



**BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,  
ALLAHABAD BENCH, ALLAHABAD**

**COMPANY PETITION NO. (IB) 12/ALD/2023**

**IN THE MATTER OF:**

[APPLICATION UNDER SECTION 7 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:**

**ANITA AGARWAL**

W/o Late Mr. Lalit Agarwal  
135A. Ganesh Nagar,  
Firozabad-283203

**....APPLICANT/FINANCIAL CREDITOR**

VERSUS

**M/S. VP BULLION PRIVATE LIMITED**

Through its Managing Director  
Mr. Vijay Kumar Goyal  
135A. Ganesh Nagar,  
Firozabad-283203

**...RESPONDENT/CORPORATE DEBTOR**

**Order delivered on: 19<sup>th</sup> October, 2023**

**CORAM:**

**Shri Praveen Gupta : Member (Judicial)**

**Shri Ashish Verma : Member (Technical)**

**Present:-**

For the Financial Creditor: Mr Samar Kachwaha with Ms.  
Rini Mehra, Advs.

Corporate Debtor Ex-parte v.o.d 07.08.2023



## ORDER

1. The Present Application has been filed on 13.02.2023 under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred as "**I & B Code, 2016**") by the Applicant/Financial Creditor namely, **Anita Agarwal** seeking initiation of the Corporate Insolvency Process (hereinafter referred as "**CIRP**") against the Respondent/Corporate Debtor i.e. **M/s VP Bullion Private Limited** read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016 in Form 1 containing all the information as required in Part I, II, III, IV and V of the Form.

2. M/s VP Bullion Private Limited, (hereinafter referred as the "**Respondent/Corporate Debtor**") was incorporated on 27.04.2018 under the provisions of the Companies Act, 2013, and registered with the ROC-Kanpur city with CIN U51909UP2018PTC103708, having registered office at 135A, Ganesh Nagar, Firozabad with the objective of running a business in Bullion trading.

3. The Applicant, Mrs. Anita Agarwal, is a senior citizen and a widow, whose only means of income is her life's savings. She has also disclosed for clarity to this Tribunal that she is the mother of



Mr. Pawan Singhal, who is one of the Directors of the Corporate Debtor. Apart from her son, there are two more directors managing the Corporate Debtor Company i.e. Mr. Vinay Kumar Goyal and Mr. Satendra Kumar.

4. As stated in the application that the Applicant was approached by the Corporate Debtor for obtaining a short-term loan for running the business operations of the Corporate Debtor company which she extended to the Corporate Debtor as per the business requirement in various instalments of short term loan on the promise made by the Directors- Mr. Vinay Kumar Goyal and Mr. Satendra Kumar that they will repay the loan amount as the Company starts generating revenue. A total sum of Rs. 3,64,20,000/- were disbursed from 18.06.2018 to 24.02.2020. Some repayments were also made, which comes to Rs. 78,80,000/-. However, at the end of the F.Y. 2020-2021, total outstanding amount remained Rs. 2,85,40,000/-. Copy of balance sheet of Corporate Debtor pertaining to this period is annexed as **Annexure A-5** with the application showing the outstanding debt amount.

5. The Applicant made several requests for repayment over the course of time but the Corporate Debtor did not make payment



for one reason or the other. The Applicant also wrote letters in this regard multiple times requesting for the repayment of an amount of Rs.2,85,40,000/- within 7 days but there was no reply to that letter. Copies of said letters are annexed as **Annexure A-6** and **Annexure A-7** with the application. The Financial Creditor, sent one last and final reminder to the Corporate Debtor to repay the balance loan amount within 7 days, vide letter dated 24.09.2021 and the same is annexed as **Annexure A-8** with the application. In response to this letter, assurance was given to the Applicant by the two Directors namely- Vinay Kumar Goyal and Satendra Kumar that they shall repay the loan amount within next 45 days i.e. by 15.11.2021, pursuant to which the Corporate Debtor repaid an amount of Rs.1,00,000/- on 3.11.2021, leaving the outstanding amount at Rs.2,84,40,000/-. A detailed chart showing the total amount paid by the financial creditor and repayment received so far is given below:

<b>Date</b>	<b>Particulars</b>	<b>Amount Given to VP Bullions Pvt Ltd (in Rupees)</b>	<b>Repayment by VP Bullions Pvt Ltd (in Rupees)</b>	<b>Outstanding Balance (in Rupees)</b>
18.06.2018	Cheque No. 038994 drawn on OBC, Firozabad	2,25,000	0	<b>2,50,000</b>
18.06.2018	Cheque No.	2,25,000	0	<b>5,00,000</b>



	038995 drawn on OBC, Firozabad			
18.06.2018	Cheque No. 179022 drawn on Axis Bank, Firozabad	7,00,000	0	<b>12,00,000</b>
19.06.2018	Cheque No. 038996 drawn on OBC, Firozabad	5,00,000	0	<b>17,00,000</b>
25.06.2018	Cheque No. 179023 drawn on Axis Bank, Firozabad	15,50,000	0	<b>32,50,000</b>
26.06.2018	Cheque No. 038997 drawn on OBC, Firozabad	10,00,000	0	<b>42,50,000</b>
26.06.2018	Cheque No. 038999 drawn on OBC, Firozabad	10,00,000	0	<b>52,50,000</b>
26.06.2018	Cheque No. 039000 drawn on OBC, Firozabad	20,00,000	0	<b>72,50,000</b>
27.06.2018	Cheque No. 039007 drawn on OBC, Firozabad	8,00,000	0	<b>80,50,000</b>
27.06.2018	Cheque No. 039008 drawn on OBC, Firozabad	9,00,000	0	<b>89,50,000</b>
27.06.2018	Cheque No. 039009 drawn on OBC, Firozabad	8,00,000	0	<b>97,50,000</b>
27.06.2018	Cheque No. 039010 drawn on OBC,	10,00,000	0	<b>1,07,50,000</b>



	Firozabad			
27.06.2018	Cheque No. 039012 drawn on OBC, Firozabad	15,00,000	0	<b>1,22,50,000</b>
27.06.2018	Cheque No. 039013 drawn on OBC, Firozabad	9,00,000	0	<b>1,31,50,000</b>
27.06.2018	Cheque No. 039014 drawn on OBC, Firozabad	18,00,000	0	<b>1,49,50,000</b>
27.06.2018	Cheque No. 039015 drawn on OBC, Firozabad	10,00,000	0	<b>1,59,50,000</b>
27.06.2018	Cheque No. 039016 drawn on OBC, Firozabad	10,00,000	0	<b>1,69,50,000</b>
27.06.2018	Cheque No. 039017 drawn on OBC, Firozabad	9,00,000	0	<b>1,78,50,000</b>
27.06.2018	Cheque No. 039001 drawn on OBC, Firozabad	9,00,000	0	<b>1,87,50,000</b>
27.06.2018	Cheque No. 039002 drawn on OBC, Firozabad	9,00,000	0	<b>1,96,50,000</b>
27.06.2018	Cheque No. 039003 drawn on OBC, Firozabad	9,00,000	0	<b>2,05,50,000</b>
27.06.2018	Cheque No. 039004 drawn on OBC, Firozabad	9,00,000	0	<b>2,14,50,000</b>
27.06.2018	Cheque No.	9,00,000	0	<b>2,23,50,000</b>



	039005 drawn on OBC, Firozabad			
27.06.2018	Cheque No. 039006 drawn on OBC, Firozabad	8,50,000	0	<b>2,32,20,000</b>
28.06.2018	Cheque No. 039018 drawn on OBC, Firozabad	20,000	0	<b>2,32,20,000</b>
06.07.2018	Cheque No. 039019 drawn on OBC, Firozabad	20,00,000	0	<b>2,52,20,000</b>
09.07.2018	Being RTGS Received- Axis Bank	0	2,00,000	<b>2,50,20,000</b>
02.08.2018	Being RTGS Received- Axis Bank	0	2,00,000	<b>2,48,20,000</b>
20.08.2018	Cheque No. 39028 drawn on OBC, Firozabad	11,00,000	0	<b>2,59,20,000</b>
27.08.2018	Cheque No. 039998 drawn on OBC, Firozabad	5,00,000	0	<b>2,64,20,000</b>
07.09.2018	Being Transfer- Axis Bank	0	1,30,000	<b>2,62,90,000</b>
25.09.2018	Cheque No. 39031 drawn on OBC, Firozabad	5,50,000	0	<b>2,68,40,000</b>
10.10.2018	Being Transfer- Axis Bank	0	2,00,000	<b>2,66,40,000</b>
06.11.2018	Cheque No. 39035 drawn on OBC, Firozabad	5,00,000	0	<b>2,71,40,000</b>
14.11.2018	Cheque No. 39036 drawn on OBC, Firozabad	5,00,000	0	<b>2,76,40,000</b>



20.12.2018	Cheque No. 39048 drawn on OBC, Firozabad	6,00,000	0	<b>2,82,40,000</b>
27.12.2018	Cheque No. 39050 drawn on OBC, Firozabad	10,00,000	0	<b>2,92,40,000</b>
28.12.2018	Cheque No. 430801 drawn on OBC, Firozabad	6,60,500	0	<b>2,99,02,500</b>
04.01.2019	Cheque No. 430802 drawn on OBC, Firozabad	13,12,500	0	<b>3,12,15,000</b>
11.01.2019	Being RTGS Received- Axis Bank	0	2,00,000	<b>3,10,15,000</b>
17.01.2019	Being RTGS Received- OBC	0	10,00,000	<b>3,00,15,000</b>
29.01.2019	Being RTGS Received- OBC	0	5,00,000	<b>2,95,15,000</b>
07.02.2019	Being Transfer- Axis Bank	0	2,00,000	<b>2,93,15,000</b>
20.02.2019	Being Transfer- Axis Bank	0	5,00,000	<b>2,88,15,000</b>
13.03.2018	Being Transfer- Axis Bank	0	2,00,000	<b>2,86,15,000</b>
28.03.2019	Being Transfer- Axis Bank	0	10,00,000	<b>2,76,15,000</b>
04.04.2019	Being RTGS Received- Axis Bank	0	2,00,000	<b>2,74,15,000</b>
05.04.2019	Being RTGS Received- Axis Bank	0	2,00,000	<b>2,72,15,000</b>
10.04.2019	Being RTGS Received- Axis Bank	0	5,00,000	<b>2,67,15,000</b>
16.04.2019	Being RTGS Received- Axis Bank	0	3,00,000	<b>2,64,15,000</b>



14.05.2019	Being RTGS Received-Axis Bank	0	2,00,000	<b>2,62,15,000</b>
10.06.2019	Being RTGS Received-Axis Bank	0	2,00,000	<b>2,60,15,000</b>
25.06.2019	Being RTGS Received-Axis Bank	0	2,00,000	<b>2,58,15,000</b>
28.06.2019	Being RTGS Received-Axis Bank	0	2,50,000	<b>2,55,65,000</b>
05.08.2019	Being RTGS Received-Axis Bank	0	2,00,000	<b>2,53,65,000</b>
09.08.2019	Being RTGS Received-Axis Bank	0	2,00,000	<b>2,51,65,000</b>
09.09.2019	Being RTGS Received-Axis Bank	0	2,00,000	<b>2,49,65,000</b>
16.10.2019	Being RTGS Received-Axis Bank	0	2,00,000	<b>2,47,65,000</b>
25.10.2019	Being RTGS Received-Axis Bank	0	3,00,000	<b>2,44,65,000</b>
25.10.2019	Being RTGS Return-Bank	3,00,000	0	<b>2,47,65,000</b>
16.11.2019	Cheque No. 430845 drawn on OBC, Firozabad	14,00,000	0	<b>2,61,65,000</b>
28.11.2019	Cheque No. 430850 drawn on OBC, Firozabad	13,00,000	0	<b>2,74,65,000</b>
14.01.2020	Cheque No. 430863 drawn on OBC, Firozabad	7,00,000	0	<b>2,81,65,000</b>



27.01.2020	Cheque No. 430864 drawn on OBC, Firozabad	2,75,000	0	<b>2,84,40,000</b>
24.02.2020	Cheque No. 430866 drawn on OBC, Firozabad	5,00,000	0	<b>2,89,40,000</b>
25.02.2020	Being RTGS Received- Axis Bank	0	2,00,000	<b>2,87,40,000</b>
05.06.2020	Being RTGS Received- Axis Bank	0	2,00,000	<b>2,85,40,000</b>
03.11.2021	Being RTGS Received- PNB	0	1,00,000	<b>2,84,40,000</b>
<b>TOTAL</b>		<b>3,64,20,000</b>	<b>79,80,000</b>	

6. After the continuous failure on the part of the Corporate Debtor to repay the outstanding amount within the time limit promised by them, the Applicant finally served a legal notice dated 29.11.2021 to the Corporate Debtor to call upon to make the repayment of entire loan amount of Rs.2,84,40,000/- (Rupees Two Crores Eighty Four Lacs Forty Thousand only) alongwith interest calculated @ 18% per annum from the date of each trench of loan paid till the date of actual payment. The Corporate Debtor was also called upon to make a payment of Rs.15,000/- as cost of sending the notice. Following which also, no repayment has been made since then.



7. Seeing the lack of inclination of Corporate Debtor to repay the said amount along with interest, the Applicant thus moved to this Tribunal for initiating insolvency proceedings against the Corporate Debtor by filing application u/s 7 of the I & B Code, 2016 mentioning Rs.2,84,400/- (Rupees Two Lacs Eighty Four Thousand Four Hundred only) as amount claimed to be in default as on 03.11.2021 alongwith interest @ 18% per annum applicable from the date of disbursal onward and date of default as 03.11.2021 i.e. the last date of payment since when the payment is outstanding even after sending the legal notice on 29.11.2021.

8. The above application filed by the Applicant has been considered in the hearing held on 13<sup>th</sup> March, 2023 and the Respondent/Corporate Debtor has been issued a notice as per the order dated 13<sup>th</sup> March, 2023 to file its reply within two weeks after the service of notice to explain the default on payment of the financial debt as alleged in the above mentioned Application. Despite giving several opportunities, neither any reply has been filed nor any body appeared on behalf of the Corporate Debtor to explain as to why it has not paid the outstanding debt so far. The Applicant has also filed the affidavit



of service of notice vide Diary No. 1412 and Diary No. 1413 both of dated 15.05.2023 showing that the services have been effected by way of sending emails to the two directors at their email id as available on MCA Portal. Apart from this, service was also effected by way of speed post to all the three directors, whereby with respect to one of the directors, the status shows “address not found”, with respect to second one, the delivery was refused, and with respect to third director, it was successfully delivered, as per affidavit of service dated 15.05.2023. Keeping in view all these facts, the Respondent/Corporate Debtor has been set ex-parte vide order dated 7<sup>th</sup> August 2023 of this tribunal and the case has been final heard on 26<sup>th</sup> September, 2023 after hearing the argument of the Ld. Counsel of the Applicant/Financial/Corporate.

9. After the hearing, a written submission has also been filed by Applicant/Financial Creditor vide diary no. 2584 dated 3<sup>rd</sup> October, 2023.

10. The Applicant has filed a written submission pursuant to the order dated 26.09.2023 whereby the submissions made in the application have been reiterated along with all the necessary documents annexed therein. It is re-iterated that in its Balance



sheets, the Corporate Debtor has consistently acknowledged and admitted the amounts due to Financial Creditor, year after year from 2020 till 2022 as shown in the Balance Sheets of FY 2019-20, 2020-2021 and 2021-22.

It is also submitted that debt has also been acknowledged in a Confirmation of Accounts provided by the Corporate Debtor to the Financial Creditor which is attached with the Application as **Annexure A-11** (pg. 164 to pg. 167).

It is also emphasized that the Financial Creditor repeatedly made several request to the Corporate Debtor to repay the loan amounts, as she is an aged widow, and needed her life savings back for her upkeep in her old age, however, all her requests fell on deaf years. The Financial Creditor addressed 3 letters requesting repayment, and finally one legal notice, all four of which are attached with the Application as Annexure A-6, A-7, A-8 and A-9 respectively (pg. 137 to pg 151) with the application. For the sake of convenience and ready reference, the same have been filed with the written submission as well attaching in **ANNEXURE E**.

It is also contended that having realized over the period of time that the Corporate Debtor is no longer solvent to repay the



loan, the Financial Creditor filed for insolvency of the Corporate Debtor by way of the present application under S. 7 of the IBC, 2016.

11. In the written submission, the Financial Creditor referred to issue of an interest free loan whether the same can be covered under the Financial Debt or not as per section 5(8) of the IBC, 2016. In this regard, a judgment by the Hon'ble Supreme Court in a case of **Orator Marketing pvt Ltd v. Samtex Desinz Pvt Ltd. (2023) 3 SCC 753**, has been cited wherein the following points were observed relevant to the present case:

*"2. The short question involved in this appeal is, **whether a person who gives a term loan to a corporate person, free of interest, on account of its working capital requirements is not a financial creditor, and therefore, incompetent to initiate the corporate insolvency resolution process under Section 7 IBC.***

*21. The definition of "financial debt" in Section 5(8) IBC has been quoted above. Section 5(8) defines "financial debt" to mean "a debt along with interest if any which is disbursed against the consideration of the time value of money and includes money borrowed against the payment of interest, as per Section 5(8)(a) IBC. The definition of "financial debt" in Section 5(8) includes the components of sub-clauses (a) to (i) of the said Section.*

*22. NCLT and NCLAT have overlooked the words "if any which could not have been intended to be otiose. **"Financial debt" means outstanding principal due in respect of a loan and would also include interest thereon, if any interest were payable thereon. If there is no interest payable on the loan, only the outstanding principal would qualify as a financial***



**debt.** Both NCLAT and NCLT have failed to notice clause (f) of Section 5(8), in terms whereof "financial debt includes any amount raised under any other transaction, having the commercial effect of borrowing.

31. At the cost of repetition, it is reiterated that the trigger for initiation of the corporate insolvency resolution process by a financial creditor under Section 7 IBC is the occurrence of a default by the corporate debtor. **"Default" means non-payment of debt in whole or part when the debt has become due and payable and debt means a liability or obligation in respect of a claim which is due from any person and includes financial debt and operational debt.** The definition of "debt" is also expansive and the same includes, inter alia, financial debt. **The definition of "financial debt" in Section 5(8) IBC does not expressly exclude an interest free loan. "Financial debt" would have to be construed to include interest free loans advanced to finance the business operations of a corporate body.**

*[Emphasis Supplied]*

12. We have considered the submissions made by the Ld. Counsel in the hearing and material available on record as well as further arguments taken in written submissions. We find that the loan extended to the Corporate Debtor by the Applicant/Financial Creditor qualifies as a "Financial Debt" as per the definition given in Section 5 (8) of IBC, 2016 and also it is settled law now in view of the judgment of the Hon'ble Supreme Court in case of **Orator Marketing Pvt. Ltd. (Supra)** that any interest free loan would also be included under the definition of Financial Debt.



13. After examining the loan disbursement and other connected documents, including the bank statements showing transfer/disbursement of money by the Financial Creditor to the Corporate Debtor and further the outstanding amount being reflected in the balance sheet of the Corporate Debtor, conferring obligation upon the Corporate Debtor to repay the Loan amount including interest, and subsequent events occurred in respect of non-repayment of outstanding loan amount including the interest and finally, the last reminder dated 24.09.2021 issued by the Financial Creditor and subsequent legal notice given on 29.11.2021 by the Financial Creditor to the Corporate Debtor, we are of the considered view that the Petitioner/Financial Creditor has proved the “existence of debt” and “default”. We are further satisfied that the petition has been filed well within the period of limitation. Against the averments made in the Application, the Corporate Debtor has not made any submission controverting any of the facts stated by the Financial Creditor in the Application. Under the said circumstances, we find that the debt and default on the part of the Corporate Debtor are hence proved and the application filed u/s 7 is fit to be admitted.



14. In case of **Innoventive Industries Limited vs. ICICI Bank & Anr (Civil Appeal Nos.8337-8338 of 2017)** dated 31.08.2017, it has been clearly held by the Hon'ble Supreme Court that if there is a debt and default in repayment of debt and application filed by the Applicant/Financial Creditor is complete in all respect, the application under Section 7 of I & B Code 2016, is to be admitted. In the present case, we have clearly found that there is an outstanding debt of Rs.2,84,40,000/- (Two crores Eighty Four Lakhs Forty Thousand Rupees) along with 18% interest per annum applicable from date of disbursal onwards, which is more than the threshold limit of Rs.1 crore and default on payment of debt has also occurred since the date of default i.e. 03.11.2021 as declared in the application as the date since when the Corporate Debtor has failed to make any repayment. The Corporate Debtor has further defaulted on payment of the entire loan amount after legal notice has been issued recalling entire amount of outstanding loan amount including interest. The application is also filed within limitation period and complete in all respect and a resolution professional is also proposed as per section 7(3)(b) and there is no disciplinary proceeding pending against the proposed resolution professional as ascertained by



the Law Research Associate (LRA) of this office discussed in subsequent para of this order. Any authorized representative of the Corporate Debtor has also not appeared before us to explain the facts and circumstances under which the Corporate Debtor defaulted on repayment. Therefore, we are satisfied that the present application filed under Section of 7 of I & B Code 2016, meets all the requirements of the provisions of clause (a) of sub-section (5) of section 7 and hence, this application deserves to be admitted for starting of CIRP proceeding against the Corporate Debtor.

15. In Part III of Form 1, the Financial Creditor has proposed the name of Mr. Satyendra Sharma as Interim Resolution Professional. His Registration Number is IBBI/IPA-002/IPN00737/2018-2019/12260, R/o Block NO. 51, Anupam Plaza-II, First Floor, Above Axis Bank, Sanjay Place, Agra. Uttar Pradesh-282002; Email: satyendrasirp@gmail.com. He has duly given his consent in Form No. 2 27.01.2023 annexed as **Annexure A-2** with the Application. An affidavit of the abovementioned nominated IRP has been filed in an affidavit filed by the Applicant vide Diary No.2547 dated 29<sup>th</sup> September, 2023, informing that he has been proposed as the Interim Resolution



Professional by **Anita Agarwal** in connection with the proposed Corporate Insolvency Resolution Process of **M/S VP BULLION PRIVATE LIMITED** and to have undertaken that AFA will be available for further renewal 1 month before the expiry of the AFA and he propose to renew it once option of renewal is available on the portal and same will be filed before Hon'ble NCLT. The Law Research Associate of this Tribunal, Mr. Sarim Husain, has checked the credentials of Mr. Satyendra Sharma, and found that there are no disciplinary proceedings pending against the proposed Resolution Professional and also there is nothing adverse against him. Upon verification from the website of IBBI, it is found that IRP holds valid authorization till 13.11.2023. After considering these details, we appoint Mr. Satyendra Sharma, Registration No. IBBI/IPA- 002/IPN00737/2018-2019/12260, as Interim Resolution Professional (IRP).

16. In view of our above findings, we are satisfied that the present application under Section 7, has been found fit to be admitted as per Section 7(5) of the I & B Code, 2016 and hence, the application is admitted in terms of Section 7(5)(a) of the I & B Code, 2016 against the Corporate Debtor, M/S VP BULLION



PRIVATE LIMITED, and accordingly, moratorium is declared in terms of Section 14 of the Code.

17. The IRP is directed to take steps as mandated under section 13 and 15 of the IBC for making public announcement about the commencement of CIRP against the Corporate Debtor and moratorium against it u/s 14, and also take necessary actions as per sections 17, 18, 20 and 21 of I & B Code, 2016.

18. The IRP shall after collation of all the claims received against the Corporate Debtor and the determination of the financial position of the Corporate Debtor constitute a Committee of Creditors (hereinafter referred as 'CoC') and shall file a report certifying the CoC to this Tribunal on or before the expiry of thirty days from the date of his appointment, and shall convene the first meeting of the CoC within seven days of filing the report of CoC.

19. As a necessary consequence of the moratorium in terms of Section 14, the following prohibitions are imposed, which must be followed by all and sundry:

a. The institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of



any judgement, 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 Securitization 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.

e. It is further directed that 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.

f. The provisions of Section 14(3) shall, however, not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to a corporate debtor.



20. The order of moratorium shall have effect from the date of this order till completion of the Corporate Insolvency Resolution Process (CIRP) or until this Bench approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of the corporate debtor under Section 33 as the case may be.

21. The CoC shall appoint a Resolution Professional as per section 22 of I & B Code, 2016. A monthly progress report shall be filled by the Resolution Professional providing the details of work done in respect of completing the CIRP within the timeline as prescribed under the provision of section 12 of the I & B Code, 2016.

22. We direct the Financial Creditor to deposit a sum of Rs. 1,00,000/- with the Interim Resolution Professional, to meet out the expenses to perform the functions assigned to him in accordance with Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The amount, however, is subject to adjustment by the Committee of Creditors as accounted for by the Interim Resolution Professional on the conclusion of CIRP.



23. A certified copy of the order shall be communicated to both the parties. The learned counsel for the petitioner shall deliver a certified copy of this order to the Interim Resolution Professional forthwith. The Registry is also directed to send a certified copy of this order to the Interim Resolution Professional at his e-mail address forthwith.

24. List the matter for 30.11.2023

*-Sd-*

(Ashish Verma)  
Member (Technical)

Dated: 19.10.2023

*SARIM HUSAIN*  
*(LRA)*

*-Sd-*

(Praveen Gupta)  
Member (Judicial)