

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH**

**CP 2205 (IB)/MB/2019,
CP 1968(IB)/MB/2019,
CP 1938(IB)/MB/2019**

Under Section 7 and Section 9 of the I&B Code,
2016

In the matter of

State Bank of India

...Financial Creditor/ Petitioner
v/s

Jet Airways (India) Limited

...Corporate Debtor

And

In the matter of

Gaggar Enterprises Private Limited

...Operational Creditor/ Petitioner
v/s

Jet Airways (India) Limited

...Corporate Debtor

And

In the matter of

Shaman Wheels Private Limited

...Operational Creditor/ Petitioner
v/s

Jet Airways (India) Limited

...Corporate Debtor

Order Dated 20.06.2019

Coram: Hon'ble Member (Judicial): Mr V.P. Singh

Hon'ble Member (Technical): Mr Ravikumar Duraisamy

For the Petitioner: Adv. Avinesh Bisht, Adv. Dhananjay Kumar, Adv. Saloni Kapadia, Adv. Kaustub Rai, Adv. Ashish Matkar and Adv. Amie Jain

Kiran Sharma, PCS for R. Mulder (Administrator in Bankruptcy)

Adv. Jane Cox For National Aviators Guild (Pilot)

Adv. Rahul Kametkar for Jet Aircraft Maintainance Engineers' Welfare Association (JAMEWA) and a group of 70 Managers

Sr. Adv. Mr Mustafa Doctor, Adv. Anirudh Hariani, Adv. Vikram Shah, Adv. Amaya Deoshthale and Adv. Prakash Khati, Adv. Prateek Gupta for Operational Creditors in CP 1938/2019 and CP 1968/2019

For the Respondent: None Present

Per V.P. Singh, Member (Judicial)

ORDER

1. The Company Petition bearing CP No. 2205/2019 is filed by State Bank of India, Petitioner / Financial Creditor under Section 7 of Insolvency and Bankruptcy Code, 2016 (I&B Code) for initiation of Corporate Insolvency Resolution Process (CIRP) against Jet Airways (India) Limited, Corporate Debtor /Respondent.
2. There are two other petitions filed under section 9 of I&B Code bearing CP no 1968/2019 and 1938/2019 filed by Gaggar Enterprises Private Limited and Shaman Wheels Private Limited respectively claiming to be Operational Creditors of the Corporate Debtor. All these three petitions that are listed today seek to initiate CIRP against the same Corporate Debtor and are therefore being dealt with vide this common order.
3. This CP 2205/2019 under section 7 of the I&B Code is filed on 17th June 2019, but another petition filed earlier U/S 9 of the Code was already listed for argument on 20.06.2019, wherein notice to the Corporate Debtor has been served. Therefore, this petition was also listed for hearing on the same date.
4. The Petitioner granted a term loan of ₹1090 Cr. vide term loan agreement dated 08.09.2016. It is stated that the Financial Creditor and various other lenders of the Corporate Debtor executed Common Loan Agreement (CLA) dated 11.4.2018. The financial exposure of the financial creditor to the corporate debtor under CLA stood at ₹1090 Cr. The Financial Creditor and the other lenders of the Corporate Debtor granted additional term loan facilities to the Corporate Debtor vide Additional Term Loan Agreement dated 11.4.2018. The Financial Creditor granted additional term loan of ₹200 Cr.
5. The Corporate Debtor also availed certain working capital facilities vide Working Capital Consortium Agreement dated 20.10.2014 wherein the financial creditor extended working capital facilities to the tune of ₹1445 Cr, including both fund based and non-fund based facilities. The Financial Creditor revised and reduced the existing working capital limit from ₹1445 Cr to ₹1355 Cr vide First Supplemental Working Capital consortium agreement dated 23.09.2016. The Financial Creditor further revised and reduced the

existing fund based working capital limit by ₹101 Cr vide Second Supplemental Working Capital consortium agreement dated 22.02.2018.

6. The Financial Creditor and the other lenders of the Corporate Debtor extended another loan facilities agreement dated 12.02.2019 to the Corporate Debtor to meet its operational expenses, bridging any cash shortfall requirements, the prepayment of existing aircraft loans and regularising the overdraft limits utilised by the Corporate Debtor. Under this agreement, the Financial Creditor granted a term of ₹ 216.21 Cr to the Corporate Debtor.
7. The Petitioner has submitted that the aggregate amount of default as on 15.06.2019 is ₹462,39,38,604.55. This figure represents the total overdrawn amount over the sanctioned limit of the cash credit facilities granted by the Financial Creditor to the Corporate Debtor as on 15.05.2019. The total cash credit facilities granted and utilised by the Corporate Debtor as on 15.05.2019 was to the tune of ₹967,60,38,604.55. The aggregate Cash Credit Sanctioned limit in respect of the Cash Credit Facilities granted to the Corporate Debtor is to the tune of ₹505.21 Cr. Accordingly, the Default amount is stated to be arrived at by reducing the aggregate cash credit sanctioned limits from this amount, i.e. Rs 976,60,38,604.55.
8. It is stated that the default has occurred because these amounts have remained overdrawn for more than 30 days (i.e. over the sanctioned working capital limits), and 15.06.2019 has been taken as the date of crystallisation of this default (i.e. 30 days from 15.05.2019).
9. The Petitioner has stated that the loan facilities granted by it to the Corporate Debtor were secured by various security interest created in favour of the Petitioner. The Petitioner has given the details of security held by it or created for its benefits in Part V of Form 1 of this petition. The loan was secured by first ranking pari-passu charge on both present and future Domestic Credit Card Receivables; first ranking pari-passu charge over certain assets including inventories, receivables, ground support vehicles, spares and Data processing Equipments, etc.; and share pledge agreement dated 04.4.2019 for pledge of shareholding of the Corporate Debtor in Jet Privilege Pvt. Ltd. and 10.4.2019 for pledge of shareholding of Mr. Naresh Kumar Goyal in the Corporate Debtor. The copies of various certificates of

registration of charges issued by the Registrar of Companies in respect of the security interests created in favour of the Financial Creditor are annexed with the Petition.

10. The Petitioner has annexed repayment history report of the Corporate Debtor issued by Central Repository of Information on Large Credits (**CRILC**) dated 31.05.2019 to show the default in repayment of loan amount by the Corporate Debtor.
11. The Petitioner has also annexed copies of the entries in the Bankers' Books, along with the certificate under the Bankers' Books Evidence Act, 1891.
12. The Petitioner has annexed a letter from the Corporate Debtor dated 14.12.2018 addressed to the Financial Creditor requesting for urgent financial assistance as the Corporate Debtor's dues to its various Operational Creditor has exceeded USD 340 million and that it has received various default notices. In the letter dated 27.12.2018, the Corporate Debtor requested the Financial Creditor to defer the loan repayment and interest payment obligations due on 31.12.2018 to 17.01.2019.
13. The Financial Creditor vide its letter dated 11.01.2019 pointed out that the cash flow position of the Corporate Debtor had reached a critical point and that it had defaulted in the payment to its lenders on 12.12.2018. The Corporate Debtor in its letter dated 16.1.2019 sought further deferral on payment of the loan and interest instalments.
14. We have heard the parties and perused the records.
15. The Petition is filed by Mr Rajesh Kumar, Assistant General Manager, authorised vide Authority Letter dated 17.06.2019 read with the Gazette of India Notification No. ORG/17405 dated 27.03.1987 published in Gazette Notification No. 18 dated 02.05.1987.
16. In our Order dated 19.06.2019 we have ordered for serving the Court notice upon the Corporate Debtor for intimating the next date of hearing on 20.06.2019. The Petitioner has submitted an affidavit of service along with a notarized copy of the court notice bearing seal and signature of the Corporate Debtor, thus proving sufficient service of notice to the Corporate Debtor on 19.06.2019. It is also pertinent to note that the Corporate Debtor already had notice for hearing on

20.06.2019 in other matters under section 9 filed against it. We are also informed that most of the Key Managerial Personnel of the Corporate Debtor has resigned in May 2019 and the Board of Directors is not functioning. In such circumstances, no one has appeared on behalf of the Corporate Debtor. The corporate debtor has not filed any objection despite service of notice.

17. In support of its claim the Petitioner/financial creditor has annexed the sanction letter dated 24.06.2016, the Term Loan Agreement dated 08.09.2016, the Common Loan Agreement dated 11.04.2018, the Additional Term Loan Agreement dated 11.04.2018, the Working Capital Sanction Letter dated 20.11.2012, the Working Capital Consortium Agreement dated 12.12.2014 and the deed of rectification dated 12.12.2014, the First Supplemental Working Capital Consortium Agreement Dated 23.09.2016, the Second Supplemental Working Capital Consortium Agreement dated 22.02.2018 and the Facility Agreement dated 12.04.2019. The Petitioner has also annexed copies of various certificates of registration of charge issued by the Registrar of Companies in respect of the security interests created in favour of the Financial Creditor. These agreements and certificates are not disputed, which establishes the existence of the debt.
18. The CRILC report dated 31.05.2019 mentions that the Petitioner has reported on 08.02.2019 that the Corporate Debtor has caused a default in repayment on 02.02.2019. The CRILC report is annexed to the Petition as Exhibit- 8. The CRILC Report reflects that the account of the Corporate Debtor with the Petitioner has been classified **as sub-standard**. These documents along with various letters of the Corporate Debtor dated 14.12.2018 and 27.12.2018, requesting for urgent financial assistance as its dues to various Operational Creditors have exceeded USD 340 million, that has led to various default notices being served upon it and deferring the loan repayment and interest payment instalments, further establishes the default committed by the Corporate Debtor.
19. The total amount of debt granted to the Corporate Debtor by the Petitioner alone stands at ₹1795.21 Cr. There are several other Financial Creditors who have also granted a loan to the Corporate Debtor. Thus, the Corporate Debtor has a huge outstanding Debt.

20. The default amount is stated to be ₹462,39,38,604.55/-, being the overdrawn amount over sanctioned limits of the cash credit facilities by the Petitioner alone. The default in loan facilities given by the other financial creditors is not included in the default amount in the present application. Over and above this, the Corporate Debtor has also defaulted in the payment to several of its Operational Creditors as has been stated in the letter of the Senior Vice-President-Finance of the Corporate Debtor dated 14.12.2018. Two of the applications filed by the Operational Creditor have also reached the stage of admission. Further, during the hearing on 20.06.2019 the counsel appearing for the Pilots of the Corporate Debtor has submitted that the Corporate Debtor owes more than ₹550 Cr. to its pilots towards the pending salary. The Counsel for engineers of the Corporate Debtor also submitted that similar dues are pending against the claim of the engineers of the Corporate Debtor. Thus, the Corporate Debtor has huge outstanding debt, both financial and operational.
21. During the hearing on 20.06.2019, this bench was apprised that insolvency proceedings against the Corporate Debtor have already been initiated and a translated copy of the judgment of NOORD-HOLLAND DISTRICT COURT dated 21.05.2019 was placed before us by the Practising Company Secretary appearing on behalf of the Foreign Court appointed Administrator in Bankruptcy. It is to be noted that the said Judgment is not submitted on affidavit neither the Original/Certified copy of the Judgment is submitted along with the translated copy. It is also important to note that there is no provision and mechanism in the I&B Code, at this moment, to recognise the judgment of an insolvency court of any Foreign Nation. Thus, even if the judgment of Foreign Court is verified and found to be true, still, *sans* the relevant provision in the I&B Code, we cannot take this order on record.
22. It is pertinent to mention that Mr. R. Mulder, Administrator in Bankruptcy of Jet Airways (India) Ltd in Noord Holland District Court has filed a written submission in the capacity of Intervenor stating that vide judgement dated 21.5.2019, Hon'ble Noord Holland District Court, Trade, Sub-district and Insolvency, passed an order of bankruptcy against Jet Airways (India) Limited (hereinafter, "Corporate Debtor") in Petition Number: C/ 15/288017/ FT RK 19/

540R as per the provisions of Bankruptcy Act prevailing in the Netherlands. The Hon'ble Court appointed Mr R. Mulder as the Administrator in bankruptcy of the Corporate Debtor by the said Judgment. A copy of the said judgement (translated. version) is enclosed.

23. It is further contended by the applicant Intervener that on the appointment as the Administrator of the Corporate Debtor, Mr R. Mulder informed the Corporate Debtor and the Chairman, State Bank of India of the initiation of bankruptcy proceedings against the Corporate Debtor. Mr Mulder has appointed the Indian law firm, Kesar Dass B. & Associates, as his legal advisor to assist him in India in taking control of the Corporate Debtor and its assets, under the bankruptcy law on the Netherlands. The initiation of said bankruptcy proceedings has been widely reported by the Indian media.
24. It is further contended by the Intervener that the Counsels of the Administrator apprised this Tribunal regarding the existing order of Insolvency and appointment of Administrator. The contention of the Administrator is as under:
 - a. Admission of application(s) and passing order of commencement of insolvency against the Corporate Debtor when the insolvency process has already been commenced against the Corporate Debtor one month ago in another jurisdiction will create a peculiar situation of two insolvency proceedings running in parallel against the same Corporate Debtor leading to complications and delays in resolution Of insolvency.
 - b. The Administrator appointed by a competent court in the Netherlands and Interim Resolution Professional appointed by the Adjudicating Authority will compete to take control and possession of assets, in India and other jurisdictions, which is neither in the interest of smooth functioning of the insolvency process nor in the interest of the stakeholders including the creditors.
 - c. The above situation will create uncertainty and unpredictability of the outcome and impair the chances of attracting potential resolution applicants for the Corporate Debtor.

- d. Even though the provisions of law, Section 234 and Section 235 of the IBC have not been given effect to by the Central Government, there is no bar or prohibition under the IBC for the Adjudicating Authority recognising the insolvency proceedings in a foreign jurisdiction.
 - e. The provisions of sections 13, 14 and 44-A of the Code of Civil Procedure, 1908 do not apply to insolvency proceedings. They deal with the procedure of recognition and enforcement of foreign judgments/ decree/orders etc. An insolvency proceeding is not a money decree which requires recognition and enforcement. It is also not against the public policy of India as the Administrator will act by the substantive principles of IBC in his dealing with the insolvency process of the Corporate Debtor.
 - f. The Judgment dated 21 May 2019 has been passed by the court of competent jurisdiction is final and binding on the Corporate Debtor and lenders. Despite notice (supra), the Corporate Debtor and State Bank of India have not filed any appeal against the judgement, till date.
 - g. Two parallel proceedings are likely to obstruct smooth and uninterrupted, sustainable and certain proceedings. Also, they are likely to stand in the way of expeditious outcome of the process.
25. The objections raised by the Intervener is based on the order passed by the Noord Holland District Court, Netherland.
26. It is pertinent to mention that Section 234-235 of IBC, 2016 deals with the matter regarding the agreement with foreign countries and the letter of request to a country outside India in the insolvency Resolution Process where the assets of the corporate debtor exist outside India. The provision is given as under:
- "234. Agreements with foreign countries. –*
- (1) The Central Government may enter into an agreement with the Government of any country outside India for enforcing the provisions of this Code.*

(2) The Central Government may, by notification in the Official Gazette, direct that the application of provisions of this Code in relation to assets or property of corporate debtor or debtor, including a personal guarantor of a corporate debtor, as the case may be, situated at any place in a country outside India with which reciprocal arrangements have been made, shall be subject to such conditions as may be specified.

235. Letter of request to a country outside India in certain cases. -

(1) Notwithstanding anything contained in this Code or any law for the time being in force if, in the course of insolvency resolution process, or liquidation or bankruptcy proceedings, as the case may be, under this Code, the resolution professional, liquidator or bankruptcy trustee, as the case may be, is of the opinion that assets of the corporate debtor or debtor, including a personal guarantor of a corporate debtor, are situated in a country outside India with which reciprocal arrangements have been made under section 234, he may make an application to the Adjudicating Authority that evidence or action relating to such assets is required in connection with such process or proceeding.

(2) The Adjudicating Authority on receipt of an application under sub-section (1) and, on being satisfied that evidence or action relating to assets under sub-section (1) is required in connection with insolvency resolution process or liquidation or bankruptcy proceeding, may issue a letter of request to a court or an authority of such country competent to deal with such request."

27. The above provision of IB Code is yet to be notified hence not enforceable. Therefore, we as the Adjudicating Authority are not empowered to entertain the order passed by the foreign jurisdiction in the case, where the registered office of the Corporate Debtor company is situated in India, and the jurisdiction specifically lies with this court. Therefore, we cannot pass any order to withhold the Insolvency proceedings pending in our court based on the order of insolvency passed by any other jurisdiction, which is not authorised to pass order for the company, which is registered in India and the jurisdiction solely lies with this court.

28. The contention of the Intervener is that peculiar situation will arise by running two parallel proceedings against the same corporate debtor,

and it will lead to complications and delays in resolution of insolvency is not sustainable. It is to be clarified that the order of the foreign court is a nullity in the eye of law and such order cannot be given effect.

29. The question of running two parallel proceedings does not arise. The order passed by Noord Holland District Court, Netherland for the company registered in India is nullity ab-initio.
30. It is also pertinent to mention that Section 234 of IBC, 2016 is not yet notified, which provides the application of provisions of this Code in relation to assets or property of corporate debtor or debtor, including a personal guarantor of a corporate debtor, as the case may be, **situated at any place in a country outside India with which reciprocal arrangements have been made.**
31. In this case, the Indian Government has no such reciprocal arrangement with the Government of Netherland. Therefore, none of the courts has any jurisdiction to pass an order under IBC, where the assets and properties of the Corporate Debtor are situated in a country outside their country.
32. Based on the objections filed by the Intervener, proceedings of Insolvency, in this case, can't be kept pending.
33. It is also important to the point out that this matter is of **National Importance**. The Corporate Debtor company has more than 20,000 employees, and its revival at the earliest by a viable Resolution Plan is essential. Therefore, the proceeding of this court cannot be stayed or withhold even for a single day based on the order passed by any foreign court, which is a nullity in the eye of law.
34. The Statement of Objects and Reasons of the Code states that the objective of the I&B Code is to resolve insolvency in a time-bound manner. The relevant part of the Statement of Objects and Reasons reads as under:

"The objective of the Insolvency and Bankruptcy Code, 2015 is to consolidate and amend the laws relating to reorganization and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximization of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders including

alteration in the priority of payment of government dues and to establish an Insolvency and Bankruptcy Fund, and matters connected therewith or incidental thereto. An effective legal framework for the timely resolution of insolvency and bankruptcy would support the development of credit markets and encourage entrepreneurship. It would also improve Ease of Doing Business, and facilitate more investments leading to higher economic growth and development."

35. The Bankruptcy Law Reforms Committee of November 2015, has also emphasised upon the importance of time taken in resolving the insolvency of a Company in the following excerpt:

"Speed is of essence

Speed is of the essence for the working of the bankruptcy code, for two reasons. First, while the 'calm period' can help keep an organisation afloat, without the full clarity of ownership and control, significant decisions cannot be made. Without effective leadership, the firm will tend to atrophy and fail. The longer the delay, the more likely it is that liquidation will be the only answer. Second, the liquidation value tends to go down with time as many assets suffer from a high economic rate of depreciation.

From the viewpoint of creditors, a good realisation can generally be obtained if the firm is sold as a going concern. Hence, when delays induce liquidation, there is value destruction. Further, even in liquidation, the realisation is lower when there are delays. Hence, delays cause value destruction. Thus, achieving a high recovery rate is primarily about identifying and combating the sources of delay.

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Objectives

The Committee set the following as objectives desired from implementing a new Code to resolve insolvency and bankruptcy:

- 1. Low time to resolution.***
- 2. Low loss in recovery.***
- 3. Higher levels of debt financing across a wide variety of debt instruments.***

The performance of the new Code in implementation will be based on measures of the above outcomes."

36. It is also important to note the scheme of the I&B Code as observed by the Hon'ble Supreme Court in **Innoventive Industries Ltd. vs ICICI Bank and Ors.**, AIR2017SC 4084:

"27. The Code schemes to ensure that when a default takes place, in the sense that a debt becomes due and is not paid, the insolvency resolution process begins. Default is defined in Section 3(12) in very wide terms as meaning non-payment of a debt once it becomes due and payable, which includes non-payment of even part thereof or an instalment amount. For the meaning of "debt", we have to go to Section 3(11), which in turn tells us that a debt means a liability of obligation in respect of a "claim" and for the meaning of "claim", we have to go back to Section 3(6) which defines "claim" to mean a right to payment even if it is disputed. The code gets triggered the moment defaults of rupees one lakh or more (Section 4).

The corporate insolvency resolution process may be triggered by the corporate debtor itself or a financial creditor or operational creditor. A distinction is made by the Code between debts owed to financial creditors and operational creditors. A financial creditor has been defined Under Section 5(7) as a person to whom a financial debt is owed, and financial debt is defined in Section 5(8) to mean a debt which is disbursed against the consideration for the time value of money. As opposed to this, an operational creditor means a person to whom an operational debt is owed and an operational debt Under Section 5 (21) means a claim in respect of the provision of goods or services.

28. When it comes to a financial creditor triggering the process, Section 7 becomes relevant. Under the explanation to Section 7(1), a default is in respect of a financial debt owed to any financial creditor of the corporate debtor - it need not be a debt owed to the applicant financial creditor. Under Section 7(2), an application is to be made Under Sub-section (1) in such form and manner as is prescribed, which takes us to the Insolvency and bankruptcy (Application to Adjudicating Authority) Rules, 2016. Under Rule 4, the application is made by a financial creditor in Form 1 accompanied by documents and records required therein. Form 1 is a detailed form in 5 parts,

which requires particulars of the applicant in Part I, particulars of the corporate debtor in Part II, particulars of the proposed interim resolution professional in part III, particulars of the financial debt in part IV and documents, records and evidence of default in part V. Under Rule 4(3), the applicant is to dispatch a copy of the application filed with the adjudicating authority by registered post or speed post to the registered office of the corporate debtor. The speed, within which the adjudicating authority is to ascertain the existence of a default from the records of the information utility or on the basis of evidence furnished by the financial creditor, is important. This must do within 14 days of the receipt of the application. It is at the stage of Section 7(5), where the adjudicating authority is to be satisfied that a default has occurred, that the corporate debtor is entitled to point out that a default has not occurred in the sense that the "debt", which may also include a disputed claim, is not due. A debt may not be due if it is not payable in law or in fact. The moment the adjudicating authority is satisfied that default has occurred, the application must be admitted unless it is incomplete, in which case it may give notice to the applicant to rectify the defect within 7 days of receipt of a notice from the adjudicating authority. Under Sub-section (7), the adjudicating authority shall then communicate the order passed to the financial creditor and corporate debtor within 7 days of admission or rejection of such application, as the case may be."

37. In light of the above scheme and objects of the I&B Code and the stakes involved in the Corporate Debtor, the prompt disposal of this application is essential, and any further delay or deferment, in this case, would be against the objective of the I&B Code.
38. The Petitioner has proposed the name of Mr Ashish Chhawchharia, a registered insolvency resolution professional having Registration Number [IBBI/IPA-001/IP-P00294/2017-18/10538] as Interim Resolution Professional, to carry out the functions as mentioned under I&B Code, and given his declaration; no disciplinary proceedings are pending against him.
39. The CP 2205/2019 filed under sub-section (2) of Section 7 of I&B Code, 2016 is complete. The existing financial debt of more than rupees one lakh against the corporate debtor and its default is also

proved. Accordingly, the petition filed under section 7 of the Insolvency and Bankruptcy Code for initiation of corporate insolvency resolution process against the corporate debtor deserves to be admitted.

ORDER

This petition filed under Section 7 of I&B Code, 2016, filed by **State Bank of India**, Financial Creditor / Petitioner, under section 7 of I&B Code against **Jet Airways (India) Limited**, Corporate Debtor for initiating corporate insolvency resolution process at this moment admitted.

The counsel appearing for the Operational Creditor was present during the hearing today and has expressed his support and consent to the CP 2205/2019 being admitted under section 7 of I&B Code. In view order for Admission of CP 2205/2019 under section 7 of I&B Code, the CP 1968/2019 and CP 1938/2019 filed under section 9 of I&B Code becomes infructuous and therefore dismissed. The Petitioners in CP 1968/2019 and CP 1938/2019 are at liberty to file their claim before the resolution professional appointed in CP 2205/2019.

We further declare moratorium u/s 14 of I&B Code with consequential directions as mentioned below:

I. That this Bench as a result of this prohibits:

- a) the institution of suits or continuation of pending suits or proceedings against the corporate debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
- b) transferring, encumbering, alienating or disposing of by the corporate debtor any of its assets or any legal right or beneficial interest therein;
- c) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;

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

II. That the supply of essential goods or services to the corporate debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.

III. That the provisions of sub-section (1) of Section 14 of I&B Code shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.

IV. That the order of moratorium shall have effect from the date of this order till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of section 31 of I&B Code or passes an order for the liquidation of the corporate debtor under section 33 of I&B Code, as the case may be.

V. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of I&B Code.

VI. That this Bench at this moment appoints Mr Ashish Chhawchharia, a registered insolvency resolution professional having Registration Number [IBBI/IPA-001/IP-P00294/2017-18/10538] as Interim Resolution Professional to carry out the functions as mentioned under I&B Code, the fee payable to IRP/RP shall comply with the IBBI Regulations/Circulars/Directions issued in this regard

40. The IRP/RP is further directed to submit his fortnightly Progress report to expedite the CIRP of the Corporate Debtor without delay of even a single day. Considering the matter being of National Importance and the Corporate Debtor has been one of the largest private sector airlines, the huge number of work force of more than 20,000 employees, large number of flights, having international operations and the important sector in which the Corporate Debtor is operating, serving both Domestic and International markets, thus we direct the IRP/RP to make every possible effort to complete the

corporate insolvency process at the earliest possible time . We also direct the IRP/RP to take control of all assets of the Corporate Debtor immediately and submits his first progress report by 5.7.2019.

41. It is also to be pointed out that that the IBC provision provides for 180 days for completion of the CIRP. But every effort should be made by the IRP/RP, and members of CoC to expedite the matter and try to finalise the resolution plan on the fast track mode and they should not preferably wait for the completion of the statutory period of 180/270 days timeline permissible under IBC.
42. IRP is directed to proceed in the matter with immediate effect without being influenced by order of the Noord Holland District Court, Netherland and file the progress report every fortnightly.
43. The Registry is at this moment directed to immediately communicate this order to the Financial Creditor, the Corporate Debtor and the Interim Resolution Professional even by way of email or WhatsApp. Compliance report of the order by Designated registrar is to be submitted today.
44. List this matter on 5th July 2019.

Sd/-

RAVIKUMAR DURAISAMY
Member (Technical)

Sd/-

V.P. SINGH
Member (Judicial)

20th June 2019