

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

CP(IB)No.100/9/HDB/2017

**U/s 9 of the IBC, 2016
R/w Rule 6 of IB (Application to Adjudicating Authority)
Rules, 2016**

In the matter of

Vijay Nirman Company Private Limited
105, 7th Main, 4th Cross,
MLA Lay Out RMV, 2nd Stage,
Near "KKR Vajra" Apartments,
Bangalore - 500068.

**CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL**

... Petitioner /Operational Creditor

Versus

Ksheeraabd Constructions Private Limited
Regd. Office at 8-2-120/114/1, Plot No.96,
Road No.2, Banjara Hills,
Hyderabad-500 034.

..... Respondent/Corporate Debtor

Date of order: 29.08.2017

CORAM:

Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
Hon'ble Shri Ravikumar Duraisamy, Member (Technical)

Parties present:

For the petitioner/Operation Creditor: Dr. P V Amarnadha Prasad, K
Suresh Kumar and Ms. R.S.
Manasa, Advocates

For respondent/Corporate Debtor: Shri C V Mohan Reddy,
Learned Senior Counsel along
with C Raghu, K Dhananjaya
Naidu, Sreenivas Padala,
A.Chakravarthy and M Karthik
Pavan Kumar, Advocates

Per: Rajeswara Rao Vittanala, Member (J)

ORDER

1. The present Company Petition bearing CP (IB)No.100/9/HDB/2017 is filed by Vijay Nirman Company Private Limited, (here in after referred to as Petitioner/Operational Creditor) U/s 9 of the IBC, 2016 R/w Rule 6 of I&B (Application to Adjudicating Authority) Rules, 2016 by seeking to initiate a Corporate Insolvency Resolution Process in the case of Ksheeraabd Constructions Private Limited, (herein after referred to as Respondent/Corporate Debtor)
2. Brief facts, leading to filing of present petition, are as follows:
 - a) Ksheeraabd Constructions Private Limited ("Corporate Debtor"), a Private Limited Company, registered, and incorporated in the erstwhile combined State of Andhra Pradesh and now located in the State of Telangana, after the demarcation of the two States, vide Certificate of Incorporation No. 01-47066 issued by the then Registrar of Companies, Andhra Pradesh at Hyderabad on 05.08.2005. Its Registered Office is situated at 8-2-120/114/1, Plot No.96, Road No.2, Banjara Hills, Hyderabad-500 034.



- b) The Corporate Debtor and Operational Creditor entered into a sub-contract agreement dated 01.02.2008. Accordingly, Corporate Debtor has to undertake 50% of Section 2 work of "Construction and widening of existing 2 lane highway to 4 lane on NH-67 at KM 190,000 to KM 218.215 (Total 28.215 Km)" for and on behalf of Operational Creditor. The date of commencement of work was 12.01.2008 and the work was to be completed within 27 months from thereon.
- c) There was a delay caused in execution of the said project by the Corporate Debtor and its employees by nearly 47 months resulting in heavy losses to the sub contractor VNCPL and disputes arose between the two. Further, under the agreement, Operational Creditor has to raise Running Account Bills once in every month towards the work completed in the previous month quantifying the work and the rates to be applied thereof. Corporate Debtor will then scrutinize the said bills, verifies with the site engineers and makes necessary corrections in the Running Account bills and then issues Interim Payment Certificate specifying the amounts payable to the Contractor against the Running Account Bills and various accounts. The Interim Payment Certificate is issued for every Running Account Bill which also mentions the total amount cleared upto the previous bill and amount for the current month and finally certified the total amount cleared to date.
- d) Accordingly, the Corporate Debtor issued Interim Payment Certificate - 47 (IPC) certifying payments caused upto 30th June, 2012 against work done by the Operational Creditor. Corporate Debtor corrected the bill amount payable for



June 2012 from Rs.2,78,04,599/- to Rs.1,79,00,166/- and corrected the total bill amount to be paid as Rs.130,06,50,559/- as against the total bill amount claimed for Rs.132,05,54,993/- by Corporate Debtor.

- e) Total amount paid upto the previous month was Rs.128,27,50,393/- as against the total amount of Rs.130,06,50,559/- up to June 2012. Corporate Debtor admitted that the bill amount for the current month of June 2012 cleared for payment as Rs.1, 79,00,166/-, which stands unpaid till the date of filing application by Operational Creditor.
- f) The Bank statements issued by ICICI Bank and Axis Bank shows that only Rs.128, 34,52,257/- has been received so far into the bank accounts of Operational Creditor as against the above work. As such Rs.1,71,98,302/- is the balance amount is to be paid, and it becomes an undisputed Operational Debt payable by Corporate Debtor for the services received by them from Operational Creditor. Thus, the said amount has become an "Operational Debt" to be paid by the Corporate Debtor as defined under section 3(11) of I&B Code 2016. Hence, this Application.
- g) The claims raised in the present petition along with the other claims was referred to Arbitral Tribunal at Hyderabad, consisting of Hon'ble Justices Shri D Reddeppa Reddi, Presiding Arbitrator, Justice Shri R Bayapa Reddy, Arbitrator & Justice Shri T Ranga Rao, Arbitrator. After considering the issue in depth, the learned Tribunal passed an award dated 21.01.2017. Broadly, there are two claims for sum of Rs.21,49,02,054/- and



Rs.2,77,51,503/-. So far as second claim (Rs.2,77,51,503/-) is concerned, a statement of learned counsel for Respondent therein, is recorded under para 32 of the said Award, which reads as under:-

“Learned Counsel for the 1st Respondent, Mr. George Thomas, having thoroughly gone through Ex.R-21 and R-22, was fair enough to admit that the claimant is entitled to a sum of Rs.1,71,98,302/-“

The award also rejected, counter claims made by the Respondent therein. So far as the question of limitation is concerned, the Tribunal, under para 23 held as follows:

“Issue No.5 is whether the claims raised by the claimant are barred by limitation; Learned Counsel for 1st respondent does not press this issue. It is, accordingly, held that the claims are not barred by limitation.”


Ultimately, the award dated 21st January, 2017 is passed directing as follows:-

“In the result, we direct the 1st Respondent to pay the claimant, a sum of Rs.15,28,96,926/- (Rupees fifteen crore twenty eight lakh ninety six thousand nine hundred and twenty six only) i.e. Rs.1,71,98,302 + Rs.13,56,98,624, with interest thereon @ 6% per annum from the date of commencement of the arbitral proceedings i.e. 25.07.2014 till the date of payment”

- h) It is contended that the said Arbitral Award has become a Decree on 21.04.2017, as per the Section 36 of Arbitration and Conciliation Act, 1996. Accordingly, the petitioner has also filed execution petition. They have also filed a Caveat Application No. 93 of 2017 before the Learned Commercial



Court cum XXIV Addl. Chief Judge, City Civil Court at Hyderabad, inter-alia seeking prior notice before passing any exparte order(s) in any petition that may be filed by the Respondent against the petitioner. However, by an affidavit dated 7th August, 2017, the petitioner has stated that they have not received any notice of stay of operation of award in question till date.

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- i) Since the said admitted amount was not paid by the Corporate Debtor, the petitioner issued a statutory demand notice dated 06.02.2016, under prescribed Form-3 under Rule 5 of I & B (Application to Adjudicating Authority) Rules, 2016. However, the respondent, by its reply dated 16.02.2017, has denied the outstanding amount inter-alia contending that it was under dispute.
 - j) Therefore, the present Company petition is filed by seeking the relief as mentioned above.

3. A Counter dated 01.08.2017 is filed by Capt. K Krishna, on behalf of Ksheeraabd Constructions Private Limited (Respondent). And the following are the main contentions, which are relevant to the present case:-

- (a) The present Company Petition is misconceived and barred by section 9 of IBC. A demand notice dated 06.02.2017 issued by the Petitioner, was replied by the Respondent on 16.02.2017 i.e. within 10 days, notifying the existence of the disputes.
- (b) They have stated that 2nd Demand Notice dated 25.07.2017 was also issued by the Petitioner claiming an amount of Rs.13, 56,98,624/- plus interest. This demand notice was also replied on 05.06.2017 within 10 days, duly notifying

the existence of dispute. Since the 2nd demand notice is not the subject matter in the Company Petition, the contentions raised in the reply are not referred here. It is stated that claim in question relates to the completion of work done and quality of work made by the Petitioner. The Petitioner has abandoned the work in 2012, thus Respondent itself has incurred losses, giving rise to counter claim.

(c) Though admitting that award has been passed, it is contended that the issue is again sub-judice before Hon'ble Commercial Court, City Civil Court, Hyderabad, as they have filed an Application, which is numbered as 168 of 2017, under section 34 of Arbitration and Conciliation Act, 1996, challenging the award dated 21.01.2017, and the same is pending, being the next date of hearing was 29.08.2017. Therefore, it is contended that arbitral award in question is unexecutable, and in support of it, they have relied upon the Judgment of Hon'ble Supreme Court passed in Civil Appeal No.4130 of 2003 vide para -16 records that, Section 36 of the Arbitration & Conciliation Act, 1996, which is in pari material with section 15 of the 1899 Act, is set out herein below:

“36. Enforcement – Where the time for making an application to set aside the arbitral award under section 34 has expired, or such application having been made, it has been refused, the award shall be enforced under the Code of Civil Procedure, 1908 in the same manner as if it were a decree of the Court”. In fact, section 36 goes further than section 15 of the 1899 Act and makes it clear beyond doubt that enforceability is only to be under the CPC. It rules out



any argument that enforceability as a decree can be sought under any other law or those initiating insolvency proceedings is as manner of enforcing a decree under the CPC.

(d) They have also disputed the contention of the Petitioner that Arbitration Proceedings have come to an end on publication of award. It is also stated that the Hon'ble NCLAT held in so many cases that insolvency resolution process, under section 7 or section 9 of I&B Code, 2016 have serious civil consequences not only on the Corporate Debtor Company, and also its Directors and Shareholders, in view of the fact that once the application under section 7 & 9 of the I&B Code of 2016 is admitted, it is followed by appointment of an "Interim Resolution Professional" to manage the affairs of the Corporate Debtor, instant removal of the Board of Directors and imposition of moratorium for a period of 180 days. It is also further held that for the said reason, the Tribunal should be cautious while admitting the application.

(e) They have also relied upon order of the Hon'ble NCLAT passed in CA No.29 of 2017 in the matter of MCL Global Steel Private Limited & another Vs Essar Projects India Limited. It is further contended that in the light of the fact of pendency of Section 34 application, and in the light of dispute with regard to the payment of the alleged amount of Rs.1,71,98,302/- in one case and Rs.13,56,98,624/- in other case is only a fraction of the total amount. The credibility of the Respondent is evident from the fact that the Respondent has paid Rs.128 Crores to the Petitioner.



(f) It is also submitted that the Petitioner has not filed the Company Petition in accordance with the Procedure prescribed under Insolvency and Bankruptcy Code.

4. We have heard Dr. P V Amarnadha Prasad along with his colleagues, Learned Counsel for the Petitioner/Operational Creditor, and Shri C V Mohan Reddy, Learned Senior Counsel along with colleagues for Corporate Debtor. We have carefully perused all the pleadings of both the parties with their supporting material, along with extant provisions of Insolvency & Bankruptcy Code, 2016.
5. Dr. P V Amarnadha Prasad, Learned Counsel for Petitioner, while reiterating the contentions/pleadings made in the petition, has further submitted that Ksheeraabd Constructions Private Limited (Respondent) issued IPC-47 certifying payment caused upto 30.06.2012 against the work done by the Petitioner. They have corrected bill amount payable for June 2012 from Rs.3,78,04,599/- to Rs.1,79,00,166/- and corrected the total bill amount to be paid as Rs.130,06,50,559/- as against the total bill amount claimed for Rs.132,05,54,993/- by Vijay Nirman Company Private Limited (Petitioner). So there is no dispute of the above dues. It has become an Operational Debt to be paid by the Corporate Debtor, as defined under section 3(11) of Insolvency & Bankruptcy Code, 2016.

He has further submitted that, in pursuance to the above Arbitration order, he has filed execution petition, and the petitioner does not have any knowledge of any challenge to the arbitration award before filing this present petition. Moreover, there is no stay of execution of award, been granted by the



Court under section 36(2) of Arbitration and Conciliation Act, 1996.

6. The Learned Counsel for the Petitioner submits that the debt in question can reasonably be disputed upto the 1st level of the litigation, so as to get protection given under the provisions of IBC. And it is not legally tenable the contention of the Respondent that a dispute should be deemed to be continued till it has reached finality i.e till exhaustion of appeal(s) upto the level of Apex Court , as provided under relevant law. He has also stated that United States Bankruptcy Code Chapter-11 and UK Bankruptcy Code, actual default in the debt payment is not necessary to initiate insolvency process. In various global jurisdictions, the likelihood of failure or default is sufficient to trigger the process in such scenario and a long wait for the operational creditors is in-conceivable.



7. The petitioner is the holder of an Arbitration Award to the extent of Rs.18.00 Crores, and it is the biggest stake holder in the Respondent Company, which has huge trade liabilities in the market, and it has doubtful value of assets shown in its Balance Sheet.

The Learned Counsel has further submits that the Petitioner has received a notification dated 17.04.2017 from the Respondent conveying his intent to file original Petition under section 34(1) of Arbitration and Conciliation Act, 1996. However, no copy of the said Petition or notice of the same filed by the Respondent was received by the Petitioner till date either from Appropriate Court or Respondent. In order to prevent the Respondent from filing the Petition, and to obtain a ex-party order against the Arbitration award in question, basing an frivolous averments,

has filed Caveat Application No.93/2017 before 24th Additional Judge, City Civil Court.

8. Shri C V Mohan Reddy, Learned Senior Counsel for the Respondent, while reiterating the pleadings made in the counter dated 01st August, 2017, has further strenuously argued that the Petition itself is not maintainable either on law or fact.

The Learned Senior Counsel submits that the award in question was already challenged before the Additional Judge, City civil Court, and hearing was also taken place on 27.07.2017, and adjourned to 29.08.2017 for further hearing. He has stated so may grounds raised in the Appeal filed so as to justify the award itself would not stand to legal scrutiny and there is a likely hood of it being set aside. Therefore, the appeal before the Civil Court deemed to be a dispute, under provisions of IBC. Therefore, the Adjudicating Authority/ Tribunal cannot entertain the present Company Petition.



He has further submitted that in addition to the Demand Notice issued with regard to claim in the present petition, the petitioner has also issued another Demand Notice dated 27.05.2017 claiming for Rs.13,56,98,624/- plus interest. It was replied on 05.06.2017. He has pointed out all the contention mentioned in that reply, which is more elaborate than the reply given in the instant case, touching upon the award and receiving a notice of the Appeal and further alleged that the Demand Notice itself is a fraudulent and deceptive. Therefore, he submits that the award has not reached the status of decree so as to become it enforceable under law. There are grave issues of disputed facts and law involved in the Arbitration award in question.

The Learned Senior Counsel submits that issue in question is squarely covers by the judgment passed in Kirusa Software Private Limited and MCL Global Steel Private Limited.

9. In the light of above contentions of both the parties, the following issues arise for consideration in the present Company Petition;

- (a) Whether the present Company Petition fulfills requisite conditions as prescribed under the provisions of Section 9(5) of IBC so as to admit or to reject it;
- (b) Whether the dispute as mentioned in Para 9(5)(i)(d) means and includes award and appeal so as to cover the application filed under Section 34 of Arbitration and Conciliation Act, 1996, against the award in question, as contended by the learned Senior Counsel for the respondent in the instant case.



10. As per section 9(5)(i) of IBC, the following are the requisite conditions to be fulfilled for admission of a case under IBC:-

- a) The Application made under sub-section (2) is complete;
- b) There is no repayment of the unpaid operational debt;
- c) The invoice or notice for payment to the corporate debtor has been delivered by the Operational Creditor;
- d) No notice of dispute has been received by the Operational Creditor or there is no record of dispute in the information utility; and
- e) There is no disciplinary proceeding pending against any resolution professional proposed under sub-section (4), if any.

So far as 1st condition(a) is concerned, it is to be noted that the instant Petition is filed in prescribed Form No.5 of Rule 6(1) under Rule 6 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016, and the same was also duly scrutinized by the Registry of NCLT before putting it for admission before the Bench.

So far as 2nd condition (b) is concerned, it is in an admitted position that Operational debt was not paid till date.

So far as third and fourth conditions (c & d) are concerned, it is to be noted that the Operational Creditor issued prescribed Demand Notice dated 06.02.2017 in Form No.3 under Rule 5(1)(a) under Rule 5 of Insolvency and Bankruptcy (Application to Adjudicating Authority), Rules 2016, after furnishing the requisite information, by demanding to pay Rs.1,79,00,166/- .



In pursuant to the above demand notice, a reply dated 16.02.2017, was issued by the Respondent, by stating as follows:-

- “(a) At the very outset, M/s Ksheeraabd Constructions Private Limited, notify that, you have mis-represented the facts and issued an absolutely baseless and misconceived demand notice, for non-existing and disputed debt;
- (b) Further, it is to state that the alleged outstanding amount said to be due under Interim Certificate No.47 is under dispute and same was subject matter of proceedings under arbitration and Conciliation Act, 1996. As per our account and reconciliation, your company is liable to pay certain amounts to us, which you have failed to pay;

(c) Therefore, we categorically reject your untenable demands made vide demand notice/invoices both dated 06.02.2017 as not tenable and mis-represented. We stoutly resist your filing of any application as alleged under the Insolvency and Bankruptcy Code 2016 at your own risk and cost.”

So far as last condition (e) is concerned, the Petitioner has proposed Shri TVL Narasimha Rao, as Interim Resolution Professional (IRP). The IRP has, in turn, has also given a written communication dated 01.08.2017 in prescribed Form No.2, under Rule 9 of Insolvency and Bankruptcy (Application to Adjudication) Rules 2016, by agreeing to accept appointment as such, subject to order passed by the Tribunal, and he also state that he is not currently serving in any Insolvency Proceedings, and no disciplinary proceeding(s) are pending against him.



11. So the only issue to be considered in the present petition is Application/Appeal, which is numbered as COP No. 168 of 2017, filed against the said Aware, under section 34 of Arbitration and Conciliation Act, 1996, before the learned Commercial Court-cum-XXIV Addl. Chief Judge, City Civil Court, at Hyderabad, is a dispute as referred to under Section 9(5)(i)(d) and (ii)(d) so as to admit or reject the instant petition. As stated supra, the Respondent, in its reply dated 16.02.2017 to statutory Demand Notice, which is extracted above, only says that the subject matter was a matter of proceedings under Arbitration & Conciliation Act, 1996, apart from other grounds.

12. In order to know the factual aspect of filing an appeal U/s 34 of Arbitration and Conciliation Act, 1996, as contended by Learned Senior Counsel for Respondent, we have directed the Petitioner to file an affidavit in that regard. Accordingly Mr. P Kishore, Manager & Authorized Signatory of the Petitioner Company, has filed an affidavit dated 07.08.2017, duly authorized by an Advocate and notary, by inter-alia stating that they have not received any copy of the notice of the so called appeal or application filed before Additional Judge, City Civil Court, Hyderabad. They have also enclosed a copy of the Caveat Application No.93 of 2017.
13. So far as the dispute is concerned, both the Learned Counsels have relied upon various judgments as mentioned above. Both the learned Counsels have conveniently read the relevant paragraphs of the respective judgments filed by them. It is relevant to point out here that one of the issues adverted to by Hon'ble NCLAT, in its Judgment dated 24.05.2017, passed in Company Appeal (AT) (Insolvency) 6 of 2017, in the matter of Kirusa Software Private Limited (Appellant) Vs Mobilox Innovations Private Limited (Respondent) as referred to above, is under para 32 of the judgment, which is relevant to the issue in question. The Hon'ble NCLAT has considered the situation where a suit or arbitration proceedings stands decided, and thus inter-alia held that once award has been passed, it is deemed to be debt for the purpose of default, in view of Form No.5, under Rule 6 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. There is no dispute that the Hon'ble NCLAT will lay down broad principle(s)/ratio to decide respective cases by respective Adjudicating



Authorities/NCLT Benches, in the first instance. So it is primary duty of respective Adjudicating Authority to decide an issue before it by taking into consideration of facts in issue, and relevant facts and then law in general and ratio as laid down by the Hon'ble NCLAT in several cases.

14. It is further to point out here, as pointed supra, the claim in question, in the present Company Petition is an admitted claim, which was also accepted by the Learned Counsel representing Ksheeraabd Constructions/Respondent, before the Learned Arbitral Tribunal, as extracted above. So independent of whether any appeal is pending or not, the claim in question is an admitted debt, more over the issue in question was decided, after considering all pleadings, material documents and hearing of both the parties, by Learned Arbitral Tribunal, which consists of three Senior Hon'ble Justices (retired), has passed an Award dated 21st January, 2017 by confirming the above admitted debt of Rs.1,71,98,302/- apart from other claim of Rs.13,56,98,624/- with interest thereon @ 6% per annum from the date of commencement of Arbitral Proceedings i.e. 25.07.2014 till the date of payment.



15. It is not in dispute that the finding of Arbitral Tribunal with regard to claim in the present petition deemed to be final. It is also relevant to point out here, as per Award, interest is already started accruing from 25.07.2014, and it is also not in dispute that Award is not stayed so far by any court of law. We also agree with the finding of Learned Arbitral Tribunal that the respondent is liable to pay Rs. 1, 71, 98,302 with interest as stated supra, which is only subject matter in the instant case. We, therefore, have no iota of doubt to come to a conclusion

that the respondent committed a default of debt in question independent finding of Arbitral Tribunal, as stated supra. The respondent was given sufficient opportunity by adjourning the case, at the instant of respondent to various dates viz 13.07.17; 24.07.17; 26.07.17; and 02.08.17. However, they have not come with any solution for settlement of the issue, while contending that admitting the case by the Tribunal, would result in serious civil consequences. It is high time that admitted debt is not paid by the respondent, and wanted to continue the litigation further. As the Award in question already becomes final with accruing interest on the claim amount, it would be just and fair and equitable for the petitioner to pay the claim in question, and then continue the litigation, if they desire so. As stated supra, in the reply of respondent dated 16.02.2017 to the statutory demand notice of petitioner dated 06.02.2017, have inter alia stated that alleged outstanding amount is under dispute under Arbitration and Conciliation Act, 1996. So the respondent has failed to avail opportunity granted by the Tribunal to settle the issue in question by putting the Adjudicating Authority/Tribunal with no other alternative except to initiate Corporate Insolvency Resolution Process in respect of the Respondent.

16. The Learned Senior Counsel for the respondent, has referred other claim of Rs.13,56,98,624/-, and raised so many contentions in the counter. However, we are concerned only with the claim raised in the instant Company petition. Therefore, we are not dealing with the contentions raised in the other claim for the Petitioner. We will deal other petition separately as per law. The Learned Senior Counsel has



strenuously argued that admission of the case itself is a civil death, likely to cause so much damage to the Respondent Company, and thus this Tribunal may not admit the case in a casual manner, without analyzing the issue in depth as decided by various Courts. We are not deciding the issue in casual way, and as stated supra, we have given full opportunity to the respondent to defend and settle their case by pointing out prima facie case made out in the case, and also put our anxious consideration to the issue to see that issue should be resolved before initiating CIRP but to no avail.

17. The Learned Counsel for the Petitioner submits that the Petitioner is the holder of Arbitration award to the extent of Rs.18.00 Crores, and it is the biggest stakeholder in the Respondent Company. Apart from this, the Respondent had trade liabilities in the market and it is doubtful value of assets shown in the Balance Sheets. However, we are not expressing any opinion on this contention. We are concerned only with claim in question in the present petition.

18. The other contentions pleaded by the Learned Senior Counsel for the respondent, are deemed to have been rejected since those contentions are hardly have any relevant to the issue in question.

19. Therefore, we are of the considered view, that the instant case is a fit case to admit as the petitioner has fulfilled all the requisite conditions, as laid down under Section 9 of IBC 2016, as explained supra.

20. In the result, the Company petition bearing CP No.(IB)/100/9/HDB/2017 is hereby admitted by exercising



powers under section 9(5) (i), Sections, 13, 14 of the IBC, 2016 and passed the following orders :

- a) Admitted the application, by directing to communicate this decision immediately to Operational Creditor and Corporate Debtor;
- b) We hereby appointed Shri. TVL Narasimha Rao, as Interim Resolution Professional (IRP);
- c) Declared moratorium prohibiting the following as mentioned under section 14 namely;
 - i) The institution of suits or continuation of pending suits or proceedings against the corporate debtor including executing of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority
 - ii) Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
 - iii) 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 (54 of 2002);
 - iv) The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor;
- d) This order of moratorium shall have effect from today till completion of corporate insolvency resolution process



(CIRP) or till passing an order for liquidation for Corporate Debtor under section 33, whichever is earlier.

- e) Directed parties to cause public announcement immediately as per prescribed mode of communication, by duly taking all guidelines and instructions issued from time to time by Insolvency and Bankruptcy Board of India (IBBI) for the initiation of corporate Insolvency Resolution Process call for submission of claims under section 15 of IBC;
- f) The IRP is directed to follow all extant rules of IBC and all the rules and regulations framed by Insolvency and Bankruptcy Board of India (IBBI) (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. Afford full opportunity to all concerned parties to the issue by duly following Principles of Natural Justice;
- g) Both the petitioner and respondent are directed to extend full-co-operation to the IRP to discharge his statutory functions;
- h) Post the case on 09th October, 2017 with a direction to the IRP to apprise this Tribunal, about steps being taken by him from time to time, in instant CIRP, by way of filing affidavits. The IRP is also directed to set schedules of meeting(s) of concerned parties, verification etc, in such a way that CIRP should complete well before the schedule period of 180 days as prescribed under the Code



Sd/-
RAVIKUMAR DURASAMY
Member (T)

Sd/-
RAJESWARA RAO VITTANALA
Member (J)

CERTIFIED TO BE TRUE COPY
OF THE ORIGINAL

V. Annapoorna
V. ANNAPOORNA
Asst. DIRECTOR

प्रमाणित प्रति
CERTIFIED TRUE COPY
केस संख्या
CASE NUMBER... CP/IB/NO. 100/9/HDB/201
निर्णय का तारीख 20/10/17