



**IN THE NATIONAL COMPANY LAW TRIBUNAL  
DIVISION BENCH (COURT- I) CHENNAI**

ATTENDANCE CUM ORDER SHEET OF THE HEARING  
HELD ON **03.09.2025** THROUGH VIDEO CONFERENCING

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**PRESENT:** HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)  
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

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**APPLICATION NUMBER** :  
**PETITION NUMBER** : CP(IB)/127/CHE/2025  
**NAME OF THE PETITIONER(S)** : Ganesh Pawde(Director) M/s Reliance Value  
Services Pvt Ltd  
**NAME OF THE RESPONDENTS** : M/s Veesh Properties Ltd  
**UNDER SECTION** : Sec 7 of IBC, 2016

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**ORDER**

Present: Ld. Counsel Shri. Rohan Rajasekaran for the Petitioner.

None for the Respondent.

Vide separate order pronounced in Open Court, petition is admitted.  
CIRP is initiated against the Corporate Debtor i.e. Veesh Properties Ltd.

Dimax Restructuring Private Limited, IPE is appointed as IRP.

**Sd/-**

**(VENKATARAMAN SUBRAMANIAM)**  
MEMBER (TECHNICAL)

MG

Date: 03.09.2025

**Sd/-**

**(SANJIV JAIN)**  
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL,  
DIVISION BENCH – I, CHENNAI**

**CP(IB)/127(CHE)/2025**

*[Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4  
of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016]*

*In the matter of **Vees Properties Limited***

**Reliance Value Services Private Limited,**

Represented by its Director

Mr. Ganesh Pawde,

Cosmos Chambers, Cabin No.11,

Floor R-1, Plot 20, Raja Bahadur Mansion,

Ambalal Doshi Marg, Bombay Stock Exchange,

Fort, Stock Exchange,

Mumbai – 400 001

*... Financial Creditor*

*-Vs-*

**Vees Properties Limited,**

(formerly known as KGS Developers Limited)

No.10, 2<sup>nd</sup> Cross Street,

Raja Annamalaipuram,

Chennai – 600 028.

*... Corporate Debtor*

*Order pronounced on 3<sup>rd</sup> September, 2025*

CORAM:

**SANJIV JAIN, MEMBER (JUDICIAL)**

**VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)**

Present:

*For Applicant : Rohan Rajasekaran, Advocate*

*For Respondents : Vishnu Mohan and Sanjai, Advocates*



## ORDER

This petition under section 7 r/w Rule 4 of the Insolvency and Bankruptcy Code, 2016 (IBC) has been filed by Reliance Value Services Private Limited, Financial Creditor against Veas Properties Limited, the Respondent / Corporate Debtor for initiating Corporate Insolvency Resolution process (CIRP) against the Respondent.

### BRIEF FACTS OF THE CASE

1. **Part I** of the petition sets out the details of the Financial Creditor i.e., Reliance Value Services Private Limited. It was incorporated on 21.10.2005 having Registered office at Cosmos Chambers, Cabin No.11, Floor R-1, Plot 20, Raja Bahadur Mansion, Ambalal Doshi Marg, Bombay Stock Exchange, Fort, Stock Exchange, Mumbai – 400 001.
2. **Part II** of the petition sets out the details of the Corporate Debtor Veas Properties Limited. It was formerly known as KGS Developers Limited. It was incorporated on 30.11.1974 with authorized share capital of Rs.50,00,00,000/- and paid up share capital of Rs.31,72,80,000/-. Its registered office is situated at No.10, 2<sup>nd</sup> Cross Street, Raja Annamalaipuram, Chennai – 600 028 within the jurisdiction of this Tribunal.
3. In **part III** of the petition, the petitioner has proposed the name of the Interim Resolution Professional DiMax Restructuring Private Limited,



having registration No.IBBI/IPE-0172/IPA-3/2024-25/50087. It has given its written consent and enclosed Form AFA.

4. **Part V** of the petition sets out the particulars of the financial debt, documents, records, and evidence of default including annual returns of the Corporate Debtor for the financial year 2022-2023, form 26AS of the Financial Creditor for deposit of TDS for five months interest payment and demand notice dated 10.02.2025.
5. As per the averments made in the petition, Financial Creditor had extended loan to the Corporate Debtor for a sum of Rs.5,00,00,000/- vide loan agreement dated 15.10.2016. Against the loan, the Financial Creditor disbursed a sum of Rs.5,00,00,000/- to the Corporate Debtor on 17.06.2016. Thereafter, the Corporate Debtor entered into another loan agreement with the Financial Creditor on 30.03.2019, for a sum of Rs.15,00,00,000/- for making payment to M/s. Navodaya Mass Entertainments Limited in lieu of an Arbitral Award passed against the Corporate Debtor. Against the loan agreement, the Financial Creditor disbursed a sum of Rs.4,00,00,000/- to the Corporate Debtor.
6. It is stated that the Corporate Debtor failed to repay the loan amount along with interest within the stipulated time, which made the Financial Creditor file the petitions for each loan separately vide CP(IB)/37(CHE)/2021 and CP(IB)43(CHE)/2021. This Tribunal vide a common order dated 13.06.2022 held that the Corporate Debtor has



committed default in the payment of the financial debt and consequently initiated the CIRP against the Corporate Debtor. In the meantime, a compromise was entered into between the parties on 09.06.2022 and the parties signed a joint memo of compromise, which provided that for a sum of Rs.9,00,00,000/- already disbursed, the Financial Creditor would waive off the entire interest till 09.06.2022 and the Corporate Debtor will pay interest at the rate of 11.50% p.a. with effect from 09.06.2022 till the date of repayment i.e., 31.12.2022. In respect of second loan agreement, it was agreed upon that the Financial Creditor would disburse the balance sum of Rs.11,00,00,000/- to the Corporate Debtor which would carry an interest at the rate of 11.50% p.a. with effect from 09.06.2022 till the date of repayment i.e., 31.12.2022 (copy of joint memo of compromise dated 09.06.2022 is annexed as *Annexure I(d)*).

7. It is stated that in view of joint memo of compromise, an application u/s 12A of IBC was filed by the RP in IA(IBC)/674(CHE)/2022 and IA(IBC)/675(CHE)/2022 before the Tribunal which were allowed vide an order dated 21.06.2022.
8. It is stated that after the application was allowed, the Corporate Debtor vide letter dated 13.06.2022 requested the Financial Creditor to release a sum of Rs.11,00,00,000/- to M/s Navodaya Mass Entertainment Private Limited which the Financial Creditor released which



transaction is reflected in the annual returns of the Corporate Debtor for the financial year 2022-2023 annexed as **Annexure I(g)**.

9. It is stated that the Corporate Debtor paid the interest on the following dates:

SL. No.	MONTH	AMOUNT PAID BY THE CD
1	09.02.2023	19,16,667/-
2	20.10.2023	17,25,000/-
3	13.11.2023	17,25,000/-
4	27.03.2024	17,25,000/-
5	19.04.2024	17,25,000/-

10. It is stated that the above payments were made by the Corporate Debtor after deducting TDS as reflected in Form 26AS annexed as **Annexure I(i)**.

11. It is stated that since the Corporate Debtor failed to repay the amount with interest, the Financial Creditor on 11.02.2025, sent a demand notice [**Annexure I(j)**] calling upon the Corporate Debtor to pay the amount with interest [**Annexure I(k)**]. It is stated that Corporate Debtor vide its reply dated 28.02.2025 sought time to make the balance payment, but despite that the Corporate Debtor did not make the payment.

12. It is stated that as on date of 10.02.2025, the amount in default is Rs.25,95,58,243/-. This petition has been filed on 07.05.2025.



13. Notice of the petition was served on the respondent / Corporate Debtor. Despite service and appearance, the respondent in spite availing number of opportunities, did not file the reply and the right of the respondent / Corporate Debtor to file reply was closed vide an order dated 21.08.2025.

14. In the instant petition, during the proceedings on 10.07.2025, it was submitted by the counsel appearing for the petitioner that the petitioner has information that the respondent has been contemplating to dispose of its properties. The counsel also placed copy of the amendment agreement dated 24.10.2024 entered into between the Corporate Debtor and Casagrand Exotia Private Limited and prayed that till the time the petition is admitted, the assets/accounts of the Corporate Debtor be maintained as on date except withdrawal of legitimate expenses required for carrying on the day to day expenses and the Corporate Debtor be restrained from alienating, encumbering or creating any third party interest on the interest of the Corporate Debtor. This Tribunal after hearing the counsels for the parties, did not provide any interim reliefs and dismissed the application vide an order dated 16.07.2025 holding that sale consideration if any, by virtue of the agreement would go to the Corporate Debtor. There is always a possibility for the Corporate Debtor to settle the dues of the Financial Creditor. In case, the petition is admitted, the RP can file an application relating to PUFÉ transactions.



15. We have heard Learned Counsels for the parties and perused the record.

16. Section 7(5) of IBC reads as:

***“7. Initiation of corporate insolvency resolution process by financial creditor.***

*(5) Where the Adjudicating Authority is satisfied that —*

*(a) a default has occurred and the application under sub-section (2) is complete, and there is no disciplinary proceedings pending against the proposed resolution professional, it **may**, by order, admit such application; or*

*(b) default has not occurred or the application under sub-section (2) is incomplete or any disciplinary proceeding is pending against the proposed resolution professional, it **may**, by order, reject such application:*

*Provided that the Adjudicating Authority shall, before rejecting the application under clause (b) of sub-section (5), give a notice to the applicant to rectify the defect in his application within seven days of receipt of such notice from the Adjudicating Authority.”*

17. The Hon’ble Supreme Court in the case of Innoventive Industries Ltd vs ICICI Bank (Civil Appeal Nos. 8337-8338 of 2017), has held,

*“28. ... It is at the stage of Section 7(5), where the adjudicating authority is to be satisfied that a default has occurred, that the corporate debtor is*



*entitled to point out that a default has not occurred in the sense that the “debt”, which may also include a disputed claim, is not due. A debt may not be due if it is not payable in law or in fact. The moment the adjudicating authority is satisfied that a default has occurred, the application must be admitted unless it is incomplete, in which case it may give notice to the applicant to rectify the defect within 7 days of receipt of a notice from the adjudicating authority. Under sub-section (7), the adjudicating authority shall then communicate the order passed to the financial creditor and corporate debtor within 7 days of admission or rejection of such application, as the case may be.*

*30. On the other hand, as we have seen, in the case of a corporate debtor who commits a default of a financial debt, the adjudicating authority has merely to see the records of the information utility or other evidence produced by the financial creditor to satisfy itself that a default has occurred. It is of no matter that the debt is disputed so long as the debt is “due” i.e. payable unless interdicted by some law or has not yet become due in the sense that it is payable at some future date. It is only when this is proved to the satisfaction of the adjudicating authority that the adjudicating authority may reject an application and not otherwise.”*

18. In the instant case, the Financial Creditor has provided documentary evidence in the form of loan agreements dated 15.10.2016 *Annexure I(a)*, dated 30.10.2019 *Annexure I(b)*, perusal of which shows that the Financial Creditor had disbursed Rs.9,00,00,000/- against the two loan agreements. When the Corporate Debtor failed to repay the loan with interest, the Financial Creditor initiated insolvency proceedings against the Corporate Debtor which this Tribunal initiated vide a common order dated 13.06.2022 holding that the Corporate Debtor has



committed default in repayment of the financial debt. The parties thereafter entered into a compromise and signed a joint compromise memo dated 09.06.2022 *Annexure I(d)*, pursuant to which applications u/s 12A IBC were filed and this Tribunal allowed the applications vide an order dated 21.06.2022, *Annexure I(e)*. Thereafter, the Financial Creditor released the balance payment of Rs.11,00,00,000/- to M/s. Navodaya Mass Entertainment Private Limited at the instance of the Corporate Debtor vide letter dated 13.06.2022 *Annexure I(f)*, which entry is also reflected in the annual returns of the Corporate Debtor *Annexure I(g)*. Records shows that the Corporate Debtor only paid some portion of interest as reflected in the table above after deducting the TDS as seen from Form 26AS *Annexure I(i)* but thereafter it did not make the payment. The Corporate Debtor thereafter issued a demand notice dated 11.02.2025 *Annexure I(j)*, but the Corporate Debtor despite seeking time vide reply dated 28.02.2025 did not make the payment.

19.From the above documents, debt and default are proved. The debt falls within the definition of financial debt.

20.In the present case, the date of default is 01.01.2023 and the amount in default is Rs.25,95,58,243/- which is more than the threshold limit of Rs.1,00,00,000/- as provided u/s 4 of IBC. Further, the Petitioner has also annexed record of default certificate of NeSL. Based on the documents and acknowledgement, the petition is within the limitation period.



21. In terms of Section 7(5) of IBC, 2016 and the decision of the Hon'ble Supreme Court in the case of *Innoventive Industries Ltd (supra)*, it is clear that while considering a petition under Section 7 of IBC, 2016, the Adjudicating Authority's scope of enquiry is confined to whether there is a 'debt' which is due and payable under law and; whether the default is more than Rupees One Lakh (now Rupees One Crore). The moment the default amount exceeds Rupees One Crore; the Adjudicating Authority/ Tribunal is required to initiate Corporate Insolvency Resolution Process against the Corporate Debtor.

22. The scope of powers vested upon this Tribunal under Section 7(5) of IBC, 2016 was further explained by the Hon'ble Supreme Court in the case of *E S Krishnamurthy and Ors. v. Bharath Hi Tech Builders Pvt. Ltd. (Civil Appeal No. 3325 of 2020)*. It was held that Section 7(5) of IBC, 2016, prescribes only two courses for the Adjudicating Authority. The Tribunal can admit the application if debt and default are established and the application is complete. Alternatively, the Tribunal is at liberty to reject the application if debt and default are not established, the application is incomplete, or the proposed Resolution Professional is facing disciplinary proceedings before the IBBI.

23. In view of the facts stated supra and also in view of the fact the 'financial debt' is proved by the Financial Creditor and the 'default' having been committed by the Corporate Debtor, this Tribunal admits the present petition and initiates the Corporate Insolvency Resolution



Process in relation to the Corporate Debtor viz., **Vees Properties Limited.**

24.The petitioner in Part-III of Form I has proposed the name of IRP as '**DiMax Restructuring Private Limited**' with Registration number IBBI/IPE-0172/IPA-3/2024-25/50087 with AFA valid up to 31.12.2025. Hence **DiMax Restructuring Private Limited**, IPE has been appointed as IRP.

### ORDER

25.In view of the aforesaid findings, the Petition bearing **C.P.(IB) 127/CHE/2025** filed under Section 7 of the Code by Reliance Value Services Private Limited, for initiating CIRP in respect of Vees Properties Limited, is **admitted.**

26.As per Section 17 (1) of IBC , from the date of appointment of the interim resolution professional,

(a) the management of the affairs of the corporate debtor shall vest in the interim resolution professional;

(b) the powers of the board of directors or the partners of the corporate debtor, as the case may be, shall stand suspended and be exercised by the interim resolution professional;



(c) the officers and managers of the corporate debtor shall report to the interim resolution professional and provide access to such documents and records of the corporate debtor as may be required by the interim resolution professional;

(d) the financial institutions maintaining accounts of the corporate debtor shall act on the instructions of the interim resolution professional in relation to such accounts and furnish all information relating to the corporate debtor available with them to the interim resolution professional.

27. We further declare moratorium under Section 14 of the Code with consequential directions as mentioned below: -

I. We prohibit

a) 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;

b) transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;

c) 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;



d) the recovery of any property by an owner or lessor where such property is occupied by or in 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 the moratorium period.

III. That the order of moratorium shall have effect from the date of this order till the completion of the CIRP or until this Tribunal approves the resolution plan under Section 31(1) of the Code or passes an order for the liquidation of the Corporate Debtor under Section 33 thereof, as the case may be.

IV. That the public announcement of the CIRP shall be made immediately as specified under Section 13 of the Code read with Regulation 6 of the IBBI(Insolvency Resolution Process for Corporate Persons) Regulations, 2016 and other Rules and Regulations made thereunder.

V. That the fee payable to IRP/RP shall be in accordance with such Regulations/Circulars/ Directions as may be issued by the IBBI.

VI. That 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 or Section 25, as the case may be, of the Code. The officers and managers of the Corporate Debtor, the Corporate Debtor are directed to provide effective assistance to the IRP as and when it takes charge of the assets and



management of the Corporate Debtor. 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/RP within a period of one week from the date of receipt of this Order and shall not commit any offence punishable under Chapter VII of Part II of the Code. Coercive steps will follow against them under the provisions of the Code read with Rule 11 of the NCLT Rules for any violation of law.

VIII. That the IRP/IP shall submit to this Tribunal periodical reports with regard to the progress of the CIRP in respect of the Corporate Debtor.

IX. In exercise of the powers under Rule 11 of the NCLT Rules, 2016, the Petitioner is directed to deposit a sum of Rs.3,00,000/- (Rupees Three Lakh) with the IRP to meet the initial CIRP cost arising out of issuing public notice and inviting claims, etc. The amount so deposited shall be interim finance and paid back to the Petitioner on priority upon the funds available with IRP/RP from the Committee of Creditors (CoC). The expenses incurred by IRP out of this fund are subject to approval by the CoC.

X. A copy of this Order be sent to the Registrar of Companies, Tamilnadu, Chennai for updating the Master Data of the Corporate Debtor.

XI. A copy of the Order shall also be forwarded to the IBBI for record and dissemination on their website.



XII. The Registry is directed to immediately communicate this Order to the Applicant, the Corporate Debtor and the IRP by way of Speed Post, e-mail and WhatsApp.

XIII. Compliance report of the order by Designated Registrar is to be submitted today.

**-Sd-**

**VENKATARAMAN SUBRAMANIAM**  
MEMBER (TECHNICAL)

*Thameem*

**-Sd-**

**SANJIV JAIN**  
MEMBER (JUDICIAL)