

IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH

CP (IB) -1890/I&BP/MB/2018

Under Section 7 of the I&B Code,
2016

In the matter of

Dena Bank,
Dena Corporate Centre, C-10, G-
Block, Bandra - Kurla Complex,
Bandra (East), Mumbai - 400051
.... Petitioner

Vs.

Nitin Fire Protection Industries
Limited
Office No. 801 & 802, C Wing,
Neelkanth Business Park, Kirol
Road, Vidyavihar (West), Mumbai
- 400086

.... Respondent

Order delivered on: 22.10.2018

Coram:

Hon'ble Bhaskara Pantula Mohan, Member (J)
Hon'ble V. Nallasenapathy, Member (T)

For the Petitioner: Mr. Saahil Memon, Advocate i/b Link Legal India
Law Services

For the Respondent: Mr. Ankit Lohia, Mr. Mayur Shetty a/w Mr.
Vibhor Kapoor, Advocates i/b Rajani
Associates, Mr. Kunal Shah, Chief Operating
Officer and Mr. Nitin Shah, Managing Director
of Nitin Fire Protection Industries Limited.

Per: Bhaskara Pantula Mohan, Member (J)

ORDER



1. Dena Bank (hereinafter called 'Petitioner') has sought the Corporate Insolvency Resolution Process of Nitin Fire Protection Industries Limited (hereinafter called the 'Corporate Debtor') on the ground, that the Corporate Debtor committed default on 03.04.2017 onwards

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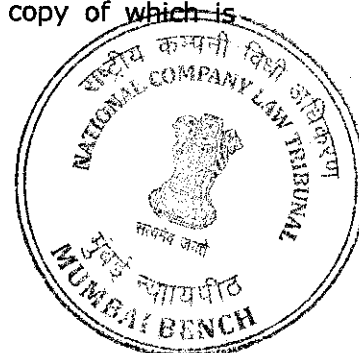
in repayment of facility granted to the Corporate Debtor to the extent of Rs. 32,80,96,631/-, under Section 7 of Insolvency and Bankruptcy Code, 2016 (hereafter called the 'Code') read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

2. Dena Bank has enclosed sanction letter dated 25.03.2013 which shows that following facilities were granted to the Corporate Debtor by the Petitioner.

Sr. No.	Nature of Facility	Amount
1	Cash Credit	15,00,00,000/-
2	Letter of Credit	26,00,00,000/-
3	Bank Guarantee	10,00,00,000/-
Total		51,00,00,000/-

3. The Petitioner has enclosed the following security documents connected with the sanction of loan:

- Copy of Certificate of Registration of Mortgage of immovable assets dated 25.03.2013, copy of which is annexed as Annexure No. A-14 to the Petition.
- Security Trustee Agreement dated 16.03.2013 executed by the Corporate Debtor in favour of Yes Bank Limited and other lenders, a copy of which is annexed as Annexure A-26 to the Petition.
- Deed of Accession to the Security Trustee Agreement executed on 18.09.2013 among the Corporate Debtor and the Petitioner herein inducting the Petitioner for its loan of Rs. 30,00,00,000/- taken over from Yes Bank, copy of which is annexed as Annexure A-25 to the Petition.



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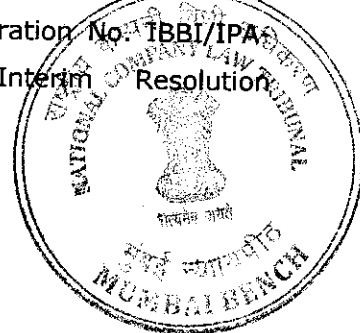
- (d) Letter dated 18.09.2013 issued by Axis Trustee Services Limited acting in its capacity as Security Trustee to various fund-based and non-fund based working capital facilities granted to the Corporate Debtor, a copy of which is annexed as Annexure A-27 to the Petition.
4. The Petitioner has enclosed the Statement of Account for the facilities granted which shows that the amount claimed in the Petition is in consonance with the Statement of Account.
5. The Petitioner has enclosed notice under Section 13(2) of SARFAESI Act, 2002 demanding a sum of Rs. 31,49,58,143/- as on 18.01.2018 with further interest, charges etc.
6. The Petitioner has annexed the certificate dated 15.05.2018 under Section 2A(a) of Banker's Books Evidence Act, 1891 as Annexure A-22 to the Petition
7. The Corporate Debtor filed reply to the petition wherein it was stated that the Corporate Debtor is trying to settle with the Petitioner and is taking steps in that regard and had requested for further time. The Corporate Debtor has neither disputed the liability nor the default.
8. This Adjudicating Authority, on perusal of the documents filed by the Creditor, is of the view that the Corporate Debtor defaulted in repaying the loan availed and also placed the name of the Insolvency Resolution Professional to act as Interim Resolution Professional and there being no disciplinary proceedings pending against the proposed resolution professional, therefore the Application under sub-section (2) of Section 7 is taken as complete, accordingly this Bench hereby admits this Petition prohibiting all of the following of item-I, namely:
- (I) (a) 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;



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- (b) transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
- (c) 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 Act, 2002 (SARFAESI Act);
- (d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.
- (II) That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- (III) That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- (IV) That the order of moratorium shall have effect from 22.10.2018 till the completion of the 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.
- (V) That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- (VI) That this Bench hereby appoints Mr. Uliyar Balakrishna Bhat, A - 005, Ground Floor, Western Edge II, Off Western Express Highway, Borivali (East) Mumbai - 400066, Email:- ubbhat@radissonindia.in, having Registration No. IBBI/IPA-001/IP-P00658/2017-18/11107 as Interim Resolution



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Professional to carry the functions as mentioned under
Insolvency & Bankruptcy Code.

10. Accordingly, this Petition is admitted.
11. The Registry is hereby directed to communicate this order to both
the parties and the Interim Resolution Professional within seven
days from the date order is made available.

Sd/-

V. NALLASENAPATHY
Member (T)

Sd/-

BHASKARA PANTULA MOHAN
Member (J)



Certified True Copy
Copy Issued "free of cost"
On 24/10/2018

Assistant Registrar
National Company Law Tribunal Mumbai Bench