

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL**  
**PRINCIPAL BENCH: NEW DELHI**

**Company Appeal (AT) (Insolvency) No. 109 of 2025**

[Arising out of the Order dated 27.11.2024, passed by the  
'Adjudicating Authority' (National Company Law Tribunal,  
New Delhi in IA No. 5591 of 2024 in CP (IB) No. 496/ND/2018]

**IN THE MATTER OF:**

1. **Jai Kishore Prasad**

S/o-Late Sh. Jagdish Prasad  
R/o- Raghunandan Prasad Lane-177  
Navin Mitra Road, Burdwan Compound Lalpur  
Ranchi, GPO Jharkhand-834001

**...Appellant No.1**

2. **Mukta Prasad**

W/o- Jai Kishore Prasad  
R/o- Raghunandan Prasad Lane-177  
Navin Mitra Road, Burdwan Compound Lalpur  
Ranchi, GPO Jharkhand-834001.

**...Appellant No.2**

**Versus**

**M/s Apex Heights Pvt. Ltd.**

Regd. Off: S-672 School Block Shakarpur  
East Delhi, Delhi – 110092

**...Respondent**

**Present:**

**For Appellant** : Mr. M.V. Mukunda and Mr. Saswat Adhyapak,  
Advocates

**For Respondent** : Mr. Saurabh Kalia and Ms. Tannu Rana, Advocates  
for RP  
Mr. Abhijeet Sinha, Sr. Advocate with Mr. Mirnal  
Harsh Vardhan and Ms. Rituparna Patra, Advocates  
for SRA

**With**

**Company Appeal (AT) (Insolvency) No. 113 of 2025**

**&**

**I.A. No. 503 of 2025**

[Arising out of the Order dated 27.11.2024, passed by the  
'Adjudicating Authority' (National Company Law Tribunal,  
New Delhi in IA No. 5592 of 2024 in CP (IB) No. 496/ND/2018]

**IN THE MATTER OF:**

1. **Saurabh**

S/o-Kameshwar Prasad  
R/o- Flat No. 004, Saraswati Tower-3  
Sector D-6, Vasant Kunj, New Delhi-110070

**...Appellant No.1**

2. **Kumari Minakshi**

W/o- Saurab  
R/o- Flat No. 004, Saraswati Tower-3  
Sector D-6, Vasant Kunj, New Delhi-110070

**...Appellant No.2**

**Versus**

**M/s Apex Heights Pvt. Ltd.**

Regd. Off: S-672 School Block Shakarpur  
East Delhi, Delhi – 110092

**...Respondent**

**Present:**

**For Appellant** : Mr. M.V. Mukunda and Mr. Saswat Adhyapak,  
Advocates

**For Respondent** : Mr. Saurabh Kalia and Ms. Tannu Rana, Advocates  
for RP  
Mr. Abhijeet Sinha, Sr. Advocate with Mr. Mirnal  
Harsh Vardhan and Ms. Rituparna Patra, Advocates  
for SRA

**J U D G M E N T**  
**(Hybrid Mode)**

**[Per: Arun Baroka, Member (Technical)]**

The present Appeal under Section 61 of the Insolvency and Bankruptcy Code, 2016, has been filed against the Common Impugned Order dated 27.11.2024 passed by the Hon'ble National Company Law Tribunal, New Delhi in IA No. 5591 of 2024 in CP (IB) No. 496/ND/2018 and IA No. 5592 of 2024 in CP (IB) No. 496/ND/2018, wherein the Hon'ble Tribunal directed the Successful Resolution Applicant not to create third-party rights over the flat

in question and to first conduct verification of documents in accordance with the terms of the approved Resolution Plan.

IA No. 5591 of 2024 and IA No. 5592 of 2024 were disposed of with common impugned order dated 27.11.2024, which is extracted from the impugned order as below:

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IA-817/2024, IA-818/2024, IA-822/2024, IA-823/2024, IA-826/2024, IA-1929/2024, IA-2344/2024, IA-2703/2024, IA-3880/2024, New IA-5591/2024, New IA-5592/2024: The Ld. Counsel for the SRA produced before us a copy of order dated 25.11.2021, to espouse that in IA-4033/2021 which raised the identical issue this Tribunal remitted the matter to SRA for his consideration. The order passed in IA-4033/2021 reads thus:

“IA-4033/2021: It is submitted by the Counsel for the Applicant that the Resolution Plan in the present matter has already been approved by this Adjudicating Authority on 20th February, 2020. The grievance of the Applicant is in regard to his claim vis-à-vis provision in the Resolution Plan. Let the Petitioner submit his grievance first to the Resolution Applicant which will consider and disposed of this same in accordance with the Resolution plan provision. Accordingly, the Petitioner is directed to approach the Resolution Applicant along with the present application, which will be treated as representation. The Resolution Applicant will dispose of the representation within 15 days.

**With this the application stands disposed off.”**

The Ld. Counsels for the Applicants could raised a concern that if the dwelling units/flats claimed by them are disposed of before scrutiny is done by SRA, serious prejudice would be caused to them. They espoused

that till the scrutiny is done by SRA, the flats claimed by them should be kept on hold and should not be disposed of. In view of rival submissions made by the Ld. Counsels for the parties, the present applications are disposed of with the direction that the Petitioner would approach the SRA within one week and the SRA would scrutinise the record of Corporate Debtor as also other relevant records and documents, including verification of report and would arrive at a conclusion regarding the claim of the Applicant. Till the scrutiny is done and the report of the scrutiny is made available to the Applicant before us, the flats claimed by them would be kept on hold and would not be disposed of. Nevertheless, it is made clear that the direction of holding the flat and not disposing of would not create any equity or claim in favour of the Applicants in any manner and in all future proceedings (if any), the plea of the Applicants would be examined independent of the direction issued for holding the flat back.

**The IAs stands disposed of.**

**IA-1046/2024:** Ld. Proxy Counsel appearing for the Applicant submitted that the arguing counsel is busy before Hon'ble Supreme Court and prayed for pass over. The present Bench is Special Bench assembled only in afternoon, thus the request of pass over cannot be accepted. Nevertheless, in the interest of justice, the hearing is deferred to **08.01.2025**.

**Let a copy of the application be made available to Ld. Counsel for Punjab National Bank during the course of the day.**

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**Reliefs Sought in CA (AT)(Ins.) No. 109/2025**

2. The Appellant prays that this Hon'ble Tribunal be pleased to:
  - (a) Set aside the Impugned Order dated 27.11.2024 passed by the Hon'ble NCLT in I.A No. 5591 of 2024 in CP (IB) No. 496(ND) / 2018 AND
  - (b) That the Hon'ble Appellate Tribunal may be pleased to pass any such further or other order(s) as this Appellate Tribunal may

deem fit and proper in the fact and circumstances of the case to grant justice to the Appellant and the Respondent.

**Reliefs Sought in CA (AT)(Ins.) No. 113/2025**

3. Hon'ble Tribunal be pleased to:

- (a) Set aside the Impugned Order dated 27.11.2024 passed by the Hon'ble NCLT in I.A No. 5592 of 2024 in CP (IB) No. 496(ND) / 2018 AND
- (b) That the Hon'ble Appellate Tribunal may be pleased to pass any such further or other order(s) as this Appellate Tribunal may deem fit and proper in the fact and circumstances of the case to grant justice to the Appellant

**Submissions of Appellant – Jai Kishore Prasad & Mukta Prasad (CA AT(INS) 109/2025)**

4. The Appellant is a flat-buyer in the Corporate Debtor's project. Initially, they had purchased a flat in Mascot Soho Homes Pvt Ltd. Thereafter, due to some disputes, they were allotted a flat in the Maple Realcon Private (hereinafter Corporate Debtor) project, which is a sister concern of M/s Mascot Soho Homes Pvt Ltd.

5. In the meanwhile, M/s. Bindal Merchandise company incorporated under the Companies Act approached the Hon'ble Tribunal by filing Company Petition No. (IB)-496 (ND)/2018 under Section 9 of the Insolvency and Bankruptcy Code, 2016, seeking initiation of the Corporate Insolvency Resolution Process against the Corporate Debtor and subsequently, NCLT vide order dated 18.07.2018, admitted the said petition. The Appellants duly submitted their claim in Form C and their claim was admitted by the

Resolution Professional. The Appellants were also part of the Committee of Creditors of the Corporate Debtor.

6. The Successful Resolution Applicant's plan was approved on 20.02.2020. Saliiently, the SRA stated that it would complete the project within 36 months of the approval of the Resolution Plan by the Ld. Adjudicating Authority. However, it has been more than four years since this date but the Appellants herein, despite transferring more than 76% of the sale amount is yet to receive their rightful possession.

7. Aggrieved by the act of the Respondent, the Appellants herein filed I.A No. 5591 of 2024 in CP (IB) NO. 496 (ND)/2018 for directing the Respondent to handover the possession of the Flat No. 1205, located at Tower E of the Respondent Project. However, by the Impugned Order dated 27.11.2024 the Hon'ble Tribunal rather than directing the Respondent to handover possession, directed the Appellants herein to make a representation before the Respondent, despite the fact that name of the Appellants are duly reflected in the list of Committee of the Creditor. The impugned order ought to be set aside because:

a. The prayer in the application before the Ld. Adjudicating Authority was seeking handing over of physical possession of the flat. However, in the guise of allowing the application, the Ld. Adjudicating Authority has in effect directed the Successful Resolution Applicant to consider the claim, when the SRA has no authority, jurisdiction or role to 'consider' the claim. In this light, the impugned order has no legal standing and ought to be set aside by this Hon'ble Tribunal.

b. The SRA ought to have completed construction of the property within 36 months of the approval of the resolution plan. As on date, i.e., 60 months thereafter, and more than 36 months after the pandemic has subsided, the SRA has not handed over possession of the property.

c. It may be noted that as per the inspection by the Appellant on 07.01.2025, the physical structure of the building has been constructed and internal works are ongoing. In fact, the SRA also offered the Appellants an opportunity purchase units in the said tower. to

d. The Appellants have been duly named as financial creditors by the Resolution Professional, and have been participating in the resolution process throughout. In fact, even the payments made by the Appellants herein have been acknowledged by the Corporate Debtor, as it was transferred from an erstwhile sister concern of the CD.

e. Successful Resolution Applicant cannot sit in appeal over the admission of the claim by the Resolution Professional, especially when the Appellants have approached the Ld. Adjudicating Authority for this very relief.

f. Without prejudice to their rights, the Appellants have submitted a representation to the Successful Resolution Applicant as well as the Corporate Debtor seeking possession of their flat. However, the SRA and CD have not even responded to the representation. In fact, it is reliably learned by the Appellants herein that the SRA is making arrangements to alienate the flats in the E-Block, where the Appellants ought to have been allotted a flat.

**Submissions of Appellant – Saurabh and Kumari Minakshi CA (AT) (INS) 113/2025)**

8. The submissions are similar as in related appeal in CA(AT) (Ins.) No. 109 of 2025 and Appellant claims that they are flat-buyers in the Corporate

Debtor's project. Initially, they had purchased a flat in Mascot Soho Homes Pvt Ltd. Thereafter, due to some disputes, they were allotted a flat in the Maple Realcon Private Lt. (hereinafter Corporate Debtor) project, which is a sister concern of M/s Mascot Soho Homes Pvt Ltd.

9. In the meanwhile as things stood thus, M/s. Bindal Merchandise a company incorporated under the Companies Act approached the Hon'ble Tribunal by filing Company Petition No. (IB)-496 (ND)/2018 under Section 9 of the Insolvency and Bankruptcy Code, 2016, seeking initiation of the Corporate Insolvency Resolution Process against the Corporate Debtor and subsequently, this Hon'ble Tribunal vide order dated 18.07.2018, admitted the said petition and appointed an Interim Resolution Professional (IRP) with the necessary directions. The Appellants duly submitted their claim in Form C and their claim was admitted by the Resolution Professional. The Appellants were also part of the Committee of Creditors of the Corporate Debtor.

10. The Successful Resolution Applicant's plan was approved on 20.02.2020. Saliiently, the SRA stated that it would complete the project within 36 months of the approval of the Resolution Plan by the Ld. Adjudicating Authority. However, it has been more than four years since this date but the Appellants herein despite transferring more than 76% of the sale amount is yet to receive their rightful possession.

11. Aggrieved by the act of the Respondent, the Appellants herein filed I.A No. 5592 of 2024 in CP (IB) NO. 496 (ND)/2018 for directing the Respondent

to handover the possession of the Flat No. E-0205, located at Tower E of the Respondent Project. However, by the Impugned Order dated 27.11.2024 the Hon'ble Tribunal rather than directing the Respondent to handover possession, directed the Appellants herein to make a representation before the Respondent, despite the fact that name of the Appellants are duly reflected in the list of Committee of the Creditor. The impugned order ought to be set aside because:

a. The prayer in the application before the Ld. Adjudicating Authority was seeking handing over of physical possession of the flat. However, in the guise of allowing the application, the Ld. Adjudicating Authority has in effect directed the Successful Resolution Applicant to consider the claim, when the SRA has no authority, jurisdiction or role to 'consider' the claim. In this light, the impugned order has no legal standing and ought to be set aside by this Hon'ble Tribunal.

b. The SRA ought to have completed construction of the property within 36 months of the approval of the resolution plan. As on date, i.e., 60 months thereafter, and more than 36 months after the pandemic has subsided, the SRA has not handed over possession of the property.

c. It may be noted that as per the inspection by the Appellant on 07.01.2025, the physical structure of the building has been constructed and internal works are ongoing. In fact, the SRA also offered the Appellants an opportunity to purchase units in the said tower.

d. The Appellants have been duly named as financial creditors by the Resolution Professional, and have been

participating in the resolution process throughout. In fact, even the payments made by the Appellants herein have been acknowledged by the Corporate Debtor, as it was transferred from an erstwhile sister concern of the CD.

e. Successful Resolution Applicant cannot sit in appeal over the admission of the claim by the Resolution Professional, especially when the Appellants have approached the Ld. Adjudicating Authority for this very relief.

f. Without prejudice to their rights, the Appellants have submitted a representation to the Successful Resolution Applicant as well as the Corporate Debtor seeking possession of their flat. However, the SRA and CD have not even responded to the representation. In fact, it is reliably learned by the Appellants herein that the SRA is making arrangements to alienate the flats in the E-Block, where the Appellants ought to have been allotted a flat.

### **Submissions of the Respondent**

12. The grievance of the Appellant pertains to the implementation of the Verification Clause contained in the said Resolution Plan, a clause that was not only duly incorporated with the approval of the Committee of Creditors but was also subsequently approved by the Ld. NCLT. Therefore, the Appellants cannot be allowed to question the commercial wisdom of the Committee of Creditors and the judicial mind of Ld. NLCT who have already approved the Resolution Plan. Respondent claims that the Appellant is seeking to challenge the Resolution Plan which has already been duly approved by the Ld. NCLT vide its Order dated 20.02.2020.

13. By way of the impugned order, the Ld. NCLT has directed the SRA, the Respondent herein, to conduct a thorough scrutiny of the records of the Corporate Debtor, along with all other relevant documents, including the verification report, and thereafter arrive at a reasoned determination regarding the claims asserted by the Appellant. Additionally, the Ld. Tribunal has categorically directed that until such scrutiny is duly completed by the SRA, the subject flats shall be kept on hold and shall not be disposed of.

14. Respondent contends that the claims remain under active scrutiny by the Respondent and in compliance with the directions of the Ld. NCLT, the flats in question continue to be held in abeyance. Consequently, no prejudice is being caused to the rights of the creditors, as the process of scrutiny is ongoing, and no action contrary to the Ld. Tribunal's directives has been undertaken. By preferring the present Appeal, the Appellant is attempting to bypass the verification process prescribed in the Resolution Plan. This constitutes an impermissible attempt to carve out an exception in its favor, thereby seeking to evade the verification process by the Respondent. Such an endeavor is contrary to the terms of the Resolution Plan and cannot be permitted.

15. Consequently, no prejudice is being caused to the rights of the creditors, as the process of scrutiny is ongoing, and no action contrary to the Tribunal's directives has been undertaken. And more so, when the Appellant has himself conceded to the said Order of the Ld. NCLT. Furthermore, it is evident that the impugned order is in favour of the Appellant, as it safeguards

their interests by ensuring that the flats claimed by them are not disposed of until a final determination is made by the Respondent.

16. Respondent contends that due to the admission of a huge claim amount totaling to Rs. 95,84,29,258/- by the Resolution Professional and in light of the numerous queries being received by the Claimants to the Respondents, the Respondents vide Letter dated 25.06.2020 sought clarification regarding the admission of claims from the Resolution Professional. In response thereto, the Resolution Professional, vide communication dated 28.06.2020, informed the Respondents that the total claim filed by the Creditors during the CIRP amounting to Rs. 1,28,56,66,091/- were scrutinized by the Resolution Professional during the claim verification process. That from the total claim amount, a certain amount of Rs. 95,84,29,258/- was ascertained by the Resolution Professional as provisionally admitted based on the limited documents made available by the ex-management and the creditors themselves. Further, the remaining amount from the total claim filed amounting to a total of Rs. 32,72,36,833/- were kept under verification by the Resolution Professional as no sufficient documents were produced or found to be genuine at that stage by the Resolution Professional. Furthermore, the Resolution Professional further clarified that the amount of Rs. 95,84,29,258/- was based solely on the basis of the best possible estimation made by the Resolution Professional at the relevant time. This estimate was made as there was an acute paucity of relevant and complete records/data as the erstwhile management of the Corporate Debtor did not

co-operate with the Resolution Professional to fulfil his duties and verify the claims effectively. As the claims could not be completely and efficiently verified by the Resolution Professional due to the lack of relevant and genuine documents, the claims were provisionally admitted by the Resolution Professional subject to modification or alterations based on the discovery of new facts, circumstances and documents. This position was also duly notified to the creditors whose claims were provisionally admitted. The relevant portion of the letter dated 28.06.2020 are reproduced herein below for ready reference:

"The amount of claims may undergo a revision on the downward side if some transactions are found to be fraudulent/ bogus/ unsubstantiated discovery of some additional information from external sources"

17. Resolution Professional also expressly stated that no documents were made available to them to independently and effectively verify the claims of the Homebuyers, accordingly, the claims were admitted on the basis of the payment receipts and agreements submitted by the claimants, in the prescribed "Form C" to the Resolution Professional in accordance with the directions of the Ld. NCLT. Such admission was further subject to re-verification by the SRA for checking the authenticity and genuineness of the claims.

18. The Appellant also submitted its claim in the prescribed "Form C" before the Resolution Professional on 07.08.2018. At the time of submission, the only documents furnished by the Appellant in support of its claim were the Payment Receipt and a copy of the Ledger, based on which the Resolution

Professional provisionally admitted a certain amount of the total amount claimed by the Appellant.

19. The provisional admission of the claims of the Appellant was included along with others totaling to an amount of Rs. 95,84,29,258/-, which was based solely on the best possible estimation made by the Resolution Professional, considering the limited availability of records due to the financial distress of the Corporate Debtor. It is a well-established principle that in insolvency proceedings, the records of a financially stressed entity may suffer from inconsistencies, data asymmetry, or even inaccuracies. The Hon'ble Supreme Court in **Deccan Value Investors L.P. & Anr. v. Dinkar Venkatasubramanian & Anr. 2024 SCC OnLine SC 804**, has affirmed that the Resolution Professional is required to assess claims and provide information on a best-effort basis rather than an absolute standard of accuracy. The relevant excerpt of the judgement is reproduced herein below:

"Records of the corporate debtor, who are in financial distress, may suffer from data asymmetry, debatable or even wrong data. Thus, the provision for transactional audit, etc., but this takes time and is not necessary before information memorandum or virtual data room is set up. Financial experts being aware, do tread with caution. Information memorandum is not to be tested applying "the true picture of risk" obligation, albeit as observed by the National Company Law Appellate Tribunal the resolution professional's obligation to provide information has to be understood on "best effort" basis."

In line with this settled legal position, the Resolution Professional in the present case, in the absence of comprehensive records from the erstwhile

management, provisionally admitted the claim of the Appellant based on an estimated assessment.

20 Thus, the Respondents had to introduce the provision for verification of the Claims in the Resolution Plan itself as a consequence of a huge claim amount of Rs. 95,84,29,258/-being provisionally admitted and an amount totalling Rs. 32,72,36,833/- being kept under verification by the Resolution Professional. A closer scrutiny of the claims revealed that several of them originated from entities and transactions that had no connection to the Corporate Debtor, thereby raising serious concerns regarding their authenticity and legitimacy. In light of such potentially fraudulent or inflated claims, and in order to preserve the sanctity and fairness of the resolution process, the Respondents were compelled to incorporate a Verification Clause within the Resolution Plan.

21 The claims admitted by the Resolution Professional are provisional in nature and are subject to verification as stipulated under the Resolution Plan. Mere admission of claims by the Resolution Professional, without due verification and scrutiny as mandated under the Resolution Plan, cannot be construed as a final or conclusive acknowledgment of such claims. The process of verification is integral to determining the legitimacy and quantum of claims. Any provisional admission made by the Resolution Professional does not, in itself, create a vested right in favour of the such claimant, more so, when the Respondent has an exclusive clause in the Resolution Plan to

verify the documents of the claimants. Accordingly, such admission remains subject to further scrutiny based on the verification process.

22 The Verification Clause is a general provision applicable to all claims raised by all the creditors against the Corporate Debtor and is not exclusive to the Appellant. The purpose of incorporating this clause is to ensure that only genuine and substantiated claims are admitted by the Respondent. The Verification Clause provides a mechanism for assessing, verifying, and validating the claims in a fair and transparent manner, thereby preventing any wrongful or inflated claims from being admitted to the detriment of other stakeholders. This clause was introduced to facilitate an equitable and just settlement process.

23 The present appeal has been preferred by the Appellant and some other limited number of individuals have also preferred similar Appeals against the Respondent. Substantial number of claimants have already had their claims duly settled by the Respondent. Notably, the claims of 61 individuals have been fully satisfied by the Respondent, amounting to a total sum of Rs. 12,99,38,821/-, despite not filing their claims initially but whose payments were reflected in the accounts of Corporate Debtor. The claims were mutually settled by the SRA in bona fide manner, demonstrating the good faith intent of the Respondent in resolving such claims equitably.

24 In compliance with the directions of the NCLT vide Order dated 27.11.2024, NCLT had directed the SRA to conduct a thorough scrutiny of

the records of the Corporate Debtor, along with all other relevant documents, including the verification report, and thereafter arrive at a reasoned determination regarding the claims asserted by the Appellant.

25 The Appellant is attempting to bypass the verification process as prescribed in the Resolution Plan and thereby, attempting to carve an exception in its favour. However, all the Homebuyers who are the creditors to the Corporate Debtor, irrespective of the amount of their claim, have also gone through the same verification process which is in strict compliance with the Verification Clause as stipulated in the Resolution Plan.

26 Therefore, the present Appeal preferred by the Appellant is liable to be dismissed, as no cause of action arises in favour of the Appellant for filing the instant Appeal. Furthermore, the Appeal lacks merit and does not warrant any interference by this Hon'ble Tribunal.

27 Even otherwise, it is emphatically denied that the Appellant has established any lawful or substantiated claim against the answering Respondents on the basis of the alleged payment of 22,70,000/- to Mascot Soho Homes Pvt. Ltd. (hereinafter referred to as "MSHPL") which is also admitted into CIRP vide Order dated 12.01.2022 passed by the Ld. NCLT. The only document relied upon by the Appellant in this regard is a self-serving and unauthenticated ledger statement, which neither bears the official seal of MSHPL nor is supported by any documents such as bank statements, tax

invoices, receipts duly acknowledged by MSHPL, or correspondence acknowledging the transaction.

28 In the absence of any documents such as an allotment letter and builder-buyer agreement executed between the Appellant and MSHPL, the said ledger is inadmissible as evidence and cannot form the basis of a legal right or enforceable obligation. It is a settled principle of law that mere entries in documents which are unilaterally maintained cannot create liabilities, especially when the same are specifically disputed and not acknowledged by the other party.

29 Upon becoming aware of the circulation of the said ledger by the Appellants, MSHPL unequivocally asserted that the Ledger produced by the Appellant is forged and fabricated, and that no such document was ever issued by MSHPL. Vide Letter 11.12.2021 issued by MSHPL to the Respondents, categorically confirms that the Ledger account of E-602 allotted to the Appellants showing balance of Rs. 22,70,000/- was not issued by MSHPL and thus is a fabricated document.

30 The Appellants' contention regarding the alleged transfer of their booking from the Project named "Manorath" developed by MSHPL to the Project named "Misty Heights" which was being developed by Maple Realcon Pvt. Ltd. (hereinafter referred to as "MRPL"), a different legal entity, is wholly unsubstantiated and lacks corroborative evidence, even on a plain reading of the documents relied upon by them. In fact, the Settlement Deed dated

01.08.2015, which forms part of their own record, clearly reflects that the Appellants' booking continued to pertain to the "Manorath" project and was never transferred to "Misty Heights" as alleged.

31 The inclusion of the Appellants' names in Annexure IX of the Settlement Deed dated 01.08.2015 unequivocally establishes that their booking continued to remain with MSHPL and was not transferred to MRPL. Accordingly, any grievance or claim, if at all, would lie against MSHPL and not MRPL, and by necessary implication, not against the present Respondents. The Appellants may file their genuine and substantiated claims in the CIRP of MSHPL with the Resolution Professional and if at all their claims are maintainable, it shall be considered in accordance with the provisions of law. The relevant extract with reference to Annexure IX in the Settlement Deed dated 01.08.2015 is reproduced hereinbelow for ready reference:

"1.13 All loan liabilities along with all interest Detail of the same is attached here with as part of this agreement and Marked as and advances from prospective buyers Detail of the same is attached here with as part of this agreement and Marked as Annexure IX will be paid off and taken care by MSHPL/MRPL only. GSPL/SL will not be responsible for any type of liability of past as well future."

32. The term 'MRPL' as referred to in the Settlement Agreement denotes Mascot Realtech Private Limited, which is one of the shareholders of MSHPL and not Maple Realcon Pvt. Ltd. The relevant extract of the Settlement Deed reflecting the same is reproduced hereinbelow for ready reference:

"2. M/s Mascot Realtech Pvt. Ltd. through its Director Shri Mritunjay Kumar (hereinafter called the MRPL or Second Party)"

33. MSHPL issued a Letter dated 13.07.2020 to the Respondents informing the number and names of the Allottees who booked a unit in Misty Heights being developed by MRPL through MSHPL. However, it is pertinent to note that the names of the Appellants herein are not reflected in the list of the Allottees who booked a unit with MRPL. Therefore, there is no reason to believe that the Appellant had ever booked any unit in the project named as Misty Heights developed by MRPL.

34. Consequently, as the booking was never transferred to MRPL, the Certificate dated 12.08.2015 allegedly establishing the transfer of an amount of Rs. 22,70,000/- to MRPL from MSHPL also appear to be forged and fabricated document. It is further submitted that the MSHPL has categorically mentioned in a Letter dated 11.12.2021 that no amount has been received from the Appellants on the accounts of MRPL as a settlement from MSHPL.

35. The Allotment/Buyer Agreement dated 07.03.2017, which have been produced by the Appellants to assert the booking of the unit at Misty Heights is totally contrary and are not consistent with the Settlement Deed relied upon by the Appellants. Thus, it appears that the Appellants have forged and fabricated Allotment/Buyer Agreement with the sole intent to mislead this Hon'ble Tribunal and to lend a semblance of legitimacy to an otherwise baseless claim. The said documents are denied in toto, and the veracity and authenticity thereof are specifically disputed.

36. The Allotment/Buyer Agreement dated 07.03.2017, which has been heavily relied upon by the Appellants, bears the signature of one Mr. B.P. Singh. However, Mr. B.P. Singh had no authority whatsoever to execute any agreement pursuant to the Settlement Deed dated 01.08.2015. As per the terms of the said Settlement Deed, all rights, powers, and authority to execute any document arising from the Settlement Deed were exclusively vested in Mr. Virendra Kumar Kaushik. Consequently, the execution of the said Agreement by Mr. B.P. Singh is without any legal sanction and is non-est in the eyes of law. The relevant extract of the Settlement Deed dated 01.08.2015 is reproduced hereinbelow for ready reference”

“...M/s Maple Realcon (P) Ltd. is owned, controlled and managed by M/s Globus Sales India (P) Ltd. through Sh. Virendra Kumar Kaushik and his family members, friends, relatives, associates and other bodies corporate controlled by Sh. Virendra Kumar Kaushik further confirms, assures and promises that he is fully entitled and/or authorized by the Board and Directors and have also obtained consent and approval of shareholders of M/s Globus Sales India (P) Ltd to enter into this Deed.”

37. The Certificate dated 12.08.2015 and the Allotment/Buyer Agreement dated 07.03.2017, relied upon by the Appellant, is patently fabricated and manufactured to falsely lend credence to a non-existent transaction.

38. The Allotment Letter allegedly issued by MRPL to the Appellants for allotment of the unit in Misty Heights also bears the signature of one Mr. B.P. Singh and therefore, is legally untenable in the eyes of law. It also submitted that the Allotment Letter is vague and inconsistent and is highly suspicious as it fails to rationally explain the basis for allotting a unit of approximately

1868 sq. ft. for a total consideration of Rs. 31,47,000/- only. This consideration is manifestly disproportionate to the area of the unit and inconsistent with prevailing market rates at the time, which would reasonably indicate a higher valuation. Disproportionately low consideration, unexplained by any document or rationale, raises grave doubts about the bona fides of the transaction and further corroborates that the contention of the Appellants and the claim amounting to Rs. 70,25,393/- as claimed in the Form C is frivolously raised by the Appellant and lack authenticity in absence of any concrete evidence.

39. All other fraudulent claims raised by any other claimants are premised solely upon documents signed by Mr. B.P. Singh and none other than him. This pattern of reliance on documents bearing his signature, despite the clear evidence of him not having any rights and authority, raises serious doubts about their authenticity and establishes a clear intent to misrepresent material facts.

40. Appellant has also produced a Receipt dated 09.03.2017 allegedly establishing a payment of ₹3,00,000/- transferred to MRPL. However, MRPL categorically denies ever having received such payment from the Appellants. Upon due verification, the transaction reference number mentioned in the alleged receipt does not correspond to any record of payment traceable to the Appellant.

41. The transaction reference number mentioned in the alleged receipt relied upon by the Appellants, it is revealed that a sum of Rs. 6,00,000/- was credited, however, the said amount was subsequently transferred to some other account on the very same day on which it was received. This clearly indicates that the transaction in question does not pertain to any booking or payment attributable to the Respondents and further undermines the veracity of the alleged receipt. This further fortifies that the said receipt dated 09.03.2017 is fabricated and forged, and has been created to falsely establish a non-existent transaction.

42. Even assuming for the sake of argument, that the Appellants made a payment of Rs. 3,00,000/- towards a booking in the MRPL, the said amount constitutes less than 10% of the total consideration value. This is in stark deviation from the Payment Schedule set out in the Allotment/Builder Agreement, which explicitly mandates that 10% of the total sale consideration is required to be deposited at the time of booking the unit. It is further pertinent to note that at the time the Appellants claim to have made the aforesaid payment, the construction of the project had progressed to the verge of completion of the 7th floor. In such circumstances, the alleged payment of a mere Rs. 3,00,000/- is not only wholly insufficient but also contrary to established industry norms and commercial practices, thereby rendering the claim of a valid booking untenable and devoid of merit.

43. The Resolution Professional undertook a scrutiny of the documents provided in "Form C". After such scrutiny, the Resolution Professional, vide email dated 04.12.2018, categorically stated that:

"In the CIRP of Maple Realcon Private. Limited, I had received your claim for Rs. 7,025,393/-, on date 07 August 2018. Due to non-provision of records/information/support from the erstwhile management of the corporate debtor, I am constrained to admit your claim as per my judgement formed on the basis of flat owners records reasons mentioned above. I have admitted your claim at Rs. 287,081/-."

44. The Resolution Professional very clearly mentioned that due to the lack of sufficient documents, the claims were provisionally admitted based on his own judgement and the available documents provided by the Appellant.

45. The claim amount as provisionally admitted by the Resolution Professional in the list of committees of creditors along with the claim amount, reflects an amount more than the amount which the Resolution Professional had provisionally admitted via email dated 04.12.2018. Therefore, it can be inferred that the claim amount as reflected in the list has been clerically mistaken to be an amount more than which was already admitted.

46. The total claim filed by the Creditors during the CIRP amounting to Rs. 1,28,56,66,091/- were scrutinized by the Resolution Professional during the claim verification process. That from the total claim amount, a certain amount of Rs. 95,84,29,258/- was ascertained by the Resolution Professional as provisionally admitted based on the limited documents made available by the

ex-management and the creditors themselves. The claim of the Appellant also formed part of this provisionally admitted claim.

47. Respondents had to introduce the provision for verification of the Claims in the Resolution Plan itself as a consequence of a huge claim amount of Rs. 95,84,29,258/-being provisionally admitted and an amount totalling to Rs. 32,72,36,833/- kept under verification by the Resolution Professional.

48. The claims admitted by the Resolution Professional are provisional in nature and are subject to verification as stipulated under the Resolution Plan. Mere admission of claims by the Resolution Professional, without due verification and scrutiny as mandated under the Resolution Plan, cannot be construed as a final or conclusive acknowledgment of such claims. The process of verification is integral to determining the legitimacy and quantum of claims. Any provisional admission made by the Resolution Professional does not, in itself, create a vested right in favour of the such claimant, more so, when the Respondent has an exclusive clause in the Resolution Plan to verify the documents of the claimants. Accordingly, such admission remains subject to further scrutiny based on the verification process.

49. The Appellant's claims remain under active scrutiny by the Respondent. That the Respondent addressed an email dated 05.05.2025 to the Resolution Professional of MSHPL seeking information regarding the booking status and transaction details pertaining to the Appellants. Any reply from the Resolution Professional of MSHPL is still awaited at the time of filing the instant reply.

However, the Respondent undertakes to bring such reply from the Resolution Professional of MSHPL on record as and when it is furnished to the Respondent.

50. Therefore, in light of the foregoing submissions and objections raised on behalf of the Respondent, the present Appeal is liable to be dismissed, as it is neither maintainable in law nor sustainable on merits.

### **Appraisal**

51. We have heard Appellants in these related Appeals as well as SRA and RP.

52. We note that the Appellants are flat-buyers. Originally, they sought to purchase flats from a sister-concern of the Corporate Debtor viz., Mascot Soho Homes Pvt Ltd. The following payments were made through banking channels to the sister concern:

| <b>Appeal No. CA (AT)(Ins.)</b> | <b>Appellant's Name</b> | <b>Flat No.</b> | <b>Payment Date</b>                     | <b>Amount</b> | <b>Total Consideration</b> |
|---------------------------------|-------------------------|-----------------|---|---------------|----------------------------|
| 109/2025                        | Jai Kishore & Anr.      | E-1205          | 13-12-2012 to 16.12.2013 (p.60, Appeal) | 22,70,000/-   | 31,47,000/-                |
| 113/2025                        | Saurabh & Anr.          | E-0205          | 13-12-2012 to 28-12-2013 (p.56, Appeal) | 21,70,000/-   | 32,47,000/-                |

53. Further, it is brought to our notice that due to disputes within the group-companies of the Corporate Debtor, the payments made by the Appellants was transferred to the Corporate Debtor. A settlement deed amongst group-companies of the Corporate Debtor has been signed on 1<sup>st</sup> August 2015 which has also been signed by Mr. B.P. Singh. Appellants have produced Receipt dated 12.08.2015 issued by Mr BP Singh as an authorised

Representative of the Corporate Debtor-MRPL as an evidence. Appellant also claims that this is also evident from the ledgers maintained by the Corporate Debtor itself.

54. Thereafter, the Appellants entered into Allotment letter / Buyer Agreements with the Corporate Debtor. After entering into the Builder-Buyer Agreement, the Appellants transferred a sum of Rs. 3,00,000/- each by bank transaction to the Corporate Debtor. This transaction is admitted by the SRA in its reply. The SRA states:

“36. It is submitted that upon tracing the transaction reference number mentioned in the alleged receipt relied upon by the Appellants, it is revealed that a sum of Rs. 6,00,000/- was credited, however, the said amount was subsequently transferred to some other account on the very same day on which it was received...”

55. Appellant claims that the burden of a transaction into a different account cannot be laid on the buyer who has no knowledge of the business of the Corporate Debtor. Once paid towards the BBA, the transaction is completed in so far as the buyer is concerned.

56. The Corporate Debtor was plunged into CIRP by Order dated 18.07.2018. This was at the behest of an Operational Creditor viz., M/s Bindal Merchandise. (strangely his claim doesn't appear in the approved resolution plan!). The Appellants filed their Form C on 07.08.2018. They claimed the amounts already paid plus interest thereon. The following table may be adverted to:

| Name                | Principal admitted | Interest under Verification | Total Amount | List of Creditors at                            |
|---------------------|--------------------|-----------------------------|--------------|---|
| Jai Kishore & Anr   | 25,57,081/-        | 44,68,312/-                 | 70,25,393.19 | Serial No.93, <b>p.171, Appeal No.109/2025</b>  |
| Saurabh Kumar & Anr | 24,62,081/-        | 42,80,995/-                 | 67,43,076/-  | <b>Serial No.275, p.170, Appeal No.109/2025</b> |

57. Appellant's claims were partially admitted to the extent of the principal amount by the RP by Email dated 04.12.2018. The Interest amount was kept under verification. The email states:

"In the CIRP of Maple Realcon Private Limited, I had received your claim for Rs. 70,25,393/- on dated 07 August 2018. Due to non-provision of records/information/support from the erstwhile management of corporate debtor, I am constrained to admit your claim as per my judgment formed on the basis of flat owners' records provided to me. This process has taken much more time than the mandate time under the Code due to the reasons mentioned above."

58. Ultimately, the RP has admitted claims as mentioned above. Apparently, the list of Creditors prepared by the RP was based on the list provided by the ex-director of the Corporate Debtor viz., Sukhbir Singh. Both the Appellants figure in this list.

59. The Appellants have impugned the order dated 27.11.2024 passed by the Ld. Adjudicating Authority in IA No.5591/2024 and I.A No.5592/2024 in CP(IB) No.496 (ND)/2018. The Application before the AA was filed for implementation of the Resolution Plan, which was earlier approved by the Adjudicating Authority vide its Order dated 20.02.2020. Under the Resolution

Plan, the SRA had undertaken to complete the project within 36 months in a phased manner and the relevant extract of the resolution plan is as follows:

“With respect to the claims of the home buyers, the resolution applicant undertakes to complete the project within 36 months in a phased completion manner. They propose to do so from their personal resources, sale of unsold units and other amounts due from allottees. They shall ensure all compliance are made and necessary clearances are obtained to enable flatbuyers, not only get the possession of their unit, but also conveyance Deeds executed in their favour.”

60. However, by the impugned order the Adjudicating Authority directed the Appellants herein to approach the Respondent-SRA for ‘scrutiny’ of their claims.

61. We observe that even though the resolution plan was approved by the Adjudicating Authority on 20.02.2020, yet it had a Clause No. 6, which provides for the verification. For clarity, the relevant portion of the Resolution Plan is extracted below:

|                 |  |   |
|-----------------|--|---|
| 6 <sup>th</sup> | Unsecured Financial Creditors (consenting) | <p>The unsecured financial creditors are the homebuyers of the residential real estate project of MRPL, namely Misty Heights who would be given delivery of the flats purchased by them as per the Schedule given below.<br/>Towers A and B – 21 Months Towers D and E – 30 Months Tower C – 36 months</p> <p>However, the delivery of the flats shall be contingent upon the homebuyers paying the dues against their flats as per the construction linked payment schedule for the residential housing project of MRPL namely Misty Heights. Further, the Resolution Applicant shall be within his rights to verify the original documents, that is, original Builder Buyer Agreement and Payment</p> |
|-----------------|--|---|

|  |  |   |
|--|--|---|
|  |  | <p>Receipts for each flat within 60 days. The same shall be done to ascertain the mode of payment being made to the corporate debtor and the actual amount being admitted by them. The RA after ascertaining the payment and mode of payment shall enter in to a new builder buyer agreement under the brand name of Apex. which shall have an overriding effect on any other arrangement entered into with the corporate debtor. The RA proposes not to change any material terms of the Agreement apart from date of delivery. The RA proposes to induct only one plan of Payment, that is, CLP (construction link plan) and all future payments shall be done in terms of construction link payment plan only. The RA proposes that shall be no increase in the cost of the flats to be paid by the allottees.</p> |
|--|--|---|

62. We note that a holistic reading of the Clause would show that the extent of the SRA's power under the Resolution Plan was to merely verify the original documents and enter into a fresh Builder Buyer Agreement. In so far as rejection of claims are concerned, the jurisdiction of the SRA extended to finding that the original documents did not exist. Once the documents were in existence, the SRA could not reject claims.

63. We also observe that it was incumbent on the SRA to conduct the process within 60 days of the acceptance of the resolution plan. However, admittedly, no steps were ever taken by the SRA to undertake the plan. Further, once the period of 60 days' lapses, the power of the SRA to even 'verify' the documents also lapses as per Section 31 of the I&B Code.

We further note that such a reading of the Clause is also not supported by the Regulations. Regulation 13 vests the power of ‘verification of claims’ only with the Resolution Professional. The Regulation states:

**"13. Verification of Claims:** (1) The interim resolution professional or the resolution professional, as the case may be, shall verify every claim, as on the insolvency commencement date, within seven days from the last date of the receipt of the claims, and thereupon maintain a list of creditors containing names of creditors along with the amount claimed by them, the amount of their claims admitted and the security interest, if any, in respect of such claims, and update it."

64. Under Regulation 14, if there is any imprecision in the claim amount admitted by the Resolution Professional, he shall make the ‘best estimate’ based on the information available with him. Under Regulation 14(2), the Resolution Professional is empowered to revise the amount claimed when he comes across additional information warranting revision. Regulation 14 states:

**"14. Determination of amount of claim.**

(1) Where the amount claimed by a creditor is not precise due to any contingency or other reason, the interim resolution professional or the resolution professional, as the case may be, shall make the best estimate of the amount of the claim based on the information available with him.

(2) The interim resolution professional or the resolution professional, as the case may be, shall revise the amounts of claims admitted, including the estimates of claims made under sub regulation (1), as soon as may be practicable, when he comes across additional information warranting such revision."

65. Thus, the power to admit a claim and the power to re-determine any amount of claim vests solely with the Resolution Professional. The SRA cannot

claim a power that has been solely vested in the RP. To do so would pervert the purpose of the law and permit the SRA to reject all rightful claims made. In any case in the facts of the present case, we observe that the SRA's rights to further scrutiny has also lapsed as per the terms and conditions of the resolution plan and the AA erred in further allowed beyond 60 days.

66. The Appellants have also placed their reliance on the Hon'ble Supreme Court in **Deccan Value Investors v. Dinkar Venkatasubramanian (2024) SCC Online SC 804**. Herein, the Hon'ble Court was dealing with a situation where an SRA wanted to withdraw from implementing its plan on the ground that some information was not provided to it before the plan was submitted. The Hon'ble Court rejected their contention while finding that the SRA could not refuse to implement the plan on those grounds. The Court further held that once the SRA has submitted its plan based on the information asymmetry, it could not refuse to implement it. It was held:

"15. The resolution plans are not prepared and submitted by lay persons. They are submitted after the financial statements and data are examined by domain and financial experts, who scan, appraise evaluate the material as available for its usefulness, with caution and scepticism. Inadequacies and paltriness of data are accounted and chronicled for valuations and the risk involved. It is rather strange to argue that the super specialists and financial experts were gullible and misunderstood the details, figures or data. The assumption is that the resolution applicant would submit the revival/resolution plan specifying the monetary amount and other obligations, after in-depth analysis of the fiscal and commercial viability of the corporate debtor. Pointing out the ambiguities or lack of specific details or data, post acceptance of the resolution plan by the committee of creditors, should be rejected, except in an egregious case were data and facts are fudged or concealed. Absence or ambiguity of details and particulars

should put the parties to caution, and it is for them to ascertain details, and exercise discretion to submit or not submit the resolution plan.”

67. Furthermore, we observe that even the Monitoring Committee had already verified the Claim of the Appellants herein on 02.02.2022 and the relevant minutes extracted below bring it out very clearly:

“The members of Monitoring Committee in view of the representation by Mr Saurabh s/o Mr Kameshwar Prasad and explanation given by Resolution Applicant are of the opinion that the claim of Saruabh – K Menakshi Flat No. E-0205 and Jai Kishore-Mukta Prasad Flat E-1205 should be accepted to the tune of payments paid and verified through the Audited Balance Sheets/Books of Account/Records of the Corporate Debtor.”

68. We find that once the claim of the Appellants has already been verified, the Adjudicating Authority could not have referred the matter to the SRA afresh for ‘scrutiny’.

69. It is claimed by the Appellants that the SRA has completely suppressed the verification by the Monitoring Committee throughout the proceedings and this amounts to fraud, and that reason the SRA’s case ought to be rejected. Appellant has placed its reliance on the Hon’ble Supreme Court in **Kishore Samrite v. State of Uttar Pradesh (2013) 2 SCC 398** which had laid down the principles relating to the doctrine of clean hands. It was held:

"29. Now, we shall deal with the question whether both or any of the petitioners in Civil Writ Petition Nos. 111/2011 and 125/2011 are guilty of suppression of material facts, not approaching the Court with clean hands, and thereby abusing the process of the Court. Before we dwell upon the facts and circumstances of the case in hand, let us refer to some case laws which would help us in dealing with the present situation with greater precision. The cases of abuse of the process of court and such allied matters have been arising before the Courts consistently. This Court has had many occasions where it dealt with the cases of this kind and it has clearly stated

the principles that would govern the obligations of a litigant while approaching the court for redressal of any grievance and the consequences of abuse of the process of court. We may recapitulate and state some of the principles. It is difficult to state such principles exhaustively and with such accuracy that would uniformly apply to a variety of cases. These are:

- i. Courts have, over the centuries, frowned upon litigants who, with intent to deceive and mislead the Courts, initiated proceedings without full disclosure of facts and came to the courts with 'unclean hands'. Courts have held that such litigants are neither entitled to be heard on the merits of the case nor entitled to any relief.
- ii. The people, who approach the Court for relief on an ex parte statement, are under a contract with the court that they would state the whole case fully and fairly to the court and where the litigant has broken such faith, the discretion of the court cannot be exercised in favour of such a litigant.
- iii. The obligation to approach the Court with clean hands is an absolute obligation and has repeatedly been reiterated by this Court.
- iv. Quests for personal gains have become so intense that those involved in litigation do not hesitate to take shelter of falsehood and misrepresent and suppress facts in the court proceedings. Materialism, opportunism and malicious intent have overshadowed the old ethos of litigative values for small gains.
- v. A litigant who attempts to pollute the stream of justice or who touches the pure fountain of justice with tainted hands is not entitled to any relief, interim or final.
- vi. The Court must ensure that its process is not abused and in order to prevent abuse of the process the court, it would be justified even in insisting on furnishing of security and in cases of serious abuse, the Court would be duty bound to impose heavy costs.
- vii. Wherever a public interest is invoked, the Court must examine the petition carefully to ensure that there is genuine public interest involved. The stream of justice should not be allowed to be polluted by unscrupulous litigants.

viii. The Court, especially the Supreme Court, has to maintain strictest vigilance over the abuse of the process of court and ordinarily meddlesome bystanders should not be granted “visa”. Many societal pollutants create new problems of unredressed grievances and the Court should endure to take cases where the justice of the lis well-justifies it.”

70. We note that the above judgement very much supports the case of the Appellant. Once the SRA itself, though the Monitoring Committee, has verified the claim of the Appellant, the SRA is estopped from re-verifying the claim of the Appellants. Further, the Corporate Debtor, its Ex-Directors, the RP have all admitted the claim of the Appellant. The following documents reveal this:

- a. List of Allotees in Misty Heights Project of the CD provided by Sukhbir Singh (Ex Director of CD) to the IRP [Provided in Report dated 25.09.2019 by the IRP to the Ld. AA]
- b. Data provided by the CFO to the Ex-Director
- c. Letters dated 31.05.2022, 22.11.2022 and 10.09.2023 issued by B.P Singh (Ex Director of CD)
- d. Builder Buyer Agreements dated 07.03.2017 and 30.09.2016
- e. Ledger of Payments maintained by the Corporate Debtor
- f. The Daily Books of Account maintained by the Corporate Debtor
- g. Receipt admitting payment of Rs.3,00,000/- each on 09.03.2017

71. Thus, the SRA is estopped from claiming better information in the dealings of the Corporate Debtor than any of them. Thus, we agree with the arguments of the Appellants that once the monitoring committee has verified the claim, there was no tenable grounds for further verification and by the

impugned order, the clock has been reset and has put the appellant in a disadvantageous position and we don't agree with the findings of the Adjudicating Authority.

72. It is also brought to our attention by the Appellant about the conduct of the SRA in the present proceedings has been one of abuse of this Tribunal. The SRA did not produce the most crucial document regarding the verification, i.e., the verification that it conducted through the Monitoring Committee. It was the sole custodian of the document and ought to have produced it before this Hon'ble Tribunal. Further, the Appellant brings to our notice that the impugned order directed the Appellants to approach the SRA within one week for claim verification. Unfortunately, the Order was only uploaded later, and immediately upon uploading, the Appellants accordingly approached the SRA without prejudice to their rights in the appeal on 13.12.2024. The Appellants were constrained to file this appeal on 08.01.2025. Thereafter, on finding the appeal being filed, the SRA responded by email dated 10.01.2025 for meeting on 11.01.2025. The Appellants proceeded to the meeting with all documents sought for. Appellant claims that he was shocked and surprised by the fact that only ex-director of the Corporate Debtor along with his Advocate (for the SRA and ex-directors) was present. The Appellants produced all the original documents, but till date, no response has been given by the SRA as was required by the Impugned Order. In light of this conduct, the Appellants pray that heavy costs be levied on the SRA in these proceedings.

73. Appellants brings to our notice that they had also initiated criminal proceedings against the SRA for committing offence under Section 420, 406, 120B and 504, IPC. The substance of the complaint is that the whole CIRP was fraudulently done. During investigation, the Police collected three letters from another the ex-Director of the Corporate Debtor viz., BP Singh where he admits to have sold the property to the Appellants herein. The investigation also revealed the Books of Account of the Corporate Debtor where the Appellant's names have been mentioned with the corresponding amounts. Chargesheet has been filed and the case remains pending as on date. The case of fraud is further strengthened by the following facts:

- a. The SRA and the Corporate Debtor had unsecured financial dealings which were not fully disclosed in the plan.
- b. The Operational Creditor did not submit a claim in the CIRP.
- c. The Ex-Director of the Corporate Debtor, BP Singh has confessed to the devious conspiracy of the SRA and Promoters of the Corporate Debtor.
- d. When called for verification on 10.01.2025, the Appellants met the ex-directors of the Corporate Debtor along with the advocate for the SRA. No representative of the SRA was in sight in the office.
- e. The advocate for the ex-directors is the same as the advocate for the SRA (Order dated 26.09.2019 – Advocate Mrinal Harsh Vardhan)

74. Further, the Appellants claims that they reserve their rights to prosecute the accused in the criminal proceedings as per law. The only reason to highlight the above in the present proceedings is to highlight the conduct of the Accused who are attempting to deny the claim of the Appellant by all means possible.

75. In the facts and circumstances of the case we find it strange that AA again ordered for further scrutiny of the claims even after it was admitted by IRP/RP and later by the Monitoring Committee and despite sufficient material on record to indicate that the payment has been made by the appellant. Even though neither the I&B Code, nor the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 nor the Resolution Plan, permit any 'scrutiny' by an SRA, yet as claimed by the Respondent that clause 6 of the resolution plan permitted it. However as noted by us separately herein, we find that the right of the respondent has lapsed as it has not performed that duty within the time limit as was approved in the resolution plan.

**Conclusions:**

76. SRA claims that the impugned order is not adversarial and the SRA is scrutinizing the claims of the appellant as per the approved resolution plan, which contains a verification clause as per which the adjudicating authority has been allowed it to scrutinize the claims. SRA also claims that the purpose of the verification clause was that the resolution professional had provisionally admitted the claims, and the appellant cannot seek implementation of the resolution plan while by-passing the terms of the

resolution plan. It also claims that the resolution professional admitted the claim with a caveat that it could be revised at any stage of the process. And now it claims that the appellant has placed reliance on forged payment receipts and BBA and other documents and there are many procedural irregularities. SRA claims that the appellant has consented to the approval of the resolution plan, which contained a clause for verification, and delivery of homes was contingent upon verification of the original documents. SRA also claims that they have started the implementation of the resolution plan, and 95% of the plan has been implemented for about 380 home buyers. SRA also claims that they have the right to verify and it derives strength from Section 31 of the Code.

77. We observe that the Appellant is a homebuyer and had originally bought a home from a sister concern of the corporate debtor and later on basis of settlement between the promoters of the sister concerns, became an unsecured financial creditor of Maple Realcon Pvt. Ltd- Corporate Debtor. We find that there is sufficient material placed on record to indicate that the appellants had paid the amount [of Rs 25.57 lakhs by Appellant in CA AT 109 and Rs 24.62 lakhs by Appellant in CA AT Ins in 113 of 1025] , which has been reflected by the resolution professional in the list of creditors, which has been admitted in his collation. The appellant in CA AT 109 has also been able to produce a ledger of the period from 1st April 2012 to 28th January 2014, which is at page 60 of the appeal paper book, which shows an amount of Rs 22.70 lakhs and for appellant in CA AT Ins in 113 of 1025 at page 56 APB, it shows an amount of Rs 21.70 lakhs which has been paid by the appellant.

Mr BP Singh has also issued a receipt dated 12 August 2015 with respect to this payment. Both these amounts of ledger and the receipt tally with each other. Furthermore, on 7th March 2017 Mr BP Singh had also issued an allotment letter/buying agreement for a consideration price of Rs 31.47 lakhs. Furthermore, additional payment of Rs 3 lakhs has gone directly to MRPL - CD for rupees 3 lakhs on 9th March 2017. All these documents go on to indicate that there is sufficient material on record to confirm the ownership as a home buyer.

78. All these materials were on record and the adjudicating authority could have confirmed the ownership of the appellant as a home buyer. Instead of that, the adjudicating authority in the impugned order has allowed the appellant to appear before the successful resolution applicant and directed SRA to scrutinize his claim. This goes very much against the earlier order of the adjudicating authority approving the resolution plan, by which the verification, if any, was to be done within 60 days of the approval of the resolution plan. This was not done by the SRA in the stipulated period, and in such a situation, the right of the successful resolution applicant to further scrutinise beyond that period lapses. In such facts and circumstances, at this belated stage, the successful resolution applicant cannot claim to be further scrutinizing the claims of the appellant, which were already admitted by the resolution professional. We further note that it is the resolution professional, who has the final say in the matter. Even if it was to be further verified, there are sufficient materials on record which go on to confirm the claim of both the appellants. In such a situation, the SRA doesn't have indefinite period

available to him to further scrutinize the claims, which essentially fall within the jurisdiction of the resolution professional. It was the duty of the successful resolution applicant to accept all those claims, which had been admitted by the resolution professional and which also form part of the resolution plan.

79. We further find it very intriguing that, instead of scrutinizing the documents presented by the appellant, the successful resolution applicant is now questioning the authenticity of the documents and claims that they are forged and fabricated. In fact, now the authority of Mr. B.P. Singh is being questioned, who is the signatory of these documents. SRA alleges that Mr BP Singh is in loggerheads with the erstwhile directors of the CD and an application under Section 241 and 242 is pending before the NCLT along with the other pending litigations. On the other hand, we find that the appellants have been pursuing their case with the police authorities also, and the police authorities have also investigated the matter. These are independent investigations and being pursued independently.

80. At this stage the successful resolution applicant cannot turn around and say that they disown their relationship with Mr. B.P. Singh, who has signed the documents on record and who has also signed the settlement deed. It is the responsibility of the SRA to now take care of the admitted liability of the home buyers (the appellants) in the resolution plan.

81. It was also brought to our notice by the appellant that as per the orders of the adjudicating authority, when they went for a meeting with the SRA, instead of SRA they found ex-directors of the CD present in the meeting.

Appellant has a strong argument to canvass that the SRA is a mask of the ex-promoters of the Directors. This goes on to show further investigation as apparently ex-Directors appear to have come back in the SRA. We don't want to come to a conclusion on the issues, but it will suffice to say that it needs further investigation.

82. This is a peculiar situation in which a verification clause has been included in the resolution plan and its verification depends on Successful Resolution Applicant. The claims were admitted by the resolution professional before the preparation of the information memorandum and the claimants-home-buyers are totally dependent on the successful resolution applicant. The SRA will have a great incentive not to accept the claims using such a verification clause. Normally, such a clause should not be included in the Resolution Plan, as it leads to uncertainty and provides a lot of leeway to the Successful Resolution Applicant, and that is what has happened in the instant case also. We find that this case brings into focus how a clause in the resolution plan which enables the successful resolution applicant to re-verify the claims of the home buyers, which the resolution professional had earlier admitted in full. This not only creates uncertainty but also holds the potential to breed litigation. Indeed, any clause that enables SRA to re-verify a claim reduces the entire exercise undertaken by the RP and the COC to redundancy. No act done pursuant to and in aid of the statute should be allowed to go wasted. Working of a Statue can never be a medium for speculation. It is hence to avoid such situation the IBBI may step in to ensure that no

resolution plan which provides for creating uncertainty vis-a-vis the claims already admitted by the resolution professional should be allowed to be reopened at the instance of the SRA. An insolvency resolution process is not a casino where SRA can wager on the rights of stranded homebuyers.

83. In such a situation, the role of the resolution professional should not cease to exist after the approval of the resolution plan and should not be solely dependent on the monitoring committee. Ultimately, it should be the resolution professional, who has to adjudicate the claims of the home buyers. In this case even though he had admitted the claim of the Appellant but due to the verification clause, uncertainty exists. To avoid such situations, IBBI should take care that normally no such verification clause exists in the resolution plan, and even if it exists, the finalization of the claims should not be dependent on the Successful Resolution Applicant, who could be the ultimate beneficiary in rejecting the claims. Such finalization of claims and its verification should be done by the resolution professional. And as discussed earlier IBBI should bring about necessary clarifications in this regard.

84. In such a situation, we find that the Adjudicating Authority has erred in not admitting the appeal and we are inclined not to agree with its findings.

### **Order**

85. In the facts and circumstances of the case we set aside the Impugned Order dated 27.11.2024 passed by the Hon'ble NCLT in I.A No. 5591 and 5592 of 2024 in CP (IB) No. 496(ND) / 2018 and allow both the appeals and direct that both the Appellants be allotted the flats as per allotment letter and BBA

as Homebuyer-Financial Creditor as noted in the list of creditors. Accordingly, we direct implementation of the resolution plan by taking the differential amount as noted in the Appeals from the Appellant and handing over possession to both Appellants. All related IAs are accordingly disposed of.

86. Furthermore, since both sides claim fraud – SRA for fraudulent claims and connivance with RP and the Appellants claiming fraudulent initiation of CIRP, therefore, without being biased by our observations herein, the matter needs to be investigated by IBBI, to find out whether there was fraudulent initiation of Section 9 proceedings or otherwise to bring about systemic improvements in the IBC ecosystem. This may be accordingly investigated by IBBI.

**[Justice N Seshasayee]**  
**Member (Judicial)**

**[Arun Baroka]**  
**Member (Technical)**

**New Delhi.**  
**April 21, 2026.**

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