

Vayam Technologies Limited And Anr vs Canara Bank And Ors on 18 September, 2020

Author: Prathiba M. Singh

Bench: Prathiba M. Singh

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* IN THE HIGH COURT OF DELHI AT NEW DELHI
+ W.P.(C) 3437/2020 and CM APPLs. 12185/2020-12188/
15963/2020

VAYAM TECHNOLOGIES LIMITED AND ANR.

Through: Mr. Navaniti Pras
Advocate, Mr. Raj
Advocate with Mr.
and Mr. Jeewesh P

versus

CANARA BANK AND ORS.

..... Re

Through: Mr. P.B.A Srinivasan, Advoca
Mr. Hitender Kumar, AR for C
Bank (Janpath branch).

CORAM:
JUSTICE PRATHIBA M. SINGH
ORDER

% 18.09.2020

1. This hearing has been held through video conferencing.

2. Further to the last order, the Petitioner has filed an affidavit of its Authorised Representative (AR) giving some details of its total receivables, payments and expenditure in the last three financial years. This affidavit shows that the total Receivables of the Company, as on date, are more than Rs. 379 crores. The Consortium of Lenders has responded to this affidavit by stating that a large amount of data, which is required, has not been furnished by the Petitioner. The data which is demanded by the Bank is as under:-

Digitally Signed By:SINDHU KRISHNAKUMAR Signing Date:18.09.2020 21:30:48
"a) Tabular data showing details of service rendered and dealings made duly covering
details of payment received from various clients party wise duly covering name of the

Bank the account number wherein the amount had been received. Please note in the affidavit filed only list of collections made project wise is mentioned.

b) Bank account statement of each bank account as mentioned in Annexure A/2 of the said affidavit dated 14.08.2020 (page no 1637) since 01.01.2015 till date.

c). Complete list of payments received by the company in each financial year.

d) List of projects undertaken since 01/01/2015 duly mentioning name of project, period of contract, status of completion, account wherein the payments had been received and current status of project.

e) List of projects in hand duly mentioning name of the project, period of contract, account wherein the money is being received, current status of project, status of completion as mentioned in your writ petition and your affidavit filed by the Petitioner."

3. The stand of the Consortium of Lenders through the Lead Bank, is that though a meeting on 26th August, 2020 was fixed by this Court vide the last order, there was no positive development towards any Restructuring Plan, as no concrete proposal was brought on the table by the Petitioner.

4. On the other hand, Mr. Navniti Prasad Singh, Id. Sr. counsel submits that an e-mail was written by the Petitioner to M/s Ebix Inc. i.e. the proposed Investor. In response, M/s Ebix Inc. vide e-mail dated 16th September, 2020 had informed them, that while it remains highly interested, it seeks to directly interact with the lenders. Moreover, M/s Ebix Inc. also Digitally Signed By: SINDHU KRISHNAKUMAR Signing Date: 18.09.2020 21:30:48 requires due diligence to be conducted.

5. After reading the pleadings filed on record along with the annexures thereto, this Court is of the opinion, that at this stage, there is complete stalemate in terms of any proposal to restructure the Petitioner-Company. The prayer in the writ petition was primarily seeking four months' time for submitting a proposal to restructure the Petitioner-company. However, the meetings between the parties is not leading to any fruition. The admitted position is that the Petitioner No. 2, Mr. Ashok Tiwari is in charge of the day to day management of the Petitioner No. 1, though, the Consortium of Lenders are the majority shareholders. The data relating to the working of the company, various day to day expenditures and recoverable amounts both for the present and past are available with the Petitioner-Company and Mr. Tiwari.

6. Accordingly, the following directions are issued:

a. The data sought by the Respondent banks enumerated above in paragraph 2 (a) to (e), shall be furnished by the Petitioner no.2 to the Respondent within a period of two weeks; b. Data, if any, required by M/s Ebix Inc. shall be furnished by the Petitioners to Ebix within a period of two weeks. c. Insofar as the Banks are concerned, if they have undertaken any audit, of the Petitioner no.1 company, the said Auditor's Report may be forwarded to M/s Ebix Inc. along with a Statement of Accounts of the liabilities of the Company, within two weeks from today. Nothing else needs to be

furnished by the Consortium of Lenders to M/s.Ebix. Any other information required by M/s Ebix Inc shall be furnished by Petitioner No. 2.

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d. An affidavit shall be filed by Petitioner no.2 setting out the details of the various Joint ventures or other entities/divisions of Petitioner no.1 including their balance sheets for the last three years;

7. The Petitioner has a joint venture with M/s.Ebix. Accordingly, the present order shall be communicated by the Petitioners as also by the Consortium of lenders to M/s. Ebix.

8. After the required information is received form the Petitioners and the Consortium, if M/s Ebix Inc is interested, due diligence would be conducted by M/s Ebix Inc., The Petitioner through its proposed investor M/s Ebix Inc is permitted to place on record a concrete proposal on or before 15th November, 2020.

9. Mr. Ashok Tiwari and a Representative of the Consortium to join the proceedings on the next date. If M/s. Ebix intends to join the proceedings, a representative is permitted to join through video conferencing.

10. List on 18th November, 2020, at the end of board. Interim orders to continue till the next date.

PRATHIBA M. SINGH, J.

SEPTEMBER 18, 2020 MR/A