

IN THE NATIONAL COMP ANY LAW TRIBUNAL

COURT ROOM NO. 1,

MUMBAI BENCH

IA No. 1568 of 2020

in

C.P. (IB) No. 1267/MB/2017

**Interlocutory Application under the Insolvency and Bankruptcy Code,
2016 and Companies Act, 2013, seeking directions against Ex-
management/Personnel and others to pay amounts to the Liquidator**

Manish Baldeva,

Liquidator of the Corporate Debtor

Linkson International Ltd.,

G-02, Salasar Jyot CHS Ltd., Bageshree Park,

Shivsena Galli, Station Road,

Bhayander (West), Thane – 401 101

...Applicant

V/s

1) Yashwant Lalchand Sangla,

300, Chitnis Marg, Civil Lines,

Nagpur – 440 001

2) Anand Laltaprasad Chaturvedi

C/O H P Dhopte, Plot No. 238,

Surendra Nagar, Nagpur – 440 015

3) Manju Yashwant Sangla

300, Chitnis Marg, Civil Lines,

Nagpur – 440 001

4) Linkson Coal and Minerals Pvt. Ltd.

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B-103, Pushpa Heritage, Dhanukar Wadi,
Mahavir Nagar, Kandivali (W), Mumbai – 470 067

5) Sudhir Hirewar

6) Harish Hirewar

7) Ajay Hirewar

8) Mandakini Hirewar

All r/o 216, Gopal Bhawan
Mata Mandir Road,
Gokulpeth, Nagpur – 440 010

...Respondents

In the matter of

Punjab National Bank

V/s

Linkson International Ltd

...Financial Creditor

...Corporate Debtor

Order delivered on 23.02.2024

CORAM:

Hon'ble Member (Judicial): SH. Justice Virendrasingh Bisht (Retd.)

Hon'ble Member (Technical): SH. Prabhat Kumar

Appearance:

For the Applicant : Mr. K. K. Halai a/w Mr. Yash Jain, Advocates

For the Respondents : None present

Per : **Prabhat Kumar, Member, (Technical)**

ORDER

1. This Application 1568 of 2020 is filed by Shri. Manish Baldeva, the Liquidator of Linkson International Ltd. in the Liquidation Proceedings, seeking direction against Ex-management/personal and other to pay amount to the Liquidator. The Application is seeking the following reliefs:

1.1. To pass such Order or Orders directing the ex-Directors / promoters of the Corporate Debtor to cooperate with the Applicant-Liquidator and provide information, books of accounts, ledgers, Bank statements and other documents as required by the Liquidator as per the list annexed hereto and marked as Exhibit and any further and other documents as may be required by the Liquidator from time to time.

1.2. That this Tribunal may be pleased to declare that the promoters/ex-directors of the Corporate Debtor have indulged in transactions to defraud its creditors and are liable for misfeasance and other offences under the Code.

1.3. That this Tribunal may be pleased to direct the ex-directors/ promoters to pay a sum of Rs. 103.15 Lakhs in respect of cash vouchers to the Liquidator as set out in Exit Alreport)

1.4. That this Tribunal may be pleased to direct the Respondents Nos. 1-3 i.e. ex-directors/promoters, Respondent No. 4 i.e. Linkson Coal and Minerals Private Limited and Respondent Nos. 5-8 i.e. Vendors and any other person's to whom the consideration paid in respect of immovable properties i.e. Gopal Complex and Megh Complex has been diverted to make a contribution and jointly and/or severally pay to the Liquidator

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a Sum of Rs. 527.06 Lakhs siphoned off from the Corporate Debtor as set out in Exhibit Acre)

1.5. That this Tribunal may be pleased to direct the Respondent Nos. 1-3 or by Respondents 5-8 to furnish and submit copies of all License / Tenancy/Lease Agreements executed by them to the Applicant and pay all the rents in respect of the immovable properties of Gopal Complex and Megh Complex received till date by either the Respondent Nos. 1-3 or by Respondents 5-8 to the Liquidator along with interest @ 18% p.a. and the tenants be directed to pay all arrears, if any and current rent to the liquidator.

1.6. That this Tribunal may be pleased to direct the Respondent Nos. 1-3 and/or Respondent Nos. 5-8 to hand over vacant and peaceful possession of the said immovable properties i.e. Gopal complex and Megh complex the details which are set out in Exhibit to the Liquidator.

1.7. That this Tribunal may be pleased to allow auction of the said properties Gopal Complex and Megh Complex of the Corporate Debtor as per the rules and direct the ex-directors/promoters of the Corporate Debtor and the sellers of the said property and all others concerned including the tenants of not to create any obstructions in respect thereof and submit all the original documents as required by Liquidator.

1.8. That in the alternative the purported Sale in respect of the properties set out in Exhibit F be declared fraudulent and void accordingly be cancelled and the Respondent Nos. 5-8 i.e. the said Vendors named above be directed to forthwith return the entire consideration received by them to the Liquidator of Corporate Debtor (in Liqn) with interest @

18% p.a. or as this Tribunal may deem fit in addition to rents received till date.

2. The Respondents Nos. 1-3 are Ex-Directors of the Corporate Debtor. The Respondent No. 4 is a company related to the Corporate Debtor. The Respondent No. 5 to 8 are Vendors of the properties in question and dealt with the Corporate Debtor in respect of immovable properties. The Respondents are added as parties to the Application being involved in the transactions in question and for effective determination and adjudication of the present application.

3. The Applicant who was an IRP/RP has been appointed as a Liquidator of the Corporate Debtor viz. Linkson International Ltd. by this Hon'ble Tribunal vide its order dated 20.7.2018 under section 33 of the Insolvency and Bankruptcy Code, 2016 ("Code").

3.1. During the course of liquidation of the Corporate Debtor, the Applicant in exercise of powers under section 35 took into his custody and control various assets, property of the Corporate Debtor and thereupon particularly to investigate the financial affairs of the Corporate Debtor as contemplated. under section 35 (1)(1), vide letter dated 25 July, 2019 appointed ADB and Associates, Chartered Accountants ("Auditors") under Section 35(1)(1) for conducting Forensic Audit of the Corporate Debtor i.e. Linkson International Ltd. (in liquidation) with respect to the present status of the assets and genuineness of certain transactions of the Corporate Debtor as per details provided by the erstwhile management

and also to determine any undervalued preferential transaction, defrauding of creditors etc.

3.2. Upon perusal of the said report of the Auditors, it can be seen that the same points out to various fraudulent financial acts of the Corporate Debtor/Directors promoters of the Corporate Debtor which can be substantiated from what is set out as under:

3.2.1. Siphoning off and misappropriation of funds of the Corporate Debtor to the tune of about Rs. 527.06 lakhs of the loan sanctioned by one Nagpur Nagrik Sahakari Bank ("the said Bank") one of the Financial Creditor of the Corporate Debtor. Various illegalities have been observed in the property transactions including over valuation of the assets to obtain the loan for purchase of the said properties in addition to other anomalies.

3.2.2. Unlawful/fictitious cash expenses to the tune of Rs. 103.15 lakhs shown by the Corporate Debtor whereof the supporting documents provided by the company were unreliable and does not show to prove that the said alleged cash transactions and expenses as genuine and the same is more particularly set out in

3.2.3. Various Bank statements of the Corporate Debtor are not provided and also the same relating to "the related parties" were not made available resulting in concealment.

3.2.4. Books of account provided were incomplete as Bank accounts were not incorporated in the tally data made available to the Auditors and no statutory records were made available which also is concealment contemplated under the provisions of the Act. Various documents/accounts which are required are set out in the list annexed hereto and marked as Exhibit B.

3.3. With respect to the properties purchased by the Corporate Debtor, it is observed as under:

3.3.1. The Corporate Debtor purchased 6 Flats (flat Nos. 201, 202, 203, 204, 205, 206) are situated at Shri Gopal Complex, on the 2nd floor and 6 flats (flat Nos 301,302,303,304,305 and 306 of the uncompleted 3 floor in Shri Gopal Complex situated at MIDC T Point, Ward No. 1, Mouza, Village Wadi, on land bearing Kh. No 58/23, Nagpur along with 38.62% undivided proportionate share and interest in Plot No. 25 being a part of entire land bearing Kh New No. 58/23 (hereinafter referred to as "Gopal Complex property") vide Registered Sale Deed dated 30/3/2013 in favour of the Corporate Debtor. However 7/12 extracts from the office of the Sub-Registrar obtained reflects the name of the Sellers viz. Mr. Sudhir Hiranwar and others ("Vendors") as on 26/8/2019. No steps were taken by the Corporate Debtor to carry out/ insert relevant mutation entries in the Sub-registrar's office in respect of the partial ownership of the land of Gopal Complex property. The Sale Deed mentions of down payment of Rs. 1.05 crores allegedly paid in cash

as part consideration in respect of the purchase of the said property by the Corporate Debtor and the final payment of Rs. 2.45 crores being paid at the time of Registration of the Sale Deed which payment was being received by the Vendor from the Nagpur Nagri Sahakari Bank as Housing loan to Corporate Debtor. It is observed that there is no receipt shown or source of the cash paid to the said Vendors. Despite of the Purchase by the Corporate Debtor way back in 2013, it is found out that the possession of the Gopal Complex Property is still with the Vendors i.e. Mr. Sudhir Hiranwar and others.

3.3.1.1. The report also states that there in respect of Gopal Complex property there are tenants in the six 2nd floor flats. All the 6 Flats Nos. 301 to 306 on the third floor are still not constructed. It was found that the building was inhabitable as more particularly set out in the said report. Out of total number of tenants available, one of the tenant without disclosing her name mentioned that she was a tenant of Mr. Sudhir Hirenwar Le the Vendor Since the property is still in the possession of the Vendors, there was no rent paid/deposited by the tenants with the Bank or the Corporate Debtor and as such no rent receipts are available

3.3.1.2. The said Bank Nagpur Nagrik Sahkari Bank, Dharmpeth Branch had sanctioned loan of Rs. 245 Lacs for the said property which was valued at Rs 350 Lacs. The sale deed was made and registered on 30/3/2013 and the stamp duty of Rs.

19,25,000/- was paid on the purchase price of Rs. 3,50,00,000/- whereas the ready reckoner value of the said property was only about Rs. 1,50,23,000/- as set out in the document itself shows that the said property was overvalued to procure a higher loan from the Bank.

3.3.1.3. The amount of loan was transferred to the Vendor ie. Mr. Sudhir Hirewar's account in the same Bank ie. Nagpur Nagrik Sahkari Bank, Wadi Branch on 30/3/2013 itself i.e. the date of Sale Deed as evidenced by the Bank statements of Mr. Sudhir Hirewar annexed as to the said report. The said Vendor transferred vide pay orders dated 30/3/2013 of Rs. 9.00 Lakhs each amounting to Rs. 99.00 Lakh and one Demand Draft of Rs. 1.00 Lakh in favour of Linkson Ispat and Energy Private Limited (a "related Party" having common director's- Yashwant Sangla) ("Linkson Ispat") (in Liquidation) which was deposited in Punjab National Bank account of Linkson Ispat.

3.3.1.4. It is further observed that Mr. Sudhir Hirewar transferred Rs. 14.00 Lakhs from his Bank account of Nagpur Nagrik Sahkari Bank limited vide cheque dated 30/3/2013 and Rs. 90,000 vide cheque dated 2/4/2013 to his savings account the same branch. He then transferred vide RTGS from the savings account Rs. 10.00 lakhs to Linkson Coal and Minerals Pvt. Lid. ("related party" with common director's) ("Linkson Coal) and Rs. 6.00 Lakhs vide cheque dated 31/3/2013 back to Linkson

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International Lade the Corporate Debtor. The same is also deposited Dharampeth Branch of Nagpur Nagrik Sahkari Bank Further, a payment of Rs. 105.00 Lakhs made by cash as claimed, however no receipt of acknowledgement is made available to the Liquidator. There is no practice of the Bank to sanction/disbursement of home loan on the basis that the purchaser has made down payment in cash to the Seller without any verification of the said alleged cash payment.

3.3.1.5. From the discovery of the above facts it appears that there was some nexus and/or collusion between the Corporate Debtor and the said Vendors Mr. Sudhir Hirenwar and others and the above name two Private Companies which are related parties as contemplated under section 2(76) of the Companies Act, 2013.

3.3.2. Similar discoveries were made by the Auditors and appropriate observations are noted from the facts pertaining to purchase of 12 nos (bearing Nos. 6 to 17) situated on the ground floor of the building known as Megh Complex, MIDC T point, Ward No. 1, Mauza Wadi, near Wadi, Nagpur and 6 Flats (Nos. 107, 108, 112, 202, 203 and 204) on the first and second floors of the said building Megh Complex (together referred to as the "Megh Complex property") by the Corporate Debtor vide separate Sale Deeds both dated 1-6/2013 for the godown and the flats. It is observed as under:

3.3.2.1. As per 7/12 extracts from the Registrar's office as on 26/8/2019 the ownership still lies with the Vendors (Exhibit 5 to the auditor's report) and no mutation entries has been carried out in respect of the same and even the possession remains with the Vendors. Further, the said godowns are occupied by tenants who stated that they consider the said Mr. Sudhir Hirenwar is the owner and are paying rent to him. The tenants were not willing to part with the agreement copies or even disclose their names. There appears to be one tenant occupying the whole backside of the second floor who did not even open the door for the auditors. Whereas, the first and second floors facing the main road were occupied by tenants including insurance companies namely Tata AIG/reliance etc. In such circumstances the applicant addressed a letter dated 19 April, 2019 to the Respondents/Vendors informing them about the status of the Corporate Debtor and stating that symbolic possession has been taken by the applicant in liquidation of the Corporate Debtor pursuant to the order of this Hon'ble Tribunal. It was also recorded that it was to the knowledge of the applicant that the possession of the said properties was still with the respondents and that the respondents were collecting rent from the tenants despite of the same being sold to the Corporate Debtor (in liqn.). The Respondents were called upon to deposit all the rents received from the tenants since the date of sale of the said properties and also future rent with the Applicant. Since there was no response from the said respondents, the applicant

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issued various reminders to the respondents vide its letters dated 23 May, 2019, 16 July, 2019 and 30 December, 2019 upon the said respondents to pay the rents received or future rents to be received by the Respondents. The Applicant also called upon the respondents to submit copies of the leave and license agreements entered into between the respondents and the third parties and occupation/tenants. Hereto annexed and marked as Exhibit. EF, and respectively are copies of the said letters dated 19 April, 2019, 23 May, 2019, 16 July, 2019 and 30 December, 2019 addressed by the Applicant to the concerned Respondents.

3.3.2.2. In the case of the said godowns also, the market value of the property is set out on the portion of stamp duty as set out to the Rs. 122.33 Lakhs. The said sale agreement has been annexed to the report as Annexure- 6. It is further observed from the title verification in such report that the entire plot i.e. plot No. 3 of Megh complex was mortgage to Nagrik Sahkari Bank and as such there was a charge on the property. Despite of the fact that the said mortgage was not redeemed and/or cleared the said bank sanctioned and disbursed the loan on the property.

3.3.3. As far as three flats each of the first and second floor of Megh complex are concerned, the property was valued at Rs. 161.56 Lakhs whereas the market value of the said flats was only Rs. 85.77 Lakhs. The sale deed setting out the same is annexed as Annexure 7 to the auditors report. As stated hereinabove the title verification and search report available the entire plot No. 3 alongwith present and

future construction of the building were mortgaged to the said bank. Despite of not caring the same loan was sanctioned and disbursed. The title verification reports in respect of the said properties are Exhibit 7 and Exhibit 8 to the auditor's report. The amount of loan of Rs. 168.00 Lakhs and Rs. 112.00 Lakhs were also transferred to the said Vendor's account Nagpur Nagarik Sahkari Bank, Wadi branch on 10/6/2013 on the same day when the respective sale agreements were registered as can be seen from the bank statement of the said vendor Mr. Sudhir Hirenwar annexed as Annexure 3 to the report. The said vendor transferred Rs. 150 Lakhs vide cheque of the same date i.e. 11/6/2013 in favour of Linkson Ispat and Energy Pvt Ltd. in its Account in Axis Bank, Gandhinagar Nagpur branch and Rs. 7.00 Lakhs vide cheque dated 12/6/2013 in favour of Linkson International Ltd. i.e. the corporate debtor in Nagrik Sahkari Bank Dharampeth branch. The said amount was used to purchase the share money of the bank of Rs. 7.00 Lakhs on 12/6/2013 of repayment of the loan on 10/6/2013 which is reflected from Exhibit 9 to the report.

3.3.4. In addition to the above various other discrepancies observed in as much as no receipts are available in respect of the down payment of Rs. 12.50 Lakhs each for godowns and the flats and for payment of Rs. 35.50 Lakhs were available with Nagpur Nagarik Sahakari Bank.

3.4. It is submitted that the Auditors report further sets out in detail that even the cash expenses which were shown are suspicious and doubtful as the

supporting documents do not match with the same. Even the transportation expenses as shown and not genuine as on verification of certain LRs it shows that the LR's probably are got up documents and fabricated documents and some of the vehicles registration/nos mentioned therein do not exist. No supporting documents in respect of the cash expenses as required were made available.

3.5. It is submitted that the transaction pertaining to the Corporate Debtor are carried out for the purpose of defrauding the creditors and as such it is just and necessary that necessary orders be passed against the Ex-directors and other involved parties including the vendors and the related parties / group companies and the amounts procured by the bank and paid to the Vendors and diverted to the said related companies ought to be called back other rate as may be deemed fit. It is also just and necessary that all the rents in respect of the immovable properties of Gopal Complex and Megh Complex received till date by the Vendors Sudhir Hirenwar and Ors Le. Respondents 5-8 be directed to be paid by the said vendor/s to the Liquidator with interest @ 18% p.a. and the tenants be directed to pay all arrears, if any and current rent to the liquidator and possession of the said immovable properties be directed to be handed over to the Liquidator. In the alternative the sale of the properties be declared as fraudulent and be cancelled and the said Respondents/Vendors named above be directed to forthwith return the entire consideration received by them to the Corporate Debtor (in Liqn) through its Liquidator along with interest @ 18% p.a.

3.6. The investigation into the financial affairs of the Corporate Debtor shows fraudulent transactions which have been discovered by the Liquidator and the liquidation process is being obstructed.

3.7. The ex-directors/promoters of the Corporate Debtor are clearly guilty of concealment of property, conducting transactions for defrauding creditors, falsification of books of Corporate Debtor, wilful and material omission from statements relating to a fair of the Corporate Debtor etc. and as such are liable for punishment prescribed under section 68 and 72 of the code.

4. Heard learned Counsel and perused the material available on record.

4.1. It is the case of the Applicant that the Corporate Debtor paid consideration to the Respondent Nos 5 to 8 in respect of Immovable properties i.e. Gopal Complex and Megh Complex. The Corporate Debtor is stated to have purchased 12 Commercial units/go-downs on the ground floor of Gopal Complex for a consideration of Rs. 241,39,500/- and Six flats i.e. Flat No. 201 to 206 in Shri Gopal Complex on 2nd Floor and Six flats i.e. Flat No. 301 to 306 in the uncompleted 3rd Floor thereof for a consideration of Rs. 3,50,00,000/- along with 64.482% undivided proportionate share interest in the plot of land *vide* Registered sale deed dt. 30.03.2013 in favour of the Corporate Debtor. However, these flats are still reflected in the name of sellers i.e. Mr. Sudhir Hirenwar and others who are Respondent Nos. 5 to 8. Full consideration was paid for this purpose and the possession of the said

properties is still with the vendors. The market value of the said property is determined at Rs. 1,50,23,000/- which shows that the said property was overvalued to procure higher amount of loan from the Bank. It is further alleged that out of the said consideration Rs. 1 Crore was transferred to Respondent No. 4 to Linkson Ispat and Energy Pvt Ltd. having common directors (In liquidation). Further a sum of Rs. 10 Lakh was transferred to Linkson Coal and Minerals Pvt. Ltd. i.e. Respondent No. 4 and Rs. 6 Lakh was transferred to the Corporate Debtor.

4.1.1. Besides these, the Corporate Debtor entered into a purchase transaction of 12 go-downs bearing No. 6 to 17 situated on the ground floor of Megh Complex and Six flats on the 1st and 2nd Floor thereof (Nos. 107, 108, 112, 202, 203 and 204) for a consideration Rs. 161.56 Lakh in respect of these properties also then occupation of the tenants who are paying rents to the Respondent No. 5 and the properties are still lying with the vendors in the Registrar's office Records. It is further stated that the entire plot of Megh Complex is mortgaged to Nagri Sahakari Bank who has charge over this property. The 1st and 2nd Floor flats of Megh Complex were purchased at Rs. 161.56 Lakh whereas market value of the said Flats are Rs. 88.77 Lakh. In this case also the vendors transferred Rs. 150 Lakh to Linkson Ispat Energy Pvt Ltd. Further, Rs. 7 Lakh to the Corporate Debtor as subscription to the share capital.

4.1.2. We find that the Corporate Debtor paid a total sum of Rs. 752,95,500/- to the vendors towards purchase of the above

immovable property in Megh Complex and ShriGopal Complex and for this purpose it borrowed a sum of Rs. 527.06 Lakh from Nagpur Sahakari Bank. The fact of sum of this Money travelled back to the Corporate Debtor and its related parties coupled with the properties which are still in the control of the vendors indicates that the transaction of purchase of property was an accommodation transaction to enable the Corporate Debtor to raise further loans and receive it back by making the sellers a conduit. Nonetheless, we find that these properties have been duly transferred by conveyance in favour of Corporate Debtor by sale deed duly registered with Sub-Registrar Nagpur, in the name of Corporate Debtor. However, the ready reckoner of this property as stated on sale deed is substantially low besides that the Applicant has placed on record valuation report in respect of 12 Flats in ShriGopal Complex with estimated market value of these flats as Rs 91.60 Lakh as against purchase value of Rs. 350 Lakh. Further, the market value of Six Flats in Megh Complex is estimated to be 102.00 Lakh as against purchase value of Rs. 161.56 Lakh. No valuation report has been placed on record in relation to valuation of commercial units/go-downs in Megh Complex; however, market value as per ready reckoner is stated to be Rs. 122.33 Lakh as against purchase price of Rs. 241,39,500/-.

4.1.3. The above facts clearly indicate that the transaction of the purchase of these properties is undervalued transaction entered by the Corporate Debtor to defraud its Creditors. The fraudulent *modus operandi* adopted by the Corporate Debtor is writ at large on the

face. Since, these properties are stated to be mortgaged in favour of Nagari Sahakari Bank Ltd, which have already sought attachment orders in terms of Section 14 of the SARFAESI Act, it would be against the interest of the Creditors to set aside the Transaction; however, we consider it appropriate to restore the benefit taken by the Respondents 1 to 8 by indulging into over valuation of the purchased property and helping the Corporate Debtor to siphon off the amount borrowed from Nagpur Sahakari Bank Ltd. Accordingly, we direct Respondents to contribute jointly or severally an amount of Rs. 437.02 Lakh {(Rs. 350 Lakh – 91.60 Lakh) + (161.56 Lakh – 102 Lakh) + (Rs. 241,39,500 – 122.33 Lakh)}, within 30 days to the Corporate Debtor. It is made clear that the amount realised by the Nagpur Sahakari Bank from these properties mortgaged to them shall be appropriated towards the outstanding loan of Rs. 527.06 Lakh and these Properties shall belong to the Corporate Debtor if not auctioned by Nagpur Sahakari Bank Limited.

4.2. It is also alleged that unlawful/fictitious cash expenses of Rs. 103.15 Lakh have been shown to have been incurred while the supporting documents provided by the Company were unreliable and does not show to prove that the alleged case transaction and expenses are genuine. These Transactions have been entered in the books of accounts of the Corporate Debtor under Five expense head and these expenses have been debited by Lump sum amount which in itself indicates that these expenses are not genuine. A screen short of debit to the one of the Accounts as found on the Transaction Report is reproduced below:

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BUSINESS EXP

Ledger Account

1-Apr-2015 to 31-Mar-2019

Date		Particulars	Vch Type	Vch No.	Debit
31-08-2015	Cr	Cash	Payment	365	2622300.00
30-09-2015	Cr	Cash	Payment	415	300000.00
30-09-2015	Cr	Cash	Payment	416	1338000.00
20-01-2016	Cr	Cash	Payment	605	32500.00
					<u>4292800.00</u>

4.2.1. The manner in which transactions have been entered into the books of accounts of the Corporate Debtor in summary manner clearly indicates that these are fictitious expenses recorded by Respondents 1 to 3 to take out cash from the books of the Corporate Debtor. Since, these transactions are in the nature of carrying of the business of the Corporate Debtor for the Fraudulent purpose and falls u/s 66, we are satisfied that an appropriate order is required to be passed by us directing Respondent Nos. 1 to 3 to contribute these amounts within 30 days to the Corporate Debtor.

4.3. The Applicant has also prayed for the vacant and peaceful possession of the properties as well as agreements with tenants. The Applicant has also sought the recovery of rent received by the Respondents 5 to 8 from these tenants. Since these properties are mortgaged to Nagpur Sahakari Bank who has already proceeded to take possession of these properties in terms of Section 14 of SARFAESI Act, we consider that no order is called for in this relation. Further, we have already directed all the Respondents which include Respondents 5 to 8 to contribute the amount equivalent to the loan obtained from Nagpur Sahakari Bank and has allowed appropriation of realisation from the auction property by such

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bank towards the balance remaining consideration paid by the Corporate Debtor, we do not consider it appropriate to pass any order.

- 5.** In view of aforesaid, the Interlocutory Application bearing IA 1568 of 2020 is allowed and disposed of accordingly.

Sd/-

**PRABHAT KUMAR
MEMBER (TECHNICAL)**

Sd/-

**JUSTICE VIRENDRASINGH BISHT
MEMBER (JUDICIAL)**