

**BEFORE THE ADJUDICATING AUTHORITY  
NATIONAL COMPANY LAW TRIBUNAL  
AHMEDABAD BENCH**

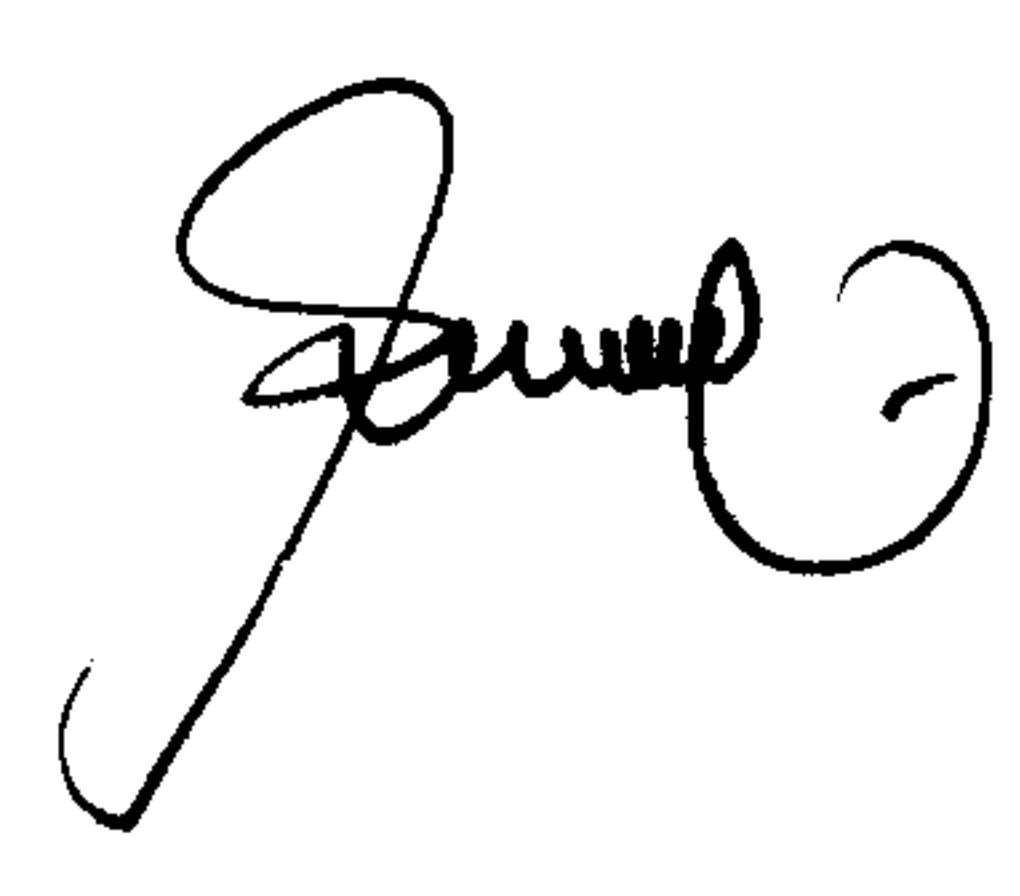
C.P. (I.B) No. 497/7/NCLT/AHM/2019

Coram: Hon'ble Mr. HARIHAR PRAKASH CHATURVEDI, MEMBER (JUDICIAL)  
Hon'ble Mr. PRASANTA KUMAR MOHANTY, MEMBER (TECHNICAL)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH  
OF THE NATIONAL COMPANY LAW TRIBUNAL ON 08.01.2020**

Name of the Company: Oriental Bank of Commerce  
V/s  
Vadraj Energy (Gujarat) Ltd

Section: Section 7 of the Insolvency and Bankruptcy Code


S.NO.	NAME (CAPITAL LETTERS)	DESIGNATION	REPRESENTATION	SIGNATURE
1.	SUNIL BHASKAR	ADHOC ATTORNEY	ADHOC ATTORNEY	
2.	<del>AW.</del> MDP & PARTNERS MUMBAI			

**ORDER**

The Petitioner is represented through respective Learned Counsel(s).

The case is fixed for pronouncement of order.

The Order is pronounced in the open court, vide separate sheet.

  
(PRASANTA KUMAR MOHANTY)  
MEMBER (TECHNICAL)

  
(HARIHAR PRAKASH CHATURVEDI)  
MEMBER (JUDICIAL)

Dated this the 8th day of January, 2020.

**BEFORE THE ADJUDICATING AUTHORITY  
(NATIONAL COMPANY LAW TRIBUNAL)  
AHMEDABAD BENCH  
AHMEDABAD**

C.P. (I.B.) No. 497/7/NCLT/AHM/2019

**Coram: Hon'ble Mr. Harihar Prakash Chaturvedi, Member (J)  
Hon'ble Mr. Prasanta Kumar Mohanty, Member (T)**

**In the matter of:**

ORIENTAL BANK OF COMMERCE  
Incorporated under the Banking  
Companies (Acquisition and Transfer of  
Undertakings) Act, 1980.

Having Registered/Head Office at:  
Harsha Bhawan, E-Block, Connaught  
Place, New Delhi - 110001, and  
Corporate office at Plot No 5, Sector-32,  
Institutional Area, Gurugram-122001.

Having its Branch Office at:  
14<sup>th</sup> Floor, Maker Tower, "F-Wing",  
Cuffe Parade, Mumbai - 400005.

.....Applicant-Petitioner-Financial Creditor(FC)

Versus

VADRAJ ENERGY (GUJARAT) LIMITED  
(Formerly known as ABG Energy  
Gujarat Limited)

Having its Registered Office at:  
Survey No. 186,  
Village Mora Taluka -  
Choryasi, Surat,  
Gujarat-394510

.....Respondent-Corporate Debtor(CD)

**Appearance:**

Advocate, Shri Sunil Bhavsar, MDP & Partners for the  
Applicant/Financial Creditor.

None for the Respondent/Corporate Debtor.

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**Order Pronounced and delivered on 08/01/2020.**

**[Per: Mr. Prasanta Kumar Mohanty, Member (T)]**

1. The present I.B. Petition is filed by the Financial-Creditor **Oriental Bank of Commerce** under **Section 7** of the Insolvency and Bankruptcy Code, 2016 (herein after referred to as a "Code"), **seeking initiation of Corporate Insolvency Resolution Process** ("CIRP" in Short) against the Corporate Debtor Company namely, Vadraj Energy (Gujarat) Limited (Formerly known as ABG Energy (Gujarat) Limited) for the default committed by the Corporate Debtor in making repayment of the Loan/CC facility availed from the Bank. The Applicant (FC), Oriental Bank of Commerce is a Bank, incorporated under the provisions of the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970. The application has been filed by the duly authorised officer, Shri Jay Shankar Kumar, Chief Manager.
2. The Respondent Corporate Debtor (CD) Company, namely Vadraj Energy (Gujarat) Limited (formerly known as ABG Energy (Gujarat) Limited) was incorporated on 24/11/2009 with CIN: U40100GJ2009PLC058694.

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3. The nominal share capital of the Respondent (CD) Company is Rs.150,00,00,000/- and the paid-up capital of the company is Rs.150,00,00,000/- The Registered Office of the Corporate Debtor Company is situated at: Survey No. 186, Village Mora Taluka – Choryasi, Surat, Gujarat-394510.
  
4. The main objects of the company, by which the Respondent (CD) Company ABG Energy (Gujarat) Limited (“ABGEGL” or “Company”), is incorporated on November 24, 2009 is an SPV incorporated by the ABG Group for venturing into the Power sector. ABGEGL is a subsidiary of Vadraj Cement Limited (VCL), formerly known as ABG Cement Limited (ABGCL). The flag-ship company of the ABG Group is ABG Shipyard Limited (ABGSL), a public limited company, listed in BSE & NSE, with a market capitalization of about INR 350 Crores. ABG Shipyard Limited is in the business of design and manufacture of different kinds of large size ships and is one of India’s largest ship manufacturing company in the private sector. ABGSL has its manufacturing facilities at Surat & Dahej in Gujarat, where it manufactures shipping vessels for its customers across the world.
  
5. It is submitted that the Respondent Company applied for various loan facilities from the Consortium of Lenders

namely Andhra Bank, Oriental Bank of Commerce ("Financial Creditor"), Punjab National Bank, State Bank of India, State Bank of Bikaner and Jaipur, Union Bank of India are collectively lenders forming a consortium of lenders of the Corporate Debtor for the project at Kutch and Surat. The petitioner Bank (Oriental Bank of Commerce) sanctioned term loan of Rs.50.00 Crores on 16/10/2009 with certain terms and conditions including collateral securities of properties. The Corporate Debtor availed the Loans executing various documents and some documents executed by the mortgagors/guarantors in favour of the Petitioner Bank binding themselves as liable to pay the loan facilities availed by the Corporate Debtor. The said limits were further renewed on 31/12/2012. Various loans facilities granted by the applicant Bank are narrated as under:

- I Term Loan Facility granted of Rs.50.00 Crores and Inland Letter of Credit Facility (DA) (Sub Limit) of Rs.50.00 Crores vide Sanction Letter Dated on 16/10/2009.
- II Term Loan Facility renewed vide Sanction Letter Dated 31/12/2012 and treated as the **2<sup>nd</sup> Instalment Paid by the Financial Creditor.**
- III Term Loan Facility reviewed by the Financial Creditor and released the **undisbursed portion of Term Loan vide letter dated 25/06/2014.**

Thus, total aggregate limit of Rs.50.00 Crores was sanctioned by the Applicant Bank vide sanction letter dated 16/10/2009 with certain terms and conditions including hypothecation of plant and machineries and mortgage of immovable properties which was duly accepted/acknowledged by the Corporate Debtor (Page no. 312 to 342 of paper book). Mortgage of the property has been created on 17/12/2011 (Page no. 449 to 468 of the paper book). Thereafter, Supplemental Agreement of Common Loan Agreement has been created on 31/12/2012 (Page no.469-541 and 542-640 of paper book). **The particulars of various securities held by Oriental Bank of Commerce of India with respect to facilities provided by it to the Corporate Debtor alongwith its estimated value have been detailed below:**

- (i) First charge on all immovable properties (including leasehold land) of the project, save and except stock, SIP, book debts, consumable spares charged to the WC bankers;
- (ii) A first priority charge by way of hypothecation of all the movable assets including but not limited to plant and machinery, machinery spares, tools and accessories, of the project;
- (iii) Assignment of all project contracts, documents, insurance policies relating to the project, rights, titles, permits,

approvals, clearances and interests of the Corporate Debtor related to the project;

- (iv) A first charge on all the project bank accounts including but not limited to the trust and retention account (TRA) opened in a designated bank, which will be utilised in a manner and priority to be decided by the Financial Creditor;
- (v) Assignment of all the Corporate Debtor's rights and interest related to the project under Letter of Credit, Guarantee or performance bond provided by any party for any contract related to the project in favour of the Corporate Debtor;

The above security **will rank pari passu with other financial creditors in the lending consortium.**

**COLLATERAL SECURITY:**

Second charge on the stock, SIP, book debts, consumable spares, charged to the financial creditors;

**GUARANTEE:**

- (i) Personal Guarantee of Mr. Rishi Agarwal in favour of Punjab National Bank (Security Agent of all the financial creditors) vide Guarantee Agreement dated 31/12/2012;
- (ii) Corporate Guarantee of ABG Cement Limited (now known as Vadraj Cement Limited) in favour of Andhra Bank Oriental Bank of Commerce, Punjab National Bank, State Bank of Bikaner and Jaipur, State Bank of Indore and

Union Bank of India vide Guarantee Agreement dated 17/12/2011;

(iii) Corporate Debtor of ABG Cement Limited (now known as Vadraj Cement Limited) in favour of Punjab National Bank (Security Agent of all the financial creditors) vide Guarantee Agreement dated 01/02/2013.

6. The Corporate-Debtor has defaulted payment and the **date of default is 31/12/2014** as stated by the Petitioner Bank (Page no.31 of paper book). CRILIC Report (Page no. 708 to 709 of the paper book) has been filed by the Bank which confirms that the Account is **in default**.

7. The statements of accounts of the Corporate debtor have been filed and the Petitioner Bank has submitted a Certificate to this effect under Banker's Book of Evidence Act, 1891. (Page no. 710 to 718 of paper book). The Petitioner Bank has claimed their dues of **Rs.61,03,46,047.53Ps (Rupees: Sixty-One Crores Three Lakhs Forty-Six Thousand Forty-Seven & Fifty-Three Paise Only)** as on 31.03.2019 as computed in the page no. 7 and 8 of the paper book which is given below:





<b>Sr. No.</b>	<b>Details</b>	<b>Amount (Rs.)</b>
1	<b>Principal</b>	32,59,11,581.53
2	<b>Normal Interest</b>	27,04,31,744.86
3	<b>Penal Interest @ 2% on Principal amount</b>	1,40,02,721.14
4	<b>Total Interest Charge</b>	28,44,34,466.00
<b>Total</b>		<b>61,03,46,047.53</b>

8. The Petitioner Bank, in support of its contentions has annexed the details of Financial Debt, Records and evidences of default including copies of all the sanction letters, the workings showing the amount claimed to be in default and its calculation in tabular form as on 31/03/2019 along with Valuation reports.
9. The present application has been filed by the Financial Creditor under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy before this Adjudicating Authority to initiate the Corporate Insolvency Resolution Process.
10. The Financial Creditor, to substantiate their claim, has enclosed following documents: -
- Statement of Accounts of the Corporate Debtor  
(Page no. 32 to 37 of paper book)

- ii. Copy of Personal Guarantee of Mr. Rishi Agarwal in favour of Punjab National Bank (Security Agent of all the financial Creditors) vide Guarantee Agreement dated 31/12/2012. (Page no.38 to 55 of paper book)
- iii. Copy of Corporate Guarantee of ABG Cement Limited (now known as Vadraj Cement Limited vide Guarantee Agreement dated 17/12/2011. (Page no.56 to 82 of paper book)
- iv. Copy of Corporate Guarantee of ABG Cement Limited (now known as Vadraj Cement Limited) vide Guarantee Agreement dated 01/02/2013. (Page no.83 to 103 of paper book)
- v. Copies of Valuation Report (Page no.104 to 144 of paper book)
- vi. Copy of Certificate of Registration of Charge issued by the Registrar of Companies. (Page no.145 to 152 of paper book)
- vii. Copy of Sanction Letter Dated 16/10/2009. (Page no.153 to 164 of paper book)
- viii. Copy of Sanction Letter Dated 31/12/2012. (Page no.165 to 168 of paper book)
- ix. Copy of review of Term Loan and permission for release of undisbursed portion of the Term Loan Facility dated 25/06/2014. (Page no.169-170 of paper book)

- x. Copy of Sanction Letters for sanction of facilities by other financial creditors of the Corporate Debtor as collective lenders for the projects at Kutch and Surat. (Page no.171 to 220 of paper book)
- xi. Copy of Common Loan Agreement dated 28/07/2010. (Page no.221 to 311 of paper book)
- xii. Copy of deed of Hypothecation dated 28/06/2010. (Page no.312 to 342 of paper book)
- xiii. Copy of Inter Creditor Agreement dated 28/06/2010. (Page no.344 to 367 of paper book)
- xiv. Copy of Escrow Agreement dated 28/06/2010. (Page no.368 to 382 of paper book)
- xv. Copy of Lenders Agent Agreement dated 28/06/2010. (Page no.383 to 401 of paper book)
- xvi. Copy of Security Agent Agreement dated 28/06/2010. (Page no.402 to 429 of paper book)
- xvii. Copy of undertaking taken by the Corporate Debtor for repayment of the loan dated 28/06/2010. (Page no. 430 to 439 of paper book)
- xviii. Copy of the Board Resolution passed by ABG Cement Limited (now known as Vadraj Cement Limited) resolving to give Corporate Guarantee to the consortium for the facilities borrowed by the Corporate Debtor dated **27/09/2011**. (Page no. 440 to 443 of paper book)

- xix. Copy of letter dated 17/12/2011 from ABG Cement Limited (now known as Vadraj Cement Limited) to Punjab National Bank, confirming all financial documents for the Corporate Guarantee given in **favour of the consortium lenders.** (Page no. 444 of paper book)
- xx. Copy of certificate of verification of documents submitted by ABG Cement Limited (now known as Vadraj Cement Limited) dated 17/12/2011. (Page no. 445 to 448 of paper book)
- xxi. Copy of Memorandum of Deposit of Title Deeds dated 17/12/2011. (Page no.449 to 468 of paper book)
- xxii. Copy of supplemental Agreement to Common Loan Agreement dated 31/12/2012. (Page no. 469 to 541 of paper book)
- xxiii. Copy of supplemental Agreement to Common Loan Agreement dated 31/12/2012. (Page no. 542 to 640 of paper book)
- xxiv. Copy of Share Pledge Deed dated 31/12/2012 by ABG Cement Limited (now known as Vadraj Cement Limited) and Punjab National Bank (Security Agent) and the Corporate Debtor. (Page no. 656 to 696 to paper book)
- xxv. Copy of CRILIC Report (Page no.708-709 of paper book)

- xxvi. Copy of Certificates under Banker's Book Evidence Act, 1891. (Page no. 710 to 718 of paper book)
- xxvii. Copy of NPA Certificate dated 05/04/2019, classifying the account of the corporate debtor as NPA. (Page no. 719 of paper book)
- xxviii. Copy of revival letter dated 25/06/2013 by Punjab National Bank. (Page no. 720 to 722 of paper book)
- xxix. Copy of Balance and Security Confirmation letter dated 21/11/2015. (Page no. 723-723A of paper book)
- xxx. Copy of recall notice by Financial Creditor dated 28/02/2015. (Page no. 724 of paper book)
- xxxi. Copy of Balance and Security Confirmation letter dated 21/04/2016. (Page no. 725-725A of paper book)**
- xxxii. Copy of notice for invocation of corporate guarantee dated 27/03/2019 to Vadraj Cement Limited (Formerly known as ABG Cement Limited). (Page no. 726 to 728 to paper book)
- xxxiii. Copy of notice for invocation of corporate guarantee dated 27/03/2019 to Shri Rishi Agrawal. (Page no. 729 to 732 of paper book)
- xxxiv. Copy of letter by the official liquidator to Punjab National Bank intimating the liquidation order passed in the matter of Vadraj Cement Limited

- (Formerly known as ABG Cement Limited) (Page no.733-734 of paper book)
- xxxv. Copy of letter dated 24/12/2018 by Punjab National Bank (Security Agent) to the official liquidator requesting him to not take possession of the properties. (Page no. 735-736 of paper book)
- xxxvi. Copy of notice for invocation of corporate guarantee dated 27/03/2019 to Mr. P Atchuta Ramaiah (Official Liquidator of Vadraj Cement Limited (Formerly known as ABG Cement Limited) (Page no.737 to 739 of paper book)
- xxxvii. Copy of notice for invocation of corporate guarantee dated 27/03/2019 to Vadraj Cement Limited (Formerly known as ABG Cement Limited) (Page no. 740 to 743 of paper book)
- xxxviii. Copy of Balance and Security Confirmation letters from Guarantors dated 07/07/2014. (Page no. 744 to 749 of paper book)
- xxxix. Copy of certificate by Company Secretary confirming that the Corporate Debtor has not filed its financial statements for the FY 2014-2015. (Page no.750-751 of paper book)

11. In the present matter, this Tribunal, vide its order dated 26/07/2019 had directed the Registry as well as the Petitioner Bank to serve the notice of date of hearing to

the Corporate Debtor and file the proof of service of notice served before this Tribunal. Thereafter, notice was sent by this Registry on 30/07/2019 intimating the Corporate Debtor that the next date of hearing is 11/09/2019. The Petitioner's Lawyer also sent the notice to the Corporate Debtor. **Proof of service of the notice of the Adjudicating Authority was filed by the Applicant's Lawyer on 22/08/2019** but the Corporate Debtor/Respondents **did not appear before** this Tribunal on 11/09/2019. The matter was further adjourned to 14/10/2019 but Corporate Debtor **also did not appear** on that day **despite sufficient notice.** **Arguments** of the Petitioner's Counsel were heard. Further the parties were given liberty to file their written submission, if any, within a week.

12. The Learned Lawyer of the Applicant Bank(FC) clarified their positions and put forth their arguments **relying on the documents submitted by them, which were executed by the Corporate Debtor and the Guarantors. They have also referred all the documents filed along with that application in support of their claims.**

They have also referred to the **CRILIC** report filed with their application **which confirms that the debt is in default.**

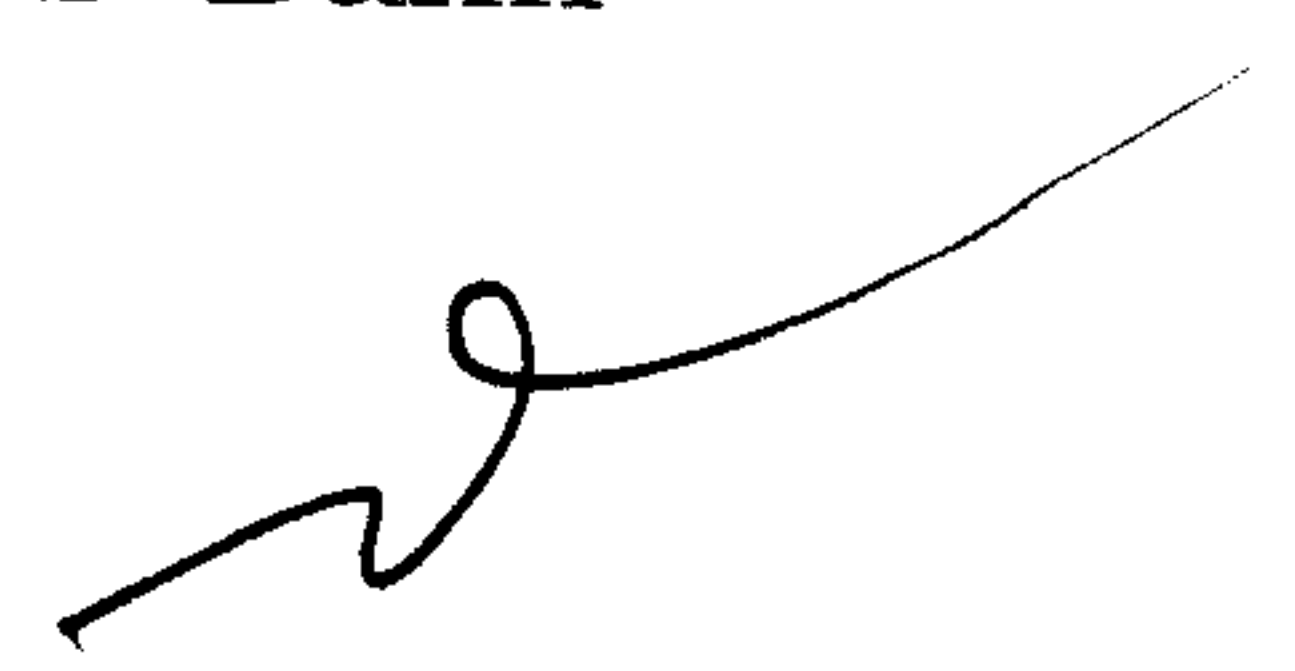
The Learned Lawyer also referred to the Acknowledgement of Balance & Securities Confirmation letter dated **21/11/2015** and **21/04/2016** by the Corporate Debtor and Guarantors for the **debts due** to the **Financial Creditor**, when the application **was filed on 15/04/2019**.

13. The Petitioner Bank has suggested the name of Insolvency Professional to be appointed, if this petition is allowed and the proposed I.R.P. has also given his affirmation/consent in writing, which is annexed with the present I.B. Petition.

#### **Observations**

14. It is found, that the Petitioner Bank has submitted the documents duly executed by the Corporate Debtors and Guarantors along with a Certificate under the Banker's Book of Evidence Act, 1891, in support of their IB Petition filed for initiation of C.I.R.P.

- 14.1 The loans Facilities were sanctioned and released by the Petitioner Bank and the same were availed by CD, Vadraj Energy (Gujarat) Limited (formerly known as ABG Energy (Gujarat) Limited. **The Charges have been** filed by the CD with the ROC in favour of the Members of the Consortium Bank



including this Petitioner Bank for Rs.319.38 Crores **on 23/01/2013.**

- 14.2 The CD has defaulted in making repayment of loan to the Petitioner Bank and **the date of default is 31/12/2014.** The Statement of accounts and the **CRILIC Reports** submitted by the applicant Bank **confirm the debt is due and the default** has been committed by the Corporate Debtor.
- 14.3 The present I.B. Petition is filed by the duly authorised official of the Applicant Bank in a prescribed format under **Section 7** of the I.B. Code annexing copies of loan documents **confirming the existence of debt default** and proposed a name of Resolution Professional to act as an Interim Resolution Professional (IRP)
- 14.4 The **Corporate Debtor** (ABG Energy (Gujarat) Limited) **has signed and submitted Balance and Security Confirmation Letter (Revival Letter) on 21/04/2016 as detailed below:** (Rs. in Crores)

Name of the Bank	Limit Sanctioned	Outstanding	Overdues
PNB	80.00	83.02	35.52
UBI	40.00	41.16	17.41
<b>OBC</b>	<b>39.38</b>	<b>39.87</b>	<b>19.13</b>
SBI	40.00	48.70	25.16
ANDHRA BANK	40.00	40.81	17.07
SBBJ	80.00	95.52	48.23
TOTAL	319.38	349.08	162.52

14.5 The **Guarantors Vadraj Cement Limited** also signed and submitted Balance and Security Confirmation **Letter (Revival Letter)** on **21/04/2016** as detailed below:

(Rs. in Crores)

Name of the Bank	Limit Sanctioned	Outstanding	Overdues
PNB	80.00	83.02	35.52
UBI	40.00	41.16	17.41
<b>OBC</b>	<b>39.38</b>	<b>39.87</b>	<b>19.13</b>
SBI	40.00	48.70	25.16
ANDHRA BANK	40.00	40.81	17.07
SBBJ	80.00	95.52	48.23
TOTAL	319.38	349.08	162.52

15. Considering the material papers filed by the Petitioner Bank and the facts mentioned in the **Para No.14, 14.1, 14.2, 14.3, 14.4 & 14.5 this Adjudicating Authority is satisfied that,**

- (a) The Corporate Debtor availed the term loan of Rs.50.00 Crores from the Financial Creditor.
- (b) Existence of debt is above Rs. One Lac;
- (c) Debt is due;
- (d) Default has occurred on 31/12/2014;

(e) Petition has been filed within the limitation period **as the last Revival letter was signed on 21/04/2016 wherein the petition has been filed on 15/04/2019.**

(f) Copy of the Application filed before the Tribunal has been sent to the Corporate Debtor and the application filed by the **Petitioner Bank Under Section 7 of IBC is found to be complete for the purpose of initiation of Corporate Insolvency Resolution Process** against the Corporate Debtor.

Hence, **the present IB Petition is admitted** with the following Directions/observations. **The date of admission of this petition is 08/01/2020.**

16. This Adjudicating Authority hereby appoints, as proposed, **Mr. Raj Kumar Poddar, having Insolvency Professional Registration No. IBBI/IPA-001/IP-P00339/2017-18/10610, Address: 1201/02 "D" Block, Ashok Towers, Dr. S. S. Rao Road, Parel, Mumbai - 400012, India as an Interim-Resolution Professional.** The Interim Resolution Professional is further directed to make public announcement of moratorium in respect of Corporate Debtor soon after receipt of an authenticated copy of this order and to act further as per the order/direction issued by this Adjudicating Authority and to follow the provisions Under Section 13 and 14 and other

relevant provisions of the Insolvency and Bankruptcy Code.

17. As per the provisions of Section 13 and 14 of the I.B. Code on the date of commencement of insolvency, this **Adjudicating Authority declares moratorium with effect from today** for prohibiting all of the following, namely: -


- I. (a) *The institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, 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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 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.*
- II. *The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during the moratorium period.*
- III. *The provisions of sub-section (1) shall not apply to*
  - (a) *such transactions as may be notified by the Central Government in consultation with any financial sector regulator.*

IV. *The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process.*

18. The **IRP is hereby advised to adhere the time limit** as stipulated for completion of the Corporate Insolvency Resolution Process ("CIRP" in short) and perform the duties as specified Under Section 17, 18, 20 and 21 of I.B Code. The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, in 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. It is further made clear that all the personnels connected with the Corporate Debtor, its promoters or any other persons 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, the Interim Resolution Professional would be at liberty to make appropriate application to this Tribunal with a prayer for passing an appropriate order. 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 its

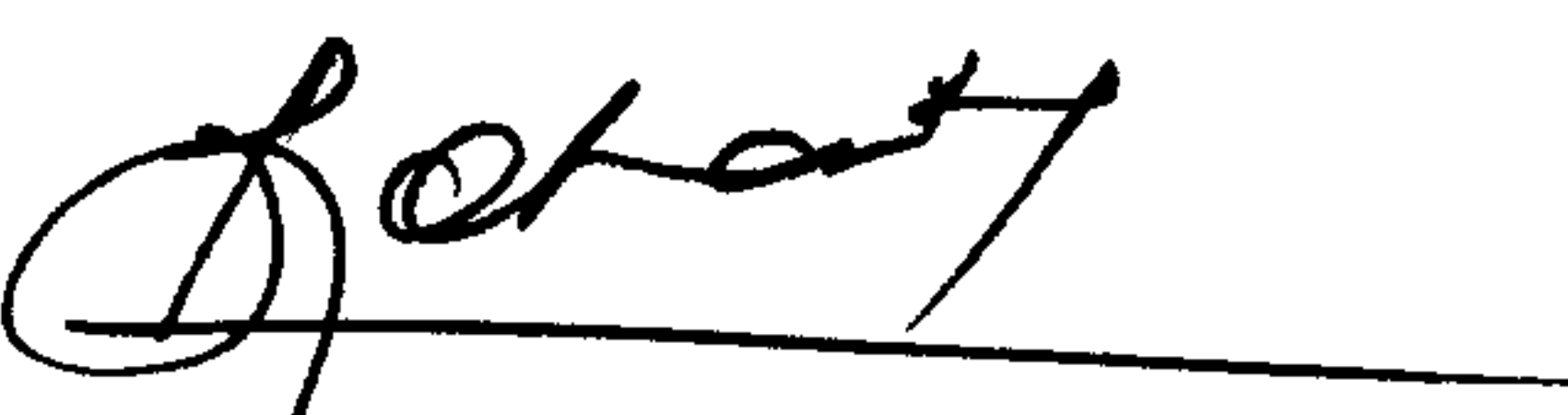
obligation imposed by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code, Rules and Regulations.


19. It is also observed that the Petitioner Bank has claimed **total dues of Rs.61,03,46,047.53Ps** which includes undebited interest of **Rs.27,04,31,744.86Ps**, plus penal interest @ 2% on principal amount for **Rs.1,40,02,721.14Ps**. One of the **prime objectives** of the Insolvency and Bankruptcy Code, 2016 is to **find** out a **viable Insolvency Resolution Plan in time** for the Corporate Debtor and in order to have a Resolution Plan **Viable, feasible and implementation** successful, in the era of Minimum Cost of funds based Lending Rate ("MCLR" in short) and Competitive market condition, the Committee Of Creditor(s) (COC) **may explore**, while finalizing the Resolution Plan for the Corporate Debtor, the **possibility of loading maximum interest** at the Applicant Bank's Base Rate (BR) +1% from the date of default to the date of implementation of MCLR and further from the date of implementation of MCLR till the date of approval of the Resolution Plan at the rate of Petitioner Bank's One Year MCLR or One Year MCLR + 1% without any penal /overdue interest.



20. The **Registry is hereby directed** to communicate the authenticate copy of this order to the Financial Creditor, Corporate Debtor Company, the I.R.P and also to the Registrar of Companies, Gujarat immediately through speed post / registered post.

21. Thus the present I.B petition filed **Under Section 7 of the IBC stands admitted** with the above observations and directions.

  
(Prasanta Kumar Mohanty)  
Adjudicating Authority &  
Member (T)

  
(Harihar Prakash Chaturvedi)  
Adjudicating Authority &  
Member (J)

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