



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

C.P. (I.B) No. 940/MB/2024

Under Section 7 of the Insolvency and Bankruptcy Code, 2016 read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudication Authority) Rule 2016)

In the matter of

Dabir Developers Private Limited,

Having its registered and Corporate Office at 115, 11TM Floor, Maker Chambers VI, Nariman Point, Mumbai- 400 0021 54.

...Petitioner/Financial Creditor

Vs

European Projects & Aviation Limited,

having its registered address at Electronic Sadan-I, 3["] Floor, MIDC TTC Industrial Area, Mahape, Navi Mumbai- 400 710.

... Respondent/Corporate Debtor

Order Dated:27.03.2025

Coram:

Shri Sushil Mahadeorao Kochey Hon'ble Member (Judicial)

Shri. Charanjeet Singh Gulati Hon'ble Member (Technical)

Appearances:

For the Petitioner: Adv Moksh Godani (VC)

For the Corporate Debtor: None





ORDER

FACTS OF THE CASE:

1. This Company Petition is filed by **Dabir Developers Private Limited** (hereinafter referred as "**the Petitioner/Financial Creditor**") on 16.09.2024 to initiate Corporate Insolvency Resolution Process (hereinafter referred as "**CIRP**") against **European Projects & Aviation Limited** (hereinafter called "**Respondent/Corporate Debtor**") by invoking the provisions of **Section 7** of the Insolvency and Bankruptcy code, 2016 (hereinafter called "**Code**") read with Rule 4 of Insolvency & Bankruptcy (Application to Adjudicating Authority) Rules, 2016, for an Debt of Rs. 1,71,45,316/- (Rupees One Crore Seventy-One Lakh Forty-Five Thousand Three-Hundred and Sixteen Only).

FACTS AND SUBMISSIONS OF THE FINANCIAL CREDITOR:

2. List of documents attached to this Petition in order to prove the existence of Financial Debt, the amount and date of default are as follows:
 - a. A copy of Loan Agreement dated 28.03.2023.
 - b. A copy of Loan recall notice date 24.07.2024,17.07.2024,13.03.2024,12.02.2024,07.02.2024 ,24.01.2024.
 - c. A copy of Bank Statement of Dabir Developers Private Limited.
 - d. A copy of Record of Default in Form
 - e. A copy of record of default with NeSL.
3. The Petitioner, being the Financial Creditor, avers that the Corporate Debtor approached the Financial Creditor with a request for a short-term business loan by way of a letter dated February 27, 2023.
4. It is further stated that a meeting was convened on 06.03.2023 between the representatives of Dabir Developers Private Limited (the





Petitioner) and European Projects & Aviation Limited to deliberate upon and confirm the proposed loan arrangement. Subsequently, after necessary deliberations and submission of required documents by the Corporate Debtor, the Board of Directors of the Financial Creditor, Dabir Developers Private Limited, in its meeting held on March 17, 2023, unanimously approved the sanction of a short-term business loan of ₹2.50 Crores in favor of the Corporate Debtor. A board resolution was accordingly passed

5. The approval of the sanction of loan was communicated to the Corporate Debtor vide a letter dated March 20, 2023, and subsequently, a Loan Agreement was executed between the parties on March 28, 2023.
6. The Petitioner asserts that as per the Loan Agreement, the Corporate Debtor requested a disbursement of Rs.1,97,50,000/- on March 28, 2023. Accordingly:
 - i. ₹1,60,00,000/- was disbursed on March 29, 2023, and receipt was confirmed on March 30, 2023.
 - ii. ₹37,50,000/- was disbursed on March 31, 2023, and receipt was confirmed on April 3, 2023.
7. Further, upon additional request dated April 18, 2023, an amount of ₹12,60,000/- was disbursed on April 21, 2023, and acknowledged on April 24, 2023 by the Corporate Debtor.
8. A balance confirmation was issued by the Financial Creditor as of April 30, 2023, which was duly acknowledged by the Corporate Debtor on 02.05.2023.
9. Thereafter, the Corporate Debtor made part repayments:
 - i. ₹25,00,000/- on June 23, 2023
 - ii. ₹18,00,000/- paid through Global Holding Corporation Pvt. Ltd. on June 29, 2023.
 - iii. ₹6,50,000/- on July 24, 2023.
10. Despite repeated follow-ups, the Corporate Debtor failed to repay the balance outstanding. On August 21, 2023, the Financial Creditor issued a letter demanding repayment of the balance ₹1,60,60,000/-.
11. The Petitioner further states that the Corporate Debtor failed to repay





the outstanding loan amount. Consequently, on August 21, 2023, the Financial Creditor addressed a letter to the Corporate Debtor demanding repayment of the balance amount of ₹1,60,60,000/-.

- 12.** In response, the Corporate Debtor sought multiple extensions of time. Initially, on August 24, 2023, the Corporate Debtor requested an extension of one month to repay the outstanding dues. However, the Financial Creditor, vide communication dated August 28, 2023, granted an extension of 15 days only, subject to an increased interest rate of 7% per annum on the overdue amount.
- 13.** Subsequently, on September 11, 2023, the Corporate Debtor once again sought an extension of two weeks for repayment. The Financial Creditor, while reserving its rights, continued to issue reminders to the Corporate Debtor, including letters dated September 13, 2023, September 20, 2023, and a Default Notice dated September 25, 2023, reflecting the outstanding amount of ₹1,66,21,716/- inclusive of interest.
- 14.** The record reflects that the Corporate Debtor persistently sought extensions but failed to honour its repayment obligations. The last extension request was made on September 27, 2023, wherein the Corporate Debtor sought a further extension of 2-3 months to settle the dues.
- 15.** Upon the continuous failure of the Corporate Debtor to repay the outstanding loan, the Financial Creditor was constrained to issue a Loan Recall Notice dated July 24, 2024.
- 16.** It is pertinent to note that the default in repayment occurred on August 28, 2023, immediately after the expiry of the loan period stipulated under the Loan Agreement. Consequently, the Financial Creditor triggered the Default Confirmation process through NeSL on March 14, 2024, and thereafter proceeded to initiate the present legal action under the provisions of the Insolvency and Bankruptcy Code, 2016.



**OBSERVATION & FINDINGS:**

17. In the light of the abovementioned submissions, the Financial Creditor filed the present petition and prayed to initiate Corporate Insolvency Resolution Process against the Corporate Debtor.
18. It is pertinent to note that vide Daily Order dated 03.12.2024, the Registry and the Financial Creditor were directed to issue notice to the Corporate Debtor. A Notice dated 06.12.2024 was issued to the Corporate Debtor which was duly delivered on 09.12.2024 as substantiated by the Track Report available on the record of this Tribunal. However, despite the service of the abovesaid notice, the Corporate Debtor, neither himself nor through an advocate, appeared before the Tribunal. Opportunities were given to the Corporate Debtor to represent himself in the hearing as is evident from the Daily Order dated 20.01.2025 which is reproduced as under-

“Despite service, there is no representation on behalf of the Respondent/Corporate Debtor. In the interest of justice one last opportunity is granted to the Respondents. Adjourned to 20.02.2025.”

19. It is further mentioned that the Respondent did not make an appearance on 20.02.2025 and vide Daily Order dated 20.02.2025 the same was noted. For ease of reference the order is reproduced as under-

“There is no representation on behalf of the Respondent. Vide order dated 20.01.2025 last opportunity was granted to the Respondent. In view of the fact that there is no representation on behalf of the Respondent their right to file reply stands forfeited. To come up for arguments on 24.03.2025”.



20. Therefore, in view of persistent non appearance on the part of the



Corporate Debtor despite due notice, the Bench was compelled to proceed ex-parte against the Corporate Debtor, as recorded in the Daily Order dated 24.03.2025. The relevant portion is reproduced hereunder:

“This is the Petition filed under Section 7 of the IBC.

Vide order dated 20.02.2025, the right to file reply of the Corporate Debtor is forfeited.

When the matter was called out today, there is no representation on behalf of the Corporate Debtor. Accordingly, the Ld. Counsel for the Financial Creditor was heard. It is seen that they have proposed an IP, Mr. Manoj Kumar Jain to be appointed as the RP. The AFA enclosed with the Petition has expiry date on 20.07.2024.

However, Ld. Counsel for the Financial Creditor has across the Bar handed over the valid Authorization of Mr. Manoj Kumar Jain from 13.02.2025 to 30.06.2026.

*Heard the matter and is **reserved for Orders.**”*

21. After having heard the Learned Counsel for the Petitioner and upon perusal of the documents placed on record, it is evident that the Corporate Debtor had availed a short-term business loan facility from the Financial Creditor pursuant to the Loan Agreement dated 28.03.2023. The Petitioner, being the Financial Creditor, states that the Corporate Debtor had approached the Petitioner seeking financial assistance by way of a letter dated 27.02.2023. Considering the request, the Financial Creditor disbursed the loan amount in accordance with the terms of the Loan Agreement.
22. The existence of debt and occurrence of default is substantiated by the documentary evidence annexed to the Petition. Notably, the Financial Creditor has placed on record the following documents i.e. A copy of the Loan Agreement dated 28.03.2023; Copies of the Loan Recall Notices dated 24.07.2024, 17.07.2024, 13.03.2024, 12.02.2024,





07.02.2024, and 24.01.2024, A copy of the Bank Statement of the Financial Creditor – Dabir Developers Private Limited; and A copy of the Record of Default with NeSL.

23. It is further noted that the *Record of Default* in Form D has been placed on record, duly authenticated. The said record, specifically reflects the date of default as 28.08.2023 and the outstanding amount as Rs. 1,71,45,316/-.
24. Furthermore, the record reveals that the Corporate Debtor has neither disputed the existence of debt nor raised any objections to the Petitioner's claims. There is no reply on record from the Corporate Debtor in response to the statutory notices. Additionally, the Corporate Debtor, despite being duly served, has consistently failed to appear before this Tribunal and has not filed any reply to the present Petition. The persistent non-compliance and absence of any substantive defense indicates an unequivocal default.
25. In light of the above, the existence of debt and the occurrence of default stand conclusively established. Given the Corporate Debtor's failure to contest the existence of Financial Debt, this Tribunal finds no reason not to admit this Petition.
26. Upon considering the totality of the circumstances of the present case and based on the material placed on record, it is evident that the amount claimed by the Financial Creditor is above the threshold limit prescribed under *Section 4(1) of the Insolvency and Bankruptcy Code, 2016*. Further the petition is filed within limitation. It is settled position of law as held by the Hon'ble Supreme Court of India in *M/s Innovative Industries Limited vs. ICICI Bank reported in (2018) 1SCC 407*, that once there is a Debt and Default the Petition should be admitted.
27. Therefore, the present petition is **admitted** to CIRP by passing the following order:
- a. The above Company Petition No.940/IBC/MB/2024 is hereby **admitted** and initiation of Corporate Insolvency Resolution Process (CIRP) is ordered against **European Projects & Aviation Limited**.





- b. The Petitioner has proposed the name of **Mr. Manoj Kumar Jain**, bearing Registration No. IBBI/IPA-001/IP-P00535/2017-2018/10960, residing at 11, Friends Union Premises CSL, 227, P.D'Mello Road, Opp. ST. George Hospital ,Mumbai City, Maharashtra, as Interim Resolution Professional. The IRP proposed by the Petitioner, is hereby appointed as Interim Resolution Professional to carry out the functions as mentioned under the Insolvency & Bankruptcy Code, 2016.
- c. The Petitioner shall deposit an amount of Rs. 2 Lakhs towards the initial CIRP costs by way of a Demand Draft drawn in favour of the Interim Resolution Professional appointed herein, immediately upon communication of this Order. The IRP shall spend the above amount towards expenses and not towards fee till his fee is decided by CoC.
- d. That this Bench hereby declare moratorium in terms of Section 14 of Insolvency and Bankruptcy Code, 2016 prohibiting 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 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 Securitization 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.
- e. That the order of moratorium shall have effect from the date of pronouncement of this order 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.





- f. 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.
- g. 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.
- h. That the public announcement of the corporate insolvency resolution process shall be made immediately as specified under section 13 of the Code.
- i. During the CIRP period, the management of the Corporate Debtor will vest in the IRP/RP. The board of directors of the Corporate Debtor shall stand suspended. The members of the suspended board of directors and the employees of the Corporate Debtor shall provide all documents in their possession and furnish every information in their knowledge to the IRP/RP.
- j. Registry shall send a copy of this order to the Registrar of Companies, Mumbai, for updating the Master Data of the Corporate Debtor.
- k. Accordingly, C.P. No.940/IBC/MB/2024 is **admitted**.
- l. The Registry is hereby directed to communicate this order to both the parties and to IRP immediately.

SD/-
Charanjeet Singh Gulati
Member (Technical)
/Priyanka/



SD/-
Sushil Mahadeorao Kochey
Member (Judicial)

Certified True Copy
Copy Issued "free of cost"
On 01/04/2025


Deputy Registrar

National Company Law Tribunal Mumbai Bench