

(2021) 03 NCLT CK 0065

**National Company Law Tribunal New Delhi Bench****Case No:** Company Petition No. IB-2115(ND) Of 2019

DMI Finance Pvt. Ltd.

APPELLANT

Vs

M/s Abloom Infotech Pvt. Ltd.

RESPONDENT

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**Date of Decision:** March 11, 2021**Acts Referred:**

- Insolvency And Bankruptcy Board Of India (Insolvency Resolution Process For Corporate Persons) Regulations, 2016 - Regulation 6, 6(1), 32
- Insolvency And Bankruptcy (Application To Adjudicating Authority) Rules, 2016 - Rule 4, 4(1), 4(2), 9(1)
- Insolvency And Bankruptcy Code, 2016 - Section 4, 7, 7(1), 7(2), 7(5), 13(2), 14, 14(1)(a), 14(1)(b), 14(1)(c), 14(1)(d), 15, 17, 18, 19, 20, 21, 60(1)

**Hon'ble Judges:** P.S.N. Prasad, J; Dr. V.K. Subburaj, Member (Technical)**Bench:** Division Bench**Advocate:** Abhijit Sinha, Kinshuk Chatterjee, Shrishti Gupta, Kushal Bansal, Rakesh Kumar, Vikas kumar, Manish Paliwal

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**Judgement**

1. DMI Finance Private Limited (Non-Banking Financial Company), claiming as the financial creditor, has filed the instant application under Section 7

of the Insolvency and Bankruptcy Code, 2016 (for brevity ~the Code~™) read with rule 4 of the Insolvency and Bankruptcy (Application to

Adjudicating Authority) Rules, 2016 (for brevity ~the Rules~™) with a prayer to trigger Corporate Insolvency Resolution Process in respect of

respondent Company M/S Abloom Infotech Pvt. Ltd referred to as the corporate debtor.

2. The Respondent MIS Abloom Infotech Pvt. Ltd against whom initiation of Corporate Insolvency Resolution Process has been prayed for, was

incorporated on 03.05.1994 having its registered office at Kh. No. 300, Gopi Ram Building, Sultanpur Village, New Delhi. Since the registered office of the respondent corporate debtor is in New Delhi, this Tribunal having territorial jurisdiction over the NCT of Delhi is the Adjudicating Authority in relation to the prayer for initiation of Corporate Insolvency Resolution Process in respect of respondent corporate debtor under subsection (1) of Section 60 of the Code.

3. The applicant has proposed the name of Mr. Paraveen Bansal, for appointment as Interim Resolution Professional having registration number

IBBI/IPA- 001/IP-P00175/2017 -2018/10344 resident of E-10A, Kailash Colony, New Delhi. Mr. Paraveen Bansal has agreed to accept appointment

as the interim resolution professional and has signed a communication in Form 2 in terms of Rule 9(1) of the Insolvency and Bankruptcy (Application

to Adjudicating Authority) Rules, 2016. There is a declaration made by him that no disciplinary proceedings are pending against him in Insolvency and

Bankruptcy Board of India or elsewhere.

4. As per part IV of the application it is claimed that a sum of Rs.29,53,87,663/67 along with interest is due from the respondent company.

5. The case of the Financial Creditor is as under:

i. On 27.04.2016, Abloom Infotech Private Limited, the Corporate Debtor executed a Loan Agreement with the Financial Creditor for a facility of Rs.

I 6,00,00,000/-. Three other entities, Ninex Developers Limited, Redtopaz Real Estate Private Limited and RMG Developers Private Limited were co-

borrowers under the said Loan Agreement. That Mr. R.M. Garg and Mr. Sandeep Garg are the promoters of the aforesaid entities including the

Corporate Debtor.

ii. Pursuant to the Loan Agreement, a loan facility of INR 13,35,00,000/- was disbursed in four tranches by the Financial Creditor to the Corporate

Debtor against letter of drawdown issued by the Corporate Debtor on 02.05.2016, 12.02.2018, 13.03.2018 and 15.05.2018.

iii. As per the terms of the Loan Agreement the payment instalment dates for repayment including interest was the 15th day of every calendar month

until the final settlement.

iv. As per the terms of the Loan Agreement the payment instalment dates for repayment including interest was the 15<sup>th</sup> day of every calendar month until the final settlement.

v. That until August 2017, the Corporate Debtor made payments to regularize the outstanding, including all interest component accrued until that date.

Thereafter, the Corporate Debtor has failed to make Payment Instalments on the Payment dated of 15<sup>th</sup> of each month, making irregular and/or

delayed payments which are not in compliance of the repayment schedule of the Loan Agreement thereby triggering defaults under the Loan

Agreement.

vi. The default for repayment of the amount that is due and payable to the financial Creditor has occurred on various dates, the last of which occurred

on 15.08.2019.

6. The Respondent has filed its reply and raised objection against the claim filed by the applicant. The contention of the respondent are as:

i. That the Corporate Debtor is an associate company of a group of companies known as "Ninex Group", which is having number of Real Estate

Projects in Delhi and NCR and is having its registered office at Khasra No.300, Gopiram Building, Sultanpur Village, New Delhi 110030. The other

associate companies M/s Ninex Group are M/s Red Topaz Real Estate Pvt. Ltd., M/s Ninex Developers Ltd., RMG Developers Pvt. Ltd. etc.

ii. That as the Financial Creditor is a Non-Banking Financial Corporation which had granted to the "Ninex Group" namely to M/s Ninex

Developers Ltd., Red Topaz Real Estate Pvt. Ltd. and RMG Developers Pvt. Ltd. and Abloom Infotech Pvt. Ltd. certain financial exposures

extending from the year 2014 onwards in the form certain loans on Interest to the said "Ninex Group" Companies. That the loans which were

granted by the Financial Creditor to the Ninex Group Companies were secured by the various assets of the Ninex Group Companies under the various

documentations which were executed between the Financial Creditor and the said companies.

iii. That over the period Ninex Group companies repaid the loans given by the Financial Creditor to RMG Developers Pvt. Ltd., and also M/s Ninex

Developers Limited and full and final settlements for the said loans were executed between the Financial Creditor and the said Ninex Group

Companies.

iv. That however on account of certain financial problems and inability to pay their loans to other, two of the companies of “Ninex Group” namely

M/s Ninex Developers Limited as well as M/s Red Topaz Real Estate Pvt. Ltd. are presently under Corporate Insolvency Resolution Process (CIRP)

and Insolvency Resolution Professional (IRP) has been appointed in their cases and CIRP on going. There is a moratorium declared, under Section 14

of the I.B. Code, 2016 process as regards the said companies. The Financial Creditor in the case of CIRP of M/s Ninex Developers Limited has filed

a claim before IRP for a sum of Rs.2,19,58,952/-(Rupees Two Crores Nineteen Lacs Fifty Eight Thousand Nine Hundred and Fifty Two), for penal

interest and costs despite their full and final settlement between the Financial Creditor and said M/s Ninex Developers Limited. The said claim has till

date not been verified and approved by the Resolution Professional. The said claim is an unwarranted claim in light of the no claim letters issued by

the Financial Creditor against M/s Ninex Developers Ltd. on 25.07.2017. The Financial Creditor however has not filed any claim against the company

M/s Red Topaz Real Estate Pvt. Ltd. which Is also under Corporate Insolvency Resolution Process.

v. That the Corporate Debtor further states that the present state of affairs which has been brought about in the Ninex Group companies leading to

two of its flagship companies going Into CIRP is on account of unethical practice and conduct of the Financial Creditor and Its associate concerns. vi.

That it is stated that one of the associates concern of the present Financial Creditor is a company known as M/s Pardos Realtors Pvt. Ltd. which is

admittedly an associate company of the Financial Creditor and is controlled by the same Management/ Board of Directors. The association and

kinship between the said two companies is a matter of common knowledge between the Financial Creditor and Corporate Debtor.

vii. That as far as the financial dealings between the present Financial Creditor and the present Corporate Debtor are concerned, certain loans were

Indeed granted to the Corporate Debtor by the Financial Creditor In terms of the loan Agreement, as are mentioned in the Petition, and an exposure of

Rs.13,35,00,000/- (Rupees Thirteen Crores Thirty Five Lacs ) was given to the Corporate Debtor by the Financial Creditor. The Corporate Debtor in

terms of the loan Agreement has also already repaid certain principal amounts and Interest to the Financial Creditor from time to time and has been

maintaining the financial discipline as regards the loan in question.

viii. That as in September, 2018 certain amounts were due to the Financial Creditor from the Corporate Debtor under the loan Agreement dated

27.04.2016 and its amended form. The Financial Creditor in order to capitalize upon the main asset of the Corporate Debtor, being plot No.A3A,

Sector 32, Noida, U.P. introduced its associate company M/s. Pardos Realtors Pvt. Ltd. as an intending purchaser for the said land and induced the

Corporate Debtor to enter into an Agreement with the said associate group company of the Financial Creditor, for sale of Its plot No.A3A, Sector

132, Noida, U.P. measuring 20242.60 sq. meters to M/s Pardos Realtors Pvt. Ltd. The Corporate Debtor thereupon entered Into an Agreement to Sell

dated 27.09.2018 with M/s Pardos Realtors Pvt. Ltd. for sale of the said plot of land. The Financial Creditor was also a party to the said tri-partite

Agreement and was reflected as a third party or lender under the said agreement. The said Agreement was primarily set up by the Financial Creditor

to create an avenue for recovering Its loan by manipulated entries amongst Its own group companies.

ix. That under the terms of the Agreement to sell dated 28.09.2018 the Financial Creditor himself was to receive first two payments which were due

to the Corporate Debtor from M/s Pardos Realtors Pvt. Ltd. towards discharge of the liability of the Corporate Debtor towards the Financial Creditor

under the loan Agreement and remaining payments upto the sum of Rs.15,00,00,000/- (Rupees Fifteen Crores) were to be received by the Corporate

Debtor and were to be utilized for Its other liabilities and on the project etc.

x. That the Financial Creditor took immediate credit of the two payments / amounts received by the Corporate Debtor under the said Agreement,

which were for a sum of Rs.5,66,78,073/- (Rupees Five Crores Sixty Six Lacs Seventy Eight Thousand and Seventy Three), out of the total agreed

sale consideration of Rs.56,67,92,800/- which was payable to the Corporate Debtor under the same\

xi. That as per the terms of the Agreement to sell dated 27.09.2018 the further payments after the initial two payments of Rs.3,91,78,073/- (Rupees

Three Crores Ninety-One Lacs Seventy-Eight Thousand and Seventy Three) and Rs.1,75,00,000/- (Rupees One Crore Seventy Five Lacs) were to be

received by the Financial Creditor, were to be all received by the Corporate Debtor from the said M/s Pardos Realtors Pvt. Ltd. The Financial

Creditor however thereafter so arranged with the said M/s Pardos Realtors Pvt. Ltd. that further three payments of Rs.1,75,00,000/- (Rupees One

Crore Seventy-Five Lacs). which were required to be credited In the account of Corporate Debtor were illegally directly got transferred by the

Financial Creditor from M/s Pardos Realtors Pvt. Ltd. In the account of M/s DMI Finance Pvt. Ltd., the Financial Creditor without the Corporate

Debtor receiving any benefit of the said payment and being deprived of the said payments at the hands of the Financial Creditor, although the same

was not permissible under the terms of the Agreement to sell and the payment of the consideration was to be received by the Corporate Debtor and

not the Financial Creditor.

xii. That on account of the intentional misconduct of the Financial Creditor who was also a party to the Agreement to Sell dated 28.09.2018 between

the Corporate Debtor and M/s Pardos Realtors Pvt. Ltd. the interest of the Corporate Debtor suffered adversely and the Corporate Debtor was

deprived from lawful consideration of its property for which it was entitled to receive a sum of Rs.56,67 ,92,800/- (Rupees Fifty Six Crores Sixty

Seven Lacs Ninety Two Thousand Eight Hundred) under the terms of the Agreement to Sell dated 28.09.2018 and the property of the Corporate

Debtor become bound under an Agreement to sell of which the Corporate Debtor did not receive any benefit at all That the Corporate Debtor

thereafter received a letter dated 27.08.2019 from M/s Pardos Realtors Pvt. Ltd. in reference to the Agreement to sell dated 28.09.2018 in which the

M/s Pardos Realtors Pvt. Ltd. now alleged that the Corporate Debtor was In breach of the said Agreement and was, liable to refund the alleged

security amount of ₹1. Rs.10,88,73,790/-(Rupees Ten Crores Eighty-Eight Lacs Seventy-Three Thousand Seven Hundred and Ninety) given under

the Agreement to M/s Pardos Realtors Pvt. Ltd. along with Interest @ 30% per annum and was in this manner bound to pay a sum of

Rs.13,11,61,365/- (Rupees Thirteen Crores Eleven Lacs Sixty One Thousand Three Hundred and Sixty Five) to the Financial Creditor.

xiii. That the Corporate Debtor on receipt of the said letter, replied to the same and set up its entire case against the Financial Creditor as well as M/s

Pardos Realtors Pvt. Ltd. and while invoking the "group of companies doctrine" and holding M/s Pardos Realtors Pvt. Ltd. to be only an alter ego

/ facade set up by the Financial Creditor to create security over assets of the Corporate Debtor and to indirectly recover Its dues at highly exorbitant

rate of interest @30% per annum and by levy of default and penal interest etc. upon. the Corporate. Debtor. It was pointed out to the Financial

Creditor and to M/s Pardos Realtors Pvt. Ltd. In the said reply that although the dealings between the Corporate Debtor and the Financial Creditor

under the loan Agreement dated 27.04.2016, as well dealing between the Corporate Debtor and M/s Pardos Realtors Pvt. Ltd; were under different

and separate contracts which were separately enforceable however the same were interlinked dealings which were part of a single transaction of loan

and were only a camouflage set up by the Financial Creditor to indulge in acts In befitting a Nonbanking Financial Corporation. It is stated that the

Financial Creditor as well as M/s Pardos Realtors Pvt. Ltd. not only have common Directors in the form of Mr. Jayati Chatterjee who is a Director

and shareholder in M/s Pardos Realtors Pvt. Ltd. and also a Director in the Financial Creditor. The downloads from the website of the Registrar of

Companies showing the Involvement of common Directors and shareholders between the Financial Creditor and M/s Pardos Realtors Pvt. Ltd.

xiv. That the Corporate Debtor in its reply dated 14.09.2019 to the letter of M/s Pardos Realtors Pvt. Ltd. had stated that the Financial Creditor and

M/s Pardos Realtors Pvt. Ltd. illegally joined hands to cheat and defraud the Corporate Debtor and to justify illegalltles commit by DMI Finance Pvt.

Ltd. In Its capacity as that of a Non-Banking Financial Corporation. The Corporate Debtor in its reply dated 14.09.2019 in this has manner claimed a

compensation of Rs.20,00,00,000/- (Rupees Twenty Crores) for Breach of Contract from the Financial Creditor as well as M/s Pardos Realtors Pvt.

Ltd., for being the loss suffered by the Corporate Debtor on account of diminution in the value of its property. It is stated that the Corporate Debtor

even as on this date is agreeable to specifically perform the Agreement in question provided the Financial Creditor and its group companies M/s

Pardos Realtors Pvt. Ltd. pay to the Corporate Debtor the balance consideration under the Agreement dated 28.09.2018 along with Interest.

xv. That the Corporate Debtor in reference to its reply dated 14.09.2019 to the letter of M/s Pardos Realtors Pvt. Ltd. dated 27.08.2019 thereafter

has received a Rejoinder Notice dated 23.09.2019, which is Issued jointly on behalf of M/s Pardos Realtors Pvt. Ltd. as well as DMI Finance Pvt.

Ltd. and dealings between the Corporate Debtor and the Financial Creditor was admitted to be interrelated and connected with the dealings between

the Corporate Debtor and M/s Pardos Realtors Pvt. Ltd. and the association between the Financial Creditor and M/s Pardos Realtors Pvt. Ltd. is also

acknowledged though it is claimed to be Irrelevant for the purposes / claims of M/s Pardos Realtors Pvt. Ltd. xvi. That as per the above it would be

obvious and clear that presently the Corporate Debtor under the Agreement dated 28.09.2018 has already a claim of Rs.20 Crores against the present

Financial Creditor, as compared to its claim of Rs. 7 ,94,47 ,080/

xvii. It is also alleged by the respondent that the present application is not maintainable in view of the fact that when the Financial Creditor has already

approached the Co- Borrower namely Ninex Developers Ltd. and the other Co-Borrower namely M/s Redtopaz Real Estate Pvt. Ltd. in its CIRP

process for its claimed amount as due under the loan agreements dated 27.04.2016 and Amended Agreement dated 24.07.2017 entered between the

Corporate Debtor, in that case the petition being filed against the Corporate Debtor herein would not be maintainable in reference to the judgment

passed by the Honâ€™ble NCLAT in Company Appeal (AT) (Insolvency) No. 346/2018 titled as Dr. Vishnu Kumar Agarwal Vs. M/s Piramal

Enterprises Ltd.

7. The Financial Creditor has filed the written submission in which it has been submitted that



i. The Piramal judgment has no relevance whatsoever to the present case, and cannot be made applicable for the following reasons:

â€¢ In its recent judgment passed on 24.11.2020, the Honâ€™ble NCLAT has disagreed with its earlier view in Piramal judgment. The Honâ€™ble

NCLAT has expressed its disagreement with the view taken earlier that CIRPs against the corporate guarantor and the borrower cannot commence

simultaneously and therefore the ratio in piramal judgment is no more a good law or a valid precedent [â€˜State Bank of India V. Athena Energy

Ventures Pvt. Ltd. in company Appeal (AT)(Ins) No. 633 of 2020 pronounced on 24.11.2020 (â€™Athena Ventures Judgmentâ€™)]

Further, even the Insolvency Law Committee Report of February 2020 categorically mentioned that the right to simultaneous remedy is central to a

contract of guarantee and the creditor should be permitted to file the claims of CIRP in both of them. It also states that the creditor is at liberty to

proceed against either the debtor alone, or the surety alone, or jointly against both the debtor and the surety and an action against the surety cannot be

prevented solely on the ground that the creditor has an alternative relief against the principal borrower. Therefore, a restricting a creditor from

initiating CIRP against both the principal borrower and the surety would be prejudice the right of the creditor provided under the contract of guarantee

to proceed simultaneously against both of them. The only reason the Insolvency Law Committee decided not to make any legal changes was due to

the fact that, contrary to the decision taken in the Piramal Judgment, the Honâ€™ble NCLAT had permitted simultaneous initiation of CIRP against

the principal borrower and its corporate guarantor. Presently, Honâ€™ble Supreme Court by order of 22.02.2019 has admitted an appeal against the

decision of the Honâ€™ble NCLAT in the Piramal judgment and ordered status quo in that matter. [Civil Appeal No. 878/2019 and Civil Appeal No.

1678/2019].

ii. Further the petitioner in its written submission has also submitted that the Piramal Judgment still does not apply to the present set of facts and

circumstances for the following reasons:

â€¢ Piramal Judgment applies only where the very same FC proceeds to initiate CIRP against the principal borrower and the corporate guarantor.

However, in this case, CIRP against Ninex and Red Topaz was initiated pursuant to petitions filed by two other creditors, BDR Finvest Private

Limited and Renu PropTech Pvt. Ltd. respectively and not by the FC, the Hon<sup>ble</sup> NCLAT held that CIRP initiated by the FC for one claim against

a CD, the same FC cannot “trigger” CIRP of other CD for the same debt. It is submitted that the FC has not triggered the CIRP of the co-

borrowers, i.e. Ninex and Redtopaz.

Another criteria for the Piramal Judgment to be applicable in the present case is existence of a principal borrower-corporate guarantor

relationship. However, it is an undisputed fact that the CD. Ninex and Red Topaz are co-borrowers and co-obligors with joint and co-extensive liability

as per the loan agreement dated 27.04.2016 in respect of which the CD has committed the default. The same position has been agreed by the

applicant himself. Therefore, inter se these three entities, there is no corporate guarantor and principal borrower relationship as all of them are

coborrowers.

8. Heard the Applicant and perused the record.

9. It is patent that all requirements of Section 7 of the Code for initiation of Corporate Insolvency Resolution Process by a Financial Creditor stand

fulfilled. In that regard, the application is complete as per the requirements of Section 7 (2) of the Code and other conditions prescribed by Rule 4 (1)

of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

10. The Hon<sup>ble</sup> NCLAT in the case of State Bank of India v. Athena Energy Venture Pvt. Ltd. has expressed its disagreement with the view

taken earlier in the case of Dr. Vishnu Kumar Agarwal Vs. M/s Piramal Enterprises Ltd. that CIRP against the corporate guarantor and the borrower

cannot commence simultaneously and therefore the rationale in Piramal judgement is no more a precedent. Hence, the ground raised by the

respondent that the present petition is not maintainable as per the judgement of Dr. Vishnu Kumar Agarwal Vs. M/s Piramal Enterprises Ltd, stands

invalid.

11. The Hon<sup>ble</sup> Supreme Court in the case of Innovative Industries Ltd. V. ICICI Bank & Anr( 2018) 1 SCC 407 has held that in cases of

financial creditors triggering the process, the scope of inquiry by the Adjudicating Authority is very limited and it is to satisfy itself only on three counts i.e.

- i. There was a financial debt.
- ii. That a default has occurred;
- iii. That the application is complete.

12. In order to allow any application under Section 7 of the Code, the applicant has to prove that the application is maintainable as the applicant is a

financial creditor<sup>TM</sup>, and the debts claimed in the application come within the purview of "financial debt" as defined under the Code. If we apply

this to the case in hand it can be seen that there is existence of Loan facility<sup>TM</sup> of Rs.16,00,00,000, Disbursal of Loan facility of INR 13,35,00,000/-

and existence of Default of Rs. 7,94,47,080/-. Hence, the present petition is complete.

13. The provisions of Section 7(2) and Section 7(5) of IBC stand satisfied but the same may be read as under:

"Initiation of corporate insolvency resolution process by financial creditor.

7(1) "...

7(2) The financial creditor shall make an application under sub-section (1) in such form and manner and accompanied with such fee as may be prescribed.

7(3) "...

7(4) "...

7(5) Where the Adjudicating Authority is satisfied that

(a) a default has occurred and the application under sub-section (2) is complete, and there is no disciplinary proceedings pending against the proposed resolution professional, it may, by order, admit such application; or

(b) "..."

14. A conjoint reading of the aforesaid provision would show that form and manner of the application has to be the one as prescribed. It is evident

from the record that the application has been filed on the proforma prescribed under Rule 4 (2) of the Insolvency and Bankruptcy (Application to

Adjudicating Authority) Rules, 2016 read with Section 7 of the Code. We are satisfied that a default amounting to lacs of rupees has occurred within the meaning of Section 4 of the Code and the application under sub section 2 of Section 7 is complete; and no disciplinary proceedings are pending against the proposed Interim Resolution Professional. Thus, the application warrant admission as it is complete in all respects.

15. As a sequel to the above discussion, this petition is admitted and Mr. Paraveen Bansal, for appointment as Interim Resolution Professional having registration number IBB I/I PA-001/I P-P00175/2017-2018/10344 resident of E-10A, Kailash Colony, New Delhi.is appointed as an Interim Resolution Professional.

16. In pursuance of Section 13 (2) of the Code, we direct that Interim Insolvency Resolution Professional to make public announcement immediately with regard to admission of this application under Section 7 of the Code. The expression “immediately” means within three days as clarified by Explanation to Regulation 6 (1) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

17. We also declare moratorium in terms of Section 14 of the Code. A necessary consequence of the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d) and thus the following prohibitions are imposed which must be followed by all and sundry:

- “ (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;
- (d) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.”

18. It is made clear that the provisions of moratorium shall not apply to (a) such transactions which might be notified by the Central Government in

consultation with any financial regulator; (b) a surety in a contract of guarantor to a Corporate Debtor. Additionally, the supply of essential goods or services to the Corporate Debtor as may be specified is not to be terminated or suspended or interrupted during the moratorium period. These would include supply of water, electricity and similar other services or supplies as provided by Regulation 32 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

19. We direct the Financial Creditor to deposit a sum of Rs. 2 lacs with the Interim Resolution Professional to meet out the expenses to perform the functions assigned to him in accordance with Regulation 6 of Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Person) Regulations, 2016. The needful shall be done within three days from the date of receipt of this order by the Financial Creditor. The amount however be subject to adjustment by the Committee of Creditors. The amount must be accounted for by Interim Resolution Professional and shall be paid back to the Financial Creditor.

20. The Interim Resolution Professional shall perform all his functions religiously and strictly which are contemplated, inter alia, by Sections 15, 17, 18, 19, 20 & 21 of the Code. He must follow best practices and principles of fairness which are to apply at various stages of Corporate Insolvency Resolution Process. His conduct should be above board & independent; and he should work with utmost integrity and honesty. It is further made clear that all the personnel connected with the Corporate Debtor, erstwhile directors, promoters or any other person associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the affairs of the Corporate Debtor. In case there is any violation committed by the ex-management or any tainted/illegal transaction by ex-directors or anyone else the Interim Resolution Professional/Resolution Professional would be at liberty to make appropriate application to this Tribunal with a prayer for passing an appropriate order. The Interim Resolution Professional/Resolution Professional shall be under a duty to protect and preserve the value of the property of the Corporate Debtor as a part of its obligation imposed

by Section 20 of the Code and perform all his functions strictly in accordance with the provisions of the Code.

21. The office is directed to communicate a copy of the order to the Financial Creditor, the Corporate Debtor, the Interim Resolution Professional and

the Registrar of Companies, NCR, New Delhi at the earliest but not later than seven days from today. The Registrar of Companies shall update its

website by updating the status of "Corporate Debtor" and specific mention regarding admission of this petition must be notified to the public at

large.