



**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH-V**

CP (IB) 1257/MB/C-V/2021

Under section 10 of the Insolvency & Bankruptcy Code, 2016 r.w. Rule 7 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016

In the matter of

Aaradhana Realities Limited

[CIN: U70100MH1976PLC034721]

Registered office 202, United Business Park,
wagle Industrial Park, Wagle Industrial
Estate, Thane (West) - 400605

...Corporate Applicant

Order Pronounced on 31.03.2023

Coram:

Mr. Kuldip Kumar Kareer

: Hon'ble Member Judicial

Mr. Prabhat Kumar

: Hon'ble Member Technical

Appearances:

For the Corporate Applicant

: Mr. Tabrez Malawat and Mr. Dweep
Joshi, Advocates

ORDER

Per: Prabhat Kumar, Member (Technical)

1. This Application is filed under Section 10 of the Insolvency & Bankruptcy Code, 2016 ("**the Code**") by Aaradhana Realities Limited (in short, "**the Corporate Applicant**") for initiation of Corporate Insolvency Resolution



Process (**CIRP**) under Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016 (for brevity, I&B Rules 2016), following a default in meeting the financial obligations to its Financial Creditor and Operational Creditor as shown in the Company Petition filed in Form-6.

2. Part –I of the application, mentioned that the Corporate Applicant is a Private Limited Company incorporated on 10.12.1976 bearing CIN: U70100MH1976PLC034721 and having Registered office at 202, United Business Park, wagle Industrial Park, Wagle Industrial Estate, Thane (West) – 400605.
3. Part – II of the application, mentioned that the Corporate Applicant has proposed – Mr. Atul Mehta having Registration No. IBBI/IPA-002/IP-N01062/2020-2021/13458, as the Interim Resolution Professional (**IRP**) and has also filed his written consent in Form -2.
4. Part – III of the application, discloses the details of the total amount of default of Rs 41,09,57,982/-. The details of the default amount are as under:

Name Financial/Operational Creditor	of	Amount of Default
Edwell Infrastructure Hazira Ltd		Rs. 20,00,00,000/-



Imperial Consultants & Securities Ltd.	Rs. 13,26,80,720/-
Abhinand Ventures Pvt Ltd	Rs. 4,55,06,062/-
SAP India Pvt Ltd	Rs. 3,27,71,200/-
Total	Rs. 41,09,57,982/-

5. The list of documents to prove the existence of debt are as follows:
- Copy of the Board Resolution dated 15.03.2017
 - Copy of the Debenture holder notice received on 15.07.2021
 - Copy of Default notice dated 23.07.2021
 - Copy of early redemption letter dated 13.07.2021
 - Copy of the its Memorandum of Association
 - Copy of Board Resolution dated 10.08.2021, approving the initiation of Corporate Insolvency Resolution Process.
 - Copy of Special Resolution dated 02.09.2021, approving the initiation of Corporate Insolvency Resolution Process.
6. The Board of Directors of the Corporate Applicant in its meeting held on 10.08.2021 passed a resolution to file a Petition under section 10 of the Code for initiation of CIRP. Mr. Vishal Maske and/or Mr. Dharmesh Pansar, Director of the Company, has been authorized to sign and submit the same.



7. It is submitted that the Shareholders of the Corporate Applicant in its meeting held on 02.09.2021 has passed a Special Resolution approving the initiation of Corporate Insolvency Resolution Process by itself under Section 10 of the IBC Code 2016.
8. The Board of Directors of the Corporate Applicant in its meeting held on 10.08.2021 passed a resolution approving the appointment of **Mr. Atul Mehta**, Resolution Professional, having Registration No. IBBI/IPA-002/IP-N01062/2020-2021/13458 and having address 19, Sunshine Building 78 B Dr A.B Road Worli, Near Worli Naka, Mumbai City- 400018 as Interim Resolution Professional at a remuneration of Rs. 1,50,000/- excluding taxes and other out of pocket expenses.
9. The Corporate Applicant submits that the Corporate Debtor (Aaradhana Realities limited formerly known as Essar Investment Limited) vide board resolution dated 15 March 2017 decided to issue OCD (Optionally Convertible Debentures) of Rs. 100 each aggregating to Rs 20,00,00,000 to the Imperial Consultants and securities Private limited and Essar properties Private limited. The OCD were allotted vided Board Resolution dated 31 March 2017.
10. It is submitted that the Board Resolution dated 21 January 2021 the Optionally Convertible Debentures (OCDs) were transferred from Imperial Consultants and securities Private limited and Essar Properties Private limited to Essar Steel Metal Trading Limited and by Board Resolution dated 25th January 2021 from Essar Steel Metal Trading limited to Edwell Infrastructure Hazira Limited.



11. On 13 July 2021, the debenture holders issued a notice exercising the option for early redemption of debentures and the Corporate Applicant after evaluating the liquidity of the Company, issued a letter to the Debenture Holders on 18 July 2021 and expressed its inability to honour the early redemption of the debenture and requested for accepting the original redemption terms and conditions. Thereafter, the Debenture holders vide letter dated 19 July 2021 rejected the request of the Applicant and demanded payments towards early redemption by 22 July 2021. Pursuant to which the Corporate Debtor failed to honour the redemption. Therefore, the Debenture holders served a notice of default upon the Company on 23 July 2021. Hence this Petition.

12. This Bench has gone through the Petition and heard the arguments of the counsel and came to a conclusion that the Corporate Applicant is unable to make payment to the Debenture holders and thus has defaulted in making payments of its Debts.

13. On reading the Petition and the supporting documents annexed with the Petition, it is noticed that the Petitioner Corporate Applicant has submitted all relevant particulars and information, supported by document, to meet the requirement of the I B Code. Hence the present I B Petition is found complete and its filing is found in order in all respect. Hence the present I B petition is admitted with following direction:

- (a) A moratorium is pronounced u/s 14 of the Code.
- (b) That this Bench hereby prohibits the institution of suits or continuation of pending suits or proceedings against the Corporate



Applicant including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority as per Section 14(1)(a) of the Code;

- (c) transferring, encumbering, alienating or disposing of by the Corporate Applicant any of its assets or any legal right or beneficial interest therein as per Section 14(1)(b) of the Code;
- (d) any action to foreclose, recover or enforce any security interest created by the Corporate Applicant in respect of its property including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 as per Section 14(1)(c) of the Code;
- (e) the recovery of any property by an owner or lessor where such property is occupied by or in the possession of the Corporate Applicant as per Section 14(1)(d) of the Code;
- (f) That the supply of essential goods or services to the Corporate Applicant, if continuing, shall not be terminated or suspended or interrupted during moratorium period.
- (g) That the provisions of sub-section (1) of Section 14 shall not apply to such transactions as may be notified by the Central Government in consultation with any financial sector regulator.
- (h) That the order of moratorium shall have effect from this date till the completion of the corporate insolvency resolution process or until this Bench approves the resolution plan under sub-section (1) of Section 31 of the Code or passes an order for liquidation of Corporate Applicant under Section 33 of the Code, as the case may be.



- (i) That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under Section 13 of the Code.
- (j) That this Bench hereby appoints **Mr. Atul Mehta**, (having Registration No. IBBI/IPA-002/IP-N01062/2020-2021/13458) and having address 19, Sunshine Building 78 B Dr A.B Road Worli, Near Worli Naka, Mumbai City, Maharashtra ,400018 as Interim Resolution Professional to carry out the functions as mentioned under the Code.

14. Accordingly, this Petition is **admitted**.

15. The Registry is hereby directed to communicate this order to the Applicant and the Interim Resolution Professional immediately.

Sd/-

Prabhat Kumar
Member (Technical)

Sd/-

Kuldip Kumar Kareer
Member (Judicial)