

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

CP (IB) NO. 10/Chd/Hry/2017

Date of Order: 17.04.2017

Coram: HON'BLE MR. JUSTICE R.P. NAGRATH, MEMBER(JUDICIAL)

In the matter of:

SRS Modern Sales Limited,
SRS Tower, Unit No. 700 B,
7th Floor, Near Metro Station,
Mewla Maharajpur, G.T. Road,
Faridabad, Haryana.

...Corporate Applicant/Debtor

**Application for initiating Corporate Insolvency Resolution
Process u/s 10 of the Insolvency and Bankruptcy Code, 2016
read with Rule 7 of the Insolvency and Bankruptcy
(Application to Adjudicating Authority) Rules, 2016.**

Present: Mr. Rakesh Kumar, Advocate with Mr. Gaurav Mankotia,
Advocate for Applicant/Debtor.

ORDER

Justice R.P.Nagrath, Member (Judicial) (ORAL) :

This is an application filed by SRS Modern Sales Limited a 'Corporate Debtor' itself in Form 6 as prescribed by sub rule (1) of Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for brevity, 'the Rules') for initiating corporate insolvency resolution process under Sections 10 of the Insolvency and Bankruptcy Code, 2016 (for brevity, 'the Code') at the instance of the 'Corporate Applicant'. The 'Corporate Debtor' also falls within the term 'Corporate Applicant' as defined in sub-section (5) of Section 5 of 'the Code'.

2. It is represented by Mr. Rakesh Kumar, learned counsel for 'Corporate Debtor' that the 'Applicant Company' was incorporated on

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18.01.2007 with the Registrar of Companies, National Capital Region of New Delhi. This is part of Annexure VII containing the Memorandum & Articles of Association of the 'Corporate Debtor'. Learned counsel further represents that as per the document forming part of Annexure VII at Page 991 of Paper Book, the 'Corporate Debtor' altered the Memorandum of Association with respect to the place of registered office by changing it from State of Delhi to Haryana i.e. in district Faridabad. The 'Applicant Company' has been allotted CIN No. U51109HR2007PLC040823.

3. The authorised share capital of the 'Applicant Company' is ₹ 2 crores and its paid up capital is ₹ 1,69,45,240/-. There are presently four Directors of the 'Applicant Company' with distinct DIN numbers and eight shareholders as per list Annexure ' VI (F)' with major shareholding belonging to :-

i)	SRS Finance Limited.	19.20%
ii)	Latest I.T. Solutions Ltd.	19.00%
iii)	SRS Knowledge & Technologies Pvt. Ltd.	18.99%

It is also represented that the 'Applicant Company' passed resolution dated 18.02.2017 authorising Mr. Naresh Kumar Goyal, Whole Time Director and Mr. Sushil Kumar, Director of the company severally to file the petition before the National Company Law Tribunal, Chandigarh Bench for initiating insolvency proceedings against the company; authorising Credence Law, Advocates and Solicitors to act as counsel of the company and nominating Mr. Sameer Raslogi as Insolvency Professional describing his registration number granted by the Insolvency and Bankruptcy Board of India, on account of the company having defaulted to make payment to the secured creditors who have

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issued notices under Section 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act). Copy of the resolution is at Annexure 'A'. Mr. Naresh Kumar Goyal and Mr. Sushil Kumar have been authorised to receive the process on behalf of the company. The instant application has been filed by Mr. Naresh Kumar Goyal stated to be the Whole Time Director of the company and the contents of the application are also supported by his affidavit.

4. It is further represented that the 'Applicant Company' has the following financial creditors:-

Sl. No.	Name of the Bank	Address	Total debt raised.	Amount in default
SECURED CREDITORS				
1.	Punjab National Bank	International Banking Branch, 8 th Floor, DCM Building, Barakhamba Road, New Delhi	Debt raised as per sanction letter dated 10.03.2010 : ₹ 25.00 crores.	As per provisional balance sheet dated 14.03.2017 - ₹ 27,22,84,558.85 As per notice under Section 13 (2) of SARFAESI Act, 2002 - ₹ 26,89,14,258.85
2.	Union Bank of India	14/15-F, Connaught Place, New Delhi	Debt raised as per notice under Section 13(2) of SARFAESI Act, 2002 and Form No. CHG-1 (Annexure 'E') for registration of charge : ₹ 37.50 crores	As per provisional balance sheet dated 14.03.2017 - ₹ 37,94,92,593.19 As per notice under Section 13 (2) of SARFAESI Act, 2002 - ₹ 40,41,83,754.19
3.	Vijaya Bank	8-14, Ground Floor, Chirag Enclave, Nehru Place, New Delhi	Debt raised as per sanction letter dt.14.08.2014. Cash Credit (Hypothecation): ₹12.50 crores. Total ₹ 12.50 crores.	As per provisional balance sheet dated 14.03.2017 - ₹ 14,14,71,500/- As per notice under Section 13 (2) of SARFAESI Act, 2002 - ₹ 13,83,60,456/-
	TOTAL DEBT RAISED (FINANCIAL CREDITORS- SECURED)			₹ 75,00,00,000/-

	Amount as per books (Financial Creditors)			₹ 79,32,48,652.04
	Amount as per notice under Section 13 (2) of SARFAESI Act, 2002			₹ 81,14,58,469.04
OPERATIONAL CREDITORS				
1.	Babita jain	B-151, Gujrawalan Town, Part-1, Delhi-110009	Total debt (dues) raised: ₹ 60,000/- Amount as per books : ₹ 5,000/-	₹ 5,000/-
2.	Anurag Gupta	L-13/3, DLF Phase-II, Gurgaon, Haryana	Total debt (dues) raised: ₹ 1,20,000/- Amount as per books : ₹ 10,000/-	₹ 10,000/-
3.	Shree Ashtvinayak Gems & Stones Private Limited	1157/1139, 2 nd Floor, Balaji Plaza, Kucha Mahajani, Chandni Chowk, Delhi	Total debt (dues) raised: ₹ 4,19,34,186/- Amount as per books : ₹ 4,18,46,700/-	₹ 4,18,46,700/-
4.	Akrili Global Traders Limited	Shop No. B0592, Nehru Ground, NIT, Faridabad, Haryana	Total debt (dues) raised: ₹ 21,20,51,637/- Amount as per books : ₹ 20,54,82,427/-	₹ 20,54,82,427/-
5.	Divakar Sales Agencies Private Limited	FF-9, Vishnu Place, Commercial Complex, 20B, Ajronda, Faridabad, Haryana	Total debt (dues) raised: ₹ 3,48,74,855/- Amount as per books : ₹ 3,44,82,063/-	₹ 3,44,82,063/-
6.	Forcible Tradecom Private Limited	B-106, Nehru Ground, NIT, Faridabad, Haryana	Total debt (dues) raised: ₹ 19,42,84,593/- Amount as per books : ₹ 19,33,56,296/-	₹ 19,33,56,296/-
7.	Horizon Global Limited	Plot No. 8, Sector-5, Mathura Road, Faridabad, Haryana	Total debt (dues) raised: ₹ 38,98,049/- Amount as per books : ₹ 38,98,049/-	₹ 38,98,049/-
8.	Preeti Tradelink Private Limited	DSS-45&46, Marble Market, Sector-21-C, Faridabad, Haryana	Total debt (dues) raised: ₹ 2,08,000/- Amount as per books : ₹ 1,50,000/-	₹ 1,50,000/-
9.	Shivansh Sales Agencies Private Limited	MCF-63, 1 st Floor, Opposite Power Gen Inverter, Mukesh Colony, Ballabgarh Faridabad, Haryana-121004	Total debt (dues) raised: ₹ 3,88,95,718/- Amount as per books : ₹ 3,79,60,926/-	₹ 3,79,60,926/-

On 10/10/2017

10	Vaishnavi Tmt Bars Private Limited	Booth No.29, Huda Market, Sector-02, Ballabgarh Faridabad, Haryana - 121004	Total debt (dues) raised: ₹ 7,63,48,295/- Amount as per books : ₹ 7,54,99,189/-	₹ 7,54,99,189/-
11	Gold Plus Glass Industry Limited	Village- Thithola, Roorke Laksar Road, Tehsil Roorkee, Haridwar, Uttarakhand- 249401	Total debt (dues) raised: ₹ 5,98,727.54/- Amount as per books : ₹ 86,608/-	₹ 86,608/-
12	Lakshmi Float Glass Limited	A-2/10, DDA Marble Market, Kirti Nagar, New Delhi	Total debt (dues) raised: ₹ 6,95,214/- Amount as per books : ₹ 84,461/-	₹ 84,461/-
13	Service Tax- N.S. Electrical & Control System	K-115, Site V, Kasna Industrial Area, Greater NOIDA, Uttar Pradesh	Total debt (dues) raised: ₹ 78,638/- Amount as per books : ₹ 78,638/-	₹ 78,638/-
14	Service Tax- O.P. Furnisher Private Limited	304, Aggarwal Plaza, Plot No. 11, Sector-10, Dwarka, New Delhi - 110075	Total debt (dues) raised: ₹ 1,69,612/- Amount as per books : ₹ 1,69,612/-	₹ 1,69,612/-
15	BTL Holding Company Limited	SRS Tower, 3 rd Floor, Near Mewla Maharajpur Metro Station, G.T. Road Faridabad Faridabad	Amount as per books: ₹ 2,11,48,360.54/-	₹ 2,11,48,360.54/-
16	New Vee Motors	BFH 56, Shalimar Bagh, Delhi- 110088	Amount as per books: ₹ 10,00,000/-	₹ 10,00,000/-
17	SRS Real Infrastructure Limited	SRS Tower, 3 rd Floor, Near Metro Station, Mewla Maharajpur, G.T. Road Faridabad, Haryana- 121003	Amount as per books: ₹ 21,700/-	₹ 21,700/-
18	Praveen Tayal	TDS on Salary	Amount as per books: ₹ 27,000/-	₹ 27,000/-
19	Mohit	PF Contribution	Amount as per books: ₹ 905/-	₹ 905/-
20	Praveen Tayal	PF Contribution	Amount as per books: ₹ 6,720/-	₹ 6,720/-
21	Mohit & Praveen Tayal	Employer Contribution to PF	Amount as per books: ₹ 5,078/-	₹ 5,078/-
22	Mr. Mohit	SRS Tower, 3 rd Floor, Near Metro Station, Mewla Maharajpur, G.T. Road Faridabad, Haryana- 121003	Amount as per books: ₹ 7,556/-	₹ 7,556/-
23	Mr. Praveen Tayal	House no 202, Sector-9, Faridabad, Haryana- 121006	Amount as per books: ₹ 72,964/-	₹ 72,964/-
24	State Government	Value Added Tax		₹ 29,15,216.82/-

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	Total debt raised from operational creditors		Total debt (dues) raised: ₹ 60,42,17,524.54/- Amount as per books: ₹.	₹ 61,83,15,442.36/-
	TOTAL DEBT RAISED (FINANCIAL AND OPERATIONAL CREDITORS)		TOTAL DEBT (DUES) RAISED: ₹ AMOUNT AS PER BOOKS : ₹	₹ 141,15,64,094.40/-

5. The learned counsel for the 'Applicant Company' would thus contend that there are in all 24 operational creditors out of whom two creditors are in respect of services i.e. lease rent but for these two operational creditors, the amount in default is ₹ 5000 for Babita Jain and ₹ 10,000 for Anurag Gupta. There are dues of the Central Government, State Government, employees and ex-Directors of the company apart from other operational creditors from Sr. No. 3 to 17 and addresses of these operational creditors are given in the list Annexure 'B'. The learned counsel further represents that as per Annexure 'II', the total amount in default in respect of service is ₹ 15000/-. For sundry creditors, it is ₹ 61,52,80,002.94. There is also amount of more than ₹ 29 lacs in respect of Government dues i.e. Value Added Tax (VAT). It is, thus, represented that total amount of default in respect of financial and operational creditors would be ₹141.16 crores. The applicant has also attached the invoices/documents evidencing the existence of the operational debt.

6. The 'Applicant Company' has also proposed the name of Interim Resolution Professional (IRP) as Mr. Sameer Rastogi, F-116, Lajpat Nagar-1, Delhi-110024, email: srastogi@indiajuris.com, Registration No. IBBI/IPA-002/IP-00107/2016-17/1147. Mr. Sameer Rastogi has also filed written communication in Form 2 of the 'Rules' to act as Interim Resolution

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Professional if an order admitting the application is passed. He has also declared that he is eligible to be appointed as Resolution Professional in respect of the 'Corporate Debtor' in accordance with the provisions of Insolvency and Bankruptcy Board of India (Interim Resolution Process for Corporate Persons) Regulations, 2016 (for brevity, the 'Regulations'). Mr. Rastogi has also declared that no disciplinary proceedings are pending with the Board of ICAI. It is also declared that Mr. Rastogi is not presently serving as IRP/RP/Liquidator in any proceedings. Mr. Rastogi in his declaration has furnished the complete information with regard to to the paragraph (vi) of Form 2 to the effect that (a) he is eligible to be appointed as an Insolvency Resolution Professional of the applicant in terms of Regulation 3 of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons), Regulations 2016; (b) he is not a related party of the Applicant Company; and (c) he is not an employee or promotor or a partner etc. of the Applicant Company. He further undertakes to abide by the Code of Conduct set out by Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons), Regulations 2016. The office has also verified the Registration number of Insolvency Professional from the website of Insolvency and Bankruptcy Board of India.

7. The learned counsel further represents that due to default in making payments of dues of financial institutions, the banks have issued notices under Section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002). Punjab National Bank has issued such notice dated 29.12.2016 which is part of Annexure 'I' calling upon the Applicant to pay the amount of

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₹ 26,89,14,258.84 within 60 days failing which the bank has reserved the right to proceed further in terms of Section 13 (4) of SARFAESI Act, 2002. In the meanwhile, the 'Corporate Applicant' has been directed not to transfer the secured assets of the company without the written consent of the bank. Similar notice dated 06.09.2016 at page 77 of the Paper Book was received from Union Bank of India calling upon the Applicant to pay more than ₹ 40 crores by treating the account of the Applicant as Non Performing Assets (NPA). Union Bank of India also issued separate notice dated 06.09.2016 to the guarantors of the 'Applicant Company' under the aforesaid provisions. Learned counsel for the Applicant also refers to the notice dated 21.01.2017 at page 92 of the Paper Book sent by Vijaya Bank to the Applicant and others calling upon the 'Corporate Debtor' to pay the amount of more than ₹ 13.83 crores immediately.

8. Learned counsel for the 'Applicant Company' has further represented that all the three financial institutions named above (consortium of banks) created equitable mortgage in respect of the following properties by deposit of title deed details of which are given in the tabulated form hereunder:-

Sr. No.	Property address	Area	Sale deed No. & date	Mutation No	Owner Name	Valuation.
1.	Land situated at Village Prithia, Main Road, Delhi-Agra Road, Distt. Faridabad.	22 Kanals 5 Marlas	10861 & 22/2/2007	7746	M/s. Dimension Infrastructures Pvt Ltd. (now merged in SRS Retreat Services Ltd.)	₹ 42 crores (Rupees forty two crores only)
2.	Land situated at Village Baselwa, Faridabad.	28 Kanals 8 Marlas and 8 kanals 18 marlas	26498 & 19/3/2013	9698	M/s. SRS Retreat Services Limited.	₹ 34.36 crores (Rupees thirty four crores & thirty six lacs only)
3.	Land situated at Village Baselwa, Faridabad.	11 Kanals 10 Marlas	10501 (substitute deed)	9337	M/s. Rabnoor Infra Build (P) Ltd. (now merged into SRS Retreat Services Limited).	₹ 13.91 crores (Rupees thirteen crores and ninety one lacs only)

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Apart from the above, personal guarantees were also given by seven persons details of which are tabulated hereunder:-

Sr. No.	Name	Address	Given in capacity of	Related party or not.
1.	Dr. Anil Jindal son of Sh. G.S. Jindal	H. No.538, Sector 14, Faridabad.	As Promoter	Related party
2.	Dr. Sunil Jindal son of Sh. G.S. Jindal	H. No.538, Sector 14, Faridabad.	As Promoter	Related party
3.	Sh.Praveen Tayal son of Sh. Nanak Chand Tayal	H. No. 202, Sector 09, Faridabad.	As Director	Related party
4.	Sh.Bhagwan Dass Gupta son of Sh. Khushal Chand.	H. No. 2109, Sector 09, Faridabad.	As Director	Related party
5.	Sh Sushil Singla son of Sh. Trilok Chand Singla	H. No. D-477, Near Kakuti Mandir, 30 Ft. Road, Tuhiram Colony, Palwal.	As Director	Related party
6.	SRS Retreat Services Ltd.	3 rd Floor, SRS Tower, Near Metro Station, Mewla Maharajpur, G.T. Road, Faridabad.	Group Company.	Corporate Guarantee.
7.	Akriti Global Traders Ltd.	Akriti Global Traders Ltd.		Corporate Guarantee.

9. It is represented that the estimated market value of the property i.e. commercial land situated in Village Prithla measuring 22 kanals 5 Marlas is over ₹ 42 crores; that of the land measuring 28 kanals 8 marlas and balance area of 8 kanal 18 marlas owned by SRS Retreat Services Ltd. is ₹34.36 crores and that of 11 kanal 10 marlas of land owned by the same Company is ₹ 13.91 crores as per the creditors. Annexure 'E' is the certificate of Registration for Creation/Modification of Charge with the Registrar of Companies, Delhi.

10. The instant application has been filed in Form 6 in terms of Section 10 of 'the Code' by the 'Corporate Debtor'. Section 10 of 'the Code' is extracted hereunder:-

(1) Where a corporate debtor has committed a default, a corporate applicant thereof may file an application for initiating corporate insolvency resolution process with the Adjudicating Authority.

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(2) *The application under sub-section (1) shall be filed in such form, containing such particulars and in such manner and accompanied with such fee as may be prescribed.*

(3) *The corporate applicant shall, along with the application furnish the information relating to—*

- (a) *Its books of account and such other documents relating to such period as may be specified; and*
- (b) *the resolution professional proposed to be appointed as an interim resolution professional.*

(4) *The Adjudicating Authority shall, within a period of fourteen days of the receipt of the application, by an order—*

- (a) *admit the application, if it is complete; or*
- (b) *reject the application, if it is incomplete.*

Provided that Adjudicating Authority shall, before rejecting an application give a notice to the applicant to rectify the defects in his application within seven days from the date of receipt of such notice from the Adjudicating Authority.

(5) *The corporate insolvency resolution process shall commence from the date of admission of the application under sub-section (4) of this section.*

The above provision of 'the Code' discloses that the following procedures are required to be completed by a 'Corporate Debtor' for initiating the process of insolvency:

- (i) Existence of a 'Corporate Debtor'
- (ii) Such a 'Corporate Debtor' must have committed a default.
- (iii) On the satisfaction of (i) and (ii) above, a "Corporate Applicant" may file an application for initiating Corporate Insolvency Resolution Process.
- (iv) Such an application as contemplated in (iii) above shall be filed in such forms, containing such particulars and in such

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manner and accompanied with such fee as may be prescribed.

- (v) Along with the application as in (iv) above, information relating to books of accounts and other documents relating to such period as may be specified.
- (vi) The Applicant to name the Resolution Professional proposed to be appointed as Interim Resolution Professional.

Section 10 of 'the Code' confers a discretion on this Tribunal to either admit or reject the application and in case of rejection, to give an opportunity to the applicant before such rejection, to rectify the defects within seven days from the date of receipt of such notice from the Adjudicating Authority. The term 'Corporate Debtor' has been defined under Section 3 (8) of Part-I of 'the Code' to mean a Corporate Person, who owes a debt to any person and 'default' is defined under Section 3 (12) of Part-I of 'the Code' to mean "non-payment of debt when whole or any part or instalment of the amount of debt has become payable and is not repaid by the debtor or the 'Corporate Debtor', as the case may be".

11. As provided in Rule 7 (1) of the Rules, the "Corporate Applicant" has to make an application under Section 10 of 'the Code' in Form 6 accompanied with documents and records required therein and as specified in IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016. Since I have already dealt in detail in the opening paragraphs supra of this order relating to information furnished, the same is not being repeated for

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the sake of brevity, as the essential particulars as contemplated, have been provided by the Applicant.

12. In relation to the information relating to books of accounts, audited financial statements have been filed for preceding two years ending 31.03.2015 and 31.03.2016 and unaudited provisional balance sheet for the period from 01.04.2016 to 14.03.2017 relating to the Financial Year 2016-17 are at Annexure 'V' (colly). These are duly audited financial statements and statement for the period 1.4.2016 to 14.03.2017 is certified by the Chartered Accountant. All the statements are signed by authorised signatory of the 'Corporate Applicant'.

13. It is represented by the learned counsel for the 'Applicant' that as per these financial statements, following is the status of the 'Applicant Company' under different heads:-

Accumulated profit/loss of the 'corporate debtor'

As on 14.03.2017	-	₹ 24,29,66,027.47/-
As on 31.03.2016	-	₹ 33,20,54,323.73/-
As on 31.03.2015	-	₹ 33,25,41,534.49/-

Net profit/Loss for the year

As on 14.03.2017	-	₹ (8,90,88,295.50/-)
As on 31.03.2016	-	₹ (4,87,210.76/-)
As on 31.03.2015	-	₹ 1,39,48,749.77/-

Expenses (including purchases of stock-in-trade)

As on 14.03.2017	-	₹ 1,45,11,29,479.48/-
As on 31.03.2016	-	₹ 5,46,69,48,212.66/-
As on 31.03.2015	-	₹ 5,22,29,40,041.86/-

Long Term Borrowings and other liabilities discloses the following for the above years:

As on 14.03.2017	-	₹ 36,86,475.00/-
As on 31.03.2016	-	₹ 51,77,938.67/-
As on 31.03.2015	-	₹ 20,70,608.00/-

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Current Liabilities

As on 14.03.2017	-	₹ 1,47,00,19,019.37/-
As on 31.03.2016	-	₹ 1,05,15,38,855.84/-
As on 31.03.2015	-	₹ 78,20,92,000.77/-

Revenue from Operations:

As on 14.03.2017	-	₹ 1,36,19,40,664.99/-
As on 31.03.2016	-	₹ 5,46,67,68,466.63/-
As on 31.03.2015	-	₹ 5,24,31,42,063.06/-

14. The figures extracted above would indicate the losses and fall in revenue considerably. The 'Applicant Company' is facing the notice under SARFAESI Act, 2002, apart from huge amount of default committed in respect of operational creditors.

15. In view of the aforesaid discussion, the instant petition deserves to be admitted. It is, however, observed that the Applicant Company save some sketchy particulars has not given any road map as to how it is going to keep itself afloat as a going concern. However, keeping in perspective the objects for which 'the Code' has been brought into force and to balance the interest of all stakeholders, I am satisfied that the instant application warrants to be admitted to prevent further erosion of capital and to safeguard the assets of the Applicant Company/Corporate Debtor. For the reasons aforementioned while admitting the application, the following directions are issued:-

- (i) Appoint Mr. Sameer Rastogi, F-116, Lajpat Nagar-1, Lajpat Nagar, Delhi-110024 Mobile No. 9818685399, email: srastogi@indiajuris.com Registration No. IBBI/IPA-002/IP-00107/2016-17/1147, a Registered Insolvency Professional (IRP) as the Interim Resolution Professional as contemplated under Section 16 of 'the Code' and his term of appointment

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shall be for a period of thirty days from the date of this order or as may be determined by the Committee of Creditors whichever is earlier;

(ii) In terms of Section 17 of 'the Code', from the date of his 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'.

(iii) 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 standard of ethics and moral.

(iv) The Interim Resolution Professional shall endeavour to constitute the Committee of Creditors at the earliest but not later than 15 days from the date of this Order.

(v) It is hereby directed that the 'Corporate Debtor', its properties, personnel and 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'.

16. I further declare a moratorium in relation to the following matters as contemplated under Section 14 of 'the Code' as under:-

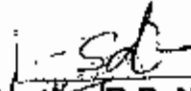
- (a) The institution of suits or continuation of pending suits or proceedings against the 'Corporate Debtor' including execution of any judgement, decree or order in any Court of Law, Tribunal, Arbitration panel or other Authority;
- (b) Transferring, encumbering, alienating or disposing of by the 'Corporate 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 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
- (d) The recovery of any property by any owner or lessor or where such property is occupied by or in the possession of the 'Corporate Debtor'.

17. The Interim Resolution Professional appointed by this Tribunal is also directed to cause a public announcement within 3 days from the date of this order 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 Corporate Insolvency

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Resolution Process in terms of Section 13 (1) (b) of 'the Code' read with Section 15 calling for the submission of claims against the 'Corporate Debtor'.

18. It is further directed that the Interim Resolution Professional shall positively file a report of events before this Tribunal every week in relation to the 'Corporate Debtor'. Copy of this order be supplied to the Authorised Representative of applicant immediately who shall deliver a copy instantly to the Interim Resolution Professional.


(Justice R.P. Nagrath)
Member (Judicial)

April 17, 2017
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