

DHFL/CSD/2019-20/1741

Date : 03 December 2019

The Manager Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001	The Manager Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai- 400 051.
Scrip Code : 511072	Scrip Code : DHFL

Dear Madam / Sirs,

Sub: Initiation of corporate insolvency resolution process against Dewan Housing Finance Corporation Limited

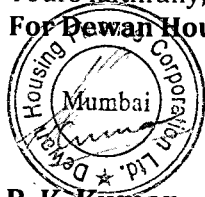
Pursuant to an order dated December 3, 2019 of the National Company Law Tribunal, Mumbai Bench ("NCLT"), corporate insolvency resolution process ("CIRP") has been initiated against Dewan Housing Finance Corporation Limited ("**Company**") as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("**Code**"). A copy of the said order has been enclosed as **Annexure A**.

Mr. R. Subramaniakumar has been appointed as the Administrator for the Company, via order dated December 3, 2019. Under Section 17 of the Code read with Regulation 9 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019, upon initiation of CIRP, the powers of the board of directors of the Company have been suspended and shall be exercised by the Administrator.

Thanking you,

Yours faithfully,

For Dewan Housing Finance Corporation Ltd.



P. K. Kumar
Senior Chief Manager – Secretarial

Enclosure as above

In the National Company Law Tribunal
Mumbai Bench.

C.P. (IB)-4258/MB/2019

Under Section 227 read with Clause (zk) of Sub-Section (2) of Section 239 of the Insolvency and Bankruptcy Code, 2016 & read with Rules 5 and 6 of the Insolvency & Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019.

In the matter of

Reserve Bank of India : Petitioner/ Appropriate Regulator

V/s

Dewan Housing Finance Corporation Ltd. : Respondent/ Financial Service Provider

Heard on : 02.12.2019

Date of Pronouncement : 03.12.2019

Coram:

Hon'ble Shri M.K. Shrawat, Member (Judicial)

Hon'ble Shri Chandra Bhan Singh, Member (Technical)

For the Petitioner(s) : 1. Mr. Ravi Kadam, Sr. Advocate;
2. Mr. Ashish Kamat,
3. Mr. Suharsh Sinha,
4. Mr. Vivek Shetty,
5. Mr. Anpazhakan, i/b. AZB & Partners.
6. Mr. Majid Mohammed, (RBI Bank Official).

For the Respondent(s) : 1. Mr. Rohan Rajadhyaksha, i/b. Ms. Sonu Tandon
for the Administrator of the Respondent.

Per M.K. Shrawat, Member (Judicial).

ORDER

1. This Petition is submitted by General Manager, Department of Regulation, Reserve Bank of India on 29.11.2019 on behalf of **Reserve Bank of India** on Form No.1 as prescribed vide Sub-Clause (i) of clause (a) of Rule 5 of the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of **Financial Service Provider** and Application to Adjudicating Authority) Rules, 2019 to initiate Corporate Insolvency Resolution Process against **Dewan Housing Finance Corporation Ltd.** (hereinafter, in short "**DHFL**")/ Financial Service Provider (in short, "FSP") under the Insolvency & Bankruptcy Code, 2016.

2. PROVISIONS OF INSOVENCY CODE vis-à-vis FINANCIAL SERVICE

PORIVIDER RULES : Before considering the merits of the Petition, this Bench is of the view that since certain new provisions of the Insolvency & Bankruptcy Code are going to be applied , therefore, at the outset, it is requisite to examine the applicability of those newly introduced provisions/ notification under which the Applicant/ Reserve Bank of India is seeking 'Admission' of this Petition under Insolvency & Bankruptcy Code, 2016.

2.1. Under the Insolvency & Bankruptcy Code, 2016 there is a **Section 227** in The Code with the caption '**Power of Central Government to notify financial service providers, etc.**', reads as under:-

"227. Notwithstanding anything to the contrary examined in this Code or any other law for the time being in force, the Central Government may, if it considers necessary, in consultation with the appropriate financial sector regulators, notify financial service providers or categories of financial service providers for the purpose of their insolvency and liquidation proceedings, which may be conducted under this Code, in such manner as may be prescribed."

2.2. This Section thus prescribe that the Central Government in consultation with the "**Financial Sector Regulator**" can notify "**Financial Service Provider**" or "Categories of Financial Service Providers" for the purpose of their Insolvency proceedings to be conducted under Insolvency Code in the manner prescribed therein.

2.3. Under the Insolvency Code, there is an enabling **Section 239** which enshrines "Power to make Rules" to the Central Government wherein it is specifically inserted **Sub-section (2)(zk)** empowering the Central Government to make Rules in the matter of proceedings prescribed u/s.227 of The Code to formulate the manner of conducting Insolvency & Liquidation Proceedings.

2.4. Exercising the powers as enshrined in the Insolvency Code *supra* the Ministry of Corporate Affairs/ Central Government has issued "Notification" on 15.11.2019 by formulating the Rules called as "Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority)

Rules, 2019)". These Rules shall apply to such "Financial Service Providers" (in short FSP) or "Categories of Financial Service Providers" as notified by Central Government u/s. 227 of the Insolvency Code for the purpose of their Insolvency and Liquidation proceedings under these Rules. For the purpose of conducting Insolvency process an **"Administrator"** is to be appointed as defined **U/r 3** means an Individual appointed by the Adjudicating Authority under Rule 5 (a)(iii) to exercise the powers and functions of the Insolvency Professional/ Interim Resolution Professional/ Resolution Professional/ Liquidator in respect of a Financial Service Provider undergoing Insolvency Proceedings as per the I&B Code. To facilitate the Insolvency proceedings an "Advisory Committee" is to be constituted by the "Regulator" in accordance with Rule 5(c) of these Rules. Vide Section 3 of "Definitions", the definition of **"Appropriate Regulator"** means **"Financial Sector Regulator"** as notified by Central Government u/s.227 for a category of "Financial Service Providers".

2.5. Through this Rule there are certain modifications such as wherever the expression "Corporate Debtor" is used in general in this Code, conversely, for the purpose of application of these Rules it shall mean "Financial Service Provider" and wherever the expression "Insolvency Professional", "Interim Resolution Professional" "Resolution Professional" or "Liquidator" occur, now for the application of this Rule, shall mean "Administrator".

2.6. Under this newly introduced Rules 2019 the process of Insolvency is prescribed as per Rule 5 *supra* reads as under:-

"5. Corporate Insolvency Resolution Process of financial service providers.—The provisions of the Code relating to the Corporate Insolvency Resolution Process of the corporate debtor shall, mutatis mutandis apply, to the insolvency resolution process of a financial service provider subject to the following modifications, namely:--

(a) Initiation of Corporate Insolvency Resolution Process .-

(i) no corporate insolvency resolution process shall be initiated against a financial service provider which has committed a default under section 4, 3except upon an application made by the appropriate regulator in accordance with rule 6;

(ii) the application under sub-clause (i) shall be dealt with in the same manner as an application by a financial creditor under section 7, subject to clause (iii); and

(iii) on the admission of the application, the Adjudicating Authority shall appoint the individual proposed by the appropriate regulator in the application filed under sub-clause (i) of clause (a) of rule 5, as the Administrator.

(b) Moratorium. – *Save as provided in section 14.-*

(i) an interim moratorium shall commence on and from the date of filing of the application under clause (a) till its admission or rejection; and

(ii) the license and registration which authorizes the financial service provider to engage in the business of providing financial services shall not be suspended or cancelled during the interim-moratorium and the corporate insolvency resolution process.

Explanation.- For the purposes of this clause, "interim moratorium" shall have the effect of the provisions of sub-sections (1), (2) and (3) of section 14.

(c) Advisory Committee.-

(i) the appropriate regulator may, where deemed necessary, constitute an Advisory Committee, within 45 days of the insolvency commencement date, to advise the Administrator in the operations of the financial service provider during the corporate insolvency resolution process;

(ii) the Advisory Committee shall consist of three or more Members, who shall be persons of ability, integrity and standing, and who have expertise or experience in finance, economics, accountancy, law, public policy or any other profession in the area of financial services or risk management, administration, supervision or resolution of a financial service provider;

(iii) the terms and conditions of the Members of the Advisory Committee and the manner of conducting meetings and observance of rules of procedure shall be such as may be determined by the appropriate regulator;

(iv) the compensation paid to the Members of the Advisory Committee shall be part of the insolvency resolution process costs;

(v) the Administrator shall chair the meetings of the Advisory Committee.

(d) Resolution plan

(i) the resolution plan shall include a statement explaining how the resolution applicant satisfies or intends to satisfy the requirements of engaging in the business of the financial service provider, as per laws for the time being in force;

(ii) upon approval of the resolution plan by the committee of creditors under sub-section (4) of section 30, the Administrator shall seek 'no objection' of the appropriate regulator to the effect that it has no objection to the persons, who would be in control or management of the financial service provider after approval of the resolution plan under section 31;

(iii) the appropriate regulator shall without prejudice to the provisions contained in section 29A, issue 'no objection' on the basis of the 'fit and proper' criteria applicable to the business of the financial service provider;

(iv) where an appropriate regulator does not refuse 'no objection' on an application made under clause (ii) within forty-five working days of receipt of such application, it shall be deemed that 'no objection' has been granted."

2.7. As far as the appointment of "Insolvency Professional" is concerned, under this Rule *supra* it is provided under **Rule 9** that for the purpose of these Rules, only an "**Administrator**" proposed by the appropriate Regulator and appointed as such by the Adjudicating Authority **shall act as an Insolvency Professional**, etc. as the case may be. The "Administrator" so appointed shall have the same duties, functions, obligations, responsibilities, rights, and powers of an Insolvency Professional, etc. while acting in an Insolvency Resolution of a "Financial Service Provider". A replacement of the "Administrator" is possible on an Application made by the "Appropriate Regulator" before the Adjudicating Authority.

2.8. These Rules have also laid down the procedure for submission of requisite Form-I to be accompanied by a fee of Rs.25,000/- having enclosed a written consent and declaration of "Administrator" on Form-2, format is annexed. The Application is to be filed in electronic form as and when such facility is made available by the Adjudicating Authority, however, till such facility is made available, the Applicant may submit the documents in a legible portable format in a data storage device such as Compact Disc or a USB Flash Drive acceptable to the Adjudicating Authority.

3. Most importantly, our attention is drawn on a **Notification dated 18.11.2019** which was issued in exercise of the powers conferred u/s.227 of The Code in consultation with RBI, reproduced below for ready reference.

**"MINISTRY OF CORPORATE AFFAIRS
NOTIFICATION**

New Delhi, the 18th November, 2019

SO. 4139(E).—In exercise of the powers conferred by section 227 of the Insolvency and Bankruptcy Code, 2016 31 OF 2016), the Central Government in consultation with the Reserve Bank of India hereby notifies as under:

The Insolvency resolution and liquidation proceedings of the following categories of financial service providers shall be undertaken in accordance with the provisions of the Insolvency and Bankruptcy Code 2016 read with the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 (in this notification referred to as the 'Rules') and the applicable Regulations:

Sl. No.	Category of Financial Service Provider (rule 2 of the Rules)	Appropriate Regulator (Clause (a) of sub-rule (1) of rule 3 of the Rules)	Dealing with third-party assets (rule 10 of the Rules)
(1)	(2)	(3)	(5)
1	Non-banking finance companies (which include housing finance companies) with asset size of Rs.500 crore or more, as per last audited balance sheet.	Reserve Bank of India	To be notified separately

3.1. Thus vide this Notification "Non-Banking Finance Companies" including "Housing Finance Companies" with asset size of 500 Crores or more, the proceedings shall be undertaken in accordance with the provisions of I&B Code 2016 to be read along with these Rules by the appropriate Regulator through Administrator and in this case Reserve Bank of India is designated.

4. **FACTS & MERITS OF THE PETITION** : About the merits of the case, the impugned Application, now sub judice before us, is submitted by the Reserve Bank of India (**RBI**), set up under the Reserve Bank of India Act 1934, in the capacity of "**Appropriate Regulator**" through General Manager, Department of Regulation, Reserve Bank of India, Mumbai, duly authorized under Gazette Notification dated 11.08.2012 to submit the Application on behalf of RBI, against "Dewan Housing Finance Corporation Limited", the "Financial Service Provider". As per Part-III of Form-I 'Name of the 'Administrator' proposed is Mr. R. Subramaniakumar, Thiruvanmiyur, Chennai-600 041, Tamil Nadu.

4.1. About the 'Particulars of Default', RBI understands that DHFL has committed default of significant amount in relation to Financial Debt availed from various Financial Creditors, in particular, State Bank of India. As per Part-IV of Form-I, the 'Particulars of Debt' as intimated by SBI are listed as follows:-

- a. *Intimation from SBI dated November 28, 2019 confirming that the amount claimed to be in default in relation to the external commercial borrowing facility advanced by SBI, Singapore Branch to DHFL is USD 21,60,000 (Twenty One Lakhs Sixty Thousand US Dollars Only) (approximately INR 15,41,43,432 (Rupees Fifteen Crores Forty One Lakhs Forty Three Thousand Four Hundred and Thirty Two Only) at the USD / INR reference rate of 1 USD / 71.3627 INR on November 27, 2019 published on the website of the RBI) being the interest portion in relation to a facility of USD 11,00,00,000 (Eleven Crores US Dollars Only) (approximately INR 784,98,97,000 (Rupees Seven Hundred Eighty Four Crores Ninety Eight Lakhs Ninety Seven Thousand Only) at USD / INR reference rate of 1 USD / 71.3627 INR on November 27, 2019 published on the website of the RBI) advanced to DHFL and the date(s) on which the default occurred is November 7, 2019; and*
- b. *Supporting documentation from SBI in this regard."*

4.2. The Central Government in consultation with RBI had notified "NBFC" and "Housing Finance Companies" in the category of "FSP" on 18.02.2019 (reproduced *supra*) and thereafter on 22.11.2019 RBI issued Notification confirming that on 20.11.2019 in exercise of its powers u/s.45 IE 5(a) of the RBI Act 1934, **the RBI superseded the board of directors of DHFL and appointed "Administrator" Mr. R. Subramaniakumar**, vide Press Release 2019-2020/1230 dated 20.11.2019 reproduced below:-

"Supersession of the Board of Directors and Appointment of Administrator – Dewan Housing Finance Corporation Limited

In Exercise of the powers conferred under Section 45-IE (1) of the Reserve Bank of India Act, 1934, the Reserve Bank has today superseded the Board of Directors of Dewan Housing Finance Corporation Limited (DHFL) owing to governance concerns and defaults by DHFL in meeting various payment obligations. Shri R. Subramaniakumar, ex-MD and CEO of Indian Overseas Bank has been appointed as the Administrator under Section 45-IE (2) of the Act. The Reserve Bank also intends to shortly initiate the process of resolution of the company under the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 and would also apply to the NCLT for appointing the Administrator as the Insolvency Resolution Professional.

*Sd/-
Chief General Manager"*

4.3. Further, a Three Member "Advisory Committee" has also been constituted vide Press Release 2019-2020/1246 dated 02.11.2019 to assist the "Administrator", as under:-

"Reserve Bank of India appoints an Advisory Committee to Advise the Administrator of Dewan Housing Finance Corporation Ltd.

It may be recalled that the Reserve Bank of India, on November 20, 2019, had superseded the board of directors of Dewan Housing Finance Corporation Ltd. (DHFL) and appointed Shri R Subramaniakumar as the Administrator. The Reserve Bank, in exercise of powers conferred under section 45 IE 5(a) of the RBI Act 1934, has today constituted a three-member Advisory Committee to assist the Administrator of DHFL in discharge of his duties. The members of the Advisory Committee are as follows:

- 1. Dr Rajiv Lall, Non-Executive Chairman, IDFC First Bank Ltd*
- 2. Shri N.S. Kannan, Managing Director and CEO, ICICI Prudential Life Insurance Co. Ltd*
- 3. Shri NS.Venkatesh, Chief Executive, Association of Mutual Funds in India.*

It may also be mentioned that the Insolvency and Bankruptcy (Insolvency and Liquidation Proceedings of Financial Service Providers and Application to Adjudicating Authority) Rules, 2019 provide for the concerned financial sector regulator appointing a Committee of Advisors to advise the Administrator in the operations of the financial service provider during the corporate insolvency resolution process."

4.4. For "Admission" of an Application u/s.7 of The Insolvency Code, now to be read along with Section 227, it is required to establish "Debt" as defined u/s. 3(11) of The Code as well as it is mandatory to establish "Default" as defined u/s. 3(12) of The Code. To fulfill this condition State Bank of India had issued an intimation dated 28.11.2019 to Chief General Manager, Department of Regulation (NBFC), Reserve Bank of India with the information of "Debt" owed to SBI from DHFL with sufficient basis to prove the existence of "Default" to initiate Corporate Insolvency Resolution Process against DHFL. In the said intimation it was communicated that SBI as a Financial Creditor had granted several facilities under various Loan Agreements. The details of "Debt" and "Default" had also been explained in the said communiqué, for ready reference, reproduced below:-

<i>PARTICULARS OF FINANCIAL DEBT (DOCUMENTS, RECORDS AND EVIDENCE OF DEFAULT)</i>		
1.	<i>Amount of debt granted and date(s) of disbursement</i>	USD 240.00 million (Tranche I – USD 110 mio, Tranche II – USD 130 mio) Both disbursed on 27-07-2018 The above amount excludes facilities extended in INR by other branches of State Bank of India located in India and other ECB facilities sanctioned by subsidiaries of State Bank of India.
2.	<i>Amount claimed to be in default and the date(s) on which the default occurred</i>	USD 2.16 mio (Interest Portion in relation to USD 110 mio facility) 07.11.2019 [Tranche II is not in default as on date]
3.	<i>The latest and complete copy of the financial contract reflecting all amendments and waivers to date (copy attached)</i>	11-05-2018 (Date of Term Sheet) 17-07-2018 (Date of Facility Agreement)
4.	<i>A record of default as available with any credit information company</i>	As per CRILC Report as on 28.11.2019
5.	<i>Copies of entries in a bankers' book in accordance with the Bankers' Books Evidence Act, 1891</i>	Accounts statements attached.
6.	<i>List of any documents, correspondence, letters, notices or other communication in order to prove the existence of financial debt, the amounts due and date(s) of default</i>	11-05-2018 (Date of Term Sheet) 17-07-2018 (Date of Facility Agreement) 03-05-2019 (Interest Demand Notice) 08-11-2019 (Email advising non-receipt of Interest due on 07-11-2019)

4.5. Along with this Application the Applicant has enclosed several evidences to establish the Loans were granted time to time such as 'External Commercial Borrowings' ("ECB") in two tranches aggregating USD 240 Mio. It is interesting to note that the purpose intimated in the impugned "Terms and Conditions" was that for **re-financing of existing ECB**, the proceeds of which were utilized for low cost housing units as

permitted by RBI. Also annexed a 'Facility Agreement' in respect of USD 110,000,000 signed between DHFL as "Borrower" on one hand and State Bank of India, Singapore Branch (Arranger with State Bank of India, Singapore Branch acting as "Agent") on the other hand.

4.6. Our attention has also been drawn on a long list of "Secured Loan" outstanding as on 31.03.2018 from several Banks, as many as about 25 in number, for sanctioned amount of Rs.6,144,344.48 (in Lakhs) and outstanding amount of Rs.3,920,074.00 (in Lakhs). One more list of "**Unsecured Loan**" outstanding as on 31.03.2018 is as under:-

*"Statement of Unsecured Loan Outstanding as on 31 March 2018
(₹ in Lacs)*

<i>Bank/Institution</i>	<i>Sanction Amount</i>	<i>Outstanding Amount</i>
<i>Public Deposit</i>	<i>1,024,311.00</i>	<i>1,024,311.00</i>
<i>Others – CD</i>	<i>9,638.00</i>	<i>9,638.00</i>
<i>Subordinate Debts</i>	<i>1,33,180.00</i>	<i>133,180.00</i>
<i>Commercial Paper</i>	<i>605,000.00</i>	<i>605,000.00</i>
<i>Perpetual Debts</i>	<i>116,070.00</i>	<i>116,070.00</i>
<i>Total (₹)</i>	<i>1,888,199.00</i>	<i>1,888,199.00</i>

4.7. This Petition also contains a Credit Information Report of all the borrowers having aggregate of fund based and non-fund based exposure submitted by Central Repository of Information on Large Credits (CRILC), along with Bankers' Books Evidence i.e. Customer Account Ledger Report; all demonstrating the evidence of huge Debt and Default of non-payment.

5. Learned Sr. Advocate Mr. Ravi Kadam has also drawn our attention on trail of emails, placed as an evidence, to demonstrate that the 'default' has duly been accepted by DHFL. In one of the emails dated 2nd December 2019, with a reference to a previous email wherein it was demanded to confirm the default amount and in response a Statement was attached giving exact amount of default i.e. 2.158090 Mn US\$. It is therefore pleaded that this is a fit case which deserves 'Admission' because the existence of 'Debt' and 'Default' has duly been proved so that the Insolvency Proceedings in terms of Rule 6 of Financial Service Providers Rule to be read with Section 227 of IBC can be commenced.

6. At this juncture some of the individual investors and a Counsel representing them have tried to intervene in the proceedings. But then Learned Counsel of the Applicant has placed reliance on a decision of Respected NCLAT, New Delhi in the case of IDBI Bank Ltd. Versus Odisha Slurry Pipeline Infrastructure Ltd. [*Company Appeal (AT)(Insolvency) No. 51 of 2019 dated 15.01.2019*] for the legal proposition that, quote, "Further, we may observe that except the applicant (financial creditor) and the 'corporate debtor', there is no requirement of hearing a third party including Intervenor at the stage of admission. The order is required to be passed as per decision of by the Hon'ble Supreme Court, as quoted above. The appeal stands disposed of with aforesaid observations and directions. No cost." unquote.

7. **FINDINGS**

Heard the Petition/ Application in the light of the above submissions, evidences, newly incorporated Rules along with the provisions of the Insolvency Code, 2016. The Applicant **RBI** in the capacity of "**Appropriate Regulator**" has submitted this Application against the 'Financial Service Provider' Dewan Housing Finance Corporation Limited on account of the fact that the default in repayment of the ECB Loan to SBI was committed, therefore, after following the due procedure as discussed *supra* prayed for "Admission" of the Petition u/s 7 to be read with Section 227 of the Insolvency Code.

7.1. In this case since the Board of Directors of DHFL was suspended by RBI vide Notification dated 20.11.2019 and appointed Mr. R. Subramaniakumar as Administrator, therefore, in such a situation there is no representation for and on behalf of the Corporate Debtor/ Financial Service Provider DHFL. A Learned Advocate representing the Arbitrator remained present during the course of hearing, however, raised no objection as far as the "Admission" of the Application/ Petition is concerned. This Bench has raised certain questions but in the absence of satisfactory answer, asked the Learned Representative to communicate the respected Administrator to be present before this Bench to apprise the Corporate Insolvency Resolution Process progress.

7.2. On due examination of the evidences annexed with this Application we hereby hold that the **Debt** in question is to be qualified as "**Financial Debt**" as defined u/s. 5(8) to be read with Section 3(11) of The Code. Further, on the basis of the correspondence and the Letters issued it has also been established that the FSP has committed **Default** of repayment as defined u/s. 3(12) of The Code.

7.3. The name of Mr. R. Subramaniakumar, ex-MD and CEO of Indian Overseas Bank, Office Address at 10th Floor, TCG Financial Centre, G Block, BKC, Bandra Kurla Complex, Bandra (E), Mumbai – 400051, Maharashtra, Email Address: rskumar1512@gmail.com is proposed vide Press Release dated 20.11.2019 by RBI. The proposed Administrator has furnished written communication on Form 2 expressing his consent as well as eligibility to function as an Administrator. Considering the necessary compliance being made we hereby confirm the proposed name as an Administrator to perform all the functions of Resolution Professional to complete the Corporate Insolvency Resolution Process.

7.4. Upon Admission it is hereby pronounced that "Moratorium" as defined u/s.14 of the Insolvency Code shall commence with effect from the date of Application i.e. 29.11.2019 as prescribed under Rule 5(b)(i) of FSP Rules 2019. On commencement of "Moratorium" the institution of any Suit or continuation of proceedings or execution of any decree against the Financial Service Provider (DHFL) shall be prohibited. Likewise, transferring, alienating or disposing of any asset of the FSP is hereby forbidden. Further, any action to foreclose, recover or enforce any security interest created by FSP in respect of its property is also debarred. However, supply of essential goods or services to FSP shall continue uninterrupted and not to be terminated or suspended during 'Moratorium' by the Supplier. As prescribed u/s.14(4), the Order of "Moratorium" shall have effect till the completion of Insolvency Process.

7.5. The Administrator is hereby directed to cause a public announcement immediately (as per Section 13 of The Code) intimating the initiation of Corporate

Insolvency Resolution Process and call for the admission of Claims as prescribed u/s.15 of The Code.

7.6. The public announcement shall contain primarily the name and address of the Corporate Debtor along with the information about the Administrator and the last date for submission/ lodgment of respective claims. The procedure of public announcement is laid down u/s.15 of The Code. At this juncture, it is worth to mention that in the foregoing paragraphs reproduced a statement of "Unsecured Loans" which contained a figure of Rs.1,024,311.00 (in lacs) amount of public deposit. The Administrator shall update the list of Depositors along with the outstanding amount payable to each one with their address and communication information so that in future their interest can be watched along with all other stakeholders.

8. To conclude, this Application CP (IB)-4258/MB/2019 stood "**Admitted**".

Sd/-
CHANDRA BHAN SINGH
Member (Technical)
Date : 03.12.2019
ug

Sd/-
M.K. SHRAWAT
Member (Judicial)