

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI

CP (IB) No.4287/MB/2019

*[Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with
Rule 4 of Insolvency and Bankruptcy (Application to Adjudicating
Authority) Rules, 2016]*

IN THE MATTER OF

Omkara Assets Reconstruction Private Limited

[CIN: U67100TZ2014PTC020363]

No.9, M.P. Nagar First Street

Kongo Nagar Extension, Coimbatore

Tirupur-641607

Tamil Nadu.

.....**Financial Creditor**

Vs.

Vidarbha Sugar Mills Private Limited

[CIN: U15420MH2002PLC138255]

AT Post Kurha, Taluka Tiwasa

Kurha 444809

Maharashtra.

.....**Corporate Debtor**

Pronounced: 07.02.2025

CORAM:

HON'BLE SHRI K. R. SAJI KUMAR, MEMBER (JUDICIAL)

HON'BLE SHRI SANJIV DUTT, MEMBER (TECHNICAL)

Appearances: Hybrid

For Financial Creditor : Adv. Vidit D. Kumat

For Corporate Debtor : Adv. Ashwini Chindarkar i/b Adv Amit Tungare




ORDER

[PER: SANJIV DUTT, MEMBER (TECHNICAL)]

1 BACKGROUND

- 1.1 This Application bearing C.P.(IB) No.4287/MB/2019 has been filed on 24.10.2019 under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as "the Code") read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as "the AAA Rules") by Nagpur Nagarik Sahakari Bank Ltd. (hereinafter referred to as "the original lender") seeking initiation of Corporate Insolvency Resolution Process (hereinafter referred to as "CIRP") in respect of Vidarbha Sugar Mills Pvt. Ltd. (hereinafter referred to as "the Corporate Debtor").
- 1.2 The Corporate Debtor availed working capital limit by way of pledge of stock of sugar from a consortium of Banks including the original lender which initially granted limit of Rs.1.50 crore. However, due to losses incurred by the Corporate Debtor year after year, it defaulted in repayment of debt which amounted to Rs.1.84 crore as on 28.02.2013. With a view to repay the outstanding dues, the Corporate Debtor submitted a rehabilitation plan of its sugar mills and requested the original lender to convert the entire outstanding balance of Rs.1.84 crore into Working Capital Term loan to be repaid in next 4 years. Accordingly, the consortium of banks including the original lender entered into an agreement of Working Capital Term Loan dated 29.03.2014 with the Corporate Debtor. The present Application has been filed by the erstwhile Financial Creditor due to the Corporate Debtor's default in repaying



a debt arising from the Working Capital Term Loan dated 29.03.2014. The total outstanding debt amounts to Rs. 3,66,79,369/- (Three Crore Sixty-Six Lakh Seventy-Nine Thousand Rupees), with the default date being 01.05.2015, as stated in Part-IV of the Application.

1.3 Pursuant to an Assignment Agreement dated 21.03.2022, Omkara Assets Reconstruction Private Limited acquired the Corporate Debtor's account from the erstwhile Financial Creditor. Being the lawful assignee of the debt, Omkara Assets Reconstruction Private Limited became the Financial Creditor to the Corporate Debtor as per the provisions of Section 5(7) of the Code. The present Financial Creditor filed Interlocutory Application No.2824/2023 under Section 60(5) of the Code, seeking amendment of the cause title of the Application by way of substitution of the Financial Creditor in the Application under Section 7 of the Code. This Tribunal allowed the said IA *vide* its order dated 07.09.2023 and consequently, the name of "Nagpur Nagarik Sahakari Bank Ltd" stood substituted with "Omkara Assets Reconstruction Pvt. Ltd" as the Financial Creditor in the present Application. Pursuant thereto, the Financial Creditor filed a fresh Form-1 *vide* Additional Affidavit dated 01.01.2024.

2 AVERMENTS OF FINANCIAL CREDITOR


2.1 The erstwhile Financial Creditor had extended various credit facilities to the Corporate Debtor since 2004. To facilitate these credit facilities, a Joint Deed of Pledge was executed, followed by the execution of a Deed of Hypothecation on 21.03.2006 by the Corporate Debtor. The erstwhile Financial Creditor was



the leader of the Consortium of Banks which included the Yavatman Urban Co-operative Bank Limited, the Wardha Nagari Sahakari Adhikosh Maryadit Wardha and the Akola Janata Commercial Co-Operative Bank Limited (collectively referred to as the "Consortium of Lenders").

2.2 Subsequently, the Corporate Debtor defaulted in making payments and could not pay the monthly interest charged to the working capital limit and failed to maintain the minimum requisite margins as stipulated by the Consortium of Lenders. On 29.03.2014, the aforementioned working capital facility was converted into a Working Capital Term Loan (WCTL) Agreement for outstanding amount of Rs.1,84,00,000/- as on 28.02.2013 owed to the erstwhile Financial Creditor. As per the Agreement dated 29.03.2014, the principal debt of Rs.1.84 crore was repayable in 4 installments on 31.03.2015, 31.03.2016, 31.03.2017 and 31.08.2018. The Corporate Debtor was liable to pay interest @ 14.50% p.a. on monthly compounding basis till full repayment of loan.

2.3 Thereafter, the Corporate Debtor further defaulted and did not make the payments as agreed under the WCTL Agreement and accordingly, the account of the Corporate Debtor was declared as Non-Performing Asset ("NPA") on 30.06.2015 in accordance with the norms of the Reserve Bank of India. Pursuant to non-payment under the WTCL Agreement, notice under Section 13(2) of SARFAESI Act, 2002 dated 29.06.2015 was served to the Corporate Debtor by the Consortium of Banks including the original Financial Creditor demanding payment of outstanding dues of the erstwhile Financial Creditor amounting to Rs.2,04,71,319/- as on 31.05.2015 within 60 days from



receipt of said notice. However, the Corporate Debtor failed to repay the amount. Thereafter, notice under Section 13(4) of SARFAESI Act dated 10.02.2016 was issued to the Corporate Debtor intimating that the Consortium of Banks including erstwhile Financial Creditor had taken possession of the mortgaged immovable properties.


2.4 The Financial Creditor also filed an application under Section 14 of the SARFAESI Act before the Learned District Magistrate, Amravati seeking possession of the Corporate Debtor's assets. The Learned District Magistrate *vide* order dated 07.03.2017, allowed the application, granting the Financial Creditor possession of the Corporate Debtor's assets. On 12.04.2017, the Directors/Promoters of the Corporate Debtor challenged this order by filing Writ Petition No.2316 of 2017 before the Hon'ble Bombay High Court. However, *vide* order dated 08.02.2018, the Hon'ble Bombay High Court dismissed the said Writ Petition. Aggrieved by the dismissal, the Promoters/Directors of the Corporate Debtor preferred Special Leave Petition (SLP) No.4977 of 2018 before the Hon'ble Supreme Court, challenging the order of the Hon'ble Bombay High Court dated 08.02.2018. The said SLP is still pending adjudication before the Hon'ble Supreme Court and was last listed for hearing on 17.03.2021.

2.5 Meanwhile, the present Application was filed due to the Corporate Debtor's default in repaying the debt originating from this WCTL. The Corporate Debtor made partial payments, with the last payment being made on 03.04.2015. The total amount in default is stated to be Rs.3,66,79,369/- (Three Crore Sixty-Six Lakh Seventy-Nine Thousand Three Hundred and Sixty-Nine Rupees), which



includes WCTL outstanding amount of Rs.2,24,07,709/- and further interest amounting to Rs.1,42,71,660/- accrued from 01.05.2015 to 31.07.2019, @ 14.5% interest.

- 2.6 It is submitted that although the account was classified as NPA in 2015, the period of limitation has been extended from time to time due to ongoing legal proceedings, including those before the DRT, under the SARFAESI Act and subsequent proceedings initiated by the Corporate Debtor before the Hon'ble Bombay High Court and the Hon'ble Supreme Court. The Financial Creditor relies on the judgments of the Hon'ble Supreme Court in **Sesh Nath Singh & Another Vs. Baidyabati Sheoraphuli Co-Operative Bank Limited & Another** [(2021) SCC OnLine SC 244] and **Dena Bank (now Bank of Baroda) Vs. C. Shivakumar Reddy & Another** [(2021) 10 SCC 330] wherein it has been categorically held that the time spent in pursuing DRT/SARFAESI proceedings shall be excluded for the purpose of calculating limitation.
- 2.7 It is also contended that the Corporate Debtor admitted its liability in March 2018, thereby bringing the financial debt within the prescribed limitation period. Further, the Corporate Debtor's financial liability ought to have been reflected in its balance sheets year-on-year, reaffirming its indebtedness towards the Financial Creditor. This Tribunal *vide* order dated 22.07.2021 directed the Financial Creditor to place on record the Corporate Debtor's Balance Sheet and *vide* further order dated 21.10.2021, set the Corporate Debtor *ex-parte*. However, as per the records maintained by the Ministry of Corporate Affairs (MCA), the Corporate Debtor has not filed any recent



financial statements and, therefore, the same are not available in the public domain.

3. CONTENTIONS OF CORPORATE DEBTOR

3.1 It is observed from the record that no formal written submissions or reply has been filed by the Corporate Debtor in the present matter. However, upon perusal of the daily order dated 29.04.2024, it is noted that the following observations were made by this Bench which provide insight into the proceedings:-

“Counsel for the Corporate Debtor submits that the order dated 27.02.2024 states as under:-

Adv. Ashwini Chindarkar appears on behalf of the Respondent prays for time to file reply. Vide order dated 07.09.2023, cost of Rs. 25,000/- was imposed upon the Respondent. Despite that, no reply has been filed. On 31.10.2023, additional cost of Rs. 35,000/- was imposed, still no reply was filed. Last opportunity was granted vide order 05.12.2023 & 13.12.2023. Despite all these indulgences, the Respondents have not filed any reply. Today again, the time is being sought for filing reply. Let the reply be filed after depositing cost of Rs. 2 lacs to "Bharatkosh" by serving an advance copy on the Counsel opposite, or otherwise, the matter shall be decided in the absence of any reply. Adjourned to 05.03.2024.”

3.2 The above order indicates that in the event of non-payment of Rs. 2,00,000/- as cost, the matter would proceed without the Corporate Debtor's reply. Counsel for the Corporate Debtor also submitted on 29.04.2024 that the debt,



liability and default were admitted and requested that the Application be decided on merits. It was further recorded that since the default was admitted and the Corporate Debtor had nothing further to submit, the Application would be heard and disposed of on merits.

3.3 Subsequently, this Bench *vide* daily order dated 03.06.2024 further noted as under:-

“2. Counsel for the CD (Corporate Debtor) appeared but did not argue the matter on behalf of the CD. Records indicate that on 27.02.2024, a cost of Rs. 2,00,000/- was ordered for not filing the reply as the CD has been taking time repeatedly for filing reply and it was ordered to pay cost Rs. 25,000/- on 07.09.2023 and an additional cost of Rs.35,000/- on 31.10.2023. The CD has not filed any reply till date. However, records indicate that CD had filed Writ Petition No.2316/2017 before the Nagpur Bench of the Hon'ble Bombay High Court, challenging the order of the District Magistrate, Amravati dated 07.03.2017 and 05.04.2017, which was dismissed by the High Court vide order dated 08.02.2018.

3. It is submitted that a Special Leave Petition (SLP) was filed before the Hon'ble Supreme Court.

4. Since no formal reply has been filed by the in the present C.P by the CD, the pleadings as available from the copies of the Writ Petition as well as the SLP will be considered before passing the final order in the present CP.”

3.4 In view of the above circumstances, as the Corporate Debtor has admitted its default, we are considering the pleadings of the Corporate Debtor as provided in the Writ Petition and Special Leave Petition (SLP) while proceeding with the matter and deciding the case on its merits.



4. ANALYSIS AND FINDINGS

- 4.1 Upon hearing the Counsel for both parties and having carefully gone through the pleadings and materials available on record, our findings are as under:-
- 4.2 At the outset, it is pertinent to note that the name of "Nagpur Nagarik Sahakari Bank Ltd." (the erstwhile Financial Creditor) was substituted with "Omkaara Assets Reconstruction Pvt. Ltd." as the Financial Creditor in the present Application pursuant to an order of this Tribunal dated 07.09.2023.
- 4.3 It is observed from the record that sometime during 2005-06, the Corporate Debtor was granted working capital limit of Rs.1.50 Crore by the original lender under a consortium arrangement by way of pledge of stock of sugar. The disbursement of working capital facility is substantiated by the Statement of Account of the Corporate Debtor maintained by the original lender covering the period from 09.11.2005 to 17.01.2006 which evidences the payments of over Rs.1.10 crore made to the Corporate Debtor. It is also observed that pursuant to grant of said facility, the Corporate Debtor executed a Joint Deed of Pledge and a Deed of Hypothecation on 21.03.2006 to secure the working capital facility.
- 4.4 It is noticed from the record that due to the non-payment of this facility by the Corporate Debtor, an outstanding amount of Rs.1,84,00,000/- as on 28.02.2013 was subsequently converted into WCTL under an Agreement of Working Capital Term Loan ("WCTL Agreement") dated 29.03.2014. Upon perusal of the WCTL Agreement, it is noted that the facility was to be repaid




over a period of four years at an interest rate of 14.50% per annum. As per the repayment terms outlined in Schedule D of the Agreement, the repayment of WCTL was to be made in five installments falling due on 31.03.2014 (Rs.9.35 lakh), 31.03.2015 (Rs.31.14 lakh), 31.03.2016 (Rs.44.83 lakh), 31.03.2017 (Rs.48.56 lakh) and 31.08.2018 (Rs.50.12 lakh) respectively.

4.5 It is noticed from the record that the Corporate Debtor committed default in the repayment of principal and interest due on 31.03.2015 and, accordingly, its account was classified as NPA on 30.06.2015 in accordance with the relevant guidelines of the Reserve Bank of India.

4.6 The Corporate Debtor has not filed any formal reply to the Application, as brought out above. At the time of hearing, this Bench, *vide* its daily order dated 03.06.2024, stated that the pleadings of the Corporate Debtor as provided in Writ Petition No.2316/2017 and Special Leave Petition (SLP) No. 4977/2018 would be considered while proceeding with the present Application and deciding the case on merits. The Financial Creditor submitted that the Corporate Debtor has admitted its liability in SLP No.4977/2018 filed on 15.02.2018. Upon perusal of the aforesaid Writ Petition and SLP, we find that (at pages 86 and 95-96 of the Application) in SLP, the Petitioner therein (being the husband of erstwhile director of the Corporate Debtor) has stated as under:-

“....The Petitioner's wife was the erstwhile director of the Respondent No. 4- Vidarbha Sugar Industries Co. Ltd. The Respondent No. 4 had secured a loan from the Respondent No. 2-




Bank by mortgaging the properties of the Petitioner. Since the loan was not paid and there was default in payment of the same, a notice under Section 13(2) of the Act was served on the Respondent No:4 and also on the Petitioner. Since the dues were not paid the Notice under Section 13(4) of the Act of 2002 was served on the Petitioner and an Application was made by the Respondent No.2- Bank under Section 14 of the Act enabling the Respondent No. 2 to secure the possession of the mortgaged properties.....”.

The fact of the Corporate Debtor having availed financial assistance of Rs.1.50 Crore from Nagpur Nagrik Sahakari Bank Ltd. Nagpur (the original lender) is admitted in the pleadings in the SLP. It is noted that the SLP filed by the suspended Director of the Corporate Debtor is still pending. Further, it is evident that the Counsel for the Corporate Debtor, as recorded *vide* daily order dated 29.04.2024, admitted the debt and liability owed to the Financial Creditor as well as the default in repayment thereof and requested that the Application be decided on merits.

- 4.7 This clearly shows that there is no dispute regarding the existence of a financial debt exceeding Rs.1 lakh which was due and payable by the Corporate Debtor to the Financial Creditor and that the Corporate Debtor has both committed and admitted default in repaying the same. Thus, the twin requirements of debt and default are established. Taking into account the fact that the default occurred and the right to sue accrued on 31.03.2015, the only issue for consideration is whether the present Application filed under Section 7 of the Code on 24.10.2019 is barred by limitation or not.




- 4.8 As stated above, the Corporate Debtor defaulted in repayment of the loan on 31.03.2015, resulting in its account being declared as NPA on 30.06.2015. Meanwhile, a Demand Notice under Section 13(2) of the SARFAESI Act, 2002 was issued to the Corporate Debtor on 29.06.2015 calling upon it to repay in full the outstanding dues of the original lender within 60 days from the date of receipt of the notice. As the Corporate Debtor failed to repay the amount due, a possession notice under Section 13(4) of the SARFAESI Act was issued to the Corporate Debtor on 10.02.2016 in respect of the mortgaged immovable properties. Subsequently, on 06.06.2016, the original lender/ erstwhile Financial Creditor initiated proceedings under Section 14 of the SARFAESI Act with case number MRC-81/28/2016-17/AMRAVATI before the District Magistrate (DM) of Amravati for obtaining the possession or control of secured assets and this application was allowed by the District Magistrate (DM) *vide* order dated 07.03.2017.
- 4.9 Thereafter, on 12.04.2017, the Directors/Promoters of the Corporate Debtor filed a Writ Petition No.2316 of 2017 before the Hon'ble Bombay High Court, Nagpur Bench challenging the DM's Order. By an Order dated 08.02.2018, the Hon'ble Bombay High Court dismissed the Writ Petition on the ground that the petitioners ought to have raised the issue by initiating proceedings under Section 17 of the SARFAESI Act before the Debt Recovery Tribunal (DRT) which was the appropriate remedy. It is noted that proceedings under Section 13(4) of the SARFASI Act are appealable to the Debt Recovery Appellate Tribunal (DRAT) under Section 18. Be that as it may, it is observed that subsequently, the Directors/ Promoters of the Corporate Debtor filed a Special



Leave Petition (SLP) No. 4977 of 2018 before the Hon'ble Supreme Court on 15.02.2018, challenging the order of the Hon'ble Bombay High Court. It is pertinent to note that the SLP is still pending adjudication before the Hon'ble Supreme Court.

4.10 Thereafter, due to persistent and continuous non-repayment of dues under the WCTL Agreement, the erstwhile Financial Creditor preferred the present Application before this Tribunal on 24.10.2019 for initiation of CIRP proceedings against the Corporate Debtor.

4.11 In these circumstances, the question which arises for determination is whether prior proceedings under the SARFAESI Act qualify for the exclusion of time under Section 14 of the Limitation Act, 1963. The conditions for exclusion of time under Section 14 are that the earlier proceedings should have been for the same relief; the proceedings should have been prosecuted diligently and in good faith and the proceedings should have been prosecuted in a forum which, from defect of jurisdiction or other cause of a like nature, was unable to entertain it. However, the question is no longer *res integra* in view of the judicial precedent set by the Hon'ble Supreme Court in **Sesh Nath Singh & Anr. Vs. Baidyabati Sheoraphuli Cooperative Bank Ltd. and Anr. AIR 2021 SC 2637** wherein it was held that Section 14 of the Limitation Act applies to an application under Section 7 of the Code. In this case, the Hon'ble Apex Court upheld the decision of the Hon'ble National Company Law Appellate Tribunal (NCLAT), which held that a financial creditor, who bona fide pursued an application under the SARFAESI Act, 2002 was entitled to exclusion of the period spent in prosecuting civil proceedings against the corporate debtor



when computing the limitation period for initiating the CIRP. Upon applying the ratio laid down by the Hon'ble Apex Court to the facts of the present case, it is noticed that since the proceedings in the Hon'ble Supreme Court were still pending on the date of filing of the present Application under Section 7 of the Code on 24.10.2019 in this Tribunal, the entire period after the initiation of proceedings under the SARFAESI Act, 2002 could be excluded. If the period from the date of institution of the proceedings under the SARFAESI Act, 2002 by way of the notice under Section 13(2) dated 29.06.2015 till the date of filing of the Application under Section 7 of the Code is excluded, the Application so filed in this Tribunal is found to be well within the limitation of three years.

4.12 In other words, the limitation period in respect of the debt owed by the Corporate Debtor will get extended from time to time due to exclusion of the time spent in ongoing proceedings under the SARFAESI Act and subsequent proceedings initiated by the Corporate Debtor before the Hon'ble Bombay High Court and the Hon'ble Supreme Court. The Financial Creditor benefits from the exclusion of time spent in recovery proceedings under the SARFAESI Act in terms of Section 14 of the Limitation Act. Therefore, we hold that the present Application filed by the Financial Creditor under Section 7 of the Code is maintainable.

4.13 Adverting now to the pre-requisite condition for admission of a Section 7 Application, it is well-established that the occurrence of default is paramount. As held by the Hon'ble Supreme Court in ***Innovative Industries Ltd. Vs. ICICI Bank*** (2018) 1 SCC 407, once the Adjudicating Authority is satisfied of a default, the application must be admitted. Based on the facts and



circumstances, it is evident that the Financial Creditor has presented sufficient evidence to establish the existence of a debt exceeding the minimum threshold of Rs.1 lakh, as required under Section 4 of the Code, and that the Corporate Debtor has defaulted in its repayment. The Application is complete, filed in the prescribed form and supported by an Affidavit from the proposed Interim Resolution Professional (IRP) under Section 7(3)(b) of the Code. The Financial Creditor has proposed the name of Mr. Srigini Rajat Naidu, a registered Insolvency Professional, as the IRP, submitted a declaration in Form 2 dated 04.09.2019, confirming that no disciplinary proceedings are pending against him. Accordingly, we find that all prerequisites of Section 7(5)(a) of the Code are satisfied and, therefore, the instant Application is fit for admission under Section 7 of the Code.

ORDER

This Application bearing **C.P. (IB) No.4287/2019** filed under Section 7 of the Code by Omkara Assets Reconstruction Private Limited, the Financial Creditor for initiating CIRP in respect of Vidarbha Sugar Mills Private Limited, the Corporate Debtor, is **admitted**.

We further declare moratorium under Section 14 of the Code with consequential directions as mentioned below:-



- 1** We prohibit-
 - 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 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;
 - d) the recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.

- 2** That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.

- 3** That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.

- 4** That the public announcement of the CIRP shall be made in immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.



- 5 That this Bench hereby appoints **Mr. Srigini Rajat Naidu, a registered Insolvency Professional** having **Registration Number IBBI/IPA-003/IP-N00137/2017-2018/11513**; valid Authorisation for Assignment up to 31.12.2025 and **e-mail address rajat_naidu@yahoo.com** as the IRP to carry out the functions under the Code.
- 6 That the fee payable to IRP/RP shall be in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.
- 7 That during the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of Section 17 or Section 25, as the case may be, of the Code. The officers and managers of the Corporate Debtor is directed to provide effective assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. 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/RP within a period of one week from the date of receipt of this Order and shall not commit any offence punishable under Chapter VII of Part II of the Code. Coercive steps will follow against them under the provisions of the Code read with Rule 11 of the NCLT Rules for any violation of law.
- 8 That the IRP/IP shall submit to this Tribunal periodical reports with regard to the progress of the CIRP in respect of the Corporate Debtor.



- 9 In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Financial Creditor is directed to deposit a sum of Rs.5,00,000/- (Five Lakh Rupees) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the Financial Creditor on priority upon the funds becoming available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.
- 10 A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai for updating the Master Data of the Corporate Debtor.
- 11 A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.
- 12 The Registry is directed to immediately communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.
- 13 **Compliance report of the order by Designated Registrar is to be submitted today.**

**Sd/-
SANJIV DUTT
MEMBER (TECHNICAL)**

**Sd/-
K. R. SAJI KUMAR
MEMBER (JUDICIAL)**

//LRA-Deepa//