

IN THE NATIONAL COMPANY LAW TRIBUNAL,

COURT-V, MUMBAI BENCH

C.P.(IB) /672/MB/2021

Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rule 2016)

In the matter of **ICICI Home Finance Company Limited** having its registered office at ICICI Bank Towers, Bandra Kurla Complex, Mumbai, Maharashtra: 400 005

.....Financial Creditor/Petitioner

V/s

Marvel Sigma Homes Private Limited, having its registered office at 301-302, Jewel Tower, Lane No: 5, Koregoan Park, Pune, Maharashtra – 411 001

.....Corporate Debtor/Respondent

Order Reserved on: 09.12.2022

Order Pronounced on: 24.01.2023

Coram:

Hon'ble Shri Kuldip Kumar Kareer, Member (Judicial)

Hon'ble Smt. Anuradha Sanjay Bhatia, Member (Technical)

Appearances (via video conferencing)

For the Petitioner: Mr. Prateek Sakseria a/w Vatsala Kumar and Shreya Mundra, Advocates.

For the Respondent: Mr. Nausher Kohli, Advocate.

Per : Hon'ble Smt. Anuradha Sanjay Bhatia, Member (Technical)

ORDER

1. The above Company Petition is filed by **ICICI Home Finance Company Limited** (hereinafter referred as "**Petitioner**") seeking to initiate Corporate Insolvency Resolution Process ("**CIRP**") against **Marvel Sigma Homes Private Limited**, (hereinafter referred as "**Corporate Debtor**") by invoking the provisions of Section 7 of Insolvency and Bankruptcy Code (hereinafter referred "**Code**") read with Rule 4 of Insolvency & Bankruptcy (Application to Adjudication Authority) Rules, 2016 for a resolution of an unresolved Financial Debt of **1,842,706,475/-**

2. BRIEF SUBMISSIONS ON BEHALF OF THE PETITONER:

- i. The present Petition is filed on the basis of the claims, arising out of the "Credit Arrangement Letter" dated 27th May 2017 and "Indenture of Mortgage" dated 29th May 2017(hereinafter together referred as "**Facility Documents**") executed between the parties wherein the Petitioner had sanctioned a facility of Rs 120 crores (hereinafter referred as '**Facility**') to the Corporate Debtor by the way of Credit Arrangement Letter, dated 29th May 2017.
- ii. The Petitioner further states that, the parties also executed an '**Indenture of Mortgage**' on 29th May 2017 , through which the Corporate Debtor provided certain securities by way of a Mortgage and charge on its properties, The Petitioner was also provided with a Corporate Guarantee

and Personal Guarantee, both dated 29th May 2017, as security against the Facility.

- iii. Further, the Petitioner submits that as per the repayment terms under the Credit Arrangement Letter, the Corporate Debtor agreed to repay the principal amount of the facility in 24 monthly instalments starting from 15th June 2019 i.e. by June 2021 and also an interest on the Facility on 15th day of each month starting from 15th June 2017, based on a floating interest rate.
- iv. The Corporate Debtor began paying the monthly interest from 15th June 2017. However, the Corporate Debtor stopped making the due payments after 15th September 2018. After being in default of its payment obligations for more than 90 days, the Petitioner, on 15th December 2018, declared the Corporate Debtors account as a Non-Performing Asset, in accordance with applicable guidelines of the Reserve Bank Of India.
- v. Thereafter, the Petitioner issued multiple letters to the Corporate Debtor, on an account of default by the Corporate Debtor. Further, on 7th May 2019, the Petitioner issued a Notice, recalling the entire Facility to the Corporate Debtor to make the repayment of all overdue amounts with interest, monies and other charges within 7 days of the notice. The Petitioner also issued a Letter, on 7th May 2019, invoking the Corporate Guarantee and Personal Guarantee by the promoters and Directors of the Corporate Debtor.
- vi. However, the Corporate Debtor continued to remain in default. Therefore, the Petitioner issued a notice dated 21st May 2019, under the Securitization and Reconstruction of the Financial Assets and Enforcement of Security Interest, 2002 (**SARFAESI Act**) to the Corporate Debtor. The Corporate Debtor replied to this notice on 6th

August 2019, denying the claim but also acknowledging its debt to the Petitioner.

- vii. Thereafter, on 29th January 2021 and 31st March 2021, the Corporate Debtor sent correspondence to the Petitioner again admitting its default and debt and requesting an extension/ a settlement for repayment of the facility with interest. Pursuant to which, the Petitioner on 12th March 2021, conditionally accepted the settlement request. However, the Corporate Debtor failed to fulfil settlement and therefore, no settlement agreement could not be finalized between the parties.
- viii. The Petitioner reiterated its demand for all outstanding sums by notice dated 20th May 2021 and 17th June 2021. However, the Corporate Debtor neglected to make the overdue payments and continued to remain in default of its payment obligations since 15th September 2018, despite having admitted its debts and default. Hence, this Petition.

3. BRIEF SUBMISSIONS ON BEHALF OF THE CORPORATE DEBTOR

The Corporate Debtor a filed detailed reply dated 25th July 2022, opposing the present Company Petition by raising the following contentions:

- a. The Corporate Debtor states that, the “**Credit Arrangement Letter** 'dated May 29, 2017, provides with terms and conditions of the alleged rupee term loan (“**Loan**”) and the ‘**Indenture of Mortgage** 'dated May 29, 2017, (hereinafter referred as ‘**Facility Documents**’) which are not binding on the Corporate Debtor as certain terms and conditions were not fulfilled by the Petitioner. Further, a duplicated signed copy of the Credit Management letter was to be sent within 45 days, in case the Corporate Debtor is satisfied with the terms and conditions of the said Letter.

The terms and conditions to be fulfilled before disbursement of amount under the Facility Documents are as follows :

- i. For disbursement beyond Rs. 500 Million and up to Rs. 1000 million, an Architect certificate was to be obtained by the Petitioner. However, no certificate was obtained by the Petitioner
- ii. Furthermore, for disbursement beyond Rs. 1000 million and up to Rs. 1200 million; a signoff from the RMG team of the Petitioner was required. Further, the Petitioner has not provided whether the same was obtained.

Therefore, from the aforesaid, the Petitioner has not provided any documentary evidence to show that the requisite conditions before the disbursement of the alleged loan in tranches was complied with or not.

- b. The Corporate Debtor states that, the ICICI Bank is not a party to the present Credit Arrangement Letter, as it is referred to as "**Other Lender**" under the said Letter and also Indenture of Mortgage. Furthermore, for disbursement of Rs. 500 million up to Rs. 750 million, the Indenture of Mortgage, provides a condition whereby a sanction letter was to be obtained from the Other Lender(i.e. ICICI Bank), ceding a first rank *pari passu* charge for the security, in favour of the Petitioner for an amount of Rs. 1200 million. It is pertinent to note that, this was a pre-disbursement condition for disbursement up to Rs. 500 million in the Credit Arrangement Letter. The Corporate Debtor states that these conditions were unilaterally changed by the Petitioner. Also, the abovementioned two separate conditions were to be fulfilled for the disbursement of the alleged loan of Rs. 500 million to up to Rs. 1000 million and thus, the Indenture of Mortgage is not binding upon the Corporate Debtor.

- c. Further, the Corporate Debtor states that, the Properties (Property 2, Property 3, Property 4, Property 5 and Property 6) mentioned under the Credit Arrangement Letter and the Indenture of Mortgage, are not owned by the Corporate Debtor and the Project A (as defined under the Credit Arrangement Letter and Indenture of Mortgage) under it is assigned as security to the Other Lender. Despite this fact, the Petitioner has not acquired any consent of the party i.e M/S Navrang Developers who is the owner of Property 5 and has taken the same as a security for the alleged loan sanctioned to the Corporate Debtor. M/s Navrang Developer is not a party to the Indenture of Mortgage and the same has been so stated in the letter dated July 09, 2019 addressed under Section 13(2) notice under SARFAESI Act. It is pertinent to note that in the said letter, the Corporate Debtor also appraised the Petitioner that the said property has been mortgaged by M/s Navrang Developers to ICICI Bank Limited by the way of a different mortgage deed for a different loan. Therefore, the Facility Documents are void-ab-initio as the same are based on third parties properties which have been accepted by the Petitioner as a security.
- d. The Corporate Debtor states that it had issued three post-dated cheques towards the amount disbursed as Loan. However, the Petitioner has not mentioned any reason for not encashing the said cheques in the present Company Petition.
- e. The Corporate Debtor submits that the Petitioner issued a Letter for recall of the Financial Assistance by invoking the Personal and Corporate Guarantee dated May 07, 2019 to the Marvel Promoter and Developer Private Limited (MPDPL), despite of the fact that the Petitioner was aware about the merger of Marvel Promoter and Developer Private Limited (MPDPL) with Marvel Realtors and Developers Private Limited. Further, the Petitioner has not issued the copy of the loan recall notice/letter April 22, 2019, whereby it had recalled the loan facility.

- f. The Corporate Debtor further states the Invocation Letter was issued well before the date of the repayment of the alleged loan amount, as starting from June 15, 2019, and was to be paid in 24 monthly installments and the same was recorded as a part of the terms and conditions for the grant of the alleged loan in the Credit management Letter and Indenture of Mortgage. Therefore, the Petitioner is in the breach of the Facility Documents.
- g. The Corporate Debtor submits on the basis of aforementioned reasons, the Petitioner had approached the Hon'ble Tribunal for recovery of the loan. Further, this present Company Petition is not filed as per the prescribed format under the Code and Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 and have followed its own format. The Corporate Debtor further states that that the IRP suggested by the Petitioner is already a Resolution professional in 14 different Corporate Insolvency Resolution Process and also a Liquidator in two liquidation process which is contrary to the Code of Conduct prescribed for the Insolvency Professionals. Further the Company Petition filed by the Petitioner in its Annexure LL does not provide a date of default. Therefore, the Petitioner has not complied with the requirement under the Code.
- h. The Corporate Debtor states that the Board Resolution dated January 18, 2019 was issued in the name of Mr. Vikrant Gandhi, Chief Financial Officer of the Petitioner. Under the Board Resolution, he was delegated with the power and authority to sign the affidavits and file the present Company Petition and affirm the same on behalf of the Petitioner. Further, Mr. Himanshu Wadher has been appointed as the Authorised Person to execute and affirm the present Company Petition on behalf of the Petitioner vide Authority Letter dated June 24, 2021 (Letter of Authority) on the basis of the power and authority under the Board resolution. However, Mr. Vikrant Gandhi has not been assigned the power to delegate the power and authority assigned to him vide the Board Resolution. The Corporate Debtor further

states that the present Company Petition and the Affidavit has been signed and affirmed by Mr. Himashu Wadher who does not have the power and authority to sign, affirm, execute and initiate the present Petition.

4. REJOINDER ON BEHALF OF THE PETITIONER:

The Learned Counsel for Petitioner had filed the rejoinder, pursuant to the reply, filed by the Corporate Debtor dated 26.07.2022. Further, the Petitioner denies all averments and allegation made by the Corporate Debtor in its Affidavit-In-Reply.

A. The Credit Arrangement Letter and the Indenture of Mortgage are binding on the Corporate Debtor:

- i. The Petitioner states that the Corporate Debtor requested for disbursement of the entire facility (through disbursement request forms) from the Petitioner and availed the Facility.
- ii. Further, the Corporate Debtor cannot deny the fact that it drew the entire Facility and availed the loan. The Corporate Debtor in several communications (which are annexed to the Petition) has categorically admitted that it availed the facility, defaulted in repaying the Petitioner as required under the Credit Management Letter and the Indenture of Mortgage, because of financial difficulties. The Corporate Debtor has also admitted its default by trying to settle the matter through proposed one-time settlement with the Petitioner at least twice. There is a clear admission of the debt and default of the Corporate Debtor under the Credit Management Letter and the Indenture of Mortgage.

- iii. The pre-disbursement requirements are the Petitioner's right and prerogative. These conditions are to be fulfilled to the Petitioner's (and not the Corporate Debtor's) satisfaction.
- iv. The Petitioner had obtained the Architect Certificate that was required to be provided under the Credit Arrangement Letter. A copy of the Architect Certificate is annexed to the Company Petition. The Petitioner had also obtained approval of its RMG team for the disbursement.
- v. The Corporate Debtor has also tried to deny the applicability of the Indenture of Mortgage on it, alleging that the Letter was to be obtained from the "Other Lender" i.e. ICICI Bank limited ceding a first ranking *pari passu* charge for the security in favour of the Petitioner. It is not the Corporate Debtor's case at all that this letter was not provided. The Corporate Debtor has alleged that this condition was unilaterally amended by the Petitioner. The Petitioner submits that it made no change or amendment unilaterally or at all to the Credit Management Letter, as alleged. After having availed the entire Facility and defaulting on its payments obligation and requesting the Petitioner for a settlement/ concession on various occasions, the Corporate Debtor is denying its default. In any case, ICICI Bank Limited duly sent the ceding letter to the Petitioner, a copy of which is annexed and placed before the Bench.

B. The Credit Arrangement Letter and Indenture of Mortgage are not void ab initio:

- i. The Corporate Debtor has alleged that the Credit Arrangement Letter and Indenture of Mortgage are void ab initio because they

are based on third party properties which the Petitioner accepted as security. The Corporate Debtor has also alleged that the Petitioner failed to acquire the consent of M/s Navrang Developers, that owns Property 5. The Corporate Debtor has also stated that Property 2 is not owned by the Corporate Debtor.

- ii. The Petitioner submits that the Credit Arrangement Letter does not deal with third party properties, as alleged. The Corporate Debtor has wrongly alleged that it is not the owner of Property 2 when it has categorically agreed under the Credit Arrangement Letter that Property 2 was owned by it (though it was being mortgaged and only the receivables from Project 2 were mortgaged). As regards Property 5, the Credit Arrangement Letter clearly specifies the various agreements by which M/s Navrang Developers assigned all rights of the various land parcels that constitute Property 5, in favour of Marvel Realtors & Developers Limited, and had also assignment deed in favour of the Corporate Debtor. Therefore, the Credit Arrangement Letter and the Indenture of Mortgage do not impinge on any third-party rights, as alleged.

C. The Petitioner had correctly invoked the Corporate Guarantee:

- i. The Corporate Debtor has alleged that the corporate guarantee issued by Marvel Promoters and Developers Private Limited is invalid. However, the Corporate Debtor has failed to show how the corporate guarantee itself is invalid. The Corporate Debtor has instead argued that the letter invoking the corporate guarantee was issued to Marvel Promoters and Developers Private Limited when it had already merged with Marvel Realtors and Developers

Private Limited. The Corporate Debtor claims that this was done to create a façade that the Petitioner tried everything to recover the Facility.

- ii. As a matter of fact, the Petitioner has not tried to create any façade of the attempted recovery of the Facility, as alleged. The Petitioner fails to understand how the corporate guarantee itself could be invalid on the ground that the invocation letter was sent to the guarantor named in the guarantee, i.e., Marvel Promoters and Developers Private Limited.
- iii. The Corporate Debtor has also alleged that the invocation letter was issued before the date of repayment of the Facility, i.e., 15 June 2019 and for this reason, the Petitioner is allegedly in breach of the Credit Arrangement Letter and the Indenture of Mortgage. These arguments are untenable and baseless. As per the terms of the corporate guarantee, in the event the Corporate Debtor is in default of payment / repayment of any of the moneys (i.e., the Facilities, with all interest, commission, costs, charges, expenses and all other monies as per the terms, conditions, and covenants of the Facility Documents), then the guarantor had agreed to forthwith pay to the Petitioner without demur, all/party of the amounts as demanded by the Petitioner under the Facility Documents.
- vi. It is not in dispute that the Corporate Debtor was in default of the monthly interest payment from 15 September 2018, which led to the Corporate Debtor's account being classified as an NPA from 15 December 2018. Therefore, as soon as the Corporate Debtor defaulted in the payment of interest under the Credit Arrangement Letter, the Petitioner's right to invoke the corporate guarantee was triggered. It is not relevant as to whether the time period for

repayment of the principal amount had commenced or not. Thus, the Petitioner validly and rightly invoked the corporate guarantee on 7 May 2019.

- vii. The Corporate Debtor has been acknowledging its debt since the very beginning, but repeatedly requesting further time to repay the Financial Creditor. In the letter dated 9 July 2019, the Corporate Debtor categorically admitted that it has been unable to generate sufficient funds to repay the company's dues.

D. The Petition has been correctly filled and affirmed by an Authorised Person:

- i. The Corporate Debtor has alleged that by filing the factual background of the matter, the Petition is not as per the prescribed format under the IBC and the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 which provides for a Form 1 to be appended with the Petition. The Corporate Debtor does not dispute or deny that the Petitioner has been file with the duly filled Form 1.
- ii. The Corporate Debtor has also alleged that the IRP named by the Petitioner is in violation of Clause 22 of the First Schedule of the Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016 because as per Form 2 submitted by him with the Petition the purposed IRP has already more than 10 assignments. This argument is without merit. The IRP is not in violation of the aforesaid regulations and therefore, can be nominated as the IRP for the present case as according to Exhibit UU attached with the rejoinder , the IRP has only 6 assignments.

- iii. The Corporate debtor has also alleged that the Petitioner has not complied with the requirements of producing the record of default and a date of default along with the information utility. The Petitioner submits that FORM 1 contains no such mandatory requirement to annex the record of default.
- iv. The Corporate Debtor has also wrongly argued that the Petition is not affirmed by an Authorised Person. The Petitioner has annexed a copy of its Board Resolution dated 18th January 2019, by which the Board of Directors authorised Mr. Vikrant Gandhi to commence, institute, file, carry out, etc on behalf of the Petitioner, any actions, petitions, suits, other proceedings before any court of justice. The Board Resolution expressly authorises Mr. Gandhi to further delegate in these powers as he deems fit to any officer of the Petitioner. Mr. Gandhi in exercise of this power, has duly authorised Mr. Himanshu Wadher under the Letter of Authority to affirm and sign the Petition. Therefore, The Corporate Debtor's argument is not tenable.

FINDINGS

5. Heard both the sides and perused the material available on record. It is noteworthy to mention that the present Company Petition was admitted by this Tribunal dated 20.07.2022 ("Admission Order"). However, the Corporate Debtor challenged the said Admission Order by filing a Writ Petition bearing No. (L) 23447 of 2022 in Hon'ble High Court. Thereafter, the Hon'ble High Court vide order dated 25.07.2022 set aside the Admission Order and directed the Tribunal, to decide the present Company Petition on merits.

6. The Corporate Debtor raised the contention, that the Facility Documents are not binding as the conditions of pre-disbursement of Loan were not fulfilled by the Petitioner. However, this contention is not available to the Corporate Debtor as considering the facts that the required certificates were obtained by the Petitioner which are duly annexed to the Company Petition. The Respondent having voluntarily signed the documents and having availed the loan amount cannot be now heard harping that certain conditions of pre-disbursement were not fulfilled by the Petitioner.
7. Further, another contention raised on behalf of the Corporate Debtor pertaining to the Facility Documents that they are *void ab initio* because they are based on the third-party properties. However, this contention is not relevant as the issue has no bearing on the present matter because the Corporate Debtor has already admitted its debt and default to the Petitioner.
8. The Corporate Debtor further claims that the Letter invoking the Corporate Guarantee was wrongly issued to the “Marvel Promoters & Developers Private Limited” and therefore the same is invalid. This contention is not valid as the Invocation Letter was rightly sent to the Guarantor, the relevant paragraph is extracted as under:

Para 2: The Credit Facility availed by the Borrower is secured by a way of Mortgage over the properties, Personal Guarantee executed by Mr. Vishwajeet Jhavar (“Personal Guarantor”) and corporate guarantee executed by Marvel Promoters & Developers (Pune) Private Limited (“Corporate Guarantors”) and contractual comfort, which are more particularly mentioned in Annexure-I hereto. The Personal Guarantors and Corporate Guarantor hereinafter collectively referred to as the “Guarantors” and individually referred to as the “Guarantor”.

Therefore, it is clear from the above-mentioned Letter that the Petitioner has issued Letter Recalling the Financial Assistance upon the Marvel Realtors & Developers (Pune) Private Limited, being the security Guarantor for the Corporate Debtor.

- 9.** The Corporate Debtor has raised a contention that the Petitioner has filed this Petition for recovery proceedings which is not the object of the Code. This argument is also invalid as the Petitioner has rightly filed the Petition on the account of default and the fact that the Corporate Debtor have become commercially insolvent which is evident from the **CIRF** report of the Corporate Debtor, issued on 28 July 2022, showing the Company's total indebtedness of Rs. 3,218,920,017/- whereas the net worth for that Financial Year was (-) 478,260,235/- which clearly indicates that the Corporate Debtor net worth is far lesser than its liabilities making it commercially insolvent.
- 10.** Further, the Corporate Debtor has raised the contention that the Petition is not affirmed by an authorised person. This contention is not tenable as the Petitioner has annexed a copy of Board Resolution which expressly authorises Mr. Vikrant Gandhi to further delegate these powers as he deems fit to any officers of the Petitioner. Therefore, the present Company Petition is valid.
- 11.** The Corporate Debtor has relied on the contention that the IRP nomination, by the Petitioner is in violation of clause 22 of the First Schedule of Insolvency and Bankruptcy Code as he had more than 10 assignments at the time of filing the Petition. However, upon perusal, as on date, the IRP has only 6 assignments which is annexed to the Company Petition. Therefore, this contention also rejected.

- 12.** Apart from that, it is pertinent to note that the Corporate Debtor had admitted the liability vide an e-mail dated 29th January 2020. The relevant paragraph from the said email is extracted for a ready reference:

Para 4: Marvel has restarted the stalled projects (viz. Piazza, Ribera, Fria, Oriol, Aquanas, Selva Ridge) out of which quite a few are nearing competition and catching up the good positive traction in its overall operations. We have attached the project progress photographs for review. The funding requirement during the said period would be really high. In this regard, we request you to consider revision in the debt repayment schedule by extending the period of repayment of Principal along with interest amount for further period of 2 years.

We resending the cashflow statements of Ribera and Bounty-2 projects for your perusal.

Ribera work getting over in next 18 months, we are confident that substantial loan amount will be settled by that time period.

Kindly consider our request favourably.

From the above-mentioned email it is observed that the Corporate Debtor had not only admitted its liability but also sought Settlement seeking extension of time for repayment on both occasions.

- 13.** Further, it is observed that admittedly the amount claimed by the Petitioner was duly disbursed to the Corporate Debtor. Also, the Corporate Debtor has raised no dispute or question pertaining to the amount disbursed and received. The Corporate Debtor further has failed to convince this Bench that the Loan disbursed under the Facility Documents is invalid or any

ground. Furthermore, the Corporate Debtor itself at several events admitted its debt and default further exploring the option of Settlement. Therefore, there is a clear '**debt**' and '**default**' of non-payment of the debt.

14. Therefore, we are of the considered view that nature of Debt availed by the Corporate Debtor is a "**Financial Debt**" as defined under section 5 (8) of the Code. It has also been established that there is a "**Default**" as defined under section 3 (12) of the Code on the part of the Debtor. The two essential qualifications, i.e., existence of '**debt**' and '**default**', for admission of a Petition under section 7 of the I&B Code, have been met in this case. Besides, the Company Petition is well within the period of limitation. The Petitioners have also suggested the name of proposed Interim Resolution Professional in Part-3 of the Petition along with his consent letter in Form-2. Further, it is found that the Petitioner has not received the outstanding Debt from the Corporate Debtor and that the formalities as prescribed under the Code have been completed by the Petitioner, and therefore this Petition deserves to be '**Admitted**'.

15. Accordingly, the above Petition is **admitted** by passing the following:

ORDER

- a. The above Company Petition No. (IB) /672/ (MB)/2021 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against **Marvel Sigma Homes Private Limited**.
- b. The Petitioner has proposed the name of **Mr. Udayraj Patwardhan** Insolvency Professional, Registration No: IBBI//IPA-001/IP-00024/2016-2017/10057 residing at Flat no: 809-810, 8th floor, B-wing, Trade World, Kamala Mills compound, Lower Parel (W), Mumbai: 400013 as the Interim Resolution Professional Insolvency Professional.

The IRP proposed by the Petitioner, is hereby appointed as Interim Resolution Professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.

- c. The Financial Creditor shall deposit an amount of **Rs. 5 Lakhs** towards the initial CIRP costs by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The IRP shall spend the above amount towards expenses and not towards fee.
- d. That this Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority; transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.
- e. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- f. That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

- g. That the order of moratorium shall have effect from the date of pronouncement of this order till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of section 31 or passes an order for liquidation of corporate debtor under section 33, as the case may be.
- h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- i. During the CIRP period, the management of the corporate debtor will vest in the IRP/RP. The suspended directors and employees of the corporate debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.
- j. Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.
- k. Accordingly, C.P.(IB)/672/MB/2021 is **admitted**.
- l. The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

SD/-

ANURADHA SANJAY BHATIA
MEMBER (TECHNICAL)

SD/-

KULDIP KUMAR KAREER
MEMBER (JUDICIAL)