



IN THE NATIONAL COMPANY LAW TRIBUNAL
SPECIAL BENCH AT INDORE

ITEM No.2
(MP) CP(IB) 4 of 2020

Order under Section 7 IBC

IN THE MATTER OF:

Bhojraj Verma & Ors

.....Applicant

V/s

Garima Real Estate & Allied Ltd

.....Respondent

Coram:

Mohan P. Tiwari, Hon'ble Member(J)
Sanjeev Sharma, Hon'ble Member(T)

ORDER
09/10/2025

The case is fixed for pronouncement of the order. The order is pronounced in open Court *vide* separate sheet.

Sd/-

SANJEEV SHARMA
MEMBER (TECHNICAL)

Neeraj

Sd/-

MOHAN P. TIWARI
MEMBER (JUDICIAL)



IN THE NATIONAL COMPANY LAW TRIBUNAL
INDORE BENCH

Petition No: C.P.(IB) 4 of 2020

(Filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 r/w Rule 4 of Insolvency and Bankruptcy Application to Adjudicating Authority Rules 2016)

Bhojraj Verma & Ors

S/o Sh. Udal Ram Verma
413, Near Sai Mandir, Tulsi
Post –Newra, Dist. Raipur (C.G)
Creditors

.....Applicants/Financial

VS

Garima Real Estate & Allied Limited

CIN: U70100MP2007PLC019955

Having Registered Office at:

403-SOURAW PLAZA GOLE

KA MANDIR GWALIOR- MP 474005

E-mail:cafirmgwalior@gmail.com

.....Respondent/Corporate Debtor

Order pronounced on:09.10.2025

CORAM:

SH. MOHAN P. TIWARI, HON'BLE MEMBER (J)

SH. SANJEEV SHARMA, HON'BLE MEMBER (T)

Appearance:

For the Applicant : Mr. Sunil Bhavsar (Advocate)

For the Respondent : *Ex Parte (09.07.2021)*

ORDER

1. This Application has been filed on 06.11.2019 under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“IBC, 2016”) by Bhojraj Verma & others (hereinafter referred to as “Financial Creditors”) seeking initiation of the Corporate Insolvency Resolution Process (“CIRP”) against *Garima Real Estate*



& Allied Limited (hereinafter referred to as “Corporate Debtor”), along with declaration of moratorium and appointment of an Interim Resolution Professional (“IRP”).

2. The application was filed jointly through Mr. Bhojraj Verma by furnishing powers of attorney and letters of authorization in compliance with Rule 4(4) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016. The said powers of attorney were duly notarized in accordance with law.

3. The Corporate Debtor was incorporated on 29.10.2007 under CIN: U70100MP2007PLC019955 as a Public Company, registered with the Registrar of Companies, Gwalior. Its registered office is situated at 403, Sourav Plaza, Gole Ka Mandir, Gwalior, Madhya Pradesh – 474005. The Corporate Debtor is engaged in real estate activities. Initially, six Financial Creditors filed the present application under Section 7 of the IBC, 2016 claiming a financial debt of Rs. 4,51,000/-, with the total payable amount including interest aggregating to Rs. 9,52,000/-. The maturity date for repayment was 30.04.2017. Since the Corporate Debtor defaulted in repayment, the petition was filed within the limitation period.

4. The Financial Creditors had executed Application Forms and Application-cum-Agreements with the Corporate Debtor under an allegedly illegal investment scheme. Upon submission of the forms, the investors were issued Certificates containing registration details, plan numbers, amounts invested, mode of payment, and promised returns. The Corporate Debtor assured fixed returns on maturity.

5. Subsequently, the Securities and Exchange Board of India (SEBI) initiated proceedings on a complaint of illegal fund mobilization. By order dated 03.05.2016, Shri Prashant Saran, Whole-Time Member, SEBI, prohibited the Corporate Debtor and its directors from raising further funds under Collective



Investment Schemes (CIS) and directed them to wind up such schemes, refund investors within three months, and file compliance reports.

6. The Corporate Debtor, however, failed to refund the dues of Rs. 9,52,000/-, inclusive of interest, even after maturity. The claim is within limitation as default continues from 2017 onwards. With effect from 28.12.2019, Section 7 of the IBC was amended requiring a joint application by not less than 100 creditors in case of certain classes of financial creditors. In compliance, an amended affidavit dated 27.01.2020 was filed, confirming that 125 investors had jointly instituted the present proceedings.

7. Pursuant to directions of this Adjudicating Authority in IA 79 (MP) of 2022, the application was further amended on 18.11.2022, confirming that 125 Financial Creditors together claim dues from the Corporate Debtor, who has failed to honor repayment obligations. Meanwhile, the threshold for filing under Section 7 of the Code was raised from Rs. 1,00,000/- to Rs. 1,00,00,000/- vide Notification dated 24.03.2020. The amended application dated 18.11.2022 confirms that the aggregate financial debt claimed by the Financial Creditors is Rs. 1,15,68,590/- (Rupees One Crore Fifteen Lakh Sixty-Eight Thousand Five Hundred Ninety only), thereby fulfilling the threshold requirement.

8. Initially, Mr. Mahavir Prasad Jain was proposed as IRP. However, vide order dated 14.07.2022 in IA 79 (MP) of 2022, this Authority allowed substitution of IRP and approved the appointment of Mr. Gagan Gulati (IBBI/IPA-002/IP-N00893/2019-20/12832), who has filed consent in Form-2.

9. The Corporate Debtor, despite service of notice, has failed to enter appearance. This Authority, vide order dated 09.07.2021, proceeded ex parte against the Corporate Debtor.

Findings

13. We have heard learned counsel for the Applicants and perused the material on record. Section 7(1) of the Code empowers a Financial Creditor to initiate CIRP against a corporate debtor in the event of default. Pursuant to



Notification dated 24.05.2017 issued by the Central Government, depositors/investors under investment schemes are recognized as financial creditors entitled to file such applications.

14. The transactions in question constitute “financial debt” within the meaning of Section 5(8)(a) of the Code, as they involve consideration for the time value of money. The Applicants, being investors promised assured returns, fall within the definition of “financial creditors” under Section 5(7).

15. The position is fortified by authoritative pronouncements of the Hon’ble NCLAT in *Mohan Lal Dhakad v. BNG Global India Ltd.*, *Bohar Singh Dhillon v. Rohit Sehgal* and *Nikhil Mehta & Sons (HUF) v. AMR Infrastructures Ltd.*, wherein similar transactions were held to be financial debt.

16. The Applicants have also complied with statutory requirements introduced by the Amendment Act of 2019, as 125 depositors have joined the petition. The debt amount exceeds the threshold of Rs. 1,00,00,000/- introduced vide Notification dated 24.03.2020.

17. The Corporate Debtor has defaulted in repayment, thereby satisfying the requirements under Section 3(12) of the Code. Jurisdiction of this Tribunal is attracted, and the application is maintainable.

18. In view of the above discussion, the petition under Section 7 of the IBC, 2016 is **admitted**.

19. In consequence, **moratorium** under Section 14 of the Code is declared with immediate effect, prohibiting:

- (a) institution or continuation of suits or proceedings against the Corporate Debtor;
- (b) transfer, encumbrance, alienation or disposal of assets;
- (b) (c) enforcement of security interest;
- (c) (d) recovery of property in possession of the Corporate Debtor.

20. The moratorium shall remain in force till completion of CIRP, subject to Section 14(4) of the Code.



21. Mr. Gagan Gulati (IBBI/IPA-002/IP-N00893/2019-20/12832, email: ipgagangulati@gmail.com) is appointed as the Interim Resolution Professional. He shall forthwith assume management of the Corporate Debtor, make public announcement within three days, and invite claims in accordance with law.

22. The IRP shall exercise powers and duties as set out in Sections 15, 17, 18 and 19 of the Code, take custody of all assets, records, and information of the Corporate Debtor, and conduct the CIRP in accordance with law.

23. The Registry is directed to communicate a copy of this order to the Financial Creditors, Corporate Debtor, the IRP, IBBI, and the Registrar of Companies, Gwalior.

24. Accordingly, CP (IB)/4 of 2020 stands **admitted**.

-SD-
SANJEEV SHARMA
(MEMBER TECHNICAL)

-SD-
MOHAN P. TIWARI
(MEMBER JUDICIAL)

HARSH LRA