



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
COURT-V, NEW DELHI**

**CP IB NO. 598/(ND)/2023**

*An Application under Section 9 of the Insolvency and Bankruptcy Code, 2016 read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.*

**IN THE MATTER OF:**

**M/S SILVERLINE GRAPHICS PRIVATE LIMITED**

Through its Director

Mr. Lalit Mohan Bhagat

A-140, DDA Shed, Okhla Industrial Area,

Phase-II, New Delhi-110020

**...Operational Creditor**

**VERSUS**

**M/S INDIA OFFSET PRINTERS PRIVATE LIMITED**

(Formerly known as M/s India Offset Printer Private Limited)

Through its Managing Director

B~20/1, Okhla Industrial Area,

Phase-II, New Delhi-110020

**...Corporate Debtor**

**Order Delivered on: 11.09.2024**

**CORAM:**

**SHRI MAHENDRA KHANDELWAL, HON'BLE MEMBER (JUDICIAL)**

**DR. SANJEEV RANJAN, HON'BLE MEMBER (TECHNICAL)**

**APPEARANCES:**

**For the Applicant** : Mr. Angad Mehta, Mr. Rajat Sehgal, Mr. Samyak Jain, Mr. Arsh, Advs.

**For the Respondent:** Mr. Chitranshul Sinha, Mr. Sagar Bansal, Ms. Aakansha Prasad, Advs.



## O R D E R

**PER: MAHENDRA KHANDELWAL, MEMBER (JUDICIAL)**

1. This is a Company Petition filed under Section 9 of the Insolvency and Bankruptcy Code, 2016 (**‘the Code’**) read with Rule 6 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by **M/s Silverline Graphics Private Limited (‘Operational Creditor’)** through its Director, Mr. Lalit Mohan Bhagat, duly authorized vide Board Resolution for initiation of Corporate Insolvency Resolution Process (**‘CIRP’**) against **M/s India Offset Printers Private Limited (‘Corporate Debtor’)**.
2. **M/s Silverline Graphics Private Limited** (Operational Creditor) is a company registered under the provisions of the Companies Act, 2013, having its office at A-140, DDA Shed, Okhla Industrial Area, Phase-II, New Delhi-110020. **M/s India Offset Printers Private Limited** (Corporate Debtor) is a company registered under the Companies Act, 2013 [CIN: U22219DL2008PTC178932], having its registered office at B-20/1, Okhla Industrial Area, Phase-II, New Delhi-110020. The Corporate Debtor has Authorized Share Capital of Rs. 50,00,000 (Rupees Fifty Lacs) and Paid-Up Share Capital of Rs. 14,87,250 (Rupees Fourteen Lacs Eighty-Seven Thousand Two Hundred and Fifty).
3. The present Petition was filed on 21.09.2023 before this Adjudicating Authority by M/s Silverline Graphics Private Limited (Operational Creditor), duly authorized to initiate Corporate Insolvency Resolution Process (**‘CIRP’**) proceedings under Section 9 of the Insolvency and Bankruptcy Code, 2016 (**‘Code’**). The total amount due as claimed is Rs. 2,41,15,076/- (Rupees Two Crores Forty-One Lacs Fifteen Thousand Seventy-Six) which is inclusive of the interest amount of Rs. 1,36,29,040/-. The date of default is stated to be 02.03.2022.



4. **Submissions by the Ld. Counsel appearing on behalf of the Operational Creditor.**

- a) The Operational Creditor is engaged in the trading business of Graphic Consumables, Offset, Flexo, UV Inks, Chemicals, printing material & machinery and also possess manufacturing unit wherein it undertakes job work for normal & holographic UV transfer coatings for packaging & commercial print.
- b) The Corporate Debtor approached the Operational Creditor for the purchase of printing and other allied materials and pursuant to the negotiation between the parties, the Operational Creditor supplied material/goods to the Corporate Debtor vide various VAT/GST taxed invoices from the period of February, 2016 to November, 2021.
- c) The Corporate Debtor has accepted the material/goods so supplied without any objection/demur and has acknowledged the same by counter-signing the said invoices. No dispute as to the quality and quantity of the material/goods so supplied was ever raised by the Corporate Debtor.
- d) As per the terms of the invoices, the payment of the outstanding bills was to be made on the same date of the delivery and delay in payment was to attract interest @24% p.a.
- e) The Corporate Debtor conveyed the Operational Creditor that due to financial constraints the Corporate Debtor is not able to make the payments on time and assured the Operational Creditor that the payments shall be made soon. The Corporate Debtor further requested the Operational Creditor to continue supplying the material.
- f) The Operational Creditor maintained the regular running business account in 2016 towards the supplies being made to the Corporate Debtor in the regular course of business from 2016 to 2021. However, in view of the non-payments of the outstanding dues by the Corporate Debtor, the Operational Creditor stopped supplying the material to the Corporate Debtor in November, 2021.



- g) As per the regular running account maintained by the Operational Creditor with respect to the supplies made to the Corporate Debtor, a sum of Rupees 2,41,15,076/- (Rupees Two Crores Forty-One Lacs Fifteen Thousand Seventy-Six) comprising of Principal amount of Rs. 1,04,86,036/- (Rupees One Crore Four Lacs Eighty-Six Thousand Thirty-Six) and Interest amount of Rs. 1,36,29,040/- (Rupees One Crore Thirty-Six Lacs Twenty-Nine Thousand Forty) calculated @ 24% p.a. up to 04.01.2023 stands due by the Corporate Debtor.
- h) The Corporate Debtor had made the last part payment of Rs. 15,000/- on 02.03.2022 and assured that the balance outstanding payments would also be made in due course, however, despite the various efforts being made by the Operational Creditor, the Corporate Debtor failed to pay the aforesaid outstanding accumulated arrears to the Operational Creditor.
- i) The Operational Creditor issued Demand Notice dated 17.01.2023 to the Corporate Debtor along with the invoices and calculation sheet which formed the basis of the demand. The Demand Notice was duly received by the Corporate Debtor on 17.01.2023 itself and the Corporate Debtor replied to the Demand Notice on 01.02.2023.
- j) Therefore, the present petition has been filed.

**5. Submission by the Learned Counsel appearing on behalf of the Corporate Debtor**

- a) The Corporate Debtor disputes the existence of the amount of debt claimed by the petitioner and claims that the petitioner has to pay an amount worth Rs. 1,87,56,960/- to the Corporate Debtor.
- b) The promoters of the Petitioner used to make RTGS transaction to the promoters of the Corporate Debtor in lieu of the rent and later used to ask the transferred money back in cash. Further, the Petitioner never adjusted all those amounts in the ledger.
- c) The Corporate Debtor submits that the Petitioner and its promoters have illegally occupied the commercial Property addressed X-36, Okhla



Industrial Area, Phase-II, New Delhi-110020 owned by the promoters of Corporate Debtor. The promoters of the Corporate Debtor offered Rs. 40 Lacs to the promoters of the petitioner and requested to vacate the premises by giving assurance that any balance amount shall be paid after the sale of the said premises, however, the promoters of the petitioner refused to accept Rs. 40 Lacs offered by the promoters of the Corporate Debtor. The promoters of the petitioner neither agreed to vacate the premises nor agreed to buy the property from the promoters of the Corporate Debtor.

- d) Subsequently, the promoters of the Petitioner offered the promoters of the Corporate Debtor to buy the property in illegal occupation at throwaway price and the same was accepted by the promoters of the Corporate Debtor, however, the transaction culminated into dispute and the matter went before the Hon'ble Delhi High Court.
- e) The Corporate Debtor submits that the Corporate Debtor had previously underwent CIRP due to issues pertinent to the Operational Creditor, and the said CIRP was withdrawn on subsequent occasion. The period of CIRP was 17.11.2021 to 07.01.2022 and the Operational Creditor had failed to file its claim during that period.
- f) The Corporate Debtor submits that the record of NESL shows the disputes status between the Operational Creditor and the Corporate Debtor and the Operational Creditor has concealed this fact in the application.
- g) The Petitioner had supplied material worth Rs. 1,47,810 to the Respondent company during the period falling under Section 10A of the Code.
- h) The Petitioner has made contradictory statements as on one hand, the petitioner has stated that the Petitioner had a regular running account arrangement with the Corporate Debtor and on the other hand, the Petitioner has stated that payment for invoice is to be made on same date.



- i) The Petitioner has stated in its affidavit dated 22.10.2023 that Part-payments have been made to the petitioner against invoices, whereas, on the other hand, the Petitioner states that the payments were against the running account.

### **Analysis & Findings**

6. We have heard the Learned Counsels for the Operational Creditor and the Corporate Debtor, and further perused the averments made in the petition, reply filed by the Corporate Debtor, rejoinder filed by the Operational Creditor and written submissions presented by both the Operational Creditor and the Corporate Debtor. Since the registered office of the respondent Corporate Debtor is in Delhi, this Tribunal is having territorial jurisdiction as the Adjudicating Authority in relation to prayer for initiation of Corporate Insolvency Resolution Process (CIRP) under Section 9 of The Insolvency and Bankruptcy Code, 2016, against the Corporate Debtor.
7. It is to be noted that the 'Operational Creditor' had sent a demand notice dated 17.01.2023 to the 'Corporate Debtor' under Section 8 of The Insolvency and Bankruptcy Code, 2016 for payment of outstanding dues worth Rs. 2,41,15,076/- (Rupees Two Crores Forty-One Lacs Fifteen Thousand Seventy-Six), which includes the principal amount of Rs. 1,04,86,036/- (Rupees One Crores Four Lacs Eighty-Six Thousand Thirty-Six) and Interest amount of Rs. 1,36,29,040/- (Rupees One Crores Thirty-Six Lacs Twenty-Nine Thousand Forty). Therefore, the present petition meets the threshold limit of Rs. 1 crore, as required by Section 4 of the Code.
8. In order to determine the admissibility of petition for initiating CIRP under Section 9 of the Code, the judgment of the Hon'ble Supreme Court in **Mobilox Innovations (P) Ltd. v. Kirusa Software (P) Ltd., (2018) 1 SCC 353** is to be taken into consideration. The said judgment makes it clear that in order to



initiate CIRP proceedings under Section 9 of the Code, the Adjudicating Authority has to determine:

- a) Whether there is an 'Operational Debt' exceeding Rs. 1 Lakh (1 Crore, in case the petition is filed after 24.03.2020) as defined under Section 4 of the IBC?
  - b) Whether the documentary evidence furnished with the application shows that the aforesaid debt is due and payable and has not yet been paid?
  - c) Whether there is existence of a dispute between the parties or the record of the pendency of a suit or arbitration proceeding filed before the receipt of the demand notice of the unpaid operational debt in relation to such dispute?
9. In the first instance, to determine as to whether the said amount claimed by the Operational Creditor would fall under the ambit of 'Operational Debt', it is pertinent to analyze the definition of 'Operational Debt' as stipulated under Section 5(21) of The Insolvency and Bankruptcy Code, 2016. Under the said Section, the 'Operational Debt' is defined as: *"A claim in respect of the provision of goods or services including employment or a debt in respect of the payment of dues arising under any law for the time being in force and payable to the Central Government, any State Government or any local authority"*.

While analyzing the present facts in the light of said definition under Section 5(21), it is observed that the Operational Creditor is engaged in the trading business of Graphic Consumables, Offset, Flexo, UV Inks, Chemicals, printing material & machinery and also possess manufacturing unit wherein it undertakes job work for normal & holographic UV transfer coatings for packaging & commercial print. The Corporate Debtor approached the Operational Creditor for the purchase of printing and other allied materials. The Operational Creditor supplied material/goods to the Corporate Debtor vide various VAT/GST taxed invoices from the period of February, 2016 to



November, 2021. It is observed that the Corporate Debtor has neither disputed the receipt of goods nor the receipt of invoices rather acknowledged the same by counter-signing the said invoices. Further, the Corporate Debtor has made several part-payments to the Operational Creditor from 2017 to 2022 in regard to the invoices so raised. The last part-payment was made on 02.03.2022, which reflects the 'acknowledgement of debt' on the part of the Corporate Debtor. Furthermore, on the consideration of the transactional invoices, as annexed by the Operational Creditor, and placed before us, we are of the view that there had been a transaction between the Operational Creditor and the Corporate Debtor and that the Operational Creditor has supplied goods to the Corporate Debtor and therefore, is claiming the payment in respect of the invoices so raised. Hence, this Adjudicating Authority is inclined towards believing that the debt claimed by the petitioner for provision of pharmaceutical products comes under the purview of 'Operational Debt' within the meaning of Section 5(21) of the Code.

10. It is observed that as per the requirement of Section 8(2)(a) of the Code, the Corporate Debtor is required to bring into notice of the Operational Creditor, existence of any dispute within 10 days of the receipt of the statutory demand notice issued and delivered by the Operational Creditor u/s 8(1) of the Code. In the present case, the Corporate Debtor has filed reply dated 01.02.2023 to the demand notice dated 17.01.2023 sent by the Operational Creditor to the Corporate Debtor. In such reply dated 01.02.2023, the Corporate Debtor has raised a contention that there exists a 'Pre-existing dispute' between the parties which has arisen before the receipt of demand notice sent by the Operational Creditor to the Corporate Debtor.
11. It is observed that the Corporate Debtor had been purchasing goods from the Operational Creditor from 2016 till 2021. In the reply dated 01.02.2023 to the Demand Notice dated 17.01.2023, the Corporate Debtor contends that there exists a pre-existing dispute as there is a pending litigation between Mr. Lalit





Mohan Bhagat, promoter of the Operational Creditor and Mr. Jagdish Prasad Sharma, promoter of the Corporate Debtor, before the Hon'ble High Court of Delhi in the case no. CA (COMM) 825/2022 titled as "Lalit Mohan Bhagat vs Jagdish Prasad Sharma. On the perusal of the records, it is observed that the litigation before the Hon'ble High Court of Delhi pertains to a dispute between two individuals in their personal capacity. The litigation before the Hon'ble High Court of Delhi nowhere discloses the fact that the dispute was between the Operational Creditor and the Corporate Debtor herein. Further, the dispute before the Hon'ble High Court is not with regard to the defect in the goods supplied by the Operational Creditor rather with regard to the specific performance, possession or in alternate recovery of amount along with permanent injunction with regard to an immovable property which is not even the subject matter of the present case. Further, the Corporate Debtor contends that the Corporate Debtor had sent a Legal Notice dated 30.10.2023 to Mr. Naman Bhagat, son of the promoter of the Operational Creditor, herein, regarding the vacation of property in illegal occupation and the payment of rent amount. It is observed that firstly, such Legal Notice dated 30.10.2023 is not even addressed to the Applicant/Operational Creditor herein, rather to some other entity named as M/s Sun Graphics Pvt. Ltd., which is not even a party to the proceeding in the present case, and secondly, such Legal Notice pertains to the vacation of illegal occupation of property and the rent concerned therein, and such has no relevance for the adjudication of the instant case. Therefore, such a dispute cannot be considered as a dispute between the Operational Creditor and the Corporate Debtor.

12. Additionally, the Corporate Debtor had also contended that the invoices are raised from the year 2016 till 2021, and the due date mentioned on the invoice is same as the date of the invoice and the present petition has been filed on 21.09.2023, therefore, some of the invoices have become time barred. In this regard, it is observed that the Operational Creditor had maintained a running account with regard to the payments received by the Corporate Debtor. The



term “same date” as the due date merely signifies that the debt has become due from that date and the fact that the due date mentioned on the invoice is the “same date” as of the date of the invoice does not rule out the possibility of the maintenance of the running account between the parties. Further, considering the pattern of the payments made by the Corporate Debtor, the nature of transaction appears to be that of running account only. Further, as per the records, it is observed that the Corporate Debtor had continuously made part-payments to the Operational Creditor in relation to the invoices raised by the Operational Creditor. The part-payments were made from 2017 and the last part-payment was made on 02.03.2022 and by virtue of Section 19 of the Limitation Act, 1963, a fresh period of limitation shall be computed from each date of payment. The latest part-payment being made on 02.03.200 extended the limitation for further 3 years, hence, the claim of the Operational Creditor in respect of the invoices raised, is not time-barred. Additionally, the bank account statement of the Operational Creditor clearly discloses all the part-payments received by the Operational Creditor from the Corporate Debtor. Such bank account statements also discloses that the remaining amount out of the claim of the Operational Creditor has not yet been received in the account of the Operational Creditor from the Corporate Debtor. Furthermore, there is no proof attached by the Corporate Debtor which shows that there had been complete payment of ‘Operational Debt’ to the Operational Creditor.

13. It is further observed that the Corporate Debtor had raised a contention that certain invoices are falling under Section 10A of the Code, therefore, the petition is not maintainable. However, in this regard, it is observed that the Operational Creditor has annexed a list of invoices which are falling under the excluded period under Section 10A of the Code and it is observed that such invoices falling under Section 10A of the Code are to the tune of Rs. 1,47,810 only and even after excluding such amount, the total principal debt due from the Operational Creditor is Rs. 1,03,38,226/- and the interest is Rs. 1,31,47,890/-. Further, the petition under Section 10A of the Code would have



been barred when the debt is of period falling exclusively under Section 10A of the Code, whereas, in the present case, the debt fell due in 2016 itself which is much before coming into force of Section 10A of the Code. Further, the Corporate Debtor contends that the Operational Creditor had failed to adjust the payment of Rs. 4.75 Lacs paid by the promoter of the Operational Creditor as rent amount, however, it is observed that such payment of Rs. 4.75 Lacs was made in individual capacity and not in respect of payment of the operational debt. Therefore, the grounds raised by the Corporate Debtor appears to be vague and no dispute raised by the Corporate Debtor pertains to the quality or quantity of the goods supplied by the Operational Creditor. Hence, we are of the view that the defence of the Corporate Debtor appears to be moonshine and does not substantiate any plausible ground for rejecting the instant application.

14. It is pertinent here to refer to the decision of Hon'ble Supreme Court in **Re. Mobilox Innovations Private Ltd vs Kirusa Software Private Ltd (2018) 1 SCC 353**, wherein, the Hon'ble Supreme Court was pleased to hold, inter alia, as follows:

*“24. The scheme under Sections 8 and 9 of the Code, appears to be that an operational creditor, as defined, may, on the occurrence of a default (i.e., on non-payment of a debt, any part whereof has become due and payable and has not been repaid), deliver a demand notice of such unpaid operational debt or deliver the copy of an invoice demanding payment of such amount to the corporate debtor in the form set out in Rule 5 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 read with Form 3 or 4, as the case may be (Section 8(1)). Within a period of 10 days of the receipt of such demand notice or copy of invoice, **the corporate debtor must bring to the notice of the operational creditor the existence of a dispute and/or the record of the pendency of a suit or arbitration proceeding filed before the receipt of such notice or invoice in relation to such dispute (Section 8(2)(a)). What is important is that the existence of the dispute and/or the suit or arbitration proceeding must be***



***pre-existing – i.e. it must exist before the receipt of the demand notice or invoice, as the case may be.....***

*40. It is clear, therefore, that once the operational creditor has filed an application, which is otherwise complete, the adjudicating authority must reject the application under Section 9(5)(2)(d) if notice of dispute has been received by the operational creditor or there is a record of dispute in the information utility. It is clear that such notice must bring to the notice of the operational creditor the “existence” of a dispute or the fact that a suit or arbitration proceeding relating to a dispute is pending between the parties. Therefore, **all that the adjudicating authority is to see at this stage is whether there is a plausible contention which requires further investigation and that the “dispute” is not a patently feeble legal argument or an assertion of fact unsupported by evidence. It is important to separate the grain from the chaff and to reject a spurious defence which is mere bluster.** However, in doing so, the Court does not need to be satisfied that the defence is likely to succeed. The Court does not at this stage examine the merits of the dispute except to the extent indicated above. So long as a dispute truly exists in fact and is not spurious, hypothetical or illusory, the adjudicating authority has to reject the application.”*

In the present case, the Corporate Debtor raises the contention as to the existence of pre-existing dispute in light of the pending litigation before the Hon’ble High Court of Delhi, however, as observed hereinbefore, such litigation does not constitute the subject matter of the present case and hence, irrelevant for the adjudication of the present case. Further, the Corporate Debtor had raised other objections such as applicability of Section 10A of the Code and the invoices being time barred, however, in the light of the observations made hereinbefore, all the disputes raised by the Corporate Debtor appears to be vague and moonshine. Therefore, the claim of the Corporate Debtor as to the existence of the Pre-existing Dispute is a mere contention which does not create a plausible belief as to existence of any ‘Pre-existing dispute’ between the Operational Creditor and the Corporate Debtor. Therefore, we are of the view that there does not exist any ‘Pre-existing dispute’ in the present case.



15. Therefore, in view of the transactional invoices, bank certificate, bank statements and other documents placed on record, by both the parties, we are satisfied that there exists an 'Operational Debt' and that the Corporate Debtor has defaulted in the payment of such debt. Hence, we are of the view that there is a *debt due and payable* and that there has been *default* on the part of the Corporate Debtor.

16. In view of the above facts and circumstances, we are satisfied that the present petition filed by the Operational Creditor fulfils the criteria laid down under the provisions of Section 9(5) of the Insolvency and Bankruptcy Code. The Petition establishes that the Corporate Debtor is in default of a debt due and payable and that the default is more than the minimum amount stipulated under section 4 (1) of the Code, stipulated at the relevant point of time. In the light of the above facts and circumstances, it is, hereby ordered as follows: -

- a) The application bearing **CP (IB) No. 598/ND/2023** filed by, **M/s Silverline Graphics Private Limited**, the Operational Creditor, under Section 9 of the Code read with rule 6 of the Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating CIRP against **M/s India Offset Printers Private Limited**, the Corporate Debtor, stands **admitted**.
- b) The Applicant in Part III of the Application has proposed the name of Mr. Vikram Sharma having Registration Number IBBI/IPA-001/IP-P-02533/2021-2022/13876, Email: [ipvikramsharma@gmail.com](mailto:ipvikramsharma@gmail.com) to act as the Interim Resolution Professional (IRP) of the Corporate Debtor. Therefore, Mr. Vikram Sharma, is hereby appointed as the Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the Code. The consent of the IRP in Form 2 is taken on record. The IRP so appointed is directed to file valid AFA and disclosure



about non-initiation any disciplinary proceedings against him, within 7 days from the date of this order.

- c) We direct the applicant to deposit a sum of Rs. 2 lacs with the Interim Resolution Professional, namely Mr. Vikram Sharma, 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 one week from the date of receipt of this order by the Operational Creditor. The amount, however, be subject to adjustment by the Committee of Creditors, as accounted for by Interim Resolution Professional, and shall be paid back to the Operational Creditor.
- d) We also declare moratorium in terms of Section 14 of the Code. The necessary consequences of imposing the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d) of the Code. Thus, the following prohibitions are imposed:

*“(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 Securitization 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.”*

*(e)The IB Code 2016 also prohibits Suspension or termination of any license, permit, registration, quota, concession, clearances or a similar grant or right given by the Central Government, State Government, local authority, sectoral regulator or any other authority constituted under any other law for the time*



*being in force, on the grounds of insolvency, subject to the condition that there is no default in payment of current dues arising for the use or continuation of the license, permit, registration, quota, concessions, clearances or a similar grant or right during the moratorium period.”*

- e) It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government or the supply of the essential goods or services to the Corporate Debtor as may be specified, are not to be terminated or suspended or interrupted during the moratorium period. In addition, as per the Insolvency and Bankruptcy Code (Amendment) Act, 2018 which has come into force w.e.f. 06.06.2018, the provisions of moratorium shall not apply to the surety in a contract of guarantee to the corporate debtor in terms of Section 14 (3) (b) of the Code.
- f) The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, by Sections 15, 17, 18, 19, 20 & 21 of the Code and transact proceedings with utmost dedication, honesty and strictly in accordance with the provisions of the Code, Rules and Regulations. It is further made clear that all the personnel connected with the Corporate Debtor, its 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 day-to-day affairs of the ‘Corporate Debtor’.
- g) 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 would be at liberty to make appropriate application to this Tribunal with a prayer for passing an appropriate order. The Interim Resolution Professional shall be under 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, Rules and Regulations.

- h) A copy of the order shall be communicated to the applicant, Corporate Debtor and IRP above named, by the Registry. In addition, a copy of the order shall also be forwarded to IBBI for its records. Applicant is also directed to provide a copy of the complete paper book to the IRP. A copy of this order is also sent to the ROC for updating the Master Data. ROC shall send compliance report to the Registrar, NCLT.

Let copy of the order be served to the parties.

**Sd/-**  
**(DR. SANJEEV RANJAN)**  
**MEMBER (TECHNICAL)**

**Sd/-**  
**(MAHENDRA KHANDELWAL)**  
**MEMBER (JUDICIAL)**