

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL**  
**PRINCIPAL BENCH, NEW DELHI**

**C.P. NO.IB-547(PB)/2018**

**IN THE MATTER OF:**

Mr. Bhanu Ram & Ors.

.....Petitioners

vs.

M/s. HBN Dairies & Allied Ltd.

.....Respondent

**SECTION: Under Section 7 of the Insolvency and Bankruptcy  
Code, 2016**

**Order delivered on: 14.08.2018**

**Coram:**

**CHIEF JUSTICE (RTD.) M.M. KUMAR**  
**Hon'ble President**

**SHRI S.K. MOHAPATRA**  
**Hon'ble Member (Technical)**

**PRESENTS:**

For Petitioner(s) : Dr. U.K. Chaudhary, Sr. Adv,  
Mr. N. Raja Singh, Ms. Manisha Chaudhary,  
Mr. Sumit Malhotra, Mr. Himanshu Vij, Adv.

For Respondent : Mr. Vipul Srivastava, Mr. Rajendra Vats, Adv.



## **ORDER**

**M.M.KUMAR, PRESIDENT**

The Petitioner(s) claiming to be the financial creditor have filed the instant Petition under Section 7 of the Insolvency and Bankruptcy Code, 2016 (for brevity 'the Code') read with rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for brevity 'the Rules') with a prayer to trigger Corporate Insolvency Resolution Process in respect of respondent M/s HBN Dairies & Allied Limited (for brevity the 'corporate debtor').

2. It is appropriate to mention that the Corporate Debtor – M/s HBN Dairies & Allied Ltd was incorporated on 29.12.1998. The identification number of the Corporate Debtor given is CIN U15203DL1998PLC097690 and its registered office is situated at 303, Vardhman Chamber, 3<sup>rd</sup> Floor, Sonia Complex, Vikas Puri, New Delhi - 110018. The authorised share capital of the company is Rs. 11,00,00,000/- (Rupees Eleven Crore only) and the Paid-up share capital is Rs. 10,10,00,000/- (Rupees Ten Crore Ten Lakhs), respectively.

3. The precise case of the Petitioners is that the financial debt to the tune of Rs. 45, 80,000/- (Rupees Forty-Five Lac Eighty Thousand only) has accrued in favour of the Financial Creditors on account of their investments under the Investment Scheme floated by the Corporate Debtor along with total sum of Rs. 91, 60,000/- (Rupees Ninety One Lac Sixty Thousand only) payable as assured return to the Financial Creditors on expiry of the term. The term has ended as per details provided in the Annexure A-5, but the Financial Creditors have not been paid, till date.

4. The Corporate Debtor is engaged in the business of dairy farming and trading of its products. The Corporate Debtor used to invite applications from customers/investors for the purchase and upbringing of the cattle under its investment scheme by issuing a 'Rule Book', application form etc. This scheme was held to be a 'Collective Investment Scheme' by the Ld. SEBI vide its order dated 12.02.2015 which was upheld by the Ld. SAT by order dated 28.06.2017.



5. The Financial Creditor has proposed the name of Mr. Rohit Sehgal as the Insolvency Professional with the address AAA Insolvency Professionals LLP, E-10A, Kailash Colony, Greater Kailash-1, New Delhi-110048 and email-id rohit.sehgal@aaainsolvency.com. His registration number is IBBI/IPA-001/IP-P00528/2017-18/10953. He has filed his written communication as per the requirement of Rule 9 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. He has declared that no disciplinary proceedings are pending against him in Insolvency and Bankruptcy Board of India or elsewhere. In addition, further necessary disclosure has been made as per the requirement of the IBBI Regulations.

6. In Part-IV of the Petition, the Financial Creditor has given the details of the total amount of the financial debt and the transactions on account of which the debt fell due.

PARTICULARS OF FINANCIAL DEBT	
<b>1. TOTAL AMOUNT OF DEBT</b> <b>(Annexure A-5)</b>	The total amount of



	<p>financial debt as regards to the financial creditors is Rs.45, 80,000/- (Rupees Forty-five Lakhs Eighty Thousand only).</p> <p>The aforesaid financial debt is on account of the investments made under the Investment Scheme floated by the Corporate Debtor along with total sum of Rs. 91,60,000/- (Rupees Ninety One Lakh Sixty Thousand only) payable as assured return to financial creditors).</p>
<p><b>2. AMOUNT CLAIMED TO BE IN DEFAULT AND THE DATE ON WHICH THE DEFAULT OCCURED</b></p>	<p>The total amount to be due Rs.91, 60,000/- (Rupees Ninety One Lakhs Sixty</p>

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	Thousand Only) as on various dates as mentioned in the certificate(s) of the Financial Creditors.
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7. In column 2 of part IV the amount claimed to be in default and the date on which the default occurred, have been stated. According to the rejoinder filed by the Financial Creditor-Petitioner(s) vide Diary No. 4239 filed on 02.07.2018, the amount of default has been corrected to be **Rs. 90,71,819/-** which is the actual amount due and payable as assured return to the Financial Creditors on the date of filing the Application.

8. The detailed particulars of the financial creditors along with the dates of default have been disclosed in **Annexure A-5** which is based on the certificates issued by the Corporate Debtor. Thus the date of default is 29.03.2017 (which is the maturity date as per the Scheme).



9. It is the case of the Petitioner(s) that the Corporate Debtor was inviting applications from customers/investors for the purchase and upbringing of the cattle under its investment scheme by issuing a 'Rule Book', Application Form, Certificate, Receipt, etc.

10. That, the 'Rule Book' shows different types of cattle available with the corporate debtor/company and their estimated cost and the same is given in the table as below:

SI. No.	Type of Cattle	Qty. of Milk Ltr. (per day)	Estimated Cost
1	Brown Swiss	5-10	5,000-15,000
2	KarnFreeje	12-30	15,000-30,000
3	H.F.R./H.F.	15-35	15,000-35,000
4	Jerses	15-45	15,000-45,000
5	Claf M/F		2,500-10,000

Under the 'Rule Book' there are two categories of Plans offered by the Corporate Debtor/Company as Category I and II. In Category I plans, the payments by the customers/investors are



made in lump-sum, whereas in Category II plans the payments by the customers/investors are made in instalments.

The table of said two Categories of plans given as below:

Category I		Category II	
<b>Plan No. C</b>	108 months (9 years)	<b>Plan D</b>	70 months (5 years 10 months)
<b>Plan No. C1</b>	75 months (6 years 3 months)	<b>Plan E</b>	80 months (6 years 8 months)
		<b>Plan F</b>	108 months (9 years)
		<b>Plan G</b>	48 months (4 years)
		<b>Plan H</b>	60 months (5 years)

11. It is submitted that all the Financial Creditors have invested in Plans of Category I only and the illustration of Plan No. C1 of Category 1 is given as below:

*Handwritten signature/initials*



**Plan No. "C 1" for 75 months (6 Years 3 Months)**

<b>Sl. No.</b>	<b>Consideration Cost of Cattle/ Ghee</b>	<b>Expected Cost of Developed Cattle/Ghee</b>	<b>Accidental Death Compensation (Rs.)</b>
1	5,000	10000	5,000
2	10,000	20000	10,000
3	15,000	30000	15,000
4	20,000	40000	20,000
5	25,000	50000	25,000
10	50,000	100000	50,000

**Terms of Plan No. C1 of Category I**

"If the Joint Venturer wants to purchase the cattle from the first party's (company) dairy farm and up bringing the cattle into the same dairy farm that can be done as under

- i. The cost of the cattle includes maintenance expenses which will be paid by the joint venture to the first party (company) at the time of agreement.
- ii. The agreement will be for a fixed period of 6 years and 3 months, 9 years in Category -I.



iii. The agreement cannot be cancelled up to 3 years. After 3 years if the joint venture wants to cancel the agreement, then the first party will charge 25% of the cost of cattle agreed at the time of agreement from the joint venture.”

12. The Application Form issued by the Company is pre-printed document which on the back side of its contents some relevant ‘Salient features’ and the same are reproduce as below:

(1).....

(2)Payment may be made by local cheques/Demand draft/money order/banker’s cheque/cash separately for each application.....

(6)The company shall issue certificate on the basis of application form. A certificate issued by the Company shall bear the seal/stamp of company & shall be signed by the Chairman or any other authorized officer of company.



**(8) Joint Venture(s) shall be repaid on expiry of terms.**

That application form also mentions category Plan No., Term of Plan, Consideration of CV, Date of Commencement, Expiry date of Joint Venture, Mode of Payment, total amount etc. It is noted from the 'application form' that the same does not speak anything about the cattle. The salient features as discussed above categorically states that the Joint Venturer shall be repaid only after the expiry of the term. The date of expiry in the case in hand for different Joint Ventures is different as disclosed in **Annexure A-5**. However the default occurred for different Joint Ventures between 29.03.2017 to 30.06.2018.

13. It is seen that the Company issues 'a certificate' against the investment taken from the customers/ investors. The sample certificate mentions as under;

*"CERTIFIED that the person described in Schedule hereto is Registered Joint Venture of Consideration as shown in Schedule under Plan of Company, subject to the regular payment of*



*Subscription(s) as mentioned in the said Schedule and also subject to "General Terms and Conditions" printed overleaf and Terms and Conditions as per Rule Book, as may be amended from time to time, ..... It is hereby declared that Schedule, 'General Terms & Conditions' and other Terms & Conditions of Rule Book, as amended from time to time, shall be deemed to be as part of this Certificate."*

The certificate contains the details such as the name and address of Joint Venture, registration number, date of commencement, plan no./term, cost of cattle/ghee, etc. The 'Certificate' further provides for the 'expected sum payable on expiry of term C.O.C/ Ghee', date of last payment and date of expiry of term. This document is more in the nature of a certificate of investment, recording the investment made by the customer and the appreciated value available on completion of the term.

A few other samples of 'certificate' also states that *'At the end of Term 10% of consideration Amount will be paid as Bonus if the Joint Venture is NOT LAPSED'*.





14. Certificate also contains the 'first instalment receipt-cum-acceptance letter' which reads as under:

*"RECEIVED with thanks from the person mentioned as Joint Venturer in the schedule below. The amount of first instalment of subscription along with admission fee of Rs. 5/- in pursuance of application made by the said person for Joint Venture with HBN Dairies & Allied Ltd. The said application is hereby accepted by the company subject to Rule Book as amended from time to time".*

The same also gives the expiry date of the plan.

15. In view of the above discussion regarding the 'Rule Book', 'Application form' and 'Certificate' issued by the Corporate Debtors under the Investment Scheme, it is submitted that for applying, the customers/investors had to make application and execute a Joint Venture agreement with the Corporate Debtor/Company. The Corporate Debtor guarantees assured returns on completion of the term as more specifically mentioned in the Certificate as **"expected sum payable on expiry of the term"**.



15. In the case of **Nikhil Mehta & Sons (HUF) & Ors. Vs. M/s.**

**AMR Infrastructures Ltd.**, Hon'ble NCLAT vide order dated 21.07.2017 rendered in Company Appeal (AT) Insolvency No. 07/2017 has held that those who have commitment to pay 'assured return', interest, etc are covered by the expression 'financial creditor'.

16. In pursuance to that the Financial Creditors on the date of expiry of Terms of the above-mentioned Plans in Category I and II, have submitted all their original certificates to the Corporate Debtor for the payment of expected maturity amount. However, the Corporate Debtors had retained original certificate with the purport to release the assured return of the Financial Creditors. However, Corporate Debtor has wilfully failed to pay the assured return amount of the Financial Creditors, till date.

17. The Applicants submit that several reminders were sent and they visited the Corporate Debtor and its officials but no



response has ever been received by the Applicants/Financial Creditors to the said request. In fact, there is deafening silence.

18. Further, the Securities and Exchange Board of India (hereinafter referred to as 'the SEBI') received a reference from Reserve Bank of India ('RBI') as a complaint against the Corporate Debtor alleging illegal mobilization of funds from public under the garb of various schemes. The SEBI initiated inquiries into the scheme and issued a Show Cause Notice alleging that the Schemes run by Corporate Debtor are in the nature of Collective Investment Schemes (CIS) as defined in Section 11AA of the SEBI Act without obtaining a certificate of registration from SEBI for operating CIS as required under SEBI regulations.

19. The SEBI concluded detailed investigation and gave opportunity to the Corporate Debtor and all of its directors and found that the Corporate Debtor was engaged in fund mobilizing activity by floating unauthorized CIS and also observed that Corporate Debtor has not been able to adhere to the timelines given by SEBI to repay the investors and has



completely failed to follow the procedure laid down for the repayment and failed to call back the loans and advances given by it to its subsidiaries and others.

20. The SEBI considered in detail the schemes launched by HBN, various submissions made by Corporate Debtor and repayment procedure adopted by Corporate Debtor pursuant to interim order. Thereafter, Mr. Prashant Saran, Whole Time Member of SEBI under Section 19 of SEBI Act, 1992 issued directions against the Corporate Debtor. A copy of order dated 12.02.2015 Bearing No. WTM/PS/71/CIS-NRO/FEB/2015 has been **(Annexure-A-9)**.

21. Aggrieved by the order dated 12.02.2015, the Corporate Debtor filed an appeal before the Securities Appellate Tribunal ('SAT') and meanwhile, on 13.01.2016 SEBI received another repayment proposal to the compliance of the above said order. After perusal of the repayment schedule, The SEBI rejected the repayment proposal and passed a final order dated 12.08.2016 bearing No. WTM/SR/SEBI/CIS-NRO/42/08/2016. A copy of which is annexed **(Annexure-A-10)**.





22. Further aggrieved by the Order dated 12.08.2016, the Corporate Debtor filed an appeal against rejection of the repayment proposal in which the Corporate Debtor agreed that assets deposited with the SEBI may be sold by SEBI and further, the SAT directed the SEBI to sell the properties within a period of 6 months from the date of order.

A copy of the order dated 28.06.2017 passed by the SAT in Appeal No. 292 of 2015 has been placed on record (**Annexure-A-11**).

23. Subsequently, the Corporate Debtor then filed application for modification of order which was also declined. A copy of order dated 19.07.2017 passed by the SAT, Mumbai, Appeal No. 216 of 2015 has been placed on record (**Annexure-A-12**).

24. In terms of Order dated 19.07.2017 of the SAT, the SEBI initiated recovery proceedings and recovery certificated dated 14.09.2017 for an amount of Rs. 1,136 Crores was drawn up



by the Recovery Officer and 41 Properties of the Corporate Debtor were attached vide order dated 29.09.2017.

A copy of order dated 29.09.2017 bearing no. RO/NRO/84/2017 of Recovery Officer, Securities And Exchange Board of India, Northern Regional Office, New Delhi has been annexed **(Annexure-A-13)**.

25. Respondent- Corporate Debtor has filed its reply and has raised various objections to the petition.

26. A rejoinder to the reply/written statement has been filed by the Financial Creditor reiterating the submissions made in the application and controverting the assertions in the reply/written statement.

27. The objection of the Respondent – Corporate Debtor is that first and foremost the Petitioners are the Joint Venturers with the corporate debtor and thus they cannot term and/or classify themselves in the category of Financial Creditors under the provisions of the I & B Code.



In this regard the Petitioners have submitted in their Rejoinder filed on 02.07.2018 and have denied that the petitioners were the Joint Ventures with the Respondent – Corporate Debtor. It is submitted that as per the direction of the SEBI & the SAT, the Corporate Debtor had defaulted in making payment due to the Financial Creditors as well as other investors and thus, dues of Financial Creditor have been admitted as debt by the Corporate Debtor. Further, the Corporate Debtor continued to default in making the admitted Financial Debt at the time of filing the present application and therefore, the Corporate Debtor falls under the definition given under Section 3(8) of the IB Code.

This issue has been dealt in detail by the SEBI in its order dated 12.02.2015 concluding that the corporate debtor cannot claim that it had a 'joint venture' with the petitioner. The finding recorded is that it was an investment scheme. The following pertinent observations have been made:

*"it is observed that HBN was inviting applications from the customers/investors for the purchase and upbringing of the*



cattle under its various plans broadly categorised as lump sum and instalment. I note the following:

- i. For applying the customer/ investor necessarily have to execute a 'Joint Venture agreement' with the Company, in which only the rights of the Company and the returns are mentioned.
- ii. It is not clear whether on completion of the joint venture, the joint venture/ investor will get the cattle or ghee.
- iii. HBN guarantees assured returns on completion of the term as more specifically mentioned in the Certificate as 'expected sum payable on expiry of the term'.
- iv. The cattle remain with the Company and the same is reared/developed in the dairy farm of HBN only. The customer/investors only get a fixed amount at the end of the 'joint venture'.

From the observations as noted above, it can be inferred that the transactions of the Company are not in the nature of the **'joint venture'** rather it can be said to be an **investment scheme**.





In its order SEBI has supported these findings with the statutory provisions of Section 11AA of the SEBI Act, 1992 (as amended in the year 1999).

28. Further the Respondent – Corporate Debtor in its reply had challenged the amount as claimed by the Financial Creditor and has also stated that the settlement of their claims now rest with SEBI as the matter has already been adjudicated by the SAT vide its order dated 28.06.2017. Accordingly, the Respondent states that it has already deposited the title deeds of its fixed assets to the tune of above Rs. 1100 Crores with SEBI.

In reply to this, the Petitioner- Financial Creditor in its rejoinder has rectified the amount of the claim as mentioned in Form 1 submitted along with the Petition. Further the Petitioner- Financial Creditor has relied on the Judgement of the Hon'ble Supreme Court in a similar matter in Civil **Appeal No. 20974/2017 titled as 'Anant Kajare Vs. Eknath Aher & Anr'**, wherein the SEBI has classified the scheme floated by a company called 'Royal Twinkle Star Club Limited, as a



“Collective Investment Scheme” (CIS) and later the same has been proceeded to the SAT, as well.

29. It is also submitted by the Respondent- Corporate Debtor in its reply that this application is not maintainable on the grounds that the company was forced to stop its operations in the year 2013, much before the coming into force of the IB Code and the petitioners cannot claim similar reliefs from two Authorities as by the orders of SEBI and SAT, the title deeds of the fixed assets of the Corporate Debtor are in possession of SEBI and its Bank accounts are also lying freezed.

The Petitioner- Financial Creditor in its rejoinder has out rightly denied the above averments made and states that the SEBI in its order dated 12.02.2015 has observed that the Corporate Debtor has been continuously collecting money from its investors and has issued receipts in the name of HBN Foods Limited, which is one of the sister-concern.



The Objection raised by the Corporate debtor is not sustainable because the provisions of IBC are to prevail as Section 238 contains an non-obstante clause which is of the widest amplitude. In other words the corporate insolvency resolution process has to be triggered despite the application of any other law. In this regard we draw support from the observation made by the Hon'ble Supreme Court in the case of ***M/s Innoventive Industries Ltd Vs. ICICI Bank and Ors reported in (2018) 1 SCC 407***. In para 56 the following observations have been made:

*“The non- obstante clause, in the widest terms possible, is contained in Section 238 of the Code, so that any right of the corporate debtor under any other law cannot come in the way of the Code.”*

30.It is also submitted by the Respondent- Corporate Debtor that the application is not maintainable as the same does not bear the signatures of all the petitioners and the authority given by the petitioners to Sh. Bhanu Ram are neither consistent/ similar nor valid in the eyes of law.



The Petitioners, in this regard, have placed reliance on all letters of authorization and the power of attorneys are in conformity with the Rule 4 (4) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. The powers of attorneys are duly notarized from the public notary in accordance with law.

The aforesaid objection would also not be sustainable because Section-7 does not create a bar to file a petition by a financial creditor by himself or jointly with others. A bare perusal of Section-7(1) makes it patent that 'a financial creditor' either by itself or jointly with other financial creditor may file an application for initiating corporate insolvency resolution process against the corporate debtor. It is thus evident that a financial creditor on his own behalf or on behalf of others may file an application under Section-7. Therefore, we find no substance in the objection raised.

31. Learned Counsel for the Respondent- Corporate Debtor has filed a compilation of judgements with an Application- CA -





617(PB)/2018 to place certain material facts on record. The Respondent – Corporate Debtor submits that after the matter was heard on 12.07.2018 and thereafter SEBI vide its e-Auction Notice dated 13.07.2018 has published a Notice for Sale of certain Properties through its website. A copy of the e-Auction Notice as downloaded from the website has also been enclosed with the application.

The aforesaid objection raised by corporate debtor would also not require any serious consideration because all transactions which have taken place before the admission of the petition are liable to be considered by the IRP/RP and it would not constitute a ground to refuse the admission of the petition. Therefore we are not impressed with the objection raised and reject the same.

32. Under sub-section 5(a) of section 7 of the code, the application filed by the applicant financial creditor has to be admitted on satisfaction that:

- (i) Default has occurred;
- (ii) Application is complete, and



(iii) No disciplinary proceeding against the proposed IRP is pending.

33. Learned Counsel for the petitioner has argued that all requirements of Section 7 of the Code for initiation of Corporate Insolvency Resolution Process by a Financial Creditor stand fulfilled. In that regard, he has submitted that the application is complete as per the requirements of Section 7 (2) of the Code and other conditions prescribed by Rule 4 (1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. He has further submitted that the details of default along with its dates have been clearly stated in part IV along with all the minute details. There is overwhelming evidence to prove default and name of the resolution professional has also been clearly specified.

34. Having heard the learned counsels for the Financial Creditor and Corporate Debtor and having perused the paper books with their able assistance we may first examine the provisions of Section 7 (2) and Section 7 (5) of IBC which read as under:-



**“Initiation of corporate insolvency resolution process by financial creditor.**

7 (1) .....

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

7 (3) .....

7 (4) .....

7 (5) Where the Adjudicating Authority is satisfied that—

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

(b) .....”



35. A conjoint reading of the aforesaid provision would show that form and manner of the application has to be the one as prescribed. It is evident from the record that the application has been filed on the proforma prescribed under Rule 4 (2) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 read with Section 7 of IBC. We are satisfied that a default has occurred and the application under sub section 2 of Section 7 is complete. The name of the IRP has been proposed and there are no disciplinary proceedings pending against the proposed Interim Resolution Professional.

36. As a sequel to the above discussion, this petition is admitted and Mr. Rohit Sehgal with the address AAA Insolvency Professionals LLP, E-10A, Kailash Colony, Greater Kailash-1, New Delhi-110048 and email-id [rohit.sehgal@aaainsolvency.com](mailto:rohit.sehgal@aaainsolvency.com) and having registration number IBBI/IPA-001/IP-P00528/2017-18/10953 is appointed as the Interim Resolution Professional.





37. In pursuance of Section 13 (2) of the Code, we direct that Interim Insolvency Resolution Professional shall immediately make public announcement with regard to admission of this application under Section 7 of the Code. We also declare moratorium in terms of Section 14 of the Code. A necessary consequence of the moratorium flows from the provisions of Section 14 (1) (a), (b), (c) & (d) and thus the following prohibitions are imposed which must be followed by all and sundry:

“(a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;

(b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;

(c) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation



and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

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

38. It is made clear that the provisions of moratorium shall not apply to transactions which might be notified by the Central Government. Additionally, the supply of essential goods or services to the Corporate Debtor as may be specified is not to be terminated or suspended or interrupted during the moratorium period. These would include supply of water, electricity and similar other supplies of goods or services as provided by Regulation 32 of IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.

40. The Interim Resolution Professional shall perform all his functions religiously and strictly which are contemplated, *inter alia*, by Sections 15, 17, 18, 19, 20 & 21 of the Code. He



must follow best practices and principles of fairness which are to apply at various stages of Corporate Insolvency Resolution Process. His conduct should be above board & independent; and he should work with utmost integrity and honesty. It is further made clear that all the personnel connected with the Corporate Debtor, erstwhile directors, promoters or any other person associated with the Management of the Corporate Debtor are under legal obligation under Section 19 of the Code to extend every assistance and cooperation to the Interim Resolution Professional as may be required by him in managing the affairs of the Corporate Debtor. In case there is any violation by the ex-management or its ex-directors 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.



41. The office is directed to communicate a copy of the order to the Financial Creditor, the Corporate Debtor and the Interim Resolution Professional at the earliest but not later than seven days from today.

Sd/—

**(M.M.KUMAR)**  
**PRESIDENT**

Sd/—

**(S.K. MOHAPATRA)**  
**MEMBER (TECHNICAL)**

14.08.2018  
(VIDYA)