



ORDER

PER: BACHU VENKAT BALARAM DAS, MEMBER (JUDICIAL)

1. **IA-1644/2023** is an Application filed by the allottees in the real estate project of the M/s. GRJ Distributors and Developers Private Limited ("Corporate Debtor), on 20.03.2023, before this Adjudicating Authority under Rule 11 of National Company Law Tribunal Rules, 2016, for seeking the following relief:

“a. Your Lordships may graciously be pleased to accept and allow this Application and issue a clarification whether the Corporate Insolvency Resolution Process and consequent moratorium imposed by this Hon'ble Tribunal vide order dated 16.02.2023 passed in the captioned Company Petition (IB) No. 477/ND/2021 (titled Mr. Umesh Chander & Ors Vs. M/s. GRJ Distributors and Developers Private Limited) pertains only to 'Avalon Rosewood' project of the Corporate Debtor or it pertains to Corporate Debtor as a whole.

b. Pass any other order as it deems fit in view of the facts and circumstances.”

2. **Facts of the Case:**

- i. An application came to be filed before this Tribunal under Section 7 of the Insolvency and Bankruptcy Code, 2016 ('Code, 2016') by homebuyers of another project of the Respondent, namely 'Avalon Rosewood' ('Rosewood Project'). The Corporate Debtor admitted the liability and this Tribunal vide order dated 16.02.2023 was pleased to pass the following order:

"6. In view of the submissions made by Mr. Piyush Sharma, Learned Counsel appearing for the Petitioner and Mr. Sandeep Bhuraria, Learned Counsel appearing for the Corporate Debtor and in view of law laid down in the judgments cited by the Learned Counsel for the Corporate Debtor, we are of the considered view that



the CIRP in the present case should be confined to the project i.e., Rosewood Project only. We therefore hold that since the default has been admitted by the Corporate Debtor and the present petition filed under Section 7 of IBC, 2016 is ought to be admitted and the CIR Process against the Respondent/Corporate Debtor with respect to "Rosewood Project" be initiated.

7. The Financial Creditor has also proposed the name of Resolution Professional viz, Mr. Piyush Garg, having Registration No: IBBI/IPA-001/IP-PO1133/2018-2019/11883 Address: E-62 LGF Lajpat Nagar II, New Delhi,110024 Email: ip.piyushgarg33@gmail.com and Mobile No: 8851158369. As per the consent letter, no investigation is pending against the Resolution Professional and he agreed to accept the assignment as Interim Resolution Professional in the matter. Therefore, all the legal requirements are fulfilled, the application is admitted. The CIRP is initiated against the Corporate Debtor viz, M/s. GRJ Distributors and Developers Pvt. Ltd. Mr. Piyush Garg, is hereby appointed as IRP in the matter.”

Copy of the order dated 16.02.2023 passed by this Tribunal is filed along with this application.

- ii.** This Tribunal in Para-6 of the aforesaid order observed to initiate CIRP against the Rosewood Project of Corporate Debtor however, in Para-7, this Tribunal has directed to initiate the CIRP against the Corporate Debtor as a whole. It is also pertinent to mention here that vide the aforesaid order moratorium has also been declared against the Corporate Debtor as a whole:

“8. The moratorium is declared which shall have effect from the date of this Order till the completion of CIRP, for the purposes referred to in Section 14 of the IBC,



2016. It is ordered to prohibit all of the following, namely: -

(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”.

3. Order

- i.** The Ld. Counsel Ms. Honey Satpal appearing for the Applicant has prayed that the CIRP was initiated w.r.t. the project namely “Avalon Rosewood” ('Rosewood Project') of the Corporate Debtor, and the moratorium is limited to the project namely “Avalon Rosewood” ('Rosewood Project') of the Corporate Debtor.
- ii.** It is clarified by this Tribunal that the CIRP and consequent moratorium imposed is limited to only “Avalon Rosewood” ('Rosewood Project') of the Corporate Debtor and not to the Corporate Debtor as a whole.

The Corrected Order reads as below:

“6. In view of the submissions made by Mr. Piyush Sharma, Learned Counsel appearing for the Petitioner and Mr. Sandeep Bhuraria, Learned Counsel appearing for the Corporate Debtor and in view of the law laid down in the judgments cited by the Learned Counsel for the Corporate Debtor, we are of the considered view that the CIRP in the present case should be confined to the project i.e., “Avalon Rosewood” ('Rosewood Project') only. We therefore hold that since the default has been admitted by the Corporate Debtor and the present petition filed under Section 7 of IBC, 2016 is ought to be admitted and the CIR Process against the Respondent/Corporate Debtor with respect to “Avalon Rosewood” ('Rosewood Project') be initiated.



7. The Financial Creditor has also proposed the name of Resolution Professional viz, Mr. Piyush Garg, having Registration No: IBBI/IPA-001/IP-P01133/2018-2019/11883 Address: E-62 LGF Lajpat Nagar II, New Delhi, 110024 Email: ip.piyushgarg33@gmail.com and Mobile No: 8851158369. As per the consent letter, no investigation is pending against the Resolution Professional and he agreed to accept the assignment as Interim Resolution Professional in the matter. Therefore, all the legal requirements are fulfilled, the application is admitted. The CIRP is initiated against the Corporate Debtor limited to only “Avalon Rosewood” (Rosewood Project) of the Corporate Debtor viz, M/s. GRJ Distributors and Developers Pvt. Ltd. Mr. Piyush Garg, is hereby appointed as IRP in the matter.

8. The moratorium is declared which shall have effect from the date of this Order till the completion of CIRP, for the purposes referred to in Section 14 of the IBC, 2016. It is ordered to prohibit all of the following, namely: -

(a) The institution of suits or continuation of pending suits or proceedings against the Corporate Debtor limited to only “Avalon Rosewood” (Rosewood Project) of the Corporate Debtor including the execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority”.

- iii.** With the above direction, the Application bearing **IA-1644/2023** filed under Rule 11 of National Company Law Tribunal Rules, 2016 **stands allowed and disposed of.**



- iv.** The order dated 16.02.2023 passed by this Tribunal stands corrected and the rest of the order remains unchanged.
No order as to costs.

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**(ATUL CHATURVEDI)
MEMBER (TECHNICAL)**

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**(BACHU VENKAT BALARAM DAS)
MEMBER (JUDICIAL)**