IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI BENCH
COURT V

IA. No. 945 of 2022
&
C.P.(IB) No. 1147 of 2021

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

In the matter of

M/s Larissa Builders LLP.
Privia Business Centre, Shop No. A-29, Ground Floor, Plot No. 1, Sector 6 Next to PCMC RTO Office, Moshi, Pradhikaran, Pune-412105

……**Financial Creditor/ Petitioner**

Vs

M/s Shree Shakti Consultancies Limited,
(CIN: U74140PN1999PLC014079)
Plot no. 490, Sector 25, PCNT, Nigdi, Pune-411004

.....Corporate Debtor/ Respondent

Order reserved on: 23.01.2023
Order pronounced on: 21.03.2023

Coram:

Hon'ble Sh. Kuldip Kumar Kareer, Member (Judicial)

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

For the Financial Creditor: Mr. Nausher Kohli a/w Adv. Rishabh Dhanuka, a/w Adv. Neel Kothari, a/w Adv. Abdus Samad Khan, Advocates i/b A&D Legal Advocates.

For the Corporate Debtor: Mr. Rohit Gupta a/w. Mr. Chirag Dave and Mr. Sanat Ragde, Advocates i/b. Legasis Partners.

Per: Anuradha Sanjay Bhatia, Member (Technical)

ORDER

1. This Company Petition is filed by M/s Larissa Builders LLP (hereinafter called "**Financial Creditor**") seeking to initiate Corporate Insolvency Resolution Process (**CIRP**) against Shree Shakti Consultancies Limited, (hereinafter called "**Corporate Debtor**") alleging that the Corporate debtor committed default in making payment to the Financial Creditor. This petition has been filed by invoking the provisions of Section 7 Insolvency and bankruptcy code (hereinafter called "**Code**") read with Rule 4 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for a Resolution of Financial Debt of Rs. 4,80,87,436.20/- inclusive of interest.

2. The Interlocutory Application No. 945 of 2022 was filed by Petitioner herein, under Section 60(5), to grant ad-interim relief of Injunction against the Corporate Debtor/ Respondent and its directors, officers, agents or authorized representatives from selling, disposing of,

assigning or in any way transferring the said property to any third party, or related party, during the pendency of the aforesaid petition. Since as order is being passed in CP (IB) No. 1147 of 2021, the above captioned IA is rendered **infructuous** and **disposed of**.

BRIEF FACTS OF THE CASE

3. The Petitioner herein, is in the business of construction and selling of real estate properties in and around the city of Pune, Maharashtra. The Corporate Debtor was in possession of a property situated at Survey No. 59, bearing Survey No. 59/3 admeasuring 3200 sq. mts and Survey No. 59/2 admeasuring 2900 sq. mts., having City Survey No. 1077 and 1075, respectively, near Kate Wasti, Village Pimple Saudagar, Tal. Haveli, District Pune, which is the subject matter of the transaction between the parties.

4. The Corporate debtor had acquired the above-mentioned plots and subsequently constructed a hospital "Shree Shakti Hospital", in the year 2009, on the plot bearing Survey no. 59/3. However, Floor Space Index (FSI) of the adjacent plot bearing Sr.No. 59/2, to the extent of 1500 sq. mts. available, was also consumed, for the construction of the hospital. For this, the Corporate Debtor had applied for amalgamation of plots, bearing Survey nos. 59/2 and 59/3, which was granted by the Pimpri Chinchwad Municipal Corporation (PCMC). The Corporate Debtor closed down the hospital after operating it for some time.

5. The Corporate Debtor had obtained a Term Loan from State bank of India for the construction and operation of the said hospital, by creating a mortgage on the Plot bearing Sr. No. 59/3. The Corporate Debtor defaulted in repaying the loan amount and was classified as a Non-Performing Asset (NPA) on 15.08.2010. Subsequently, the said loan was assigned to Asset Reconstruction Company (India) Limited

("ARCIL") on 26.03.2014 by SBI. After closure of the hospital business and its inability to pay the debt owed to ARCIL, the Corporate Debtor decided to develop the plot bearing Survey no. 59/3, after demolishing the existing structure of hospital, by preferring submission of revised building plan to PCMC and by de-amalgamating the plots bearing Survey Nos. 59/3 and 59/2. Accordingly, the Corporate Debtor was looking for a developer, to jointly develop the said property, with a builder/developer, who would also be willing to make payments towards outstanding loan amount to ARCIL on its behalf, to release the mortgage from the said property, as a prerequisite to carry on any developmental activity on the said plot bearing Survey No. 59/3.

6. M/s. Larissa Builders LLP (hereinafter referred to as **"Financial Creditors"/ "Petitioner"**) is engaged in the business of construction and selling of real estate properties, in and around Pune. The Corporate Debtor and the Petitioner came in touch with each other through a real estate agent, in March 2016, and engaged in talks regarding joint development of the said property. To pay-off the outstanding loan and release the charge on the Mortgaged Property, and to further monetize the said Mortgaged Property, the Corporate Debtor approached the Financial Creditor, a real estate developer, to jointly redevelop the Mortgaged Property. On the Basis of the representation and assurances of the Corporate Debtor, to jointly redevelop the Mortgaged Property, the Financial Creditor agreed to repay the loan dues to ARCIL directly on behalf of the Corporate Debtor and get the Mortgaged Properties released, making it available for redevelopment. Accordingly, the Financial Creditor and the Corporate Debtor entered into a Memorandum of Understanding dated 02.06.2016 (**"MoU"**) And Supplementary Memorandum of Understanding dated 01.07.2016 **("Supplementary MoU")** (collectively referred to as **"Agreements"**)

7. The Financial Creditor had given an interest free security deposit to the Corporate Debtor, against grant of Development Rights of the said property. The advance amount, meant for the security deposit, was utilized to repay the outstanding loan amount to ARCIL, owned by the Corporate Debtor, to release the mortgage charge from the said Property. For grant of Development rights to the Petitioner, a Joint Venture Agreement (JVA) was agreed to be executed on or before the final payment of the outstanding loan amount, by the Petitioner, on behalf of the Corporate Debtor, to ARCIL.

8. Based on the guarantee provided by the Financial Creditor under the Agreements, a One-Time Settlement (OTS) Offer was made to ARCIL. The Financial Creditor paid a sum of INR 4,67,50,000/- (**"Disbursed Amount"**) towards repayment of loan to ARCIL, as agreed under the Agreements and a No Dues Certificate was issued by ARCIL on 07.03.2017. As per **Clause 19** of the said MoU, the Corporate Debtor was contractually obligated to **repay the Disbursed Amount** at a future date, in the manner stipulated therein.

9. Upon payment of the OTS amount by Financial Creditor, the Corporate Debtor was primarily obligated to execute a Development Agreement and Power of Attorney (DAPA) in favour of the Financial Creditor, giving the Financial Creditor, the right to commence the redevelopment project. Various correspondences were exchanged between the Parties, until September 2019, regarding finalization and execution of the DAPA. However, the Corporate Debtor failed to come forward and execute the said DAPA. Since the Corporate Debtor failed to execute the DAPA and resultantly repay the Disbursed Amount to the Financial Creditor, the Financial Creditor was constrained to file the captioned Petition.

10. Despite the support from the Petitioner, the Corporate Debtor has been unable to finalize the terms of JVA and come forward for execution of the same. The Petitioner even finalizes from its end, the draft agreement shared with the Corporate Debtor and requested the Corporate Debtor to confirm the same, vide email dated 07.09.2019. At the request of the Corporate Debtor, the Petitioner also shared layouts and plans of project proposed to be constructed by the Petitioner over emails. However, the Corporate Debtor did not show any interest to pursue the same. Copies of the email correspondence between the Petitioner and Corporate Debtor during the period from 30.05.2017 to 27.11.2019 are annexed to the Petition.

11. The Petitioner, in furtherance of the terms of the MOUs, paid an amount of INR 13,16,846/- to the architect, for preparation of building plans and INR 20,500/- to the surveyor.

12. The Petitioner, thereafter, issued a Demand Notice dated 18.05.2021, demanding the outstanding amount payable. A copy of the notice dated 18.05.2021, addressed by the Petitioner to Corporate Debtor is annexed to the Petition. The Corporate Debtor replied to the said Notice, vide their reply dated 24.06.2021, denying the existence of any amount due or payable by the Corporate Debtor to the Petitioner.

13. Under Clause 1 r/w Clause 15(a) and Clause 2 r/w Clause 16(a), of the 1st MOU and 2nd MOU, respectively, the Corporate Debtor was obligated to grant Development Rights to the Petitioner upon receipt of the advance amount towards security deposits, by executing the JVA. As a result of Non-execution of the JVA and consequent frustration of the MOUs, the transaction has turned into a financial contract, wherein the Corporate Debtor is obligated to pay the time value of money from the date of payments by the Petitioner to ARCIL, with interest at minimum rate as charged by ARCIL. However, the

Corporate Debtor has till date not granted any Developmental Rights to the Petitioner nor provided any license for free access/possession, despite being in receipt of payment worth INR 4,67,50,000/- for over 4 years.

14. It is submitted herein that the Corporate Debtor benefitted/ profited from this arrangement with the Petitioner, in terms of repayment of its Outstanding mortgage, by payment of a lesser amount of INR 4,67,50,000/- against the Outstanding Amount of INR 6,38,88,000/-, release of mortgage of the said Property, release of personal guarantee of directors of the Corporate Debtor, clearance of classification as NPA at ARCIL and SBI, and relief from payment of interest amounting to Rs. 9,00,000/- per month on the outstanding loan. In view of the above, the Petitioner submits that the payments made by the Petitioner to the Corporate Debtor and to ARCIL, on behalf of the Corporate Debtor, amount to Financial Debt, under sub-clause (f) of Section 5(8) of the IBC Code.

15. The Petitioner, therefore, filed the present Petition under Section 7 of the IBC as a Financial Creditor, claimed its Financial Debt amounting to Rs. 4,80,87,436.20/-.

REPLY OF THE CORPORATE DEBTOR

16. The Corporate Debtor stated that all the contentions, allegations, and claims raised under the Petition against the Respondent are false, incorrect, and frivolous, and are not maintainable.

17. The Corporate Debtor submitted that the present petition is filed beyond the period of limitation and suffers from the defect of delay and laches. therefore, the petition is time barred. It was submitted that the Joint Venture Agreement was required to be executed, latest by January 2017. The Corporate Debtor questioned the basis of which the Petitioner arrived at September 2019 as the 'date of default'. The

Corporate Debtor, therefore, submitted that the alleged cause of action arose for the first instance in January 2017 and then in February 2017, and Petitioner filed the Company Petition in June 2021, which is hit by limitation.

18. The Corporate Debtor further submitted that no default has occurred on the part of Respondent. The Corporate Debtor submitted that the Petitioner would pay to the Corporate Debtor, an advance of Rs. 4,50,00,000/- as a Security Deposit, and the Petitioner, during discussions, had requested that the said money be used to clear the dues of ARCIL. Pursuant to this, First MOU was executed by and between the parties on 02.06.2016. The Corporate Debtor highlighted Clause 2, 3, 4, 6, 18 and 19 of the MOU and or Supplementary MOU.

19. The Corporate Debtor stated that the Petitioner failed and neglected, time ang again, to perform or fulfil the petitioner's duties and obligations under the MOU and the Supplementary MOU since 02.06.2016, till date. Further, the Petitioner also failed to execute the Joint Venture agreement in spite of repeated requests. The Respondent never refused to execute the proposed Joint Venture Agreement. From the conduct of the Petitioner and the correspondence exchanged between the parties, it is evident that the Petitioner has failed to perform its obligations under the MOU and/or the Supplementary MOU, resulting in non-execution of the proposed Agreement. Hence, there was no question of refunding the Security Deposit. The Corporate Debtor stated that the refund/ repayment of the Security Deposit never become due or repayable till date, on account of Petitioner's non-performance/ non-fulfilment of any of the undertakings and covenants of the MOU, and as such, Respondent is not liable for the refund/ repayment of the Security Deposit, till date.

20. Considering the abovementioned facts and circumstances, since the conditions stipulated under the MOU and/or the Supplementary

MOU, based on which the said Security Deposit would have become repayable, were never performed/ completed, hence the said Security Deposit was never converted to and/or cannot be categorised as a "debt" as per the definition of "debt" under Section 3 of the Code.

REJOINDER OF THE PETITIONER

21. The Ld. Counsel for the Petitioner stated that there is a genuine claim of Rs. 4,80,87,436/- on account of the Loan given to the Corporate Debtor, for the purpose of joining development project. The Petitioner reiterates that the advance payments made to Corporate Debtor fall under the definition of Financial Debt and Corporate Debtor is obligated to refund the same.

22. The claim of the Financial Creditor sustains within the limitation period, because the said financial debt has been **acknowledged** by the Corporate Debtor in its **books of accounts as a liability**, continuously from 2016 to 2020, giving a **continuous cause of action** for the Financial Creditor under Section 18 of the Limitation Act, 1963. Acknowledgement of liability by the Corporate Debtor during the period of limitation gives a fresh cause of action and extends the limitation period, as held in the case of ***Laxmi Pat Surana vs. Union of India (2021 8 SCC 481)***.

23. Relying on the judgement of **Laxmi Pat (supra)**, the Petitioner submitted that in the present case, although the first cause of action arose in January 2017, and again on 06.02.2017 (when he Petitioner sought to terminate the MOU dated 01.07.2016) and demanded refund of advance, there is a continuous acknowledgement of debt thereafter. It was further submitted that the Respondent has acknowledge its liability in relation to the debt in question, in its financial statements, continuously from the year 2016 and until the year 2021, as "Advance from Joint Venture 2 – Larissa developers

LLP" under "Other Current Liabilities", which has also been mentioned in the Petition. Therefore, it was stated that even though the date of default was 06.02.2017, the limitation period has again started from the date of signing of the last audited financial statements by the Respondent, in acknowledgement of its debt.

24. The Petitioner contended that it is the Respondent who demanded that the petitioner would make payments to ARCIL, in order to release the mortgage on the property in question and to release the personal guarantee of the Respondent's directors. for this, the petitioner placed reliance on Clause 16 of the 2nd MOU.

25. It was submitted by the Petitioner that Respondent failed to mention that the Joint Venture Agreement was to be executed by the date when the payment of last tranche of advances to ARCIL, is made by the Petitioner.

26. The Petitioner referred the clause 1 and 28 (f) and (i) of the 1st MOU and Clauses 2 and 29 (f and i) of the 2ndMOU and stated that Respondent was under an obligation to grant Development Rights to the Petitioner, by executing the Development Agreement and Power of Attorney (DAPA) upon receipt of advance amounts, meant for security deposit, which was agreed to be utilized to repay the outstanding amount to ARCIL.

27. The Petitioner further submitted that it was the Respondent who can grant Development rights and license to free access to the property through a Power of Attorney and denied the contrary view taken by the Respondent in its reply. The Petitioner also denied the contention of causing delay in execution of JVA. It was submitted that Petitioner did not get benefitted, in any manner, due to delay in execution of

Development Agreement and Power of Attorney (DAPA) but on the other hand, has benefitted commercially on several fronts.

28. The Petitioner reiterated the fact that the advance payments made to ARCIL by the Petitioner on behalf of the respondent would classify as 'Financial Debt' and the Petitioners can be claimed as 'Financial Creditor'. For this, the Petitioner placed reliance upon the Judgement of Hon'ble NCLAT in *Kolla Koteshwara Rao v. S. K. Srihari Raju &Anr.*(Company Appeal (AT) (insolvency) No, 717 of 2020) (Koteshwara Rao).

FINDINGS

29. We have heard the counsel appearing for parties and perused all the material on record.

30. The present petition is filed to Initiate Corporate Insolvency Resolution Process (CIRP) against the Corporate Debtor for the default in payment amounting to Rs. 4,80,87,436/-.

31. The admitted facts in brief are:

I. The Petitioner and the Corporate Debtor had entered into a Memorandum of Understanding (MOU) dated 02.06.2016, followed by a Supplementary MOU dated 01.07.2016 to jointly redevelop the property owned by the Corporate Debtor.

II. The Financial Creditor has paid an interest free security deposit to the Corporate Debtor, against grant of Development Rights of the said property. The Security Deposit was to be utilised to repay the outstanding loan amount to ARCIL owned by the Corporate Debtor, to release the mortgage charge from the Property.

III. As per clause 1 and 2 of the MOU and Subsequent MOU, respectively, it was the prerogative of the Corporate Debtor to execute the JVA on or before 25.07.2016 or latest by the date of final payments being made by the Petitioner towards payment of

Settlement Amount to ARCIL. The Petitioner has made due payments to ARCIL clearing the settlement amount.

IV. As a result of Non-execution of the JVA and consequent frustration of the MOUs, the Petitioner, filed the present Petition under Section 7 of the Code.

32. On the issue of limitation, The Ld. Counsel appearing for the petitioner, brought to our attention the Section 18 (1) of the Limitation Act, 1963. The Ld. Counsel further placed reliance upon the case of **Laxmi Pat Surana vs. Union Bank of India & Anr**. (Civil Appeal No. 2734 of 2020) **("Laxmi Pat")** and **Asset Reconstruction Company (India) limited v. Bishal Jaiswal &Anr.** (Civil Appeal No. 323 of 202) **("Bishan Jaiswal").**

33. We find that the first cause of action arose in January 2017 and again in February 2017. The Respondent had acknowledged its liability in its Financial Statements as **"Advance from Joint Venture 2-Larissa Developers LLP"** under **"Other Current Liabilities"** until 2021.

34. The Second contention raised by the Ld. Counsel appearing on behalf of Respondent is that default should be attributed to laxity of the Petitioner. The Ld. Counsel, relying upon the clause 19 of the MOU that Petitionerexpressly agreed and accepted that he shall be entitled to claim the refund of Rs. 2,25,00,000/- out of Security Deposit only after the 'Plinth Checking Certificate' for the Scheduled Property and the balance Rs. 2,50,00,000/- of Security Deposit, only after Petitioner has handed over the Allotted Units to the Corporate Debtor. The Corporate Debtor clarified that it did not received a Plinth Checking Certificate for the Scheduled Property from the Petitioner nor did the Petitioner handed over or allotted any construction units to Corporate Debtor, till date.

35. Addressing the contention, the Ld. Counsel appearing for the Petitioner submitted that as per clause 2, 16 (a), 29 (f) and (i), of the 2nd MOU, the Respondent had agreed under the MOUs to grant development rights to the Petitioner, upon receipt of full consideration of the security deposits. The Respondent also agreed under the MOU to provide "benefits of irrevocable license for free access to the scheduled property to undertake and complete the project" to the petitioner. The Bench is of the considerate opinion that the Respondent was bound under the MOU to execute the Development Agreement and Power of Attorney (DAPA). The Bench is also of the opinion that Petitioner did not commit any default in performing the obligation since it is the Respondent who can grant Development rights and license to free access to the property, through a Power of Attorney.

36. The next contention raised by the Ld. Counsel appearing for the Respondent that the advance payments cannot be termed as 'Financial Debt' and "interest free refundable security fund cannot be given the colour of 'Financial Debt' as per the definition under Section 5(8) of the Code. The Counsel for the Petitioner further relied upon the Hon'ble NCLAT judgement, in the case of **Kolla Koteswara Rao v. S. K. Srihari Raju &Anr.** (Company Appeal (AT) (Insolvency) No. 717 of 2020) **("Koteswara Rao")**. In the given case supra, facts are similar to the present case wherein the Corporate Debtor availed a financial loan from the lender (SBI) to an extent of Rs. 21.50/- Crore for the purpose of setting up a unit for manufacturing bulk drugs, formulation etc. The 'Corporate Debtor' defaulted in repayment of the amount and was then classified as NPA. The Respondent No. 1, in agreement with the 'Corporate Debtor' and on behalf of the 'Corporate Debtor', deposited Rs. 83,00,000/- and further Rs. 1,50,96,000/- in December 2017. The Respondent No. 1 and the Corporate Debtor entered into the contract, where the Corporate Debtor had agreed to sell the land allotted by Telangana State Industrial Infrastructure Corporation (TNSIIC) to the

Respondent no. 1. The Hon'ble NCLAT was dealing with the contention which are as follows:

- Whether the amounts paid by the first Respondent on behalf ofthe 'Corporate Debtor' to the Lender Bank for compliance of theterms of the OTS would fall within the definition of 'FinancialDebt' under the Code.
- Whether the first Respondent being a 'Purchaser' under anAgreement to Sell, executed pursuant to an OTS can claim to bea 'Financial Creditor' as defined under Section 5(7) of the Code.

37. Hon'ble NCLAT in the case of **Koteswara Rao (supra)** held:

*For reasons cited in Para 19, we are of the considered view that the debt in question is a 'Financial Debt'. It was also pleaded that the specific intention of the first Respondent was to take over the land with the structures and the plant and machinery so as to commence the business for which purpose the land was initially allotted by TSIIC. Hence, it can be safely construed that the first Respondent cannot be said to be having only a security interest over the assets of the 'Corporate Debtor'. Keeping in view the facts of the attendant case, **we are of the considered opinion that the 'debt' is a 'Financial Debt' and the first Respondent a 'Financial Creditor'**.*

38. The Counsel for the Petitioner further relied on the case of **Pioneer Urban Land and Infrastructure Ltd. & Anr, V/s Union of India &Ors**., **2019 (8) SCC 416**, the Hon'ble Supreme Court while dealing with the scope of Section 5(8) held that:

A perusal of these definitions would show that even though the Petitioners may be right in stating that a "borrowing" is a loan of money for temporary use, they are not necessarily right in stating that the transaction must culminate in money being given back to *the lender. The expression "borrow" is wide enough to include an advance given by the home buyers to a real estate developer for "temporary use" i.e. for use in the construction project so long as it is intended by the Agreement to give "something equivalent" to money back to the home buyers. The "something equivalent" in these matters is obviously the flat/apartment. Also, of importance is the expression "commercial effect". "Commercial" would generally involve transactions having profit as their main aim. Piecing the threads together, therefore, so long as an amount is "raised" under a real estate agreement, which is done with profit as the main aim, such amount would be subsumed within Section 5(8)(f) as the sale agreement between developer and home buyer would have the "commercial effect" of a borrowing, in that, money is paid in advance for temporary use so that a flat/apartment is given back to the lender. Both parties have "commercial" interests in the same – the real estate developer seeking to make a profit on the sale of the apartment, and the flat/apartment purchaser profiting by the sale of the apartment. Thus construed, there can be no difficulty in stating that the amounts raised from allottees under real estate projects would in fact, be subsumed within Section 5(8)(f) even without adverting to the explanation introduced by the Amendment Act.*

39. This Bench, after considering all the above-mentioned cases and Provisions of this Code, is of the opinion that the money given by the Petitioner fall under the definition of 'Financial Debt' as per the definition under Section 5(8) of the Code. The Petitioner, therefore, falls within the definition of 'Financial Creditor' and is entitled to claim the debt, which was disbursed to ARCIL, on behalf of the Respondent.

40. Considering the above facts, we come to conclusion that the nature of Debt is a "Financial Debt" as defined under section 5 (8) of the Code.

It has also been established that there is a "Default" as defined under section 3 (12) of the Code on the part of the Debtor. The two essential qualifications, i.e., existence of '**debt**' and '**default**', for admission of a petition under Section 7 of the I&B Code, have been met in this case

ORDER

a. The above Company Petition No. (IB) 1147/2021 is hereby allowed and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against **Shree Shakti Consultancies Limited.**

b. This Bench hereby appoints **Mr. Malhar Mehta**, Insolvency Professional, Registration No: IBBI/IPA-001/IP-P01032/2017-18/11686 and having Email Id: malhar_mehta@hotmail.comas the interim resolution professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.

c. The Financial Creditor shall deposit an amount of Rs. Five Lakhs towards the initial CIRP costs by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order.

d. This Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority; transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein; any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the

Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Debtor.

e. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during moratorium period.

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

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

h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.

i. During the CIRP period, the management of the corporate debtor will vest in the IRP/RP. The suspended directors and employees of the corporate debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.

j. Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.

k. Accordingly, this Petition1147 of 2021 is **allowed.**

l. In view of the above admission order in CP No. 1147 of 2021, the IA. No. 945 of 2022 becomes **infructuous** and **disposed of.**

m. The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

Sd/-	Sd/-
ANURADHA SANJAY BHATIA	**KULDIP KUMAR KAREER**
MEMBER (TECHNICAL)	**MEMBER (JUDICIAL)**