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3. The Board of Directors of the Financial Creditor considered the request of the Corporate Debtor on 23.02.2016 and sanctioned total loan amount of Rs.10.50cr to the Corporate Debtor consisting of loan of (i) Rs.2.00cr for purchase of machinery and equipments, (ii) Rs.8.00cr by way of hypothecation for taking over cash credit loan of SBI, and (iii) Rs.50.00 lakhs as term loan for long term capital requirement of the Corporate Debtor.
4. At the time of disbursement of the said loan i.e. on 29.02.2016 the borrower/Corporate Debtor, its directors and guarantors executed various security documents in favour of the Financial Creditor as security towards the due repayment of the said loan together with interest, cost, charges, etc. the details are described in Exhibit-"4" to the Petition.
5. Subsequently, a sum of Rs.10.34cr was directly paid by the Financial Creditor to SBI, MIDC Br., by way of RTGS on 29.02.2016 and the remaining amounts were disbursed from time to time and the details of the same are given in the Exhibit-"5" to the Petition.
6. The Corporate Debtor has executed Deed of Simple Mortgage dated 05.05.2016 in favour of the Financial Creditor and the same is registered in the office of the Sub-Registrar, Ahmedabad.

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7. It is further submitted in the Petition that the Corporate Debtor had initially defaulted on 29.03.2017 and Rs.14,29,28,519.54 was due and payable by the Corporate Debtor along with interest thereon. All accounts of the Corporate Debtor become NPA and the Corporate Debtor failed to pay the said dues to the Financial Creditor. A detailed table containing the computation of the amount in defaults and the dates on which the default occurred on the part of the Corporate Debtor have been given in Exhibit-"6" to the Petition.
  
8. On 21.06.2018, the Financial Creditor issued a notice as per the provisions of Section 13(2) of SARFAESI Act and called upon the Corporate Debtor to pay the entire outstanding of Rs.11,73,76,498.18 together with interest thereon on @14% p.a. w.e.f. 01.06.2018 till the date of actual payment, the details are described in Exhibit-"7" to the Petition and the notice dated 21.06.2018 issued under section 13(4) of the SARFAESI Act was served on the Corporate Debtor on 23.06.2018. Further, it is submitted that the Petitioner/Financial Creditor has taken actual possession of the factory building and premises situated at Plot No. L-135/5/2, MIDC Industrial Area, Ahmedabad-414 111 along with the entire plant and machinery, tools, dyes, etc. and also taken the entire possession of the goods which were hypothecated to the bank and the details of the same are described in the Exhibit-"7" to the Petition.

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9. It is further observed from the record that copy of the Petition was served on the Corporate Debtor by way of hand delivery on 02.09.2019, Court Notice dated 09.10.2019 was also served on the Corporate Debtor. When the matter was taken up on 22.10.2019, Mr. M.Y. Patil, Adv. appeared on behalf of the Corporate Debtor and sought time to file vakalatnama, board resolution and reply. Time was granted in this behalf. However, there was no representation thereafter on behalf of the Corporate Debtor i.e. when the matter was called on 19.11.2019 and 22.11.2019. The matter was thereafter listed for admission on 06.12.2019.
10. We have heard the Ld. Counsel for the Financial Creditor and perused the records. There is no dispute regarding the Corporate Debtor having availed the facility from the Financial Creditor.
11. The Financial Creditor has also recommended Mr. CA Fanendra Munot, as Interim Resolution Professional (IRP) having Registration No. : IBBI/IPA-001/IP-P00515/2017-18/10916 and the said proposed IRP has also submitted his consent in Form-2 dated 23.08.2019.

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**Our Observation:**

12. It is observed from the records that the loan application was submitted by the Corporate Debtor on 15.02.2016 and the same was considered and sanctioned by the Board of Directors of the Financial Creditor on 23.02.2016 and the loan was disbursed on 29.02.2016 i.e. within a period of two weeks of the loan application submitted. However, all the accounts of the Corporate Debtor have become NPA on 29.03.2017 i.e. within 13 months from the date of disbursal of the loan amount.
13. The Petition filed by the Financial Creditor is complete in all respects as required by the law. It clearly shows that Corporate Debtor is in default towards the repayment of the loan amounting to Rs.14,29,28,518.54 and the debt amount is more than minimum amount of Rs.1.00 lakh as prescribed under section 4(1) of the IBC, 2016, therefore, there is no reason to deny admission of this Petition.
14. In view of the above, this Adjudicating Authority hereby admits this Petition [CP(IB)-3215(MB)/2019] commencing CIRP against the Corporate Debtor viz. Shree Ganesh Stampings Pvt. Ltd. and declares moratorium.

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15. It is, accordingly, hereby ordered as follows: -

- (a) There shall be a moratorium under section 14 of the IBC, 2016, 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.
- (b) 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 IBC shall not apply to such transactions as may be notified by the Central Government in consultation with any sectoral regulator;
- (c) 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 IBC or passes an order for liquidation of Corporate Debtor under section 33 of the IBC, as the case may be.

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- (d) Public announcement of the CIRP shall be made immediately as specified under section 13 of the IBC read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- (e) **CA Fanendra Munot**, having **Registration No. IBBI/IPA-001/IP-P00515/2017-18/10916**, having address at 6<sup>th</sup> Floor., Mafatlal House Building, H.T. Parekh Marg, Behind Mantralaya, Backbay Reclamation, Mumbai – 400 020, Email Id: fhmunot@gmail.com, is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as mentioned under IBC. The fee payable to IRP or, as the case may be, the RP shall be compliant with such Regulations, Circulars and Directions issued/as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated under sections 15, 17, 18, 19, 20 and 21 of the IBC.
- (f) 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 IBC. 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.
- (g) The Financial Creditor shall deposit a sum of Rs.1,00,000/- (Rupees one lakh only) with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to approval by the Committee of Creditors (CoC).
- (h) 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.

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- (i) A copy of this Order be sent 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/-  
**RAVIKUMAR DURAISAMY**  
**Member (Technical)**

Sd/-  
**RAJASEKHAR V.K.**  
**Member (Judicial)**

06.12.2019 / pvs

