

**MINUTES OF THE PROCEEDINGS OF THE FIRST MEETING OF COMMITTEE OF CREDITORS OF REDTOPAZ REAL ESTATE PRIVATE LIMITED CIN - U45201DL2006PTC147961 HELD AT HOTEL HANS, 15, BARAKHAMBA ROAD, CONNAUGHT PLACE, NEW DELHI - 110001 ON THURSDAY 3<sup>RD</sup> OCTOBER, 2019 1100 HRS**

---

**PRESENT**

The Following members were present in the meeting.

1. CS Vekas Kumar Garg, Interim Resolution Professional (“**IRP**”)
2. For and on behalf of Financial Creditor(s), The Member of the Committee of the Creditors:

Sr. No.	Name of Financial Creditors, Financial Creditors of a Class and Operational Creditor	Represented By
<b>Members entitled to discuss and vote on agenda items:</b>		
1.	BDR Finvest Private Limited.	Mr. Rajesh Gupta
2.	Renu Proptech Private Limited.	Mr. Nitin Bajaj
3.	HDFC Bank Limited	Mr. Tarun Bhatt
4.	Home Buyer being identified as Financial Creditors in a Class, hereinafter referred to as “ <b>FCC</b> ” being represented by their Authorised Representative	Mr. Jitender Arora
<b>Members entitled to discuss the agenda items:</b>		
5.	Ashiana Ispat Limited	Mr. Harun Rashid

Also Present:

1. Mr. Ram Mehar Garg, Ex. Management, Redtopaz Real Estate Private Limited
2. Mr. Sandeep Garg, Ex. Management Redtopaz Real Estate Private Limited
3. Mr. Sanjay Mittal, Redtopaz Real Estate Private Limited Ninex Developers Ltd.
4. Mr. Sanjeev Sharma, on behalf of Value Plus Insolvency Resolution Professionals Private Limited
5. Mr. Tilak Sethi, on behalf of Value Plus Insolvency Resolution Professionals Private Limited
6. Mr. Bhawesh, on behalf of Value Plus Insolvency Resolution Professionals Private Limited
7. Mr. Sandeep Bhati, on behalf of Value Plus Insolvency Resolution Professionals Private Limited
8. Mr. Ashutosh Srivastava, Team Member of IRP

Total Number of Participants at the meeting were 13.

**IN THE MATTER OF CORPORATE INSOLVENCY RESOLUTION PROCESS  
OF  
REDTOPAZ REAL ESTATE PRIVATE LIMITED (“Corporate Debtor”)**

(CP (IB) No. 667/ND/2019 admitted by the Hon’ble National Company Law Tribunal, New  
Delhi on 23/08/2019. Order Received on 28/08/2019)

---

These are the Minutes of First Meeting of the Committee of Creditors of Corporate Debtor namely REDTOPAZ Real Estate Private Limited. The Committee of Creditors has been constituted in terms of the provisions of Section 21 of the Insolvency and Bankruptcy Code, 2016. The first Meeting of the Committee of Creditors, hereinafter referred to as “CoC”, has been convened on 3<sup>rd</sup> October, 2019 at 1100 hrs at Hotel Hans, 15, Barakhamba Road, Connaught Place, New Delhi – 110001 in accordance with the Notice and Agenda of the Meeting circulated to the Members of the CoC on Saturday, 28<sup>th</sup> September, 2019.

**List of matters discussed and noted by the CoC**

**1. CHAIRPERSON**

**The Interim Resolution Professional to take the Chair**

In accordance with the Regulation 24(1) Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the Members of the CoC present voted CS Vekas Kumar Garg- Interim Resolution Professional to chair the proceedings of the first Meeting of CoC. Accordingly, CS Vekas Kumar Garg took the chair and presided over the meeting. He first of all welcomed all the Members of the CoC and the other persons who have been assisting him in discharging his responsibilities being the IRP of the Corporate Debtor.

The Interim Resolution Professional first introduced his team and the representative of Value Plus Insolvency Resolution Professionals Private Limited who have been assisting him in carrying out his duties as the Interim Resolution Professional of the Corporate Debtor.

He also requested to the other members of the CoC present in the meeting to kindly introduce themselves for the benefit of other members and for other proceedings of the CoC. Accordingly, all the Members of the CoC present introduced themselves. The IRP also introduced Mr. Ram Mehar Garg and Mr. Sandeep Garg the Ex. Management of the Corporate Debtor.

The Chairman informed the CoC that the process of Corporate Insolvency Resolution of the Corporate Debtor was started in accordance with the Order of the Hon’ble National Company Law Tribunal (“NCLT”) dated 23<sup>rd</sup> August, 2019 and the order in this regard was received by the IRP on 28<sup>th</sup> August, 2019.

He further informed that the structure of the Agenda for the businesses to be transacted at the meeting of the CoC has been devised to cover certain items under Part A of the Agenda which comprises of the items which are required to be taken note of by the Members of the CoC and Part B of the Agenda consisting of businesses which are required to be discussed and voted by the Financial Creditors including FC in a Class.

It was also brought to the notice of the Members of the CoC that the Appointment of Authorized Representative by Hon’ble NCLT has been confirmed (albeit on provisional basis), however, the Formal Order in this regard is yet to be received by the IRP. It was further brought to the notice of the Members of the CoC who are entitled to vote that they can also participate on the agenda items where the voting is required through an E-Voting exercise to be conducted in accordance with IBC Code and Insolvency Resolution Process for Corporate Persons Regulations, 2016.

The Committee of Creditors took a note on the representation of all members participated in the meeting.

IRP once again welcomed all the Members of the Committee of Creditors and all the other invitees for the proceedings of the meeting of the Committee of Creditors.

## 2. QUORUM

### To ascertain the quorum of the Meeting in accordance with the provisions of Regulation 22 of Insolvency and Bankruptcy Board of India & Insolvency Resolution Process for Corporate Persons) Regulations, 2016:

The Chairperson informed the Members of the Committee of Creditors present in the Meeting that pursuant to Regulation 22(1) of the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, the quorum for the Meeting of Members of the Committee of Creditors of Corporate Debtor, should be at least 33% of the voting rights present either in person or by video conferencing or other audio-visual means. Since all the Financial Creditors through their Authorized Representatives were present having 100% voting power, the Chairperson called the Meeting in order.

## 3. To Take Note of the Claims received by the Interim Resolution Professional

The Interim Resolution Professionals informed the Committee the details of the Claims received by the IRP following the date of the Public Announcement made by him on 31<sup>st</sup> August, 2019 till 11<sup>th</sup> September, 2019 (*Being the last date of submission of claims*).

Sr. No	Type of Creditors	No of Claimants	Claims Received (Amount in Crs)	Claims Verified by IRP till date of constitution of committee (Amount in Crs.)	Claims under Verification (Amount in Crs.)	Voting Share (% of Total COC Voting Rights)
1.	Financial Creditors	3	33.79	32.25	1.54	55.49%
2.	Financial Creditors in a Class (Real Estate Allottees)	75	34.04	25.86	8.18	44.51%
3.	Operational Creditors	16	8.34	6.36	1.98	Nil
4.	Workmen & Employees	12	0.17	0.17	0.00	-

The Interim Resolution Professional had informed the COC that on the basis of the Claims received by him, the Constitution of Committee has been done by him in accordance with the Section 21 of Insolvency & Bankruptcy Code, 2016 and report in this regard has been filed by him with Hon'ble NCLT. The Constitution of Committee was placed before the meeting. A Copy of which has also been filed by Interim Resolution Professional with NCLT which has taken the above on record. The IRP further informed the CoC that the aforesaid lists of Claims have also been uploaded on the website namely [www.redtopazcirp.com](http://www.redtopazcirp.com). The Representative of BDR Finvest Private Ltd. and Redtopaz Real Estate Private Ltd. had also sought that similar to the other commercial allottees, the units details as allocated to them should also be updated on the website of Corporate Debtor which was noted by IRP.

The IRP further informed that the claim filed by **M/s. BDR Finvest Private Limited**

has been accepted by RP as Creditor. The said company ("*BDR Finvest Private Limited*") has financed certain credit facility to M/s Ninex Developers Ltd. Such loan has been secured by the Guarantee and Security provided by Corporate Debtor. M/s. Ninex Developers Limited which is also currently undergoing Corporate Insolvency Resolution Process. IRP informed that BDR ("Financial Creditor") has also filed its claim in Ninex Developers Limited wherein the claim has been admitted by the RP. AR of the FC in a Class Mr. Jitender Arora had raised his concerns as to how the said Financial Creditor (BDR Finvest) is permitted to file its claim with both the entities for the same amount. The IRP explained the position and submitted that since the Corporate Insolvency Resolution Process (CIRP) in respect of both the Corporate Entities has been invoked through a separate cause of action. It is settled law that the Liability of Guarantor is joint and several and the Lender is permitted to file its recovery suit against the Principal and Guarantor jointly or severally. Further, it is not mandatory that the Lender must exhaust his all remedy against the Principal Borrower before suing against the Corporate Guarantor. The aforesaid lender has earlier filed its claim against the Principal Borrower when the CIR Process has been initiated against the said entity. Later when the CIR Process is initiated against the Corporate Guarantor through an independent cause of action, the FC has filed its claim in the instant Corporate Insolvency Resolution Process of Corporate Debtor. It was specifically brought out that in the present transaction the Corporate Guarantor had not only provided its guarantee but also the loan to the Principal Borrower was secured only against the Security Provided by the Corporate Guarantor. In the instant case, the FC had earlier issued a Notice of Recall to both Principal Borrower and Guarantor when the default was committed by them. However, in any case if any amount is paid by the Corporate Guarantor in lieu of the invocation of Guarantee, the amount of claim by FC in case of Principal Borrower shall stand abated and the Corporate Guarantor may exercise its right of subrogation / set-off if permitted against the Principal Borrower. It was pointed out that on the similar ground the claim of HDFC Bank has been admitted in Ninex Developers Ltd and also Redtopaz Real Estate Private Limited. After detailed deliberations, the Members of Committee of Creditors took note of the same and asked the RP to ensure that the aggregate amount of settlement of claim of BDR FC whether from Ninex Developers Limited and/or from the Corporate Debtor and/or from both should not exceed the amount lent by it in aggregate and the IRP was charged with the responsibility to ensure the same.

Accordingly, the members took a note of the above.

#### **4. To Take note of the Committee of Creditors constituted by IRP**

In continuation to the above Pt. 3, the Chairperson constituted the Committee of Creditors comprising of all the Financial Creditors, Financial Creditors in a Class and one Operational Creditor which represent the aggregate dues at least equivalent to 10% of the total debts of the Corporate Debtor. The Copy of the same is Annexed as Annexure - A to this communication.

IRP further informed that out of the total claims of 75 home buyers, 64 claims have been admitted by the IRP, the balance are yet to be admitted due to some queries in their claim forms. He further stated that FC in Class represents a total of 44.51% vote share against the total amount outstanding of Rs. 25.86 Crores and Financial Creditors represents a total vote share of 55.49% against the total amount outstanding of Rs. 32.24 Crores.

Accordingly, the members took a note of the Constitution of Committee of Creditors as per the list tabled by the Chairman in the meeting.

#### **5. To take note of Actions Taken by Interim Resolution Professional till date:**

The IRP briefed the meeting about the various actions taken by him in dis-charge of his functions as Interim Resolution Professional under IBC Code, 2016 read with Insolvency Resolution Process for Corporate Persons Regulations, 2016 (CIRP Regulations, 2016).

The IRP informed that he along with a team led Mr. Sanjeev Sharma of Value Plus

Insolvency Resolution Professionals Private Limited took-up the exercise for assessment of various financial matters affecting the books of accounts of the Corporate Debtor. He further informed the following were the findings of the exercise.

He had brought to the notice of the Committee that since after taking him charge as Interim Resolution Professional, he had tried his level best to dis-charge his functions in accordance with IBC Code and Insolvency Resolution Process for Corporate Persons Regulations, 2016 such as taking-over the custody of all assets and other records of Corporate Debtor from Ex. Management.

During the IRP Period, the major observations as noticed by him along with the reply given by Ex. Management in the meeting are as under :

- IRP had brought out that the Company is undertaking a Commercial Project at Sector-70A, Gurugram spanning in an area of around 4 Acres which comprises of the Commercial Shop / Office Space and the balance area of around 25% is earmarked for a Hotel. It was noted by IRP that the License obtained by the company in respect of the said Project had already been expired a long back and had not been renewed by Ex. Management.
- It was brought in by IRP that the Corporate Debtor has filed its Annual Accounts with Registrar of Companies till the year ending March 31, 2017 and presently where the Corporate Debtor has not complied with the requirements of appointing a whole time company secretary, the Company is an Non-Compliant with the provisions of law. Currently, unless the requirement is fulfilled the company is debarred from filing any other forms with MCA.
- It was further informed that the GST Registration of Corporate Debtor was revoked w.e.f 23.4.2019 on account of non-submission of returns of March, 2019. IRP further submitted that the matter for restoration of GST registration was not taken up earlier by Corporate Debtor. He further brought out that in the absence of GST Registration, the company can not raise any invoice until the GST Registration is restored. However, in non-compliance of the same, the company has continued to raise its invoice in respect of the sales made by the company. He had brought out that restoring of GST Registration is crucial and he has already sent a request letter to the GST Department for restoring the GST Number of Corporate Debtor. He further submitted that he would be visiting and following up with the Office of GST Department in next 3-4 days for seeking restoration of the same with appropriate completion of compliance of GST Laws.
- In respect of H-RERA registration, they submitted an explanation that unless the restoration of the License, the registration application cannot be accepted by H-RERA authorities. The Ex. Management had submitted that they ("Ex. Management") did make efforts for submission, however, the same returned back with the information that unless restoration of the License the same cannot be accepted. The CoC had advised the Ex. Management the submission of the application with the IRP, if the same was prepared by the Corporate Debtor.
- The Ex. Management despite repeated requisition has not handed over the Possession of 1 Mercedes and 1 Fortuner. Only One Mercedes has been handed over by the Ex. Management till date to IRP.

*On the above point, the Committee advised the Ex. Management to hand over these vehicles to the IRP latest by 13<sup>th</sup> October, 2019 failing which the Committee had instructed IRP to move application with the NCLT and to take possible legal steps to take custody of these vehicles.*

The Committee further noted above items. In respect of missing 16 files, Mr. Sandeep Garg submitted that 12 files have already been submitted and efforts are being made to trace the balance 4 files. As soon as they are surfaced the same would be submitted with the IRP forthwith.

- IRP had apprised the committee that the Original Title Documents of the Property held by the Corporate Debtor related to 4 acres of land in the Project which are in the custody of DMI. It was noted that this land was mortgaged to DMI against availing the credit facilities from DMI Finance earlier. However the loan has been paid back fully. In spite of the same, the title document from DMI has not released till date. The IRP had informed

that already he has written to the said company in this regard and in the reply given by them, they had informed that since the above company has also given its guarantor in some of the other credit facility taken by the group company, they are holding the documents. The Committee also enquired from IRP as to whether the papers connected to this transaction had been examined to understand whether DMI was legally correct in holding back these documents. IRP also informed that they had demanded back the papers from DMI. The Committee took a note of the same and had advised IRP that if no response is given by DMI then appropriate application be moved to NCLT for seeking directions to take back the documents from DMI.

In addition to the above, IRP had briefed the meeting about the other steps taken by him in keeping the Corporate as a Going Concern.

Other Matter on which major discrepancies were noticed by IRP in the matter are as under

**Matters affecting the sale of Units:**

- 27 Units/shops were sold/booked multiple times having Agreement Value of Rs. 8.56 Crores, out of which Rs. 6.99 Crores has been received by the Corporate Debtor.
- 9 Units sold/booked of Agreement Value of Rs. 1.81 Crores without receiving any amount.
- 20 Units sold/booked by mere passing book entries for Agreement Value of Rs. 8.20 Crores, and the amount shown as received through above entries has been Rs. 4.60 Crores.
- 30 Units sold/booked for price less than Rs. 2,000 per sq. ft., agreement value is of Rs. 9.90 Crores and out of which amount received is Rs. 3.66 Crores.
- 81 Units sold/booked for price between Rs. 2,000 and Rs. 4,000 per sq. ft. Agreement Value is of Rs. 34.27 Crores and out of which amount received is Rs. 18.33 Crores.
- 108 Units sold/booked at differential rates the Agreement Value whereof is Rs. 52.89 Crores having total differential amount of Rs. 73.49 Crores. The differential rates means comparison of rates of 2 units booked/sold on the same floor in the same year.

**Other Matters affecting the functioning the Corporate Debtor:**

- Dues to Government Departments amounting to Rs. 19.18 Crores including Statutory Liability of Rs. 7.06 Crores and EDC/IDC, etc. of Rs. 12.12 Crores were outstanding.
- Rs. 300+ Crores worth transactions with the related parties were executed without any agreements in the said project.
- Advances recoverable from the related parties were amounting to Rs. 16.20 Crores. However, the amount payable to them stands at Rs. 30.02 Crores.
- Corporate Guarantees given to related companies were amounted to Rs. 48.20 Crores.
- There were 5 major unresolved suits pending against the Corporate Debtor.
- 16 Master files of the buyers were missing and the same have not been handed over the IRP for further action in the matter.

The IRP had informed that all the above findings were submitted to Ex. Management for their consideration and reply with regard to the correctness of its content through E-Mails however no written reply in respect of the above was received by the Management.

The Committee discussed the aforesaid matters at length. They first took up the matters affecting the sale of the Units.

Mr. Sandeep Garg, Ex. Management has brought in a paper with him in the CoC with regard to the observation of IRP about double sale of units. The Representative of BDR Finvest specifically sought explanation from Mr. Sandeep Garg, one of the Members of the Ex. Management as to whether it is correct to say that the Units have been sold multiple times. Mr. Sandeep Garg submitted that no unit has been sold multiple times with an exception to Unit No. G-56 which is mortgaged to BDR Finvest but has inadvertently been sold to Mr. Sandeep Puri in July, 2019. With respect to Unit Nos. 65, 66, 69, 79 and 89, he submitted that these units had been sold to one of his related party of him and he has already agreed with the Corporate Debtor to take Units in Hotel FSI in place of units allotted to him in Commercial Space. He further submitted that he would furnish his written replies on each matter connected with multiple sale of units to IRP within a period of 10 days.

Further, with regard to observation of IRP that some unit has been booked without any consideration. Mr. Sandeep Garg had furnished an oral reply to the same wherein he cited the case of Unit No. 122 and 122A, an explanation was provided by him that the aforesaid two Units have been combined, therefore, no receipt of money would represent to be appearing in the books in respect of one of the Unit. He further assured to send the reply on all the observations of IRP within a period of 10 days

In respect of units sold through General Entries, an explanation was provided by him that some buyers had purchased the units in different group company viz Ninex Developers Limited and the amount was received in the said company. Later when they opted to commercial units in lieu of the earlier units booked by them in residential project. The Allocation of Units has been done by them in Corporate Debtor by way of passing the Journal Entries (Voucher). Further, he informed that the Taxes etc. in this regard were already paid by the buyers in M/s Ninex Developers Limited. The matter was discussed at length. The Representative of BDR Finvest / Renu Propotech Private Ltd has expressed their apprehension that the above scenario may represent backdating transaction as it is not possible to check out any fund movement as the aforesaid transaction has been carried out through journal entries.

Further, IRP had cited that these Sales Transactions in the books of Corporate Debtor are not legally recognizable as there has not been any taxes paid on these transactions in the books of Corporate Debtor. The Payment of taxes in the other group company does not mean that the abovesaid transaction can become a valid commercial transaction in the other group company. The Dealings even if with the Group Company is required to be done on Arm's Length basis. On specific query as to whether the claims in respect of those sales have been received by the Corporate Debtor and whether those have been admitted, the IRP said in most of the cases the claims have not so far been admitted by the IRP.

Therefore, all such transactions taken place merely through JV is not maintainable in the eyes of law.

In respect of Units sold at fairly and significantly low prices like @ Rs. 2,000 per sq. whereas the cost of construction including contingency provision is around Rs. 4,000 sq ft. an explanation was demanded from the Ex. Management.

Authorized Representative on behalf of the Unit Buyers suggested to conduct a Forensic Audit in respect of such transactions. However, the other Financial Creditors suggested to cancel such Units instead of conducting a Forensic Audit. IRP opined that basis the written submission to be submitted by the Ex. Management an appropriated informed action would be taken in respect of such transactions as this would require the consent of NCLT in the matter.

In respect of related party transactions involving **Rs. 300+ Crores** without support of any Agreement, the Committee felt the greater need for conducting the Forensic Audit.

In respect of units sold at Hotel FSI situated at 4<sup>th</sup>/5<sup>th</sup> Floor of the Project without having sanction in place, the Ex. Management submitted an explanation that these transactions were executed by them as per Industry norms. They further submitted that these transactions are usually compoundable as per Industry norms.

The Financial Creditors demanded a written submission from the Ex. Management in respect of each of the transactions listed above under **Matter affecting the sale of the Units** within 10 days i.e. by 13<sup>th</sup> October, 2019 with supporting documents such as consent letter from Mr. Abhishek Garg to the acceptance of taking units in Hotel FSI, etc.

The Committee then discussed other Matter affecting the Corporate Debtor.

In respect of expiry of the License, the Ex. Management submitted an explanation that there is an outstanding balance of around Rs. 12-13 Crore payable by the Corporate Debtor towards EDC/IDC. He further submitted that at least 25% of it is mandatory to be paid for restoration of the License. In view of tight liquidity situation in the Corporate Debtor, the said 25% of the outstanding could not be paid so far by the Corporate Debtor. He further submitted that the License renewal cost was around Rs. 1.8 crores and if the 25% EDC/IDC i.e. around Rs. 3.5 Crores along with License renewal cost of around Rs. 1.8 Cr is incurred then the License can be restored. He further submitted that there was outstanding balance of around Rs. 30 Crores was recoverable from the Unit Buyers and in view of unsold FSI of Hotel and other unsold Unit, the project was completely viable and doable.

The Financial Creditors advised Mr. Sandeep Garg to demonstrate with complete workings as to how the Project can be completed. The demonstration should clearly highlight all the streams of resources and all the heads of expenses pending to be incurred on the Project. IRP and the Financial Creditors advised Mr. Sandeep Garg to prepared and submit this detailed presentation within 15 days i.e. by 18<sup>th</sup> October, 2019. The Committee further discussed to convene its next meeting on either of the dates of 20 to 22<sup>nd</sup> October, 2019 to discussion this Presentation along with other agenda items.

#### **6. To take note of Appointment of Professionals made by Interim Resolution Professional.**

The Interim Resolution Professional had submitted that in order to facilitate the ongoing CIR Process and smooth dis-charge of his functions under the Act, he (IRP) in exercise of his powers under Section 20 of Insolvency & Bankruptcy Code, 2016 has made the following appointment of professionals in accordance with provisions of Insolvency and Bankruptcy Code, 2016 and asked the Members to take note of the same.

<b>Sr No.</b>	<b>Name of Consultants</b>	<b>Role</b>	<b>Appointment Terms</b>
1	Value Plus Insolvency Resolution Professionals Private Ltd.	<ul style="list-style-type: none"> <li>Assist IRP Accounts &amp; Finance related matters of the Corporate Debtor</li> <li>Assist IRP in the Claim Verification</li> <li>Assist in IRP in performance of the other duties as may be required in performance of the assignment.</li> </ul>	Tenor of Appointment – Till IRP Period / thereafter Remuneration – Rs. 2,00,000/- plus GST
2.	Rakesh Kumar Enrolment No. D-1888/10, Advocate NCLT	<ul style="list-style-type: none"> <li>Documentation &amp; Representational Services before NCLT especially in the area of Application for Appointment of Authorized Representative on behalf of Class of Creditors, Submission of Progress Report and other submissions as may be required</li> <li>Advisory and consulting services in relation to some of the possible areas related to compliance of CIR Process in dis-charge of my role as Interim Resolution Professional and protection of the interest of creditors.</li> </ul>	<ul style="list-style-type: none"> <li>Overall Remuneration of Rs. 75,000/- plus GST per month</li> </ul>
3.	Re Nutech Solutions Inc	<ul style="list-style-type: none"> <li>Buying a Domain Name</li> <li>Creation of Website</li> </ul>	<ul style="list-style-type: none"> <li>Initial</li> </ul>



		<ul style="list-style-type: none"> <li>• Content Uploading</li> <li>• E-mailing support</li> </ul>	Remuneration of Rs. 20,000/- and monthly remuneration thereafter of Rs. 2,000/- per month.
4.	Linkstar Infosys	<ul style="list-style-type: none"> <li>• E-Voting Support</li> </ul>	<ul style="list-style-type: none"> <li>• Rs. 10,000 plus GST per event.</li> </ul>

The IRP had intimated the appointment of above professionals has been done during his tenure as IRP.

The Appointment if any of the required professional assistance (amongst the above or any other) will be suitably taken care of by the IRP and brought out to the notice and consideration of COC in due course.

The Members of the Committee took a note of the above agenda item.

## **B. PROCEEDINGS OF THE MEETING WITH REGARD TO THE MATTERS PUT UP BEFORE THE MEETING FOR VOTING**

The Following Participants in the Meeting voted for Resolutions in the Matters put up before the meeting. The Balance Members had expressed their desire to cast the vote through E-Voting platform.

Sr. No.	Name / Class of Financial Creditor	Voting Proportion as per Constitution of Committee	% of Members Voting
1.	Renu Proptech Private Ltd.	25.61%	25.61%
2.	BDR Finvest Private Ltd.	28.21%	28.21%
3.	HDFC Bank Limited	1.67%	-
4.	Financial Creditors in a Class	44.51%	37.15% through E-Voting
	Total	100.00%	90.97%

Accordingly, as per the above list of the Members Present and Voting, the Voting Share on the Resolutions have been arrived at.

### **Item No. 1**

#### **To approve and appoint Interim Resolution Professional as Resolution Professional**

The Chairman read the Agenda Item and informed the members that as per section 22(2) of IBC 2016, the COC in its first meeting shall decide to appoint the Interim Resolution Professional as Resolution Professional or to replace the Interim Resolution Professional by another Resolution Professional.

CS Vekas Kumar Garg, Insolvency Professional vide Registration No. IBBI/IPA-002/IP-N00738/2018-2019/12291 was appointed as IRP by Hon'ble Bench II, National Company Law Tribunal, New Delhi as proposed by Financial Creditor viz BDR Finvest Private Ltd. (*Financial Creditor*).

CS Vekas Kumar Garg, being eligible for the appointment as Resolution Professional (RP) offers himself for the appointment as RP and has offered his consent in FORM – AA of

Insolvency and Bankruptcy Code, 2016 in this regard.

The following Resolution is therefore placed before the Members of the COC for consideration:

To consider and if found fit, to pass with or without modification the following Resolution:

“RESOLVED THAT CS Vekas Kumar Garg, an Insolvency Professional (Registration No. IBBI/IPA-002/IP-N00738/2018-2019/12291) is hereby appointed as the Resolution Professional In the matter of Corporate Insolvency Resolution Process of Redtopaz Real Estate Private Limited in accordance with provisions of section 22(3)(a) of the IBC-2016.”

The Members present at the meeting had discussed the issue. However, no other name of any other Resolution Professional for replacement of Interim Resolution Professional was proposed by any participants in the meeting and therefore the above resolution was only put to vote at the meeting.

Summary of the decisions taken on relevant agenda item along with the name of the members of the Committee who voted for or against the decision or abstain from voting:-

Sr. No.	Details of Financial Creditors	Voting Preference	Percentage of Vote
1.	Renu Proptech Private Limited.	For the Resolution	25.61%
2.	BDR Finvest Private Limited.	For the Resolution	28.21%
3.	HDFC Bank Limited	Abstained	1.67%
4.	Members Participated in the Meeting through an E-Voting Process	1. For the Resolution - 27 2. Members opposed - 0 3. Members who abstained - 7	37.15% 0.00% 7.36%

Result: The Agenda Item was passed with a Majority Vote of 90.97% of Members Present and Voting in favour of the Resolution.

## Item No. 2

### **To ratify and approve the remuneration of the Interim Resolution Professional (IRP) and Resolution Professional (RP)**

The IRP had put up for consideration of the Members of the Committee of Creditors the following resolution for Voting.

“RESOLVED THAT a monthly remuneration of Rs. 5 Lakhs per month (plus applicable taxes) with effect from 28<sup>th</sup> August, 2019 be and is hereby approved for payment to the Interim Resolution Professional be and is hereby approved for payment to the Resolution Professional in the Corporate Insolvency Resolution process of Redtopaz Real Estate Private Limited. In addition to the Professional Fee and applicable taxes, the Resolution Professional would be entitled for reimbursement of expenses like publication of newspaper announcements, travelling & conveyance, clerkages and other expenses for conducting the COC meetings and other incidentals incurred during the Corporate Insolvency Resolution Process.”

After brief discussion, the Agenda Item was put for consideration and voting for members of COC.

Summary of the decisions taken on relevant agenda item along with the name of the members of the Committee who voted for or against the decision or abstain from voting:-

Sr. No.	Details of Financial Creditors	Voting Preference	Percentage of Vote
1.	Renu Proptech Private Limited.	For the Resolution	25.61%
2.	BDR Finvest Private Limited.	For the Resolution	28.21%
3.	HDFC Bank Limited	Abstained	1.67%
4.	Members Participated in the Meeting through an E-Voting Process	1. For the Resolution - 26 2. Members opposed - 1 3. Members who abstained - 7	36.35% 0.80% 7.36%

Result: The Agenda Item was passed with a Majority Vote of 90.17% of Members Present and Voting in favour of the Resolution.

### Item No. 3

#### To ratify and approve the remuneration of Insolvency Professional Entity

The IRP explained that in order to carry out the functions smoothly as under Insolvency & Bankruptcy Code, 2016 read with Insolvency Resolution Process for Corporate Persons Regulations, 2016, IRP had engaged the services of Value Plus Insolvency Resolution Professionals Private Ltd. for assistance in the matter of Claim Verification, Finance & Accounts and other related matters on a monthly remuneration of Rs. 2,00,000/- (Rs. Two Lacs Only).

Following resolution had put for consideration of the Members of the committee of Creditors and following resolution for voting:

“RESOLVE THAT of a monthly remuneration of Rs. 2,00,000/- per month (plus applicable taxes) be and is hereby approved for payment to Insolvency Professional Entity (IPE) viz Value Plus Insolvency Resolution Professionals Private Ltd. during the IRP / RP Period.”

RESOLVED FURTHER THAT the fees payment to IPE Entity during RP Period (Post IRP Period) will be subject to passing of Resolution 2 and is thus dependent upon appointment of IRP as RP”

After brief discussion, the Agenda Item was put for consideration and voting for members of COC.

Summary of the decisions taken on relevant agenda item along with the name of the members of the Committee who voted for or against the decision or abstain from voting:-

Sr. No.	Details of Financial Creditors	Voting Preference	Percentage of Vote
1.	Renu Proptech Private Limited.	For the Resolution	25.61%
2.	BDR Finvest Private Limited.	For the Resolution	28.21%
3.	HDFC Bank Limited	Abstained	1.67%
4.	Members Participated in the Meeting through an E-Voting Process	1. For the Resolution - 26 2. Members opposed - 1 3. Members who abstained - 7	36.35% 0.80% 7.36%

Result: The Agenda Item was passed with a Majority Vote of 90.17% of Members Present and Voting in favour of the Resolution.

#### Item No. 4

#### To Approve the Expenses towards Corporate Insolvency Resolution Process Cost till the date of COC

The IRP placed before the meeting the Expenses incurred by him in order to keep the Corporate Entity as a going concern and in view of achieving the objectives of CIR Process.

Following resolution had put for consideration of the Members of the committee of Creditors and following resolution for voting:

“RESOLVE THAT the total amount of **Rs 22,93,639/-** as per statement produced by IRP is hereby approved / ratified.

RESOLVD FURTHER THAT these expenses shall form a part of Corporate Insolvency Resolution Cost.”

After brief discussion, the Agenda Item was put for consideration and voting for members of COC.

Summary of the decisions taken on relevant agenda item along with the name of the members of the Committee who voted for or against the decision or abstain from voting:-

Sr. No.	Details of Financial Creditors	Voting Preference	Percentage of Vote
1.	Renu Proptech Private Limited.	For the Resolution	25.61%
2.	BDR Finvest Private Limited.	For the Resolution	28.21%
3.	HDFC Bank Limited	Abstained	1.67%

4.	Members Participated in the Meeting through an E-Voting Process	1. For the Resolution - 26 2. Members opposed - 1 3. Members who abstained - 7	36.35% 0.80% 7.36%
----	---	--	--------------------------

Result: The Agenda Item was passed with a Majority Vote of 90.17% of Members Present and Voting in favour of the Resolution.

#### Item No. 5

#### **To Authorize Interim Resolution Professional / Resolution Professional to appoint a Forensic Auditor and Fix Their Remuneration.**

The Interim Resolution Professional had expressed the need for appointment of an Forensic Auditor for Audit of the Account of Corporate Debtor especially in view that there is large presence of inter related parties transactions.

The exercise will tend to find out the following instances, if any of the Corporate Debtor.

- preferential transactions under section43;
- undervalued transactions under section45;
- extortionate credit transactions under section 50; and
- fraudulent transactions under section66,

In this regard, the Resolution Professional had informed that he is in the process of seeking the quotes from some of the reputed Forensic Auditors. The Members of the Committee of Creditors suggested that in order to avail synergies and better cost economies, the Forensic Auditor who would be appointed for Ninex Developers Limited, be also appointed for this Corporate Debtor.

After detailed deliberations in the meeting the Committee of Creditors authorized to appoint the same Forensic Auditor as that of Ninex Developers Limited with appropriate and at economized remuneration.

Following resolution had put for consideration of the Members of the committee of Creditors and following resolution for voting:

“RESOLVE THAT IRP be and is hereby empowered to appoint the Forensic Auditor who would be same person to be appointed for Ninex Developers Limited and is also empowered to fix such remuneration of the Forensic Auditor which should economically suitable to the Corporate Debtor.

RESOLVD FURTHER THAT these expenses shall form a part of Corporate Insolvency Resolution Cost.”

After brief discussion, the Agenda Item was put for consideration and voting for members of COC.

Summary of the decisions taken on relevant agenda item along with the name of the members of the Committee who voted for or against the decision or abstain from voting:-

Sr. No.	Details of Financial Creditors	Voting Preference	Percentage of Vote
1.	Renu Proptech Private Limited.	For the Resolution	25.61%
2.	BDR Finvest Private Limited.	For the Resolution	28.21%
3.	HDFC Bank Limited	Abstained	1.67%
4.	Members Participated in the Meeting through an E-Voting Process	1. For the Resolution - 1 2. Members opposed -26 3. Members who abstained - 7	0.49% 36.66% 7.36%

Result: The Aforesaid Resolution was passed with simple majority of 54.31%

#### Item No. 6

**To Authorize the Interim Resolution Professional / Resolution Professional to raise Demand for the Balance Payments from the Unit Buyers towards the balance sum due in respect of their consideration price where due or not. Further, such demand payments from the Unit Buyers shall either be adjusted in the Sale Consideration. However, in case of any unforeseeable reasons which renders such event as not possible, the amount contributed by the Unit Buyers shall form a part of Corporate Insolvency Resolution Process Cost and will carry a simple Rate of Interest of 12% per annum or any such rate as considered fit by Committee of Creditors. The amount to be raised shall primarily be used for construction activities of the project and meeting the general administration and Corporate Insolvency Resolution Process related expenses.**

The IRP informed the Committee that the raising of demand from the Unit Buyers as per agreed time schedule is the ordinary conduct of the Business Activity of the company. He further informed that the Project undertaken by the Corporate Debtor at Sector 70A was on the advanced stage. However, it was stuck for some time due to non-availability of finance with the Corporate Debtor for enabling it to undertake the remaining work on the project site. At this stage of the early delivery of the Project was possible by raising the demand from the Unit Buyers whether due or note for the betterment of the interest of the Project and the Corporate Debtor and ultimately the same would also stand in the interest of the Unit Buyers as well. The Demand from the Unit Buyers and the Funds raised through the exercise will enable the company to generate the necessary resources required in connection with completion of work in a phased manner and obtaining of Occupancy Certificate from the Town & Country planning Department.

It is noted that most of the demand payments as per the current agreements entered into by the Corporate Debtor are linked with offering of possession of such Unit. The Corporate Debtor has already progressed substantially towards development of the above project. However, the completion of the Project Work requires infusion of fresh finance. Further, the said finance will also help to keep the Corporate Entity as a going concern in accordance with the responsibility of Insolvency Professionals. In this regard, it is felt pertinent that in order to serve both the ends. The Corporate Debtor may prepone its demand from the Buyers so that the work on the Project Site can be undertaken in an expeditious manner and is utilized majorly for construction

of work on the site. It may be noted that no repayment of any liabilities can be made out in repayment to any of the other creditors of the company. Further, such demand payments from the Unit Buyers shall either be adjusted in the Sale Consideration or shall be termed Interim Finance from the Unit Buyers with interest not exceeding 12% p.a. whichever would be most suitable to the Unit Buyers and be taken in Corporate Insolvency Resolution Process Cost and will carry a priority over all other payments in accordance with the terms and conditions of IBC Code, 2016 and Insolvency Resolution Process for Corporate Persons Regulations, 2016.

The Committee discussed the matter and opined that the Unit holders which have been sold units for a price equal to or exceeding Rs. 4,000/- per sq. ft. may be raised the demands as per suggestions made and the units holder who have sold units at a lesser price than Rs. 4,000/-, since are being examined further, the demand to them may be deferred for the time being till the outcome of the examination and appropriate consideration by all concerned.

Following resolution was put up for consideration of the Members of the Committee of Creditors and for voting:

“RESOLVE THAT IRP is empowered to raise demand on such Unit Buyers who have been sold Units at a price equal to or exceeding Rs. 4,000/- per sq. ft. whether in respect of current or future outstanding at the Project in the form of Interim Finance. Such interim finance shall either be adjustable against the balance sale consideration or be returned back to the unit holders along with simple interest rate @ 12% p.a. The Interim Finance raised through this exercise will carry a priority over all other creditors of the Corporate Debtors whether secured or unsecured and form a part of Corporate Insolvency Resolution Cost.”

After brief discussion, the Agenda Item was put for consideration and voting for members of COC.

Summary of the decisions taken on relevant agenda item along with the name of the members of the Committee who voted for or against the decision or abstain from voting:-

Sr. No.	Details of Financial Creditors	Voting Preference	Percentage of Vote
1.	Renu Proptech Private Limited.	For the Resolution	25.61%
2.	BDR Finvest Private Limited.	For the Resolution	28.21%
3.	HDFC Bank Limited	Abstained	1.67%
4.	Members Participated in the Meeting through an E-Voting Process	1. For the Resolution - 1 2. Members opposed -26 3. Members who abstained - 7	0.49% 36.66% 7.36%

Result: The Agenda Item could not be passed since the prescribed majority votes i.e. 66% could not be achieved by the above Item No. 6.

#### Item No. 7

**To consider and approve future Meetings of the Committee of Creditors with a shorter notice of 48 hrs as permitted under the provisions of Regulation 19(2) of**

## **the Insolvency & Bankruptcy Board (Insolvency Resolution Process for Corporate Persons) Regulations, 2016**

IRP informed the Committee Members that in the fast changing circumstances, the IRP is of the view that at times he might need to conduct urgent meetings of the Committee of Creditors. It was therefore, felt by the IRP to seek the authority of the Committee of Creditors to convene future meetings of the Committee wherever required, with a short notice of 48 hrs as permissible under the Insolvency & Bankruptcy Code, 2016 and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for the Corporate Persons) Regulations, 2016.

Following resolution was put up for consideration of the Members of the Committee of Creditors and for voting:

“RESOLVED FURTHER THAT the consent of the Committee of Creditors be and hereby accorded to convene future meetings of the Committee of Creditors with a shorter notice with a gap of at least 48 hours as permissible under the Insolvency & Bankruptcy Code, 2016 and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for the Corporate Persons) Regulations, 2016.”

After brief discussion, the Agenda Item was put for consideration and voting for members of COC.

Summary of the decisions taken on relevant agenda item along with the name of the members of the Committee who voted for or against the decision or abstain from voting:-

Sr. No.	Details of Financial Creditors	Voting Preference	Percentage of Vote
1.	Renu Proptech Private Limited.	For the Resolution	25.61%
2.	BDR Finvest Private Limited.	For the Resolution	28.21%
3.	HDFC Bank Limited	Abstained	1.67%
4.	Members Participated in the Meeting through an E-Voting Process	1. For the Resolution - 2 2. Members opposed -25 3. Members who abstained - 7	1.62% 35.53% 7.36%

Result: The Agenda Item could not be passed since the prescribed majority votes i.e. 66% could not be achieved by the above Item No. 7.

### **Any other matter not included in the Agenda circulated to the Members of the Committee of Creditors**

There was no matter required to be discussed under Any other matter not included in the Agenda circulated to the Members of Creditors. Therefore, the meeting was ended with a vote of thanks to the Chair.



**Sd/-**

**CS Vekas Kumar Garg**

Chairman of First Meeting of Committee of Creditors

Also Interim Resolution Professional in the matter of M/s NinexDevelopers Limited.

Email: vikasgarg\_k@rediffmail.com

IP Registration No.– IBBI/IPA-002/IP-N00738/2018-2019/12291

Date: 03<sup>rd</sup> September, 2019

Place: New Delhi