

Ref. EUIPL/015/2020

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FAQs with respect to claims filed by real estate allottees before IRP/RP

In the matter of Earthcon Universal Infratech Private Limited (in CIRP)

Disclaimer: The FAQs below and their responses are our attempt to help existing claimants and to avoid confusions among the allottees. This is purely general response and situation / response may vary on case-to-case basis. Claimants may consult their respective advisers in case of any doubt.

1. Why the Resolution Professional is again collating claims which were collated by the Interim Resolution Professional?

The Resolution Professional was appointed by Hon'ble NCLT on 09.11.2020 thereafter office of Resolution Professional has received about 200 individual grievances and also received representation from CARWA & various buyer groups, summary of the same is as under :

- a. Substantial number of claims were not collated;
- b. 8% interest for one year was considered instead for entire period of default;
- c. In case of RERA order, interest was not considered on the basis of RERA order; and
- d. only 10% of the amount claimed by those homebuyers who have taken possession without any justification

The Resolution Professional received claims from erstwhile IRP on 24.11.2020 and observed that claims (FC, FC in class and OCs) are not in accordance provisions of I & B Code' 2016. In the given circumstances the Resolution Professional left with no choice but to again collate the entire claims.

2. How a claimant can check the status of their claim ?

The office of Resolution Professional will be publishing updated list of claimants (for claims received till 10.12.2020) on his website before issuing agenda to next CoC meeting and claimant filed their claims after 10.12.2020 will receive confirmation email as well.

3. Why allottees are getting Statement of account and balance/ payment confirmation?

This is a validation process initiated by the office of Resolution Professional to get individual concern in relation to their outstanding amount in the books of corporate debtor. We are also sending statement of account and balance/ payment confirmation to allottees those have taken possession and their account balance is Zero. Later on, these confirmations shall be used for Debtor's valuation process.

The allottees are requested to send their response to our office located at D-32, East of Kailash, New Delhi - 110065 through registered post/ courier. We request all aggrieved allottees not to send their response through email.

Direct call to the Resolution Professional should be avoided, in case of any concern claimants may kindly approach to the office of Resolution Professional during working hours through landline number given.

4. Why my claim is accepted with lesser amount then my claim amount?

Generally, your claim has reduced with the tax amount (GST/Service TAX/ VAT) paid by you to the company as company has deposited the same with Government department so **that tax element cannot be consider as debt to the Corporate Debtor**. Same can be verified from statement of account provided by the office of Resolution Professional.

Further, we have collated your claims on the basis of books of accounts of the Corporate Debtor given by the ex-management. Individual concerns may be raised through deficiency note provided along with statement of account and balance/ payment confirmation.

The office of Resolution Professional reserves the right to revise the claim amount of the basis of addition information received at later stage.

You may also write an email to earthcon.rp@gmail.com.

5. How interest has been calculated in admission of claims ?

- We have allowed interest @8% per annum in terms of Regulation 16A(7) of the IBBI (CIRP) Regulations' 2016;
- in cases where RERA order was passed before commencement of CIR proceedings we have allowed interest at the rate mentioned in RERA order.

6. Why my claim has been collated @10% ?

We have collated claims @ 10% in the cases where possession has been taken by the allottees. After taking the possession of units, the debt of allottees appearing in the books of the Corporate Debtor stands automatically adjusted and satisfied and nothing remains qua the allottees. But in the present case, because possession was offered on the strength of the Temporary Occupation Certificate (TOC) or even without TOC and without completing common amenities. Hence, the debt of allottees who have taken

the possession is collated @ 10% notionally representing the liability of the CD to complete the pending work.

7. Ex-management has entered in to a MoU at the time of possession to give waiver for finishing work not done by them. How that can be adjusted ?

There are two scenarios:

Scenarios -I : Where amount paid at the time of possession after adjusting waiver for pending finishing work & amount is appearing in statement of account (SoA) : In this scenario, nothing is required to be done as it has automatically adjusted in claim amount.

Scenarios -II : Where full amount paid and there after ex-management has entered in to a MoU with allottees and amount is also not updated in statement of account (SoA): We have considered the amount of waiver which is not updated in SoA while collating claims(i.e. claim value of those allottees have been enhanced with such value) in the cases where claimant has provided copy of MoU along with Form-CA. In exceptional cases there may be a situation that amount has not considered by our team, in that case you may write an email to earthcon.rp@gmail.com .

8. Is refund is possible on account of MoU mentioned in point no. 7 or due to cancellation of unit ?

During CIR process any kind of refund is not possible. The office of Resolution Professional has power only to collate your claim.

9. How much time the office of Resolution Professional takes to collate the claim?

It is our endeavor to collate claims within 7 working days from the receipt of complete claim form. However, we may take higher time in exceptional cases such as documents not complete or heavy

10. What is the way forward of CIR proceedings?

It is the endeavor of the Resolution Professional to expedite the CIR Process so that a Resolution Applicant may come and resolve the day-to-day problems and insolvency of the Corporate Debtor.

Further way forward shall be discussed in the CoC meeting. Please read the minutes of CoC meeting carefully.

For regular updates, please visit our website at <http://gauravkatiyar.in/>.

Warm Regards

Office of Resolution Professional of
M/s. Earthcon Universal Infratech Private Limited (In CIRP)
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