

**IN THE NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT-II**

CP (IB) 576/MB/C-II/2019

Under section 7 of the Insolvency and Bankruptcy
Code, 2016

In the matter of

1. Anand Vihar Reality Private Limited

[CIN: U15200MH1994PTC082945]

701, Standford , Junction of S.V. Road, Juhu
Lane, Andheri West, Mumbai – 400058.

... Financial Creditor/Petitioner No. 1

2. Bagaria Nivesh Private Limited

[CIN: U67100MH1995PTC085099]

701, Standford , Junction of S.V. Road, Juhu
Lane, Andheri West, Mumbai – 400058.

... Financial Creditor/Petitioner No. 2

Versus

RMB Event Management Private Limited

[CIN: U74900MH2009PTC190250]

104, Bajaj Bhavan, Nariman Point, Mumbai –
400021.

...Corporate Debtor/Respondent

Order Delivered on 07.09.2021

Coram:

Hon'ble Member (Judicial) : Mr. Ashok Kumar Borah

Hon'ble Member (Technical) : Mr. Shyam Babu Gautam

Appearances:

- For the Financial Creditor : Mr. Shyam Kadiya, Counsel
a/w Mr. Shadab Jan, Advocate
i/b Crawford Bayley & Co.
- For the Corporate Debtor : Mr. Mruanl Surana, Advocate
i/b Hariani and Co.

ORDER

Per: Shyam Babu Gautam, Member (Technical)

1. This is a Company Petition filed under section 7 (“**the Petition**”) of the Insolvency and Bankruptcy Code, 2016 (**IBC**) by **Anand Vihar Reality Private Limited** and **Bagaria Nivesh Private Limited** (“the Financial Creditors”), seeking to initiate Corporate Insolvency Resolution Process (CIRP) against **RMB Event Management Private Limited** (“the Corporate Debtor”).
2. The Corporate Debtor is a Private company limited by shares and incorporated on 11.02.2009 under the Companies Act, 1956, with the Registrar of Companies, Maharashtra, Mumbai. Its Corporate Identity Number (CIN) is U74900MH2009PTC190250. Its registered office is at 104, Bajaj Bhavan, Nariman Point, Mumbai – 400021. Therefore, this Bench has jurisdiction to deal with this petition.

Submissions made by Financial Creditor by way of Application/Petition:

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3. **Anand Vihar Reality Private Limited**, the Petitioner Company – 1 had disbursed the Loan repayable on demand amounting to Rs. 50,00,000/- on 06.03.2018, Rs. 50,00,000/- on 06.03.2018 and 10,00,000/- on 07.03.2018 @ 18% rate of interest to **RMB Event Management Private Limited**, the Respondent Company.
4. **Bagaria Nivesh Private Limited**, the Petitioner Company – 2 had disbursed the Loan repayable on demand amounting to Rs.25,00,000/- on 07.03.2018 @ 18% interest to **RMB Event Management Private Limited**, the Respondent Company.
5. Amount Claimed to be in default as on as on the date of filing is as follows:

Petitioner No.	Name of Petitioner	Amount in Rs.
i.	Anand Vihar Reality Private Limited	1,15,06,000/-
ii.	Bagaria Nivesh Private Limited	26,15,000/-
	Total	1,41,21,000/-

6. On 16.10.2018 the Notice of demand dated 15.10.2018 was served by **Anand Vihar Reality Private Limited** the Petitioner Company – 1 and **Bagaria Nivesh Private Limited** the Petitioner Company – 2 to **RMB Event Management Private Limited**, the Respondent Company.
7. **RMB Event Management Private Limited**, the Respondent Company had issued cheque no. 183349 and 183350 dated 31.12.2018 amounting to Rs.1,10,00,000/- (principal amount) and Rs.4,55,400/- (interest amount) respectively to **Anand Vihar Reality Private Limited**, the Petitioner Company – 1, which was dishonored and returned on 01.01.2019 with memo of insufficient funds.
8. **RMB Event Management Private Limited**, the Respondent Company had issued cheque no. 183353 and 183354 dated 31.12.2018 amounting to Rs.25,00,000/- (principal amount) and Rs.1,03,500/- (interest amount) respectively to **Bagaria Nivesh Private Limited**, the Petitioner Company – 2, which was dishonored and returned on 01.01.2019 with memo of insufficient funds.
9. The date of default for both the Petitioners is 01.01.2019 as the cheque given by Respondent bounced and came with memo of insufficient funds on 01.01.2019.

10. The Financial Creditor in furtherance of his claim annexed following documents:
- i. Copy of Bank Statement of Petitioner Company – 1 and Petitioner Company – 2.
 - ii. Copy of Demand Notice, outstanding ledger, working of principle and interest due, bounced cheque and proof of delivery of notice of Petitioner Company – 1 and Petitioner Company – 2.
 - iii. Copy of Form 26AS by way of Additional Affidavit for Petitioner Company – 1 and Petitioner Company – 2.
11. The Financial Creditor relied upon the *Vipin Agarwal vs Satyaprakash Agarwal – Company Appeal (AT)(INS) No. 1480 of 2019 - Para 4 (Page 17)* for convenience para is reproduced here below:

“Learned counsel for the ‘Corporate Debtor’ in reply submitted that the excess amount was paid and therefore, the same is refundable. However, the record shows that ‘Corporate Debtor’ has taken loan, which was disbursed by Respondent (‘Financial Creditors’) for time value for money and utilized the same for its use. The appellant (‘Corporate Debtor’) was also paying the TDS on interest of the amounts disbursed. Therefore, we hold that the Respondents come within the meaning of ‘Financial Creditors’ as defined under section 5(7) and (8) of the I&B Code.”

Submissions made by the Advocate of Corporate Debtor:

12. Adv. Mrunal Surana, appeared from the side of the Corporate Debtor on the date of final hearing of this Petition. Submitted that the Corporate Debtor had not filed any formal reply in this matter as settlement talks was going on and parties trying settle matter amicably. Thereafter advocate requested for last opportunity to file reply.
13. This matter was listed on several occasions for hearing it is observed that since inception opportunities were given to the Respondent to file formal reply but Respondent chose not to file reply. Therefore, the opportunity to file reply was forfeited on account of non-filing the said respondent is said as *ex-parte*.
14. We have heard the arguments of Financial creditor and Corporate Debtor and perused the records.
15. It is noted from the records and submissions from counsel that the Corporate Debtor has availed the Loan repayable on demand. The Corporate Debtor issued cheques to the Petitioner Company – 1 and the Petitioner Company – 2 to repay the debt but the same were bounced which returned with memo stating that insufficient fund. These submissions establish the existence of debt and default.

16. Upon perusal of records, this Bench is of the considered opinion that there is no dispute regarding the Corporate Debtor having availed the Loan from the Financial Creditor.
17. The Financial Creditor has proposed the name of **Mr. Dilipkumar Natvarlal Jagad**, Registration No. IBBI/IPA-001/IP-N00233/2017-2018/10462, as the Interim Resolution Professional of the Corporate Debtor. He has filed his written communication in Form 2 as required under rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 along with a copy of his Certificate of Registration.
18. The application made by the Financial Creditor is complete in all respects as required by law. It clearly shows that the Corporate Debtor is in default of a debt due and payable, and the default is in excess of minimum amount stipulated under section 4(1) of the IBC. Therefore, the debt and default stands established and there is no reason to deny the admission of the Petition. In view of this, this Adjudicating Authority admits this Petition and orders initiation of CIRP against the Corporate Debtor.
19. It is, accordingly, hereby ordered as follows: -
 - (a) The petition bearing **CP (IB) 576/MB/C-II/2019** filed by **Anand Vihar Reality Private Limited** and **Bagaria Nivesh Private Limited**, the Financial Creditors, under section 7 of

the IBC read with rule 4(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against **RMB Event Management Private Limited [CIN: U74900MH2009PTC190250]**, the Corporate Debtor, is **admitted**.

- (b) There shall be a moratorium under section 14 of the IBC, in regard to the following:
- (i) 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;
 - (ii) Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;
 - (iii) 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 (Sarfaesi) Act, 2002;
 - (iv) The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.

- (c) Notwithstanding the above, during the period of moratorium:-
- (i) 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;
 - (ii) That the provisions of sub-section (1) of section 14 of the IBC shall not apply to such transactions as may be notified by the Central Government in consultation with any sectoral regulator;
- (d) The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 of the IBC or passes an order for liquidation of Corporate Debtor under section 33 of the IBC, as the case may be.
- (e) Public announcement of the CIRP shall be made immediately as specified under section 13 of the IBC read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.
- (f) **Mr. Dilipkumar Natvarlal Jagad**, Registration No. IBBI/IPA-001/IP-N00233/2017-2018/10462, having address at 803/804, Ashok Heights, Opp. Saraswati Apartments, Old Nagardas Road, Andheri East, Mumbai –

400069 [Email: dilipjagad@hotmail.com, Contact: 09821142587] is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the IBC. The fee payable to IRP or, as the case may be, the RP shall be compliant with such Regulations, Circulars and Directions issued/as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the IBC.

- (g) 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 of the IBC. The officers and managers of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP within a period of one week from the date of receipt of this Order, in default of which coercive steps will follow.
- (h) The Financial Creditor shall deposit a sum of Rs.2,00,000/- (Rupees Three Lakhs only) with 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).
- (i) The Registry is directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by

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Speed Post and email immediately, and in any case, not later than two days from the date of this Order.

- (j) A copy of this Order be sent to the Registrar of Companies, Maharashtra, Mumbai, for updating the Master Data of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court **within seven days** from the date of receipt of a copy of this order.

Dated 7th day of September, 2021

Sd/-

SHYAM BABU GAUTAM
Member (Technical)

Sd/-

ASHOK KUMAR BORAH
Member (Judicial)

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