

In the National Company Law Tribunal

Division Bench, (Court-I), Kolkata

C.P. (IB)No. 85/KB/2023

An application under Section 7(1) of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016;

In the matter of:

Srijan Realty Private Limited, 36/1A, Elgin Road, Kolkata – 700 020, West Bengal;

...Financial Creditor

Versus

Eskay Properties Development Private Limited, 7, Biplabi Ambika Chakraborty Sarani, Kolkata – 700 029;

...Corporate Debtor

Date of pronouncement of order: 29.01.2026

CORAM:

SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)

CMDE SIDDHARTH MISHRA, HON'BLE MEMBER (TECHNICAL)

Counsel appeared physically / through video Conferencing

Mr. Zeeshan Haque, Adv.] For the Financial Creditor

Mr. Supriyo Gole, Adv.]

Ms. Madhuja Barman, Adv.]

Mr. Joy Saha, Sr. Adv.] For the Corporate Debtor

Mr. Imtiaz Ahmed, Adv.]

Ms. Ghazala Firdaus, Adv.]

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ORDER

Per Bidisha Banerjee, Member (Judicial):

1. The Court convened through hybrid mode.
2. Ld. Counsel for the parties were heard at length.
3. This Petition has been preferred by **Srijan Realty Private Limited**, the Financial Creditor (**FC** in short) to seek initiation of Corporate Insolvency Resolution Process (**CIRP**) against the **Eskay Properties Development Private Limited**, the Corporate Debtor (or **CD** in short) for an alleged default of an financial debt of Rs. 8,55,87,895/- The date of default mentioned as 30.12.2017 which is seven days from termination cum demand notice dated 23.12.2017.

4. **The Details of Transactions:**

- 4.1** The Financial Creditor submits that the debt arises out of a Development Agreement dated 13.06.2015 entered between the owner Mr. Vinod Kumar Rungta, the Director of the Company, Srijan Realty Private Limited, **the Developer** and Khaitan Sefin Limited, the Tenant / Confirming Party.
- 4.2** In terms of Clause 9.1 of the Agreement, the Developer (FC) has deposited with the owner (CD), a sum of Rs. 5,00,00,000/- (Rupees Five Crores) as adjustable and refundable deposit (Annexure-G) and the owner has deposited all the original deeds of the property.
- 4.3** In terms of Clause 9.4 of the Agreement, the Security Deposit was refundable by the owner (CD) and to secure that, one Mr. Sunil Kumar Khaitan issued post dated cheques together with interest @ 15% per annum compounded quarterly.

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4.4 In term of Clause 18.5 of the Agreement, upon termination for default by the CD, for breach of Clause 18.1, the FC is entitled to a refund of entire Security Deposit together with interest thereon @ 15% per annum.

5 Breaches / default by the CD:

5.1 It is submitted by the Financial Creditor that the Agreement contemplates several prior obligations to be fulfilled by the Owner (CD), which constitutes breach of Clauses, as enumerated hereinbelow.

- a) In term of **Clause 'W'**: The CD had to rectify the records of the Kolkata Municipal Corporation, but the CD's (Owner) name is still not shown as Owner or Lessee;
- b) In terms of **Clause 3 (b)**: CD had to make out a marketable title, which is not done.
- c) In terms of **Clause 6.5**: the CD had to have the two premises amalgamated in the records of the KMC at its cost and expenses without which development work would not start.
- d) In terms of **Clause 6.11**: the CD had to grant the FC a registered power of attorney, inter alia, for the purpose of obtaining the sanction plan, which remains to the fulfilled.
- e) In terms of **Clause 3 (f)**: The CD had to ensure that there is no litigation or legal proceedings pending in respect of the said property. However, several litigations were

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pending as per balance-sheets/annual reports of the CD
disclosed in its own Annual Reports (page 29 of the Reply
Affidavit of CD).

It is alleged that since none of the obligations were fulfilled, no steps could be taken by the FC under the agreement.

6 Termination of Agreement by the FC:

- 6.1** It is submitted that due to diverse breaches by CD including failure to comply with its obligations under Clause 18.1 of the Agreement, the FC issued a termination notice dated 23.12.2017 demanding refund of Security Deposit together with interest as per Agreement, within a period of 7 days from the date of Notice. As such the date of default is 30.12.2017.
- 6.2** No payment was received from the CD within the stipulated 7 days period as per notice dated 23.12.2017 and no reply to such termination notice was received from the CD.

7 Admission of debt by CD:

- 7.1** It is urged that acknowledging its indebtedness towards the FC, the CD has made payment of a sum of Rs. 4,42,00,000/- towards interest on the Security Deposit of Rs. 5 Crores (Annexure-J to the CP) which is an amount received prior to filing of the Petition.
- 7.2** After filing of the Company Petition, a further sum of Rs. 98,00,000/- has been received from the CD by the FC.

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- 7.3** According to FC, after giving credit to such payments, a sum of Rs. 10,86,50,468/- is still due and payable and as such the debt the threshold of Rs. 1,00,00,000/-, hence, the CP is maintainable.
- 7.4** FC says that assuming but without admitting that the FC is entitled to claim only simple interest the outstanding amount calculated as on 30.06.2025 at 15% simple interest still aggregates to Rs. 7,13,49,319/-.

8 Submission of the CD:

Per contra, the Corporate Debtor would submit that the present Petition is not maintainable in view of the following:

8.1 *Security Deposit is not a Financial Debt.*

- a) It is vociferously submitted that Security Deposit is not a Financial Debt under Section 5 (8) of the Code.
- b) That it is now a settled proposition of law in view of the paragraph No. 17 in the case of Chintan Jhunjhunwala Vs. Avani Towers Private Limited (in CIRP) represented by Jitendra Lohia & Ors. in Company Appeal (AT) (Insolvency) No. 769 of 2024 reported in 2024 SCC Online NCLAT 743, that

“For a transaction to be covered under Section 5(8) first requirement is disbursement against the consideration of the time value of money Sub section (f) of Clause 8 is a residuary Clause which provides for "any amount raised under any other transaction having the commercial effect of the borrowing". The Development Agreement is a transaction between the parties and looking to the Clauses of Development Agreement, it is clear that transaction has commercial effect of the

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borrowings. Payment of 18% interest compoundable and payable quarterly clearly indicate time value of money.”

- 8.2** The CD never treated the Security Deposit as a Loan.
- 8.3** Debt is barred by Limitation.
- 8.4** CD has repaid the entire Security Deposit and made excess payment to FC.
- 8.5** Disputed questions of fact cannot be the subject matter of a Section 7 Petition under IBC. FC may sue for specific performance before a Civil Court.
- 9** We have heard the Sr. Ld. Counsel / Ld. Counsel for the parties. Perused the materials on records.

10 The Issues that have arisen for consideration:

- 10.1 Whether non refund of “Security Deposit” constitutes “Financial Debt” under Section 5 (8) of IBC.**
- 10.2 Whether CD has treated the “Security Deposit” as a loan.**
- 10.3 Whether the Petition is barred by limitation.**
- 10.4 Whether the CD has repaid entire Security Deposit and made excess payments.**
- 10.5 Whether disputed questions of fact could be raised before this Tribunal.**

11 Analysis and Findings

11.1 Whether non refund of “Security Deposit” constitutes “Financial Debt” under Section 5 (8) of IBC.

11.1.1 In the case of **Chintan Jhunjunwala Vs. Avani Towers Private Limited (in CIRP)** represented by **Jitendra Lohia & Ors. in Company Appeal (AT) (Insolvency) No. 769 of 2024**, reported in 2024 SCC Online, NCLAT 743, Hon’ble NCLAT held that:

“For a transaction to be covered under Section 5(8) first requirement is disbursal against the consideration of the time value of money Sub section (f) of Clause 8 is a residuary Clause which provides for "any amount raised under any other transaction having the commercial effect of the borrowing". The Development Agreement is a transaction between the parties and looking to the Clauses of Development Agreement, it is clear that transaction has commercial effect of the borrowings. Payment of 18% interest compoundable and payable quarterly clearly indicate time value of money.”

11.1.2 In **Global Credit Capital Limited & Anr. v. Sach Marketing**

Pvt. Ltd. & Anr. (“GCCL Case”), the Hon’ble Apex Court has held that “Security Deposit” can be considered as a “Financial debt” under the Indian Insolvency Law if it involved a “**disbursal**” for the “**time value of money**” with interest or clear return. Particularly, if the deposit earns interest is strong indicator of a financial debt as it involves the “time value of money”. Transactions that

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attributes of commercial borrowings even if not labelled as “loan” can be “financial debt”. When the nature of debt is clear, a preference would be given to the **substance over form**. Further, financial debt under Section 5(8) of the IBC is a debt along with interest, if any which is disbursed against the consideration for the time value of money and includes any amount raised under any other transaction including any forward sale or purchase agreement, having the commercial effect of borrowing. While referring to Hon’ble Supreme Court’s decision in **Phoenix ARC** the decision states that **Phoenix ARC** has widely dealt with the concept of “**time value of money**”, drawing reference from the report of the Insolvency law Committee dated 26.03.2018, Hon’ble Apex Court held that the words “**time value**” mean compensation or the price paid for the length of time for which the money has been disbursed which may be in the form of interest paid on the money or factoring of discount relying upon its decision in **Pioneer**, Hon’ble Apex Court indicated that Clause (f) of **Section 5 (8) of IBC** would subsume within its sweep amounts raised under transaction which are not necessarily loan transactions.

11.1.3 In **GCCL** case, Hon’ble Apex Court noted that in the provision for payment of security deposit, there was no clause for forfeiture of the security deposit, thus making the Corporate Debtor liable to refund of the security deposit along with interest after the period of specified therein. The Hon’ble Supreme Court emphasised on

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determination of real nature of transaction whether the security deposit amount represents debt under Section 3 (11) of the right of the Respondent to seek refund of the security deposit with interest is a claim within the meaning of Section 3 (6) of the IBC and held that security deposit is a financial debt.

11.1.4 The Hon'ble Apex Court has summarized as follows:

- a. *There cannot be a “**debt**” within the meaning of Section 5 (11) of IBC unless there is a **claim** within the meaning of Section 5 (6).*
- b. *The basis of determine whether a **debt** is a financial debt within the meaning of Section 5 (8) is the existence of a debt along with interest, if any, which is disbursed against the consideration for the “**time value of money**”.*
- c. *The necessities to determine the real nature of transaction instead of taking the wrong document on its face value.”*

11.1.5 As in the decisions enumerated above, paragraph 8, 11 to 30 of **Chintan Junjhunwala (supra)** conclusively demonstrates that eventually Security Deposit under the terms of a Development Agreement can form the basis of a Petition under Section 7 of the Code.

11.1.6 Further, interest leviable @ 15% per annum compounded annually is the clearest indication that the debt disbursement was for time value of money.

Hence, non-refund of “**Security Deposit**” can constitute a “**Financial Debt**” and from the basis of a Petition under Section 7 of IBC.

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11.2 Whether CD has treated the Security Deposit as a loan.

- a) The FC has drawn our attention to pages 176 and 177 of the Reply Affidavit to contend that the CD has itself treated Security Deposit as a Loan and proceeded to repay the same in the following manner:

Date	Narration in the books of CD	Amount (Rs.)
10.07.2020	“BG Amount paid to Srijan Realty Private Limited against LOAN”	10,00,000
14.08.2020	“BG Amount paid to Srijan Realty Private Limited against LOAN”	8,00,000
28.08.2020	“BG Amount paid to Srijan Realty Private Limited against LOAN”	10,00,000
24.09.2020	“BG Amount paid to Srijan Realty Private Limited against LOAN”	10,00,000
28.09.2020	“BG Amount paid to Srijan Realty Private Limited against LOAN”	10,00,000
06.10.2020	“BG Amount paid to Srijan Realty Private Limited against LOAN”	8,00,000
30.12.2020	“BG Amount paid to Srijan Realty Private Limited against LOAN”	15,00,000
31.12.2020	“BG Amount paid to Srijan Realty Private Limited against LOAN”	5,00,000

There is thus no escape from the conclusion that the deposits itself were clearly treated as “**loan**”. Hence the CD cannot turn volta face to deny the same.

11.3 Whether the debt is barred by limitation:

- 11.3.1** The Corporate Debtor has raised an objection that the present Section 7 application is barred by limitation, placing reliance on the termination notice dated

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23.12.2017 and contending that the cause of action arose on that date. The said objection is untenable and is rejected for reasons borne out from the admitted factual matrix and statutory position.

11.3.2 It is an admitted position that the Financial Creditor issued a termination notice dated 23.12.2017 demanding refund of the security deposit of Rs. 5,00,00,000/- together with interest at the rate of 15% per annum compounded quarterly, payable within seven days from the date of the notice. In the absence of any payment within the stipulated period, the date of default clearly arose on 30.12.2017, being the expiry of the seven-day period calculated from 23.12.2017, as specifically pleaded in paragraphs 6 to 8 at page 118 of the Company Petition.

11.3.3 However, the matter does not rest there. The record unequivocally establishes that subsequent to the date of default, the Corporate Debtor repeatedly made payments towards interest on the security deposit, thereby acknowledging the subsisting financial liability. The bank statements annexed to the Company Petition at pages 76 to 113 (Annexure I) demonstrate that payments on account of interest were made by the Corporate Debtor commencing from 31.05.2019 and continuing till 21.06.2021. These payments aggregate to Rs.

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4,42,00,000/- prior to filing of the Company Petition.

Further, after filing of the petition on 31.03.2023, an additional sum of Rs. 98,00,000/- has also been received by the Financial Creditor towards interest.

11.3.4 The aforesaid payments are not disputed. On the contrary, they stand expressly admitted by the Corporate Debtor in paragraph 13 of its Reply Affidavit. Such payments towards interest squarely attract the provisions of Section 19 of the Limitation Act, 1963, which provides that where payment on account of a debt is made before expiration of the prescribed period, a fresh period of limitation shall be computed from the time when such payment was made.

11.3.5 Applying Section 19 to the admitted facts, each payment made by the Corporate Debtor towards interest resulted in a fresh commencement of limitation. The last undisputed payment prior to filing of the petition having been made on 21.06.2021, the limitation period stood extended till 20.06.2024. The Company Petition having been filed on 31.03.2023 is therefore well within limitation.

11.3.6 Additionally, the continuous payment of interest amounts constitutes a clear and unequivocal acknowledgment of liability, keeping the debt alive. At no point prior to filing of the Reply Affidavit did the Corporate

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Debtor dispute the termination notice dated 23.12.2017 or its obligation to refund the security deposit with interest. The plea of limitation raised for the first time in the Reply Affidavit, more than six years after termination, is a belated afterthought and contrary to the Corporate Debtor's own conduct.

11.3.7 Accordingly, in view of the admitted payments made between 31.05.2019 and 21.06.2021, the acknowledgment of debt, and the operation of Section 19 of the Limitation Act, 1963, the objection that the claim is barred by limitation is rejected. The Section 7 application has been filed within the prescribed period of limitation and is maintainable.

11.3.8 In ***Dena Bank v. C. Shivakumar Reddy*** reported in **(2021) 10 SCC 330**, Hon'ble Supreme Court has held that:

“A written acknowledgment of debt, including proposals for one-time settlement or restructuring, constitutes acknowledgment under Section 18 of the Limitation Act, thereby giving rise to a fresh limitation period of three years from the date of such acknowledgment.”

11.3.9 Similarly, in ***Laxmi Pat Surana v. Union Bank of India*** reported in **(2021) 8 SCC 481**, the Hon'ble Supreme Court observed that acknowledgment of debt before the expiry of limitation extends the limitation period even in proceedings under the I&B Code.

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11.3.10 Further, in **Asset Reconstruction Company (India) Ltd. v. Bishal Jaiswal & Anr.**, reported in **(2021) 6 SCC 366**, the Hon'ble Supreme Court clarified that entries in the balance sheet, if accompanied by an acknowledgment of indebtedness, would also qualify as acknowledgment under Section 18. The Hon'ble Apex Court has held that:

"A balance sheet entry, if it shows the subsistence of a liability, constitutes acknowledgment of debt within the meaning of Section 18 of the Limitation Act, 1963, unless accompanied by a disclaimer or qualification denying the liability."

11.3.11 Food Corporation of India v. Assam State Cooperative Marketing [2005] SCCR 84, Hon'ble Supreme Court has held in paragraph No. 14 as under:-

"14. According to Section 18 of the Limitation Act, an acknowledgement of liability made in writing in respect of any right claimed by the opposite party and signed by the party against whom such right is claimed made before the expiration of the prescribed period for a suit in respect of such right has the effect of commencing a fresh period of limitation from the date on which the acknowledgement was so signed. It is well-settled that to amount to an acknowledgement of liability within the meaning of Section 18 of the Limitation Act, it need not be accompanied by a promise to pay either expressly or even by implication."

11.3.12 Hence the debt is not time barred. Continuous acknowledgment of Financial Debt extends limitation.

11.4 Whether the CD has repaid entire security deposit and made excess payments:

11.4.1 It is submitted by Financial Creditor that admittedly the Corporate Debtor has paid a sum of Rs. 4.42 Crores and 98 lakhs which is a total of Rs. 5.40 Crores. According to the Corporate Debtor it has paid in excess of debt whereas the Financial Creditor contends that debt was repayable along with an interest @ 18% per annum and so an amount of Rs. 7.13 Crores and odds is still repayable, which is not denied by the CD in clear terms.

11.4.2 The “**debt**” and the “**default**” is thus conclusively established and as it appears the threshold is also duly met.

11.5 Whether disputed questions of fact could be raised before this Tribunal:

11.5.1 The FC has stated that no disputes were raised prior to filing of Reply Affidavit. That, no documents have been produced by the Corporate Debtor to show that it had ever disputed the termination or its obligation to refund the security deposit with interest.

11.5.2 It is alleged that the Corporate debtor has failed to specifically deal with statements in the

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Section 7 Petition and thus acted in contravention of Rule 14 of NCLT Rules and Order VIII Rule 5 of CPC, 1908.

Rule 14 of NCLT Rules specifically states as follows:

“The Tribunal may on sufficient cause being shown, exempt the parties from compliance with any requirement of these rules and may give such directions in matters of practice and procedure, as it may consider just and expedient on the application moved in this behalf to render substantial justice”

11.5.3 Thus facts are not disputed and in absence of any specific denial by Corporate Debtor, the *doctrine of non-traverse* would come into play, to that effect reference is made to **M. Venkataramana Hebbar (Dead) by LRS Vs. M. Rajagopal Hebbar and others reported in (2007) 6 SCC 401 [para 13]**.

11.5.4 It is submitted that having failed to comply with the Clauses in the Agreement, having not mutated its name in the record of KMC, having failed to amalgamate two premises in the records of the KMC in compliance with the Clauses 6.5, the FC is under no compulsion and the CD cannot

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claim performance of FCs obligations under the Agreement.

11.5.5 Reference to the decisions of **Carestream Health India Private Limited Versus Seaview Mercantile LLP (supra)**, particularly with reference to paragraphs 30 and 31, therein is uncalled for. The decision is not applicable to the present scenario, as said paragraphs reproduced herein under would establish:

“30. The above-mentioned judgment is only an Authority for the proposition that a claim towards unpaid license fees for an immovable property would constitute an operational debt under the Insolvency and Bankruptcy Code, 2016 (Code). It doesn't support the cause of the Appellant that security deposit is a form of license fee available for adjustment on failure to meet the outstanding licence fee. in the present case, there is no outstanding licence fee and the security deposit, therefore, it cannot be termed as a form of license fee available for adjustment on failure to meet the outstanding licence fee. In any case, this judgment does not lay down any law that security deposit is a form of license fee. The said judgment proceeds on the basis that payment of GST was made on the license fee and as GST is only contemplated for goods and services, there were services rendered... which would fall within the meaning of Section 5 subsection 21 of IBC. In the present case, no GST was payable or has been paid on the security

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deposit. In the present case, the security deposit was not an advance licence fee but deposit for ensuring that the Appellant entered into a license agreement. The same was not liable to be adjusted against any outstanding or future license fee. No services were rendered nor supplied either by the Appellant to the Respondent nor by the Respondent to the Appellant. On the contrary, the security deposit became liable to be forfeited on account of non-performance of the obligation of the Appellant i.e. it's requirement to enter into a leave and licence agreement. Thus, this is not a case of supply of goods or services.

31. We therefore come to a conclusion that the scope of “operational debt under the IBC does not encompass situations like security deposits unrelated to any immediate service rendered.”

(emphasis added)

Conclusion

12 In view of revelations as above and having noted that the CD has itself treated the refundable security deposit as a “loan”, and additionally it has agreed to repay the security deposit with interest compounded annually @ 15% per annum and having noted that the CD was required to repay an amount of more than 7 Cores and admittedly repaid an amount of Rs. 5.40 Crores, we deem it appropriate to admit the Petition. We therefore pass the following orders:

- i.** The Application filed by **Srijan Realty Private Limited (Financial Creditor)**, under Section 7 of the Insolvency & Bankruptcy Code, 2016, is hereby, **ADMITTED** for initiating the **Corporate Insolvency**

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**Resolution Process in respect of Eskay Properties Development
Private Limited (Corporate Debtor).**

- ii.** As a consequence of this Application being admitted in terms of Section 7 of the I&B Code, moratorium as envisaged under the provisions of Section 14(1) of the Code, shall follow in relation to the Respondent/(CD) as per clauses (a) to (d) of Section 14(1) of the Code. However, during the pendency of the moratorium period, terms of Section 14(2) to 14(3) of the Code shall come into force.
- iii.** Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016, prohibits the following, as:
- 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;*
 - b)** *Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its asset 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 Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);*
 - d)** *The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.*

[Explanation.--For the purposes of this sub-section, it is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license,

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*permit, registration, quota, concession, clearances or a similar grant
or right during the moratorium period;]*

- iv.** The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during the moratorium period.
- v.** The provisions of sub-section (1) of the Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- vi.** The Applicant has proposed the name of **“Mr. Manish Jain”**, Address: 2B, Grant Lane, Room No. 303, 3rd Floor, Bajranj Kunj, Kolkata – 700 012, Registration no. IBBI/IPA-001/IP-P00582/2017-2018/11023, Email id. manishmahavir@gmail.com, as the “IRP”. We have perused that there is a written communication and consent of IRP in Form 2 with Affidavit, annexed as letter C at pages 21-23 to the petition, as per the requirement of Rule 9(l) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. There is a declaration made by him that there are no disciplinary proceedings pending against him with the Board or IIIP of ICAI. In addition, further necessary disclosures have been made by **“Mr. Manish Jain”** as per the requirement of the IBBI Regulations. Accordingly, he satisfies the requirement of Section 7(3)(b) of the code. Hence, we appoint **“Mr. Manish Jain”** as the **Interim Resolution Professional** (IRP) of the Corporate Debtor to carry out the functions as per the I&B Code subject to submission of a valid Authorisation of Assignment in terms of regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016. The fee payable to IRP or the RP, as the case may be, shall be compliant with such Regulations, Circulars and Directions as may be issued by the Insolvency & Bankruptcy Board

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of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the I&B Code.

- vii.** In pursuance of Section 13 (2) of the Code, we direct the IRP or the RP, as the case shall cause a public announcement immediately with regard to the admission of this application under Section 7 of the Code and **call for the submission of claims** under Section 15 of the Code. The public announcement referred to in Clause (b) of sub-section (1) of Section 15 of the Insolvency & Bankruptcy Code, 2016, shall be made immediately. The expression immediately means within three days as clarified by Explanation to Regulation 6 (1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- viii.** During the CIR Process period, the management of affairs of the Corporate Debtor shall vest in the IRP or the RP, as the case may be, in terms of Section 17 of the I&B Code. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within one week from the date of receipt of this Order, in default of which coercive steps will follow. There shall be no future opportunities in this regard.
- ix.** The Interim Resolution Professional is also free to take police assistance to take full charge of the Corporate Debtor, its assets and its documents without any delay, and this Court hereby directs the concerned **Police Authorities** and/or the **Officer-in-Charge** of Local Police Station(s) to render all assistance as may be required by the Interim Resolution Professional in this regard.
- x.** The IRP or the RP, as the case may be, shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIR Process in respect of the Corporate Debtor.

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- xi.** The Financial Creditors shall be liable to pay to IRP a sum of **Rs. 3,00,000/-** (Rupees Three Lakh Only) as payment of his fees as advance, as per Regulation 33(3) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, which amount shall be adjusted at the time of final payment. The expenses relating to the CIRP are subject to the approval of the Committee of Creditors (CoC).
- xii.** In terms of sections 7(5) and 7(7) of the Code, the **Registry of this Adjudicating Authority** is hereby directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the Interim Resolution Professional by Speed Post and through email immediately, and in any case, not later than two days from the date of this Order.
- xiii.** Additionally, the **Registry of this Adjudicating Authority** shall serve a copy of this Order upon the Insolvency and Bankruptcy Board of India (IBBI) for their record and also upon the Registrar of Companies (RoC), to whom the company is registered with, by all available means for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court within seven days from the date of receipt of a copy of this order.
- xiv.** The Resolution Professional shall conduct CIRP in a time-bound manner as per Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016.
- xv.** The IRP/RP shall be liable to submit the periodical report including the minutes of the CoC of the Corporate Debtor, with regard to the progress of the CIR Process in respect of the Corporate Debtor to this Adjudicating Authority from time to time.

**In the National Company Law Tribunal
Division Bench, (Court-I), Kolkata**

C.P. (IB)No. 85/KB/2023

xvi. The order of moratorium shall cease to have effect as per Section 14(4) of the I&B Code.

13 Post the Company Petition on **10th March, 2026** for filing the periodical Progress Report by the IRP/RP as appointed herein above.

14 Certified copies of this order, if applied for with the Registry of this Adjudicating Authority, be supplied to the parties upon compliance with all requisite formalities.

**(Siddharth Mishra)
Member (Technical)**

**(Bidisha Banerjee)
Member (Judicial)**

Signed on this, the 29th day of January, 2026

M. Jana (P.S.)