Applicant/debtor and his Counsel are directed to serve the copy of this Order along with copy of the Application and documents on the Resolution Professional by all modes for information and compliance.

9. List the matter on 19th October, 2020 at 10:30 AM.

-s.d-

NARE
Member (Technical)

-S.d-

CH. MOHD SHARIEF TARIQ
Member (Judicial)



Ch
28/9/2020

Ch *28.9.2020*
Deputy Registrar
National Company Law Tribunal
Complex, New Delhi-110003