SL. No.5

NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II

Hearing Through: VC and Physical (Hybrid) Mode

CORAM: SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (J)
CORAM: SHRI. SANJAY PURI, - HON'BLE MEMBER (T)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH, HELD ON 12.01.2024 AT 10:30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	**CP (IB) No.164/2021**
NAME OF THE COMPANY	**Pioneer Gas Power Ltd**
NAME OF THE PETITIONER(S)	**IFCI Ltd**
NAME OF THE RESPONDENT(S)	**Pioneer Gas Power Ltd**
UNDER SECTION	**7 of IBC**

ORDER

Orders pronounced, recorded vide separate sheets. In the result, this application is allowed.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)

Apoorva

IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH-II

CP (IB) No.164/7/HDB/2021

[Under Section 7 of the Insolvency Bankruptcy Code, 2013 r/w Rule 4 of the Insolvency and Bankruptcy (Petition to Adjudicating Authority) Rules, 2016]

In the matter of M/s. Pioneer Gas Power Limited

M/S. IFCI LIMITED
Registered Office at
IFCI Tower, 61, Nehru Place,
New Delhi-110019 and
Regional Office at Taramandal Complex
(8th Floor), 5-9-13, Saifabad, Hyderabad-500004
Rep. by its General Manager Shri Deepak Mishra

…Financial Creditor/Petitioner

Versus

M/S. PIONEER GAS POWER LIMITED
Registered Office at
3rd Floor, Plot No.13,
Phase-III, Road No.82,
Jubilee Hills, Hyderabad-500033,
Telangana State.

…Corporate Debtor/Respondent

Date: 12.01.2024

CORAM:

Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)

Sri Sanjay Puri, Hon'ble Member (Technical)

Counsel/Parties present:

For the Petitioner	:	Mr. VVSN Raju, Advocate
For the Respondent	:	Mr. B. Lokeshwar Reddy, Advocate

Per: Rajeev Bhardwaj, Member (Judicial)

ORDER

1. This petition has been filed under Section 7 of the Insolvency and Bankruptcy Code (In short "IBC") by M/s.IFCI Limited (hereinafter referred as "Financial Creditor/Petitioner") for initiation of Corporate Insolvency Resolution Process (In short "CIRP") against M/s. Pioneer Gas Power Limited (hereinafter referred as "Corporate Debtor/Respondent").

2. The brief facts necessary to dispose of the present application, as stated, are that:

2.1 The Corporate Debtor is the service provider of gas power generation and other activities. The Financial Creditor at the request of the Corporate Debtor sanctioned Term Loans I, II, III and a Short-Term Priority Loan from 2010 onwards for a sum of Rs.436.45 Crores and out of this, an amount of Rs.434.73 Crores was disbursed.

2.2 The Term Loans- I and II were of Rs.125.00 Crores each payable at 11.50% per annum with monthly compoundable amount to be paid in 40 equal quarterly instalments commencing after the moratorium period of 18 months from the date of commercial operations date.

2.3 On the request of the Corporate Debtor, Term Loans-I and II were again restructured for an amount of Rs.140.50 Crores on 30.04.2015 and which was fully availed. Thereafter the Corporate Debtor again requested for Short Term Priority Loan for an amount of Rs.45.95 Crores and against this, only Rs.44.23 Crores was availed on 30.06.2017.

2.4 For the purpose of availing various credit facilities, the Respondent has created 1st pari-passu charge on immovable and movable assets, and the details of which have been given in Part-V of the application.

2.5 When the Corporate Debtor failed to pay the loan amount, it was classified as Non-Performing Assets (NPA) on 31.03.2018. The debt was acknowledgment by the Corporate Debtor on 19.11.2020.

2.6 Total outstanding due amount was Rs.713,90,77,418/- (Rupees Seven Hundred Thirteen Crore, Ninety Lakh Seventy-Seven Thousand Four Hundred and Eighteen Only) as on 11.03.2021 along with further interest.

3. The Corporate Debtor/Respondent by filing counter has contested and contended the averments made in the petition.

3.1 The Corporate Debtor has taken preliminary objections of maintainability of the present petition on the grounds that default is for the reasons attributable to the Petitioner, non-filing of record of default as per Section 7(3)(a) of IBC, filing of the petition by unauthorised person, non-compliance of Regulation 3(2) of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) regulations, 2016 and the petition is against public interest.

3.2 On merits, it is submitted that in 2002, Reliance Industries Limited ('RIL') discovered deposits of natural gas in KG-D6 Basin and estimated the capacity in the range of 10.3 trillion cubic feet of natural gas. This gas was contemplated to be transported through network of trunk pipelines, sub-transmission lines and spur pipelines connected to gas-based power-plants.

3.3 The Corporate Debtor was incorporated on 17.09.2009 having its gas fired power plant in the State of Maharashtra, India ('Project'). The project had been conceived on the basis of numerous warranties and representations of government on domestic-gas allocation from the KG Basin. In relation to this, various acts of the Central Government, Ministry of Petroleum and Natural Gas, Gas authority of India Limited etc, have been referred to submit

that there was a legitimate expectation Respondent would be allotted the gas resources to generate power.

3.4 Thereupon, the Corporate Debtor entered into agreements with various authorities for the laying the pipeline to the gas plant and for generation of electricity by the company.

3.5 Looking at the bright prospects of the gas power plant projected by the Central Government and its agencies, South-Korean undertaking, M/s.Korean Western Power Company Limited ('KOWEPO') became business partner of the Corporate Debtor by obtaining 40% equity stake in the Respondent's Company. This investment was made by 'KOWEPO' on the basis of Bilateral Investment Treaty ('India-Korea BIT') between the Republic of India and Republic of Korea.

3.6 When the construction of the project was underway, the Respondent's Company pursued the matter for allocation of gas with Central Electricity Authority ('CEA') and vide letter dated 13.07.2011 was informed that the gas allocation is being prioritized.

3.7 Meanwhile, the output level of gas from the KG-D6 basin fell to 'NIL' from March 2013 and then the Respondent wrote numerous letters to various authorities seeking allocation of gas to commence the project's commercial operation.

3.8 It is claimed that the construction of the project was concluded as per schedule, but the project could not be commissioned due to non-laying of pipeline by Gas Authority of India Limited and non-allocation of natural gas to assist the gas-based power plants. The Government of India sanctioned e-auction in the year 2015 of Re-gasified Liquefied Natural Gas ('e-RLING Scheme') but the gas allocated to the Respondent could not be transported due to the failure of GAIL in laying the required pipelines. Later on, the GAIL completed its work and in the year 2016, the Corporate Debtor was

allotted gas and therefore started its operations on 14.07.2016, but due to insufficient pressure of gas etc, the Respondent could not achieve the optimal level of power generation. However, the Government of India has not extended this benefit beyond April 2017, thus, paralyzing the power generation of gas by the Respondent.

3.9 It is not only the Corporate Debtor but also other gas-based power plants which were unable to generate power due to the non-allocation of gas by the Government of India on account of inadequate infrastructure and imprudence of several governmental agencies. Taking the plight of the gas-based power plant sector, the Parliament constituted the Standing Committee on Energy which made numerous observations and recommendations. The Parliamentary Standing Committee recommended not to refer cases of stranded gas-based power plants to the NCLT. Furthermore, there is a reasonable probability of the gas-based power plants being utilized to the ever-growing energy needs of the country.

3.10 The KOWEPO also initiated arbitration proceedings against Republic of India which are still pending.

3.11 Despite the recommendations of the Parliamentary Standing Committee and the ongoing International Arbitrary Proceedings initiated by the KOWEPO, the petitioner has filed the present petition. The insolvency proceedings, if admitted, shall have an adverse bearing on the foreign investor KOWEPO. The Respondent has also raised substantial questions of law relating to fundamental rights, and the doctrine of ‘promissory estoppel’ by filing writ petition.

3.12 Despite all the woes of the Respondent, there is every possibility of the Corporate Debtor reviving its operations in future which is also in the public interest and welfare of society. In view of looming power crises situation in

the country, it is advisable to make use of the available assets for the betterment of power generation.

3.13 It is submitted that the Respondent has come to the present situation because of the representations made by the Government of India and its agencies.

3.14 On the questions of the averments made in the petition about the debt, the Respondent has denied the claim of Rs. 713,90,77,418/- and further it is submitted that there is no default when the public interest and national interest is involved.

3.15 This petition is stated to have been filed on the premise of concocted facts, and with mala-fide intentions fully knowing well that the Respondent has the capability of making payments.

4. In the rejoinder the contentions put forward in the petition are reaffirmed and reasserted. It is clarified that in accordance with Section 7(3)(a) of the IBC, the date of default has been recorded with the information utility and further Form B along with Form 2 under Regulation 3(2) of the Insolvency and Bankruptcy Board of India (Insolvency resolution Process for Corporate Persons) Regulations, 2016 have been filed.

4.1 Similarly, Mr. Deepak Mishra, General Manager was duly authorized to file the present petition by the Deputy Managing Director (DMD), who was authorized by the Board of Directors of the petitioner.

4.2 It is averred that some of the other companies were also in discussion with the Corporate Debtor for supply of gas which was available at a very competitive price and therefore it is not true that the Respondent was dependent only on Government of India for supply of gas. The Respondent on account of mis- management and negligence could not able to service its term loan obligations and the existence of default is sufficient to prove debt.

5. We have heard the Learned Counsels for both the parties and have gone through the entire records.

6. Existence of debt and default is a prerequisite for an application under Section 7 of the Insolvency & Bankruptcy Code, 2016. Reference may be made to the decisions in ***M/s.Innoventive Industries Limited versus M/s. ICICI Bank Limited (2018)1 SCC 407 and Mr.E.S.Krishnamurty and Others and M/s.Bharat Hi-tech Builders (P) Limited. (2022) 3 SCC 161.*** However, the twin test elucidated in the aforesaid decisions has been diluted to some extent in ***M/s.Vidharbha Industries Power Limited versus M/s.Axis Bank Limited (2022) 8 SCC 352*** by holding as below:

> "In our view, the Appellate Authority (NCLAT) erred in holding that the Adjudicating Authority (NCLT) was only required to see whether there had been a debt and the Corporate Debtor had defaulted in making repayment of the debt, and that these two aspects, if satisfied, would trigger the CIRP. The existence of a financial debt and default in payment thereof only gave the financial creditor the right to apply for initiation of CIRP. The Adjudicating Authority (NCLT) was require to apply its mind to relevant factors including the feasibility of initiation of CIRP, against an electricity generating company operated under statutory control, the impact of MERC's appeal, pending in this Court, order of APTEL referred to above and the over all financial health and viability of the Corporate Debtor under its existing management."

7. Thus, it was held in in ***M/s.Vidharbha Industries Power Limited*** supra that in addition to the existence of "debt" and "default", the NCLT is also required to take into account certain other factors, like the financial health and viability of the company. After the decision in ***M/s.Vidharbha Industries Power Limited*** supra, the Hon'ble Apex Court in ***Mr.M.Suresh Kumar Reddy versus Canara Bank & Others (2023)8 SCC 387*** has reiterated the stand taken in ***M/s.Innoventive Industries Limited and Mr.Krishnamurty and others*** cases supra and that once NCLT is

satisfied that the default has occurred, there is no discretion left with NCLT to refuse admission of the applicant under Section 7 of the IBC. On the question of the judgment in ***M/s.Vidharbha Industries Power Limited versus supra***, it was held that in the review petition of the said judgment, it was clarified that the said decision was given under specific set of facts and therefore it cannot be read and understood as taking a view that is contrary to the view taken in ***M/s.Innoventive Industries Limited*** *and* ***Mr.E.S.Krishnamurty*** cases supra. Further, in ***Swiss Ribbons Private Limited v. Union of India ((2019) 4 SCC 17***, Hon'ble the Supreme Court expanded on the decision laid down in ***Innoventive case*** supra and held that the trigger under the IBC, is non-payment of dues owed to creditors and the legislative policy in India has shifted from the concept of "inability to pay debts" to "determination of default". This shift enables the financial creditor to initiate the insolvency resolution process, the moment there is evidence of a default.

8. Therefore, debt and default are sine qua non for the admission of the application under Section 7 of IBC.

9. Outstanding debt is almost not denied by the Respondent, but in the counter the Corporate Debtor has tried to deny it in some paras while admitting in others. However, the Respondent can't 'approbate and reprobate' at the same time. When the loan documents, guarantee deeds etc. are seen, we are left in no doubt that the Respondent had taken loans from the Petitioner. The details of the loans can be culled out in the following table:

Facility	Date of Sanction	Sanctioned Amount (Rs. in Crore)	Disbursed Amount (Rs.in Crore)
RTL -I	27.09.2010	125.00	125.00
RTL -II	27.09.2010	125.00	125.00
RTL -III	28.04.2015	140.50	140.50
STPL	29.06.2017	45.95	44.23
Total		**436.45**	**434.73**

10. Therefore, the total loan sanctioned was Rs.436.45 crores and out of which the respondent availed Rs.434.73 crores. The total liability of the Respondent as on 11.03.2021 was Rs.713,90,77,418/- in statement (page 807 of petition).

11. After the determination of debt, the date of default is to be ascertained which is material to know the starting point of limitation. The date of default in para 4 of the application is mentioned as 21.03.2018.

12. Now it is the settled law that the statute of limitation only bars the remedy but does not extinguish the debt. Whenever procedural actions are barred, the rights themselves are not extinguished. While the IBC is silent on the applicability of Limitation Act, Section 29 of the Limitation Act states that every legislative enactment, be it central or state legislation, is guided by the Limitation Act unless such enactment "expressly excludes" itself. Thus, the term "expressly excludes" can be interpreted that if the intent of the legislature is to make the special statute free from limitation, express exclusion is not necessary. In case of IBC, the provisions of the Limitation Act were expressly made applicable by introduction of Section 238A of the IBC [inserted by way of the Insolvency and Bankruptcy Code (Second Amendment) Act, 2018]. Another reference to Limitation Act in IBC is under Section 60(6) which only limits the applicability of the Act for the

period of the moratorium, thus, the same doesn't bar its application to initiation under section 7, 9 and 10 of the Code.

13. The period of limitation for filing applications for initiation of insolvencyproceedings would be three years from the date of default under Article 137 of the Limitation Act [See ***B.K. Educational Services (P) Ltd. versus Parag Gupta & Associates AIR 2018 SC 560***]. The Hon'ble Supreme Court in ***Trustee's Port Bombay versus The Premier Automobile 1981 AIR 1982*** held that the starting point of limitation is the accrual of the cause of action. In ***K. Shashidhar versus Indian Overseas Bank (2019) 12 SCC 150***, the Hon'ble Supreme Court undoubtedly restated principles laid down ***in B.K. Educational Services*** supra and reaffirmed that the right to sue under the Code accrues on the date when default occurs and if the default occurred 3 years prior to the date of filing of the Application, the same would not amount to debt due and payable under the Code.

14. Hence, the limitation will start from the date of default, i.e., 21.03.2018. However, the Respondent has made acknowledgement of debt before the expiry of limitation by writing letter dated 12.11.2020 signed on 19.11.2020 (page 805 of petition).

15. Once limitation starts, it can be extended only under the Limitation Act. In ***Jignesh Shah and another versus Union of India and another (2019) 10 SCC 750,*** the Hon'ble Supreme Court has held that "when time begin to run, it can only be extended in the manner prescribed in the Limitation Act". The Law declared by the Hon'ble Supreme Court is explained clearly in Para 21 of the said judgment which read as follows:

> "Para 21. The aforesaid judgments correctly hold that a suit for recovery based upon a cause of action that is within limitation cannot in any manner impact the

> separate and independent remedy of a winding-up proceeding. In law, when time begins to run, it can only be extended in the manner provided in the Limitation Act. For example, an acknowledgement of liability under section 18 of the Limitation Act would certainly extend the limitation period, but a suit for recovery, which is a separate and independent proceeding distinct from the remedy of winding up would, in no manner, impact the limitation within which the winding-up proceeding is to be filed, by somehow keeping the debt alive for the purpose of the winding-up proceeding".

16. In case of acknowledgement of debt under Section 18 of the Limitation Act, the condition is that it must be before the expiration of the period of limitation. It was held by the Hon'ble Supreme Court in ***Laxmi Pat Surana versus Union Bank of India & anr., (2021) 8 SCC 481*** that Section 18 of the Limitation Act applies to extend the period of limitation for filing an application under Section 7 of the IBC. In ***Dena Bank versus C. Shivkumar Reddy, (2021) 10 SCC 330***, it was held in Para 111:

> "As per Section 18 of the Limitation Act, an acknowledgement of present subsisting liability, made in writing in respect of any right claimed by the opposite party and signed by the party against whom the right is claimed, has the effect of commencing a fresh period of limitation from the date on which the acknowledgement is signed. Such acknowledgement need not be accompanied by a promise to pay expressly or even by implication. However, the acknowledgment must be before the relevant period of limitation has expired".

17. As such, the Respondent has acknowledged the debt on 20.11.2020 before the limitation period has expired, i.e., 20.03.2021. The petition has been filed on 09.04.2021 and accordingly, this is within limitation period.

18. After ascertaining that the minimum threshold is fulfilled, the creditor is a financial creditor and that the petition is within limitation period, we have also to consider the contentions raised by the respondent before admitting the petition.

19. The Respondent has talked about that on the basis of representations made by the Central Government and its agencies, it has entered into contract with the banks to raise loans and further M/s.Korean Western Power Company Limited ('KOWEPO') also agreed to invest in the Respondent's company. It is on account of non-supply of the gas to the Respondent's project, the image of the country has been affected because no new investor would come to India as the 'KOWEPO' has already dragged Government of India in arbitration. The Respondent has also referred to the recommendation of the Parliamentary Standing Committee and prospects of the gas based energy plants to meet the energy needs of the country to submit that CIRP should not be started against it.

20. However, the factors which have been relied upon by the Corporate Debtor have no bearing on starting CIRP because once the date of default is proved to the satisfaction of the Adjudicating Authority, there is hardly any discretion left with NCLT to refuse admission of the application under Section 7. [See ***Innoventive Industries Limited, Mr.E.S.Krishnamurty Swiss Ribbons Private Limited*** and ***M.Suresh Kumar Reddy*** cases supra]. It has been held by the Hon'ble Supreme Court in ***Arun Kumar Jagatramka versus Jindal Steel and Power Ltd. (2021) 7 SCC 474*** that judicial intervention or innovation be kept at bare minimum and not to disturb the foundational principles of the IBC.

21. In ***Swiss Ribbons Pvt. Ltd. and ors.*** case supra, the Hon'ble Supreme Court traversed through the historical background and scheme of the Code in the wake of challenge to the constitutional validity of various provisions therein. It also took into account the economic matters of the country and while discussing the 'aims and objectives' of the Code, the following was observed:

> "27. As is discernible, the Preamble gives an insight into what is sought to be achieved by the Code. The Code is first and foremost, a Code for reorganisation and insolvency resolution of corporate debtors. Unless such reorganisation is effected in a time-bound manner, the value of the assets of such persons will deplete. **Therefore, maximisation of value of the assets of such persons so that they are efficiently run as going concerns is another very important objective of the Code.** This, in turn, will promote entrepreneurship as the persons in management of the corporate debtor are removed and replaced by entrepreneurs……."
>
> "28. It can thus be seen that the primary focus of the legislation is to ensure revival and continuation of the corporate debtor by protecting the corporate debtor from its own management and from a corporate death by liquidation. The Code is thus a beneficial legislation which puts the corporate debtor back on its feet, not being a mere recovery legislation for creditors. The interests of the corporate debtor have, therefore, been bifurcated and separated from that of its promoters/those who are in management. Thus, the resolution process is not adversarial to the corporate debtor but, in fact, protective of its interests. The timelines within which the resolution process is to take place again protects the corporate debtor's assets from further dilution, and also protects all its creditors and workers by seeing that the resolution process goes through as fast as possible so that another management can, through its entrepreneurial skills, resuscitate the corporate debtor to achieve all these ends."
>
> "120. **The Insolvency Code is a legislation which deals with economic matters and, in the larger sense, deals with the economy of the country as a whole**. Earlier experiments, as we have seen, in terms of legislations having

failed, 'trial' having led to repeated 'errors', ultimately led to the enactment of the Code. The experiment contained in the Code, judged by the generality of its provisions and not by so-called crudities and inequities that have been pointed out by the Petitioners, passes constitutional muster…."

(emphasis supplied)

22. One of the objectives of the IBC is the speedy disposal of Insolvency matters and in this regard, we refer to the decision of Hon'ble Apex Court in ***M/s.Innoventive industries Limited***, wherein the objectives of the Codes have been explained in the following words:

"13. One of the important objectives of the Code is to bring the insolvency law in India under **a single unified umbrella with the object of speeding up of the insolvency process**. As per the data available with the World Bank in 2016, insolvency resolution in India took 4.3 years on an average, which was much higher when compared with the United Kingdom (1 year), USA (1.5 years) and South Africa (2 years). The World Bank's Ease of Doing Business Index, 2015, ranked India as country number 135 out of 190 countries on the ease of resolving insolvency based on various indicia."

(emphasis supplied)

23. In another judgement of the Hon'ble Supreme Court in ***M/s.Dena Bank*** supra, the timely resolutions of insolvency and bankruptcy were highlighted for the development of credit market and to encourage entrepreneurship, it was observed that :

"65. The IBC aims at promoting, inter alia, investments and also resolution of insolvency of corporate persons. As per its Statement of Objects and Reasons- "the objective of the Insolvency and Bankruptcy Code, 2015 is to consolidate and amend the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximization of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders including alteration in the priority of payment of government dues and to establish an

Insolvency and Bankruptcy Fund, and matters connected therewith or incidental thereto. **An effective legal framework for timely resolution of insolvency and bankruptcy would support development of credit markets and encourage entrepreneurship. It would also improve Ease of Doing Business, and facilitate more investments leading to higher economic growth and development.**"

(emphasis supplied)

24. In view of the law discussed above, Adjudicating Authority can't go beyond four corners of law and invent its own way to stop CIRP. It is not the duty of the Adjudicating Authority to take into account the factors as the Respondent has portrayed. Given the judicial pronouncements of the highest Court of land, the points raised by the Learned Counsel for the Respondent lose significance. Therefore, the proceedings in the petition under Section 7 IBC cannot be subject to hypothetical questions. [See also ***Sesh Nath Singh and another versus Baidyabati Sheoraphuli Cooperative Bank Limited (2021)7 SCC 313]***

25. The other grounds taken in para No.3 of the counter about the maintainability of the petition are either not relevant or these are only directory. The petitioner has already given the information about the date of default as per Section 7(3)(c) of the Code and the declaration in terms of Regulation 3 (2) of Insolvency Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations 2016 has been complied with by filing a memo on 10.06.2022. Similarly, Sri Deepak Misra, General Manager of the Financial Creditor was duly authorized in view of minutes dated 29.07.2017, Exihibit-1 and other proceedings to file the petition and further to the needful in relation to the present petition.

26. For the foregoing discussions, the **CP(IB) No.164/7/HDB/2021 is allowed** with the following directions.

(a) Accordingly, this Tribunal appoints M/s.Bright Star Resolution Professionals LLP, A-414, Usha Enclave, Navodaya Colony, Srinigar Colony , Extn Yellareddyguda, Hyderabad – 500 073,Telangana, email: ramgandluri@mail.com having registration IBBI/IPE-0158/IPA-3/2023-24/50072 as Resolution Professional, to be ratified by the CoC. The aforesaid RP has no disciplinary proceedings pending against him. Proposed RP filed Form-B issued by the Institute of Insolvency Professional. This information is also available in IBBI Website. Thus, there is compliance of Regulation 7A of IBBI (Insolvency Professionals) Regulations, 2016, as amended. Therefore, the proposed IRP is fit to be appointed as RP since the relevant provision is complied with and further registry is directed to inform the order of admission of CIRP against the corporate debtor to the concerned parties.

(b) The RP shall perform all is functions as contemplated, inter-alia, by Sections 17,18, 20 & 21 of the IBC, 2016. It is further made clear that all personnel connected with Corporate Debtor, its Promoter or any other person associated with management of the Corporate Debtor are under legal obligation, under Section 19 of IBC, 2016 to extending every assistance and co-operation to the RP. Where any personnel of the Corporate Debtor, its promoter or any other person required to assist or co-operate with IRP, do not assist or co-operate the IRP is at liberty to make appropriate application to the Adjudicating Authority with a prayer for passing an appropriate order.

(c) The RP shall be under 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 obligation imposed by Section 20 of the IBC, 2016.

(d) The Financial Creditor is directed to pay an advance of Rs. 5,00,000/- - (Rupees Five Lakhs Only) as advance to the RP within two weeks from the date of receipt of this order for the purpose of smooth conduct of CIRP and RP to file proof of receipt of such amount to this Adjudicating Authority along with First progress Report. Subsequently, RP may raise further demands for interim funds, which shall be provided as per rules.

(e) Registry of this Tribunal is directed to send a copy of this order to RoC, Hyderabad for marking appropriate remarks against the Corporate Debtor on MCA site as being under CIRP.

Sd/-
(SANJAY PURI)
MEMBER (TECHNICAL)

Sd/-
(RAJEEV BHARDWAJ)
MEMBER (JUDICIAL

Apoorva/Vinod