



**IN THE NATIONAL COMPANY LAW TRIBUNAL**  
**NEW DELHI BENCH, COURT-III**

IA-6541/2023

In

IB-237(ND)/2023

**IN THE MATTER OF IB-237(ND)/2023:**

M/s. Experts Realty Professionals Private Limited ..... **Financial Creditor**

**Versus**

M/s. Logix Infrastructure Private Limited ..... **Corporate Debtor**

**AND IN THE MATTER OF IA-6541/2023:**

Mr. Ankoo B Sarkar & Anr.

1. Mr. Ankoo B Sarkar ..... **Applicant No. 1**

2. Mr. Varun Kumar Bala ..... **Applicant No. 2**

**Versus**

M/s. Experts Realty Professionals Private Limited ..... **Respondent**

**Order Pronounced On: 06.02.2025**

**CORAM:**

**SHRI ATUL CHATURVEDI**  
**MEMBER (TECHNICAL)**

**SHRI BACHU VENKAT BALARAM DAS**  
**MEMBER (JUDICIAL)**

**PRESENT:**

For the Applicants : Mr. Gaurav Rana, Mr. Ajitesh Kumar, Adv.

For the RP : Mr. Rishi Singhal, Adv.

**ORDER**

**PER: ATUL CHATURVEDI, MEMBER (TECHNICAL)**

1. The present Application has been filed by Mr. Ankoo B Sarkar & Anr., the Applicants, under Section 65 of the Insolvency and Bankruptcy Code, 2016. The Applicant seeks the following reliefs:



*“(a) Dismiss the ongoing CIRP petition No. 237 (ND) of 2023 as it has been filed with fraudulent and malicious intended to defraud this Hon'ble Tribunal, creditors and the allottees.*

*(b) Imposed penalties against the involved entities.*

*(c) Direct a thorough investigation by SFIO, and the lifting of the corporate veil for a comprehensive examination of the alleged fraudulent and collusive actions.*

*(d) Pass any other/ further orders, in favour of the Applicant, which this Hon'ble Tribunal may deem fit and proper in the circumstances of the matter.”*

## **2. Brief Background of the Case:**

The facts that are relevant for the determination of the issues involved in this application are stated as follows:

- i.** An application under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC") was filed by the Financial Creditor i.e. M/s. Experts Realty Professionals Private Limited against the Corporate Debtor i.e. M/s. Logix Infrastructure Private Limited and the said application was admitted by this Adjudicating Authority vide order dated 14.07.2023 and a moratorium was declared including the appointment of Mr. Pawan Kumar Goyal as an Interim Resolution Professional. Subsequently, he was confirmed as the Resolution Professional of the Corporate Debtor in terms of Section 22 of IBC.

## **3. Submissions of the Applicant:**

- i.** The Applicants, who are allottees in the Logix Blossom Country project related with the Corporate Debtor, are filing this application under Section 65 of the Insolvency and Bankruptcy Code, 2016, seeking the dismissal of the ongoing Insolvency Application No. IB-237(ND)/2023, and also seeking the matter to



be referred to the Serious Fraud Investigation Office (SFIO) for an in-depth investigation. Furthermore, the Applicants seek penalties against both the Corporate Debtor and the Financial Creditor, alleging a collusive and malicious initiation of the Corporate Insolvency Resolution Process (CIRP).

**ii.** It is submitted that Concerns arise about the likelihood of these actions achieving the following purposes:

(a) Evading the Corporate Debtor's obligations to the Noida Authority, particularly in response to the Authority's issuance of a notice for the sealing of towers N, L, and A within the aforementioned project.

(b) Evading the Corporate Debtor's responsibilities towards genuine homebuyers who have been granted compensation or a refund of their investments by various forums such as UP-RERA and Consumers Forum.

(c) Derail the registry process for the apartments allocated to the allottees.

Additionally, the application addresses the exploitation of the moratorium period provided during the resolution process. Specifically, it targets the dismissal of a CIRP application filed under Section 7 of the IBC, citing fraudulent and malicious collusion between the Financial Creditor and the Corporate Debtor.

**iii.** It is contended that Mr. Hemant Sharma (DIN: 07872659) was involved in observing his role as an Additional Director in M/s. Experts Realty Professionals Private Limited from 12.05.2020 to 05.09.2020. Surprisingly, upon leaving M/s. Experts Realty Professionals Private Limited, Mr. Hemant Sharma was appointed as a director in M/s. Logix Infrastructure Private Limited on 11.09.2020. The interconnectedness, with Mr. Hemant Sharma



- holding positions in both entities, suggests that the Financial Creditor and the Corporate Debtor were guided by a 'controlling mind' and acted 'in concert' to evade obligations and liabilities, indicating an element of fraud in initiating the CIRP against the Corporate Debtor. A copy of the Director/Designated partner details of Mr. Hemant Sharma available with the Ministry of Corporate Affairs is filed along with the Application.
- iv.** It is further submitted that Mr. Neeraj Gusain (DIN: 08785001) joined M/s. Experts Realty Professionals Private Limited on 30.09.2020 and continues to serve in his capacity to date. Particularly, both Mr. Neeraj Gusain and Mr. Hemant Sharma are designated partners of a common entity, New Greens Landkart LLP. In summary, the Applicants submit that there is a clear collusion between the Financial Creditor and the Corporate Debtor and that the CIRP was initiated fraudulently and with malicious intent.
- v.** A Memorandum of Understanding (MOU) between the Financial Creditor and the Corporate Debtor, involving a consideration of 15 Crores, was signed on 20.10.2020, concurring with Mr. Hemant Sharma's shift from M/s. Experts Realty Professionals Private Limited to M/s. Logix Infrastructure Private Limited. According to the alleged MoU, the Financial Creditor agreed to purchase Rs. 15,00,00,000/- (50% of the total agreed value) in the project at Rs. 2,200/- per sq. ft. by executing a binding "Builder Buyer Agreement" (BBA) between the Financial Creditor and the Corporate Debtor.
- vi.** In the MoU between the Financial Creditor and the Corporate Debtor, both parties agreed that the sum of Rs. 15 Crores would be treated as an advance against the sale of property, reflecting the receipts from customers in M/s. Logix Infrastructure Private



Limited records. However, Financial Creditor in their balance sheet as of March 31, 2021 showed this amount in "current investments" as long-term investments. Interestingly, in the subsequent year, as of March 31, 2022, the same amount was indicated as NIL. There was no BBA or Annexure-I filed along with the insolvency application. A copy of the Balance Sheet as on 31<sup>st</sup> March 2022 of the Financial Creditor is filed along with the Application.

- vii.** In terms of MOU, the Corporate Debtor agreed to buy back the units at Rs. 3800 per sq.ft, upon securing a buyer/consumer. Any sale proceeds beyond this price were to be transferred to the Financial Creditor as a brokerage. As per the MoU terms, the Financial Creditor was to make advances to the Corporate Debtor from 22.10.2020 to 09.02.2021, totaling Rs. 15 crores. The meeting minutes dated 15.12.2021 reveal that the Corporate Debtor acknowledged selling the allocated units (1,37,918 sq ft.) to M/s. Experts Realty Professionals Private Limited for a sale value of Rs. 46,94,58,306/-. Out of the Financial Creditor liability, the Corporate Debtor paid Rs. 18,88,34,171/-, and the remaining Rs. 12,88,04,535/- was agreed to be paid within a month, without interest, and with 18% per annum interest in case of default.
- viii.** The minimum sale price listed for all units on the entire sheet was Rs. 3700/-, with each unit's sale price exceeding Rs. 4000/-. However, according to the minutes of the meeting dated 15.12.2021, the Corporate Debtor conceded that the entire 87 units were sold for Rs. 46,94,58,306/-, translating to a per-unit rate of Rs. 3403 per sq. ft. This expose indicates a significant disparity between the terms outlined in the MoU and the details presented in the attached sheet, suggesting a lack of factual transactions between the Financial Creditor and the Corporate Debtor. In view of these inconsistencies, questions arise about the



- veracity of the reported transactions and the terms set forth in the MoU. The apparent mismatch in pricing and profits raises concerns about the accuracy and legitimacy of the financial dealings between the Financial Creditor and the Corporate Debtor.
- ix.** The records indicate that none of the basic rates charged from buyers is as low as Rs. 3403 per sq ft, pointing towards collusion between the Financial Creditor and the Corporate Debtor. Even the IRP/RP, Mr. Pawan Kumar Goyal, has allegedly failed to bring these crucial facts to this Adjudicating Authority's attention, compromising the fairness of the insolvency proceedings. The relationship between the Financial Creditor and the Corporate Debtor become even more clear with Mr. Pawan Kumar Goyal, the RP, treating all claims of the allottees as a notional value of Rs. 1. This decision has been contested by some allottees by filing IA No. 4378 of 2023, and the same is currently pending adjudication before this Adjudicating Authority.
- x.** The Financial Creditor and the Corporate Debtor are all members of the same group of companies and were, therefore, working towards the common objective of putting the Corporate Debtor in Insolvency Resolution and the moratorium on its assets, in order to deny the just, fair and legitimate claims of the allottees and other creditors.
- In light of the aforementioned facts, it is urged that the corporate veil of all the 3 companies, i.e. M/s. Experts Realty Professionals Private Limited, M/s. Logix Infrastructure Private Limited and New Greens Landkart LLP may be lifted since the corporate character is being employed for the purpose of committing illegality and for defrauding the legitimate creditors which shall not be permitted.
- xi.** The Corporate Debtor has deliberately paid the related party expenses and outstanding on a priority basis ignoring the dues of



the Noida Authority that carries a direct nexus to the customer's interest, Cost of Construction/Development & the outstanding project costs. The payment which was supposed to be transferred for the aforementioned aspects was majorly paid to the related parties. The Amount debited to the related parties during the FY. 2018-19 amounts to Rs. 15,260.14 Lakhs and FY. 2017-18 amounts to Rs. 25,961.09 Lakhs against capital advances and Expenses.

- xii.** The Corporate Debtor has also failed to pay its Noida Authority's due interest. Till March 2020, the total interest due and not paid is Rs. 8239.70 Lakhs. The Corporate Debtor has miserably failed to transfer the financial benefits to the homebuyers of the project and to the Noida authority. The Corporate Debtor has passed all financial benefits to his Related Parties.
- xiii.** The above-mentioned facts portray that the Insolvency Application under Section 7 of the Code has been filed before this Adjudicating Authority collusively to wash away hands from govt. dues and deprive home buyers of their legitimate rights.

#### **4. Submissions of the Respondent:**

- i.** The Respondent/M/s. Experts Realty Professionals Private Limited has filed their reply affidavit denying the allegations made by the Applicant and submitted that the allegations made by the Applicants that the Application filed by the Answering Respondent under Section 7 of the Code against the Corporate Debtor is not based on the real facts and records and is based on the imagination of the Applicants. The Financial Creditor had given a loan to the Corporate Debtor starting from the month of October 2020 and on default by the Corporate Debtor in repayment of the Financial Debt as per the terms of the settlement agreement dated



15.12.2021 had filed an application under Section 7 in the month of April 2023 i.e. after more than 15 months from the date of default and this Adjudicating Authority after considering all facts and documents had admitted the Section 7 Application.

- ii.** The Applicant herein is presenting himself as a saviour of potential misuse of the Code on the basis of hypothetical assumptions and while doing so, the Applicant is alleging the collusion between the Respondent herein with the Corporate Debtor. The Applicant herein failed to appreciate that the Respondent is also aggrieved by the non-adherence of commitment to repay the debt due and payable to the Respondent by the Corporate Debtor and that the Respondent also shares the same standing as home buyers.
- iii.** It is contended that the involvement of Mr. Varun Kumar Bala in filing separate applications for considering his claim at full value despite having possession of the property on the one hand and on the other hand requesting dismissal of the company application, itself demonstrates the mala-fide intent of the Applicant herein.
- iv.** As per the available material and records, the Corporate Debtor commenced the construction of the residential project Logix Blossom County in 2010 with a target completion date of 18 months. However, the Corporate Debtor could not complete the project until 2020, and it was only after the disbursement of a financial loan from the Financial Creditor that the pending construction work was completed. Therefore, there is no collusion between the Financial Creditor and the Corporate Debtor in providing the loan to assist the Corporate Debtor in completing the project.
- v.** The present application is filed on the assumption that the Answering Respondent is a related party of the Corporate Debtor. However, as per the enclosed Master data of the Corporate Debtor as well as the Master data of the Answering Respondent, the



Respondent No.1 and the Corporate Debtor are not related party. In the matter of **Vishwaroopa Info Services India Pvt. Ltd. Vs Siti Visions Digital Media Pvt. Ltd. in CP(IB)-980(ND)/2020**, this Bench has decided that where the Applicant is a Private Limited Company, in order to decide as to whether there is any relationship between the parties, the requirement of Section 5(24)(d) of the Insolvency and Bankruptcy Code, 2016 need to be fulfilled. Therefore, it is clear that the Answering respondent is not a related party of the Corporate Debtor and the present application is liable to be dismissed.

- vi.** It is denied that the admission of the Corporate Debtor under the preview of IBC was with the intent to defraud the creditors like Applicant. It is further denied that the present application is being filed under Section 65 of the IBC, 2016 is for fraudulent initiation of the CIRP proceedings. It is further submitted that as stated in the preliminary objections there is no collusion in the Application filed by the Respondent under Section 7 of the IBC.
- vii.** It is submitted that it is a general market practice that professionals join different companies on the basis of offer and their aspirations and there is no hindrance to shift from one corporate to the other. It is denied that the Respondent and the Corporate Debtor are related parties merely for the reason that Mr. Hemant Sharma had served the Answering Respondent for a short period before joining the Corporate Debtor as a director. It is denied that holding of position of designated partner by Mr. Neeraj Gusain and Mr. Hemant Sharma in New Green Landkart LLP has any bearing on the present case. It is further submitted that the Respondent is not a related party of the Corporate Debtor and has initiated Insolvency proceedings with the intent to resolve the



Insolvency of the Corporate Debtor upon failure of the Corporate Debtor to repay its debts.

- viii.** It is denied that the Respondent had not deliberately filed the Audited balance sheet for the year 2019-20 and 2020-21. It is submitted that the financial statements of the Respondent are prepared and audited as per the applicable Accounting standard and the interest income/gains are not recognised till certainty of the receipts. On default by the Corporate Debtor, the Respondent has not recognised the income in its books of accounts, however, the Respondent has its legal right to pursue it recoverable. It is further submitted that the company Application against the Corporate Debtor was admitted by this Adjudicating Authority on the basis of judicial application of mind based on evidence and record of the case matter.
- ix.** The answering Respondent, being a Financial Creditor was entitled to get the gains calculated in terms of the provision of the MOU executed with the Corporate Debtor. Furthermore, the Applicant has nowhere stated that either of the parties had performed their obligations beyond what was enumerated in the MOU. It is reiterated that the Corporate Debtor had approached the answering Respondent for the loan amount after having exhausted all options available to arrange for the necessary funds. It is only after receipt of the loan amount from the answering Respondent, that the Corporate Debtor was able to complete the balance construction work for the project.
- x.** It is submitted that the buyback rate mentioned in the MOU served as a minimum benchmark price below which it was contemplated that the buyback of the units by the Corporate Debtor would not be done. It is a generally accepted market practice wherein such rates serve as a benchmark for future



transactions and no transaction can be entered at a rate below such benchmark, whereas, the transactions at higher amount can be executed so as to cover the risk taken by the answering Respondent. The Applicant has himself called the amount fixed in the MOU as a ‘minimum sale price’ and therefore, the explanation given in the previous para is justified.

- xi.** It is denied that the answering Respondent had filed a sham company application with an aim to rescue the Corporate Debtor from joint financial mismanagement. It is further denied that MOU dated 20.10.2020 was executed in collusion based on violating legal principles and is not enforceable. It is submitted that the Corporate Debtor had borrowed the money from the Answering Respondent and documentary evidence showed that the money was utilized by the Corporate Debtor for its business purpose and only after receipt of the money from the Respondent, the Corporate Debtor was able to complete its long-pending real estate project.

#### **5. Analysis and Findings:**

- i.** We have heard the submissions of Ld. Counsel appearing for the Applicants as well as Ld. Counsel appearing for the Respondent. We have also perused the records.
- ii.** It is a matter of record that the CIRP of the Corporate Debtor was initiated by an order dated 14.07.2023, passed by this Adjudicating Authority. Consequently, Mr. Pawan Kumar Goyal was appointed as the Interim Resolution Professional and was subsequently confirmed as the Resolution Professional of the Corporate Debtor.
- iii.** The present application has been filed by Mr. Ankoor B Sarkar & Anr., the Applicants, claiming to be allottees in the Logix Blossom Country project seeking the dismissal of the Corporate Insolvency



Resolution Process (CIRP) initiated by this Adjudicating Authority against the Corporate Debtor. They aim to prevent the alleged misuse of the Code's provisions through purportedly collusive initiation of CIRP and request that the matter be referred to the Serious Fraud Investigation Office (SFIO) for a thorough investigation.

- iv. The Ld. Counsel for the Applicant submitted that the corporate veil of the three companies—M/s. Experts Realty Professionals Private Limited, M/s. Logix Infrastructure Private Limited and New Greens Landkart LLP should be lifted, as they are allegedly using their corporate status to commit illegal acts and defraud legitimate creditors. Such actions should not be permitted.
- v. From the factual conspectus of the case before us, this Adjudicating Authority is of the view that the lifting of the Corporate Veil is not a mechanical process, but has to be seen in the context of facts and circumstances, where the affairs of the subsidiary company have to be seen from the point of view of its management.

In the judgment of **Life Insurance Corporation of India vs. Escort Ltd. and Ors.** reported in **(1986) 1 Supreme Court Cases 264**, it was held by the Hon'ble Supreme Court of India that lifting of the Corporate Veil is permissible where associated companies are inextricably connected as to be, in reality, part of one concern keeping in view the effect on parties who may be affected.

Therefore, we hold that the present case is a fit case to lift the Corporate Veil of the Corporate Debtor.

- vi. The Ld. Counsel for the Applicants stated that Mr. Hemant Sharma and Mr. Neeraj Gusain are Designated Partners in the LLP, making them related parties under Section 5(24) of the Code. Their relationship has existed since July 2020, meaning they were



related parties during the transaction and executed both the MOU and Minutes. They also share directorship in another entity, M/s. Artistry Realtech Pvt. Ltd., during the same period from 14.08.2020 to 15.03.2021, and additionally as directors. Mr. Hemant Sharma resigned from his directorship at the Financial Creditor a month before the alleged transaction and immediately joined the Corporate Debtor, suggesting the loan transaction was pre-planned by the parties to avoid a related party transaction and manipulated the actions of the Corporate Debtor and Financial Creditor.

- vii.** The Ld. Counsel for the Respondent/M/s. Experts Realty Professionals Private Limited in reply submitted that Mr. Hemant Sharma (DIN: 07872659) served as an Additional Director with M/s. Experts Realty Professionals Private Limited from 12.05.2020 to 05.09.2020. He then became a Director with M/s. Logix Infrastructure Private Limited on 11.09.2020. His brief tenure with Experts Realty did not allow him to influence or make policy decisions for either the Corporate Debtor or the Financial Creditor simultaneously. Furthermore, Mr. Sharma was not involved in the policy-making process of the Corporate Debtor. As he was not a part of both entities concurrently, collusion or significant influence between them during the relevant period is excluded. Additionally, the debt in question was dispersed in October 2020, and by the time, the Section 7 application was filed in April 2023, Mr. Sharma had already resigned from his position with the Corporate Debtor on 22.06.2022. This timeline confirms that he was not associated with the Corporate Debtor during the initiation of the insolvency proceedings.
- viii.** After reviewing the Master data and the documents provided by the Applicants regarding the Financial Creditor/M/s. Experts



Realty Professionals Private Limited, and the Corporate Debtor/M/s. Logix Infrastructure Private Limited, we accept the contention of the Learned Counsel for the Applicants that there is a nexus and connection between the Financial Creditor and the Corporate Debtor.

- ix.** We find that the related party transaction manipulated the actions of both the Corporate Debtor and the Financial Creditor. Both companies were initially managed by independent persons; however, simultaneous changes in Key Managerial Personnel (KMPs) in both companies, including resignations in the Financial Creditor and appointments in the Corporate Debtor, cannot be ignored and highlight their conduct. It remains undisclosed that Mr. Hemant Sharma and Mr. Neeraj Gusain are still related parties. Thus, the entire transaction, orchestrated by Mr. Hemant Sharma and Mr. Neeraj Gusain, is illegal, and fraudulent.
- x.** The Applicant has challenged the Memorandum of Understanding (MoU) dated 20.10.2020 and the Minutes of Meeting dated 15.12.2021, highlighting several deficiencies in these documents. It is observed that the MoU and Minutes were not accompanied by any stamp paper. According to the Stamp Act, such agreements require a stamp paper of at least Rs. 100/-.
- The Applicant asserts that the transactions were backdated, making it impossible to obtain backdated stamp papers, resulting in the absence of such stamp paper.
- xi.** We are of the considered view that this raises doubts about the authenticity and genuineness of the MoU dated 20.10.2020 and the Minutes dated 15.12.2021. Therefore, these documents cannot be relied upon by the Financial Creditor, M/s. Experts Realty Professionals Private Limited, in the main Section 7 Application.



- xii.** Evaluating the merits of the case, the Applicant has provided valid evidence to prove fraud or malicious intent by the Respondent, Experts Realty Professionals Private Limited, the Financial Creditor, against the Corporate Debtor, M/s. Logix Infrastructure Private Limited.
- xiii.** We find that the explanation given by the Financial Creditor, M/s. Experts Realty Professionals Private Limited for initiation of the CIRP of the Corporate Debtor, M/s. Logix Infrastructure Private Limited is not convincing.
- xiv.** The Hon'ble NCLAT in the matter of **Vidyadhar Sarfare & Anr. vs. CS Anagha Anasingharaju & Ors., Company Appeal (AT) (Insolvency) No.1733 of 2024** held that:

*“17. There can be no quarrel to the proposition that in a case where Adjudicating Authority comes to the conclusion that ingredients of Section 65 are attracted, i.e. Application has been filed with fraudulent or/ with malicious intent for the purpose other than the resolution of the Corporate Debtor, the Adjudicating Authority may impose on such person penalty. In a case where finding is returned within the meaning of Section 65, the Adjudicating Authority can very well exercise its inherent jurisdiction to close such CIRP proceedings. The Hon'ble Supreme Court in (2020) SCC OnLine SC 1233 - **Beacon Trustship Ltd. vs. Earthcon Infracon Pvt. Ltd. and Anr.** laid down following in paragraph 7:*

*"7. Considering the provision of Section 65 of the IBC, it is necessary for the Adjudicating Authority in case such an allegation is raised to go into the same. In case, such an objection is raised or application is filed before the Adjudicating Authority, obviously, it has to be dealt with in accordance with law. The plea of collusion could not*



*have been raised for the first time in the appeal before the NCLAT or before this Court in this appeal. Thus, we relegate the appellant to the remedy before the Adjudicating Authority."*

- xv.** The aforementioned judgment passed by the Hon'ble Supreme Court of India and Hon'ble NCLAT states that the Adjudicating Authority may impose a penalty if the conditions of Section 65 are met. Additionally, the Adjudicating Authority can exercise its inherent jurisdiction to close such CIRP proceedings.
- xvi.** This Adjudicating Authority clearly observes that the Financial Creditor, M/s. Experts Realty Professionals Private Limited has used this forum for purposes other than the insolvency resolution of the Corporate Debtor with purported malicious intent, contrary to the objectives of the IBC, 2016.
- xvii.** Therefore, in view of our discussion, we have no hesitation in holding that the Financial Creditor has invoked the provisions of IBC against the Corporate Debtor with fraudulent, mala fide intention.
- xviii.** We are therefore of the considered view that the Section 7 application bearing IB-237(ND)/2023 filed by the Financial Creditor is a collusive application filed, in collusion with the Corporate Debtor with an ulterior motive.

**6.** It is ordered as follows:

- i.** In view of the reasons mentioned above, the IA-6541/2023 stands **allowed** with cost.
- ii.** Having regard to the facts and circumstances of the case, we are constrained to recall and set aside the admission order dated 14.07.2023 secured by the Financial Creditor, M/s. Experts Realty Professionals Private Limited in IB-237(ND)/2023 in relation to the



Corporate Debtor, M/s. Logix Infrastructure Private Limited in exercise of powers conferred under Rule 11 of the NCLT Rules, 2016 to meet the ends of justice.

- iii.** In view thereof, the order of admission dated 14.07.2023 and the CIRP initiated thereof in relation to the Corporate Debtor, M/s. Logix Infrastructure Private Limited is cancelled and terminated. The moratorium as declared under Section 14 of IBC, 2016 also stands withdrawn. The appointment of the Resolution Professional and all the actions taken by the Resolution Professional consequent to his appointment are brought to nullity. The Resolution Professional is directed to hand over the management of the affairs of the Corporate Debtor to the Ex-management/suspended board of Directors of the Corporate Debtor.
- iv.** Regarding the Resolution Plan submitted by any Successful Resolution Applicant, the Resolution Professional is directed to refund the Earnest Money Deposit (EMD) followed by the Performance Bank Guarantee (PBG) submitted by any SRA in compliance with the Expression of Interest (EoI) and the Request for Resolution Plan (RFRP) within one week. The Resolution Professional is further directed to file a memo of compliance in this regard with this Adjudicating Authority within one week from the date of this order.
- v.** The Financial Creditor, M/s. Experts Realty Professionals Private Limited is hereby directed to pay all CIRP costs, fees, and expenses of Resolution Professional within a week, and Resolution Professional is directed to file a memo of compliance in this regard to this Adjudicating Authority within a week from the date of this order.



- vi.** The Legislature has incorporated Section 65 of the Code, enabling the Adjudicating Authority to impose a penalty which shall not be less than one lakh rupees, but may extend to one crore rupees on any person who initiates the insolvency resolution process or liquidation proceedings fraudulently or with malicious intent for any purpose other than for the resolution of insolvency, or liquidation, as the case may be. We are of the view that the present application is a gross abuse of the process of law. We, therefore, impose a penalty of Rs. 5,00,000/- (Rupees Five Lakh Only) to be deposited by the Financial Creditor, M/s. Experts Realty Professionals Private Limited in the Prime Minister's National Relief Fund (PMNRF) within ten days from the date of passing of this order. Failing this, the amount shall be realized through the due process of law. The Financial Creditor is directed to file a memo of compliance in this regard to this Adjudicating Authority within a week from the date of this order.
- vii.** The Registry is directed to send a copy of this order to the Prime Minister's National Relief Fund (PMNRF) and to the Insolvency and Bankruptcy Board of India (IBBI) for their record.
- viii.** The Registry is further directed to send a copy of this order to the Regional Director, Northern Region, Ministry of Corporate Affairs and Registrar of Companies of NCT of Delhi and Haryana, Ministry of Corporate Affairs for necessary action as these authorities may contemplate and deem fit and necessary.
- ix.** A certified copy of this order may be issued, if applied for, upon compliance with all requisite formalities.

Sd/-

**(ATUL CHATURVEDI)  
MEMBER (TECHNICAL)**

Sd/-

**(BACHU VENKAT BALARAM DAS)  
MEMBER (JUDICIAL)**