



## **FACOR STEELS LIMITED**

FSL/NGP/STX/01  
28<sup>th</sup> March, 2017

To,  
**Bombay Stock Exchange Limited,**  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
Mumbai – 400 001

Dear Sir/Madam,

**Sub: Intimation of Initiation of Corporate Insolvency Resolution Process (CIRP) and appointment of Sunil Gajanan Nanal as Interim Resolution Professional (IRP).**

This is to inform you that Corporate Insolvency Resolution Process has been initiated by National Company Law Tribunal, Mumbai (NCLT Mumbai) vide order bearing No. C.P. No.18/I&BP/NCLT/MAH/2017 in respect Facor Steels Limited, Nagpur (Company) with effect from 8<sup>th</sup> March, 2017 (order uploaded by NCLT on 27.03.2017) and accordingly Mr. Sunil Gajanan Nanal (Reg. No. IBBI/IPA-003/IP-00040/2016-17/1735) has been appointed as IRP.

In view of the above and in terms of Section 17 of the IBC, 2016 powers of the Board of Directors of the Company stand suspended and management of affairs of the Company shall be vested with Mr. Sunil Gajanan Nanal, IRP.

Further be informed that in terms of section 14 of IBC, 2016 NCLT Mumbai has declared moratorium with consequential directions as under prohibiting:

- 1. the institution of suits or constitution of pending suits or proceeding against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority;*
- 2. transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;*
- 3. 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 Securitization and Reconstruction of Financial Asset and Enforcement of Security Interest Act, 2002.*



**Regd. Office & Works : 46 (A & B), Hingna M.I.D.C. Industrial Estate, Nagpur - 440 028, INDIA**  
**TEL. - +91-7104-235701, FAX - +91-7104-235709,**  
**Email - info@facorsteel.com, Website - www.facorsteel.com**  
**Corporate & Head Office : Shreeram Bhawan, Tumsar - 441912 (India) TEL. : +91-7183-232233/232251, FAX : +91-7183-232271**  
**CIN - L 27100MH2004PLC146283**

:2:

4. *the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.*

You are requested to a note of this intimation and acknowledge receipt.

Thanking you,

Yours Faithfully,  
For **Facor Steels Limited**,



**Name: VINOD SARAF**  
**Designation: Managing Director & Compliance Officer**

**Enclosed:**

1. Copy of NCLT order C.P. No.18/I&BP/NCLT/MAH/2017 heard and pronounced on 08.03.2017 and uploaded by NCLT on 27.03.2017.
2. Copy of Public Announcement made under Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulation, 2016.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL  
MUMBAI BENCH, MUMBAI  
C. P. NO. 18/I & BP/NCLT/MAH/2017

Coram: B.S.V. Prakash Kumar, Member (Judicial) &  
V. Nallasenapathy, Member (Technical)

In the matter of under Section 10 of Insolvency and Bankruptcy Code, 2016  
and Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating  
Authority), Rules 2016)

And

FACOR STEEL LIMITED .... Corporate Debtor/ Corporate Applicant.

**Applicants' Counsel:** Mr. Omkar Deosthale, Practising Company Secretary  
for the Applicant.

**ORDER**

*(Heard & Pronounced on 08.03.2017)*

The corporate debtor applicant herein M/s Facor Steel Limited has initiated Corporate Insolvency Resolution process under Section 10 of the Insolvency and Bankruptcy code 2016. The applicant has filed an application in terms of Rule 7 of Insolvency and Bankruptcy (Application to Adjudicating Authorities) Rules 2016. The Corporate applicant debtor was incorporated on 13.5.2004 in the name of "Facor Steel Limited" on the file Registrar of Companies, Maharashtra, Mumbai. The said corporate applicant debtor owes a sum of ₹34.21.00.000/- to the financial creditors and a sum of US \$ 56,872.00 to Baltic International Bank.

2. The Corporate Debtor has created charge over the assets of the Company in favour of Bank of India, Dwaraka Nagar, Vishaka Pattanam which is the lead Consortium Bank and the charge is registered with the Registrar of Companies, Maharashtra, Mumbai. The said Bank of India on 25-07-2015 issued notice u/s.13(2) of the SARFAESI Act 2002 for recovery of ₹2836.81 lakhs with interest thereon and the issue of the said notice is a proof of default of debt.

The Corporate Applicant has filed the audited financial statement for the last two financial years 2014-15 and 2015-16 and the provisional financial statement for the current Financial year up to 31.1.2017, also filed the list of debtors and list creditors, list of assets and liabilities as on 31.1.2017.

4. The Applicant Corporate debtor named CS Sunil Gajanan Nanal, 3-4, Aishwarya Sankul, 17 G.A. Kulkarni Path, Opp. Joshi's Railway Museum, Kothrud, Pune- 411038, and Reg. No. IBBI/IPA-003/IP-00040/2016-17/1735 as Interim Resolution Professional and also submitted the written communication from the proposed interim resolution professional that he agrees to accept the appointment and also stated that there is no disciplinary proceedings pending against him.

5. Section 10 of the Insolvency and Bankruptcy code provides as below:

***“Section 10: Initiation of corporate insolvency resolution process by corporate applicant***

- (1) Where a corporate debtor has committed a default, a corporate applicant thereof may file an application for initiating corporate insolvency resolution process with the Adjudicating Authority,*
- (2) The application under sub-section (1) shall be filed in such form, containing such particulars and in such manner and accompanied with such fee as may be prescribed.*
- (3) The corporate applicant shall, along with the application furnish the information relating to*
  - (a) Its books of account and such other documents relating to such period as may be specified; and*
  - (b) The resolution professional proposed to be appointed as an interim resolution professional.*
- (4) The Adjudicating Authority shall, within a period of fourteen days of the receipt of the application, by an order:*
  - (a) Admit the application, if it is complete; or*
  - (b) Reject the application, if it is incomplete;*

*PROVIDED that Adjudicating Authority shall, before rejecting an application, give a notice to the applicant to rectify the defects in his application within seven days from the date of receipt of such notice from the Adjudicating Authority.*

*(5) The corporate insolvency resolution process shall commence from the date of admission of the application under sub-section (4) of this section."*

Reading of the petition filed and the documents enclosed establishes the fact that the corporate debtor borrowed funds from consortium of banks as mentioned in the petition, and the debtor is unable to pay the same, Bank of India as lead bank in the consortium had issued notice under SARFAESI Act which is an ample proof that the corporate debtor has committed default. Further the corporate debtor being unable to make payment to consortium banks, corporate debtor filed this Petition.

6. Considering the above facts, this Bench is of the view that the corporate debtor has complied with the provisions of Section 10 of Insolvency and Bankruptcy Code and the petition is admitted declaring moratorium with consequential directions as mentioned below:

(i) That this Bench hereby prohibits 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; transferring, encumbering, alienating or disposing of by the corporate debtor any of its 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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest 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.

- (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) 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 08.03.2017 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 CS Sunil Gajanan Nanal, 3-4, Aishwarya Sankul, 17 G.A. Kulkarni Path, Opp. Joshi's Railway Museum, Kothrud, Pune- 411038, email id: sunil.nanal@kanjcs.com and Reg. No. IBBI/IPA-003/IP-00040/2016-17/1735 as interim resolution professional to carry the functions as mentioned under Insolvency & Bankruptcy Code.
- (vii) Accordingly, this Petition is admitted.

Sd/-

**B. S.V. PRAKASH KUMAR**  
Member (Judicial)

Sd/-

**V. NALLASENAPATHY**  
Member (Technical)

**FORM A**

## Public Announcement

[Under regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016]

**FOR THE ATTENTION OF THE CREDITORS OF FACOR STEELS LIMITED, NAGPUR**

RELEVANT PARTICULARS		
1)	NAME OF THE CORPORATE DEBTOR	FACOR STEELS LIMITED
2)	DATE OF INCORPORATION OF CORPORATE DEBTOR	Thursday, May 13, 2004
3)	AUTHORITY UNDER WHICH CORPORATE DEBTOR IS INCORPORATED/REGISTERED	The Registrar of Companies, Mumbai
4)	CORPORATE IDENTITY NUMBER / LIMITED LIABILITY IDENTIFICATION NUMBER OF CORPORATE DEBTOR	L27100MH2004PLC146283
5)	ADDRESS OF THE REGISTERED OFFICE AND PRINCIPAL OFFICE (IF ANY) OF THE CORPORATE DEBTOR	46 A & B, MIDC Industrial Estate, Central MIDC Road, Nagpur – 440028
6)	INSOVCENCY COMMENCEMENT DATE IN RESTPECT OF CORPORATE DEBTOR	8th March, 2017
7)	ESTMIATED DATE OF CLOSURE OF INSOLVENCY RESOLUTION PROCESS	180 days from commencement of corporate resolution process i.e. 5th September, 2017
8)	NAME, ADDRESS, EMAIL ADDRESS AND THE REGISTRATION NUMBER OF THE INTERIM RESOLUTION PROFESSIONAL	<b>Sunil Gajanan Nanal</b> C/o KANJ and Associates, Company Secretaries, 3-4, Aishwarya Sankul, 17 G.A. Kulkarni Path, Opp. Joshi's Railway Museum, Kothrud, Pune - 411038 <a href="mailto:sunil.nanal@kanjcs.com">sunil.nanal@kanjcs.com</a>  IBBI/IPA-003/IP-00040/2016-2017/1735 dated 24.01.2017
9)	LAST DATE FOR SUBMISSION OF CLAIMS	<b>10th April, 2017</b> <b>(Within 14 days from the date of uploading of NCLT Order on 27th March, 2017 communicating admission of the application and appointment of Insolvency Resolution Professional)</b>

Notice is hereby given that National Company Law Tribunal has ordered the commencement of a corporate insolvency resolution process against Facor Steels Limited, Nagpur on 8th March, 2017 (The said NCLT order for the CP No. 18/I&BP/2017 was published on NCLT's website on 27th March, 2017)

The creditors of Factor Steels Limited, Nagpur are hereby called upon to submit a proof of their claims on or before 10th April, 2017 to the interim resolution professional at the address mentioned against item 8.

The financial creditors shall submit their proof of claims by electronic means only. The operational creditors, including workmen and employees, may submit the proof of claims by in person, by post or electronic means.

Submission of false or misleading proofs of claims shall attract penalties.

**Sunil Gajanan Nanal**

Interim Resolution Professional

Tuesday, March 28, 2017

Pune