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

Company Petition (IB) No. 284/KB/2022

A Petition 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:
CANARA BANK

... Petitioner/ Financial Creditor

Verses
ANANYA WOOD PRIVATE LIMITED

... Respondent/ Corporate Debtor

Date of Pronouncement: February 02, 2024.

CORAM:
SMT. BIDISHA BANERJEE, HON'BLE MEMBER (JUDICIAL)
SHRI BALRAJ JOSHI, HON'BLE MEMBER (TECHNICAL)

Appearance:

For Financial Creditor:	**Mr. Sujash Ghosh Dostidar, Adv.** **Ms. Sankari Roy, Adv.** **Ms. S. Mukhodhyay, Adv.**
For the Corporate Debtor:	**Mr. Jishnu Saha, Sr. Adv.** **Mr. Rajib Mullick, Adv.** **Ms. Saheli Sen, Adv.** **Ms. Ayantika Sen, Adv.** **Ms. Jyoti Mandal, Adv.**

O R D E R

Per Bidisha Banerjee, Member (Judicial)

1. This Court is congregated through hybrid mode.

2. Heard the Ld. Counsel for the Financial Creditor and Ld. Senior Counsel, Mr. Jishnu Saha for the Corporate Debtor.

3. This instant Petition under **Section 7** of the **Insolvency and Bankruptcy Code, 2016** (for brevity **"I&B Code"/ "IBC"**) is filed on **21.10.2022** by **CANARA BANK**, hereinafter referred to as the

Financial Creditor/ Petitioner seeking to initiate Corporate Insolvency Resolution Process, hereinafter referred as **"CIRP"** against **Ananya Wood Private Limited**, bearing CIN: U20200WB2005PTC106200, at Raikva Building 3A, 4th Floor, Room No. 10, Ram Mohan Mullick Garden Lane, P.S. Beliaghata, Kolkata – 700010, hereinafter referred to as **Corporate Debtor/ Respondent.**

4. The Corporate Debtor is a Private Limited Company incorporated on 18/11/2016, having Authorized Capital of Rs. 2,00,00,000/- and Paid-up Share Capital of Rs. 1,86,53,000/-.

5. The Amount Claimed to be in Default is tune to **Rs. 13,78,35,737.34** (Rupees Thirteen Crore Seventy-Eight Lakh Thirty-Five Thousand Seven Hundred Thirty-Seven and Thirty-Four Paisa) as on 31.08.2022 and the Default occurred on **February 14, 2020** when the account was declared **"Non-performing Asset"** (for brevity **"NPA"**).

6. ***Submission made by the Ld. Counsel for the Applicant:***

6.1. The Ld. Counsel for the Applicant submits that the Financial Creditor sanctioned Cash Credit (CC) of Rs. 6.00 Crore and FLC of Rs. 4.00 Crore totalling **Rs. 10 Crore** on 28.08.2016. A copy of the sanctioned letter is annexed at Page 60-64 as Annexure "E" to the Application.

6.2. It is further submitted that the Working capital consortium agreement was executed on 23.12.2016 for **Rs. 42.30 Crore** (the Financial Creditor sanctioned Rs. 7 Crore and SBI sanctioned 35.30 Crore). Copy of the Agreement is annexed as Annexure "F" at Pages 65-97A to this Application.

6.3. It is further claimed that the Supplemental Working Capital Consortium Agreement was executed on 16.05.2017 for **Rs. 45.30 Crore**, in which the Financial Creditor sanctioned Rs. 10 Crore and SBI sanctioned 35.30 Crore. A copy of the Agreement is annexed as Annexure "G" at Pages 98-113 to the Application.

6.4. It is further claimed that the Supplemental Working Capital Consortium Agreement was executed on 25.01.2019 for **Rs. 45.30 Crore**, in which the Financial Creditor sanctioned Rs. 10 Crore and SBI sanctioned 35.30 Crore. A copy of the Agreement is annexed as Annexure "H" at Pages 114-125 to the Application.

6.5. The Ld. Counsel for the Applicant further claimed that the Financial Creditor is entitled to interest at a rate of 12.85% per annum with monthly rests on the sum of **Rs. 12,86,89,020.28/- as on 28.02.2022.** The aggregated amount which is due and payable to the Financial Creditor by the Corporate Debtor **as on 31.08.2022 is Rs. 13,94,21,981.22/-.** The Financial Creditor has also intimated to the Corporate Debtor and its guarantors on 15.03.2022 to repay the amount of Rs. 12,86,89,020.28/- within 10 days failing which the Financial Creditor would file an application before the NCLT. The Letter dated 15.03.2022 for demanding its claim, is annexed at Page 409-412 as Annexure "KK".

6.6. It is further submitted that no part of the claim is barred by the law of limitation, the Cause of Action arose in favour of the Financial Creditor as against the Corporate Debtor to pay the above-mentioned amount on 14.02.2020 when the account was declared as Non-Performing Assets (NPA). The cause of action is continuing one and subsists upon crystalizing the financial debt by way of various demand notices issued by the Financial Creditor itself and/or through its Counsel. However, no repayment has been made on behalf of the Respondent Company.

6.7. The Ld. Counsel for the Applicant has proposed the name of **Sri Anil Agarwal**, AAA Insolvency Professionals LLP, Address: Mousami Apartment, 158, Ballygunge Circular Road, Gr. Floor, Kolkata – 700027, Phone: 011 4666 4600, Mobile: +91 9830090905, Email ID: anilagarwal@aaainsolvency.com / anil@dvaonline.in, Registration No. IBBI/IPA/-001/IP-POO270/2017-18/10514. The Acceptance from the IRP in terms of the Form 2 is annexed as Annexure "D" at Page 59-59B.

7. ***Submission of the Ld. Counsel for the Respondent:***

7.1. The Ld. Sr. Counsel for the Corporate Debtor per contra submits that the Corporate Debtor is engaged in the import and wholesale trading of timber. The Corporate Debtor Company imports timber from the Solomon and Suriname Islands. After the timber is imported from the Solomon and Suriname islands, the timber is processed in the Corporate Debtor's factory and then sold. As such, the time required for the Corporate Debtor to import timber from Solomon and Surinam Islands and make the same saleable is about 270 days.

7.2. The Corporate Debtor had taken the finance facility in the form of a Letter of Credit from a consortium of Bankers in which the Corporate Debtor was also a member. The usance period for the aforementioned Letter of Credit was initially for a period of 180 days. Additionally, the financial creditor offered the Buyer's Credit facilities to the tune of 180 days. It is claimed that, although the consortium of bankers including the financial creditor herein had specific knowledge of the fact that the trade turnover period of the Corporate Debtor company was 270 days and as such the Corporate Debtor could not service their Letter of Credit for a period which is less than 270 days, the financial creditor arbitrarily stopped the Buyer's Credit facilities with effect from the Year 2019. The loan facilities were renewed for the last time by way of a sanction letter dated 26th July, 2019 which was valid for one year i.e., till 25th July, 2020 after which the loan facility was never renewed.

7.3. It is claimed that the Financial Creditor arbitrarily took the decision to discontinue the Buyer's Credit Facility and called upon the Corporate Debtor to make payment of their dues against the Letter of Credit even before the competition of trade. As a consequence, an arbitrary decision was taken to classify the account of the Corporate Debtor as a Non-performing Asset. The same would not happen if the usance period of the Letter of Credit had been made at 270 days being the turnover required for the trade. Further, it is claimed that due to the stoppage of the buyer's credit facilities usance period came down from 360 days to 180 days and if the usance period was not reduced from 360 days to 180 days the account of the corporate debtor would not have been classified as NPA.

7.4. It is further claimed that the Corporate Debtor took the loan from the State Bank of India (SBI) who was the lead bank of the consortium bankers. A writ petition being APO 111 of 2020 was preferred against the SBI before the Hon'ble Division Bench of the High Court at Calcutta, on the issue of entitlement of 270 days' credit. The Hon'ble Division Bench disposed of on 19th October 2020 the matter by directing the Chief General Manager of SBI to decide the issue as the issue is of commercial in nature and the CGM of SBI is the best person to decide the issue pragmatically. As no compliance with the said direction has been followed, a contempt application to the order dated 19th October 2020 was preferred against the SBI and the Hon'ble Division Bench directed 17th March 2023, the Chairman of SBI to appoint a competent officer to decide the issue. The matter is still pending consideration.

7.5. Further, it is claimed that the Financial Creditor has already filed an application before the Learned Debt Recovery Tribunal against the Corporate Debtor which is pending consideration. Thus, the Financial Creditor is barred from filing any application under Section 7 of the I&B Code.

7.6. The Ld. Sr. Counsel for the Corporate Debtor through written submissions would assert that claim of the financial creditor is hit by the provisions of Section 10A of the Code. It is claimed that the financial creditor through a letter dated March 15, 2022, annexed at Page 409 to the application, admits that the sanction dated July 26, 2019 was valid up to July 25, 2020 and the date of Default is claimed on February 14, 2020. It is claimed that there was continuous transaction in the loan account even after account is classified as NPA. Thus, the date of default has to be on July 26, 2020, not on February 14, 2020. As in terms of Section 10A of the Code no application for initiation of corporate insolvency resolution process of a corporate debtor should be filed, for any default arising on or after 25th March, 2020 to 24th March, 2021, the application is not maintainable.

8. ***Counter submission by the applicant:***

8.1. The Ld. Counsel for the applicant alleges that the financial creditor has allowed the usance period of 180 days only. The financial creditor never granted any buyers credit facility to the corporate debtor, nor did the corporate debtor produce any document whatsoever in support its claim that buyer's creditor facility was granted to the corporate debtor. Thus, the claim of reduction of usance period is unfounded and false.

8.2. Further, it is alleged that the claim of the corporate debtor about the pendency of litigation before the Hon'ble Division Bench of High Court at Calcutta which was between one Rajgaria Timber Private Limited and the SBI not between the corporate debtor and the SBI. As the financial creditor is not a party to the said litigation and as no order has been passed in favour or against the financial creditor herein, any decision passed in the said litigation does not have any binding effect upon the financial creditor.

8.3. Further, it is claimed that as the date of default is on February 14, 2020 which is the date of classifying the account of the Corporate Debtor as NPA. Thus, the question of Section 10A of the I&B Code does not arise.

9. We have duly considered the oral submissions and written notes of arguments of both the learned counsels, and the documents placed before us.

Analysis and Findings:

10. It is evident that the date of classifying the account of the Corporate Debtor as NPA is on February 14, 2020 which is regarded as the date of default. In this context, we would rely upon the decisions rendered by the Hon'ble Apex Court in the case of ***Laxmi Pat Surana v. Union Bank of India*** *reported in* ***(2021) 8 SCC 481: MANU/SC/0221/2021 that***

> ***"37.*** *Ordinarily, upon declaration of the loan account/ debt as NPA that date can be reckoned as the date of default to enable the financial creditor to initiate action Under Section 7 of the Code...* ***"***
>
> ***(Emphasis Added)***

11. Thus, we find no error committed by the applicant in claiming the date of classification of the Corporate Debtor as NPA, as the Date of Default.

12. Further, regarding the pending writ petition being APO 111 of 2020 preferred against the SBI before the Hon'ble Division Bench of the High Court at Calcutta, on the issue of entitlement of 270 days' credit, we find that the petition has been filed by Rajgaria Timber Private Limited against the SBI and the financial creditor is not a party to the said litigation. However, it is evident that there is no stay order from the Hon'ble Division Bench in the said litigation passed on initiation of insolvency proceedings. Therefore, we fail to comprehend or countenance its applicability to the present lis.

13. On the issue whether the pendency of proceedings under SARFAESI ACT, before the Learned DRT prohibits initiation of Proceedings under I&B Code, we would refer to the judgement rendered by the Hon'ble NCLAT in ***Mr. Amar Vora v. City Union Bank Ltd.*** in **Company Appeal (AT) (CH) (Ins) No. 130 of 2022** reported in **(2022) ibclaw.in 341 NCLAT** that:

> *"8. The IBC, 2016 is a special enactment and is an act to consolidate and amend the laws relating to reorganisation and insolvency resolution of corporate persons, partnership firms and individual in a time bound manner for maximisation of value of assets of such persons, to promote entrepreneurship. As held by the Hon'ble Supreme Court the aim and object of the Code is not for recovery of debts but for Resolution of Corporate Persons. In this regard* ***Section 238 of I & B Code, 2016 deal with provisions of the Code to override other laws and the said provision reads as under****:*
>
> > ***"The provisions of this Code shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force or any instrument having effect by virtue of any such law."***
>
> *9. In view of the above provision of law the financial Creditor/ Operational Creditor/<u>Corporate Persons can file an application under Section 7 ,9 & 10 of the I & B Code, 2016 before the respective Adjudicating Authorities even though in respect of same any proceeding pending before other forums on the ground that the provisions of I & B Code, 2016 is overriding effect of other laws</u>. In view of the aforesaid reasons <u>the Appellant cannot take a stand that the proceedings are pending before DRT and PBPT and the application under Section 7 of the I & B Code, 2016 cannot be maintained does</u> not merit. The application under Section 7 filed by the financial Creditor before the Adjudicating Authority is very well*

maintained. Accordingly, the point is answered against the Appellant."

(Emphasis added)

14. Thus, admittedly and indubitably, pendency of proceedings under SARFAESI Act before the Learned DRT does not prohibit initiation of proceedings under I&B Code, 2016.

15. Further, regarding the entitlement of 270 days' credit, the Hon'ble Division Bench of the High Court at Calcutta has directed the Chairman of the SBI to decide the issue and the matter is pending consideration. At this juncture, it would be apt to infer that in a summery proceeding, we cannot determine the legality of classification of the account of the Corporate Debtor as NPA.

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

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

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

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

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

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

17. It is evident that the Financial Creditor from 2016 to 2017 sanctioned several credit facilities to the Corporate Debtor is a given manner as under:

a. The Cash Credit (CC) of Rs. 6.00 Crore and FLC of Rs. 4.00 Crore totalling **Rs. 10 Crore** sanctioned on 28.08.2016.

b. The Working capital consortium agreement was executed on 23.12.2016 for **Rs. 42.30 Crore** (the Financial Creditor sanctioned Rs. 7 Crore and SBI sanctioned 35.30 Crore).

c. The Supplemental Working Capital Consortium Agreement was executed on 16.05.2017 for **Rs. 45.30 Crore**, in which the Financial Creditor sanctioned Rs. 10 Crore and SBI sanctioned 35.30 Crore.

d. The Supplemental Working Capital Consortium Agreement was executed on 25.01.2019 for **Rs. 45.30 Crore**, in which the Financial Creditor sanctioned Rs. 10 Crore and SBI sanctioned 35.30 Crore.

18. Further, the Applicant has supplied the Statements of account annexed at Annexure “LL” at pages 413-417A to the application that envisages the disbursement of loan facilities and the amount claimed to be in default is excess of the threshold financial limit as prescribed under Section 4 of the I&B Code.

19. Further, it is evident that date of default is on 14.02.2020 and the applicant has filed this application on 29.09.2022. Thus, the application is well-within the limitation period as prescribed under Section 238A of the I&B Code.

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

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

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

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

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

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

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

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

> "***27. The scheme of the Code is to ensure that when a default takes place, in the sense that a debt becomes due and is not paid, the insolvency resolution process begins****. ...*'
>
> "***28.*** *... the corporate debtor is entitled to point out that a default has not occurred in the sense that the "debt", which may also include a disputed claim, is not due. A debt may not be due if it is not payable in law or in fact.* ***The moment the adjudicating authority is satisfied that a default has occurred, the application must be admitted unless it is incomplete,*** *...*"
>
> **xxx xxx xxx xxx**
>
> "**30.** *On the other hand, as we have seen, in the case of a corporate debtor who commits a default of a*

> *financial debt,* ***the adjudicating authority has merely to see the records of the information utility or other evidence produced by the financial creditor to satisfy itself that a default has occurred. It is of no matter that the debt is disputed so long as the debt is "due" i.e., payable unless interdicted by some law or has not yet become due in the sense that it is payable at some future date. It is only when this is proved to the satisfaction of the adjudicating authority that the adjudicating authority may reject an application and not otherwise*****."**
>
> **(Emphasis added)**

21. It is evidently clear that this Adjudicating Authority is not required to go into the causes of default, or deliberate upon the differing perceptions of the usance period as once the default is established, the application has to be admitted.

22. Thus, in terms of the foregoing discussion elaborated above, we are of the view that this instant application under Section 7 of the I&B Code is squarely maintainable and therefore, we **ALLOW** the application bearing **Company Petition (IB) No. 284/KB/2022** filed under **Section 7 of the I&B Code**, and accordingly, we order the initiation of **Corporate Insolvency Resolution Process (CIR Process)** in respect of the Corporate Debtor by the following **Orders**:

- **i.** The Application filed by **Canara Bank (Financial Creditors),** under Section 7 of the Insolvency & Bankruptcy Code, 2016, is hereby, **ADMITTED** for initiating the **Corporate Insolvency Resolution Process** in respect of **Ananya Wood Private limited (Corporate Debtor).**
- **ii.** As a consequence of this Application being admitted in terms of Section 7 of the I&B Code, moratorium as envisaged under

the provisions of Section 14(1) of the Code, shall follow in relation to the Respondent/(CD) as per clauses (a) to (d) of Section 14(1) of the Code. However, during the pendency of the moratorium period, terms of Section 14(2) to 14(3) of the Code shall come into force.

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

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

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

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

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

[Explanation.--For the purposes of this sub-section, it is hereby clarified that notwithstanding anything contained in any other law for the time being in force, a license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time being in force, shall not be suspended or terminated on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concession, clearances or a similar grant or right during the moratorium period;]

iv. The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during the moratorium period.

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

vi. The Applicant has proposed the name of **"Sri Anil Agarwal",** AAA Insolvency Professionals LLP, Address: Mousami Apartment, 158, Ballygunge Circular Road, Gr. Floor, Kolkata – 700027, Phone: 011 4666 4600, Mobile: +91 9830090905, Email ID: anilagarwal@aaainsolvency.com / anil@dvaonline.in, Registration No. IBBI/IPA/-001/IP-POO270/2017-18/10514**,** as the "IRP". We have perused that there is a written communication and consent of IRP in Form 2 with Affidavit, annexed as Annexure "D" at Page 59-59B**,** to this Application as per the requirement of Rule 9(l) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. There is a declaration made by him that there are no disciplinary proceedings pending against him with the Board or the Indian Institute of Insolvency Professionals of ICAI. In addition, further necessary disclosures have been made by **"Sri Anil Agarwal"** as per the requirement of the IBBI Regulations. Accordingly, he satisfies the requirement of Section 7(3)(b) of the code. Hence, we appoint **"Sri Anil Agarwal"** as the **Interim Resolution Professional** (IRP) of the Corporate Debtor to carry out the functions as per the I&B Code subject to submission of a valid Authorisation of Assignment in terms of regulation 7A of the

Insolvency and Bankruptcy Board of India (Insolvency Professional) Regulations, 2016. The fee payable to IRP or the RP, as the case may be, shall be compliant with such Regulations, Circulars and Directions as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the I&B Code.

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

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

ix. The Interim Resolution Professional is also free to take police assistance to take full charge of the Corporate Debtor, its assets and its documents without any delay, and this

Adjudicating Authority hereby directs the concerned **Police Authorities** and/or the **Officer-in-Charge** of Local Police Station(s) to render all assistance as may be required by the Interim Resolution Professional in this regard.

x. The IRP shall submit to this Adjudicating Authority periodical report with regard to the progress of the CIR Process in respect of the Corporate Debtor.

xi. The Financial Creditors shall be liable to pay to IRP a sum of **Rs. 3,00,000/-** (Rupees Three Lakh Only) as payment of his fees as advance, as per Regulation 33(3) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, which amount shall be adjusted at the time of final payment. The expenses relating to the CIRP are subject to the approval of the Committee of Creditors (CoC).

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

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

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

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

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

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

24. Post the Company Petition **08/ 03 /2024** for filing the Periodical Progress Report by the IRP/RP as appointed herein.

Sd/-

Balraj Joshi
Member (Technical)

Sd/-

Bidisha Banerjee
Member (Judicial)

This Order is signed on the 02nd Day of February, 2024.

Bose, R. K. [LRA]