

PROCESS UPDATE**10.06.2020**

Dear CoC Members,

First of all it is hoped that all of you are safe and healthy and are taking the necessary precautions for protecting yourself and your dear and near ones from the fast spreading pandemic.

You are aware that I had two separate virtual meetings with the homebuyers of Dream Procon Private Limited and briefed them about the status of the Corporate Insolvency Resolution Process and replied to their questions about the same. At the time of the said meetings, I informed you about the status of issuance of provisional list of PRAs, claim verification, efforts being made for obtaining tally data, preparation of balance sheet for F.Y. 2018-19 and for the period ending 06.09.2020 etc. In regard to the above further update is being made hereunder:

(i) Provisional list of PRAs has been issued by me on 05.06.2019. As per the said list three PRAs i.e. One Group, Mr. Madhav Dhir and Purvanchal Projects Private Limited were found to be eligible for submitting the Resolution Plans. However, the two PRAs i.e. Krishna Infosolutions Private Limited & NS Software (Rajdarbar Reality Group) were not found eligible. The ineligible PRAs can file their objections for non-inclusion of their names in the provisional list within 5 days of the date of issue of the said list and that the undersigned has to take a final decision as to their eligibility after receipt of the objections, if any, filed by them. I have received objections from NS Software vide which it has been claimed that the reason for non-inclusion of its name stands removed now and therefore it becomes eligible. The said objections and the objections, if any, submitted by the other PRA i.e. M/s Krishna Infosolutions Private Limited, shall be examined and based on the same final decision will be taken as to the inclusion of the said two PRAs in the final list of PRAs.

(ii) I was unable to get the tally data for DPPL for the financial year 2018-19, 2019-20 and for earlier years. The data for F.Y. 2017-18 and 2018-19 (not complete) was made available to me on 05.06.2020. The tally data for F.Y 2016-17 and before is still not available. After considering the said data, our team has started the process of verifying the claims and the said process is in advanced stage, which is likely to be completed within next 2-3 days' time except for those creditors who have not supplied the information sought from them by the RP team.

(iii) You are aware that the accountant engaged by us for the purpose of preparation of books of accounts and financial statements of DPPL for F.Y 2018-19 and for the period upto Insolvency Commencement Date i.e. 06.09.2019 started preparing the books of accounts in respect of DPPL based on the statements collected by the RP team from the banks with whom the CD was maintaining its accounts and based on other information which was available with the RP team. However, non-availability of tally data was a big handicap in finalization of the said accounts. Now with the availability of tally data the preparation of the books of accounts and financial statements of DPPL for F.Y 2018-19 and upto Insolvency Commencement Date is also at advanced stage is likely to be completed within next two to three days. Simultaneously, the Statutory Auditor appointed for conducting the Statutory Audit has commenced the audit work and it is likely that within a weeks time the Audited Balance Sheet for F.Y 2018-19 and unaudited balance sheet for the period upto 06.09.2019 will be ready.

(iv) The Transaction/Forensic Auditor M/S S.P Chopra & Co. have started the audit work based on the bank statements and other record made available to them by the RP team. However, due to non-availability of the books of accounts and the financial statements for F.Y 2018-19 and for period upto 06.09.2019, they were not able to proceed further with their audit. Immediately after completion of the books of accounts and financial statements of DPPL, the same shall be made

Regd. & Corp. off.: D-54, 1st Floor, Defence Colony, New Delhi-110024

Mob.:+91-9811418701 • Tel.: 011-40567644 • Email: nilesh.sharma@witworthipe.com

www.witworthipe.com

CIN: U74999DL2017PTC314322



available to the Transaction/Forensic Auditor to enable them to complete transaction audit for the last two financial year. However, completing the Forensic Audit for earlier years without the tally data for those year, will still be a challenge. Similarly the Valuers appointed for determining the fair and liquidation values of the Corporate Debtor have not been able to complete their valuation exercise for want of the audited balance sheet as on 31.03.2019 and unaudited balance sheet as on 06.09.2019. The said balance sheets shall be made available to them immediately upon finalization of the same to enable the valuers to complete their exercise at the earliest.

- (v) As you are aware that IM was prepared by us based on Audited Balance Sheet as on 31.03.2018, the same shall be updated based on the Audited Balance Sheet as on 31.03.2019 and unaudited balance sheet as on 06.09.2019.
- (vi) The RFRP documents and Evaluation Matrix also have been prepared and shall be placed before the CoC at its next meeting for seeking its approval.
- (vii) PMC has prepared its draft assessment report about the status of project, however, it has indicated that it will share the same within next 3-4 days time after finalizing the same. 30% of its fee as per the terms of its engagement has been paid to it yesterday i.e. on 09.06.2020.
- (viii) Have been receiving necessary contributions from the members pursuant to C-1 & C-3 resolutions passed by the CoC at its third meeting. I thank the members for making said contribution, which will help us meeting the costs involved in running the CIR Process and for protecting the assets of the DPPL. However, more members are requested to contribute so that adequate amount to meet the CIRP/other cost is available and that the process can be completed in a time bound manner and that resolution of the Insolvency can be achieved for the benefit of all stakeholders.



- (ix) Through the updates made on the website, it was informed that the fourth CoC meeting was being planned for 12.06.2020, however it has been considered appropriate to place the updated documents as mentioned above, to the extent possible, before the CoC at its fourth meeting and therefore the proposed date of CoC meeting is being deferred to the next week. The next date of CoC meeting shall be informed to the members through an update on the website besides the issuance of the notice as per the provisions of IBC/Regulations issued thereunder.
- (x) A claim has been filed on behalf of DPPL with the Resolution Professional of Indirapuram Habitat Centre Pvt. Ltd. (IHCPL) in respect of the three shops owned by DPPL in the commercial project of IHCPL.
- (xi) A Legal notice has been sent to Nanda Parbat Finlease Ltd. for demanding the amount recoverable from it.
- (xii) A notice has been sent to the Promoters/Directors of DPPL for seeking the necessary cooperation in the CIRP of DPPL failing which suitable legal action will be taken against them.

At the end, I wish all the CoC members and their family and friends good health and advise them to take all the necessary precautions to protect themselves from COVID-19.

Thanks & Regards



Nilesh Sharma

Resolution Professional

Dream Procon Private Limited

D-54, First Floor, Defence Colony, New Delhi - 110024

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nilesh.sharma@witworthipe.com / ip.dreamprocon@gmail.com