

IN THE NATIONAL COMPANY LAW TRIBUNAL
JAIPUR BENCH

**CORAM: SHRI DEEP CHANDRA JOSHI,
HON'BLE JUDICIAL MEMBER**

**SHRI ATUL CHATURVEDI,
HON'BLE TECHNICAL MEMBER**

CP No. (IB)- 130/9/JPR/2019

(Under Section 9 of the Insolvency and Bankruptcy Code, 2016, read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicatory Authority) Rules, 2016)

IN THE MATTER OF:

**TRANSPORT CORPORATION OF INDIA LTD.
FOR ITS DIVISION TCI FREIGHT**

(Through its Authorised Representative)
Registered Office – Flat No. 306 & 307
1-1-8-201-203, 3rd Floor, Ashoka
Bhopal Chambers, SP Road
Secunderabad, Telangana – 500003

Also at:

Corporate Office – TCI House, 69,
Institutional Area, Sector – 32,
Gurugram, Haryana, India – 122001.

...Operational Creditor/Applicant

VERSUS

SHRI R N METALS (INDIA) PVT. LTD.

Registered Office – G1-4, G-22 and
B1-4, Subham Apartment, Plot No.2,
Central Spine, Vidhyadhar Nagar,
Jaipur, Rajasthan – 302023

...Corporate Debtor/Respondent

For Applicant : Akshat Kulshrestha, Adv.
For Respondent : Digvijay Anand, Adv.

Order Pronounced On: 31.07.2023

ORDER**Per: Shri Deep Chandra Joshi, Judicial Member**

1. This Application has been filed by the Transport Corporation of India Limited for its division TCI Freight through its authorised representative Mr. Prashant Panda ('Operational Creditor/ Applicant'), seeking to initiate Corporate Insolvency Resolution Process ('CIRP') against Shree R. N. Metals (India) Private Limited ('Corporate Debtor / Respondent'), under Section 9 of the Insolvency and Bankruptcy Code, 2016 (the 'IBC'/ 'Code') read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 ('Rules'). A copy of the Board Resolution authorising the authorised signatory is annexed on Page No. 11 – 14 of the Application.
2. The Applicant, M/s Transport Corporation of India Limited, is engaged in the business of providing logistics services to various commercial and retail clients. Its registered office is located at Flat No. 306 & 307, 1-1-8-201-203, 3rd Floor, Ashoka Bhopal Chambers, SP Road, Secunderabad, Telangana – 500003. The alleged default on the part of the Respondent for the non-payment of operational dues amounting to Rs. 8,81,566/- (Rupees Eight Lakhs Eighty-One Thousand Five Hundred and Sixty-Six Only) along with interest payable @ 18% per annum.
3. The Corporate Debtor, M/s Shree R.N. Metals (India) Private Limited, is a Private Company incorporated under the Companies Act, 1956 on

22.04.1997, having CIN: U17118RJ1997PTC013602. The Respondent has its registered office at G1-4, G-22 and B1-4, Subham Apartment, Plot No.2, Central Spine, Vidhyadhar Nagar, Jaipur, Rajasthan – 302023. The Corporate Debtor has an Authorised Share Capital of Rs. 5,00,00,000/- (Rupees Five Crores Only) and Paid-Up Share Capital of Rs. 3,82,77,800/- (Rupees Three Crores Eighty-Two Lakhs Seventy-Seven Thousand Eight Hundred Only). A copy of the Corporate Debtor's Master Data as per the Ministry of Corporate Affairs is annexed on Page No. 57 – 62 of the Application.

4. The details of the transactions leading to the filing of this Application are averred by the Applicant *vide* Diary No. – 1004/2019 dated 31.05.2019 are as follows:
 - a. The Respondent, who is engaged in the business of manufacturing, supply, and export, approached the Applicant for providing transportation and logistics services for their consignments of its business products such as Grinding Media Balls, Hyper Steel Grinding Media Balls, Forged Steel Grinding Media Balls and High-Chrome Steel Grinding Balls within India.
 - b. The Respondent placed various work orders for their consignments from November 2010. Against these work orders, the Applicant raised various invoices. Of such raised invoices, 12 Invoice ('Invoices') amounting to Rs. 6,89,236/- (Rupees Six Lakhs Eighty-Nine Thousand

Two Hundred and Thirty-Six Only) from 25.11.2016 to 10.10.2017 remained unpaid and same is reproduced below for ease of reference. A copy of the Invoices is annexed on Page No. 15 – 39 of the Application.

S. No.	Bill No.	Bill Submission Date	Due Date	Amount (in Rupees)
1.	100202469	25.11.2016	25.12.2016	55,000/-
2.	100231484	12.07.2017	10.09.2017	31,000/-
3.	100232595	26.07.2017	24.09.2017	58928/-
4.	100232596	26.07.2017	24.09.2017	74140/-
5.	2808200345	12.08.2017	11.10.2017	64290/-
6.	2808200346	12.08.2017	11.10.2017	76,125/-
7.	2808200347	12.08.2017	11.10.2017	64,960/-
8.	2808200348	12.08.2017	11.10.2017	61,074/-
9.	2808200572	28.08.2017	27.10.2017	72,500/-
10.	2808201139	25.09.2017	5.10.2017	60,000/-
11.	2808201500	02.10.2017	01.11.2017	61,620/-
12.	2808201504	10.10.2017	09.12.2017	10,500/-
Total Invoiced Amount				6,90,137/-
Total Outstanding Amount*				6,89,236/-

* Total Outstanding Amount is arrived after adjusting Rs. 901 as per the books of accounts maintained in the due course of business of the Applicant.

- c. As per the terms of the Invoice, it was agreed that payment is to be made within the stipulated time from the date of the invoice issued to the Respondent failing which an interest @18% per annum would be charged. Thus, the Applicant is claiming interest on the Invoices amounting to Rs. 1,92,330 (Rs. One Lakh Ninety-Two Thousand Three Hundred and Thirty Only).
- d. The Applicant, in pursuance of the above cause of action, as per Rule 5 of the Rules, issued a Demand Notice dated 26.10.2021 ('Demand

Notice') to the Respondent through speed post on the registered office address of the company and marketing office addresses, including Directors of Respondent. The Demand Notice under Section 8 of the IBC stated unpaid Operational Debt as Rs.6,89,236/- (Rupees Six Lakhs Eighty-Nine Thousand Two Hundred and Thirty-Six Only) along with the interest @18% per annum. The notice called for the immediate payment of the operational due within ten days from receipt of the Demand Notice failing which proceedings to initiate CIRP against the Respondent's company was stated to start. A copy of the Demand Notice dated 29.11.2018 annexed on Page No. 44 – 49 of the Application. Further, the proof of service of the Demand Notice delivered on 04.12.2018 and its tracking report is filed on Page No. 50 – 56 of the Application.

- e. The Operational Creditor filed a copy of the certificate, under Section 9 (3) (c) of the Code, from the financial institutions maintaining its accounts, confirming that there is no payment of an unpaid operational debt by the Corporate Debtor. A copy of the certificate is annexed on Page No. 43 of the Application. In addition, it has relied on the Ledger account of the Corporate Debtor maintained by the Operational Creditor in the ordinary course of its business. A copy of the ledger account is annexed on Page No. 40 – 42 of the Application.

- f. The aforementioned details as reflected in Part IV of the Application are as follows:

PART IV

PARTICULARS OF OPERATIONAL DEBT

1.	Total amount of debt, details of transactions on account of which debt fell due, and the date from which such debt fell due	Total amount of debt due: Rs. 8,81,566/- (Rupees Eight Lakhs Eighty-One Thousand Five Hundred and Sixty-Six Only)
2.	Amount claimed to be in default and the date on which the default occurred	Amount Claimed to be in default: Rs. 8,81,566/- [#] Total Principal Amount: Rs. 6,89,236/- Total Interest Due: Rs. 1,92,330/-* Date from which Debt fell Due: 22.11.2016

* Calculated the Interest Amount @18% p.a. from the period of 22.11.2016 to 07.04.2019.

Computation of the Amount to be claimed from the Corporate Debtor is calculated from the debt fell due on the date of each bill.

5. During the course of the proceedings, it was directed by this Adjudicating Authority *vide* Order dated 25.07.2019 to place on record the response filed by the Corporate Debtor in response to the notice under Section 8 of the IBC. Thus, the Operational Creditor filed an Additional Affidavit *vide* Diary No. 1618/2019 dated 21.08.2019, stating the following:
- a. The Corporate Debtor is trying to escape its liability by allegedly raising disputes which never existed. The concerned officials of the Applicant had been pursuing the status of its pending operational dues with the Corporate Debtor while it was making false promises on one pretext or another. The same is substantiated through an Email dated 06.01.2018

along with email communication which is reproduced for ease of reference:

'I am directed to inform you that due to blockage of funds in some unit, we are facing problem. Kindly bear with us. We are perusing these company(s) very hard. We are trying our level best and likely to start payment from March 2018.'

A copy of email communication between the parties is annexed as Annexure – 1 of the Additional Affidavit on Page No. 94 – 105.

- b. Further, the Applicant had earlier filed an application under Section 9 of the Code titled *TCI Freight v. Shree R. N. Metals (India) Pvt. Ltd., IB – 71/9/JPR/2018* wherein the demand notice dated 26.06.2018 was neither reverted nor any dispute was raised within stipulated time by the Corporate Debtor. However, it was withdrawn on 16.11.2018 as the said application was filed against not only the Corporate Debtor but also the proprietorship firm. A copy of the Order dated 16.11.2018 is annexed as Annexure – 2 of the Additional Affidavit.
- c. Meanwhile, the Respondent assured the Applicant of a One Time Settlement ('OTS') and shall clear all its pending dues shortly. However, the Corporate Debtor has written a complaint letter dated 19.11.2018 ('Compliant Letter') alleging that the products transported by the Operational Creditor were not in the best condition. Resultantly, it was not able to recover the full amount from the purchaser(s) of the

product. Given the Applicant's assurance for compensating losses arising out of its own accord, the Respondent has debited the ledger account of the Applicant with no pending dues remaining. A copy of the Complaint Letter is annexed as Annexure – 3 of the Additional Affidavit.

- d. Consequently, it issued the present Demand Notice dated 29.11.2018. The response of the Corporate Debtor was after the expiration of ten days statutory notice period. The Respondent did not acknowledge the aforementioned Demand Notice, and the same was answered *via* Response Letter dated 17.12.2018 ('Response Letter'). This Response Letter was received on 19.12.2018. A copy of the Response Letter is annexed as Annexure – 4 of the Additional Affidavit. It intimated the Applicant about the Letter dated 19.11.2018 *via* an Email dated 20.11.2018 for incurring loss due to faulty services. Hence, it issued a debit note on 01.12.2018 amounting to Rs. 27,08,000/- (Rupees Twenty-Seven Lakhs and Eight Thousand Only). However, it is alleged that such a frivolous dispute was raised only after the Applicant demanded the recoverable operational dues.

6. Consequent to the notice issued by this Adjudicating Authority, the Respondent filed its Preliminary Objections and Reply *vide* Diary No. 81/2020 dated 15.01.2020 stating as follows:

- a. The Respondent contended that the Applicant/Operational Creditor has not approached with clean hands and suppressed various material facts. The present application has been filed with an ulterior motive to extract further amount which is neither due nor payable. Thus, the present application is liable to be dismissed.
- b. The Letter dated 19.11.2018 puts forth the intimation of the complaint by the Respondent regarding deficiency in the service and damage of goods during the transportation. A copy of the Letter dated 19.11.2018 is annexed as Annexure – R1 of the Preliminary Objections and Reply. Resultantly, it issued a Debit Note No. SRNM/18-19/101 dated 01.12.2018 *vide* Letter dated 01.12.2018 amounting to Rs.27,08,000/- (Rupees Twenty-Seven Lacs Eight Thousand Only) in lieu of the damage of the goods given the non-recovery of the full amount from its purchasers despite paying higher risk surcharge. A copy of the Letter dated 01.12.2018 including the Debit Note is annexed as Annexure – R2 of the Preliminary Objections and Reply.
- c. Further, not only is the present application incomplete, improper, and defective but also has been filed with malicious intent as provided under Section 65 of the Code as there is a pre-existing dispute between the parties to the case.

7. In support of the Preliminary Objections and Reply, the Corporate Debtor filed an Additional Affidavit *vide* Diary No. 3783/2022 dated 20.12.2022 and stated as follows:

- a. The Corporate Debtor is registered as ‘Small Industries’ under the Micro, Small and Medium Enterprise Development Act, 2006 (‘MSME Act’) with District Industries Centre (Rural), Jaipur bearing Registration No. 17/13/62931/PMT/SSI. A copy of the Registration Certificate dated 03.11.2000 is annexed as Annexure – 1 of the Additional Affidavit.
- b. The Operational Creditor filed the present application for recovery of operational dues while actively participating with the business of the Corporate Debtor *vide* Goods Receipt No. 447423093 dated 03.12.2022 for transporting the goods from the factory of the Corporate Debtor at Jaipur to Tamil Nadu Minerals Limited, P. O. Sivagangai – 630561, Tamil Nadu. A copy of the invoices issued by the Operational Creditor is annexed as Annexure – 2 of the Additional Affidavit.
- c. Further, the amount for goods transported and damaged by the Operational Creditor to the purchasers of the goods is still outstanding. A copy of the email communications is annexed as Annexure – 9 of the Additional Affidavit. Hence, the Respondent has filed an application against the purchaser, M/s Hindustan Copper Limited (‘HCL’) for recovering its outstanding amount of Rs. 18,55,390/- (Rupees Eighteen

Lakhs Fifty-Five Thousand Three Hundred and Ninety Only) for Invoice No. 212 dated 10.12.2016 and Invoice No. 222 dated 23.12.2016 before Micro and Small Enterprises Facilitation Council, Jaipur ('MSEFC') bearing Case No. RJ/17/S/RJS/01181. The copy of the Application and Order dated 28.09.2022 along with UDYAM – Registration Certificate No. UDYAM-RJ-17-0015036 are annexed as Annexures – 3, 4 and 5 of the Additional Affidavit, respectively.

- d. Furthermore, the present application is barred by the principles of *Res Judicata* as per Order dated 16.11.2018, the Operational Creditor has withdrawn the CP No. 71/9/JPR/2018 ('First Application') against the Corporate Debtor on 16.11.2018, whereby no liberty was granted to the Operational Creditor for filing any fresh application. A copy of the Order dated 16.11.2018 in the First Application is annexed as Annexure – 6 of the Additional Affidavit.
- e. Thus, the Application is filed against the true object and scope of the Code. The Corporate Debtor has supplied goods to various NTPC and other state electricity boards and is a solvent company employing, generating, and contributing to the economy of the nation. The copy of the paid-up capital and the work orders executed/pending for the last five years are annexed as Annexures – 7 and 8 of the Additional Affidavit.

8. Subsequently, the Corporate Debtor, *vide* Diary No. 3844/2022 dated 30.12.2022, has placed on record the Orders of the Hon'ble Rajasthan High Court, Jaipur Bench ('High Court Orders'). The High Court Orders pertains to the staying of the operation of the MSEFC's Order dated 25.09.2018 against the HCL in SB Civil Writ Petition No. 25492 of 2018. A copy of the High Court Orders is annexed as Annexures – 1, 2 and 3.
9. The Operational Creditor was permitted to file a counter affidavit *vide* Order dated 21.12.2022 clarifying additional facts averred by the Corporate Debtor in its Additional Affidavit and the same was filed *vide* Dairy No. 501/2023 dated 22.02.2023, stating the following:
 - a. The contention of the Corporate Debtor regarding the goods being transported and delivered in the damaged conditions is in contradiction with the facts and circumstances given to the Respondent before the Response Letter and has not raised any issues in respect of transportation and delivery. The Response Letter is an afterthought to the First Application as established through an Email dated 06.01.2018.
 - b. However, these promises turned out to be empty. Consequently, the Operational Creditor issued Demand Notice dated 26.06.2018 under First Application for repaying entire operational dues wherein no dispute was raised. Nevertheless, the First Application was withdrawn on 16.11.2018 for the reason that the said application was filed against the Corporate Debtor as well as the authorised person's proprietorship.

- c. The continuation of the business relationship with the Corporate Debtor does not bar the Applicant to file an application under Section 9 of the Code when such actions of the Corporate Debtor induce a contrary inference against it. These actions of the Corporate Debtor do not suggest that it is once bitten, twice shy. In addition, the pendency of the dispute between the Respondent and its purchaser before the competent *fora* has no adverse bearing in the present application despite the ad interim stay given by the Hon'ble Rajasthan High Court to the purchaser, HCL.
10. The Applicant filed its Written Submission *vide* Diary No. 1247//2023 dated 18.05.2023 reiterating the submission while relying on the following:
- a. *Kandapazha Nadar & Ors. v. Chitraganiammal & Ors.*, Civil Appeal No. 5107 of 2000.
 - b. *Deepak Modi v. Shelfayo Industries Private Limited*, Company Appeal (AT) (Insolvency) No. 1019 of 2022.
 - c. *Naresh Shantilal Shah v. Malharshanti Enterprises*, Company Appeal (AT) (Insolvency) No. 415/2020.
 - d. *Dinesh Gupta v. Hajura Singh Bhim Singh & Anr.*, Company Appeal (AT) (Insolvency) No. 99 of 2018.
 - e. *Jose Samuel, Prop. of M/s Thankam Cashew Factory v. M/s Royals International Trade & Allied Products Private Limited*, CP (IB)/39/KOB/2021.
11. The Corporate Debtor filed its Written Submission *vide* Diary No. 1538/2023 dated 14.06.2023, reiterated its early submissions and has relied on the following judgments:

- a. *Sarguja Transport Service v. State Transport Appellate Tribunal & Ors.*, (1987) 1 SCC 5.
 - b. *Mobilox Innovative Private Limited v. Kirusa Software Private Limited*, (2018) 1 SCC 353.
 - c. *M/s Patel Engineering Limited v. North Eastern Electric Power Corporation Limited*, Special Leave Petition Nos. 3584-85 of 2020.
 - d. *K. Kishan v. Vijay Nirman Company Pvt. Ltd.*, Civil Appeal No. 21824-25 of 2017.
 - e. *M/s SEW Nafra Power Corporation Limited & Anr. v. State of Arunachal Pradesh & Ors.*, Writ Petition No. 302 of 2019.
 - f. *M/s Wonder Cement Limited v. Rameshwar Pratap Singh, dead through his LRs & Ors.*, Civil Revision No. 596 of 2022.
 - g. *Unistill Alcoblends Pvt. Ltd. v. India Brewery & Distillery Pvt. Ltd.*, Company Appeal (AT) (Insolvency) No. 162 of 2019.
12. We have heard the Learned Counsels for the parties and perused the averments made in the Application, Reply, Additional Affidavits, Written Submissions, and the Documents enclosed with the Application.
13. It is abundantly clear from the documents produced before us that the Respondent has defaulted in making full payments against the goods provided by the Operational Creditor.
14. In the instant case, the Corporate Debtor has admitted that it has availed the services of the Operational Creditor for transporting the goods as per the terms and prevailing mercantile practices in due course of business. The Corporate Debtor had many chances to raise disputes regarding the quality of the services provided by the Applicant during and immediately after the

completion. Instead, the Respondent *vide* Email dated 06.01.2018 had acknowledged the services provided and requested an extension. Further, it raised no dispute all through the First Application when the demand notice dated 26.06.2018 was raised within the stipulated time by the Applicant.

15. The first complaint raised by the Respondent was on 19.11.2018 alleging substandard services provided for the goods after the lapse of more than a year. However, the exercise of such rights at this belated stage of litigation denies any equity in favour of the Respondent, even more so, where it fails to substantiate the claims/rights given lack of evidence and proof. Additionally, in its Reply, Corporate Debtor's conduct is apparent on record through its business accounts maintained in the existing course of business where it issued the debit note dated 01.12.2018 for the quality of service as an afterthought to keep Operational Creditor at bay to recover its operational dues.
16. In the present case, any subsequent claims are not tenable, thus, there exists no dispute regarding the quality of services provided. Further, if the Corporate Debtor used the services, later he cannot take the defence of services being sub-standard and avoid making the payment. Furthermore, the Hon'ble Supreme Court, in *Erach Boman Khavar V. Tukaram Shridhar Bhat (2013)15 SCC 655*, has held that the doctrine of res judicata can only apply when there has been a conscious adjudication of the issue on merits:

'39. From the aforesaid authorities, it is clear as crystal that to attract the doctrine of res judicata it must be manifest that there has been a conscious adjudication of an issue. A plea of res judicata cannot be taken aid of unless there is an expression of an opinion on the merits. It is well settled in law that principle of res judicata is applicable between the two stages of the same litigation but the question or issue involved must have been decided at earlier stage of the same litigation.'

17. This Adjudicating Authority has perused all the relevant papers and found them in order. The Registered Office of the Respondent is situated in Jaipur; therefore, this Adjudicating Authority has jurisdiction to entertain and try this Application. Further, this matter is within the purview of the Laws of Limitation, as the cause of action arose on 22.11.2016, and the Application was filed before this Adjudicating Authority on 31.05.2019. Hence, the period of three years after the Default occurred had not been exhausted at the time of filing this Application. Therefore, the present Application has been filed within the prescribed period of limitation.
18. The first issue for consideration is whether the demand notice in Form No. – 3 dated 29.11.2018 was served upon the Respondent. The demand notice was sent *via* a speed post on 01.12.2018 to the corporate debtor and its directors. The postal receipt and tracking slip is attached on Page 50 – 56 of the Application.
19. The next issue for consideration is whether the Respondent disputed the operational debt. The Respondent Corporate Debtor has filed a reply and contended that they had been dissatisfied with the service quality. However,

they have not submitted any authentic communication to substantiate the same. Thus, as per documents placed on record with the adjudicating authority, there is no dispute as to the outstanding liability of the Respondent Corporate Debtor towards the Applicant Operational Creditor.

20. We have gone through the contents of the Application filed in Form No.5 and found the same to be complete. As discussed above, there is a total unpaid operational debt (in default) of Rs. 8,81,566/- (Rupees Eight Lakhs Eighty-One Thousand Five Hundred and Sixty-Six Only), including the interest @ 18% per annum. It is observed that the Operational Creditor has issued various invoices (Pages No. 15 – 39 of the Application) for services provided to the Respondent/ Corporate Debtor. Applicant/ Operational Creditor has given demand notice in Form – 3 dated 29.11.2018, duly served on the Respondent Corporate Debtor. This Adjudicating Authority has held above that the Operational Creditor correctly delivered the demand notice in Form No.3, and no pre-existing dispute is proved.
21. It has been shown that the Corporate Debtor has failed to make payment of the aforesaid amount due as mentioned in the statutory notice to date. It is also observed that the conditions under Section 9 of the Code stand satisfied. Hence, this Adjudicating Authority is inclined to commence CIRP against the Corporate Debtor as envisaged under the provisions of IBC, 2016.
22. Under sub-section (4) of Section 9 of the Code, the Operational Creditor may propose the name of a Resolution Professional to be appointed as

Interim Resolution Professional ('IRP'), but it is not obliged to do so. In the instant case, the Operational Creditor has not proposed the name of any person to be appointed as IRP. Hence, this bench will appoint the IRP from the pool of RPs empanelled with the IBBI. Therefore, the bench is appointing Mr. Shyam Sundar Maheshwari, bearing Registration No. IBBI/IPA-001/IP-P-02115/2020-2021/13321 with the e-mail address MHSWR.SHYAM@gmail.com as the IRP in the present matter.

23. The credentials of the IRP have been checked from the IBBI website, and nothing adverse is found on record. The said IRP is directed to file the written consent to act as an interim resolution professional in Form-2 provided under Rule 9 of the Insolvency and Bankruptcy Board of India (Application to Adjudicating Authority) Rules, 2016.
24. In this matter, the Interim Resolution Professional appointed herein, Mr. Shyam Sundar Maheshwari, shall exercise all the powers enumerated under the Code read with Rules made thereunder. The Applicant shall provide a copy of the Application, if not provided already, along with this Order to IBBI for its records.
25. The IRP is directed to take all such steps as are required under the statute, inter-alia in terms of Sections 15, 17, 18, 19, 20, and 21 of the Code, and transact proceedings with utmost dedication, honesty and strictly under the provisions of the Code, and Rules and Regulations thereunder.
26. Consequences of commencement of CIRP shall be inter-alia as follows:

- a. The IRP appointed by the Adjudicating Authority, Mr. Shyam Sundar Maheshwari, is directed to take over the affairs of the Corporate Debtor and duties as required to be performed by him under the provisions of the Code including the issue of a publication in widely circulated Newspapers as contemplated under the provisions of the Code and calling for claims from the creditors of the Corporate Debtor; and collation of the same shall be done.
- b. Further, as a sequel of admission, a moratorium, as envisaged under Section 14 of the Code, is invoked concerning the Corporate Debtor, which will be in vogue during the CIRP of the Corporate Debtor. The IRP shall carry out CIRP strictly as per the timelines specified and as envisaged under the provisions of the Code concerning the Corporate Debtor.
- c. The said IRP shall act strictly following the provisions of the Code, and to defray his expenses to be incurred and fees on the account, the Applicant is directed to deposit a sum of Rs. 2,00,000/- (Two Lakhs Only) to the bank account of IRP within two weeks from the date of this Order. This amount shall be proportionately contributed and reimbursed to the Applicant upon forming a Committee of Creditors.
- d. The IRP shall duly file a status report apprising this Adjudicating Authority about the progress of CIRP concerning the Corporate Debtor. In terms of Sections 17 and 19 of the Code, all personnel of the

Corporate Debtor, including promoters and Board of Directors, whose powers shall stand suspended, shall extend all cooperation to the IRP during her tenure as such and the management of the affairs of the Corporate Debtor shall vest with the IRP.

- e. In terms of Section 9 of the Code, this order shall be communicated at the earliest, not exceeding one week from today, to the Applicant, Corporate Debtor, as well as the IRP appointed by this Adjudicating Authority to carry out CIRP. The Applicant and his counsel are directed to serve a copy of this order along with a copy of the Application and documents on the Resolution Professional by all modes for information.

A copy of this order shall also be communicated to IBBI for its records.

27. The Registry is directed immediately to send a soft copy of the instant Application along with this order to the IRP nominated herein on his e-mail id. Accordingly, CP No. (IB) – 130/9/JPR/2019 is admitted.

-Sd-

**DEEP CHANDRA JOSHI,
JUDICIAL MEMBER**

-Sd-

**ATUL CHATURVEDI,
TECHNICAL MEMBER**