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GOVERNMENT OF INDIA/ भारत सरकार
NATIONAL COMPANY LAW TRIBUNAL/ राष्ट्रीय कंपनी विधि अधिकरण
AHMEDABAD BENCH/अहमदाबाद बेंच

1st and 2nd Floor, Corporate Bhawan/ पहली और दूसरी मंजिल, कॉर्पोरेट भवन,
Beside Zydus Hospital, Off S.G. Highway / ज़ाइडस अस्पताल के पास, ऑफ एस जी हाईवे,
Thaltej, Ahmedabad-380 059./थलतेज, अहमदाबाद- ३८० ०५९.

Ref: NCLT/AHM/ CP (IB) No. 501 of 2018/ **1138**/2020.

To,

1. Bank of Baroda Head Office:	Dena Corporate Centre, C-10, G Block, Bandra Kurla Complex, Bandra (East), Mumbai-400051
1.1 Bank of Baroda Branch Office:	Atasbajiwala Mension, PB No. 47, Burhanpuri Bhagal, Surat-395 003
2. Supreme (India) Impex Limited	Plot No. 823/2, Road No. 8, GIDC Sachin, Sachin, Surat-394230
3. Mr. Vikash Prakash Gupta Interim Resolution Professional	3 rd Floor, Plot No. 16B, Padhmanabh Appt., Tilak Nagar, Nagpur-440010
4. The Registrar of Companies	ROC Bhavan, Nr. Ankur Bus Stand, Opp. Rupal Park Society, Naranpura, Ahmedabad- 380 013

Sub: Certified True Copy of order dated 04.02.2020 passed in CP (IB) No. 501 of 2018.

With reference to the subject cited above, please find enclosed herewith copy of the order dated 4th day of February, 2020 passed by this Tribunal in CP (IB) No. 501 of 2018, being The Applicant/Financial Creditor, Corporate Debtor, Interim Resolution Professional and Registrar of Companies for information, records and action if any at your end.

Date: 10.02.2020


Deputy Registrar
10/02/20

**BEFORE THE ADJUDICATING AUTHORITY
NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
COURT 1**



C.P. (I.B) No.501/7/NCLT/AHM/2018

Coram: Hon'ble Mr. HARIHAR PRAKASH CHATURVEDI, MEMBER (JUDICIAL)
Hon'ble Mr. PRASANTA KUMAR MOHANTY, MEMBER (TECHNICAL)

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH
OF THE NATIONAL COMPANY LAW TRIBUNAL ON 04.02.2020**

Name of the Company: Bank of Baroda.
V/s.
Supreme (India) Impex Ltd.

Section: Section 7 of the Insolvency and Bankruptcy Code

S.NO.	NAME (CAPITAL LETTERS)	DESIGNATION	REPRESENTATION	SIGNATURE
1.	A.S. PANESAR	Advocate	Petitioner	
2.	KHYATI PUNJABI For A.R. Gupta & Associates	Advocate	Respondent	


ORDER


The Parties are represented through their respective Counsel(s).

The case is fixed for pronouncement of order.

The Order is pronounced in the open court, vide separate sheet.




(PRASANTA KUMAR MOHANTY)
MEMBER (TECHNICAL)


(HARIHAR PRAKASH CHATURVEDI)
MEMBER (JUDICIAL)

Dated this the 4th day of February, 2020.

**BEFORE THE ADJUDICATING AUTHORITY
(NATIONAL COMPANY LAW TRIBUNAL)
AHMEDABAD BENCH
AHMEDABAD**

C.P. (I.B.) No. 501/7/NCLT/AHM/2018

**Coram: Hon'ble Mr. Harihar Prakash Chaturvedi, Member (J)
Hon'ble Mr. Prasanta Kumar Mohanty, Member (T)**

In the matter of:

BANK OF BARODA (Erstwhile DENA BANK)

(Amendment carried out as per Hon'ble Court order dated 04.06.2019)
Incorporated under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (Act V of 1970)

Having Registered/Head Office at Dena Corporate Centre, C-10, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051.

Having its Branch Office at:
Atasbajiwala Mansion, PB No.47, Burhanpuri Bhagal, Surat - 395 003 which is known as "Burhanpuri Bhagal Branch" Surat.

..... Petitioner

Versus

SUPREME (INDIA) IMPEX LIMITED

Having its Registered Office at:
Plot No.823/2, Road No.8,
GIDC Sachin, Sachin,
Surat - 394230.

.....Respondent



Appearance:

Advocate, Shri S.S. Panesar and Shri Dhruv Kumar Chauhan for the Applicant/Financial Creditor

Advocate, Shri Khyati Punjabi for A.R. Gupta & Associates for the Respondent/Corporate Debtor

Order Pronounced on 04.02.2020

[Per: Mr. Prasanta Kumar Mohanty, Member (T)]

1. The present I.B. Petition is filed by the Financial Creditor **Bank of Baroda (erstwhile Dena Bank)** under **Section 7** of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as a "Code"), **seeking initiation of Corporate Insolvency Resolution Process** ("CIRP" in Short) against the Corporate Debtor Company namely, Supreme (India) Impex Ltd. for the default committed by the Corporate Debtor in making repayment of the Cash Credit facility availed from the Bank. The Applicant (FC), Bank of Baroda (erstwhile Dena Bank) is a Bank, incorporated under the provisions of the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970. The application has been filed by the duly authorised officer, Shri Chandra Rakesh, Chief Manager at Dena Bank, Burhanpur Bhagal Branch, Atasbajiwala Mansoin, PB No.47, Burhanpuri Bhagal, Surat PIN - 395 003.



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2. The Respondent Corporate Debtor (CD) Company, namely Supreme (India) Impex Limited was incorporated on 02/08/1995 with CIN: L51100GJ1995PLC026968.
3. The nominal share capital of the Respondent (CD) Company is Rs.5,00,00,000.00 (Rupees Five Crores Only) and the paid-up capital of the company is Rs.4,88,73,190.00 (Rupees Four Crores Eighty Eight Lakhs Seventy Three Thousand One Hundred Ninety only). The Registered Office of the Corporate Debtor Company is situated at: Plot No. 823/2, Road No.8, GIDC Sachin, Sachin, Surat - 394 230.
4. It is submitted that the Respondent Company applied for various Working Capital, Credit facilities, Packing Credit, FBP, Gold Card, FWC from various Banks under Working Capital Consortium Advance for total Limit of Rs.286.75 Crores which is inclusive of the Working Capital Limit of Rs.58.75 Crores from this Applicant Bank Details of the limit are given as per the Seventh Supplemental Working Capital Consortium Agreement date 02/01/2018 between the Corporate Debtor and 6 Banks with Canara Bank as Lead Bank Canara Bank Consortium as detailed below;



Sr. No.	Name of the Bank	Sanction Letter No. & Date	Aggregated Credit Limit [Rs in Cro.]	Share%
1	Canara Bank	OVER/SANC/SIL/1310/2017/AS Dated: 13/10/2017	158.40	55.24
2	Dena Bank	DB/BBS/ADV/SUPREME/2017-18 Dated: 05/10/2017	58.75	20.49
3	Bank of India	SRT/ADV/AKM/17-18/249 Dated: 12/12/2017 SRT: ADV: 15-16 Dated: 30/01/2016	25.00	8.72
4	Vijaya Bank	ROSU:CD:MR:70:2017-18 Dated: 25/09/2017	25.00	8.72
5	UCO Bank	M C U - Surat/CAD/2017-18/711 Dated: 20/11/2017	19.60	6.84
		Total	286.75	100.00

Modification, concession, other request stand approved and the same were sanctioned for Rs.58,75,00,000.00 (Rupees Fifty Eight Crores Seventy Five Lakhs Only) by the Financial Creditor last on 03/10/2017 by the petitioner Bank with certain terms and conditions including collateral securities of properties and guarantees. The Corporate Debtor availed the Working Capital Packing Credits Limit etc. executing various documents and some documents executed by the mortgagors/guarantors in favour of the Bank binding themselves as liable to pay the loan facilities availed by the Corporate Debtor. Amount were disbursed under the heads of the following facilities:

- PCH Limit of Rs.8,00,00,000
- Foreign Bill/Foreign Bill Discounted (DA/DP under L/C confirmed order) of Rs.40,00,00,000



- c) Standby limit under Gold Card of Rs.9,60,00,000
- d) Forward Cover Limit of Rs.1,15,00,000

Total INR.58,75,00,000.00

- 5. The Corporate Debtor has defaulted payment and the **date of default is 30/06/2018** as stated by the Petitioner Bank (Page no. 4 of paper book) issuing notice for repayment of 40 Overdue Expert Bills/Crystallized Bills vide their letter dated 02/08/2018.(Page no.330 to 331 of paper book)
- 6. The statements of accounts of the Corporate debtor have been filed and the Petitioner Bank has submitted a Certificate to this effect under Banker's Book of Evidence Act, 1891. (Page no. 310 to 328 of paper book). The Petitioner Bank has claimed their dues of **Rs.51,70,51,332.79 (Rupees: Fifty One Crores Seventy Lakhs Fifty One Thousand Three Hundred Thirty Two and Seventy Nine Paise Only)** as on 26/09/2018. Which is inclusive of undebited interest of INR.1,30,47,139.00



7. The Petitioner Bank, in support of its contentions has annexed the details of Financial Debt, Records and evidences of default including copies of all the sanction letters, the workings showing the amount claimed to be

in default and its calculation in tabular form as on 30/06/2018.

8. The Financial Creditor, to substantiate their claim, has enclosed following documents: -

- i. Copy of the limits sanctioned by the Applicant over the period of time to the Corporate Debtor. (Page no.19 of paper book)
- ii. Copy of the working for computation of amounts of default. (Page no. 20 of paper book)
- iii. Copy of Sanction letter dated 03/10/2017. (Page no. 21 to 33 of paper book)
- iv. Copy of Seventh Supplemental Working Capital Consortium Agreement dated 02/01/2018. (Page no.34 to 110 of paper book)
- v. Copy of Seventh Supplemental Joint Deed of Hypothecation dated 02/01/2018. (Page no. 111 to 155 of paper book)
- vi. Copy of Seventh Inter-se Agreement dated 02/01/2018. (Page no. 156 to 188 of paper book)
- vii. Copy of Registered Supplemental Letter Evidencing Deposit of Title Deeds dated 19/09/2018. (Page no. 189 to 309 of paper book)
- viii. Copy of entries in a Bankers Book in accordance with the Bankers Book Evidence Act, 1891. (Page no. 310 to 328 of paper book)



- ix. Copy of Notice dated 24/07/2018 issued by the Petitioner to the Corporate Debtor. (Page no.329 of paper book)
- x. Copy of Letter dated 02/08/2018 issued by the Petitioner to Corporate Debtor. (Page no.330 to 332 of paper book)
- xi. Copy of Balance Sheet/Financial Statement of the Corporate Debtor for the year ending on 31/03/2017. (Page no.333 to 351 of paper book)

9. Particulars of security held;

- 1) First Pari Passu Charge on Hypothecated assets along with other consortium members.
- 2) First Pari Passu Charge on Mortgaged properties along with other consortium members.

10. In the present matter, this Tribunal, vide its order dated 24/10/2018 had directed the Petitioner Bank to serve the notice of date of hearing to the Corporate Debtor and file the proof of service of notice before this Tribunal. Thereafter, the Respondent, Corporate Debtor appeared before this Tribunal on 06/12/2018 and sought time to file objections within two weeks.



11. In response to the present I.B. Petition filed by the Petitioner Bank, the Respondent has filed its Objections

on 28/03/2019, hereby denies all the averments made in the Application under Section 7 filed by the Petitioner Bank.

11.1 It is submitted that the present Application is filed malafidely by the Petitioner Dena Bank in breach of the various applicable guidelines of the RBI. The present Application is also filed without joining proper and necessary parties to the present application and therefore also, the present application deserves to be dismissed with heavy costs. The respondent states that other Banks of the member consortium are necessary parties to the present case and therefore, such Banks are also required to be joined.

11.2 It is submitted that the Applicant has in its application stated that the total amount due from the Respondent company is Rs.51,70,51,332.00 and the total amount disbursed as per the Respondent Bank is Rs.58,75,00,000.00. the Respondent vehemently denies such claim of the Petitioner and states that no such amount is due and payable as stated by the Petitioner.

11.3 It is submitted that the Applicant states that a total of Rs.286.75 Crores was sanctioned by the consortium of Banks wherein Canara Bank is the lead Bank. It is stated that out of Rs.286.75 Crores, share of Canara



bank is Rs.158.40 Crores, share of Dena Bank is Rs.58.75 Crores, share of BOI is Rs.25 Crores, share of Vijaya Bank is Rs.25 Crores and Share of UCO Bank is Rs.19.60 in the consortium. It is stated that the lead Bank of the consortium is Canara Bank. It is stated that therefore, the share of the Dena Bank in the Consortium is only 20.48% of the total value whereas the share of others is 79.52%. Therefore, it is clear that Dena Bank is in minority clearly holds the majority by value in the consortium of Banks.

11.4 It is submitted that by way of Circular dated 05.05.2017, the RBI had clearly laid down that 60 percent of Creditors by value and 50 percent of creditors by number can take decision in the Joint Lenders Forum. It is stated that in case of any account having exposure of more than Rs.100 Crores to Consortium of Banks, it was mandatory for the Consortium to refer the account for restructuring as per the guidelines of RBI. It is stated that the Dena Bank has filed the present matter and has chosen the option of recovery without taking the consent of the members of the consortium.



11.5 It is submitted that in fact the lead member of the consortium, Canara Bank, which was having more than 50% by value was not in favour of initiating any

kind of recovery proceedings against the Applicant in view of the fact that the Respondent was a very old account and there was possibility of revival and rehabilitation in the case of the Respondent.

11.6 It is stated that as per the Seventh Inter se Agreement dated 02/01/2018, the members Banks of the consortium had agreed to abide by the directions, instructions and clarifications as may be given from time to time by the lead Bank in consultation with the member Banks, in respect of any matters arising out of or in relation to the Cash Credit Account or other accounts opened by the Bank with the consortium.

11.7 It is submitted that the account statements produced by the Applicant are not in accordance with the provisions of law. That the account statements have not been produced properly and are either incomplete or not proper paginated and produced.

11.8 It is stated that no resolution has been produced by the Applicant Bank authorising R M Shah to represent the Applicant Bank.

11.9 It is stated that no documents have been filed to show that was any default. That the notices annexed with the petition cannot constitute proof of default and the respondent herein states that the said notices were never received by the Respondent herein. The



Respondent states that therefore, the two notices produced by the Applicant cannot be relied upon.

11.10 Lastly, in view of the objections raised above, the Application filed by the Applicant Bank deserves to be dismissed with heavy costs.

12. The matter was taken up and heard both sides of this Bench on 24/10/2018, 06/12/2018, 24/01/2019, **28/02/2019, 28/03/2019, 04/06/2019, 05/07/2019, 07/08/2019, 23/08/2019, 23/09/2019, 25/11/2019 and 16/12/2019.** The matter was finally heard on 06/01/2020. **The counsels of the Petitioner** and the Respondent were present and put forth their submissions before the Bench.

13. The Learned Lawyer of the Applicant Bank, vide order dated 04/06/2019 this Adjudicating Authority granted liberty to the Petitioner Bank to file Rebuttal documents by way of affidavit on 02/07/2019. The Petitioner Bank filed minutes of consortium meeting dated 05/10/2018, circular dated 12/02/2018 issued by Reserve Bank of India, minutes of consortium meetings held on 02/01/2018 and 09/05/2018 and sanction letter dated 16/07/2018 issued by Canara Bank.

14. Further, the Petitioner Bank filed their written argument on 16/01/2020 and reiterated the



submission made in the application filed under Section 7 of IBC.

14.1 It is submitted that the present proceedings under Section 7 of the IBC inter-alia praying for initiation of corporate Insolvency Resolution Process against the Respondent Corporate Debtor due to occurrence of default in repayment of Bank's **dues on 30/06/2018 being date of NPA. Hence, the present IB petition filed on 28/09/2018 is well within limitation.**

14.2 It is further, submitted that the Respondent Corporate Debtor has executed various security documents from time to time and **lastly on 02/01/2018 and 19/09/2018 and accepted and admitted the liability of debts due.**

14.3 It is further submitted that the Respondent Corporate Debtor in its Audited Balance sheet for the financial year **2016-2017 has also admitted the liability of outstanding dues.**

14.4 It is further submitted that the Respondent Corporate Debtor is duly served and has appeared through Learned Lawyer and file objections dated **27/03/2019** and specifically admitted grant of **loans and their liability towards the Petitioner Bank.**



14.5 It is further submitted that since the Respondent Corporate Debtor has defaulted in repayment of admitted dues of the Petitioner Bank, it is just and necessary to admit the present proceedings.

14.6 It is further submitted that the Applicant Bank during the consortium meeting on 01/08/2018 that they have red flagged the account under CRILC.

14.7 It is submitted that the Canara Bank has informed that during their recent unit visit on dated 27/08/2018, operation of the unit was found closed. Power Supply was not available however the office of the company was running with some staffs by purchasing generator power. The machineries were not working and kept idle. Negligible stocks including obsolete/non-moving were observed. Company did not provide the details of the stock as it was informed that the auditor was on leave and assured to submit the same as and when the auditor resumes duty. Due to the non-availability of stock details/register, the stock value was not assessed. No realisations have been received in any **Consortium Banker since April 2018**. The company has not submitted **stock statements/stock details since April 2018**. The Company could not **submit the present status/position of export orders execution**.



14.8 It is also submitted by the Counsel of the Petitioner that if the Corporate Debtor has defaulted to any Bank of Consortium, that Bank can declare the account NPA and file petition under Section 7 of IBC **without waiting for the action of other Member Banks of the Consortium.**

15. The Respondent further submits their written arguments that the Applicant has initiated action without even constituting any Joint Lenders Forums which has to be mandatorily done as per the guidelines of the RBI.

15.1 It is submitted that the Applicant Bank along with its rebuttal affidavit has **produced meeting of minutes of JLF wherein permission has been granted to proceed under Section 7 to the Applicant Bank.** However, that the permission was sought subsequent to filing of the Section 7 application and hence, on the date of filing of Section 7 application, no permission was there.

15.2 Therefore, it is stated that the application filed by the applicant is not maintainable and is filed in breach of the provisions of the Insolvency and Bankruptcy Code, 2016 and the guidelines of the RBI. Therefore, such application deserves to be dismissed with heavy costs.



16. It is a settled legal position that the pendency of SARFAESI proceeding or other dispute does not prevent a Financial Creditor to trigger the C.I.R.P. because the nature of remedy being sought for under the provisions of the I.B. Code is "Remedy in Rem" in respect of the CD.

17. The Petitioner Bank has suggested the name of Insolvency Professional to be appointed, if this petition is allowed and the proposed I.R.P. has also given his affirmation/consent in writing, which is annexed with the present I.B. Petition.

Observations

18. The Petitioner Bank has submitted the documents duly executed by the Corporate Debtors and guarantors along with a Certificate under the Banker's Book of Evidence Act, 1891, in support of their IB Petition for initiation of C.I.R.P. (Page no. 310 to 328 of paper book).

18.1 The Working Capital limit was sanctioned and released by the Petitioner Bank and the same was availed by the CD, Supreme (India) Impex Limited.

18.2 The Applicant has sent notice to the Corporate Debtor on 24/07/2018 intimating the Corporate Debtor that their account is NPA as on 30/06/2018 issuing notice



for repayment of 40 Overdue Expert Bills/Crystallized Bills vide their letter dated 02/08/2018.

18.3 It is further submitted that the Applicant Bank during the consortium meeting on 01/08/2018 that they have red flagged the account under CRILC.

18.4 It is submitted that the Canara Bank has informed that during their recent unit visit on dated 27/08/2018, operation of the unit was found closed. Power Supply was not available however the office of the company was running with some staffs by purchasing generator power. The machineries were not working and kept idle. Negligible stocks including obsolete/non-moving were observed.

18.5 Seventh Supplemental Working Capital Consortium Agreement has been executed between Corporate Debtor and Six Financial Creditor on 02/01/2018.

18.6 The CD has defaulted in making repayment of credit facilities to the Petitioner Bank and **the date of default is 30/06/2018**. The Statement of accounts submitted by the applicant Bank **confirms the default** committed by the Corporate Debtor.



18.7 The Petitioner Bank has filed the petition **within the period of limitation**, the last payment received from the Borrower towards the said credit facilities **was on 19/09/2018**. **The date of Supplemental letter**

evidencing mortgage of the property is 17/01/2018.

Balance Sheet/Financial Statements of the Corporate Debtor for the year ending on **31/03/2017** have been filed confirming the existence **of the liability of the Corporate Debtor to the Financial Creditor.**

18.8 The present I.B. Petition is filed by the duly authorised official of the Financial Creditor in a prescribed format under **Section 7** of the I.B. Code annexing copies of loan documents **confirming the existence of debt due and defaulted** and proposed a name of Resolution Professional to act as an Interim Resolution Professional (IRP).

ORDER

19. Considering the material papers filed by the Petitioner Bank, arguments of both sides and the facts mentioned in the **Para No. 18, 18.1, 18.2, 18.3, 18.4, 18.5, 18.6, 18.7 & 18.8** this **Adjudicating Authority is satisfied** that,

- (a) The Corporate Debtor **availed the** credit facilities from the Financial Creditor.
- (b) Existence of debt is **above Rs. One Lakh**
- (c) **Debt is due;**
- (d) Default has occurred on **30/06/2018;**
- (e) Petition has been filed within **the limitation period;**
- (f) Copy of the Application filed before the Tribunal has been sent to the Corporate Debtor and the application



filed by the **Petitioner Bank Under Section 7 of IBC** is found to be complete for the purpose of initiation of **Corporate Insolvency Resolution Process** against the Corporate Debtor.

Hence, the present IB Petition is admitted with the following **Directions/observations**. The date of admission of this petition is 04/02/2020.

20. This Adjudicating Authority hereby appoints, as proposed, **Mr. Vikas Prakash Gupta**, having **Insolvency Professional Registration No. IBBI/IPA-007/IP-P00501/2017-18/10889**, Email ID: **vikas.gupta@bngca.com** Address: **3rd Floor, Plot No.16B, Padhmanabh Appt., Tilak Nagar, Nagpur - 440010, MS, India** as an **Interim Resolution Professional**. The Interim Resolution Professional is further directed to make public announcement of moratorium in respect of Corporate Debtor soon after receipt of an authenticated copy of this order. The IRP is also to act further as per the order/directions issued by this Adjudicating Authority and to follow the provisions Under Section 13 and 14 and other relevant provisions of the Insolvency and Bankruptcy Code 2016.



21. As per the provisions of Section 13 and 14 of the I.B. Code on the date of commencement of insolvency, this **Adjudicating**

Authority declares moratorium with effect from today for prohibiting all of the following, namely: -

- I. (a) *The institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgement, decree or order in any court of law, tribunal arbitration panel or other authority.*
- (b) *Transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein.*
- (c) *Any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);*
- (d) *The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the corporate debtor.*
- II. *The supply of essential goods or services to the corporate debtor as may be specified shall not be terminated or suspended or interrupted during the moratorium;*
- III. *The provisions of sub-section (1) shall not apply to*
 - (a) *such transactions as may be notified by the Central Government in consultation with any financial sector regulator.*
- IV. *The order of moratorium shall have effect from the date of this order till the completion of the Corporate Insolvency Resolution Process.*

22. **The IRP is hereby advised to adhere the time limit** as stipulated for completion of the Corporate Insolvency



Resolution Process ("CIRP" in short) and perform the duties as specified Under Section 17, 18, 20 and 21 of I.B Code. The Interim Resolution Professional shall perform all his functions contemplated, inter-alia, in Sections 15, 17, 18, 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 personnels connected with the Corporate Debtor, its promoters or any other persons 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'. In case there is any violation, 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.



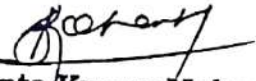
23. It is also observed that the Petitioner Bank has claimed **total dues of Rs.51,70,51,332.79 as on 26/09/2018** which is inclusive of undebited interest of Rs.1,30,47,139.00 together with further interest at contractual rates till the date of realisation of all the outstanding dues. One of the **prime objectives** of the Insolvency and Bankruptcy Code, 2016 is to **find out a viable Insolvency Resolution Plan in time** for the Corporate Debtor and in order to have a Resolution Plan Viable, feasible and implementation successful, in the era of **Minimum Cost of funds based Lending Rate ("MCLR" in short)/Repo Rate Linked Interest Rate/Falling Interest Rate Regime** and Competitive market condition, the Committee of Creditor(s) (COC) **may explore**, while finalizing the Resolution Plan for the Corporate Debtor, the **possibility of loading maximum interest** at the Applicant Bank's Base Rate (BR) +1% from the date of default to the date of implementation of MCLR and further from the date of implementation of MCLR till the date of approval of the Resolution Plan at the interest rate of Petitioner Bank's One Year MCLR or One Year MCLR +1% without any penal/overdue interest.




24. The **Registry is hereby directed** to communicate the authenticate copy of this order to the Financial Creditor, Corporate Debtor Company, the I.R.P and also to the

Registrar of Companies, Gujarat immediately through speed post / registered post.

25. Thus the present I.B petition filed Under Section 7 of the IBC stands admitted with the above direction and observations.


(Prasanta Kumar Mohanty)
Adjudicating Authority &
Member (T)


(Harihar Prakash Chaturvedi)
Adjudicating Authority &
Member (J)



Certified to be True Copy of the Original


Deputy Registrar
NCLT, Ahmedabad Bench
Ahmedabad 02/20