



IN THE NATIONAL COMPANY LAW TRIBUNAL

NEW DELHI BENCH, COURT IV

COMPANY PETITION (IB) 294 (ND) 2025

Order 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:

STATE BANK OF INDIA

...Applicant/ Financial Creditor

Versus

GIGA PIPE SYSTEMS INDIA PVT. LTD.

...Respondent/ Corporate Debtor

Order Pronounced On: 07.10.2025

CORAM:

SHRI MANNI SANKARIAH SHANMUGA SUNDARAM,

HON'BLE MEMBER (JUDICIAL)

SHRI ATUL CHATURVEDI,

HON'BLE MEMBER (TECHNICAL)

APPEARANCES:

For the Applicant : Mr. Siddharth Sangal, Ms. Richa Mishra, Ms. Shreya Garg and Ms. Ankita Kumari, Ms. Muskan Mangla, Advocates.

For the Respondent : Mr. Kartik Malhotra, Mr. Anindit Mandal and Ms. Shivani Choudhary, Advocates.



ORDER

PER: MANNI SANKARIAH SHANMUGA SUNDARAM, MEMBER (JUDICIAL)

1. This is an Application filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) by State Bank of India (“the Financial Creditor/Applicant”) seeking initiation of Corporate Insolvency Resolution Process (CIRP) against Giga Pipe Systems Pvt. Ltd. (“the Corporate Debtor/ Respondent”) on the ground that the Corporate Debtor had committed a default amounting to an aggregate sum of Rs. 45,06,15,949.53/- (Rupees Forty-Five Crores Six Lakhs Fifteen Thousand Nine Hundred and Forty-Nine and Paise Fifty Three Only) as on 30.04.2025 under multiple credit facilities. The default occurred on the date of 11.10.2022.
2. The Corporate Debtor i.e., Giga Pipe Systems Pvt. Ltd. having CIN: U74999DL2020FTC368645 was incorporated on 25.08.2020 under the provisions of the Companies Act and its registered office is situated at DSIIDC Shed No. 103, Scheme-1, Okhla Industrial Area, Phase-II, New Delhi-110020. Since the registered office of the Corporate Debtor is in New Delhi, this Tribunal having territorial jurisdiction over the NCT of Delhi is the Adjudicating Authority in relation to the prayer for initiation of Corporate Insolvency Resolution Process in respect of Corporate Debtor under sub-section (1) of Section 60 of the Code.
3. **SUBMISSIONS OF THE APPLICANT/FINANCIAL CREDITOR:**
 - i. The Corporate Debtor approached the Financial Creditor in January 2019 requesting for sanction of credit facilities. The Financial Creditor, after following the due procedure, vide its Sanction Letter dated 25.02.2019 sanctioned various credit facilities amounting to Rs. 40 Crores to the Corporate Debtor, including Cash Credit, Letter of Credit, Bank Guarantee and Derivative Limit for BG, against primary and collateral security as well as personal guarantees. Various loan documents dated 30.03.2019 were executed between the Financial Creditor and Corporate Debtor, apart from



creation of mortgage through deposit of title deeds, whereafter the credit facilities were disbursed/made available to the Corporate Debtor.

- ii.** The Corporate Debtor, thereafter, approached the Financial Creditor for renewal of the credit facilities, wherein credit facilities amounting to Rs. 40 Crores were, after following the due procedure were renewed vide Sanction Letter dated 22.11.2019 on the strength of the Board Resolutions submitted by the Corporate Debtor on the terms and conditions as mentioned in the Sanction Letter dated 22.11.2019.
- iii.** The Corporate Debtor, then through its Letter dated 23.06.2020 applied to the Financial Creditor for availing Rs. 1.94 Crores of Guaranteed Emergency Credit Line (GECL) in the form of Working Capital in terms of the Government Scheme (ECLGS) introduced during the Covid-19 period, and Rs. 1.94 Crores was sanctioned by the Financial Creditor vide Letter of Arrangement dated 24.06.2020 on the terms and conditions as mentioned therein, and loan documents in this regard were executed on 25.06.2020.
- iv.** The Corporate Debtor, thereafter, approached the Financial Creditor for deferment of the interest on the credit facility of Rs. 40 Crores and conversion of the interest part into a FITL (Funded Interest Term Loan) in view of the Covid-19 Regulatory Package of the RBI, wherein the request of the CD was accepted and the interest amount of Rs. 80,40,133/- was deferred and converted into a FITL vide Sanction Letter dated 24.08.2020, resultant, various loan documents dated 02.09.2020 were executed between the Financial Creditor and Corporate Debtor for a sum (credit facilities) amounting to Rs. 41.94 Crores, wherein credit facilities were granted against primary and collateral security as well as personal guarantees.
- v.** The Corporate Debtor was, meanwhile, converted from an LLP to a Private Limited Company under the Companies Act vide Certificate of Registration dated 25.08.2020. The LLP was dissolved.
- vi.** The Corporate Debtor once again approached the Financial Creditor for renewal and enhancement of sanctioned credit facilities, with enhanced credit facilities, after following the due procedure, which were sanctioned vide Sanction Letter dated 10.12.2020 whereby the existing credit facilities



amounting to Rs. 41.95 Crores were renewed/enhanced to Rs. 42.63 crores on the terms and conditions mentioned therein, against primary and collateral security and personal guarantees.

- vii.** The Corporate Debtor further approached the Financial Creditor for renewal of the sanctioned credit facilities, with credit facilities, after following the due procedure, which were revised/renewed for a sum of Rs. 41.66 Crores vide Sanction Letter dated 04.01.2022 on the terms and conditions as mentioned therein.
- viii.** The Corporate Debtor has time and again admitted its liability towards the outstanding amounts to the SBI, apart from acknowledging the debts and liability in its provisional Balance Sheet as at 31.03.2022 and 31.03.2023.
- ix.** The Corporate Debtor, post the above sanction dated 04.01.2022 has failed to service interest on loan amounts and has not adhered to the financial discipline, which has resulted into, the loan account(s) of the Corporate Debtor being classified as Non-Performing Asset (NPA) w.e.f. 31.07.2022 in accordance with the RBI Guidelines & Circulars.
- x.** The Corporate Debtor, despite the loan account(s) turning NPA, has not regularized its accounts nor provided any resolution. Thus, the Financial Creditor has issued Loan Recall Notice dated 26.09.2022 calling upon the Corporate Debtor, corporate guarantor and the personal guarantors to make payment of the outstanding amount of Rs. 29.43 Crores as on 31.07.2022 along with further interest etc. within a period of 15 days from the date of receipt of the said Notice.
- xi.** The Corporate Debtor, despite the above Loan Recall Notice, has not come forward with a resolution and has not even regularized its loan accounts, therefore, the Financial Creditor has already initiated recovery proceedings against the Corporate Debtor under O.A. No. 256/2023 filed before the DRT-II, New Delhi on 01.04.2023 for a decree for an amount of Rs. 31,41,27,599/- as on 29.02.2023, which is pending adjudication.
- xii.** The Financial Creditor has also initiated SARFAESI Proceedings against the Corporate Debtor and has issued Demand Notice dated 13.04.2023 under Section 13 (2) of the SARFAESI Act, 2002 calling upon the Corporate Debtor



to make the payment of the outstanding dues of Rs. 31,41,27,599/- as on 29.02.2023 with further interest etc. within 60 days from the date of Notice.

xiii. The Corporate Debtor, despite the receipt of the Recall Notice dated 26.09.2022 and Demand Notice dated 13.04.2023 and having admitted the amounts due even in the Balance Sheet, has failed to pay the amount in default of Rs. 45,06,15,949.53/- (Rupees Forty-Five Crores Six Lakhs Fifteen Thousand Nine Hundred and Forty-Nine and Paise Fifty-Three Only) to the Financial Creditor-SBI, which is in excess of Rs. One Crore and is due and payable, hence, the present Application u/s 7 of the IBC, 2016 is being filed by the Financial Creditor-applicant.

xiv. The Applicant has attached the following documents in order to prove the existence of financial debt, the amount due and date of default:

- a. True copy of the Sanction/Arrangement Letters dated 25.02.2019, 22.11.2019, 24.06.2020, 24.08.2020, 10.12.2020 & 04.01.2022 and other Sanction Letters.
- b. True copy of the Loan Documents & other loan related documents /financing documents dated 30.03.2019, Feb/March 2020, 25.06.2020 and 02.09.2020 etc.
- c. True copy of the Certificate of Registration dated 25.08.2020;
- d. True copy of the Loan Recall Notice dated 26.09.2022.
- e. True copy of the OA No. 256/2023 and its contents and enclosures, filed by SBI against the Borrowers including the CD.
- f. True copies of the Demand Notice dated 13.04.2023 under Section 13 (2) of the SARFAESI Act, 2002.
- g. True copy of the Provisional Balance Sheets as at 31.03.2022 & 31.03.2023.
- h. True copy of the Master Data of the Corporate Debtor.
- i. True copy of the Gazette Notification and SBI General Regulations authorizing and empowering the AGM to file the present petition;
- j. True copy of the Statements of Accounts of the Corporate Debtor along with calculation of Outstanding Amounts and Certificate under Bankers Book Evidence.



- k. True copy of the details of the disbursement of the loan amounts.
- l. True copy of the NESL Certificates evidencing default.
- m. True copy of the Search Report dated 02.09.2022 and/or Charge Report revealing registration of charge of the Financial Creditor and lenders & etc.

4. SUBMISSIONS OF THE RESPONDENT/CORPORATE DEBTOR:

- i.** The Application is filed as an abuse of the process of law by invoking the jurisdiction of this Adjudicating Authority as an alternative recovery forum.
- ii.** It is the case of the Corporate Debtor that it is undergoing only a transient shortage of funds / liquidity crunch due to delay in realizing its receivables and can in no manner be termed as an Insolvent Company. The Corporate Debtor has a proven track record of making complete payments to all its debtors.
- iii.** There is no consistency in the dates of default stipulated in the Application. It is clear on a perusal of Part IV of the Application, the Financial Credit has arbitrarily indicated "the date of default for the purposes of the present Section 7 IBC Petition" as 11.10.2022. However, the Financial Creditor has stated that the Corporate Debtor was classified as NPA on 31.07.2022. This date is contrary to the records of the NeSL, which reflects the date of default as 03.05.2022. It is trite law that the date of default is ordinarily the date of NPA. However, the Financial Creditor's self-contradictory pleadings and documents strike at the very root of the matter and thus, render the present Petition liable to be dismissed. Even otherwise, the date of default as reflected in the records of NeSL cannot be treated as gospel truth and it is submitted that the present Petition is barred by limitation. The default, if any, was prior to 01.05.2022. Since the present Application was filed only on 01.05.2025, the Financial Creditor has fraudulently and arbitrarily submitted different dates of default /NPA in order to make the present Application fall within the limitation period.
- iv.** The present Application is filed without any cause of action as the account of the Corporate Debtor has never been declared as an NPA account, as per the guidelines issued by the Reserve Bank of India from time to time and the



Financial Creditor has recalled the credit and loan facilities granted to the Corporate Debtor at its own whim and fancy, without any legal justification for the same.

- v. The Financial Creditor, apart from making a bald averment that the account of the Corporate Debtor was declared as Non-Performing Asset (NPA) on 31.07.2022, does not specify the procedure followed by the Financial Creditor in this regard.
- vi. It is also relevant to point out that Mr. Anil Kumar is not the authorized person on behalf of the Financial Creditor to sign the present Application under Reply and therefore, the present Application is liable to be dismissed on this ground as well.
- vii. Reliance has been placed on the judgment of Hon'ble Supreme Court in ***Vidarbha Industries Power Limited v. Axis Bank*** Limited to highlight the discretionary power of the Adjudicating Authority in terms of section 7 of the Code.
- viii. It is submitted that owing to the various deliberate, wrong, arbitrary and malicious acts of omission and commission of the Financial Creditor, the Corporate Debtor has sustained substantial damages, losses, cost and expenses, as elaborated upon hereinabove, and which in any event, far exceed the amounts claimed to be allegedly due from the Corporate Debtor in the Application, and with regard to which the Financial Creditor is liable to repay/ compensate the Corporate Debtor.
- ix. It is submitted that the Financial Creditor has in calculating the outstanding amount allegedly due and payable in respect of the credit and loan facilities mentioned in the Application, deliberately suppressed, and withheld the material particulars and information. The alleged amounts claimed in the present Application, are wrong, illegal, exorbitant and unsubstantiated by material particulars.
- x. Further, whatever documents have been brought on record by the Financial Creditor are contradictory, vague, and far from furthering the claim of the Financial Creditor, they raise questions as to the factual position laid down by the Financial Creditor. They suffer from inconsistencies in material



particulars of the claim of the Financial Creditor particularly the dates of default, and thus clearly show that all and any documents that have been brought on record by the Financial Creditor are unreliable, vague, vitiated by fraud and malafide and cannot be relied on in the present summary proceedings under the Code. These actions of the Financial Creditor underscore their non-compliance with the binding procedure and mechanism as laid down by the aforesaid RBI Circular which has been held to be binding on all banks vide the judgment of the Hon'ble Supreme Court in ***Mardia Chemicals Vs. Union of India 2004 (4) SCC 311***. The said ruling casts a mandatory obligation on Indian Banks to strictly comply with the procedure and norms as prescribed by the Reserve Bank of India from time to time.

- xi.** The Financial Creditor has admittedly not communicated as per law the factum of declaration of the account of the Corporate Debtor as "irregular" or "overdue" or "out of order" or NPA, which is a mandatory requirement. The actions of the Financial Creditor are thus vitiated by material irregularities which render the said actions null us Juris and void ab initio. The burden to prove that all the statutory and regulatory requirements were compiled prior to recall of the financial facilities and declaration thereof as "irregular", "overdue", "out of order" or "NPA" has not been discharged.
- xii.** The Financial Creditor's reliance on provisional balance sheets of the Corporate Debtor to substantiate its claim is misconceived and untenable. Provisional balance sheets, being unaudited and prepared for internal or interim purposes, are inherently tentative and subject to revision. They do not constitute conclusive proof of liability or default within the meaning of Sections 3(12) and 5(8) of IBC unless duly authenticated by the Corporate Debtor's Board of Directors, signed, and adopted in accordance with law, such unsigned and unauthenticated balance sheets cannot be treated as valid acknowledgments under Section 18 of the Limitation Act, 1963, as held in ***Asset Reconstruction Company v. Bishal Jaiswal, (2021) 6 SCC 366 and V. Padmakumar v. Stressed Assets Stabilisation Fund (NCLAT Larger Bench – CA(AT/Ins)/57/2020 dt.12.03.2020)***.



- i. With 30.04.2022 as the actual first instance of alleged default, the limitation expired on 30.04.2025. The present Petition, filed on 01.05.2025, is beyond the prescribed period. NPA classification on 31.07.2022 does not reset or extend the limitation period. Similarly, issuance of a recall notice on 26.09.2022 or its expiry on 11.10.2022 does not postpone default - these are subsequent events, not the originating breach. No acknowledgment of debt satisfying Section 18 of the Limitation Act, 1963, within the limitation period, has been produced or relied upon by the Financial Creditor.
- xiv. NPA classification is an internal banking procedure and has no statutory recognition in determining “default” under the Code. Treating NPA date as the default date would allow creditors to unilaterally extend limitation by delaying classification, contrary to the object of Section 238A. Reliance is placed on ***Ramdas Dutta v. IDBI Bank Ltd. (2024)242Comp.Cas222:***

“19. The first question is as to whether the date of default can be changed by the Bank? In this regard, it has been held by the Hon’ble Supreme Court in the case of ‘Ramesh Kymal Vs. Siemens Gamesa Renewable Power Pvt. Ltd., (2021) 3 SCC 224’ that the date of default cannot be changed. It has also been held in the case of Laxmi Pat Surana (Supra), Babulal Vardharji Gurjar (Supra), B.K Educational Services Pvt. Ltd. (Supra) and Jignesh Shah (Supra) that the period of limitation would be attracted from the date when the default occurs and not from the date of declaration of NPA. Therefore, the date of NPA cannot be taken to be the date of default for the purpose of limitation.”

5. SUBMISSIONS OF THE APPLICANT/FINANCIAL CREDITOR VIDE REJOINDER:

- i. The CD admitted in its Reply that it is undergoing 'transient shortage of funds'/ 'liquidity crunch', hence, debt and default is clear and admitted.
- ii. The CD has taken an objection that the Section 7 Petition is being filed beyond the period of limitation or 3 years. The 'date of default' in the present Section 7 IBC Petition is 11.10.2022 and the Section 7 Petition has been filed on 01.05.2025, thus, within 3 years from 11.10.2022, hence, is perfectly within the limitation period. Though not necessary, even from the date of NPA i.e.



31.07.2022, the present Section 7 IBC Petition is being filed within 3 years from 31.07.2022. The limitation cannot be calculated from 03.05.2022 (the date of default as mentioned in NESL Certificate) because on the said date only one day's interest was due and payable and not the entire loan and/or interest, though, calculating from even 03.05.2022, the Section 7 Petition was filed within 3 years on 01.05.2022. In view of the above, the Section 7 IBC Petition is perfectly within the limitation period.

- iii. Date of NPA i.e. 31.07.2022 may or may not be a date of default, as has been clearly held by the Hon. Supreme Court in ***Laxmi Pat Surana v. Union Bank of India & Anr., Civil Appeal No. 273412020.***
- iv. The Assistant General Manager in the FC is perfectly competent to sign, affirm and file the Section 7 mc Petition in view of Gazette Notification dated 02.05.1987 r/w Regulations 76 (1) & 77 of the SBI General Regulations, 1955. Reliance has been placed on ***State Bank of India v. M/s JSSI Hydraulics Pvt. Ltd.*** judgment dated 12.07.2022 which was upheld by the Hon'ble NCLAT in Company Appeal (AT) (INS.) No. 126612022: ***Hardeep Singh, Director of suspended Board of Director of JSSI Hydraulics Pvt. Ltd. (Corporate Debtor) v. State Bank of India & Anr.***
- v. The judgment of Hon. Supreme Court in ***Vidarbha Industries Power Limited v. Axis Bank Limited***, has no application at all in the facts of the present case, as in the present case the 'debt' and 'default' is established and proved and Vidarbha is subsequently clarified by the Hon'ble Supreme Court in the judgment dated 11.05.2023 in ***M. Suresh Kumar Reddy v. Canara Bank & Ors., Civil Appeal No. 7121 of 2022;***
- vi. The objections and allegations of the CD as regards calculation of the outstanding amounts and interest amounts and/or calculations/rates etc. are also completely imaginary, and cannot be gone into by NCLT in view of the Hon'ble NCLAT judgment in Company Appeal (AT) (INS) No. 662-663 of 2022: ***Suzlon Synthetics Ltd. v. Stressed Asset Stabilization Fund.***
- vii. The remedy under the Code is one of 'resolution' and not recovery, therefore, cannot be said to be an additional recovery mechanism as has been wrongly stated by the CD.



6. ANALYSIS AND FINDINGS:

- i.** We have heard the Ld. Counsel of both the parties and perused the records.
- ii.** The present Application has been filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 seeking initiation of the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor on the ground of alleged default.
- iii.** The Applicant/Financial Creditor has averred that the Corporate Debtor has failed to repay the outstanding dues, and default has occurred on 11.10.2022, being the date of expiry of the Loan Recall Notice dated 26.09.2022.
- iv.** It is the Respondent's stance that the date of default indicated is inconsistent is factually incorrect, inasmuch as in Part IV of the Application it is 11.10.2022 while the loan account was declared NPA on 31.07.2022, and the NeSL record reflects the default date as 03.05.2022.
- v.** The Applicant has placed before the Adjudicating Authority the sanction/arrangement letters, executed loan documents, statements of account accompanied by NeSL certificate and records of NPA classification; proceedings under SARFAESI and the DRT.
- vi.** On perusal of the Sanction Letter dated, it is evident that the credit facilities were available for a period of 12 months subject to renewal every 12 months. Furthermore, they were repayable on demand. It is not in dispute that the loan was disbursed to the Corporate Debtor, which qualifies as a financial debt. This was followed by the classification of the loan account(s) as NPA and later the Loan Recall notice dated 26.09.2022 with 15 days expiring on 11.10.2022. This shows debt became due and payable and when it was not paid, a default occurred. The legal effect of a Loan Recall Notice is to crystallize the existing liability and to make clear the creditor's intention to enforce payment. In the present matter, the Loan-Recall Notice is one of several materials placed before the Adjudicating Authority; the NPA classification and NeSL entries independently evidence that default had already occurred. The Recall Notice therefore corroborates and crystallizes the position rather than weakening the Applicant's case.



- i. Once the Adjudicating Authority is satisfied with the existence of a financial debt, the occurrence of default, and procedural compliance, it is bound to admit the petition. The Authority has limited discretion at this stage and cannot conduct a deeper enquiry into the merits or defences unless the application is incomplete or legally barred. Consistent with the principle laid down in ***Innoventive Industries Ltd. v. ICICI Bank & Anr. (2018) 1 SCC 407***, the jurisdictional enquiry at the admission stage is limited to an examination of the existence of a financial debt and whether there is default. Both these conditions are met on the present record: the debt is admitted and documented; default is evidenced by statements, NeSL entries and NPA classification and is further crystallized by the Loan Recall Notice.
- viii. Now coming on the issue of limitation, even if the earliest of these dates i.e. 03.05.2022, is taken as the date of default, the petition filed on 01.05.2025 falls within the three-year limitation period when the period is computed as prescribed by law. Therefore, the Respondent's objection on limitation does not survive.
- ix. On perusal of the documents, we find that the application, filed under Section 7 of the IBC by the Financial Creditor, is duly supported by all requisite documents. With no statutory bar to its admission, and in view of the undisputed financial debt and established default, the initiation of CIRP is warranted.
- x. The cases relied upon by the Respondent are distinguishable on facts and are not applicable to the present matter.
- xi. In view of the aforesaid discussion, this Adjudicating Authority is of the considered view that the present matter is a fit case for admission under Section 7 of the Code.

7. ORDER:

- i. We are satisfied that the present application is complete in all respects. The Applicant Bank/Financial creditor is entitled to move the Application against the Corporate Debtor in view of outstanding financial debt in default above the pecuniary threshold limit as provided under Section 4 of the Code, 2016. As a sequel to the above discussion and in terms of Section 7(5)(a) of the Code,



the present company application C.P. (IB)- 294/(ND)/2025 stands admitted and the CIRP is hereby initiated against **Giga Pipe Systems Pvt. Ltd.**

ii. The Applicant, in Part-III of the application, has proposed the name of Mr. Manoj Kumar Anand as the Interim Resolution Professional (IRP), bearing Registration No. IBBI/IPA001/IP-P00084/2017-2018/10180. Therefore, this Adjudicating Authority appoints **Mr. Manoj Kumar Anand**, having Registration No. IBBI/IPA001/IP-P00084/2017-2018/10180 and email address anandmanoja@gmail.com as the Interim Resolution Professional (IRP) for the Corporate Debtor, subject to the condition that he shall file a valid AFA along with an updated declaration confirming that no disciplinary proceedings are pending against him, within a period of three (03) days from the date of pronouncement of this order.

iii. We also declare moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d) of the Code. Thus, the following prohibitions are imposed:

- 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
- e. The IB Code 2016 also prohibits Suspension or termination of any license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted



under any other law for the time being in force, on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concessions, clearances or a similar grant or right during the moratorium period.

- iv.** It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14 (3) (b) of the Code.
- v.** In pursuance of Section 13 (2) of the Code, we direct that public announcement shall be made by the Interim Resolution Professional immediately (within 3 days as prescribed by Explanation to Regulation 6(1) of the IBBI Regulations, 2016) with regard to admission of this application under Section 7 of the Insolvency & Bankruptcy Code, 2016.
- vi.** We direct the Applicant/Financial Creditor to deposit a sum of Rs. 2,00,000/- (Two Lakh Rupees Only) 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 needful shall be done within three days from the date of receipt of this order by the Financial Creditor. The said amount, however, is subject to adjustment towards Resolution Process cost as per applicable rules.
- vii.** The Interim Resolution Professional shall perform all his functions as contemplated, inter-alia, by Sections 15, 17, 18, 19, 20 & 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the Code, Rules and Regulations.
- viii.** It is further made clear that all the personnel connected with the Corporate Debtor, its promoters or any other person associated with the Management of



the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the day-to-day affairs of the 'Corporate Debtor'. In case there is any violation committed by the ex-management or any tainted/illegal transaction by ex-directors or anyone else, the Interim Resolution Professional would be at liberty to make appropriate application to this Tribunal with a prayer for passing appropriate orders.

- ix.** The Interim Resolution Professional shall be under duty to protect and preserve the value of the property of the 'Corporate Debtor' as a part of his obligation imposed by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code, Rules and Regulations.
- x.** In terms of section 7(7) of the Code, the Registry is hereby directed to communicate a copy of the order to the Financial Creditor, the Corporate Debtor, the Interim Resolution Professional and the Registrar of Companies, NCT of Delhi & Haryana at the earliest possible but not later than seven days from today.
- xi.** Accordingly, the present Application bearing **CP (IB) 294 ND 2025** is **admitted.**

-SD/-

**ATUL CHATURVEDI
MEMBER (TECHNICAL)**

-SD/-

**MANNI SANKARIAH SHANMUGA SUNDARAM
MEMBER (JUDICIAL)**