



**IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH
COURT III**

C.P. No. 969/IBC/MB/2020

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

In the matter of

**M/s Karveer Nivasini
Engineers & Suppliers**

SD Israni Law Chambers 322,
Tulsiani Chambers, Free Press
Journal Marg, Nariman Point,
Mumbai- 400021

.....Financial Creditor

Vs

**M/s Popular Steel Works and
Agricultural Implements Private
Limited**

(CIN: U29211MH1994PTC083651)
Registered office at: 1325/1K/1
Shivaji Udyamnagar Kolhapur-
416008

.....Corporate Debtor

Reserved for Order: 28.02.2023

Order delivered on: 28.04.2023



Coram:

Hon'ble Shri H.V. Subba Rao, Member (Judicial)

Hon'ble Madhu Sinha, Member (Technical)

For the Operational Creditor: Mr. Vivek Punjabi, Advocate

For the Respondent: Mr. Rudresh Jagdale i/b Adv. Rohit Dilip
Mangsule, Advocate

Per: Shri H.V. Subba Rao, Member (Judicial)

1. This Company petition is filed by M/s Karveer Nivasini Engineers & Suppliers (hereinafter called "Operational Creditor") seeking to initiate Corporate Insolvency Resolution Process (CIRP) against M/s Popular Steel Works and Agricultural Implements Private Limited (hereinafter called "Corporate Debtor") by invoking the provisions of Section 9 Insolvency and bankruptcy code (hereinafter called "Code") read with Rule 6 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for resolution of an unresolved Financial Debt of Rs. 1,21,64,716.63/- (Rupees One Crore Twenty One Lacs Sixty Four Thousand Seven Hundred Sixteen and Paise Sixty Three only).
2. The submissions of the Financial Creditor are follows:-
 - 2.1. Operational Creditor/Operational Creditor is engaged in the business of distribution of Bearings, Needle Roller bearings, Spinning Mills and Special Types Bearings, Hardware and Steel Materials, Seamless tubes, Hydraulics and Boiler Tubes and E.R.W. pipes.
 - 2.2. As per the requirement of Corporate Debtor, the material such as Material/goods Ball Bearing, Carriage Bolts, Hex Bolts, etc. was supplied from time to time as per the request of Corporate Debtor. The Operational Creditor, simultaneously with the delivery of the said



material, raised invoices against supply of the material (hereinafter referred to as the “said Invoices”).

- 2.3. All material supplied as the said Invoices were duly received, inspected and accepted by Respondent till date there has been no dispute raised on the quantity as well as quality of the products supplied from time to time.
- 2.4. As per the terms of the said Invoices, the payment was due and payable within fifteen days from the date of invoice. However, Respondent continued purchasing the material from Operational Creditor against part payment towards invoices just to ensure that further supplies are made by Operational Creditor.
- 2.5. Officers from Operational Creditor were regularly following up the issue of overdue payments with the officers of the Respondent Company and numerous oral requests were made to pay the amounts overdue. The Operational Creditor vide phone calls reminded and called upon the Respondent to make payment of the aforesaid outstanding bill amounts, and on which the Corporate Debtor assured that they will clear the outstanding payment as soon as possible. However, as on date an amount of Rs. 1,21,64,716.63/- (without interest is due).
- 2.6. For financial years 2011-12, 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17, Respondent have issued “Confirmation of Balance for Year ending March 31” every year. The said confirmation of balance letters are token of Respondent’s acknowledgement of the total amount due and payable which are as under:-



Sr. No.	Date of Letter	Balance Confirmed as outstanding (Rs.) as on march 31
1.	May 15, 2017	1,21,64,716.63
2.	May 22, 2016	1,20,08,204.63
3.	May 30, 2015	1,19,63,317.13
4.	May 3, 2014	1,23,13,317.13
5.	April 18, 2013	1,03,35,243.13
6.	April 17, 2012	50,72,316.13

2.7. The Respondent has not paid any part of the outstanding amount after the payment in February 2017 and the said sum is expected to be recovered with an interest at 18% at least. Therefore, an amount of Rs. 1,21,64,716.63/- and interest at the rate of 18% p.a. i.e. Rs. 64,72,962.37 totaling Rs. 1,86,37,679.00/- is still due and payable by Respondent.

2.8. Operational Creditor issued Demand Notice dated 06 February, 2020 under the Insolvency and Bankruptcy Code, 2016 to the Corporate Debtor. The said Demand Notice was sent by RPAD and was duly received by the Corporate Debtor.

2.9. Respondent Company sent a reply to the demand notice through speed post and was received by the Operational Creditor.

3. The Corporate Debtor filed affidavit in reply opposing the admission of the Company Petition. The submissions of the Corporate Debtor are as follows:



Whether interest can be debt?

- 3.1. Corporate Debtor submits that it is an admitted position that there is an absence of a written contract between the parties. Corporate Debtor further submits that the Operational Creditor herein is seeking interest which it had unilaterally charged by way of invoices. For the sake of necessity that these invoices were not stamped, did not bear the company seal and were never communicated to the Respondent. It is apparent that all invoices as annexed by the Operational Creditor to the Claim Application are bogus and fake. It is no more res integra that in the absence of a clear written contract, as is the case of deeming an invoice a contract, interest cannot be construed to be a debt as the provisions of IBC cannot be interpreted to function as a mechanism to recover the claim of interest by operational creditor, Moreover, it has been held that the provisions of the Code ought not be allowed as a recovery mechanism or to recover the claim of interest.
- 3.2. The NCLT lacks pecuniary jurisdiction Corporate Debtor submits that in light of the above, it is clear that this Tribunal lacks pecuniary jurisdiction to hear or adjudge the present petition. The charging of Interest on an outstanding Debt ought to be an Actionable Claim so that the same is admissible under the eyes of Law. It is also necessary that the rate of Interest should also be agreed upon between the Parties. The interest cannot be awarded merely on the basis of a term in a bill or invoice, unless the Creditor proves that such provision is based on a contract or agreement on the part of the purchaser to pay interest. This is because a



credit bill or an invoice is a unilateral demand by the supplier and is neither a bilateral agreement nor a promise by the purchaser to pay interest. Such agreement may be established with reference to correspondence, or by countersigning of the bill by the purchaser, or by acceptance by the purchaser of the term in the bill relating to interest. The Corporate Debtor submits that there is no circumstance or correspondence to show or indicate that there was an understanding with respect to payment interest rate.

Existence of a dispute

- 3.3. It is evident that the Respondent vide its reply to the Demand Notice issued by the Operational Creditor had raised a dispute. Despite the communication of existence of dispute, the Operational Creditor proceeded to file the petitioner. It is no more res integra that once the operational creditor has filed an application, which is otherwise complete, the adjudicating authority must reject the application under Section 9(5)(2)(d) if notice of dispute has been received by the operational creditor or there is a record of dispute in the information utility. It is clear that such notice must bring to the notice of the operational creditor the “existence” of a dispute or the fact that a suit or arbitration proceeding relating to a dispute is pending between the parties.
- 3.4. The Corporate Debtor further submits that this Hon’ble Tribunal ought to see at this stage is whether there is a plausible contention which requires further investigation and that the “dispute” is not a patently feeble legal argument or an assertion of fact



unsupported by evidence. It is no more *res integra* that this Hon'ble Tribunal does not need to be satisfied that the defence is likely to succeed. The Court does not at this stage examine the merits of the dispute except to the extent indicated above.

Fluctuation never communicated

- 3.5. The Corporate Debtor submits that the nature of the entire transaction and the liability allegedly owed to the Operational Creditor arises out of the illegal actions of the Operational Creditor. The Respondents were not informed about the failure of the adjustment of payments made by the Operational Creditor. Corporate Debtor further submit that considering the relationship between the parties which had continued since 2002 and the fact that one of the employees of the Respondent was always privy to the transaction, the Respondent had no reason to verify the transaction. However, once the Respondent came to the realization that the Operational Creditor in connivance with one of its employees had misappropriated large sums of money from the Respondent, the Respondent took appropriate action against the Operational Creditor and the Respondent's employees.

The Operational Creditor is guilty of *suppresio vari suggestio falsi*

- 3.6. Corporate Debtor submits that the Operational Creditor are guilty of *suppresio vari suggestio falsi*. The Operational Creditor has deliberately failed to bring it to the attention of this Hon'ble Tribunal the illegalities committed by the Operational Creditor. The Operational Creditor has suppressed its illegal acts



committed by it to unlawfully enrich itself as well its own breach and has intentionally left out. The same from the Petition filed before this Hon'ble Tribunal.

- 3.7. The Respondent Company is renowned and reputed and is engaged in production and manufacturing of agricultural implements for last more than 150 years.
- 3.8. The Respondent Company purchased Needle Roller Ball Bearing Inner Roller from the Operational Creditor Company and has been paying the amount as claimed by the Operational Creditor Company regularly. It is submitted that the Operational Creditor Company had been supplying goods to the Respondent Company from the year 2007 to 2012.
- 3.9. That all purchases for the Respondent company were executed through its former Purchase Manager, namely Sh. Pradip Satham, who was in continuous service of the Respondent company from year 1996 onwards and from thereafter used to regularly place orders on behalf of the Respondent Company and used to fix the rates at which payments were received by the Suppliers, like the Appellant firm herein.
- 3.10. Since the Financial Year (FY) 2007-2008 the Respondent Company used to purchase various parts required for manufacturing agriculture implements from the Appellant firm. The purchases included bearings set no. 4917 and 3055 ("needle roller ball bearing inner roller"). The said sets were sold to the Respondent by the Appellant at highly inflated prices ranging from Rs. 2,250-2,400 per unit, whereas the market price of the same was later in the year 2012 discovered to be merely Rs. 950/- (Rs. Nine Hundred



and Fifty Only) by the management of the Respondent Company which rate was duly accepted as being the correct market rate by the Appellant company. Thus, in and around the year 2012 it came to the knowledge of the Respondent company that the market price of the said goods was only Rs. 950/- per set and that they were being cheated by the Appellant firm which was charging an excess amount of Rs. 1,450/- over and above the market price of Rs. 950/- Only. Thus, it was duly discovered that the Appellant in connivance with Sh. Pradip Satham had wrongly cheated and done wrongful enrichment of the monies paid in excess by the Respondent as and when called upon and in good faith of Sh. Pradip Satham.

- 3.11. It is submitted that as per the above noted facts and circumstances it is evident that the Appellant had cheated and had wrongfully enriched itself with an excess amount of around Rs. 3,38,22,550/- (Rs. Three Crores Thirty-Eight Lakhs Twenty- Two Thousand Five Hundred and Fifty Only). Upon being confronted with the said facts and circumstances the management of the Appellant firm duly assured that the wrongly enriched amount of Rs. 1,450/- per set, total of Rs. 3,38,22,550/- (Rs. Three Crores Thirty-Eight Lakhs Twenty-Two Thousand Five Hundred and Fifty Only) would be adjusted against future orders from 2012 onwards. It was also decided that henceforth the price of each set would only be in consonance with the market price, i.e., Rs.950/-, which fact duly finds support in the invoices raised by the Appellant after 2012. From 2013 onwards the Respondent Company



has made regular payments in accordance with the invoices raised.

- 3.12. That as per the terms agreed as noted above from 2012 onwards the Appellant provided the said goods at a retail price of Rs. 950/- per set only, however even after repeated reminders miserably neglected in adjusting the illegally enriched amount of Rs. 3,38,33,550/-.
- 3.13. The Corporate Debtor submits that being aggrieved by the fraud committed by the Appellant firm and Mr. Pradeep Satam who at the relevant time was working as a purchases Manager with the Respondent Company, the management of the Respondent company filed an FIR bearing No. 253 of 2020 at Rajarampuri Police Station Kolhapur under Section 406, 409 read with Section 34 of Indian Penal Code, 1860 against Ashish Vankudre, Sunil Vankudre, Santosh Vankudre, Pramila Vankudre and Pradeep Satam.
- 3.14. The Ld. Sessions Court of Kolhapur rejected the Anticipatory Bail Application filed by the abovementioned Accused(s) in regard to FIR bearing No. 253 of 2020 thereby giving a judicial finding that prima facie fraud has been committed by the Accused upon the Respondent Company by manipulating the price of needle roller ball bearing inner roller' from the Appellant Company.
- 3.15. To the utter shock and surprise of the Respondent Company, whilst the Appellant Firm was giving oral assurances of repayment of the cheated amount, the Operational Creditor issued a demand notice calling upon the Respondent to pay an amount of INR 1,21,64,



716.63. The Corporate Debtor further submit that the existence of dispute inter-se was communicated to the Operational Creditor vide its reply dated 24.02.2020. Despite of the same, the subject Company Petition (original Petition) was filed seeking recovery of alleged monies due. The subject Company Petition was nothing but an attempt of the Operational Creditor Company to shy away from its liability to refund back sum of Rs. 3,38,22,500/- (Rupees Three Crores, Thirty-Eight Lakhs, Twenty-Two Thousand and Five Hundred. Only). The corporate debtor finally submits that the above Company Petition is baseless on lawful without merits and thus deserves to be dismissed with heavy cost.

FINDINGS

1. Heard Mr. Mr. Vivek Punjabi, counsel appearing for the Operational Creditor and Mr. Mr. Rudresh Jagdale i/b Adv Rohit Dilip Mangsule appearing for the Corporate Debtor and perused the record.
2. After hearing the submissions of both sides and upon perusing the pleadings and documents relied by both sides, the issue that requires to be framed and decided in the above Company Petition is:

Whether there are pre-existing disputes between the parties? and

Whether the above CP is liable to be dismissed on the above ground?

3. Before dealing with the above issue, it is important to mention here in brief the chequered career of the above case. Previously the above Company Petition was dismissed by this tribunal on



the ground of limitation vide order dated 20.01.2022 even though the Corporate Debtor remained ex-parte. Aggrieved against the above dismissal order, the operational creditor preferred an appeal in Company Appeal bearing No. 176 of 2022 before the Hon'ble NCLAT which was allowed by NCLAT vide its order dated 24.08.2022. The Hon'ble NCLAT while setting aside the earlier dismissal order remanded back the matter to this tribunal. The relevant paras of the order of Hon'ble NCLAT namely para 8 and 9 are extracted hereunder for ready reference:

Para:8

Letter dated 15th May, 2017 which has been relied on by the Learned Counsel for the Appellant have been filed as Annexure A-5 to the Application which is confirmation of balance for the year ending 21st March, 2017. Letter was issued on 15th May, 2017 hence the date of acknowledgment will be 15th May, 2017 to attract Section 18 of the Limitation Act. We thus are of the view that application filed under Section 9 on 01.05.2020 was well within three years from the acknowledgement under Section 18 given by balance confirmation on 15.05.2017. The mere fact that balance confirmation was given as on 31st March, 2017 shall not change the date of acknowledgment i.e. 15th May, 2017. In view of the balance confirmation, appellant was entitled for extension of limitation and Application having been filed within three years could not have been rejected as barred by time. We thus are of the view that Adjudicating Authority committed error in rejecting the application as barred by time. We set aside the Impugned Order dated 20th January, 2022, and



revive the Application CP No. 969/IBC/(MB)2020 before the Adjudicating Authority.

Para: 9.

Learned Counsel for the Respondent submits that Respondent could not file Reply earlier due to certain reasons and since the matter is now being sent back for fresh consideration, opportunity be given to file a Reply-affidavit on payment of costs of Rs. 50,000/- which shall be paid to the Appellant. The Reply-Affidavit can be filed within two weeks after payment of the cost to the appellant. The appeal is allowed to the above extent.

Therefore, it is very clear from the above order of the Hon'ble NCLAT that the Hon'ble NCLAT while specifically holding that the adjudicating authority has committed an error in rejecting the CP as barred by limitation remanded back the matter to this tribunal to decide the CP on merits on other pleas raised by the Corporate Debtor other than the limitation.

4. The Operational Creditor has clearly mentioned in part-IV of his petition to the effect that the outstanding amount of debt of Rs. 1,21,64,716.63 is determined from the running account of the Corporate Debtor maintained by the Operational Creditor. In order to substantiate his basis of running account, he has annexed the details of various invoices and the amounts due under the respective invoices in a tabular form covering from 12.04.2012 to 28.03.2017 annexed at page nos. 109 to 111 by showing the outstanding amount of Rs. 1,21,64,716.63/- at page 111. The Operational Creditor also claims that the above amount of Rs. 1,21,64,716.63/- was admitted by Corporate Debtor vide their letter dated 15.03.2017 as "Confirmation of



Balance For Year Ending 31.03.2017". Therefore, it is very clear from the above letter of confirmation of balance dated 15.03.2019 issued by the Corporate Debtor that the Corporate Debtor after verification on his account certified an amount of Rs. 1,21,64,716/- as due and payable to the Operational Creditor by them. It is also important to mention here that the Corporate Debtor did not dispute the above letter.

5. Now let us deal with the defence of the Corporate Debtor. The main defence of the Corporate Debtor both in the reply filed in the company petition as well as in their reply notice in response to the demand notice is that they found while verifying the invoices and bills that the same material supplied by the Operational Creditor in the year 2015 to 2017 at the rate of Rs. 950 per was charged at an exorbitant amount of 2250/- to 2400/- per unit from 2000 to 2015 by Operational Creditor. With the same allegations the Corporate Debtor also got registered an FIR through their purchase manager against the employees of the Operational Creditor in Crime No. 253 of 2020 by Rejarampuri Police Station, Kolhapur for the commission of offences punishable under Section 406 and 409 read with Section 34 of the Indian Penal Code.
6. The accused persons namely the employees of the Operational Creditor filed an Anticipatory Bail Application in Cri. Bail Application No. 481/2020 on the file of Sessions Court, Kolhapur, which was dismissed by the sessions court vide its order dated 03.07.2020 observing as follows:

Para: 19. Admittedly, accused No. 1 was previously serving as Purchase manager in the complainant company. He has already been arrested in his crime and after initial police custody remand, now he is in magisterial custody. According to the prosecution, all



the accused joined hands with each other and they committed criminal breach of trust in respect of huge amount. From the tax invoices filed on record, it appears that from the year 2007 to 2012, applicants were selling set of bearing No. 4917 and 3055 to the complainant company at the price of Rs. 2,500/-. I further find that after the year 2012, applicants started supplying same set of bearings to the complainant company at the price of Rs. 950/-. A judicial note can be taken that price of engineering goods would rise day-by-day. Price would not decrease by lapse of time. The fact that after the year 2012, applicants started delivering the same set of bearings at cheaper rate of Rs. 950/- ipso facto shows that earlier they had intentionally sold same set of bearings at higher rate of Rs. 2,500/-. Looking to the contents of FIR and material on record, prima facie the possibility of accused no. 1 joining hands with applicants in taking higher price of bearing cannot be ruled out. Definitely, complainant company being purchaser, had reposed faith on accused no.1- Purchase Manager and on vendors i.e. applicant, but prima facie it appears that by committing breach of that trust, accused persons took excess amount of Rs. 3,38,22,550/- from complainant company.

Para: 20. It is correct that material on record shows that from the year 2012 to 2017, complainant company issued confirmation letters in respect of balance amount to applicants. However, it is submitted that those letters were required to be issued for the purpose of audit and income-tax purpose. Merely on the ground



that confirmation letters were issued by complainant company, it dose not mean that they had no grievance about criminal breach of trust in respect of aforesaid amount.

Para: 21. It is correct that though according to the prosecution, in the year 2012 itself complainant company got some knowledge that accused persons were committing criminal breach of trust, but the FIR is lodged in the year 2020, it appears that delay has been somewhat explained in FIR. It is stated that since complainant company was having business relations with applicants and since they had assured to adjust the amount in future dealing, no complaint was earlier filed. It is stated in FIR that ultimately when applicants were not paying the amount, FIR is lodged. Even otherwise, aspect of delay can be better gone into at the time of trial. Merely for the delay in lodging the complaint, anticipatory bail cannot be granted.

7. Therefore, it is very clear from the above prima facie judicial findings of the sessions court that the Corporate Debtor got knowledge about the excess charging of the price of the material by the Operational Creditor in the year 2012 itself and filed the above criminal complaint in June, 2020 i.e. more than one month after filing the above Company Petition by the Operational Creditor on 01.05.2020 as an afterthought. Upon a specific query posed by this bench during the course of final arguments to the Counsel appearing for the Corporate Debtor, the counsel appearing for the Corporate Debtor confirmed that no suit is filed by the Corporate Debtor either for set off or recovery of excess amount charged by the Operational Creditor till date. In this context, it is important to mention here that the



limitation provided for recovery of any amount is three years from the date of cause of action. Sine it is the case of the Corporate Debtor that they have discovered the above fraud played by the Operational Creditor in 2012, the limitation for filing case for recovery of excess price charged by the Operational Creditor or set off is three years from the date of detecting the fraud. Therefore, the legal remedy of the Corporate Debtor for recovery of the amount from the Operational Creditor if at all the above allegation of Corporate Debtor is presumed to be true is clearly barred by limitation. It is very important to observe here that the Corporate Debtor being a business entity ought not to have confirmed the outstanding balance in May, 2017 i.e. 5 years after detecting the fraud. It is also important to observe here that the Corporate Debtor did not place any evidence before this tribunal to show that they have raised the above issue with the Operational Creditor prior to issuing demand notice by Operational Creditor nor any evidence to show that the Operational Creditor assured to clear the same which is the litmus test for deciding the pre-existence of dispute between the parties as per the law laid down by Hon'ble Apex Court in *Mobilox Innovations Private Limited Vs. Kirusa Software Private Limited in CIVIL APPEAL NO. 9405 OF 2017*. The Corporate Debtor having allowed their claim to be barred by limitation without initiating any legal proceedings estopped from raising the above plea once again in this case.

8. Of course, the Corporate Debtor successfully got registered an FIR against the employees of the Operational Creditor. The Sessions Court also prima facie observed that there is an inordinate delay of more than 8 years in lodging the FIR which is a separate issue to be decided by the Criminal Court. The mere registration of an FIR is not a substantive proof of the guilt of



the accused till the case ends in conviction and such conviction attains finality. Therefore, after careful examination of the above defence raised by the Corporate Debtor couple with above order of the Criminal Court and the reply filed herein, this tribunal has no hesitation in holding that the so-called theory of pre-existence of disputes is spurious and a mere shy defence only to avoid the clutches of IBC and the above contest of the Corporate Debtor dose not stand to the test of legal scrutiny.

9. In view of the above observations, this bench is of the considered opinion that the 'debt' and 'default' in this case stand proved and there is no valid ground to reject the same. Accordingly, the above Company Petition is admitted by passing the following:

ORDER

- a. The above Company Petition No. 969/IBC/MB/2020 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against M/s Popular Steel Works and Agricultural Implements Private Limited.
- b. Since the Operational Creditor has not suggested the name of IRP to perform the duties of the Interim Resolution Professional (IRP) in the petition, this Bench is appointing the IRP from the list furnished by the Insolvency and Bankruptcy Board of India (IBBI). This Bench hereby appoints **Mr. Prakash Dattatraya Naringrekar**, Insolvency Professional, Registration No: IBBI/IPA-002/IP-N00270/2017-18/10783, having email: prakash03041956@gmail.com and having phone no. (+91) 9322714508 as the interim resolution professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.
- c. The Operational Creditor shall deposit an amount of Rs. 5 Lakhs towards the initial CIRP costs by way of a Demand Draft



drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The IRP shall spend the above amount only towards expenses and not towards his fee till his fee is decided by COC.

- d. That this Bench hereby prohibits 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; transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; 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; 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. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- f. That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- g. That the order of moratorium shall have effect from the date of pronouncement of this order till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of section 31 or passes an order for liquidation of corporate debtor under section 33, as the case may be.



- h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- i. During the CIRP period, the management of the corporate debtor will vest in the IRP/RP. The suspended directors and employees of the corporate debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.
- j. Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.

Accordingly, this Petition is **admitted**.

The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

Sd/-

MADHU SINHA
MEMBER (TECHNICAL)

Sd/-

H.V. SUBBA RAO
MEMBER (JUDICIAL)