

**IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD**  
**COURT - 2**

ITEM No305  
**CP(IB) 300 of 2020**

**Order under Section 7 IBC**

**IN THE MATTER OF:**

Vrundavan Residency Pvt Ltd  
V/s  
Mars Remedies Pvt Ltd

.....Applicant

.....Respondent

**Order delivered on 16/10/2023**

**Coram:**

Mrs. Chitra Hankare, Hon'ble Member(J)  
Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

**ORDER**

The case is fixed for pronouncement of order.

The order is pronounced in open Court vide separate sheet.

-Sd-

**DR. V. G. VENKATA CHALAPATHY**  
**MEMBER (TECHNICAL)**

-Sd-

**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**

**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH, COURT-II**

**CP(IB)/300/NCLT/AHM/2020**

(Under Section 7 of the Insolvency & Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016)

**In the Matter of:**

**VRUNDAVAN RESIDENCY PRIVATE LIMITED**

**...APPLICANT/FINANCIAL CREDITOR**

**Versus**

**MARS REMEDIS PRIVATE LIMITED**

**...RESPONDENT/CORPORATE DEBTOR**

**Order Pronounced On: 16/10/2023**

**Coram:**

**MRS. CHITRA HANKARE  
HON'BLE MEMBER (JUDICIAL)**

**MR. VELAMUR G VENKATA CHALAPATHY  
HON'BLE MEMBER (TECHNICAL)**

## **MEMO OF PARTIES**

### **Vrundavan Residency Private Limited**

(CIN: U45202GJ2007PTC050329)

Having its registered office at

Nr. Poly Technic College,

Mota Bazar,

V V Nagar-388120

**...Applicant/Financial Creditor**

**Versus**

### **Mars Remedies Private Limited**

**(CIN: U24231GJ1999PTC036869)**

635, G.I.D.C. Estate,

Waghodia,

Gujarat-391760

**.... Respondent/Corporate Debtor**

### **Appearance**

For the Applicant : Mr. Ravi Pahwa, Advocate

For the Respondent : Mr. Pavan Godiawala, Advocate

## **ORDER**

1. This application is filed by M/s. Vrundavan Residency Private Limited – the Financial Creditor on 22.06.2020 through its authorized representative Mr. Vishal Jitendra Patel who is duly authorized vide Board Resolution dated 31.12.2019 to file this application, against M/s. Mars Remedies Private Limited – the Corporate Debtor under Section 7 of the Insolvency and

Bankruptcy Code, 2016 (“**IBC, 2016**”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 with a prayer to initiate the Corporate Insolvency Resolution Process (“**CIRP**”) against the Corporate Debtor.

2. Learned Counsel for the Financial Creditor appeared and made the averments which are summarised as under:

i. It is submitted that the Financial Creditor had provided an unsecured loan with an assurance to repay along with interest by Mars Remedies Pvt. Ltd. as permitted in its clause-III(B)(23) of the memorandum of association. To lend, invest or otherwise employ or deal with money belonging to or entrusted to the company in securities and shares or other movable or immovable property or without security upon such terms and in such manner as may be thought proper from time to time, to vary such transactions and investments in such manner as the directors may think fit subject to the provisions of the Companies Act, 1956.

ii It is submitted that the Financial Creditor had provided said loan with sanction vide Board Resolution dated 19.04.2011 an amount not exceeding Rs.70,00,000/-. The terms and

conditions were that the loan will be disbursed up to sixth financial year from the first instalment and at the end of sixth financial year the loan becomes continuous default. The rate of interest will vary from 13 to 18%. The Financial Creditor had disbursed a total amount of Rs.68,10,000/- on various dates to the corporate debtor by RTGS transfer as under:

Date	Amount	Bank account of corporate debtor
30.06.2011	5,00,000/-	Corporation Bank A/c No.CBCA/0100040
31.08.2012	24,00,000/-	Corporation Bank A/c No.CBCA/0100040
18.06.2013	6,00,000/-	Corporation Bank A/c No.CBCA/0100040
31.07.2013	3,00,000/-	Corporation Bank A/c No.CBCA/0100040
18.11.2013	2,50,000/-	Corporation Bank A/c No.CBCA/0100040
29.01.2014	3,00,000/-	Corporation Bank A/c No.CBCA/0100040
30.01.2014	3,00,000/-	Corporation Bank A/c No.CBCA/0100040
31.03.2014	1,10,000/-	Corporation Bank A/c No.CBCA/0100040
26.08.2014	4,50,000/-	Corporation Bank A/c No.CBCA/0100040
20.02.2015	10,00,000/-	Corporation Bank A/c No.CBCA/0100040
27.02.2015	6,00,000/-	Corporation Bank A/c No.CBCA/0100040

iii. The applicant has stated that the respondent had repaid Rs.34,00,000/- on various dates towards the principal amount and interest due. Detailed statement was submitted as a proof of this receipt. The applicant claimed

an amount of Rs.62,77,763/- (prin.) and interest of Rs.26,46,867/-. It is also stated that the date of default was continuing from 31.03.2017 to 31.03.2019. The applicant stated that there was various emails exchanged since 17.10.2017. A demand notice was issued on 03.04.2019 to the corporate debtor demanding repayment of Rs. 81,08,211/- outstanding as on 31.03.2013.

- iv. It is also stated that the loan was given to enable the corporate debtor to clear the dues of Vijaya Bank and get enhanced credit facilities from Bank of Baroda. The loan as stated was unsecured and an accommodation loan to obtain credit facility from the banker of the corporate debtor with whom there was a credit facility.
- v. The NCLT, Ahmedabad Bench vide its order dated 22.03.2021 in CP(IB) 300/NCLT/AHM/2020 observed that the date of default is on 29.09.2015 and last date of payment by the corporate debtor is 29.09.2015 and the last date of entry of 26AS of the Income Tax Statement for payment of interest is on 31.03.2016 thereby dismissed / rejected the petition (applicant an educational society) as

not maintainable as time barred as Limitation Act is applicable under IBC, 2016. An appeal against said order was filed before the Hon'ble NCLAT, New Delhi u/s 61 of the IBC, 2016.

- vi. The appeal was allowed and the matter is remitted back to the Adjudicating Authority, (NCLT) Ahmedabad Bench with a request to hear the parties and after perusing the aforesaid documents whereby the respondent categorically acknowledged the debt, pass fresh orders within twelve weeks from the date of receipt of this judgement.
- vii. A fresh application was filed in compliance of order passed by Hon'ble NCLAT on 04.03.2022. Ld. Counsel for the corporate debtor appeared before the Bench and stated that the order of Hon'ble NCLAT is impugned before the Hon'ble Supreme Court. It is observed from the order delivered on 18.08.2022 that the Ld. Counsel for the applicant and the corporate debtor stated that the matter before the Hon'ble Supreme Court is withdrawn and order passed by Hon'ble NCLAT needs to be complied. It is also observed that another application has been filed in CP(IB) 804 of 2019 against the same corporate debtor and Ld. Counsel for the applicant seeks liberty to restore the application in case

CP(IB) 804 of 2019 get settled or the order to set aside. Accordingly, CP(IB) 300 of 2020 stands disposed of as infructuous vide order dated 07.09.2022. Further, vide order dated 11.01.2023, the Hon'ble Tribunal passed a detailed order being IA 891 of 2022 in CP(IB) 300 of 2020 and stayed further proceedings in CP(IB) 804 of 2019..

- viii. It is observed from the orders of the Hon'ble Tribunal on 12.01.2023 that pre-requisite to revive/restore the main IB Application of present Applicant is clearly mentioned as ‘to restore the application in case CP(IB) 804 of 2019 get settled or the order is set aside’. Neither of the conditions are existing at present. Admittedly the matter is not settled and setting aside is yet premature if it has to happen in view of the pendency of the said issue before Hon'ble Supreme Court. Hence, we are of the considered view that the present application cannot be considered at this stage. However, the present Applicant can avail the remedy of restoring the main application subject to the outcome of the appeal before Hon'ble Supreme Court in CP(IB) 804/2019.
- ix. It is also observed from the records that in CP IB 804/2019 filed against the respondent to this application

(Corporate Debtor) by BDH Industries Limited, the Tribunal had on 7 September 2022 passed an order in IA 190 of 2022 that in pursuance of order dated 7 February 2022 by the Hon'ble NCLAT the application under Sec 7 filed was admitted and the IA 190 disposed off.

- x. The Corporate debtor filed a civil appeal before the Hon'ble Supreme Court I 5170/2022 against the resolution process initiated as per the Tribunal orders dated 7 September 2022. The Hon'ble Supreme Court has vide its order in the intervening application filed by the applicant in CP (IB) 300/NCLT/AHM/2020 (Mars Remedies) advising the intervenor to move an application for restoration and the NCLT shall pass fresh orders keeping in mind the observations, wherein the other order is on civil appeal and is on track. There are no further developments reported on further hearings in the matter.
- xi. Accordingly and further to this order of the Hon'ble Supreme Court, the applicant filed another application (Rst. A 05 of 2023 in CP(IB) 300 of 2020) for restoration of the main petition which was rejected vide order dated 12.01.2023 on the grounds that CIRP initiated in CP(IB) 804 of 2019 has only been stayed by the Hon'ble Supreme Court and that no two simultaneous CIRP can be held

against the same corporate debtor. After perusing the orders of the Hon'ble Supreme Court in order dated 02.05.2023 in IA 50067 of 2023, the request of the applicant for restoration of CP(IB) 300 of 2022 was, without admitting to any of the submission made in the said application, and due consideration of the observation / direction of the Hon'ble Supreme Court, the CP(IB) 300 of 2020 was hereby restored to its original number vide order dated 09.06.2023.

- xii. Learned Counsel for the applicant submitted that these loans were granted without any agreement on various dates and for which there is acknowledgement in the balance-sheet for Financial Year 2016-17 and application has been filed on 22.03.2020 before notification enhancing the limit to Rs 1 crores for CIRP process was issued. Learned Counsel for the respondent replied that he has given his detailed affidavit countering the admissibility of application is not sustainable on account of three reasons which includes that the applicant company violates Sec 186(2) of the Companies Act 2013, the Directors were related parties to the corporate debtor as per the Companies Act and the application was barred by limitation.

- xiii. This Tribunal has perused the various submissions in the case. There are few points which needs further consideration before this Tribunal, as both the applicant have been moving the Appellate and the Hon'ble Supreme Court to admit/reject the applications under Section 7 of IBC 2016 and there are two different applicants against the same corporate debtor. While orders are yet to be passed in the other application against the same Corporate Debtor wherein the applicant has submitted his claim, the issues examined again by the Tribunal are on the following grounds of admissibility.
- xiv. On the applicability of limitation and whether the debt was time barred? Whether debt was acknowledged in time.
- xv. The application was rejected by this Hon'ble Tribunal vide its order dated 22.03.2021 in CP(IB) 300/NCLT/AHM/2020 It observed that the date of default is on 29.09.2015 and last date of payment by the corporate debtor is 29.09.2015 and the last date of entry of 26AS of the Income Tax Statement for payment of interest is on 31.03.2016 thereby dismissed / rejected the petition (applicant an educational society) as not maintainable as time barred as Limitation Act is applicable under IBC, 2016. The applicant had submitted

the statement of Profit and Loss and Balance sheet of the respondent for the years 2015-16 and 16-17 (balance sheet signed on 5.9.2017), wherein the respondent acknowledges in the balance sheet as borrowing from others from Vrundavan Residency Pvt Ltd an amount of Rs.54,71,783.00. The ledger account also confirms the same amount for the period. In the Financial statement submitted by the applicant for the period as on 31 March 2020, 2021 & 2022, an amount of Rs.89,24,630 is shown as outstanding short term loan receivable from the respondent.

- xvi. The loan was sanctioned by the Board on 19<sup>th</sup> April 2011 of the applicant as unsecured loan to the respondent (corporate debtor) for an amount of Rs.70 lakhs up to sixth financial years from the first year of disbursement and the date of default starts from sixth financial year and the borrower becomes continuous defaulter. There was no agreement between both the parties. It is also stated that the repayment will be first adjusted to interest and then to principal and charged at rate of interest from 13% to 18% p.a. On default the loan would be charged at 18% p.a. It is observed from the table given in Para II of this order and

the application that the last disbursement on 27 February 2015. The Corporate debtor has as per statement submitted repaid on various dates an amount up to Rs.34 lakhs (last instalment paid of Rs 40,000 only on 29.9.2015. In the balance sheet of the respondent for the financial year 31 March 2016 & 2017, an amount of Rs.54,71,783 (exhibit J - 104-119) is shown as loan outstanding from others.

xvii. There are certain emails submitted by the applicant which are between various individuals and does not categorically demand the debt to be repaid, but raise few queries and reconciliation, compliances and raise a concern whether they were family company accommodation in the matter. These emails do not define or answer the debt in specific the debt or its acknowledgment.

xviii. The applicant has submitted a certificate from Chartered Accountant (B C Patel & Co) dated 19 March 2020 wherein the outstanding against the respondent company for the financial years from 2015-16 to 2018-19 and up to 31 Dec 2019 is mentioned. The outstanding shown as on 2015-16 against the respondent corporate debtor (amounts to Rs 54,11,863 (after TDS of Rs 59,920) is similar to the amounts shown in the balance sheet of the

respondent for the years 2015-16, 2016-17. The outstanding stated as on 31 December 2019 amounts to Rs.89,24,630 as per the audit certificate provided by CA of the applicant. The applicant has also submitted copy of TDS on the interest to be received.

- xix. The Demand Notice dated 3 April 2019 issued by the applicant states certain dates beginning from 17.10.2017 till 13.12.2018 wherein the demands were raised and the replies of respondent received assuring repayment. However no such record has been seen in the submissions or clarifications given by applicant which specifically recalls/mentions the default. Only one email dated 7 Jan 2016 to Chartered Accountant Mr H D Patel, raises an issue whether there were any proposals to convert the loans in to equity which was stated to have been not consented. This is the only email which was on letter head. From the records, there were no reply to demand notice dated 3 April 2019 from the respondent. The respondent in his affidavit has stated the applicant who is also the Director holds around 23.45% of the shares of respondent company through another company Indo Pharma Limited and his wife and son and the application is filed to gain control of a the respondent company.

3. On the point of the threshold limit for filing the application, it is stated in the application and submitted before the Hon'ble NCLAT that the aforesaid application was filed on 14.03.2020 before the Notification issued by the Ministry of Corporate Affairs dated 24.3.2020 whereby, enhancing the amount from Rs 1 lakhs to Rs 1 crore for triggering the process of resolution under Section 7 & 9 of the IBC 2016. The applicant filed an affidavit (addl.) on 25 April 2022 in response to order dated 18.4.2022 that he has sent a copy to the Tribunal on 22 March 2020 (copy of email enclosed). As verified from the court records, E filing was not applicable in 2020(stated period) and the stated application has been received on 22 June 2020. The applicant has also in its filing before the Hon'ble NCLAT stated that the application was filed on 14 March 2020. It is also to be mentioned that the learned counsel for the Petitioner submitted an additional affidavit in compliance of order dated 18.4.2022 that due to closure of registry from 19 to 27 March 2020, the applicant has filed without annexures and noted to submit on reopening of the office. The applicant/counsel would have been well aware that the registry does not accept e filing during that period. Being covid 19 time, it is clarified by the office of

registry that it has received the physical copy only on 22 June 2020. However, the applicant has clarified that the Hon'ble Member (Judicial) and the head of the department at that time had stopped physical filing and had made compulsory for everyone to email a copy of petition to the Registry of the Hon'ble Adjudicating Authority. The physical filing was then submitted in June 2020 when it was permitted by Registry.

4. The admissibility of the application U/s 7 of the application, whether the applicant is a financial creditor. The applicant as per its application is in the business of Hostel Services as permitted in its memorandum of association. It is further submitted that as permitted in Clause III (B) (33) of the Memorandum of association, it can “lend, invest or .....in such manner as the Directors may think fit subject to the provisions of the Companies Act, 1956. One of the objections of the respondent (corporate debtor) to the application is that such claim is prohibited under the provisions of the Companies Act, 2013 as the alleged claim is much more than the paid up capital of the petitioner and the petitioner is admittedly not an NBFC and hence the business of lending and investment through inter-corporate deposit is not permissible beyond 60% of the total paid up capital of the company. The correspondence

between the applicant and respondent (Demand Letter dated 3.4.2019 para 14) seems to be given for the purpose of reducing a liability with Vijaya Bank and get enhanced credit facility from Bank of Baroda. It also states that the loan should be repaid after getting credit facility within 5-6 weeks.

5. The applicant has submitted a document which is the Board Resolution dated 19<sup>th</sup> April 2011 authorising grant of unsecured loan. No other document has been submitted of an MoU or signed document evidencing the loan was agreed upon.
  
6. The respondent in his affidavit dated 22 August 2023 has stated that the directors of the company along with their allies are stake holders in the respondent company holding sizeable shares up to 23.45% and both the petitioner and respondent are private limited and closely held companies. It is also submitted that a company floated by the Director (Mr Yogendra Patel) in the name of Indo Pharma Limited is holding 18.14% equity shares apart from shares held in the name of son(0.17%) and wife (5.14%) in the respondent company. It is stated that the petition is filed to take over the company as the Indo Pharma is a competitive company of the respondent. It is also submitted by the respondent that the petitioner even though is

not an NBFC has invested more than its share capital (60% permitted). The affidavit reply of the respondent has been denied of its merits by the applicant in his affidavit dated 4 September 2023. He has also stated that the respondent has not stated in his balance sheet that the borrowing is a related party transaction. Also it is observed that the last repayment was on 29.09.2015 after which there is no repayment. The balance sheet provided of the respondent is for the period only upto 2015 and 2016.

7. The Adjudicating Authority Ahmedabad had vide its order dated 22.03.2021 gone through the application and disposed off as not maintainable as time barred. The applicant being aggrieved by this order filed an appeal before the Hon'ble' NCLAT vide CA (AT)(IS) No.345/2021. The Hon' ble NCLAT vide its order dated 4.3.2022 allowed the Appeal with the following order: Taking all these facts and circumstances of the case, we are of the considered view that the impugned order dated 22.3.2021 passed by the Ld. AA (NCLT) Ahmedabad bench in CP (IB) No.300/NCLT/AHM/2020 is hereby set aside and the matter is remitted back to the Ld. AA (NCLT) Ahmedabad Bench, Ahmedabad with a request to hear the parties and after perusing the aforesaid documents whereby the Respondent

categorically acknowledged the debt, pass fresh orders within 12 weeks from the receipt of this judgment”.

## **FINDINGS**

8. The applicant has proved the grant of advance on the stated date. There is no agreement between both the parties and as per documents, the balance sheet of respondent acknowledges the debt up to 31 March 2017 which is dated 5.9.2017. There have been some email correspondence between the applicant and the respondent, which are not clearly specifying the debt, however for the limited purpose of analysis there seems to be some reconciliation issues, on interest, conversion to equity from the letters. If there are any other intention of the emails of transactions that is not taken note of and may be under purview of other regulatory authorities.
  
10. The objections of the Respondent in the application has not been sustained. The eligibility of application filed on 22.3.2020 is objected by respondent but based on the documents produced, it is taken on record that it is filed within the stipulated time (e-filing) before the enhancement of limit of Rs 1 crore. If the debt is acknowledged in the balance sheet of 31 March 2017 on 5.9.2017, the date of notice issued and date of

filing the application on 22.3.2020 is within the limitation period (3 years).

11. The objection of the respondent that the applicant violates Sec 186(2) of the Companies Act, is not in order, it is apparent that it appears to be an unsecured inter company loan (even though the activity of applicant is different and MOA does not prohibit investment) is not allowed as the respondent has received the stated amount in to his account and had not repaid as per the documents produced.
12. The objection of the respondent that the applicant is a share holders in the company through his family or the entity in which he is a major share holder does not in any way prove that the debt was a grant which cannot be repaid.
13. The respondent has not denied the debt or has produced any document that the amount has been repaid. The respondent has stated reasons which seek to escape the amount of debt that is to be repaid and has not submitted the balance sheet copies to prove that the debt has been repaid or converted to equity.

14. The applicant based on the clarifications given on 27.9.2023 has not been able to show the balance sheet of the respondent (CORPORATE DEBTOR) after 31 March 2017 which is approved dated 5 September 2017 and his issue of notice is dated 3.4.2019 is within the period of 3 years. The respondent has chosen not to reply to this letter. Respondent has also not submitted any clarifications, if any in the matter additionally. He has not denied the repayment made earlier. The respondent has not denied the loan, but argued on admissibility and other issues. Within 3 years from that date 3.4.2019 the application U/s 7 of IBC has been filed on 20.3.2020. It is also observed that the applicant is not an equity holder of the respondent, even though it is alleged his connected entity or relatives have a share. Debt by whatever means raised has to be repaid, which has been denied for various reasons by the respondent. As per Companies Act, a share holder cannot be considered a related person unless the person is a director. The loan has been approved by the board of the applicant before the facility was granted.
  
15. Its maintainability based on e filing on 20.3.2020 and submission of physical documents in June 2020 is allowed

based on the documents produced which was during operational shut down of the registry.

Two judgments are of relevance in the case for reference.

1) Whether to prove a financial debt, a financial creditor has to enter into a "written" financial Contract? Agarwal Polysacks Ltd vs K K Agro Foods Ltd - Justice Ashok Bhushan and Mr Barun Mitra, NCLAT AND

2) Hon'ble Supreme Court judgment in Asset Reconstruction Ltd Vs Bishal Jaiswal Ltd - Acknowledgment of Debt in Balance Sheet.

16. In view of the above, we admit this application and pass the following order:

- (i) Application is allowed. The Corporate Debtor- M/s. Mars Remedies Limited is admitted in CIRP under section 7 of the IBC, 2016.
- (ii) The moratorium under section 14 of the IBC, 2016 is declared for prohibiting all of the following in terms of section 14(1) of the IBC, 2016.
  - 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 assets 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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
  - d. the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.
- (iii) The moratorium under section 14 of the Code shall come to effect from the date of this order till the completion of the Corporate Insolvency Resolution Process or until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of section 31 or passes an order for liquidation of the corporate debtor under Section 33 of the IBC 2016, as the case may be.
- (iv) However, in terms of Section 14(2) to 14(3) of the Code, the supply of essential goods or services to the corporate debtor

as may be specified, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period.

(v) As proposed by the Financial Creditor, we appoint Sunil Kumar Kabra, having registration number no. IBBI/IPA-001/IP-P01011/2017-18/11662 to act as Interim Resolution Professional (IRP) subject to the condition that no disciplinary proceedings are pending against him. He shall conduct the Corporate Insolvency Process as per the Insolvency and Bankruptcy Code, 2016 r.w. Regulations made thereunder. Specific consent of the IRP in Form 2 along with disclosures as required under IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 is filed, which is on record.

(vi) The IRP so appointed shall make a public announcement of the initiation of Corporate Insolvency Resolution Process and call for submissions of claims under section 15, as required by Section 13(1)(b) of the Code.

(vii) The IRP shall perform all his functions as contemplated, inter-alia, by sections 17, 18, 20 and 21 of the Code. It is further made clear that all personnel connected with the

corporate debtor, its promoters, or any other person associated with the management of the corporate debtor are under legal obligation as per section 19 of the Code to extend every assistance and cooperation to the IRP. Where any personnel of the corporate debtor, its promoters, or any other person required to assist or co-operate with IRP, do not assist or cooperate, the IRP is at liberty to make appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

(viii) The IRP is expected to take full charge of the corporate debtor's assets, and documents without any delay whatsoever. He is also free to take police assistance in this regard, and this Court hereby directs the Police Authorities to render all assistance as may be required by the IRP in this regard.

(ix) The IRP shall be under a duty to protect and preserve the value of the property of the 'corporate debtor company' and manage the operations of the corporate debtor company as a going concern as a part of obligation imposed by section 20 of the Code.

- (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 CIRP in respect of the Corporate Debtor.
- (xi) We direct the financial creditor to pay IRP a sum of Rs.2,00,000/- as fees and expenses till the COC decides about his fees/expenses.
- (xii) The Registry is directed to communicate this order to the financial creditor, corporate debtor, and to the Interim Resolution Professional and the concerned Registrar of Companies, after completion of necessary formalities, within seven working days and upload the same on the website immediately after pronouncement of the order. A copy of the order may be communicated to the IBBI for their record and for getting the status of the CD updated in the MCA portal.
- (xiii) The IRP shall also serve a copy of this order to the various departments such as Income Tax, GST (centre), State Trade Tax, Provident Fund etc. who are likely to have their claim against Corporate Debtor as well as to the trade unions/employees associations so that they are informed timely of the initiation of CIRP against the Corporate Debtor timely.

(xiv) The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.

17. Accordingly, the present application i.e., **CP (IB)/300 (AHM) 2020** stands admitted.

-Sd-  
**DR. V. G. VENKATA CHALAPATHY**  
**MEMBER (TECHNICAL)**

-Sd-  
**CHITRA HANKARE**  
**MEMBER (JUDICIAL)**

Prakash-Steno