



IN THE NATIONAL COMPANY LAW TRIBUNAL, MUMBAI - BENCH-VI

CP (IB) No. 3521/MB/2019

[Under Section 7 of the Insolvency and Bankruptcy Code, 2016 r/w Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016]

IN THE MATTER OF:

SATELLITE DEVELOPERS PRIVATE LIMITED

[CIN No. U24291MH1953PTC139290]

Registered Office: S-14, 7th Floor

Solitaire Corporate Park, Andheri-Ghatkopar Link Road

Andheri (East), Mumbai-400093, Maharashtra.

...Financial Creditor

V/s

MANOMAY VENTURES PRIVATE LIMITED

(Erstwhile Omkar Ventures Private Limited)

[CIN: U70102MH2013PTC239568]

Registered Office: Popular Metal Works, Tatya Tope Marg

Joglekarwadi, Sion (East)

Mumbai-400022, Maharashtra.

...Corporate Debtor

Pronounced: 28.10.2024

CORAM:

HON'BLE SHRI K. R. SAJI KUMAR, MEMBER (JUDICIAL)

HON'BLE SHRI SANJIV DUTT, MEMBER (TECHNICAL)

Hearing: Hybrid

Appearances:

Financial Creditor: Adv. Simil Purohit a/w Adv. Vidya Nair, Adv. Nehaa M Shah and Adv. Mubeen Sirkhot i/b. Dhiren H Shah

Corporate Debtor: Adv. Shakeeb Shaikh a/w. Adv. Vishal Makwana, Adv. Jamsheed Master and Adv. Haaris Reshamwala i/b. Diamondwala and Co.

**ORDER*****[PER: K. R. SAJI KUMAR, MEMBER (JUDICIAL)]*****1. BACKGROUND**

1.1 This Company Petition No. C.P. (IB) 3521/MB/2019 (Application) was filed on 26.09.2019 under Section 7 of the Insolvency and Bankruptcy Code, 2016 (IBC) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (AA Rules) by Satellite Developers Private Limited, the Financial Creditor (FC), for initiating Corporate Insolvency Resolution Process (CIRP) in respect of Omkar Ventures Private Limited (Now Manomay Ventures Private Limited), the Corporate Debtor (CD).

1.2 The total amount of default alleged is Rs.15,02,30,140/- (Fifteen Crore Two Lakh Thirty Thousand One Hundred Forty Rupees) including the principal amount of Rs.12,05,55,300/- along with Rs.2,96,74,840/- as alleged interest at the rate of 12% per annum calculated from 17.12.2017 to 24.09.2019. The claim is based on alleged default in fulfilling various Memoranda of Understanding (MOU) by the CD against the amounts given by the FC for the development of real estate project in Jogeshwari (East), Mumbai, Maharashtra.

1.3 The date of default as mentioned in Part IV of the Application is 17.12.2017 i.e., the date on which the CD handed over post-dated Cheque No. 015460 drawn on Chunnabhatti Branch of ICICI Bank, to the FC, towards payment for Rs.4,36,12,250/- in terms of execution of the Third Supplemental MOU between the FC and the CD on 03.10.2017. Since the CD defaulted in payment of its outstanding dues, the FC prays that Corporate Insolvency Resolution



Process (CIRP) may be initiated in respect of the CD under Section 7 of the IBC.

1.4 IA (IBC) No. 5684/2023 dated 24.11.2023 was filed by the FC, praying for permission to carry out amendments for change of name of the CD in the present Application for which the CD did not have any objection. The FC placed on record, the Certificate of Incorporation dated 08.04.2022, issued by the Registrar of Companies, Mumbai, and thus, the said IA was allowed *vide* order dated 15.12.2023, for carrying out necessary amendments for changing the name of the CD from 'Omkar Ventures Private Limited' to 'Manomay Ventures Private Limited'.

2. CONTENTIONS OF FC

2.1 It is submitted that both the FC and the CD are engaged in the business of real estate. For the purpose of constructing flats at the plots of land bearing CTS Nos. 346,346/1 to 6, 347, 349, 349/1 & 2, 350, 351, 351/1, 352, 352/1 & 2, 354 (Part),354/1 and 431 (part), all located at Village Mogra, Jogeshwari (East), Mumbai (Said Plots), MOU dated 10.02.2015 (First MOU) was executed between the Satellite Developers Limited (Now Satellite Developers Private Limited, i.e., the FC herein) and Omkar Realtors Andheri Project Private Limited (ORAPPL, the erstwhile CD). The aforesaid plots belonged to different individuals. It was agreed between the FC and the CD that the FC would make arrangements for obtaining clear and marketable titles to the properties from the various owners/occupants, and arrange registration of the same so as to enable the CD to develop the land and construct flats. As per the First MOU, the said plots were to be sold by the FC to ORAPPL for Rs. 250 Crore. It was



agreed that in case of delayed payment, interest was to be paid to the FC at the rate of 18% per annum by ORAPPL.

2.2 The FC and ORAPPL later executed the Second Supplemental MOU dated 18.01.2017 (Second MOU) to record part payment of Rs.157,01,45,750/- and the agreement for paying the remaining amount of Rs.92,98,54,250/- after execution of certain documents mentioned in the Second MOU. Clause 5 of the Second MOU clearly stated that the FC placed security deposit of Rs.92,98,54,250/- to ORAPPL only to be paid back.

2.3 Later, both the FC and ORAPPL executed Third Supplemental MOU dated 03.10.2017 (Third MOU) wherein it was agreed that ORAPPL shall refund the amount of Rs.30,34,54,250/- back to the FC as per Clause 5 of the Third MOU, while Clause 8 of the aforesaid MOU provided the arrangement for the refund. In performance of the Third MOU, ORAPPL not only paid an amount of Rs. 5,00,00,000/- on 03.10.2017, upon execution of the Third MOU, but also handed over to the FC the post-dated Cheque No. 015460 for Rs.4,36,12,250/- dated 17.12.2017 drawn on Chunnabhatti Branch of ICICI Bank.

2.4 The FC further submitted that it was entitled to receive payment of Rs.20,98,42,000/- through allotment of 16 (Sixteen) fully constructed flats in the "Ananta" project of ORAPPL's associate concern, named VGS Realty Construction Private Limited in favour of the FC. As per the Third MOU, in the event of its failure to do the same, ORAPPL was obligated to discharge its liability towards the FC by drawing post-dated cheques in FC's favour and hand them over to an Escrow Agent. In compliance of Clause 9(b) of the Third MOU, ORAPPL had drawn twelve post-dated cheques for Rs.20,98,42,000/- in favour of the FC, which were later handed over to the FC by the Escrow



Agent due to ORAPPL's failure in ensuring sale and allotment of flats in favour of the FC within the stipulated time.

2.5 The eight out of the twelve post-dated cheques for a total amount of Rs.14,05,55,300/- were dishonoured. This compelled the FC to issue statutory notices as well as file eight Criminal Complaints under the Negotiable Instruments Act, 1881 (NI Act) against ORAPPL before the Ld. Metropolitan Magistrate, Bhoiwada, Dadar, Mumbai during the period of 2018-2019. The FC placed on record the statutory notice dated 07.08.2018 under Section 138 of NI Act along with the copy of Criminal Complaint Case No. 0702829/SS/2018 filed by it.

2.6 The FC further contended that ORAPPL later amalgamated with the present CD *vide* order dated 22.10.2018, passed by NCLT Mumbai in C.P. (CAA) No. 2705/MB/2018. Following this, the FC issued notice dated 27.03.2019 to the CD seeking payment of Rs. 15,53,79,166/- including further interest.

2.7 When the FC demanded the CD, its outstanding claims *vide* advocate's notices dated 19.06.2019 and 01.07.2019, the CD refuted the claims in its reply dated 05.07.2019 and 17.07.2019, claiming that the CD would allot requisite number of flats in their project 'Lawns & Beyond, Sereno', in lieu of payment. However, the FC not only rejected the CD's settlement proposal but also reminded the CD about its obligation under the Third MOU and sought payment of Rs. 14,82,09,717/- along with interest at 12% per annum. The said amount remains to be unpaid and, therefore, the FC prays that CIRP may be initiated in respect of the CD.



3. CONTENTIONS OF CD

3.1 The CD contended that the alleged outstanding claim of the FC is not a 'financial debt' under Section 5(8) of the IBC since it was a security deposit given to the CD for securing the performance of parties as mutually agreed by them under the Second MOU and the Third MOU. The aforesaid claim was not disbursed against the consideration for the time value of money. The Ld. Counsel for the CD also argued that as held by the Hon'ble Supreme Court in *Anuj Jain Vs. Axis Bank Ltd and Ors.*, [Civil Appeal Nos. 8512-8527, 6777-6797 of 2019 & Civil Appeal Nos. 9357-77 of 2019], in the absence of essential elements of disbursement against consideration for time value of money, the alleged debt cannot be treated as a financial debt.

3.2 The FC failed to comply with its obligations towards the CD under the MOUs in providing clear and marketable titles to the plots. Some of the legal heirs of the said plots filed Civil Suit No. 1201 of 2019 before the Hon'ble Bombay High Court against the FC, indicating non-compliance of obligations by the FC. Moreover, Recital 'E' of the Second MOU as well as several pending suits and litigations against the CD before various fora including the Hon'ble Bombay High Court show that the plots were disputed and were not free from encumbrances as required under the aforesaid MOUs. These suits and pending litigations were filed by some of the heirs of the original owners of the plots. In fact, the legal status of the plot owned by certain individuals was also disputed in Suit No. 414 of 2017 filed before the Hon'ble Bombay High Court. The FC cannot rely on the aforesaid MOUs for seeking claims when it itself has breached the terms of the MOUs. Clause 12 of the First MOU already



provided remedy to the FC for specific performance and the appropriate forum for the FC to seek remedy could be a Civil Court and not this Tribunal.

3.3 It is further submitted that the FC has approached this Tribunal with malafide intention to harass the CD for recovery of money, which is contrary to the objectives of the IBC. Moreover, the FC is involved in forum shopping and had filed Commercial Summary Suit (L) No. 19276 of 2023 with I.A.(L) No. 19343 of 2023 before the Hon'ble Bombay High Court, and also eight Criminal Complaints against the CD under Section 138 of the NI Act. All these proceedings are related to the same alleged outstanding amount, which is the subject matter of the present Application.

3.4 The CD did not admit any debt by its letter dated 20.07.2022 as relied upon by the FC since it was a 'without prejudice offer' made to the FC for ensuring settlement between the parties during pendency of this Application and the mere absence of words 'without prejudice' in the letter does not amount to an admission, as held by the Hon'ble Supreme Court in *Peacock Plywood Pvt Ltd Vs. The Oriental Insurance Co Ltd.*, [Civil Appeal No. 5608 of 2006].

4. REJOINDER OF FC

4.1 It is submitted that the FC had complied with the terms of the Second MOU dated 18.01.2017 and the Third MOU dated 03.10.2017 which culminated in the final settlement between the FC and the CD, and on account of the same, the FC was handed over twelve post-dated cheques by the CD. Further, the CD failed to provide any evidence by any of its communications with the FC as to any of its pending obligations but raised such an issue for the first time before the Adjudicating Authority only to avoid its own liabilities to the FC.



4.2 The Third MOU was the result of a final amicable settlement between the parties wherein the obligations of both the FC and the CD were identified, and to settle the same, certain amount was kept aside for fulfilling the obligations by the CD and not the FC. Further, Clause 5(c) of the Third MOU stated that the amount of Rs.30,34,54,250/- was to be paid to the FC for which the FC agreed to be compensated with the sixteen flats in 'Ananta Project' undertaken by the CD's group company for Rs. 20,98,42,000/-. Since the CD failed in delivering the aforesaid flats to the FC, it handed over twelve post-dated cheques to the FC through the Escrow Agent, out of which eight post-dated cheques were dishonoured. This compelled the FC to file criminal complaints under Section 138 of the NI Act against the CD.

4.3 There was no failure by the FC to settle claims of legal heirs of the plots and contended that Suit No. 1201 of 2019 was filed by the sons of one of the original property owners, before the Hon'ble Bombay High Court, solely to extract more money from the FC, and this fact was known to the CD as well. Regarding the claims of another plaintiff, the Hon'ble Bombay High Court, *vide* order dated 05.10.2015 in A.O. (L) No. 23536 of 2015 rejected the claims of tenancy/lease and the same was upheld by the Hon'ble Supreme Court *vide* order dated 11.12.2015 in SLP (C) No. 33359 of 2015. In any case, the FC was discharged and released from all such claims over the property on account of the Third MOU.

4.4 It is submitted that, post filing the present Application, both the parties attempted to resolve the dispute by settlement on 20.07.2022 following which the CD, by its letter dated 20.07.2022, proposed Consent Terms offering payment of Rs.12,06,00,000/- (Twelve Crore Six Lakh Rupees) to the FC.



Although the said offer was not “without prejudice”, the CD failed to make any payment of the first instalment to the FC, which amounted to breach of consent terms as observed by this Tribunal *vide* order dated 25.08.2023. Despite negotiation between the parties for settlement as evident from the order of the Tribunal dated 13.09.2023; 25.09.2023; 12.10.2023; and 06.11.2023, it did not materialise.

5. ADDITIONAL AFFIDAVITS BY CD AND FC

5.1 The CD filed Additional Affidavit giving details of the pending litigations between the parties alleging that the FC is attempting forum shopping and using the Adjudicating Authority as a recovery Court. The Ld. Counsel for the CD submitted that, had the FC complied with its obligations under the MOUs, there would not have been any dispute between the parties. The FC, however, submitted that certain obligations in respect of the First MOU remained pending due to various reasons, some of which are solely attributable to the acts and omissions of the CD itself. In any case, execution of the Third MOU dated 03.10.2017, all the remaining obligations of the CD were identified and that if any amounts becoming payable over and above the amounts identified, the same would be to the account of the CD alone.

6. ANALYSIS AND FINDINGS

6.1 We have perused all the documents and pleadings of both the parties, considered the Written Submissions of the CD and heard both the Ld. Counsel for the FC and the CD.



6.2 The major issues involved in the matter are (i) The nature and legal effects of MOUs entered into between the parties; (ii) Nature of FC's claims as financial debt; (iii) Effect of letter dated 20.07.2022 written by the CD addressed to the FC as to whether it amounts to admission of the alleged financial debt or not; and (iv) whether the alleged non-compliance of the MOUs by the FC is relevant for the purposes of proceedings under Section 7 of the IBC. Now, let us examine them one by one.

6.3 As regards issue (i), there is no dispute between the parties as regards execution of the MOUs, especially the Third MOU. It is observed that by and large MOUs denote simple understanding between or among the parties which do not have binding nature. An MOU is for setting out certain intentions or objectives but not clear-cut contractual obligations. MOUs are generally, precursor to a future binding contract without financial obligations. However, on a close scrutiny of the MOUs in the instant matter, it is seen that they travel beyond mutual cooperation or collaboration or expected timeframes of deliverables. Especially, the recitals in the Third MOU dated 03.10.2017 between the FC and the erstwhile CD indicate clear-cut financial commitments making it a formal and valid binding contractual document. For e.g., the last paragraph of Clause 5(c) of the Third, states: *"Hence Omkar/ORAPPL **(CD)** has against execution of the said Documents and these presents become liable to pay to the Satellite **(FC)** the aggregate sum of Rs.30,34,54,250/- (Rupees Thirty Crores Thirty Four Lacs Fifty four Thousand Two Hundred and fifty only)."* (emphasis supplied). The expression 'said Documents' only refers to the documents listed out in Clause 2 of the Third MOU. The expression 'these presents' denotes the same Third MOU dated 03.10.2017. Hence, we



find that there is an incontrovertible understanding between the parties that on execution of the (a) 'said Documents'; and (b) the Third MOU dated 03.10.2017, the CD 'has become liable to pay the FC', Rs.30,34,54,250/-. All these clearly establish that the MOUs entered into between the parties constitute well-defined binding contractual obligations. In the result, we hold that the character of the document is to be determined by its contents and not the nomenclature. Further, the Hon'ble Supreme Court in *Global Credit Capital Limited and Anr. Vs. Sach Marketing Pvt Ltd & Anr.*, [Civil Appeal No. 1143 of 2022] clearly held that the real nature of transaction has to be ascertained out to find the nature of the debt. Hence, this issue is accordingly answered.

6.4 Regarding status of FC's claim as financial debt, it is observed that Clause 8 of the Third MOU provided a mechanism for delivering the amount of Rs.30,34,54,250/- to the FC, which included the amount of Rs.20,98,42,000/- by allotment of sixteen fully constructed flats in the "Ananta Project" of VGS Realty Construction Pvt. Ltd., a group concern of ORAPPL (present CD), to the FC within a stipulated time period. This was secured through twelve post-dated cheques issued by the CD in terms of Clause 9(b) of the Third MOU, which were delivered to the FC by the Escrow Agent. Since the CD failed to deliver the flats, the Escrow Agent handed over the post-dated cheques to the FC, in which eight of the aforesaid post-dated cheques got dishonoured. The total in the eight dishonoured post-dated cheques amounted Rs.14,05,55,300/-. The pending criminal cases under Section 138 of the NI Act for dishonoured post-dated cheques have also been mentioned in the Third MOU. Pendency of the cases under Section 138/141 of the NI Act cannot be brushed aside as they amount to admission of debt, as held by Hon'ble



NCLAT, New Delhi in *Sudhi Sachdev Vs. APPL Industries Ltd.*, [Company Appeal (AT) (Insolvency) NO. 623 of 2018]. The contention of the CD is that the said amount is part of security deposits placed by the FC with the CD under the Second MOU. According to the Ld. Counsel for the CD, security deposits do not come within the meaning of ‘financial debt’ under Section 5(8) of the IBC. On examination of Clause 4 of the Third MOU that lists out various deposits by the FC with the CD, we observe that it does not refer to ‘security’ deposits but simply uses the expression, ‘certain deposits’. However, Para 5(a) of the Second MOU states that the FC has on or before the execution of the said MOU ‘deposited’ a sum of Rs.25,00,00,000/- as interest free ‘security deposit’ with the CD. However, although the said deposit is called ‘security deposit’ in the Second MOU on 18.02.2017, later, in the Third MOU on 03.10.2017, there is an unequivocal agreement as to the liability of the CD to the FC for an aggregate sum of Rs.30,34,54,250/-. Moreover, Clause 4 of the Second MOU, detailing the various payments made by the CD to the OC, begins with the expression, “*The total consideration of Rs.250,00,00,000/-*” (Emphasis supplied). This establishes that the amounts deposited by the FC to the CD indisputably are in a commercial transaction for the purposes of property development. Both the FC and the CD are into real estate business. There is no dispute between the parties as regards transaction having the effect of commercial effect of borrowing. Time value of money denotes money today is worth more than money tomorrow. Thus, the liability of the CD to the FC has the character of a “financial debt” within the meaning of Section 5(8)(f) of the IBC, the amounts raised under transaction having commercial effect of borrowing. Issue (ii) is thus found in favour of the FC.



6.5 As far as the issue of reliance by the FC on the CD's letter dated 20.07.2022 as admission of debt by the CD is concerned, we find that during the pendency of the present Application, both the parties were trying to amicably resolve their dispute by settlement as reflected in the daily orders dated 25.08.2023; 13.09.2023; 25.09.2023, 12.10.2023; and 06.11.2023. Despite attempts of both the parties and ample time provided by this Bench, no settlement could materialise. Now let us consider the issue of the effect of the letter dated 20.07.2022 as regards admission of financial debt. The said letter addressed by the CD to the FC, on the subject-matter of the pending Application, describes the manner of the proposed payment to the FC, beginning from April, 2023 to December, 2023. By this letter, the CD (Manomay Ventures Pvt. Ltd.), *inter alia*, undertakes that "...we were desirous of arriving at a **commercial settlement** by filing Consent Terms in the captioned proceeding and accordingly we hereby offer to pay **the financial debt of Rs.12,06,00,000/-** (Rupees Twelve Crores Six Lakhs Only) **owed to by us** in the following manner: -..." (emphasis supplied). Admittedly, the said letter is not made "without prejudice". The Ld. Counsel for the CD submits that mere absence of "without prejudice" in the said letter does not infer admission of debt by the CD, rather it is only an attempt by the CD to ensure settlement between the parties. He drew our attention to the judgment of the Hon'ble Supreme Court in *Peacock Plywood Pvt Ltd. Vs. The Oriental Insurance Co Ltd.*, (supra), wherein it was held that mere absence of "without prejudice" does not amount to an admission. However, on perusal of the aforesaid judgment, we find that the Hon'ble Supreme Court, in the context of a marine insurance policy matter, held that only because the expression "without prejudice" was mentioned, the



same by itself would not be sufficient and would not curtail right of a person to which it was otherwise entitled. The Apex Court clarified that the expression “without prejudice” has to be construed in the context in which it is used. Here is a case where the parties to the proceedings jointly sought adjournment for settlement on more occasion than one and, in fact, tried to settle but failed in their attempt many times much after the said letter dated 20.07.2022 was issued by the CD. We have already found that the MOUs are valid, legal and binding agreements. There is evidence to show that the FC has deposited amounts more than one crore rupees with the CD for certain consideration. The debt is found to be a financial debt and is due and payable to the FC and remains unpaid by the CD. Hence, even if we construe that the said letter was issued “without prejudice” by the CD, it would not lead us to a different inference than debt owed to the FC by the CD. Hence, *Peacock Plywood Pvt Ltd. Vs. The Oriental Insurance Co Ltd.* (supra) is not relevant in this context.

6.6 Lastly, with respect to the issue of non-compliance of the MOUs by the FC, the Ld. Counsel for the CD vehemently argued that the FC failed to deliver clear and marketable titles to the plots to the CD which resulted in the CD facing several litigations before various authorities including the Hon’ble Bombay High Court. We do not propose to delve into such issues which are already under challenge before other authorities/Courts. For the purposes of the summary proceeding before us under Section 7 of the IBC, when the elements constituting “financial debt” is established and existence of a default is ascertained, on the basis of available evidence under Section 7(4) of the IBC, as the Adjudicating Authority, our mandate is to admit the Application under Section 7(5) and not to deal with other matters. We, therefore, come to a



definite conclusion that this is a fit case for admission, where the principles enunciated in *Anuj Jain Vs. Axis Bank Ltd and Ors.* (supra) do perfectly match.

6.7 The FC has thus successfully demonstrated and proved the debt and default in this case. Therefore, we are of the considered view that this Application is complete and satisfies all the necessary requirements for admission under Section 7 of the IBC.

6.8 The FC has proposed the name of Mr. Manish Motilal Jaju, a registered Insolvency Professional having Registration Number- IBBI/IPA-001/IP-P00034/2016-17/10087 as the Interim Resolution Professional (IRP), to carry out the functions under the IBC. The proposed IRP has given its written consent and the same is placed on record.

ORDER

This Application bearing C.P. (IB) No. 3521/MB/2019 under Section 7 of the IBC, filed by Satellite Developers Private Limited, the FC, for initiating CIRP in respect of Manomay Ventures Private Limited, the CD is **admitted**.

We further declare moratorium u/s 14 of the IBC, with consequential directions as follows:

I. We prohibit-

- a) institution of suits or continuation of pending suits or proceedings against the CD 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 CD 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 CD in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002);
- d) the recovery of any property by an owner or lessor where such property is occupied by or in possession of the CD.
- II. That the supply of essential goods or services to the CD, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.
- III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Bench approves the resolution plan under section 31(1) of the IBC or passes an order for the liquidation of the CD under section 33 thereof, as the case may be.
- IV. That the public announcement of the CIRP shall be made in accordance with the provisions of the IBC, the Rules and Regulations made thereunder.
- V. That this Bench hereby appoints **Mr. Manish Motilal Jaju**, a registered Insolvency Professional having Registration Number- IBBI/IPA-001/IP-P00034/2016-17/10087 and **e-mail- mmjaju76@gmail.com**, having valid Authorisation for Assignment up to 17.01.2025 as the Interim Resolution Professional (IRP) to carry out the functions under the IBC. The fee payable to IRP/RP shall be in accordance with the Regulations/Circulars issued by the IBBI.
- VI. During the CIRP Period, the management of the CD shall vest in the IRP or, as the case may be, the RP in terms of Section 17 or Section 25, as the case may be, of the IBC. The officers and managers of the CD shall provide all documents in their possession and furnish every information in their knowledge to the IRP



within a period of one week from the date of receipt of this Order, in default of which coercive steps will follow.

- VII. In exercise of the powers under Rule 11 of the NCLT Rules, we order the FC to deposit a sum of Rs.5,00,000/- (Five Lakh Rupees) with the IRP to meet the initial CIRP cost, if demanded by the IRP to fund initial expenses on issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the FC on priority upon the funds available with IRP/RP. The expenses, incurred by IRP out of this fund, are subject to approval by the Committee of Creditors (CoC).
- VIII. A copy of this Order be sent to the Registrar of Companies, Mumbai Maharashtra, for updating the Master Data of the CD.
- IX. Registry is directed to immediately communicate this Order to the FC, the CD and the IRP by way of e-mail and WhatsApp.
- X. The Registry is directed to communicate this order to the Insolvency and Bankruptcy Board of India forthwith for information and record.
- XI. **Compliance report of the order by Designated Registrar is to be submitted today.**

Sd/-
SANJIV DUTT
MEMBER (TECHNICAL)

Sd/-
K. R. SAJI KUMAR
MEMBER (JUDICIAL)

//Tanmay Jain//