

**Before the National Company Law Tribunal,
Chandigarh Bench
Corporate Bhawan, Plot No.4B, Sector 27-B, Madhya Marg,
Chandigarh.**

No: NCLT/CHD/Reg/ 2656

Date: 29-7-19

CP (IB) No. 341/Chd/Pb/2018

In the matter of:

Kotak Mahindra Limited

...Petitioner/Financial Creditor

Vs

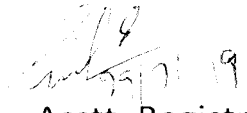
Sachdeva and Sons Rice Mills Limited

.... Respondent/Corporate Debtor

To

Kotak Mahindra Limited,
27 BKC, C 27, G Block,
Bandra Kurla Complex,
Bandra € , Mumbai, MH-400051

Please find enclosed herewith a certified copy of order dated 29.07.2019, for your information and necessary action.


Asstt. Registrar
for Registrar
NCLT, Chandigarh Bench

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

CP (IB) No. 341/Chd/Pb/2018

Under Section 7 of the
Insolvency and Bankruptcy
Code, 2016.

In the matter of :

Kotak Mahindra Bank Limited

having its registered office at
27BKC, C 27, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai,
Maharashtra-400 051
through Ajay Kumar Raina,
Vice President

...Petitioner/Financial Creditor

Versus

Sachdeva and Sons Rice Mills Limited

Having its registered office at
17-Cantonment,
Amritsar, Punjab-143 001

...Respondent/Corporate Debtor

Judgement delivered on: 29.07.2019

Coram: Hon'ble Mr. M.K. Shrawat, Member (Judicial)
Hon'ble Mr. Pradeep R. Sethi, Member (Technical)

For the Petitioner : 1). Mr. Manish Jain, Advocate
2). Ms. Divya Sharma, Advocate

For the Respondent : 1). Mr. Rohit Suri, Advocate.
2). Ms. Mandeep Gujral, Advocate
3). Mr. Shobit Phutela, Advocate
4). Mr. Shubhnit Hans, Advocate

M/S
Pradeep R. Sethi

Per: Pradeep R. Sethi, Member (Technical)

JUDGEMENT

The application in the prescribed Form No.1 is filed by Kotak Mahindra Bank Limited (hereinafter referred to as **Bank**) for initiation of Corporate Insolvency Resolution Process (**CIRP**) in the case of Sachdeva and Sons Rice Mills Limited (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 Ajay K. Raina, Vice President of the Bank. His affidavit verifying the contents of the application is at page 22. Copy of the Resolution dated 02.05.2018 authorizing Shri Ajay Kumar Raina for proceedings under the Code is filed at Annexure-2 of the petition.

2. The copy of certificate of incorporation and Memorandum and Articles of Association of Corporate Debtor are stated to be filed at Annexure-3 (Colly) of the petition. Corporate Debtor is stated to be incorporated on 30.03.1991 and the registered address is stated to be 17-Cantonment, Amritsar, Punjab-143 001. 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 granted various credit facilities by Bank of Punjab Limited. Thereafter in the year 2005, the said Bank got merged with Centurion Bank of Punjab Limited (**CBOP**) and the entire assets and liabilities of the Corporate Debtor were taken over by CBOP.

The sanctioned credit facilities are as under:-

- (i). On 21.05.1996, Bank of Punjab Limited sanctioned the following credit facility as follows:-

Nature of Credit Facility	Amount (in ₹)
Fund Based	1000 lacs
Non-fund Based	200 lacs

It is stated that these limits were restructured from time to time.

- (ii). On 29.01.2000, Bank of Punjab Limited sanctioned a one time facility of bank guarantee in favour of Lloyd's Global Trade Ltd., of US \$ 5 Million for an export order. The Corporate Debtor however, failed to honour the above bank guarantee and the same was called upon by the beneficiary and an amount of US \$ 47,05,953.32 was paid by the Bank of Punjab Limited on 27.09.2002.

- (iii) Due to the aforesaid default, the Corporate Debtor again approached the Bank of Punjab Limited to restructure its various loan facilities and the following credit facilities were granted:-

Nature of Facility	Amount (in ₹)
Corporate Loan	30 crores
Cash Credit	5 crores
Packing Credit	5 crores
Post Shipment Loan	5 crores
Bank Guarantee	1 crore

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The overall limit for above mentioned facilities was fixed at ₹35 crores. Thereafter, these limits were restructured from time to time.

Upon the request of Corporate Debtor these limits were once again restructured by Bank of Punjab Limited as under:-

Nature of Facility	Amount (in ₹)	Amount (in US \$)
Foreign Currency Loan	32 crores	6.4 Million
Post Shipment/Pay Order, DD Purchase (Export Bill)	3 crores	
Total	35 crores	

Authenticated workings for computation of amount of default in tabular form is at Annexure 13 hereto (Page 166).

4. It is stated that the Board of Directors of the Corporate Debtor vide resolution passed on 24.09.2002 and 18.12.2002 unanimously approved, authorized all the acts, deeds and matters performed by the company in its dealing with the Bank of Punjab Limited and has agreed to the terms and conditions of the debt and the modifications to such terms and conditions in relation to the facilities granted by Bank of Punjab Limited. It is stated that the following loan and security documents were executed in favour of the Bank of Punjab Limited:- cash credit agreement dated 24.09.2002 Annexure-8, agreement for loan of overall limits dated 24.09.2002 Annexure-9, two demand promissory notes dated 24.09.2002 Annexure-10 and cash credit limit supplementary agreement dated 24.09.2002 Annexure-11. The repayment of loan is stated to be guaranteed

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and the guarantee deeds by different guarantors are stated to be at Annexures-27 to 30 which are a part and parcel of the petition.

5. 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 machinery and there is also collateral security by way of mortgage of properties including flats in the name of company, agricultural land situated at Village Chaba, District and Tehsil Amritsar and One Rice Mill of the company. It is further stated that the acknowledgment letters for deposit of title deeds of two flats in the name of the company situated in Mumbai dated 25.06.1993 and 11.06.1996 are filed at Annexures-14 and 15 of the petition. The statement of accounts pertaining to the loan account and overdue export bills duly certified under the Bankers Books Evidence 1891 are stated to be attached as Annexures 25 and 31 of the petition. It is stated that the debts and securities stand acknowledged by Board Resolutions dated 24.09.2002 and 18.02.2002. Also, copy of balance confirmation letters by the Financial Creditor are attached as Annexure-32 of the petition.

6. It is stated that due to default payment of installments of loan, the account was classified as NPA on 31.12.2004.

7. It is further averred that such debt was assigned by the Centurion Bank of Punjab Limited (Assignor) to Kotak Mahindra Bank Limited (Assignee) vide Deed of Assignment dated 27.09.2007. Copy of such Assignment Deed is at Annexure-12. The name of the Assignee (Kotak Mahindra Bank Limited) is found to be stated as Financial Creditor as mentioned in Part-IV, Sr. No. 2 of Form 1 of the application.

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8. In Part IV of Form No.1, it is stated that the outstanding of the corporate debtor towards the Kotak Mahindra Bank is ₹33,95,07,968 along with interest component of ₹94,70,32,360/- as on 31.07.2018. The Bank Account statements duly certified as per Banker's Books Evidence Act, 1891 are stated to be attached.

9. The charge on securities held is stated to be registered with the Registrar of Companies under the provisions of Companies Act, 1956 and the record of registration of charge available with the Registrar of Companies i.e. the original Form No. 8 along with Certificate of Registration for Modification of Mortgage in favour of Kotak Mahindra Bank are at Annexure-16 (Colly) of the petition.

10. It is also stated in Part-V of Form No.I that original application OA No. 4570 of 2017 was filed against Corporate Debtor by Centurion Bank of Punjab with the Debt Recovery Tribunal (DRT-I) Chandigarh. The substitution of Kotak Mahindra Bank in place of Centurion Bank of Punjab was allowed by the DRT-I vide order dated 06.11.2018 and the same is attached at Annexure-18 of the petition. The final decision in OA No. 4570 of 2017 is still pending adjudication at this moment.

11. Further, Securitisation Application No. 8 of 2014 was moved by the Corporate Debtor against the Financial Creditor i.e. Kotak Mahindra Bank Ltd., before the Debts Recovery Tribunal-I, Mumbai. The DRT-I, Mumbai in its interim order dated 31.07.2014 granted stay on all further proceedings until further orders subject to a condition of depositing of ₹2 crores by the Corporate Debtor with the Financial Creditor.

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12. Due to the continuous default on the part of the Corporate Debtor, the Financial Creditor was forced to issue possession notice in exercise of powers conferred under Section 13(12) of SARFAESI Act read with Rule 9 of Security Interest (Enforcement) Rules, 2002. Copy of the publication of such notice is at Annexure 23 of the petition.

13. On 20.11.2012, an application under Section 14 of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) was allowed by Chief Metropolitan Magistrate, Esplanade, Mumbai, wherein it was directed to take possession of the secured assets viz. (1). Flat No. 9, Mashrique Building, 2nd Floor, 227 P.D. Mello Road Fort Mumbai and (2). Flat at 20, 4th Floor, India House No. 4, Co-op Housing Society Ltd , August Kranti Marg, Kemp's Corner, Mumbai.

14. Thereafter, the Financial Creditor got published Sale/Auction Notice under the provisions of SARFAESI Act, 2002 on 20.06.2014.

15. In Part-III of Form No.1 Shri Hemanshu Jetley, Regn. No. IBBI/IPA-001/IP-P00219/2017-18/10457 has been proposed as Interim Resolution Professional (**IRP**). Form No.2 dated 10.09.2018 submitted by the proposed IRP is stated to be attached as Annexure-6 of the petition.

16. Vide order dated 26.10.2018, notice of the petition was directed to be issued to Corporate Debtor. Reply has been filed by Corporate Debtor by Diary No. 638 dated 07.02.2019. It is stated that the Corporate Debtor had secured a credit facility from CBOP and in August, 2016, CBOP had approved the proposal for One Time Settlement (**OTS**) of ₹750 lacs in full and final settlement of the debt. A reference letter in this regard is placed on record as Annexure R-2 (Diary No. 638 dated 07.02.2019). It is further

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stated that during this course, Kotak Mahindra Bank approached the Corporate Debtor for providing financial advisory services for raising investments and structuring the finances. The Corporate Debtor was to pay fees in consideration as agreed.

17. Vide letter 14.09.2007, CBOP had cancelled the OTS agreement since the amount as agreed could not be deposited by the Kotak Mahindra Bank being a financial advisor of the Corporate Debtor. Further, CBOP initiated recovery proceedings against the Corporate Debtor before the DRT-I, Chandigarh vide an application bearing No. OA 04 of 2007.

18. It is also pointed out that on 27.09.2007, Kotak Mahindra Bank (Financial Creditor) and CBOP entered into a deed of assignment whereby CBOP had agreed to sell and the Kotak Mahindra Bank had agreed to purchase and acquire the existing debts of the Corporate Debtor. The Corporate Debtor has raised the contention that Kotak Mahindra Bank did not even share the details of the deed of assignment of debt and quantum of transaction between the assignor and the assignee bank. It was only on 28.09.2007, Corporate Debtor was informed of the assignment of debts vide a letter by CBOP. It was informed to the Corporate Debtor that the Financial Creditor had incurred ₹10 crores in the buyout of the debt. That due to the intervention of the learned DSP, Civil Lines, Amritsar, the Corporate Debtor came to know that a consideration of ₹435 lacs has been paid to CBOP by the Financial Creditor in lieu of assignment of debt.

19. Learned counsel for the respondent in its reply has submitted that Kotak Mahindra Bank by virtue of agreement (indicative term sheet and letter dated 17.04.2007) in relation to provision of financial advisory services,

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Kotak Mahindra Bank ceases to be a "Financial Creditor" within the terminology of IBC Code as there is no "financial debt" which exists. Learned Counsel for the Respondent Corporate Debtor relies on the terms of the said agreement (Annexure R-3) of Diary No. 638 dated 07.02.2019 and contended that the subsequent assignment of debt in the instant case does not make the Petitioner Bank a financial creditor. Copy of the letter dated 17.04.2007 are at Annexure R-5 of Diary No. 638.

20. Learned Counsel for the respondent also relies upon the judgment of Hon'ble Supreme Court in the case of **Innoventive Industries Ltd. V. ICICI Bank (Civil Appeal nos. 8337-8338 of 2017)** wherein it was held that the definition of "debt due", under the Code refers to a debt which is due and payable and are not time barred. Also, learned counsel places reliance on another judgment of Hon'ble Supreme Court in the case of **B.K. Educational Services Pvt. Ltd. Vs. Parag Gupta and Associates** wherein it was held that the provisions of Limitation Act, 1963 are very well applicable to the IBC Code, 2016. The respondent also makes out a case that the debt due is hopelessly time barred and IBC proceedings cannot be triggered in the year 2018 for the same cause of action.

21. It is also submitted that the petitioner Bank has no legal right to demand any amount which is in excess of the amount invested by it on behalf of the respondent Corporate Debtor and any such demand would be in violation of agreement dated 17.04.2007.

22. Rejoinder was filed vide Diary No. 1045 dated 01.03.2019. It is stated that the respondent-Corporate Debtor had submitted a proposal of OTS through its counsel for a sum of ₹4.35 crores but the same was rejected

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by the Financial Creditor. Copy of the said letter dated 09.04.2015 is attached as Annexure A-34 (Diary No. 1045).

23. It is also submitted that a petition was filed by the Corporate Debtor before the Hon'ble Punjab & Haryana High Court challenging the assignment deed between the Financial Creditor and CBOP in CWP # 7187/2013 wherein the said petition was dismissed after considering that there is no illegality in the assignment of debt between the Financial Creditor and CBOP. It is contended that such judgment has been concealed by the Corporate Debtor and the Corporate Debtor is again trying to re-agitate the same issues which already stand decided. Copy of the order of Hon'ble High Court is placed on record as Annexure A-35 (Diary No. 1045).

24. Learned counsel for the Financial Creditor submitted that there is an existing default in the repayment of loans by the Corporate Debtor and the Applicant Financial Creditor is within its rights to trigger CIRP proceedings against the defaulting Corporate Debtor.

25. It is observed in the Balance Sheet of the Corporate Debtor for the year ending 31.03.2004, that the liability in the name of Bank of Punjab Limited stands acknowledged for a sum of ₹32,93,14,589/- in the Schedule 3 appended alongwith manufacturing, trading and profit and loss account for the year ended 31.03.2014.

26. During the course of the hearing, it was pleaded by the learned counsel for the corporate debtor that the loan agreement is dated 24.09.2002 and that as per Section 238A of the Code, the limitation would start from that date and that the pendency before the DRT would not extend the limitation. Reference was made to **B.K. Educational Service Pvt. Ltd. Vs. Parag**

Gupta and Associates, Civil Appeal No.23988 of 2017 dated 11.10.2018

and it was pleaded that the financial creditor was required to file application under Section 5 of the Limitation Act, 1963 for condoning the delay in filing the application under Section 7 of the Code. It was submitted that this was not done. Reference was made to the indicative term sheet at page 31 of the reply and it was pleaded that the financial creditor had no legal right to demand from the corporate debtor any amount which is in excess of the amount invested by it on behalf of the corporate debtor and that the financial creditor had not only acted in breach of its fiduciary capacity but also violated the terms of the agreement dated 17.04.2017, which was based on the indicative term sheet. It was pleaded that the financial creditor was indulging in forum shopping and therefore, the present application was not maintainable. In reply, the learned counsel for the financial creditor stated that because of the mortgage the limitation was of 12 years and that the debt was not a dead debt, since the remedy under the DRT was being pursued and therefore, the period spent before the other Fora was to be excluded for the purposes of computing the period of limitation. Reliance was placed upon the decision of the NCLT Hyderabad Bench in **International Asset Reconstruction Company (P) Ltd. V. Shri Maruthi Textiles Ltd. CP(IB) No.226 / 7 / HDB / 2018 dated 07.02.2019**. It was argued that there is no embargo in law on taking recourse to action under the Code when proceedings under the DRT have already been taken. As regarding the indicative term sheet, it was argued that the FIR registered by the corporate debtor was stayed by the Hon'ble Punjab & Haryana High Court (Annexure-22 of the application).

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27. We have carefully considered the submissions of the learned counsel for the financial creditor and the corporate debtor and have also examined the records.

28. The first contention of the learned counsel for the corporate debtor is that the present application is filed beyond limitation, since the date of loan was 24.09.2002. We find that Annexure-33 of the petition are the audited statement of accounts of the corporate debtor for the financial year ended 31.03.2004. In Schedule 3 thereof, secured loans of ₹329,314,589 from Bank of Punjab as on 31.03.2004 are shown. O.A. 4570/2017 was filed vide application dated 29.09.2006 by Centurion Bank of Punjab against the corporate debtor. The O.A. was filed before the DRT, Chandigarh for recovery of ₹33,95,07,968.36 alongwith pending pendent elite and future interest at 11.5% per annum with monthly rests from 30.09.2006. It is stated that vide DRT order 06.11.2008, the financial creditor was substituted in place of Centurion Bank of Punjab. Possession Notice dated 17.09.2012 and auction notice dated 20.06.2014 were issued by the financial creditor in respect of two properties in Mumbai. S.A. 8/2014 was filed by the corporate debtor for declaring that the auction notice dated 20.06.2014 issued under Rule 8(6) of the Securitization Interest (Enforcement) Rule 2002 be quashed and the financial creditor be restrained from taking any further steps under the provisions of SARFAESI 2002 in respect of the two properties in Mumbai. Vide order dated 31.07.2014, further proceedings were stayed by the DRT, Mumbai subject to the corporate debtor depositing ₹2.00 crores within the time limit given therein. There is no averment that the O.A. 4570/2017 has been disposed of. Article 62 (Part V of First Division-Suits) of Limitation Act

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1963 gives the limitation of 12 years from the date when the money sued for becomes due for enforcing payment of money secured by a mortgage or otherwise charged upon immovable property. The proceeding under the SARFAESI 2002 were initiated well within that period and subsequent follow up action was also taken. Therefore, for the purposes of the Code also, the application under Section 7 filed on 25.09.2018 is to be taken as well within the time. The first contention is not accepted.

29. The second contention of the learned counsel for the corporate debtor is that the financial creditor is engaging in forum hunting, since it has initiated proceedings under SARFAESI 2002 and had also issued notice for winding up under Sections 433 and 434 of the Companies Act 1956 on 07.05.2008 as well as notice dated 07.08.2012 under Section 433 and 433F of the Companies Act 1956. There is no averment that the winding up proceedings were initiated. No provision in the Code has been brought to our notice by which application under Section 7 of the Code cannot be filed where proceedings under SARFAESI 2002 are pending. Section 238 of the Code states that the provisions of the Code shall have effect, notwithstanding anything inconsistent therewith contained in any other law for the time being in force or any instrument having effect by virtue of any such law. The contention raised by the learned counsel for the corporate debtor is not accepted.

30. The third contention raised by the learned counsel for the corporate debtor has reference to the indicative term sheet relating to advisory services to Sachdeva Group by the financial creditor and the letter dated 17.04.2007 of the financial creditor setting out the basis upon which

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the financial creditor will work with Sachdeva Group. It is submitted that the extent of reimbursement to the financial creditor would only be the cost of buying the debt along with agreed fees and expenses. The rejoinder of the learned counsel for the financial creditor is that the corporate debtor had earlier filed CWP 7187/2013 in the Hon'ble Punjab and Haryana High Court and raised various issues therein including a challenge to the assignment deed. It is submitted that vide order 08.04.2013, the Hon'ble Punjab and Haryana High Court had held that the challenge of assignment debt is wholly devoid of merit and the other argument that the financial creditor was an agent and thus could not be assigned the debt is again not tenable. The order also notes that in the communication dated 19.10.2007, the corporate debtor submitted settlement to the financial creditor and it is too late in the date almost after 6 years to say that the financial creditor is not competent to take possession from the corporate debtor in exercise of the powers conferred under Section 13 of the Act. In view of the above discussion the third contention raised by the by learned counsel for the corporate debtor is not accepted.

31. The provisions of Section 7 (5)(a) of the Code are 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.”*

32. Original application No.4 of 2007 was filed by Centurion Bank of Punjab Ltd. against the corporate debtor (Annexure 17 of the petition). It was stated in para 5.26 thereof that that the account became NPA on

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31.12.2004 and the copy of statement of account duly certified under Bankers Books Evidence Act for the term loan and export bills account are submitted as Exhibit A-68 and A-69 thereof. Annexure-18 of the application is a copy of order dated 06.11.2008 and it is stated that the substitution of the financial creditor in place of Centurion Bank of Punjab was allowed by this order. The copy of the possession notice dated 17.09.2012 issued by the financial creditor is stated to be at Annexure-23 of the petition and copy of auction notice dated 20.06.2014 issued by the financial creditor is annexed as Annexure-24. The above facts prove the default of the corporate debtor.

33. The application under Section 7(2) of the Code is found to be complete. In Part III of the application, Shri Hemanshu Jetley IBBI Registration No. IBB /IPA-001/IP-P00219/2017-18/10457 has been proposed as Interim Resolution Professional (**IRP**). In the Form No.2 filed by him, he has certified that there are no disciplinary proceedings pending against him with the Board or Indian Institute of Insolvency Professionals of ICAI.

34. 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 Corporate Debtor be admitted. The directions regarding moratorium and appointment of IRP are given below.

35. 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

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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.

36. 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.

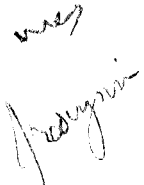
37. The order of moratorium shall have effect from the date of this order till completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of

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Section 31 or pass an order for liquidation of corporate debtor under Section 33 as the case may be.

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

- i) Appoint Mr. Hemanshu Jetley, Address: SCO-131, Sector-5, MDC, Panchkula-134112, having Registration No. IBBI/IPA-001/IP-P00219/2017-18/10457 and email address: hejetley@gmail.com, Mobile No. 90417-00000 as an Interim Resolution Professional;
- ii) The term of appointment of Mr. Hemanshu Jetley, 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

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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.

39. 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.

— Sd —
(M.K. Shrawat)
Member (Judicial)

July 23, 2019
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Prescribed in
order made on
27.7.2019
by M.K. Shrawat
Jr. in
accordance
prescribed
under Rule 15(1)
of IBC Act 2016
Pradeep R. Sethi
27.7.2019

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(Pradeep R. Sethi)
Member (Technical)