

44

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

C.P. (I.B) No. 401/7/NCLT/AHM/2019

Coram: MADAN BHALCHANDRA GOSAVI, MEMBER (JUDICIAL)  
VIRENDRA KUMAR GUPTA, MEMBER (TECHNICAL)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING BEFORE THE AHMEDABAD BENCH OF THE  
NATIONAL COMPANY LAW TRIBUNAL ON 15.03.2021

Name of the Company:

Oriental Bank of Commerce  
V/s  
Bajrang Cotgin Pvt Ltd

Section:

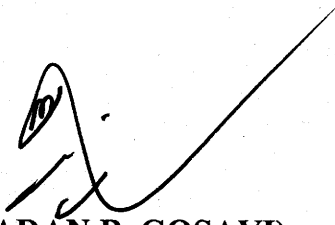
7 of the Insolvency and Bankruptcy Code, 2016

**ORDER**

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.

  
(VIRENDRA KUMAR GUPTA)  
MEMBER (TECHNICAL)

  
(MADAN B. GOSAVI)  
MEMBER (JUDICIAL)

Dated this the 15<sup>th</sup> day of March, 2021.

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

**CP (IB) No.401/7/NCLT/AHM/2019**

An application filed under Section 7 of the Insolvency and Bankruptcy Code, 2016

**In the matter of :**

Oriental Bank of Commerce  
(Mr. Sachin Namdev)  
Having Office at  
OM Planet, Ground Floor,  
Opp: Nirmala Convent School,  
Rajkot-360007

Also at  
Oriental Bank of Commerce,  
E-Block, Harsha Bawan,  
Cannaught Palace,  
New Delhi

..Financial Creditor

**Versus**

M/s Bajrang Cotgin Pvt. Ltd.  
CIN:U17110GJ2005PTC045566  
Registered Office at :  
Nakshatra Heights-708,  
Opp: Telephone Exchange,  
150 FT, Rajkot-360005

.. Corporate Debtor

**Date of Hearing: 10.03.2021**

**Date of Pronouncement of Order 15.03.2021**

**Coram: MADAN B. GOSAVI, MEMBER(J)  
VIRENDRA KUMAR GUPTA, MEMBER (T)**



**Appearance:**

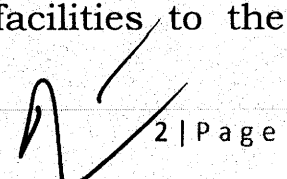
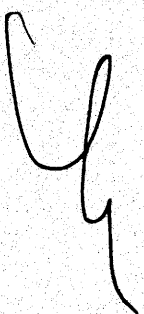
Learned Counsel Mr. Ishan Shah appeared for the Financial Creditor.

Learned Counsel Ms. Khyati Punjabi appeared for Corporate Debtor.

**ORDER**

**[Per: VIRENDRA KUMAR GUPTA, MEMBER (T)]**

1. This application filed under Section 7 by Financial Creditor to initiate CIRP against the Corporate Debtor M/s. Bajrang Cotgin Pvt. Ltd. The amount of debt in default has been claimed at Rs.23,00,02,113.28/- including interest. The date of default has been stated as 02.08.2018.
2. Learned Counsel Ms. Khyati Punjabi appeared for Corporate Debtor and submitted that matter could be adjourn as she was not in a position to argue the matter for the reason that her senior colleague is not available today. Learned Counsel Mr. Ishan Shah objected to it and submitted that this matter was being adjourned for one or the other reasons by the Corporate Debtor and therefore, the matter should be heard. We accordingly, proceed to hear the matter on merits.
3. The facts, in brief, are that the Financial Creditor gave money under various credit facilities to the



2 | Page

Corporate Debtor from time to time. The relevant documents were also executed by and between both parties. However, the Corporate Debtor defaulted on its commitment which led to filing of this application.

4. Learned Counsel Mr. Ishan Shah for the Financial Creditor appeared and narrated these basic facts and submitted that in the present case, the amount in default was more than threshold limit for initiation of CIRP under Section 7 of IBC, 2016. Learned Counsel for the Financial Creditor submitted that recall notice under Section 13(2) of the SARFEASI Act amounting to Rs.23,00,02,113.28/- from August, 2018 till May, 2019 including interest and incidental charges has also been issued. It was also submitted that application is not barred by limitation. It was also contended that there was a default in payment of debt which was due and payable by the Corporate Debtor. It was also submitted that name of IRP Mr. Premraj Ramratan Laddha proposed whose consent is on record.
5. From the material on record, it is noted that Corporate Debtor company is a registered Micro, Small and Medium Enterprise (MSME). It is further submitted that as per section 215(2), Financial Creditor did not provide financial information and information relating to assets to which any security

interest had been created. It was also submitted that the account statements provided by the Financial Creditor are not in accordance with provisions of the Bankers' Book Evidence, Act, 1891. Further, it is also stated that mandatory certificate as required under RBI Guidelines was not provided. It is also submitted that application filed by the Financial Creditor is incomplete and does not comply with the provisions of the IBC, 2016.

6. We have considered the submissions made by Operational Creditor and material on record. Admittedly, there is an outstanding debt which is more than Rs. 1 lakh being the minimum at the relevant time for filing an application under Section 7 of IBC, 2016. The debt is due and payable to the Financial Creditor by the Corporate Debtor and default has occurred. Thus, basic conditions for admitting an application filed under Section 7 are met.
  
7. We have gone through the material on record and find that Financial Creditor had sanctioned various credit facilities to the Corporate Debtor. Corporate Debtor failed to pay such outstanding amounts as claimed by Financial Creditor to the Corporate Debtor. The date of default was 02.08.2018. This application was filed on 31.05.2019, hence, this application is not

barred by limitation. Financial Creditor has produced various documents to support its claim. Financial Creditor also issued notice under Section 13(2) of SARFEASI Act, 2002 to the Corporate Debtor on 02.02.2018. We have also considered other pleas made by the Corporate Debtor in its reply and in our view, such contentions do not have any relevance for admitting an application filed under Section 7 of IBC, 2016. The name of IRP has also been proposed which is mandatory in case of an application filed under Section 7 of IBC, 2016. Further, from the material on record, it is evident that no disciplinary proceedings are pending against such IRP. We may accordingly, appoint Mr. Premraj Ramratan Laddha to act as IRP to take CIRP.

8. This application is complete and defect free.
9. Considering the above facts and applicable legal position, we hold that this application is liable to be admitted.
10. Accordingly, we admit this application and order as under:

**ORDER**

1. Corporate Debtor M/s Bajrang Cotgin Pvt. Ltd. is admitted in Corporate Insolvency Resolution

Process under Section 7 of Insolvency and Bankruptcy Code, 2016.

2. We appoint Mr. Premraj Ramratan Laddha, registration no. IBBI/IPA-001/IP-P00060/2017-2018/10138, Email ID: [premladdha@yahoo.com](mailto:premladdha@yahoo.com) having address 304, Abhijit-3, Above Pantaloon. Mithakhali Law Garden Road, Ellisbridge, Ahmedabad under section 13(1) (c) of the IB Code as IRP.
3. That the Moratorium under Section 14 of the Code shall come to effect from 15.03.2021 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.
4. That the Adjudicating Authority 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 and further prohibits a Tribunals, Arbitration Panels or other Authority(s), transferring, encumbering, alienating or disposing (of by the Corporate Debtor) any of Corporate Debtor 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.

5. 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 i.e Section 14 and Section 238 of the Insolvency & Bankruptcy Code, 2016.
6. That the supply of essential goods or services to Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the Moratorium, period. The Corporate Debtor to provide effective assistance to the IRP as and when he takes charge of assets and management of the Corporate Debtor.
7. 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.

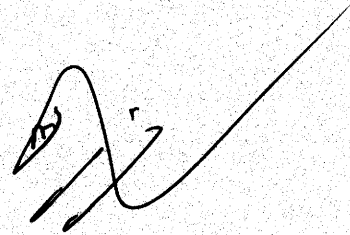
8. The IRP shall perform all his functions as contemplated, *inter-alia*, by Sections 17,18,20 & 21 of the Code. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person associated with management of the Corporate Debtor are under legal obligation as per Section 19 of the Code to 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, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.
9. 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.
10. We direct the Financial Creditor / Applicant to pay the IRP a sum of Rs. 1,00,000/- ( Rs. One lakh) as

fees & expenses till the COC decides about his fees / expenses.

11. The Registry is directed to communicate 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.
12. The commencement of Corporate Insolvency Resolution Process (CIRP) shall be effective from the date of this order.
13. CP(IB) No. 401/7/NCLT/2019 is allowed and stands disposed of.



**(Virendra Kumar Gupta)**  
**Member (Technical)**



**(Madan Bhalachandra Gosavi)**  
**Member (Judicial)**

**Prakash**