

**NATIONAL COMPANY LAW TRIBUNAL  
NEW DELHI BENCH**

**IB No. (IB)-194(ND)/2017**

**In the matter of**

**State Bank of India**

..... **Petitioner**

**V/s.**

**M/s Garg Inox Ltd.**

..... **Respondents**

**SECTION: U/s 7 of IBC, 2016**

**Order delivered on 25.07.2017**

**Coram:**

**SMT. INA MALHOTRA, HON'BLE MEMBER (J)**

**SH. S. K. MOHAPATRA, HON'BLE MEMBER (T)**

For the Petitioner (s) : Mr. Sameer Rastogi, Advocate  
Mr. Yatin Sachdeva, Advocate

For the Respondent (s) : None

**Order**

AS PER SMT. INA MALHOTRA, MEMBER (J)

1. This petition has been filed by the State Bank of India under Section 7 of the Insolvency Bankruptcy Code, 2016 (hereinafter referred to as Code). As per averments, the petitioner, a Financial Creditor, seeks to trigger Insolvency Process against the respondent Corporate Debtor which is in huge default of repayment of their loans.

2. The Corporate Debtor has been enjoying various credit facilities

from the Petitioner Bank, the Financial Creditor, to facilitate its business of steel. The loans have also been restructured from time to time to enable the Corporate Debtor regularize the accounts and tide over the financial exigencies. The loans were last restructured and credit limits extended in the year 2016 on fresh documents being executed. The statements of the outstanding liability in various accounts have been furnished along with the details of the Directors, co-obligants/ guarantors / mortgages etc.

3. Ld. Counsel for the Financial Creditor has submitted that though action under SARFAESI has been initiated, it is felt that it would be best, both in the interest of Financial Creditor as well as the Corporate Debtor, to resort to a Resolution process for a possible turnaround of the Corporate Debtor, more so as the guarantees and mortgages offered are not sufficient to meet the outstanding debt.

4. Despite notice issued to the Corporate Debtor, none appeared on their behalf.

5. The petition has been filed in the required format through a duly authorized person and the total amount claimed to be in default is almost to the tune of Rs. 185 crores. As per the guidelines of the Reserve Bank of India the said account of the Corporate Debtor maintained with the financial creditor has been declared as an NPA. The Corporate Debtor who had been availing various facilities since December 2006 has not been able to reduce its liability despite restructuring of the loans from time to time. As the last restructuring of the loan upon which documents were executed was in 2016, the entitlement to recover the debt is within limitation.

6. The Financial Creditor has also taken the consent of the proposed Insolvency Resolution Professional, Mr. Sanjay Gupta, AAA-

Insolvency Professionals LLP, E-10A, Kailash Colony, New Delhi-110048 (Email ID: sarjaygupta@aaainsolvency.com) who has certified that there is no disciplinary proceeding pending against him and that he is duly empanelled with the IBBI vide Registration No. IBBI/IPA-001/IP-P00117/2017-18/10252.

7. As the petition fulfils the required criterion for invoking the Resolution Process, this petition stands Admitted. Moratorium in terms of Section 14 of the Code comes into effect. The Interim Resolution Professional is directed to take necessary steps as per Sections 15, 17 & 18 and file his report within the statutory period.

8. Copy of the order be sent to both the parties.

9. Petition stands disposed off in terms of the above.

— Sd —

**(S. K. Mohapatra)**  
**Member (T)**

— Sd —

**(Ina Malhotra)**  
**Member (J)**