

NATIONAL COMPANY LAW TRIBUNAL
BENGALURU BENCH
COURT NO.1

ATTENDANCE CUM ORDER SHEET OF THE HEARING OF NATIONAL COMPANY LAW TRIBUNAL,
BENGALURU BENCH, BENGALURU, HELD ON 07.02.2020

PRIORITY CAUSE LIST - 1

PRESENT: 1. Hon'ble Member (J), Shri Rajeswara Rao Vittanala
2. Hon'ble Member (T), Shri Ashutosh Chandra

CP/CA No.	Purpose	Sec	Name of Petitioner	Petitioner Advocate	Name of Respondent	Respondent Advocate
CP(IB) No. 389/BB/2019	For admission	Sec 7 of I&B code 2016	M/s Skylark Ithaca Buyers Welfare Association	Joshua H Samuel, Advocate	M/s Skylark Mansions Pvt Ltd	

ADVOCATE FOR PETITIONER/s:

JOSHUA-H. SAMUEL &
CHRISTOPHER. E
Adv. for Petitioner
98440 68211

ADVOCATE FOR RESPONDENT/s:

D. KARISHMA
9629110040
BHOY. K.

RESPONDENT

D. Karishma

MARIO
8142132663

RESPONDENT
(PRASANTHA KUMAR)
ADVOCATE

ORDER

Heard Mr. Joshua H Samuel along with Mr. Christopher.E, learned Counsel for the Petitioners and Shri Prashantha Kumar S.T along with Ms. D. Karishma, Mr. Mario, Shri Bijoy.K, learned Counsel for the Respondents.

C.P.(IB)No.389/BB/2019 is admitted by separate order. Post the case for report of the IRP on **13.03.2020**.



MEMBER (T)



MEMBER (J)

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

C.P. (IB)No.389/BB/2019
U/s.7 of the IBC, 2016
R/w Rule 4 of I&B (AAA) Rules, 2016

In the matter of:

M/s. Skylark Ithaca Buyers Welfare
Association
Consisting of 255 Homebuyers
202, Falcon Nest, 1st Cross,
Kaggasandra, Bangalore Zone 3,
Mahadevapura Hoodi,
Bengaluru – 560 093

- Petitioners/
Financial Creditors

Versus

M/s. Skylark Mansions Private Limited
The Holding Company of
ITHACA Estates Private Limited
By their common Directors:
Mr. Saleem Sheriff, Mr. Omar Sheriff,
Mr. Shorab Sheriff.
R/o. at Skylark Chambers, No.37/21,
Yellappa Chetty Layout,
Ulsoor,
Bengaluru – 560 042

- Respondents/
Corporate Debtors

Date of Order: 7th February, 2020

- Coram:** 1. Hon'ble Shri Rajeswara Rao Vittanala, Member (Judicial)
2. Hon'ble Shri Ashutosh Chandra, Member (Technical)



Parties/Counsels Present:

For the Petitioners : Mr. Joshua H Samuel with
Mr. Christopher. E

For the Respondents : Shri Prashantha Kumar with
Ms. D. Karishma, Shri Bijoy.K,
Mr. Mario.

ORDER

Per: Rajeswara Rao Vittanala, Member (Judicial)

1. C.P.(IB)No.389/BB/2019 is filed by M/s. Skylark Ithaca Buyers Welfare Association Consisting of 255 Homebuyers (Petitioners/ Financial Creditors) U/s. 7 of IBC, 2016 R/w Rule 4 of I&B (AAA) Rules, 2016, by inter-alia seeking to initiate Corporate Insolvency Resolution Process (CIRP) in respect of M/s. Skylark Mansions Private Limited (Respondents/Corporate Debtors) on the ground that it has committed default for an amount of Rs.220,90,27,614/- (Rupees Two Hundred and Twenty Crores Ninety Lakhs Twenty Seven Thousand Six Hundred and Fourteen only) which consists of principal amount and interest @ 18% p.a., in respect of all the Homebuyers.
2. Brief facts of the case, as mentioned in the Company Petition, which are relevant to the issue in question, as follows:
 - (1) M/s. Skylark Ithaca Buyers Welfare Association Consisting of 255 Homebuyers (hereinafter referred to as Petitioners/ Financial Creditors) are Home Buyers, who have entered into Agreements of Sale and Constructions, on various dates for purchase of Apartments of varying sizes, in the residential Apartment Complex proposed by Skylark Mansions Private



Limited. The said Skylark Mansions Private Limited entered into Three (3) Joint Development Agreements with the Landowners and One (1) Supplemental Agreement with the Landowners of the composite property, on which the proposed residential apartment complex was being constructed. The said Landowners had also executed Powers of Attorney in favour of Skylark Mansions Private Limited to sell undivided right in the composite property proportionate to the built-up area to prospective purchasers such as the Financial Creditor/Member of the Association/Home Buyers. The said Skylark Mansions Private Limited had also obtained sanction plan from the Bangalore Development Authority in its name for the proposed development.

- (2) M/s. Skylark Mansions Private Limited in association with M/s. ITHACA Estates Private Limited (herein after referred to as Respondents/Corporate Debtors), is a wholly owned subsidiary of M/s. Skylark Mansions Private Limited, were incorporated on 31.10.1994 and 23.01.2013, bearing CIN: U7010KA1994PTC016487 and U45205KA2013PTC067632. Its Authorised Share Capital of Rs.19,00,00,000/- and Paid-up Capital of Rs.10,26,80,000/- and Authorized Share Capital of ITHACA Company is Rs.5,00,000/- and Paid-up Capital of Rs.1,00,000/-. The Directors in M/s. ITHACA Estates Private Limited are the same Directors in M/s. Skylark Mansions Private Limited. The Financial Creditor/Members of the Association/Home Buyers are given to understand that the said ITHACA Estates Private Limited is a Company incorporated and registered only to execute the development for and on behalf of Skylark Mansions Private



Limited under the control and directions of Skylark Mansions Private Limited. There appears to be an assignment of Development Rights by Skylark Mansions Private Limited, but the Financial Creditor/Members of the Association/Home Buyers have not been made available with any such documents.

- (3) It is stated that the Respondents/Corporate Debtors, despite having received amounts through ITHACA Estates Private Limited, in terms of the Agreements, have failed to complete the project and register the Apartments, in the name of the Apartment Buyers. Therefore, the Home Buyers have come together and formed a Registered Association, known as "Skylark Ithaca Buyers Welfare Association" which is registered under the provisions of the Karnataka Societies Registration Act, 1960 consisting of 256 Members, with other Home buyers in the process of joining the Association. The Association has filed the present proceedings as a Financial Creditor, on behalf of some of its Members, who are Petitioners herein. The Financial Creditors are represented by its Joint Secretary, Mr. Sachin Gangadharswamy. The Resolution passed by the Association authorizing its Secretary and such others to institute proceedings against the Corporate Debtor.
- (4) It is stated that the Corporate Debtor had held out to the Financial Creditors that it had entered into Joint Development Agreements (JDA's) with various landowners in respect of Sy. Nos. 24/4, 24/5, 24/6 of Kodigehalli Village and Sy. Nos. 28, 29, 30/1, 32/1 of Kurudu Sonnenahalli Village, K.R. Puram, Bangalore admeasuring approximately



20 Acres along with Certain Supplemental Agreements (SA's) and that under the said JDA's, SA's, etc., it was agreed that the Corporate Debtor would be entitled to develop the said property into a multi-storeyed Residential Apartment Building and accordingly had secured a Development Plan, sanctioned by the Bangalore Development Authority on 16.11.2013 and that the Corporate Debtor had also obtained a Building Construction Plan vide LP No.68/2013-14 dated 24.02.2014 for construction of Five (5) buildings. The details of which are mentioned herein below:

- i) BUILDING-1:- 6 towers (Tower 1 to Tower 6) comprised of Lower and Upper basement, Ground + 19 Floors.
- ii) BUILDING-2:- 2 towers (Tower 7 & Tower 8) comprised of Lower and Upper basement, Ground + 19 Floors.
- iii) BUILDING-3:- 3 Towers (Tower 9, 10 & 11) comprised of Lower and Upper basement, Ground + 19 Floors.
- iv) BUILDING-4: - 5 Towers (Tower 12, 13, 14, 15 & 16) comprised of Lower and Upper basement, Ground + 14 Floors.
- v) BUILDING-5: - 3 Towers (Tower 17, 18 & 19) comprised of Lower and Upper basement, Ground + 13 Floors.
- vi) CLUB HOUSE in Ground and 2 Upper Floors

The said development was identified under the name **"SKYLARK ITHACA"**.

- (5) It is submitted that the Corporate Debtor had further held out to the Financial Creditors that it has assigned its Development Rights in favour of ITHACA Estates Private Limited (**IEPL**), a wholly owned subsidiary of the Corporate Debtor and the Directors of the said subsidiary are also the



Directors of the Corporate Debtor. IEPL was entrusted by the Corporate Debtor to put-up construction of the residential apartment complex and undertake the Development Activity for and on behalf of the Corporate Debtor. Therefore, IEPL is only a contractor executing the project. The Corporate Debtor had proposed 1498 flats, with 11 Towers in Phase I, and 8 Towers in Phase II. Based on the aforesaid joint representations and warranties of the Corporate Debtor and IEPL had contracted to purchase Apartments of varying sizes. As per the terms of the Construction Contract, under the instructions, knowledge and consent of the Corporate Debtor, the Financial Creditors/Home Buyers/Members of the Association had issued the payments under the Agreements to IEPL which was duly acknowledged by IEPL. And the Sale Agreements and Construction Agreements stipulate the manner in which payments would be made by the Financial Creditors. The Agreement of Sale is identical for all Financial Creditors. Though the Construction Agreements are similar, there are minor variations with regard to the date on which possession of the Apartment, would be handed over to the respective Financial Creditors. In the said Construction Agreements the date on which possession would be delivered are 31.03.2017, 30.09.2017, 30.06.2018, 31.12.2018, etc.

- (6) It is submitted that in pursuant to the execution of their respective agreements, over 98% of the Home Buyers had obtained Home loans from various Banks and Financial Institutions and less than 2% of Financial Creditors have self-financed their respective flats. Further, the Corporate Debtor through its IEPL had entered into Tripartite



Agreements with the Financial Creditors and their respective Banks/Financial Institutes to enable the Financial Creditors avail Home Loans, thereby ensuring that all amounts under the aforesaid Agreements were received by IEPL for and on behalf of the Corporate Debtor. As on date, the Financial Creditors have paid over 90% of the consideration/cost to the Corporate Debtor through IEPL, though the extent of construction was/is not commensurate with the payments made. These payments had to be made by the Financial Creditors, to avoid delayed payment interest, penalty and any whimsical action at the Corporate Debtors end. The Financial Creditors have also been servicing the loans/facility availed from their bankers by regularly paying the Equated Monthly Instalments (EMI's), in order to avoid any action from the Bank and to avoid their credit worthiness being affected.

- (7) It is submitted that some of them have entered into Agreements with IEPL, under which they were made to pay an additional sum of over Rs.400 per square foot and IEPL having received the additional consideration had agreed to pay the pre-EMI value/interest directly to the banks, on behalf of the Financial Creditors. This obligation under the Agreement was discharged by IEPL, only for the first few months and thereafter, for over two (2) years, the said IEPL has not discharged its obligation, thereby burdening the Financial Creditors with additional financial outflow, in order to service the loan and to avoid action from the Banks.
- (8) It is further submitted that some of them had entered into a Memorandum of Understanding (MoU) with the IEPL, termed as Exit Option. Under the said MoU, IEPL had offered to buy



back the flats, from the Financial Creditors. Despite the Financial Creditors having issued notices, as contemplated under the terms of the MoU, to IEPL, neither IEPL nor the Corporate Debtor have come forward to buy back the said apartments in accordance with the Scheme propounded by them. This conduct of IEPL and the Corporate Debtor has forced the Financial Creditors to continue discharging their obligations to their respective Banks in respect of the facility availed by them. And some of them, who had agreements of Sale and Construction in respect of flats, that were to be constructed and delivered in Phase-II of the proposed scheme/constructions, were given the choice to opt from Phase-II to Phase-I, and in this regard were made to enter into fresh agreements.

- (9) It is alleged that as on date, Construction of Building Nos. 4 and 5 have not even been commenced, except for earthwork excavation for foundation. There has been no construction in any manner whatsoever, despite the Corporate Debtor through IEPL having received substantial portion of the consideration. In pursuance to various correspondences to the Corporate Debtor, on the aspect of delay in execution of the project and the status of the Construction, the Corporate Debtor and IEPL have addressed emails to the Financial Creditors regretting that there has been delay in handing over the Apartments, as per the agreed time schedule and undertaking that they would complete handing over of Phase-I of the Project by October 2018. Though under the construction agreement, Apartments were to be delivered by 31st March 2017, the said communication did not speak



about Clause 6.4 of the Construction Agreement which entitled Financial Creditors to receive damages in a sum of Rs.4/- per square feet, per month, for the delayed period in handing over possession of the Apartments duly completed in all respects along with the proposed amenities.

(10) It is submitted that the Corporate Debtor and IEPL, had called all Financial Creditors for a meetings dated 13.09.2018 and 22.09.2018. In the said meeting, it was agreed by the Chairman and Managing Director Mr. Saleem Sheriff of the Corporate Debtor and IEPL that the construction which was dormant would resume by October 2018 and that the Apartments in the respective Towers would be handed over to the Financial Creditors, between March, 2019 and June, 2019. However, there has been no progress with the construction.

(11) The details of the Financial Creditors, the Apartment Nos. they have contracted for, Agreement date, Amount paid, etc., are mentioned herein below:

Sl. No.	Names	Tower & Flat Number	Total Cost in Rs.	Agreement Date	Amount Paid	Interest @ 18%
1	Veni Pranavananda	T4-402	6,454,546	23-Sep-14	5,743,047	4,266,550
2	S Chandra Mouli and Shanthi C Mouli	T2-1404	3,148,278	23-May-14	2,982,662	2,210,941
3	Priyanka Shaw	T9-7050	6,100,000	30-Jan-19	4,671,707	2,586,729
4	Ayushi Mahajan and Adhish Mahajan	T6-1105	5,537,194	04-Jul-17	4,930,774	2,132,309
5	G Balaji Viswanath	T9-1103	6,457,139	29-May-14	5,741,871	4,381,090
6	Deepak Kumar Singh & Vibha Verma	T6-802	6,234,030	06-Apr-15	4,514,930	3,253,003
7	Rajani Sachin & Sachin Gangadharswamy	T5-803	6,361,380	19-Jul-14	5,656,985	4,175,213
8	Sarvjeet Tripathy	T8-1402	8,096,755	27-Dec-14	7,641,905	5,944,609
9	Om Prakash	T5-502	3,786,952	28-Feb-15	2,545,215	1,903,089

10	Dhananjaya Gupta	T6-404	5,661,600	11-Oct-17	5,131,994	1,596,773
11	Ankit Gupta	T9-1906	7,099,380	04-Jun-18	6,531,480	1,501,727
12	Sudeep Gaurkar	T1-1403	5,498,872	09-Dec-14	5,191,199	4,061,266
13	Rajesh C	T1-506	5,661,130	14-Nov-14	3,698,867	2,550,699
14	Arun Ramakrishnan	T1-904	5,434,493	29-Jan-15	4,885,375	3,518,589
15	Mohammed Shanawas Kallikkal & Semna P	T1-604	4,986,417	12-Apr-14	4,707,700	3,727,792
16	Kranti Khilari & Mayank Singh	T1-1505	5,407,622	20-Nov-14	5,130,024	4,080,382
17	Manoj Kumar Rastogi	T1-802	4,902,330	29-Dec-14	4,328,249	3,187,832
18	Apurba Ghosh	T1-1502	5,810,606	20-Dec-17	4,281,061	1,068,306
19	Vikas Kumar & Sweta Sharma	T1-1402	5,479,184	11-Nov-14	5,191,308	4,150,378
20	Shilpa Vijay & Vijay Sivadas	T1-1001	5,073,531	23-May-14	4,790,185	3,853,703
21	Amit Tyagi & Pragya Tyagi	T1-705	4,900,000	12-Nov-14	3,917,218	2,867,294
22	Prashant Mishra and Priyanka Mishra	T1-1201	4,790,410	28-Nov-14	4,232,132	3,100,445
23	Nishant Mishra	T1-1101	4,768,631	28-Nov-14	4,211,444	3,115,000
24	Abhishek Garg & Shikha Jain	T1-1401	4,833,967	12-Jun-14	4,272,981	3,173,855
25	Binay Dokania	T1-404	4,939,444	18-Jul-14	4,667,003	3,743,972
26	Saikat Chaudhuri & Rupanjali Chaudhuri	T2-603	6,069,683	09-Aug-14	5,106,519	3,798,930
27	Ranjeet Das & Sanjeeb Kumar Das	T2-506	6,288,698	23-May-14	5,587,226	4,185,513
28	Rajani Menon & Rajeev Menon	T2-1705	3,389,349	08-Aug-17	2,879,000	1,027,518
29	Soubhagya Hota	T2-406	6,598,952	11-Nov-14	5,909,497	4,284,626
30	M Girish Kini and Kripa Kini	T2-003	5,745,590	24-Sep-14	5,053,397	3,771,918
31	Mainak Das	T2-1306	6,561,311	01-Jun-16	5,955,608	3,648,110
32	Shailesh Jaiswal	T2-1903	7,075,237	29-Dec-17	6,367,713	1,881,656
33	Praveen Kumar Tiwari	T2-905	4,721,658	24-May-14	4,168,449	3,130,012
34	Chiranthan Purushotham	T2-1205	49,313,030	23-May-14	4,371,573	3,033,008
35	Vipul Ranjan & Reshu Sinha	T2-705	5,660,468	15-Nov-17	4,811,398	1,474,192
36	Umesh K & Ranjani B	T2-1303	7,450,000	12-Jan-14	813,572	671,338
37	Sreechithra H & Anup K J	T3-1304	6,150,613	21-May-18	4,791,987	2,747,529



38	Saura Jyoti Tripathy & Lipsa Tripathy	T3-106	6,048,354	12-Mar-15	4,319,524	2,832,631
39	Madhuri Manoj Dodwad	T2-304	3,791,275	01-Jun-16	2,531,511	1,630,025
40	Suresh Goriparthi and Smt. Dokku Kavitha	T3-204	4,950,333	18-Aug-14	4,388,382	3,279,393
41	Megha Shreya & Adarsh Nand Bahadur	T4-102	7,126,193	24-Feb-15	5,172,005	4,009,881
42	Suchitra S Menon and Sreekumar Methi	T4-1802	10,801,732	22-Feb-18	9,049,000	2,598,620
43	Vijender Thakur	T4-1204	6,833,206	09-Jul-15	6,127,480	4,080,036
44	Ravi Pratap Singh	T5-205	4,700,000	01-May-14	4,129,325	3,136,801
45	Arsh Prakash	T5-902	3,493,701	27-Feb-18	3,138,785	820,625
46	Mahesh Jagiasi & Ritu Mahesh Jagiasi	T5-402	3,921,073	11-Nov-14	3,558,815	2,802,622
47	Anil Thomas	T5-103	5,811,244	12-Sep-14	5,172,005	3,997,615
48	Shaikh Zamiruddin	T5-1806	7,355,396	08-Jul-16	6,116,899	3,378,805
49	Anirban Dutta & Sujata Basu Dutta	T5-503	6,347,723	16-Oct-14	5,645,517	4,160,772
50	Samarendra Mishra and Saswati Pani	T5-105	5,753,683	29-Aug-15	4,123,737	2,835,610
51	Dhimant Antani & Saraswati Antani	T5-406	6,607,352	28-May-14	5,772,109	4,374,163
52	Sujeet Kumar & Anshu Sujeet Kumar	T6-1802	6,141,353	25-Sep-18	1,209,802	224,909
53	John Shamender Toppo and Rupa Mati Toppo	T6-1504	5,660,468	25-Apr-18	4,825,772	1,167,723
54	Saroj Kumar and Binitha Kumari	T6-1204	5,660,468	27/04/2018	4,826,724	1,155,644
55	Sanjay Kumar & Sadhna Kumar	T9-103	6,506,532	14-Mar-15	5,767,213	3,928,209
56	Ratish Kumar & Vijisha P	T6-103	5,935,145	12-Oct-18	5,755,970	867,458
57	Paridhi Jain & Pramod Jain	T6-705	5,341,081	08-May-14	5,011,370	4,045,322
58	Neetu Sharma & Dinesh Sharma	T6-1405	5,529,675	06-Nov-14	5,094,946	3,824,348
59	Anil Kashiram Umadi and Aishwarya Kashiram Umadi	T12-1305	6,142,991	25/10/2017	4,638,382	1,500,484
60	Rajesh Kumar Jha & Archana Jha	T10-705	6,129,063	09-Jan-15	4,319,524	2,968,777
61	Rohit Kumar and Priyanka Dabiru	T7-201	6,765,709	08-Jun-14	6,003,240	4,369,634
62	Sagar Iyer	T7-904	8,126,000	04-Jan-17	6,553,653	2,959,628
63	Sangameshwar	T7-1503	7,708,194	09-Sep-14	6,853,565	5,160,907
64	P M Madhusoodhanam	T7-702	8,200,000	10-Jan-14	7,380,741	5,903,418



65	Satyendra Pratap Singh & Madhulika Singh	T7-1003	7,196,394	06-Aug-14	6,849,600	5,392,772
66	Regina A & Bibin Basheer	T8-101	7,634,604	20-Sep-16	6,830,370	3,534,595
67	Pravin Pratap Pushkar & Anchal Kumari	T8-601	8,308,738	27/12/2017	4,474,874	1,083,648
68	Manu Mohan Variar and Anjana Variar	T8-1701	7,664,566	19/12/2016	6,852,183	3,279,006
69	Akshi Chilana & Manish Mallan	T8-1704	8,447,808	21/08/2014	7,537,669	5,565,137
70	Sonal Lohia & Ankit Lohia	T8-702	7,165,160	29-Nov-14	6,347,095	4,668,072
71	Prithwiraj Deb	T8-1802	8,600,000	28-Jun-18	7,565,748	4,113,518
72	Irfan Ahmed D	T8-1004	7,469,061	20/06/2014	6,602,277	5,014,803
73	Sandeep Parashram Agham	T9-1004	3,582,029	14/03/2015	3,197,900	2,224,021
74	Mallareddy	T9-706	6,441,738	19/09/2014	5,707,787	4,285,821
75	Abhijit Chandra	T9-601	5,127,828	20/06/2014	4,553,798	3,388,576
76	Rabi Ranjan & Prachi Priya	T9-405	5,260,266	10-Apr-17	4,490,863	2,043,444
77	Bhaskar Das and Smt. Tanushree Das	T9-1204	3,620,004	17-Oct-16	3,033,494	1,494,807
78	Vaibhav Srinivas Pai	T9-501	5,269,414	20/09/2014	4,694,066	3,503,034
79	Nakul Parashram Agham	T9-1104	3,597,101	14/03/2015	3,212,273	2,237,247
80	Nidhi Shukla & Akhilesh Kumar Shukla	T9-801	5,157,624	25/12/2014	4,395,146	3,231,620
81	Arunabh Sinha & Anubhuti Sinha	T9-1806	7,150,100	20/01/2018	6,772,012	1,830,654
82	Pritesh K Kotian and Priya K Kotian	T9-1201	5,312,972	22/11/2014	4,734,114	3,546,062
83	Shital Nitin Neralkar & Nitin Durgadasrao Neralkar	T9-1605	5,347,524	29/05/2014	4,775,235	3,548,646
84	Neha Gupta and Alankar Gupta	T10-505	5,397,326	19/07/2014	4,879,915	3,943,014
85	Nishith Suchak	T10-1601	5,631,916	22/04/2015	5,061,281	3,541,977
86	Arun Kumar Kunhikannan and Bisha Arunkumar	T10-301	4,900,000	10-Jul-16	3,947,029	2,039,984
87	Alok Kumar Singh & Seema Singh	T10-906	4,925,142	29/06/2014	4,351,057	3,232,891
88	Neeta Mishra & Mithilesh Mishra	T10-605	4,214,225	08-Jun-14	3,681,851	2,361,528
89	Raghavendran Tiwari	T10-1205	5,929,214	03-Feb-18	5,336,302	1,362,541
90	Suraj Kumar Singh & Anjana Singh	T10-501	4,580,113	25/11/2014	4,036,811	3,037,222
91	Dinesh Nandini Ray & Ajay Kumar Nayak	T10-1206	6,243,033	30/12/2014	4,319,526	3,272,738



92	Abhijeet S Karkare & Vasundhara Karkare	T10-1806	11,147,370	22/01/2018	9,898,000	2,776,047
93	Santanu Chakrabarty & Roshni Saraf	T11-1405	5,271,307	08-Jan-14	4,458,970	3,455,125
94	Saurabh Bajpai and Ayushi Bajpai	T11-506	5,610,301	28-Oct-14	5,237,821	3,657,065
95	Randhir Kumar & Pallavi Dutta	T11-1605	5,929,214	15/11/2017	5,632,753	1,357,465
96	Tapan Khilariwal	T11-1005	5,045,430	21/11/2014	4,034,580	3,076,682
97	Jai Babu Mahankud & Sunita Kumari Gouda	T11-1801	5,729,539	25/04/2018	4,271,000	888,191
98	Chaitanya Varma Kanumuri & Sravanthi Kanumuri	T11-901	5,737,274	18/11/2016	4,763,664	2,343,029
99	Nithya Caliany and J Gopikrishna	T8-401	6,982,000	21-Aug-14	6,654,677	5,409,022
100	Ridhy Patel & Viralkumar Patel	T17-303	8,388,284	18/03/2016	7,472,856	4,091,145
101	Manoj Kumar Nayak	T5-1304	3,945,588	12-Jul-19	3,194,498	1,610,032
102	Visothkumar Subramanu & Kiruthicka Rajendran	T13-1403	6,553,626	08-Apr-16	5,447,376	2,700,308
103	Roshith Raj & Ragitha Raj	T1-905	4,928,558	12-Nov-14	4,366,527	3,162,034
104	Mayur Sarma	T3-406	5,625,799	12-Jul-15	5,019,451	3,185,565
105	Pazhani Arumurugam	T15-603	7,524,684	08-Jul-16	5,932,509	3,295,895
106	Ravindra Padmegowda	T4-1502	6,620,870	06-Feb-14	5,902,063	4,403,585
107	Oswald Pinto	T10-1405	6,500,000	23/03/2018	5,438,725	2,943,856
108	Rameshchandra Nerolu	T3-304	4,600,000	26/04/2014	4,047,090	3,051,884
109	Rajesh Menon & Devi Hari	T8-103	6,449,508	20/06/2014	5,702,997	4,319,137
110	Sowmya Jaya Amin	T2-104	3,791,275	09-Jul-15	2,600,750	1,783,942
111	Ipsita Tripathy & Rohan Kumar Tripathy	T2-701	5,958,850	05-Dec-15	4,213,716	3,054,856
112	Md. Arshad Hassan Rizvi & Amber Laraib	T2-1301	5,660,468	17/11/2017	4,811,398	1,451,271
113	Canute Clifford Lobo & Krysha Maria Lobo	T5-002	3,907,586	30/06/2018	3,075,950	1,694,293
114	Vikas Anand & Anubha	T8-901	6,890,078	30/05/2014	6,090,787	4,388,997
115	Sunanda Padhy	T10-405	5,324,362	02-Dec-14	5,058,146	4,283,772
116	Kiran Shenoy Haradi & Meera Aravind	T5-204	3,451,524	19/11/2016	3,084,000	1,463,522
117	Nand Kishore Sapra	T1-1303	5,528,203	23/04/2015	4,991,214	3,625,942
118	Vikash Anil & Nehawashini Anil	T7-302	7,018,601	28/05/2014	5,373,879	4,335,240

119	Aman Choudhary	T6-902	5,062,199	25/06/2014	4,494,065	3,415,948
120	Pradeep Kumar N G	T4-702	6,424,391	10-May-14	5,809,714	4,210,576
121	Guruprasad Gaonkar	T9-406	6,675,638	09-Jan-14	5,632,496	4,232,953
122	Chandra Kaladhar N M	T11-106	6,056,076	25/08/2015	4,366,749	2,987,014
123	Prasada Rao Gorle	T9-1301	5,500,000	14/05/2015	4,077,404	3,108,209
124	Chandrakanth Shettigar	T1-803	4,880,957	06-Oct-14	4,329,517	3,232,660
125	Nitin Gupta & Shaleen Gupta	T8-1401	7,824,085	21/08/2014	7,076,611	5,687,567
126	Mylsamy Karuppagounder	T11-601	4,623,140	17/02/2015	4,108,727	2,952,760
127	Rajesh Samal & Suvalaxmi Rout	T2-1105	5,900,000	06-Apr-19	4,592,240	2,602,668
128	Amit Singh	T9-1003	7,513,724	30/07/2015	5,066,101	3,581,251
129	Rohit Nair & Rani Kumar	T8-1601	7,596,302	20/04/2017	6,124,543	2,426,440
130	Tanish Agrawal	T2-303	6,380,476	19/07/2014	6,017,403	4,866,688
131	Pinky Agrawal	T6-303	5,301,549	18/08/2014	5,008,504	4,060,781
132	Samira Kumar Patnaik & Priyadarshini Samantaray	T3-903	5,514,960	01-Aug-15	4,928,029	3,643,322
133	Naveen Babu Kotturu	T11-504	4,601,564	15/02/2015	4,087,892	2,976,890
134	Sumeet Kumar	T6-301	4,679,738	30/05/2014	4,453,515	3,152,108
135	Archana Rai	T5-1501	5,205,234	17/05/2017	4,718,612	1,790,511
136	Mayank Srivastava	T2-404	3,483,164	29/09/2014	2,973,767	2,146,860
137	Rajeev Ranjan	T7-802	8,214,710	12-Jan-16	7,261,739	3,589,039
138	Hiteshkumar Rameshchandra Mistry	T9-1606	6,644,237	25/09/2014	6,271,642	5,023,142
139	Suman Kalyan Betal	T11-1704	4,895,887	29/05/2014	3,746,430	2,132,643
140	Parag Bhagat	T1-306	5,280,000	20/12/2014	4,077,960	2,981,292
141	Sreedevi C K & Ajay Kanavi	T9-802	3,412,798	29/11/2014	3,060,303	2,254,157
142	Nitin Chhabra	T10-406	5,053,164	19/06/2014	3,672,482	2,414,399
143	Nalini Kanta Swain & Tapaswini Swain	T8-1303	7,778,511	20/06/2017	6,893,621	4,609,686
144	Gurjot Singh Bhogal	T8-1103	7,932,456	28/05/2015	7,102,667	4,914,601
145	Jameerahammad Hunagund	T3-1704	5,377,477	09-Jun-17	4,120,000	1,618,540
146	Subrata Pal & Manisha Mandal	T8-801	7,334,211	05-Jun-14	6,911,246	5,606,023

147	Abhishek Saigal	T4-1304	6,675,000	08-Jun-14	5,953,525	4,384,975
148	Ravi Kumar	T2-1803	7,497,050	23/03/2018	6,000,000	1,507,532
149	Ravi Ranjan Sharma	T5-905	5,943,390	12-Sep-14	4,133,896	3,177,354
150	Joseph Kuruvilla Thomas	T13-1203	6,338,803	04-Nov-16	5,382,640	2,509,114
151	Simrati Kaul & Abhishek Raina	T7-301	6,723,135	28/05/2014	5,985,608	4,419,777
152	Binny V Kuruvilla & Vinitha Ponnachen	T2-106	6,200,000	12-Oct-14	5,232,434	3,773,484
153	Ajay Shankar & Shalinee Kumari	T10-1106	6,266,445	28/07/2015	4,409,919	3,062,655
154	Sumesh Krishnan Iyer & Madhvi Sumesh Iyer	T5-1104	3,908,650	14/06/2018	3,059,449	1,723,581
155	Vivekanand R Mathapati	T13-1103	6,315,547	24/03/2016	5,252,527	2,882,151
156	Vivekanand R Mathapati	T18-603	7,478,680	21/03/2016	7,131,526	3,761,618
157	Sundeep Mardraj	T6-1201	5,291,094	02-May-17	4,715,429	1,871,993
158	Subhadrata Chakraborty & Sneha Sinha	T8-1202	7,328,568	29/05/2014	6,515,875	5,014,332
159	Deepanshu Gupta & Vidushi Gupta	T10-201	5,204,079	08-Jun-14	4,620,141	3,533,510
160	Sukant Kumar Ehera & Geetanjali Sukant Behera	T18-602	7,486,500	07-Jun-16	7,194,152	3,685,438
161	Jyoti Vimal and Amit Ranjan	T3-601	5,146,448	02-Mar-15	4,586,679	3,301,484
162	Avik Santra and Sudarshana Santra	T11-1406	5,495,456	20/7/2014	5,180,318	4,184,700
163	Nitesh Kumar Jha and Pallavi Kumari	T7-503	6,598,953	28/05/2014	5,774,601	4,411,689
164	Kartikesh Authimoolam Nadar & Sunitha Kartikesh Nadar	T12-1403	7,473,755	05-Oct-16	5,897,143	3,286,128
165	Indranil Pal	T1-1006	4,926,265	23/05/2014	4,371,595	3,272,807
166	Irudaya Praveen	T3-1202	6,436,099	04-Dec-18	5,034,244	2,698,263
167	Kanchan Arora & Amit Arora	T10-1001	5,015,669	20/06/2014	4,738,862	3,818,897
168	Naveen Naidu	T9-1005	5,400,000	13/02/2015	4,123,437	5,032,656
169	Ujjwal Kumar and Veena Singh	T6-702	5,438,743	20/06/2014	4,840,696	3,614,775
170	Poorviben Patel	T17-803	8,535,021	29/02/16	5,768,139	2,722,056
171	Suchismita Chatterjee and Sourav Sinha	T6-1004	5,334,750	06-May-14	4,753,673	3,591,192
172	Sirishareddy Tamanampudi & Ayappa Reddy	T8-1002	7,200,000	02-Jun-14	3,517,116	2,632,241

	Tamanampudi					
173	Chanchal Mukherjee & Krupa Mukherjee	T5-1103	7,410,603	10-Aug-15	5,284,847	3,517,019
174	Charu Chaturvedi & Puneet Chaturvedi	T1-1705	5,417,000	05-Oct-17	4,722,966	1,946,232
175	Prem Kumar Mekara and Deepthi Puthiyadavan	T9-003	6,406,308	19/07/2016	5,720,637	3,083,572
176	Chandan Kumar Nayak	T4-1702	6,916,000	12-Dec-14	6,139,293	4,373,386
177	Suraj Kumar & Bindu Singh	T7-902	7,260,969	29/09/2014	6,359,074	4,716,080
178	Yuvika Chaube & Viswanath Subramanian	T7-1002	7,263,485	05-Jan-14	6,419,752	4,981,943
179	Jerome Chrishesh Sigamoney & Christina Sangeetha Thomas	T2-605	4,744,618	24/05/2014	4,209,206	3,125,356
180	Vinay Cherkur	T11-806	5,646,390	03-Aug-15	5,065,732	3,544,402
181	Amit Kumar Gupta and Manila Rauniyar	T5-1801	9,117,275	19/07/2014	8,078,040	6,031,407
182	Arvind Kandula and Jaya Kandula	T18-203	8,360,090	19/03/2016	6,584,451	3,874,785
183	Shri. Thirthankar Halder and Smt. Ishrat Jahan	T6-305	4,902,130	30/05/2014	4,328,462	3,260,398
184	Shreeparna Mazumdar	T5-1405	6,000,000	21/09/2016	4,581,004	1,877,073
185	Sarabjit Singh Tatra & Preeti Saini Ugra	T5-203	6,265,779	14/02/2014	5,531,105	4,204,169
186	Nilay Deshpande & Revati Deshpande	T2-203	6,211,307	20/06/2014	5,666,576	4,236,114
187	Sujit Dasappa Bangera	T10-901	5,160,645	19/07/2014	4,870,948	3,951,782
188	Kanak Kanti Das & Aprita Dutta	T5-1006	5,811,244	01-May-15	5,230,117	3,974,813
189	Priya Chilana Shah & Jaideep Shah	T10-304	5,138,743	30/09/2014	3,920,998	2,685,486
190	Jyoti & Saurabh Chandra	T9-1506	5,811,244	02-Jan-15	5,172,005	4,160,698
191	Ashok Verma	T11-301	4,500,000	08-Feb-14	3,811,161	2,852,115
192	Roshan Glatan Dsouza	T15-1101	6,265,986	19/12/2016	5,061,825	2,444,355
193	Komal Bhagtani	T10-903	5,068,179	29/05/2014	4,500,810	3,454,922
194	Keshav Kumar	T9-301	5,500,000	08-Feb-16	3,983,746	2,111,604
195	Rakesh Khatai	T3-1104	5,291,193	20/06/2014	4,809,385	3,603,364
196	Smt. Gunjan Singh and Shri. Manish k Singh	T1-1506	5,388,490	19/12/2014	5,105,399	4,043,656
197	Vivek Kumar & Parul Dhankar	T7-501	8,022,085	12-Apr-16	6,042,937	3,104,673

198	Yamini Srivastava & Alind Srivastava	T1-403	6,520,137	11-Oct-17	5,308,230	1,639,621
199	Gaurav Goswami & Naresh Chandra Gupta	T8-1603	7,131,333	02-Jan-14	6,346,551	4,786,629
200	Hirak Kumar Rajendrabhai Patel	T10-1201	5,222,565	19/07/2014	4,916,791	3,958,103
201	Kunal Mohanty & Amar Pratap Mohanty	T3-1503	5,929,214	31/10/2017	5,579,814	1,765,954
202	Krishna Kumar R & Subbulakshmi L	T3-1004	5,820,502	28/10/2014	4,926,472	3,510,103
203	Yuvaraj Tanaji Patil	T1-1504	4,841,661	24/07/2015	4,890,715	3,398,125
204	Ravi Verma	T11-1101	5,432,254	21/11/2014	5,164,484	4,122,418
205	Dhanveer Singh	T4-904	6,270,384	21/11/2014	5,946,809	4,580,125
206	Laxmikant Agarwal	T2-102	3,775,500	24/03/2015	2,545,214	1,893,852
207	Nishant Singh and Sunita Singh	T1-703	4,879,517	24/12/2014	4,306,986	3,200,555
208	Hota Naga Sandhya	T13-102	5,965,859	04-May-16	4,795,452	2,705,567
209	Sachin R Vaity and Madhuri S Vaity	T3-705	5,713,038	21/04/2015	5,081,966	3,521,952
210	Shiva Singh & Siddharth Saroha	T4-204	7,082,746	31/03/2015	5,172,005	3,798,492
211	E.Dinesh and Kavitha Athlur	T10-1301	4,972,112	19/07/2014	4,007,421	3,021,806
212	Sandeep Sethi and Harpreet Kaur	T3-1403	5,929,214	02-Jan-17	5,039,831	1,483,915
213	S Prabhakaran & V Srividhya	T6-1003	5,096,236	07-Apr-14	4,511,609	3,404,165
214	Venkata Sudheer Kumar Chunduri and Lavanya Voruganti	T6-1705	4,537,002	09-Jun-17	2,900,000	1,046,762
215	R Balaraaman	T15-1203	7,490,899	26/04/2016	5,738,746	3,022,131
216	Akhil Koul and Rajni Koul	T8-1503	8,051,176	26/05/2015	7,265,436	4,913,528
217	Naveen M and Jayashree Shighalli	T8-603	8,441,456	25/08/2015	5,914,632	4,321,241
218	Pravin Popatrao Sawant	T4-1302	6,464,882	13/08/2014	6,117,970	4,921,306
219	Sanjay Kumar & Sadhna Kumar	T6-1001	4,959,727	30/05/2014	4,396,609	3,346,461
220	Shammi Malhotra	T7-304	10,711,336	06-Jun-18	7,932,930	3,545,285
221	D Suresh and N Ramya	T8-1201	6,982,565	21/12/2014	5,524,839	4,163,294
222	Prem Kumar Pandey	T5-1401	6,250,000	23/10/2017	4,623,276	1,395,660
223	Mahendra Kumar Prajapat and Vinita Prajapat	T10-701	4,833,353	12-May-14	4,277,595	3,106,070
224	Prem Lal Nehra and Anita Nehra	T10-404	4,754,325	12-Jun-14	4,008,285	3,005,845



225	Padmini Devi and Phani Kiran M	T8-1804	9,149,978	18-May-18	4,698,889	3,513,995
226	Shashank Srivastava	T2-702	3,123,837	15-Sep-14	2,760,429	2,050,540
227	Inder Krishnan Koul and Indu Koul	T1-902	4,925,142	-	4,351,833	3,135,075
228	Murali Manoj Kanisetty, Guna Priyanka Garlapati	T5-1206	6,346,257	20-Aug-14	6,000,372	4,884,777
229	Namita Varma	T5-206	6,265,779	06-May-14	5,587,438	4,247,477
230	Jainendra Kumar and Sunidhi Sinha	T2-1001	5,473,662	03-Nov-15	4,893,453	3,445,696
231	Jasbir Kaur Dosandh and Kiranpreet Kaur Dosandh	T1-305	4,791,683	18/07/2014	4,236,577	3,163,327
232	Mrs Rashmi Rawat	T5-306	6,306,751	28/11/2014	5,348,228	4,009,474
233	Surendra Panwar and Sonam Dhandhal	T9-1703	6,546,927	23/03/2017	5,210,508	2,275,761
234	Ruma Chatterjee and Sabyasachi Chatterjee	T9-904	3,930,632	27-Apr-15	2,191,643	1,565,878
235	Kumar Saurabh and Priyanka Kumari	T10-702	6,265,701	30/07/2018	4,900,199	2,868,324
236	Sairamaraju Bhupathiraju	T6-1005	4,926,267	05-Aug-14	4,371,596	3,246,246
237	Satabdi Ray and Santanu Bag	T9-1106	7,552,563	26-May-15	5,337,703	3,818,840
238	Mr Iyer Raman Sankaranarayanan and Mrs Alka	T5-1606	7,540,362	29-Jul-15	5,284,856	3,641,839
239	Durgeshnandini Das and Rohit Das	T9-1706	7,515,569	05-Jan-15	5,223,725	3,958,967
240	Saurabh Biswas	T10-1002	5,669,891	24-Feb-17	5,000,000	2,233,775
241	Pankaj Arora	T11-704	5,890,103	03-Feb-15	4,123,738	3,096,307
242	Naveed Pasha Rasheed Anwar and Irhas Fatima	T13-505	6,176,013	04-May-16	4,874,773	2,348,384
243	Preeti Rawat	T9-905	5,258,525	29-Nov-14	4,633,670	3,334,072
244	Sharavan Murugan and Jincy Vallachira	T7-603	6,630,920	02-Aug-14	5,797,333	4,360,479
245	Aman Chowdhary and Col B S Chowdhary	T2-1202	3,873,070	20-Mar-15	2,509,235	1,838,153
246	Sanjit Kumar Bisoyee	T11-905	5,337,698	21-Nov-14	4,764,485	3,537,001
247	Kirti Srivastava and Prateek Srivastava	T5-302	3,785,186	14-Jun-18	2,960,724	1,679,295
248	Vijayendra Tiwari and Vidya Tiwari	T9-605	5,867,000	12-Jan-15	3,475,059	2,567,933
249	Gautham Arora and Meera Arora	T5-605	5,182,300	28-May-14	4,610,786	3,490,901
250	Amit Bhakuni	T1-806	5,515,004	16-Dec-14	4,928,110	3,615,452



251	Atul Kumar Pandey	T2-403	5,754,035	23-Dec-14	5,078,191	3,755,085
252	Ankita Mishra and Arun Kataria	T5-201	5,159,166	19-Oct-16	4,565,429	2,351,679
253	Garuav Rawat	T9-805	5,504,923	17-Mar-15	4,662,116	3,406,695
254	Sanjeeva Rayudu E and Vijaya Lakshmi	T4-604	6,799,946	07-Sep-15	5,948,593	4,108,880
255	Mohit Sharma and Anansha Krishna Shukla	T3-804	5,130,000	23-Nov-14	4,595,007	3,327,695
					1,274,438,369	824,114,731

(12) It is submitted that the total Amount towards Principal is Rs.127,44,38,369/- and the amount towards interest is Rs.82,41,14,731/-. Further the Corporate Debtor and IEPL is due to the Financial Creditors a sum of Rs.1,04,93,508/-, towards the Pre-EMI interest that was agreed to be serviced by the Corporate Debtor and IEPL on receipt of additional consideration, which was paid by the Financial Creditors. The Financial Creditors are also entitled to such amounts that they have been paying the banks towards EMI, without the benefit of the Apartment. They reserve the right to claim Interest on the EMI's paid. They are also entitled to Rs.4 per sft, per month for each months delay in handing over the Apartment. The Financial Creditors are also entitled to the amounts paid towards rent in a sum of Rs.3,47,45,093/- from the date they have been deprived possession of the Apartment. Some of the Financial Creditors have approached RERA, and the Hon'ble Court has passed orders, after hearing the Corporate Debtors and IEPL, holding that the Corporate Debtor and IEPL are in default and directing payment of compensation. Despite the same and the request of the Financial Creditor to comply with the orders of the



RERA, the Corporate Debtor and IEPL are unable to comply with the same.

(13) It is submitted that they have issued a notice dated 22.07.2019, in the capacity of Financial Creditors, through their Registered Association, demanding repayment of the aforesaid amounts. The Corporate Debtor and IEPL and the commons Directors have issued a vague, untenable and frivolous reply dated 08.08.2019, almost renegeing on their commitments and obligations under the Agreements and not complying with the demand for making payment of the amounts paid by the Financial Creditors. All these amounts have been paid by them as early as 2014 – 2015, neither has the Amount earned its time value of money, nor has the same earned interest. The Corporate Debtor and IEPL have neither shown sufficient progress in the construction of the proposed Buildings nor have they handed over possession of the Apartments in terms of their commitments under the respective agreements. The list of other Financial Creditors/ Home buyers in the very same project, who have approached the RERA and case are pending in RERA and Cases which are sent to the Deputy Commissioner for enforcement, has been published on the RERA, website.

(14) It is stated that the Balance Sheet of the Corporate Debtor, has been filed till the Financial Year 2017-18 and IEPL has filed for the Financial Years 2016-17, the earlier balance sheets would disclose that the, assets of the Corporate Debtor and IEPL is insufficient to discharge its current liabilities. The Corporate Debtor and IEPL, have defaulted repayment of loans, to banks and financial institutions.



Further the Corporate Debtor and IEPL have not complied with various statutory requirements by completing the necessary compliances. Further, several Creditors of the Corporate Debtor and IEPL have not been paid and statutory payments have also not been made. Therefore, continuance of the said Corporate Debtor and IEPL under the present Chairman and Managing Director, pose a great threat to Banks, Creditors, Investors, Home Buyers and the public at large and therefore, it would be just and necessary to initiate the process of CIRP against the Corporate Debtor under the provisions of the Code, 2016.

3. It is relevant to point out that another Company Petition bearing C.P.(IB)No.314/BB/2019 is filed by Shri C. Srikrishna (Petitioner/ Financial Creditor) U/s.7 of IBC, 2016 R/w Rule 4 of I&B (AAA) Rules, 2016, by inter-alia seeking to initiate CIRP in respect of M/s. Skylark Mansion Private Limited (Respondent/Corporate Debtor) on the ground that it has committed default for an amount of Rs.50,79,697/- (Rupees Fifty Lakhs Seventy Nine Thousand Six Hundred and Ninety Seven only) which consists of principal amount and interest @ 10.75% p.a. This Petitioner, has approached RERA vide Complaint No.CMP/190102/ 0001817 and thus obtained an Order dated 23rd March, 2019, passed by the Adjudicating Officer, RERA, Bengaluru, Karnataka, wherein the developer/Respondent is directed to return the amount paid by the complainant with simple interest at the rate of 9% p.a. for the respective amount paid on respective date prior to April 2017 and at the rate of 10.75% P.A. from 01.05.2017 till the entire amount is refunded. When the Respondent is failed to comply with the



Order, this Petitioner has issued Demand Notice dated 21.05.2019. In pursuant to that, the Respondent has given reply dated 24.05.2019, by inter-alia denying that the Respondent is not liable to pay an amount to the Petitioner much less than an amount of Rs.50,79,697/-, the alleged liability would not fall under the definition of financial debt; he cannot be considered as Financial Creditor under provisions of the Code; there is a pre-existing dispute as the Petitioner has not filed appeal and they have not produced required documents etc. The Respondent has filed its Statement of Objections dated 4th December, 2019, by reiterating similar objections by denying contentions of Petitioner. Since the Respondent has not preferred an Appeal against the said order, it became final, and thus the Respondent has admittedly committed default for Rs.50,79,697/-

By perusal of the instant Petition, we are satisfied that the instant Petition/Application is complete as per law and default is not in dispute and eligible Resolution Professional was also suggested and thus it is a fit case to initiate CIRP against the Corporate Debtor. However, another Petition viz., C.P.(IB)No.389/BB/2019 is filed by 255 Home Buyers against the same Corporate Debtor, we have examined this case as per merits, as detailed supra.

4. Heard Mr. Joshua H Samuel, learned Counsel for the Petitioners and Shri Prashantha Kumar, learned Counsel for the Respondents. We have carefully perused the pleadings of both the parties and extant provisions of the Code and Rules made thereunder and the law on issue.
5. Mr. Joshua H Samuel, learned Counsel for the Petitioner, while reiterating the various averments made in the Company Petition,



as briefly stated supra, has further submitted that the Respondent Company has become insolvent, wherein not only committed default in respect of 255 Homebuyers but also violated several statutory compliance. And the Petitioners have explored all the possibilities of restoring the Company and to resolved their issue, as the homebuyers has paid their life time earned money for purchase of flats hoping that they would get the flats as per the Agreements in question. They have earnestly, approached and made appeal to the Corporate Debtor to restore and continue their constructions, to purchase of flats in questions. Having lost their hopes to get their flats constructed and delivered under the present Management of the Company, they have taken recourse to invoke provisions of Code in order to maximise the time value of money by seeking to initiate CIRP against the Corporate Debtor. The instant Petition is filed in accordance with law and there is an admitted debt and default and a qualified Resolution Professional namely Mrs. Ramanathan Bhuvaneshwari bearing Registration No. IBBI/IPA-002/IP-N00306/2017-18/10864 is proposed to appoint her as Interim Resolution Professional, who has filed Written Communication dated 23.09.2019, in a prescribed forum. Therefore, the learned Counsel for the Petitioner urged the Adjudicating Authority to admit the instant Company Petition to initiating CIRP as prayed for.

6. Shri Prashantha Kumar, learned Counsel for the Respondent, by strongly opposing admission of the case, without filing Statement of Objections, has filed brief note dated 07.02.2020, by inter-alia stating as follows:

“As of December 2019, there are 430 contractors working on



seven ongoing projects and the Skylark Group employees about 150 people. The Skylark Group has 2,973 units of inventory and the number of unsold units are 1,541. The current number of customers are 1,432.”

Therefore, he urged the Adjudicating Authority to dismiss the Application as devoid of merits.

7. The instant Company Petition was filed on 25.09.2019 on the file of this Adjudicating Authority, and thus the case was taken by the Bench, and granted several opportunities to the Respondent either to resolve the issue in question between Parties or to file their statement of objections in order to avoid initiation of CIRP against them, which would result in devastating effect on the affairs of Company. However, they have not availed the opportunity. It is relevant to refer and extract the docket proceedings of case as below:

27.11.2019: The learned Counsel for the Petitioner and the learned Counsel for the Respondent were present. The learned Counsel for the Respondent requests time for filing Statement of Objections. Therefore, the Adjudicating Authority has directed the learned Counsel for the Respondent to file Statement of Objections, duly serving the copy on the other side.

11.12.2019: On this day the learned Counsel for the Petitioner was present and none appeared for the Respondent.

02.01.2020: On this day, the learned Counsel for the Petitioner and the learned Counsel for the Respondent were present. The learned Counsel for the Respondent undertakes to file vakalath and requests time. Again, the Adjudicating Authority has directed the learned Counsel for the Respondent to file reply well before the next date of hearing.



23.01.2020: On this day also, the learned Counsel for the Petitioner and the learned Counsel for the Respondent were present. The Respondent is directed to place on records the assets and liabilities of the Corporate Debtor in respect of M/s. Skylark Mansions Pvt. Ltd. and all group Companies of M/s. Skylark Mansions Pvt. Ltd., well before the next date of hearing. In the meanwhile parties are at liberty to settle the issue. No further adjournments shall be granted.

8. Shri Mr. Joshua H Samuel, learned Counsel for the Petitioner, has sent a notice dated 23.12.2019, by R.P.A.D to the Respondents, which reads as under:

"To,

*Skylark Mansions Private Limited
Skylark Ithaca Private Limited
Skylark Chambers,
No.37/21, Yellappa Chetty Layout,
Ulsoor Road,
Bengaluru – 560 042.*

Sub: C.P(IB)No.389/2019 - filed by M/s. Skylark Ithaca Buyers Welfare Association against M/s. Skylark Mansions Private Limited in association with M/s. ITHACA Estates Private limited – on the file of the NCLT, Bangalore Bench.

The subject mentioned case has been filed by our Clients (Skylark Ithaca Buyers Welfare Association). Advance copy of the Petition filed along with the synopsis was sent to the Company and its Directors by RPAD. The Company and its Directors have acknowledged receipt of the same. The matter was listed on 27.11.2019, in the course of hearing your Counsel had taken notice for you and the matter was posted on 11.12.2019 for objections is any by the Respondent Company.

On 11.12.2019 the matter was taken up by the Tribunal for Consideration. Since none appeared for the Respondent, the Tribunal



had adjourned the matter to 02.01.2020. A copy of the Order sheet is attached hereto for your reference.

We have once again attached hereto the entire Petition containing the List of Dates, Synopsis, the Application in Form – I with Annexures, containing 1297 pages in three (3) Volumes. You may kindly acknowledge receipt of the same.”

9. Though Vakalat was filed on 23.01.2020, there is no reply filed so far, though a total number of 255 home buyers have filed the instant case urging the Adjudicating Authority to decide the matter as per merits, in the light of time frame fixed under the provisions of Code. As stated supra, thought the Respondent is aware of instant Proceedings since 25th September, 2019 and the Petitioners after failing to get relief despite their best efforts, have failed to place their version of case by way of filing their Statement of Objection. In the circumstances, the Adjudicating Authority is bound to decide the matter as merits. The Respondent has not placed any material to show that they are concerned with the grievances of the Petitioners apart from other similarly situated Persons.
10. It is relevant to refer the judgment of Hon'ble Supreme Court in "*Innoventive Industries Ltd. Vs. ICICI Bank and Anr. – (2018) 1 SCC 407*", relevant portion of which is extracted below: -
- “27. The scheme of the Code is 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 default is 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 a financial debt is defined in Section 5(8) to mean a debt which is disbursed against 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 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 it 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 a 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 subsection (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.”

11. The Skylark Ithaca Buyers Welfare Association (Petitioner herein) was registered with the District Registrar of Societies, Zone-3, Bangalore Urban Dist., dated 04.04.2019, they have also filed



Memorandum of Society, Rules and Regulation of the Society. The Members of the Association have duly resolved in the meeting dated 20.07.2019 to initiate action/class action against the Developer Skylark Mansion Private Limited and ITHACA Estates Private Limited (a wholly owned subsidiary of Skylark Mansion Private Limited) on behalf of its Members. It is not dispute that the Agreements to Sell and Construction Agreements in question, were executed between the Home Buyers; Skylark Mansion Private Limited as "Confirming Party" and M/s. ITHACA Estates Pvt. Ltd., (Subsidiary of M/s. Skylark Mansions Pvt. Ltd.) as "Builder". The Construction Agreements in question were executed by and between M/s. ITHACA Estates Pvt. Ltd., (Subsidiary of M/s. Skylark Mansions Pvt. Ltd.) "First Party/Builder" and M/s. Skylark Mansion Pvt. Ltd., as "Confirming Party". And various Payments in question made by the respective Parties to the Respondent is admittedly are not in dispute, as all copies of relevant Agreements, the receipts and acknowledgements are duly enclosed to the instant Petition.

12. The Skylark Ithaca is an Apartment project located in the heart of IT hub and first ever largest development within few Kilometers' of distance from Central Bangalore. The Parties have exchanged various communications by way of several emails as evidenced by various emails enclosed to the Petition.
13. In order to resolve the issue, as per the Agreements in question, several meetings have been conducted between Skylark Management and representatives of Ithaca Apartments Buyers on various dates viz. 13.09.2018, 22.09.2018 again on 21.09.2018. When there was progress in constructions of the flats as



promised, the Petitioners have addressed a letter dated 22.07.2019 to ITHACA Estates Private Limited and Skylark Mansions Private Limited and to their Directors, by inter-alia stating as follows:

“Our Clients inform us that in the midst of the ongoing correspondence between our clients and SMPL/IEPL, you had called all our Clients for a meeting dated 22.09.2018. In the said meeting it was agreed by the Chairman and Managing Director Mr. Saleem Sheriff of SMPL/IEPL and other office bearers of SMPL/IEPL present at the said meeting that construction would resume by October 2018 and that the Flats in the respective Towers would be handed over to the purchasers between March 2019 to June 2019. Our Clients instruct us to inform you that despite the aforesaid representations and assurances, you have repeatedly failed in keeping to your obligations/ commitments/covenants and promises. Your acts and conduct clearly establish that you had made promises/ commitments, knowing fully well that they cannot be fulfilled/performed. Our Clients place on record that though under the terms of the Agreement, the flats were to be delivered by March, 2017, even as of April 2017 there was no progress in the Project, except of sketchy structures put up in part. After April 2017, work on the Project site had come to a complete standstill. However, on our Clients intervention and repeated visit to your offices and on site, you had under the guise of resuming work, in February, 2018 placed on site few laborers with no physical progress. We had thereafter noticed that even these laborers disappeared from the site from August 2018 and till date, the



work at site has not commenced, though our Clients have complied with all their obligations and have paid all amounts.”

Therefore, they alternatively called upon the Respondent to comply with the following forthwith:

“a) Repay the amount of Rs.101,10,51,180/- received from our Clients in total or alternatively to each of them the sums mentioned in the tabular above that has been paid to you by our Clients; and

b) Pay out Clients a sum of Rs.42,28,48,867/-towards interest at 18% on the Principal paid to you, or alternatively pay each of our Clients interest at the rate of 18% on the sums paid by them, as per the enclosed Statement; and

c) Reimburse our Clients all amount paid by them towards the EMIs to their respective Bankers; and

d) Pay to each of our Clients a sum of Rs.4/- per square feet, per month for every month’s delay in completion of the Flats from 31st March, 2017; and

You may comply with the above within ten (10) from the date of receipt of this notice jointly and severally, failing which, our Clients would be advised to initiate appropriate action against all SMPL, IEPL and its Directors, including initiation of CIRP/Liquidation against SMPL/IEPL under the provisions of the IBC, 2016 solely at your risk as to costs and consequences.”

14. The Respondent has addressed a reply letter dated 08.08.2019 to the above Demand Notice dated 22.07.2019, by inter-alia stating as follows:



“..13. With respect to Para No.12 our clients sternly objects to the derogatory statements made against our clients’ Company as your clients have no whisper or say over the incapability of our clients Company and the clients Company is dedicated in completing the Project and handing over the possession of the flats to the respective buyers i.e., your clients for which there is no cooperation from your clients and they have gone to an extent of defaming our clients Company by venturing in all ways possible and seek you kind indulgence to advice your client with the legal consequences/actions that they would have to face for defaming our clients Company. Further our client oppressively denies the averments in the para to be misleading. Our client states that the Company still have about 6 lakhs square feet of unsold units and that they are yet to receive about 150 Crores from the units sold by our clients Company including you clients and that our clients Company have complied with al the statutory requirements and the clients Company accounts are up to date. The averments made in Para 12 is just to mislead and seek unjust enrichment as desired in Para 11 of the notice.

...14. it would be pertinent to note that even though the amendment to the IBC, 2016 stipulates that homebuyers fall within the definition of the term “Financial Creditors” and are empowers to institute proceedings under the Insolvency and Bankruptcy Code 2016, as a Financial Creditor and seek for CIRP, the law is very clear that the homebuyer cannot insist on refund of the consideration amount already paid along with interest and other reliefs, before the date fixed for delivery of the possession and in this case the inordinate delay was



caused by your clients by knocking to doors of the different forum just to tarnish the image of our clients Company and to hamper the construction business which is an abuse of the process of law. Moreover, to attract the provisions of the IBC Code, the homebuyers need to prove with cogent materials that the builder is at default and is willfully defaulting. Whereas in the present scenario our clients have made many correspondence with your clients to cooperate with our clients in completion of the Project but the intentions of your clients is to make unlawful gain in an unlawful manner. Our clients have sufficient means and resources to complete the Project and hand over the possession if your clients cooperate in this regard.”

15. As stated supra, the Respondent, though chose not to file its reply, has filed Brief Note dated 07.02.2020, about the Financial Solvency of the Corporate Debtor, wherein they have furnished the following projects of the Group Companies:

Sl. No	Name of the Project	Type of Project	Location	Saleable area (in sq. ft)	Completion Year
1	Pearl Nest	Residential	AECS Layout, Opp. Brooke Fields, B'lore	40,000	1996
2	Gold Nest	Residential	Windtunnel Road, Off. Airport Road, B'lore	15,000	1998
3	Ruby Nest	Residential	S.R.Layout, Off. Airport Road, B'lore.	35,000	1999
4	Diamond Nest	Residential	Murgeshpalya, Off. Airport Road, B'lore	15,000	1999
5	Emerald Nest	Residential	Indiranagar 80 ft. Road, B'lore	15,000	2000
6	Opal Nest	Residential	Robertson Road, Frazer Town, B'lore	15,000	2001
7	Sapphire Nest	Residential	Jagadishnagar, Off. Airport Road, B'lore	35,000	2001
8	Skylark Jewel	Residential	Jagadishnagar, off. Airport Road, B'lore	35,000	2004

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9	Skylark Topaz	Residential	Jagadishnagar, Off. Airport Road, B'lore	50,000	2005
10	Skylark Edhen	Residential	Hayes Road jut 3 Kms. to MG Road	24,000	2007
11	Skylark Greens	Residential	Airport – White Field Road, B'lore	2,25,000	2008
12	Skylark Enclave	Residential	Jagadishnagar, Off Airport Road, B'lore	120,000	2008
13	Skylark Chambers	Commercial	Ulsoor Road, B'lore	10,000	1996
14	Skylark Plazzo	Commercial	No.98 Airport Road, B'lore	24,000	2006
15	Skylark Regal	Commercial	Venkataswamynaidu Road, B'lore	10,000	2007
16	Skylark Zenith Residential	Residential	Hosur Road,	145,709	2013
17	Skylark Zenith Commerical	Commerical	Hosur Road,	113,746	2014
18	Skylark Arcadia Phase 1	Residential	Sadarmangala Village, Whitefield	336,000	2013
19	Skylark Esta	Residential	Hoodi Circle, Whitefield	358,950	2015
Total Saleable Area			1,622,405		

16. As stated supra, several aggrieved parties have approached Adjudicating Officer, RERA, Bengaluru, by filing several complaints. However, several of the Complaints have been disposed of by similar judgment dated 27.11.2018, by inter-alia stating as follows:

“..2. After the issuance of summons the parties have appeared on 04.09.2018. The Respondent has fled the objection statement to the claim made by the Complainant. The main objection of the Developer is that the Complainant has failed to make the payment regularly. The agreement was signed on 05.09.2014 the Complainant has agreed to purchase the flat as per the agreement. In para no.06 of the reply of the Complainant it is said that the Developer has failed to deliver the flat on or before September, 2017. It is also alleged that the construction was stopped and resumed only in the month of

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February 2018. Therefore, the Complainant has filed this Complaint seeking delay compensation but the developer says that the Complainant has committed delay in making payments. But I would say that there may be delay but no occasion of denial in making the payment.

6. Therefore, the Authority has to decide the quantum of compensation per month as delay compensation. As per Section 18(1) proviso the consumer who is not going to withdraw the project shall be entitled to receive interest including the compensation. During the course of calculating the delay compensation the Authority has to look into Section 72 of the RERA Act. The Developer has failed to complete the project on or before the agreed time but however the project is going on and will be completed as per the schedule given to the RERA. No allegation regarding the deviation of the amount to other project. As per Sec. 18 by the Act Delay Compensation has to be paid @ interest prescribed.

7. As per Section 71(2) of RERA the complaint shall be disposed off by the Authority within 60 days from the date of receipt of the complaint. This complaint was filed on 05.08.2018. As per SOP, 60 days shall be computed from the date of appearance of the parties. In this case, the parties were present on 04.09.2018. Hence the complaint is not being disposed off within 60 days from the date of appearance. With this observation I proceed to pass the order.

11. The maximum deadline given by the developer was September, 2017. Now he has given the completion date as 31.12.2019 without following the Section 19(2) of the Act. The developer has kept the consumer in the dark and he has given



the fresh date of completion by the virtue of induction of RERA as per S.4(2)(1)(C). But liability to pay the delay compensation or relief to the consumer in case of delay shall be borne by him. By that time this RERA Act has already come into force. Therefore, the Authority has to decide the quantum of compensation per month as delay compensation.

12. As per Section 18(1) proviso the consumer who is not going to withdraw the project shall be paid with interest by the promoter including the compensation. During the course of calculating the delay compensation the Authority has to look into Section 72 of the RERA Act. The Developer has failed to complete the project on or before September 2017 but however the project is going on and will be completed as per the schedule given to the RERA. As per Sec.18 by the Act Delay Compensation has to be paid with interest as prescribed. As per Rule 16, it is said under:

“Rate of interest payable by the promoter and the allottee:

The rate of interest payable by the promoter to the allottee or by the allottee to the promoter, as the case may be shall be the State Bank of India highest marginal cost of lending rate plus two percent.

Hence the complainant is entitled for delay compensation as per RERA commencing from October 2017 till the notice of possession is issued.”

17. As stated supra, Mr. C. Srikrishna, another Petitioner, has filed C.P.(IB)No.314/BB/2019) against the same Corporate Debtor, on the ground that it has committed default for amount of Rs.50,79,697/- along with interest @ 10.75% p.a. He has also



filed Complaint No. CMP/190102/0001817 before, the Adjudicating Officer, RERA, Bengaluru Karnataka and thus obtained judgment dated 23.05.2019, in his favor wherein the Respondent was directed to return the amount paid by the Complainant with interest. After issuing statutory Demand Notice dated 21.05.2019 under provisions of the Code, and receiving an un-tenable reply dated 24.05.2019, the above Petition was filed by seeking to initiate CIRP against the Corporate Debtor. After considering the merits of case, we are convinced that the Respondent has admittedly committed default in question, and it is fit case to initiate CIRP against the Corporate Debtor. As per Section 4 of the Code, Part II (Insolvency Resolution and Liquidation for Corporate Persons) would apply to matters relating to the Insolvency and Liquidation of Corporate Debtors where minimum of default is one lakh rupees. However, the instant case is filed by 255 Home Buyers against the very same Corporate Debtor, which is also found to be a fit case to initiate CIRP and two CIRP cannot be initiated against the same Corporate Debtor, C.P.(IB)No.314/BB/2019 is disposed of by separate order by granting liberty to that Petitioner to make his claim to the IRP being appointed in the instant case.

18. Before initiating CIRP, it is paramount responsibility of Adjudicating Authority to examine various aspects of Corporate Debtor by keeping in view the elements of debt and default in question and object of code etc. As stated supra, basic facts with regard to debt and default are not by the Respondent. Section 2 of the Code says that provisions of Code to any Company incorporated under the provisions of Companies Acts, LLPs,; partnership firms etc., in relation to their insolvency, liquidation,

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voluntary liquidation, bankruptcy as the case may be. And by examining Annexure-23 (Independent Auditor's Report) that as per the Balance Sheet placed at page 1105, its Long Term Borrowings increased from Rs.386.54 crore as on 31.03.2017 to Rs.475.22 crore as on 31.03.2018. As per the Cash Flow Statement placed at page 1107 its cash flow showed a decrease from Rs.15.12 Crores as on 31.03.2017 to Rs.4.48 Crore as on 31.03.2018. Its losses as given at page 1115 show an increase from Rs.20.11 crore as on 31.03.2017 to Rs.29.10 crore as on 2017-18. Thus it is seen that the Company been showing increasingly borrowings and losses, and reducing cash flow over the years. This indicates an unhealthy financial status with regard to its ability to pay its debts. Therefore, the Company, apart from failing to complete the projects in question so as to deliver Flats as agreed upon between the parties, is prima facie insolvent. We are also not convinced with the financial status of the Company filed by the Respondent, as per Brief note dated 07.02.2020. Since the Respondent has failed to come forward to settle the issue raised in the instant Company Petition, there is no other alternative for the Adjudicating Authority except to consider the case as per merits.

19. It is also relevant to point out here that we cannot keep the grievances of more than 250 Home buyers pending that too without any response coming from the Corporate Debtor to show any sort of solution for the issue raised in the instant Petition. As per law, even after initiating CIRP, it is permissible for the parties to settle the issue in question and can withdraw the Petition with permission of Adjudicating Authority, by filing appropriate Application.



20. As per the ratio laid down in Apex court judgment "*Innoventive Industries Ltd. Vs. ICICI Bank and Anr.* – (2018) 1 SCC 407, as stated supra, once debt and default in question is established to satisfaction of Adjudicating Authority, Application/Petition is filed in accordance with law and eligible Resolution Professional is suggested to appoint as IRP, an Application/Petition filed Under Section 7 of Code is to be admitted. In the instant case, as detailed supra, we are satisfied that debt and default in question are occurred and established being not controverted by the Respondent, and qualified Resolution Professional namely Mrs. Ramanathan Bhuvaneshwari, with Registration No. IBBI/IPA-002/IP-N00306/2017-18/10864, as IRP ; who has filed her Written Consent in Form-2 dated 23.09.2019, by inter-alia affirming that she is eligible to be appointed as the Interim Resolution Professional and as Independent Director in respect of the Corporate Debtor herein and that there are no disciplinary proceedings pending against her with the Board or Indian Institute of Insolvency Professional of ICAI (IIPI); she is currently serving as an Interim Resolution Professional/Resolution Professional in three (03) CIRP process and Liquidator in NIL proceedings. Therefore, we are of the considered opinion that said Resolution Professional is provisionally eligible to be appointed as IRP, and it is a fit case to admit to initiate CIRP against the Corporate Debtor by appointing IRP, imposing moratorium etc.
21. In view of the above facts and circumstances of the case, and by exercising powers conferred on this Adjudicating Authority, under proviso (5) (a) of Section 7, and other extant provisions of the IBC, 2016, the following orders are passed:
- (1) C.P.(IB)No.389/BB/2019 is hereby admitted by initiating



Corporate Insolvency Resolution Process (CIRP) in respect of M/s. Skylark Mansions Pvt. Ltd., Corporate Debtor;

- (2) Mrs. Ramanathan Bhuvaneshwari, bearing I.P. Regn. No. IBBI/IPA-002/IP-N00306/2017-18/10864, who is qualified Resolution Professional, is hereby appointed as Interim Resolution Professional, in respect of the Corporate Debtor to carry on the functions as mentioned under the Insolvency and Bankruptcy Code, 2016 and various rules issued by IBBI from time to time; Her fee is fixed at Rs. One Lakhs per month;
- (3) The following moratorium is declared prohibiting all of the following, namely:
 - a) the institution of suits or continuation of pending suits or proceedings against the Corporate Debtor including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
 - b) transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
 - c) any action to foreclose, recover or enforce any security interest created by the corporate debtor in respect of its property including any action under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002;
 - d) The recovery of any property by an owner or lessor where such property is occupied by or in the possession where of the Corporate Debtor;
 - e) The supply of essential goods or services to the Corporate Debtor as may be specified shall not be



terminated or suspended or interrupted during moratorium period;

- f) The provisions of sub-section (1) shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator as also not applicable to surety.
- g) The order of moratorium shall have effect from the date of such order till the completion of the corporate insolvency resolution process;
- h) The IRP should follow all extant provisions of IBC, 2016 and the rules including fees rules as framed by IBBI. The IRP is hereby directed to file his report in the Adjudicating Authority from time to time.
- (4) The Board of Directors and all the staff of Corporate Debtor are hereby directed to extend full co-operation to the IRP, in carrying out his functions as such, under the Code and Rules made by IBBI.
- (5) IRP is further directed to strictly adhere time schedule as mentioned under the Code. And he is directed to file progress reports from time to time to the Adjudicating Authority.
- (6) Post the case for submission of report of the IRP on **13.03.2020.**

**ASHUTOSH CHANDRA
MEMBER, TECHNICAL**

**RAJESWARA RAO VITTANALA
MEMBER, JUDICIAL**