

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH COURT VI

Item No. P1.

C.P. (IB)/334(MB)2025

CORAM:

SHRI SAMEER KAKAR
HON'BLE MEMBER (TECHNICAL)

SHRI NILESH SHARMA
HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF HEARING (HYBRID) DATED **23.09.2025**

NAME OF THE PARTIES: **Vrushvik Entertainment Private Limited**

Vs

Filoura Big Broadcasting Private Limited

Under Section 7 of the IBC.

ORDER

The case is fixed for pronouncement of the order. The order is pronounced in the open court, *vide* separate order. Detailed order is being uploaded on the NCLT portal today.

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)

Sd/-
NILESH SHARMA
MEMBER (JUDICIAL)

IN THE NATIONAL COMPANY LAW TRIBUNAL MUMBAI BENCH-VI

CP (IB) No.334/MB/2025

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

IN THE MATTER OF:

VRUSHVIK ENTERTAINMENT PRIVATE LIMITED

[CIN: U64200MH2016PTC287189]

Unit No. 503, 5th Floor, ARC Plaza

Industrial Estate 48 Oshiwara Village

Jogeshwari (West)

Mumbai - 400102, Maharashtra.

...Financial Creditor/Applicant

V/s

FILOURA BIG BROADCASTING PRIVATE LIMITED

(Formerly known as Reliance Big Broadcasting Private Limited)

[CIN: U65990MH2006PTC160747]

502, Plot No. 91/94, Prabhat Colony

Santacruz (East)

Mumbai-400055, Maharashtra.

...Corporate Debtor/Respondent

Pronounced: 23.09.2025

CORAM:

HON'BLE SHRI NILESH SHARMA, MEMBER (JUDICIAL)

HON'BLE SHRI SAMEER KAKAR, MEMBER (TECHNICAL)

Appearances: Hybrid

Financial Creditor: Adv. Ms. Mithila Damle i/b Actus Lit Partners

Corporate Debtor: Adv. Adv. Mr. Neel Lakhani.

ORDER

[PER: BENCH]

1. BACKGROUND

- 1.1 This is an Application bearing C.P.(IB) No.334/MB/2025 filed on 09.01.2025 by Vrushvik Entertainment Private Limited, the Applicant (Financial Creditor) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as “the Code”) read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (hereinafter referred to as “the AAA Rules”). The Application is signed by Mr. Govindan Ramaswamy Kaundar, Director and authorised signatory of the Applicant authorised *vide* Board Resolution dated 22.11.2024, for initiating Corporate Insolvency Resolution Process (hereinafter referred to as “CIRP”) in respect of Filoura Big Broadcasting Pvt. Ltd., the Corporate Debtor (CD).
- 1.2 The Applicant is incorporated under Companies Act, 2013 and the CD under Companies Act, 1956.
- 1.3 The Applicant has relied on the following documents:
- i. Copy of master data of the Financial Creditor and the CD.
 - ii. Copy of Board Resolution dated 22.11.2024 passed by the Financial Creditor in favour of its authorized representative.
 - iii. Copy of the Term Sheet executed by the Financial Creditor and the CD
 - iv. Copy of the bank statement from 01.01.2022 to 31.03.2022 evidencing disbursement to the CD.
 - v. Copy of the Audited Financial Statement of the CD for the FY March 31, 2023
 - vi. Copy of the demand notice dated 15.05.2024 and 15.07.2024 addressed by the Financial Creditor.
 - vii. Copy of the reply dated 18.05.2024 and 20.07.2024 addressed by the CD.

- viii. Copy of the computation of claim.
- ix. Copy of NeSL Record of Default
- x. Copy of Form 2 (written communication) issued by the Proposed Interim Resolution Professional.

2. AVERMENTS OF THE APPLICANT

- 2.1 As per Part-IV of the Application the total amount claimed to be in default by the Applicant is Rs.1,11,71,770/- (One Crore Eleven Lakh Seventy-One Thousand Seven Hundred and Seventy Rupees) including principal amount of Rs 84,00,000/- (Eighty-Four Lakh Rupees) along with interest at the rate of 12% p.a. from the respective date of disbursement till 30.11.2024 amounting to Rs. 27,71,770/- (Twenty-Seven Lakhs Seventy-One Thousand Seven Hundred and Seventy Rupees).
- 2.2 The date of default is mentioned as 15.06.2024.
- 2.3 It is submitted that in and around 2022, the CD had approached the Applicant with a request to avail a corporate loan for general corporate purposes. The Applicant acceded to the request of the CD and agreed to advance an amount of Rs. 1 Crore to be repayable along with interest at the rate of 12% per annum on demand made by the Applicant. The terms and conditions agreed upon by the parties were recorded in a Term Sheet dated 01.02.2022. Copy of Term Sheet dated 01.02.2022 is annexed as **Annexure-I(D)** of the Application.
- 2.4 Accordingly, the Applicant advanced an aggregate loan amount of Rs. 84,00,000/- in two tranches. On 25.02.2022 an amount of Rs. 56,00,000/- and on 16.03.2022 an amount of Rs. 28,00,000/- was disbursed to the CD. Copy of the bank statement of the Applicant is annexed as **Annexure-I(E)** of the Application.

- 2.5 The aforesaid loan was acknowledged by the CD in its Audited Financial Statements for the Financial Year ending 31.03.2023. A copy of the Audited Financial Statement of the CD is annexed as **Annexure-I(F)** of the Application.
- 2.6 The Applicant issued a demand notice dated 15.05.2024 and called upon the CD to repay, within 30 days, the loan along with the applicable interest thereon calculated at the rate of 12% per annum. A copy of the demand notice dated 15.05.2024 is annexed as **Annexure-I(G)** of the Application.
- 2.7 The CD responded to the demand notice dated 15.05.2024 *vide* a reply dated 18.05.2024, acknowledged its liability towards the Applicant and undertook to arrange payment of the dues within a period of one month. A copy of the reply dated 18.05.2024 is annexed as **Annexure-I(H)** of the Application.
- 2.8 However, despite the aforesaid, the CD failed and neglected to repay the dues to the Applicant within the period of one month.
- 2.9 In view of the foregoing, the Applicant once again called upon the CD *vide* its letter dated 15.07.2024, to arrange repayment of the dues. A copy of the 2nd demand notice dated 15.07.2024 is annexed as **Annexure-I(I)** of the Application.
- 2.10 The Applicant submits that the CD responded to the demand notice *vide* a reply dated 20.07.2024 and conveyed its inability to repay the outstanding dues to the Applicant. A copy of the reply dated 20.07.2024 is annexed as **Annexure-I(J)** of the Application.
- 2.11 In these circumstances, as on 30.11.2024, a total amount of Rs. 1,11,71,770/- is due and payable by the CD to the Applicant.
- 2.12 This Tribunal had directed the Applicant to place on record audited financials of the Applicant, TDS certificates and NeSL Form-D *vide* interim order dated 18.03.2025. The Applicant, as recorded in the order dated 08.04.2025, complied with the above order by filing an Additional Affidavit dated 02.04.2025 and attached audited financials of the Applicant for the FY 2023-2024 and stated that TDS Certificates are

not available. The Applicant filed another Additional Affidavit dated 09.07.2025 wherein it has attached NeSL record of default in Form-D. As per the said Form D, status of authentication of default is stated as “deemed to be authenticated”, default amount is stated as Rs. 1,11,71,770/- and the date of default is stated as 15.06.2024.

2.13 The Applicant had filed an IA No. 2631 of 2025 praying to amend Application to change the name of the CD. The IA was allowed and disposed of *vide* order dated 13.06.2025.

2.14 The Applicant carried out the above amendment in the Application on 27.06.2025 and has changed the name of the CD from Reliance Big Broadcasting Pvt Ltd. to Filoura Big Broadcasting Pvt. Ltd.

2.15 A copy of the amended Petition/Application was served upon the CD and that the CD has not filed any reply objecting to the said amended Petition/Application.

3. CONTENTIONS OF CORPORATE DEBTOR

3.1 The CD filed Affidavit-in-Reply on 02.06.2025. The same was affirmed by Mr. Sanjay Shinde - Authorised Representative of the CD, authorised *vide* Board Resolution dated 16.05.2025. The written submissions filed by the CD are on similar lines as that of Affidavit-in-Reply and hence, are not reproduced to avoid repetition.

3.2 In reply, the CD denies and disputes the maintainability of the present Application as an attempt to invoke the corporate insolvency resolution process without establishing the foundational requirements of a financial debt and a clear default as required under the Code. The Applicant has sought to classify a commercial transaction as a financial debt without producing any formal loan agreement or conclusive documentation that evidences the essential terms of such an arrangement, including repayment terms, agreed interest, or consequences of default. The funds were advanced on a mutual understanding between the parties for temporary financial accommodation, and the

nature of the transaction was never reduced to writing in the form of a binding contract.

- 3.3 The CD submits that there is no dispute that the Applicant transferred certain funds to the CD amounting to Rs. 84,00,000/- on 25.02.2022, and 16.03.2022. However, at no point in time were the terms of repayment formally agreed upon or crystallized. The alleged interest rate of 12% per annum and the characterization of the amount as repayable on demand are unilateral assertions of the Applicant and are not reflected in any contemporaneous documentation. In the absence of any written terms to pay the interest at 12% per annum, the amount alleged outstanding to the Application is substantially lesser than the threshold of Rs. 1,00,00,000/-. Therefore, the above Application on this ground is liable to be dismissed.
- 3.4 The CD, in good faith and due to the absence of clear loan documentation did not treat the transaction as one requiring structured repayments but intended to reconcile the same based on the overall financial position and commercial understanding with the Applicant.
- 3.5 It is submitted that there were no prior demands for repayment made by the Applicant from the date of disbursement up to 15.05.2024, a span of over two years. The demand notice dated 15.05.2024, issued after such an extended period, was the first communication treating the transaction as a debt along with accrued interest. Upon receipt of the said notice, the CD promptly responded by its letter dated 18.05.2024, seeking a short extension of one month to reconcile and assess the outstanding position.
- 3.6 Despite the assurance of a response within a month, the Applicant proceeded to issue another demand notice dated 15.07.2024, without engaging in any meaningful dialogue. The CD again responded on 20.07.2024 candidly stating its financial constraints due to prevailing business and liquidity challenges.

- 3.7 The Applicant has produced a Form C, the Financial Information filed by it with National E-Governance Services Limited and has recorded 15.06.2024, as the date of default therein. It is disputed that the date of default has occurred at all, let alone on 15.06.2024. The Applicant has failed to justify the reasons why the date of default has been set to 15.06.2024. On this ground as well, the Application is liable to be dismissed.
- 3.8 The CD denies that any clear or undisputed default has been established by the Applicant. The unilateral computation of dues amounting to Rs.1,11,71,770/- inclusive of interest is neither admitted nor verified by the CD. In the absence of a written agreement, there is no basis to compute interest or to treat the entire amount as due and payable. The demand, being unsubstantiated and disputed, cannot constitute a valid basis for initiation of proceedings under Section 7 of the Code.
- 3.9 The CD is a going concern, subjecting it to CIRP on the basis of a disputed, informal, and undocumented transaction would cause disproportionate harm and is contrary to the objectives of the Code.

4. REJOINDER

- 4.1 The Applicant has submitted that the Applicant does not want to file a rejoinder and this Tribunal *vide* interim order dated 09.07.2025 closed the right to file rejoinder.

5. WRITTEN SUBMISSIONS OF FINANCIAL CREDITOR

- 5.1 The Applicant has submitted that the definition of a financial debt under the Code includes within its ambit money borrowed against payment of interest and the transactions executed between the parties thus falls within the definition of financial debt.

- 5.2 The Applicant further submits that the CD never disputed or denied having executed the Term Sheet or even receiving the money under the ICD. The Term Sheet explicitly mentions that the ICD was to be repaid on demand along with interest calculated at 12% p.a.
- 5.3 In regard to the date of default, the Applicant submits that a demand was raised by the FC by its demand notice dated 15.05.2024 to which the CD had replied on 18.05.2024 where the CD had sought a months' time to clear the outstanding and the same was granted by the FC. Despite this, the CD failed to arrange the payment of the ICD and therefore, a default occurred on 15.06.2025.
- 5.4 The Applicant has relied on the judgment of Hon'ble Supreme Court in ***Innoventive Industries Ltd. v. ICICI Bank & Anr. (Civil Appeals Nos. 8337-38 of 2017 dated 31.08.2017)***.

6. **ANALYSIS AND FINDINGS**

- 6.1 We have heard both the Ld. Counsels and have perused the records as placed before us. Our findings in the matter are as under: -
- 6.2 On perusal of the statement of bank account of the Applicant maintained with HDFC Bank, the CD had obtained loan from the Applicant amounting to Rs.84,00,000/-. This account Statement reflects the disbursement was made by the Applicant to the CD. Therefore, we are of the view that the loans were disbursed to the CD by the Applicant.
- 6.3 A Term Sheet was drawn between the parties dated 01.02.2022 where the interest rate is stated as 12% p.a. payable by the CD. This document places evidence that there was interest clause in their terms and that both the parties had acknowledged the same as we can see from the signatures on the term sheet. As such we are of

the view that loan was disbursed with an understanding that interest at 12% p.a. will be paid by the CD.

- 6.4 The Applicant has *vide* Additional Affidavit dated 02.04.2025, placed on record the audited financials of the Applicant reflecting the money borrowed by the CD which is seen under Note 5 “Current Financial Assets – Loans - *Inter Corporate Deposits Given*” read with Note No. 18 of notes to financial statements for the year ended 31.03.2024.
- 6.5 The Applicant had sent two demand notices dated 15.05.2024 and 15.07.2024 to the CD, demanding the principal amount and interest as agreed between the parties. The CD had replied to the Demand Notices *vide* reply dated 18.05.2024 and 20.07.2024, where the CD has acknowledged the said amount and requested time to make arrangements for the funds. But the CD failed to make the dues good and therefore, the Applicant preferred this Application under Section 7 of the Code.
- 6.6 The CD has raised several contentions which are dealt with as follows:
 - i. The CD states that the Applicant has filed this Application without establishing the foundational requirements of a financial debt and a clear default as required under the Code and hence, this Application is not maintainable. In this regard it is observed that the CD had availed facilities from the Applicant for an amount of Rs. 84,00,000/-. It is also seen that there is disbursement from the Applicant to the CD and acknowledgment from the CD that the amount is payable. Therefore, we are of the considered view that the debt and default exist and the Application is maintainable.
 - ii. The CD submitted that there was no dispute that the funds were disbursed but the terms of repayment were not formally agreed upon or crystallised. The alleged interest rate of 12% p.a. is not reflected in any documentation. Upon perusal on the Term Sheet dated 01.02.2022, the interest of 12% p.a. is

- applicable and payable at the end of tenure. The tenure as mentioned in the term sheet is recorded as *“Repayable on Demand or Mutually decided by both the Managements”*. Moreover, the CD never denies execution of the term sheet.
- iii. The CD had sought time to reconcile the accounts but failed to do so. We see that the Applicant had issued two demand notices dated 15.05.2024 and 15.07.2024 to which the CD had replied seeking time, therefore, the CD cannot take the plea that the Applicant did not demand repayment of the loan amount along with interest. We hold this contention to be dubious.
 - iv. The date of default mentioned by the Applicant is 15.06.2024 when there arose no dispute and the Applicant has failed to justify the same. It is seen from the reply by the CD dated 18.05.2024 where the CD had requested for a month's time to make arrangement for the funds but no payment to communication was made by the CD. The Applicant had allowed this 30-day period for the CD to make the payment but the CD failed to do so and therefore, the date of default fell on 15.06.2024 i.e., 30 days from the demand raised by the Applicant for payment of the due amount.
 - v. The CD has raised the objection that the amount claimed to be in default by the Applicant is not meeting the threshold as per the Code. The amount of Rs. 84,00,000/- being the principal amount and Rs. 27,71,770/- being the interest amount sums up to more than 1 crore. We see that the CD has not disputed the principal amount due and payable. Whereas, in regard to the interest amount which is disputed by the CD, we rely on the definition of the financial debt under Section 5(8) of the Code where it has been stated that, “(8) **“financial debt” means a debt alongwith interest, if any, which is disbursed against the consideration for the time value of money and includes—(a) money borrowed**

against the payment of interest;.....”. On basis of this definition, and the 12% interest as agreed by the parties, it is clear that the Applicant is meeting the threshold and as it is a Section 7 application, the Applicant is allowed to include interest to meet the threshold of Rs. 1 Crore which has been carried out by the Applicant. Therefore, we are of the view that the amount claimed by the Applicant under Part-IV is within threshold as required under the Code.

6.7 The NeSL Form D has recorded the date of default as 15.06.2024 and the default amount as Rs.1,11,71,770/-. The Record of Default is in ‘Deemed to be Authenticated’ status.

6.8 The Applicant has proposed the name of NPV Insolvency Professionals Private Limited (Formerly Known as Mantrah Insolvency Professionals Private Limited), a registered Insolvency Professional as the Interim Resolution Professional (IRP) to carry out the functions as mentioned under the Code. The Applicant has provided his AFA in Form B valid till 31.12.2025 and has also given his consent and declaration in Form 2, *inter alia*, stating that no disciplinary proceeding is pending against it.

6.9 The Applicant has relied on the judgment of Hon’ble Supreme Court in ***Innoventive Industries Ltd. v. ICICI Bank & Anr. (Civil Appeals Nos. 8337-38 of 2017 dated 31.08.2017)*** where it is held that,

*“28. When it comes to a financial creditor triggering the process, Section 7 becomes relevant.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 sub-section (7), the adjudicating authority shall then communicate the order passed to the financial creditor and corporate debtor within 7 days of admission or rejection of such application, as the case may be.*

30. On the other hand, as we have seen, in the case of a corporate debtor who commits a default of a financial debt, the adjudicating authority has merely to see the records of the information utility or other evidence produced by the financial creditor to satisfy itself that a default has occurred. It is of no matter that the debt is disputed so long as the debt is “due” i.e. payable unless interdicted by some law or has not yet become due in the sense that it is payable at some future date. It is only when this is proved to the satisfaction of the adjudicating authority that the adjudicating authority may reject an application and not otherwise.”

(Emphasis Supplied)

6.10 In light of the above judgment and facts, we are of the considered view that the Applicant has placed on record necessary evidences and materials to demonstrate the existence of the financial debt. From the above discussions, it is evident that there exists a debt and default on the part of the CD in the payment of an undisputed financial debt to the Applicant exceeding Rs.1,00,00,000/- (One Crore Rupees), being the threshold monetary limit under Section 4 of the Code prevailing on the date of filing of the present Application. Further, the Application is complete and there is no disciplinary proceeding pending against the proposed IRP. Thus, this Application under Section 7 of the Code preferred by the Applicant is found to be maintainable.

6.11 In view of the above, we find that requisite conditions necessary to trigger CIRP in respect of the CD are fulfilled and the matter deserves to be admitted under Section 7 of the Code.

6.12 We make it clear that at this stage we have not crystalized the amount as claimed in this Application, the same is left to be collated by the IRP.

ORDER

In view of the aforesaid findings, Application bearing C.P.(IB) No.334/MB/2025 filed under Section 7 of the Code by Vrushvik Entertainment Private Limited, the

Applicant, for initiating CIRP in respect of **Filoura Big Broadcasting Private Limited**, the Corporate Debtor is hereby **admitted**.

We further declare moratorium under Section 14 of the Code with consequential directions as mentioned below: -

- I. We prohibit-
 - 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 possession of the Corporate Debtor.
- II. That the supply of essential goods or services to the Corporate Debtor, if continuing, shall not be terminated or suspended or interrupted during the moratorium period.
- III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.

- IV. That the public announcement of the CIRP shall be made in immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.
- V. That this Bench hereby appoints NPV Insolvency Professionals Private Limited (Formerly Known as Mantrah Insolvency Professionals Private Limited), a **registered Insolvency Professional Entity** having Registration Number **IBBI/IPE-0040/PA-2/2022-23/50021** and e-mail address ipe@npvca.in having valid Authorisation for Assignment up to 31.12.2025 as the IRP to carry out the functions under the Code.
- VI. That the fee payable to IRP/RP shall be as decided by the CoC in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.
- VII. That during the CIRP Period, the management of the Corporate Debtor 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 Code. The officers and managers of the Corporate Debtor the Corporate Debtor is directed to provide effective assistance to the IRP as and when he takes charge of the assets and management of the Corporate Debtor. Coercive steps will follow against them under the provisions of the Code read with Rule 11 of the NCLT Rules for any violation of law.
- VIII. That the IRP/IP shall submit to this Tribunal periodical reports with regard to the progress of the CIRP in respect of the Corporate Debtor.
- IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Financial Creditor is directed to deposit a sum of Rs.3,00,000/- (Rupees Three Lakh) with the

IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the Financial Creditor on priority upon the funds available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.

- X. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai for updating the Master Data of the Corporate Debtor.
- XI. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.
- XII. The Registry is directed to immediately communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.
- XIII. **Compliance report of the order by Designated Registrar is to be submitted today.**

Sd/-
SAMEER KAKAR
MEMBER (TECHNICAL)

//VM//

Sd/-
NILESH SHARMA
MEMBER (JUDICIAL)