IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH, COURT NO. II
KOLKATA

Company Petition (IB) No. 152/KB/2023

An Application under Section 7 of the Insolvency and Bankruptcy Code, 2016, read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

IN THE MATTER OF:

M/S. MEGAPIX COMMOTRADE PRIVATE LIMITED

[CIN: U51909WB2012PTC188966]

… Applicant/ Financial Creditor.

Verses

M/S. SPASHT MARKETING PRIVATE LIMITED

[CIN: U51909WB2001PTC092951]

… Respondent/ Corporate Debtor.

Date of Pronouncement: January 01, 2024.

CORAM:

SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)

SHRI D. ARVIND, HON'BLE MEMBER (TECHNICAL)

Appearance:

For the Financial Creditor:

1. **Ms. Urmila Chakraborty, Adv.**
2. **Ms. Ranjana Seal, Adv.**

ORDER

Per: Bidisha Banerjee, Member (Judicial)

1. This court is congregated through a blended mode.
2. Heard the Learned Counsel, Ms. Urmila Chakraborty for the Applicant.

Brief Fact of the Case:

3. This instant application is filed under Section 7 of the Insolvency and Bankruptcy Code, 2016, for brevity "I&B Code" by one **M/s. Megapix Commotrade Private Limited,** hereinafter referred to as the "Applicant" or "Financial Creditor" against one **M/s. Spasht Marketing Private Limited**, hereinafter referred to as "Respondent" or "Corporate Debtor" seeking for the direction to initiate the Corporate Insolvency Resolution Process, for brevity "CIR Process" in respect of the Respondent.

4. The total amount claimed to be in default is Rs. 2,94,48,657/- as on November 30, 2022, along with Interest at the rate of 12% per annum till the date of repayment. The Ld. Counsel for the Applicant has clarified the same in the Supplementary Affidavit dated August 24, 2023. It is further claimed that the Debt fell due on 17.05.2021.

Applicant's submissions:

5. The Ld. Counsel, Ms. Chakraborty for the Applicant submits that the Corporate Debtor approached the Financial Creditor for a business loan of Rs. 180 Lakh vide a letter dated 02.05.2016 annexed as Annexure "C" at Page 16 to the Applicant. Pursuant to the request of the Corporate Debtor, the Financial Creditor and Corporate Debtor entered into a Loan Agreement dated 16.05.2016 of Rs. 165 Lakh, annexed as Annexure "D" at Pages 17-19 to the Application, in the form of Unsecured Loan for a period of 5 years at the rate of 12% Per Annum.

6. Ld. Counsel for the Applicant further submits that the said Loan of Rs. 165 Lakh was disbursed on 18.05.2016, 21.05.2016 and 23.05.2016 by the Financial Creditor to the Corporate Debtor. The said unsecured loan along with the bearing interest at the rate of 12% per annum on-demand after five years, was confirmed by the Corporate Debtor by issuing the Demand Promissory Notes and the Letter of Confirmation of Payment on 18.05.2016, 21.05.2016 and 23.05.2016. The Copies of the Demand Promissory Note and Payment Confirmation Letter dated 18.05.2016, 21.05.2016 and 23.05.2016 are annexed at Pages 20-25 as Annexure "E" to the application.

7. The Ld. Counsel further contends that the Financial Creditor issued several letters informing the Corporate Debtor about the due date and asked for repayment of the loan along with interest on 06.04.2021, 01.09.2021 and 10.12.2021 and the same were annexed at Page 26-31 as Annexure “F” to the Application.

8. Further, it is submitted that vide a letter dated 15.01.2022 issued by the Corporate Debtor, it was requested to the Financial Creditor to give little more time to repay the loan amount which is due and payable and to clear all the due amount within April 2022. The Copy of the letter dated 15.01.2022 is annexed at Page 32 as Annexure “G” to the Application.

9. Further, it is submitted that vide a letter dated 21.03.2022, annexed at Page 33 as Annexure “H” to the Application, issued by the Corporate Debtor, it was requested to the Financial Creditor to waive off the interest of the loan. The Financial Creditor, through a letter dated 31.03.2022, annexed at Pages 34-35 as Annexure “I”, issued to the Corporate Debtor, waived off the interest of the loan and informed the Corporate Debtor to pay the principal amount immediately not later than six months, i.e., within 01.10.2022.

10. Further, it is contended that the Corporate Debtor, vide a letter dated 20.09.2022, annexed at Page 36 as Annexure “J” to the Application, requested the Financial Creditor to extend the period of repayment of the loan for another three months, as they were passing through financial hardship due to COVID-19.

11. It is further submitted that vide a Demand Notice dated 01.12.2022, issued by the Financial Creditor, demanded the unpaid financial debt from the Corporate Debtor by mentioning the particulars of the unpaid financial debt as under:

- **a.** Debt last fallen due on 30.11.2022 – Rs. 2,94,48,657/-.
- **b.** Debt Due Since: 17.05.2021.

It was further mentioned that failing to repay the said due amount, the Financial Creditor shall initiate a corporate insolvency resolution process in respect of the Corporate Debtor. The copy of the Demand Notice dated 01.12.2022 is annexed at Pages 37-38 as Annexure “K” to the Application.

12. The Ld. Counsel, Ms. Chakraborty, has submitted the statement of the amount due, in a tabular form, annexed at Page 39, as Annexure "L" to the Application, summarized as under:

i. Year: 2016-2022.

ii. Principal Amount Outstanding at the beginning of the period: Rs. 1,65,00,000/-.

iii. Date Till which Interest has been computed: 17.05.2021.

iv. Rate of Interest: 12%.

v. Number of Days of Default: 2387 days.

vi. Interest accrued on loan amount at the rate of 12% from 18.05.2016 to 30.11.2022, due and payable: Rs. 1,29,48,657/-.

vii. **Balance Outstanding (Principal amount with interest): Rs. 2,94,48,657/-.**

13. Ld. Counsel for the Applicant further submits the Confirmation of Accounts dated April 01, 2022, annexed at Page 40 as Annexure "M" to the Application, between the Applicant and Respondent confirming the debt of Rs. 165 Lakh, from April 01, 2021, to March 31, 2022.

14. Further, the Ld. Counsel for the Applicant submits the Bank Statement from 01.04.2015 to 30.03.2023, annexed at Pages 41-113 as Annexure "N" to the Application, to substantiate the disbursement of the amount as claimed due and payable from the Corporate Debtor.

Analysis and Findings of this Adjudicating Authority:

15. Vide an order dated 20.09.2023, we directed that "*one last chance is given to file reply affidavit to the Corporate Debtor, otherwise this CP will be heard ex-parte*". In our order dated 05.12.2023, as appeared, none for the Corporate Debtor has appeared and no Reply Affidavit was filed, we decided to proceed against the Corporate Debtor *ex-parte*. At this juncture, it would be appropriate to quote the Rule 49 and Rule 110 of the National Company Law Tribunal Rules, 2016, which are reproduced in verbatim as below: -

15.1. **Rule 49**: ***Ex-parte* Hearing and disposal. – (1)** Where on the date fixed for hearing the petition or application or on any other date to which such hearing may be adjourned, the applicant appears and the respondent does not appear when the petition or the application is called for hearing, the Tribunal may adjourn the hearing or hear and decide the petition or the application *ex-parte*.

xxx **xxx** **xxx**

15.2. **Rule 110**: **Default of appearance of respondent and consequences.** — Where the respondent, despite effective service of summons or notice on him does not appear before the date fixed for hearing, the Tribunal may proceed to hear the appeal or application or petition *ex-parte* and pass final order on merits:

Provided that it is open to the Tribunal to seek the assistance of any counsel as it deems fit in case the matter involves intricate and substantial questions of law having wide ramifications.

16. Now, we proceed to consider the merits of this Application filed under Section 7 of the I&B Code.

17. To admit an application under Section 7 of the I&B Code filed by the Financial Creditor triggering the insolvency proceedings in respect of the Corporate Debtor, the Adjudicating Authority is required to check certain criteria as laid down in law that:

(i) Whether there is any debt that is disbursed against the consideration for the time value of money. **[Section 5(8) of the I&B Code]**

(ii) Whether there is any default on the part of the Corporate Debtor in repayment of the amount of debt that has become due and payable. **[*Innoventive Industries Ltd.* v. *ICICI Bank*** reported in **(2018) 1 SCC 407: MANU/SC/1063/2017]**

(iii) Whether the Application filed by the Financial Creditor is complete with admissible evidence to substantiate the “debt” and the “default” on the part of the Corporate Debtor. **[*Innoventive* (Supra)]**

(iv) Whether the amount of default in the Application crosses the threshold financial limit of Rs. One Crore. **[Section 4 of the I&B Code]**

(v) Whether the application is maintainable and not barred by limitation as prescribed under Section 238A of the I&B Code read with Article 137 of the Limitation Act, 1963. **[*B.K. Educational Services Private Limited* v. *Parag Gupta and Associates*]**, **Civil Appeal No. 23988 of 2017** reported in **MANU/SC/1160/2018]**

18. ***(i) Whether there is any debt that is disbursed against the consideration for the time value of money. [Section 5(8) of the I&B Code]***

18.1. It is also a settled position of law that to establish a "financial debt", the statement of the disbursement of money is essential. In this context, we would refer Section 5(8) of the I&B Code, reproduced verbatim as:

> **(8) "*financial debt*"** *means a debt along with interest, if any, which is disbursed against the consideration for the time value of money and includes*
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> **xxx xxx xxx xxx**

18.2. It is evident that both parties executed a loan agreement on 16.05.2016, wherein it was agreed that the Financial Creditor had sanctioned a loan of Rs. 165 Lakh in one or more tranches and the Corporate Debtor should repay the loan to the Financial Creditor, as and when demand was made after the expiry of five years or as may be mutually agreed between the parties. Further, the interest rate was fixed at the rate of 12% per annum payable at the time of repayment of the loan. Further, a late fee at the rate of 2% per annum was also agreed upon on overdue amounts.

18.3. Further, the Ld. Counsel for the Applicant would submit the Bank Statement from 01.04.2015 to 30.03.2023 to substantiate the disbursement of the loan amount as agreed upon, and claimed to be due and payable by the Corporate Debtor. The Corporate Debtor has also acknowledged the disbursement of the said loan amount from the Financial Creditor by issuing the Demand Promissory Note and Payment Confirmation Letter dated 18.05.2016, 21.05.2016 and 23.05.2016. From the said Bank Statement, Demand Promissory Note and Payment Confirmation Letter, it is evident that the Financial Creditor had disbursed the agreed loan amount in three tranches, as under:

i. On 18.05.2016 – disbursed an amount of **Rs. 70 Lakh**;

ii. On 21.05.2016 – disbursed an amount of **Rs. 70 Lakh**;

iii. On 23.05.2016 – disbursed an amount of **Rs. 25 Lakh**;

Total amount disbursed by the Applicant = **Rs. 165 Lakh.**

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19. ***(ii) Whether there is any default on the part of the Corporate Debtor in repayment of the amount of debt that has become due and payable. [Innoventive Industries Ltd. v. ICICI Bank reported in (2018) 1 SCC 407: MANU/SC/1063/2017]***

19.1. It is evident that the Financial Creditor had issued several letters on 06.04.2021, 01.09.2021 and 10.12.2021 to the Corporate Debtor asking for repayment of the loan along with interest. In reply, the Corporate Debtor issued a letter on 15.01.2022, requesting the Financial Creditor to give a little more time to repay the loan amount which is due and payable which amounts to admission in unequivocal terms. Further, the Corporate Debtor had issued a letter on 21.03.2022, requesting the Financial Creditor to waive off the interest amount, and at request, it was waived off by the Applicant on 31.03.2022 and informed the Corporate Debtor to pay the principal amount immediately not later than six months, i.e., within 01.10.2022.

19.2. Further, it is evident that the Corporate Debtor, vide a letter dated 20.09.2022, requested the Financial Creditor to extend the period of repayment of the loan for another three months, as they were passing through financial hardship due to COVID-19, which again amounts to clear admission

19.3. It is further evident that a Demand Notice dated 01.12.2022 was issued by the Financial Creditor, demanding the unpaid financial debt of Rs. 2,94,48,657/- that fell due on 30.11.2022 from the Corporate Debtor. It is evident from the Demand Notice that the Applicant has cautioned that upon failure to repay the said due amount, the Financial Creditor shall initiate a corporate insolvency resolution process in respect of the Corporate Debtor.

19.4. As already stated, the order dated 05.12.2023, demonstrate that none appeared for the Corporate Debtor against the Application. No Reply Affidavit has been filed in the matter due to which, this Adjudicating Authority is constrained to proceed against the Corporate Debtor *ex-parte*.

19.5. Hence, from the communication between the Financial Creditor and the Corporate Debtor, prior to filing of this application and the conduct of the Corporate Debtor during the summary proceedings, we are satisfied that there is a default on the part of the Respondent in repayment of the amount of debt that has become due and payable to the Applicant creditor.

20. ***(iii) Whether the Application filed by the Financial Creditor is complete with admissible evidence to substantiate the "debt" and the "default" on the part of the Corporate Debtor. [Innoventive (Supra)]***

20.1. It is evident that the application filed by the Applicant under Section 7 of the I&B Code, is in **Form 1** as prescribed under Rule 4(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

20.2. Further, the Ld. Counsel for the Applicant has placed the Loan Agreement between the Parties and, the Bank Statement showing the disbursement of loan amount. Further, the Demand Promissory Note and Payment Confirmation Letter issued by the Corporate Debtor to the Financial Creditor has been submitted to substantiate the claim.

20.3. Vide an Order dated 02.11.2023, we had directed the Financial Creditor *to file last Balance Sheet submitted by the Corporate Debtor before the Ministry of Corporate Affairs within two weeks and disclose Directors' details of both the parties as on date, by way of a supplementary affidavit*. Pursuant to the direction, the Applicant has filed the Balance Sheet of the Corporate Debtor as at March 31, 2016, through a Supplementary Affidavit dated 20.11.2023. It is evident from Note 2.3 and Note 2.4 of the said Balance Sheet, that the Corporate Debtor as on March 31, 2016, has a Long-Term Borrowing of Rs. 7,067,039.00/- and a Short-Term Borrowing of Rs. 273,189,733.51/-.

20.4. Further, it is evident that vide a demand notice dated 01.12.2022, issued to the Corporate Debtor, the Financial Creditor has asserted that the unpaid financial debt last fallen due on 30.11.2022 of Rs. 2,94,48,657/-. The Debt is due since 17.05.2021.

21. ***(iv) Whether the amount of default in the Application crosses the threshold financial limit of Rs. One Crore. [Section 4 of the I&B Code]***

21.1. In terms of the Loan Agreement and the Bank Statement between the parties, the principal amount outstanding at the beginning of the period is of Rs. 1,65,00,000/-. The Rate of Interest as agreed upon is of 12% and thus, the interest accrued on the loan amount at the rate of 12% from 18.05.2016 to 30.11.2022, due and payable is of Rs. 1,29,48,657/-. Hence, **the Balance Outstanding (Principal amount with interest) is of Rs. 2,94,48,657/-,** which exceeds the threshold financial limit of Rs. One Crore as prescribed under Section 4 of the I&B Code.

21.2. Further, if we deduct the default raised during the period as prescribed under Section 10A of the I&B Code, i.e., *on or after 25th March, 2020 for a period of six months or such further period, not exceeding one year from such date, as may be notified in this behalf*, i.e., up to 25th March, 2021, the amount claimed as default shall still exceed the threshold financial limit of

Rs. One Crore. Thus, we would infer that the claim filed in this application is not barred by Section 4 of the I&B Code.

22. ***(v) Whether the application is maintainable and not barred by limitation as prescribed under Section 238A of the I&B Code read with Article 137 of the Limitation Act, 1963. [B.K. Educational Services Private Limited v. Parag Gupta and Associates, Civil Appeal No. 23988 of 2017 reported in MANU/SC/1160/2018]***

22.1. It is evident that:

22.1.1. The Loan Agreement between the parties was made on 16.05.2016.

22.1.2. The Loan amount was disbursed on 18.05.2016, 21.05.2016 and 23.05.2016 by the Financial Creditor to the Corporate Debtor.

22.1.3. The Loan along with its interest ought to be repaid within the period of five years, as agreed upon in the Loan Agreement, i.e., by 2021.

22.1.4. Default on the part of the Corporate Debtor in repayment of debt is on **17.05.2021**.

22.1.5. From 06.04.2021 to 20.09.2022, several intimations and letters were issued between the parties acknowledging the debt and default made on the part of the Corporate Debtor, which extends the period of limitation to a further period of three years.

22.1.6. On 01.12.2022, a Demand Notice was issued by the Applicant to the Respondent to recall the loan.

22.1.7. And, this Application under Section 7 of the I&B Code has been filed with the Registry of this Adjudicating Authority on **28.04.2023**.

22.2. Thus, this Application has been filed within the limitation period as prescribed under Article 137 of the Limitation Act, 1963, as envisaged in Section 238A of the I&B Code.

23. ***Judicial Precedents which we would rely upon:***

23.1. We are supported by the judgment of the Hon'ble Apex Court is the case of ***Anuj Jain* v. *Axis Bank Limited*** reported in **(2020) 8 SCC 401: MANU/SC/0228/2020** that:

> **"*The essentials for financial debt and financial creditor*'**
> **"43.** *Applying the aforementioned fundamental principles to the definition occurring in Section 5(8) of the Code, we have not an iota of doubt that for* ***a debt to become 'financial debt' for the purpose of Part II of the Code, the basic elements are that it ought to be a disbursal against the consideration for time value of money****. ......* ***In any case, the definition, by its very frame, cannot be read so expansive, rather infinitely wide, that the root requirements of 'disbursement' against 'the consideration for the time value of money' could be forsaken in the manner that any transaction could stand alone to become a financial debt****.* **..."**
>
> **(Emphasis Added)**

23.2. Further, we would rely upon the decision passed by this Tribunal in the matter of ***Kesoram Industries Ltd.* v. *Pratim Bayal, RP of Birla Tyres Ltd.*** **[I.A. (I.B.C) No. 957/KB/2023 In C.P. (IB) No. 250/KB/2021]** reported in **(2023) ibclaw.in 734 NCLT** that:

> **"*6.8.*** *Thus, from the statutory provisions and decisions supra,* ***it is clear that to bring any existence of debt within the ambit of the definition of "Financial Debt", disbursement of money is sine qua non …***"
>
> **(Emphasis Added)**

23.3. We are further supported by the judgment passed by the Hon'ble Apex Court in ***Indus Biotech Private Limited* v. *Kotak India Venture (Offshore) Fund*** reported in **(2021) 6 SCC 436: MANU/SC/0231/2021 (para 14)** that:

> "*14. ... in order to trigger an application, there should be in existence four factors:* ***(i) there should be a 'debt' (ii) 'default' should have occurred (iii) debt should be due to 'financial creditor' and (iv) such default which has occurred should be by a 'corporate debtor'****...*"
>
> **(Emphasis Added)**

23.4. The Hon'ble Apex Court in the case of ***Innoventive Industries Ltd.* v. *ICICI Bank*** reported in **(2018) 1 SCC 407: MANU/SC/1063/2017 has** laid down that:

> "*27.* ***The scheme of the Code is to ensure that when a default takes place, in the sense that a debt becomes due and is not paid, the insolvency resolution process begins****. ...*'
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> "***28.*** *... 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,*** *...*"
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> **xxx xxx xxx xxx**
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> "**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*****.**"
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> **(Emphasis added)**

24. Thus, in terms of the foregoing discussion elaborated above, we are of the view that this instant application under Section 7 of the I&B Code is squarely maintainable and therefore, we **ALLOW** the application bearing **Company Petition (IB) No. 152/KB/2023** filed under **Section 7 of the I&B Code**, and accordingly, we order the initiation of **Corporate Insolvency Resolution Process (CIR Process)** in respect of the Corporate Debtor by the following **Orders**:

i. The Application filed by **M/S. MEGAPIX COMMOTRADE PRIVATE LIMITED (Financial Creditors),** under Section 7 of the Insolvency & Bankruptcy Code, 2016, is hereby, **ADMITTED** for initiating the **Corporate Insolvency Resolution Process** in respect of **M/S. SPASHT MARKETING PRIVATE LIMITED (Corporate Debtor).**

ii. As a consequence of this Application being admitted in terms of Section 7 of the I&B Code, moratorium as envisaged under the provisions of Section 14(1) of the Code, shall follow in relation to the Respondent/(CD) as per clauses (a) to (d) of Section 14(1) of the Code. However, during the pendency of the moratorium period, terms of Section 14(2) to 14(3) of the Code shall come into force.

iii. Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016, prohibits the following, as:

a) *The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment decree or order in any court of law, Tribunal, arbitration panel or other authority;*

b) *Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its asset or any legal right or beneficial interest therein;*

c) *Any action to foreclose, recover or enforce any security interest created by the Corporate Debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);*

d) *The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.*

[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 license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, 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, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period;]

iv. 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.

v. The provisions of sub-section (1) of the Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

vi. The Applicant has proposed the name of **"Mr. Anal Basu" Address: 27, Haladhar Bardhan Lane, Kolkata 700 012, Registration No. IBBI/IPA-001/IP-P02436/2021-22/13742, Email ID: basu_anal@rediffmail.com, Mobile No. +91 9830160535,** as the "IRP". We have perused that there is a written communication and consent of IRP in Form 2 with Affidavit, annexed as **Annexure -B at Page 12-15,** to this Application as per the requirement of Rule 9(l) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. There is a declaration made by him that there are no disciplinary proceedings pending against him with the Board or the Indian Institute of Insolvency Professionals of ICAI. In addition, further necessary disclosures have been made by **"Mr. Anal Basu"** as per the requirement of the IBBI Regulations. Accordingly, he satisfies the requirement of Section 7(3)(b) of the code. Hence, we appoint **"Mr. Anal Basu"** as the **Interim Resolution Professional** (IRP) of the Corporate Debtor to carry out the functions as per the I&B Code subject to submission of a valid Authorisation of Assignment in terms of regulation 7A of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016. The fee payable to IRP or the RP, as the case may be, shall be compliant with such Regulations, Circulars and Directions as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the I&B Code.

vii. In pursuance of Section 13 (2) of the Code, we direct the IRP or the RP, as the case shall cause a public announcement immediately with regard to the admission of this application under Section 7 of the Code and **call for the submission of claims** under Section 15 of the Code. The public announcement referred to in Clause (b) of sub-section (1) of Section 15 of the Insolvency & Bankruptcy Code, 2016, shall be made immediately. The expression immediately means within three days as clarified by Explanation to Regulation 6 (1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

viii. During the CIR Process period, the management of affairs of the Corporate Debtor shall vest in the IRP or the RP, as the case may be, in terms of Section 17 of the I&B Code. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within one week from the date of receipt of this Order, in default of which coercive steps will follow. There shall be no future opportunities in this regard.

ix. The Interim Resolution Professional is also free to take police assistance to take full charge of the Corporate Debtor, its assets and its documents without any delay, and this Court hereby directs the concerned **Police Authorities** and/or the **Officer-in-Charge** of Local Police Station(s) to render all assistance as may be required by the Interim Resolution Professional in this regard.

x. The IRP or the RP, as the case may be shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIR Process in respect of the Corporate Debtor.

xi. The Financial Creditors shall be liable to pay to IRP a sum of **Rs. 3,00,000/-** (Rupees Three Lakh Only) as payment of his fees as advance, as per Regulation 33(3) of the IBBI (Insolvency Resolution Process for Corporate

Persons) Regulations, 2016, which amount shall be adjusted at the time of final payment. The expenses relating to the CIRP are subject to the approval of the Committee of Creditors (CoC).

xii. In terms of sections 7(5) and 7(7) of the Code, the **Registry of this Adjudicating Authority** is hereby directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the Interim Resolution Professional by Speed Post and through email immediately, and in any case, not later than two days from the date of this Order.

xiii. Additionally, the **Registry of this Adjudicating Authority** shall serve a copy of this Order upon the Insolvency and Bankruptcy Board of India (IBBI) for their record and also upon the Registrar of Companies (RoC), West Bengal, Kolkata by all available means for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court within seven days from the date of receipt of a copy of this order.

xiv. The Resolution Professional shall conduct CIRP in a time-bound manner as per Regulation 40A of IBBI (Insolvency Resolution Process for Corporate Persons) Regulation, 2016.

xv. The IRP/RP shall be liable to submit the periodical report including the minutes of the CoC of the Corporate Debtor, with regard to the progress of the CIR Process in respect of the Corporate Debtor to this Adjudicating Authority from time to time.

xvi. The order of moratorium shall cease to have effect as per Section 14(4) of the I&B Code.

25. Certified copies of this order, if applied for with the Registry of this Adjudicating Authority, be supplied to the parties upon compliance with all requisite formalities.

26. Post the Company Petition **06/ 02/ 2024** for filing the Periodical Progress Report by the IRP/RP as appointed herein.

D. Arvind	**Bidisha Banerjee**
Member (Technical)	**Member (Judicial)**

This Order is signed on the 01st Day of January, 2024.

Bose, R. K. [LRA]