

IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT No. 1, MUMBAI BENCH

CP (IB)-3000/MB/2019

Under Section 7 of the Insolvency and
Bankruptcy Code, 2016

In the matter of

IDBI Bank Limited

... Petitioner/ Financial Creditor

vs.

Wizcraft International Entertainment
Private Limited

... Respondent/Corporate Debtor

Order Pronounced on: 10.05.2021

Coram:

Smt. Suchitra Kanuparthi, Hon'ble Member (Judicial)

Sh. V. Nallasenapathy, Hon'ble Member (Technical)

Appearance:

For the Petitioner: Adv. Siddharth Barua, Adv. Ruturaj Bankar

For the Respondent: Adv. Vinay Shukla, CS Prashant Thakre

Per: Suchitra Kanuparthi, Member (Judicial)

ORDER

1. The Petitioner/ Financial Creditor viz. 'IDBI Bank Limited' (hereinafter as "Petitioner") has filed this present Petition 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 (hereinafter as "Rules") in the capacity of "Financial

Creditor” by invoking the provisions of Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter as “Code”) against ‘Wizcraft International Entertainment Private Limited’ (hereinafter as ‘Corporate Debtor’).

2. In the requisite Form, the total principal amount of debt disbursed under the Facility Agreements was Rs. 56.70 Crores. The total amount in default due to Financial Creditor by the Borrower with respect to the Financial Facility is Rs. 60,39,87,991.41/- as on June 01, 2019.

Brief facts of the Petition:

3. The Petitioner had granted financial debt to the Great Indian Nautanki Company Private Limited (Borrower) under a term loan of Rs. 35 Crores, cash credit limit of Rs. 2 Crores, bank guarantee of Rs. 4 Crores vide Sanction Letter dated 24.06.2009. Subsequently, another Term Loan of Rs. 12 Crores was sanctioned and Bank Guarantee was reduced from Rs. 4 Crores to Rs. 1 Crore vide Sanction Letter dated 24.02.2010. Further, a loan cum Hypothecation Agreement dated 26.06.2009, 25.02.2010 and 03.01.2013 were executed between Borrower and Lender. The total Principal Amount of debt disbursed under Facility Agreement was of Rs. 56.70 Crores. The additional facility of Rs. 6.70 Crores (LC- Capax- Rs. 5 Crores sublimit of LC/TCBG) (5 Crores, LER-Rs. 1.70 Crores) was sanctioned vide Sanction Letter on 28.12.2012. Pursuant to this, the Petitioner disbursed a Term Loan of Rs. 47 Crores, Cash Credit of Rs. 2 Crores, Bank Guarantee of Rs. 1 Crore, TCBG limit of Rs. 5 Crores and LER of Rs. 1.70 Crores. The Corporate Debtor had issued an unconditional and unrecoverable Corporate Guarantee dated 26.06.2009, 25.02.2010 and 14.01.2010 and undertook to pay forthwith upon demand without any demur all amounts payable by the Borrower under the Facility Agreement. The Corporate Debtor/ Corporate Guarantor executed a Guarantee Agreement dated 25.02.2010 in favour of the Petitioner. The

Guarantee Agreement at Clause 21 envisaged that the guarantee shall be a continuing one and shall remain in full force and effect till such time the Borrower repays in full the loan together with interest, liquidation damages, cost, charges and all other monies that may time to time become due and payable and remain unpaid to the bank under the agreement.

4. On 14.11.2014, the Corporate Debtor failed to pay the instalments and interests payable under the terms of Facility Agreement. The Petitioner recalled the financial facilities and demanded the payment of Rs. 39,43,32,818.08/- as on 14.11.2014. the Petitioner invoked the guarantees calling upon and demanding the Corporate Debtor to pay the amount of Rs. 39,62,61,265.06/-.
5. The first set of default is on July 9th, 2014. List of documents attached to the Petition are as follows:
 - 1) Notice dated November 14, 2014 sent by the IDBI Bank Limited to the Borrower recalling the Financial Facility and for the payment of outstanding dues under the Facility Agreement in view of the defaults committed by the Borrower under the Facility Agreement is annexed here to and marked as Annexure-11.
 - 2) Notice dated December 8, 2014 sent by IDBI Bank Limited to the Corporate Debtor invoking the Guarantees furnished by the Corporate Debtor to IDBI Bank demanding that the Corporate Debtor pay forthwith the Guaranteed Sums is Annexed hereto and marked as Annexure-12.
 - 3) Notice dated November 29, 2014 under section 13(2) of the SARFAESI Act, 2002 by the Financial Creditor to the Managing Director of Borrower and mortgager and the Corporate Debtor being the promoter and guarantors of the Borrower calling upon them to pay a sum of Rs. 39,43,32,818.08 as on November 14, 2014 and with further interest with effect from November 15, 2014 until

realization of payment failing which IDBI shall be entitled to enforce its security interest and takeover the possession and/or management of secured assets is annexed as Annexure-13. Thereafter, the symbolic possession of the assets was taken over by IDBI on July 2, 2018 and the publication of the possession notice was made on July 7, 2018.

- 4) Letter dated August 25, 2017 by the Financial Creditor to the Corporate Debtor stating that if the payment under the Guarantees are not cleared then the Financial Creditor would be constrained to initiate steps under the Insolvency and Bankruptcy Code 2016 and the letter dated September 27, 2017 from the Corporate Debtor to the Financial Creditor requesting the Financial Creditor not to initiate any action under the Insolvency and Bankruptcy Code, 2016 and provide the Corporate Debtor an opportunity to present a plan that is acceptable to the Financial Creditor. True copies of the letters dated August 25, 2017 and September 27, 2017 is annexed hereto and marked as Annexure-14.
 - 5) True copy of the stand alone Financial Statements for the Corporate Debtor for the period 01/04/2017 to 31/03/2018 is annexed hereto and marked as Annexure-15.
 - 6) True copy of the Written Statement filed by the Corporate Debtor before the Debt Recovery Tribunal is annexed hereto and marked as Annexure-16.
6. The default of the Corporate Debtor can be evident from the following documents:
- i. Statement of Accounts maintained by the Financial Creditor in respect of the Corporate Debtor;
 - ii. Annual Report of the Corporate Debtor for Financial Years 2016-17 and 2017-18;
 - iii. The Guarantees issued by the Corporate Debtor to the Financial Creditor guarantying the payment obligations of the Borrower

- under the Facility Agreements in the case of default in payment of the same by the Borrower;
- iv. Copies of the Facility Agreement between the Financial Creditor and the Borrower;
 - v. Letters dated November 14, 2014 sent by the IDBI to the Borrower recalling the Financial Facility and demanding the payment of the outstanding dues Rs. 39,43,32,818.08 (Rupees Thirty-Nine Crore Forty-Three Lakh Thirty-Two Thousand Eight Hundred Eighteen and Paise Eight only) under the Facility Agreement because of the failure of the Borrower to pay the instalments, interest and other monies owed by the Borrower to the Financial Creditor and payable under the terms of the Facility Agreements.
 - vi. The classification of the account of the Borrower as a Non-Performing Assets as on July 29, 2014.
 - vii. Notice dated November 29, 2014 under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act ["the SARFAESI Act"], to the Borrowers by the Financial Creditor to the Managing Director of Borrower and Mortgager and Corporate Debtor being the promoters of the Borrower calling upon them to pay a sum of Rs. 39,43,32,818.08 as on November 14, 2014 and with further interest with effect from November 15, 2014 until realization of payment failing which IDBI shall be entitled to enforce its security interest and takeover the possession and/or management of secured assets. Thereafter, the symbolic possession of the secured assets was taken over by the IDBI on July 2, 2018 and the publication of the possession notice was made on July 7, 2018.
 - viii. Letter dated December 08, 2014, by the Financial Creditor invoking the Guarantees furnished by the Corporate Debtor calling upon and demanding that the Corporate Debtor pay forthwith an amount of Rs. 39,43,32,818.08 (Rupees Thirty-Nine Crore Forty-

Three Lakh Thirty-Two Thousand Eight Hundred Eighteen and Paise Eight only).

- ix. Letter dated September 27, 2017 by the Corporate Debtor to the Financial Creditor requesting the Financial Creditor not to initiate any action under the Insolvency and Bankruptcy Code, 2016 and provide the Corporate Debtor and opportunity to present a plan that is acceptable to the Financial Creditor.
 - x. Standalone Financial Statements for the period 01/04/2017 to 31/03/2018 of the Corporate Debtor.
7. The aggregate amount of default on the Facility Agreement as on 01.06.2019 is Rs. 60,39,87,991.41/-. The details of loan granted and disbursed to the Corporate Debtor guarantees furnishes and default committed, statement of dues as on 01.06.2019 with respect to loan granted to Corporate Debtor is as follows:



आईडीबीआई बैंक लिमिटेड
विडिओकॉन टॉवर, प्रथम तल
ई-1, जहंदवालन एक्सटेंशन
नई दिल्ली-110055
टेलीफोन : 011-66083101-12
वेबसाइट : www.idbi.com

IDBI Bank Limited
Videocon Tower, 1st Floor
E-1, Jhandewalan Extension
New Delhi-110055
Telephone : 011-66083101-12
Website : www.idbi.com

ANNEXURE - 6

178

Loan Granted & Disbursed
to Great Indian Nautanki Company Pvt. Ltd.

(₹ Crore)

Sr. No.	Particulars of Facility	Amount Sanctioned	Date of Sanction	Date of Disbursement
1.	Term Loan - 1	35.00	24.06.2009	08.07.2009
2.	Term Loan - 2	12.00	24.02.2010	26.02.2010
3.	Cash Credit	2.00	24.06.2009*	18.06.2010
4.	Bank Guarantee	4.00/1.00	24.06.2009*	21.08.2009
5.	LC/TCBG	5.00	28.12.2012	16.05.2013
6.	LER	1.70	28.12.2012	16.05.2013

*Date of first sanction. Working capital facilities (Cash Credit, Bank Guarantee) renewed time to time. Accordingly, BG limit was subsequently reduced from 4 crore to ₹ 1 crore.

Date: 13.06.2019

Place: New Delhi

Signature:

Full Name: Dheeraj Kumar Singh

Designation: Dy. General Manager





आईडीबीआई बैंक लिमिटेड
विडियोकॉन टॉवर, प्रथम मल
ई-1, जहंदवाल एक्सटेंशन
नई दिल्ली-110055
टेलीफोन : 011-66083101-12
वेबसाइट : www.idbi.com

IDBI Bank Limited
Videocon Tower, 1st Floor
E-1, Jhandewalan Extension
New Delhi-110055
Telephone : 011-66083101-12
Website : www.idbi.com

ANNEXURE - 7

Guarantees furnished and default committed
by Wizcraft International Entertainment Pvt. Ltd.

(₹ Crore)

Sr. No.	Date of Guarantee	Amount of Guarantee	Date of Default by Wizcraft International Entertainment Pvt. Ltd.	Date of Default by Great Indian Nautanki Company Pvt. Ltd.
1.	26.06.2009 & 25.02.2010	50.00	08.12.2014	29.07.2014
2.	14.01.2013	6.70	08.12.2014	29.07.2014
	Total	56.70		

Date: 13.06.2019

Place: New Delhi

Signature:

Full Name: Dheeraj Kumar Singh

Designation: Dy. General Manager



आईडीबीआई बैंक लिमिटेड
विडियोकॉन टॉवर, प्रथम मल
ई-1, जहंदवाल एक्सटेंशन
नई दिल्ली-110055
टेलीफोन : 011-66083101-12
वेबसाइट : www.idbi.com

IDBI Bank Limited
Videocon Tower, 1st Floor
E-1, Jhandewalan Extension
New Delhi-110055
Telephone : 011-66083101-12
Website : www.idbi.com

ANNEXURE - 8

Statement of Dues as on 01.06.2019 in respect of Loan Granted
to Great Indian Nautanki Company Pvt. Ltd.

Sr. No.	Particulars of Facility	Loan Account Number	Currency	Days of Default	Total Outstanding as on May 01, 2019
1.	Term Loan - 1	264673200000019	INR	1768	47,69,93,891.25 Dr
2.	Term Loan - 2	264673200000028	INR	1768	9,89,70,102.80 Dr
3.	Cash credit	264655100000143	INR	1768	2,80,23,997.36 Dr
	Total				60,39,87,991.41 Dr

Certified that:

The above sum is outstanding in the ordinary books of accounts maintained by IDBI Bank Ltd., H.O. Mumbai through its wholly owned subsidiary viz. IDBI Intech Ltd. in the normal and ordinary course of business and such books are still in custody of IDBI Intech Ltd.

Date: 13.06.2019

Place: New Delhi

Signature:

Full Name: Dheeraj Kumar Singh

Designation: Dy. General Manager



8. The Petitioner also produced the registered charge as created by the Corporate Debtor as on 03.01.2013 which entails the details of loan granted and details of charge registered with ROC. The Recall Notice dated 14.11.2014 is as follows:

ANNEXURE - 11

	आईडीबीआई बैंक लिमिटेड भारतीय रेड क्रॉस सोसाइटी भवन 1, रेड क्रॉस रोड पोस्ट बॉक्स नं. - 231, नई दिल्ली-110001 टेलीफोन : (+91 11) 66281199 फैक्स : (+91 11) 23711664 वेबसाइट : www.idbi.com	IDBI Bank Limited Indian Red Cross Society Building 1, Red Cross Road Post Bag No.-231, New Delhi-110001 Tel.: (+91 11) 66281199 Fax : (+91 11) 23711664 Website : www.idbi.com
---	---	---

(सी.आई.एन./CIN) L85190MH2004GOI148838

(Without Prejudice)

Ref No. IDBI/CBG-II/GINCPL/14-15/677 November 14, 2014

The Managing Director Great Indian Neutanki Company Pvt. Ltd. IDA Auditorium Complex, Sector-29 Gurgaon-122001	The Managing Director Great Indian Neutanki Company Pvt. Ltd. K-804/2, Mata Chowk, Mahipalpur, Vasant Kunj Road, New Delhi-110037
--	---

Dear Sir/Madam,

Financial Assistance sanctioned to you by IDBI Bank Limited—Defaults committed
Recall of Assistance

We, IDBI Bank Limited (IDBI Bank), have granted to you at your request

- (i) Rupee Term Loan of Rs. 3500 Lakh (Rupees Thirty Thousand Five Hundred Lakh only) & Rupee Term Loan of Rs. 1200 Lakh (Rupees One Thousand Two Hundred Lakh only) for the purpose of setting up entertainment cum cultural park project at Gurgaon.
- (ii) Working Capital limits aggregating to Rs. 300 lakhs (Rupees Three Hundred lakhs only) comprising fund based limits (Cash Credit Limit) of Rs. 200 Lakh (Rupees Two Hundred Lakh only) and non fund based limits (LC/BG) of Rs. 100 lakhs (Rupees Six Hundred Lakhs only) for the purpose of meeting working capital requirements.
- (iii) Letter of Credit(Capex)/FCBG limits of Rs.500 lakhs for the purpose of importing capital goods for Show-Sha theatre project at Kingdom of Dreams, Gurgaon and Loan Equivalent Risk limits of Rs.170 lakhs (Rupees One Hundred Seventy Lakhs only) to mitigate the exchange fluctuation risk.

The fund based facilities and non-fund based facilities are collectively referred to as "the Facilities".

You have, inter alia, entered into Loan Agreement (s)/Loan-cum-Hypothecation Agreement/Facility Agreement, executed Deed (s) of Hypothecation on all movable assets,

पंजीकृत कार्यालय : आईडीबीआई टॉवर, डब्ल्यूटीसी कॉम्प्लेक्स, कफ़े पारेड, मुंबई
Regd. Office : IDBI Tower, WTC Complex, Cuffe Parade, Mumbai



267

Recall Notice- Great Indian Nautanki Company Pvt. Ltd.

created mortgages on all immovable property, procured joint and several personal guarantee(s) of Shri Anumod Sharma, Shri Viraf Sarkari, Dr Anu Appai and Shri Sanjay Chaudhary and procured Corporate Guarantee of Wizcraft International Entertainment Pvt Ltd., Great India Tamasha Co. Pvt Ltd. And S G Investments Pvt Ltd and furnished other securities, the particulars whereof are mentioned in **Annexure I** hereto.

2. Pursuant to the Loan-cum Hypothecation Agreements dated June 26, 2009, Loan-cum-Hypothecation Agreement dated February 25, 2010 and Loan Agreement dated January 03, 2013 made between you and IDBI Bank ("the Loan Agreements") in respect of the Facilities and the securities created in respect thereof, you have availed the fund based facilities viz., Term Loan of Rs.4700 Lakh, Cash Credit limit of Rs.200 Lakh, Bank Guarantee/Letter of Credit limits of Rs.100 lakhs, (Capex)/TCBG limits of Rs.500 lakhs and LER of Rs.170 Lakhs from time to time.

3. In terms of the Loan Agreements, you were required to repay to IDBI Bank, the principal amount of the Loan, in accordance with the amortisation schedule contained therein. You were also required to pay to IDBI Bank, interest on the principal amounts of the Loan outstanding from time to time, at the rate and in the manner contained in the Loan Agreement.

You have failed and neglected to pay to IDBI Bank, the instalments of principal, interest and other monies, the particulars whereof are given in **Annexure II** hereto. You have also committed some other defaults in terms of the Loan /Loan-cum-Hypothecation Agreement.

4. Pursuant to the /Loan-cum-Hypothecation Agreement as per Annexure I, made between you and IDBI Bank, in respect of the Facilities and the securities created in respect thereof, you have availed the fund based facilities viz., cash credit limit of Rs. 200 lakhs (Rupees Two Hundred lakhs only) from time to time.

In terms of the Loan-cum-Hypothecation Agreement, you were required to repay to IDBI Bank, the principal amount of the fund based limits on demand.

5. In terms of the provisions contained in Section 2.1 of Article 2 of the Loan Agreement dated January 03, 2013 executed for Non fund based limits of Rs.670 lakhs, you have agreed and undertaken to extend first pari passu charge on leasehold rights of the land at Sector- 29, Gurgaon and extend first pari passu charge on land owned by Great Indian Tamasha Co. Pvt Ltd at Peroor Village, Madikeri Taluk, Kodagu District, Karnataka in favour of IDBI Bank. You have failed and neglected to extend such first mortgage and charge as mentioned above in favour of IDBI Bank.

6. Pursuant to the Loan/Loan cum Hypothecation Agreement dated 26.06.2009, 25.02.2010 & 03.01.2013, in respect of the non-fund based facility, the Omnibus Counter Guarantee executed by you in favour of IDBI Bank ("the Omnibus Counter Guarantee") and also the securities created in respect thereof, IDBI Bank has, at your request, issued Bank Guarantees and TCBG(Buyers' Credit), from time to time, in favour of various authorities / entities, whom you have specified, to the extent of the non-fund based facilities sanctioned upto an extent of Rs.600 lakhs (Rupees Six Hundred Lakhs only). The details of the Bank Guarantees and TCBG (Buyers' Credit) issued by IDBI Bank, at your request, are given in **Annexure-II (A)** hereto.



2

Recall Notice- Great Indian Nautanki Company Pvt. Ltd.

In terms of the Loan/Loan cum Hypothecation Agreement read with the Omnibus Counter Guarantee, you have agreed and undertaken to pay to the IDBI Bank, forthwith, on a demand in writing, without any protest or demur and unconditionally and unequivocally all such monies as are mentioned in the notice(s) of demand, which you are liable to pay under the Omnibus Counter Guarantee. Further, in terms of the Loan/Loan cum Hypothecation Agreement read with the Omnibus Counter Guarantee, you were required to pay to IDBI Bank, the commission on Bank Guarantees and TCBG(Buyers' Credit), issued from time to time in accordance with the terms and conditions contained in the Loan/Loan cum Hypothecation Agreement read with the Omnibus Counter Guarantee.

Bank Guarantees and TCBG (Buyers' Credit), for the aggregate amount of **Rs.5,71,10,348.45 only (Rupees Five crores Seventy One lakhs Ten thousand Three hundred Forty Eight Paise Forty Five only)** have, so far, not been invoked by the respective beneficiaries. You are also hereby advised to immediately substitute the said Bank Guarantees / TCBG(Buyers' Credit), issued by IDBI Bank with the Bank Guarantees / TCBG(Buyers' Credit), issued by any other Bank and arrange to return the aforesaid Bank Guarantees / TCBG(Buyers' Credit), in original (duly discharged by the Beneficiaries), to IDBI Bank or in the alternative, you are hereby advised to deposit with IDBI Bank, a sum of **Rs.5,71,10,348.45 only (Rupees Five crores Seventy One lakhs Ten thousand Three hundred Forty Eight Paise Forty Five only)** only towards the said Bank Guarantees / TCBG(Buyers' Credit), to enable IDBI Bank to mark a lien on the same during the validity of the said Bank Guarantees / TCBG(Buyers' Credit). Please note that in the mean time, if any of the aforesaid Bank Guarantees / TCBG(Buyers' Credit) issued by IDBI Bank is invoked by the respective Beneficiary, then IDBI Bank reserves its right to demand and recover the said amount with applicable interest, separately from you and the Guarantor / Mortgagor(s) / Pledgors(s), in terms of the Loan/Loan cum Hypothecation Agreement read with the Omnibus Counter Guarantee.

As you experienced certain difficulties in repayment of the principal amount of the Loans/Facilities, payment of interest and other monies and as requested by you, IDBI Bank, vide its letter Ref No. 243/IDBI/SME/GINCPL dated 21.09.2010 and Ref No. IDBI/SME/547/GINCPL dated July 05, 2012 granted to you, certain relief (s) and concessions, by way of reschedulement of principal amount of the Loans/Facilities, funding of interest, etc., subject to certain terms and conditions contained therein.

Despite the above, you have failed and neglected to pay to IDBI Bank, the instalments of principal amount of the Loans/Facilities, interest and other monies, payable thereon and also committed defaults in terms of the Loan Agreements/Facilities Agreement, modified from time to time.

7. The particulars of the outstanding amounts due to IDBI Bank Limited in respect of the Loans are mentioned in Annexure-III hereto.

8. In view of the above and since, you have committed defaults in the payment of principal amounts of the Loans, interest and other monies and also in observance and performance of the other conditions of the Loan Agreements, IDBI Bank, has become entitled to recall its entire principal amounts of the Loans, interest and other monies due in respect thereof.



Recall Notice- Great Indian Nautanki Company Pvt. Ltd.

Accordingly, IDBI Bank, declares in writing as follows –

- (i) That the outstanding principal amounts of the Loans aggregating Rs. 29,25,57,987.25 (Rupees Twenty Nine Crores Twenty Five lakhs Fifty Seven thousand Nine hundred Eighty Seven Paise Twenty Five only) together with interest, further interest, liquidated damages, legal expenses, etc. aggregating Rs.2,46,64,492/- (Rupees Two Crores Forty Six lakhs Sixty Four Thousand Four Hundred Ninety Two only), making the aggregate amount of Rs.31,72,22,479.25 (Rupees Thirty One crores Seventy Two lakhs Twenty Two thousand Four hundred Seventy Nine Paise Twenty Five only), as on November 14, 2014, the particulars whereof are mentioned in Annexure-III hereto, have become immediately due and payable by you to IDBI Bank.
- (ii) That the outstanding Cash Credit Facilities has become due and payable by you to IDBI Bank immediately and accordingly, the outstanding Cash Credit Facilities together with accrued interest, liquidated damages etc., aggregating Rs.1,99,99,990.38 (Rupees One Crore Ninety Nine Lakh Ninety Nine Thousand Nine hundred Ninety Paise Thirty Eight only) as on November 14, 2014, the particulars whereof are mentioned in Annexure-III hereto, have become immediately due and payable by you to IDBI Bank.
- (iii) That you are also advised immediately substitute the Bank Guarantees and TCBG(Buyers' Credit), issued by IDBI Bank for the aggregate limit of Rs.5,71,10,348.45 only (Rupees Five crores Seventy One lakhs Ten thousand Three hundred Forty Eight Paise Forty Five only) as on November 14, 2014 with the Bank guarantee/Buyers' Credit issued by any other Bank and arrange to return the said Bank Guarantees and TCBG(Buyers' Credit), in original (duly discharged by the Beneficiaries) to IDBI Bank or in the alternative, you are hereby advised to deposit with IDBI Bank, a sum of Rs.5,71,10,348.45 only (Rupees Five crores Seventy One lakhs Ten thousand Three hundred Forty Eight Paise Forty Five only) towards the said Bank Guarantees and TCBG(Buyers' Credit) to enable IDBI Bank to mark lien on the same during the validity period of the said Bank Guarantee and TCBG(Buyers' Credit).

10. In the premises, we hereby call upon you and demand from you to pay forthwith to IDBI Bank within a period of 7 days from the date of this notice,

- (i) Sum aggregating Rs.33,72,22,469.63 only (Rupees Thirty Three crores Seventy Two lakhs Twenty Two thousand Four hundred Sixty Nine Paise Sixty Three only) as on November 14, 2014, as per Annexure III, together with further interest, liquidated damages etc. thereon with effect from November 15, 2014 at the contractual rates upon the footing of compound interest along with costs, charges, expenses & other monies in respect of the Loans, until payment or realization.

- (ii) Immediately substitute the Bank Guarantees and TCBG(Buyers' Credit), issued by IDBI Bank for the aggregate limit of Rs.5,71,10,348.45 only (Rupees Five crores Seventy One lakhs Ten thousand Three hundred Forty Eight Paise Forty Five only)



270

Recall Notice- Great Indian Nautanki Company Pvt. Ltd.

as on November 14 2014 with the Bank Guarantee and TCBG(Buyers' Credit) issued by any other Bank and arrange to return the said Bank Guarantees and TCBG(Buyers' Credit), in original (duly discharged by the Beneficiaries) to IDBI Bank or in the alternative, you are hereby advised to deposit with IDBI Bank, a sum Rs.5,71,10,348.45 only (Rupees Five crores Seventy One lakhs Ten thousand Three hundred Forty Eight Paise Forty Five only) towards the said Bank Guarantees and TCBG(Buyers' Credit) to enable IDBI Bank to mark lien on the same during the validity period of the said Bank Guarantee and TCBG(Buyers' Credit).

11. In case, you fail to comply with the aforesaid requirements, IDBI Bank shall be constrained to take such steps as may be necessary for enforcing the securities and realising its dues at your own risk, as to the costs and consequences thereof, including but not limited to action/measures under the Securitisation and Reconstruction of Financial Assets And Enforcement of Security Interest Act, 2002

Kindly note that the above notice is issued without prejudice to the rights and remedies of IDBI Bank, against the Guarantor(s) of the Loans.



Yours faithfully

(Authorised Signatory)

Encl: Annexure(s) - I, II, II(A) III



9. The Guarantee Recall notice is as follows:

270

ANNEXURE - 12

o/c

REGISTERED POST ACKNOWLEDGEMENT
DUE/RECORDED DELIVERY

Ref No.: IDBI/ND/CBG-II/GINCP/14-15/760

December 08, 2014

The Managing Director Aircraft International Entertainment Pvt. Limited 1st Floor, Satyadev Plaza, Behind Bhagwati House, Sun Republic Cinema Lane, Off. Vena Desai Road, Vandhori (West), Mumbai - 400 055	The Managing Director Great India Tamasha Co. Pvt. Ltd K - 804/2, Mata Chowk, Mahipalpur, Delhi - 110037	The Managing Director SG Investments Pvt Ltd K-804/2, Mata Chowk, Mahipalpur, Vasant Kunj Road, New Delhi - 110037
--	--	--

Dear Sir/Madam,

The financial assistance aggregating Rs.5670.00 Lakh sanctioned
to Great Indian Nautanki Company Pvt. Ltd. by IDBI Bank
- Defaults committed.

Great Indian Nautanki Company Pvt. Ltd. ("the Borrower"), has been sanctioned by IDBI Bank Limited (IDBI Bank), financial assistance aggregating Rs.5670.00 lakhs ("Loan") for the purposes and on the terms and conditions more particularly set out in the Loan cum Hypothecation Agreements dated June 26, 2009, Loan cum Hypothecation Agreement dated February 25, 2010 and Loan Agreement dated January 03, 2013 made between the Borrower and IDBI Bank ("the Loan Agreement")

One of the conditions stipulated in the Loan Agreement was that the Loan shall be secured, inter alia, by unconditional and irrevocable corporate guarantee to be executed by you in favour of IDBI Bank. Accordingly, you have executed unconditional and irrevocable corporate guarantee on 26.06.2009, 25.02.2010, 19.04.2010, 03.01.2013 and 14.01.2013 in favour of IDBI Bank, guaranteeing the due repayment of the Loan and payment of interest and other monies payable by the Borrower to IDBI Bank.



279

3. The Borrower has failed and neglected to pay to IDBI Bank, the instalments of principal and interest, which fell due on different dates in respect of the Loan. The Borrower has also committed some other defaults in terms of the Loan Agreement. Therefore, IDBI Bank, in terms of the provisions of the Loan Agreement called upon the Borrower to repay to IDBI Bank the Loan together with interest and other monies, vide its letter No. IDBI/CBG-II/GINCP/14/15/677 dated November 14, 2014 issued to the Borrower.

The Borrower has failed and neglected to pay the dues of IDBI Bank as per its above letter. A copy of the said letter (which gives particulars, inter alia, of the amounts of defaults committed by the Borrower and the total amounts recoverable from it) is enclosed hereto for information as Annexure I. In spite of the said letter, the Borrower has failed and neglected to pay the outstanding dues to IDBI Bank as required therein.

4. By the aforesaid Guarantee Agreement(s) dated 26.06.2009, 25.02.2010, 19.04.2010, 03.01.2013 and 14.01.2013, you have agreed as under: -

- a) In the event of any default on the part of the Borrower in repayment of the Loan and payment of interest, etc. you will make payment as required;
- b) Indemnify and keep IDBI Bank indemnified against all losses, damages, costs, claims and expenses whatsoever which IDBI Bank may suffer, pay or incur by reason of or in connection with any such default on the part of the Borrower including legal proceedings taken against the Borrower and/or the Guarantor for recovery of the moneys referred to above;
- c) Guarantee shall be enforceable against you, notwithstanding that any security or securities comprised in any instrument(s) executed or to be executed by the Borrower in favour of IDBI Bank shall, at the time when the proceedings are taken against the Guarantor on this Guarantee, be outstanding or unrealised or lost;
- d) To give effect to the Guarantee, IDBI Bank may act as though you were the principal debtor to IDBI Bank;
- e) A certificate in writing signed by a duly authorised official of IDBI Bank shall be conclusive evidence against you of the amount for the time being due to IDBI Bank from the Borrower in any action or proceeding brought on the Guarantee against you.

5. In the premises, we hereby call upon you and demand from you to pay forthwith to IDBI Bank at New Delhi sums aggregating Rs.34,40,08,119.61 only (Rupees Thirty Four crores Forty lakhs Eight thousand One hundred Nineteen Paise Sixty One only) as per details given in Annexure II of this letter, together with further interest thereon with effect from December 01, 2014 at the given contractual rates, upon the footing of compound interest until payment/realization.



280

Further, as on December 01, 2014, Bank Guarantees and TCBG (Buyers' Credit), for the aggregate amount of **Rs.5,22,53,145.45 only (Rupees Five crores Twenty Two lakhs Fifty Three thousand One hundred Forty Five Paise Forty Five only)**, details given in Annexure II, have, so far, not been invoked by the respective beneficiaries. Please note that in the mean time, if any of the aforesaid Bank Guarantees / TCBG(Buyers' Credit) issued by IDBI Bank is invoked by the respective Beneficiary, then IDBI Bank reserves its right to demand and recover the said amount with applicable interest, separately from each one of you.

In case, you fail to make the payments as aforesaid, IDBI Bank, shall be constrained to take such steps against you as may be necessary for enforcing the guarantees and realizing the dues at your own risk as to the costs and consequences thereof.

Please also note that this notice is issued to you without prejudice to our rights and remedies against the Borrower.

Yours faithfully,

(Authorised Signatory)

Encl : As above

Copy forwarded for information to -

- Great Indian Nautanki Company Pvt. Ltd, HUDA Auditorium Complex, Sector - 29, Gurgaon - 122001
- Great Indian Nautanki Company Pvt. Ltd, K-804/2, Mata Chowk, Mahipalpur, Vasant Kunj Road, New Delhi- 110037
- Shri Sanjay Chaudhary, Flat No. 604, Tower No. 9, Sushant Estate, Sec - 52, Near Ardee City, Gurgaon - 122002



10. The Petitioner also issued Demand Notice u/s 13(2) of the SARFAESI Act. The Petitioner has taken symbolic position and has issued public possession notice as on July 7th, 2018. The Petitioner further issued an insolvency resolution notice on 25.08.2017, the same is as follows:



CIN: L65190MH2004GOI148838

IDBI/NMG/DELHI/BIH/2017-18/423

25.08.2017

ANNEXURE-14(COLLY)

304

Wizcraft International Entertainment Pvt. Limited
 5th Floor, Satyadev Plaza, Behind Bhagwati House
 Fun Republic Cinema Lane, Off. Vera Desai Road
 Andheri (West), Mumbai - 400 053

Dear Sir/ Madam,

Sub: Financial assistance aggregating Rs. [5670.00] Lakh sanctioned ("the Financial Assistance") to M/s Great India Nautanki Company Pvt. Ltd. by IDBI Bank Limited - Defaults committed - Insolvency Resolution Notice

Please refer to letter Ref. No: IDBI/ND/MCG/GINCPL/16-17/795 dated 07.03.2017 issued by IDBI Bank Limited (hereafter referred as "the Bank"), wherein you were advised to arrange for payment of default committed by our assisted company M/s Great India Nautanki Company Pvt. Limited (hereafter referred as "the company") for which Wizcraft International Entertainment Pvt. Limited (WIEPL) (hereafter referred as "the Guarantor") have provided guarantee vide Guarantee Agreements dated June 26, 2009, February 25, 2010 and January 14, 2013.

2. Despite our repeated follow-up for said payment, you have failed, neglected and not taken any step to clear the overdue as referred in above mentioned letter dated 07.03.2017.
3. In the premises, we hereby give you final Notice to arrange for clearance of overdue on immediate basis, failing which, IDBI Bank shall be constrained to take such steps against the Company, including initiating action under Insolvency and Bankruptcy Code for recovering the dues at your own risk as to the costs and consequences thereof.
4. Please note that this Notice is issued without prejudice to all the other rights and remedies available to IDBI Bank against you/guarantors/pledgers, if any, under the applicable laws and under the respective contracts entered into by the respective parties in favour of IDBI Bank, in law or in contract or both, in respect of the Financial Assistance.

Yours faithfully,


 Authorised Signatory
 IDBI Bank Limited

आईडीबी बैंक लिमिटेड: फर्स्ट फ्लोर, वीडोकन टावर, ई-1, जंदेवाल एक्सटेंशन, नई दिल्ली - 110 005.

IDBI Bank Ltd.: 1st Floor, Videocon Tower, E-1, Jhandewalan Extension, New Delhi - 110 005.

आईडीबी बैंक लिमिटेड, इन्डिया की कॉम्पेक्स, कलकत्ता 700 005, वेबसाइट : www.idbi.com



11. The Petitioner further vide Letter dated 25.08.2017, invoked the Corporate guarantee as provided by Corporate Debtor (Corporate Guarantor) in relation to the financial assistance granted to the Great Indian Nautanki Company Private Limited. The Corporate Debtor on 27.09.2017 addressed a letter to the Petitioner wherein they have categorically mentioned that the Borrower had failed to pay dues to the bank as a result of which the bank has invoked the above-mentioned guarantee calling upon the Corporate Guarantor. The Corporate Debtor

herein to pay the dues of Rs. 48.39 Crores. The Corporate Debtor/ Corporate Guarantor vide its Letter dated 27.09.2017, requested the Petitioner not to initiate any action under IBC. The Letter dated 27.09.2017 is as follows:

Date: 27 September, 2017

To,
IDBI Bank Limited
1st Floor, Videocon Tower E1,
Jhandewalan Extension
New Delhi - 110055



Sub: Corporate Guarantee provided by Wizcraft International Entertainment Pvt Ltd ("Wizcraft") in relation to the financial assistance sanctioned to Great Indian Nautanki Company Private Limited ("GINC") by IDBI Bank Limited ("IDBI")

Dear Sirs

Re: (1) Your letter dated 7 March 2017 bearing reference number IDBI/ND/MCG/GINCPL/16-17/809 ("Letter no. 1");

(2) Your letter dated 25 August 2017 bearing the reference number IDBI/NMG/DEHI/BIH/2017-18/423 ("Letter no. 2").

1. We are in receipt of your letters, being Letter no. 1 and Letter no. 2, referring to the corporate guarantee(s) executed by Wizcraft on June 26, 2009, February 25, 2010 and January 14, 2013, in relation to the financial assistance (aggregating to Rs 56 crores) provided by IDBI to GINC.
2. We understand that GINC has failed to pay its dues to IDBI, as a result of which IDBI has invoked the above mentioned guarantees and called upon Wizcraft to pay IDBI the dues of Rs 48.39 cr.
3. In this connection, we wish to advise you as follows:
 - a. GINC was set up to make Kingdom of Dreams (KOD) a world class tourist destination and provide its patrons with a world class experience showcasing Indian culture, Indian food and Indian creativity.
 - b. Wizcraft bought into the shared vision of the Haryana Government and Mr Anumod Sharma and contributed its own technical expertise and international experience to the KOD project.
 - c. To show its commitment to the project, Wizcraft invested Rs 40 crores into GINC. It was as part of this commitment that Wizcraft provided the above mentioned corporate guarantees to enable GINC to raise the required capital for its operations.
 - d. Over the years Wizcraft has been a mute spectator to the erosion of profitability of the business of GINC, from over Rs 40 cr in 2012/13 (*earnings before interest, depreciation and tax*) to losses in recent years. This downslide of business at GINC may be attributed to poor decision making and management of operations.

Wizcraft International Entertainment Pvt. Ltd.

Satyadev Plaza, 5th Floor, Fun Republic Lane, Off New Link Road, Behind Bhagwati House, Andheri (W),
Mumbai 400053, India. | T: +91 22 42001400 | CIN No.: U92100MH1997PTC107787
www.wizcraftworld.com | f t i

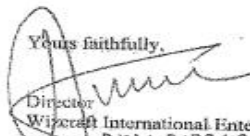
BRAND ACTIVATION • PR • SPECIAL PROJECTS • IPs • THEATRICALS • WEDDINGS





- c. However, Wizcraft was not responsible for the management of the day-to-day affairs of GINC.
- f. Wizcraft's investment into GINC also stands eroded.
4. We understand that GINC is dealing with the current financial situation of the company in full force, as belief in the potential of KOD still exists. GINC has sought certain subsidies from the Government of Haryana and the Chief Minister's office has, in light of relevance of the KOD project to the state of Haryana tourism, appointed a committee to consider the requests of GINC and make its recommendations. The recommendations, we understand, are in its final stages and expected to be submitted anytime soon.
5. Over the last few months, Wizcraft on its part, has taken the initiative to:
- assess the financial position of GINC;
 - determine initiatives required to enable KOD realize its true potential;
 - determine the monies that will be required to restructure the business; and
 - identify potential partners and investors who will support the initiative.
- You will appreciate that any concessions from the Government will enhance the attractiveness of the KOD project to a potential investor.
- We believe we will be able to share a firm plan over the next few weeks.
6. In light of the above, we request you not to initiate any action under the Insolvency and Bankruptcy Code and provide us the time necessary to present a plan that is acceptable to you.
7. We apologise for the delay in our response to your letters. We were given assurance by GINC that the matter was being addressed by them directly with the bank. However on receipt of your letter dated August 25, 2017, Wizcraft has increased its engagement with GINC and other stakeholders. You will appreciate that engagement with multiple stakeholders, including the government, and firming up of a solution is a time consuming process. We would like to assure you that Wizcraft has and will continue to support GINC to remedy the current situation.

Yours faithfully,


 Director
 Wizcraft International Entertainment Pvt Ltd.
 DIN : 01334914

Cc:

- Viraf Sarkari, 1, Sabnosh, Next to Agha Khan Colony, Andheri (W) Mumbai- 400061.
- IDBI Bank Limited Indian Red Cross Society Building, 1, Red Cross Road, Post Bag No-231, New Delhi - 110001

Wizcraft International Entertainment Pvt. Ltd.

Satyadev Plaza, 5th Floor, Fun Republic Lane, Off New Link Road, Behind Bhagwati House, Andheri (W), Mumbai 400053, India. | T: +91 22 42001400 | CIN No.: U92100MH1992PTC107787

www.wizcraftworld.com | f t i

BRAND ACTIVATION • PR • SPECIAL PROJECTS • IPs • THEATRICALS • WEDDINGS



Reply of the Corporate Debtor:

12. The Corporate Guarantor/ Corporate Debtor is an operational company with a turnover of Rs. 327,92,42,923/- during the financial year 2018-19. The Corporate Debtor has a net worth of Rs. 46,21,69,561/- and had secured loan in the form of working capital of Rs. 48,06,67,861/-, an auto loan of Rs. 2,54,36,203/- and also secured

working capital of 100% subsidiary of the company amounting to Rs. 15 Crores thus aggregating to Rs. 65,61,04064/- from Axis Bank, Punjab National Bank, New India Cooperative Limited as on 31.03.2019.

13. The Corporate Debtor denied all the allegations and submissions made in the Petition and claimed the Petition to be untenable in the law.

14. The Corporate Debtor further submitted that this Hon'ble Tribunal has no jurisdiction to entertain proceedings as the liabilities of the Corporate Guarantor does not constitute to be a financial debt within the meaning of Section 7 of IBC as such application is bad in law and deserves to be dismissed. The Corporate Debtor explained about the sanction of financial to the Great Indian Nautanki Company Private Limited/ Borrower and stated that the Corporate Guarantee dated 26.06.2009, 25.02.2010 and 14.01.2014 surpass the authorisation limit of INR 12.34 Crores and as such the Petition has violated terms of sanction letter and are therefore illegal and not enforceable. The Corporate guarantee for cash credit facility is INR 2 Crores only under sanction letter to the Borrower. The Corporate Guarantee for term loan 2 for INR 12 Crores aggregating to Rs. 1.4 Crores only under sanction 2. Thereafter the corporate guarantee for Term Loan 2 for INR 8.64 Crores and cash credit facility for INR 2 Crores and LER facility of INR 1.70 Crores total aggregating to INR 12.34 Lakhs under Sanction No. 3. However, as per Sanction 3, the Petitioner is authorised to take only 34 lakhs from this Corporate Guarantor. Therefore, Corporate Debtor categorically stated that he is not liable to pay Rs. 16,34,87,991.41/-.

15. The Petitioner has agreed that a fresh tender/ bid in respect of Kinder of Dreams (hereinafter called as "project") which was sought to discharge the liability of the Borrower amounting to Rs.

61,81,49,269.83/- as on 13.06.2019. Upon the above project by Haryana Shahari Vikas Pradhikaran (HSVP) also known as Haryana Urban Development Authority was entered into by Petitioner/Borrower HSVP without any consent of Corporate Debtor. The Petitioner had given NOC on 02.07.2019 and thereby freeing the Borrower and making the new bidder responsible for discharge of said loan.

16. The Corporate Debtor relied upon Section 135 of Contract Act which clearly provide that the contract between the creditor and principle debtor by which creditor makes a composition with or promised to give time or not to sue the principle debtor, discharges the surety unless the surety essence to such contract, therefore, the Corporate Debtor claim that in view of the fresh execution of NOC and arrangement between the Petitioner, Borrower and HSVP. Hence, the Guarantor's liability gets discharged. The Petitioner has deliberately concealed the facts of this agreement.
17. The Corporate Debtor also mentioned that invocation of guarantee is premature since admittedly the terms of such guarantee arises only when there is default on the part of the Borrower to pay the amounts due. The said sum of money cannot be regarded as payable by Corporate Debtor within the meaning of Corporate Guarantee till the adjudication by the Hon'ble Tribunal.
18. In any event, Corporate Debtor mentions that the guarantee is hit by provision of Indian Contract Act, 1872 and as such unenforceable in law.
19. The Petitioner and the Borrower were in continues consultation and negotiation for OTS settlement on 27.11.2019. The directors of Borrower have submitted the proposal for OTS to the financial creditor in the presence of representatives of Respondent.

20. The Corporate Debtor has not defaulted in any terms and conditions with the Petitioner and is an operational solvent company and has 246 employees as on 30.11.2019.
21. The present Petition is not maintainable and barred by limitation.
22. The Corporate Debtor have enclosed the No Objection Certificate granted to the Borrower to carry out bidding process and has enclosed the bid document dated 02.07.2019 and requested proposal RFP which is also annexed to the reply.

Rejoinder filed by the Petitioner:

23. The Petitioner filed rejoinder and categorically entailed the details of default by the Principal borrower and the Corporate Debtor in the Petitioner. The Corporate Debtor is trying to evade the legal liability of its obligations under deed of guarantee duly executed by Corporate Debtor guaranteed the payment of facilities availed by the Principal borrower i.e. Great Indian Nautanki Pvt Ltd. The Corporate Debtor had undertaken to guarantee all amounts payable by the principal debtor to the financial creditors in terms of deed of guarantee dated February 25, 2010, January 14, 2013. When the principal debtor/ borrower failed to repay the loan creditor bank invoked the corporate guarantee on December 8, 2014.
24. The liability of the Corporate Debtor under deed of guarantees is a financial debt under Section 5(8) of IBC. Section 5(8) includes the amount of any liability in respect of any guarantee. Hence, the contention that the Corporate Debtor has not taken any financial debt from the Petitioner is untenable.
25. The Principal borrower availed the financial facilities in terms of loan cum hypothecation agreement dated February 25, 2010. The payment obligation of principal borrower was guaranteed by the deed of

guarantee dated January 14, 2014. There has been no violation of Sanction Letter. Further, the Corporate Debtor has admitted that he is liable to an extent of Rs. 12,34,00,000/- under the Corporate guarantee. With reference to the default committed by the principal borrower in paying the due ought to Haryana Shahari Vikas Pradhikaran (HSVP), it called for fresh dues for a new operator to manage the operator project, as the leasehold rights of project land was secured in favour of Financial Creditor. Hence the Financial Creditor furnished its NOC in respect of security and that such security would be realised on discharge of liabilities on principal borrower or any new bidder or operator on the project.

26. Therefore, under the terms of NOC the liability is due and owned by principal borrower has not been released and it still subsisting and therefore the liabilities of Corporate Debtor as a surety being coextensive is also subsisting. Even otherwise there has been no selection of any new operator who has agreed to discharge the liability owned by the Principal Borrower to the Financial Creditor. Hence, the contention of Corporate Debtor that NOC amounts to novation is misleading and baseless, such NOC does not discharge the principal borrower nor the Corporate Debtor from its liability as a surety. Under the terms of deed of guarantee, the guarantee is continuing one and shall remain in force and till the borrower pays in time in full the loan together.

27. In respect of contention of Corporate Debtor that the Financial Creditor has arrived at an arrangement where the principal borrower has been paying a percentage of sale directly to the financial creditor to discharge the liability, such arrangement has been constraint by the Petitioner in calculating the liability of the Principal borrower and is reflected in the statement of account produced by the Petitioner. However, the same is not sufficient even to discharge the payment of

liability of the principal borrower under the loan agreement hence the default of principal borrower continues to exist and its subsisting despite the principal borrower paying certain amounts to the Financial Creditor. The principal borrower has failed to discharge the liabilities and hence the Petitioner has invoked the deed of guarantee.

Written submissions filed by the Petitioner:

28. The Corporate Debtor is a promotor company of Great India Nautanki Company Private Limited and has guaranteed the loan and the payment obligations availed by the Principal Borrower from the financial creditor under a deed of guarantee dated 26.06.2009, 25.02.2010 and 14.01.2014. The principal Borrower defaulted in making payment of dues and as such the account has been classified as NPA. The Petitioner issued recall notice on 14.11.2014 and invoked the Corporate Guarantee on 18.12.2014.
29. The Corporate Debtor has not disputed the liability under the deed of guarantee nor has disputed principal Borrower's payment obligation and defaults under the loan agreements and other such financial documents. However, the main defence of Corporate Debtor is that the Petition is barred by limitation as date of guarantee invocation was 08.12.2014 and the period of limitation expired on 08.12.2017.
30. The Petitioner stated that under the terms of guarantee it is specifically agreed to as that the guarantee is of continuing in nature, the right to sue accrues as and when the guarantee was invoked and the date when Corporate Debtor failed to perform obligation under the guarantee.
31. The Petitioner claimed that the period of limitation as envisaged under Article 137 of the Limitation Act, 1963 is applicable and further that the right to apply accrues from the date of default and that unless

there are acknowledgments of terms of Section 18. Under Section 18 of the Limitation Act, 1963 the statute provides that well before expiration of prescribed period of limitation there is an acknowledgment of liability in respect of such property or right has been made in writing, a fresh period of limitation shall be computed from the time the acknowledgment so signed. Section 18 of the Limitation Act, 1963vis as follows:

"18. Effect of acknowledgment in writing.—(1) Where, before the expiration of the prescribed period for a suit or application in respect of any property or right, an acknowledgment of liability in respect of such property or right has been made in writing signed by the party against whom such property or right is claimed, or by any person through whom he derives his title or liability, a fresh period of limitation shall be computed from the time when the acknowledgment was so signed.

(2) Where the writing containing the acknowledgment is undated, oral evidence may be given of the time when it was signed; but subject to the provisions of the Indian Evidence Act, 1872 (1 of 1872), oral evidence of its contents shall not be received.

Explanation.—For the purposes of this section,— (a) an acknowledgment may be sufficient though it omits to specify the exact nature of the property or right, or avers that the time for payment, delivery, performance or enjoyment has not yet come or is accompanied by a refusal to pay, deliver, perform or permit to enjoy, or is coupled with a claim to set off, or is addressed to a person other than a person entitled to the property or right, (b) the word "signed" means signed either personally or by an agent duly authorised in this behalf, and (c) an application for the execution of a decree or order shall not be deemed to be an application in respect of any property or right."

32. The Petitioner relied upon plethora of correspondence between Petitioner and Corporate Debtor which can be constituted as acknowledgment in terms of Section 18 of Limitation Act, 1963. The Petitioner further relied upon the letter of Petitioner dated 25.08.2017 wherein the Corporate Guarantor/ Corporate Debtor was called upon to pay the dues failing which the Petitioner would be constraint to take steps under IBC. The Corporate Debtor in his reply on 27.09.2017 categorically stated that Petitioner to not to take any action under IBC and provide them time to represent a plan to the Bank. Therefore, the Petitioner contented that fresh period of limitation has to be computed from 27.09.2017 and as such the Petition is not barred by limitation.

33. Further, the nature of guarantee is continuing in nature as such it will remain in full force and effect till such time the Borrower repays the full loan together with the interest, etc.

Written submissions/Additional Written Submissions of Corporate Debtor and written submission to IA 613 of 2020

34. The Petitioner has filed IA 163 of 2020 and the same was listed for arguments on 03.02.2021. The Petitioner vide IA has sought to file an additional documents/ letter dated 19.11.2016 which had been in an exclusive position and has not been filed by them along with the main CP.

35. The Corporate Debtor further specifically pleaded that the Insolvency proceedings are summary in nature and additional documents are sought to be filed after the matter is reserved for orders, cannot be allowed as the same is core intent of IBC. The Corporate Debtor further relied upon judgement of Hon'ble Supreme Court in *Bagai Construction* through its proprietor *Lalit Bagaivs. Gupta Building Material Store* reported in *2013 14 SCC Page 1* where this

Hon'ble Supreme Court disallowed this Application under Section 144 of CPC for placing on record certain documents after adjournment of judgment. The Hon'ble Supreme Court considered the case on merit and observed that the document for which an application is moved has always been in exclusive position by plaintiff. But the plaintiff never bought it on record.

36. The Corporate Debtor further relied upon the judgment of *Babulal Vardharji Gurjar vs Veer Gurjar Aluminium Industries Pvt. Ltd. & anr.* AIR 2020 SC 4668. The principal enunciated by Hon'ble Supreme Court in the aspect of limitation are as follows:

"(a) that the Insolvency and Bankruptcy Code, 2016, is a beneficial legislation intended to put the corporate debtor back on its feet and is not a mere money recovery legislation;

(b) that CIRP is not intended to be adversarial to the corporate debtor but is aimed at protecting the interests of the corporate debtor;

(c) that intention of the Code is not to give a new lease of life to debts which are time-barred;

(d) that the period of limitation for an application seeking initiation of CIRP under Section 7 of the Insolvency and Bankruptcy Code, 2016, is governed by Article 137 of the Limitation Act and is, therefore, three years from the date when right to apply accrues;

(e) that the trigger for initiation of CIRP by a financial creditor is default on the part of the corporate debtor, that is to say, that the right to apply under the Insolvency and Bankruptcy Code, 2016, accrues on the date when default occurs;

(f) that default referred to in the Insolvency and Bankruptcy Code, 2016, is that of actual non-payment by the corporate debtor when a debt has become due and payable; and

(g) that if default had occurred over three years prior to the date of filing of the application, the application would be time-barred save and

except in those cases where, on facts, the delay in filing may be condoned; and

(h) an application under Section 7 of the Insolvency and Bankruptcy Code, 2016, is not for enforcement of mortgage liability and Article 62 of the Limitation Act, 1963, does not apply to this application."

37. The Counsel for the Corporate Debtor relied upon judgment of *Jignesh Shah and BK Education Services Private Limited*. The relevant para of judgment is reproduced below:

"32. We have noticed all the relevant and material observations and enunciations in the case of Jignesh Shah hereinbefore. Prima facie, it appears that illustrative reference to Section 18 of the Limitation Act, in paragraph 21 of the decision in Jignesh Shah, had only been in relation to the suit or other proceedings, wherever it could apply and where the period of limitation could get extended because of acknowledgment of liability. Noticeably, in contradistinction to the proceeding of a suit, this Court observed that a suit for recovery, which is a separate and independent proceeding distinct from the remedy of winding up would, in no manner, impact the limitation within which the winding up proceeding is to be filed. It is difficult to read the observations in the aforesaid paragraph 21 of Jignesh Shah to mean that the ratio of B.K. Educational Services has, in any manner, been altered by this Court. As noticed, in B.K. Educational Services, it has clearly been held that the limitation period for application under Section 7 of the Code is three years as provided by Article 137 of the Limitation Act, which commences from the date of default and is extendable only by application of Section 5 of Limitation Act, if any case for What has been observed in relation to the proceeding for winding up,

perforce, applies to the application seeking initiation of CIRP under IBC.

33. Apart from the above and even if it be assumed that the principles relating to acknowledgement as per Section 18 of the Limitation Act are applicable for extension of time for the purpose of the application under Section 7 of the Code, in our view, neither the said provision and principles come in operation in the present case nor they enure to the benefit of respondent No. 2 for the fundamental reason that in the application made before NCLT, the respondent No. 2 specifically stated the date of default as '8.7.2011 being the date of NPA'. It remains indisputable that neither any other date of default has been stated in the application nor any suggestion about any acknowledgement has been made. As noticed, even in Part-V of the application, the respondent No. 2 was required to state the particulars of financial debt with documents and evidence on record. In the variety of descriptions which could have been given by the applicant in the said Part- V of the application and even in residuary Point No. 8 therein, nothing was at all stated at any place about the so called acknowledgment or any other date of default.

33.1. Therefore, on the admitted fact situation of the present case, where only the date of default as '08.07.2011' has been stated for the purpose of maintaining the application under Section 7 of the Code, and not even a foundation is laid in the application for suggesting any acknowledgement or any other date of default, in our view, the submissions sought to be developed on behalf of the respondent No. 2 at the later stage cannot be permitted. It remains trite that the question of limitation is essentially a mixed question of law and facts and when a party seeks application of any particular provision for extension or enlargement of the period

of limitation, the relevant facts are required to be pleaded and requisite evidence is required to be adduced. Indisputably, in the present case, the respondent No. 2 never came out with any pleading other than stating the date of default as '08.07.2011' in the application. That being the position, no case for extension of period of limitation is available to be examined. In other words, even if Section 18 of the Limitation Act and principles thereof were applicable, the same would not apply to the application under consideration in the present case, looking to the very averment regarding default therein and for want of any other averment in regard to acknowledgement. In this view of the matter, reliance on the decision in Mahaveer Cold Storage Pvt. Ltd. does not advance the cause of the respondent No. 2.

38. The Corporate Debtor claimed that the Petition is hopelessly barred by limitation as date of default is 18.12.2014 and there is a delay of 4 years 5 months in filing the Petition. Section 7 application was filed in June, 2019.

Submissions/Additional Written Submissions of Petitioner IDBI Bank:

39. The Petitioner filed additional written submission claiming that on the day of filing Section 7 Petition, there was subsisting liability on the Corporate Debtor due to acknowledgment of debt in writing. Though the guarantee was invoked on 14th December, 2014 its validity to extend from time to time by acknowledgment of debt in writing and a fresh period of limitation has commenced in terms of Section 18 of Limitation Act, 1963. Further, the right of the petitioner as entailed under Section 3(6)(A) wherein the claim is defined under the Code. The claim means a right to payment whether or not this right is fixed, disputed, undisputed, legal, equitable, secured or unsecured. Therefore, the Petitioner has a claim as a creditor as defined under the Act and the guaranteed document constitute a surety for payment of

debt and the default of the Borrower in non-payment of dues has resulted in declaring a debt as NPA. Therefore, in view of all the above, the Petitioner claims that the debtor has acknowledged the debt in writing and the period of limitation has been extended.

40. The Counsel for the Petitioner relied upon judgement of *Babulal Vardharji Gurjar vs Veer Gurjar Aluminium Industries Pvt. Ltd. & anr.* AIR 2020 SC 4668 and stated that the Hon'ble Supreme Court held that Section 18 of Limitation Act, 1963 is not in view of the facts and circumstances of case, however, the Hon'ble Supreme Court did not hold the provisions of Section 18 did not apply to the code.

41. The Corporate Debtor further replied upon acknowledgment of the Corporate Debtor dated 27.09.2017 wherein the Corporate Debtor specifically pleaded not to initiate actions under IBC and therefore claimed that this acknowledgment and that in view of Section 18 of Limitation Act, 1963, this amounts to acknowledgment and hence the Petition is not barred by limitation. The Petitioner relied upon the judgment of Hon'ble Supreme Court J.C. Budhraj vs. Chairman, Orissa Mining Corporation Ltd. & Anr. reported in 2008 SCC 444 wherein the Hon'ble Supreme Court specifically held that explanation to Section 18 of Limitation Act, 1963 provides that an acknowledgment may be sufficient though it omits to specify the exact nature of right or avert that the time of payment has not yet come or is accompanied by refusal to pay or is coupled with a claim of set off to a person to whoever that person entitled to the right.

42. The Petitioner relied upon judgment of *Piyush Periwal Vs. Stressed Assets Stabilization Fund (SASF)* of Hon'ble NCLAT wherein it was held that the guarantor will be bound by the acknowledgment of principle Borrower and observed that "the liability of the guarantor being co-extensive to the liability of principle Borrower and acknowledgment of

liability by the principle Borrower in terms of letter dated 20.12.2016 form in Annexure R7 to rely Affidavit (Pg. 64) is binding on the Corporate Guarantor and cannot wriggle out to discharge obligation towards SASR.”

IA 613 of 2020:

43. The Petitioner had filed IA 613 of 2020 seeking the leave of the Tribunal to permit the applicant to file additional documents, i.e., letter dated November 19, 2016.
44. The applicant/ Petitioner in the IA ought to rely on a letter of November 19, 2016 which tantamount to an acknowledgment u/s. 18 of Limitation Act, 1963. Hence, the Petitioner claims the period of limitation as prescribed under Article 137 would start from November 19, 2016 and hence, claim that the Limitation expires on November 19, 2019 and thus claim the Section 7 application filed by applicant Bank is within the limitation.

Findings:

45. The legal questions that arise for consideration are as follows:
 - 1) Whether the Limitation is extended by the letter of the Corporate Debtor dated 27.09.2017?
 - 2) Whether Sec.18 of Limitation Act gets attracted to the facts of the present case?
46. The Petitioner Bank had granted term loan of Rs. 35 Crores, cash credit limit of Rs. 2 Crores and Bank guarantee of Rs. 4 Crores to the Great Indian Nautanki Pvt Ltd (Principal Borrower). The Company promoted by Corporate Debtor vide sanction letter dated 24.06.2009. subsequently a term loan of Rs. 12 Crores was sanctioned and the bank guarantee of Rs. 4 Crores was reduced to 1 Crore in 2010. The additional facility of Rs. 6.70 Crores was sanctioned in 2012. Loan cum

Hypothecation Agreement dated 26.06.2009, 25.02.2010 and 14.01.2014 were executed between Borrower and Petitioner Bank. The financial facilities were secured by the Corporate Guarantee furnished by the Corporate Debtor.

47. The total principal amount of debt disbursed under the Facility Agreement was Rs. 56.70 Crores. However, amount due to the Financial creditor by the borrower as on 01.06.2019 is Rs. 60,39,87,991.41/-. The Petitioner recalled its loan vide its letter on 14.02.2014.
48. On 08.12.2014, the Petitioner also invoked the corporate guarantee demanding a sum of Rs. 39,62,61,265.06/-. The Corporate Debtor failed to honour the terms of corporate guarantee. The Petitioner also invoked actions under SARFAESI proceedings. On 25.08.2017, the Petitioner wrote to the Corporate Debtor issuing the final notice to arrangement clearance of overdue on immediate basis failing which the Petitioner would be constraints to take steps against the company under IBC for recovery of dues.
49. The Corporate Debtor vide its letter on 27.09.2017 categorically admitted that the Principal borrower Great Indian Nautanki Company Private Limited has failed to pay its dues and hence the Petitioner has invoked the corporate guarantees. Corporate Debtor further clarify that the principal borrower has sought certain subsidies from the Government Haryana and Chief Minister's office has in the light of relevance of KODS project of state of Haryana tourism, appointed a committee to consider the request of GIAD and Corporate Debtor requested the petitioner not to initiate any action under IBC and provide them time to present a plan acceptable to the Petitioner.

50. In view of the said letter of Corporate Debtor there is an extension of period of limitation from 27.09.2017 an amount to acknowledgment of debt u/s 18 of Limitation Act, 1963. Section 18 of the Limitation Act, 1963 is as follows:

"18. Effect of acknowledgment in writing.—(1) Where, before the expiration of the prescribed period for a suit or application in respect of any property or right, an acknowledgment of liability in respect of such property or right has been made in writing signed by the party against whom such property or right is claimed, or by any person through whom he derives his title or liability, a fresh period of limitation shall be computed from the time when the acknowledgment was so signed.

(2) Where the writing containing the acknowledgment is undated, oral evidence may be given of the time when it was signed; but subject to the provisions of the Indian Evidence Act, 1872 (1 of 1872), oral evidence of its contents shall not be received.

Explanation.—For the purposes of this section,— (a) an acknowledgment may be sufficient though it omits to specify the exact nature of the property or right, or avers that the time for payment, delivery, performance or enjoyment has not yet come or is accompanied by a refusal to pay, deliver, perform or permit to enjoy, or is coupled with a claim to set off, or is addressed to a person other than a person entitled to the property or right, (b) the word "signed" means signed either personally or by an agent duly authorised in this behalf, and (c) an application for the execution of a decree or order shall not be deemed to be an application in respect of any property or right."

51. The Corporate Debtor has executed corporate guarantee dated 14.01.2014, 25.02.2010, 26.06.2009 wherein the Corporate debtor have agreed to undertake to pay on demand an amount of Rs. 56.70 Crores in case the borrower commits default under the facility agreement. The Principal borrower failed to repay the said amount as on 01.06.2019 amounting to Rs. 60,39,87,991.41/-. Hence, the Petitioner Company had invoked and had issued recall notice to the Principal borrower on November 14, 2014 and also invoke the proceedings under SARFAESI and invoke the guarantees on December 08, 2014.
52. Essentially all the financial debt u/s. 7 of IBC is complied with further, the claim of the financial creditor is recognised under the guarantee deed and therefore amounts to a debt and there has been default of non-payment of dues by the Principal borrower and thus the Petitioner has rightly invoked the guarantee deed.
53. The Petitioner also relied upon the judgement of *Babulal Vardharji Gurjar vs. Veer Gurjar Aluminium Industries Pvt. Ltd. & anr. AIR 2020 SC 4668* wherein the Hon'ble Supreme Court formulated a question whether Section 18 of Limitation Act, 1963 could be applied to the present case. The Hon'ble Supreme Court held in view of the fact and circumstances of the present case Section 18 of Limitation Act 1963 is not attracted. Therefore, the Hon'ble Supreme Court did not hold that the provisions of Section 18 of the Act did not apply to the Code.
54. The Counsel for the Petitioner also relied upon the judgement of *Yogesh Kumar Yashwant Lal Thakkar vs. Indian Overseas Bank in company Appeal 80)(insolvency No 236 of 2020)* pronounced on 14.09.2020. The Hon'ble NCLAT reconfirmed the applicability of Section 18 and held that a fresh limitation period arouses and Corporate Debtor

has acknowledgment its debt by issuing revival/ debt confirmation letters before the expiry of limitation period.

55. In *J.C. Budhraja vs. Chairman, Orissa Mining Corporation Ltd. & Anr.* reported in *2008 SCC 444* wherein the Hon'ble Supreme Court held that "Section 18 of Limitation Act, 1963 deals with acknowledgment of writing. Sub-section 1 provides that where before the expiration of period for a suit for application in respect of any rights, an acknowledgment of liability in respect of such right has been made in writing signed by party against whom that it is claimed, a fresh period of limitation shall be computed from the time when acknowledgment was so signed. The explanation to this section was to provide that an acknowledgment may be insufficient though it omits to specify the exact nature of right or averses that the time for payment has not yet come, or is accompanied by refusal to pay or is coupled with claim to set off, or is addressed to a person other than a person entitled to a right. Interpreting Section 19 of Limitation Act, 1908 corresponding to Section 18 of Limitation Act, 1963, this Code in *Shapoorji M. Durrani vs. Durgaprasanna Sahmari* reported in 1961 SCC 12636 at para 6 and 7:

"6... acknowledgment as prescribed by [s. 19](#) merely renews debt; it does not create a new right of action. It is a mere acknowledgment of the liability in respect of the right in question; it need not be accompanied by a promise to pay either expressly or even by implication. The statement on which a plea of acknowledgment is based must relate to a present subsisting liability though the exact nature or the specific character of the said liability may not be indicated in words. Words used in the acknowledgment must, however, indicate the existence of jural relationship between the parties such as that of debtor and creditor, and it must appear that the statement is made with the intention to admit such jural relationship. Such intention can be inferred by implication from the

nature of the admission, and need not be expressed in words. If the statement is fairly clear then the intention to admit jural relationship may be implied from it. The admission in question need not be express but must be made in circumstances and in words from which the court can reasonably infer that the person making the admission intended to refer to a subsisting liability as at the date of the statement....

...generally courts lean in favour of a liberal construction of such statements though it does not mean that where no admission is made one should be inferred, or where a statement was made clearly G. without intending to admit the existence of jural relationship such intention could' be fastened on the maker of the statement by an involved or far-fetched process of reasoning.....

...In construing words used in the statements made in writing on which a plea of acknowledgment rests oral evidence has been expressly s. excluded but surrounding circumstances can always be considered."

7.....

The effect of the words used in a particular document must inevitably depend upon the context in which the words are used and would always be conditioned by the tenor of the said document..."

56. It is a well settled law that a writing of acknowledgment of liability must involve an admission/ conscious affirmation and intention of the Corporate Debtor vide letter dated 27.09.2017 at para 2 had mentioned that the principal borrower Great Indian Nautanki Company Private Limited had failed to pay its dues to IDBI as a result of which IDBI has invoked the above-mentioned guarantee and called upon Wizcraft International Entertainment Private Limited to pay IDBI dues of RS. 49.39 crores. The Corporate Debtor further requested petitioner bank not to initiate any action against insolvency code and provide them necessary time to provide plan in view of the ongoing subsidies being

sanctioned by the Government of Haryana. The Corporate Debtor has sought time which amounts to admission and acknowledgment of liability and also recorded the default of non-payment of money by the Principal Borrower, thus the letter dated 27.09.2017 amounts of acknowledgment of liability in writing and period of limitation is extended from 27.09.2017 to 26.09.2020 under Article 137 of Limitation Act.

57. The Counsel for the Petitioner also relied upon the judgment of *Piyush Periwal Vs. Stressed Assets Stabilization Fund (SASF)* wherein the Hon'ble NCLAT at para 10 held that "*10. The liability of the Guarantor being coextensive to the liability of the Principal Borrower and the acknowledgment of liability by the Principal Borrower, in terms of letter dated 20th December, 2016 forming Annexure R-7 to the Reply affidavit (page 64), is binding on the Guarantor and he cannot wriggle out of its liability to discharge its obligations towards SASF. It goes without saying that in terms of Clause 11 of the Corporate Guarantee dated 16th July, 1997, the Corporate Guarantor is liable to be proceeded against by the lender or its assignee in the same manner as if it was the Principal Borrower/ Debtor.*"

Para 11 the Hon'ble NCLAT Held as follows: "*11. For the foregoing discussion, we are of the considered opinion that the application filed by the Respondent under Section 7 of I&B Code for triggering CIRP against Respondent - Corporate Guarantor on 12th March, 2019 was not barred by limitation. Contention raised by the Appellant as regards plea of limitation and other contention in regard to discharge of obligation of Appellant - Corporate Guarantor towards SASF are accordingly repelled.*"

58. It is pertinent to rely upon the judgment of Hon'ble Supreme Court in *Jignesh shah vs. Union of India* reported in 2019 13 SCC at page 61 at para 8 held that "*8...To my mind, there is a fallacy in this argument*

because the test that is required to be applied for purposes of ascertaining whether the debt is in existence at a particular point of time is the simple question as to whether it would have been permissible to institute a normal recovery proceeding before a civil court in respect of that debt at that point of time. Applying this test and de hors that fact that the suit had already been filed, the question is as to whether it would have been permissible to institute a recovery proceeding by way of a suit for enforcing that debt in the year 1995, and the answer to that question has to be in the negative. That being so, the existence of the suit cannot be construed as having either revived the period of limitation or extended it. It only means that those proceedings are pending but it does not give the party a legal right to institute any other proceedings on that basis. It is well settled law that the limitation is extended only in certain limited situations and that the existence of a suit is not necessarily one of them. In this view of the matter, the second point will have to be answered in favour of the respondents and it will have to be held that there was no enforceable claim in the year 1995, when the present petition was instituted."

59. The aforesaid judgment correctly hold that the suit for recovery based upon cause of action it is within limitation cannot be in any manner in fact separate an independent remedy of winding up proceedings. In law, when time begins to run, it can only be extended in the manner provided the limitation act. For eg. An acknowledgment of liability u/s. 18 of Limitation Act, 1963 would extend limitation period but a suit for recovery which is independent proceedings distinct from the remedy of windings up, in no manner, in fact the limitation within which winding up proceedings is to be filed, by somehow keeping the debt alive for the purpose of winding up.

60. Therefore, the Hon'ble Supreme Court has held that limitation can only be extended in the manner provided u/s. 18 of Limitation Act, 1963.
61. Hon'ble Supreme Court in *Jignesh Shah and BK Education Services Private Limited reported in 2018 SCC OnLine SC 1921* has also held that Article 137 of Limitation Act, 1963 shall be applicable to the application filed u/s. 7 and 9 of IBC.
62. This Bench is of the considered opinion that the letter of the Corporate Debtor dated 27.09.2017 amounts to acknowledgment of liability and thus extends the limitation periods u/s. 18 of Limitation Act, 1963 and thus all the ingredients of Section 7 of IBC are satisfied and the liability of Corporate Debtor being a Corporate Guarantor is established in view of the admission of liability by the Corporate Debtor vide its Letter 27.09.2017 and the Petition is within 3 years is filed and hence the Petition is admitted.
63. The Application IA 613 of 2020 in CP 3000 of 2019 is disposed off in view of the fact that no additional documents can be sought to be filed at the final stage.
64. Considering the above facts, we come to conclusion that the nature of debt is a "Financial Debt" as defined under Section 5(8) of the Code. It has also been established that there is a "Default" as defined under Section 3(12) of the Code on the part of the Debtor. The two essential qualifications, i.e., existence of 'debt' and 'default', for admission of a Petition under Section 7 of the I&B Code, have been met in this case. Besides, the Company Petition is well within the period of limitation.
65. As a consequence, keeping the aforesaid facts in mind, it is found that the Petitioner has not received the outstanding Debt from the

Corporate Debtor and that the formalities as prescribed under the Code have been completed by the Petitioner, we are of the conscientious view that this Petition deserves '**Admission**'.

66. Further that, we have also perused the Form – 2, i.e., written consent of the proposed Interim Resolution Professional submitted along with this application/petition by the Financial Creditor and there is nothing on record which proves that any disciplinary action is pending against the said proposed Interim Resolution Professional.
67. The Financial Creditor has proposed the name of Insolvency Professional. The IRP proposed by the Financial Creditor, Mr. Vinit Gangwal, having registration No. IBBI/IPA-002/IP-N00091/2017-2018/10235, is hereby appointed as Interim Resolution Professional to conduct the Insolvency Resolution Process.
68. Having admitted the Petition/Application, the provisions of Moratorium as prescribed under Section 14 of the Code shall be operative henceforth with effect from the date of order, and shall be applicable by prohibiting institution of any Suit before a Court of Law, transferring/encumbering any of the assets of the Debtor etc. However, the supply of essential goods or services to the "Corporate Debtor" shall not be terminated during Moratorium period. It shall be effective till completion of the Insolvency Resolution Process or until the approval of the Resolution Plan prescribed under Section 31 of the Code.
69. That as prescribed under Section 13 of the Code on declaration of Moratorium the next step of Public Announcement of the Initiation of Corporate Insolvency Resolution Process shall be carried out by the IRP immediately on appointment, as per the provisions of the Code.

70. That the Interim Resolution Professional shall perform the duties as assigned under Section 18 and Section 15 of the Code and inform the progress of the Resolution Process and the compliance of the directions of this Order within 30 days to this Bench. A liberty is granted to intimate even at an early date, if need be.
71. The Petition is hereby "**Admitted**". The commencement of the Corporate Insolvency Resolution Process shall be effective from the date of the Order.
72. Ordered Accordingly.

Sd/-
V. Nallasenapathy
Member (Technical)

Sd/-
Suchitra Kanuparthi
Member (Judicial)