

**IN THE NATIONAL COMPANY LAW TRIBUNAL**

**KOLKATA BENCH**

**KOLKATA**

**C.P. (IB) No. 355/KB/2018**

**IN THE MATTER OF:**

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.

**-And-**

**IN THE MATTER OF:**

**STATE BANK OF INDIA**, Stressed Assets Management Branch, Nagaland House, 8<sup>th</sup> Floor, 11 and 13 Shakespeare Sarani, Kolkata 700071, having its registered Office at Samriddhi Bhavan, Block – B, 1, Strand Road, Kolkata 700001.

**... Applicant/Financial Creditor**

**-Versus-**

**IN THE MATTER OF:**

**M/S. GEE PEE INFOTECH PRIVATE LIMITED**, having its registered office at 34/IQ, Ballygunge Circular Road, Kolkata 700019, West Bengal.

**... Corporate Debtor**

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In the matter of:

STATE BANK OF INDIA ] Financial Creditor  
M/S. GEE PEE INFOTECH PRIVATE LIMITED ] Corporate Debtor

Coram: Shri Jinan K.R., Hon'ble Member (Judicial) &

Shri Harish Chander Suri, Hon'ble Member (Technical)

Counsel on Record:

1. MR. D.N. SHARMA, Advocate ]  
2. MS. SWATI AGARWAL, Advocate ] For Corporate Debtor
1. MR. JOY SAHA, Sr. Advocate ]  
2. MR. KULDIP MALLIK, Advocate ] For the Financial Creditor  
3. MR. UTTIYO MALLICK ]  
4. MR. DWAIPAYAN GHOSH, Advocate ] For india Law LLP, Advocates ]

Order pronounced on: 02/08/2019.

**ORDER**

Per Harish Chander Suri, Member (T):

1. This Petition, under Section 7 of the Insolvency and Bankruptcy Code, 2016, has been filed by the State Bank of India, hereinafter referred to as the Applicant/ Financial Creditor, against **GeePee**

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**Infotech Pvt. Ltd.**, a Corporate Person having its registered Office at Kolkata, hereinafter referred to as the Corporate Debtor.

2. The Financial Creditor has authorised its Assistant General Manager and Case Lead Officer of State Bank of India, Stressed Assets Management Branch, Kolkata, Shri Gurapada Chakraborty vide letter of authority dated 14-02-2018 to sign, execute documents, petitions, affidavits etc., on behalf of the Bank in the matter of filing the present Petition before this Tribunal. This Petition has, accordingly, been filed by the said authorised representative of the Financial Creditor, who has further appointed M/s. India Law LLP, Advocates to act, appear and plead on behalf of State Bank of India, before this Tribunal.
3. It is submitted by the Financial Creditor that on receipt of a request letter issued by the Corporate Debtor on 20-01-2006 requesting for credit proposal for Working Capital, a sanction letter was issued by the financial Creditor in favour of the Corporate Debtor on 25-03-2006. The Financial Creditor has granted loan and various credit facilities to the corporate Debtor on the terms and conditions contained in the sanction letter/letter of arrangement and diverse loan agreements have been executed from time to time and the Corporate Debtor had been enjoying various credit facilities granted by the Bank since March, 2006. It is further submitted that

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the credit facilities were enhanced from time to time and the limits had been last sanctioned on 15-03-2014 by the Financial Creditor at the request of the Corporate Debtor. However, the Corporate Debtor failed to repay the principal amount along with interest to the Financial Creditor. It is submitted that in these circumstances the Financial Creditor had to withdraw the credit facilities granted to the corporate Debtor. Finally, a demand notice dated 02-08-2014 was issued to the Corporate Debtor demanding the default amount along with interest as the account had already been classified as NPA on 10-01-2014. Since the Corporate Debtor failed to repay the defaulted amount to the financial Creditor, the present Petition has been filed by the Financial Creditor for initiation of Corporate Insolvency Resolution process against the Corporate Debtor under Section 7 of the I & B Code, 2016.

4. The Financial Creditor submitted that on 01-04-2006, a Memorandum of Agreement of loan for overall limit was executed between the financial Creditor and the Corporate Debtor. Along with this agreement, on the same day, various other documents were executed by the Corporate Debtor including agreement of hypothecation of goods and assets, agreement of pledge of goods and assets, deed of Guarantee for overall limit executed jointly by six Guarantors, namely, Ganpat Lal Agarwala, Kalpana Agarwala,

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Shilpi Agarwala, Sangeeta Agarwala, Pawan Kumar Agarwala and Vijay Kumar Agarwala, the deed of Guarantee for overall limit was executed in Infra Tie Pvt. Ltd. Thereafter, a letter was received by the financial Creditor from the Corporate Debtor on 07-07-2008 regarding request for renewal and enhancement of OCC Limit which was acceded to by the Financial Creditor on 18-09-2008. Pursuant to this enhancement, a supplemental agreement of loan as executed by the Corporate Debtor and the financial Creditor. In addition to this agreement, various other documents including supplemental agreement of hypothecation of goods and assets for increase in the overall limit, supplemental deed of Guarantee from the above named Guarantors, a supplemental deed of guarantee for enhancement in overall limit by M/s. Infra Tie Up Pvt. Limited. Once again, on 27-07-2009, the Corporate Debtor requested the Financial Creditor for renewal and enhancement of OCC Limit and the Bank was generous enough to sanction the credit facilities in favour of the Corporate Debtor. The Bank, however, secured its loan by execution of similar documents by the Corporate Debtor and its Guarantors on 05-10-2009. Similar request for enhancement was made by the Corporate Debtor to the Financial Creditor on 07-07-2010 which was acceded to by way of letter written by the Financial Creditor on 13-10-2010 and by securing its

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enhanced limits by execution of certain documents on the same date i.e. 13-10-2010.

5. It may be submitted that every time the Corporate Debtor requested for enhancement of its credit limit, the Bank would secure its loan on getting certain documents executed by the Corporate Debtor and its Guarantors named above. On 12-03-2013, the Corporate Debtor requested the Financial Creditor for enhancement of Bill Discounting limit from Rs. 37.50 crores to Rs. 50 Crores which was sanctioned but in November, 2013, the Corporate Debtor wrote a letter to the Financial Creditor for condonation of delay in payment of overdues which was followed by a letter dated 03-12-2013 and 31-12-2013 assuring the payment of overdue bills. The Financial Creditor and the Corporate Debtor exchanged letters after letters demanding the overdue payment and giving assurances that the payment would be made at the earliest, various reminders are stated to have been issued by the Financial Creditor to the Corporate Debtor regarding irregularity in loan account and finally on 02-08-2014, a demand notice was issued by the Financial Creditor through its Advocates demanding payment of the outstanding dues along with interest. In addition to this, a letter was also issued by the Financial Creditor to the Superintendent of Police, Central Bureau of Investigation regarding complaint of fraud

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through account of the Corporate Debtor. On 01-09-2014, a letter was issued by the Corporate Debtor to the Financial Creditor confirming the payment of overdue amount. It is submitted that a sum of Rs. 81,92,38,508.50/- is due and outstanding from the Corporate Debtor to the Financial Creditor as on 31-01-2018 and in addition to this, Rs. 80,69,85,101.13/-, as the interest segment till 31-01-2018. So, the total amount due as on 31-01-2018 is Rs. 1,62,62,23,609.63/-.

6. When the matter was listed for adjudication before this Tribunal on 16-03-2018, a notice of admission was directed to be issued to the Corporate Debtor and was duly received by the Corporate Debtor. A duly authorised representative, Mr. Vijay Kumar Agarwala, Director for Legal Proceedings was authorised vide resolution dated 14-07-2018, who further authorised Khaitan & Co., LLP to be their advocates on record to represent the Corporate Debtor before this Tribunal.
7. The Corporate Debtor in its reply dated 10-09-2018 submitted that the Application filed by the Financial Creditor is misconceived and not maintainable because, according to the Corporate Debtor, an Application had been filed by one Asian Photo Pvt. Limited, a creditor of the Corporate Debtor, being Company Petition 890 of 2016 under Section 433, 434 and 439 of the Companies Act, 1956, in

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which an Order was passed on 23-07-2017 by Hon'ble Mr. Justice IP Mukherjee on admitting the Petition for a principal sum of Rs. 2 lakhs and directions were also issued to advertise the Company Petition in newspapers and therefore, during the pendency of that Petition, since that Petition has not been heard and no final order of winding up has been passed, no proceedings under the Code would lie against the Corporate Debtor and that the Financial Creditor, being a Secured Creditor may join in such proceedings after relinquishing the securities interest in respect of the secured assets which it is holding. It is further submitted that the Financial Creditor has filed three separate Applications against three Companies in respect of the same debt, one of the Companies is the Corporate Debtor who is principal borrower and the other two Companies are the Corporate Guarantors and that the Corporate Insolvency Resolution Process of all the three Companies simultaneously could not be invoked and the same shall cause severe hardship and prejudice. It is submitted by the Corporate Debtor that the financial Creditor, being a Bank, doing business in the country, is bound by Circulars and Policy decisions issued by the Reserve Bank of India from time to time. It is submitted that vide Circular dated 12-02-2018, an account with credit exposure of the lenders below Rs. 20 Billion ( i.e. Rs. 2000 crores), the Reserve Bank of India expressed its intention to announce every 2 years period reference dates for

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implementing the Resolution Plan to ensure calibrated, time bound resolution of all such accounts in default. It is further submitted that it was clarified that the aforesaid transition arrangement shall not be available for Borrower entities in respect of which specific instructions have already been issued by the Reserve Bank of India to the Banks for reference under I & B Code, 2016 and the Lenders were directed to continue pursuing such cases as per earlier instructions.

8. In its rejoinder, the Financial Creditor denied all the submissions, averments and allegations made in the reply filed by the Corporate Debtor and submitted that the Corporate Debtor is intending to delay and frustrate the legitimate claim of the Financial Creditor and submitted that the letter of authorisation has been duly executed and specific powers have been given to the representative of the Bank. It is submitted that the pending winding up proceedings cannot be bar under I & B Code, 2016 for initiating the CIRP Process and the High Court has not passed any order of winding up and no Official Liquidator has been appointed. It is very well settled law that there is an express bar contained in Section 64(2) of the I&B Code, 2016 that prevents any Court, Tribunal or Authority from granting any injunction in respect of any action taken or to be taken in pursuance of any power conferred on NCLT under I & B code, 2016. The Financial Creditor has submitted that a sum of Rs.

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162,62,23,609.63/- is due and payable as on 31-01-2018 by the Corporate Debtor which amount the Corporate Debtor has failed to pay and discharge its liability and thus committed a default. It is submitted that the Bank can also proceed against the Guarantors for recovery of its dues simultaneously as per settled law in the case of this nature. The Guarantors' liability is co-extensive with that of the principal borrower and there is no legal bar in initiating action against the Corporate Debtor, who is a guarantor. It is submitted that even the pendency of the proceedings of the SARFEASI Act does not bar the Applicant from initiating proceedings under the I&B code, 2016. The Financial Creditor has further submitted that the Corporate Debtor and the Corporate Guarantor were provided sufficient opportunities to repay the outstanding dues and OTS Scheme was also provided to them but they failed to provide valid resolution plan and the same were rejected and/or not considered by the Applicant. The Financial Creditor further submits that the Corporate Debtor is a defaulter and has been deliberately trying to linger on the matter to escape its liability and finally the financial Creditor prays that the petition might be admitted and CIRP may be initiated against the Corporate Debtor.

9. During the course of argument, the Ld. Senior Counsel for the Financial Creditor submitted that a sum of Rs. 162,62,23,609.63/-, inclusive of interest, is outstanding as on 31-01-2018 and the

account of the Corporate Debtor was classified as NPA on 10-01-2014. It is further submitted by the Ld. Senior Counsel that the balance confirmation has been done by the Corporate Debtor and the Corporate Debtor has admitted the debt to the tune of Rs. 84,53,923.50/- as on 07-04-2013. It is submitted that the Financial Creditor is a secured Creditor and has got all the documents duly executed by the Corporate Debtor and its Guarantors. It is submitted that the Corporate Debtor does not have any defence as the debt is admitted and this Tribunal is requested to grant the prayer and initiate the CIRP against the Corporate Debtor.

10. During the Course of arguments, the Ld. Counsel for the Corporate Debtor, submitted that Financial Creditor did not comply with clause IV of the Press release dated 13-06-2017 and thus deprived the Corporate Debtor from availing resolution plan notwithstanding exercise of due diligence and *bona fide* and in spite of the aforesaid Press release and Circular dated 12-02-2018, the Financial Creditor filed the present proceedings under Section 7 of the Insolvency & Bankruptcy Code, 2016.

11. He submitted that while dealing with the reply filed by the Corporate Debtor, The Financial Creditor in its rejoinder affirmed on October 25, 2018 while dealing with Paragraph 6(q) of the reply had stated on oath as follows:

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*"I deny that the applicant has not complied with the provisions of the Press Release dated June 13, 2017 and or Circular dated February 12, 2018 and/or the financial Creditor has deprived the corporate debtor from availing any resolution plan as alleged of at all."*

12.He further stated that from above, it will appear that the stand taken by the financial creditor on oath in the rejoinder affirmed on October 25, 2018 has been that the financial creditor had strictly followed the press release dated 13.06.2017 and the circular dated 12.02.2018 and since the alleged exposure of the financial creditor is below Rs. 20 million but above Rs. 1 Billion, clause 12 of the said circular dated 02.12.2018 will apply. Therefore the Financial Creditor has filed the present Petition relying upon the above said clause 12. However, the Hon'ble Supreme Court in Dharani Sugars & Chemicals Ltd. vs. Union of India (2019 (5) SCC 480) the circular was held ultra vires and the proceedings initiated on basis of the said circular were declared to be non-est.

13.Heard the Ld. Counsels. Perused the records and citations referred to by both sides.

14.The Corporate Debtor has raised two fold contention. Firstly, it contends that the Financial Creditor has not complied with the circular dated 12<sup>th</sup> February, 2018 and hence this application is not maintainable. Secondly, it contends that since the circular itself

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having been set aside by the Hon'ble Supreme Court, this application filed based on the circular becomes not maintainable and hence liable to be rejected.

15.Ld. Counsel for the Corporate Debtor has submitted that the instant application has been filed without complying with 13<sup>th</sup> June, 2017 Press Release and 12<sup>th</sup> February, 2018 Circular and therefore, the proceedings initiated by the Financial Creditor are not maintainable. He relied upon the rejoinder for highlighting an argument that the Financial Creditor has chosen to file this application since no viable Resolution Plan is forth-coming for the Corporate Debtor. So, according to him any action taken by the Financial Creditor as per the circular being held non-est by the Hon'ble Supreme Court, this application cannot proceed further. To strengthen the said contention, the Ld. Counsel for the Corporate Debtor has referred to ***Dharani Sugars and Chemicals limited Vs. Union of India and others, reported in (2019) 5 Supreme Court Cases 480.*** According to him the above said circular dated 12<sup>th</sup> February, 2018 was declared as ultra vires as a whole, and as a result, all cases in which debtors have been proceeded against by Financial Creditors under section 7 of the Insolvency Code are to be declared as non-est and, therefore, this application filed on the strength of 12<sup>th</sup> February, 2018 Circular is to be declared to be non-est applying the proposition laid down in the above said citations of the Hon'ble Supreme Court.

16. The Ld. Sr. Counsel appearing for the Financial Creditor submits that the proposition laid down in the above said citation is applicable only in cases wherein the timelines prescribed as per clause 8 of the Circular dated 12<sup>th</sup> February, 2018, falls under the category of debtors whose debt exceeds Rs. 20 billion and above alone, and the Corporate Debtor herein being far below the above said margin, does not fall under clause 8 of the above said circular, and therefore, there is no bar for initiating the Insolvency and Resolution Process against the Corporate Debtor whose debt is only to the tune of **Rs. 162,62,23,609.63**. It is good to read clause 8 of the Timelines of the Circular dated 12<sup>th</sup> February, 2018, which is as under:-

*“D. Timelines for Large Accounts to be referred under IBC:*

*Clause 8: In respect of accounts with aggregate exposure of the lenders at Rs. 20 billion and above, on or after March 1, 2018 ('reference date'), including accounts where resolution may have been initiated under any of the existing schemes as well as accounts classified as restructured standard assets which are currently in respective specified periods (as per the previous guidelines), RP shall be implemented as per the following timelines:*

- i) If in default as on the reference date, then 180 days from the reference date.*
- ii) If in default after the reference date, then 180 days from the date of first such default”.*

From a reading of the above said clauses, what is understood is that the debtors who fall under the category of clause 8, certain timelines

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have been given by the Reserve Bank of India to the Financial Creditors for initiating resolution process. Therefore, the circular though, declared to be non-est, it has no effect upon the Corporate Debtor herein the case in hand. It is also significant to note here that the financial creditor has not raised a contention in its application that this application was filed on the strength of the circular declared as non-est. We do not find any merit in the submission on the side of Ld. Counsel, on the strength of an averment in the rejoinder read as *"I deny that the applicant has not complied with the provisions of the Press Release dated June 13, 2017 and or Circular dated February 12, 2018 and/or the financial Creditor has deprived the corporate debtor from availing any resolution plan as alleged if at all."* It cannot be taken as admission on the side of the financial creditor that the filing of the application is on the strength of the above said press release. Therefore, it appears to us that the submission of the Ld. Counsel is devoid of any merit.

17. At this juncture the Ld. Counsel for the Corporate Debtor has referred to clause 12 of the very same circular and attempted to submit that Clause 12 is applicable to a debtor like the debtor in the case in hand and therefore the circular is applicable to the corporate debtor. It is good to read clause 12, which is as under:-

*"Clause 12: For other accounts with aggregate exposure of the lenders below Rs. 20 billion and, at or above Rs. 1 billion, the Reserve*

*Bank intends to announce, over a two-year period, reference dates for implementing the RP to ensure calibrated, time-bound resolution of all such accounts in default”.*

18. According to the Ld. Counsel for the Corporate Debtor even if the debtor's debt is below Rs. 20 billion or above Rs. 1 billion, there are certain dead lines prescribed and without fulfilling the guidelines an application of this nature cannot be initiated.
19. On reading of the above said clause, what we understood is that the Reserve Bank of India intends to announce over 2 years period wherein exposure of the lenders below Rs. 20 billion debt and, or above 1 billion for implementing the Resolution Process to ensure calibrated, time-bound resolution of all such accounts in default.
20. According to the Learned Sr. Counsel appearing for the applicant, RBI has not yet announced the time bound resolution of defaulted accounts falling under the category of clause 12 of the circular dated 12<sup>th</sup> February, 2018 so far and none of the clauses referred to in the circular which has been declared as non-est by the Hon'ble Supreme Court, is applicable to the Corporate Debtor in the case in hand.
21. In view of the above said reason, the contention that the Applicant has initiated Insolvency proceedings under the Insolvency and Bankruptcy Code by not complying with the Press Release dated 13<sup>th</sup> June, 2018 is arbitrary, besides being contrary to law and statute

and is devoid of any merits. Even we do not find any merit in the contention that the applicant filed the instant application on the strength of a circular which was declared as non-est by the Hon'ble Supreme Court and therefore initiating CIRP as against the corporate debtor is against the proposition held in the above cited decision has no legal force at all.

22. It has also been submitted by the Corporate Debtor that the Process under the Code is being mischievously invoked to start Corporate Insolvency Resolution Process of all the three Companies simultaneously which is not the intention of the legislature when the code was enacted. Similar contention was raised before the NCLT Principal Bench, New Delhi by the Ld. Resolution Professional in the matter of ***ICICI Bank Limited and Ors. vs. CA Ritu Rastogi and Ors. [CA 366(PB)/2017]*** connected with main Petition titled ***DBS Bank Ltd. vs. Edu Smart Services Pvt. Ltd. [IB-102(PB) 2017]***. The Honourable bench while allowing the application of the Financial Creditor to participate in CIRP of the Principal Borrower as well as the Corporate Guarantor has held that:

*"In view of the above the objections raised by the RP would not merit any detailed consideration and the same are hereby rejected. The aforesaid detailed facts would further show that the parties have provided for the course to be adopted in the guarantee agreement in*

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*case of default by the principal borrower in relation to guarantee. It is well settled that the right of the parties under section 128 of the Indian Contract Act 1872 are subject to the terms of the agreement between the parties and hence the guarantor or the Resolution Professional are not entitled to raise an objection which goes against the express terms of guarantee agreement duly executed between the Financial Creditor and the ESSL Corporate Debtor. Therefore on that count also the objection raised by the RP are liable to be rejected."*

- 23.No other contention has been raised by the Corporate Debtor so as to pass an order of rejection as alleged on the side of the corporate debtor. The application is otherwise complete. The applicant has produced the Letter of Authority to prove that the signatory is authorized to sign the application.
- 24.The Corporate Debtor was classified as an NPA account on 10.01.2014 and the total outstanding amount as on 31.01.2018 was Rs. 162,62,23,609.63 (Rupees One Hundred Sixty Two Crore, Sixty Two Lakh, Twenty Three Thousand Six Hundred Nine and Paise Sixty Three Only).
- 25.We are satisfied that the Corporate Debtor herein has committed default in repayment of the loan amount. The Ld. Sr. Counsel referred to the Balance Confirmation wherein the Corporate Debtor

has, inter-alia, admitted the debt and committed default to the tune of Rs. 84,53,923.50 (Rupees Eighty Four Lakh Fifty Three Thousand Nine Hundred Twenty Three and Paise Fifty Only) as on 07.04.2014. To prove that there is record of default, CIBIL report has been produced wherein the debt of the Corporate Debtor is reflected in August, 2014 as Rs. 81,92,38,509/- (Rupees Eighty One Crore Ninety Two Lakh Thirty Eight Thousand Five Hundred Nine Only). The applicant has also annexed the statement of accounts wherein the default of the Corporate Debtor is reflected.

26.The Financial Creditor also initiated proceedings before the Debt Recovery Tribunal-1 (DRT), being application no. O.A. No. 493/2015 on 24.09.2015 and it is submitted that the Corporate Debtor has never objected to the pending DRT proceedings and is contesting the same. The name of a Resolution Professional is also proposed and Form No. 2 has been produced by the Resolution Professional. All the requirements, therefore, have been complied with.

27.Having heard the Ld. Counsel for the parties and on perusal of the records containing documents filed by the rival parties, we are of the considered view that the Financial Creditor has rightly filed this Petition under Section 7 of the Insolvency & Bankruptcy Code against GeePee Infotech Pvt. Ltd. The Financial Creditor has also placed on record the balance confirmation by the Corporate Debtor

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admitting the default to the tune of Rs.84,53,923.50 as on 7<sup>th</sup> April, 2014 which is also reflected in the CIBIL Report. The Corporate Debtor has no defence at all in this matter as the amount of Rs. 162,62,23,609.63 is admitted and acknowledged, thereby making the Corporate Debtor liable.

28. In view of all the arguments advanced by the parties and documents placed on record, we are of the considered view that the Corporate Debtor has no case and the judgement cited in ***Dharani Sugars and Chemicals limited Vs. Union of India and others, reported in (2019) 5 Supreme Court Cases 480*** cited above or the Circular dated 12<sup>th</sup> February, 2018 of Reserve Bank of India cited above, have no relevance and cannot be relied upon by the Corporate Debtor in this matter. The facts of this case are quite distinguishable from those of Dharani Sugars and Chemicals Limited Vs. Union of India and others.

29. The Financial Creditor has been able to make out a good case in its favour and against the Corporate Debtor.

30. Being satisfied that none of the objections raised on the side of the Corporate Debtor are sustainable under law and being satisfied that the Financial Creditor has fulfilled all the requirements under Section 7 (3) of the Code and satisfactorily established the default in repayment and that Mr. Binay Kumar Singhania, whose name has

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been proposed as Interim Resolution Professional has filed written communication dated 26<sup>th</sup> February, 2018 wherein it is declared that there is no disciplinary inquiry proceeding pending against him, and therefore, we have no hesitation to admit the petition and pass the following orders:-

**ORDER**

- i) The application filed by the Financial Creditor under Section 7 of the Insolvency & Bankruptcy Code, 2016 for initiating Corporate Insolvency Resolution Process against the Corporate Debtor, M/s. Gee Pee Infotech Private Limited is hereby admitted.
- ii) Moratorium is declared for the purposes referred to in Section 14 of the Insolvency & Bankruptcy Code, 2016. The IRP shall cause a public announcement of the initiation of Corporate Insolvency Resolution Process and call for the submission of claims under Section 15.
- iii) Moratorium under Section 14 of the Insolvency & Bankruptcy Code, 2016 prohibits the following:-
  - a) The institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of

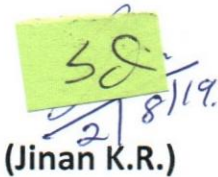
- any judgement, decree or order in any court of law, tribunal, arbitration panel or other authority;
- b) Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
- c) Any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the 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 the possession of the corporate debtor.
- iv) The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated, suspended, or interrupted during moratorium period.
- v) The provisions of sub-section (1) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- vi) The order of moratorium shall have effect from the date of admission till the completion of the corporate insolvency resolution process.

- vii) Provided that where at any time during the Corporate Insolvency Resolution Process period, if the Adjudicating Authority approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of the corporate debtor under Section 33, the moratorium shall cease to have effect from the date of such approval or liquidation order, as the case may be.
- viii) **Mr. Binay Kumar Singhania of 16, Strand Road, Unit 519, Fairly Place, Kolkata 700001, having Registration No. IBBI/IPA-001/IP-P00041/2017-18/10102, E-mail ID: binay1@yahoo.com, an Insolvency Professional registered with the Indian Institute of Insolvency Professionals of ICAI,** is hereby appointed as Interim Resolution Professional by this Tribunal for ascertaining the particulars of creditors and convening a meeting of Committee of Creditors for evolving a resolution plan subject to production of written consent within one week from the date of receipt of this order.
- ix) The Interim Resolution Professional should convene a meeting of the Committee of Creditors and submit the resolution passed by the Committee of Creditors and shall identify the prospective Resolution Applicant within 105 days from the insolvency commencement date.

- x) The Registry is hereby directed under section 7(4) of the Insolvency and Bankruptcy Code, 2016 to communicate the order to the Financial Creditor, the Corporate Debtor and to the I.R.P. by Speed Post as well as through E-mail.
- xi) List the matter on **3<sup>rd</sup> September, 2019** for filing of the progress report.
- xii) Certified copy of the order may be issued to all the concerned parties, if applied for, upon compliance with all requisite formalities.



**(Harish Chander Suri)**  
**Member (T)**



**(Jinan K.R.)**  
**Member (J)**

Signed on this, the 2<sup>nd</sup> day of August, 2019.

GB/VC