SL. No.2

NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH
COURT HALL NO: II

Hearing Through: VC and Physical (Hybrid) Mode

CORAM: SHRI. RAJEEV BHARDWAJ, HON'BLE MEMBER (J)
CORAM: SHRI. SANJAY PURI, HON'BLE MEMBER (T)

ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL, HYDERABAD BENCH, HELD ON 08.07.2024 AT 10:30 AM

TRANSFER PETITION NO.	
COMPANY PETITION/APPLICATION NO.	**Company Petition IB/134/2023**
NAME OF THE COMPANY	**I-Vantage India Pvt Ltd**
NAME OF THE PETITIONER(S)	**Bank of Maharashtra**
NAME OF THE RESPONDENT(S)	**I-Vantage India Pvt Ltd**
UNDER SECTION	**7 of IBC**

ORDER

Orders pronounced, recorded vide separate sheets. In the result, the Company Petition is admitted.

Sd/-
MEMBER (T)

Sd/-
MEMBER (J)

Vamsi

NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH - II

CP (IB) No.134/7/HDB/2023

Under Section 60(5) of Insolvency Bankruptcy Code, 2016
read with rule 11 of NCLT Rules, 2016

In the matter of M/s.I-Vantage India Private Limited

Between:

Bank of Maharashtra,
Represented by its Authorised Signatory
Mr.Abhishek Dubey,
Regd Office: H.No.4-3-448 to 460 & 465,
1st Floor, Vinootha Pittie's Majesty,
Goplbagh, Near Bank Street, Koti,
Hyderabad, Telangana – 500 001.

..... Applicant/Financial Creditor

AND

M/s.I-Vantage India Private Limited,
No.8-2-269/10, Suite No.501,
5th Floor, Trendset Towers,
Road No.2, Banjara Hills,
Hyderabad, Telangana – 500 034.

.....Respondent/Corporate Debtor

Date of Order : 08.07.2024

Coram:

Hon'ble Sri Rajeev Bhardwaj, Hon'ble Member (Judicial)
Hon'ble Sri Sanjay Puri, Hon'ble Member (Technical)

Counsels:

For the Applicant : Mr.D.Narendar Naik and Mr.Varun Ambati, Advocates
For the Respondent : Mr.Mayur Mundra and Ms.Shreya Mundra, Advocates

PER: Rajeev Bhardwaj (Judicial Member)

O R D E R

1. The instant Application has been filed under Section 7 of the IBC for initiation of Corporate Insolvency Resolution Process (CIRP) against M/s.I-Vantage India Private Limited (hereinafter referred as Corporate Debtor/Respondent) by the Bank of Maharashtra (hereinafter referred as Applicant/Financial Creditor).

2. The facts necessary to dispose of the present Application, as stated, are that:

   a) The Applicant/Financial Creditor sanctioned a Cash Credit Facility of Rs.10,00,00.000/- (Rupees ten crores only) and Guarantee Limit of Rs.40,00,00,000/- (Rupees forty crores only) under the Working Capital Consortium Agreement dated 05.05.2015 **(Annexure 4 – page Nos.21-47 of the Application)** in favour of the principal borrower, i.e., BS Limited and the Respondent stood as guarantor by executing Guarantee Deed dated 05.05.2015 **(Annexure 6 – page Nos.64-71 of the Application)** to secure the financial assistance guaranteed in favour of the principal borrower.

   b) The total outstanding amount was Rs.1,26,92,84,149/- (Rupees one hundred and twenty six crores ninety two lakhs eighty four thousand one hundred and forty nine only) which includes the principal amount of Rs.55,59,67,000/- (Rupees fifty five crores fifty nine lakhs sixty seven thousand) and interest amount of Rs.71,33,17,149/- (Rupees seventy one crores thirty three lakhs seventeen thousand one hundred and forty nine only) as on 05.02.2023.

c) The default in making the payment occurred on 15.07.2016 when the loan amount of the principal borrower was declared as NPA and further on 06.02.2020, when the Debts Recovery Tribunal, Hyderabad issued Recovery Certificate bearing RC No.262/2020 in OA No.437/2017.

3. In the Counter, the Respondent has contested and contended the averments made in the Application and submitted that:

i. The Application has not been filed by the authorized representative of the Financial Creditor. As per the Notification No.SO 1091(E) dated 27.02.2019, only specific persons/individuals are having authority to file an Application under Section 7 of the IBC. However, the person who has filed the present Application does not fall within that category.

ii. The Financial Creditor has also not filed certified financial statements of the records in view of Section 4 of the Bankers Book Evidence Act, 1891 to show the default against the Respondent.

iii. On the basis of the documents filed by the Applicant, the Demand Notice under Section 13(2) of the Securitisation Act was issued to the guarantor on 13.03.2017 asking for the payment of the entire loan amount along with interest within 60 days of the receipt of the said notice. Therefore, at the most the cause of action would commence from May, 2017 and would expire in May, 2020. However, the present Application has been filed in the month of February, 2023, which is beyond the limitation period. The Respondent has also not signed any documents for renewing the guarantee after 2015 and reliance has been placed on the decision of the Hon'ble Supreme Court in ***Jignesh Shah and another vs. Union of India and another, B.K.Educational Services vs. Parag Gupta and associates*** and ***Laxmi Pat Surana vs. Union of India***.

iv. It is further submitted that CIRP against the principal borrower was admitted in the month of July, 2018 and therefore if any proceedings are to be initiated against the guarantor, the limitation would arise on the date when the Financial Creditor claimed the event of default which took place in the year 2018. On this count also, the present Application is beyond limitation.

v. Placing reliance on the Recovery Certificate dated 06.02.2020 would also not save the Application from being hit by limitation because the event of default against the borrowing company took place in the year 2018.

4. In the Rejoinder, the Applicant has reaffirmed and reiterated the contentions made in the Application by submitting that:

a. About the authorization to file the present Application, the Applicant has referred to the Board Resolution dated 19.04.2020 to say that proper authorization letter dated 06.02.2023 was issued. Similarly, the copy of certificate under the Bankers Book Evidence Act was filed along with the Application and therefore it meets the requirements of law.

b. On the question of limitation, the Applicant has referred to the decision of the Hon'ble Supreme Court in ***Dena Bank vs. Shiva Kumar Reddy and another*** to submit that the Recovery Certificate gives a fresh cause of action to the Financial Creditor.

5. We have gone through the entire records and heard both the Learned Counsels for the parties.

6. In order to succeed in an application under Section 7 of the IBC, it must be proved that there exists a debt and default. The Hon'ble Apex Court in

Innoventive Industries Ltd. versus ICICI Bank (2018)1SCC 407 has held that for initiation of Corporate Insolvency Resolution Process by financial creditor under sub-section (4) of Section 7 of the Code, 2016, the 'Adjudicating Authority' on receipt of application under sub-section (2) is required to ascertain existence of default from the records of Information Utility or on the basis of other evidence furnished by the financial creditor under sub-section (3).

7. A consortium consisting of the Financial Creditor/Applicant and other financial institutions sanctioned loan facility to the borrower, BS Limited vide Working Capital Consortium Agreement dated 05.05.2015 (**Annexure 4 of the Application**) and the Corporate Debtor/Respondent stood guarantor through Guarantee Deed dated 05.05.2015 **(Annexure 6 of the Application**) for the repayment of the loan taken by the borrower. The borrower has already been put in liquidation vide order dated 17.10.2019 **(Annexure 15 of the Application**). In the meanwhile, the lenders also approached the Debts Recovery Tribunal against the borrower, Corporate Debtor and others by filing OA No. 437 of 2017 and the Recovery Certificate was granted on 10.10.2022 (**Annexure 14 of the Application**)

8. Before adverting to the debt and default, it is important to answer the contentions of the Corporate Debtor as to whether the present Application has been filed by the proper and authorized person, certificate issued by the bank and limitation.

9. As per the Notification issued by the Central Government (Ministry of Corporate Affairs) Notification (S.O. 1901(E)) dated 27.02.2019, the following are the persons who can file an application under section 7 IBC:

> *"...the Central Government hereby notifies following persons who may file an application for initiating corporate insolvency resolution process against a corporate debtor before the Adjudicating Authority, on behalf of the financial creditor: -*
> *(i) a guardian;*
> *(ii) an executor or administrator of an estate of a financial creditor;*
> *(iii) a trustee (including a debenture trustee); and*
> *(iv) a person duly authorised by the Board of Directors of a Company."*

10. Furthermore, it is important to refer to Section 7(2) of the IBC, which states:

> *"Initiation of corporate insolvency resolution process by financial creditor.*
> *7. (1) .. ....*
> *7. (2) The financial creditor shall make an application under subsection (1) in such* ***form and manner*** *and accompanied with such fee as may be prescribed."*

An application under Section 7(2) of the IBC is to be filed by the Financial Creditor in Form-1 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. Entries 5 and 6 of Part I of Form-1 mandate the Financial Creditor to furnish the name and address of the person authorized to submit the Application on its behalf. The rule also requires that the authorization letter be enclosed.

11. It becomes clear from examination of **Annexure 1** of the Application and **Annexure 2** of the Rejoinder that a resolution was passed by Board of Directors of the Financial Creditor on 22.03.2022 empowering Zonal Manager, Deputy Zonal Manager, and Assistant General Manager to file any Application before this Authority. Thus, the authorized signatory, being an Assistant General Manager of Financial Creditor, was duly authorized and accordingly this contention of the Corporate Debtor does not hold water.

12. Regarding the second plea, the Financial Creditor has issued certificate under Section 24(A) of the Banker Book of Evidence Act (**Annexure 12** of Application) to evidence the default of the Corporate Debtor. Additionally, the NeSL report confirms that the Financial Creditor submitted the record of default on 05.08.2020 and it was authenticated on 22.08.2020, well before the filing of the present application. Thus, the Applicant has complied with the mandatory requirements of filing the record of default as stipulated under Regulation 20(1A) of the IBBI (Information Utilities) Regulations, 2017, and as envisaged under Section 7(3)(a) of the IBC. Therefore, this contention of the Respondent is also without basis.

13. On the question of limitation, it is undisputed that the account of principal borrower was classified as a Non-Performing Asset (NPA) on 15.07.2016. Consequently, the Financial Creditor issued a Demand Notice under Section 13(2) of the SARFAESI Act on 13.03.2017 to both the principal borrower and the Corporate Debtor, requesting repayment of the entire loan along with interest within 60 days of receipt of the notice. On failure, the consortium of banks including the Financial

Creditor initiated proceedings against the borrower and the Corporate Debtor before the Debts Recovery Tribunal (DRT) in 2017 under the SARFAESI Act, and simultaneously CIRP proceedings were initiated against the borrower before this Authority in 2018.

14. The limitation period for any suit, appeal, or application begins from the date of default when the actual right to sue first accrues. A subsequent acknowledgment or promise related to the debt, or a decree of recovery under any special circumstances only serves to create a new cause of action for the revival of the limitation period, thereby creating a new right to sue.

15. An agreement between the guarantor and creditor is separate and collateral contract distinct from the contract of debt between the principal debtor and creditor. The contractual terms dictate the nature and magnitude of said liability. Hence, the creditor may initiate legal proceedings against both the corporate debtor and its personal guarantor simultaneously, or separately. Proceedings against the personal guarantor may be either to recover the entire amount, or the remaining amount. Here, we also rely upon the judgment of the Hon'ble Supreme Court in ***Ansal Engineering Projects Limited v. Tehri Hydro Development Corporation Limited and Another 1996 (5) SCC 450***, wherein it was held:

> 4 It is settled law that bank guarantee is an independent and distinct contract between the bank and the beneficiary and is not qualified by the underlying transaction and the validity of the primary contract between the person at whose instance the bank guarantee was given and the beneficiary. Unless fraud or special equity exists, is pleaded and prime facie established by strong evidence as a triable issue, the beneficiary cannot be restrained from encashing the bank guarantee even

> if dispute between the beneficiary and the person at whose instance the bank guarantee was given by the Bank, had arisen in performance of the contract or execution of the Works undertaken in furtherance thereof. The Bank unconditionally and irrevocably promised to pay, on demand, the amount of liability undertaken in the guarantee without any demur or dispute in terms of the bank guarantee. The object behind is to inculcate respect for free flow of commerce and trade and faith in the commercial banking transactions unhedged by pending disputes between the beneficiary and the contractor.
>
> (own emphasis)

16. No doubt, the obligation of the guarantor is co-extensive and coterminous with that of the principal borrower to defray the debt, as explained in Section 128 of the Contract Act, but the liability of the principal debtor and surety are separate although arising out of the same transaction and even the liability of surety does not also, in all cases, arise simultaneously. We may profitably refer to the decision of the Hon'ble Supreme Court in ***State Bank of India v. Index Port Registered and Ors(1992) 3 SCC 159,*** wherein it was held:

> 16. "In Halsbury's Laws of England Forth Edition paragraph 159 at page 87 it has been observed that "it is not necessary for the creditor, before proceeding against the surety, to request the principal debtor to pay, or to sue him, although solvent, unless this is expressly stipulated for."
>
> 17. In Hukamchand Insurance Co Ltd. Versus Bank of Baroda, AIR (1977) Kant 204, a Division Bench of the High Court of Karnataka had an occasion to consider the question of liability of the surety vis-à-vis the principal debtor. Venkatachaliah, J. (as His Lordship then was) observed: -
>
> "The question as to the liability of the surety, its extent and the manner of its enforcement has to be decided on first principles as to the nature and

incidents of surety ship. The liability of a principal debtor and the liability of a surety which is co-extensive with that of the former are really separate liabilities, although arising out of the same transaction. Notwithstanding the fact that they may stem from the same transaction, the two liabilities are distinct. The liability of the surety does not also, in all cases, arise simultaneously."

18. It will be noticed that the guarantor alone could have been sued, without even suing the principal debtor. so long as the creditor satisfies the court that the principal debtor is in default."

(own emphasis)

17. Therefore, there is no force in the contention of Learned Counsel for the Respondent that once the principal borrower has been put in CIRP or liquidation, there will be no cause of action against it. For the sake of repetition, it is clarified that contract with principal borrower and surety are separate, though the liability is co-extensive. Hon'ble Supreme Court in ***Industrial Finance Corporation of India Ltd. v. Cannanore Spinning and Weaving Mills and others (2002) 5 SCC 54*** has further explained this principle:

33. "Adverting to the contract of guarantee be it noted that though it is not a contract regarding a primary transaction: but it is an independent transaction containing independent and reciprocal obligations. It is on principal to principal basis and by reason wherefore the Statute has provided both the creditor and the guarantor some relief as specified in this Chapter of Contract Act (between Sections 130 to 141). Section 141 thus involves an issue of a deliberate action on the part of the creditor and not a mere fortuitous situation beyond the control of the creditor. It is in this context strong reliance was placed on a decision of the Privy Council in China and South Sea Bank Ltd. v. Tan (1989 (3) All ER 839), wherein Lord Temple man speaking for the Council stated the law as below: - (All ER p. 842 c-h)

"In the present case the security was neither surrendered nor lost nor imperfect nor altered in condition by reason of what was done by creditor. The creditor had three sources of repayment. The creditor could sue the debtor, sell the mortgage securities or sue the surety. All these remedies could be exercised at any time or times simultaneously or contemporaneously or successively or not at all. If the creditor chose to sue the surety and not pursue any other remedy, the creditor on being paid in full was bound to assign the mortgage securities to the surety. If the creditor chose to exercise his power of sale over the mortgage security, he must sell for the current market value but the creditor must decide in his own interest if and when he should sell. The creditor does not become a trustee of the mortgaged securities and the power of sale for the surety unless and until the creditor is paid in full and the surety, having paid the whole of the debt is entitled to a transfer of the mortgaged securities to procure recovery of the whole or part of the sum he has paid to the creditor. The creditor is not obliged to do anything. If the creditor does nothing and the debtor declines into bankruptcy the mortgaged securities become valueless and if the surety decamps abroad the creditor loses his money. If disaster strikes the debtor and the mortgaged securities but the surety remains capable of repaying the debt then the creditor loses nothing. The surety contracts to pay if the debtor does not pay and the surety is bound by his contract. If the surety, perhaps less indolent or less well protected than the creditor, is worried that the mortgaged securities may decline in value then the surety may request the creditor to sell and if the creditor remains idle then the surety may bustle about, pay off the debt, take over the benefit of the securities and sell them. No creditor could carry on the business of lending if he could become liable to a mortgagee and to a surety or to either of them for a decline in value of mortgaged property, unless the creditor was personally responsible for the decline. Applying the rule as specified by Pollock CB in Watts v. Shuttleworth (1860) 5 H&N 235 at 247-248: 157 ER 1171 at 1176, it appears to their Lordships that in the present case the creditor did not act injurious to the surety, did not act inconsistent with the rights of the surety and the creditor did not omit any act which his duty enjoined him to do. The creditor was not under a duty to exercise his power of sale over the mortgaged securities at any particular time or at all."

18. Thus, for determining the limitation against the guarantor, we need to look at the terms and conditions of the Guarantee Deed dated 05.05.2015 **(Annexure 9 of the Application**). The relevant extract of the clauses is mentioned below.

> *1. If at any time default shall be made by the Borrower in payment of the principal sum (not exceeding Rs. 1,540.95 crores (Rupees One thousand five hundred and forty crores and ninety five lakhs only) together with interest, costs, charges, expenses and/or other money for the time being due to the Lead Bank in respect of or under the above mentioned credit facilities or any of them the Guarantors* ***shall forthwith*** ***on demand*** *pay to the Lead Bank the whole of such principal sum (not exceeding Rs. 1,540.95 crores (Rupees One thousand five hundred and forty crores and ninety five lakhs only) together with interest, cost, charges, expenses and/or any other money as may be then due to the Lead Bank in respect of the above mentioned credit facilities and shall indemnify and keep indemnified the Lead Bank against all losses of the said principal sum, interest or other money due and all costs, charges and expenses whatsoever which the Lead Bank may in cur by reason of any default on the part of the Borrower.*
>
> *8. The Guarantee herein contained is a continuing one for all amounts advanced by the Lead Bank to the Borrower in respect of or under the above mentioned credit facilities as also for all interest, costs and other money which may from time to time become due and remain unpaid to the Lead Bank thereunder and shall not be determined or in any way be affected by any account or accounts opened or to be opened by the Lead Bank becoming nil or coming into credit at any time or from time to time or by reason of the said account or accounts being closed and fresh account or accounts being opened in respect of fresh facilities being granted within the overall limit sanctioned to the Borrower.*
>
> *14. The Guarantors hereby agree that notwithstanding any variation made in the terms of the said Agreement of Loan and/or any of the said security documents inter-alia including variation in the rate of interest, extension of the date for payment of the instalments, if any, or any composition made between the Lead Bank and the Borrower to give time to or not to sue the Borrower, or the Lead Bank parting with any of the securities given by the Borrower, the Guarantors shall not be released or discharged of their obligation under this Guarantee provided that in the event of any such variation or composition or agreement the liability of the Guarantors shall notwithstanding anything herein contained be deemed to have accrued and the Guarantors shall be deemed to have become liable hereunder on the date or dates on which the Borrower shall become liable to pay the*

amount/amounts due under the said Agreement of Loan and/or any of the said security documents as a result of such variation or composition or agreement.

19. On joint reading of aforesaid clauses of the Guarantee Deed, it is clearly established that the guarantors' obligation to pay the principal sum, interest, costs, charges and other monies with regard to credit facilities of Rs.1,540.95 crores to the Lead Bank remains in force irrespective of any variations in the loan agreement, including changes in interest rates, extension of payment deadlines or any settlements between the Lead Bank and the borrower. Further the guarantee is a continuing one, covering all amounts advanced within the sanctioned credit limit and remains unaffected by any fluctuations in account balances or account closures. The guarantee was invoked when the demand notice was given and in the present case when notice under Section 13(2) of the SARFAESI Act was issued on 13.03.2017 to both the principal borrower and the Corporate Debtor, asking them to repay the entire loan along with interest within 60 days of receipt of the notice.

20. Although the loan account of the principal borrower was declared as NPA on 15.07.2016, the default on the part of the guarantor arises from the date of the invocation of the demand notice, as the debt is payable on demand. Admittedly the demand notice was issued to the Corporate Debtor on 13.03.2017, with the occurrence of default after lapse of 60 days, i.e., on 13.05.2017. Even if we accept 13.05.2017 as the date of default, the three-year limitation period would expire by May 2020.

21. However, even before the expiration of the above said limitation period, on 06.02.2020, a recovery certificate (RC No. 262/2020) was issued after

the final adjudication of OA No. 437 of 2017, directing the principal borrower and the Corporate Debtor to pay the Financial Creditor a sum of Rs. 55,59,67,000/- along with future interest at 14.85% per annum from the date of filing until the date of realization. It is a settled principle that the issuance of a recovery certificate provides a fresh cause of action for the Financial Creditor to initiate CIRP proceedings under section 7 of the IBC within three years from the date of issuance of the recovery certificate. In ***Dena Bank v. C. Shiva Kumar Reddy (2021)10 SCC 330).***

> 138. A final judgment and order/decree is binding on the judgment debtor. Once a claim fructifies into a final judgment and order/decree, upon adjudication, and a certificate of Recovery is also issued authorizing the creditor to realize its decretal dues, a fresh right accrues to the creditor to recover the amount of the final judgment and/or order/decree and/or the amount specified in the Recovery Certificate.
>
> 143. Moreover, a judgment and/or decree for money in favour of the Financial Creditor, passed by the DRT, or any other Tribunal or Court, or the issuance of a Certificate of Recovery in favour of the Financial Creditor, would give rise to a fresh cause of action for the Financial Creditor, to initiate proceedings Under Section 7 of the IBC for initiation of the Corporate Insolvency Resolution Process, within three years from the date of the judgment and/or decree or within three years from the date of issuance of the Certificate of Recovery, if the dues of the Corporate Debtor to the Financial Debtor, under the judgment and/or decree and/or in terms of the Certificate of Recovery, or any part thereof remained unpaid.

22. Similarly, in ***Kotak Mahindra Bank Ltd. v. A. Balakrishnan & Ors. (2022)9 SCC 186*** this principle was reiterated:

> 84. To conclude, we hold that a liability in respect of a claim arising out of a Recovery Certificate would be a "financial debt" within the meaning

> of Clause (8) of Section 5 of the IBC. Consequently, the holder of the Recovery Certificate would be a financial creditor within the meaning of Clause (7) of Section 5 of the IBC. As such, the holder of such certificate would be entitled to initiate CIRP, if initiated within a period of three years from the date of issuance of the Recovery Certificate.

23. Thus, there is fresh limitation period from the date of issuance of recovery certificate on 06.02.2020. This occurs even before the expiration of the limitation period from the date of default i.e., May 2020. Furthermore, based on the recovery certificate, the Financial Creditor issued a Demand Notice on 27.06.2022. Even if we consider the limitation period commencing from the date of issuance of the recovery certificate by excluding the COVID-19 period from 15.03.2020 to 28.02.2022 as per the ***Suo Motu Writ Petition No. (Civil) 3 of 2020*** by the Hon'ble Supreme Court, the present Application filed on 07.02.2023 is well within the limitation period.

24. In view of the above discussions, we are of the opinion that the Applicant qualifies as a Financial Creditor under Section 5(7) of the IBC. The amount payable as per the recovery certificate clearly constitutes a financial debt under section 5(8) of the IBC and the non-compliance with the said order of the DRT amounts to default. Additionally, the National E-Governance Services Ltd. (NeSL) issued a record of default to the Financial Creditor concerning the default of the debt.

25. Hence, the Corporate Debtor is in default of a debt due and payable to the Financial Creditor which has been crystallized under the recovery certificate issued by the DRT. The default amount payable is more than minimum amount stipulated under Section 4(1) of the IBC. Therefore, the

debt and default stands established and there is no reason to deny the admission of the Application. In view of this, we admit this Application and orders initiation of CIRP against the Corporate Debtor.

26. Accordingly, the present Application is allowed with the following directions:

i. The 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 Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002); the recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor;

ii. 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.

iii. 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.

iv. That the order of moratorium shall have effect from the date 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, whichever is earlier.

v. That the public announcement of the initiation of Corporate Insolvency Resolution Process shall be made immediately as prescribed under Section 13 of Insolvency and Bankruptcy Code, 2016.

vi. This Bench hereby appoints Mr.Murali Mohan Chevuturi having registration No.IBBI/IPA-003/IP-N00310/2020-2021/13464 (validity upto 30.06.2025), e-mail id: mohan.chevuturi@gmail.com, Mobile No.8978844588 as Interim Resolution Professional, to carry the functions as mentioned under the Insolvency & Bankruptcy Code. Thus, there is compliance of Regulation 7A of IBBI (Insolvency Professionals) Regulations, 2016, as amended. Therefore, the proposed IRP is fit to be appointed as IRP since the relevant provision is complied with. Proposed IRP shall file Form-B issued by the IBBI within three days hereafter. This information is also available in IBBI Website. Thus, there is compliance of Regulation 7A of IBBI (Insolvency Professionals) Regulations, 2016, as amended. Therefore, the proposed IRP is fit to be appointed as IRP since the relevant provision is complied with.

vii. The Registry of this Tribunal is directed to send a copy of this order to the Registrar of Companies, Hyderabad for marking appropriate remarks against the Corporate Debtor on website of Ministry of Corporate Affairs as being under CIRP.

viii. The Registry is also directed to communicate the IRP and Financial Creditor and send copy of this order.

ix. The Financial Creditor is directed to communicate this order to the IRP appointed in this case.

x. The Registry is directed to furnish free copy to the parties as per Rule 50 of the NCLT Rules, 2016.

Sd/-
(Sanjay Puri)
Member (Technical)

Sd/-
(Rajeev Bhardwaj)
Member (Judicial)

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