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CLARIFICATIONS

1. Whether the game of lottery organised by the company is a state authorized lottery or not?

The problem makes it clear regarding the legality of conducting of these online games.

2. Paragraph no. 12 mentions that the RP has filed four writ petitions, however no information on the same is given. It would be really helpful if you can provide certain clarity on this?

Please make use of the available facts to draw your inferences

3. Was it an online or physical lottery?

The problem has made it abundantly clear.

4. Was the resolution plan opposed by creditors?

The facts are clear

5. Did the petitioner attempt to unfreeze the bank account?

The question is not clear from legal point of view

6. In the plan of resolution, was the GST department treated as a secured creditor?

This is a legal question more than factual

7. Did the attachment order include the grounds or reasons for attachment?

The attachment order was as per the procedure.

8. Was the Midas Games informed of the attachment order?

The facts are clear.

9. What are the reasons listed in SCN?

This can be understood from the facts available on a close reading.

10. in reference to Para 12 of the Moot proposition and we hereby request you to kindly clarify us regarding why 4 writ petitions have been filed before Hon'ble High Court of Karnataka. Para 12 for your ready reference; 12. After carefully reading the orders of the department, after understanding the provisions of the GST Act/Rules and various rulings of the Hon'ble Supreme Court of India and different High Courts, the RP filed four writ petitions before the Karnataka High Court as the representative of the company challenging the orders and the recovery proceedings initiated by the GST department broadly on two counts:

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This is a point to be researched being a question of law rather facts

11. Paragraph 1 of the proposition reads as: “the company is involved in the business of online betting games such as card games like rummy, poker, and the like; fantasy cricket; horse racing; lottery; etc. and is one of the prominent leaders in this industry”. In reference to this statement, the team seeks three clarifications- a. What are the other games in which the company is involved? If it is not possible to clarify the same, then clarify that whether any of these other games are based solely on chance or based on model similar to gambling and betting. b. Since the company is a prominent leader in this industry and the “revenue of the company, in these little over five years, was around whopping INR 5,000 crore for each financial year”, the clarification sought is of its total revenue which of the above-mentioned games generates the major part of this revenue and what is the revenue generated by each of these games? c. Why is lottery coupled with games of different nature since all the other games are pertaining to games of skill, while only lottery is game of chance, is this a clerical error?

Please draw necessary inferences in support of respective sides. It has been kept open ended to analyse and understand the functioning of this industry.

12. The “revenue of the company, in these little over five years, was around whopping INR 5,000 crores for each financial year”, in reference to these two clarifications are sought: a. Whether the company is profitable or not? b. What are the assets and liabilities of the company apart from the debt to NBI and money due to software company?

The facts are clear. Understanding the industry will make its nature of assets clear.

13. “Thanks to the online gambling bandwagon in India and the notion to make quick money which led to the mammoth growth of the company.” In reference to this statement, is it contended that the growth of the company was a result of company engaging in other games which are similar to online gambling in nature?

This is a generic statement about the mood of online gambling in India which has bearing on the growth of the company.

14. As of August 31, 2022, the dues by the company to the bank was around INR 5,000 crores. The clarifications sought is whether the money due to the NBI was secured by any collateral?

Facts are clear.

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15. Paragraph 9 of proposition states that, “the NCLT.....directed that the corporate insolvency resolution process under section 14 of IBC be initiated forthwith by appointing the interim resolution professional (IRP) named in the application to take control of the affairs of the company on the same day itself. Moratorium was also ordered as per section 14 of the Code”. Under IBC, the initiation of corporate insolvency resolution process by operational creditor is enumerated under section 9. Is it a clerical error on the part of drafters?

It appears to be an error of understanding of the facts and IBC by the querists.

16. Since the company is involved in the business of online betting games such as card games like rummy, poker, and the like; fantasy cricket; horse racing; lottery; etc., clarify if there are any physical or other assets of the company other than the revenue in the bank accounts?

The facts will help in drawing necessary inference.

17. Are there any other proceedings initiated by the Company against the Show Cause Notices and Orders of GST department apart from this Writ Petition?

Facts will help to understand.