IN THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, NEW DELHI

I.A. No. 3261/2025
IN
C.P. (IB) No. 751/(PB)/2023

(Under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Rule 11 of the National Company Law Tribunal Rules, 2016)

IN THE MATTER OF:

IDBI TRUSTEESHIP SERVICES LIMITED

...PETIONER/FINANCIAL CREDITOR

VERSUS

SHREE VARDHMAN INFRAHEIGHTS PRIVATE LIMITED

...RESPONDENT / CORPORATE DEBTROR

AND

IN THE MATTER OF:

MR. TEKRAM YADAV & ORS.

...APPLICANTS

VERSUS

JALESH KUMAR GROVER
(RESOLUTION PROFESSIONAL OF
SHREE VARDHMAN INFRAHEIGHTS PVT. LTD.) & ORS.

...RESPONDENT

Order Pronounced On: 06.08.2026

Coram:

JUSTICE ANUPINDER SINGH GREWAL
HON'BLE PRESIDENT

SHRI RAVINDRA CHATURVEDI
HON'BLE MEMBER (TECHNICAL)

Present:

For the Applicant	:	Mr. Abhishek Anand, Mr. Akshit Pradhan, Mr. Divyansh Agrawal, Advs.
For the Financial Creditors & CoC	:	Mr. Pranjit Bhattacharya, Ms. Nitya Prabhakar, Ms. Shalini Bose, Advs.
For the Respondent/RP	:	Mr. Abhirup Dasgupta, Rahul Gupta, Mr. Rahul Dadhich, Ms. Vagisha Tiwari, Advs.

ORDER

1. The instant Application bearing I.A. No. 3261/2025 ("**Application**") has been filed by Mr. Tekram Yadav, Ms. Laxmi Devi, Mr. Krishan Boken and Mr. Shyam Bir (the last two being the legal heirs of Late Ms. Sunhera Devi) (hereinafter collectively referred to as the "**Applicants**") under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 ("**Code**"/ "**IBC**") read with Rule 11 of the National Company Law Tribunal Rules, 2016, ("**NCLT Rules, 2016**") in C.P. (IB) No. 751/(PB)/2023, titled as **IDBI Trusteeship Services Limited v. Shree Vardhman Infraheights Private Limited**, inter alia seeking the following reliefs:

   (i) Direct the Resolution Professional not to include the Applicants' land and associated development rights over which the Corporate Debtor has no existing claim as part of the assets in the Information Memorandum.

   (ii) Declare that the Applicants' land does not form part of the Corporate Debtor's asset pool and is excluded from the scope of the CIRP proceedings.

   (iii) Pass such other order (s), direction (s) as deemed fit and proper in the facts and circumstances of the case and in the interest of justice and equity.

2. The Applicants' are seeking directions against the Resolution Professional ("**RP**") of the Corporate Debtor, not to include a parcel of land admeasuring approximately 3.9812 acres (forming part of a larger parcel admeasuring 10.968 acres situated in Village Badshahpur, Sector 70, Gurugram, Haryana, on which the real estate project "**Shree Vardhman Victoria**" is being developed), in the Information Memorandum prepared under Section 29 of the Code, and for a declaration that the said land does not form part of the asset pool of the Corporate Debtor and stands excluded from the scope of the Corporate Insolvency Resolution Process ("**CIRP**").

3. The Application has been contested by the Resolution Professional, who has filed a detailed Reply refuting the claims of the Applicants and asserting that the development rights over the subject land constitute "property" of the Corporate Debtor within the meaning of Section 3(27) of the Code, that the Collaboration Agreements executed between the parties are irrevocable in nature and could not have been unilaterally terminated by the Applicants, and that the Application is misconceived and liable to be dismissed.

BRIEF FACTS OF THE CASE

4. This Tribunal, vide order dated 08.01.2025, admitted C.P. (IB) No. 751/(PB)/2023 filed by IDBI Trusteeship Services Limited (Financial Creditor) under Section 7 of the Code, thereby initiating CIRP against Shree Vardhman Infraheights Private Limited ("**Corporate Debtor**" / "**CD**"), a real estate developer of the project "Shree Vardhman Victoria" situated at Village Badshahpur, Sector 70, Gurugram, Haryana.

5. M/s Ducturus Resolution Professionals Private Limited, acting through its director Mr. Jalesh Kumar Grover, was appointed as the Interim Resolution Professional ("**IRP**"), and was subsequently confirmed as the Resolution Professional ("**RP**") by the Committee of Creditors ("**CoC**") in its 1st meeting held on 17.02.2025, which appointment was confirmed by this Tribunal vide order dated 10.03.2025. The relevant para of the order dated 10.03.2025 passed by this Adjudicating Authority is as follows:

IA-1020/2025

The present application has been filed seeking following reliefs:

"(a) Allow the present Application;

(b) Pass an order for confirmation of appointment of IPE Mis Ducturus Resolution Professional Private Limited through its Director - Mr. Jalesh Kumar Grover, the existing Interim Resolution Professional as the Resolution Professional of the Corporate Debtor;

(c) pass such other further order / order(s) as may be deemed fit and proper in the facts and circumstances of the instant case."

Ld. Counsel for the applicant refer to para 13 and 14 of the application which reads as follows:

"13. Thereafter, after discussion and deliberation, the CoC Members resolved to appoint IPE M/s Ducturus Resolution Professional Private Limited acting through its Director Mr. Jalesh Kumar Grover, the existing IRP as the Resolution Professional of the Corporate Debtor. The said agenda was discussed in detail and the following resolution was thereby put for e-voting:

"RESOLVED THAT, M/s Ducturus Resolution Professionals Pvt Ltd, IPE having Reg. No. IPE Regn No. IBBI/IPE-0026/IPA-1/2022-23/50040 through its Director- Mr. Jalesh Kumar Grover an Insolvency Professional having Reg. No. (IBBI/IPA-001/IP-P00200/2017-18/10390) be and is hereby appointed as the Resolution Professional in the matter of Corporate Insolvency Resolution Process of M/s Shree Vardhman Infraheights Private Limited in accordance with the provisions of section 22(3(a) of the Insolvency & Bankruptcy Code, 2016, at a monthly fee of Rs. 5,00,000/- plus GST.

FURTHER RESOLVED that All the CIRP expenses and the fee of the IRP/RP shall form part of the CIRP cost."

14. It is submitted that the above resolution was approved by the CoC Members having 100% voting share through E-voting ending on 22.02.2025 till 11 AM. A copy of minutes of first CoC Meeting of the Corporate Debtor convened on 17.01.2025 and e-voting results is annexed herewith and marked as ANNEXURE A -5 (COLLY).

A copy of the Consent Form to act as the Resolution Professional is annexed herewith and marked as ANNEXURE A - 6."

In view of the submission made and documents on record, the **IA-1020/2025** is **allowed** and stands **disposed of**.

6. The Applicants claim to be the absolute owners of approximately 3.9812 acres of land forming part of the larger project land admeasuring 10.968 acres. It is the case of the Applicants that they, along with M/s Santur Infrastructures Private Limited ("**Santur**"), a wholly owned subsidiary of the Corporate Debtor, executed a series of Collaboration Agreements for development of a Group Housing Complex on the said land, namely:

   a) Collaboration Agreement dated 30.12.2006.
   b) Supplementary Agreement dated 02.01.2007.
   c) Collaboration/Supplementary Agreement dated 05.04.2007.
   d) Supplementary Collaboration Agreement dated 12.03.2008.
   e) Agreement dated 04.04.2012 executed by Ms. Saroj Singhal.
   f) Agreement dated 04.04.2012 executed by Mr. Tek Ram Yadav.
   g) Memorandum of Understanding dated 05.04.2012; and
   h) A registered General Power of Attorney dated 25.04.2012.

   Collectively, the "Collaboration Agreements", pursuant to which development rights over the project land were transferred in favour of the Corporate Debtor.

7. According to the Applicants, the Corporate Debtor failed to honour its contractual obligations by not completing construction and handing over the units due to them. Consequently, the Applicants issued notices dated 27.09.2024, 30.09.2024 and 05.10.2024 purporting to terminate the Collaboration Agreements, upon which, according to the Applicants, the Corporate Debtor ceased to hold any subsisting or enforceable right, title, interest or authority over the Applicants' land.

8. It is on this basis that the Applicants have approached this Tribunal seeking directions restraining the Resolution Professional from including the said land and the associated development rights in the Information Memorandum prepared under Section 29 of the Code, and for a declaration that the land is excluded from the CIRP of the Corporate Debtor.

9. It is relevant to note that a connected CIRP in respect of Santur Infrastructures Private Limited, the original counterparty to the Collaboration Agreements and a wholly owned subsidiary of the Corporate Debtor, was separately initiated vide order dated 08.04.2025 passed in C.P. (IB) No. 752/ND/2023 (IDBI Trusteeship Services Limited v. Santur Infrastructures Private Limited), and the same Resolution Professional has been appointed therein.

SUBMISSIONS ON BEHALF OF THE APPLICANTS

10. Learned counsel for the Applicants has, in substance, made the following submissions in the Application:

10.1 That the Applicants are the absolute owners of approximately 3.9812 acres of the project land, and their share, on the basis of the Existing FAR, was approximately 1,32,850 sq. ft., with a further entitlement of approximately 32,000 sq. ft. on the basis of Additional FAR obtained by the Corporate Debtor over and above the Existing FAR.

10.2 That pursuant to the Collaboration Agreements, the Applicants and Santur transferred the development rights over the project land in favour of the Corporate Debtor, which was to develop the project under the name "Shree Vardhman Victoria", in consideration whereof the Applicants were entitled to allotment of units corresponding to their respective shares in the Existing FAR as well as the Additional FAR.

10.3 That the Corporate Debtor failed to honour its contractual obligations by not completing construction and handing over the units to the Applicants, constituting a fundamental breach of the Collaboration Agreements.

10.4 That as a consequence of such breach, the Applicants validly terminated the Collaboration Agreements vide notices dated 27.09.2024, 30.09.2024 and 05.10.2024, upon which the Corporate Debtor ceased to have any subsisting or enforceable right, title, interest or authority to continue any activity on the Applicants' land.

10.5 That in view of the termination, the subject land, being the exclusive asset of the Applicants, cannot be treated as an "asset of the Corporate Debtor" within the meaning of Section 18 or Section 29 of the Code, and the Resolution Professional being authorised only to collate and manage the assets of the Corporate Debtor cannot include any third-party asset, or any asset over which the Corporate Debtor has no subsisting legal interest, in the Information Memorandum.

10.6 That the inclusion of the Applicants' land in the Information Memorandum is factually incorrect, legally unsustainable, amounts to a violation of the Applicants' rights, and is liable to mislead prospective resolution applicants.

11. On this basis, the Applicants pray that the Resolution Professional be directed not to include the Applicants' land and the associated development rights in the Information Memorandum, and that a declaration be made that the said land does not form part of the Corporate Debtor's asset pool and stands excluded from the CIRP.

<u>SUBMISSIONS ON BEHALF OF THE RESPONDENT/RP</u>

12. Learned counsel for the Respondent/Resolution Professional has opposed the Application on facts as well as in law, and has, in substance, made the following submissions:

12.1 That the Resolution Professional, upon being unable to obtain information regarding the Collaboration Agreements from the suspended management of the Corporate Debtor despite an order dated 03.06.2025 passed under Section 19(2) of the Code (which non-compliance necessitated a separate contempt application under Sections 60(5), 70 and 235A of the Code), obtained copies of the Collaboration Agreements from the Financial Creditors.

12.2 That it was only on 03.05.2025, well after commencement of CIRP, that a representative of Applicant No. 2 first informed the RP, over WhatsApp, that the Collaboration Agreements stood cancelled, but no documentary proof of ownership, of the original agreements, or of the alleged cancellation was furnished despite specific requests by the RP.

12.3 That the letter dated 05.10.2024, by which the Applicants purport to have terminated the Collaboration Agreements, bears no stamp or acknowledgment of receipt by either Santur or the Corporate Debtor, and no proof of delivery (including by e-mail) has been placed on record; consequently, it cannot even be ascertained whether the said communication was issued before or after commencement of CIRP, and the same cannot be relied upon.

12.4 That out of a total of 72 units to which the Applicants (collectively) were entitled under the Collaboration Agreements, 52 units already stand handed over to the Applicants, 12 further units are under completion, and only 8 units (forming part of Phase III) remain unconstructed; having taken possession of 52 units as consideration under the very agreements, the Applicants cannot simultaneously repudiate the same agreements and reclaim the underlying land.

12.5 That Applicant No. 2, even after purportedly terminating the Collaboration Agreements, continued to correspond with the RP on 06.05.2025 and 09.08.2025 seeking status of specific flats (bearing Nos. E-201, E-604, F-601, F-604 and F-901) due to her under the very same agreements, conduct which the RP submits is inherently inconsistent with a bona fide claim of termination.

12.6 That the Applicants, with mala fide intent, addressed communications to Prospective Resolution Applicants ("**PRAs**") asserting that the Collaboration Agreements stood terminated and that the land does not form part of the project, caused a public notice to be published on 01.07.2025 to the same effect, and caused a board to be affixed at the project site asserting ownership, acts which, according to the RP, are calculated to derail the CIRP, which is stated to be at an advanced stage.

12.7 That none of the Collaboration Agreements, the Memorandum of Understanding dated 05.04.2012, or the registered General Power of Attorney dated 25.04.2012 contain any clause enabling unilateral termination or cancellation by the landowners; on the contrary, the documents expressly provide for irrevocability, inter alia:

a) Clause 8 of the Collaboration Agreement dated 30.12.2006 provides for an irrevocable Special Power of Attorney in favour of Santur, and Clause 11 provides for irrevocable vesting of all powers of the owners in the developer.
b) Clause 18 provides that possession, once handed over to the developer, shall neither be disturbed nor interfered with till completion of the project.
c) Clause 20 expressly records that the owners/their legal heirs "will not cancel or back out from this agreement under any circumstances", the sole remedy for breach being a suit for specific performance at the cost and risk of the owners.
d) Clause 22 obliges the owners not to disturb or interfere with the collaborator's possession, and to execute an irrevocable registered General Power of Attorney in favour of the developer.
e) Clause 29 records that, so long as the parties perform their obligations, the agreement "shall not be revoked or cancelled", and shall bind the parties' successors, legal heirs, executors, administrators, liquidators and assignees.
f) Clauses 35 and 36 provide that disputes are to be resolved through amicable settlement, failing which by arbitration, subject to the exclusive jurisdiction of the Delhi High Court and not by unilateral termination.
g) The Supplementary Agreements dated 02.01.2007 and 12.03.2008 provide only for payment of demurrage/damages by the developer in case of delay (Clause 1 and Clause 4 respectively), and not for termination; Clause 6 of the Supplementary Collaboration Agreement dated 12.03.2008 records that all other terms of the earlier agreements continue to bind the parties.

h) The Memorandum of Understanding dated 05.04.2012 records, at Clause 4, that delay in construction “is hereby waived” and no compensation is claimable on that count, and at Clauses 7.4 and 7.5, that all other terms remain “unchanged and valid” and that the parties “agree to remain forever bound” by its terms.

i) The General Power of Attorney dated 25.04.2012 is, by its own terms (Clause 19), expressly “irrevocable”, survives the demise of any executant (Clause 21), and binds the representatives, nominees, successors-in-interest and assigns of the executants.

12.8 That the Agreement to Sell dated 04.04.2012 executed by Mr. Tek Ram Yadav (Applicant No. 1) in respect of his 1/2 share culminated in a registered Sale Deed dated 03.04.2013 recording receipt of full consideration and completed transfer of ownership; any assertion that this transaction stands “cancelled” is submitted to be contrary to the binding effect of a registered conveyance.

12.9 That Clause 5 of the General Power of Attorney dated 25.04.2012 expressly empowers the Corporate Debtor to raise loans and deposit title deeds of the land with lenders; pursuant thereto, the Corporate Debtor mortgaged the project land (including the subject land) in favour of Kautilya Finance BV/Kautilya Real Estate Fund, a secured financial creditor holding the first charge over the land; the Applicants, it is submitted, cannot unilaterally terminate the Collaboration Agreements or reclaim possession in derogation of such subsisting encumbrance.

12.10 That development rights created in favour of a corporate debtor under a collaboration/development agreement constitute “property” within the meaning of Section 3(27) of the Code, and the Resolution Professional is statutorily obliged under Sections 18 and 25 of the Code to take control of, preserve and include such assets in the Information Memorandum, together with appropriate disclosure of any pending dispute, in terms of

Regulation 36 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 ("CIRP Regulations").

12.11 Reliance in this regard has been placed on the order of this Tribunal in **M/s Vivek Khanna & Ors. v. M/s Spaze Towers Private Limited**, **I.A. No. 438/2025 in C.P.(IB) 284/ND/2021**, wherein it was held, inter alia, that development rights that had already crystallised and were exercised by a corporate debtor to construct a real estate project do not stand extinguished merely upon an alleged termination of the underlying collaboration agreement, that homebuyers/allottees claiming as financial creditors under Section 5(8)(f) of the Code cannot have their rights defeated by unilateral assertions of title, and that Section 238 of the Code accords primacy to the Code over any conflicting claim.

12.12 Further reliance has been placed on the judgment of the National Company Law Appellate Tribunal, New Delhi dated 14.11.2024 in **K.H. Khan & Anr. v. Art Constructions Pvt. Ltd. & Ors., Company Appeal (AT) (Insolvency) No. 1116 of 2024** with **Company Appeal (AT) (Insolvency) No. 1117 of 2024**, wherein it was held that development rights created in favour of a corporate debtor constitute "property" within the meaning of Section 3(27) of the Code, and that the Resolution Professional is obliged to include, in the Information Memorandum, assets in which the corporate debtor holds development rights.

12.13 On this basis, it is submitted that the Resolution Professional has correctly included the development rights over the subject land in the Information Memorandum, that the Application is devoid of merit, has been filed by persons who are not even creditors of the Corporate Debtor, and is liable to be dismissed with exemplary costs; further, that in case the Applicants are aggrieved by any alleged breach of the Collaboration Agreements, their remedy, if any, lies in filing a claim with the Resolution Professional in the ongoing CIRP, and not by way of the present Application.

SUBMISSIONS IN REJOINDER ON BEHALF OF THE APPLICANTS

13. Learned counsel for the Applicants, in rejoinder, has made the following submissions in response to the Reply filed on behalf of the Resolution Professional:

13.1 That it is denied that the Termination Letter dated 05.10.2024 is without effect for want of a receipt stamp or proof of e-mail delivery. It is submitted that the first page of the said Termination Letter itself carries the acknowledgment stamps of both Shree Vardhman Infraheights Pvt. Ltd. and Santur Infrastructure Pvt. Ltd., which is stated to evidence due and proper service, and that neither the Corporate Debtor nor its erstwhile suspended management ever disputed receipt of the said letter or challenged the act of termination until the filing of the Reply.

13.2 It is submitted that the plea of non-service is accordingly a belated, self-serving afterthought, raised for the first time by the Resolution Professional to enable inclusion of the Applicants' land in the asset pool of the Corporate Debtor, and deserves to be rejected *in limine*.

13.3 That the objection to the Applicants' locus/authority to terminate the Collaboration Agreements is misconceived. It is submitted that the Applicants, as the original landowners, granted only development rights to the Corporate Debtor and Santur in consideration of reciprocal obligations, namely, timely completion of construction and handover of the Applicants' agreed share of constructed area, and that upon persistent and material default by the Corporate Debtor and Santur in discharging those obligations, the Applicants became entitled to terminate.

13.4 It is submitted that even where the Collaboration Agreements describe themselves as "irrevocable" or "non-cancellable", an innocent party cannot, as a matter of settled principle, be compelled to remain bound to an arrangement that has lost its substratum on account of the other side's persistent breach, and that the Applicants' subsisting ownership and title in the land further reinforces their locus to terminate, since the rights of the Corporate Debtor and Santur as collaborators cannot survive lawful termination of the Collaboration Agreements.

13.5 Without prejudice to the foregoing, it is submitted that this Tribunal cannot, in any event, enter upon or adjudicate complex questions of civil law, title, ownership, or the validity of termination of contracts, such questions falling squarely within the domain of civil courts and requiring detailed evidence and cross-examination. It is submitted that the limited issue before this Tribunal is confined to whether the Applicants' rights as landowners are prejudiced by inclusion of their land in the asset pool of the Corporate Debtor during CIRP, and that the objection as to locus/authority to terminate is accordingly beyond the scope of the present summary proceedings and, at best, is a matter for the appropriate civil forum.

13.6 That the contention that the Applicants, having taken possession of 52 units, are estopped from terminating the Collaboration Agreements is untenable. It is submitted that possession of those units was only part-performance of the Corporate Debtor's obligations and did not discharge its obligation to deliver the entire contracted share of units within the stipulated timelines, and that failure to deliver the balance units, coupled with delay in completion, constitutes a continuing and material breach entitling the Applicants to terminate notwithstanding receipt of part consideration. It is submitted that the Applicants cannot be compelled to accept incomplete performance merely because some units were handed over, and that their proprietary rights in the land are not extinguished merely by reason of having accepted such part-performance.

14. On this basis, it is submitted that the objections raised by the Resolution Professional as to non-service of the Termination Letter dated 05.10.2024, the Applicants' locus/authority to terminate, and estoppel by reason of part-performance are misconceived, contrary to record, and liable to be rejected, and the Applicants reiterate their prayer that the Resolution Professional be

directed not to include the Applicants' land and the associated development rights in the Information Memorandum, and that a declaration be made that the said land does not form part of the Corporate Debtor's asset pool and stands excluded from the CIRP.

15. It is observed that an Impleadment Application bearing I.A. No. 4507/2025, filed on behalf of the Financial Creditors, was allowed by this Adjudicating Authority vide Order dated 13.07.2026, thereby granting liberty to the Applicants to file a short note in the instant Application. The relevant extract of the said order dated 13.07.2026 is as follows:

IA-4507/2025

4. Ld. Counsel for the applicant submits that the instant application has been preferred by Financial Creditors comprising 98% of the CoC under Section 60(5) of the Insolvency and Bankruptcy Code, 2016 read with Section 11 of the National Company Law Rules, 2016 seeking its impleadment in IA-3261/2025.

5. The application **is allowed, and disposed of.**

6. The applicant is at liberty to file a short note in IA-3261/2025 within 3 days.

In compliance of the aforesaid order Brief note on behalf of the parties was uploaded on the DMS-e portal on 17.07.2026.

ADDITIONAL SUBMISSIONS ON BEHALF OF THE RESPONDENT/RP

16. Learned counsel for the Respondent/Resolution Professional has filed Additional Written Submissions , in compliance with the order of this Tribunal dated 13.07.2026 (filed in addition to the Brief Note dated 06.07.2026), specifically addressing (i) the treatment of the land of the Applicants and the units allotted to them under the Collaboration Agreements in the CoC-approved Resolution Plan of the Corporate Debtor

dated 12.12.2025, and (ii) the status of 64 units already allotted to the Applicants, and has, in substance, made the following further submissions:

16.1 That despite being creditors of the Corporate Debtor and Santur, and despite being entitled to a balance of 8 units under the governing agreements, the Applicants have failed to file their claims in the insolvency proceedings of either the Corporate Debtor or Santur, which omission is stated to reflect their mala fide intent.

16.2 That the Applicants' rights with regard to the units due to them as consideration under the Collaboration Agreements crystallised as far back as 27.12.2012, when the Corporate Debtor issued a letter confirming the specific units to be allotted to the Applicants in full and final settlement of their share under the Collaboration Agreement with Santur and the Memorandum of Understanding dated 05.04.2012, and that the said allotment was accepted by the Applicants vide the same letter dated 27.12.2012, with confirmation that no further claim or interest remained pending or due to them under the Collaboration Agreements.

16.3 That, as regards the status of the units, out of a total of 72 units promised to the Applicants, 52 units already stand handed over, possession of 3 further units was taken during the course of CIRP, 9 units are complete and have been offered for possession and registry, and the remaining 8 units formed part of the erstwhile Tower-G of the Project, in place of which Towers G1, G2 and J are yet to be constructed as part of a revised building plan.

16.4 That reliance is placed on Clause 4.2.4.6 of the CoC-approved Resolution Plan dated 12.12.2025 submitted by the Successful Resolution Applicant, M/s Darkhorse Properties Pvt. Ltd., which, under the heading "Interest of Stakeholders-Individual Landowners", records that the units already offered to the Applicants (52 handed over, 3 handed over during CIRP, and 12 further units-inclusive of the 9 units referred to above-offered for possession) represent full and final consideration and settlement, that the balance 8 units (forming part of the erstwhile, non-existent Tower-G) are not proposed to be delivered, and that, relying on **Anuj Jain, Interim Resolution Professional for Jaypee Infratech Ltd. v. Axis Bank Ltd., (2020) 8 SCC 401**, the Applicants being landowners classified as "promoters" under RERA and, consequently, as "related parties" of the Corporate Debtor under the Code are not entitled to any further allocation, distribution or benefit under the Resolution Plan in the capacity of creditors, and that upon approval of the Resolution Plan, all rights, title, claims and interests of the Applicants stand fully and finally settled and extinguished.

16.5 That, in light of the foregoing, no occasion for termination of the Collaboration Agreements ever arose; the termination notices were issued during the pendency of the Section 7 application with an ulterior motive; the Resolution Plan expressly provides for handing over full consideration of the allotted units to the Applicants as agreed consideration for the development rights transferred to the Corporate Debtor; the balance 8 units have not been claimed by the Applicants despite the Resolution Professional's communication calling upon them to file a claim; and the Applicants have, in the Resolution Plan, been categorised as co-promoters.

16.6 That, having regard to the letter dated 27.12.2012, whereby the Applicants unequivocally accepted consideration in the form of allotted units against the portion of their land, it is not open to the Applicants to now contend that the Collaboration Agreements stand terminated while simultaneously claiming and retaining the consideration flowing therefrom.

16.7 Reliance is placed on **Victory Iron Works Ltd. v. Jitendra Lohia & Anr., 2023 SCC OnLine SC 260**, wherein it was held that development rights held by a corporate debtor constitute "property"/an "asset" under the Code, and that the Adjudicating Authority has jurisdiction to protect such rights during CIRP.

16.8 Further reliance is placed on **Brajesh Kumar Tripathi v. Hasti Mal Kachhara, 2026 SCC OnLine NCLAT 931**, decided on 13.07.2026, wherein the NCLAT held that the subject land formed an integral part of a composite, approved real estate project and could not be segregated without prejudicing homebuyers and defeating the resolution process, that the landowner's prolonged silence amounted to acquiescence, and that a belated unilateral termination issued just prior to insolvency, despite a non-termination clause, was invalid.

16.9 Further reliance is placed on **Ishan Singh v. Narender Kumar Sharma, 2026 SCC OnLine NCLAT 593**, decided on 11.05.2026, wherein the NCLAT held that inter se disputes between a landowner and a developer could not justify exclusion of project assets from the CIRP valuation or the Information Memorandum, particularly where allottees had acquired statutory rights and extensive third-party interests had been created.

16.10 Further reliance is placed on **Nilesh Sharma v. Mordhwaj Singh, 2024 SCC OnLine NCLAT 2920**, wherein the NCLAT held that development rights held by a corporate debtor constitute "property" under Section 3(27) of the Code.

17. On this basis, it is submitted on behalf of the Respondent/Resolution Professional that, having regard to the above facts and circumstances, the present Application deserves to be dismissed in limine.

ADDITIONAL SUBMISSIONS ON BEHALF OF THE FINANCIAL CREDITORS / RESPONDENT NO. 2

18. Learned counsel for IDBI Trusteeship Services Limited, on behalf of the majority Financial Creditors (impleaded as Respondent No. 2 vide order dated 13.07.2026 passed on I.A. No. 4507 of 2025), has filed Written Submissions, and has, in substance, made the following submissions:

18.1 That although the Applicants seek to portray the dispute as one concerning ownership of land, the substantive relief sought is the exclusion, from the

Information Memorandum and the CIRP, of development rights that stand vested in the Corporate Debtor.

18.2 That development rights created in favour of a corporate debtor constitute "property" under Section 3(27) of the Code and an asset required to be preserved and included in the Information Memorandum, the present case being submitted to be squarely covered by **Victory Iron Works Ltd. v. Jitendra Lohia, (2023) 7 SCC 227**, **Nilesh Sharma, Resolution Professional**, **Today Homes and Infrastructure Pvt. Ltd. v. Mordhwaj Singh & Ors., 2024 SCC OnLine NCLAT 2920** (upheld by the Supreme Court by order dated 01.08.2025 in **C.A. (Diary) No. 51264 of 2024)**, and **Brajesh Kumar Tripathi v. Hasti Mal Kachhara, C.A.(AT)(Ins.) Nos. 938-939 of 2026**, decided on 13.07.2026.

18.3 That the Applicants, having voluntarily executed the Collaboration and Development Agreements, granted possession and irrevocable development rights, and accepted 72 built-up units as consideration (of which possession of 52 units already stands granted, possession/registration of 12 units is in process, and 8 units remain unconstructed), cannot now seek restoration of the development rights while continuing to retain the contractual consideration, invoking the doctrine that a party who has knowingly accepted the benefits of a contract is estopped from denying its validity or binding effect, with reliance on **Union of India v. N. Murugesan, (2022) 2 SCC 25**, and **Rajasthan State Industrial Development and Investment Corporation v. Diamond & Gem Development Corporation Ltd., (2013) 5 SCC 470**.

18.4 That the Project Land forms part of a single, integrated group housing project comprising eight towers and 537 residential units, of which approximately 526 units have been sold and 451 are occupied, and that, on the principle recognised in **Brajesh Kumar Tripathi (supra)**, segregation of an individual parcel at this stage, after statutory approvals and homebuyers' rights have crystallised, would fundamentally impair the sanctioned project and cause irreparable prejudice to the homebuyers and other stakeholders.

18.5 That the present Application is not bona fide, inasmuch as the Termination Letters dated 27.09.2024, 30.09.2024 and 05.10.2024 were issued shortly after the order admitting the Corporate Debtor into CIRP was first reserved on 24.09.2024 (subsequently de-reserved on 16.12.2024, reserved again on 06.01.2025, and the Corporate Debtor admitted into CIRP on 08.01.2025, with the present Application filed only on 07.07.2025), and that the Termination Letters themselves are stated to expressly rely upon the pending insolvency proceedings as a ground for termination, indicating that they were issued in anticipation of CIRP with a view to removing valuable development rights from the insolvency estate.

18.6 That the validity of the Termination Letters is ex facie doubtful, since the governing Agreements, including Clauses 20, 29 and 34 of the Collaboration Agreement dated 30.12.2006, Clause 5(c) of the Agreement to Sell dated 04.04.2012, Clause 7.5 of the Memorandum of Understanding dated 05.04.2012, and Clause 19 of the General Power of Attorney dated 25.04.2012, expressly record that the landowners shall not cancel or back out of the Agreements under any circumstances; that the Termination Letters are identically worded unilateral communications not joined in by all contracting landowners; and that Applicant Nos. 3 and 4 have not placed on record sufficient documents establishing their claimed succession to the rights of Late Ms. Sunheri Devi.

18.7 That the Applicants admittedly did not lodge any claim before the Resolution Professional during the CIRP, and that any entitlement claimed by them must accordingly be considered, if at all, in terms of the Code and the Resolution Plan, and cannot furnish a basis to reclaim the development rights or segregate the Project Land outside the CIRP.

18.8 That the sequence of events, the identically worded Termination Letters, and the nature of the reliefs sought bear the hallmarks of an attempt, in conjunction with the erstwhile promoters, to remove a valuable asset of the Corporate Debtor from the CIRP, which, if permitted, would defeat the resolution process and impair the security interest of the Financial Creditors as well as the interests of the homebuyers.

19. On this basis, the Financial Creditors/Respondent No. 2 pray that the present Application be dismissed.

ANALYSIS AND FINDINGS

20. On a conspectus of the record, three distinct questions fall for determination: **first**, whether the development rights over the subject land constitute "property" or an "asset" of the Corporate Debtor within the meaning of Section 3(27) of the Code, such that their inclusion in the Information Memorandum was permissible in law; **second**, whether the purported unilateral termination of the Collaboration Agreements by the Applicants was valid and effective so as to divest the Corporate Debtor of such rights; and **third**, whether, independent of the above, the Applicants are in any event disentitled to the relief claimed on grounds of estoppel, acquiescence, and conduct.

21. Section 60(5)(c) of the Code confers on this Tribunal jurisdiction to entertain "*any question of priorities or any question of law or facts, arising out of or in relation to the insolvency resolution... proceedings*" of the corporate debtor. Section 18(1)(f) casts a duty on the Interim Resolution Professional to take control and custody of "any asset over which the corporate debtor has ownership rights as recorded in the balance sheet", including assets over which the corporate debtor has "any other interest", subject to the Explanation thereto, which excludes assets owned by a third party in possession of the corporate debtor held under contractual/statutory arrangements not amounting to security interest. Section 25(2)(a) obliges the Resolution Professional to take control and custody of the assets of the corporate debtor.

22. The definition of "property" under Section 3(27) of the Code is deliberately wide and inclusive, extending to "every description of interest including present or future or vested or contingent interest arising out of, or incidental to, property."

23. It is by now well settled, as held by the Supreme Court in **Victory Iron Works Ltd. v. Jitendra Lohia & Anr., (2023) 7 SCC 227**, and consistently followed by the NCLAT in **K.H. Khan & Anr. v. Art Constructions Pvt. Ltd. & Ors. 2024 SCC OnLine NCLAT 2914**, **Nilesh Sharma v. Mordhwaj Singh, 2024 SCC OnLine NCLAT 2920**, and **Brajesh Kumar Tripathi v. Hasti Mal Kachhara, 2026 SCC OnLine NCLAT 931**, that development rights created in favour of a corporate debtor under a collaboration or development agreement constitute "property" within the meaning of Section 3(27) of the Code, and that a Resolution Professional is obliged, under Sections 18 and 25 read with Regulation 36 of the CIRP Regulations, to reflect such rights in the Information Memorandum, together with appropriate disclosure of any attendant dispute, rather than to exclude them altogether on an *ex-parte* assessment of a disputed claim of termination.

24. This Tribunal, through Bench-IV, has itself taken an identical view in **Vivek Khanna & Ors. v. M/s Spaze Towers Private Limited**, **I.A. No. 438/2025 in C.P.(IB) 284/ND/2021**, holding that development rights which have already crystallised and been substantially exercised by a corporate debtor including through construction and third-party allotments do not stand automatically extinguished merely upon an alleged, unilateral termination of the underlying collaboration agreement.

25. On the admitted facts of the present case, the development rights over the subject land were not merely inchoate: the Corporate Debtor has, pursuant to the Collaboration Agreements, constructed and handed over 52 units, has 12 further units at or near completion (of which 3 were handed over and 9 offered for possession during the currency of CIRP itself), and has mortgaged

the project land, including the subject land, in favour of a secured financial creditor.

26. Rights of this nature, exercised over more than a decade and relied upon by third parties (allottees and secured creditors alike), plainly constitute "property" of the Corporate Debtor for the purposes of the Code, regardless of the ultimate fate of the dispute over termination. The Resolution Professional cannot be faulted, in law, for including such rights, together with the pending dispute, in the Information Memorandum; indeed, the statutory scheme of Sections 18, 25 and 29 read with Regulation 36 obliged him to do so.

27. On a plain reading of the documents placed on record, the Collaboration Agreement dated 30.12.2006 and the connected instruments contain repeated and unambiguous covenants of irrevocability: Clause 20 records that the owners "will not cancel or back out from this agreement under any circumstances," providing specific performance as the sole remedy; Clause 29 records that the agreement "shall not be revoked or cancelled" so long as the parties perform their obligations; Clause 7.5 of the Memorandum of Understanding dated 05.04.2012 records that the parties "agree to remain forever bound" by its terms; and Clause 19 of the General Power of Attorney dated 25.04.2012 expressly declares the instrument "irrevocable", surviving even the demise of the executants.

28. None of these documents contains any clause conferring upon the landowners a right of unilateral termination; on the contrary, the stipulated remedy for delay is compensation/specific performance, and disputes are to be resolved by amicable settlement or arbitration, not by unilateral repudiation.

29. The Applicants' submission that an innocent party cannot be compelled to remain bound where the contract has "lost its substratum" on account of the other side's breach, while correct as a general proposition of contract

law, presupposes a finding on evidence that the breach alleged is indeed fundamental and that the Applicants are the “innocent party”.

30. That, however, is precisely the difficulty with the Applicants’ case on the facts before this Tribunal: out of 72 units to which the Applicants were collectively entitled, 52 already stood handed over well before the purported termination, and a further 12 were at or near completion; the letter dated 27.12.2012 (relied upon by the Resolution Professional and not seriously disputed by the Applicants) records the Applicants’ own acceptance, in full and final settlement, of specific units allotted to them; and Applicant No. 2 continued, even after the purported termination, to correspond with the Resolution Professional on 06.05.2025 and 09.08.2025 seeking status of specific flats due to her under the very same Collaboration Agreements.

31. Conduct of this description is manifestly inconsistent with a bona fide claim of termination and lends considerable support to the case set up by the Resolution Professional and the Financial Creditors that the termination notices dated 27.09.2024, 30.09.2024 and 05.10.2024, issued in close proximity to the reservation of orders on, and eventual admission of, the Section 7 Petition, were engineered with a view to extricating a valuable asset from the insolvency estate rather than reflecting any genuine, contemporaneous grievance.

32. That apart, and independently of the above, this Tribunal is unable to lose sight of the fact that the question of the validity, adequacy of service, and legal effect of the termination notices, set against express covenants of irrevocability, a registered Sale Deed dated 03.04.2013 in respect of Applicant No. 1’s share, a subsisting third-party mortgage, and disputed questions as to Applicant Nos. 3 and 4’s claimed succession, is quintessentially a question of contractual and civil title, requiring appreciation of evidence and, potentially, cross-examination, which this Tribunal, exercising summary jurisdiction under Section 60(5) of the Code, is neither equipped nor intended to undertake.

33. The residuary jurisdiction of the Adjudicating Authority under Section 60(5)(c), though wide, must bear a nexus with the insolvency resolution process and cannot be so expansively read as to convert this Tribunal into a forum for adjudication of disputed civil claims of title and termination inter se private parties, particularly where, as here, the documents themselves prescribe arbitration/civil suit as the mode of redressal.

34. Reference in this behalf may usefully be made to **Embassy Property Developments Pvt. Ltd. v. State of Karnataka & Ors., (2020) 13 SCC 308**, and **Gujarat Urja Vikas Nigam Ltd. v. Amit Gupta & Ors., (2021) 7 SCC 209**. Consequently, even on this ground alone, the reliefs claimed, which require this Tribunal to conclusively pronounce upon the validity of the termination and thereby divest the Corporate Debtor of vested development rights, travel beyond the scope of a Section 60(5) application and are not maintainable in the present form.

35. Independent of the foregoing, the Applicants are, in the view of this Tribunal, disentitled to the relief claimed on the settled principle that a party who has knowingly accepted the benefits flowing from a contract cannot, in the same breath, repudiate the contract and reclaim what was given in consideration for it (**Union of India v. N. Murugesan (supra)**; **Rajasthan State Industrial Development and Investment Corporation v. Diamond & Gem Development Corporation Ltd., (supra)**).

36. The Applicants have, on the record, accepted possession of 52 units, permitted a further 3 units to be handed over during CIRP, and have not disputed their entitlement to 9 further completed units, the totality of which, per Clause 4.2.4.6 of the CoC-approved Resolution Plan dated 12.12.2025, has been treated as full and final consideration for the development rights transferred. Having accepted the substantial fruits of the very agreements they now seek to repudiate, the Applicants cannot, consistent with the doctrine of election, simultaneously retain such consideration and reclaim the underlying land or the development rights created thereover.

37. Further, the conduct of the Applicants in addressing communications to Prospective Resolution Applicants, causing a public notice to be published on 01.07.2025, and causing a board to be affixed at the project site, each asserting exclusion of the subject land from the project, while an application seeking the very same relief was, and remains, sub judice before this Tribunal, is conduct that this Tribunal cannot countenance.

38. Such unilateral, extra-judicial assertions vis-à-vis third parties, made in respect of an asset forming the subject matter of pending proceedings before the Adjudicating Authority, and in relation to a project comprising 537 units of which over 526 have been sold and 451 occupied, are apt to derail an advanced-stage resolution process and cause serious prejudice to homebuyers and secured creditors alike, and reinforce this Tribunal's assessment that the present Application, and the conduct attending it, are not bona fide.

39. Finally, it is not disputed that the Applicants, despite being aware of the CIRP of both the Corporate Debtor and Santur, and despite the Resolution Professional's calling upon them to do so, have failed to lodge any claim in either insolvency proceeding, whether as creditors in respect of the balance 8 units or otherwise. Any entitlement that the Applicants may have, including in respect of the 8 units forming part of the erstwhile Tower-G, now to be reconstituted as Towers G1, G2 and J, must be agitated, if at all, by way of a claim before the Resolution Professional/in terms of Section 53 of the Code and the framework of the approved Resolution Plan, and furnishes no basis for exclusion of the development rights from the CIRP or the Information Memorandum.

40. For the reasons aforesaid, this Tribunal finds no merit in the Application, whether tested on the touchstone of the statutory scheme of the Code (Sections 3(27), 18, 25 and 29 read with Regulation 36 of the CIRP Regulations, and the limited scope of Section 60(5)(c)), or on the facts and conduct borne out by the record.

ORDER

41. Having considered the submissions of the parties and the material on record, this Tribunal is of the view that the development rights held by the Corporate Debtor over the subject land admeasuring 3.9812 acres constitute "property" of the Corporate Debtor within the meaning of Section 3(27) of the Code, and have been correctly included, together with disclosure of the attendant dispute, in the Information Memorandum by the Resolution Professional in discharge of his statutory obligations under Sections 18, 25 and 29 of the Code read with Regulation 36 of the CIRP Regulations.

42. This Tribunal is further of the view that the questions of title, validity and effect of the purported termination of the Collaboration Agreements raise disputed questions of fact and contractual interpretation that are not amenable to summary adjudication under Section 60(5) of the Code, and that, independent thereof, the Applicants are **disentitled to the reliefs claimed on grounds of estoppel and conduct inconsistent with the case of termination set up by them and other submissions recorded as above**.

43. **In view of the foregoing, I.A. No. 3261/2025 is rejected, both in law and on merits, with the following clarifications**:

a) It is clarified that the dismissal of the present Application shall not preclude the Applicants from lodging an appropriate claim before the Resolution Professional in terms of Section 53 of the Code and the framework of the approved Resolution Plan, in respect of any entitlement.

b) It is clarified that the above findings/directions are confined to the limited question raised in the present Application and shall not be construed as an expression of opinion on the merits of any claim that either party may otherwise be entitled to pursue before the appropriate forum, including any claim to be filed by the Applicants with the Resolution Professional in the ongoing CIRP.

I.A. No. 3261/2025 stands disposed of accordingly. No order as to costs.

Sd/-
(ANUPINDER SINGH GREWAL)
(PRESIDENT)

Sd/-
(RAVINDRA CHATURVEDI)
MEMBER (TECHNICAL)