



IN THE NATIONAL COMPANY LAW TRIBUNAL,
MUMBAI BENCH -I

CP(IB)No. 1023/MB/2024

Under Section 7 of the Insolvency and
Bankruptcy Code, 2016 read with Rule 4 of the
Insolvency and Bankruptcy (Rule 4 of the
Insolvency and Bankruptcy (Application to
Adjudicating Authority) Rules, 2016

In the matter of

HRPL Restaurants Private Limited

Through Its Authorised Representative Mr.

Chetan Raval

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

Versus

Sabve Rohini Contractors Private Limited

**.....Corporate Debtor/
Respondent**

Order Delivered on :27.03.2025

Coram:

Shri Prabhat Kumar

Hon'ble Member (Technical)

Justice V.G Bisht, (Retd).

Hon'ble Member (Judicial)

Appearances:

For the Financial Creditor : Mr. Bhupendra Dave, Advocate

For the Corporate Debtor : Mr. Prasshant Berri, Advocate




ORDER

1. This Company Petition has been filed by **HRPL Restaurants Private Limited Through Its Authorised Representative Mr. Chetan Raval ("Financial Creditor")**, is seeking to initiate Corporate Insolvency Resolution Process ("**CIRP**") against **Sabve Rohini Contractors Private Limited ("Corporate Debtor")** by invoking the provisions of Section 7 of the Insolvency and Bankruptcy Code, 2016 ("**Code**") read with Rule 4 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for having committed a default in repayment of outstanding debt of **INR 7,50,69,493/-** (Rupees Seven Crores Fifty Lakhs Sixty-Nine Thousand Four Hundred and Ninety-Three Only), which includes principal of Rs. 6,59,60,182/- and interest @ 8% p.a. Date of disbursement of loan amount by the Financial Creditor is on 01.12.2022. Date of default is **10.08.2023**.
2. The record of default is recorded with the Information Utility "NeSL" as of 10.08.2023.

Facts of the Case and Submissions made by Ld. Counsel for the Applicant

3. The Corporate Debtor is engaged in the civil construction business. Corporate Debtor under a Master Facility Agreement executed an agreement for disbursement of loan with Kotak Mahindra Bank Limited on 25.03.2019. The Corporate Debtor availed an overdraft facility of ₹6,30,00,000(**Facility-I**). Additionally, as per the sanction letter dated 09.07.2020, the Corporate Debtor obtained a Guaranteed Emergency Credit Line of ₹60,41,000(**Facility-II**).
4. On 28.10.2022, at the request of the Corporate Debtor, the Financial Creditor agreed to enter into an Inter-Corporate Loan Agreement (hereinafter referred to as "**the Loan Agreement**"). Under this agreement, the Financial Creditor (HRPL Restaurant Private Limited) advanced a sum of ₹6,73,60,182 (Rupees Six Crores, Seventy-Three Lakhs, Sixty Thousand, One Hundred and Eighty-Two Only), intended exclusively for repaying the



total outstanding amount to the Kotak Mahindra Bank (**towards Facility-I and Facility-II**) and securing the consequent release of the lien. The loan was to be repaid as per the Repayment Schedule outlined in Schedule II of the Loan Agreement, with a simple interest rate of 8% per annum.

5. According to the Loan agreement dated 28.10.2022 in relation to the loan facility-I and Facility-II, the borrower had created a lien on 51,77,175.899 mutual fund units of IDFC Corporate Bond fund direct plan growth in the name of Mrs. Rekha Pradeep Chona, bearing folio Number 2182709, in the favour of Kotak Mahindra Bank
6. On 08.07.2024, a demand notice was issued to the Corporate Debtor, requesting repayment of the outstanding loan amount along with the accrued interest within 15 days from the date of issuance.


Affidavit in Reply on Behalf of the Respondent

7. The Corporate Debtor states that they availed an overdraft facility of ₹6,30,00,000 (Facility-I) from Kotak Mahindra Bank Ltd. by executing a Master Facility Agreement on 25.03.2019. Subsequently, the Corporate Debtor faced business and financial difficulties due to the nationwide lockdown. To address these challenges, it obtained a Guaranteed Emergency Credit Facility of ₹60,41,000 (Facility-II) under a sanction letter dated 09.07.2020, from Kotak Mahindra Bank Ltd.
8. The Corporate Debtor submits that they have sought financial assistance and subsequently executed a Loan Agreement on 28.10.2022 with the Financial Creditor solely to repay Facility-I and Facility-II, along with the outstanding interest and penalties owed to Kotak Mahindra Bank, who had extended these financial facilities in 2019 through a Master Facility Agreement.
9. The Corporate Debtor tried to settle the outstanding amount and was willing to make an upfront payment of ₹14,00,000 in eight installments of ₹1,75,000 per month for eight months. However, this proposal was rejected by the Financial Creditor.




Findings

10. Heard learned counsel for both the parties and perused the materials on record.
11. The date of default according to the part four of this petition and according to the NESL record is 10.08.2023
12. It is an undisputed fact that the Corporate Debtor entered into an Inter-Corporate Loan Agreement, under which the Financial Creditor agreed to advance a loan of ₹6,59,60,182, along with interest of ₹91,09,311, totaling ₹7,50,69,493. The Corporate Debtor has subsequently defaulted on the repayment of the outstanding amount.
13. The Corporate Debtor submits that the company incurred significant financial losses due to the COVID-19 lockdown. The nationwide lockdown imposed by the Government of India in March 2020 severely impacted its business operations, leading to consistent losses and financial distress, ultimately resulting in the default.
14. Having considered the facts presented, it is evident that the Corporate Debtor entered into an Inter-Corporate Loan Agreement dated 28.10.2022 with the Financial Creditor, HRPL Restaurant Private Limited. Under this agreement, the Financial Creditor advanced a sum of ₹6,73,60,182 for the exclusive purpose of repaying the outstanding dues to Kotak Mahindra Bank (Facility-I and Facility-II) which was executed through a Master Facility Agreement in the year 2019 and also securing the release of the lien.
15. Furthermore, as per the terms of the Loan Agreement, the borrower had created a lien on 51,77,175.899 mutual fund units of the IDFC Corporate Bond Fund Direct Plan Growth in the name of Mrs. Rekha Pradeep Chona, bearing Folio Number 2182709, in favor of Kotak Mahindra Bank.

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16. On 08.07.2024, a demand notice was issued to the Corporate Debtor, requesting repayment of the outstanding loan amount along with the accrued interest within 15 days from the date of issuance
 17. In light of the above, it is established that the Corporate Debtor had a clear financial obligation under the Loan Agreement. The default in repayment constitutes a breach of contractual and financial commitments. Accordingly, the necessary legal consequences shall follow as per the provisions of the Insolvency and Bankruptcy Code, 2016, and other applicable laws.
 18. From perusal of the record and the documents relied upon by the Applicant it stands proved that there has been a financial debt in respect of which default has been committed by the Corporate Debtor and further that the Application has been filed within the period of limitation. Therefore, the Application u/s 7 of the Code, deserves to be admitted. It is ordered accordingly in the following terms:

ORDER

- a. The petition bearing CP (IB) 1023/MB/C-I/2024 filed by **HRPL Restaurants Private Limited Through Its Authorised Representative Mr. Chetan Raval** , the Financial Creditors, under Section 7 of the Code read with Rule 4(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating Corporate Insolvency Resolution Process against **Sabve Rohini Contractors Private Limited**, the Corporate Debtor, is admitted.
- b. This Bench hereby **appoints Mr.Pankaj Bhattad** having **Registration No:IBBI/IPA-001/IP-P-02841/2023-2024/14362** as the **Interim Resolution Professional** having **email:- rppankajbhattad@gmail.com** ;Address at Finvin Turnaround and Restructuring Pvt Ltd,605, Sunteck Crest ,Mukund Nagar, Andheri



Kurla Road, Andheri (E) ,Mumbai City,Maharashtra ,400059, to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.

- c. There shall be a moratorium under section 14 of the IBC, in regard to the following:
- i. 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;
 - ii. Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
 - iii. 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 (SARFAESI) Act, 2002;
 - iv. The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.
- d. Notwithstanding the above, during the period of moratorium: -
- i. 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;
 - ii. That the provisions of Sub-Section (1) of Section 14 of the Code shall not apply to such transactions as may be notified by the Central Government in consultation with any sectoral regulator;
- e. The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under Sub-Section (1) of Section 31 of the Code or passes



an order for liquidation of Corporate Debtor under Section 33 of the Code, as the case may be.

- f. Public announcement of the CIRP shall be made immediately as specified under Section 13 of the Code read with Regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- g. The Financial Creditor shall deposit an amount of **Rs. Three Lakhs** towards the initial CIRP cost by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The said amount shall be adjusted towards his fees and expenses subject to ratification thereof by CoC. CoC, at its first meeting, decide the remuneration payable to Interim Resolution Professional.
- h. During the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of Section 17 of the Code. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within a period of one week from the date of receipt of this Order, in default of which coercive steps will follow.
- i. The Registry is directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by speed post and email immediately, and in any case, not later than two days from the date of this Order.
- j. IRP is directed to send a copy of this Order to the Registrar of Companies, Maharashtra, Mumbai, for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report

in this regard to the Registry of this Court **within seven days** from the date of receipt of a copy of this order.

Sd/-

PRABHAT KUMAR

Member (Technical)

Sd/-

JUSTICE V.G. BISHT

Member (Judicial)