



IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-II

CP (IB) No.235/MB/2023

[Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016]

IN THE MATTER OF

PRUDENT ARC LIMITED

[CIN: U74900DL2011PLC225445]

611, 6th Floor, D Mall,

Plot No.A-1, Netaji Subhash Place,

Pitampura, West Delhi,

New Delhi-110034.

...Financial Creditor

Vs.

RBEP ENTERTAINMENT PRIVATE LIMITED

(Erstwhile Reliance Big Entertainment Private Limited)

[CIN: U72900MH2006PTC160603]

502, Plot No. 91/94, Prabhat Colony,

Santacruz (East), Mumbai-400055

Maharashtra.

...Corporate Debtor

Pronounced: 14.10.2025

CORAM:

HON'BLE SHRI ASHISH KALIA, MEMBER (JUDICIAL)

HON'BLE SHRI SANJIV DUTT, MEMBER (TECHNICAL)

Appearances: Hybrid

Financial Creditor: Adv. Mily Ghosal a/w. Adv. Sophia Hussain & Adv. Shweta
Thanekar

Corporate Debtor: Adv. Rohan Agarwal a/w. Adv. Haaris Koradia & Adv.
Akshata Shah i/b. Sujit Lahoti & Associates.

**ORDER*****[PER: SANJIV DUTT, MEMBER (TECHNICAL)]*****1. BACKGROUND**

- 1.1 This Company Petition bearing C.P. (IB) No.235/MB/2023 (hereinafter referred to as “the Application”) was filed on 23.07.2022 under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”) by Central Bank of India, the Financial Creditor (hereinafter referred to as “the Original Lender”), through Mr. P.C. Khurana, Deputy General Manager of the Original Lender *vide* Authority Letter dated 22.07.2022, for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) in respect of RBEP Entertainment Private Limited, (hereinafter referred to as “the Corporate Debtor”).
- 1.2 The total amount claimed to be in default is Rs.56,19,14,591.76/- (Fifty-Six Crore Nineteen Lakh Fourteen Thousand Five Hundred Ninety-One Rupees and Seventy-Six Paise) including principal debt of Rs.39,02,33,210.39/- along with interest of Rs.17,16,81,381.37/- up to 18.07.2022. It is based on default in repayment of the loan worth Rs.40,00,00,000/- sanctioned by the Original Lender in favour of the Corporate Debtor.
- 1.3 The date of default as mentioned in Part IV of the Application is 29.11.2019 while the date of classifying the Corporate Debtor’s account as Non-Performing Asset (hereinafter referred to as “NPA”) by the Original Lender was 29.02.2020. Since the Corporate Debtor defaulted in payment of its outstanding dues, the Original



Lender has prayed that CIRP may be initiated in respect of the Corporate Debtor under Section 7 of the Code.

- 1.4 An Interlocutory Application bearing IA No. 5203/2024 dated 23.09.2024 was filed by Prudent ARC Limited (hereinafter referred to as “the Financial Creditor”), praying for substitution of its name with that of the Original Lender and carrying out necessary amendments in the cause title of the present Application. The Financial Creditor placed on record the Assignment Agreement dated 21.08.2024 between the Original Lender and Prudent ARC Ltd *vide* its aforesaid IA No.5203/2024. The Corporate Debtor did not raise any objection regarding the said IA which was accordingly allowed by this Tribunal *vide* order dated 30.10.2024 directing carrying out of requisite amendments in the cause title of the present Application. Hence, Prudent ARC Limited is the Financial Creditor in the present Application.

2. AVERMENTS OF FINANCIAL CREDITOR/ORIGINAL LENDER

- 2.1 The Original Lender is a banking corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 while the Corporate Debtor is a private company engaged in the business of film production, etc. The Corporate Debtor was banking with the Original Lender since 2012 and it was granted credit facilities *vide* Sanction Letter dated 18.01.2012. The said credit facilities were reviewed and renewed from time to time and were last renewed *vide* Sanction Letter dated 13.04.2020. For the purpose of meeting its long-term working capital requirements, the Corporate Debtor sought credit facilities from the Original Lender for which it obtained loan of Rs. 40,00,00,000/-



(Forty Crore Rupees) from the Original Lender and executed several documents for securing the same which are listed as follows:

- a) Rupee Loan Agreement dated 31.01.2012 and 03.12.2015;
- b) Hypothecation Deed dated 31.01.2013; 03.12.2015 and 08.05.2018;
- c) Letter of Undertaking dated 31.01.2013; 03.12.2015 and 08.05.2018;
- d) Copy of Consent Letter dated 31.01.2012;
- e) General Power of Attorney dated 31.01.2013; 03.12.2015 and 08.05.2018;
- f) Copy of Continuity Letter dated 31.01.2013; 03.12.2015 and 08.05.2018; and
- g) Demand Promissory Notes dated 31.01.2013; 03.12.2015 and 08.05.2018.

2.2 The Corporate Debtor and the Original Lender executed the Rupee Term Loan Agreement dated 31.01.2012 (hereinafter referred to as "RTL Agreement") wherein the Corporate Debtor was granted the credit facility of Rs.50,00,00,000/- (Fifty Crore Rupees). As per the said RTL Agreement, Paragraph V refers to Interest while Schedules II and III of the RTL Agreement provide for amortization schedule and security documents respectively.

2.3 To secure the aforesaid loan facilities, the Deed of Corporate Guarantee dated 24.01.2019 was executed by Reliance Innoventures Private Limited in favour of the Original Lender. Later, the Corporate Debtor's name was changed from Reliance Big Entertainment Private Limited to RBEP Entertainment Private Limited and the Original Lender received the communication about the same on 01.12.2020 along with Certificate of Incorporation pursuant to the name change.



- 2.4 On account of default in repayment of loan facilities by the Corporate Debtor, its loan account was declared as NPA on 29.02.2020 by the Original Lender. Pursuant to such declaration, the Original Lender issued loan recall letters dated 24.11.2020 to the Corporate Debtor and its Corporate Guarantor for repaying the outstanding amount of Rs. 44,75,92,696.95/- as on 31.10.2020, including the interest overdue amount of Rs.5,23,98,953.58/-. The Original Lender also filed the Original Application (hereinafter referred to as "OA") i.e., OA No. 96/2021 against the Corporate Debtor before Ld. Debts Recovery Tribunal-II, New Delhi on 21.01.2021. Subsequently, the Original Lender filed the present Application under Section 7 of the Code before this Tribunal for recovery of outstanding amount of Rs. 56,19,14,591.76/-
- 2.5 The loan account of the Corporate Debtor was assigned by the Original Lender viz. Central Bank of India in favour of the Financial Creditor vide Assignment Agreement dated 21.08.2024.
- 2.6 The enterprise value of the Corporate Debtor is negative and indicative asset value of the Corporate Debtor on standalone basis as fair value is Rs.38.09 Lakhs and Liquidation Value is Rs.30.47 Lakhs. The Financial Creditor has produced the copy of the Corporate Debtor's Valuation Report dated 04.03.2024 prepared by Vastukala Consultants Private Limited.
- 2.7 This Tribunal had raised certain queries to the Ld. Counsel for the Financial Creditor on 30.04.2025 and 05.06.2025 regarding absence of bank statements and repayment schedule to prove the date of default and NPA date. Pursuant to this, the Ld. Counsel for the Financial Creditor, vide Additional Affidavit dated 01.07.2025 produced the copy of the Statement of Accounts for the period of 01.04.2018 to 17.05.2021 on record.



2.8 Since the Corporate Debtor has failed to pay the aforesaid outstanding amount till date despite receipt of loan recall notices, the Financial Creditor prays that the present Application be allowed and CIRP may be initiated in respect of the Corporate Debtor.

3. CONTENTIONS OF CORPORATE DEBTOR

3.1 The Financial Creditor has provided incorrect date of default in Part IV of the present Application by citing 29.11.2019 as the date of default since its own documents demonstrate that the Corporate Debtor's account was subsequently regularized in April, 2020. Further, the Financial Creditor has failed to produce documentary evidence of establishing the default on part of the Corporate Debtor in its Application while the produced documents in the said Application do not show any enforceable debt and default in favour of the Original Lender and the Financial Creditor.

3.2 The present Application is defective since the Financial Creditor has failed to produce any Board Resolution regarding authorization to Mr. P.C. Khurana for filing the present Application. Rule 23(2) read with Rule 26 of the NCLT Rules clearly states that a Petition has to be filed and signed/verified by an authorized representative of the Petitioner. However, there is no evidence to show any authorization given to Mr. P.C. Khurana, who has allegedly filed and signed the present Application on behalf of the Original Lender.

3.3 The Financial Creditor has failed to produce the complete bank statements of the Corporate Debtor on record since the present Application contains the Bank Statements only for the period of 01.06.2020 to 22.07.2022 which is not accompanied with the Certificate under Section 2-A of the Bankers' Books Evidence Act, 1891 (hereinafter referred to as "BBE Act"). On account of non-



compliance with the BBE Act and RBI Circular dated 24.04.2009, such Bank Statements produced by the Financial Creditor cannot be taken into consideration. The Corporate Debtor has placed the copy of RBI Circular dated 24.04.2009 on record to substantiate its contention.

3.4 The documents relied upon by the Financial Creditor in the present Application are neither admissible nor enforceable since these are insufficiently stamped under the provisions of the Maharashtra Stamp Act, 1958 (hereinafter referred to as "MSA"). Section 18 of the MSA states that every instrument executed out of the state of Maharashtra ought to be stamped within three months after it has been first received in Maharashtra while Section 19 of the MSA provides for charge of duty upon instruments executed outside Maharashtra under Schedule-I of the MSA. Since there was no such compliance of the provisions of the MSA, the aforesaid documents cannot be admitted and, therefore, the Financial Creditor cannot claim to be a Financial Creditor based on such legally unenforceable documents.

3.5 The Financial Creditor has approached this Tribunal with *mala fide* intention to harass the Corporate Debtor through filing of the present application for recovery purposes which is contrary to the objectives of the Code.

3.6 Lastly, the Corporate Debtor, *vide* its Written Submission dated 11.03.2025, submits that the Corporate Debtor is currently facing severe liquidity constraints due to adverse impact of COVID-19 pandemic upon its business and loss of revenue caused by COVID-induced halt in production. Further, the COVID-19 Pandemic also made it difficult for studios and production companies including the Corporate Debtor to plan for future projects and created a backlog of projects which in turn led to further financial instability. In view of such considerations, the



Corporate Debtor requested for grant of Thirty-Six months from the date of filing of its Written Submission to ensure its financial stability and complying with the repayment of outstanding dues without undue hardship.

4. REJOINDER OF FINANCIAL CREDITOR/ORIGINAL LENDER

4.1 The Ld. Counsel for the Financial Creditor submitted that Mr. P.C. Khurana has been authorized to file the present Application on account of the Power of Attorney dated 09.01.2017 which was issued by the Original Lender in his favour as he was the Deputy General Manager and head of the Original Lender/Financial Creditor's Stressed Assets Management (SAM-2) Branch, BKC, Mumbai.

4.2 The date of default given in Part-IV of the Application is correct and the Financial Creditor relies upon the CRILC (Central Repository of Information on Large Credits) Report (a database maintained by the RBI) which has been produced as Annexure-60 of the present Application. Further, the present Application is filed within the limitation period since the date of default is 29.11.2019 while the present Application was filed on 23.07.2022.

4.3 The Financial Creditor denies the Corporate Debtor's contention of filing the incomplete Bank Statements. However, the Financial Creditor, *vide* its Additional Affidavit dated 01.07.2025 produced the copy of the Statement of Accounts for the period of 01.04.2018 to 17.05.2021 on record pursuant to this Tribunal's order dated 05.06.2025.

4.4 The Corporate Debtor's allegations regarding insufficiently stamped documents are vague and baseless and the Corporate Debtor has neither provided any evidence nor made any specific averment to support its contention about the same.



5. ANALYSIS AND FINDINGS

5.1 We have perused all the documents and pleadings and heard both the Ld. Counsel for the Financial Creditor and the Corporate Debtor.

5.2 The objections raised by the Corporate Debtor revolve around (i) validity of authorization to file this Application; (ii) non-submission of Certificate under BBE Act; (iii) admissibility of insufficiently stamped loan documents; (iv) alleged incorrect date of default and (v) inability to pay debt due to adverse impact of COVID-19 pandemic. Now, let us examine the defences raised by the Corporate Debtor one by one.

5.3 As regards the contention of the Corporate Debtor that there was no valid authorisation for Mr. P.C. Khurana, Deputy General Manager of the Original Lender/Financial Creditor, under Authority Letter dated 22.07.2022 to file this Application on its behalf, it is observed from the record that the Power of Attorney dated 09.01.2017 grants sufficient authority to him to file suits, petitions and any other legal proceedings including the present Application. Para 27 of the Power of Attorney authorises Mr. P.C. Khurana in clear and unequivocal terms *“to accept service of any writ, summons or other legal process (whether under or without protest) and to appear (whether under or without protest) and represent the Bank in any Court or Tribunal and before all magistrates or judicial or other officers whatsoever as by the Attorney shall be thought advisable and for the Bank and in its name or otherwise to commence and prosecute or defend any actions, suits, petitions, or other legal proceedings whether civil and/or criminal in any Court of Justice concerning any debt, dues... owing or payable... to... the Bank...”*. The above indicates that Mr. Khurana has valid authorisation to file the Application.



5.4 Further, by statutory order No.S.O.1091(E) dated 27.02.2019, issued in exercise of the powers conferred under Section 7(1) of the Code, the MCA notified persons who may initiate CIRP against corporate debtors on behalf of the financial creditors, viz., guardians, executors, trustees, etc., including a person duly authorised by the Board of Directors of a Company. As per Section 7(1) of the Code, an application may be filed by a financial creditor either by itself or jointly with other financial creditors or any other person on behalf of the financial creditor, as may be notified by the Central Government. A joint reading of Section 7(1) of the Code and S.O. 1091(E) dated 27.02.2019 makes it abundantly clear that the instant Application which has been filed by the Original Lender itself (later substituted by Prudent ARC Ltd./Financial Creditor) and not by any other person on behalf of the Financial Creditor is very much in order. In other words, the original Financial Creditor itself has filed the Application through its authorised officer, Mr. P.C. Khurana, the Deputy General Manager who has sufficient authority to file the Application for and on behalf of the Original Lender/Financial Creditor. Hence, we hold that the present Application has been preferred by Mr. P.C. Khurana, Deputy General Manager under valid authorisation from the original Lender/Financial Creditor. Thus, **issue (i)** is decided in favour of the Financial Creditor.

5.5 Apropos the issue of non-submission of certificate under BBE Act, it is found that the Financial Creditor has filed the Statement of Accounts of the Corporate Debtor duly accompanied with the Certificates dated 22.07.2022 under the BBE Act at Annexure-61 of the present Application. Thus, it can by no means be contended that the Financial Creditor has not complied with the RBI Circular dated 24.04.2009 over production of certificates under the BBE Act along with



the Bank Statements. Therefore, we conclude that the Corporate Debtor's contention of non-filing of Certificate by the Financial Creditor under the BBE Act is contrary to the facts and materials on record and is thus untenable. Hence, the **issue (ii)** is decided against the Corporate Debtor and in favour of the Financial Creditor.

5.6 As regards the issue of insufficient stamping of the loan documents, it is well-recognised that insufficiency in stamping of loan documents is not relevant for admissibility of a petition under Section 7 of the Code and that objection as to stamping of documents cannot be determined in summary proceedings under Section 7 of the Code. It is settled position of law that an insufficiently stamped agreement is no bar to a Section 7 application. Further, it has been held by a seven-Judge Bench of the Hon'ble Supreme Court in its landmark judgment ***In Re: Interplay between Arbitration Agreements under the Arbitration and Conciliation Act, 1996 and the Indian Stamp Act, 1899*** that the purpose of the Stamp Act is to protect the interests of revenue and not to arm litigants with a weapon of technicality by which they can delay the adjudication of the dispute. Insufficiently stamped documents suffer from only a technical deficiency which cannot be a ground to reject an application under Section 7 of the Code. This is also based on the equitable principle that a person cannot take advantage of his own wrong. As held by the Hon'ble NCLAT Delhi in ***Koncentric Investments Ltd. Vs. Standard Chartered Bank, London [CA (AT) (Insolvency) No. 911 of 2021]***, the issue of stamp duty is irrelevant and uncalled for in a Section 7 application, especially when the "debt" and "default" are otherwise proved.

5.7 We are of the considered opinion that the existence of debt and default need not be evidenced only by a loan agreement. As per the scheme of Section 7, it can



be proved by other means as well such as record of default available with the information utility or such other record or evidence of default as may be specified. Further, the AAA Rules prescribe Form-1 for making an application under Section 7 of the Code by a Financial Creditor. Part V of Form-1 requires particulars of financial debt including documents, records and evidence of default to be stated by the applicant. In the present case, the Financial Creditor has provided copies of the Loan Sanction Letters dated 18.01.2012, 13.02.2014, 20.08.2015, 06.03.2017, 17.10.2018 and 13.04.2020, Hypothecation Deed dated 31.01.2012, 03.12.2015 and 08.05.2018, Letter(s) of Undertaking dated 31.01.2012, 03.12.2015 and 08.05.2018, Continuity Letter dated 31.01.2012, 03.12.2015 and 08.05.2018, demand promissory notes dated 31.01.2012, 03.12.2015 and 08.05.2018, Statement of Account of the principal borrower with Bank, Loan Recall Notice dated 24.11.2020 issued by the Financial Creditor to the Corporate Debtor, OA filed in DRT-II, Delhi on 21.01.2021 by the Financial Creditor against the Corporate Debtor, registration of charges with the Registrar of Companies from time to time and copies of audited financial statements of the Corporate Debtor for financial years 2016-17, 2017-18 and 2018-19 in order to establish the existence of debt and default in repayment thereof. It is not the case of the Corporate Debtor that the aforesaid documents require payment of stamp duty under the Maharashtra Stamp Act.

5.8 Further, there are other documentary evidences available on record to establish the debt and default of the Corporate Debtor with respect to the loan facilities granted by the Original Lender/Financial Creditor. The Financial Creditor's pursis dated 11.06.2024 and 10.07.2024 indicate that the Corporate Debtor had approached the Original Lender for settlement of its dues during the pendency of



the present Application, as evident from this Tribunal's orders dated 11.06.2024, 10.07.2024 and 01.08.2024. The steps hitherto taken by the Corporate Debtor towards settlement of its dues with the Financial Creditor coupled with its submission seeking period of 36 months for repayment of outstanding dues clearly highlight the admission of debt and default on the part of the Corporate Debtor. The Hon'ble NCLAT in ***Hiren Meghji Bharani Vs. Shankheshwar Properties Pvt. Ltd. & Anr., [(2023) ibclaw.in 822 NCLAT]*** has clearly held that the non-stamping of documents does not render CIRP application filed to be non-maintainable when there exists other material on record to prove existence of default in the payment of debt. Further, it is to be noted that the insufficiency of stamping is mere a technical deficiency which can be cured and the same is not fatal to the maintainability of a Section 7 application. In view of aforesaid considerations, the **issue (iii)** is found against the Corporate Debtor and in favour of the Financial Creditor.

5.9 As far as the issue of incorrect date of default is concerned, the Financial Creditor has mentioned 29.11.2019 as date of default in Part-IV of the present Application. In this regard, the Financial Creditor has filed CRILC report for proof of default. While rebutting the claim of the Corporate Debtor that its account had subsequently been regularised in April, 2020, the Financial Creditor in its Rejoinder has clarified that on 30.03.2020, unrealised interest (URI) of Rs.1,20,39,426/- has been credited to the loan account along with Rs.7,88,022/- towards unrealised penal interest by the CBS system and the same amount, i.e., Rs.1,28,27,448/- (Rs.1,20,39,426+Rs.7,88,022) has been reversed on 24.04.2020. It is submitted that this credit of unrealised interest and penal interest amounts is recognised as normal credit but in the CRILC (Central Repository of



Information on Large Credits) report dated 28.02.2021, it is reflected as “out of default” whereas it is not on account of the credit by the borrower. It is further submitted that the credit/debit entries are only internal adjustment entries as per RBI guidelines. On perusal of the submissions of the Financial Creditor and the relevant documentary evidence, we find merit in the Financial Creditor’s plea that the Corporate Debtor had defaulted in the repayment of its loan facilities on account of which its loan account was classified as NPA on 29.02.2020. The Hon’ble NCLAT in ***Milind Kashiram Jadhav vs. State Bank of India and Anr.*** [Company Appeal (AT) (Insolvency) No. 1589 of 2023, decided on 24.04.2024] held that once the Corporate Debtor defaulted and the loan accounts were classified as NPAs, a legal recourse was well within the Bank’s statutory rights and pursuing resolution under the Code, which serves as a specialized law governing the resolution of distressed entities, was a legitimate course of action for the Bank. In view of above position, the **issue (iv)** is also decided against the Corporate Debtor and in favour of the Financial Creditor.

5.10 Finally, the Corporate Debtor’s contention about its inability to pay debt on ground of COVID-19 induced financial difficulties and its request for grant of additional time period of thirty-six months cannot be accepted. The landmark judgement of Hon’ble Supreme Court of India in ***Swiss Ribbons Private Limited v. Union of India*** [(2019) 4 SCC 17] clarifies that with the enactment of the Code, there is a shift in the legislative policy from the concept of “inability to pay debts” to “determination of default”. The said shift enables an applicant to prove by documentary evidence that there was an obligation to pay the debt and that the debtor has failed to fulfil its repayment obligations. The “inability to pay debt” is not a valid defence against a petition under Section 7 filed by a financial creditor



to initiate the Corporate Insolvency Resolution Process (CIRP) in respect of a corporate debtor. Once a corporate debtor defaults on a debt, the reason for the default (including inability to pay) is irrelevant for admitting a petition. The legal position on inability to pay debt as defence in a proceeding under the Code is thus amply clear as inability of Corporate Debtor to pay the debt is not required to be looked into by the Adjudicating Authority. Hence, the **issue (v)** is also decided against the Corporate Debtor and in favour of the Financial Creditor.

It is well-established that for the purpose of admission of Section 7 Application, what is paramount is the occurrence of default. As held by the Hon'ble Apex Court in *Innoventive Industries* (supra), the moment the Adjudicating Authority is satisfied that a default has occurred, the application must be admitted. It is of no matter that the debt is disputed so long as the debt is due and payable unless interdicted by some law. We find that the Financial Creditor in the present case has placed on record necessary evidence to demonstrate the existence of the debt exceeding the minimum threshold of Rs.1 crore prescribed under Section 4 of the Code due and payable by the Corporate Debtor as well as the default in repayment thereof by the Corporate Debtor within the meaning of Section 5(8) of the Code. The Application has been filed in the prescribed form and is complete. The Financial Creditor has thus successfully demonstrated and proved the debt and default in this case. The Corporate Debtor has not adduced any evidence to show that the debt in question is interdicted by any law in India.

5.11 The Financial Creditor has proposed the name of NPV Insolvency Professionals Private Limited (formerly known as Mantrah Insolvency Professionals Private Limited), a registered Insolvency Professional Entity having Registration Number-IBBI/IPE-0040/IPA-2/2022-23/50021 as the Interim Resolution Professional



(hereinafter referred to as “IRP”), to carry out the functions as mentioned under the Code. It has also provided valid AFA of the proposed IRP in Form B and given its written consent in Form 2 dated 21.02.2025, *inter alia*, stating that no disciplinary proceedings are pending against them.

5.12 In view of above discussions, we find that all pre-requisites of Section 7(5)(a) of the Code are fulfilled and, accordingly, we are satisfied that the instant Application is fit for admission under Section 7 of the Code.

ORDER

In the result, this Application bearing **C.P. (IB) No.235/MB/2023** under Section 7 of the Code read with Rule 4 of the AAA Rules, filed by Prudent ARC Limited, the Financial Creditor, for initiating CIRP in respect of RBEP Entertainment Private Limited, the Corporate Debtor is **admitted**.

We further declare moratorium under Section 14 of the Code, with consequential directions as follows:

- I. We prohibit-
 - a) 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;
 - 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 an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.
- II. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Bench approves the resolution plan under section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under section 33 thereof, as the case may be.
- III. Notwithstanding the above, during the period of moratorium: -
- (a) The supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period;
- (b) That the provisions of sub-section (1) of Section 14 of the Code shall not apply to-
- (i) Such transactions as may be notified by the Central Government in consultation with any financial sector regulator or any other authority;
- (ii) A surety in a contract of guarantee to a corporate debtor.
- IV. That the public announcement of the CIRP shall be made in immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.
- V. That this Bench hereby appoints **NPV Insolvency Professionals Private Limited**, a registered Insolvency Professional Entity having **Registration No.IBBI/IPE-0040/IPA-2/2022-23/50021** and **e-mail address**



ipe@npvca.com and valid Authorisation for Assignment up to **31.12.2025** as the IRP to carry out the functions under the Code.

- VI. The fee payable to IRP/Resolution Professional (hereinafter referred to as “RP”) shall be in accordance with the Regulations/Circulars issued by the Insolvency and Bankruptcy Board of India (hereinafter referred to as “IBBI”).
- VII. That during the CIRP Period, the management of the Corporate Debtor shall vest in the IRP or, as the case may be, the RP in terms of Section 17 or Section 25, as the case may be, of Code. The officers and managers of the Corporate Debtor are directed to provide effective assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP within a period of one week from the date of receipt of this Order and shall not commit any offence punishable under Chapter VII of Part II of the Code. Coercive steps will follow against them under the provisions of the Code read with Rule 11 of the National Company Law Tribunal Rules, 2016 (hereinafter referred to as “NCLT Rules”) for any violation of law.
- VIII. That the IRP/IP shall submit to this Tribunal periodical reports with regard to the progress of the CIRP in respect of the Corporate Debtor.
- IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Financial Creditor is directed to deposit a sum of Rs.5,00,000/- (Five Lakh Rupees) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be



interim finance and paid back to the Financial Creditor on priority upon the funds becoming available with IRP/RP from the Committee of Creditors (hereinafter referred to as "CoC"). The expenses incurred by IRP out of this fund are subject to approval by the CoC.

- X. A copy of this Order be sent to the Registrar of Companies, Mumbai Maharashtra, for updating the Master Data of the Corporate Debtor.
- XI. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.
- XII. Registry is directed to immediately communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by way of e-mail and WhatsApp, not later than two days from the date of this Order.
- XIII. **Compliance report of the order by Designated Registrar is to be submitted today.**

**Sd/-
SANJIV DUTT
MEMBER (TECHNICAL)**

**Sd/-
ASHISH KALIA
MEMBER (JUDICIAL)**

//LRA-Tanmay Jain//