KSS LIMITED

(formerly known as K Sera Sera Limited)

CIN : L22100MH1995PLC092438

Address : Unit No. 101A, 1st Floor, Plot No. B-17, Morya Landmark II, Andheri (West), Mumbai – 400053.
Email id: cirp.kssltd@gmail.com

KSSL/BSE-NSE/2025-26 **DATE: 04-08-2025**

To,

The Corporate Relations Department,
BSE Limited,
PJ Tower, Dalal Street,
Mumbai-400 001.

National Stock Exchange of India Ltd,
Exchange Plaza, Plot No. C/1, G Block
Bandra - Kurla Complex,
Bandra (E), Mumbai – 400 051.

Scrip Code: 532081

Scrip Code: KSERASERA

Subject: Intimation under Regulation 30 of SEBI (LODR) Regulations, 2015 regarding Order passed by Hon'ble NCLT, Mumbai Bench in IA/4648/2023 under Section 43 of the Insolvency and Bankruptcy Code, 2016

Dear Sir/Madam,

In compliance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to intimate that the Hon'ble National Company Law Tribunal, Mumbai Bench, Court V, vide Order dated **01st August, 2025**, in **IA/4648/2023 in CP(IB)/748(MB)/2022**, passed a direction under Section 43 of the Insolvency and Bankruptcy Code, 2016, in the matter of KSS Limited (Corporate Debtor), whereby the application filed by the undersigned Resolution Professional was allowed.

Summary of NCLT Order:

- The Resolution Professional of KSS Limited had filed the said application under Section 43 of the IBC seeking declaration of certain transactions as preferential in nature and to direct the suspended directors to contribute back to the Corporate Debtor's assets.

- The impugned transactions involved payment of:

    - **Rs. 39,00,000/-** to **M/s K Sera Sera Miniplex Limited**, and

    - **Rs. 8,92,646/-** to **M/s K Sera Sera Digital Cinema Limited**,

    - Totalling **Rs. 47,92,646/-**, carried out in January 2022.

- The Hon'ble Tribunal, after detailed consideration, held that:
    - The said transactions were made with related parties,
    - Were made within the look-back period of 2 years prior to CIRP initiation (24.01.2023),
    - The transactions were not in the ordinary course of business,
    - Respondents failed to provide justification or documentary evidence,
    - The transactions put those parties in a beneficial position over other creditors.

Direction by Hon'ble NCLT:

- The Tribunal declared the above transactions as preferential under Section 43 of the IBC.
- The Respondents, being suspended directors of the Corporate Debtor, have been directed to **jointly and severally repay/refund Rs. 47,92,646/-**, along with **interest at PLR of SBI + 2%**, from the date of transaction till realization, into the Corporate Debtor's account **within 30 days** from the date of the Order.

The Resolution Professional is in the process of issuing demand notices to the Respondents and taking necessary steps for recovery as per the directions of the Hon'ble Tribunal.

This is for your information and records.

Thanking you,

Yours faithfully,

For and On Behalf of the Board
KSS Limited
(Formerly known as K Sera Sera Limited)

DHARMENDRA TAKHATMAL DHELARIYA

Digitally signed by DHARMENDRA TAKHATMAL DHELARIYA
Date: 2025.08.04 11:32:08 +05'30'

Dharmendra Dhelariya
Resolution Professional
(IBBI/IPA-001/IP-P00251/2017-2018/10480)
AFA Number: AA1/10480/02/300626/108340
AFA valid upto 30/06/2026

NATIONAL COMPANY LAW TRIBUNAL
COURT-V, MUMBAI BENCH
(SPECIAL BENCH)

3. IA/4648/2023 C.P. (IB)/748(MB)2022

IN THE MATTER OF

MICRO Capitals Private Limited … Petitioner

Vs

KSS Limited … Respondent

U/s 7 of the Insolvency and Bankruptcy Code, 2016

Order Delivered on 01.08.2025

CORAM:

SH. SUSHIL MAHADEORAO KOCHEY
MEMBER (J)

SH. CHARANJEET SINGH GULATI
MEMBER (T)

Appearance through VC/Physical/Hybrid Mode:

For the Petitioner:

For the Respondent:

ORDER

IA/4648/2023- The Above IA/4648/2023 is listed for pronouncement of order. The same is pronounced in open court, vide a separate order.

Sd/-
CHARANJEET SINGH GULATI
Member(Technical)

Sd/-
SUSHIL MAHADEORAO KOCHEY
Member(Judicial)

//Avdhesh//

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, COURT - V

I.A. 4648/2023

IN

C.P. NO. 748(IB)/MB/2022

Under Section 43 of the Insolvency and Bankruptcy Code, 2016.

Mr. Dharmendra dhelariya

Resolution Professional of the Corporate Debtor KSS Limited

.... Applicant

Versus

1. **Jayashree Vilas Gangurde**
   Suspended member of Board of Directors
   7/16, S.V. Road, Pirmal Nagar, Goregaon West, Mumbai, Maharashtra – 400104.
   Email: jsgeeta07@gmail.com

2. **Dharmveer Singh Magan Singh Shekhawat**
   Suspended member of Board of Directors
   201, Shajanand Complex, Shahibaug, Ahmedabad, Gujarat – 380004.
   Email: dharmveer_shekhawat@yahoo.com

3. **Harsh Upadhyay**
   Suspended member of Board of Directors
   2-K-29, Chpasani Housing Board, Nandanwan, Jodhpur, Rajasthan – 342008.
   Email: harsh.upadhyay@kserasera.com

4. **Monika Meena**

Suspended member of Board of Directors
10-H-25, Parijat Yoajna, Mahaveer Nagar 3, Keshopura, Kota, Rajasthan – 324005.
Email: meenamadvocate@gmail.com

5. Sandip Joshi
Suspended member of Board of Directors
20, Kondeshwar Colony, Sai Nagar, Amravati, Maharashtra – 444607.
Email: tirupatienterprises2017@gmail.com

6. Bhargav Vishalbhai Ahir
Suspended member of Board of Directors
18, Vrundavan Bunglows-1, Opp. Shridhar Farm, Shilaj Road, Thaltej, Ahmedabad, Gujarat – 380059.
Email: bhargav5103@gmail.com

.... Respondents

In the matter between:

Micro Capitals Private Limited

Having its registered office at:

Shop no. 35, Sonam shopping Centre CHS Ltd, Old Golden Nest, MiraBhayander- East Thane, MH-401105.

.... Financial Creditor

Versus

KSS Limited
Having its registered office at:
Unit 101 A, 1st Floor, Plot No. B-17, Maurya landmark II, Andheri (West), Mumbai, 400053.

.... Respondent

Order Pronounced on:01.08.2025

Coram:

Hon'ble Sh. Sushil Mahadeorao Kochey, Member (Judicial)

Hon'ble Sh. Charanjeet Singh Gulati, Member (Technical)

Appearances:

For Applicant: Adv. Prathamesh Nirkhe (PH)

For Respondent:

ORDER

I.A. NO. 4648/2023

1. The present application has been filed by the Applicant/Resolution Professional under Section 43 of the Insolvency and Bankruptcy Code, 2016 **('the Code')**, with following prayers:

    a) *That this Hon'ble Tribunal may be pleased to pass necessary adjudication in the facts and circumstances of this case and be pleased to declare the various transactions carried out by the Corporate Debtor within the look-back period of two years preceding from the date of Insolvency commencement with related parties of the Corporate Debtor as a preferential transaction;*

    b) *That this Hon'ble Court may be pleased to make necessary adjudication in the facts and circumstances of this case and necessary directions be passed in terms of section 43 of the Insolvency and Bankruptcy Code, 2016 particularly.*

    c) *That this Hon'ble Court may be pleased to direct the Respondents to contribute the amount of Rs. 47,92,646/- (Rupees Forty-Seven Lakhs Ninety-Two Thousand Six Hundred and Forty-Six Only) towards the Preferential*

Transactions carried out as per Section 43 of the Insolvency and Bankruptcy Code, 2016.

d) *Such further or other order or orders as this Hon'ble Tribunal may deem fit and proper in accordance with the Civil Procedure Code and the Code of Criminal Procedure.*

e) *Any other directions which this Hon'ble Tribunal may deem fit.*

Brief Facts as per the Application:

2. The Financial Creditor had filed an Application for initiating Corporate Insolvency Resolution Process of KSS Limited/Corporate Debtor under Section 7 of the Insolvency and Bankruptcy Code, 2016, which was admitted by this Tribunal vide order dated 24.01.2023.

3. The Applicant/Resolution Professional engaged M/s. Arihant A Jain and Associates as the Transaction Auditor to conduct Transaction Audit of the Corporate Debtor for a review period from 1st April, 2021 to 24th January, 2023 and to determine the transactions of the nature mentioned under Section 25(2)(j), 43, 45, 49, 50 and 66 of Insolvency and Bankruptcy Code, 2016 vide letter dated 10.03.2023. The Transaction Auditor submitted its Final report to the Applicant on 03.08.2023, having considered the Transaction report the Applicant as determined and specified transactions that were Preferential, Undervalued, Fraudulent or Extortionist in nature.

4. The Resolution Professional on determination of transactions, filed the present application to bring to the notice of the Tribunal, those transactions which are Preferential in nature, so that appropriate orders may be passed for avoidance of such transactions, to declare such transaction void and reverse its effect and to direct such contributories to contribute to the assets of the Corporate Debtor.

Submissions of the Applicant

5. The Applicant submits that the monies siphoned off under avoidable transactions of Rs. 47,92,646/- (Rupees Forty-Seven Lakhs Ninety-Two Thousand Six Hundred and Forty-Six Only), should be returned/contributed to the Corporate Debtor, together with interest.

6. Applicant submits that, under section 43(2) of IBC, 2016; *"A Corporate Debtor shall be deemed to have given a preference, if-*

   (a) there is a transfer of property or an interest thereof of the Corporate Debtor for the benefit of a Creditor or a surety or a guarantor for or on account of an antecedent financial debt or operational debt or other liabilities owned by the Corporate Debtor; and

   (b) The transfer under clause (a) has the effect of putting such Creditor or surety or a guarantor in a beneficial position than it would have been in the event of a distribution of assets being made in accordance with section 53."

7. The Applicant submits that the relevant period as mentioned in section 43(4)(b) of IBC, 2016 is two years in case of Preferential Transactions with related parties.

8. The related party transactions of the Corporate Debtor are at internal page No. 30 to 32 of the Audit Report and are summarized as follows:

Sr. No.	**Name of Related Party**	**Relationship**
1.	M/s K Sera Sera Miniplex Limited	Sister Concern
2.	M/s K Sera Sera Digital Cinema Limited	Sister Concern

9. Following are the details of the related party payments for FY 2021 - 2022 as per the annual report and for the period up to 24.01.2023 (as per books):

Sr. No.	**Name of Party**	**Date of Transaction**	**Amount**
1.	M/s K Sera Sera Miniplex Limited	January, 2022	Rs. 39,00,000/-
2.	M/s K Sera Sera Digital Cinema Limited	January, 2022	Rs. 8,92,646/-
	TOTAL		Rs. 47,92,646/-

10. It is submitted that the Corporate Debtor in the month of January 2022 transferred Rs. 39,00,000/- (Rupees Thirty-Nine Lakhs only) to M/s K Sera Sera Miniplex Limited whilst its own financial health was not in a good shape. When questioned about these transactions, the Respondent's response was that the said monies were transferred to the said entity for it to meet its working capital requirement; however, the response provided is far from satisfactory, given the distressed financial condition of the Corporate Debtor during the said time.

11. Further, the Corporate Debtor during the look back period transferred Rs. 8,92,646/- (Rupees Eight Lakh Ninety-Two Thousand Six Hundred Forty-Six only) to M/s K Sera Sera Digital Cinema Limited for a supposedly outstanding debt which was to be paid off. It is submitted that the said debt did not reflect in the books of accounts of the Corporate Debtor during the statutory audit, and no legitimate document proving that the said monies were transferred against an outstanding loan has been provided by the Respondents to the Auditor. Further, the Transaction Auditor found no outstanding amount in the data provided, and specifically noted that "as company itself was

incurring loss, it should have cleared debts of outsiders first and then of related parties".

12. The Applicant submits that the aforesaid transaction meets the requirement of section 43(4) of the Code as it is given to a related party and is considered as deemed preference and is within two years preceding the insolvency commencement date. The transaction has given preference to a payment which is not a liability in the books of the Corporate Debtor, thus injuring the interest of other creditors of the Corporate Debtor.

13. It is the case of the Applicant that, these net payments amounting to Rs. 47,92,646/- (Rupees Forty-Seven Lakhs Ninety-Two Thousand Six Hundred and Forty-Six Only) made by the Corporate Debtor in lieu of Credit balance are Preferred transactions as defined u/s 43(2) of the IBC, 2016 as the Party would have received the amounts only after satisfaction of the claims of the Financial creditors in accordance with Section 53 of the IBC, 2016 whereas by these transactions they have received the payment of their dues even prior to the Financial creditors.

14. In view of the abovementioned facts, the Applicant has filed the present Application, seeking appropriate orders from this Tribunal.

Submissions on behalf of Respondent No. 1 to 6:

Each of the Respondents has filed separate replies, however, all such replies are identical in content except of Respondent 4, who in addition has mentioned that he was appointed as Independent Director on an honourary basis on 14.08.2021 and he resigned from the post in September 2022 and finally ended his association 18.04.2023. In the interest of brevity and to avoid unnecessary repetition, the individual replies are not reproduced herein. Instead, the collective submissions made by the Respondents are extracted herein as below:

15. The Respondents have submitted that there were no transactions falling within the purview of Section 43 of the Insolvency and Bankruptcy Code, 2016.

16. It is submitted that, under the Insolvency and Bankruptcy Code, 2016 (IBC), particularly Section 28(1)(a), the Resolution Professional (RP) is required to seek prior approval of the Committee of Creditors (CoC) for actions that involve incurring substantial costs, including initiation or continuation of any legal proceedings if such costs impact the Corporate Insolvency Resolution Process (CIRP). Additionally, under Regulations 31 and 33 of the CIRP Regulations, all CIRP costs, including litigation expenses, are subject to the approval and ratification by the CoC. Without such approval, the RP may not be entitled to recover the cost from the CIRP account, and the present Application is filed without obtaining the prior approval of the Committee of Creditors (CoC) of the corporate debtor. Further, the forensic audit was not conducted in a fair and transparent manner, as no opportunity was given to the suspended management to respond or clarify any transactions, and the report was prepared under the influence or direction of the applicant RP, and it deserves to be dismissed in its entirety.

17. The Respondents submitted that the transactions referred to in the application were carried out in the ordinary course of business, based on sound commercial judgment, industry practice, and prevailing customs in the lamination trade. The parties involved had both debit and credit balances, which were routinely squared off as part of ongoing business relationships. There is no evidence to suggest that any of these parties were preferred over others in terms of the distribution of assets under Section 53 of the IBC. Furthermore, payment to a subsidiary company, without intent to prefer, cannot be treated as a preferential transaction. Section 43 aims to prevent unjust advantage to certain creditors at the cost of others, and unless such intention is clearly established, the transactions in question cannot be classified as preferential under the Code.

18. It is submitted that, the application contains unspecified prayers without identifying which relief is sought against which of the 6 respondents, reflecting the applicant's lack of clarity regarding the

alleged transactions. Further, it is submitted that the Respondents are suspended directors of the Corporate Debtor and they have no role in the management or decision-making of the Corporate Debtor, and are not connected with the subject matter of the present application, their impleadment is unwarranted. Therefore, their names may be deleted from the present proceedings.

19. The application is untenable as the Resolution Professional failed to first form an independent "opinion" under Section 43(1) of the Code, a mandatory precondition before commissioning the transaction audit, and hence it renders the entire process and resulting application legally unsustainable.

20. In view of the above, it is submitted that the present Application deserves to be dismissed.

Analysis and Findings

21. We have heard the Ld. Counsels of the parties and perused the documents available on record.

22. It is the case of the Applicant that the net payment of Rs. *47,92,646/-* made by the Corporate Debtor to M/s K Sera Sera Miniplex Limited and M/s K Sera Sera Digital Cinema Limited falls under the purview of preferential transactions under section 43(2) of the IBC,2016. Per contra, it is the case of the Respondent that the transaction was made in the ordinary course of business and the transactions cannot be classified as preferential.

23. The transactions in question as submitted by the Applicant are detailed as under :

Transaction with M/s K Sera Sera Miniplex Limited

It is alleged that the Corporate Debtor in the month of January-2022 transferred Rs. 39,00,000/- (Rupees Thirty-Nine Lakhs Only) to M/s K Sera Sera Miniplex Limited whilst its own financial health was not in a good shape.

Transaction with M/s K Sera Sera Digital Cinema Limited

It is alleged that the Corporate Debtor during look back period transferred Rs. 8,92,646/- (Rupees Eight Lakh Ninety-Two Thousand Six Hundred Forty-Six Only) to M/s K Sera Sera Digital Cinema Limited for a supposedly outstanding debt which was to paid off. Further it is submitted by the Applicant that the said debt did not reflect in the books of accounts of the Corporate Debtor during the statutory audit and no legitimate document proving that the said monies were transferred against an outstanding loan have been provided by the Respondents to the Auditor.

24. It is submitted that upon the Respondent's default in repayment of its debt obligations, the Corporate Insolvency Resolution Process (CIRP) was initiated by this Tribunal vide order dated 24.01.2023. It is noted that the impugned transactions were undertaken in January 2022, i.e., prior to the commencement of CIRP. This chronology clearly indicates that preferential treatment was accorded to M/s K Sera Sera Miniplex Limited and M/s K Sera Sera Digital Cinema Limited in the matter of repayments, to the detriment of other financial creditors and it is relevant to note that the Respondents have not disputed or denied the aforesaid transactions.

24. For ease of reference provisions of section 43 is extracted below: -

"Section 43: Preferential transactions and relevant time.

(1) Where the liquidator or the resolution professional, as the case may be, is of the opinion that the corporate debtor has at a relevant time given a preference in such transactions and in such manner as laid down in sub-section (2) to any persons as referred to in sub-section (4), he shall apply to the Adjudicating

Authority for avoidance of preferential transactions and for, one or more of the orders referred to in Section 44.

(2) A corporate debtor shall be deemed to have given a preference, if-

> *(a) there is a transfer of property or an interest thereof of the corporate debtor for the benefit of a creditor a surety or a guarantor for or on account of an antecedent financial debt or operational debt or other liabilities owed by the corporate debtor; and*
> *(b) the transfer under clause (a) has the effect of putting such creditor or a surety or a guarantor in a beneficial position than it would have been in the event of a distribution of assets being made in accordance with section 53.*

(3) for the purposes of sub-section (2), a preference shall not include the following transfer-

> *(a) transfer made in the ordinary course of business or financial affairs of the Corporate Debtor or the transferee;*
> *(b) any transfer creating a security interest in property acquired by the corporate debtor to the extent that—*
> *(i) such security interest secures new value and was given at the time of or after the signing of a security agreement that contains a description of such property as security interest and was used by corporate debtor to acquire such property; and*
> *(ii) such transfer was registered with an information utility on or before thirty days after the corporate debtor receives possession of such property:*

Provided that any transfer made in pursuance of the order of a court shall not, preclude such transfer to be deemed as giving of preference by the corporate debtor.

Explanation.—For the purpose of sub-section (3) of this section, "new value" means money or its worth in goods, services, or new credit, or release by the transferee of property previously transferred to such transferee in a transaction that is neither void nor voidable by the liquidator or the resolution professional under this Code, including proceeds of such property, but does not include a financial debt or operational debt substituted for existing financial debt or operational debt.

(4) A preference shall be deemed to be given at a relevant time, if—

(a) it is given to a related party (other than by reason only of being an employee), during the period of two years preceding the insolvency commencement date; or
(b) a preference is given to a person other than a related party during the period of one year preceding the insolvency commencement date."

25. Section 43 of IBC deals with preferential transaction and Sub Section (2) of section 43 of IBC provides for a deeming provision that if there is a transfer of property or an interest thereof of the corporate debtor for the benefit of a creditor a surety or a guarantor for or on account of an antecedent financial debt or operational debt or other liabilities owed by the corporate debtor; and if the transfer has the effect of putting such creditor or a surety or a guarantor in a beneficial position than it would have been in the event of a distribution of assets being made in accordance with section 53, then such transfer would fall within the ambit of preferential transaction. However, sub-section (3) lays down

exceptions one of which is when transfer is made in the **ordinary course of the business** of the Corporate Debtor and the transferee.

26. As regards the fact of transaction actually taken place or not, there is no dispute. Respondents have contended that the transactions referred to in the application were carried out in the ordinary course of business and cannot be treated as a preferential transaction. The moot question therefore in both the transactions to be examined is whether the transactions were undertaken in the ordinary course of business or not.

27. The term ordinary course of business has not been defined under the Code. According to the Black's Law Dictionary meaning of ordinary course of business is ***the normal routine in managing a trade or business.*** We get some more clarity from the Guidance Note of related party transaction issued by Institute of Company Secretaries, which is also referred to by the Hon'ble NCLAT in the Judgement of **Sahyog Infrastructure Private Limited and Ors. Vs. Anuj Agarwal** wherein the Hon'ble NCLAT held that the guidance note has persuasive value though it cannot be read in place of statutory provisions. The guidance notice could be correct in attempting the definition of ordinary course of business.

Guidance Note of related party transaction issued by Institute of Company Secretaries

> *"In common parlance, **'ordinary course of business' would include transactions which are entered into in the normal course of business pursuant to or for promoting or in furtherance of the company's business objectives**, as per the charter documents of the company. For example, in case of a manufacturing company, purchase and sale of goods, taking premises on lease/rent, construction of factory, employing workers, etc. will be considered as ordinary course of business. To carry on a business, several activities are carried on by the*

company; all such activities will be considered to be in the ordinary course of business.

However, if a manufacturing company, for the purpose of diversification, decides to acquire another company which is engaged in a completely unrelated business, this activity will not be considered to be in the ordinary course of business.

To decide whether an activity which is carried on by the business is in the ordinary course of business, the following factors may be considered:

a. Whether the activity is covered in the objects clause of the Memorandum of Association
b. Whether the activity is in furtherance of the business
c. Whether the activity is normal or otherwise routine for the particular business (i.e. activities like advertising, staff training etc).
d. Whether the activity is repetitive/frequent
e. Whether the income, if any, earned from such activity/transaction is treated as business income in the company's books of account
f. Whether the transactions are common in the particular industry
g. Whether there is any historical practice to conduct such activities
h. The financial scale of the activity with regard to the operations of the business
i. Revenue generated by the activity
j. Resources committed to the activity

The above list is not exhaustive. Individually, none of the above parameters can amounts to the transactions being in the ordinary course of business.

In other words, any activity which is routine and in accordance with the usual customs and practices of a particular business can be described to be 'in the ordinary course of business'. For a company, the interpretation needs to be contextual, taking into account the nature of the activity and its relevance in the overall context of the company's business".

28. The Respondents have though contended that the impugned transactions were carried out in the ordinary course of business. However, in terms of Section 43(2) of the Insolvency and Bankruptcy Code, 2016, a transaction is deemed to be preferential transaction and for the exception provisions of sub section 3 to operate it needs to be demonstrated that the transaction/transfer has taken place in ordinary course of business and such fact specifically needs to be established and it just cannot be assumed. In the present case, the Respondents have failed to produce any material or documentary evidence on record to demonstrate that the transactions were undertaken in the ordinary course of business. Accordingly, the defense/exception as provided under Section 43(3)(a) of the Code is not available to the Respondents.

29. With respect to the Respondent's contention that the Applicant was required to obtain prior approval of the Committee of Creditors (CoC) of the Corporate Debtor for filing the present application, it is mentioned that provisions of Section 43 of the Insolvency and Bankruptcy Code, 2016, does not mandate any such procedural requirement to be fulfilled by the Resolution Professional. Further, under section 25(2)(j), the Resolution Professional is duty bound to file application for avoidance of transactions in accordance with chapter III. Accordingly, the defense raised by the Respondent is untenable in law and liable to be rejected.

30. The Respondents have contended that the forensic audit report is one-sided, conducted without seeking inputs from the suspended management and influenced by the Resolution Professional. Further, it is submitted that neither the auditor nor applicant has substantiated,

on the basis of material evidence, that any creditor was given undue preference and the Applicant has failed to form an independent opinion. In this regard, it is pertinent to note that the Transaction Report is advisory in nature based on which the RP may form its opinion under section 43(1). In the present case, after considering such facts and circumstances the RP has formed independent opinion that the preference has been given and made the present application. What is required under the law is forming of opinion by the RP and the same has not to be shown or demonstrated by any specific document. Hence, it cannot be said that the Respondent has failed to form independent opinion in the present case.

31. The Respondents have also contended that the Forensic Audit was not conducted in a fair and transparent manner, as no opportunity was given to the Suspended Management to respond and clarify any transaction and that the Report was prepared under the influence or direction of the RP. In this regard, it is stated that the Transaction Audit was conducted by an Auditor who has duly certified such report. Further, the transactions which have been pointed out therein being subject matter of this IA are duly confronted to the Respondents herein and reasonable opportunity has been afforded them to refute the allegation of transactions being preferential or otherwise. However, we note that besides making plain vanilla statements/allegations, the Respondents herein have not been able to effectively rebut the opinion formed by the RP in this case.

32. In the facts of the case, the aspect of the transactions being with the related parties of the Corporate Debtor, having taken place within the lookback period have not been disputed. Accordingly, and in the facts and circumstances, we are of the view that the impugned transaction squarely falls under section 43 of the Code, 2016. Accordingly, the instant IA/4648/2023 is **allowed** and the Respondents here in are jointly and severally directed to repay/refund the amount of Rs. 47,92,646/- to the **Account** of the Corporate Debtor within a period of

30 days from the pronouncement of this order together with interest at the rate of PLR of SBI + 2% from the date of the transaction till the date of realization of the amount into account of the Corporate Debtor.

Sd/-

Charanjeet Singh Gulati
Member (Technical)

Sd/-

Sushil Mahadeorao Kochey
Member (Judicial)

/Omkar/