



NATIONAL COMPANY LAW TRIBUNAL
COURT ROOM NO. 1,
MUMBAI BENCH

Item No. 16

C.P.(IB)922/MB/2022

CORAM:

SH. PRABHAT KUMAR SH. SUSHIL MAHADEORAO KOCHEY
HON'BLE MEMBER (TECHNICAL) HON'BLE MEMBER (JUDICIAL)

ORDER SHEET OF THE HEARING ON **09.03.2026**

NAME OF THE PARTIES: **CATALYST TRUSTEESHIP LIMITED V/S**
ECSTASY REALTY PRIVATE LIMITED.

Section 7 of the Insolvency and Bankruptcy Code, 2016

ORDER

1. Senior Counsel Tushad Cooper a/w Adv. Bhalchandra Palav, Adv. Aniket Dighe for the Applicant present. Adv. Aman Kacheria a/w. Adv. Rishabh Adv. Dhanuka, Adv. Murtuza Bohra, Adv. Zaki Ansari for the Corporate Debtor present.
2. This Company Petition was filed on 25.08.2022 under section 7 ("the Petition") of the Insolvency and Bankruptcy Code, 2016 (IBC) by Catalyst Trusteeship Limited. ("the Financial Creditor"), seeking to initiate Corporate Insolvency Resolution Process (CIRP) against Ecstasy Realty Private Limited ("the Corporate Debtor").
3. The said Petition was filed before this Adjudicating Authority to initiate CIRP in view of default arising in payment of credit facilities of Rs.1203,55,50,671/- (Rupees One Thousand Two Hundred and Three Crores Fifty-Five Lakhs Fifty Thousand Six Hundred and Seventy-One Only) availed by the Corporate Debtor i.e. (Rs.600,00,00,000/- Rupees Six Hundred Crore Only) along with interest at the rate of 16 % p.a.
4. The total amount claimed to be in default by the Financial Creditor was Rs.1203,55,50,671/- (Rupees One Thousand Two Hundred and Three Crores Fifty-Five Lakhs Fifty Thousand Six Hundred and Seventy-One Only). The date of default stated to be is 30.06.2022.



5. The Corporate Debtor is a private company limited by shares incorporated on 17.01.1992 under the Companies Act, 1956, with the Registrar of Companies, Mumbai. Its registered office is at 2nd Fl., Solitaire Building, 80, S.V. Road, Santacruz (W) Mumbai 400054. Therefore, this Bench has jurisdiction to deal with this petition.
6. The said loan was obtained for proposed construction of residential cum retail project situated at C.S. No.(s) 866/B/2 Part located at village Ambivali, Taluka Andheri, District Mumbai, Suburban and the residential apartment/buildings to be constructed thereon by issuance of Debentures on the basis of private placement by the Corporate Debtor. The debentures were issued in terms of the Board Resolution dated 20.03.2018 and Special Resolution dated 20.03.2018 authorizing borrowing of funds by way of issuing 850 secured rated, listed, redeemable, non-convertible debentures of face value Rs. 1,00,00,000/- each upto the aggregate value of Rs. 850,00,00,000/- in two series being series A and series B; wherein Series A being debenture issued of an aggregate amount Rs. 600,00,00,000/- and Series B being debenture issued of an aggregate amount Rs. 250,00,00,000/-. Series A Debentures of Rs.600,00,00,000/- (Rupees Six Hundred Crore Only) were fully subscribed by the Debenture Holders in the following manner as under:

Sr. No.	Date	Quantity
1	28.03.2018	340
2	28.03.2018	110
3	28.03.2018	50
4	28.03.2018	25
5	29.03.2018	10
6	29.03.2018	10
7	29.03.2018	15
8	29.03.2018	40
	<i>Total</i>	<i>600/-</i>



7. As per clause 4.4 of amended Debenture Trust Deed dated 27.03.2018 the Corporate Debtor was liable to pay to the debenture holders on each interest payment date, interest on the outstanding debenture amount at the rate of 15% per compounded quarterly and also failed to maintain the interest payment Reserve Account in Escrow with the Bank. The principal amount of Rs.4,81,60,89,967/- along with interest at the rate of 15% p.a. compounded quarterly were defaulted by the Corporate Debtor on the below mentioned dated:
Principal default dates:

27.12.2022
27.03.2022
27.06.2022

Interest default dates.

31.03.2019
30.09.2019
31.12.2019
31.12.2020
31.03.2021
30.06.2021
30.06.2022

8. Therefore, due to repeated defaults by the Corporate Debtor; the Financial Creditor issued a recall notice dated 21.07.2022 to the Corporate Debtor demanding repayment of the loan advanced, interest and other monies cumulatively amounting to Rs.12,03,55,50,671/- [Rs.4,81,60,89,967/- (principal) + Rs.19,72,61,762/- (Interest @ 15% p.a.) + Rs. 7,02,21,98,942/- (Default interest)].
9. Owing to the default in performance of the conditions of the Debenture Trust Deed dated 27.03.2018 read with Amended Debenture Trust Deed dated



27.03.2018, consequently the Financial Creditor declared an event of default on 30.06.2022 inter alia calling upon the Corporate Debtor to repay the amount.

10. The Corporate Debtor vide its reply to the application filed by the Financial Creditor's disputed the debt and the maintainability of the Application.
11. After consideration of the pleadings as well as submissions of both the sides, this Tribunal vide its earlier order dated 03.02.2023 rejected the Company Petition holding that the entire proceeding appears to have been initiated with an intent other than the resolution of the Corporate Debtor and for the other grounds as more particularly mentioned in the said order. The order dated 03.02.2025 was upheld in appeal by the Hon'ble National Company Law Appellate Tribunal, Principal Bench, New Delhi, vide its order dated 16.04.2025 passed in debenture trustee's Company Appeal (AT) (Insolvency) No. 467 of 2023.
12. Aggrieved thereby, the debenture trustee preferred appeal to Supreme Court. The Hon'ble Supreme Court of India allowed the said Civil Appeal No. 7424 of 2025 vide order dated 24.02.2026 holding as follows: -

“23. We, accordingly, hold that the NCLT and the NCLAT erred in ignoring the binding terms of the Debenture Trust Deed dated 27.03.2018 and in reframing the terms thereof on the strength of surmises, conjectures and assumptions, which were not borne out on facts and were completely unsustainable in law. Company Petition (IB) 922/MB/C-I/2022 filed by Catalyst Trusteeship Limited, the debenture trustee, deserved to be admitted under Section 7 of the Code.

24. In consequence, the order dated 03.02.2023 passed by the National Company Law Tribunal, Mumbai Bench-I, and the judgment dated 16.04.2025 passed by the National Company Law Appellate Tribunal, Principal Bench, New Delhi, are set aside. Company Petition (IB) 922/MB/C-I/2022 is restored to the file of the National Company Law Tribunal, Mumbai Bench-I and the same shall be admitted by way of a separate order. Necessary further steps shall be initiated thereafter as per due procedure.

The appeal is allowed in the aforesaid terms”



13. The Financial Creditor has filed an additional affidavit 04.03.2026 wherein he proposed the name of M/s ARCK Resolution Professionals LLP, Registration No. IBBI/IPE-0030/IPA-1/2022-2023/50013, as the Interim Resolution Professional of the Corporate Debtor. He has filed his written communication in Form 2 as required under rule 9(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

14. As the application filed under section 7 of IBC has been admitted by Hon'ble Supreme Court pursuant to aforesaid order dated 24.02.2026 directing this tribunal to pass the admission order separately in this application namely C.P.(IB)922/MB/2022, we pass the following order pursuant to admission of application of the Financial Creditor under section 7 of IBC thereby commencing CIRP in case of Corporate Debtor from the date of this order: -

I. The Petition bearing C.P.(IB)922/MB/2022 filed by Catalyst Trusteeship Limited, the Financial Creditor, under section 7 of the IBC read with rule 4(1) of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 for initiating Corporate Insolvency Resolution Process (CIRP) against Ecstasy Realty Private Limited ("the Corporate Debtor"), is admitted.

II. There shall be a moratorium under section 14 of the IBC, in regard to the following:

i. 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;

ii. Transferring, encumbering, alienating or disposing of by the Corporate Debtor any of its assets or any legal right or beneficial interest therein;



- iii.* 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 (SARFAESI) Act, 2002;
- iv.* The recovery of any property by an owner or lessor where such property is occupied by or in possession of the Corporate Debtor.

Notwithstanding the above, during the period of moratorium: -

- i.* 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;
 - ii.* That the provisions of sub-section (1) of section 14 of the IBC shall not apply to such transactions as may be notified by the Central Government in consultation with any sectoral regulator;
- III. The moratorium shall have effect from the date of this order till the completion of the CIRP or until this Adjudicating Authority approves the resolution plan under sub-section (1) of section 31 of the IBC or passes an order for liquidation of Corporate Debtor under section 33 of the IBC, as the case may be.
- IV. Public announcement of the CIRP shall be made immediately as specified under section 13 of the IBC read with regulation 6 of the Insolvency & Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.



- V. M/s ARCK Resolution Professionals LLP, Registration No. IBBI/IPE-0030/IPA-1/2022-2023/50013, having registered address at 409, Ansal Bhawan, 16 KG Marg, Connaught Place, New Delhi - 110001. Email ID: insolvency@arck.in, Mobile: 9810071182 is hereby appointed as Interim Resolution Professional (IRP) of the Corporate Debtor to carry out the functions as per the IBC. The fee payable to IRP or, as the case may be, the RP shall be compliant with such Regulations, Circulars and Directions issued/as may be issued by the Insolvency & Bankruptcy Board of India (IBBI). The IRP shall carry out his functions as contemplated by sections 15, 17, 18, 19, 20 and 21 of the IBC.
- VI. 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 of the IBC. 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 within a period of one week from the date of receipt of this Order, in default of which coercive steps will follow.
- VII. The Registry is directed to communicate this Order to the Financial Creditor, the Corporate Debtor and the IRP by Speed Post and email immediately, and in any case, not later than two days from the date of this Order.
- VIII. IRP is directed to send a copy of this Order to the Registrar of Companies, Maharashtra, Mumbai, for updating the Master Data



of the Corporate Debtor. The said Registrar of Companies shall send a compliance report in this regard to the Registry of this Court within seven days from the date of receipt of a copy of this order.

15. List C.P.(IB)922/MB/2022 on board on 09.04.2026 for further consideration.

Sd/-

**PRABHAT KUMAR
MEMBER (TECHNICAL)**

Vijay Andhale

Sd/-

**SUSHIL MAHADEORAO KOCHEY
MEMBER (JUDICIAL)**