

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH : C-IV**

C.P.(IB)-968/MB/2022

Under Section 10 of the IBC, 2016

In the matter of

Edge Brand Architects (India) Pvt. Ltd.

...Corporate Debtor/Applicant

Order Pronounced on: **09.05.2023**

Coram:

Mr. Prabhat Kumar
Hon'ble Member (Technical)

Mr. Kishore Vemulapalli
Hon'ble Member (Judicial)

Appearances (via videoconferencing):

For the Corporate Applicant : None present.

ORDER

Per: Prabhat Kumar, Member (Technical)

1. This is a Company Petition filed on 10.08.2022 by **Edge Brand Architects (India) Private Limited**, "Corporate Applicant") under Section 10 of the Insolvency & Bankruptcy Code, 2016 ("the Code") read with Rule 7 of Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules 2016 for initiation of Corporate Insolvency Resolution Process (CIRP) of the Corporate Applicant company.

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2. The Corporate Applicant submits that its registered office is at 705, A Wing, 7th Floor, Technocity, Plot No-X-4/1&4/2, TTC Industrial Estate, Mahape, Navi Mumbai, Thane – 400 701, Maharashtra, India, incorporated on 24.05.2011 vide CIN: U74900MH2011PTC217850 on the file of Registrar of Companies, Mumbai, Maharashtra, having paid up share capital of Rs.5,00,000/-.
3. It is stated that the Shareholders of the Corporate Applicant in their meeting held on 03.08.2022 passed a resolution authorizing the Board of Directors to file a Petition u/s 10 of the Code before the Adjudicating Authority, i.e. NCLT and authorised all the Directors of the Company to file the application; and to represent the Company before the NCLT or any other authority, jointly and severally, and to sign, execute any documents, engage any professional and file necessary application under the Code.
4. The Corporate Applicant has disclosed that a sum of ₹4,75,68,566/- is due to Financial and Operational Creditors which is in default.
5. The Corporate Applicant has enclosed the audited financial statements for the years 2019-20 and 2020-21, unaudited provisional financial statement for the year 2021-22, the provisional financial statement for the period from 01.04.2022 to 31.07.2022 and list of creditors as on 31.07.2022. Corporate Applicant also filed the assets and liabilities of the Corporate Applicant as on 31.07.2022. The Corporate Applicant also disclosed the

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names and addresses of the members of the Company with details of their shareholding.

6. The Corporate Applicant has enclosed demand notices/legal notices received from various Creditors.
7. The Corporate Applicant proposed Mr. Laxmikant Yeshwant Desai, having address at 503, Atharva, M B Raut Road, Shivaji Park, Dadar (W), Mumbai – 400 028, having Registration No. IBBI/IPA-001/IP-P01669/2019-2020/12641, as Interim Resolution Professional (IRP), who has given his consent with a declaration that no disciplinary proceedings are pending against him by Form 2.
8. On hearing the Counsel and perusal of the Petition and the supporting documents annexed with the petition, this Bench is of the considered view that the Corporate Debtor has committed default in payment of debt and the petition contains the particulars required u/s 10 of the Code. In view of this, this Bench hereby orders initiation of Corporate Insolvency Resolution Process against Corporate Debtor under Section 10 of the Code and declares moratorium with consequential directions as mentioned below:
 - (i) That this Bench hereby prohibits 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; transferring, encumbering, alienating or disposing of by the

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Corporate Debtor any of its assets or any legal right or beneficial interest therein; 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; the recovery of any property by an owner or lessor where such property is occupied by or in the 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 moratorium period.
- (iii) 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.
- (iv) That the order of moratorium shall have effect from 09.05.2023 till the completion of the Corporate Insolvency Resolution Process or until this Bench approves the resolution plan under sub-section (1) of Section 31 or passes an order for liquidation of Corporate Debtor under Section 33, as the case may be.
- (v) That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under Section 13 of the Code.

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(vi) That this Bench hereby appoints Mr. Laxmikant Yeshwant Desai, having Registration No. IBBI/IPA-001/IP-P01669/2019-2020/12641, [e-mail: lyd.edge@gmail.com] as Interim Resolution Professional (IRP) to conduct the functions as mentioned under Insolvency & Bankruptcy Code.

(vii) The Directors of the Corporate Applicant shall ensure that sufficient fund is made available to the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses are subject to approval by the Committee of Creditors (CoC). It is clarified that money so deposited by the directors shall be paid in priority.

9. Accordingly, this Petition [CP(IB)-968MB)/2022] is hereby **admitted**.
10. The Registry is hereby directed to communicate this order to the Applicant. A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai, for updating the Master Data of the Corporate Debtor.

Sd/-

**PRABHAT KUMAR
MEMBER (TECHNICAL)**

09.05.2023/pvs

Sd/-

**KISHORE VEMULAPALLI
MEMBER (JUDICIAL)**