

# COSMO CITY FLAT BUYERS WELFARE SOCIETY

Registration No : HR/018/2014/01555

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Below are the Extract of the discussion with IRP Mr Patwardhan he had answered the questions as I have mentioned in Red below, in all his discussion and approach we find hos objection is completely focus on the resolution.

1. Whether any construction/ development will be Started on Cosmo City-1 And Cosmo City -3 project During the complete Process

***Ans-1 - He said construction may not happen in this duration but they will make the Project ready for takeoff after resolution***

2. Will ADEL/IRP will try to obtain Statuary clearance of Said two Project, like Renewing the License ,Revised Building plan Approval, Expired E.C renewal .

***Ans 2- he said Yse, they will try for sure to get all the clearance done before final resolution, for this, they may raise the funds and will take permission in COC, because he said the project has to be in legal status for any bidder.***

3. The project land which is in the name of ADEL subsidiary M/s HEADWAY BUILDCON for Cosmo City-1 And M/s DESERTMOON REALTOR for Cosmo City-3 , they are the Land Owning/Licensee Company does this land will be treated as the asset of Adel.

*Ans 3: Yes he said since these are 100% subsidiary and Adel is holding company there for by virtue of 100% share holding that will be treated his Assets.*

4. The Land Owning Company M/s HeadWay Buildcon has given Cosmo City-1 Project Land as Third Party Collateral to ICICI bank for Facilitating a Composite Loan Estimated Rs 325 Cr taken by M/s ERA INFRASTRUCTRE INDAI LTD (EIL), How this Land Could be Free from Encumbrance ???

*Ans 4: He said since the loan was not taken by Adel, therefore he used a term of company act “Preferential Interest”, due to that this collateral will not effect this land , provided those bank do not take Head way for liquidation on the basis of this collateral, a he added since ICICI has already filed claim for this loan in Era Infra Engineering therefore it will be free in anyways once ICICI will get Settlement of his Loan in Era Infra Insolvency*

5. Another ARC company M/s Surkacha has taken over Yes Bank Mortgage of Cosmo City-1 Land, what will be the solution of this loan

*Ans:5 The Answer no 4 will be applicable for the this question also.*

6. land owning company of Cosmo City-3 M/s DESERT MOON REALTOR has given a Corporate Guarantee to Union Bank of India for Loan Taken by M/s Era Infrastructure India Ltd, What will be the Repercussion if the Loan Taken by EIL declared as NPA.

*Ans-6 As per the Answer no 4 this will also not affect the Phase-3*

**Land unless the Union Bank take Desert moon to NCLT to recover this corporate guarantee**

7. The Money which has been collected from Home buyers for Example Rs 178 Cr from Cosmo City-1, where as per their record they spent only Rs 35 Cr on Comso city-1 and Rs Rs 140 Cr Collected from Cosmo city -3 buyers and as per their record they spent only Rs 5 Cr on the Project, therefore what will be the RP Stand? How they will track this money diversion of buyers? And Bring it back to the accounts for effective resolution
8. Primarily fund collected from the Project buyers , diverted inappropriately started and majorly done during Year 2010- 2014, Will IRP carried out the Forensic Audit of this period to track the money diversion.

**Ans for Question 7 &8 : he said as per power given in section 66 of IBC , in case of IRP find the Fraudulent act of money diversion, and they will do the forensic audit for last 10 year and they will produce the finding to NCLT court and after that if NCLT court finds the finding is correct then NCLT may order to E.D or SFIO to track the money.**

9. what will be the probable stand of Mortgage banks who has the various project land as collateral ( prime lenders ) during this entire process of resolution, who has already moved to NCLT against the Prime borrower Era Infrastructure India limited and Era Infra Engineering

Ans 10: This Mortgage case should be settled in Era Infra Engineering Resolution and our land will be freed

10. What if any other creditors of these land owning or licensee subsidiary for Example Headway Buildcon, Dessert moon Realtor, takes them to insolvency , in that case what will happen to the Project buyers whose building are under development on the land of these LOC .

Ans 10 : If this case arises then there will be separate resolution will be based on those Subsidiary Asset and Liabilities, This situation is fluid no one has clear answer because the loan is not directly on these subsidiary

11. In Cosmo City -1 and Cosmo City-3 there will be appx 30% buyers who does not want to stay in the Project due to Various and Obvious reason what could be the resolution plan for them, this Percentage may increase or reduce depending on the due course of action of IRP.

Ans-11: he said in this case it is completely discretion of new bidder, what stands he takes and what priority he will decide between construction first /refund first, or Both together, the new bidder will do all due diligence and will check with all the buyers and representatives before bidding and he will make the plan accordingly for refund seekers/flat seeker, and we can accept or reject on those resolution offered, and then ,they try for another bidder

12. What if corporate debtor do not disclose all the assets

*Ans 12: They have to disclose all the asset and Developer has to submit and Sworn Affidavit , which IRP produce in NCLT*

13. The IRP who is custodian of the any funds movement now , how they will ensure that these funds should not misuse or divert again.

*Ans 13: now onward every funds will be passed by the IRP Even the salary of Adel Directors*

14. What is IRP stand on Exclusion of Project Skyville Sector 68 Gurgaon, asset and liabilities, because it may jeopardize complete resolution process of Adel.

*Ans 14: He Said he will be treating this Project under Adel Insolvency only and all the asset and liabilities will be in Adel Resolution but the Project Wise Resolution will be possible he will tell all Skyville Project buyers to File Claim in Adel. Surprisingly Skyville Association is holding me responsible for this situation but we all whoever is in contact with them will have to convince them it had to happen and if we are united then we have better negotiation powers*

15. The buyers who could not file the claim and not in situation to file the claim to another 90 days, how IRP could secure their interest into the resolution

*Ans 15: The Buyers who will not file even after 90 days then as per the law new bidder can ignore their claim, but Ideally this will not happen the new bidder takes the complete buyers details from Developer and consider those buyers on their Bid. But technically they must file.*

16. The buyers who got refund order of 10.75 from RERA and wants their refund only what % of interest will be considered for those buyers.

*Ans-16 : He clearly said these order will not get Applicable in IBC law and whatever comes as Resolution that will be the Final either it is refund or flat.*

17. Recent Panchkula RERA order on 13.12.2018 of a Divine court buyer, where Authority has given observation buyers rights are above the financial institution , whether IRP will take that order as Ground Zero for refund seekers.

*Ans 17: on this Point he said this is not his jurisdiction to interpret the order of Rera and confirm us, whether we are secure or non secure this will be decided only by NCLT court, if the Liquidation comes as last resort then this secure and non secure question will arise and as per present situation none of any precedence orders to Prove this Situation because it comes only in case of Liquidation and refund to every one and none of this type of case has come across so far in Real Estate Case*

18. Will IRP get it done the Project viability of Cosmo cit-1 and Cosmo

city-3 and quality construction , from any Independent PMC company

**Ans -18 : Yes he will get it done properly**

One thing , which is very important is to vote on every Time whenever they will send the request for voting for any interim resolution we are working out with other associations so at least we all are aware every time because non voting will be treated as negative voting.

He said he may go Project wise solution and will look those project which are completed or almost 90% is completed and Due to O.C or due to NOC they are not getting registry done , he will try to complete those projects Statuary clearance to get their Registry done or to complete those projects during this resolution process of 6 month these everything will come up in COC and will be required voting even though if we are not related to those project.

Meeting Attendee

Mr Gopedra Kumar , Mr Indermunshi Mr Sunil Bhatt Attended the Meeting from Cosmo City Associations

Mr Patwardhan , Mr Amil Kamdar , Mr Jain Addressed from IRP

**Cosmo City Flat Buyers Welfare Society**

**Date 29/12/2018**