

**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
MUMBAI BENCH-II**

**C.P.(IB)-59/MB/2021**

Under Section 95 of the Insolvency and Bankruptcy Code, 2016 read with Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudication Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtor) Rules, 2019

*In the matter of*

**Indiabulls Housing Finance Limited**

A Company incorporated under the Companies Act, 2013, having its registered office at M-62 & 63, 1<sup>st</sup> Floor, Connaught Place, New Delhi – 110001.

**.....Applicant/Creditor**

Versus

**Mr. Sanjay Chhabria**

Personal Guarantor to the Applicant, Having its Present Address at:

Indian Inhabitant, Residing at 13/14, New Solitaire CHS, Central Avenue Road, Santa Cruz West, Opp. Rose Manor School, Santacruz West, Mumbai – 400054.

**.....Respondent/ Guarantor**

**Order Delivered on 22.07.2022**

***Coram:***

Hon'ble Member (Judicial) : Justice P. N. Deshmukh (Retd.)  
Hon'ble Member (Technical) : Mr. Shyam Babu Gautam

***Appearances:***

For the Applicant : Mr. Shyam Kapadia,  
Advocate.  
For the Respondent : Mr. Vaibhav K. Krishna,  
Advocate.

**ORDER**

***Per: Justice P. N. Deshmukh, Member (Judicial)***

1. This is a Company Petition filed by **Indiabulls Housing Finance Limited**, (“the Applicant”), under section 95 of the Insolvency & Bankruptcy Code, 2016 (**IBC**) read with Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 seeking to initiate Individual Insolvency Resolution Process (IRP) against **Mr. Sanjay Chhabria** (“the Personal Guarantor”).
2. This Company Petition is filed by the Applicant claiming total outstanding of Rs. 146,68,83,834/- (Rupees One Hundred Forty-Six Crore Sixty-Eight Lakh Eighty-Three Thousand Eight Hundred Thirty-Four Only).
3. In March 2017, Raghuleela Infraventures Private Limited (“**Corporate Debtor**”) approached Indiabulls Housing Finance Limited (“**IHFL/Financial Creditor**”) seeking total loan facilities for an amount of INR 283 Crores. Acceding to the request of the Corporate Debtor, the Financial Creditor sanctioned the following loans to the Corporate Debtor.

- i. Loan Amount No. S000239814 – Loan Agreement dated March 14, 2017 for an amount of INR 150,00,00,000/- (Rupees One Hundred and Fifty Crores) sanctioned *vide* letter dated march 07, 2017 (“**Loan 1**”). The entire amount of INR 150,00,00,000/- (Rupees One Hundred and Fifty Crores) has been disbursed on March 30, 2017.
- ii. Loan Account No. S000239815 – Loan Agreement dated March 14, 2017 for an amount of INR 133,00,00,000/- (Rupees One Hundred and Thirty-Three Crores) sanctioned *vide* letter dated March 07, 2017 (“**Loan 2**”). A sum of INR 131,40,00,000/- (Rupees One Hundred and Thirty-Three Crores and Forty Lakh Only) was disbursed on March 23, 2017.

Loan 1 and Loan 2 are collectively referred to as the “**Loan Facilities**”.

4. The Learned Counsel for the Applicant submits that a Deed of Personal Guarantee was executed by Mr. Sanjay Chhabria, Personal Guarantor on 14.03.2017.
5. The application filed by the Beacon Trusteeship Limited was listed before Court – III of the Mumbai Bench (‘Co-ordinate Bench’). The Co-ordinate Bench *vide* its order dated 01.03.2022 appointed Mr. Prakul Thadi, as the Resolution Professional (‘RP’) and directed to file a report under section 99 of the Code.
6. As per under section 96(1)(b) of the Code during the interim moratorium period the creditors of the debtor shall not initiate any legal action or proceedings in respect

of any debt. Hence, the proceeding in C.P (IB) No. 59/MB/2021 before this Adjudicating Authority should also be stayed.

7. Further, the Co-ordinate Bench ordered moratorium under Section 101 vide its order dated 13.05.2022.
8. We have heard the Ld. Counsel appearing on behalf of the parties and perused the documents on record.
9. On a conjoint and careful reading of section 101 of the Code it appears that during the moratorium all the debts shall cease to have effect on the date of admission of such application and; during the moratorium period, all legal actions or proceedings pending in respect of any debt shall remain stayed and creditors shall not initiate any legal action or proceeding in respect of any debt. Hence, we are of the view that the moratorium restrains any ongoing or fresh legal action or proceeding in respect of any debt pertaining to the Personal Guarantor.
10. In view of the above facts and circumstances, we order CP (IB) No. 59/MB/2021 to be **stayed**.

**Sd/-**

**SHYAM BABU GAUTAM**  
**MEMBER (TECHNICAL)**  
22.07.2022  
SAM

**Sd/-**

**JUSTICE P. N. DESHMUKH**  
**MEMBER (JUDICIAL)**