



**NATIONAL COMPANY LAW TRIBUNAL**

**CUTTACK BENCH**

**CP(IB) No. 13/CB/2024**

*(An 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:**

**IDBI BANK LIMITED**

Having registered office  
At- IDBI House  
Unit-9 Janpath  
Bhubaneswar-751022  
Through Authorised Representative  
Mr. Purna Chandra Majhi  
Email ID: [purna.majhi@idbi.co.in](mailto:purna.majhi@idbi.co.in)

..... **Applicant/Financial Creditor**

Vs.

**FORTUNE SPIRIT LIMITED**

Having registered office  
At- Plot No.31, Kharvel Nagar,  
Unit-III, Bhubaneswar-7510001,  
Dist-Khurda, Odisha  
Email ID- [rajeshsahu65@yahoo.com](mailto:rajeshsahu65@yahoo.com)

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

**ORDER PRONOUNCED ON: 09.09.2025**

**CORAM: DEEP CHANDRA JOSHI (MEMBER JUDICIAL)  
BANWARI LAL MEENA (MEMBER TECHNICAL)**

**APPEARANCE:**

**FOR APPLICANT: SWARUP RANJAN SINGHSAMANT, ADVOCATE**

**FOR RESPONDENT: LAXMIDHAR SAHOO, ADVOCATE**

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**ORDER**

**PER: BANWARI LAL MEENA, MEMBER TECHNICAL**

1. The present Application has been filed on 07.03.2024 by **IDBI Bank Limited** through its authorized representative **Purna Chandra Majhi** (hereinafter referred as “ **the Applicant/Financial Creditor**”) seeking to initiate Corporate Insolvency Resolution Process (hereinafter referred to as “**CIRP**”) against **Fortune Spirit Limited** (hereinafter called “**the Respondent/Corporate Debtor**”) by invoking the provisions of Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter called “**Code**”) read with Rule 4 of Insolvency & Bankruptcy (Application to adjudicating Authority) Rules, 2016 for a Financial Debt of **Rs. 18,50,93,177.22/-**.

2. **The averments made by the Applicant in its Application are as follows:**


i. The Corporate Debtor had approached Financial Creditor on 07.11.2014 through its promoters and directors for a working capital limit of Rs. 15 Crore for the construction of a factory, building, and installation of machinery for the production of Indian-made Foreign Liquor (“**IMFL**”) and in this regard submitted necessary financial papers along with its board resolution.

ii. The Financial creditor sanctioned the loan on 09.12.2014 of Rs. 15 crores through a cash credit limit by way of hypothecation and also took a personal guarantee from the directors of the Corporate Debtor. The interest component involved BBR + 200 bps p.a for the said cash credit loan, and the aforesaid loan has to be repaid in 12 months and the interest to be paid as and when accrued, excluding the moratorium period.

iii. On the approach of the Corporate Debtor, the Financial creditor on 30.12.2018 renewed the cash credit loan and brought down the credit loan to the tune of Rs. 12 crores on 31.10.2019.

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**iv.** On 31.03.2021, the loan account of the Corporate Debtor was declared as NPA, after which on 06.05.2021, the Financial creditor issued a loan recall notice to pay the outstanding dues.

**v.** The Financial Creditor on 24.05.2021 issued a Demand Notice under Section 13(2) of the SARFAESI Act, and after issuance of the Demand Notice, the Financial Creditor had also issued a Possession Notice on 11.08.2021 and 12.08.2021 under Section 13(4) of the SARFAESI Act pertaining to different properties of the Corporate Debtor. The only property mentioned in the Possession Notice dated 11.08.2021 had been sold to one Sasmita Acharya by way of auction sale, and the sale certificate was also issued on 06.04.2022.

**vi.** Then, on 27.10.2022, the District Magistrate ordered to take possession of the property under Section 14 of the SARFAESI Act pertaining to the property of the Corporate Debtor apart from the properties mentioned in the Possession Notice dated 11.08.2021 and 12.08.2021. Meanwhile, the Financial Creditor had also filed an application before the DRT, Cuttack, on 03.11.2021 to recover dues bearing case no. OA No. 475/2021 against the Corporate Debtor and the guarantor, which is still in pendency.

**vii.** On 18.12.2022 and 09.02.2023, the Financial Creditor issued sale notices and effected paper publications for the sale of the immovable properties which are held as security by the Financial Creditor, but the auction could not materialise due to the unavailability of buyers.

**viii.** The Corporate debtor had made One Time Settlement (“OTS”) proposal for Rs. 10 crores with an upfront payment of Rs. 1 Crore on 23.02.2023, which was allowed by the Financial Creditor on 12.06.2023 vide its sanction letter by revising the OTS amount to Rs.11 Crores instead of Rs.10 Crores.

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**ix.** The Corporate Debtor subsequently deposited Rs. 50 lakhs on 30.06.2023, and for the balance amount of Rs. 9.50 crores, issued cheque no. 275055 dated 31.08.2023, which, when drawn on Axis Bank, got dishonoured due to insufficient funds. Accordingly, the Financial Creditor initiated a Criminal complaint case bearing 1. C.C No. 5614/2023 under Section 138 of the Negotiable Instruments Act, 1881, in the Court of SDJM at Bhubaneswar, which is still in pendency.

**x.** On 08.01.2024, the Financial Creditor communicated to the Corporate Debtor that their OTS proposal was revoked as the Corporate Debtor failed to honour the payment schedule as per the agreed terms and conditions of their OTS proposal.

**3. The contentions raised by the Respondent/Corporate Debtor in its reply are summarised herein:**

**i.** The Applicant has made a conflicting statement in regard to Part IV of the application, wherein the debt amount as on 01.02.2024 is mentioned as Rs. 18,50,93,177,22/-, and the date of default is shown as 31.03.2021, but in the list of dates annexed at Pg No. 2 to the Application, the NPA date is shown to be 31.03.2021. So, the date of default and the date of NPA cannot be the same.

**ii.** Further, in the Loan Recall Notice and Demand Notice issued by the Financial Creditor on 06.05.2021, the due date of principal and interest amount is mentioned as 30.10.2020, which means that default as per the record of the Applicant bank itself took place on 30.10.2020 and not on 31.03.2021 as claimed by the Applicant in its Application. It was contended that the date of NPA classification does not necessarily mean the date of default.

**iii.** The Respondents submits that this Application is barred by Section 10 A of the Code, as the date of default is 30.10.2020 as per the records of financial creditor and the date of NPA shall

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fall after 90 days, then it falls on January,2021, which would also be barred by Section 10A.

**iv.** The Applicant had intentionally classified the account of the Corporate Debtor as NPA on 31.03.2021 after expiry of suspension period, thereafter used the same as the date of default without any basis in its Application, which is evident from the Loan Recall Notice annexed vide Annexure 11 at page No.250 of the application where the date of default is seen as 30.10.2020.


**v.** The Respondent submits that the Applicant had also concealed the fact that the Respondent had approached the Hon'ble High Court of Odisha in WP(C) No. 35696 of 2021, and vide order dated 24.11.2021, the Hon'ble High Court has posted the matter to another date to await the outcome of the amicable resolution.

**vi.** Thereafter, the Respondent had made a proposal of OTS vide letter dated 06.06.2023 for an amount of Rs. 10 Crores, which was accepted by the Applicant vide letter dated 12.06.2023. The cheque issued by the Applicant for settlement of the OTS amount got dishonoured, and before the Respondent could replace the cheque, the Applicant revoked the OTS vide letter dated 08.01.2024 and also issued a sale notice for sale of the property on 09.01.2024, which was unsuccessful in execution.

**vii.** The Respondent submits that it has the means and intention to make the payment of the outstanding dues, and it is a solvent company. As the Respondent was undergoing temporary stress during the COVID-19 pandemic, the Respondent was unable to pay, which is also admitted by the Applicant. To substantiate the same, the respondent relied upon the judgment of the Hon'ble Supreme Court in **Vidharba Industries Power Limited Vs. Axis Bank Limited (2022) 8 SCC 352.**

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**viii.** The affidavit of Mr. Purna Chandra Majhi verifying the contents of the present Application is wrong as the address of Mr. Majhi is stated to be at Bhubaneswar, but notarizing the affidavit in Cuttack is entirely null and void. Hence, the present Application is liable to be dismissed as it is defective and incomplete.

**ix.** There exist defects in the Application, such as the application pertains to Financial Debt, but the form contains contents of Form-5, which is for Operational Debt. Besides, necessary information, such as the declaration of service of the Application to IBBI and the Corporate Debtor, is missing.

**x.** The default amount claimed in the application, Rs. 18,50,93,177.22/- as on 01.02.2024, is not substantiated by any computation. In the demand notice under Section 13(2) of the SARFAESI Act, 2002, the Applicant has stated the claim amount to be Rs. 12,16,85,211/- as on 30.10.2020, including principal amount of Rs. 11,84,71,103/- and interest amount of Rs. 32,14,108/-. The Applicant has inflated the claim amount mentioned in the notice by Rs. 6 Crores without any justification, calculation, or reasoning.

**xi.** The Applicant has not attached the working of the computation of the amount of debt and the date of default in tabular form as it is mandated under Part IV of Form-1.

**4. The rebuttal made by the Applicants in its rejoinder to reply are summarised hereunder:**

**i.** The Applicant submits that the DGM grade personnel of the Financial Creditor are eligible to approve and sign the matters before any Adjudicating Authority as per the Financial Creditor's approved delegation of power, attached with the Application. Hence, Purna Chandra Majhi, who is now present DGM in the Applicant Bank's Retail Recovery Department, and accordingly is authorized to sign the present Application.

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**ii.** Respondent has initially defaulted in March 2020 and continued defaulting in repayments and was given ample opportunities to regularize the account. Hence, after providing multiple opportunities, the account of the Corporate Debtor was declared as NPA on 31.03.2021, and after which it recalled the loan on 06.05.2021 and issued notice under SARFAESI Act, 2002 on 24.05.2021.

**iii.** In accordance with the interim order passed by the Hon'ble Orissa High Court in WP(C) No.35696/2021, the Financial Creditor and the Corporate Debtor entered into negotiations and pursuant to which the OTS proposal of the Corporate Debtor was accepted by the Financial Creditor. However, the Corporate Debtor failed to adhere to the terms of the OTS and hence the same was revoked.


**iv.** In regard to the OTS Proposal and dishonor of Cheque, the Applicant submitted that OTS proposal submitted by Respondent on 23.02.2023 is itself an acknowledgement of Debt and the default also occurred on the aforesaid date. To substantiate this, the Applicant has relied upon the Judgment of Hon'ble Apex Court in ***Dena Bank Vs. C. ShivaKumar Reddy & another (2021) 10 SCC 330.***

**v.** As per the normal prevailing practice, since the NCLT, Cuttack Bench functions at Cuttack and the Conducting Counsel for the Applicant also resides and functions his office at Cuttack for which the Applicant has sworn the affidavit at Cuttack.

**vi.** In regard to the inadvertently mentioning of, "Operational Creditor" instead of "Financial Creditor," and the copy of the Application served upon the Corporate Debtor through mail and submission to IBBI was also made on 22.03.2024. In this regard, a memo was also filed before the registry of this Tribunal. The Applicant had also sent the notice through email as well as through Speed Post to Respondent as per order dated 06.05.2024

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which was received by Corporate Debtor and service affidavit was also filed in this regard before the Registry.

**vii.** About the inflated amount claimed in the Application, the Applicant submitted that the Application was filed before this Tribunal on 07.03.2024, and by calculating the interest and expenses up to 01.02.2024, the Applicant has filed the present application.

**5.** In the Order dated 08.08.2024 of this Tribunal, the Respondent was directed to file an Additional Affidavit to controvert the additional facts that have been brought out by the Applicant in its rejoinder filed.

**The submissions of the Additional Affidavit filed by the Respondent are:**

**i.** The alleged authorisation document upon which this Application is filed is a one-page document annexed at Page. 16 of the Application which does not disclose the following vital aspects: (i) the name or nature of the document; (ii) the person to whom authorization is sought to be given to do the actions mentioned therein or (iii) the person or body who is delegating that authority and under what capacity/ authority this delegation is sought to be done.

**ii.** From a perusal of the said Page. 16 of the Application, it is clear that it is a truncated page out of a document which may be titled "Delegation of Powers- May, 2023" which does not disclose the name of the person/ body delegating power, or the name of the person to whom the authority is being delegated or even the power basis which such delegation is sought to be done. This document is therefore totally unauthentic and cannot, by any stretch of the imagination, be termed as a valid authority in favour of the person signing the Application.

**iii.** As per the notification dated 27.02.2019 of the Central Government, only a person duly authorized by the Board of Directors of a company can file an application on behalf of a

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Financial Creditor under Section 7 of the Code. The said notification is reproduced hereunder:

*MINISTRY OF CORPORATE AFFAIRS  
NOTIFICATION*

*New Delhi, the 27th February, 2019*

*S.O. 1091(E).-In exercise of the powers conferred by sub-section(1) of section 7 of the Insolvency and Bankruptcy Code, 2016 (31 of 2016), the Central Government hereby notifies following persons who may file an application for initiating corporate insolvency resolution process against a corporate debtor before the Adjudicating Authority, on behalf of the financial creditor: -*

- (i) a guardian;*
- (ii) an executor or administrator of an estate of a financial creditor,*
- (iii) a trustee (including a debenture trustee), and*
- (v) a person duly authorised by the Board of Directors of a Company.*

*[F. No. 30/25/2018-Insolvency Section]*

*GYANESHWAR KUMAR SINGH, Jt. Secy."*

**iv.** The Applicant had not rectified the said defect in pursuance of the order dated 08.08.2024 of this Tribunal to furnish Pg-16 of the Application in proper format. But instead of furnishing, he has taken the plea that the same does not form part of the order dated 08.08.2024. So, it is evident that the Applicant is aware of the said fundamental defect in its Application, which goes to the root of the matter. Hence, it is liable to be dismissed as valid authorisation has not been provided.

**v.** The rejoinder filed by the Applicant was signed by one Mr. Sunit Kumar Pandey, who at para 3 of the rejoinder mentioned that he is authorised by the Financial Creditor, but has failed to disclose

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the authorization on the basis of which he had sworn in to file the said Rejoinder Affidavit.


**vi.** To escape the rigours of Section 10 A of the Code, the Applicant had made a false statement under oath before this Tribunal, whereas the Applicant had categorically admitted in Para 8 of the Rejoinder that the date of default was subsisting from March 2020. The date of default claimed in the Form I is also wrong, and the Bank also knows it to be wrong. Therefore, as per settled law, the date of default is not necessarily the date of NPA, but the date when the debt has become due and payable but has not been paid. Thus, on this ground alone, the present Application is liable to be dismissed *in limine*.

**6.** We have heard the Learned Counsels for both Parties and have perused the documents available on record. It is noted that the Financial Creditor had sanctioned a loan amount of Rs. 15 crores on 09.12.2014, which was renewed and brought down to Rs. 12 Crores on 31.10.2019 on the request of the Corporate Debtor. The date of default as mentioned in part IV of the Application is 31.03.2021, and the default amount is Rs. 18,50,93,177.22/- calculated as on 01.02.2024. The NeSL certificate filed by the Applicant also shows the date of default as 31.03.2021.

**7.** It is observed that on 06.05.2021, the Financial Creditor had sent a Loan Recall notice to the Corporate Debtor demanding Rs 12,16,85,211/- with further interest from 02.04.2021, and the Financial Creditor had also initiated a Demand Notice under the SARFAESI Act, 2002 on 24.05.2021. From the perusal of the Demand Notice, it is evident that the Corporate Debtor had three properties, which are situated in Berhampur, Bhubaneswar, and Titlagarh, three different places of Odisha. One of the properties situated in Bhubaneswar was auctioned and sold to one Sasmita Acharya by issuing a sale certificate on 06.04.2022 for Rs. 54,83,300/- in full by handing over the delivery and possession of the scheduled property. Another two properties situated in Berhampur and Titlagarh are in possession of the Financial

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Creditor pursuant to a Possession Notice dated 12.08.2024 and an order dated 27.10.2022 passed by the District Magistrate under Section 14 of the SARFAESI Act respectively. On 18.12.2022 and 09.02.2023, the Financial Creditor made a newspaper publication for auctioning the property mentioned above. However, it failed due to the unavailability of any interested buyer.


**8.** It is observed from the Annexure 9 enclosed in the application that the Corporate Debtor had availed a credit facility loan of Rs.15 Lakhs in 2014 and later on it was brought down to the tune of Rs.12 Crore in 2019. On perusal of the ledger account of the Corporate Debtor maintained by the Financial Creditor from 31.03.2021 to 01.03.2024, it is evident that there is an existence of debt and the default has occurred.

**9.** The Corporate Debtor has contended that the date of default provided in the Application is not appropriate as the default amount mentioned by the Applicant is without any computation. The Corporate Debtor had also pointed out that in Annexure II of the Loan Recall Notice dated 06.05.2021 and Demand Notice dated 24.05.2021 of the SARFAESI Act issued by the Financial Creditor, the due date has been mentioned as 30.10.2020 which is annexed at Page No.252 and 265 respectively, which is covered under section 10A of the Code, whereas it is seen that the Applicant has mentioned 31.03.2021 as the date of default to get out of the rigours of section 10A of the Code.

**10.** Now we need to see whether the date of default falls under Section 10A of the Code or not. It is pertinent to note that the due date mentioned in the Loan Recall Notice and Demand Notice is 30.10.2020, i.e., the due date of the Principal and Interest amount, which has become due and payable but not paid. Furthermore, in the written submissions, the Financial Creditor had relied upon CRILC (Central Repository of Information on Large Credits) report from which it is evident that on various occasions the Corporate Debtor by paying the default amount, moved out of default and then again moved into default

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and the bare reading of the CRILC report shows that the last date on which the Corporate Debtor went into default is 01.04.2021.


11. It is a trite law that the first *proviso* to section 10A of IBC becomes applicable only when the default has occurred between 25.03.2020 and 24.03.2021 (*both inclusive*). In the present case, the Loan Recall Notice dated 06.05.2021 and Demand Notice dated 24.05.2021 even though mention the due date of payment of principal and interest as on 30.10.2020, but it is pertinent to mention here that when we examine the ledger account statement of the Corporate Debtor maintained by the Financial Creditor, it is noted that the transactions reflected in the statement pertains to the time period between 01.04.2020 and 31.03.2021 and upon reviewing the said statement, it is evident that the Respondent made payments after the dates mentioned in the said notices dated 06.05.2021 of Loan recall Notice and Demand Notice dated 24.05.2021 under SARFAESI Act, 2002, continuing up to 31.03.2021. The Respondent, after 31.03.2021, had not made any payment till 01.03.2024, and the debt amount, by accruing interest, came up to Rs. 18,50,177.22/-, which gets reflected in the ledger account for the period from 31.03.2021 to 01.03.2024. Hence, upon perusal of the ledger account, it can be clearly seen that the default was not committed in the time period covered under section 10A of the Code.

12. This Tribunal is inclined to place reliance upon the judgment of Hon'ble NCLAT in ***Nufuture Digital India Ltd Vs. Axis Trustee Services Ltd, Company Appeal (AT)(Ins) No.444 of 2023***, wherein it was held that Section 10A has no application when an action is initiated for default which occurred subsequent to the period prescribed under Section 10A. The relevant excerpt of the judgment is reproduced herein for reference:

*20. Present is a case where date of default is claimed as 31.03.2021 in Part IV of the application and the application is filed including the default amount as per the Debenture Trust Deed,*

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*Schedule V, the default from 31.03.2021 onwards. We have noticed Para 5 of Reply to the application where it was clearly stated that while the total claim would be higher, the present Petition is filed only with respect to the default committed after the 10A period was over i.e. for the default on 31st March 2021 and thereafter. What is prohibited by Section 10A is that no application shall ever be filed for the default which occurred during the period of Section 10A i.e. from 25th March, 2020 to 25th March, 2021. Section 10A has no application when an action is initiated for default which occurred subsequent to 10A period. Section 7 application as well as Reply filed to I.A. No. 34/2022 clearly indicate that Section 7 application which was filed by the Financial Creditor was confined to the default committed by the Appellant on 31.03.2021 and thereafter. In Para 7 of the Reply total calculations have been mentioned for arriving at the default amount of Rs.210,46,66,250/-. The defaulted amount included for the calculation are the defaulted amount beginning from 31.03.2021 till end of December, 2023. No defaulted amount included in the Company Appeal (AT) Insolvency No. 444 of 2023 Section 7 application is for the period covered by Section 10A, hence, there is no occasion to hold that Section 7 application is barred by Section 10A.*

**13.** In regard to the point of limitation it is noted that the Corporate Debtor had approached the Financial Creditor for OTS settlement on 23.02.2023 after the order passed by the Hon'ble High Court of Orissa in WP(C) No.35696 of 2021 vide order dated 24.11.2021. Such an OTS proposal was also accepted by the Financial Creditor, but it was revoked on 08.01.2024 as the Corporate Debtor could not meet the schedule of payment prescribed by it in its OTS proposal. It is also observed that the said Writ Petition has already been disposed of vide order dated 03.02.2025 by observing that Writ Petition has become infructuous as

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e-auction date has already been over. For ready reference, the order has been reproduced herein below:

*IN THE HIGH COURT OF ORISSA AT CUTTACK*

*W.P.(C) NO. 35696 of 2021*

*M/s Fortune Spirit Limited*

*.... Petitioner*

*Mr. Sudipta Kumar Sarangi, Advocate*

*-versus*

*IDBI Bank Limited and others*

*.... Opp. Parties*

*Mr. P.V. Balakrishna, Advocate*

**CORAM:**

*JUSTICE K.R. MOHAPATRA*

*JUSTICE SANJAY KUMAR MISHRA*

*ORDER*

*03.02.2025*

- 1. This matter is taken up through hybrid mode.*
- 2. Petitioner in this writ petition seeks to assail the sale notice dated 24th October, 2021 fixing the date of e-auction to 24th November, 2021.*
- 3. This Court, vide order dated 24th November, 2021, directed the Petitioner to present himself before the competent authority of the Bank with a concrete proposal to upgrade the Account to a standard Account.*
- 4. It is submitted by Mr. Balakrishna, learned counsel for the Opposite Parties-Bank that Petitioners did not approach the Bank within the time stipulated, i.e., within three working days from the date of the order.*
- 5. Since the e-auction date has already passed, the writ petition has become infructuous.*
- 6. Accordingly, the writ petition is disposed of as infructuous.*

**14.** Therefore, we are of the considered view that as the default has occurred on 31.03.2021 and the subsequent acknowledgement made by the Corporate Debtor through OTS extends the limitation period. It is seen that the Applicant had filed this application on 07.03.2024 which is well within the period of limitation. Hence, the period of limitation stands satisfied.

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**15.** It is thus made amply clear that all the conditions to admit a Section 7 application are satisfied in the present case for the fact that there exists a 'debt' and 'default' in payment of debt by Corporate Debtor, we have not expressed any opinion on the other arguments raised by both the Parties.

**16.** In view of the aforesaid observations, we hereby **ADMIT** the petition and pass the following Orders: -

- i. The Petition bearing **CP (IB) No. 13/CB/2024** filed by IDBI Bank Ltd. under Section 7 of the Code read with rule 4(1) of the Insolvency & Bankruptcy (Petition to Adjudicating Authority) Rules, 2016 for initiating CIRP against Fortune Spirits Limited, the Corporate Debtor, is **ADMITTED**.
- ii. The moratorium under section 14 of the Insolvency and Bankruptcy Code, 2016 is declared for prohibiting all of the following in terms of section 14(1) of the Code
  - 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 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.

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- iii. The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process until this Adjudicating Authority approves the Resolution Plan under sub-section (1) of section 31 or passes an order for liquidation of Corporate Debtor under section 33 of the Insolvency & Bankruptcy Code, 2016, as the case may be.
- iv. As proposed by the Financial Creditor, **MR. SAMBHULAL AGARWAL**, having Registration No. **IBBI/IPA- 001/IP-P00387/2017-18/10698**. and Email Id: **sambhuandassociates@gmail. com** residence at **At-Bazar Kolkata Building, 2nd Floor, Nayapara, Sambalpur - 768001 Odisha**, is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the Code, subject to his possessing a valid Authorisation for Assignment (AFA) in terms of 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016.
- v. The IRP so appointed shall make a public announcement of initiation of Corporate Insolvency Resolution Process (CIRP) and call for submission of claims under Section 15 as required by Section 13(1) (b) of the Code.
- vi. The supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated or suspended, or interrupted during the moratorium period. The corporate debtor is to provide effective assistance to the IRP as and when he takes charge of the assets and management of the corporate debtor.
- vii. The IRP shall perform all his functions as contemplated, inter alia, by sections 17, 18, 20 & 21 of the Code. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person

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associated with management of the Corporate Debtor are under legal obligation under section 19 of the Code extending every assistance and co-operation to the Interim Resolution Professional. Where any personnel of the Corporate Debtor, its Promoter or any other person required to assist or cooperate with IRP, do not assist or cooperate, the IRP is at liberty to make an appropriate application to this Adjudicating Authority with a prayer for passing an appropriate order.

- viii. The IRP shall be under a duty to protect and preserve the value of the property of the 'Corporate Debtor' and manage the operations of the Corporate Debtor as a going concern as a part of the obligation imposed by section 20 of the Insolvency & Bankruptcy Code, 2016.
- ix. The IRP/RP shall submit to this Adjudicating Authority periodical reports concerning the progress of the CIRP in respect of the Corporate Debtor.
- x. The Financial Creditor shall deposit a sum of Rs. 1,00,000/- within two weeks from the date of receipt of this order for the purpose of smooth conduct of the Corporate Insolvency Resolution Process (CIRP) and IRP to file proof of receipt of such amount to this Adjudicating Authority along with the First Progress Report. Subsequently, IRP may raise further demands for Interim funds, which shall be provided as per Rules.
- xi. In terms of section 7(7)(a) of the Code, the Registry is hereby directed to communicate a copy of this order to the Financial Creditor, Corporate Debtor and to the Interim Resolution Professional and the concerned Registrar of Companies, within seven (7) working days and upload the same on the website immediately after pronouncement of the order.

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- xii. The IRP shall also serve a copy of this order to the various departments, such as Income Tax, GST, State Trade Tax, and Provident Fund, etc. who are likely to have their claim against the Corporate Debtor as well as to the trade unions/employee associations so that they are informed of the initiation of CIRP against the Corporate Debtor timely.
- xiii. The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of this order.
17. The Resolution Professional shall submit his periodic reports before this Adjudicating Authority as per the rules.
18. Hence, CP(IB) No. 13/CB/2024 is **ALLOWED** and accordingly Corporate Debtor **ADMITTED** into CIRP.
19. A Certified Copy of this order may be issued, if applied for, upon compliance with all requisite formalities.
20. The file will be consigned to the records.

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**BANWARI LAL MEENA**  
**(MEMBER TECHNICAL)**

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**DEEP CHANDRA JOSHI**  
**(MEMBER JUDICIAL)**