

IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH-VI

CP (IB) No.1261/MB-VI/2022

[Under Section 7 of the Insolvency and Bankruptcy Code, 2016 r/w Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016]

IN THE MATTER OF:

OMKARA ASSETS RECONSTRUCTION PRIVATE LIMITED

[CIN - U67100TZ2014PTC020363]

Registered Office: No.9, M.P. Nagar

First Street, Kongu Nagar Extension

Tirupur, Coimbatore

Tamil Nadu – 641607.

...Financial Creditor

V/s

V.G.I. PHARMA PRIVATE LIMITED

[CIN - U24200MH2011PTC218263]

Registered Office: Plot no. J-8, Phase 3, MIDC

Akola, Maharashtra – 444104.

...Corporate Debtor

Pronounced on: 03.12.2024

CORAM:

HON'BLE SHRI K. R. SAJI KUMAR, MEMBER (JUDICIAL)

HON'BLE SHRI SANJIV DUTT, MEMBER (TECHNICAL)

Appearances: Hybrid

Financial Creditor: Adv. Charles D'souza a/w Adv.Tasneem Zariwala

and Adv. Rushabh Chopra i/b Vidhi Partners.

Corporate Debtor: Adv. Pooja Harit i/b Manoj Harit & Co.

ORDER

[PER: K. R. SAJI KUMAR, MEMBER (JUDICIAL)]

1. BACKGROUND

- 1.1 This Application, C.P.(IB) No.1261/MB/2022 was filed on 04.08.2022 under Section 7 of Insolvency and Bankruptcy Code, 2016 (IBC) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, by Omkara Assets Reconstruction Private Limited, the Financial Creditor (FC) through Mr. Nitin Ingle, Assistant Vice President of the FC, authorised *vide* Board Resolution dated 29.06.2022 for initiating Corporate Insolvency Resolution Process (CIRP) in respect of V.G.I. Pharma Private Limited, the Corporate Debtor (CD).
- 1.2 As requested by the CD, Akola Urban Co-op Bank Ltd. (Original Lender) sanctioned Term Loan facility – I for Rs.3 Crore; Term Loan facility - II for Rs.5.50 Crore; and Hypothecation Limit for Rs.1.75 Crore *vide* its Sanction Letters. Subsequently, the Original Lender sanctioned another Funded Interest Term Loan for Rs.2,82,39,325/- (Two Crore Eighty-Two Lakh Thirty-Nine Thousand Three Hundred and Twenty-Five Rupees) *vide* Sanction Letter dated 28.03.2014.
- 1.3 The alleged total amount of default by the CD is Rs.38,20,28,712.47/- (Thirty-Eight Crore Twenty Lakh Twenty-Eight Thousand Seven Hundred and Twelve Rupees and Forty-Seven Paise), inclusive of Term Loan- I of Rs.8,33,21,681/- (Eight Crore Thirty-Three Lakh Twenty-One Thousand Six

Hundred and Eighty-One Rupees); Term Loan-II of Rs.15,62,86,839/- (Fifteen Crore Six-Two Lakh Eighty-Six Thousand Eight Hundred and Thirty-Nine Rupees); Hypothecation Limit of Rs.5,52,61,321.47/- (Five Crore Fifty-Two Lakh Sixty-One Thousand Three Hundred and Twenty-One Rupees and Forty-Seven Paise); and Funded Interest Term Loan of Rs.8,71,58,871/- (Eight Crore Seventy-One Lakh Fifty-Eight Thousand Eight Hundred and Seventy-One Rupees), as on 30.06.2022.

1.4 The date of default as mentioned in Part-IV of the Application is 30.04.2014 i.e., the date on which the CD first defaulted in repayment of the loan and CD's account was classified as Non-Performing Asset (NPA) by the Original Lender. Thereafter, the Original Lender had issued two demand notices dated 16.10.2014 and 02.05.2017, in respect of all loan accounts, for which no response was received from the CD.

1.5 The CD addressed OTS Proposals dated 03.07.2019 and 01.06.2021 to the Original Lender acknowledging their liabilities. The Original Lender later assigned all debts due and payable by the CD to the present FC i.e., Omkara Asset Reconstruction Company, *vide* Assignment Agreement dated 28.09.2021. Therefore, the CD having defaulted in payment of its outstanding dues, the FC prays that CIRP may be initiated in respect of the CD under Section 7 of the IBC.

2. CONTENTIONS OF FC

2.1 The Original Lender agreed to extend a Term Loan Facility- I of Rs.3,00,00,000/- (Three Crore Rupees) *vide* its Sanction Letter dated

11.08.2011; Term Loan Facility II of Rs.5,50,00,000/- (Five Crore Fifty-Lakh Rupees); and Hypothecation Limit of Rs.1,75,00,000/- (One Crore Seventy-Five Lakh Rupees) to the CD *vide* its Sanction Letters dated 22.10.2011 and 21.12.2011. The Original Lender sanctioned Funded Interest Term Loan (FITL) *vide* Sanction Letter dated 28.03.2014 for an amount of Rs.2,82,39,325/-. Further, various securities were executed for securing the facilities. However, the CD defaulted in making any repayment, and consequently, the CD's account was declared as NPA on 30.04.2014.

2.2 The Original Lender had issued two Demand Notices dated 16.10.2014 and another under section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) dated 02.05.2017 in respect of all loan accounts, to which the CD did not send any response.

2.3 The Balance Sheets of the CD for the Financial Years (FYs) 2015-16; 2016-17; 2017-18; and 2018-19 show that the CD was in default to the Original Lender. Thereafter, the CD addressed OTS Proposals dated 03.07.2019 and 01.06.2021 to the Original Lender acknowledging liabilities in favour of the Original Lender.

2.4 Subsequently, the Original Lender assigned all the debts due and payable by the CD to the FC *vide* Assignment Agreement dated 28.09.2021. Since the CD is in default of Rs.38,20,28,712.47/- to the FC, including interest, further interest, default interest and other monies payable thereon at the

contractual rate as on 30.06.2022, the FC prays that CIRP may be ordered against the CD for the default committed by it.

3. CONTENTIONS OF CD

3.1 The CD *vide* its Affidavit-in-Reply dated 01.05.2023 contended that the Application is filed without lawful authority as it is signed by one Mr. Nitin Ingle on behalf of the FC. That Mr. Ingle has relied on a Board Resolution dated 13.07.2022. The alleged Board Resolution of the FC is general in character and does not specifically authorise Mr. Ingle to file any proceeding under the provisions of the IBC and/or specifically against the CD.

3.2 The Ld. Counsel for CD submits that in terms of section 179 of the Companies Act, 2013, the Board of Directors of a company shall be entitled to exercise all such powers, and all such acts, as a company is authorised to do. The Counsel further states that a bare perusal of the alleged Board Resolution makes it clear that in the present case, no such decision-making power has been delegated to or vested in any person, including Mr. Ingle,

3.3 The S.O. 1091(E) dated 27.02.2019, issued by the Ministry of Corporate Affairs has, *inter alia*, notified “a person duly authorised by the Board of Directors of a Company” as competent to file an application under Section 7 of the IBC against a CD. The CD submits that the use of the words ‘corporate debtor’ under Section 7(1) of IBC and this Statutory Order makes it clear that there has to be specific authorisation and not a general authorisation, given in the present case, in favour of Mr. Ingle to take decision against the CD.

3.4 The CD submits that the FC claims to be an assignee of M/s Akola Urban Co-operative Bank Ltd. The alleged Assignment Agreement dated 28.09.2021 states that the FC's assignment rights are limited to *'recover and receive all amounts due, including the right to file a suit or institute such other recovery proceedings and take such other action as may be required for the purpose of recovery of the Loans'*. It is a settled principle of law that the provisions of the Code are not a substitute for recovery forum and the proceedings under the IBC cannot be used for recovery purposes, but only for the purpose of insolvency resolution of corporate debtors.

3.5 Further, the CD states that no stamp duty appears to have been paid on the alleged Assignment Agreement dated 28.09.2021. In terms of section 5(1A) of the SARFAESI Act, any document executed by any bank or financial institution under section 5(1) of that Act in favour of the asset reconstruction company acquiring financial assets for the purposes of asset reconstruction or securitisation is exempted from stamp duty. The term 'asset reconstruction' means acquisition by any Asset Reconstruction Company (ARC) of any right or interest of any bank or financial assistance. Thus, the FC has chosen the right to realise the loans and has taken statutory benefit of Section 5 (1A) of the SARFAESI Act by not paying stamp duty. For maintaining the present Application, the FC must first pay the stamp duty on the alleged Assignment Agreement.

3.6 The only right that can be exercised by the FC in relation to the alleged Assignment Agreement is the right to recover the loans. The alleged

assignment took place on 28.09.2021. After this date, the FC has not made even a single attempt to call upon the CD to make payment or has taken any other step to realise the loans. The only remedy sought by the FC is filing the Application for initiation of CIRP against the CD.

3.7 As per the Master Circular dated 01.04.2022 issued by the RBI on ARCs (as updated on 12.08.2022), every ARC such as the present FC, shall frame policy duly approved by the Board of Directors laying down the broad parameters for rescheduling of the debts due from borrowers and also shall encourage settlement of dues. Therefore, the RBI does not permit the ARCs to file proceedings under the provisions of the IBC against borrowers.

3.8 The alleged Assignment Agreement was not executed with the knowledge and consent of the CD and it is not a party to the same, and hence, the Application is unmaintainable. There is no reference to the CD or the alleged loans to the CD having been assigned in the Assignment Agreement. Also, there is no registration certificate that has been tendered by the FC that has to be issued under Section 3 of the SARFAESI Act to show that it is a legitimate ARC, without which it cannot carry on the business.

3.9 In Part-IV of the Application, the FC has mentioned that the CD first defaulted in repayment of loan on 30.04.2014 and the loan account of the CD was classified as a NPA by the Original Lender as per RBI guidelines on the same date. Therefore, the Application filed on 30.07.2022 is barred by law of limitation.

3.10 The FC *vide* Notice dated 18.10.2022 stated that limitation period for enforcement of mortgaged properties is 12 years as prescribed under Article 62 of Limitation Act, 1963 (Limitation Act), which is contrary to the law laid down by the Hon'ble Supreme Court. In numerous cases, it has been held that period of limitation is 3 years in terms of Article 137 of the Schedule to the Limitation Act.

3.11 Form I suffers from the following defects:

- i. No mention of alleged date of disbursement;
- ii. No working computation attached;
- iii. Copy of Application not served on the IBBI; and
- iv. No proof of disbursement of alleged debt and/or default in repayment

3.12 The FC has not filed any statement of accounts with the Application. The FC has not met the requirements of the Bankers' Books Evidence Act, 1891 (BBE Act). Under Sl. No. 7 of Part V of Form – I, prescribed under the AAA Rules, the FC is required to annex copies of entries in a banker's book in accordance with the BBE Act. However, the FC has mentioned "N.A." against the requirement.

3.13 The CD is a financially viable concern and no CIRP should be initiated. The key promoter of the CD had been banking with the Original Lender for a long time and enjoyed credibility. The Original Lender urged the promoter group to purchase a pharmaceutical unit, which was being put up for auction by the bank itself. A substantial sum of money was invested by the promoter group for acquisition of this unit. However, this unit had tax issues and

litigations with workers. By the time the issues were resolved, the loan accounts were wrongfully classified as NPA on 30.04.2014. The classification was wrongful and in blatant violation of the extant RBI Guidelines of 90 days' delinquency norms. Further, the FITL of Rs.2.82 crore was sanctioned on 31.03.2014 and later the amount was transferred to the Term Loan and Hypothecation Loan Accounts.

3.14 The unit was not permitted to start the manufacturing operations and put under the provisions of the Maharashtra Co-operative Societies Act, 1960; the Arbitration and Conciliation Act, 1996; and the SARFAESI Act. The CD challenged every action of the Original Lender. Therefore, a circuitous route has been adopted by bringing in the ARC for recovery of loan.

3.15 In view of the above grounds, the Application is liable to be dismissed, according to the CD.

4. REJOINDER

4.1 The Board Resolution dated 29.06.2020 authorises Mr. Ingle to sign, seal and execute all necessary pleadings before Courts and other subordinate judicial / quasi-judicial authorities and their officials including Tribunals and Appellate Tribunals. Mr. Ingle is appropriately authorised and is competent to initiate the present proceedings. A formal intimation was given to the CD on 04.12.2021 regarding the Assignment Agreement, which is undisputed. The FC has paid sufficient stamp duty and charges for the registration of the Assignment Agreement. It has been categorically stated in the

Assignment Agreement that the assignor has every right to take action against the CD.

- 4.2 The Information Utility report along with other documents provided by the Original Lender shows NPA date as 30.04.2014. Even if the date of default is considered as 90 days prior thereto i.e., 30.01.2014, the statutory period of limitation would end on 31.01.2017. However, there are balance sheets for the FYs 2015-16; 2016-17; 2017-18; and 2018-19 which prove the CD's debt due to the Original Lender and serve to extend the limitation period.
- 4.3 The CD had issued two One Time Settlement (OTS) proposals dated 03.07.2019 and 01.06.2021. This indicates acknowledgment of existence of debt. The last OTS proposal itself provides 3 years' extension for filing of Application under Section 7 of the IBC i.e., from 01.06.2021, acknowledging debt and default. Further, the Statement of Accounts annexed to the Application shows the date of disbursement of the loan accounts. Recall Notice dated 12.09.2022 was issued to the CD, to which it issued a reply-cum-cess & desist-notice on 30.09.2022. Therefore, the contention of CD that FC did not inform the CD to recover the dues is false.
- 4.4 The Assignment Agreement was executed in accordance with Section 5 of the SARFAESI Act. This provision does not provide that the borrower shall be made a party to assignment agreement or the approval of borrower is required before the assignment of a debt. Therefore, the contention of the CD that it was not a party to the Assignment Agreement has no merit.

4.5 As regards serving of copy of the Application, in terms of Rule 4(3) of the AAA Rules, the FC has provided the same by electronic means and hence, there is no violation of the Rules. It is noted that on 04.03.2023, the IBBI issued Circular No. IBBI/LAD/58/2023 informing that it has created an online portal for filing copies of insolvency applications. Therefore, the serving of physical copy is not mandatory.

5. SURREJOINDER

5.1 The FC has brought up a new case in the Rejoinder which is different from the Application. The date of default in Part IV of the Application is 30.04.2014 when the Original Lender classified the account as NPA. The FC has claimed in the Rejoinder that if the date of default is to be seen 90 days prior to NPA date, it would be 30.01.2014. The FC has contended that the Balance Sheets of FYs 2015-16; 2016-17; 2017-18; and 2018-19 and OTS proposals dated 03.07.2019 and 01.06.2021 extended the limitation. The Balance Sheets do not acknowledge the figure as claimed by the FC. The Application was e-filed on 04.08.2022.

5.2 The alleged Assignment Agreement dated 28.09.2021 being insufficiently stamped and the dues of Original Lender being reflected in the Balance Sheets from the year 2014, do not in the first place, extend the period of limitation, without further acknowledgement by the CD.

5.3 The Assignment Agreement shows that it has no specific assignment of the CD's account but a collective assignment about 138 loan accounts for a

total sum of Rs.96,50,00,000/-. There are 4 loan accounts of the CD reflecting in Schedule 1 of the Assignment Agreement at Sl. Nos. 32 to 35. Against the CD's name, it is seen endorsed "Doubtful above 3 years" with the date written as "30.04.2014". From this alone, it is to be inferred that the CD's debt was time barred.

6. ANALYSIS AND FINDINGS

6.1 We have perused all the documents and pleadings and heard both the Ld. Counsel for the FC and the CD. The major issues to be decided in the matter are (i) whether Mr. Nitin Ingle, Assistant Vice President of the FC, is authorised to file the Application (ii) whether there is proof of disbursement (iii) whether 30.04.2014 is the date of default and limitation, if, any, applicable (iv) whether insufficiency of stamp duty under the Maharashtra Stamp Act has any bearing on the maintainability of the Application.

6.2 As regards the first issue of authority of Mr. Nitin Ingle to file the Application, the FC has submitted a copy of the Board Resolution passed on 29.06.2022, evidencing lawful authorisation. His authorisation, *inter alia*, "to sign, seal, execute, appear and represent before any departments, Courts, Tribunals and other authorities" is sufficient authority for him to file this Application. Section 7(1) of the IBC provides for filing application for initiating CIRP by a financial creditor either by itself or jointly by other financial creditors or **any other person** on behalf of the financial creditor as may be notified by the Central Government.

By notification No. S.O. 1091(E) dated 27.02.2019, the Ministry of Corporate Affairs notified the persons who may file application for CIRP on behalf of financial creditors, such as (i) guardian; (ii) executor/administrator of estate of financial creditor; (iii) trustee including debenture trustee; and (iv) **person** duly authorised by the Board of Directors of a Company. According to the Ld. Counsel for the CD, Mr. Ingale has not been specifically authorised to file an application before the NCLT and to represent the FC. Section 7(1) of the IBC provides for **any other person** on behalf of the financial creditor as notified. The notification authorises **a person** duly authorised by the Board to file application for initiating CIRP on behalf of the financial creditor. In view of the above, we do not subscribe to such a wild argument by the Ld. Counsel for the CD that Mr. Ingle is not properly authorised to represent the FC. Thus, this issue is decided against the CD.

6.3 The next issue to be decided is whether there is proof of disbursement of loan sanctioned to the CD. The FC has placed on record the Statement of Account of Original Lender from the year 2011. On examination of the same, it is observed that on 13.10.2011, an amount of Rs.3,00,00,000/- was disbursed to the CD's account. Subsequently, on 26.12.2011 an amount of Rs.5,55,00,000/- and on 31.03.2014, Rs.1,75,24,929/- were disbursed. We find that attempt of the CD is to raise unsuccessful contention of non-disbursal of sanctioned loan amounts. Raising such baseless arguments would not prove otherwise,

when documents speak for itself. In view of the above, this issue also goes against the CD.

6.4 The third and the most crucial issue to be decided is whether 30.04.2014 is the date of default as claimed by the FC. The FC has mentioned in Part-IV of Application, the date of default as 30.04.2014, which is when the CD's account was declared as NPA. It is well settled law that NPA date cannot be taken as date of default. The account of a debtor is declared as NPA after 90 days of continuous default. In the present case, NPA date is 30.04.2014, then the actual date of default would be 30.01.2014. Going by this, the statutory limitation period to file the Application would have ended on 31.01.2017. However, on a perusal of the Balance Sheet of the CD for the year ended 31.03.2016, we observe that the CD had acknowledged debt payable to the Original Lender under the heading 'Non-Current Liabilities'. Therefore, considering the acknowledgment of debt *vide* Balance Sheet as on 31.03.2016, a fresh period of limitation began from 31.03.2016 which would have ended on 31.03.2019. It is further observed that the FC has placed on record Balance Sheets of the CD as on 31.03.2017; 31.03.2018; and 31.03.2019, evidencing acknowledgment of debt within the meaning of Section 18 of the Limitation Act, 1963. Further, there are subsequent OTS proposals, first being on 03.07.2019 and last on 01.06.2021 made by the CD. The recitals in the OTS proposal by the CD in clear and unequivocal terms acknowledge the debt due to the FC. We find that all

these acknowledgments of debt by the CD were made well before the expiration of the limitation period.

6.5 Thus, based on the above, the FC would get 3 years from 01.06.2021 for filing the Application in terms of the Limitation Act. Further, *in Company Appeal (AT) (Insolvency) No. 371/2020*, the Hon'ble NCLAT New Delhi has held that an OTS proposal falls within the definition of acknowledgment of debt under Section 18 of the Limitation Act. While limitation period would run from 01.06.2021 for a period of 3 years ending on 01.06.2024, the present Application was filed by the FC on 04.08.2022, which is within the period of limitation. We, therefore, hold that when there are series of acknowledgments of debt by the CD within the period of limitation, the limitation period keeps on extending. The Hon'ble NCLAT, New Delhi, in *Vivek Jha Vs. Daimler Financial Services India Private Ltd. & Anr.* [Company Appeal (AT) Insolvency No. 756 of 2018] held that an acknowledgement must be made before the expiration of the limitation period as per Section 18 of the Limitation Act, 1963. An acknowledgement of liability not only saves limitation period but also confers on an individual a cause of action. Hence, we hold that this Application is filed by the FC within the limitation period. This issue is, thus, decided in favour of the FC.

6.6 The next issue to be considered is whether insufficient stamp duty in terms of the Maharashtra Stamp Act, 1958, has any bearing on the inadmissibility of the Assignment Agreement. On perusal of the Assignment Agreement

dated 28.09.2021, it is observed that at the Schedule-I of the Assignment Agreement, the name of the CD is reflected along with all the details of the facilities extended by the Original Lender. Therefore, it is seen that the FC has been assigned CD's account. We note that law is clear that insufficiency in stamping of loan documents is not relevant for admissibility of an Application under Section 7 of the IBC. This Bench has also held in *DBS Bank India Limited vs Parakkott Investment India Private Limited* [CP (IB) No. 790 of 2020] that sufficiency or insufficiency of documents is not within the purview of the Adjudicating Authority under the summary jurisdiction as we are only required to determine financial debt and default under Section 7 of the IBC. Sufficiency or otherwise of the Assignment Agreement is to be decided by the competent authority. In any case, when financial debt and default, as reflected on the books of the CD, are sufficiently proved, such kind of hyper technical objections do not have legs to stand. A seven-Judge Bench of the Hon'ble Supreme Court ***In Re: Interplay between Arbitration Agreements under the Arbitration and Conciliation Act, 1996 and the Indian Stamp Act, 1899*** [Curative Petition (C) No. 44 of 2023 in Review Petition (C) No. 704 of 2021 in Civil Appeal No. 1599 of 2020 with Arbitration Petition No. 25 of 2023] held that purpose of the Stamp Act is to protect the interests of revenue and not to arm litigants with a weapon of technicality by which they can delay the adjudication of disputes. In the instant matter, however, the FC has annexed in its Rejoinder, the stamp duty paid by it with the seal of the Joint Sub-Registrar at Borivali, on the Assignment

Agreement. Hence, this issue is also found to be untenable and is accordingly rejected.

6.7 In view of the above, we do not intend to consider contentions such as non-serving of copy of the Application to IBBI, etc., as these are all insignificant in a matter where the debt and default by the CD are proved beyond doubt.

6.8 Considering the facts and law as discussed above, it is imperative that the CIRP be initiated in respect of the CD. We find that the FC in the present case has placed on record necessary evidence to demonstrate the existence of the debt exceeding the minimum threshold of Rs.1 Crore prescribed under Section 4 of IBC due and payable by the CD as well as the default in repayment thereof by the CD. The Application has been filed in the prescribed form and is complete. We therefore, find merit in the documents submitted and the arguments advanced by the FC in rebuttal to the reply filed and arguments advanced by the CD. The FC proved the existence of the debt and default and the debt remains unpaid. In view of the above, the present Application filed under Section 7 of the IBC to initiate CIRP in the matter of the CD deserves to be Admitted.

6.9 The FC has proposed the name of Mr. Kshitiz Gupta, a registered Insolvency Professional having Registration Number- IBBI/IPA-002/IP-N00721/2018-2019/12140 and E-mail- kshitiz.ca@gmail.com as the Interim Resolution Professional (IRP), to carry out the functions as mentioned under the IBC and has also given his declaration in Form 2 dated 19.10.2023,

having valid Authorisation for Assignment, stating that no disciplinary proceedings are pending against him.

ORDER

This Application being **C.P. (IB) No. 1261/MB/VI/2022** filed under Section 7 of the IBC by the FC for initiating CIRP in the case of VGI Pharma Private Limited, the CD, is **admitted**.

We further declare moratorium u/s 14 of the IBC, with consequential directions as follows:

I. We prohibit-

- a) the institution of suits or continuation of pending suits or proceedings against the CD 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 CD 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 CD in respect of its property including any action under the Securitisation 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 CD.
- II. That the supply of essential goods or services to the CD, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.
- III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Bench approves the resolution plan under section 31(1) of the IBC or passes an order for the liquidation of the CD under section 33 thereof, as the case may be.
- IV. That the public announcement of the CIRP shall be made in accordance with the provisions of the IBC, the Rules and Regulations made thereunder.
- V. That this Bench hereby appoints **Mr. Kshitiz Gupta, a registered Insolvency Professional having Registration Number- IBBI/IPA-002/IP-N00721/2018-2019/12140 and e-mail - kshitiz.ca@gmail.com** as the IRP, with valid AFA until 31.12.2025, to carry out the functions under the IBC, the fee payable to IRP/RP shall be in accordance with the Regulations/Circulars issued by the IBBI.
- VI. During the CIRP Period, the management of the CD shall vest in the IRP or, as the case may be, the RP in terms of section 17 of the IBC. The officers and managers of the CD shall provide all documents in their possession and furnish every information in their knowledge to the IRP within a period of

one week from the date of receipt of this Order, in default of which coercive steps will follow.

- VII. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, we order the FC to deposit a sum of Rs.5,00,000/- (Five Lakh Rupees) with the IRP to meet the initial CIRP cost, if demanded by the IRP to fund initial expenses on issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the FC on priority upon the funds available with IRP/RP. The expenses, incurred by IRP out of this fund, are subject to approval by the Committee of Creditors (CoC).
- VIII. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai, for updating the Master Data of the CD.
- IX. The Registry is directed to immediately communicate this Order to the FC, the CD and the IRP by way of e-mail and WhatsApp, not later than two days from the date of this Order.
- X. **Compliance report of the order by Designated Registrar is to be submitted today.**

**Sd/-
SANJIV DUTT
MEMBER (TECHNICAL)**

**Sd/-
K. R. SAJI KUMAR
MEMBER (JUDICIAL)**

// Vani //