



REPUBLIC OF KENYA
IN THE HIGH COURT OF KENYA AT NAIROBI
COMMERCIAL AND TAX DIVISION
BANKRUPTCY CAUSE NO. 7 OF 2013

INSTEEL LIMITED.....PLAINTIFF/J-CREDITOR

VERSUS

S.B.S. BHANGRA alias SUKHDEV B. S. BHANGRA.....DEFENDANT/J-DEBTOR

JUDGEMENT

1. The debtor, **SUKHDEV BHADUR BHANGRA**, filed a petition seeking to be declared bankrupt.
2. The petitioner explained that he was unable to pay the debts which he owed to his creditors.
3. The total indebtedness was Kshs. 39.9 Million, as at 14th March 2013.
4. On 7th June 2013, Havelock J. granted a Receiving Order against the debtor.
5. One of the creditors, **INSTEEL LIMITED**, has now asked the court to set aside the Receiving Order. The creditor believes that the debtor was not as impecunious as he had led the court to believe.
6. At the hearing of the application, the debtor was cross-examined at length.
7. It transpired that he had, during his heyday, been a director in several companies. However, the said companies were all said to have gone under, leaving the debtor without any source of income.
8. Therefore, whilst the creditor asked the court to set aside the Receiving Order, the debtor asked the court to declare him bankrupt.
9. It is clear that the house in which the debtor resides, belongs to his late mother. The house is located on Kyuna Road.
10. The debtor testified that he has four brothers, and that one of the said brothers, **KULDIP SINGH**, was the Administrator of the Estate of their late mother.
11. The creditor had undertaken investigations, which showed that the debtor owned some vehicles, and also that the debtor lived in Spring Valley, along Shanzu Road.
12. The debtor categorically denied having ever lived along Shanzu Road, in Spring Valley.

13. The debtor also denied the suggestion that he owned some land in Kericho.
14. After the first court session, the creditor and the Official Receiver sought and were granted more time to investigate the debtor's assets.
15. The private investigator instructed by Insteel Limited, came to the conclusion that the debtor may have been so crafty that it was unlikely to find any meaningful asset registered in his name.
16. Notwithstanding that fact, I find it odd that the private investigator went on to say the debtor was a rich man, who not only owns shares in a construction company which conducts cross border business, but also owns property worth hundreds of millions in Kenya Shillings.
17. The conclusion made by the private investigator is not supported by the evidence which he unearthed.
18. In the result, there is no basis, in law, for setting aside the Receiving Order.
19. Secondly, and if anything, the available evidence leads me to only one conclusion; that the debtor is unable to pay his debts.
20. Accordingly, the debtor is now declared a Bankrupt, and the Official Receiver is constituted the receiver of the debtor's assets.
21. Each party will bear his own costs of both the Application by Insteel Limited and also of the petition.

DATED and **DELIVERED** at **NAIROBI** this 21st day of September 2017.

FRED A. OCHIENG

JUDGE

Judgement read in open court in the presence of

No appearance for the Petitioner

Njuguna for Michuki for the Creditor

No appearance for Official Receiver

Mr. Collins Court Clerk.