

**IN THE NATIONAL COMPANY LAW TRIBUNAL
HYDERABAD BENCH, HYDERABAD**

CP (IB) No. 305/9/HDB/2017

U/s 9 of IBC, 2016

In the matter of:

Shri Shrikrishna Rail Engineers Private Limited
Mam Malgi Foundation
19-13, Vachhraj Lane
Matunga (CR) Mumbai – 400019

... Petitioner/
Operational Creditor

VERSUS

Madhucon Projects Limited
H.No.1-7-70, Jublipura
Khammam, Telangana – 507003

....Respondent/
Corporate Debtor

Date of order: 05.10.2018

Coram:

Hon'ble Shri Ratakonda Murali, Member (Judicial)

Parties / Counsels present:

For the Petitioner: Shri Sanjay Kumar Ruia, CA along
with Shri Ranga Rao Doradla, PCA and
Ms Kanchan Kukreja, PCS

For the Respondent: Shri K. Narsimha Reddy and Shri A.M.
Rao, Advocates

Per: Hon'ble Shri Ratakonda Murali, Member (Judicial)- Author

Heard on: 22.11.2017, 05.12.2017, 13.12.2017, 22.12.2017,
10.01.2018, 29.01.2018, 12.02.2018, 05.03.2018,
08.03.2018, 19.03.2018, 25.04.2018, 14.05.2018,
07.06.2018, 19.07.2018, 11.09.2018, 25.09.2018.

ORDER

1. This petition is filed by Shri Shrikrishna Rail Engineers Private Limited, which is the Operational Creditor stating that Madhucon Projects Limited, Corporate Debtor herein had defaulted in repaying a sum of Rs. 4,16,97,565/-, under Section 9 of Insolvency and Bankruptcy Code, 2016, R/w Rule 6 of Insolvency & Bankruptcy (Application to the Adjudicating Authority) Rules, 2016, seeking admission of the Petition, initiation of Corporate Insolvency Resolution Process, granting moratorium and appointment of Interim Resolution Professional as prescribed under the Code and Rules thereon.
2. The averments made in Form-5 in brief are as under:-
 - (1) The Petitioner / Operational Creditor is into the business of construction activity. The Respondent / Corporate Debtor, which was incorporated in 1990, is in the business of EPC & turnkey projects, power, mining, irrigation, building express ways, national highways etc. The Operational Creditor was engaged by the Corporate Debtor for construction of Anik Panjarpol Link road – slope protection works for Tunnel for MMRDA as per Letter of Indent (LOI)



Ref No. MPL/APLR/MUM/13/116 dated 17.05.2013 under an agreement that 75% of the payment shall be released within 15 working days from the date of submission of RA Bill and balance of 25% will be released within 30 working days from the date of submission of RA Bill.

- (2) The Operational creditor commenced the work in April 2013 and till May 2014, it submitted bills for Rs.4,02,34,399/- to the Corporate Debtor. But only Rs.96,00,000/- was paid to the Operational Creditor. It is also averred that LOI was issued on 17.05.2013, which was amended twice on 07.11.2013 and 17.05.2015. It is also averred that Operational Creditors generated Eleven RA Bills against the LOI and its Amendments and in turn Corporate Debtor issued 12 interim payment vouchers.
- (3) It is averred that the Operational Creditor issued last RA Bill No.11 on 17.10.2014 amounting to Rs.27,86,704/- but the same was included while calculating the TDS by the Corporate Debtor, though confirmation for payment of the same was given by Corporate Debtor.
- (4) It is averred that the Operational Creditor requested Chief Executive Engineer of MMRDA on 13.05.2014 to release the outstanding payment of

Rs.2,60,00,000/- to them for short creting, rock bolting, nailing, grouting etc.

- (5) It is averred that the Corporate Debtor issued a cheque for Rs.1,50,00,000/- on 23.08.2014 to the Operational Creditor requesting the Operational Creditor to deposit the same on 16.09.2014 as they would receive the payment from MMRDA on that date. Accordingly, Operational Creditor deposited the cheque on the said date, which was bounced by the bank due to "insufficient balance". The same was informed to the CEE of MMRDA, Mumbai vide letter dated 19.09.2014 and the Operational Creditor stopped the execution of work.
- (6) It is averred that on 13.10.2014, Corporate Debtor informed the CEE of MMRDA to pay the outstanding dues of Rs. 3,50,00,000/- plus unbilled amount of Rs.2,50,00,000/-. On 20.11.2014, the Petitioner again reminded Chief Executive Engineer of MMRDA, Mumbai to release the outstanding payment of Rs.2,24,00,000/-.
- (7) It is averred that Corporate Debtor also reminded CEE MMRDA, Mumbai vide letters dated 21.01.2015 and 25.02.2015 to release total amount of Rs.2,00,00,000/- to the Operational

Creditor with regard to the outstanding payments due to the Corporate debtor. The Operational Creditor too sent another letter dated 22.01.2015 to the CEE, MMRDA, Mumbai requesting them to release the payment of Rs.2,32,00,000/-

- (8) It is averred that finally Operational Creditor sent a letter dated 20.05.2017 to the Corporate Debtor that the work as per LOI and its amendments was completed and to release the outstanding payments amounting to Rs.2,36,34,381/-.
- (9) It is averred that the total amount of work done and certified by Madhucon Projects Limited (Corporate Debtor) was Rs.4,26,26,667/-. Total payments received from 17.05.2013 till date is Rs.1,81,42,213/. Total outstanding amount as on 18.10.2017 is Rs.2,32,10,411/- plus Rs.12,74,043/- i.e 50% of Retention Money due on 17.10.2019 along with interest @ 18% p.a for the period post 30 days from the date of default amounting to Rs.1,72,13,111/-. Therefore, the total amount due to operational Creditor is Rs.4,16,97,565/-.
- (10) It is further submitted that Corporate Debtor has clearly deducted TDS on Rs.3,96,81,402/-. However payments made is only

Rs.1,81,42,213/-. The last payment made by Corporate Debtor to Operational Creditor is Rs.30,00,000/-. Further Operational Creditor avers that there was no objection as to the quality of work at any point of time.

(11) It is averred that Corporate Debtor was not able to honour the outstanding payments and there exists no dispute against the outstanding amount.

(12) Further Operational creditor suggested the name of Mr. Rakesh Rathi having IP registration No. IBBI/IPA-001/IP-P00696/2017-18/11211 to act as Interim Resolution Professional. His consent is obtained in Form-2.

3. Counter and Additional Counter are filed by Corporate Debtor. Contentions in brief are as under:-

(1) It is contended that the amount claimed by the Petitioner has never crystallized into a debt and Petitioner is seeking to invoke the provisions of IBC as a tool to harass and threaten the Respondent. It is contended the Petitioner is interpreting the transaction between the parties to suit their claim. It is further contended that the Petitioner is raising a time barred claim under the guise of disputed debt even after being aware of

the fact that the Respondent fulfilled its obligations under the payment schedules.

- (2) It is contended that the Respondent issued LOI dated 17.05.2013 which was modified on 07.11.2013, the value of the Contract as per LOI is Rs.1,19,44,640/- to the Petitioner for carrying out certain Geo Technical Services on Piece-rate contract and as per pre-obligation the Petitioner would submit Performance Bank Guarantee upon which the parties could enter into a contract. As such carrying on the works to the tune of Rs.4,02,34,399/- does not arise and contrary to the LOI. However, it is stated that the Petitioner did not furnish the bank guarantee and pressurized through MMRDA for carrying out the work without Performance Bank Guarantee, and started raising RA Bills for ineffective and partial works and that even Respondent honoured payments. It is the case of Respondent that LOI is only an agreement to get into a further agreement and LOI ought to have followed with proper Service Order / contract. It is the case of the Respondent that the RA bills was submitted by the Petitioner after a lapse of 5 months of completing the work.

- (3) It is the case of Respondent that the alleged RA Bills clearly shows that the Petitioner has not carried out the work as per LOI. Further, it is contended that as per the alleged RA bills submitted by the Petitioner, it has completed all the works mentioned in LOI in the month of October, 2014 itself and the petitioner has not received any subsequent LOI dated 17.02.2015 and not carried out any work but is claiming the works done by some other Agencies which was engaged by the Respondent.
- (4) It is the case of Respondent that as claimed by the Petitioner, the outstanding four RA bills is Rs.2,32,10,411/- (as per para 23 of the petition) but at the same time the Petitioner claims that the outstanding against four RA Bills comes to Rs.2,39,83,202/-.
- (5) It is stated that the alleged outstanding as per the Petitioner is only towards the payment for the work which is yet to be reconciled.
- (6) It is further contended that the retention money is to be released after expiry of time period i.e. October 2019.
- (7) It is further alleged that the Respondent engaged other contractors also for the same work allegedly done by the Petitioner and also made payment.

Thus, reconciliation was necessary for ascertaining any dues in r/o of the claims by the Petitioner. It is contended by the Respondent that the claim of the Petitioner is barred by limitation.

- (8) It is also stated that on Petitioner's request the Respondent had deducted the TDS for the entire bill value raised by the Petitioner even for the incomplete work. The entire TDS amount for the bills were paid on 30.04.2014 while the last of the RA bill was raised only on 17.10.2014.
- (9) It is further stated that the Respondent is doing several Government Projects and as such their bills would be cleared only upon the projects being completed on time and only upon bills being cleared by Government Agencies, the Respondent would clear their sub-contractors Bills.
- (10) It is the case of Respondent that the claim made in the petition and demand notice is also unsubstantiated. The claim towards interest is also a baseless claim
- (11) It is contended that amounts if any due to the Petitioner by the Respondent will be paid only after due reconciliation of accounts because of the fact that the extent of work done by the

Petitioner has to be reconciled viz-a-viz the work done through sub-contractors.


(12) It is contended that since no formal contract was executed between the parties and due to non submission of performance Bank Guarantee, the Respondent was forced to get the work completed through other sub-contractors as such based on RA bills alone, the claims of the Petitioner cannot be admitted.

(13) Further it is the case of Respondent that rates mentioned by the Petitioner in the RA bills are not the agreed rates between the parties.


(14) It is contended that the delay in the project and for closure of the Accounts in respect of the Project is only due to interference from the Petitioner. It is the case of Respondent that there can be no claim towards retention money or the interest.

(15) It is the case of Respondent that the claim for interest based on MSME Act is unsubstantiated and denied as the present proceedings are under IBC,2016

4. The Petitioner /Operational Creditor filed rejoinder. It is the case of Operational Creditor that in spite of non-submission of Performance Bank Guarantee, the Respondent did not terminate the contract. Instead,




the Respondent let the Petitioner continue with the work. It is further submitted that the TDS deducted by the Respondent was on the RA Bills generated on 15.03.2014, 30.04.2014 and 30.06.2014 and no TDS was deducted on the RA Bill dated 17.10.2014. It is also stated that the Respondent has given the completion certificates upon which the Petitioner generated the RA Bills. It is also the case of Petitioner that RA Bills for which the payments were made by Respondent never went through such reconciliations or scrutiny by the Respondent. The Petitioner has denied the allegation that the rates mentioned in the RA Bills was inflated. The fact is that site Engineer of the Respondent has approved the same and provided work completion certificate. The Respondent made payment.

5. I have heard the counsels for the Operational Creditor and Corporate Debtor. I have perused the written submissions filed on both the sides. The points urged in the written submissions will be dealt in the course of the order.
 6. The counsel for Corporate Debtor has relied on the following judgements:
 - (1) Judgement in 2009 (1) SCC - 475 - in the matter of Speech & Software Technologies (India) Private Limited Vs. Neos Interactive Limited.
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- (2) Judgement in AIR 2006 (SC) 871- in the matter Dresser Rand SA Vs M/s Bindal Agro Chem Ltd & Anr
 - (3) Judgement in 2011(2) GLH 283 – in the matter of Nikhil Adhesives Limited Thro'dharmeshbhai Dhirajbhai Pandya Vs Kandla Port Trust
 - (4) Judgement in 1994 (3) SCC 348 – in the matter of Pradeshiya Industrial & Investment Corporation of UP Vs North India Petrochemicals Limited & Anr.
 - (5) Judgement in Company Appeal (AT) (Insol) No. 67 of 2018 – in the matter of KLA Constructions Technologies Pvt Ltd Vs CKG Realty Pvt Ltd
 - (6) Judgement in AIR 1997 SC 66 – in the matter of Rajasthan Co-Operative Dairy Federation Ltd Versus Shri Maha Laxmi Mingrate Marketing Service Private Limited & Ors.
 - (7) Judgement in AIR 1974 Mad-39- in the matter of Mahesvari Metals and Metal Refinery, Bangalore -2- Appellant Vs. Madras State Small Industries Corporation
7. The Petition is filed under Section 9 of the IBC by the Operational Creditor alleging the Corporate Debtor committed default in paying the operational debt. The Petitioner has to establish that Corporate Debtor committed default in paying the operational Debt. The Adjudicating Authority is to admit the Petition, if the Petition is complete in terms of Section 9 (2) of the

Code and that there is no repayment of operational debt. The invoices along with notice for payment of operational debt issued to the Corporate Debtor has been delivered and that no notice of dispute has been received by the Operational Creditor. There is no disciplinary proceedings against the IRP proposed under 9 (4). The above conditions are to be established by the Operational Creditor for admission of the Petition.

8. It is the case of Operational creditor that Demand Notice along with invoices was issued to the Corporate Debtor and no notice of dispute was received from Corporate Debtor. The date of Demand Notice is 18.10.2017 shown at page 27-32 of the Petition marked as Exhibit-B. Notice in Form-4 dated 18.10.2017 was issued to the Corporate Debtor along with Form-3 marked as Exhibit-A. The total amount claimed in the Demand Notice is Rs.4,04,23,522/- as on the date of demand notice. In the claim in Form-5, total amount claimed is Rs.4,16,97,563/-. The retention money was included but payable by 17.10.2019. The retention money is at Rs. 12,74,043/-. If this is deducted from the total claim, it tallies with the amount claimed in the Demand Notice.
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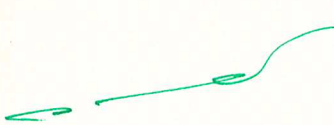
9. The Corporate Debtor questioned the liability to pay to the Operational Creditor the amount claimed which is stated to have been committed default. The contention of the Corporate Debtor the claim is totally incorrect and there is no reconciliation of accounts. It is for the Operational Creditor to prove the Corporate Debtor owed the operational debt claimed by it.
10. The contention raised by Corporate Debtor that there is no concluded contract. Secondly, there is no provision for payment of interest. Thirdly the Operational Creditor cannot claim interest under MSME Act.
11. The Operational Creditor relied on Letter of Intent (LOI) dated 17.05.2013 which was subsequently amended twice. The PCA for operational Creditor strongly contended that LOI dated 17.05.2013 and subsequent amendments to the LOI were acted upon and a part of amount covered under RA Bills was in fact paid by the Corporate Debtor. The PCA contended, it is not open to the Corporate Debtor to raise dispute over the execution of work. The other contention of the PCA for the Operational Creditor that Corporate Debtor never raised dispute at any point of time except by way of counter after petition was filed against it. PCA contended, for the demand notice, the Corporate Debtor did not issue any reply

raising any dispute. He contended no credence can be given to the alleged dispute.

12. The amount claimed to be in default as per Form-5 in the Default Column was Rs. 2,44,84,454/-. The retention money of Rs. 12,74,043/- if added, the default amount comes to Rs. 2,32,10,411/-. The interest as per MSME Act is at Rs. 1,72,13,111/- It is the case of Operational Creditor it has raised RA Bills for a total sum of Rs. 4,26,26,667/-. An amount of Rs.1,81,42,213/- was given credit.
 13. The case of Operational Creditor that it was engaged by Corporate Debtor for construction of Anik Panjarpol Link Road-Slope protection Works for Tunnel approaches as per LOI dated 17.05.2013. It is shown in page Nos.83-89. The Corporate Debtor has issued this LOI. The contract work is for Rs.68,82,500/-. The counsel for Corporate Debtor mainly contended LOI by itself is not a concluded contract. It contemplates the LOI is only an agreement to a further contract and further the Operational Creditor to furnish a Bank Guarantee and if Bank Guarantee is not furnished, LOI stands cancelled. The Bank Guarantee to be furnished within 15 days. Counsel for Corporate Debtor relied on Clause (D) of LOI. The Operational Creditor relied on this LOI marked as Exhibit-J.
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14. It is not in dispute that no separate contract was entered into in pursuant of LOI and also bank guarantee was not furnished by Operational Creditor. The PCA rightly contended the said condition deemed to have been waived because basing on this document, the Corporate Debtor issued amended LOIs dated 07.11.2013 for value of Rs.1,19,44,640/-. The Corporate Debtor further amended the LOI dated 17.02.2015 for Rs. 3,80,94,683/-. The amended LOI dated 07.11.2013 is shown at page No.88 of the enclosures to the Petition. The second amended LOI is at page No.89.
15. The question whether Operational Creditor was permitted by Corporate Debtor to execute the work in pursuance of LOI. The Corporate Debtor was raising RA Bills. In fact Corporate Debtor made part payment. May be Corporate Debtor has contended that the claim is incorrect and accounts to be reconciled. On the other hand the Corporate Debtor acting upon the LOI which is the only document basing on which the work was allotted to the Operational creditor and payment if any made is only with reference to the execution of work entrusted in pursuance of LOI. May be there is a condition for furnishing Bank Guarantee and execution of separate contract as per terms of LOI. It can be safely held that

Corporate Debtor waived the same otherwise the Corporate Debtor would have cancelled LOI. There was no question of executing amended LOIs. The fact some payments were made to the Operational Creditor and the fact LOI was amended twice are by themselves sufficient to conclude that corporate debtor failed to comply the condition in clause (D) of LOI dated 17.05.2013.

16. It is the case of Operational Creditor, it raised 1st RA Bill dated 09.06.2013 shown at page no.74 marked as Exhibit-I. The ledger account of Operational Creditor shows the entry dated 09.06.2013 by raising RA Bill for Rs.32,45,238/-. The further case of Operational Creditor that Corporate Debtor also issued interim payment certificate No.1 which is dated 22.06.2013 for Rs. 28,48,317/-. It is shown at page No.62 marked as Exhibit "H". It is true this interim payment certificate no.1 for LOI dated 17.05.2013 is given on behalf of Corporate Debtor. It goes without saying that LOI dated 17.05.2013 was being acted upon without cancelling the same and interim payment certificate / vouchers were also being issued. Therefore, it is not open to the Corporate Debtor to contend that there was no concluded contract and that Operational Creditor cannot maintain the petition.
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17. The case of Operational Creditor it has raised 11 RA Bills and in that connection Corporate Debtor issued 12 interim payment certificates for all the RA Bills generated. It is also the case of Operational Creditor that it had contacted MMRDA for payment of outstanding amount as the contract was entrusted to Corporate Debtor by MMRDA. It is also the case of Operational Creditor that Corporate Debtor issued a cheque for Rs.1.50 crores on 23.08.2014 which is shown at page 52 (A) but the cheque was dishonoured on presentation. It is also the case of Operational Creditor that amount of Rs.30 Lakhs was remitted to the account of Operational Creditor by Corporate Debtor through RTGS. There was correspondence between MMRDA, Corporate Debtor and Operational Creditor. The letters are shown as Exhibit -G at page 53-61(c). The important letter addressed to MMRDA by Corporate Debtor is dated 21.01.2015. This letter was addressed by Corporate Debtor requesting MMRDA to release Rs.1 crore to Operational Creditor. It clearly goes to show that Corporate Debtor was not able to pay money for the execution of work done by Operational Creditor. The Operational Creditor was recognised as sub-contractor in the letter. It is at page No.56 which is relied by Operational Creditor. Thus two letters from Corporate Debtor to MMRDA would

establish that an amount of Rs. 2 crores was payable to Operational Creditor. If no amount was due and no work was executed then there was no need for the Corporate Debtor to contact MMRDA to release Rs. 2 crores to Operational Creditor. Thus, two letters clearly establish the liability of Corporate Debtor towards amount due in connection with various RA Bills raised.

18. The Operational Creditor strongly relied on interim payment certificate dated 17.02.2015 issued on behalf of Corporate Debtor for Rs. 4,26,26,667/- . It is shown at page No.73. This interim payment certificate number is 12. Clause (2.1) of this interim payment certificate No.12 raised in connection with LOI dated 17.05.2013 which was subsequently amended. So Rs. 4,26,26,667/- which shows "work done certified to date".
19. The Corporate Debtor relied on various interim payment certificates 1-12 which are shown as Exhibit H. The Operational Creditor has relied on RA bills which are said to have been outstanding shown at page 90-93 marked as Exhibit K. RA Bill No.8 is dated 15.03.2014. RA Bill NO.9 is dated 30.04.2014, RA Bill No.10 is dated 30.06.2014 and RA Bill No.11 is dated 17.10.2014. The important document is form 26AS for the assessment year 2014-15 of the Corporate

Debtor. Exhibit L is Form 26AS which clearly shows that Company has deducted TDS on the Bills raised by the Operational Creditor. The next important document is email of Corporate Debtor dated 13.10.2017 which is shown at page 99. This is from the Corporate Debtor to the Operational Creditor, wherein Corporate Debtor clearly admitted that as per its Books of account amount due to the Operational Creditor is Rs.2,10,39,189/-(including retention money of Rs. 23,80,884/-) but it is subject to reconciliation. Thus evidence on record goes to show that Operational Creditor executed work entrusted in pursuance of LOI issued by Corporate Debtor and that Corporate Debtor had failed to pay the balance and there was no dispute raised except pleading reconciliation of account prior to demand notice.

20. It is the case of Operational Creditor 12 RA Bills were raised in respect of execution of work entrusted to it by Corporate Debtor whereas Corporate Debtor issued 12 Interim Payment certificates. The last RA Bill was dated 17.10.2014.
21. It is the case of Operational Creditor two letters were addressed to MMRDA by Corporate Debtor dated 21.01.2015 and 25.02.2015 requesting MMRDA to release Rs. 2 Crores to the Operational Creditor. Subsequent to the completion of work the liability is


admitted by Corporate Debtor. What was the need for Corporate Debtor to address letters to MMRDA to release Rs. 2 Crores to the Operational Creditor, if really Corporate Debtor was not liable to pay to the Operational Creditor in pursuance of execution of work.

22. On the other hand, the case of Operational Creditor that Operational creditor is a registered under MSME Act. PCA for operational creditor has filed memo dated 13.12.2017 along with additional submissions. He has enclosed Gazette notification dated 04.09.2017 and contented that interest is chargeable in the delayed payment for the Micro Small & Medium Enterprise. The PCA contended that Operational Creditor is registered under MSME Act, 2006 and contended Operational Creditor is entitled to claim interest @ 18% p.a. On the other hand, contention of the Learned Counsel for Corporate Debtor the Operational Creditor to make reference to the MSME Facilitation Counsel for claiming interest.
23. The Operational Creditor is entitled for interest even though there is no provision in LOI for payment of interest for delayed payment. The Corporate Debtor is liable to pay the outstanding balance and in the normal course, Operational Creditor is entitled to charge interest for delayed payment. Claiming

interest is not against law. Even though Operational Creditor had not approached Council under MSME Act, yet Operational Creditor is otherwise entitled to claim interest.


24. The Corporate Debtor relied on several decisions cited above. The point involved in those decisions and the facts thereon are different to the facts of this case. Therefore, those decisions are not applicable to this case.
25. The Corporate Debtor admitted the liability in the letters addressed to MMRDA and further acknowledged liability in the letter addressed to the Operational Creditor. Thus, Corporate Debtor committed default. Demand notice under Section 8 was also issued and there was no reply and no dispute was raised. The Operational Creditor filed bank statement to prove that no payment from the side of Corporate Debtor. The Petition is therefore liable to be admitted. The Petition is in order. Hence Petition is admitted.
26. The Operational Creditor has filed a fresh Form-2, the consent given by Mr. Rakesh Rathi having IP registration No. IBBI/IPA-001/IP-P00696/2017-18/11211 to act as Interim Resolution Professional
27. Hence, the Adjudicating Authority admits this Petition under Section 9 of IBC, 2016, declaring moratorium

for the purposes referred to in Section 14 of the Code, with following directions:-

- (a) The Adjudicating Authority 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;
 - (b) 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.
 - (c) 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.
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- (d) That the order of moratorium shall have effect from 5th October, 2018 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.
- (e) 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.
- (f) That this Bench hereby appoints Mr. Rakesh Rathi having IP registration No. IBBI/IPA-001/IP-P00696/2017-18/11211 to act as Interim Resolution Professional under the Insolvency & Bankruptcy Code with effect from 05.10.2018.

Accordingly, this Petition is admitted.


5.10.18
(RATAKONDA MURALI)
MEMBER (JUDICIAL)