IN THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH – I, CHENNAI

CP(IB)/233/CHE/2021

(filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 r/w Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016)

In the matter of **Shree Murugan Flour Mills Pvt Ltd**

Indian Overseas Bank
Asset Recovery Management Branch
Cross Cut Road, Gandhipuram
Coimbatore- 641 012

... Financial Creditor

-Vs-

Shree Murugan Flour Mills Pvt Ltd
Registered Office at No.5, Vinayakar Kovil Street,
Krishnasamy Nagar,
Ramanathapuram,
Coimbatore- 641 045

... Corporate Debtor

Order pronounced on ***21st April 2022***

CORAM :

R. SUCHARITHA, MEMBER (JUDICIAL)
SAMEER KAKAR, MEMBER (TECHNICAL)

For Financial Creditor	*: ML Ganesh, Advocate*
For Corporate Debtor	*: MS Shanmuga sundaram, Jayesh B. Dolia, Advocate*

ORDER

Per: **R. SUCHARITHA, MEMBER (JUDICIAL)**

This is an Application filed by **Indian Overseas Bank** (hereinafter referred to as **"the Financial Creditor"**) against **Shree Murugan Flour Mills Pvt Ltd** (hereinafter referred to as **"the Corporate Debtor"**) under Section 7 of the Insolvency &

Bankruptcy Code, 2016, seeking thereof to initiate the Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor. The Affidavit verifying the Application is placed at page nos. XI-XII of the Application typeset and the same authorizes R. Rakesh the Asst. General Manager of the Financial Creditor.

2. From Part-I of the Application, it can be seen that the Applicant Financial Creditor is a Bank. From Part-II of the Application, it is seen that the Corporate Debtor is a Private Limited Company incorporated on 15.12.1986 bearing CIN: U15311TZ1986PTC001889. The Registered office of the Corporate Debtor as stated in the Application is No.5, Vinayagar Koil Street Krishnaswamy Nagar, Coimbatore, Tamil Nadu, Pin- 641 045. From Part-III of the Application, it is seen that the Financial Creditor has proposed the name of the Interim Resolution Professional (IRP) viz., *Mr. Palani Gounder Eswaramoorthy*, Reg. No. IBBI/IPA-002/IP-N00284/2017-18/10842; to act as the IRP.

3. From Part-IV of the Application, it is seen that the Financial Creditor has claimed a sum of Rs.32,32,93,852/- (Rupees Thiry Two Crore Thirty Two Lakhs Ninety Three Thousand Eight Hundred and Fifty Two only) as on 23.02.2021 as 'Financial debt' due and payable by the Corporate Debtor. As per the Information utility

attached in Volume III, page 921-922 of the Application typeset the date of default is stated to be 31.03.2017.

4. Further, the Applicant in the Application filed had averred that the Loan Account of the Corporate Debtor fell into NPA on 31.03.2017 and the same is averred in the SARFAESI Notice issued under Section 13 (2) dated 06.08.2019.

5. The Ld Counsel for the Financial Creditor submitted that the credit facilities availed by the Corporate Debtor was guaranteed by Mr. Balasubramaniam and Mrs. Jeevarathinam, husband and wife though a guarantee agreement executed in favour of the Financial Creditor. Further the Ld. Counsel submitted that GBJ Hotels has executed Corporate Guarantee in favour of the Financial Creditor guaranteeing due repayment of the Credit Facilities availed by the Corporate Debtor.

6. It is averred in the Application that the Corporate Debtor had availed various Credit Facilities from time to time including Cash Credit Limit to meet its business requirements. As on today, the liability due and payable by the Corporate Debtor and guarantors jointly and severally to the Financial Creditor is with respect to Open Cash Credit Facility which had an ultimate Limit of Rs.2,684.00 Lakhs.

7. The Ld Counsel for the Financial Creditor submitted that the Financial Creditor was initially using the Financial Facilities with Indus Ind Bank and the credit facilities of the said bank was taken over by the Financial Creditor in September, 2002. The details of the Credit limits availed by the Corporate Debtor and the Guarantee details as set out in Pgs VII-IX of the Application is extracted hereunder:-

DATE OF SANCTION	NATURE OF CREDIT FACILITY	SANCTIONED AMOUNT (RS.)	DATE OF EXECUTION BY THE CD AND GUARANTORS
27.09.2002	Cash Credit	200 Lakhs	22.10.2002
	Letter of credit limit	200 Lakhs	
22.12.2003	Renewal of credit Facility Cash credit with sub- limit of WC credit in foreign current, LC and term loan	Cash credit limit of Rs.200 Lakhs with sub-limit of Rs.100 Lakhs for foreign currency, Rs.200 lakhs for LC Rs.100 Lakhs for term loan	
12.08.2004	Cash credit enhanced from Rs.200 to Rs.350 Lakhs together with sub- limit of WC credit in foreign currency and term loan	Enhancement of Cash credit of Rs.200 lakhs to Rs.350 Lakhs with sub-limit of WC limit in FC and Rs.55.29 Lakhs towards term loan	14.08.2004

21.02.2006	Renewal of aforesaid credit facilities	Enhancement of Cash credit of Rs.200 lakhs to Rs.350 Lakhs with sub-limit of WC limit in FC and Rs.55.29 Lakhs towards term loan	
18.01.2007	Enhancement of cash credit from Rs.350 to Rs.450 with sub-limit of WC in foreign currency	Enhancement of Cash credit of Rs.350 lakhs to Rs.450 Lakhs with sub-limit of WC limit in FC	01.03.2007, 14.03.2007
28.03.2008	Enhancement of cash credit from Rs.450 to Rs.650 with sub-limit of WC in foreign currency	Enhancement of Cash credit of Rs.450 lakhs to Rs.650 Lakhs with sub-limit of WC limit in FC	05.05.2008
19.12.2008	Enhancement of cash credit from Rs.650 to Rs.850 with sub-limit of WC in foreign currency	Enhancement of Cash credit of Rs.650 lakhs to Rs.850 Lakhs with sub-limit of WC limit in FC	09.01.2009
14.11.2009, 09.12.2009	Enhancement of cash credit from Rs.850 to Rs.1050 with sub-limit of WC in foreign currency, LC limit of Rs.700 Lakhs	Enhancement of Cash credit of Rs.850 lakhs to Rs.1050 Lakhs with sub-limit of WC limit in FC, LC limit of Rs.700 lakhs	09.12.2009
30.04.2010	Adhoc CC of Rs.200 lakhs	Adhoc CC of Rs.200 lakhs	

12.07.2010	Enhancement of cash credit from Rs.1050 to Rs.1200 with sub-limit of WC in foreign currency and LC limit from Rs.700 Lakhs to Rs.800 lakhs	Enhancement of cash credit from Rs.1050 to Rs.1200 with sub-limit of WC in foreign currency and LC limit from Rs.700 Lakhs to Rs.800 lakhs	12.07.2010
12.07.2010	Adhoc CC of Rs.200 . lakhs	Adhoc CC of Rs.200 lakhs	. 12.07.2010
29.09.2010	Adhoc CC of Rs.400	Adhoc CC of Rs.400 lakhs	29.09.2010
27.10.2010	Enhancement of CC from Rs.1700 lakhs to Rs.1800 lakhs	Enhancement of CC from Rs.1700 lakhs to Rs.1800 lakhs	29.09.2010
25.01.2011	Adhoc limit of Rs.400	Adhoc limit of Rs.400 lakhs	09.02.2011
12.09.2011	Enhancement of CC from Rs.2000 lakhs to Rs.2500 lakhs	Enhancement of CC from Rs.2000 lakhs to Rs.2500 lakhs	12.09.2011
26.07.2012	Adhoc limit of Rs.250 lakhs	Adhoc limit of Rs.250 lakhs	
04.02.2013	Enhancement of CC from Rs.2500 lakhs to Rs.3000 lakhs	Enhancement of CC from Rs.2500 lakhs to Rs.3000 lakhs	13.02.2013
10.07.2014	Renewal of cash credit facility of Rs.3000 Lakhs	Renewal of cash credit facility of Rs.3000 Lakhs	
16.12.2015	Adhoc limit of Rs.300 lakhs	Adhoc limit of Rs.300 lakhs	16.12.2015

13.01.2016	Reduction of cash credit facility from Rs.3000 Lakhs to Rs.2884 lakhs	Reduction of cash credit facility from Rs.3000 Lakhs to Rs.2884 lakhs	
11.05.2016	Adhoc limit of Rs.284 lakhs	Adhoc limit of Rs.284 lakhs	13.05.2016
21.11.2016	Sanction of Adhoc OCC limit of Rs.284 lakhs	Sanction of Adhoc OCC limit of Rs.284 lakhs	22.11.2016
11.10.2017	Renewal of OCC limit to the tune of Rs.2684 lakhs	Renewal of OCC limit to the tune of Rs.2684 lakhs	11.10.2017

8. The Ld. Counsel for the Financial Creditor submitted that the Loan Security documents were duly executed and the charge over the Corporate Debtor properties had registered and the same is reflected in the ROC Search Report attached as Pgs 721-728 of the Application typeset.

9. It is further averred in the Application that, the Corporate Debtor company had also created equitable mortgage on 14.05.2003 and extended the same from time to time on 18.09.2012, 16.12.2015, 13.05.2016, 22.11.2016. The Corporate Debtor company had also extended the said properties for the loan liability of GBJ Hotels Pvt. Ltd. on 14.08.2012, 10.10.2017, 28.09.2017 in terms of section 58 (f) of Transfer of Property Act.

10. The Ld Counsel for the Financial Creditor submitted that the Corporate Debtor and the guarantors are jointly and severally liable to pay Rs.32,32,93,852/- as on 23.02.2021 as per the Account books maintained by the Financial Creditor. Further the Ld. Counsel submitted that SARFAESI Demand Notice was issued under Section 13 (2) of the SARFAESI ACT,2002 06.08.2019 and possession notice under Section 13 (4) on 24.02.2020 and 05.03.2020 and the Corporate Debtor had not responded nor taken any steps to repay the outstanding dues.

11. Thus the Ld Counsel for the Financial Creditor submitted that as the Corporate Debtor is not commercially solvent to repay the loan amount, the Financial Creditor had no other option, than to approach this Tribunal with this Application under Section 7 of the Insolvency and Bankruptcy Code, 2016.

12. In this matter the Respondent/Corporate Debtor had filed the counter/ reply statement dated 15.12.2021. The Ld Counsel for the Corporate Debtor had stated that the Application is barred by limitation thus liable to be dismissed. Further, the Ld Counsel submitted that the Financial Creditor has sold certain properties of the Corporate Debtor for a lesser value and has suppressed the same before this Tribunal.

13. The Ld. Counsel for the Corporate Debtor submitted that, the ground taken by the Financial Creditor that the loan account of the Corporate Debtor is NPA as on 31.03.2017 is under challenge before the Debt Recovery Tribunal, under the SARFAESI Proceedings. Further, the S. 13(2) demand notice under SARFAESI proves that the OCC limit of 26,84,00,000/- the amount due is only Rs. 26,44,51,383.62/-.

14. The Ld. Counsel for the Corporate Debtor submitted that the Financial Creditor had suppressed the fact that the Applicant had paid more than Rs. 12.58 Crores and the sanction letter dated 04.10.2017 clearly prove that the Loan Account of the Corporate Debtor is a standard Account. Further the Corporate Debtor had filed a memo dated 09.03.2022 stating that the Corporate Debtor had approached the Financial Creditor proposing to pay Rs.13,48,88,566/- in One Time Settlement (OTS) towards the debt amount. However the Financial Creditor in the Reply memo dated 10.03.2022 had stated that the OTS dated 09.03.2022 as proposed by the Corporate Debtor was low as compared to the outstanding loan account. Thus the OTS Proposal dated 09.03.2022 was rejected by the Financial Creditor.

15. Heard the submissions of both the parties. The Financial Creditor has filed this Application before us on 03.04.2021. The Corporate Debtor had taken a defence that this Application is liable

to be dismissed as the date of default in accordance to the Information utility is 31.03.2017. This Application has been filed in this Tribunal under Section 7 of the Insolvency and Bankruptcy Code, 2016 on 03.04.2021. In accordance to Article 137 of the Limitation Act which provides that the period of limitation runs for a period of three years from "when the right to apply accrues read with Section 238A of the IBC,2016, this Application ought to have been filed on or before 31.03.2020. However the Hon'ble Supreme *suo motto* in the case of **In re Cognizance for extension of Limitation** suspended the limitation from 15.03.2020 till 28.02.2022 in light of the surge in COVID-19 cases in this country. Thus the defence taken by the Respondent Corporate Debtor that the Application is hit by limitation will not sustain in this scenario and this Tribunal has the jurisdiction to adjudicate this Application on merits.

16. Further, in regard to the pendency of DRT proceedings and the contention of the Corporate Debtor that classification of loan account of the Corporate Debtor as NPA on 31.03.2017 is under challenge will not be Applicable in this scenario, in accordance to Section 238 of the Insolvency and Bankruptcy Code, 2016 and the judgements cited hereunder. The Hon'ble NCLAT in the case of **Rakesh Kumar Gupta V. Mahesh Bansal and others** [Company Appeal (AT) (Insolvency) No. 1408 of 2019] which is extracted hereunder :-

"**<u>The pendency of actions under the SARFAESI Act or actions under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 does not create obstruction for filling an Application under Section 7 of Insolvency and Bankruptcy Code 2016, specially in view of Section 238 of IBC</u>**. The Application is more to bring about a Resolution of Corporate Debtor than any penal action or any recovery proceedings."

17. It is also significant to refer to the decision of the Hon'ble Madras High Court in the matter of **M/s. Anandram Developers Pvt. Ltd. & Anr. –Vs– The National Company Law Tribunal & Anr.** *in W.P Nos. 29084 and 29085 of 2017 and W.M.P. Nos. 31321 to 31323 of 2017 decided on 17.11.2017,* wherein it has held as follows;

"48. Further contention of the petitioners that the action of the 2nd respondent in approaching the NCLT, would amount to forum shopping, also cannot be countenanced, for the reason, I&B code, 2016, has been enacted, consolidating various enactments, such as, Sick Industrial Companies (Special Provisions) Act, 1985; the Recovery of Debts Due to the Banks and Financial Institutions Act, 1993; the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; Companies Act, 2003; Insolvency and Bankruptcy law and other laws.

49. As per Section 238 of the Insolvency and Bankruptcy Code,2016, provisions of the Code shall have the effect, notwithstanding anything inconsistent therewith, contained in any other law, for the time being in force or any instrument, has effect, by virtue of such power. As per sub-Section (4) of Section 60 of the Code, the National Company Law Tribunal is vested with all the powers of the Debts Recovery Tribunal, as contemplated under Part II of the Code, for the purpose of sub-section (2) of Section 60 of the Code and therefore, it is for the NCLT to consider, all the materials, and pass appropriate orders.

> 50. Code enables a financial creditor to make an application, under Section 7 of the Code, if the Adjudicating Authority is satisfied that default has not occurred or the application is complete and there is no disciplinary proceedings pending against the proposed resolution professional, it may, by order, admit such application. Contention of the Learned Counsel that applications are mechanically admitted, cannot be accepted. Contention that approach of the 2nd respondent to NCLT, amounts to forum shopping is not tenable, as the Code enables filing of an application, notwithstanding the pendency of any proceedings, under the SARFAESI Act, 2002. When the code has not been stayed, the process envisaged in the code, has to be continued, and cannot be restrained."

18. The Hon'ble NCLAT also in the matter of **Harkirat S. Bedi –Vs–Oriental Bank of Commerce** *[2019] 108 taxmann.com 110 (NCLAT)* held as under;

> "From the aforesaid finding, it is evident that even if a claim is disputed and if the amount payable is more than Rupees 1 lakh, the application u/s 7 of the I&B Code is maintainable. Mere pendency of the case before the DRT for adjudicating of such disputed amount cannot be a ground to reject the application u/s 7 of the I&B Code, if the Adjudicating Authority is satisfied that there is a 'debt' and 'default' and the application is complete. On the other hand, in view of Section 14 all such proceedings in respect of any debt will remain stayed and cannot proceed during the period of moratorium."

19. Thus, from the Judgment cited *Supra*, it is now clear that pendency of actions under the SARFAESI Act by the Financial Creditor is not a bar for filling an Application under Section 7 of IBC, 2016, especially in view of Section 238 of IBC. Further, the proceedings under Section 7 of the IBC, 2016 are filed to bring about a Resolution for the Corporate Debtor and on the other hand

the proceedings under SARFAESI Act, 2002 is for recovery of the amount which is due and payable to the Financial Creditor.

20. Further, the Corporate Debtor in the memo dated 09.03.2022 had approached the Financial Creditor proposing to pay Rs.13,48,88,566/- in One Time Settlement towards the amount due and payable by the Corporate Debtor. However the same was rejected by the Financial Creditor stating that the amount offered by the Corporate Debtor is very low in comparison to the debt amount due and payable by the Corporate Debtor. This Tribunal takes the OTS memo dated 09.03.2022 on record which *ex facie* proves that there is an existence of a Financial 'debt' and 'default'.

21. Apropos, the Hon'ble Supreme Court in the case of **Innoventive Industries Limited v. ICICI Bank Limited,** [CIVIL APPEAL NOs. 8337-8338 OF 2017] where it has discussed extensively the scope of the Adjudicating authority under section 7 of the IBC is limited to assessing the records provided by the financial creditor <u>to satisfy itself that the default has occurred.</u>

> 28. When it comes to a financial creditor triggering the process, Section 7 becomes relevant. Under the explanation to Section 7(1), a default is in respect of a financial debt owed to any financial creditor of the corporate debtor – it need not be a debt owed to the applicant financial creditor. Under Section 7(2), an application is to be made under sub-section (1) in such form and manner as is prescribed, which takes us to the Insolvency and Bankruptcy (Application to Adjudicating

Authority) Rules, 2016. Under Rule 4, the application is made by a financial creditor in Form 1 accompanied by documents and records required therein. Form 1 is a detailed form in 5 parts, which requires particulars of the applicant in Part I, particulars of the corporate debtor in Part II, particulars of the proposed interim resolution professional in part III, particulars of the financial debt in part IV and documents, records and evidence of default in part V. Under Rule 4(3), the applicant is to dispatch a copy of the application filed with the adjudicating authority by registered post or speed post to the registered office of the corporate debtor. The speed, within which the adjudicating authority is to ascertain the existence of a default from the records of the information utility or on the basis of evidence furnished by the financial creditor, is important. This it must do within 14 days of the receipt of the application. It is at the stage of Section 7(5), where the adjudicating authority is to be satisfied that a default has occurred, that the corporate debtor is entitled to point out that a default has not occurred in the sense that the "debt", which may also include a disputed claim, is not due. A debt may not be due if it is not payable in law or in fact. The moment the adjudicating authority is satisfied that a default has occurred, the application must be admitted unless it is incomplete, in which case it may give notice to the applicant to rectify the defect within 7 days of receipt of a notice from the adjudicating authority. Under sub-section (7), the adjudicating authority shall then communicate the order passed to the financial creditor and corporate debtor within 7 days of admission or rejection of such application, as the case may be.

30. On the other hand, as we have seen, in the case of a corporate debtor who commits a default of a financial debt, the adjudicating authority has merely to see the records of the information utility or other evidence produced by the financial creditor to satisfy itself that a default has occurred. It is of no matter that the debt is disputed so long as the debt is "due" i.e. payable unless interdicted by some law or has not yet become due in the sense that it is payable at some future date. It is only when this is proved to the satisfaction of the adjudicating authority that the adjudicating authority may reject an application and not otherwise.

22. In view of the facts as stated *supra* which proves the existence of a Financial 'debt' and 'default', this Tribunal is left with no other option than to proceed with the present case and initiate the Corporate Insolvency Resolution Process in relation to the Corporate Debtor.

23. The Financial Creditor has proposed the name of **Mr. Palani Gounder Eswaramoorthy**, (email.id: eswarfcs@gmail.com) Reg. No. *IBBI/IPA-002/IP-N00284/2017-18/10842* as the Interim Resolution Professional (IRP) who has also filed his consent in Form – 2 and also upon verification from the IBBI website, it is seen that the Authorization for Assignment is granted to the said IRP till 31.10.2022. The proposed IRP who is appointed shall take forward the process of Corporate Insolvency Resolution of the Corporate Debtor. The IRP appointed shall take in this regard such other and further steps as are required under the Statute, more specifically in terms of Section 15,17,18 of the Code and file his report within 20 days before this Bench. The powers of the Board of Directors of the Corporate Debtor shall stand superseded as a consequence of the initiation of the CIRP in relation to the Corporate Debtor in terms of the provisions of IBC, 2016.

24. As a consequence of the Application being admitted in terms of Section 7 of the Code, moratorium as envisaged under provisions

of Section 14(1) and as extracted hereunder shall follow in relation to the Corporate Debtor;

a. The institution of suits or continuation of pending suits or proceedings against the respondent 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 respondent 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 respondent 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 respondent.

Explanation.-For the purposes of this sub-section, it is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a licence, permit, registration, quota, concession, clearance 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, shall not be suspended or terminated 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 or a similar grant or right during moratorium period;

25. However during the pendency of moratorium period in terms of Section 14(2) and 14(3) as extracted hereunder;

(2) The supply of essential goods or services to the Corporate Debtor as may be specified shall not be terminated or suspended or interrupted during moratorium period.

(2A) Where the interim resolution professional or resolution professional, as the case may be, considers the supply of goods or services critical to protect and preserve the value of the Corporate Debtor and mange the operations of such Corporate Debtor as a going concern, then the supply of such goods or services shall not be terminated, suspended or interrupted during the period of moratorium, except where such Corporate Debtor has not paid dues arising from such supply during the moratorium period or in such circumstances as may be specified.

(3) The provisions of sub-section (1) shall not apply to

(a) such transactions, agreements or other arrangement as may be notified by the Central Government in consultation with any financial sector regulator or any other authority;

(b) a surety in a contract of guarantee to a corporate debtor.

26. The duration of period of moratorium shall be as provided in Section 14(4) of the Code which is reproduced below for ready reference;

> (4) The order of moratorium shall have effect from the date of such order till the completion of the Corporate Insolvency Resolution Process:
>
> Provided that where at any time during the Corporate Insolvency Resolution Process period, if the Adjudicating Authority approves the Resolution Plan under sub-Section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, the moratorium shall cease to have effect from the date of such approval or Liquidation Order, as the case may be.

27. The IRP is directed to take charge of the Corporate Debtor's management immediately. The IRP is also directed to cause public announcement as prescribed under Section 15 of the IBC, 2016 within three days from the date the copy of this Order is received, and call for submissions of claim by the creditors in the manner as prescribed under Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

28. The IRP appointed shall take in this regard such other and further steps as are required under the Statute, more specifically in terms of Section 15, 17, 18 of the IBC, 2016 and file his report within 30 days before this Bench. The powers of the Board of Directors of the Corporate Debtor shall stand superseded as a consequence of the initiation of the CIRP in relation to the Corporate Debtor in terms of the provisions of IBC, 2016.

29. The IRP shall comply with the provisions of Sections 13 (2), 15, 17 & 18 of the Code. The Directors of the Corporate Debtor, its Promoters or any person associated with the management of the Corporate Debtor are/is directed to extend all assistance and cooperation to the IRP as stipulated under Section 19 of IBC, 2016 for the purpose of discharging his functions under Section 20 of IBC, 2016.

30. The IRP shall conduct the Corporate Insolvency Resolution Process in respect of the Corporate Debtor as stipulated under Chapter VIII of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

31. Based on the above terms, the Petition stands **admitted** in terms of Section 7 of the Code and the Moratorium shall come into effect as of this date. A copy of the Order shall be communicated to the Financial Creditor as well as to the Corporate Debtor above

named by the Registry. In addition, a copy of the Order shall also be forwarded to IBBI for its records. Further, the Interim Resolution Professional above named shall also be furnished with copy of this Order forthwith by the Registry, who will communicate the initiation of the CIRP in relation to the Corporate Debtor to the Registrar of Companies concerned.

32. The IRP is directed to file the 1st Progress Report before this Tribunal on or before the 45th day of initiation of CIRP by this Adjudicating Authority.

33. Post this CP/IB/233/CHE/2021 for hearing on **06.06.2022.**

-Sd-
SAMEER KAKAR
MEMBER (TECHNICAL)

-Sd-
R. SUCHARITHA
MEMBER (JUDICIAL)

Varshini