

**IN THE NATIONAL COMPANY LAW TRIBUNAL
“CHANDIGARH BENCH, CHANDIGARH”
(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)**

CP (IB) No.371/Chd/CHD/2018

**Under Section 7 of the
Insolvency & Bankruptcy
Code, 2016**

In the matter of:

State Bank of India

having its Stressed Asset Management Branch,
1st Floor, Local Head Office,
Sector 17-A, Chandigarh - 160017

...Applicant/Financial Creditor

Versus

Tirupati Basmati Exports Pvt. Ltd.,

Having its registered office at
Chopri Road, Village Kuram,
Taraori – 132116, Tehsil Nilokheri,
District Karnal, Haryana

Also at:

House No.326-B, Ward No.5,
Geeta Colony, Taraori – 132116,
Tehsil Nilokheri,
District Karnal, Haryana

...Respondent/Corporate Debtor

Judgement delivered on: 27.09.2019

**Coram: HON’BLE MR. AJAY KUMAR VATSAVAYI, MEMBER (JUDICIAL)
HON’BLE MR. PRADEEP R. SETHI, MEMBER (TECHNICAL)**

For the Petitioner : Mr. Parth Tandon, Advocate

For the Respondent : 1. Mr. Vijay Kumar Singh, Advocate
2. Mr. Amit Kumar Dadhich, Advocate

Per: Ajay Kumar Vatsavayi, Member (Judicial)

JUDGEMENT

The application in the prescribed Form No.1 is filed by State Bank of India (hereinafter referred to as **Bank**) for initiation of Corporate

Insolvency Resolution Process (**CIRP**) in the case of M/s Tirupati Basmati Exports Pvt. Ltd. (hereinafter referred to as **Corporate Debtor**). The application is filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 (**Code**) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (**Rules**). The application is signed by Shri Inderjit Singh, Assistant General Manager, Stressed Asset Management Branch at 1st Floor, Local Head Office, Sector 17-A, Chandigarh. His affidavit verifying the contents of the application is at pages 34 to 35. The authorization in favour of Shri Inderjit Singh to file the case/application against the Corporate Debtor on behalf of the Bank is at page 36 of the petition. Regulation 76(1) of the State Bank of India General Regulations, 1955 framed under Section 50 of the State Bank of India Act, 1955 of the Executive Committee of the Central Board, under which he derives power to sign the petition, are at page Nos.37 to 55. The Gazette Notification dated 02.05.1987 is also attached herewith.

2. The copy of certificate of incorporation and Memorandum and Articles of Association of Corporate Debtor are stated to be filed at Annexure A-2 of the petition. The Corporate Debtor is stated to be incorporated on 26.03.2009 and the registered address is stated to be at Chopri Road, Village Kuram, Taraori, Tehsil Nilokheri, District Karnal, Haryana - 132116. Therefore, the jurisdiction lies with this Bench of the Tribunal.

3. It is stated in Part-IV of Form No.1 that the Corporate Debtor was sanctioned credit facilities on 30.03.2016 and the respective dates of disbursement are indicated in the statement of accounts thereof. The credit facilities sanctioned are as under:-

A	Cash Credit Limit (Overall Limit)	₹63.00 cr
B	EPC Limit (within overall limit of ₹63.00 cr)	(₹39.50 cr)
C	Limit Against Book Debt (within overall limit of ₹63.00 cr)	(₹7.00 cr)
D	FBP (Non-LC)	₹13.00 cr
E	Stand By line of Credit	₹9.00 cr
F	Total Term Loan (review of outstanding amount)	₹8.71 cr
G	Forward Contract	₹0.75 cr

Term Loan A/c No.34745031665 disbursement in various dates (Date of disbursement)	Term Loan Amount disbursed in several dates
28/02/15	₹3,65,05,850.00
02/03/15	₹21,48,000.00
04/03/15	₹1,53,18,600.00
09/03/15	₹1,17,11,852.00
19/03/15	₹10,95,337.00
21/03/15	₹39,92,639.00
23/03/15	₹56,61,052.00
31/03/15	₹8,86,570.00
30/10/15	₹40,00,000.00
Total disbursement of Term Loan (i)	₹8,13,19,900.00

It is stated that the account of the Corporate Debtor was declared NPA on 31.03.2017 due to the default in repayment of instalments.

4. In Part-V of Form No.1, the particulars of security held are given. It is stated that the credit facilities are primarily secured by way of hypothecation of all current assets both present and future; exclusive charge on Hypothecation of Plant and machinery and miscellaneous fixed assets of the Company excluding factory land and building of mortgage of lands. It is further stated that the sanction letters dated 05.11.2009, 04.10.2010, 29.12.2010, 04.11.2011, 08.01.2013, 24.03.2014, 28.01.2015, 31.03.2015, 09.04.2015, 30.03.2016, 25.07.2016 and 01.09.2016 are filed at Annexures A-7, A-12, A-19, A-26, A-33, A-39, A-49, A-58, A-60, A-84 and A-86 of the

petition and that the terms and conditions of the sanction letters were duly acknowledged by the Corporate Debtor through its authorised Director(s)/signatories vide Board Resolutions of Corporate Debtor dated 09.11.2009, 05.10.2010, 30.12.2010, 04.11.2011, 25.03.2014, 17.02.2015, 03.04.2015, 10.04.2015, 30.03.2016 and 18.08.2016. The details of securities held as well as Personal Guarantees are given in detail in Part V of Form-I. A search was conducted from Sub-Registrar by the Financial Creditor's empanelled Advocate Ashok Kumar Garg, whose report dated 23.01.2018 is also annexed as Annexure A-6 (Colly). The statement of account pertaining to the credit facilities duly certified under the Bankers Books Evidence Act, 1891 are stated to be attached as Annexures A-92 and A-93 of the petition.

5. Due to the default in repayment of loan instalments, the Bank issued a notice dated 22.09.2017 (Annexure A-94 (Colly)) under Section 13(2) of the SARFAESI Act, 2002. In this notice, it is informed to the corporate debtor that the operation and conduct of the financial assistance/credit facilities have become irregular and the debt has been classified as Non-Performing Asset (NPA) in accordance with the directives/guidelines of Reserve Bank of India. The outstanding amount as on 15.09.2017 was ₹91,15,68,616.46 exclusive of interest as per this notice. Further, notice dated 22.09.2017 under Section 13(2) of SARFAESI Act, 2002 was sent to the guarantors. Further, another notice under Section 13(4) of the SARFAESI Act, 2002 was issued on 26.02.2018 to the respondent-corporate debtor for undertaking the possession of the properties as it has failed to repay the default amount. Copies of these notices are found to be attached as Annexures A-94 (Colly) and A-95 with the petition.

6. In Part-III of Form No.1 Mr. Amit Agrawal, Regn. No.IBBI/IPA-002/IP-N00185/2017-2018/10456 has been proposed as Interim Resolution Professional (**IRP**). Form No. 2 submitted by the proposed IRP is stated to be attached as Annexure A-4 of the petition.

7. Vide order dated 27.11.2018, notice of the petition was directed to be issued to respondent-corporate debtor. It was also observed that the date of NPA was wrongly mentioned as 31.03.2018 in Part-IV of Form-I, notice of the defect was also given to the petitioner. In compliance of the above order, the necessary correction was carried out vide Diary No.4790 dated 06.12.2018.

8. Reply has been filed by the Corporate Debtor by Diary No.1901 dated 12.04.2019 stating therein that the Financial Creditor formed Joint Lenders Forum (JLF) and meeting took place on 16.01.2019 and 20.02.2019 in which the applicant was apprised that the Export Credit Guarantee Corporation (ECGC) is in the process of releasing an amount of approximately INR 53.42 crores to the applicant (State Bank of India). With respect to export allegations of the Corporate Debtor apart from this INR 23.63 crores towards Canara Bank and INR 4.10 crores towards Union Bank of India was pending to be received. The ECGC Department then sought some documents to ascertain the actual claim so that it can release the payment. It is stated that the Financial Creditor has not shared the minutes of JLF meetings and therefore, the Corporate Debtor has annexed the e-mail communications between them as Annexure R-2. Further, the Corporate Debtor also requested the Financial Creditor to withdraw the present petition considering that it has already taken possession the six mortgaged properties of the Corporate Debtor and sold one of them and thus, reducing

the liability of the Corporate Debtor. With regard to the particulars of the security held by the Financial Creditor, the estimated value of the securities is not mentioned.

9. It is also mentioned in the reply that the authority of Mr. Inderjit Singh, Assistant General Manager is not proper and defective. Also the affidavit dated 09.04.2018 of Mr. Inderjit Singh is defective as no authorisation letter has been filed in his favour. The amount of default mentioned in Part-IV is ₹98,94,92,576/- however, the amount mentioned in Annexure A-5 is ₹5,53,12,442/-. Further, the amount mentioned in the notice under Section 13(2) of SARFAESI Act is ₹91,15,68,616/-, since there is mismatch in the amount mentioned at different places, it would be difficult for the Corporate Debtor to make good the defects in the application. With regard to the certificate under Bankers' Books Evidence Act, 1891 filed by the applicant (Annexure A-93), it is submitted that the requirement as per Section 2A(a) of the Act, the certificate should be filed by "Principal Accountant" or "Branch Manager", whereas the certificate has been filed by Mr. Inderjit Singh, Assistant General Manager. It is also submitted that the certificate is not as per Section 2(A) (b), and (c) of the Bankers' Books Evidence Act, 1891. Even the seal of the Financial Creditor is missing from the statement of accounts filed with the petition. It is further stated that the alleged delay in serving the debt obligations was due to non-cooperation by the Applicant Banks, non-adherence to the financial discipline by the Applicant Banks, severe financial crisis faced by the Corporate Debtor due to slow market in rice exports sector and other factors which were beyond the control of the Corporate Debtor.

10. It is stated that the Master Circular issued by the Reserve Bank of India (RBI) which provides that banks should classify an account as NPA only if the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter and as per Paragraph 26 (Formation of joint-lender's forum) of the Master Circular, before a loan account turns into a NPA, banks are required to identify incipient stress in the account by creating three sub-categories under the Special Mention Account (SMA) category. Therefore, it is stated that the Financial Creditor had erroneously put the Corporate Debtor's account in the NPA category without following the due process of law. It is further stated that the Corporate Debtor had offered OTS proposal to the Financial Creditor which was declined and the Corporate Debtor was asked to furnish a fresh proposal for OTS. The Corporate Debtor is in the process of arranging funds for proposing the revised OTS proposal to the Financial Creditor. The copies of OTS proposals are at Annexure R-3 (Colly). The OTS proposals were rejected on the basis of Special Investigative Report prepared by E&Y on the direction of the Financial Creditor on the basis of documents provided by the Corporate Debtor and without scrutiny.

11. Lastly, it is submitted that the Financial Creditor has also filed an Original Application before the Debt Recovery Tribunal (DRT) (OA No.611 of 2018) which is pending adjudication. Another application under Section 17 of the SARFAESI Act against unlawful action of the Financial Creditor by issuing e-auction sale notice dated 01.11.2018 and subsequent sale notice dated 19.01.2019 is pending adjudication before DRT, Chandigarh (Securitization Application No.237 of 2018). The copies of valuation report and e-auction sale notices are at Annexure Nos.R-4 (Colly) & R-5 (Colly).

12. When the matter was listed on 18.07.2019, the learned counsel for the respondent handed over a letter dated 17.07.2019 of the Deputy General Manager of State Bank of India regarding offer for settlement under compromise. It was noted that on one hand, the Financial Creditor is pressing for admission of the petition and on the other hand, is giving opportunities to the Corporate Debtor to revive the offer under OTS. Therefore, time was granted to the Financial Creditor to file an affidavit clarifying their stand as to whether it wants to pursue the petition or wants OTS. Compliance affidavit was filed vide Diary No.3818A dated 01.08.2019 stating therein that the Financial Creditor's primary intention is to recover its legit dues and that the applicant is very serious in pursuing all the recovery proceedings which it has initiated against the Corporate Debtor.

13. During the course of the hearing, the learned counsel for the Bank relied on the petition filed and stated that the requirements of Section 7 of the Code are satisfied and the petition be admitted.

14. The rejoinder was filed by the Financial Creditor vide Diary No.2733 dated 29.05.2019 stating therein that the Board Resolution authorising Mr. Lalit Gupta, Director does not bear his DIN which is mandatory in view of Section 158 of the Companies Act, thereby rendering the Board Resolution void ab initio. The Financial Creditor took possession of the properties except the factory of the Corporate Debtor and the property situated at Karnal in the name of the Guarantor Sh. Lalit Kumar has been sold at 1.55 crores on 13.02.2019 through e-auction and the amount has been credited to the Corporate Debtor's account with consortium member in accordance with sharing pattern after deducting expenses/charges. It is denied that the authority of Mr. Inderjit Singh is improper and invalid and that

the Corporate Debtor has misconceived the underlying effect of the Gazette Notification which duly authorises Mr. Inderjit Singh. The Financial Creditor wrote a letter dated 10.09.2018 to the Corporate Debtor wherein it asked the Corporate Debtor to clarify the position with regard total depletion of stocks and status of realisation of receivables, this letter is attached at Annexure R/1. It is reiterated that the Corporate Debtor has misled the Tribunal by stating that the ECGC is in the process of releasing an amount of approximately INR 53.42 crores and it is therefore brought to the knowledge of the Tribunal that the claim amount in favour of the applicant as confirmed by ECGC vide its letter dated 30.03.2019 and received by the applicant bank on 09.04.2019 is only to the tune of ₹26,52,93,954/- which is not even half of the amount stated by the Corporate Debtor. Moreover, the nature of proceedings before DRT are completely different to the nature of proceedings before this Tribunal.

15. We have carefully considered the submissions of learned counsel for the bank and the Corporate Debtor and have also perused the record.

16. In a recent judgment of the Hon'ble Supreme Court, Gaurav Hargovindbhai Dave Versus Asset Reconstruction Company (India) Ltd. & Anr., Civil Appeal No.4952 of 2019, dated 18.09.2019, It was held as under:-

"4) Mr. Aditya Parolia, learned counsel appearing on behalf of the appellant as argued that Article 137 being a residuary article would apply on the facts of this case, and as right to sue accrued only on and from 21.07.2011, three years having elapsed since then in 2014, the Section 7 application filed in 2017 is clearly out of time. He has also referred to our judgment in B.K. Educational Services Private Limited vs. Parag Gupta and Associates, 2018 SCC Online SC 1921 in order to buttress his argument that it is Article 137 of the Limitation Act which will apply to the facts of this case.

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- 6) *Having heard the learned counsel for both sides, what is apparent is that Article 62 is out of the way on the ground that it would only apply to suits. The present case being “an application” which is filed under Section 7, would fall only within the residuary article 137. As rightly pointed out by learned counsel appearing on behalf of the appellant, time, therefore, begins to run on 21.07.2011, as a result of which the application filed under Section 7 would clearly be time-barred. So far as Mr. Banerjee’s reliance on para 7 of B.K. Educational Services Private Limited (supra), suffice it to say that the Report of the Insolvency Law Committee itself stated that the intent of the Code could not have been to give a new lease of life to debts which are already time-barred.”*

It is apparent from the notice issued by the Financial Creditor under Section 13(2) of SARFAESI Act that the account of the corporate debtor was declared as NPA on 31.03.2017 and the C.P. was filed on 03.10.2018 which is well within the limitation. This notice is at Annexure A-94 (Colly).

17. In Palogix Infrastructure Pvt. Ltd. Vs. ICICI Bank Ltd., CA No.30/2017 dated 20.09.2017, the Hon'ble NCLAT, while considering the petition filed by Power of Attorney Holder as well as Authorised Person, held as under:-

“33. ‘I&B Code, 2016 is a complete Code in itself. The Hon'ble Supreme Court in “Innoventive Industries Ltd. v. ICICI Bank, 2017 SCC OnLine SC 1025” held:

“59. *The Insolvency and Bankruptcy Code, 2016 is an Act to consolidate and amend the laws relating to reorganization and insolvency resolution, inter alia of corporate persons. Insofar as corporate persons are concerned, amendments are made to the following enactments by Sections 249 to 252 and 255.....”*

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36. *As per Section 7 of the ‘I&B Code’ an application for initiation of ‘Corporate Insolvency Resolution Process’ requires to be filed by*

'Financial Creditor' itself. The form and manner in which an application under section 7 of the 'I&B Code' is to be filed by a 'Financial Creditor' is provided in 'Form-1' of the Adjudicating Authority Rules. Upon perusal of the Adjudicating Authority Rules and Form-1, it may be duly noted that the 'I&B Code' and the Adjudicating Authority Rules recognize that a 'Financial Creditor' being a juristic person can only act through an "Authorised Representative". Entry 5 8b 6 (Part I) of Form No. 1 mandates the 'Financial Creditor' to submit "name and address of the person authorised to submit application on its behalf. The authorization letter is to be enclosed. The signature block of the aforementioned Form 1 also provides for the authorised person's detail is to be inserted and also includes inter alia the position of the authorised person in relation to the 'Financial Creditor'. Thus, it is clear that only an "authorised person" as distinct from "Power of Attorney Holder" can make an application under section 7 and required to state his position in relation to "Financial Creditor".

37. *The 'I&B Code' is a complete Code by itself. The provision of the Power of Attorney Act, 1882 cannot override the specific provision of a statute which requires that a particular act should be done by a person in the manner as prescribed thereunder.*
38. *Therefore, we hold that a 'Power of Attorney Holder' is not competent to file an application on behalf of a 'Financial Creditor' or 'Operational Creditor' or 'Corporate Applicant'.*
39. *At this stage, it is desirable to refer Section 65 of 'I&B Code' which relates to 'fraudulent and malicious initiation of proceedings', by a person who initiates the Insolvency Resolution Process or Liquidation proceeding fraudulently or with malicious intent for any purpose other than for the resolution of insolvency, or liquidation, as the case may be. In such case, the Adjudicating Authority is empowered under sub section (2) of Section 65 to impose upon such person a penalty which shall not be less than one lakh rupees, but may extend to one crore rupees.*
40. *In a case where it is noticed that the Insolvency Resolution proceeding has been initiated by a person fraudulently or with malicious intention for personal act on the part of an individual, can a Power of Attorney Holder be punished? This is one of the reasons we have noticed to hold that a 'Power of Attorney holder' cannot file any application under Section 7 or Section 9 or Section 10 of 'I&B Code'."*

18. The Hon'ble NCLAT followed 'Palogix Infrastructure Pvt. Ltd.'

(supra) in the following decisions also:-

- (a) Mr. Vijay Kumar Jain Vs. DBS Bank Ltd.

CA No.24/2018 dated 26.03.2018

- (b) Rajit Mehra Vs. Punjab National Bank
CA No.102/2018 dated 22.03.2018
- (c) M/s Rajnish Gupta Vs. SIDBI
CA No.126/2018 dated 09.04.2018

19. In view of 'Palogix Infrastructure Pvt. Ltd.' (supra) and other decisions, in view of the facts on hand, we reject the contention of the respondent regarding filing of the petition by an unauthorised person.

20. The Hon'ble Supreme Court in the case of ***Innoventive Industries Ltd. Versus ICICI Bank and Another; (2018) 1 Supreme Court Cases 407***, held as under:-

"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. Default is defined in Section 3(12) in very wide terms as meaning non-payment of a debt once it becomes due and payable, which includes non-payment of even part thereof or an instalment amount. For the meaning of "debt", we have to go to Section 3(11), which in turn tells us that a debt means a liability of obligation in respect of a "claim" and for the meaning of "claim", we have to go back to Section 3(6) which defines "claim" to mean a right to payment even if it is disputed. The Code gets triggered the moment default is of rupees one lakh or more (Section 4). The corporate insolvency resolution process may be triggered by the corporate debtor itself or a financial creditor or operational creditor. A distinction is made by the Code between debts owed to financial creditors and operational creditors. A financial creditor has been defined under Section 5(7) as a person to whom a financial debt is owed and a financial debt is defined in Section 5(8) to mean a debt which is disbursed against consideration for the time value of money. As opposed to this, an operational creditor means a person to whom an operational debt is owed and an operational debt under Section 5(21) means a claim in respect of provision of goods or services.

28. When it comes to a financial creditor triggering the process, Section 7 becomes relevant. Under the Explanation to Section 7(1), a default is in respect of a financial debt owed to any financial creditor of the corporate debtor — it need not be a debt owed to the applicant financial creditor. Under Section 7(2), an application is to be made under sub-section (1) in such form and manner as is prescribed, which takes us to the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. Under Rule 4, the application is made by a financial creditor in Form 1 accompanied by documents and records required

therein. Form 1 is a detailed form in 5 parts, which requires particulars of the applicant in Part I, particulars of the corporate debtor in Part II, particulars of the proposed interim resolution professional in Part III, particulars of the financial debt in Part IV and documents, records and evidence of default in Part V. Under Rule 4(3), the applicant is to dispatch a copy of the application filed with the adjudicating authority by registered post or speed post to the registered office of the corporate debtor. The speed, within which the adjudicating authority is to ascertain the existence of a default from the records of the information utility or on the basis of evidence furnished by the financial creditor, is important. This it must do within 14 days of the receipt of the application. It is at the stage of Section 7(5), where the adjudicating authority is to be satisfied that a default has occurred, that 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, in which case it may give notice to the applicant to rectify the defect within 7 days of receipt of a notice from the adjudicating authority. Under sub-section (7), the adjudicating authority shall then communicate the order passed to the financial creditor and corporate debtor within 7 days of admission or rejection of such application, as the case may be.

29. *The scheme of Section 7 stands in contrast with the scheme under Section 8 where an operational creditor is, on the occurrence of a default, to first deliver a demand notice of the unpaid debt to the operational debtor in the manner provided in Section 8(1) of the Code. Under Section 8(2), the corporate debtor can, within a period of 10 days of receipt of the demand notice or copy of the invoice mentioned in sub-section (1), bring to the notice of the operational creditor the existence of a dispute or the record of the pendency of a suit or arbitration proceedings, which is pre-existing—i.e. before such notice or invoice was received by the corporate debtor. The moment there is existence of such a dispute, the operational creditor gets out of the clutches of the Code."*

21. Section 7(5)(a) of the Code is as follows:-

*"(5) Where the Adjudicating Authority is satisfied that—
(a) a default has occurred and the application under sub-section (2) is complete, and there is no disciplinary proceedings pending against the proposed resolution professional, it may, by order, admit such application."*

22. The application filed in the prescribed Form No. I is found to be complete.

23. The proposed Interim Resolution Professional, Mr. Amit Agrawal has filed Form No.2 (Annexure A-4 of the petition) certifying that there are no disciplinary proceedings pending against him with the Board so far or Insolvency Professional Agency (ICSI). The Law Research Associate of this Tribunal has checked the credentials of Mr. Amit Agrawal and there is nothing adverse against him.

24. The conditions provided for by Section 7(5)(a) of the Code being satisfied in the present case, we direct that the application for initiation of CIRP against Tirupati Basmati Exports Pvt. Ltd. be admitted. The directions regarding moratorium and appointment of IRP are given below.

25. We declare the Moratorium in terms of sub-section (1) of Section 14 of the code as under:-

(a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;

(b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;

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

(d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.

26. It is further directed that the supply of essential goods or services to the corporate debtor as may be specified, shall not be terminated or suspended or interrupted during moratorium period. The provisions of Section 14(3) shall however, not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator and to a surety in a contract of guarantee to a corporate debtor.

27. The order of moratorium shall have effect from the date of this order till completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of Section 31 or pass an order for liquidation of corporate debtor under Section 33 as the case may be.

28. The following directions are also issued in respect of the appointment of the Interim Resolution Professional:-

- i) Appoint Mr. Amit Agrawal, resident of H-63, Vijay Chowk, Laxmi Nagar, Delhi-110092, having Registration No.IBBI/IPA-002/IP-N00185/2017-2018/10456 and email address amitagcs@gmail.com Mobile No.9811272307 as an Interim Resolution Professional;
- ii) The term of appointment of Mr. Amit Agrawal, shall be in accordance with the provisions of Section 16(5) of the Code;

- iii) In terms of Section 17 of the Code, from the date of this appointment, the powers of the Board of Directors shall stand suspended and the management of the affairs shall vest with the Interim Resolution Professional and the officers and the managers of the Corporate Debtor shall report to the Interim Resolution Professional, who shall be enjoined to exercise all the powers as are vested with Interim Resolution Professional and strictly perform all the duties as are enjoined on the Interim Resolution Professional under Section 18 and other relevant provisions of the Code, including taking control and custody of the assets over which the Corporate Debtor has ownership rights recorded in the balance sheet of the Corporate Debtor etc. as provided in Section 18 (1) (f) of the Code. The Interim Resolution Professional is directed to prepare a complete list of inventory of assets of the Corporate Debtor;
- iv) The Interim Resolution Professional shall strictly act in accordance with the Code, all the rules framed thereunder by the Board or the Central Government and in accordance with the Code of Conduct governing his profession and as an Insolvency Professional with high standards of ethics and morality;
- v) The Interim Resolution Professional shall cause a public announcement within three days as contemplated under

Regulation 6 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 of the initiation of the Corporate Insolvency Resolution Process in terms of Section 13 (1) (b) of the Code read with Section 15 calling for the submission of claims against Corporate Debtor;

- vi) It is hereby directed that the Corporate Debtor, its Directors, personnel and the persons associated with the management shall extend all cooperation to the Interim Resolution Professional in managing the affairs of the Corporate Debtor as a going concern and extend all cooperation in accessing books and records as well as assets of the Corporate Debtor;
- vii) The Interim Resolution Professional shall after collation of all the claims received against the corporate debtor and the determination of the financial position of the corporate debtor constitute a committee of creditors and shall file a report, certifying constitution of the committee to this Tribunal on or before the expiry of thirty days from the date of his appointment, and shall convene first meeting of the committee within seven days of filing the report of constitution of the committee; and

viii) The Interim Resolution Professional is directed to send regular progress report to this Tribunal every fortnight.

29. A copy of this order be communicated to both the parties. The learned counsel for the petitioner shall deliver copy of this order to the Interim Resolution Professional forthwith. The Registry is also directed to send copy of this order to the Interim Resolution Professional at his email address forthwith.

Pronounced in the open Court.

Sd/-
(Pradeep R. Sethi)
Member(Technical)

Sd/-
(Ajay Kumar Vatsavayi)
Member(Judicial)

Sept., 27, 2019
anchal