

IN THE NATIONAL COMPANY LAW TRIBUNAL  
AT MUMBAI BENCH, C-IV

CP (IB) NO. 1225/MB/2022

*An application under section 100 read with section 95 of the Insolvency & Bankruptcy Code, 2016 R/w. Rule 7 (2) of the Insolvency and Bankruptcy (Application to the Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors), Rules, 2019.*

*IN THE MATTER OF*

*IDBI Bank*

*Through Resolution Professional,*

*Mr. Indrajit Mukherjee*

*...Insolvency Professional / Applicant*

*Versus*

*Mr. Shivaji Devrao Ganage*

*... Respondent / Personal Guarantor of  
Ganage Pressing Private limited.*

**Order delivered on: 06.06.2024.**

*Coram:*

Ms. Anu Jagmohan Singh  
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli  
Hon'ble Member (Judicial)

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***Appearances:***

For the Financial Creditor : Mr. Manish Jha, Ld. Counsel.

For the Personal Guarantor : Mr. Manoj Mishra, Ld.Counsel.

***ORDER***

1. The present petition is filed on **29.11.2022** u/s. 95 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "IBC, 2016") r/w. Rule 7(2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority for Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019 by IDBI Bank ("Resolution Professional / Applicant") for the purpose of initiating insolvency resolution process against Mr. Shivaji Devrao Ganage ("Personal Guarantor / Respondent") for recovery of total debt amounting to INR 75,02,18,289.92/- (Indian Rupees Seventy Five Crore Two Lakh Eighteen Thousand Two Hundred Eighty Nine Only) as on 30.06.2022 plus unapplied interest and other relevant charges till the date of full and final payment/realization. The Date of Default, per Part-III of the present petition, is 31.03.2015.
2. The Financial Creditor herein submits that they have granted working capital facilities to Ganage Pressings Private Limited. through a sanction letter dated 21.02.2014. The Directors of Corporate Debtor along with Respondent executed Deed of Guarantee. Pursuant to which, the Personal Guarantor viz. Respondent herein was one of the executors of the Personal Guarantee dated 18.03.2014, thereby personally guaranteeing the debt arising under the said Agreement.

3. Subsequently, the Financial Creditor viz. Applicant herein issued Demand Notice dated 3.07.2022, herein, in Form- B under Rule 7(1) of the Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Rules, 2019, demanding forthwith payments of its dues. However, till date, the Respondent and the other guarantors have not paid the unpaid debt in default due from the Corporate Debtor.
4. The Financial Creditor invited the attention of this bench that they have filed proceedings under the SARFEASI Act and further took recourse under DRT, Pune, to which the Recovery certificate was issued on 11.11.2021.
5. On presentation of the application by the Financial Creditor, under section 95(1) of the IBC,2016 for initiating Insolvency Resolution Process against the Personal Guarantor, this Tribunal vide order dated 22.11.2023 had appointed **Mr. Indrajit Mukherjee** bearing Registration No. IBBI/IPA-001/IP-P-01533/2018-19/12450 as Resolution Professional and directed to exercise all the powers as enumerated u/s.99 of the Code, R/w. Rules made thereunder. Accordingly, he has filed a report on 14.12.2023 and was further directed to make recommendations with reasons in writing for acceptance or rejection of the Company Petition.
6. The Resolution Professional has filed a report recommending for approval of the said application under section 95 of the Code by the Creditor i.e. IDBI Bank through Resolution Professional. The Resolution Professional had recommended that “...*recommend the acceptance of the captioned Application filed by the Financial Creditor under Section 95 of IBC...*”
7. The proceedings in the present matter was put on hold since the Constitutional Validity of the Sections 94 to 100 relating to the insolvency of Personal Guarantor was pending. The Hon’ble Supreme Court in the

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judgement of *Dilip B. Jiwrajka V/s Union of India & Ors. in WP (civil)No. 1281 of 2021* dated 09.11.2023 upheld the Constitutional Validity of the Sections 94 to 100.

**Findings:**

8. We have heard the learned counsel(s) for both the parties and have duly perused the documents on record.

8.1. The matter was listed on *05.03.2024*, wherein the Personal Guarantor sought time to file reply. On his request and in the interest of principles of natural justice *three* weeks time was granted. Further, the matter was listed on *12.04.2024*. We however note, that despite of the same the Respondent herein, choose not to file the reply. Resultantly, the right to file reply was *forfeited* on *26.04.2024*. In the aforesaid peculiar circumstances, we hereby proceed to decide the matter as per the basis material available on record.

9. We are of the considered view that the captioned petition is complete in all aspects, and the present case is therefore fit for admission. Ordered accordingly.

10. In terms of the above, **CP(IB)/1225/MB/2022** filed under Section 95 of the IBC, 2016 is *admitted* and the Insolvency Resolution Process stands initiated against the Applicant/Personal Guarantor.

I. Initiate Insolvency Resolution Process against the Respondent/Personal Guarantor and moratorium in relation to all the debts is declared, from today i.e. date of admission of the application and shall cease to have effect at the end of the period of 180 days, or this Tribunal passes order on the repayment plan under Section 114 whichever is earlier as provided under Sec 101 of IBC,

2016. During the moratorium period,

- a. Any pending legal action or proceeding in respect of any debt shall be deemed to have been stayed, and
- b. The creditors of the debtor shall not initiate any legal action or proceedings in respect of any debt; and
- c. The debtor shall not transfer, alienate, encumber, or dispose of any of his assets or his legal rights or beneficial interest therein:
- d. The provisions of this section shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

II. The Resolution Professional viz., **Mr. Indrajit Mukherjee** having **Registration No. IBBI/IPA-001/IP-P-01533/2018-19/12450**, having registered address at Flat No. B 405, Siddhivinayak Twins, Plot No.9 , Sector 17, Roadpali, Kalamboli, Navi Mumbai ,Raigad, Maharashtra ,410218 [**indrajitmukherjee15@yahoo.com**] is directed to cause a public notice published on behalf of the Adjudicating Authority within 7 days of passing this Order on the website of the NCLT Mumbai Bench, inviting claims from all Creditors, within 21 days of such issue The notice under Sub Section (1) of Section 102(2) shall include: -

- a. details of the order admitting the application;
- b. particulars of the resolution professional with whom the claims are to be registered; and
- c. the last date for submission of claims.

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- III. The publication of notice shall be made in two newspapers, one in English and other in Vernacular which have wide circulation in the State where the Corporate Debtor and Personal Guarantor resides. The Resolution Professional shall furnish two spare copies of the notice to the Registry for the record.
- IV. The Resolution Professional in exercise of the powers conferred under Section 104 shall prepare a list of creditors on the basis of
- a. the information disclosed in the application filed by the debtor under Sections 94 or 95. as the case may be, and
  - b. claims received by the Resolution Professional under Section 102 within 30 days from the date of the notice. The debtor shall prepare a repayment plan under Section 105, in consultation with the Resolution Professional, containing a proposal to the Creditors for restructuring of his debts or affairs.

The repayment plan may authorize or require the Resolution Professional to:

- a. carry on the debtor's business or trade on his behalf or in his name: or
- b. realise the assets of the debtor; or
- c. administer or dispose of any funds of the debtor.

The repayment plan shall include the following, namely;

- a. justification for preparation of such repayment plan and reasons based on which the creditors may agree upon the

- plan;
- b. provision for payment of fee to the Resolution Professional;
  - c. such other matters as may be specified.
- V. The Resolution Professional shall submit the repayment plan along with his report on the plan to this Authority within a period of 21 days from the last date of submission of claims, as provided under Section 106.
- VI. In case the Resolution Professional recommends that a meeting of the creditors is not required to be called, he shall record the reasons thereof. If the Resolution Professional is of the opinion that a meeting of the creditors should be summoned, he shall specify the details as provided under Section 106(3) of IBC, 2016. The date of meeting should not be less than 14 day or more than 28 days from the date of submission of the Report under sub- section (1) of Section 106 of IBC, 2016, for which at least 14 days' notice to the creditors (as per the list prepared shall be issued by all modes. Such notice must contain the details as provided under the provisions of Section 107 of IBC, 2016.
- VII. The meeting of the creditors shall be conducted in accordance with Sections 108, 109, 110 & 111 of IBC, 2016. The Resolution Professional shall prepare a report of the meeting of the creditors on repayment plan with all details as provided under Section 112 of IBC, 2016 and submit the same to this Tribunal, copies of which shall be provided to the Debtor and the Creditors. It is made clear that the Resolution Professional shall perform his functions and

duties in compliance with the Code of Conduct provided under Section 208 of IBC, 2016.

- VIII. The Resolution Professional shall submit his periodic reports before this Tribunal, every 30 days.
- IX. The applicant is directed to deposit Rs.2 lakhs to the bank account of the Resolution Professional within one week, towards his fees. This shall be subjected to the rules and regulations under the provisions of the Insolvency and Bankruptcy Code, 2016.
- X. The Registry is directed to communicate a copy of order, report and application within seven working days and upload the same on the website immediately after the pronouncement of order.

Sd/-

ANU JAGMOHAN SINGH  
MEMBER (TECHNICAL)  
06.06.2024.

Sd/-

KISHORE VEMULAPALLI  
MEMBER (JUDICIAL)