

**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**JAIPUR BENCH**

**CORAM: SHRI DEEP CHANDRA JOSHI,  
HON'BLE JUDICIAL MEMBER**

**SHRI ATUL CHATURVEDI,  
HON'BLE TECHNICAL MEMBER**

**MA(IBC) NO. 03/JPR/2022**  
**IA NO. 53/JPR/2023**  
**CP No. (IB)- 189/7/JPR/2019**

*(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 AGARWAL POLYSACKS LIMITED**

**...Financial Creditor**

**Versus**

**M/S SAMDARI STRIPS PVT. LTD.**

**...Corporate Debtor**

**MEMO OF PARTIES**

**M/s Agarwal Polysacks Limited**

CIN: U25202RJ1992PLC006474

R/o: E-649, MIA, 2<sup>nd</sup> Phase, Basni,  
Jodhpur-Rajasthan- 342005.

**...Financial Creditor/Applicant**

**VERSUS**

**M/s Samdari Strips Pvt. Ltd.**

CIN: U2710RJ1995PTC010084

R/O: E-370, MIA, Phase 2<sup>nd</sup>, Basni,  
Jodhpur-Rajasthan-000000.

**...Corporate Debtor/Respondent**

**For the Applicant**

**: Sarvesh Jain, Adv.**

*MA(IBC) NO. 03/JPR/2022*  
*IA NO. 53/JPR/2023*  
*CP No. (IB)- 189/7/JPR/2019*

**For the Respondent** : Yash Sharma, Adv.

**Order Pronounced On: - 31.07.2023**

**ORDER**

**Per: Shri Deep Chandra Joshi, Judicial Member**

1. This Application is filed by M/s Agarwal Polysacks Limited ('Applicant'/'Financial Creditor') against the Corporate Debtor namely M/s Samdari Strips Pvt. Ltd. ('Respondent' /'Corporate Debtor') under Section 7 of the Insolvency and Bankruptcy Code ('IBC' / 'Code'), 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, seeking initiation of Corporate Insolvency Resolution Process ('CIRP') pursuant to the default in repayment of loan amount by the Corporate Debtor to the Applicant.
2. The Applicant is a public company incorporated under the Companies Act, 1956 provisions and duly registered with the Registrar of Companies, Jaipur having CIN: U25202RJ1992PLC006474. The registered office of the Applicant is situated at E-649, M.I.A. 2<sup>nd</sup> Phase, Basni, Jodhpur-342005, India. The present application has been filed through Smt. Manju Agarwal who has been duly authorised *vide* Board Resolution dated 05.07.2019 which is annexed as Annexure A-8 of the Application.
3. The Corporate Debtor is a private limited company, incorporated under the provisions of the Companies Act, 1956 on 24.05.1995 and duly registered

with the Registrar of Companies, Jaipur having CIN: U27107RJ1995PTC010084. The registered office of the Corporate Debtor is situated at E-370-A, MIA, Phase 2<sup>nd</sup>, Basni, Jodhpur Rajasthan, 000000 India. The Authorised share capital of the Company is Rs. 50,00,000/- (Rupees Fifty Lakh Only) and the Paid-up share capital of the Company is Rs. 42,80,000/- (Rupees Forty-Two Lakh Eighty Thousand Only).

4. The details of the transactions leading to the filing of this Application as averred by the Applicant are as follows:
- a. The Corporate Debtor approached the Applicant for financial assistance. Pursuant to that the Applicant agreed to grant an unsecured loan for an amount of Rs. 1,10,00,000/- (Rupees One Crore Ten Lakh Only) at an interest rate of 12% p.a. to the Corporate Debtor.
  - b. Subsequently the Corporate Debtor borrowed an unsecured term loan in the year 2017. The Applicant disbursed the said loan in four parts as follows:
    - i. *Cheque No. 002162 RTGS Rs. 30,00,000/- dated 01.09.2017*
    - ii. *Cheque No. 002161 RTGS Rs. 30,00,000/- dated 01.09.2017*
    - iii. *Cheque No. 002101 RTGS Rs. 40,00,000/- dated 04.09.2017*
    - iv. *RTGS Rs. 10,00,000/- dated 15.09.2017*
  - c. Eventually the Corporate Debtor made a repayment of Rs. 80,00,000/- (Rupees Eighty Lakh Only) through cheque. The details of the cheques are as below:

i. *Cheque No. TRF000134 RTGS Rs. 50,00,000/- dated 26.02.2018.*

ii. *Cheque No. TRF RTGS Rs. 30,00,000/- dated 08.03.2019.*

The Corporate Debtor also paid interest @12% of Rs. 6,72,658/- (Rupees Six Lakh Seventy-Two Thousand Six Hundred Fifty-Eight Only) on 31.03.2018 and also deducted Tax Deduction at Source ('TDS') of Rs. 67,266/- (Rupees Sixty-Seven Thousand Two Hundred Sixty- Six Only)

- d. The Applicant sent an e-mail on 12.04.2019 to the Corporate Debtor requesting to send the statement of account for the period of 01.04.2018 to 31.03.2019. In response to the same, the Corporate Debtor states that *Account Confirmation with interest cheque send to your Sardarpura office please contact at your office and please send us a signed confirmation account copy.* The same has been duly acknowledged by the Corporate Debtor as on 01.04.2019 by signing the confirmation of account sent by the Financial Creditor, which is annexed as Annexure A-6 of the Application.
- e. The Applicant sent a letter of demand dated 17.04.2019, demanding repayment of the unsecured loan amounting to Rs. 33,41,485/- (Rupees Thirty-Three Lakh Forty-One Thousand Four Hundred Eighty-Five Only) along with interest amount, although till date neither any reply nor any payment has been received by the Corporate Debtor.

- f. Hence this Application has been filed by the Financial Creditor. The Total Debt due is Rs. 91,80,854.55/- (Rupees Ninety-One Lakh Eighty Thousand Eight Hundred Fifty-Four and Fifty Five Paise Only) including interest charged at the rate of 12 % p.a. for the period 01.04.2017 to 06.07.2019.
- g. However, the Applicant filed an amended memo of the Application *vide* Diary No. 1909 dated 13.09.209 under Section 7 of the IBC, 2016 whereas the amount of the claim has been substituted from Rs. 91,80,854.55/- (Rupees Ninety-One Lakh Eighty Thousand Eight Hundred Fifty-Four and Fifty-Five Paise Only) to Rs. 34,30,003.75 (Rupees Thirty-Four Lakh Thirty Thousand Three and Seventy-Five Paise Only) in the Part-IV of the Application.
- h. The details of the amount due in Part IV of the amended memo of the Application which is as follows:

<b><u>PART IV</u></b>		
<b><u>PARTICULARS OF FINANCIAL DEBT</u></b>		
1.	Total Amount of Debt Granted	<b>Total Amount of Debt:</b>
	Date(s) Of Disbursement	1. Cheque No. 002162 RTGS Rs. 30,00,000/- dated 01.09.2017.
		2. Cheque No. 002161 RTGS Rs. 30,00,000/- dated 01.09.2017
		3. Cheque No. 002101 RTGS Rs. 40,00,000/- dated 04.09.2017.
		4. RTGS Rs. 10,00,000/- dated 15.09.2017
		<b>Total Repayment:</b>

		<p>1. Cheque No. TRF000134 RTGS Rs. 50,00,000/- dated 26.02.2018.</p> <p>2. Cheque No. TRF RTGS Rs. 30,00,000/- dated 08.03.2019</p> <p><b>Interest Amount:</b></p> <p>1. Rs. 6,72,658/- (Interest @ 12% along with TDS per annum upto 31.03.2018)</p> <p>2. Rs. 3,60,000/- (Interest @ 12% from 01.04.2018 to 31.03.2019 for which TDS is paid but not interest)</p> <p>3. Rs. 70,003.75/- (Interest @ 12 from 01.04.2019 to 06.07.2019</p> <p><b>Total:</b> Rs. 34,30,003.75/- (Rupees Thirty- Four Lakh Thirty Thousand Three and Seventy-Five paisa Only) A copy of the payment statement of the Applicant is annexed with the Application</p>
2.	<p>Amount Claimed to be in Default and</p> <p>The date on which the default occurred (attach the workings for computation of amount and days of default in tabular form)</p>	<p><b>Total Amount of Debt:</b> Rs. 34,30,003.75/- (Rupees Thirty- Four Lakh Thirty Thousand Three and Seventy-Five paisa Only)</p> <p>Date of Default- 17.04.2019</p>

5. Consequent to the notice issued by this Adjudicating Authority, the Corporate Debtor filed its reply *vide* Diary No. 2159/2019 dated 01.10.2019 whereby the following is stated:

- a. The Corporate Debtor has submitted that the Application for the alleged amount is not maintainable as per law and the same is not maintainable in accordance with the provisions of IBC, 2016. The Application has been filed without any occurrence of default therefore is not maintainable.
- b. The Corporate Debtor states that the Applicant does not quantify to be termed as a financial creditor in terms of Section 5(7) of the Code, 2016 as there is no financial debt under section 5(8) of the Code, 2016
- c. The Corporate Debtor further submits that there is no financial contract produced on record and no evidence to show that money was transferred to the Corporate Debtor.
- d. The Corporate Debtor did not agree to pay interest on the said debt hence there is no time value of money and there is no default on the part of the Corporate Debtor. There is no document to show that the alleged unsecured loan was repayable on demand.
- e. It is pertinent to note that the Applicant is not authorized under Section 186 of the Companies Act, 2013 to provide an unsecured loan as the Applicant has not produced any license or certificate to provide an

unsecured loan. The Applicant was not in the business of providing loans.

- f. The Corporate Debtor further submits that the Applicant is not authorized to initiate proceedings under the provisions of IBC and there no record of default has been filed by the Applicant with the information utility.
- g. The Applicant suppressed the material facts that an Agreement to Sell has been executed between Mr. Anshul Ramesh Agarwal (Seller) and the Respondent Company, K K Agro Foods & Storage Limited, Karuna Distributors Private Limited and Applicant for the purchase of the land situated at khasra no. 667, village Shikarpura, Tehsil Luni, District Jodhpur for an amount of Rs. 4,00,00,000/- (Rupees Four Crore Only) and an advance of Rs. 5,00,000/- (Rupees Five Lakh Only) has been paid. Copy of the Agreement to Sell dated 25.01.2017 is enclosed as Exhibit-C of the reply.
- h. The Corporate Debtor states that a civil suit has been filed before Additional Chief Metropolitan Magistrate, Jodhpur for seeking a declaration and permanent injunction restraining the Applicant from the recovery of money. Copy of the three civil suits 98/2019, 99/2019, and 100/2019 are enclosed as Exhibit D, E, and F of the reply respectively.

6. The Applicant has filed a Miscellaneous Application ('MA') No.03/JPR/2022 *vide* diary no. 472/2022 dated 18.02.2022 in response to the reply filed by the Respondent submitting as follows:
- a. The present MA has been filed by the Applicant under Section 60(5) of IBC, 2016 and Rule 11 of NCLT Rules read with sections 340 and 195(1)(b) of the Code of Criminal Procedure, 1973 for taking appropriate action against the Corporate Debtor for committing offences under Section 120-A, 193,199 and 200 of the Indian Penal Code, 1860.
  - b. The Agreement to Sell dated 25.01.2017 which is referred by the Corporate Debtor in their reply is forged, false, and fabricated. The documents are unstamped and not executed by the authorized person. The Applicant further submitted that a civil suit is also pending for forging the Agreement to Sell and FIR is also filed against the Respondent.
  - c. The Applicant further states that the Respondent Company through its directors committed an offence of fabricating evidence and producing false evidence under Section 120-A, 193, 199, and 200 of the Indian Penal Code, 1860.
7. The Respondent has filed a counter affidavit in response to the aforementioned MA *vide* diary no. 2586/2022 dated 30.08.2022 submitting as follows:

- a. The Respondent states that no false evidence has been produced before the Court and the said agreement to sale is a unilateral contract that does not require any signature of the purchaser.
  - b. The Respondent contends that none of the provisions of IBC as alleged by the Applicant is committed by the Respondent Company or its directors.
8. The Respondent filed an IA (IBC) No. 53/JPR/2023 for seeking production of the additional documents from the Applicant *vide* dairy no. 200/2023 dated 23.01.2023 whereby the following is stated:
- a. It is pertinent to note that the Applicant is not authorised to grant a loan to another body corporate unless a resolution for sanctioning the loan is passed under Section 185(5) of the Companies Act, 2013.
  - b. Further the Corporate Debtor is seeking a complete statement of loan accounts from the Applicant since the Applicant has not taken any approval from the Public Financial Institutions as per the requirements of Section 186 of the Companies Act, 2013.
9. The Applicant has filed written submissions *vide* Diary No. 1378/2023 dated 30.05.2023 whereby the following has been submitted:
- a. The Applicant states that an inter-corporate/unsecured loan has been granted to the Corporate Debtor in terms of Section 186 of the Companies Act, 2013.

- b. The Corporate Debtor has repaid the sum of Rs. 80,00,000/- (Rupees Eighty Lakh Only) out of a total loan of Rs. 1,10,00,000/- (Rupees One Crore Ten Lakh Only). The Corporate Debtor also paid interest of Rs. 6,72,658/- (Rupees Six Lakh Seventy-Two Thousand Six Hundred Fifty-Eight Only) and deducted TDS in Financial Year 2018-19.
- c. The Applicant submitted that the Corporate Debtor also send an account confirmation which is a valid and unequivocal acknowledgment of debt.
- d. Further the Applicant has also relied on the following judgments:
- I. *Mrs. Tripat Kaur vs M/s Kaliber Associates Pvt Ltd. in CP(IB) No. 51/ND/2017*
  - II. *Lakshmi Narayan Sharma Vs Punjab National Bank 2021 SCC OnLine NCLAT 155*
  - III. *Innoventive Industries Vs ICICI Bank, (2018) 1 SCC 407*
  - IV. *Narendra Kumar Agarwal & Anr Vs Monotrone Leasing Pvt. Ltd. & Anr. in Company Appeal (AT) (Insolvency) o. 549 of 2020*
  - V. *Agarwal Polysacks Limited Vs Karuna Distributors Private Limited in CP(IB) No. 1432/KB/2019*
10. The Corporate Debtor also filed written submissions *vide* Diary no. 1495/2023 dated 12.06.2023 whereby reiterated the same as mentioned in the reply and additionally relied on the following case laws:

- I. *M. Sai Eswara Swamy Vs Siti Vision Digital Media Pvt. Ltd. in Company Appeal (AT)(Ins.) No. 706 of 2021*
- II. *Three C Universal Developers Pvt. Ltd. Vs Gulshan Homz Pvt. Ltd. in (IB)-890/(ND)/2020*
- III. *Pankaj Piyush Trade and Investment Ltd. Vs Kamal Ideal Infratech Pvt. Ltd. in (IB) 673 (ND)/ 2020*
- IV. *M/s Agarwal Polysacks Ltd. Vs KK Agro Foods & Storage Ltd. in IB-1705/(ND)/2019*
- V. *Prayag Polytech Pvt. Ltd. vs Bon Lon Petrochem LLP in Company Appeal (AT) (Insolvency) No. 705 of 2019*
- VI. *Prayag Polytech Pvt. Ltd. vs IWorld Digital Solution Pvt. Ltd. in Company Appeal (At) (Ins.) No. 625 of 2019*
- VII. *Pawan Kumar Vs Utsav Securities Pvt. Ltd. & Ors. in Company Appeal (At)(Ins.) No. 251 of 2020*
- VIII. *Prayag Polytech Pvt. Ltd. vs Gem Batteries Pvt. Ltd. in Company Appeal (AT) (Insolvency) No. 713 of 2019*
- IX. *M/s Catalyst Refinery Services Pvt. Ltd. Vs M/s Ganpati Global Pvt. Ltd. in CP(IB)-68/7/JPR/2021 NCLT Jaipur Bench*
- X. *Avail Finance Services Ltd. vs Sunworld City Pvt. Ltd. Company Petition (IB) No. 219/ALD/2019 NCLT Allahabad Bench*
- XI. *Manoj Kumar Agarwal Vs Mehandipur Balaji Infra Developers Pvt. Ltd. in Company Appeal (AT)(Ins.) No. 577 of 2018*

*XII. Sanjay Kewalramani vs Sunil Parmanand Kewalramani & Ors. in Company Appeal (AT)(Insolvency) No. 57 of 2018*

*XIII. Mahadev Prasad Jhanwar vs Agarwal Polysacks Ltd. Anr. in Company Appeal (AT) (Insolvency) No. 928 of 2021*

11. The Applicant further filed additional written submissions *vide* Diary No. 1596/2023 dated 27.06.2023 whereby reiterated the same as mentioned in their earlier written submission and additionally relied on the following judgments:

*I. Principal Commissioner of Income Tax Vs Monnet Ispat and Energy Limited, (2018) 18 SCC 786*

*II. Duncans Industries Ltd. Vs A.J. Agrochem, Civil Appeal No. 5120 of 2019*

*III. SREI Infrastructure Finance Ltd. V. Sterling SEZ and Infrastructure Ltd., M.A. No. 1280/2018 in C.P. No. 405/2018*

*IV. Mr. Pradeep Tayal, Director of Suspended Board M/s Pytex Jewellers Ltd. Vs M/s Essbert Fashion Pvt. Ltd. in Company Appeal (AT)(Insolvency) No. 950 of 2022*

12. This Adjudicating Authority has perused all the relevant papers and found them in order. The Registered Office of the Respondent is situated in the state of Rajasthan; therefore, this Adjudicating Authority has jurisdiction to entertain and try this application. Further, this matter is within the purview of Laws of Limitation, as the debt fell due in 2019, and the Application was

filed before this Adjudicating Authority in 2019. Hence, the period of three years after the default occurred had not been exhausted at the time of filing this Application. Therefore, the present Application has been filed within the prescribed period of limitation.

13. Before we delve into the matter at hand, it is important to refer to the following definitions:

*“3(11) **debt** means a liability or obligation in respect of a claim which is due from any person and includes a financial debt and operational debt;”*

*“3(12) **default** means non-payment of debt when whole or any part of instalment of the amount of debt has become due and payable and is not paid by the debtor or the corporate debtor, as the case may be;”*

*“5(7) **financial creditor** means any person to whom a financial debt is owed and includes a person to whom such debt has been legally assigned or transferred to;”*

*“5(8) **financial debt** means a debt alongwith interest, if any, which is disbursed against the consideration for the time value of money and includes –*

- (a) money borrowed.....*  
*(i)..... ”*

14. From the documents produced before us, it is perceived that the Applicant had disbursed an amount of Rs. 1,10,00,000/- (Rupees One Crore Ten Lakh Only) into four bits as follows:

- i. Cheque No. 002162 RTGS Rs. 30,00,000/- dated 01.09.2017*
- ii. Cheque No. 002161 RTGS Rs. 30,00,000/- dated 01.09.2017*

iii. *Cheque No. 002101 RTGS Rs. 40,00,000/- dated 04.09.2017*

iv. *RTGS Rs. 10,00,000/- dated 15.09.2017*

Subsequently, the Corporate Debtor has repaid a sum of Rs. 80,00,000/- (Rupees Eighty Lakh Only) in two parts as follows:

i. *Cheque No. TRF000134 RTGS Rs. 50,00,000/- dated 26.02.2018.*

ii. *Cheque No. TRF RTGS Rs. 30,00,000/- dated 08.03.2019.*

15. We have heard Ld. Counsels appeared for both sides and find that the disbursement and receipt of the money has not been disputed by the Corporate Debtor. It is also admitted that the interest component on which TDS was deducted and paid by the Corporate Debtor to the credit of the Financial Creditor, and that the amount of TDS matches with the figures showing in the TDS Certificate/Form 26AS. This is a categorical admission on the part of the Corporate Debtor. In the next year also a similar deduction of TDS out of the interest payment was made and deposited by the Corporate Debtor. The Corporate Debtor has not even denied in its reply affidavit, the fact of confirmation of the debt and deduction of TDS on interest and depositing the same with the authority concerned to the credit of the Financial Creditor. There is no explanation given by the Corporate Debtor as to why they deducted and deposited the TDS or issued the confirmation of the accounts.

16. At this juncture, we consider it relevant to refer to the Judgment of Hon'ble NCLAT in the matter of *Pradeep Tayal vs Essbert Fashion Pvt. And Others* 2023 SCC OnLine NCLAT 43. The relevant extracts are given below:

*“23. This Tribunal in the above case referring to documents and correspondences between the parties concluded that financial debt was there despite there being no MoU formerly executed between the parties containing the terms and conditions of transaction. Further when we look into the definition of transaction as contained in Section 3(33) of the Code as extracted above, the definition is an inclusive definition and the provision does not lead to the conclusion that unless there is written transaction between the parties incorporating the terms and conditions of the loan, no transaction can come within the meaning of Section 5(8) of the Code. Financial Debt can be proved from other documents as contemplated in Column 8 of Part-V of Form 1 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 as noted above.”*

17. It is true that the deduction of TDS and deposit by the Corporate Debtor does not itself prove that there is any financial debt but the deduction of TDS and deposit in Form 26AS under Section 194A of the Income Tax Act clearly proves that the deduction which was deposited was TDS relating to *Interest other than interest on securities*. Form 26AS was filed by the Financial Creditor along with the present petition under Section 7 of the Code, 2016 supporting the case of the Applicant that the loan which was granted to the Corporate Debtor was with interest.

18. There can be no dispute to the proposition that on the basis of the deduction of TDS, it cannot be concluded that the transaction in question is Financial Debt. However, the aforementioned judgment of the Hon'ble NCLAT, held that *Financial Debt can be proved from other documents as contemplated in Column 8 of Part-V of Form 1 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 as noted above.*
19. In the present case, the Applicant has annexed a list of the documents to prove the existence of the Financial Debt in Part-V of Form-1 such as a copy of the letter of demand dated 17.04.2019, a copy of the bank statements of the account maintained by the Applicant, copy of the confirmation of account by the Corporate Debtor and deduction of TDS in financial year 2017-18.
20. Besides that, the basic ingredients to be looked into while passing an order under Section 7 of the code is: (i) there must be a disbursement of loan amount, such dispersal should be made for a consideration of time value of money; (ii) when the debt (whole or any part of instalment) becomes due and payable and; (iii) the same is not paid by the Corporate Debtor i.e., default committed by the Corporate Debtor.
21. In the case of *Pawan Kumar v. Utsav Securities Private Limited & Ors., Company Appeal (AT) (Ins) No. 251 of 2020*, the Hon'ble NCLAT has stated the following to be essential conditions to be satisfied by a Financial Creditor under Section 7 read with Section 5 (7) and (8) of the Code:

- a. *There must be disbursal of loan amount.*
- b. *Such disbursal should be made for a consideration for time value of money, and*
- c. *When the debt (whole or any part or instalment) become due and payable and is not paid by the Corporate Debtor means committed default.*

22. The above all conditions are to be satisfied by the Financial Creditor in order to consider the Application under section 7 of the IBC and initiate the CIRP against the Corporate Debtor. In the present case, it is perused from the documents placed on record that, there is a disbursal of Rs. 1,10,00,000/- (Rupees One Crore Ten Lakh Only) which is corroborated by bank entries filed by the Applicant and the Corporate Debtor has not denied the receipt of such amount however, the Corporate Debtor has repaid a sum of Rs. 80,00,000/- (Rupees Eighty Lakh Only).

23. The second essential condition is that the loan disbursal is made for consideration of the time value of money. The Hon'ble Supreme Court of India, in *Orator Marketing Pvt. Ltd. v. Samtex Desinz Pvt. Ltd., Civil Appeal No. 2231 of 2021* held that the Time Value of money means that the money which is being given will be more at the time of return. This would be through the interest on the principal amount, in case of absence of interest the debt still qualifies as Financial Debt. In the present matter herein, the alleged debt was repayable along with interest @ 12% per annum.

24. The next essential condition is that the debt (whole or any part or installment) becomes due and payable. In the present case in hand, the debt became due on 17.04.2019 when the Applicant demanded the repayment of the alleged amount but no payment has been received from the Corporate Debtor on or after the aforesaid due date.
25. Therefore, in the present matter at hand, the loan has been given for the consideration of the time value of money and the default has been created by the Corporate Debtor.
26. In view of the aforementioned, we are of the view that Corporate Insolvency Resolution Process ought to be initiated against the Corporate Debtor.
27. The Applicant has named one Mr. Sudhir Bhansali as Interim Resolution Professional ('IRP'), the registration number of the proposed IRP is IBBI/IPA-001/IP-P01109/2017-18/11799(email: [sbhansalico@gmail.com](mailto:sbhansalico@gmail.com)), duly registered with ICSI Insolvency Professional Agency, to be appointed as the Interim Resolution Professional. The Applicant has filed Consent in Form 2 under Insolvency and Bankruptcy Board of India (Application to Adjudicating Authority) Rules, 2016, stating that no disciplinary proceedings are pending against the named IRP.
28. Consequences of initiation of CIRP shall be inter-alia as follows:
- a) The Interim Resolution Professional proposed by the Applicant is Mr. Sudhir Bhansali, who is an Insolvency Professional ('IP') registered with ICSI Insolvency Professional Agency having

Registration No. IBBI/IPA-001/IP-P01109/2017-18/11799. He is hereby appointed as the IRP to take over the affairs of the Corporate Debtor and duties as required to be performed by him under the provisions of IBC, 2016, including the issue of the publication in widely circulated Newspaper as contemplated under the provisions of IBC, 2016 and calling for the claims from the creditors of Corporate Debtor and collation of the same shall be done.

- b) Further, as a sequel of admission, the moratorium, as envisaged under Section 14 of IBC, 2016, is invoked concerning the Corporate Debtor, which will be in vogue during the Corporate Insolvency Resolution Process of the Corporate Debtor. The IRP shall carry out CIRP strictly per the timelines specified and as envisaged under the provisions of IBC, 2016, concerning the Corporate Debtor.
- c) The said IRP shall act strictly in accordance with the provisions of IBC, 2016, and to defray his expenses to be incurred and fees on the account, the Applicant is directed to deposit a sum of Rs. 2,00,000/- (Rs. Two Lakh Only) to the bank account of IRP within a week from the date of this Order. The IRP shall duly file a status report apprising this Adjudicating Authority about the progress of CIRP as unfolding in relation to the Corporate Debtor.
- d) In terms of Sections 17 & 19 of IBC, 2016, all personnel of the Corporate Debtor, including promoters and the Board of Directors,

whose powers shall stand suspended, shall extend all cooperation to the IRP during his tenure as such and the management of the affairs of the Corporate Debtor shall vest with the IRP.

e) In terms of Section 7 of IBC, 2016, this Order shall be communicated at the earliest, not exceeding one week from today, to the Applicant, Corporate Debtor, and the IRP appointed by this Adjudicating Authority to carry out the CIRP. A copy of this Order shall also be communicated to IBBI for its records.

29. Copy of this order shall also be communicated to IBBI for its record, and to any other body/entity to whom the Corporate Debtor is under legal/contractual obligation to inform/update.

30. In the circumstances, CP No. (IB) 189/7/JPR/2019 is admitted. Considering forgoing all the pending IAs and MA in the present matter stands disposed off.

*-Sd-*

**DEEP CHANDRA JOSHI,  
JUDICIAL MEMBER**

*-Sd-*

**ATUL CHATURVEDI,  
TECHNICAL MEMBER**